



GREENVALE ENERGY LIMITED

A.B.N. 54 000 743 555

INTERIM FINANCIAL REPORT

HALF-YEAR ENDED
31 DECEMBER 2016

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CORPORATE DIRECTORY

DIRECTORS

Elias (Leo) Khouri (Chairman)
Justin Dibb (Non-Executive Director)
Phillip Shamieh (Non-Executive Director)
Michael Povey (Non-Executive Director)
Vince Fayad (Executive Director)

COMPANY SECRETARY

Vince Fayad

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AUDITORS

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STOCK EXCHANGE

Australian Securities Exchange
Level 40, Central Park
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Perth, WA 6000

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GRV

Directors' Report and Review of Operations

The Directors present this report together with the financial report of Greenvale Energy Limited ("Greenvale" or "the Company") and its consolidated entities (the "Group") for the half year ended 31 December 2016 and the auditors' report thereon.

DIRECTORS

The directors of the Company are:

Elias Khouri (Chairman)
Justin Dibb (Non-Executive Director)
Phillip Shamieh (Non-Executive Director)
Michael Povey (Non-Executive Director)
Vince Fayad (Executive Director and Company Secretary)

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the course of the year was mineral exploration activities in Queensland and the review of suitable related technologies. There were no significant changes in the nature of Greenvale's principal activities during the half year period.

RESULT AND REVIEW OF OPERATIONS

The loss for the Group after income tax for the six months to December amounted to \$265,967 (2015: Loss of \$371,989) and the net assets of the Group was \$2,885,286 (June 2016: \$3,151,253).

The loss for the year was largely attributable to:

- ongoing corporate and administrative costs; and
- an exclusivity fee of \$50,000 in relation to a potential transaction. This transaction did not progress – refer to the review of operations section below.

No dividends were declared or paid during the half-year ended 31 December 2016.

EVENTS SUBSEQUENT TO REPORTING DATE

No events have occurred since balance date which would affect the financial or operating affairs of the Company or the Group.

REVIEW OF OPERATIONS

Alpha Tenement

During the financial period, the Company made an application for the renewal of its main licence owned – MDL 330. The Company is still waiting for confirmation by the relevant Mines Department in Queensland if its application has been successful. The Company remains confident that such licence will be successful.

During the period, the Company finalised its exploration programme and commenced the preliminary stages of the ground survey to be undertaken in January. To this end, Company has organised the contract surveyor who has been provided with:

- lease documents for MDL 330 and EPM 25795;
- old topo data and coordinates of all points of observation;
- landholders details; and
- list of the closest Government survey benchmarks to the area that could be used for future survey reference

In addition, a search for updated topography and cadastral information and permission for land access is also underway.

Full details of the above exploration programme can be found in the announcement dated 9 January 2017.

Strategic Direction

The Board of the Company continues to evaluate various projects both in Australia and abroad.

The Company did find a project that meet its investment criteria. However, the possible transaction was going to require Company to be subject to the re-listing rules, which the Board felt was not in the best interests of its shareholders and for this reason did not proceed with the transaction. The Board continues to review for new opportunities.

Mr Michael Povey continues to deal with the technical activities of the Company and Mr Vince Fayad is responsible for corporate and financial matters.

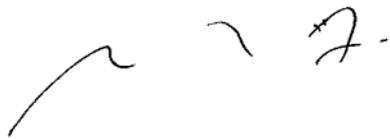
Corporate

During the period, Company continued to invest its cash resources in term deposits.

AUDITORS DECLARATION

The lead auditor's independence declaration has been received under section 307C of the Corporations Act 2001 and is included within this financial report on page 5.

This report is signed in accordance with a resolution of the Board of Directors.



Vince Fayad
Director
Dated this 13 day of March 2017

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Greenvale Energy Limited for the half year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

**RSM AUSTRALIA PARTNERS****C J Hume**
Partner

Sydney, NSW

Dated: 13 March 2017

GREENVALE ENERGY LIMITED
A.B.N. 54 000 743 555

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	Half-Year Ended 31 Dec 2016 \$	Half-Year Ended 31 Dec 2015 \$
Interest income	3	33,169	6,480
TOTAL REVENUE		33,169	6,480
Administrative expenses		(103,326)	(26,436)
Directors and employees		(107,500)	(151,500)
Consultancy and legal expenses		(16,200)	(104,997)
Compliance and regulatory fees		(22,110)	(20,634)
Exclusivity fee		(50,000)	-
Exploration expenses		-	(52,488)
Interest expense		-	(14,452)
Foreign currency translation		-	(7,962)
TOTAL EXPENSES		(299,136)	(378,469)
LOSS BEFORE INCOME TAX		(265,967)	(371,989)
Income tax expense		-	-
LOSS AFTER INCOME TAX		(265,967)	(371,989)
Other Comprehensive Income		-	-
Total Comprehensive Income		(265,967)	(371,989)
(Loss) attributable to:			
- Members of Greenvale Energy Ltd		(265,957)	(371,989)
- Non – controlling interest		(10)	-
		(265,967)	(371,989)
Total comprehensive (loss) attributable to:			
Members of Greenvale Energy Ltd		(265,957)	(371,989)
Non – controlling interest		10	-
		(265,967)	(371,989)
Basic loss per share (cents)		(0.28)	(0.40)
Diluted loss per share (cents)		(0.21)	(0.40)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the attached notes to the financial statements

GREENVALE ENERGY LIMITED
A.B.N. 54 000 743 555

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	As at 31 Dec 2016 \$	As at 30 June 2016 \$
CURRENT ASSETS			
Cash and cash equivalents		2,141,312	2,521,002
Trade and other receivables		39,094	20,358
Other current assets		2,327	-
TOTAL CURRENT ASSETS		<u>2,182,734</u>	<u>2,541,360</u>
NON-CURRENT ASSETS			
Other receivables		7,500	7,500
Exploration and evaluation expenditure		827,132	719,068
TOTAL NON-CURRENT ASSETS		<u>834,632</u>	<u>726,568</u>
TOTAL ASSETS		<u>3,017,365</u>	<u>3,267,928</u>
CURRENT LIABILITIES			
Trade and other payables		132,079	116,675
TOTAL CURRENT LIABILITIES		<u>132,079</u>	<u>116,675</u>
TOTAL LIABILITIES		<u>132,079</u>	<u>116,675</u>
NET ASSETS		<u>2,885,286</u>	<u>3,151,253</u>
EQUITY			
Issued capital	4	12,746,247	12,746,247
Reserves		23,945	23,945
Retained losses		(9,884,896)	(9,618,939)
Total equity interests applicable to the members of the parent company		2,885,296	3,151,253
Non – Controlling Interest		(10)	-
TOTAL EQUITY		<u>2,885,286</u>	<u>3,151,253</u>

The Statement of Financial Position is to be read in conjunction
with the attached notes to the financial statements

GREENVALE ENERGY LIMITED
A.B.N. 54 000 743 555

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Issued Capital	Options Reserve	Accumulated Losses	Non Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2016	12,746,247	23,945	(9,618,939)	-	3,151,253
Net (loss) for the half year	-	-	(265,967)	-	(265,967)
Other comprehensive income	-	-	-	-	-
Non – controlling interest	-	-	10	(10)	-
Total comprehensive income	-	-	(265,957)	(10)	(265,967)
Balance at 31 December 2016	<u>12,746,247</u>	<u>23,945</u>	<u>(9,884,896)</u>	<u>(10)</u>	<u>2,885,286</u>

	Issued Capital	Option Reserve	Accumulated Losses	Non Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2015	12,746,247		(9,222,782)	-	3,523,465
Net (loss) for the half year	-	-	(371,989)	-	(371,989)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	(371,989)	-	(371,989)
Options issued	-	23,945	-	-	23,945
Balance at 31 December 2015	<u>12,746,247</u>	<u>23,945</u>	<u>(9,594,771)</u>	<u>-</u>	<u>3,175,421</u>

The Statement of Changes in Equity is to be read in conjunction
with the attached notes to the financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Half-Year Ended 31 Dec 2016 \$	Half-Year Ended 31 Dec 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(258,569)	(1,260,913)
Interest received	16,964	776
Interest paid	-	(14,452)
NET CASH (USED IN) OPERATING ACTIVITIES	(241,605)	(1,274,589)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(93,085)	(52,299)
Exclusivity fee	(45,000)	-
Proceeds from sale of tenements	-	4,000,000
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	(138,085)	3,947,701
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of convertible notes	-	(229,902)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	-	(229,902)
Net increase/(decrease) in cash held	(379,690)	2,443,210
Cash at the beginning of the financial year	2,521,002	34,030
CASH AT THE END OF THE HALF-YEAR	2,141,312	2,477,240

The Statement of Cash Flows is to be read in conjunction
with the attached notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFIGANT ACCOUNTING POLICIES

Greenvale Energy Limited is a Company domiciled in Australia. This interim financial report of the consolidated entity is for the half-year ended 31 December 2016.

BASIS OF PRESENTATION

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the consolidated entity as in the full financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by Greenvale Energy Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period, except as disclosed below.

New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

2. SEGMENT INFORMATION

This report is based on the Company operating on one segment only. That segment is minerals exploration in Australia. In accordance with AASB 8 *Operating Segments*, a management approach to reporting has been applied.

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE

	Half-Year Ended 31 Dec 2015	Half-Year Ended 31 Dec 2015
	\$	\$
Interest income	33,169	6,480

The consolidated entity is in the exploration phase and does not have any external customers.

4. ISSUED CAPITAL

	Number of Shares	\$
At the beginning of the financial period	93,955,357	12,746,247
Changes during the period	-	-
At end of reporting period	93,355,357	12,746,247

5. DIVIDENDS

No dividends have been paid or declared during the half-year.

6. SUBSEQUENT EVENTS

There are no other items, transactions or events that have occurred since 31 December 2016 that are of a material and unusual nature that, in the opinion of the Directors, are likely to affect significantly, the results of those operations, or the state of affairs of the Company entity in future financial years.

7. Contingent LIABILITIES

There have been no material changes in contingent liabilities since the last reporting date.

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s303(5) of the Corporations Act 2001.



Director

Dated this 13th day of March 2017

INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF****GREENVALE ENERGY LIMITED****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Greenvale Energy Limited which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Greenvale Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Greenvale Energy Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Greenvale Energy Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



C J HUME
Partner

Sydney, NSW
Dated: 13 March 2017