

Greenvale Energy Limited

Update to Quarterly Activities Report March 2020

ASX Release

24 April 2020

Greenvale Energy Limited (ACN 000 743 555) (the **Company**) advises that the Appendix 5B released earlier today had been prepared using a previous version of the Appendix 5B document.

Enclosed is the updated version of the Appendix 5B.

The Company notes that there have been no changes to the amounts used between both versions.

The Quarterly Activities and Cashflow Statement together with the Appendix 5B have been approved by the Board of Greenvale Energy Ltd.

For enquiries, please contact:

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Greenvale Energy Limited

Quarterly Activities Report March 2020

ASX Release

24 April 2020

Highlights

- No field work undertaken for either the Alpha or Gold Basin Projects during the quarter.
 - Company continues to work on the ownership structure of the Gold Basin Project for the purposes of forming the joint venture and there is a pending change in ownership of the Gold Basin Project, resulting in one entity owning effectively 75% of the Project. However, GRV retains effective control over the project.
 - Retirement of two directors (Justin Dibb and Phillip Shamieh) and appointment of Julian Gosse as a Non Executive Director.
 - Placement of 12.9 million shares raising \$180,000 completed.
 - Company has commenced reviewing other opportunities to diversify its asset portfolio.
 - Capital raising for all shareholders being considered.
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Greenvale Energy Limited (ASX: GRV or the Company) provides the following update on its activities for the 31 March 2020 quarter (the “Quarter”):

Gold Basin Project

Activities

No field work has been undertaken on the Gold Basin Project during the quarter.

Ownership

The following key events occurred during the quarter:

- as advised on 16 March 2020, the Company continues to work with the owner of the Gold Basin project claims, Aurum Exploration Inc to transfer the ownership of the various claims into a joint venture structure. Aurum has expressed a concern over the proposed structure put forward by GRV's tax advisers and have indicated a preference for an alternative structure. GRV is waiting on a formal response from Aurum in relation to its proposed structure.

It is noted that following the transfer, Greenvale Gold Basin Pty Ltd (**GGB**), a company to be 50.01% owned by GRV and 49.99% owned by New England Metals Pty Ltd (**NEM**) will own 50.01% of the interests in the Gold Basin Project, with the other 49.99% owned by Aurum.

Implementation of the ownership structure is important to proceed with the implementation of work programs and funding of the joint venture between the various parties who have an equity position in the Gold Basin Project.

- during the quarter, a private entity looking to list on the Canadian Securities Exchange has announced the intended acquisition of the shares in Aurum plus 49.99% shareholding in NEM

giving it an effective interest in the Gold Basin Project. The Company has been advised that neither purchase has closed. Should the above transactions close, this will give the new owner effective ownership of approximately 75% of the Gold Basin Project. Notwithstanding the above ownership, if closed, GRV maintains control over the project.

Alpha Project

Activities

No field work has been undertaken on the Gold Basin Project during the quarter.

Changes to licence conditions and way forward strategy

As announced during the quarter, the Company has lodged with the Department of Natural Resources, Mines and Energy, in Queensland (**DNMRE**), a submission to undertake a revised program of works and to seek an adjustment to the minimum commitment costs for the remaining two year term of its licence.

A review of the Alpha Resources exploration work plan is being undertaken and open cut mining and processing options are being considered. Further information will be provided once the DNMRE and other stakeholders have been consulted further. The Company believes that submission has been well received and is in the process of providing follow-up information to the DNMRE.

Upon confirmation from the DNMRE that the proposed work program is reasonable, the Company will provide full details of its licence condition, project development strategy and proposed work plan as soon as possible. SRK Australia and Ardent Group are supporting this process.

Corporate activities

Director changes

During the quarter, Messrs Phillip Shamieh and Justin Dibb retired as Directors.

Julian Gosse was appointed a Non Executive Director.

Placement

On the 13th March 2020, the Company completed a placement of approximately 12.9 million shares at a price of 1.4 cents per share or \$180,000. The placement was made under Listing Rule 7.1 and 7.1A. The placement was used for working capital.

Acquisitions

The Company has been reviewing other potential investment opportunities to diversify its asset base.

Capital raising – rights issue

The Board remains committed to a capital raising/rights issue. The final quantum is pending clarification of the ownership of the Gold Basin Project and the DNMRE submission and any new acquisitions identified.

Contact details

For further information, please contact:

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GREENVALE ENERGY LIMITED

ABN

54 000 743 555

Quarter ended ("current quarter")

March 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(22)	(131)
	(b) development		
	(c) production		
	(d) staff costs	(9)	(27)
	(e) administration and corporate costs	(41)	(163)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(72)	(321)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation (if capitalised)		
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) investments		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	180	180
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(2)	(17)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (Deposits in advance)	(90)	-
3.10 Net cash from / (used in) financing activities	88	163

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	184	358
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(72)	(321)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	88	163

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	200	200

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	200	184
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	200	184

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
16
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	-	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(72)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(72)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	200
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	200
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A, but please see comments in the activities statement re future capital raising.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2020

Authorised by: By the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.