



Greenvale
MINING LIMITED

GREENVALE MINING LIMITED

A.B.N. 54 000 743 555

INTERIM FINANCIAL REPORT

**HALF-YEAR ENDED
31 DECEMBER 2021**



TABLE OF CONTENTS

| | |
|---|----|
| Corporate Directory | 2 |
| Directors' Report and Review of Operations | 3 |
| Auditor's Independence Declaration | 9 |
| Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income | 10 |
| Condensed Consolidated Statement of Financial Position | 11 |
| Condensed Consolidated Statement of Changes in Equity | 12 |
| Condensed Consolidated Statement of Cash Flows | 13 |
| Notes to the Condensed Consolidated Financial Statements | 14 |
| Directors' Declaration | 24 |
| Independent Auditor's Review Report | 25 |



CORPORATE DIRECTORY

DIRECTORS

Tony Leibowitz (Chairman and Non-Executive Director)
Neil Biddle (Managing Director)
Elias (Leo) Khouri (Non-Executive Director)
Dagmar Parsons (Non-Executive Director)
Mark Turner (Executive Director)

COMPANY SECRETARY

Alan Boys

REGISTERED OFFICE

130 Stirling Hwy
North Fremantle WA 6159

Ph: +61 (8) 6215 0372

SHARE REGISTRY

Link Market Services
Level 12, 680 George Street
Sydney NSW 2000

Ph: +61 (2) 8280 7111
Fax: +61 (2) 9287 0303

AUDITORS

RSM Australia Partners
Level 13, 60 Castlereagh Street
Sydney NSW 2000

STOCK EXCHANGE

Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

ASX CODE

GRV



DIRECTORS' REPORT AND REVIEW OF OPERATIONS

The Directors present this report together with the financial report of Greenvale Mining Limited (“**Greenvale**” or “**the Company**”) and its consolidated entities (the “**Group**”) for the half year ended 31 December 2021 and the auditors’ report thereon.

DIRECTORS

The directors of the Company are:

Tony Leibowitz (Chairman and Non-Executive Director)
Neil Biddle (Managing Director)
Elias (Leo) Khouri (Non-Executive Director)
Dagmar Parsons (Non-Executive Director)
Mark Turner (Executive Director) appointed 10 January 2022

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the course of the period was mineral exploration activities in Queensland and in the Northern Territory of Australia.

RESULT AND REVIEW OF OPERATIONS

The loss for the Group after income tax for the six months to December 2021 amounted to \$5,255,948 (December 2020: profit of \$462,102) and the net assets of the Group were \$13,723,523 (June 2021: \$13,274,634).

The Group incurred expenses of \$5,341,981 for the period (2020: \$584,797), which included an amount of \$4,666,488 being equity settled employee expense attributable to the grant of Performance Rights (2020: \$nil) and administrative expenses of \$276,927 (2020: \$85,938).

No dividends were declared or paid during the half-year ended 31 December 2021.

EVENTS SUBSEQUENT TO REPORTING DATE

Events that have occurred since the end of the period include:

- On 10 January 2022, Mr. Mark Turner was appointed an Executive Director of the Company and General Manager of the Alpha Torbanite project. Mr Turner is a highly experienced engineer with over 20 years energy experience with a track record of major project delivery in the oil and gas, water and power and renewables industry.
- On 9 March 2022, the Company announced its maiden JORC Mineral Resource Estimate for its Alpha Torbanite project, prepared by SRK Consultants. Full details are contained in the Company’s ASX releases of 9 and 10 March 2022.
- On 9 March 2022, the Company announced that it had made application for four geothermal licences and for corresponding mineral rights on four locations in Queensland, as part of an enhanced renewable energy strategy the Company was proposing for the Alpha project. Further, the development of such resources may lead to additional revenue streams from the sale of surplus carbon credits and related instruments.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the consolidated entity up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and



other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.”

Other than detailed in this report there has not been any other matter or circumstance occurring subsequent to the end of the half year, that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years

COMPETENT PERSONS STATEMENTS

The information in this report relating to the Alpha Torbanite Project is based on and fairly represents information and supporting documentation undertaken by SRK Consulting (Australasia) Pty Ltd. (SRK) and is based on information reviewed by Carl D’Silva, Principal Consultant (Exploration Resources). Mr D’Silva is a Member of The AusIMM and is a full-time employee of SRK.

Mr D’Silva is a geologist with >15 years’ experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of The JORC Code. Mr. D’Silva consents to the inclusion in this Report of the matters based on his information in the form and content in which it appears

The information in this report that relates to Exploration Results and Mineral resources with respect to the Georgina Basin IOCG Project is based on information compiled by Mr. Matthew Healy, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member number 303597). Mr Healy is a full-time employee of the company and is eligible to participate in a performance rights incentive plan of the Company.

Mr. Healy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr. Healy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



REVIEW OF OPERATIONS

Greenvale Mining Limited continued to progress development and exploration activities across both the Alpha Torbanite Project and Georgina Basin IOCG Project during the first half of the financial year, as well as welcoming highly experienced exploration and energy executives to the Company.

Mr. Matthew Healy, a highly skilled geologist and experienced Australian mining executive, was appointed Chief Executive Officer of the Company on 1 September 2021. Mr. Healy has a Master of Science with first-class honours (Geology) from the University of Auckland and over 15 years of experience working at senior levels within major mining companies and a number of ASX-listed explorers.

For the past nine years, Mr. Healy has held the position of Exploration Manager at Round Oak Minerals, a wholly owned subsidiary of Washington H. Soul Pattinson & Co Ltd. As Exploration Manager, he was responsible for the management of a multi-disciplinary team conducting exploration over a 104-tenement holding, covering an area of 3,200km² across four Australian jurisdictions and with an annual exploration budget of up to \$11 million.

On 14 December 2021, the Company announced the appointment with effect from 10 January 2022 of Mr. Mark Turner as Executive Director and General Manager of the Alpha Torbanite Project in Queensland.

Mr. Turner is an engineer with over 20 years of energy experience and a proven track record of major project delivery in the oil & gas, water, power, renewables and nuclear industries, Mr. Turner is a project management specialist who is ideally qualified to lead the technical development of the Alpha Project.

His expertise encompasses all project phases (from concept and feasibility study to completion) and includes approvals, safety, engineering, procurement, contracts, scope, scheduling, cost, quality, risk, reporting, construction and commissioning. Across his career, Mr. Turner has held senior management and executive positions with Jemena Ltd, Wood Group and WorleyParsons.

The impacts of the Covid-19 pandemic were a significant challenge to the Company in the period, presenting logistical challenges to executing field programs, causing significant delays to the delivery of exploration drilling results, assay analysis and interpretation. This has been exacerbated by the significant levels of exploration activity across Australia and the pressure this has placed on all providers in the supply chain.

Whilst this has continued into the new year, with the increasing lifting of Covid-19 restrictions, it is expected that operating conditions will improve and that the Company will be able to progress its projects in a more timely fashion.



ALPHA TORBANITE PROJECT, QLD

The Alpha Torbanite Project is located approximately 50km south of the town of Alpha in Central Queensland. The Alpha torbanite deposit consists of two seams, an upper seam of mostly lower-grade mineralisation with an average thickness of 1.12m and a lower seam containing lenses of torbanite up to 1.9m thick.

The Project has been subject to extensive exploration and laboratory testing since its initial discovery in 1939.

During 2019, SRK Consulting Pty Ltd (“SRK”) was engaged to reassess the project’s commercialisation strategy. SRK’s report set out a potential new development strategy based on the production of a diversified suite of value-added products.

During the first half of the financial year, the Company announced an updated commercialisation pathway for its unique Alpha Torbanite Project in Queensland. The commercialisation strategy was formulated based on encouraging preliminary results from the Company’s sighter testing program, and the outstanding Modified Fischer Assay (MFA) results received in late December.

One of the key changes to Greenvale’s development strategy is a proposal to include green energy production capabilities as part of the Project. This power generation component introduces an important renewable energy aspect to the Project, enhancing its sustainability credentials. Several potential green energy sources are being investigated including wind, solar and geothermal.

The MFA results received in December and detailed in an ASX release dated 8 December 2021, confirmed the high-yielding nature of the project, surpassing internal expectations. A selected sample of the Alpha Torbanite delivered a top yield of 698ltrs per tonne, well above the previously stated upper yield of 650ltrs per tonne. The MFA results rank Alpha among the highest-yielding oil shale deposits in the world and all but confirm the commercial exploitability of the project.

Importantly, the commercialisation, sighter test work and MFA completed to date has confirmed that Alpha can produce a range of synthesised and refined products for sale using proven, off-the-shelf technology including pyrolysis systems. A maiden JORC Mineral Resource Estimate for Alpha is on-track to be delivered in Q1 2022.



GEORGINA BASIN IOCG PROJECT, NT

The Georgina Basin Project, held by Greenvale's wholly owned subsidiary Knox Resources Pty Ltd, has provided a low-cost entry into one of Australia's most significant emerging green-fields exploration regions.

Following the establishment of government funding programs aimed at boosting mineral exploration in northern Australia, significant work was undertaken by the Northern Territory Geological Survey and Geoscience Australia to progress initiatives aimed at unlocking the resource potential of the Barkly and Gulf regions (which includes the Georgina Basin) by upgrading geophysical coverage and data accessibility to assist in understanding the potential for large-scale IOCG mineral systems within the Georgina Basin.

IOCG deposits are an important and highly valuable global source of copper, gold and uranium, as well as having the potential to host other minerals including silver, bismuth, molybdenum, cobalt and rare earth elements.

At the Georgina IOCG Project an extensive ground-based gravity program and a vast airborne geophysical survey was completed, returning highly encouraging results that confirmed and strengthened the large-scale IOCG targets known as the "Twin Peaks".

Most notably, however, was the commencement of the Company's landmark 3,000m diamond drill program. Two holes, KNRDD002 & KNRDD004, were completed by the period end as part of an initial four-hole diamond drill campaign designed to test the exciting "Twin Peaks" coincident magnetic and gravitational anomalies, located in the Company's north-western tenement grouping.

Drill-hole KNRDD002 intersected a sequence of metasedimentary rocks and breccias through the target area, with hematite(-talc), hematite-quartz-chlorite and sericite alteration observed, in line with expectations. Consistent with the Tennant Creek deposit model, drill-hole KNRDD002 showed strong hematitic alteration, chlorite alteration and minimal magnetite, with no significant sulphide minerals observed.

In addition, trace native copper was observed on a slickensided shear (a slickenside is caused by frictional movement between rocks along the sides of a fault), at approximately 732.5m down-hole, which may indicate the presence of metals within fluids responsible for the observed alteration.

The second hole completed, KNRDD004, was drilled to a total depth of 900.9m, intersecting basement rocks at 680.46m down-hole (approximately 600m vertically below surface) comprising hematite and chlorite-altered metasedimentary rocks and breccias.

The intersection of strongly altered rocks, with brecciation and widespread hematite mineralisation, indicates that both Twin Peaks east and west are the result of iron-oxide bearing hydrothermal systems.

The rock types observed are consistent with the regionally important Warramunga Formation, and the alteration observed is similar to the oxidised end-member Tennant Creek-style IOCG deposits. Oxidised end-member Tennant Creek deposits, such as Nobles Nob and Eldorado, tend to be sulphur-poor and hematite-rich, with oxidation of magnetite to hematite.

While the drilling program progressed, the Company conducted desktop reviews of the recently completed gravity and aeromagnetic surveys over the Company's central tenement group (EL32295, EL32283 and EL32284).



These desktop reviews have yielded several new and exciting prospects in the Company's central tenement package, specifically within EL32295.

Greenvale has designed an initial 9-hole drill program for 5,860m to assess three of the promising targets identified within EL32295 – Mawson, Banks, and Leichhardt. A further three contingent holes have been designed for 2,825m.

The three prioritised targets comprise coincident magnetic and gravity anomalies similar to those seen at the Company's "Twin Peaks" prospects and consistent with IOCG deposit models.

Greenvale was also named as the successful applicant, in a competitive application process, for the highly sought-after Exploration Licences EL32280 and EL32281 (partially awarded), containing the National Drilling Initiative holes NDIBK05 and NDIBK10.

The two EL's under application will now progress through the technical assessment component and towards grant.

The two NDI drill-holes are located immediately adjacent to Greenvale's granted tenement EL32295, which was secured as part of the original application submitted by its 100%-owned subsidiary Knox Resources in 2019.

Along with EL32280 and EL32281, the Company has also been approved as the successful applicant has also been approved as the successful applicant to EL32964 and EL32965 by the Department and will now proceed through to assessment and grant, provided all conditions are met.

EL32280, EL32281, EL32964 and EL32965 are of strategic importance to the Company as it looks to advance its works program across its central tenement grouping and secures the newly identified targets of Mawson, Banks, and Leichhardt within the very promising EL32295.

CAPITAL RAISING

During the period the period, the Company issued 3,000,000 Ordinary shares arising from the exercise of 3,000,000 options (Class GRVAO) which raised \$1,050,000 before costs.

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 9.

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

Tony Leibowitz
Chairman
Dated this 14th day of March 2022

RSM Australia Partners

Level 13, 60 Castlereagh Street Sydney NSW 2000

GPO Box 5138 Sydney NSW 2001

T +61 (0) 2 8226 4500

F +61 (0) 2 8226 4501

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Greenvale Mining Limited for the half year ended 31 December 2021, 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

RSM AUSTRALIA PARTNERS

David Talbot

David Talbot
Partner

Sydney, NSW

Dated: 14 March 2022



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

| | Note | Half-Year Ended 31 Dec 2021 \$ | Half-Year Ended 31 Dec 2020 \$ |
|--|------|--------------------------------------|--------------------------------------|
| CONTINUING OPERATIONS | | | |
| Interest income | | 3,580 | 1,888 |
| Other income | | 82,453 | 8,203 |
| Profit from sale in interests in tenements | | - | 1,036,808 |
| TOTAL REVENUE | | 86,033 | 1,046,899 |
| Administrative expenses | | (276,927) | (85,938) |
| Amortisation and depreciation | | (17,801) | (122) |
| Directors and employees | | (246,281) | (393,519) |
| Consultancy and legal expenses | | (10,332) | (6,973) |
| Compliance and regulatory fees | | (84,382) | (47,246) |
| Finance costs | | (3,423) | - |
| Marketing expenses | | (36,347) | (50,999) |
| Share-based payments expense | 11 | (4,666,488) | - |
| TOTAL EXPENSES | | (5,341,981) | (584,797) |
| PROFIT/(LOSS) BEFORE INCOME TAX | | (5,255,948) | 462,102 |
| Income tax expense/revenue | | - | - |
| PROFIT/(LOSS) FOR THE PERIOD | | (5,255,948) | 462,102 |
| Other Comprehensive Income | | - | - |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD | | (5,255,948) | 462,102 |
| Profit/(loss) for the period is attributable to: | | | |
| Owners of Greenvale Mining Limited | | (5,255,948) | 462,102 |
| Outside equity interest | | - | - |
| | | (5,255,948) | 462,102 |
| <i>Earnings per share for loss from continuing operations attributable to the owners of Greenvale Mining Limited</i> | | | |
| Basic income/(loss) per share (cents) | | (1.3) | 0.18 |
| Diluted income/(loss) per share (cents) | | (1.3) | 0.18 |

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



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

| | Note | As at 31 Dec 2021 \$ | As at 30 June 2021 \$ |
|--|------|----------------------------|-----------------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 7,862,849 | 9,854,270 |
| Trade and other receivables | | 216,550 | 130,394 |
| Other assets | | 102,108 | 50,643 |
| TOTAL CURRENT ASSETS | | 8,181,507 | 10,035,307 |
| NON-CURRENT ASSETS | | | |
| Exploration and evaluation expenditure | 3 | 5,719,732 | 3,476,370 |
| Property, plant and equipment | 4 | 650,383 | 71,863 |
| Right-of-use assets | 5 | 169,314 | - |
| TOTAL NON-CURRENT ASSETS | | 6,539,429 | 3,548,233 |
| TOTAL ASSETS | | 14,720,936 | 13,583,540 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 6 | 806,043 | 308,906 |
| Lease liabilities | 5 | 50,619 | - |
| Provisions | | 19,596 | - |
| TOTAL CURRENT LIABILITIES | | 876,258 | 308,906 |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | 5 | 121,155 | - |
| TOTAL NON-CURRENT LIABILITIES | | 121,155 | - |
| TOTAL LIABILITIES | | 997,413 | 308,906 |
| NET ASSETS | | 13,723,523 | 13,274,634 |
| EQUITY | | | |
| Issued capital | 7 | 25,699,045 | 24,432,696 |
| Reserves | 8 | 5,863,939 | 1,425,451 |
| Accumulated losses | | (17,839,461) | (12,583,513) |
| TOTAL EQUITY | | 13,723,523 | 13,274,634 |

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



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

| | Issued Capital \$ | Reserves \$ | Accumulated Losses \$ | Outside Equity Interest \$ | Total Equity \$ |
|---|----------------------------------|------------------------|--------------------------------------|---|--------------------------------|
| Balance at 1 July 2020 | 13,289,481 | - | (11,523,647) | 587,543 | 2,353,377 |
| Net profit for the period | - | - | 462,105 | - | 462,105 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the period | - | - | 462,105 | - | 462,105 |
| Transactions with Owners in their capacity as owners | | | | | |
| Contributions of equity, net of transaction costs | 3,948,291 | | | | 3,948,291 |
| Options reserve | | 154,400 | | | 154,400 |
| Disposal of interest in Gold Basin | | | | (587,543) | (587,543) |
| Balance at 31 December 2020 | 17,237,772 | 154,400 | (11,061,542) | - | 6,330,630 |
| | Issued Capital \$ | Reserves \$ | Accumulated Losses \$ | Outside Equity Interest \$ | Total Equity \$ |
| Balance at 1 July 2021 | 24,432,696 | 1,425,451 | (12,583,513) | - | 13,274,634 |
| Net loss for the period | - | - | (5,255,948) | - | (5,255,948) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the period | - | - | (5,255,948) | - | (5,255,948) |
| Transactions with Owners in their capacity as owners | | | | | |
| Contributions of equity, net of transaction costs | 1,038,349 | - | - | - | 1,038,349 |
| Transfer to issued capital upon exercise of options | 228,000 | (228,000) | - | - | - |
| Equity settled employee payments expense | - | 4,666,488 | - | - | 4,666,488 |
| Balance at 31 December 2021 | 25,699,045 | 5,863,939 | (17,839,461) | - | 13,723,523 |

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



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

| | Note | Half-Year Ended 31 Dec 2021 \$ | Half-Year Ended 31 Dec 2020 \$ |
|---|------|--------------------------------------|--------------------------------------|
| | | <u> </u> | <u> </u> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments to suppliers and employees | | (557,748) | (754,113) |
| Interest received | | 3,580 | 1,887 |
| Exploration Grants | | 36,826 | - |
| Other income | | 8,799 | - |
| | | <u> </u> | <u> </u> |
| NET CASH (USED IN) OPERATING ACTIVITIES | | <u>(508,543)</u> | <u>(752,226)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for exploration expenditure | | (1,808,227) | (257,539) |
| Proceeds/(payment) of tenement bonds | | (94,869) | 7,703 |
| Proceeds from sale of interest in Gold Basin | | - | 1,000,000 |
| Payments for plant and equipment | | (618,131) | - |
| | | <u> </u> | <u> </u> |
| NET CASH PROVIDED BY/ (USED IN) INVESTING ACTIVITIES | | <u>(2,521,227)</u> | <u>750,164</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from capital raisings (net of costs) | | 1,038,349 | 3,750,245 |
| | | <u> </u> | <u> </u> |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | | <u>1,038,349</u> | <u>3,750,254</u> |
| Net increase/(decrease) in cash held | | (1,991,421) | 3,748,183 |
| Cash at the beginning of the financial year | | 9,854,270 | 89,638 |
| | | <u> </u> | <u> </u> |
| CASH AT THE END OF THE HALF-YEAR | | <u>7,862,849</u> | <u>3,837,821</u> |

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFIGANT ACCOUNTING POLICIES

Greenvale Mining Limited is a Company domiciled in Australia. This interim financial report of the consolidated entity is for the half-year ended 31 December 2021.

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 a full 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 2021 and any public announcements made by Greenvale Mining 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.

During the period, the group entered into property leases in Brisbane and Mt Isa. It has adopted AASB 16: Leases, for reporting these contracts. At the lease commencement date, the Group recognises a right-of-use asset and a lease liability in the Statement of Financial Position. The right of use asset is measured at cost and the group depreciates the right of use assets on a straight-line basis to the end of the lease term. The Group also assesses the right to use asset for impairment when such indicators exist.

At the commencement date. The Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using Group's estimated unsecured borrowing rate. The liability will be reduced for payments and increased for interest.

NEW AND REVISED ACCOUNTING REQUIREMENTS

The consolidated entity has adopted all 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 REPORTING

Identification of Reportable Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company is managed on the basis of its development and exploration of the group's mineral interests in the geographical regions of Queensland and Northern Territory, and its corporate activities in Australia.

| Segment Performance – December 2021 | Queensland | Northern Territory | Corporate | Total |
|--|------------------|--------------------|--------------------|--------------------|
| Revenue | \$ | \$ | \$ | \$ |
| Interest revenue | - | - | 3,579 | 3,579 |
| Other income | - | 73,653 | 8,800 | 82,453 |
| Total Group revenue | - | 73,653 | 12,379 | 86,032 |
| EBITDA | (1,025) | 65,940 | (5,299,639) | (5,234,724) |
| Interest expenses | - | - | (3,423) | (3,423) |
| Depreciation & amortisation | - | - | (17,801) | (17,801) |
| Profit/(loss) before income tax | (1,025) | 65,940 | (5,320,863) | (5,255,948) |
| Income tax expense | - | - | - | - |
| Profit/(loss) after income tax | (1,025) | 65,940 | (5,320,863) | (5,255,948) |
| Segment assets | | | | |
| Cash and cash equivalents | 11,914 | 31,348 | 7,819,587 | 7,862,849 |
| Exploration and evaluation expenditure | 3,118,823 | 2,600,909 | - | 5,719,732 |
| Trade and other receivables | 9,145 | 91,977 | 22,095 | 123,217 |
| Plant and equipment | 28,540 | 566,954 | 54,889 | 650,383 |
| Right of use assets | - | 53,762 | 115,552 | 169,314 |
| Other asset | 34,713 | 143,034 | 17,694 | 195,441 |
| Total Group assets | 3,203,135 | 3,487,984 | 8,029,817 | 14,720,936 |
| Segment liabilities | | | | |
| Trade and other payables | (147,068) | (509,978) | (148,587) | (805,633) |
| Provisions | - | - | (19,956) | (19,956) |
| Lease liabilities | - | (53,994) | (117,830) | (171,824) |
| Total Group liabilities | (147,068) | (563,972) | (286,373) | (997,413) |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SEGMENT REPORTING (CONTINUED)

| Segment Performance – December 2020 | Queensland | Northern Territory | Corporate | Total |
|---|--------------|--------------------|----------------|----------------|
| Revenue | \$ | \$ | \$ | \$ |
| Interest revenue | - | - | 1,888 | 1,888 |
| Other income | - | - | 8,203 | 8,203 |
| Profit from sale in interest in tenements | - | - | 1,036,808 | 1,036,808 |
| Total Group revenue | - | - | 1,046,897 | 1,046,897 |
| EBITDA | (820) | (5,739) | 468,783 | 462,224 |
| Depreciation & amortisation | - | (122) | - | (122) |
| Profit/(loss) before income tax | (820) | (5,861) | 468,783 | 462,102 |
| Income tax expense | - | - | - | - |
| Profit/(loss) after income tax | (820) | (5,861) | 468,783 | 462,102 |

3. EXPLORATION AND EVALUATION EXPENDITURE

| | 31 December 2021 | 30 June 2021 |
|--|------------------|--------------|
| | \$ | \$ |
| Carrying amount at beginning of period | 3,476,370 | 1,526,878 |
| Exploration costs capitalised | 2,243,362 | 1,949,492 |
| Balance at end of Period | 5,719,732 | 3,476,370 |

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equivalent to carrying value.

4. PROPERTY, PLANT & EQUIPMENT

| | 31 December 2021 | 30 June 2021 |
|--|------------------|---------------|
| | \$ | \$ |
| Motor vehicles and caravans | | |
| At cost at beginning of period | 73,125 | - |
| Additions | 452,529 | 73,125 |
| Accumulated depreciation | (43,895) | (1,262) |
| At end of period | 481,759 | 71,863 |
| Plant and equipment | | |
| At cost at cost at beginning of period | - | - |
| Additions | 182,092 | - |
| Accumulated depreciation | (13,468) | - |
| At end of period | 168,624 | - |
| Total | 650,383 | 71,863 |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. LEASES

| | 31 December 2021 \$ | 30 June 2021 \$ |
|---|---------------------------|-----------------------|
| (a) Amounts recognised in the balance sheet | | |
| Right-of-use asset | | |
| Balance at beginning of period | - | - |
| Right-of-use assets recognised during period | 183,342 | - |
| Less: Depreciation | (14,028) | - |
| Closing balance | 169,314 | - |
| Lease liabilities | | |
| Balance at beginning of period | - | - |
| Lease liabilities recognised during the period | 183,342 | - |
| Add: Interest | 3,803 | - |
| Less: Payments | (15,371) | - |
| Closing balance Total | 171,774 | - |
| <i>Closing balance – Current</i> | 50,619 | - |
| <i>Closing balance – Non-Current</i> | 121,155 | - |
| (b) Amounts recognised in the consolidated statement of profit or loss | | |
| Depreciation of right-of-use asset | 12,492 | - |
| Interest expense on lease liabilities | 3,423 | - |

6. TRADE AND OTHER PAYABLES

| | 31 December 2021 \$ | 30 June 2021 \$ |
|---------------------------------------|---------------------------|-----------------------|
| Current | | |
| Trade creditors | | |
| Related party creditors | 24,638 | 10,000 |
| Other (note a) | 276,863 | 245,461 |
| Sundry payables and accrued creditors | 504,542 | 53,445 |
| | 806,043 | 308,906 |

(a) Includes third party creditors as well as payroll liabilities



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. ISSUED CAPITAL

| | 31 December 2021 Number | 30 June 2021 Number |
|--|-------------------------------|---------------------------|
| (a) Ordinary Shares | | |
| Movements on Ordinary shares on issue | | |
| Beginning of financial period | 393,944,826 | 116,694,196 |
| Issued 28 July 2020 | - | 112,831,902 |
| Issued 10 August 2020 | - | 4,166,667 |
| Issued 11 August 2020 | - | 37,152,599 |
| Issued 1 December 2020 | - | 70,584,240 |
| Issued 22 March 2021 | - | 34,615,222 |
| Issued 26 April 2021 | - | 1,000,000 |
| Issued 30 April 2021 | - | 15,900,000 |
| Issued 15 June 2021 | - | 1,000,000 |
| Conversion of GRVAO Options- 13 August 2021 | 2,000,000 | - |
| Conversion of GRVAO Options- 19 August 2021 | 1,000,000 | - |
| End of financial period | 396,944,826 | 393,944,826 |
| | 31 December 2021 \$ | 30 June 2021 \$ |
| Movements in Contributed Equity | | |
| Beginning of financial period | 24,432,696 | 13,289,480 |
| Issued 28 July 2020 | - | 2,143,806 |
| Issued 10 August 2020 | - | 125,000 |
| Issued 11 August 2020 | - | 762,741 |
| Issued 1 December 2020 | - | 1,341,101 |
| Issued 22 March 2021 | - | 4,499,989 |
| Issued 26 April 2021 | - | 50,000 |
| Issued 30 April 2021 | - | 3,180,000 |
| Issued 15 June 2021 | - | 50,000 |
| Conversion of GRVAO Options- 13 August 2021 | 700,000 | - |
| Conversion of GRVAO Options- 19 August 2021 | 350,000 | - |
| Transaction Costs | (11,651) | (1,163,821) |
| Share option reserve transfer on exercise of Options | 228,000 | 154,400 |
| End of financial period | 25,699,045 | 24,432,696 |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. ISSUED CAPITAL (CONTINUED)

| | 31 December 2021 Number | 30 June 2021 Number |
|--|--|------------------------------------|
| (b) Options | | |
| Expiry 30 April 2023 at a strike price of \$0.35 (GRVAO) | | |
| Movements in the period | | |
| Beginning of Financial Period | 4,000,000 | - |
| Options issued during the period | - | 4,000,000 |
| Options exercised during the period | (3,000,000) | - |
| End of financial period | 1,000,000 | 4,000,000 |
| | 31 December 2021 Number | 30 June 2021 Number |
| (c) Performance Rights | | |
| Movements in the period | | |
| Beginning of financial period | 15,000,000 | - |
| Issued during the period | | |
| 23 March 2021 (Class1 Performance Rights) | | 15,000,000 |
| 10 August 2021 (Class 3 Performance Rights) | 3,000,000 | - |
| 13 October 2021 (Class 2 Performance Rights) | 6,800,000 | - |
| 22 December 2021 (Class 5 Performance Rights) | 8,000,000 | - |
| 22 December 2021 (Class 4 Performance Rights) | 2,000,000 | - |
| End of financial period | 34,800,000 | 15,000,000 |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. RESERVES

| | 31 December 2021 \$ | 30 June 2021 \$ |
|--|---------------------------|-------------------------|
| Share Options Reserve | 76,000 | 304,000 |
| Share Based Payments Reserve | <u>5,787,939</u> | <u>1,121,451</u> |
| | <u>5,863,939</u> | <u>1,425,451</u> |
| (a) Share Option Reserve | | |
| Movements in the period | | |
| Beginning of financial period | 304,000 | - |
| Issue of 2,000,000 options exercisable at \$0.05 expiring 1 December 2023 (GRVAA) | | 154,400 |
| Issue of 4,000,000 options exercisable at \$0.35 expiring 29 April 2023 (GRVAO) | - | 304,000 |
| Transferred to Issued Capital | <u>(228,000)</u> | <u>(154,400)</u> |
| End of financial period | <u>76,000</u> | <u>304,000</u> |
| (b) Share Based Payments Reserve | | |
| Movements in the period | | |
| Beginning of financial period | 1,121,451 | - |
| Equity settled employee payments expense | <u>4,666,488</u> | <u>1,121,451</u> |
| End of financial period | <u>5,787,939</u> | <u>1,121,451</u> |

9. COMMITMENTS FOR EXPENDITURE

Mineral Tenements

In order to maintain the mineral tenements in which the Company and other parties are involved, the Company's controlled entities are committed to fulfil the minimum annual expenditure conditions for their licenses under which the tenements are granted. The minimum estimated expenditure requirements in accordance with the requirements of the Northern Territory Department of Industry, Tourism and Trade as well as the Queensland Department of Natural Resources and Mines, are as follows:

| | 31 December 2021 \$ | 30 June 2021 \$ |
|------------------------------|------------------------|--------------------|
| Payable: | | |
| - no later than 1 year | 1,123,625 | 733,100 |
| - between 1 year and 5 years | 3,270,645 | 3,442,055 |

10. DIVIDENDS

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. SHARE BASED PAYMENTS

(a) Performance Rights

Employee Incentive Performance Rights & Options Plan of Greenvale Mining Ltd (“PROP”)

Shareholders last approved the PROP at the Annual General Meeting held on 7 December 2021. The PROP is designed to attract and retain eligible employees and contractors, provide an incentive to deliver growth and value for the benefit of all shareholders and facilitate capital management by enabling the Company to preserve cash reserves for expenditure on principal activities. Participation is offered to eligible persons at the discretion of the Board.

The performance rights granted will be determined by the board prior to the granting of the rights, in the case of the directors, these are subject to shareholder approval. The performance rights may be subject to performance milestones before the holder has the right to exercise.

Rights granted carry no dividend or voting rights. When exercisable, each right is convertible into one ordinary share in the capital of the company with full dividend and voting rights.

There were 19,800,000 Performance Rights granted in the financial period ended 31 December 2021 and all remained outstanding as at the reporting date as detailed in the following table (Note 9(b)).

Performance Rights granted and on issue at end of financial period

Rights granted in financial period ended 30 June 2021

| Class | Number | Expiry | Vested | Unvested | Total |
|-------|------------|-----------|------------|----------|------------|
| 1 | 15,000,000 | 22/3/2024 | 15,000,000 | - | 15,000,000 |

Rights granted in financial period ended 31 December 2021

| | | | | | |
|---|-----------|------------|---|-----------|-----------|
| 2 | 6,800,000 | 12/10/2025 | - | 6,800,000 | 6,800,000 |
| 3 | 3,000,000 | 3/8/2024 | - | 3,000,000 | 3,000,000 |
| 4 | 2,000,000 | 6/12/2024 | - | 2,000,000 | 2,000,000 |
| 5 | 8,000,000 | 6/12/2024 | - | 8,000,000 | 8,000,000 |

| | | | | | |
|--|--|--|-------------------|-------------------|-------------------|
| On issue at end of financial period | | | 15,000,000 | 19,800,000 | 34,800,000 |
|--|--|--|-------------------|-------------------|-------------------|



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. SHARE BASED PAYMENTS (CONTINUED)

(b) Expenses arising from share-based payment transactions- Performance Rights

As set out in table b above, during the period the Company issued a total of 19,800,000 Performance Rights. The Rights are subject to various market vesting conditions and may also stipulate a non-market vesting condition relating to the holders' period of continuous service with the Company.

The Performance rights have been valued using a Monte Carlo simulation model (the directors Performance Rights valuation are prepared independently) and a summary of the key terms and conditions of the Performance Rights and the valuation of those rights are included in the following table

Employees & Consultants

| | Class 2 Tranche 1 | | | Class 2 Tranche 2 | | | Class 3 | |
|--|-------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|
| | A | B | C | A | B | C | A | B |
| Number | 1,666,666 | 1,666,667 | 1,666,667 | 600,000 | 600,000 | 600,000 | 1,500,000 | 1,500,000 |
| Share Price Target > than ¹ | \$0.50 | \$0.60 | \$0.70 | \$0.50 | \$0.60 | \$0.70 | \$0.50 | \$0.60 |
| Service period | 1 year | 2 years | 3 years | 1 year | 2 years | 3 years | 1 year | 1 year |
| Expiry period | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years | 3 years | 3 years |
| Share price at grant date | \$0.37 | \$0.37 | \$0.37 | \$0.55 | \$0.55 | \$0.55 | \$0.60 | \$0.60 |
| Volatility | 111.80% | 111.80% | 111.80% | 112% | 112% | 112% | 116.50% | 116.50% |
| Risk free rate | 0.48% | 0.48% | 0.48% | 0.47% | 0.47% | 0.47% | 0.19% | 0.19% |
| Fair Value per Right | 0.3059 | 0.2969 | 0.2765 | 0.4634 | 0.4588 | 0.45 | 0.506 | 0.4888 |
| Fair value of Rights | \$509,833 | \$494,833 | \$460,834 | \$278,040 | \$275,280 | \$270,000 | \$759,000 | \$733,200 |

Note 1: 30-day continuous VWAP

Directors

| | Class 1 | | | Class 4 | | Class 5 | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | A | B | C | A | B | A | B |
| Number | 5,000,000 | 5,000,000 | 5,000,000 | 1,000,000 | 1,000,000 | 4,000,000 | 4,000,000 |
| Share Price Target > than ¹ | \$ 0.20 | \$ 0.30 | \$ 0.40 | \$0.50 | \$0.60 | \$0.50 | \$0.60 |
| Service period | 1 year | 1 year | 1 year | 1 year | 2 years | NA | NA |
| Expiry period | 3 years |
| Share price at grant date | 0.175 | 0.175 | 0.175 | 0.315 | 0.315 | 0.315 | 0.315 |
| Volatility | 110% | 110% | 110% | 120.20% | 120.20% | 120.20% | 120.20% |
| Risk free rate | 0.10% | 0.10% | 0.10% | 0.98% | 0.98% | 0.98% | 0.98% |
| Fair Value per Right | \$0.1329 | \$0.1283 | \$0.1157 | \$0.2428 | \$0.2332 | \$0.2428 | \$0.2332 |
| Fair value of Rights | \$664,500 | \$641,500 | \$578,500 | \$242,800 | \$233,200 | \$971,200 | \$932,800 |

Note 1: 30-day continuous VWAP

The values are expensed over the terms of the vesting period for each Performance Right. During the period, an amount of \$4,666,488 was expensed and an amount of \$2,257,581 will be carried forward for expensing in future periods.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. EVENTS SUBSEQUENT TO REPORTING DATE

On 10 January 2022, Mr Mark Turner was appointed and executive Director of the Company and General Manager of the Alpha Torbanite project.

On 9 March 2022, the Company issued its maiden JORC Mineral Resource Estimate for the Alpha Torbanite project.

On 9 March 2022, the Company announced that it had made application for four geothermal licences and for corresponding mineral rights at four locations in Queensland, as part of an enhanced renewable energy strategy the Company was proposing for the Alpha project. Further, the development of such resources may lead to additional revenue streams from the sale of surplus carbon credits and related instruments.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the consolidated entity up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above, there has not been any other matter or circumstance occurring subsequent to the end of the period that has significantly affected or may significantly affect the operations of the Group, the results of those operations, or state of Affairs of the Group in future financial years.

13. 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 2021 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.

Tony Leibowitz
Director
Dated this 14th day of March 2022

RSM Australia Partners

Level 13, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001

T +61 (0) 2 8226 4500
F +61 (0) 2 8226 4501

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
GREENVALE MINING LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Greenvale Mining Limited which comprises the consolidated statement of financial position as at 31 December 2021, 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 2021 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 Mining 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 Mining 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 2021 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

RSM AUSTRALIA PARTNERS

David Talbot

David Talbot
Partner

Sydney, NSW
Dated: 14 March 2022