

Quarterly Activities Report

30 October 2018

QUARTERLY ACTIVITIES REPORT SEPTEMBER 2018

- **Ion Minerals acquisition executed**
 - **New Board and Key Management appointments**
 - **Additional prospective cobalt ground secured at Ashburton, Western Australia and Lincoln Springs, Queensland**
 - **Exploration commences at Lincoln Springs**
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Greenpower Energy Limited (ASX: GPP) ("Greenpower" or "the Company") is pleased to provide shareholders its Quarterly Report for the three-month period ending 30th September 2018.

During the Quarter Greenpower continued its accelerated development as a battery metals focused Company and were pleased to announce its plan to acquire Australian battery minerals exploration company Ion Minerals Limited ("Ion Minerals").

Post-period the acquisition was approved by shareholders and as such, Greenpower has commenced exploration campaigns at several identified targets across the Cobalt tenement package.

The Acquisition

The Ion Minerals Acquisition includes the following projects:

Cobalt Projects (Ion Minerals)

Lincoln Springs, North Queensland

- Assay results up to 3.16% Co , 40% Cu
- Granted and applied permits for area of approx. 158km²
- Extensive shear hosted vein system of 12km²
- Gold additional with grades found up to 23.75 g/t

Ashburton, Western Australia

- Cobalt anomalism over 15km x 7km area
- Rock chip samples up to 1.89% Co, 0.355% Zn + 0.28% Ni
- 80km south of Paraburdoo and approximately 218km²

Vanadium Project (Ion Minerals) Julia Creek, North Queensland

- Exploration tenements totalling 270km²
- Nearby St Elmo deposit contains a total resource of 494Mt@0.28% V₂O₅
- Similar shale host rocks - Outcropping mineralisation

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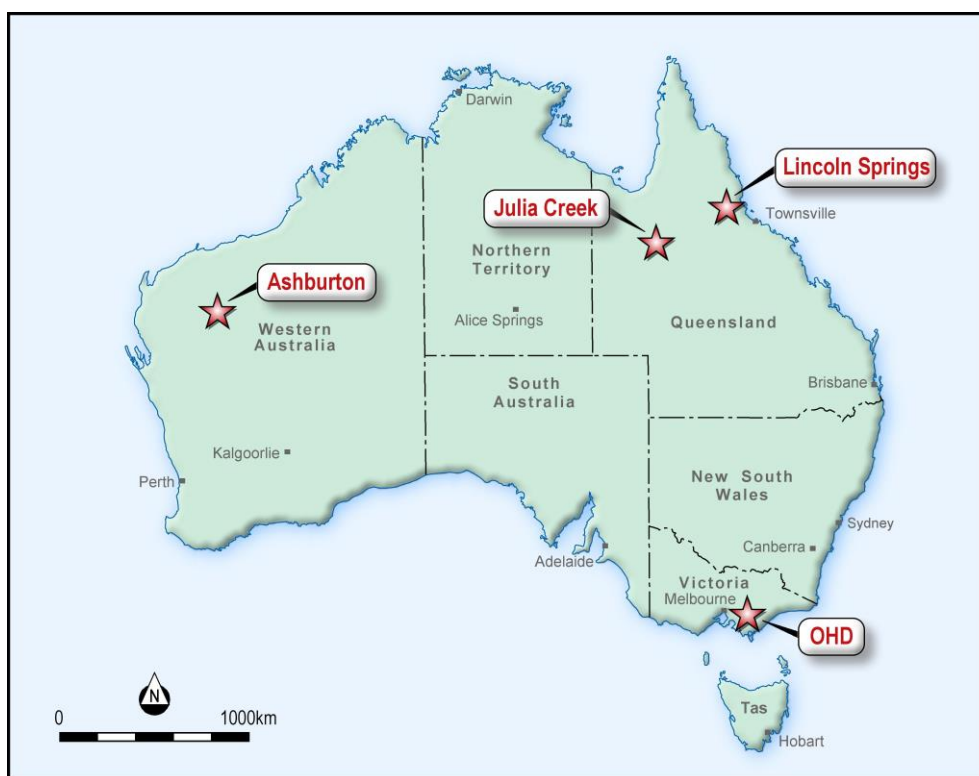


Figure 1. Location of the Ion Minerals Projects

Lincoln Springs Project (right to acquire 70%; Refer to GPP ASX announcement 5 July 2018)

The Lincoln Springs Project consists of two granted exploration permits consisting of 49 sub-blocks covering an area of approximately 240 km², being EPM 26411 and EPM26716.

Historic assay results returned values of up to 3.16% Co, 10.4% Cu (see Figure 2). Rock samples collected by Ion Minerals have confirmed that high-grade Co and Cu is present at the prospect (See Table 1, below). The Cockatoo Gold Prospect which is contained within the Lincoln Springs Project comprises an extensive quartz vein system with gold anomalies from historic workings.

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Figure 2 - Erythrite (Cobalt Bloom) from Lincoln Springs

The area is currently attracting international interest as evidenced by the recent Sconi off-take agreement from SK Innovation, a very large battery supplier and one of the largest companies listed on the Korean Stock Exchange. Sconi is located some 60km away from Lincoln Springs.

In May, six selective rockchip samples of mineralised mullock from the immediate environs of the old workings were submitted by Ion Minerals for assay to characterise the tenor of mineralisation, particularly cobalt grade.

All samples returned highly elevated cobalt, copper and zinc with the highest cobalt assay of 1.95% coincident with the highest zinc result of 4.1% and with 4.38% copper in sample 8811 (Table 1 below).

Sample	Co%	Cu%	Zn%	Description
8810	0.21	2.25	0.56	Highly gossanous iron oxides
8811	1.95	4.38	4.10	Silicified, brecciated sediment with erythrite and malachite
8812	0.20	10.4	0.80	Silicified, brecciated sediment with abundant malachite and azurite
8813	0.241	8.47	0.68	Silicified, brecciated sediment with manganese oxide coatings and abundant malachite
8814	0.243	1.72	0.49	Silicified, brecciated sediment with manganese oxide coatings – no visible copper or cobalt
8818	0.41	0.92	2.05	Silicified sediment with erythrite and malachite

Table 1. Rockchip sample descriptions and Co, Cu and Zn assay results – Lincoln Springs mullock (May 2018).



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Ashburton Cobalt Project (right to acquire 100%; Refer to GPP ASX announcement 5 July 2018)

The Ashburton Cobalt Project is an exploration licence application (ELA), E52/3612, located c. 80km south of Paraburdoo along the Meekatharra- Ashburton Road. The Project area consists of 70 blocks covering an area of approximately 218km².

Previous exploration on the Project has defined extensive multi-element anomalism and mineralisation within the Ashburton Sediments with enrichment seen in Co, Cu, Zn, Pb, Ni. Co-enrichment in rock chip and soils within the proposed ELA occurs over a 15km by 7km area and includes maximum rock chip value of 1.89% Co + 0.35% Zn + 0.28% Ni from historic exploration.

Julia Creek Project (100%)

The Julia Creek Project consists of two exploration permit applications, EPM's 26924 & 26915, covering approximately 200 square kilometres. The tenements within the Julia Creek Project are considered to be prospective for vanadium mineralisation.

OHD Project

The strategic review is ongoing but has a focus on entry into the more substantial Bio-Fertiliser market.

Engagement of industry experts in the fields of agriculture and fertiliser has commenced, including agronomic advice and grower collaboration.

Trials

There are three trials currently being undertaken by Monash University and on track to be completed in the next financial quarter.

Board Appointments

As part of the acquisition, the Greenpower Board was strengthened with the appointment of leading industry figures Cameron McLean and Alistair Williams in the following roles:

Mr Cameron McLean – Managing Director

Cameron McLean has more than 20 years' experience leading and managing a range of commercial activities, including co-directing London business, iBase Limited in the geo-technology sector and as CFO at Snowden Mining Industry Consultants, Kagara Limited and Atrium Coal. Mr McLean has a background in accounting and finance with experience originating at Western Mining in Melbourne.

Mr McLean is the founder and major shareholder of the mining investment platform, Mineral Intelligence. Through Mineral Intelligence Mr McLean has facilitated over \$100M in mining transactions over the past 5 years. Mr McLean identified, secured and introduced the cobalt and vanadium projects through Ion Minerals of which he is Managing Director.



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Mr Alistair Williams – Non-Executive Director

Alistair Williams is an experienced London based finance executive with a background in natural resources as a result of management roles undertaken at BG Group and Rio Tinto. His last major corporate role was Deputy CFO at BG Group where, in addition to running the Finance function for the Group, he was also Chair of the Investment and Energy Trading and Risk Committees. Since leaving the large corporate world in 2011, Mr Williams has pursued a successful career as an entrepreneur and private investor in early stage companies and has developed a diversified portfolio of investments in natural resources, life sciences and IM technology. In Australia, he has served as a Director of Ion Minerals since inception and has also been a Director of Goldfield Argonaut Pty Ltd since 2015. Goldfield Argonaut recently concluded the sale of its interest in the Mulwarrie gold exploration licence to Spitfire Materials.

In addition, the following changes have been made upon shareholder approval of the acquisition:

- Gerard King has stepped down from his executive position and remains on the Board as Non-Executive Chairman
- Matthew Suttling has stepped down as a Director and continues as Secretary and CFO
- Simon Peters will remain as a Non-Executive Director

Key Management appointments

Mr Andrew Jones – Exploration Manager

During the quarter Greenpower appointed Andrew Jones to oversee the technical operations of all the combined projects. Andrew has more than 20 years' experience as a geologist in the resources sector and has worked throughout Australia, in West Africa, Southern Africa and South America. He has experience in a range of mineral commodities and has been involved in the discovery of new mineral deposits, extensions to known mineral resources at operating mine sites and has been involved in several feasibility studies for commodities including gold, copper and nickel-cobalt. Mr Jones has a geology degree from RMIT University in Melbourne and has also completed postgraduate studies in both geology and finance. He is a member of both the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG).

Mr Andrew Mounas – Commercialisation Director, Fertiliser Business.

Greenpower also appointed Andrew Mounas to manage the OHD project. Andrew is an experienced Executive with substantial experience in the start-up and commercialisation of new businesses across a number of industries. Mr Mounas has held senior and executive roles in 'blue chip' organisations such as BHP, WMC Resources, Asciano, Brookfield and Visy/Pratt industries. Andrew was the founding secretary of BHP's Group Investment Committee after the merger of BHP with Billiton. In addition, Andrew has been an Executive Director of a lamb technology/stockfeed business and has also been involved, through WMC in the development of the MAP/DAP fertiliser facility near Mount Isa (now owned by Incitec Pivot).



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Guyana – Morabisi Lithium Project

During the Quarter Phase 3 of the Farm-In Heads of Agreement between Greenpower and Guyana Strategic Minerals (“GSM”) was completed.

Under the terms of the Heads of Agreement, a spend of \$US1m by Greenpower in Phase 3 entitled the Company to earn a further 16% interest to move to a total 51% shareholding in GSM

Following the satisfaction of the Phase 3 expenditure requirement, Greenpower had a 30-day period to exercise a right either to proceed to Phase 4 which would require the Company to complete a bankable feasibility study for the commencement of mining, or alternatively, to elect to have the parties meet as soon as practicable to determine the next steps to progress the project and its mineral opportunities.

Whilst the drilling campaign for Phase 3 identified the presence of lithium at one location, it was potentially not at conventionally economic levels. As such the Company was of the opinion that a bankable feasibility study would be premature, electing the second alternative as the best method to progress the development of the project and will not proceed to Phase 4 of the HOA at this time.

Accordingly, Greenpower will continue to maintain its 51% interest but will not expend further on the project at this time. GPP continues to assess the Phase 3 results and consider its plans in respect of the project and will update the market accordingly.

Pretoria Project

During the Quarter the company surrendered all 9 exploration licences that formed the Pretoria Lithium-Potassium Project in the Northern Territory.

Moving forward

Ashburton Option Agreement (Refer to GPP ASX announcement 30 October 2018)

Ion Minerals Pty Ltd has signed an option agreement with Zenith Minerals Limited (ASX:ZNC) to acquire 4 Exploration Licence Applications’ in Western Australia totalling 223.2 km². The project area is focused on the northern limit of the Bangemall Basin, around the Talga Fault where the basin abuts the Ashburton Basin.

- E08/3018 – 13 blocks, cobalt results to 0.52%
- E08/3019 – 2 blocks, cobalt results to 0.28%
- E08/3020 – 4 blocks, cobalt results to 0.17%
- E08/2966 – 52 blocks, cobalt results to 0.80%



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Exploration in the project area has included in excess of 1,200 soil samples, 900 rock chip samples, stream sediment sampling, 9 RC holes on E52/3612, localised VTEM surveying, gravity surveying and IP surveying. Aurora Minerals Limited exploring for base metal mineralisation within E08/2966 completed 400m spaced, north-south orientated soil lines in addition to rock chip sampling. E08/2966 contains four strong surface cobalt anomalies each 1 – 2km in length occurring away from the large dolerite dykes/sills and overlying the carbonate rich sequences of the Devil Creek Formation. The rock chip sampling database compiled to date has identified several encouraging cobalt assay results that the company plans to further investigate.

The option terms are:

- \$60k cash up-front, non-refundable for a 1-year option to purchase 70%;
- Can extend for further 1 year for an additional \$30k cash & \$30k scrip;
- Can extend for a further 2 years for \$150K cash or scrip at Zenith's election.
- \$100k minimum expenditure, keeping the project in good standing
- Ion can exercise the option and purchase the 70% interest for \$300K in scrip at any time during option period.
- Zenith can then convert remaining 30% to GPP equity or contribute on a pro rata basis.

A brief summary of the expectations of next months

A close spaced soil sampling program consisting of approximately 300 samples is set to commence this week testing along strike of the historic Lincoln Springs workings. An Induced Polarisation (IP) survey is planned to also commence shortly at Lincoln Springs with targets generated from these programs to be drill tested.

*****ENDS*****

For more information please contact:

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