

## ASX ANNOUNCEMENT

31 January 2019

### December 2018 Quarterly Report

Greenpower Energy Limited (ASX:GPP) (Greenpower, Company or GPP) is pleased to provide shareholders with its quarterly report for the three-month period ending 31 December 2018.

#### Highlights

- Increased project area by 350% from 198km<sup>2</sup> to 705km<sup>2</sup> at Lincoln Springs, Qld
- Surface Sampling confirms new 500m long cobalt-copper anomaly at Lincoln Springs
- High grade assay results including 10.95% lead, 2.24% zinc & 84.9g/t silver returned from rock chip sampling of historic workings at the Mount Blister Prospect whilst a new prospect area at Poly North was identified returning assays of 8.76% copper and 0.11% cobalt, Lincoln Springs
- Induced Polarisation (IP) survey identified high chargeability targets, Lincoln Springs
- Drill program scheduled to commence Q1, 2019 at Lincoln Springs
- Option agreement signed with Zenith Minerals Limited (ASX:ZNC) in October 2018 increased project area at Ashburton cobalt project to 441km<sup>2</sup>
- Further positive OHD results from trials on tomatoes and wheat

#### Activities to December 31 2018

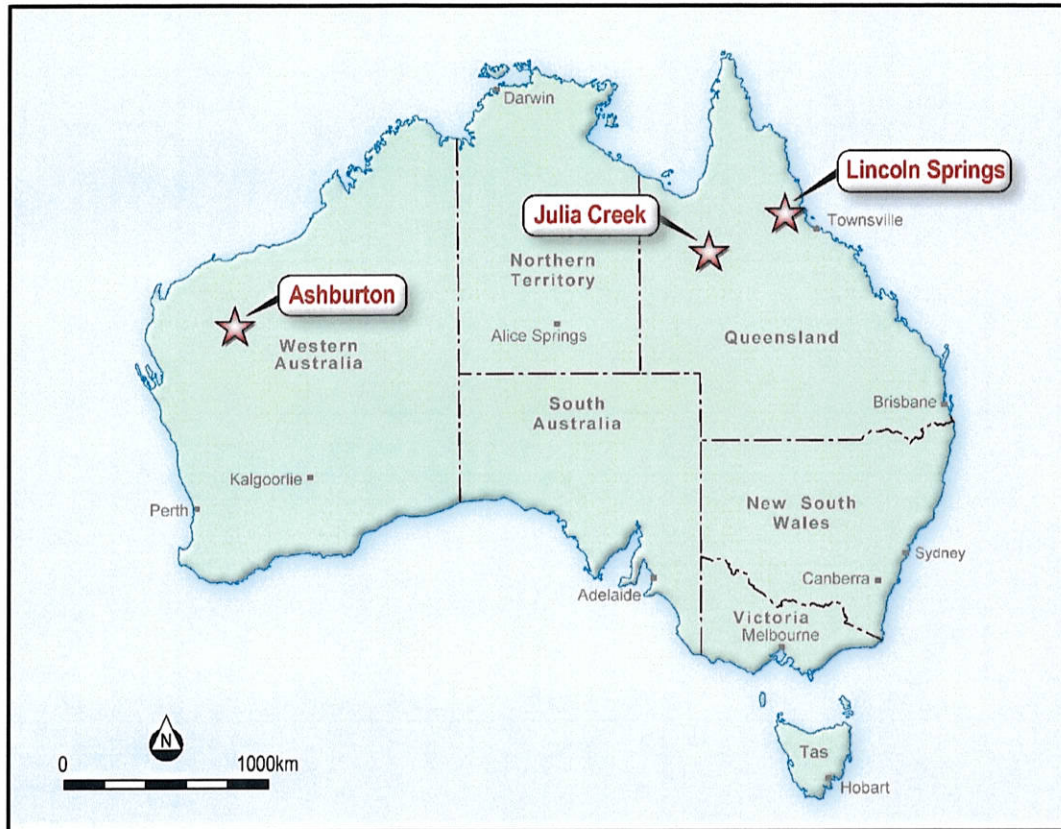
As detailed in the Company's previous Quarterly Report to 30<sup>th</sup> September 2018, Greenpower completed its acquisition of Australian battery minerals exploration company Ion Minerals Limited ("Ion Minerals") early in the December quarter having received shareholder approval.

The Ion Minerals Acquisition includes the following projects:

- Lincoln Springs Cobalt Project, North Queensland
- Ashburton Cobalt Project, Western Australia
- Julia Creek Vanadium Project, North Queensland

## ASX ANNOUNCEMENT

31 January 2019



**Figure 1: Location of Australian Projects**

### Lincoln Springs Project

During the quarter, Greenpower commenced its exploration program at the Lincoln Springs Project, located west of Townsville in Queensland.

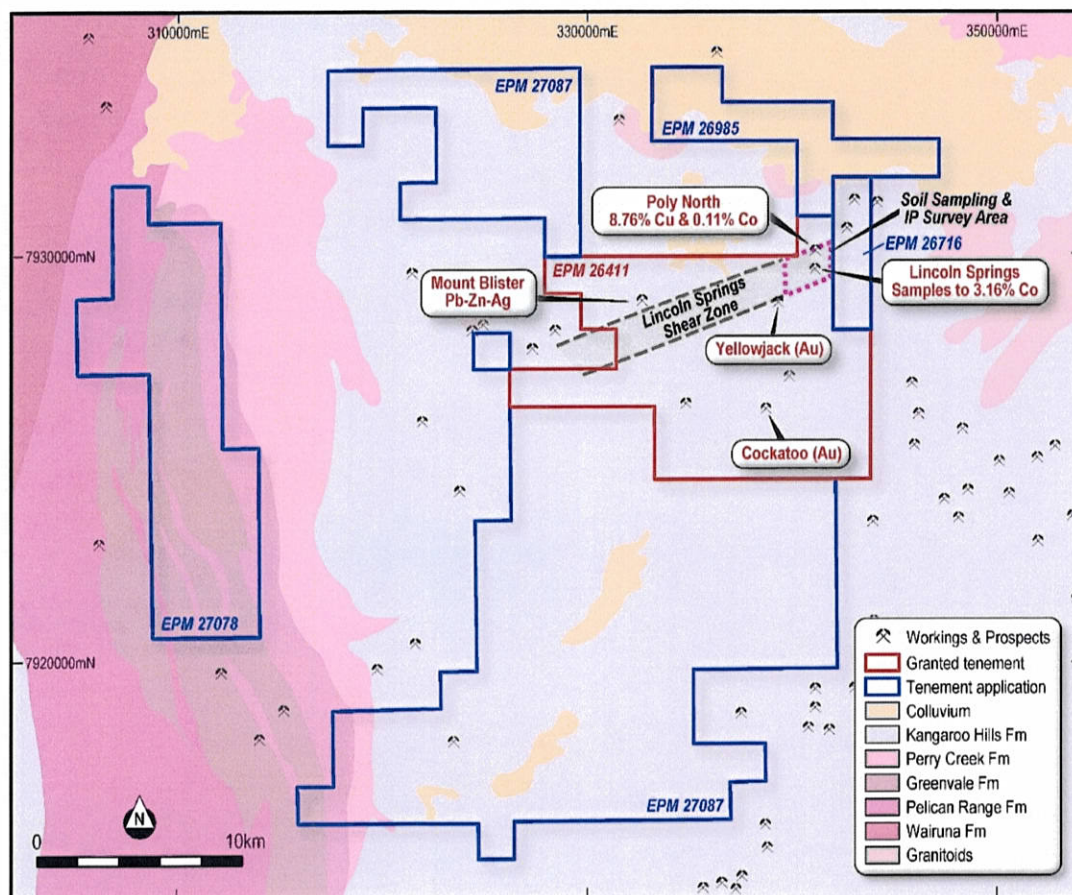
Following an encouraging review of the area, Greenpower expanded its land position at Lincoln Springs by applying for two new exploration permits, increasing the project area by 350% from 198 square kilometres to 705 square kilometres.

The new applications cover areas considered prospective for further cobalt mineralisation as well as covering extensions to the northwest striking fault which appears to host the historic Mount Blister Pb-Zn-Ag workings.



## ASX ANNOUNCEMENT

31 January 2019



**Figure 2: Lincoln Springs Project area**

Further exploration completed included an Induced Polarisation (IP) geophysical survey and a soil sampling program. Both programs covered the same 2km x 1km area centred on the historic Lincoln Springs copper-cobalt workings.

The IP survey consisted of two components:

1. A gradient array IP (GAIP) which covered an approximate 2km x 1.2km area with readings taken along 21 north-south 100m spaced lines with 50m receiver dipoles
2. Three 1100m long north-south oriented dipole - dipole IP (DDIP) sections completed over the Lincoln Springs Copper-Cobalt workings and the new discovery outcrop area. The three dipole-dipole IP sections were completed utilising a 150m line spacing and 50m dipole spacing.

The surveying was completed by Fender Geophysics Pty Ltd with data interpretation and modelling by Russell Mortimer of Southern Geoscience Consultants.

## **ASX ANNOUNCEMENT**

31 January 2019

Clear anomalous IP/resistivity targets correlate with known copper-cobalt mineralisation occurrences and extend further along strike. Results indicate that the GAIP surveying is highly effective in the local electrical environment and is clearly mapping geological targets/corridors of interest and structure.

Given these very encouraging GAIP results an initial DDIP survey was completed in the vicinity of the known copper-cobalt mineralisation occurrences. Preliminary inversion of the DDIP resultant data has provided very strong chargeability targets both at a shallow and deeper level below/down dip of the known mineralisation and highlighted a southerly dip and correlating low resistivity potentially defining the presence of significant sulphides. These anomalies represent high priority targets.

Terra Search Pty Ltd was engaged to undertake a soil sampling program. Soil samples were taken on a 100m x 100m star pattern grid with a total of 296 samples collected and dispatched to Australian Laboratory Services (ALS) in Townsville for analysis.

Outcrop in the Lincoln Springs area is poor, and the historic copper-cobalt workings are interpreted to lie within the northeast - southwest trending Lincoln Springs Shear Zone that is largely concealed beneath residual soils. The soil sampling program was designed to test for strike extensions to mineralisation under cover to both the west and east.

Soil sampling results up to 1,820ppm copper, 222ppm cobalt, 733ppm zinc & 0.085g/t gold were returned. The highest grade soil results for copper and cobalt were received from around the Lincoln Springs workings. These results have highlighted an area of copper-cobalt anomalism which extends for approximately 400m southwest and 100m northeast of the Lincoln Springs workings. Another area in the northwest of the sampling area also returned elevated copper-cobalt values over a 400m strike length and will be field checked in the coming quarter.

It is encouraging to note that both the 500m long soil anomaly extending southwest and northeast from the Lincoln Springs workings and the 400m long copper-cobalt soil anomaly in the NW of the sampling area both correspond with areas of high resistivity (GAIP) striking in the same orientation. This may suggest that elevated cobalt and copper are associated with a near surface alteration zone with higher resistivity. Soil values for gold were overall higher in the western part of the sampling area and several spot gold anomalies will be field checked in the coming quarter.

The targets identified by the soil sampling program and IP surveys have been prioritised for future drill testing.



## ASX ANNOUNCEMENT

31 January 2019

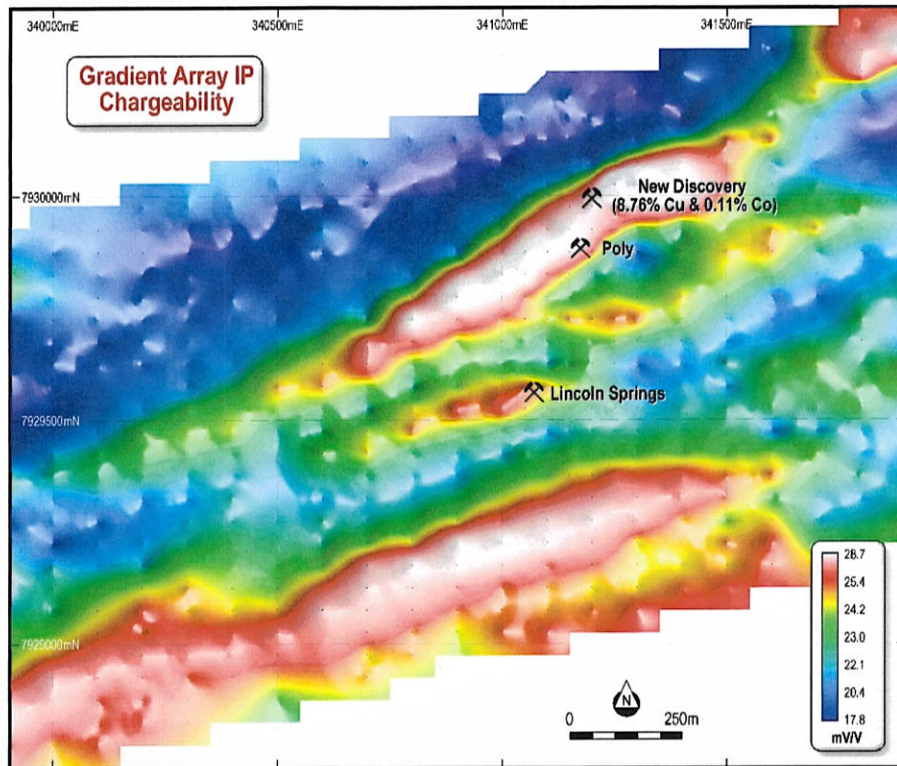


Figure 3: Gradient array IP chargeability results (mV/V), Lincoln Springs.

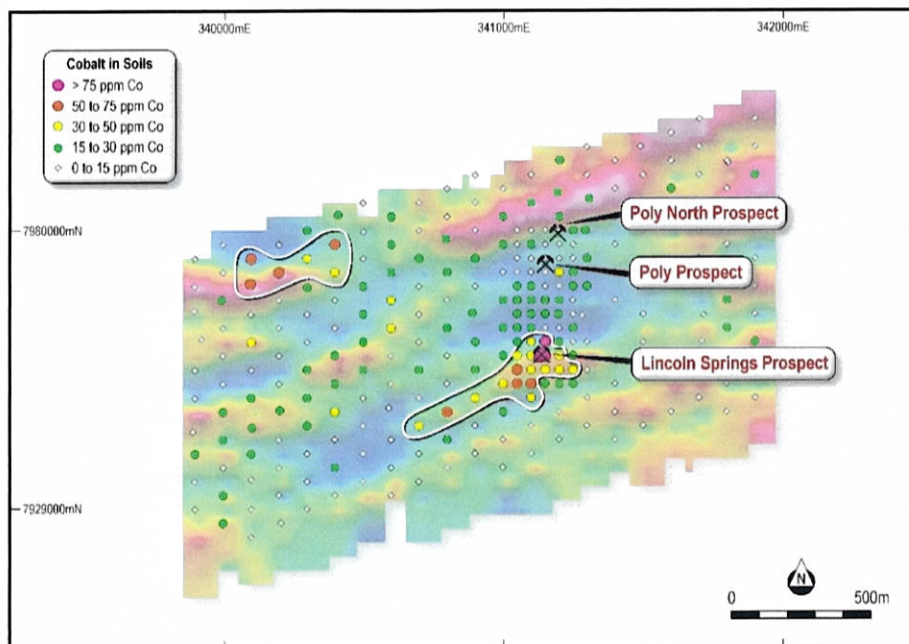


Figure 4: Cobalt in soils, Lincoln Springs Project.

## **ASX ANNOUNCEMENT**

31 January 2019

In addition to the soil sampling and IP survey, rock chip sampling identified new target areas at the Poly North Prospect and Mount Blister Prospect.

At the Poly North Prospect, copper-cobalt mineralisation some 500 metres to the north of the Lincoln Springs Prospect returned an assay result of 8.76% Copper & 0.11% Cobalt. This may indicate that more than one Cobalt bearing mineralised structure is present at Lincoln Springs and future work will follow-up on this anomalism.

The Mount Blister Prospect is a collection of several shallow pits and shafts where small scale historical mining activities exploited lead-zinc-silver bearing quartz veins. The rock chip assays included 10.95% lead, 2.24% zinc & 84.9g/t silver indicating the high grade nature of the veins which were historically mined. The rock chips were also anomalous in gold. Further work is currently being planned for this prospect which lies along a pronounced +10km long NW-SE linear magnetic feature which may represent a fault or late stage intrusive dyke. Mt Blister represents a new area of interest separate from Lincoln Springs.

Greenpower is also conducting an extensive open file data search to locate other Cobalt, base metal and gold occurrences that are mapped in the project area.

## ASX ANNOUNCEMENT

31 January 2019

### Ashburton Cobalt Project

The Ashburton Cobalt Project is an exploration licence application (ELA), E52/3612, located c. 80km south of Paraburdoo along the Meekatharra- Ashburton Road. On acquisition, the Project area consisted of 70 blocks covering an area of approximately 218km<sup>2</sup> summarised as follows:

- Initial project area of 1 exploration licence covering 218km<sup>2</sup>.
- Cobalt anomalism in soil and rock chips over a 15km by 7km area.
- Maximum rock chip values of 1.89% Co + 0.35% Zn + 0.28% Ni.
- Option agreement signed with Zenith Minerals Limited in October 2018 increased project area to 441km<sup>2</sup>.
- Historical data being compiled and reviewed

In October 2018, Greenpower through its subsidiary, Ion Minerals, signed an option agreement with Zenith Minerals Limited to acquire a further four Exploration Licence Applications (ELAs) in Western Australia, totalling 223.2 km<sup>2</sup>. The 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%

Historically, several companies have explored the project area for base metals, gold and uranium. Exploration to date 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.

At E08/2966, Aurora Minerals Limited (ASX:ARM) completed 400m spaced, north-south orientated soil lines in addition to rock chip sampling exploring for base metal mineralisation. 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 exist within the ELA. The rock chip sampling database compiled to date has identified several encouraging cobalt assay results that the Company plans to further investigate.

The option agreement with Zenith Minerals will bring the Company's assets in the area to a total of 441.2km<sup>2</sup>.



## ASX ANNOUNCEMENT

31 January 2019

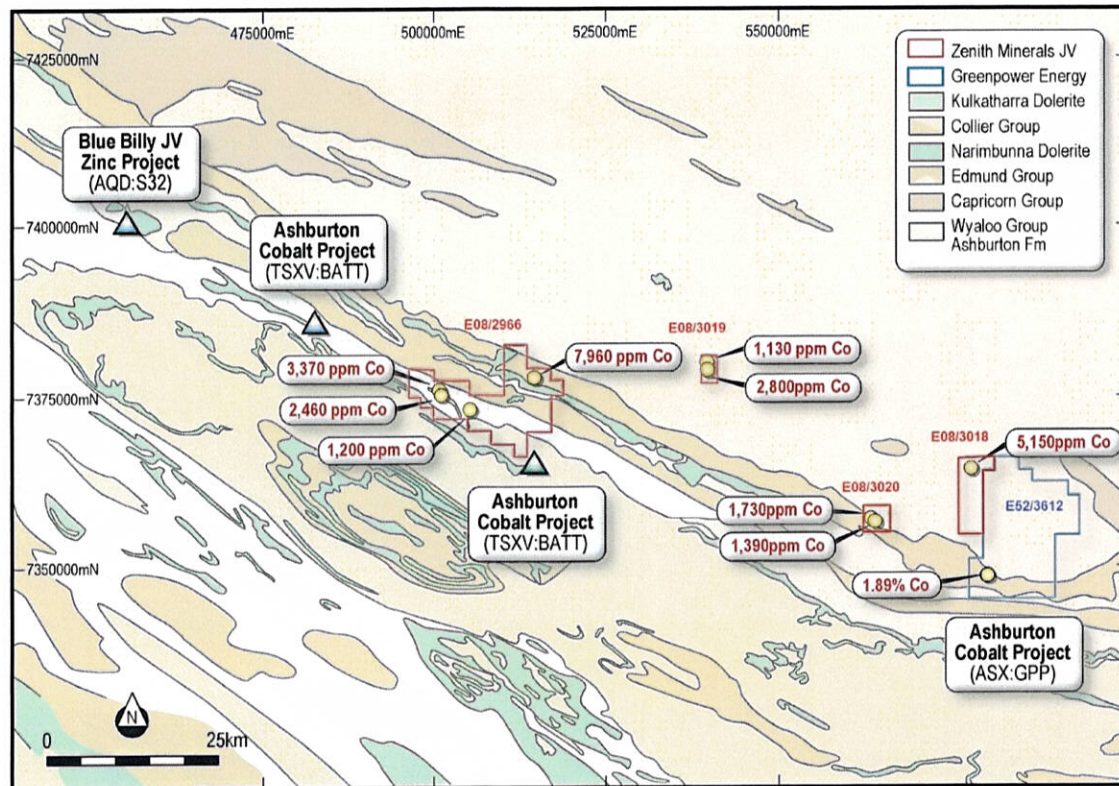


Figure 5: Ashburton Project Location

Details of the option agreement with Zenith Minerals are as follows:

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



## ASX ANNOUNCEMENT

31 January 2019

### Julia Creek Project (100%)

The Julia Creek Project consists of two exploration permit applications, EPM 26915 & 29624.

- Two application areas covering approximately 270km<sup>2</sup>.
- The Saint Elmo deposit is located 40 kilometres away containing a Total Resource of 494Mt @ 0.28% V<sub>2</sub>O<sub>5</sub> and 140ppm Mo.
- Project tenements cover the same shale units.
- A reconnaissance field trip to confirm the extent of outcropping prospective Toolebuc Formation is scheduled for early 2019.

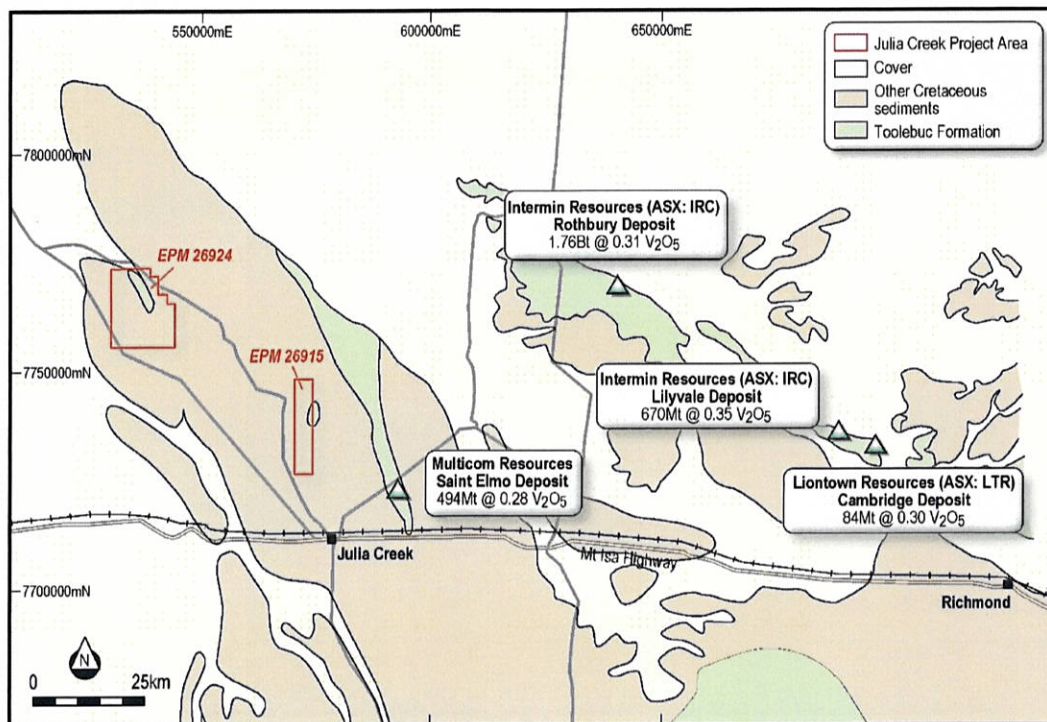


Figure 6: Julia Creek Project Location

### Oxidative Hydrothermal Dissolution (OHD)

Field trials undertaken by Monash University continued on tomatoes and wheat with positive results.

The strategic review of the OHD project continued including an assessment of the Licence Agreement. This has been followed by discussions surrounding a variation of the agreement with Thermaquatica and discussions with potential financial partners.



## ASX ANNOUNCEMENT

31 January 2019

### Morabisi Lithium / Tantalum / Rare Earths Project

During the quarter the PGGS (Permission for Geological and Geographical Survey) licence was extended for a year at the 51% owned Morabisi project in Guyana.

Exploration data is still being reviewed and discussions are underway with partner Guyana Strategic Metals to establish the next steps. At this time however Greenpower will maintain its 51% interest and not expend further funds on the project.

### Corporate

#### Board Appointments

As part of the Ion acquisition, leading industry figures Cameron McLean and Alistair Williams were appointed to the Greenpower board:

#### **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 Atrum 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.

#### **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.



## ASX ANNOUNCEMENT

31 January 2019

In addition, the following changes have been made upon shareholder approval of the Ion 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 as Company Secretary and CFO
- Simon Peters will remain as a Non-Executive Director

### Looking forward

***“Having transitioned the new Greenpower team and almost completed the strategic review of the entire project portfolio, we are looking forward to a busy but exciting year ahead.***

***The team is working toward commencing a drill program at Lincoln Springs along with the commencement of exploration activities at the Ashburton and Julia Creek projects.***

***Site visits to both the Julia Creek vanadium project and the Ashburton cobalt project to undertake reconnaissance exploration will occur within Q1, 2019. This is expected to coincide with the granting of those licences” – Cameron McLean***

\*\*\*ENDS\*\*\*

### For more information please contact:

Managing Director

Investor Relations

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Peter Taylor, NWR Communications

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### Competent Persons Statement

*The information in this report that relates to Exploration Results is based on information compiled by Andrew Jones, an employee of Greenpower Energy Limited. Mr Jones is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles 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 “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.” Mr Jones consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.*

## ASX ANNOUNCEMENT

31 January 2019

### Appendix

In accordance with Listing Rule 5.3.3 Greenpower provides the following information in relation to its mining tenements.

#### 1. The mining tenements held at the end of the quarter and their location.

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Lincoln Springs	EPM 26411	Granted	Queensland	0%, Note 1
Lincoln Springs	EPM 26985	Application	Queensland	100%
Lincoln Springs	EPM 26716	Application	Queensland	0%, Note 1
Lincoln Springs	EPM 27087	Application	Queensland	100%
Lincoln Springs	EPM 27078	Application	Queensland	100%
Julia Creek	EPM 26915	Application	Queensland	100%
Julia Creek	EPM 26924	Application	Queensland	100%
Ashburton	E52/3612	Application	Western Australia	100%
Ashburton	E08/2966	Application	Western Australia	0%, Note 2
Ashburton	E08/3018	Application	Western Australia	0%, Note 2
Ashburton	E08/3019	Application	Western Australia	0%, Note 2
Ashburton	E08/3020	Application	Western Australia	0%, Note 2
Moe	EL006388	Application	Victoria	100%
Morabisi	Turesi PGGS	Granted	Guyana, South America	51%
Kopang	Kopang PGGS	Application	Guyana, South America	0%

#### 2. Mining tenements acquired during the quarter and their location.

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Lincoln Springs	EPM 26985	Application	Queensland	100%
Lincoln Springs	EPM 27087	Application	Queensland	100%
Lincoln Springs	EPM 27078	Application	Queensland	100%
Ashburton	E08/2966	Application	Western Australia	0%, Note 2
Ashburton	E08/3018	Application	Western Australia	0%, Note 2
Ashburton	E08/3019	Application	Western Australia	0%, Note 2
Ashburton	E08/3020	Application	Western Australia	0%, Note 2



## ASX ANNOUNCEMENT

31 January 2019

### 3. Mining tenements disposed of during the quarter and their location.

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Nil				

#### 1. Lincoln Springs Project, Queensland

EPM 26411 & 26716 are subject to an earn in agreement with Carbine Holdings Pty Ltd whereby Greenpower can earn a 70% interest by spending A\$2,000,000 on exploration over 30 months.

#### 2. Ashburton Project, Western Australia

E08/2966, 3018, 3019 & 3020 are subject to an option agreement with ASX-listed explorer Zenith Minerals Limited whereby Greenpower can acquire an initial 70% interest.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Greenpower Energy Limited

### ABN

22 000 002 111

### Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(336)	(1,166)
(b) development	-	-
(c) production	-	-
(d) staff costs	(56)	(56)
(e) administration and corporate costs	(265)	(476)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income tax benefit / (paid)	-	282
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(654)</b>	<b>(1,409)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(144)	(144)
(b) tenements (see item 10)	(80)	(80)
(c) investments	(772)	(824)
(d) other non-current assets	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(996)</b>	<b>(1,048)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	30
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 (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>30</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,645	3,422
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(654)	(1,409)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(996)	(1,048)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	30
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>995</b>	<b>995</b>

5. <b>Reconciliation of cash and cash equivalents</b> 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	59	47
5.2 Call deposits	936	2,598
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>995</b>	<b>2,645</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
96
-

The amounts reported in 6.1 relate to Directors fees.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

N/a

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.




<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	428
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	291
9.6 Other (Investment)	-
<b>9.7 Total estimated cash outflows</b>	<b>719</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	EPM 26985 Lincoln Springs, Qld	Application	0%	100%
	EPM 27078 Lincoln Springs, Qld	Application	0%	100%
	EPM 27087 Lincoln Springs, Qld	Application	0%	100%
	E08/2966 Ashburton, WA	Application - Zenith JV	0%	0%
	E08/3018 Ashburton, WA	Application - Zenith JV	0%	0%
	E08/3019 Ashburton, WA	Application - Zenith JV	0%	0%
	E08/3020 Ashburton, WA	Application - Zenith JV	0%	0%

### 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.

Sign here:   
(Company secretary)

Date: 31 January 2019

Print name: David Peterson  
.....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.