

Greenpower Energy Limited

Quarterly Report 31st March 2019

Greenpower Energy Limited (ASX: GPP) ("Greenpower" or "the Company") is pleased to provide shareholders its Quarterly Report for the three-month period ending 31st March 2019.

Greenpower is targeting Australian battery minerals exploration at the following projects:

- Lincoln Springs Cobalt Project, North Queensland
- Ashburton Cobalt Project, Western Australia
- Julia Creek Vanadium Project, North Queensland
- Morabisi Lithium REE Project Guyana

In addition Greenpower is developing its OHD project for the use of coals to liquid in a range of agriculture use.

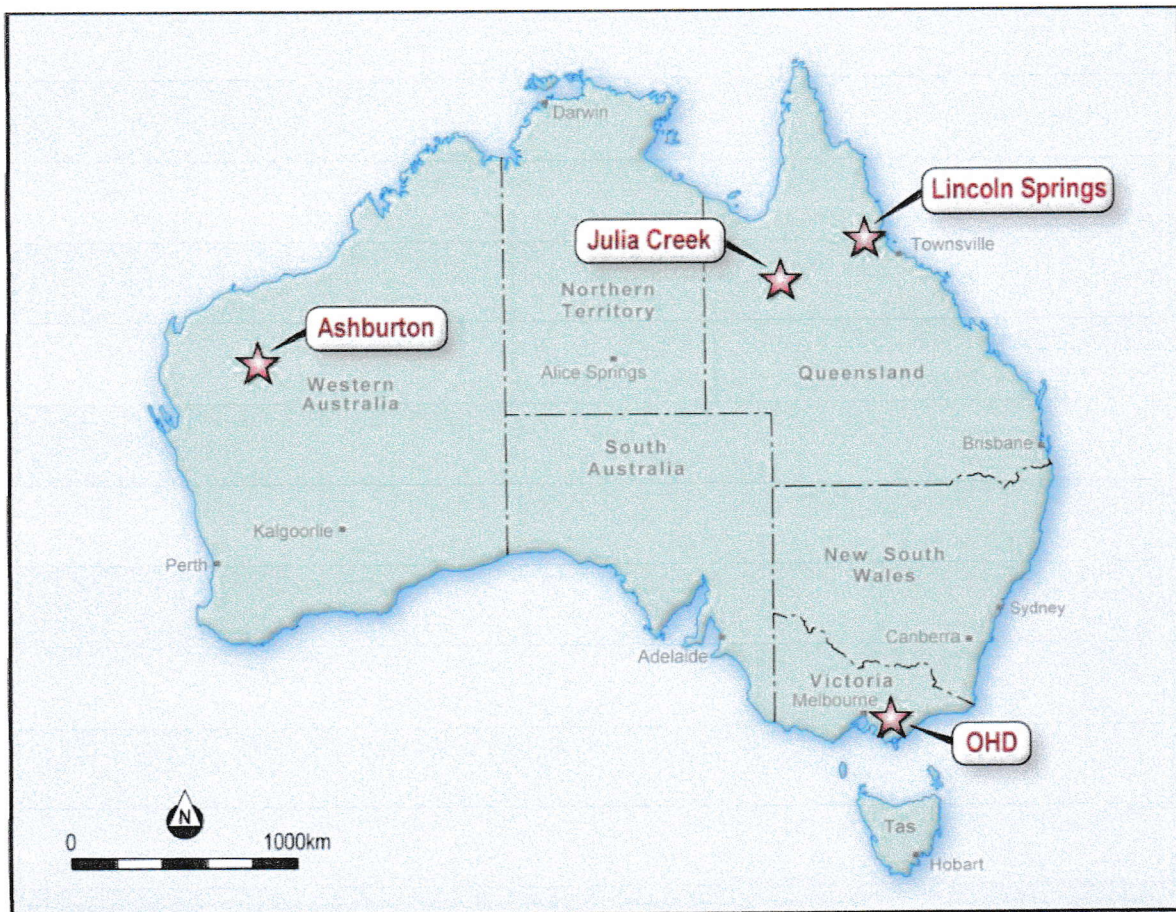


Figure 1. Location of the Ion Minerals Projects

Lincoln Springs Copper-Cobalt Project

The Lincoln Springs Project is located 220km north west of Townsville in Queensland.

The Company announced in early April that it had commenced its maiden 25 RC hole drilling program for approximately 2,000m which has now been completed. The drilling program was designed to test a combination of targets including the historic copper workings at the Lincoln Springs Prospect, copper-cobalt soil, anomalies and high chargeability Induced Polarisation targets.

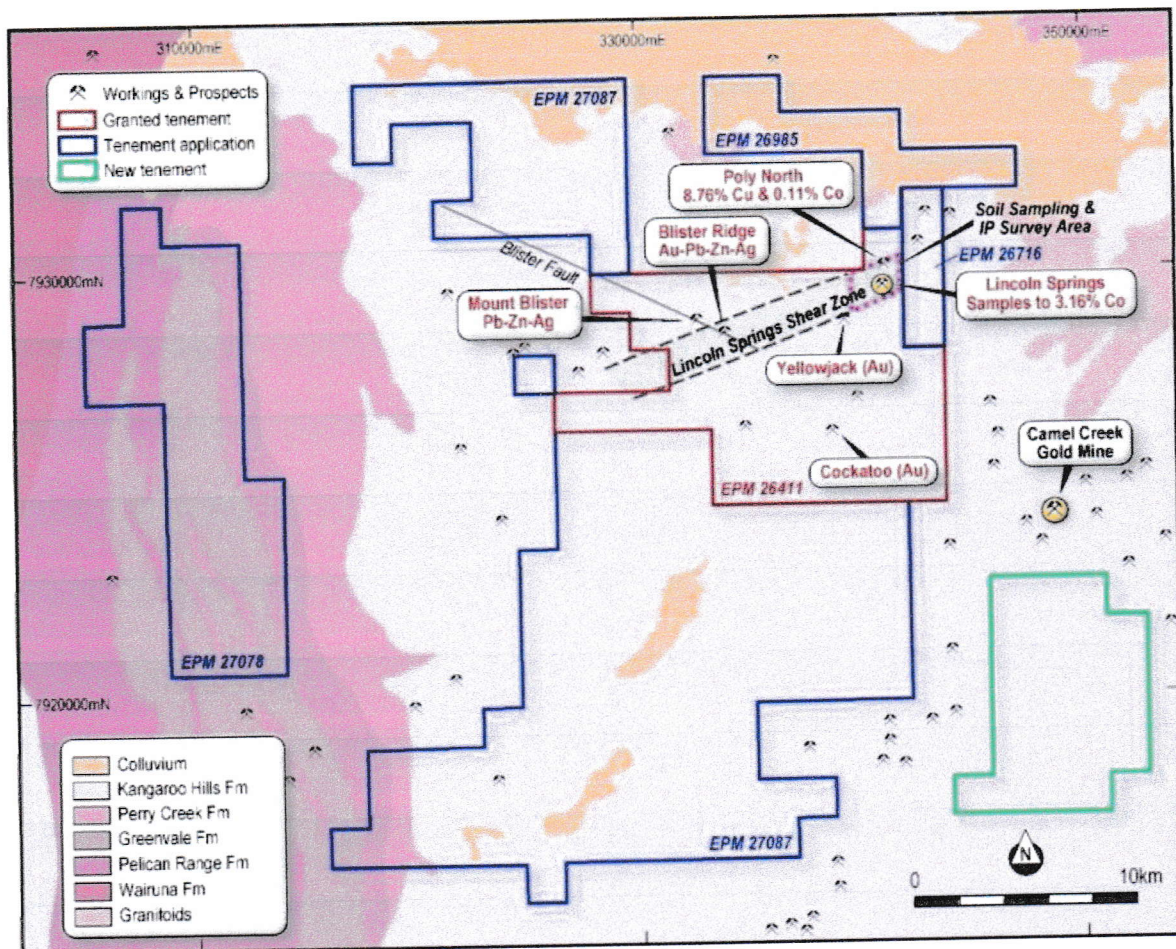


Figure 2: Lincoln Springs Project area



Seventeen holes were drilled close to and stepping out along strike from the historic copper workings at the Lincoln Springs Prospect, four holes were drilled to test IP chargeability targets and one hole was drilled to test an area of copper-cobalt soil anomalism.

The entire length of each drill hole was sampled at the time of drilling with 4 metre composite samples taken and dispatched to ALS Laboratories in Townsville for gold and base metal assaying. Assay results for the first 5 drill holes were reported in an ASX release by the Company on the 15th April 2019 titled "High grade, shallow intercept of 4m @ 3.3% Copper & 0.16% Cobalt from RC Drilling, Lincoln Springs Project."

The Lincoln Springs area has a history of gold mining including the former Camel Creek gold mine, which closed in the mid 1990's and is located 10km to the east. Several gold workings, including the Mount Blister, Cockatoo and Yellowjack prospects are located within EPM 26411.

The remaining samples have been taken to Townsville and assayed for gold and a multi-element suite of elements which will include copper, cobalt, lead, zinc and silver.

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 218km².

Exploration licence E08/3020 which is subject to an option agreement with ASX listed Zenith Minerals Ltd (ZNC) was granted on 8th February. The Ashburton Project comprises 5 exploration licences covering 443k m² along the prospective Talga Fault including its 100% owned (ELA), E52/3612 which has rock chip values of up to 1.89%Co.

438 line kilometres of historical airborne VTEM data covering approximately half of EL 08/2966 has been purchased and processed by Southern Geoscience Consultants and will be utilised alongside historic geochemistry data and rock chip data to prioritise follow up targets.

To date, three VTEM targets have already been identified.

Julia Creek Project (100%)

The Julia Creek Project consists of an exploration permit application, EPM 29624, for 64 sub blocks covering approximately 200 square kilometres. The tenements within the Julia Creek Project are reasonably expected to host elevated values of vanadium.

Morabisi Project, Guyana



In September 2016, Greenpower entered into a binding Heads of Agreement with Guyana Strategic Metals Inc, a company registered in the Republic of Guyana (GSM), under which Greenpower funded exploration by GSM in the Morabisi region of Guyana (encompassing Banakuru, Robello Creek and Rumong Rumong sites), all on an exploration tenement held by GSM, for lithium, tantalum and rare earths, and by so doing Greenpower earned staged percentage shareholdings in GSM, and by 2018 Greenpower had earned 51% of the shares in GSM.

The lithium exploration, which included trenching and a 2000 m drilling campaign, has been reported in full, and, in general terms, took place in a tropical rainforest environment, disclosing a geological profile which comprises 15 to 30 metres depth of clay (saprolite) resting on igneous/metamorphic rock of presumed Archean age. An excavator was used to sample the top 3 to 4 metres of saprolite, and unearthed numerous pegmatite fragments, many containing spodumene, with lithium oxide values in some cases in excess of 2%.

Morabisi remains highly prospective for a range of minerals and to date most focus has been on Lithium and Tantalum prospectivity.

Greenpower continues to seek a joint venture partner or external funding to further progress the project.

Kopang Project, Guyana

During the quarter Greenpower withdrew from the Kopang Heads of Agreement.

Banakuru Prospect

Ionic soil geochemistry results have identified a set of parallel 1.2km long Rare earth Elements (REE) anomalies at the Banakuru Prospect. This REE anomaly sits within a larger 7.5 km long ENE trending aeromagnetic low. The elevated Ca, Ce, La, Y & REE values may indicate the presence of an underlying alkaline intrusive body which is weathered near surface. The area represents a target for saprolite-hosted and fresh rock REE mineralisation.

At the Banakuru Prospect the newly identified ionic soil geochemistry REE anomalism is highly encouraging as only very limited sampling has been completed to date and the anomalism lies within an intriguing ENE trending 7.5 km long airborne magnetic low giving this prospect large scale potential.

Robello Creek Prospect

The identification of the Banakuru Prospect REE soil anomaly lead to a review of previous REE exploration data from across the project area. This review highlighted the highly anomalous stream Heavy Mineral Concentrate (HMC) sampling results, previously returned from the Robello Creek and Heavy Creek Prospects with anomalism from 2.4% up to 6.4% Total Rare earth Oxide (TREO). In addition to stream HMC anomalism, a mine concentrate sample from the Robello Creek mine workings



returned assay results of 7% TREO, 5.1% Ta₂O₅ & 21% Nb₂O₅ and GSM pit samples record assays including 0.25% Ta₂O₅ & 1.03% Nb₂O₅.

At Robello Creek highly anomalous TREO stream sediment, mine concentrate and pit results along with the history of alluvial tantalum and niobium mining in the 1950's all within a 10km x 2.5km drainage area identify this prospect as a target for further alluvial Ta-Nb-REE mineralisation.

Rumong-Rumong

Little exploration for REE has been undertaken to date at Rumong-Rumong but this prospect is within a 10km x 2.5km drainage area with recorded tantalum and niobium stream sediment anomalism and a history of alluvial tantalum-niobium mining in the 1950s and 1990's.

Future exploration targeting REE at the Morabisi Project is likely to involve further ionic soil geochemistry and trenching.

Greenpower Energy and GSM Guyana are actively seeking a joint venture partner to take the project forward.

OHD Project Update

During the quarter results of the glasshouse trials were released testing the value of adding OHD (Coal to Liquid Product) to herbicide for control of weeds under moisture stress. Trials indicated that adding the OHD product to glyphosphate may increase flexibility of summer weed control options through decreased reliance on seasonal weather. These trials show that using OHD, farmers may be able to manage summer weeds regardless of soil moisture status. This is significant as herbicide efficacy is generally poor when weeds are water stressed.

Corporate

Share Purchase Plan

The Company has announced a share purchase plan to eligible shareholders to purchase up to \$15,000 worth of Shares for the Company to raise up to \$1,000,000 at an issue price of a 20% discount to the volume weighted average market price (VWAP) for Shares calculated over the last 5 days on which sales in the Shares are recorded before the issue date (\$0.003) free of brokerage and commission.

Full details can be found in the ASX announcements dated 1st and 15th April 2019.

Sale of Royalty Interest, Walyering Gas Project Perth

The Company executed a binding Deed of Assignment of Royalty with Gasfields Limited (ASX:GFS) to sell its 1.5% wellhead royalty payable over 50% of any production from EP447 (Wellhead Royalty), being the proportionate share of the tenement held by GCC Methane Pty Ltd.



EP447 makes up the Walyering Project and is located in the Perth Basin and is one of a number of early gas discoveries by West Australian Petroleum Pty Ltd in the early 1970's, and has only been partly produced (Walyering Project). The Walyering Project is currently subject to a Joint Venture between ASX Listed Pancontinental Oil & Gas NL (ASX: PCL) (Pancontinental) and UIL Energy Limited (UIL)(a wholly owned subsidiary of ASX listed Strike Energy Limited (ASX:STX)).

Greenpower has received a deposit of \$10,000 and is due to receive four (4) further payments of \$125,000, all within the next 6 months.

Moving forward

Completed assay results from the Lincoln Springs drill program are expected in the first week of May.

Greenpower is currently planning further OHD crop tests during 2019/2020.

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	Granted	Queensland	100%
Lincoln Springs	EPM 26716	Granted	Queensland	0%, Note 1
Lincoln Springs	EPM 27087	Application	Queensland	100%
Lincoln Springs	EPM 27078	Application	Queensland	100%
Julia Creek	EPM 26915	Granted	Queensland	100%
Julia Creek	EPM 26924	Granted	Queensland	100%
Ashburton	E52/3612	Application	Western Australia	100%
Ashburton	E08/2966	Granted	Western Australia	0%, Note 2
Ashburton	E08/3018	Application	Western Australia	0%, Note 2
Ashburton	E08/3019	Granted	Western Australia	0%, Note 2
Ashburton	E08/3020	Granted	Western Australia	0%, Note 2
Moe	EL006388	Application	Victoria	100%
Morabisi	Turesi PGGS	Granted	Guyana, South America	51%



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

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Lincoln Springs	EPM 27207	Application	Queensland	100%

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

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Nil				

1. 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 18 months.
2. 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 and its Controlled Entities

ABN

22 000 002 111

Quarter ended ("current quarter")

31 March 2019

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	(353)	(353)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(59)	(115)
	(e) administration and corporate costs	(227)	(1,744)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	13
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)	-	-
1.9	Net cash from / (used in) operating activities	(639)	(1,917)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(3)	(134)
	(b) tenements (see item 10)*	-	(1,157)
	(c) investments	-	-
	(d) 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) 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 – cash on acquisition of subsidiary	-	210
2.6	Net cash from / (used in) investing activities	(3)	(1,081)

*Acquisition of exploration assets (Ion Minerals Pty Ltd).

3.	Cash flows from financing activities		
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	-	(67)
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)	-	-
3.10	Net cash from / (used in) financing activities	-	(67)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	999	3,422
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(639)	(1,917)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(1,081)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(67)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	357	357

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	15	63
5.2 Call deposits	342	936
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)	357	999

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
104
-

The amounts reported in 6.1 relate to payments to directors including non-executive directors' fees and superannuation for the quarter.

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
-	-
-	-
-	-

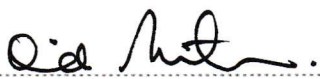
- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	400
9.2 Development	-
9.3 Production	-
9.4 Staff costs	130
9.5 Administration and corporate costs	150
9.6 Other (Investment)	-
9.7 Total estimated cash outflows	680

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
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 26716 Lincoln Springs, Qld E52/3612 Ashburton, WA	Application Application	0% 0%	100% 100%

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:  Date: 30 April 2019
(Company secretary)

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.