

Company Announcements Office
Australian Securities Exchange

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(ASX Code GRK)

Further encouraging trench results from Epanko North including 48m @ 11.18% TGC

Highlights

Epanko North

- Green Rock is pleased to report recent trenching results from its current exploration programme at the Epanko North area, Mahenge
- T14 at Epanko North returned 74m @ 9.91% TGC over the entire trench, including 48m @ 11.18% TGC from 30m
- This trench still remains open ended in graphitic mineralisation (approx. 7% TGC at either end), indicating good potential for a wider graphite mineralised zone at Epanko North
- Drilling contractors are tendering for the Company's inaugural drilling programme at Epanko North
- Trenching and sampling continues at the Kituti prospect



Background

Green Rock has received additional assay results from its current field programme at Epanko North. The Company is currently mapping and trenching three zones; Cascade, Epanko North and Kituti. Work has commenced preparing drill pads at Epanko and Kituti.

Epanko North Prospect

Assay results were received for five trenches: T11-T15, as plotted on Figure 1. The trenching results confirm wide zones of graphitic mineralisation with strike continuity and potential to host an open-pittable resource at Epanko North. All trenches started and ended in graphitic mineralisation.

T14 returned one of the better trench intervals received to date of **74m @ 9.11% TGC**, including **48m @ 11.18% TGC**. The trenched interval remains open in both directions however deeper soil cover at the trench flanks prevented samples safely being taken.

T15 was designed to test the westward extension of T14 and returned 47m @ 5.54% TGC, including 20m @ 7.58% TGC. The combined widths of T14 and T15 indicate over 130m of graphitic mineralisation at >8% TGC in this section of the Epanko North Lode.

T13 returned 50m @ 6% TGC, T12 returned 36m @ 5.34% TGC and T11 returned 5m @ 4.3% TGC.

The Company believes that sufficient surface sampling has been undertaken at Epanko North to warrant a maiden drilling programme. The graphite mineralised footprint is currently up to 200m wide with 1,350m of strike length. Drilling will rapidly determine the potential for Epanko North to host an open-pittable resource.

Maiden Drill programme

Drilling contractors are currently tendering for the Company's maiden drilling programme at Epanko North and Kituti. The first round of drilling is expected to be a combined 2,500m of Reverse Circulation (RC) and diamond drilling, starting in early January 2015.



Photo 1. TK02 at Kituti

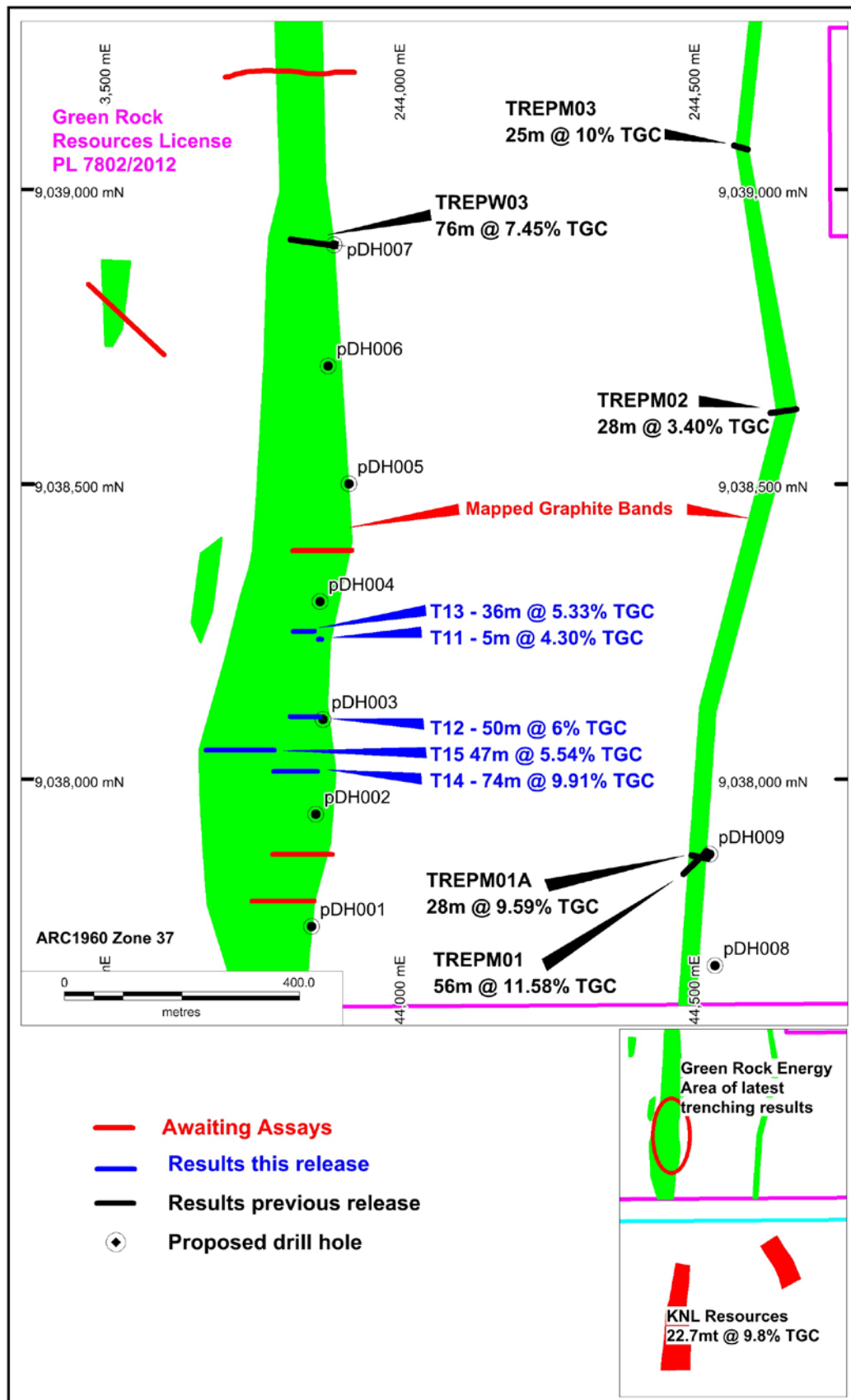


Figure 1. Epanko North trenching area showing new and previously reported trench results. Inset map shows the trenching areas in relation to Kibaran Resource's resource located immediately to the south.



Photos 2, 3. Trench T17 and T15 being sampled at Epanko North

Table 1. Recent trench results from Epanko North

Trench_ID	East_start	North_start	Azimuth	Length (m)	Prospect	Total Trench intervals and selected significant intervals
TREPW11	243864	9038239	90	0-5 (5m)	Epanko North	5m @ 4.30% TGC from start
TREPW12	243831	9038102	90	38 - 88 (50m)	Epanko North	50m @ 6.00% TGC from 38m 10m @ 9.17 % TGC from 62m
TREPW13	243823	9038250	90	24 - 60 (36m)	Epanko North	36m @ 5.33% TGC from 24m
TREPW14	243789	9038013	90	22 - 96m (74m)	Epanko North	74m @ 9.91% TGC from 22m 48m @ 11.18 TGC from 30m
TREPW15	243787	9038047	90	100 - 147 (47m)	Epanko North	47m @ 5.54% TGC from 100m 20m @ 7.58% TGC from 118m

For further information

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Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Steven Tambanis, who is a member of the AusIMM. He is the Interim Chief Executive Officer of Green Rock Energy Limited. Steven Tambanis has sufficient 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 2004 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steven Tambanis consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Photo 4. Trench sampling T15

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Rock chip samples taken from outcrop or from surface float thought to be derived from shallow buried cover within 15m radius • Trench samples were taken in 2m intervals along the floor or walls of the trench • A 10cm wide 5cm deep channel was cut into the trench wall or floor for sampling • Trenches range in depth from 1.0m to 2.5 with an average depth of 1.8m • Trenches have an average width of 1m • Surface rockchip and trench samples range between 0.5kg and 2.5kg in weight • The Company has taken all care to ensure no material containing additional carbon has contaminated the samples • All samples are individually labelled and logged
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Not applicable, GRK has not completed any drilling on the property
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • Not applicable, GRK has not completed any drilling on the property

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> Surface rockchip samples were described in basic terms – lithology, degree of weathering, flake size and an estimate of grade Trench rockchip samples were described in basic terms – lithology, degree of weathering, flake size and an estimate of grade in 1m intervals
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> The surface rockchip samples have not undergone any field splitting or composition Trench samples were taken in 2m intervals with sampling techniques used to ensure representivity of the target rocktype No splitting of the trench samples was undertaken Deeply weathered material in trenches was not sampled
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> The samples were sent to Mwanza in Tanzania for preparation and pulps were then sent to Brisbane for TGC analysis for Total Graphitic Carbon (TGC) C-IR18 LECO Total Carbon. All analysis has been carried out by certified laboratory - ALSchemex TGC is the most appropriate method to analyse for graphitic carbon and it is a total analysis ALSchemex inserted its own standards and blanks and completed its own QAQC for each batch of samples GRK inserted certified standard material at a rate of 5% GRK did not insert field duplicates GRK did not insert blanks GRK is satisfied the TGC results are accurate and precise but subject to ongoing monitoring
Verification of sampling	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data</i> 	<ul style="list-style-type: none"> The data has been manually updated into a master spreadsheet which is appropriate for this early stage in the exploration program

Criteria	JORC Code explanation	Commentary
<i>and assaying</i>	<p>verification, data storage (physical and electronic) protocols.</p> <ul style="list-style-type: none"> Discuss any adjustment to assay data. 	
<i>Location of data points</i>	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> A handheld GPS was used to identify the positions of the trenches in the field The handheld GPS has an accuracy of +/- 5m The datum is used is ARC 1960 UTM zone 37
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> 2m samples sample composites were taken in the field. The project is considered too early stage for Resource Estimation The trenches are between 80 and 200m apart along the strike of the graphite units which at this stage is insufficient to establish grade continuity but sufficient to establish geological continuity
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Trenches were designed to sample across a section of the known strike of the mineralization where the cover was not too deep Trench samples was undertaken in general in a direction across the strike of the graphite schist The representivity of the surface rock chip samples cannot be assessed given the lack of continuous outcrop in these areas. These samples are only indicative results of the local geology and no claim to the volume or extent of this sample material is made Additional sampling and mapping is required to fully understand the mineralization and its grades in relation to controlling structures
<i>Sample security</i>	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The rockchip and trench samples were taken under the supervision of an experienced Field technician and geologist employed as a consultant to GRK The samples were transferred under GRK supervision from site to the local town of Mahenge The samples were then transported from Mahenge to Dar es Salaam and then transported to Mwanza where they were inspected and then delivered directly to ALSChemex process facility. Chain of custody protocols were observed to ensure the samples were not tampered with post sampling and until delivery to the laboratory for preparation and analysis Transport of the pulps from Tanzania to Australia was under the

Criteria	JORC Code explanation	Commentary
		supervision of ALSChemex
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Not applicable, GRK has not completed any drilling on the property

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> The rock chip and trench sampling was undertaken on granted license PL 7802/2012 which has an area of 293km² The licenses are under various option agreements with Green Rock Energy who can earn 100% Subsistence landowners of the affected villages were supportive of the recently completed sampling and exploration program.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Some previous explorers completed some limited RC drilling and rockchip sampling but the original data has not been located apart from what has been announced via ASX release by Kibaran Resources during 2011 and 2012 No other exploration for graphite is known from the area.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The deposit type is described as schist hosted flaky graphite. The mineralisation is hosted within upper amphibolite facies gneiss of the Mozambique Mobile Belt. Over 95% of the exposures within the tenement comprise 3 main rock types that include alternating sequences of: <ul style="list-style-type: none"> Graphitic schist – feldspar and quartz rich varieties. Marble and, Biotite and hornblende granulites. Less common rock types include quartzite.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> 	<ul style="list-style-type: none"> Not applicable, GRK has not completed any drilling on the property

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	<ul style="list-style-type: none"> o <i>dip and azimuth of the hole</i> o <i>down hole length and interception depth</i> o <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Some selected intervals are aggregated in the text using 4% TGC cut-off grades and allowing 2x2m of dilution and simple averaging on the 2m composited data
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Due to the potentially large strike length of the mineralization the trench sampling program has been selective and trench sampling has only assessed the local grade distribution of the graphitic zones from surface to shallow depths <2.5m). • The trenches were located between 80 and 200m along strike depending on the thickness of the surface cover • Further additional widespread surface sampling, mapping and drilling is required to understand the geometry of the graphite mineralisation
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Refer to Figures within this release that shows the location of the trenches and results
Balanced reporting	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • All trench rock chip samples have been reported in Table 1
Other substantive	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density,</i> 	<ul style="list-style-type: none"> • No further information has been compiled to date

Criteria	JORC Code explanation	Commentary
<i>exploration data</i>	<i>groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Further surface sampling techniques that may include pitting and trenching with mapping • Initial metallurgical testwork – flotation and particle sizing • Data compilation and analysis, target generation and ranking prior to drilling • RC and Diamond drilling

