



GREENVALE ENERGY LIMITED

A.B.N. 54 000 743 555

INTERIM FINANCIAL REPORT

HALF-YEAR ENDED
31 DECEMBER 2017

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CORPORATE DIRECTORY

DIRECTORS

Elias Khouri (Chairman)
Justin Dibb (Non-Executive Director)
Phillip Shamieh (Non-Executive Director)
Michael Povey (Non-Executive Director)
Vince Fayad (Executive Director)

COMPANY SECRETARY

Vince Fayad

REGISTERED OFFICE

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SHARE REGISTRY

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AUDITORS

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

STOCK EXCHANGE

Australian Securities Exchange
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

ASX CODE

GRV

DIRECTORS' REPORT AND REVIEW OF OPERATIONS

The Directors present this report together with the financial report of Greenvale Energy Limited ("**Greenvale**" or "**the Company**") and its consolidated entities (the "**Group**") for the half year ended 31 December 2017 and the auditors' report thereon.

DIRECTORS

The directors of the Company are:

Elias Khouri (Chairman)

Justin Dibb (Non-Executive Director)

Phillip Shamieh (Non-Executive Director)

Michael Povey (Non-Executive Director)

Vincent John Fayad (Executive Director and Company Secretary)

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the course of the year was mineral exploration activities in Queensland and the review of suitable related technologies. There were no significant changes in the nature of Greenvale's principal activities during the half year period.

RESULT AND REVIEW OF OPERATIONS

The loss for the Group after income tax for the six months to December 2017 amounted to \$212,742 (December 2016: loss of \$265,967) and the net assets of the Group was \$2,421,538 (June 2017: \$2,634,280).

The loss for the year was largely attributable to ongoing corporate and administrative costs.

No dividends were declared or paid during the half-year ended 31 December 2017.

EVENTS SUBSEQUENT TO REPORTING DATE

No events have occurred since balance date which would affect the financial or operating affairs of the Company or the Group.

REVIEW OF OPERATIONS

Alpha Tenements

The main interests of the Group are as follows:

Tenement	Status
Alpha (MDL 330) – (99.99%)	Current to 1 February 2022
Madre North (EPM 25795)	Current to 21 December 2019
Madre South (EPM 25792)	Current to 2 November 2020

During the financial period, the Company appointed SRK Consulting ("**SRK**") (an international mining consulting company) to undertake various work on behalf of GRV in relation to its interests in the tenements.

The scope of work to be undertaken by SRK includes:

1. undertake a review of the available data and prepare an independent geologist's report (**IGR**) on the Alpha project. The purpose of this report is to determine the next steps for the development of the project;
2. provide a budget and plan to undertake a JORC 2012 compliant estimate of the extractable oil Resources; and

3. provide to the directors a value opinion on the project for internal purposes. It is noted that given that there is no JORC 2012 on the project that the results of this opinion cannot be published. However, to the extent that certain relevant extracts can be published, then this information will be made available.

The initial work for the above is expected to be completed in late March 2018. Modelling of the deposit using modern software will comprise a significant advance on the scope of available project development options and likely costs.

Full details of the above exploration programme can be found in the announcement dated 19 January 2018.

In addition, the Company has also noted from work undertaken that:

- historical data shows that the Alpha torbanite (the richest oil shale known) can be refined to 59% asphaltines (bitumen) and 40% fuels (petrol, diesel and kerosene); and
- oil from Alpha torbanite has a significant fraction that could be a source of commercial bitumen. The study commissioned by Alpha showed retorting using CCI technology produced 2.5 barrels of bitumen per tonne of torbanite.

The above provides an alternative to that of use of the Alpha product for oil.

Strategic Direction

The Board of the Company continues to evaluate various projects both in Australia and abroad.

The Company commenced negotiations with the owner of licence of a precious metals project in an overseas jurisdiction for a joint venture. As at 31 December 2017, the negotiations were incomplete. Any decision to enter into a joint venture is still subject to due diligence, board and any regulatory approvals.

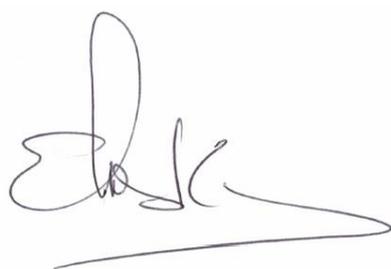
Corporate

During the period, the Company continued to invest its cash resources in term deposits.

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 5.

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



Elias Khouri
Chairman
Dated this 7 day of March 2018

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Greenvale Energy Limited for the half year ended 31 December 2017, 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 AUSTRALIA PARTNERS



C J Hume
Partner

Sydney, NSW

Dated: 7 March 2018

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RSM Australia Partners ABN 36 965 185 036

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	Note	Half-Year Ended 31 Dec 2017 \$	Half-Year Ended 31 Dec 2016 \$
Interest income	3	11,873	33,169
TOTAL REVENUE		<u>11,873</u>	<u>33,169</u>
Administrative expenses		(90,227)	(103,326)
Directors and employees		(99,000)	(107,500)
Consultancy and legal expenses		(6,000)	(16,200)
Compliance and regulatory fees		(29,388)	(22,110)
Exclusivity fee		-	(50,000)
TOTAL EXPENSES		<u>(224,615)</u>	<u>(299,136)</u>
LOSS BEFORE INCOME TAX		<u>(212,742)</u>	<u>(265,967)</u>
Income tax expense		-	-
LOSS AFTER INCOME TAX		<u>(212,742)</u>	<u>(265,967)</u>
Other Comprehensive Income		-	-
Total Comprehensive Income		<u>(212,742)</u>	<u>(265,967)</u>
(Loss) attributable to:			
- Members of Greenvale Energy Ltd		(212,740)	(265,957)
- Non – controlling interest		(2)	(10)
		<u>(212,742)</u>	<u>(265,967)</u>
Total comprehensive (loss) attributable to:			
Members of Greenvale Energy Ltd		(212,740)	(265,957)
Non – controlling interest		(2)	(10)
		<u>(212,742)</u>	<u>(265,967)</u>
Basic loss per share (cents)		(0.23)	(0.28)
Diluted loss per share (cents)		(0.23)	(0.28)

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

GREENVALE ENERGY LIMITED
A.B.N. 54 000 743 555

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	As at 31 Dec 2017 \$	As at 30 June 2017 \$
CURRENT ASSETS			
Cash and cash equivalents		1,500,372	1,828,749
Trade and other receivables		39,483	29,641
TOTAL CURRENT ASSETS		<u>1,539,855</u>	<u>1,858,390</u>
NON-CURRENT ASSETS			
Exploration and evaluation expenditure		962,279	835,562
TOTAL NON-CURRENT ASSETS		<u>962,279</u>	<u>835,562</u>
TOTAL ASSETS		<u>2,502,134</u>	<u>2,693,953</u>
CURRENT LIABILITIES			
Trade and other payables		80,596	59,671
TOTAL CURRENT LIABILITIES		<u>80,596</u>	<u>59,671</u>
TOTAL LIABILITIES		<u>80,596</u>	<u>59,671</u>
NET ASSETS		<u>2,421,538</u>	<u>2,634,280</u>
EQUITY			
Issued capital	4	12,746,247	12,746,247
Reserves		23,945	23,945
Accumulated losses		(10,348,642)	(10,135,902)
Total equity interests applicable to the members of the parent company		2,421,550	2,634,290
Non – Controlling Interest		(12)	(10)
TOTAL EQUITY		<u>2,421,538</u>	<u>2,634,280</u>

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

GREENVALE ENERGY LIMITED
A.B.N. 54 000 743 555

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Issued Capital	Reserve	Accumulated Losses	Non Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2017	12,746,247	23,945	(10,135,902)	(10)	2,634,280
Net (loss) for the half year	-	-	(212,742)	-	(212,742)
Other comprehensive income	-	-	-	-	-
Non – controlling interest	-	-	2	(2)	-
Total comprehensive income	-	-	(212,740)	(2)	(212,742)
Balance at 31 December 2017	<u>12,746,247</u>	<u>23,945</u>	<u>(10,348,642)</u>	<u>(12)</u>	<u>2,421,538</u>

	Issued Capital	Reserve	Accumulated Losses	Non Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2016	12,746,247	23,945	(9,618,939)	-	3,151,253
Net (loss) for the half year	-	-	(265,967)	-	(265,967)
Other comprehensive income	-	-	-	-	-
Non – controlling interest	-	-	10	(10)	-
Total comprehensive income	-	-	(265,957)	(10)	(265,967)
Balance at 31 December 2016	<u>12,746,247</u>	<u>23,945</u>	<u>(9,884,896)</u>	<u>(10)</u>	<u>2,885,286</u>

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Half-Year Ended 31 Dec 2017 \$	Half-Year Ended 31 Dec 2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(209,940)	(258,569)
Interest received	8,280	16,964
NET CASH (USED IN) OPERATING ACTIVITIES	<u>(201,660)</u>	<u>(241,605)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(126,718)	(93,085)
Exclusivity fee	-	(45,000)
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(126,718)</u>	<u>(138,085)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
	-	-
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
Net (decrease) in cash held	(328,378)	(379,690)
Cash at the beginning of the financial year	1,828,750	2,521,002
CASH AT THE END OF THE HALF-YEAR	<u>1,500,372</u>	<u>2,141,312</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 Energy Limited is a Company domiciled in Australia. This interim financial report of the consolidated entity is for the half-year ended 31 December 2017.

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 2017 and any public announcements made by Greenvale Energy 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.

GOING CONCERN

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period

The consolidated entity has adopted all of 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.

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 INFORMATION

This report is based on the Company operating on one segment only. That segment is minerals exploration in Australia. In accordance with AASB 8 Operating Segments, a management approach to reporting has been applied.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. REVENUE

	Half-Year Ended 31 Dec 2017	Half-Year Ended 31 Dec 2016
	\$	\$
Interest income	11,873	33,169

The consolidated entity is in the exploration phase and does not have any external customers.

4. ISSUED CAPITAL

	Number of Shares	\$
At the beginning of the financial period	93,355,357	12,746,247
Changes during the period	-	-
At end of reporting period	93,355,357	12,746,247

5. DIVIDENDS

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

6. SUBSEQUENT EVENTS

There are no other items, transactions or events that have occurred since 31 December 2017 that are of a material and unusual nature that, in the opinion of the Directors, are likely to affect significantly, the results of those operations, or the state of affairs of the Company entity in future financial years.

7. 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 2017 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.

A handwritten signature in black ink, appearing to read 'Elias Khouri', with a long horizontal flourish extending to the right.

Elias Khouri
Director
Dated this 7 day of March 2018

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF

GREENVALE ENERGY LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Greenvale Energy Limited which comprises the consolidated statement of financial position as at 31 December 2017, 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 2017 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 Energy 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.

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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 Energy 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 2017 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 AUSTRALIA PARTNERS



C J HUME
Partner

Sydney, NSW
Dated: 7 March 2018