

16 August 2018

## Acquisition Update

- Option Agreement with Ion Minerals Pty Ltd has been amended
  - Consideration for Phase 3 (to earn the final 30%) has been modified.
  - Removal of the requirement to grant shares in GPP equal to \$1,050,000.
- Incoming director performance bonus to be introduced (subject to shareholder approval).
- Exploration activities including the cobalt drilling program to commence in November (subject to shareholder approval).
- The initial drilling program will be conducted as a first pass to determine the extent of the cobalt & copper mineralisation identified by Australian Lime Company Pty Ltd at the Lincoln Springs area where surface rock samples showed cobalt mineralisation at levels of up to 3.1% cobalt & 10.4% copper (Refer announcement 5 July 2018).

Greenpower Energy Limited (“Greenpower” or “the Company”) (ASX: GPP) is pleased to announce the following acquisition and exploration update regarding its recently announced option agreement to acquire Australian battery minerals exploration company, Ion Minerals Pty Ltd (“Ion Minerals”) (“Option Agreement”).

### **Ion Minerals Option Agreement Amendment**

Option Agreement with Ion Minerals Pty Ltd has been amended with the consideration for Phase 3 (to earn the final 30%) being modified as follows:

Subsequent to GPP obtaining the Phase 2 interest, GPP can elect to earn-in the final 30% interest in Ion Minerals (100% cumulative) in consideration for cash consideration of \$150,000. The equity component relating to Phase 3 has been removed.

### **Incoming Director Performance Bonus**

Per the ASX announcement made on 5 July 2018 GPP to acquire high-grade Australian Cobalt & Vanadium Co both Mr Cameron Mclean and Mr Alistair Williams will join the Greenpower Board and executive team in the event GPP exercises the Option under the Option Agreement.

The Company realises the importance of equity alignment. To that end and as part of the executive service agreements to be entered into with the incoming directors, Greenpower will include a project performance bonus in each of their executive service agreements to ensure that the incentives relating to the incoming directors (bio’s included below) are aligned to that of existing shareholders.

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Details of the proposed bonus terms of the executive service agreements are as follows:

- In the event that the Company, as a result of the exploration results on the Ion Projects and the potential economic upside of their continued development, elects to progress to Phase 3 of the Acquisition (acquire a 100% interest in Ion Minerals), the Company will (subject to obtaining the necessary prior shareholder and regulatory approvals) issue to each of the Incoming Directors \$525,000 worth of fully paid ordinary shares in GPP (so that the total value of GPP shares issued is \$1,050,000) with an issue price per share based on the VWAP for the previous 30 trading days prior to the date of GPP's Phase 3 election notice as a performance bonus in respect of the Projects.
- These shares will be subject to voluntary escrow for 6 months from the date of issue.
- In the event GPP does not give written notice of its election to move to Phase 3, the incoming directors' entitlement to the performance bonus shares will automatically lapse and expire.

### **Exploration activities**

Subject to shareholder approval GPP plans to commence exploration activities at Lincoln Springs in October. Detailed mapping and prospecting will allow the company to add to the drill targets already identified at Lincoln Springs. Sampling at Lincoln Springs has returned some of the highest cobalt values reported from the recent growth in cobalt exploration within Australia.

### **Incoming Director Biography**

#### **Mr Cameron Mclean – Proposed CEO & 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 geotechnology 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 – Proposed 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.

**Due Diligence Update**

Due Diligence relation to the Ion Minerals acquisition is progressing. The Company expects to provide an outcome relating to due diligence activities within the next fortnight.

**ENDS**

**For further information:**

Gerard King

Chairman of the Board