Greenvale Energy Limited

Quarterly Activities Report

December 2017

ASX Release

19 January 2018

Highlights

- Appointment of SRK Consulting (Australasia) Pty Ltd (**SRK**) to undertake an Independent Geologist's Report (IGR) and a program to become a JORC 2012 compliant resource for the Alpha deposit located in MDL 330, south of Alpha (**Figures 1 and 2 below).**

- Company continues to explore acquisition opportunities and is looking at a joint venture investment in a metal based transaction in an overseas jurisdiction. Negotiations are currently incomplete.

Greenvale Energy Limited (ASX: GRV) is pleased to provide the following update on its activities for the December 2017 Quarter (the "**Quarter"):**

Existing assets - *Overview*

Table 1 below shows the Greenvale Energy Limited existing assets and status.

Table 1: Greenvale Energy Limited tenement details

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

Alpha Activities

During the quarter, GRV appointed SRK Consulting (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 (for internal purposes) on the project. 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 February 2018 and the relevant details will be announced as soon as they come to hand. Modelling of the deposit using modern software will comprise a significant advance on the scope of available project development options and likely costs.

Set out below is the location and topography overview of the Alpha project:

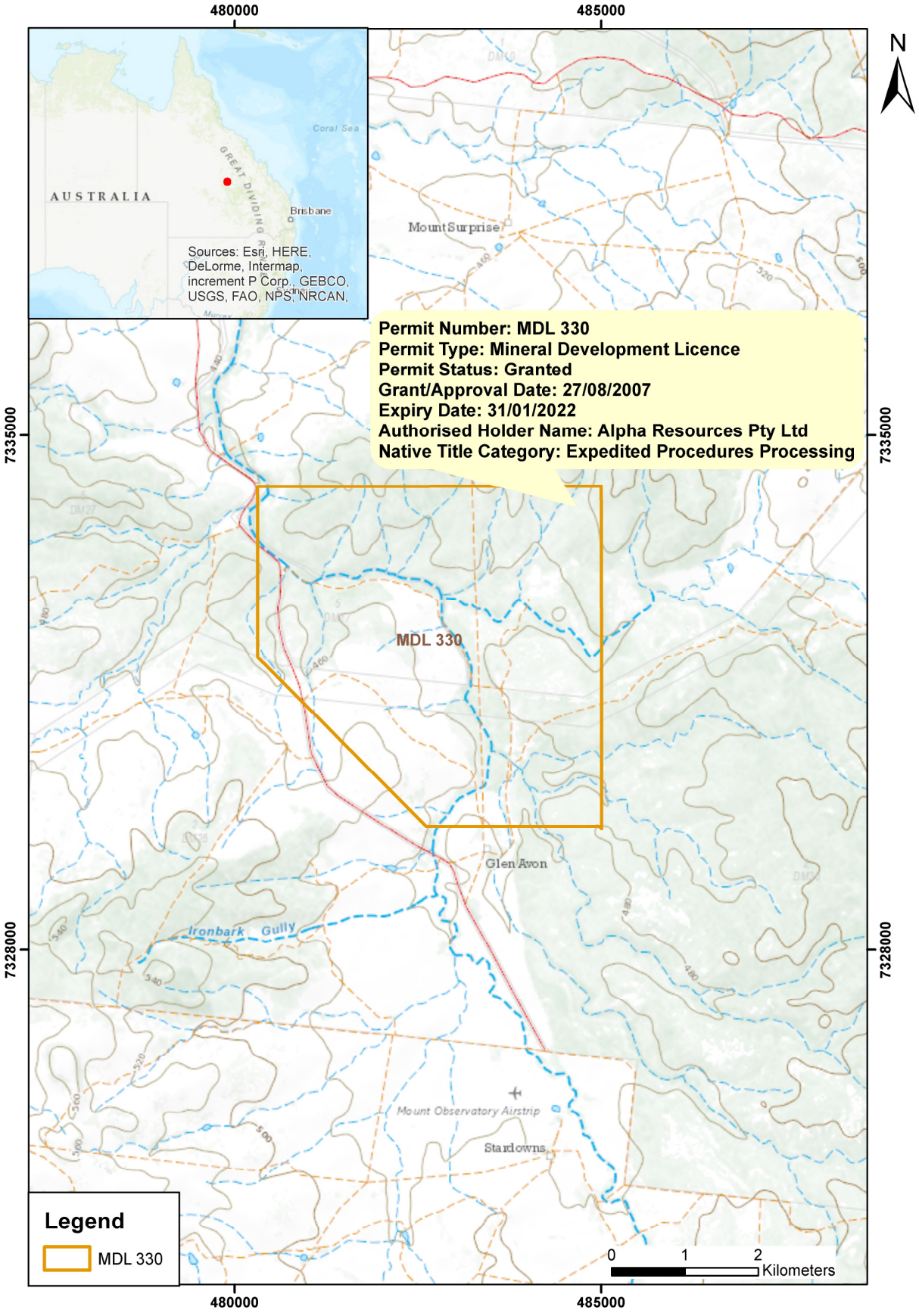

Figure 1: Location and details of MDL 330

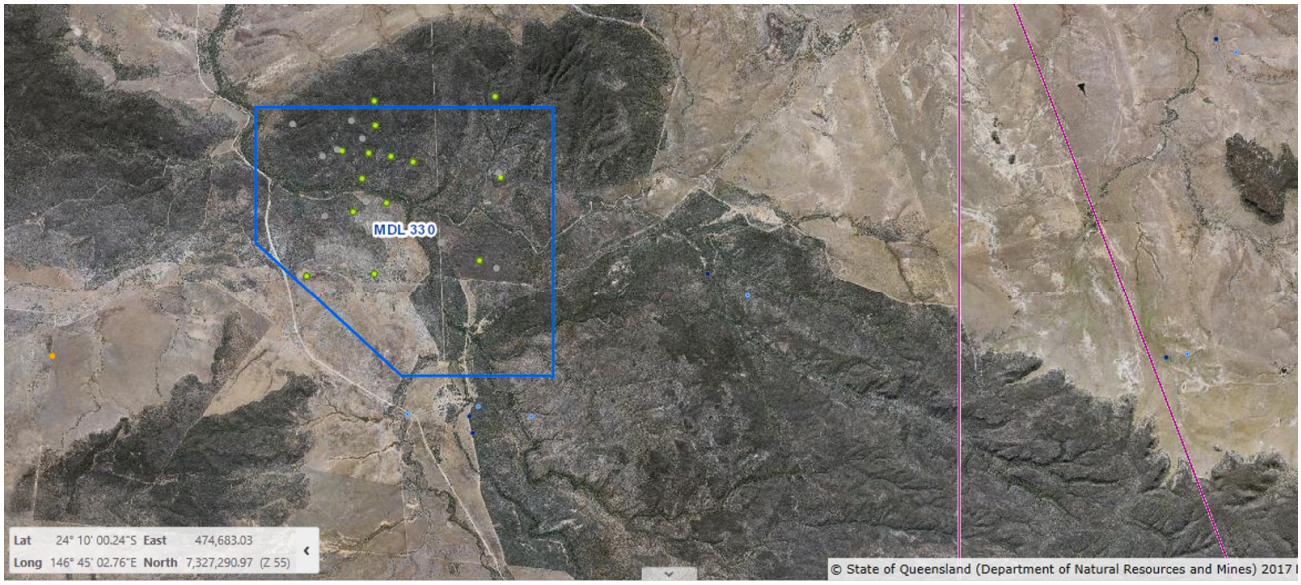

Figure 2: Topographic setting of MDL 330.

Alpha Data Review

SRK is currently working through the many data issues in order to prepare a reliable GIS with accurate data. SRK has projected the data in AGD66 Zone 55 and WGS84, but the locations seem inconsistent. **Figure 3** shows the relevant drill holes being reviewed by SRK.

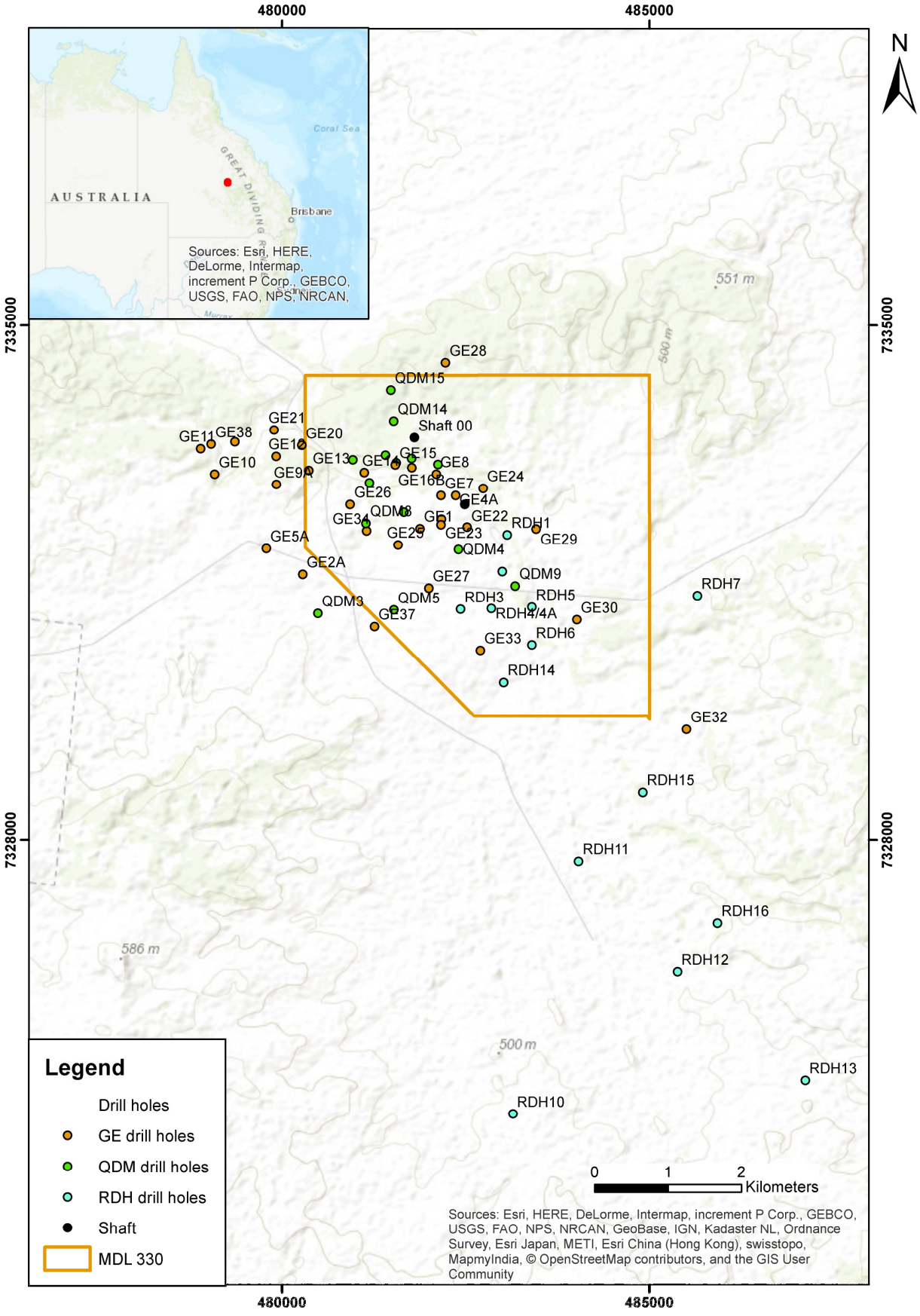

Figure 3: Relevant drill holes to be assessed (some locations based on digitised map data)

Strategic direction and acquisitions

During the quarter, the Board continued to assets other potential opportunities. 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. Further details will be announced when available.

Contact details

For further information, please contact:

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Competent Person Statement

The information in this announcement is based on and fairly represents information and supporting documentation prepared by Dr Bruce McConachie a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy, the Society of Petroleum Engineers and the American Association of Petroleum Geologists. Dr McConachie consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Rule 5.5

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

GREENVALE ENERGY LIMITED

ABN	**Quarter ended ("current quarter")**
54 000 743 555	December 2017

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6-months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(87)	(126)
	(b) development		
	(c) production		
	(d) staff costs	(61)	(68)
	(e) administration and corporate costs	(77)	(142)
1.3	Dividends received (see note 3)		
1.4	Interest received	2	8
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Research and development refunds		
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(223)**	**(328)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(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)		
2.6	**Net cash from / (used in) investing activities**		

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		
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**		

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,723	1,828
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(223)	(328)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,500**	**1,500**

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	150	23
5.2	Call deposits	1,350	1,700
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)**	**1,500**	**1,723**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	82
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

Included in the payments to directors is that of the Company Secretary/Executive - $20,625

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
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

N/A

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

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.

N/A

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	22
9.2	Development	-
9.3	Production	-
9.4	Staff costs	89
9.5	Administration and corporate costs	11
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**112**

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				

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: 19 January 2018

Print name: Vince Fayad (Director and Company Secretary)

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.