ASX ANNOUNCEMENT

29 October 2020

QUARTERLY ACTIVITIES REPORT SEPTEMBER 2020

TRANSFORMATIONAL QUARTER SEES SUCCESSFUL RECAPITALISATION, KEY BOARD APPOINTMENTS AND RATIONALISATION OF PROJECT PORTFOLIO

Key steps taken to re-energise Greenvale and provide the necessary financial resources to support the evaluation and development of its key Australian projects

Highlights

- Successful recapitalisation completed through a $2.8m placement and entitlements issue, with subscriptions received for a further $1.29m, subject to shareholder approval at the Company's AGM to be held on 27 November 2020.

- Upon approval and completion, the Company is budgeted to have cash reserves of around $4m.

- Completion of the acquisition of the 20% outstanding balance of shares in Knox Resources Ltd (Knox), owner of the highly prospective Georgina Basin Iron Oxide Copper Gold (IOCG) Project in the Northern Territory.

- Appointment of well-known Australian mining executives and substantial shareholders Mr Tony Leibowitz and Mr Neil Biddle as Non-Executive Chairman and Executive Director respectively. Messrs Leibowitz and Biddle have a strong track record of value creation in the junior and mid-tier mining and exploration sector.

- Sale and settlement of the disposal of the Company's interest in the Gold Basin Project in Arizona USA, which resulted in the Company booking an expected profit on disposal of this asset of $992,000 and receiving $1m in cash plus 2.5m shares in Gold Basin Resources (CSE: GXX), a company listed on the Canadian Securities Exchange.

Greenvale Executive Director, Neil Biddle, said: *"As a result of the milestones achieved in the September Quarter, the Company has emerged in a strong financial position and with a re-energised board and senior management team. We have two very promising assets in our Georgina Basin IOCG Project, where exploration is underway, and the Alpha Torbanite Project, where we look forward to outlining an exciting business case in the weeks ahead. The next few months promises to be an active and rewarding time for our shareholders."*

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ABN 54 000 743 555

Corporate Activities

Recapitalisation
In late June 2020, the Company announced a pro-rata entitlements issue comprising one new fully-paid share in the Company for one existing share held by eligible shareholders on the record date of 7 July 2020. The entitlements issue, which was fully underwritten by Sydney-based Blue Ocean Equities, was completed on 28 July 2020, with the offer fully allocated resulting in the issue of 112,831,902 shares at 1.9c per share, which raised some $2.144 million before costs.

In August 2020, the Company announced that it had raised a further $661,000 through the issue of 34.8 million shares at an issue price of 1.9c per share to sophisticated and professional investors. The Company also announced that subscriptions for a further 67.9m shares at 1.9c per share had been received to raise approximately $1.29 million (including 23.7 million shares to associates of directors Neil Biddle and Tony Leibowitz). These additional shares will be issued subject to approval by shareholders at the Company's Annual General Meeting, to be held on 27 November 2020.

Subject to approval being granted at the Annual General Meeting, the Company is budgeted to have cash on hand of some $4 million by 30 November 2020.

Sale of Gold Basin Project
On 1 September 2020, the Company announced an unconditional agreement for the sale of its 25% interest in the Gold Basin Project in Arizona, USA and this transaction was closed on 4 September 2020.

The terms of sale included the payment to the company of cash of $A1 million and the issue of 2.5 million fully-paid shares in Fiorentina Minerals (now renamed Gold Basin Resources, CSE: GXX), a company listed on the Canadian Securities Exchange. These shares are subject to an escrow period of four months.

As at the closing date, the market price for shares in Fiorentina Minerals Limited was C$0.40 and after applying a 40% discount for the lack of liquidity and marketability of the shares, this resulted in a fair value consideration for this component at settlement, based on the prevailing exchange rate, of $A630,000. The expected profit on this disposal to be reported in the half-year report is expected to be $A992,000.

Finalisation of Full Acquisition of Knox Resources Limited
In late June 2020, the Company announced the acquisition of an initial 80% of the issued shares in Knox, with conditional rights to increase to full ownership. On completion of the successful entitlements issue, the Company was able to exercise its option to acquire the remaining 20% of the issued shares in Knox via the issue of 2,368,421 fully-paid ordinary shares of the Company.

Knox was the successful applicant for a highly prospective portfolio of exploration licences covering an area of 4,475km^2 located in the Northern Territory. The acquisition has given the Company a low-cost entry into a potentially significant long-term district-scale IOCG exploration opportunity.

Board Changes
On 7 September 2020, Mr Tony Leibowitz and Mr Neil Biddle joined the board as Non-Executive Chairman and Executive Director, respectively. Founding shareholders of Knox, Mr Leibowitz and Mr Biddle both have extensive expertise and strong track record of value creation in the junior and mid-tier Australian mining sector.

Both were co-founders of the successful mid-tier lithium producer Pilbara Minerals Limited (ASX: PLS) and are currently directors of emerging Kalgoorlie gold producer Bardoc Gold Limited (ASX: BDC) and Pilbara-based gold explorer Trek Metals Limited (ASX: TKM).

Former Chairman Leo Khouri has remained on the board as a Non-Executive Director with Mr Vince Fayad remaining as a Non-Executive Director until the forthcoming Annual General Meeting, where he will not be seeking re-election. As part of the board re-structure, Mr Stephen Gemmell and Mr Julian Gosse resigned as directors.

Change of Company Name
Following approval by shareholders at a General Meeting on 10 August 2020, the Company changed its name from Greenvale Energy Limited to Greenvale Mining Limited, reflecting its broader asset base in the extractive industries.

Project Activities

During the Quarter, the Company's primary focus was on its corporate restructure and recapitalisation. With respect to its two projects, activities revolved around evaluation and planning for the initiation of work programs in the December Quarter, as travel and other COVID-19 related business restrictions are expected to be eased.

Alpha Project, Queensland

Background

The Alpha Torbanite project is located approximately 50km south of the Central Queensland town of Alpha. The Alpha Torbanite deposit consists of two seams – an upper seam of cannel coal with an average thickness of 1.12m and a lower seam of cannel coal containing a lens of torbanite with a thickness of up to 1.9m.

The project has been subject to extensive exploration and laboratory testing since its initial discovery in 1939, over 80 years ago. During 2019 SRK Consulting (Australia) Pty Ltd (SRK) was engaged to reassess the project strategy. This resulted in a report by SRK setting out a potential new development strategy, which is based on the production of a diversified suite of value-added products.

SRK noted that, in contrast with typical oil shale deposits, the Alpha Torbanite is exceptionally high-grade, containing up to 650 litres of hydrocarbons per tonne of torbanite, and is capable of producing high-value bitumen, light crude oil and activated carbon. Additionally, the Torbanite has the ability to deliver high-quality value-added products through appropriate investment in processing infrastructure.

SRK has recommended a staged work program which will initially focus on the extraction and analysis of torbanite and cannel coal bulk samples from trenches or costeans from one location in order to fully characterise the deposit, as well as undertaking a comprehensive retort testing program across a range of conditions to assess optimal outputs.

Activities During the Quarter

During the quarter, the Company has commenced further analysis of the SRK report and its recommendations, together with research on the opportunities and extent and dynamics of key markets for potential products as well as preparations for the commencement of the field work program.

Furthermore, the Company has also lodged a permit application (EPM 27718) for an extension of its existing Alpha permit area (MDL 330) as set out in the diagram below. The new Alpha Extended permit area will go a long way in ensuring that the Company can appropriately secure the relatively rare and unique torbanite deposit and provide capacity for potential future exploration growth.

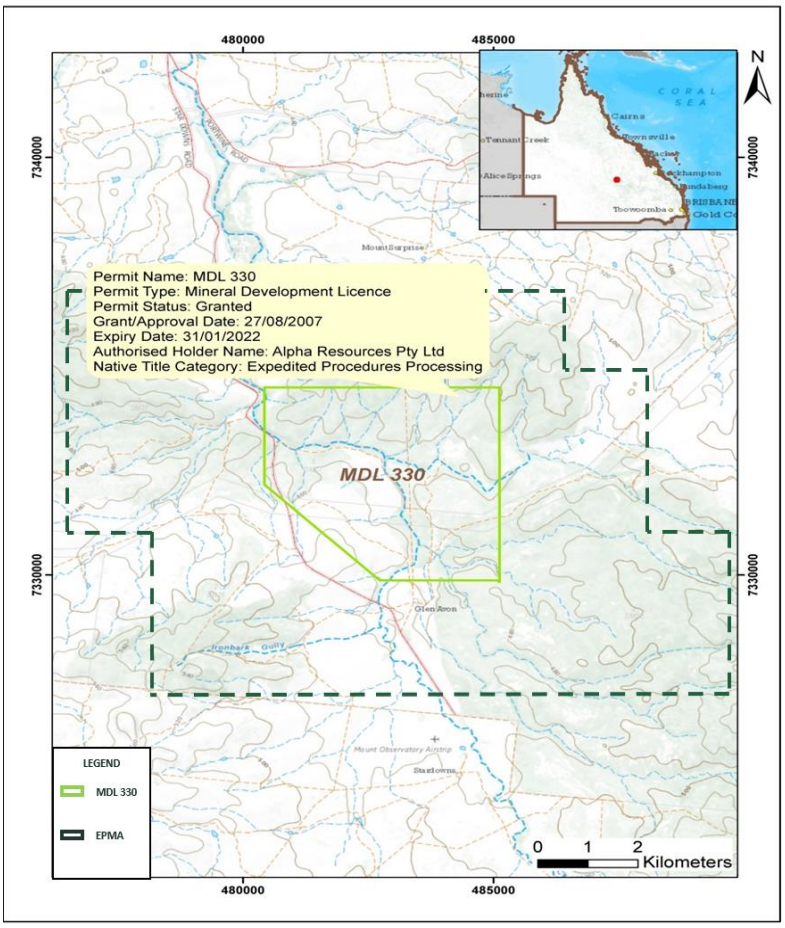


Figure 1: Existing MDL and new EPMA areas

Activities Planned for the December 2020 Quarter

Subject to COVID-19 restrictions, a work program is scheduled to commence this quarter including on-site review, bulk sampling and laboratory analysis. The Company has also authorised SRK to undertake a program of work to prepare for the Alpha bulk sampling program, which is proposed to be completed early in the first quarter of 2021.

During the December Quarter, SRK will complete a detailed review of historical drilling to pinpoint the best location for accessing a representative bulk sample. A pilot scale retort will also be constructed for extraction of asphaltenes (bitumen), light crude oil and activated carbon to assess product characteristics and provide samples for potential customers. The pilot scale retort plant is a micro imitation of the production scale plant, as demonstrated in the diagram below:

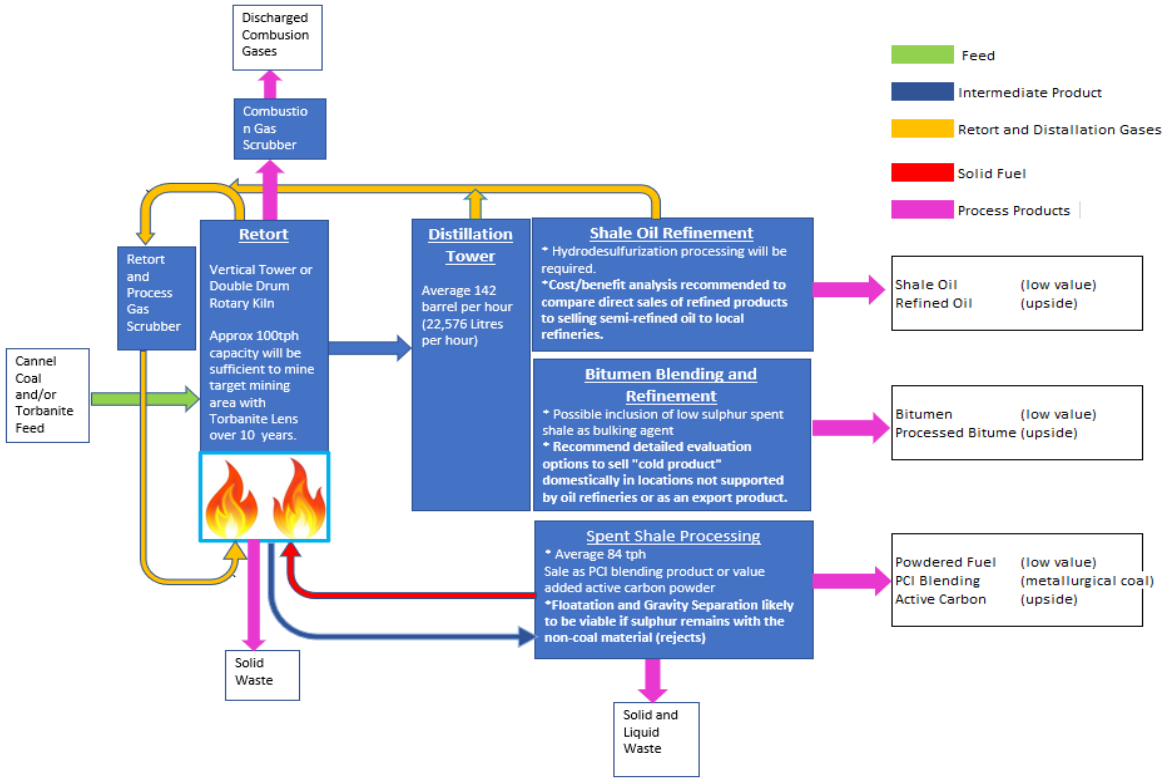


Figure 2: Pilot Scale Retort Plant

Georgina Basin IOCG Project, Northern Territory

Background

The Georgina Basin project is held by recently acquired Knox, which has delivered Greenvale a low-cost entry into one of Australia's most significant regional exploration programs.

Following the establishment of government funding programs aimed at boosting mineral exploration in northern Australia, significant work was undertaken by the Northern Territory Geological Survey and Geoscience Australia to progress initiatives aimed at unlocking the resource potential of the Barkly and Gulf regions (which includes the Georgina Basin) through upgrading geophysical coverage and data accessibility to assist in understanding the potential for large-scale IOCG mineral systems within the Georgina Basin.

IOCG deposits are an important and highly valuable global source of copper, gold and uranium, as well as having the potential to host other minerals including silver, bismuth, molybdenum, cobalt and rare earth elements.

Knox was a successful applicant under an open tender for nine Exploration Licences over four distinct locations covering some 4,475km^2 situated between the historical IOCG provinces of Tennant Creek and Mount Isa. On 23 September 2020, Knox was granted Exploration Licences over seven of the areas, with the remaining two being subject to negotiation with the indigenous freehold landowners.

Activities During the Quarter

During the quarter, further aggregation and interpretation of existing geophysical and exploration data took place as well as preparation for exploration activities for the forthcoming quarter.

Activities Proposed for the December 2020 Quarter

The Company has secured the services of MAGSPEC Airborne Surveys Pty Ltd to undertake a geophysical survey of the Company's western and south-eastern tenements. This work is expected to commence in early November 2020.

Representatives of the Company are scheduled to undertake an initial land-owners' meeting for the two conditional Exploration Licence areas during the December Quarter.

As part of the government initiatives to encourage exploration in this region, the government-funded National Drilling Initiative has commenced a program of drilling up to 12 stratigraphic drill holes across the region which is intended to transform the understanding of the geology and resource potential of the region.

Two of the 12 drill sites are located on or adjacent to Exploration Licences that form part of the Company's Georgina IOCG Project. The locations of the proposed drill holes and the Company's tenements are shown below:

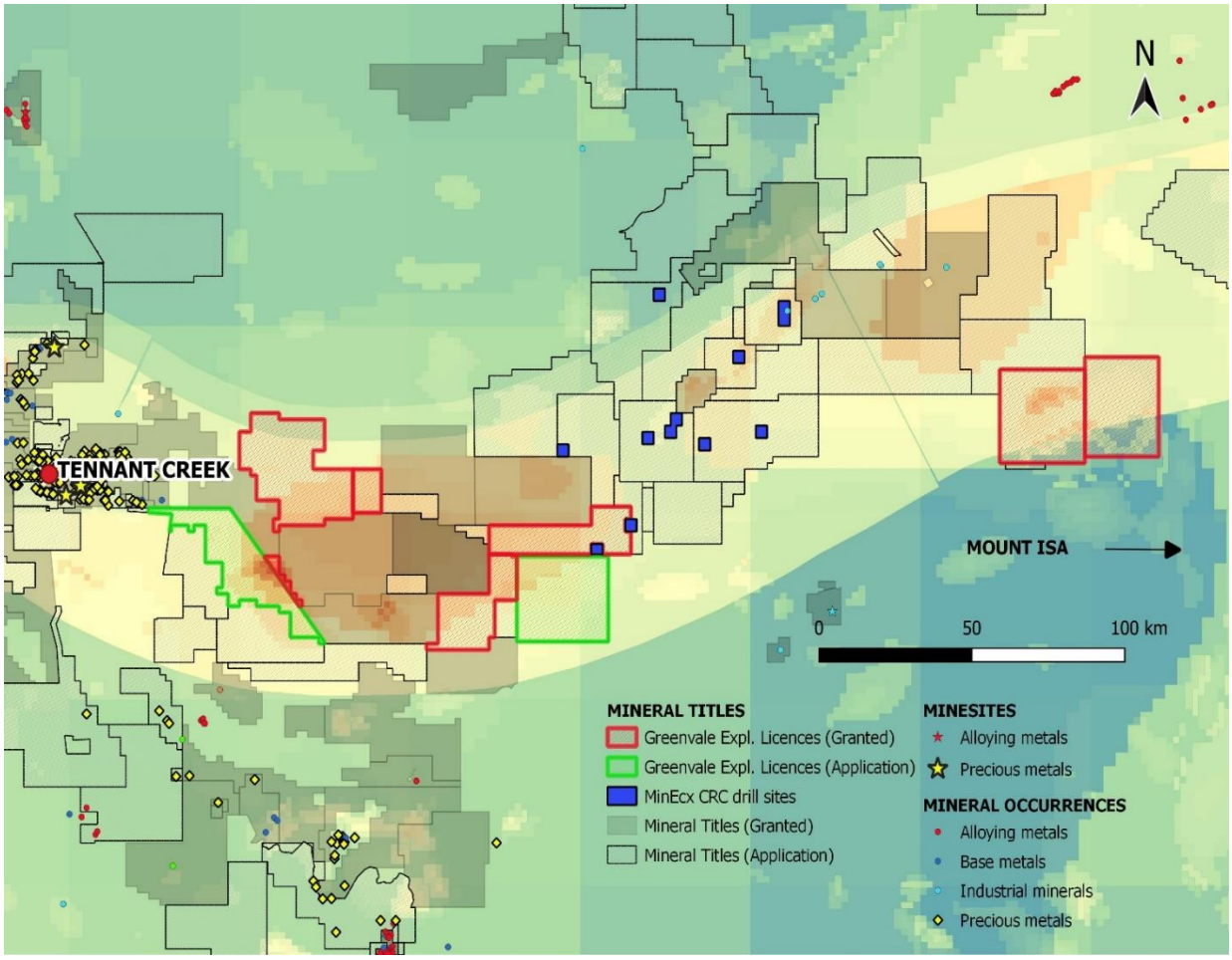


Figure 3: Exploration Licenses and proposed NDIA Drilling locations

While drilling has commenced as part of the NDIA program, the expected dates for drilling on the Company's exploration areas has not been provided at this time.

The entire drilling program is expected to be completed this calendar year.

Upcoming Presentations

Greenvale Executive Director Neil Biddle will be presenting on the Company's key assets and upcoming activities at the Resources Rising Stars 2020 Conference on 10-11 November. Investors in Queensland can attend his presentation in-person at The Royal Pines Resort in the Gold Coast. Full details including registration details can be found at the RRS website below:

https://www.resourcesrisingstars.com.au/events

All Tenement Details

Alpha Project, Queensland

Tenement	%age Ownership	Owned by	Status
MDL 330	99.99%	Alpha Resources Pty Ltd	Current to 31 January 2022

Alpha Project, Queensland

Tenement	%age Ownership of Applicant	Applicant	Status
EPM 27718	100%	Alpha Resources Pty Ltd	Under Application

Georgina Basin Project, Northern Territory

Tenement	%age Ownership	Owned by	Status
EL 32281	100%	Knox Resources Limited	Current to 22 September 2026
EL 32282	100%	Knox Resources Limited	Current to 22 September 2026
EL 32283	100%	Knox Resources Limited	Current to 22 September 2026
EL 32285	100%	Knox Resources Limited	Current to 22 September 2026
EL 32286	100%	Knox Resources Limited	Current to 22 September 2026
EL 32296	100%	Knox Resources Limited	Current to 22 September 2026

Georgina Basin, Northern Territory

Tenement	%age Ownership Of Applicant	Applicant	Status
EL 32280	100%	Knox Resources Limited	Under Application
EL 32284	100%	Knox Resources Limited	Under Application

Related Party Payments

Payments made to related parties and associates of related parties during the quarter was $377,744 as detailed at Section 6.2 of the enclosed Appendix 5B.

Authorised for Release

This announcement and the accompanying Appendix 5 B have been approved by the Board for release.

Alan Boys
Company Secretary

Contact

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
GREENVALE MINING LIMITED	
ABN	**Quarter ended ("current quarter")**
54 000 743 555	September 2020

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	
1.2	Payments for		
	(a) exploration & evaluation	(113)	(113)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(531)	(531)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(644)**	**(644)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	1,000	1,000
	(e) 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)	8	8
2.6	**Net cash from / (used in) investing activities**	**1,008**	**1,008**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,690	2,690
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(257)	(257)
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 (deposits in advance for placement)	221	221
3.10	**Net cash from / (used in) financing activities**	**2,654**	**2,654**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	90	90
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(644)	(644)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,008	1,008
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,654	2,654

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,108**	**3,108**

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	3,108	3,108
5.2	Call deposits	-	
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)**	**3,108**	**3,108**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(378)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Included in related parties payments are:-

- payment of arrears of directors' fees, consulting and service fees relating to the prior year of $153,000;
- current quarter fees of $50,000; and,
- cash bonuses of $175,000 as approved by the General Meeting held on 10 August 2020.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

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

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(644)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(644)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,108
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,108
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	4.8

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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.

Date: 29 October 2020

Authorised by: .By the Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow 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 cash flow 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.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.