

GREENVALE MINING N.L.

A.B.N. 54 000 743 555

INTERIM REPORT HALF YEAR ENDING 31 DECEMBER 2012

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2012.

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DIRECTORS

Elias Khouri (Non-Executive Chairman)
Gabriel Lorentz (Non-Executive Director)
Joseph Obeid (Non-Executive Director)

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AUDITORS

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DIRECTORS REPORT

Your directors submit the financial report of Greenvale Mining NL and its subsidiary for the half-year ended 31 December 2012.

DIRECTORS

The names of directors who held office during or since the end of the half-year are:

Elias Khouri (Non-Executive Chairman)
Gabriel Lorentz (Non-Executive Director)
Joseph Obeid (Non-Executive Director)

RESULTS

The loss of the Group for the half-year ended 31 December 2012 after providing for income tax amounted to \$432,532 (31 December 2011: \$481,912).

No dividends were declared or paid during the half-year ended 31 December 2012.

REVIEW OF OPERATIONS

During the period the Company continued to explore for minerals, review technologies for the processing of oil shale and undertook a program to 'tidy' its register and capital structure in order to achieve cost and operating efficiencies.

AUDITORS DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2012.

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



Joseph Obeid
Director

Dated this 15th day of March 2013

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Greenvale Mining N.L. for the half year ended 31 December 2012, 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 BIRD-CAMERON PARTNERS



W E Beuman
Partner

Sydney

Dated: 15 March 2013

GREENVALE MINING N.L.
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Note	Half Year Ended 31 Dec 2012 \$	Half Year Ended 31 Dec 2011 \$
REVENUE			
Interest Income	3	3,739	10,096
TOTAL REVENUE		<u>3,739</u>	<u>10,096</u>
EXPENSES			
Accounting and related fees		(31,207)	(37,323)
Directors and employees		(96,956)	(74,075)
Consultants and Advisers		(64,003)	(108,758)
Compliance and legal fees		(34,666)	(28,678)
Equity based payments		-	(212,645)
Exploration writedown		(168,897)	-
Other		(40,542)	(30,529)
TOTAL EXPENSES		<u>(436,271)</u>	<u>(492,008)</u>
PROFIT BEFORE INCOME TAX		<u>(432,532)</u>	<u>(481,912)</u>
Income tax expense		-	-
PROFIT AFTER INCOME TAX		<u>(432,532)</u>	<u>(481,912)</u>
Other Comprehensive income		-	-
Total Comprehensive income		<u>(432,532)</u>	<u>(481,912)</u>
Basic loss per share (cents)		(0.72)	(1.14)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Note	31 December 2012 \$	30 June 2012 \$
CURRENT ASSETS			
Cash and cash equivalents		255,274	153,738
Trade and other receivables		26,251	61,619
TOTAL CURRENT ASSETS		281,525	215,357
NON-CURRENT ASSETS			
Intangible assets – Exploration and evaluation expenditure		4,762,825	4,898,324
TOTAL NON-CURRENT ASSETS		4,762,825	4,898,324
TOTAL ASSETS		5,044,350	5,113,681
CURRENT LIABILITIES			
Trade and other payables		153,364	151,221
TOTAL CURRENT LIABILITIES		153,364	151,221
NET ASSETS		4,890,986	4,962,460
EQUITY			
Issued capital	6	11,306,406	10,944,948
Reserves		212,645	212,645
Retained losses		(6,628,065)	(6,195,133)
TOTAL EQUITY		4,890,986	4,962,460

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Consolidated			
	Issued Capital \$	Options Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2012	10,944,948	212,645	(6,195,533)	4,962,060
Contributing shares converted	19,782	-	-	19,782
Contributing shares Auctioned for fully paid shares	383,745	-	-	383,745
Share issue costs	(42,069)	-	-	(42,069)
Net (loss) for the half year	-	-	(432,532)	(432,532)
Balance at 31 December 2012	<u>11,306,406</u>	<u>212,645</u>	<u>(6,628,065)</u>	<u>4,890,986</u>
Balance at 1 July 2011	<u>8,178,686</u>	<u>-</u>	<u>(5,477,518)</u>	<u>2,701,168</u>
Contributing shares converted	75	-	-	75
Share issue costs	1,874	-	-	1,874
Issue of options	-	212,645	-	212,645
Net (loss) for the half year	-	-	(481,912)	(481,912)
Balance at 31 December 2011	<u>8,180,635</u>	<u>212,645</u>	<u>(5,959,430)</u>	<u>2,433,850</u>

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Half Year Ended 31 Dec 2012 \$	Half Year Ended 31 Dec 2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(259,694)	(229,511)
Interest received	3,739	10,096
NET CASH USED IN OPERATING ACTIVITIES	(255,955)	(219,415)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(33,967)	(22,815)
Loans to other parties	-	(226)
NET CASH USED IN INVESTING ACTIVITIES	(33,967)	(23,041)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	361,458	75
NET CASH PROVIDED BY FINANCING ACTIVITIES	361,458	75
Net increase/(decrease) in cash held	71,536	(242,381)
Cash at the beginning of the financial year	183,738	474,089
CASH AT THE END OF THE HALF YEAR	255,274	231,708

The statement of cash flows is to be read in conjunction
With the attached notes to the financial statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Greenvale Mining N.L. is a company domiciled in Australia. This interim financial report of the Group is for the half year ended 31 December 2012.

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 ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with the International Financial Reporting Standards.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Greenvale Mining NL during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

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.

As disclosed in the financial statements, the company incurred a loss of \$432,532 and had net cash outflows from operating activities of \$255,955 for the half year ended 31 December 2012. The ability of the consolidated entity to continue as a going concern is dependent on a combination of a number of factors the most significant of which is the ability of the company to raise additional capital in the following 12 months. These factors indicate significant uncertainty as to whether the company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe after consideration of the above matters, there are reasonable grounds to believe that the company will be able to continue as a going concern, after consideration of the following factors:

- The ability to issue of additional shares under the Corporations Act 2001; and
- The ability to dispose of non-current assets;

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis of accounting in the preparation of the financial report.

This financial report does not contain any adjustments to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concern.

Significant Accounting Judgment and Key Estimates

In the half-year ended 31 December 2012, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2012.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to the Company accounting policies.

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

For the half-year reporting period to 31 December 2012, a number of new and revised Accounting Standard requirements became mandatory for the first time, some of which are relevant to the Group. A discussion of these new and revised requirements that are relevant to the Group is provided below:

Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the consolidated entity's presentation of, or disclosure in, its half-year financial statements.

AASB 2011-9 introduces new terminology for the statement of comprehensive income. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

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. The information presented in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Financial Position reflects the sole operating segment.

3. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE

	2012	2011
Revenue from external customers	-	-
Interest & other miscellaneous income	3,739	8,746
Total	3,739	8,746

The company being in the exploration phase of mining does not have any external customers.

4. EVENTS AFTER THE END OF THE INTERIM PERIOD

On 15 February 2013 the Company advised ASX that the Queensland Department of Natural Resources and Mines has announced changes to the policies governing the exploitation of shale in Queensland. The changes have the effect of removing the moratorium from all areas where the Company holds its tenements in Queensland and allowing the Company to progress its programs for its Alpha, Lowmead and Nagoorin projects.

Other than noted above, since balance date there are no other items, transactions or events of a material and unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the Company in future financial years

5. CONTINGENT LIABILITIES

There have been no material changes in contingent liabilities since the last reporting date.

6. ISSUED CAPITAL

During the 6 months ending 31 December 2012, there were 135,579 contributing shares that were fully paid up. On 24 September 2012 the Company auctioned the 7,028,593 outstanding contributing shares at a settled price of \$0.05 each raising \$351,429 (before costs).

There have been no other capital issues during the period.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes as set out in the preceding pages; are in accordance with the Corporations Act 2001, including:
 - (i) comply with Accounting Standard AASB 134 Interim Financial Reporting and
 - (ii) give a true and fair view of the economic entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.
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.



Joseph Obeid
Director

Dated this 15th day of March 2013

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
GREENVALE MINING N.L.

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Greenvale Mining N.L. which comprises the condensed statement of financial position as at 31 December 2012, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed 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 of the company and the entity it controlled at the half-year 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 internal 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 half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2011 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 Mining N.L. 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.

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 Mining N.L. would be in the same terms if given to the directors as at the time of this auditor's review 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 Mining N.L. 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 2012 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*.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity incurred a net loss of \$432,532 and had net cash outflows from operating activities of \$255,955 for the half year ended 31 December 2012. The ability of the consolidated entity to continue as a going concern is dependent on a combination of a number of factors the most significant of which is the ability of the consolidated entity to raise additional capital in the following 12 months. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.



RSM BIRD CAMERON PARTNERS



W E Beauman
Partner

Sydney

Dated: 15 March 2013