

29 January 2014

## Quarterly Activities Report December 2013

**Greenvale Mining NL (ASX: GRV)** is pleased to provide the following update on its activities for the December 2013 quarter and since;

### Highlights;

- **Development of Strategic Options for Greenvale**
- **Commissioning of Geotechnical Report on Alpha Deposit**
- **Appraisal of Multiple Asset and Technology Opportunities**

### Director Integration and Deal Appraisal

The Company has had a smooth and successful integration of new London-based Director, Stephen Baird. As part of the integration Mr Baird and the Board have reviewed a number of acquisition proposals in the oil shale asset and related extraction technologies.

The Company is close to identifying one or two specific initiatives for further appraisal.

### Strategic Planning

The Company has increased the global screening or peer group and related companies and is looking at these in conjunction with various strategic alternatives to ascertain the optimum positioning for Greenvale.

The Company has also continued to build on the level of interaction with its field partners, Queensland Energy Resources (QER) and their investor, ZBI, who is based in New York.

### Update on Joint Venture Partner (QER)

During November 2013, QER announced that they would be concluding their current technology demonstration program in early 2014. The operation of the technology plant has been successful and sufficient data is now available to support that case for a commercial project.

QER Chief Executive, Pearce Bowman said that "Our plant has not only operated extremely well for more than two years, it has done so without a single complaint from the local community".

QER commenced a two year development program at the Gladstone demonstration plant in October 2011, and has produced high quality ultra-low sulphur diesel and aviation fuel for testing and certification.

Earlier this year, the Queensland Government finalised a four-year review of the industry highlighting an environmental audit of the project as being "exemplary".

Following the closure of the plant, QER are now beginning the next phase of this development, during which they are seeking investment partners for the development of a pilot plant capable of producing 6,000 BOE per day.

QER have appointed an investment bank for this process and will be opening a data room for interested parties during February 2014.

During this process, the management of Greenvale have been in contact with QER and are still assessing the impact of this with regard to the development of the Lowmead and Nagoorin tenements of which both companies are field partners.

## **Projects**

### Lowmead and Nagoorin

#### *Tenure*

The Nagoorin EPM 7721 is current to 21 March 2015. The area of the EPM has been reduced to an area of 14 sub-blocks as a consequence of the grant of MDL 234 (whole sub-blocks within a granted MDL automatically cease to be part of an EPM on grant of an MDL). The EPM was required to retain granted tenement coverage whilst the process of grant for MDL 234 was finalised. The value of retaining the remaining sub-blocks of EPM 7721 outside the MDL 234 boundary will be assessed.

MDL 234 was granted in late October 2012 for a 5-year period commencing 1 November 2012.

Lowmead MDL 188 is current to 30 September 2011. In accordance with Section 197 (3) of the *Mineral Resources Act 1989* a renewal for a 5-year term was lodged with the DME on 22 March 2011. The application is still with the Department. The MDL remains in force until the application is finalised by the Department.

#### *Other Evaluation*

Field groundwater surveys at both Nagoorin and Lowmead continue to be hampered by rainfalls during the 2012-2013 wet seasons and no monitoring was completed during the period. This is largely in response to unsafe conditions and a general policy of not causing undue damage to landholder tracks and land.

Following the grant of MDL 234 land access notifications required by the DNRM have prepared and sent to landholders to allow access for resumption of the groundwater survey program and drill site rehabilitation inspection in the next quarter. Results will be reported in the statutory annual reports.

#### *Resource*

The reporting of resource estimates as required under ASX listing rules changed from 1 December 2013 with the mandatory introduction of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (2012 JORC Code) which replaced previous reporting under the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves December 2004 guidelines (2004 JORC Code). In addition, in the ASX listing rules guidelines, oil shale is listed as a petroleum resource from unconventional resources and, as such, any (oil shale) petroleum resource must be classified in accordance with SPE-PRMS and reported in the most specific resource class in which the resources can be classified under the SPE-PRMS. Whilst in the opinion of the operator this will not affect the methodology by which the oil shale at both Nagoorin and Lowmead are estimated, it will change the form and both the assessment and format of classification for public reporting for the oil shale assets.

The previously reported JORC 2004 resource estimates for both Nagoorin and Lowmead will be reviewed in the first quarter of 2014 to align reporting with ASX listing rules. The geological and structural model for the Nagoorin deposit will also be reviewed (to include open file exploration data now available from CSG exploration in the Nagoorin Graben).

## Alpha

The Company has undertaken a review of the previous activity on its Alpha project and has now commissioned a Geotechnical Report in respect of the Alpha Oil Shale Deposit with a view to developing a strategy for field development appraisal and a pathway to defining a JORC compliant resource at the Alpha project. The renewal of MDL330 is with the relevant government department.

### **Contact details**

For further information, please contact Stephen Baird, Executive Director on [stephen.baird@hicog.com](mailto:stephen.baird@hicog.com) or Winton Willesee, Company Secretary on (08) 9389 3120 or [winton@azc.com.au](mailto:winton@azc.com.au).

## About Greenvale Mining

Greenvale Mining NL is an Australian based mineral exploration company listed on the Australian Securities Exchange. The Company has mineral exploration activities in Queensland with a focus on oil shale.

Greenvale's principal assets are its interests in four oil shale tenements granted by the Queensland Government. These tenements are the areas of land subject to:

- EPM 7721 and MDL 234, known as the "**Nagoorin**" tenements, cover an aggregate licence area of 8,427 hectares and are located approximately 50km south of Gladstone.
- MDL 188, known as the "**Lowmead**" tenement, covers a licence area of 9,330 hectares and is located approximately 75km south east of Gladstone.
- MDL 330, known as the "**Alpha**" tenement, covers a licence area of 1,905 hectares and is located approximately 500km west of Rockhampton, and 55km south east of the township of Alpha which includes a small deposit of very rich oil shale.

The relevant interests of Greenvale and Queensland Energy Resources Limited (QER), the Company's joint venture partner at Nagoorin and Lowmead, in each of the tenements as at 31 December 2013 are shown in the table below:

	Greenvale	QER
Nagoorin (MDL 234)	67%	33%
Lowmead (MDL 188)	50%	50%
Alpha (MDL 330)	100%	0%