



ASX Announcement

Company Announcements Office
Australian Securities Exchange

By e-lodgement

31 October 2013

(ASX Code GRK)

Quarterly Activities Report

for the three months ending 30 September 2013

Highlights

- Independent resource estimate of the Ocean Hill Block indicates 2C Contingent Resources of 360 Bcf Gas and 1,191 Mbbl of Condensate
- MoU with Pacific Hydro for Mid West Geothermal Power Project extended until August 2014
- Geothermal JV with MOL preparing to submit bid for target concession area by 15 November deadline
- Withdrawal from Coolcalalaya SPA33, Carnarvon Basin to preserve cash

PROJECTS

OIL & GAS

Ocean Hill Block (100% GRK)

On 4 October 2013 Green Rock Energy to announced the completion of an independent evaluation of Contingent and selected Prospective Resources in the Ocean Hill Block (STP EPA 0090, formerly designated Bid Area L12-7), located in the North Perth Basin (Figure 1). Green

Rock is the Preferred Applicant for the Ocean Hill Block, and the area will be converted to an Exploration Permit once Native Title negotiations have been concluded.

The evaluation was completed by DeGolyer and MacNaughton and confirmed contingent gas and condensate resources on the Ocean Hill-1 structure are:

Table 1: Ocean Hill Block Contingent Resources

Gross Separator Gas (Bcf)		
1C	2C	3C
24 Bcf	360Bcf	796 Bcf
Gross Condensate (Mbbbl)		
1C	2C	3C
145	1,191	2558

Table 2: Ocean Hill Block Prospective Resources

Low Estimate (Bcf)	Best Estimate (Bcf)	High Estimate (Bcf)
557	809	1,155

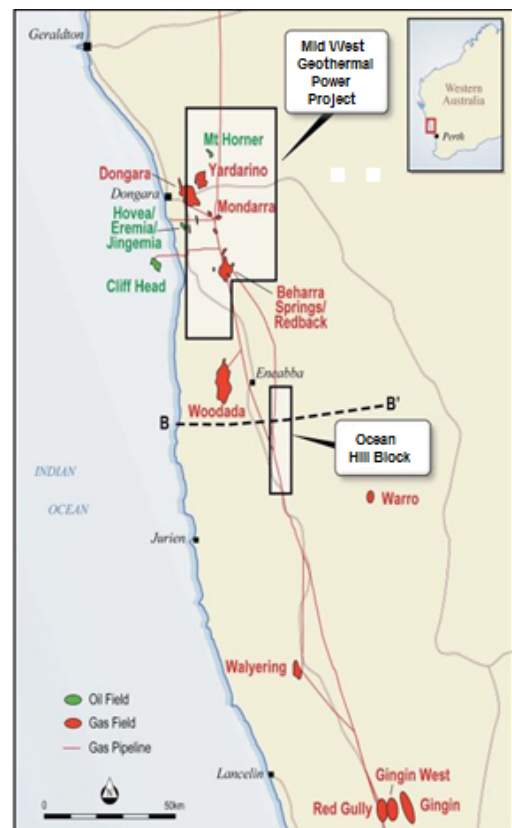
The Ocean Hill Block comprises 297 km² and is located in the North Perth Basin, about 225 km north of Perth and 90 km southeast of Dongara (Figure 1 adjacent).

The Dampier to Bunbury Pipeline runs directly through the Ocean Hill block and a compressor station is located 6.5 km from the Ocean Hill-1 location, providing excellent infrastructure access and a substantial benefit for the project economics.

Native Title and Heritage negotiations are currently in progress, and planning is underway for a 250km² 3D seismic survey to be acquired in Q1, 2014. The survey will provide high quality 3D data coverage over the Ocean Hill structure and the other prospects and leads identified and will allow exploration, appraisal and development to proceed quickly as positive results are achieved.

Environmental studies are currently underway and the Environmental Plan for the survey are expected to be submitted in 2013.

Recent mapping of the available 2D seismic data indicates the presence of a substantial closure associated with the



Ocean Hill-1 location and a number of additional prospects and leads have been identified (Figure 2 adjacent). The Ocean Hill structure has 2 culminations and the northern one has been assigned 2C contingent resources of 360 Bcf and 1.2 MMbbl of condensate by DeGolyer and MacNaughton (Table 1).

The Ocean Hill-1 well was drilled in 1991 and tested a substantial structure within the Ocean Hill block. The well drilled to a total depth of 3840m within the Jurassic Cattamarra Coal Measures (CCM) and encountered over 800m of gas shows within the Cadda Formation and CCM.

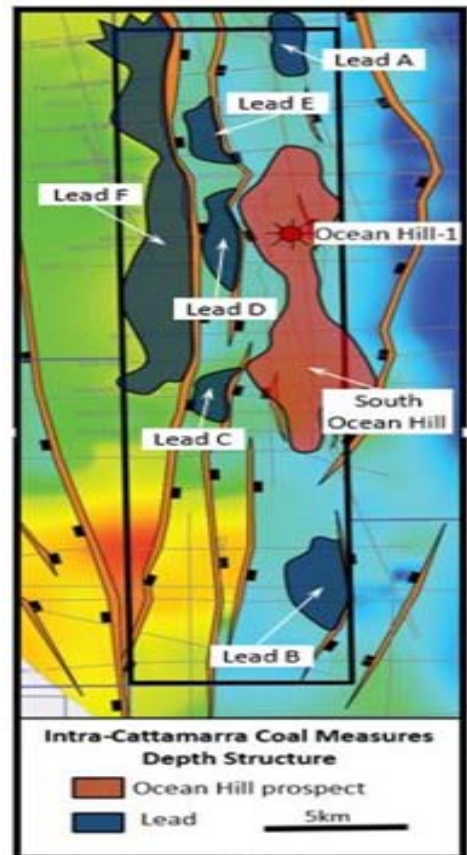
Evaluation of electric logs from the well indicates the presence of over 100m of net gas pay. DST-2 flowed 0.7 MMcfd from the interval 3063-3130m. A series of additional tests flowed gas at low rates, confirming the presence of moveable gas in multiple zones. The gas pay is situated in the same interval as the Red Gully field, which was recently placed on production by Empire Oil.

In addition, prospective resources for 3 of the other prospects identified in the recent mapping – Ocean Hill South, Lead D and Lead F, along with additional potential below the total depth drilled by the Ocean Hill-1, were evaluated by DeGolyer and MacNaughton. The results are summarised in Table 2. Note that the volumes do not include any prospective resources associated with Leads A, B, C or E.

Discussions are ongoing with several potential farm-in partners.

Coolcalalaya SPA 33, Carnarvon Basin

On 19 August 2013 Green Rock gave notice that it had withdrawn from its agreement with Palatine Energy Pty Ltd ("Palatine") over SPA 33 to acquire a 50% interest. The terms of the agreement with Palatine are such that in exchange for Palatine releasing Green Rock from its work programme commitments including Green Rock's funding of 100% of the geophysical survey over SPA 33 (now granted to Palatine Energy Pty Ltd as SPA 9 AO) Palatine received 30,000,000 GRK ordinary shares. 15 million of the 30 million shares are subject to a 3 month voluntary escrow.



GEOTHERMAL

Mid West Geothermal Power Project

Progress was made during the quarter to secure Commonwealth funding for the Project, with the target of drilling the first well in 2014. Work on selecting the location for the first well continues with JV partner AWE.

On 26 July 2013 Green Rock assigned to wholly-owned subsidiary Mid West Geothermal Power Pty Ltd the Memorandum of Understanding with Pacific Hydro and the parties agreed to extend the MoU until August 2014. Pacific Hydro has conditional rights to become the Generation partner for the Project.

Hungarian Geothermal JV with MOL

On 3 August 2013, on behalf of the Hungarian State, the Minister for National Development issued a public invitation to submit a bid for exploration, extraction and exploitation of geothermal energy over certain concession areas in Hungary. Bids must be submitted on 15 November 2013. Bids that meet the required tender specification will be evaluated by an evaluation committee established by the Minister.

Green Rock's 47% owned geothermal developer Central European Geothermal Energy Company Ltd (CEGE) (MOL 53%) has been preparing its bid for our target geothermal concession area and anticipates submission by the due date.



Richard Beresford
Executive Chairman

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About Green Rock Energy Limited

- A 100% interest in the L12-7 area in the Perth basin, subject to the successful completion of Native Title negotiations.
- MoU with AWE to demonstrate the development potential of geothermal power generation in hot sedimentary aquifers in the north Perth Basin in the Mid West of WA
- An alliance with leading Australian renewable power developer Pacific Hydro for conventional geothermal power generation in GRK's permits in the Mid West of WA and Pacific Hydro's licences in the Great Artesian Basin in SA
- A joint venture with MOL in Hungary for geothermal power generation (GRK 47%)

Appendix 5B

Mining 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, 01/05/2013

Name of entity

Green Rock Energy Limited

ABN

59 094 551 336

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	
1.2 Payments for (a) exploration & evaluation	(219)	(219)
(b) development	-	-
(c) production	-	-
(d) administration	(208)	(208)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) – employee entitlement for annual leave and long service leave for redundant employee	(51)	(51)
Net Operating Cash Flows	(470)	(470)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(470)	(470)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(470)	(470)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(470)	(470)
1.20	Cash at beginning of quarter/year to date	1,179	1,179
1.21	Exchange rate adjustments to item 1.20	(19)	(19)
1.22	Cash at end of quarter	690	690

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	43
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director related payments relate to Non-Executive Director fees and payment for Executive Chairman

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation – Hydrocarbon (i)	64
Exploration and evaluation – Geothermal (i)	68
4.2 Development	-
4.3 Production	-
4.4 Administration	90
Total	222

- (i) The outflows in Hydrocarbon and Geothermal expenditure is expected to be offset by \$650,000 receivable due for the sale of the Company's interests in the Laurel Project and SPA Area of Mutual Interest to New Standard Energy as announced to ASX on 15 March 2013

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	690	690
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	690	690

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Withdrawn from Coolcalalaya SPA 33 to acquire a 50% interest	Option to farm into permit to earn a 50% equity interest	50%	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)	NIL	Nil	
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	
7.3	+Ordinary securities	1,908,088,613	1,908,088,613	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	39,542,111	39,542,111	
7.5	+Convertible debt securities (description)	NIL		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	NIL			
7.7	Options (description and conversion factor)	<p>Listed Options</p> <p>GRKOB 819,823,128</p> <p>Total Listed 819,823,128</p> <p>Unlisted Options</p> <p>5,550,000 5,050,000 1,950,000 10,000,000 20,000,000 2,000,000 7,500,000</p> <p>Total Unlisted 52,050,000</p>	819,823,128	<p><i>Exercise price</i></p> <p>1.2 cents</p> <p>8 cents 4 cents 2 cents 1.0 cents 1.5 cents 0.8 cents 0.3 cents</p>	<p><i>Expiry date</i></p> <p>31 January 2015</p> <p>18 November 2014 16 November 2014 15 November 2015 18 March 2015 18 March 2015 11 June 2016 28 November 2016</p>
7.8	Issued during quarter	NIL			
7.9	Exercised during quarter	NIL			
7.10	Expired during quarter	NIL			
7.11	Debentures (totals only)	NIL			
7.12	Unsecured notes (totals only)	NIL			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Mr Gabriel Chiappini
Director

Date: 31 October 2013

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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