

Company Announcements Office
Australian Securities Exchange

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(ASX Code GRK)

MAHENGE NORTH EXPLORATION UPDATE

Highlights

- First phase of on-site exploration due diligence at Mahenge North Graphite Project (“Mahenge North”) is due to be finalised this week
- A total of 570m of trenching completed, consisting of 400m of new trenches across Epanko North lodes and 170m of cleaning and reviewing historic trenches on these lodes
- Initial mapping and trenching indicates that graphite mineralisation within the tenement extends at least 3.5km on the Epanko west lode and 1.5km on the Epanko East lode. These strike lengths will most likely increase with further trenching, with potential to link to the Ndololo lodes to the north
- Large flake graphite (1-2mm) has been consistently observed throughout the two graphitic lodes
- Trench Samples (250kg) comprising 200 rockchip channel samples from Epanko North prospect have been transported to Mwanza, Tanzania for preparation, before being flown to Laboratories in Australia for analysis
- Assay results expected early-mid September
- Company objective to increase tenure in Tanzania

Background

Further to the announcement by Green Rock Energy Limited (ASX.GRK) on 7 July 2014 to acquire a 100% interest in the Mahenge North Graphite project (Figure 1), Green Rock is pleased to announce that it is nearing the end of its initial exploration due diligence programme at Mahenge North Graphite Project

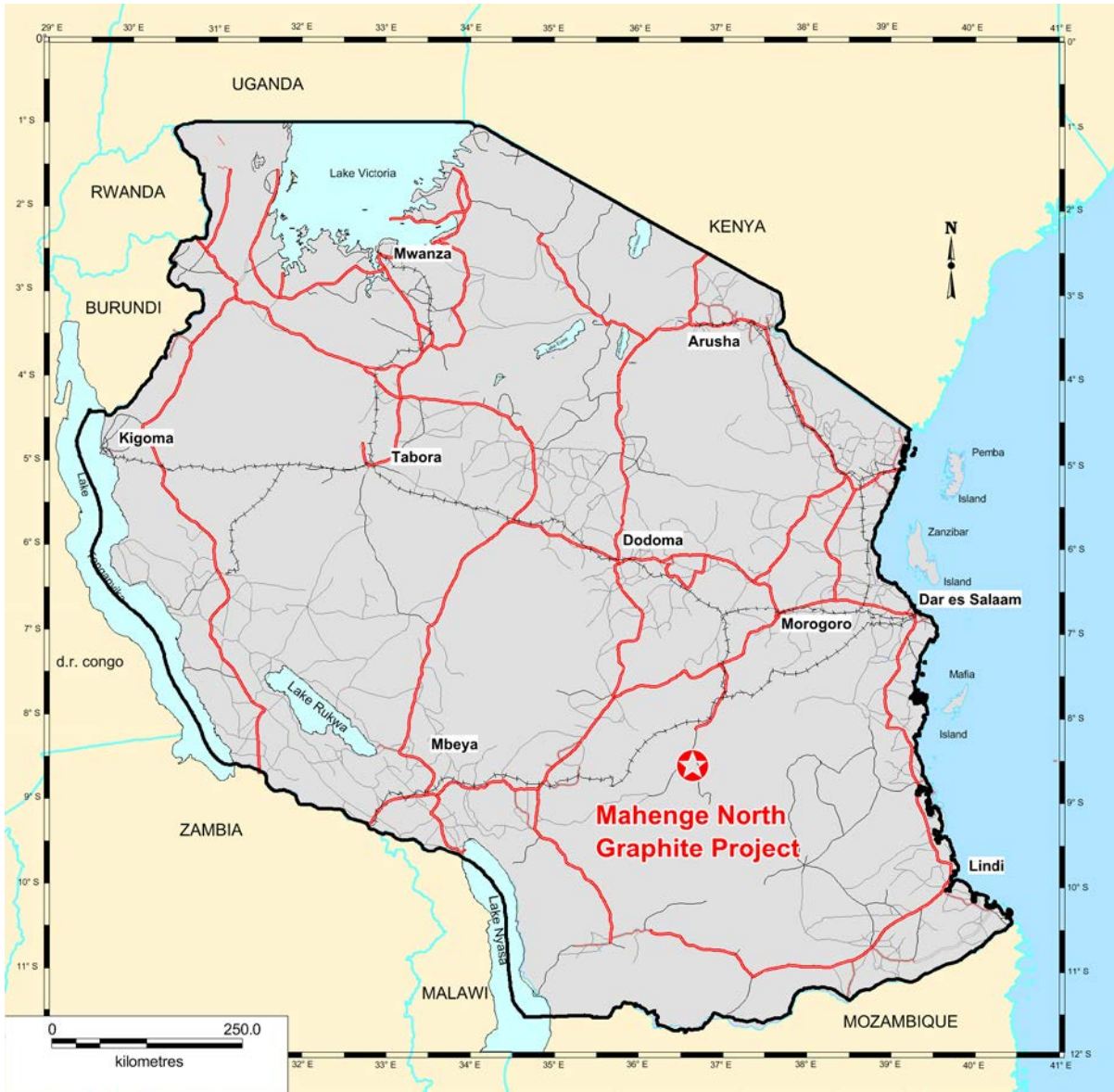


Figure 1. Mahenge North Project location

Due Diligence Exploration process and update

Epanko North – Green Rock’s trenching and sampling programme was designed to confirm the approximate 2 kilometre long northern extension of Kibaran Resources Ltd (ASX:KNL) Epanko Project into the southern portion of the Mahenge North tenement. As part of Green Rock’s geological and mapping work, Green Rock has been able to establish that the Epanko Graphite Mineralisation band extends from Kibaran’s permit into Green Rock’s licence with strike length exceeding 3.5km. Further trenching and sampling is being finalised this week with assay results expected to be available early September.

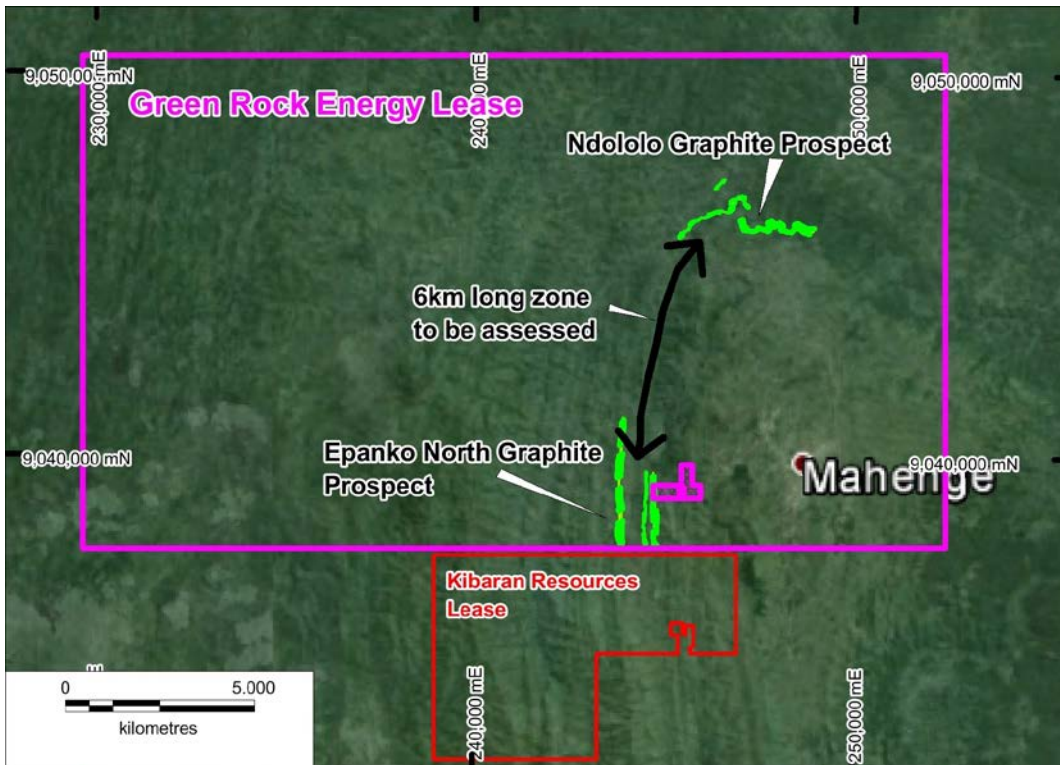


Figure 2. Prospect areas at the Mahenge North Graphite project.

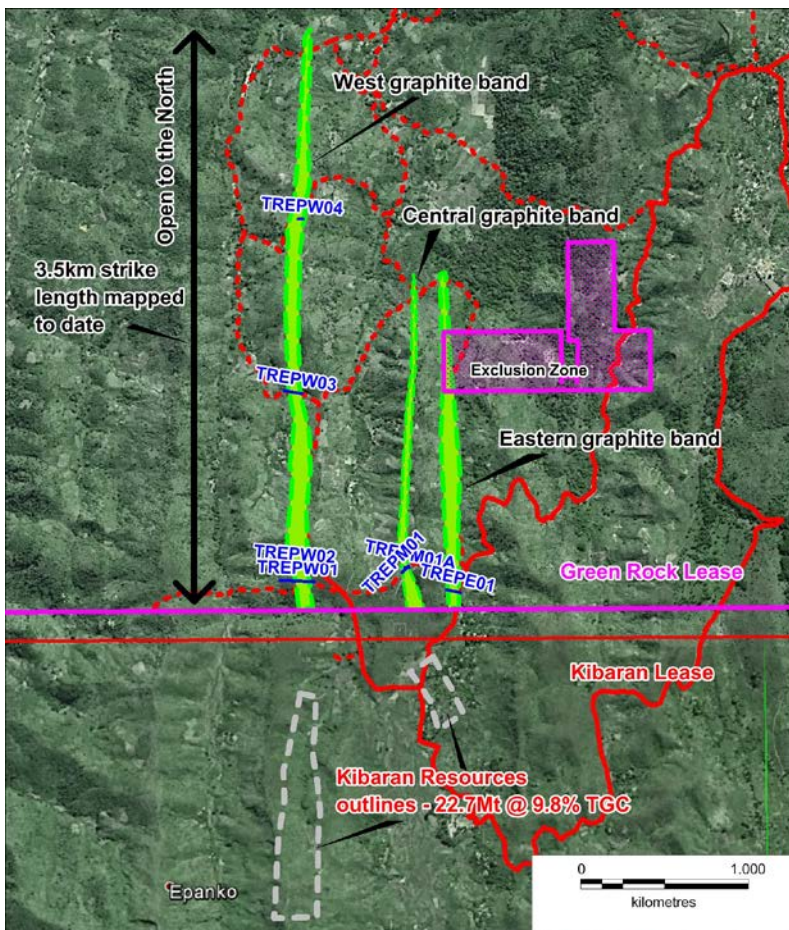


Figure 3. Epanko North area showing extended graphite bands and the recently announced resource upgrade at Epanko by Kibaran Resources (ASX release 12/08/2014)

Timing – on-site geological due diligence, mapping, sampling and trenching expected to be completed this week with assay results of rock chip samples and trenching samples to be available for review and disclosure early September 2014.



Figure 4. Typical trench from Epanko North – eastern graphite band



Figure 5. Medium to coarse flake graphite mineralisation from Epanko North



Figure 6. At surface rock chip sample with graphite mineralisation



Figure 7. Outcropping Graphite mineralisation at Mahenge North



Figure 8. Trenching at Epanko North Graphite showing strong graphite mineralisation very close to surface



Figure 9. Outcropping Graphite mineralisation along Epanko North

PROJECT LOCATION & INFRASTRUCTURE

The Mahenge North Graphite project is located in Tanzania, which has a mining friendly Government policy with good Infrastructure and access to rail and port. The Mahenge North project is 70kms by road from the nearest train line (the TAZARA Line) that runs to Dar es Salaam.

Gabriel Chiappini
Director

T: +61 (08) 9327 1766 E: info@greenrock.com.au

About Green Rock Energy Limited

- A 100% interest via an option agreement in the Mahenge North Graphite Project in Tanzania
- A 100% interest in the Ocean Hill Block in the Perth basin, subject to the successful completion of Native Title negotiations.
- A joint venture with MOL in Hungary for geothermal power generation (GRK 35%)

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Brendan Cummins, who is a member of Australian Institute of Geoscientists. He is a full time employee of Westoria Capital Pty Ltd which is providing consulting services to Green Rock Energy Limited. Brendan Cummins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Brendan Cummins consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.