GREENVALE MINING N.L.

ABN 54 000 743 555

CHAIRMAN'S ADDRESS

To accompany the 2005 Annual Report

During the year we have seen oil prices rise to levels never experienced before. In the second half of the year the price of a barrel of oil was averaging around US$66 per barrel which equates to about AUS$87 per barrel.

Throughout this year a number of options have presented themselves due to an emerging overseas interest in oil shales:

- We are currently negotiating with an overseas party who envisage treating oil shale offshore. The Alpha oil shale deposit appears as the best testing ground for this purpose. We will keep shareholders informed of any developments here.

- We have heard from a Canadian party who are working jointly with the United States of America Department of Energy (U.S.A D.O.E) in developing an emission control process using oil shales that significantly reduces multi-emissions in thermal coal plants. The project injects ground oil shale into the thermal coal. According to the U.S.A D.O.E research team there are energy benefits and possible emission and carbon credits. There is a very large market world-wide for this technology which requires no extra investment, except for licensing the expertise. This could also be a new market for Australian oil shales.

- There are reports that in South Africa they are producing oil from oil shale in a more environmentally friendly manner.

- We are also persevering with the idea of using cannel coal as an electricity feedstock. We are still awaiting results from tests being carried out on Alpha oil shale by X-Tract Technologies Ltd and these will be announced as soon as they become available.

The Company's oil shale deposits in Nagoorin, Lowmead and Alpha are a very valuable resource as the world's major oil reserves remain in questionable hands. We firmly believe that we'll find a way of utilising our oil shale and cannel coal deposits through the options available.

OIL SHALE DEPOSITS

MINERAL DEVELOPMENT LICENCE NO. 330 – ALPHA

Joint Venture partners are:

Greenvale Mining N.L.	50%
Esperance Minerals N.L.	50%

The oil content is 89.5 million barrels.

MINERAL DEVELOPMENT LICENCE NO. 188 – LOWMEAD

Joint Venture partners are:

Esperance Minerals N.L.	50%
Greenvale Mining N.L.	25%
Queensland Energy Resources Limited	25%

MINERAL DEVELOPMENT LICENCE NO. 234 APPLICATION – NAGOORIN

Joint Venture partners are:

Greenvale Mining N.L.	50%
Esperance Minerals N.L.	25%
Queensland Energy Resources Limited	25%

Greenvale Mining N.L. together with its sister company Esperance Minerals N.L. jointly own 75% of the Nagoorin and Lowmead tenements.

THE FOLLOWING ARE THE IN-SITU RESOURCES

YOUR COMPANY HAS A 50% INTEREST IN:

Nagoorin Oil Shale Deposit

Measured Resources	0.21 billion barrels
Indicated Resources	1.16 billion barrels
Inferred Resources	1.28 billion barrels
Total	**2.65 billion barrels**

YOUR COMPANY HAS A 25% INTEREST IN:

Lowmead Oil Shale Deposit

Indicated Resources	406.8 million barrels
Inferred Resources	331.8 million barrels
Total	**738.6 million barrels**

Leslie White
Chairman

Sydney, 12 October 2005

GREENVALE MINING N.L.

A.B.N. 54 000 743 555

DIRECTORS:
Leslie L. White (Chairman)
Gabriel M. Lorentz, LL.B. (Deputy Chairman)
Elizabeth Stoliar, B.Bus., ASA

SECRETARIES:
Peter G. Agoston, F.C.A.
Gary A. Douglas, F.C.A.

BANKERS:
Westpac Banking Corporation

SOLICITORS:
Osborne & Associates

AUDITORS:
KPMG

REGISTERED OFFICE:
C/- Agoston, Douglas & Partners
Chartered Accountants,
Level 2,
580 George Street,
Sydney NSW 2000
Phone : (02) 9261-2288
Fax : (02) 9261-2376

SHARE REGISTRARS:
ASX Perpetual Registrars Limited
Level 8,
580 George Street,
Sydney NSW 2000
Phone : (02) 8280-7111
Fax : (02) 9287-0303

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Greenvale Mining N.L. will be held on 30 November 2005 at 10.00 a.m., Keltie Bay room, 1st Floor, The Stamford Plaza Hotel, 33 Cross Street, Double Bay N.S.W. 2028.

BUSINESS

ORDINARY RESOLUTIONS :

1. To consider the Directors' Report and the financial statements of the Company for the year ended 30 June 2005 and the financial statements of the Company for the year ended 30 June 2005, and the Auditors' Reports thereon.

2. To elect a Director in place of Mr Gabriel Lorentz who retires by rotation pursuant to the Articles of Association and who being eligible, offers himself for re-election.

3. To consider and, if thought fit, to pass the following ordinary resolution:

   That the directors' remuneration detailed in the directors' report be adopted.

   The directors' remuneration is set out on page 5 of the directors' report. Please note that the vote on this resolution is advisory only and does not bind the directors or the company.

4. To transact any other business which may be brought forward in accordance with the Articles of Association.

Dated at Sydney this 29 September 2005.

By order of the Board

PETER AGOSTON,
Secretary

PROXIES

Any member may appoint not more than 2 proxies to attend on his behalf. A proxy may, but need not, be a member of the Company. Where more than one proxy is appointed each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy form is enclosed; duly signed proxies must be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.

Management and directors support the spirit and substance of good corporate governance and take a keen interest in corporate governance issues. Developments, both in Australia and overseas, are continually monitored to identify and implement those value adding aspects which will enhance the Company's competitive performance. The Board has considered the ASX Corporate Governance Council paper entitled "Principles of Good Corporate Governance and Best Practice Recommendations" which was published in March 2004.

This Statement outlines the main corporate governance practices that were in place throughout the financial year, unless otherwise stated.

Board of Directors

Role of the board
The Board of Directors is responsible for the overall Corporate Governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals, approving and monitoring capital expenditure, ensuring the integrity of internal control and management information systems. It is also responsible for approving and monitoring financial and other reporting.

Board processes
The Board establishes committees depending upon the nature, size and complexity of the Company's affairs at the time. Throughout the financial year all matters, which may have been capable of delegation to a committee were dealt with by the full Board, except for remuneration which is assessed by the Remuneration Committee.

Directors are appointed for a 3 year term after which time they may seek re-election by shareholders. The terms and conditions relating to the appointment and retirement of non-executive directors are determined by the Board on an individual basis at the time of appointment of the director and are reviewed by the Chairman on an on-going basis.

The Board meets on a regular basis and also where appropriate, meets for strategy meetings and any extraordinary meetings at such other times as may be necessary to address any specific significant matters that may arise.

There has been no formal performance evaluation of the Board during the past financial year.

Composition of the Board
The names of the Directors of the Company, together with details of their relevant experience are set out in the Directors' Report.

The procedures for election and retirement of Directors are governed by the Company's Constitution and the Listing Rules of Australian Stock Exchange Limited.

The composition of the Board is determined using the following principles:

- The Board shall comprise of Directors with a range of expertise encompassing the current and proposed activities of the Company.
- Where a vacancy is considered to exist, the Board selects an appropriate candidate through consultation with external parties, consideration of the needs of the shareholder base and consideration of the needs of the Company. Such appointments are referred to shareholders at the next available opportunity for re-election in general meeting.

The role of Chairman and Chief Executive Officer is fulfilled by Mr Leslie White. The Directors believe this is appropriate having regard to the alignment of his interests with shareholders through his shareholding in the Company, the size of the Company and the nature of the Company's operations.

While two of the three Directors are non-executives, there is not a majority of independent Directors. Mrs Elizabeth Stolier is related to Mr Leslie White and accordingly may not be viewed as independent. Also, Mrs Elizabeth Stolier and Mr Gabriel Lorentz have been Directors of the Company since 1984 and 1972 respectively, a period of time, which could be perceived to materially interfere with their ability to act in the best interests of the Company. However, the Directors believe this is appropriate having regard to the alignment of directors interests with shareholders through their shareholding in the Company, the size of the Company and the nature of the Company's operations.

Conflict of interest
In accordance with the Corporations Act 2001 and the Company's constitution Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Where the Board believes that a significant conflict exists the Director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered.

Independent professional advice and access to company information
Each Director has the right to seek independent professional advice on matters relating to his position as a Director of the Company at the Company's expense, subject to prior approval of the Chairperson, which shall not be unreasonably withheld.

The Directors work closely with management and have full access to all the Company's files and records.

Audit

Being a small Company with only three directors, the Board deals with all audit related matters directly. External auditors have full access to the Board throughout the year. The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude errors and irregularities.

The Company's auditor, KPMG, was appointed in 1972. This is the third year-end audit undertaken by the engagement partner.

For many years the Company has requested the external auditor to attend general meetings and this has been supported by the Company's audit partners at KPMG.

Remuneration Committee

The role of the Remuneration Committee is to make recommendations to the Board on all aspects of remuneration for the chairman and directors. The Committee is comprised of one director and two company secretaries. The members of the Remuneration Committee are :

- Mr G. Lorentz (Chairman)
- Mr. G.A. Douglas
- Mr. P. Agoston

The Remuneration Committee meet annually. Further details of directors' remuneration are set out in the Directors' Report and Notes 24 to the financial statements.

The Committee seeks independent external advice and market comparisons as necessary.

Code of Practice

The Company has established a policy concerning trading in its securities by Directors, management, staff and significant consultants which restricts trading to defined time periods.

The Company has adopted a code of conduct which requires adherence to ethical business practice.

Business Risk Management

The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

Shareholder rights and disclosure

The Company, its Directors and staff are acutely aware of continuous disclosure requirements and operate in an environment where strong emphasis is placed on full and appropriate disclosure. The Company does not have formal written policies regarding disclosure, but uses strong informal systems underpinned by experienced individuals.

The Company does not have a communications strategy to promote effective communication with shareholders, as it believes this is excessive for small companies. The Company does communicate regularly with shareholders via timely announcements to the ASX.

DIRECTORS' REPORT

The directors present their report together with the financial report of Greenvale Mining N.L. ("the Company"), for the year ended 30 June 2005 and the auditors' report thereon.

Directors

The directors of the Company at any time during or since the financial year are:

Mr Leslie L. White

Chairman

Chairman of Esperance Minerals N.L.; East Coast Minerals N.L.; Austral Pacific Energy & Resources Corporation (U.S.A.); Texas Energy Corporation N.L.; Director of Minga Pty Limited.

Mr White was instrumental in the securing of oil shale tenements where oil shale deposits at Lowmead, Nagoorin and Alpha were discovered for Greenvale Mining N.L. and Esperance Minerals N.L.

Mr White was instrumental in the company drilling for oil and gas in Texas in the U.S. which resulted in three producing oil and gas wells. Mr White was the instigator in East Coast Minerals N.L. obtaining the Munni Munni mining tenements and was vitally involved in the development of the Elizabeth Hill silver mining project.

Mr White was instrumental in obtaining the tenements in Greenland for the group which included a rich niobium deposit and an exploration target for nickel, gold, lead and zinc. Through another company Mr. White was involved in the mining of tin in Malaysia.

Appointed 23 December 1969.

Mr Gabriel M. Lorentz, LL.B.

Deputy Chairman

Bachelor of Law, Sydney University

Deputy Chairman of Esperance Minerals N.L. and East Coast Minerals N.L.; Director of Austral Pacific Energy & Resources Corporation (U.S.A.), Texas Energy Corporation N.L. and Minga Pty Limited.

Mr Lorentz was previously a director of Amad NL which discovered the Naberlek uranium deposit. Another Company where Mr. Lorentz was previously a Director, Pexa Oil NL, was involved in the production of oil and gas in Queensland. He was also a Director of Wambo Mining NL, which operates a coal mine near Singleton, NSW. Mr Lorentz had a private mineral exploration company which discovered Porgera in Papua New Guinea, one of the world's largest gold mines operating today. This property was sold to a consortium consisting of Placer, MIM and Consolidated Goldfields.

Appointed 31 August 1972.

Other directorships include:

Kimberley Securities Limited - appointed 17 March 1980

Olympus Resources Limited - appointed 22 August 1969

Mrs Elizabeth Stoliar, B.Bus., CPA

Member of CPA Australia

Bachelor of Business

Director of Greenvale Mining N.L., Esperance Minerals N.L., East Coast Minerals N.L., Texas Energy Corporation N.L. and Minga Pty Limited. Mrs Stoliar was employed by one of the major accounting firms in Australia for four years in the Business/Corporate Section.

Appointed 1 June 1984.

In accordance with the Company's Articles of Association, Mr Gabriel Lorentz retires by rotation from the Board of Directors at the forthcoming Annual General Meeting of Shareholders and, being eligible, offers himself for re-election.

Directors' Meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year were : -

	Board of Directors		**Remuneration Committee**	
Director	**No. of Meetings Attended**	**No. of Meetings Held**	**No. of Meetings Attended**	**No. of Meetings Held**
Mr. Leslie L. White	7	7	-	-
Mr. Gabriel M. Lorentz	7	7	1	1
Mrs. Elizabeth Stoliar	5	7	-	-

State of Affairs

During the year, 24,000 (2004: 44,300) contributing shares paid to 5 cents were converted to fully paid shares.

On 1 March 2005 the controlled entity, Onslow Mining Pty Ltd, was liquidated and control ceased from this date. As at 30 June 2005 there is no consolidated entity. A distribution of $3,367,971 was received by the Company on liquidation which represented return of capital of $72,519 and retained profits of $3,440, 490.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review.

Principal Activities

The principal activities of the company during the course of the financial year were :

Investment of surplus funds.

Mining and mineral exploration. During the year there were no significant changes in the nature of the activities of the company.

Group Result

The operating result of the consolidated entity for the year after income tax was a loss of $237,198 (2004: loss $56,892) and the Company a profit of $3,057,707 (2004: loss of $142,416).

Review of Operations

During the year the Company continued its mineral exploration activity and care and maintenance program on its oil shale and other leases and continued to invest its surplus funds.

Dividends
No dividends have been paid or declared since the end of the previous financial year to the date of this report.

Environmental Regulations
The Company's mineral exploration activities are subject to environmental regulations under Commonwealth and State legislation. No activity has taken place on the leases which would give rise to an environmental issue. There have been no instances of non-compliance with the legislative requirements during the period covered by this report.

Events Subsequent to Balance Date
There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Likely Developments
New extraction technologies are being reviewed as they come to hand. The Company, together with its joint venture partners, will continue to work on feasibility and pre-development studies on the oil shale deposits.

Directors' Interests and Benefits
The relevant interest of each director in the ordinary share capital of the Company as notified by the directors to the Australian Stock Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Fully Paid Shares	Contributing Shares
Leslie L. White	183,000	493,945
Gabriel M. Lorentz	-	248,800
Elizabeth Stoliar	-	64,200
	183,000	806,945

Options
There are no options over the Company's shares issued or outstanding at 30 June 2005.

Non-Audit Services
During the year there were no non-audit services provided by KPMG, the Company's auditors

Auditors Independence Declaration
A copy of the auditor's independence declaration as requested under Section 307C of the Corporations Act 2001 is set out on page 6.

Remuneration Report

This report outlines the remuneration arrangements in place for the directors of Greenvale Mining NL.

Philosophy

The Company's policy is to set remuneration levels that are competitive to attract and retain appropriately qualified and experienced directors. Remuneration packages are based on fixed remuneration.

Directors remuneration

Total director fees for all directors, last voted upon shareholders at the 1999 AGM, is not to exceed in aggregate $45,000 per annum. Directors' base fees are presently up to $25,000.

Termination benefits are determined on a case by case basis and are not contractually defined.

The following table provides the details of all directors of the Company and the nature and amount of the elements of their remuneration for the year ended 30 June 2005, calculated on the basis of cost to the Company net of and therefore excluding costs recovered from outside the Company.

Director	Salary	Allowance	Post-employment Superannuation Benefits	Total
	$	$	$	$
Mr L L White	19,500	4,800	-	24,300
Mr G M Lorentz	12,750	1,650	1,296	15,696
Ms E Stoliar	12,750	1,650	1,296	15,696
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Total	45,000	8,100	2,592	55,692
	=====	=====	====	======

The Company does not have any specified executives.

Directors' Indemnity
The Company has not agreed to indemnify any director, officer or auditor against liabilities that may arise from their position as director, officer or auditor of the Company except that during the financial year the Company indemnified the management company, L & E White Investments Pty. Limited and its Nominees against all costs, claims, demands and damages arising from the fulfilment by the management company of its obligations under the management agreement, except where the liability arises out of conduct involving a lack of good faith. The Company and directors paid premiums based on normal commercial terms and conditions to insure all directors, officers and employees of the Company against the costs and expenses in defending claims brought against the individual while performing services for the Company. The premium paid has not been disclosed as it is subject to the confidentiality provisions of the insurance policy.

Company Secretary Details.
Peter G. Agoston F.C.A
Gary A. Douglas F.C.A

Mr Agoston is a fellow of the Institute of Chartered Accountants in Australia and was previously Senior Partner of the firm Agoston, Douglas & Partners. Mr Douglas is a fellow of the Institute of Chartered Accountants in Australia and is currently a partner of Agoston, Douglas & Partners.

Dated at Sydney this 29 September 2005

Signed in accordance with a resolution of the directors

Leslie L. White
Director

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Greenvale Mining NL

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2005 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contravention of any applicable code of professional conduct in relation to the audit.

KPMG

Mark Epper
Partner

Sydney, 29 September 2005

STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	Consolidated 2005* $	Consolidated 2004 $	The Company 2005 $	The Company 2004 $
Revenue from ordinary activities	2	25,594	490,670	3,393,565	490,670
Expenses from ordinary activities :					
Administration expenses		(173,777)	(196,434)	(256,744)	(186,626)
Borrowing costs		(67,496)	(83,991)	(67,496)	(83,991)
Carrying amount of asset sold		(4,700)	(224,569)	(4,700)	(362,469)
Total expenses		(245,973)	(504,994)	(328,940)	(633,086)
Share of net (losses) of associates accounted for using the equity method	19	(16,819)	(42,568)	(6,918)	-
Profit / (loss) from ordinary activities before related income tax expense	3	(237,198)	(56,892)	3,057,707	(142,416)
Income tax (expense)/benefit relating to ordinary activities	5	-	-	-	-
Net profit / (loss)		(237,198)	(56,892)	3,057,707	(142,416)
Basic and diluted (loss) per share (cents)	6	(1.25c)	(0.30c)		

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2005

	NOTE	Consolidated 2004* $	The Company 2005 $	The Company 2004 $
CURRENT ASSETS				
Cash		28,902	27,935	28,902
Receivables	8	355,681	234,964	355,681
TOTAL CURRENT ASSETS		384,583	262,899	384,583
NON-CURRENT ASSETS				
Investments accounted for using equity method	9	314,609	313,907	-
Other financial assets	10	505,066	513,885	644,435
Plant and equipment	11	2,028	1,627	2,028
Exploration and evaluation expenditure	12	1,519,959	1,986,574	1,519,959
TOTAL NON-CURRENT ASSETS		2,341,662	2,815,993	2,166,422
TOTAL ASSETS		2,726,245	3,078,892	2,551,005
CURRENT LIABILITIES				
Payables	13	59,366	81,578	59,366
TOTAL CURRENT LIABILITIES		59,366	81,578	59,366
NON-CURRENT LIABILITIES				
Payables	13	-	-	3,119,665
Interest bearing liabilities	14	806,515	1,370,488	806,515
TOTAL NON-CURRENT LIABILITIES		806,515	1,370,488	3,926,180
TOTAL LIABILITIES		865,881	1,452,066	3,985,546
NET ASSETS/(DEFICIENCY)		1,860,364	1,626,826	(1,434,541)
EQUITY				
Contributed equity	15	3,067,105	3,070,765	3,067,105
Reserves	7	4,083,610	1,263,605	1,263,605
Accumulated losses	16	(5,290,351)	(2,707,544)	(5,765,251)
TOTAL EQUITY/(DEFICIT)	17	1,860,364	1,626,826	(1,434,541)

***** On 1 March, 2005 the Company's only controlled entity, Onslow Mining Pty Ltd, was liquidated and control ceased from that date. As at 30 June 2005 the Company has no controlled entities and therefore there is no consolidated entity.

The statements of financial performance and financial position are to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 24.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	Consolidated 2005 $	Consolidated 2004 $	The Company 2005 $	The Company 2004 $
CASH FLOWS FROM OPERATING ACTIVITIES :					
Cash payments in the course of operations		(161,171)	(173,913)	(161,171)	(181,854)
Dividends received		-	200	-	200
Interest received		15,594	48,793	15,594	48,793
Borrowing costs		(67,496)	(83,991)	(67,496)	(83,991)
Net cash provided by/ (used in) operating activities	22(b)	(213,073)	(208,911)	(213,073)	(216,852)
CASH FLOWS FROM INVESTING ACTIVITIES :					
Payments for exploration expenditure		(466,615)	(138,776)	(466,615)	(138,776)
Payments for investments		-	(483,176)	-	(483,176)
Proceeds from sale of investments		-	441,677	-	441,677
Proceeds from sale on non current assets		10,000	-	10,000	-
Net movement in advances to associated companies		(18,912)	473,177	(18,912)	473,177
(Payment for)/proceeds from short term deposits		120,000	50,000	120,000	(350,000)
Net cash provided by/ (used in) investing activities		(355,527)	342,902	(355,527)	(57,098)
CASH FLOWS FROM FINANCING ACTIVITIES :					
Net movement in loans from/ (to) related companies		563,973	(121,282)	563,973	287,100
Proceeds from issue of shares		3,660	6,645	3,660	6,645
Net cash provided by/ (used in) financing activities		567,633	(114,637)	567,633	293,745
Net increase/(decrease) in cash held		(967)	19,354	(967)	19,795
Cash at the beginning of the financial year		28,902	9,548	28,902	9,107
Cash at the end of the financial year	22(a)	27,935	28,902	27,935	28,902

The statements of cash flows are to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 24.

1. STATEMENT OF ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets. These accounting policies have been consistently applied by the Company, except where there is a change in accounting policy, are consistent with those of the previous year. Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(b) Principles of consolidation

The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases. On 1 March 2005, the controlled entity Onslow Mining Pty Ltd was liquidated and control ceased from this date. The statement of financial performance and statement of cash flow have been consolidated for the period 1 July 2004 to 1 March 2005. There is no consolidated entity as at 30 June 2005.

(c) Revenue recognition

Revenues are recognised at fair value of the consideration received.

Sale of non-current assets – Gross proceeds of asset sales are included as revenue. The profit or loss on disposal is brought to account at the date when an unconditional contract of sale is signed.

Interest income - Interest income is recognised as it accrues.

Other revenue - Revenue recognition policy for investments as described in accounting policy 1(f).

(d) Income tax

The Company adopts the income statement liability method of tax effect accounting.
Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the statement of financial position as a future income tax benefit or a provision for deferred income tax.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to entities with tax losses are only brought to account when their realisation is virtually certain. The tax effect of capital losses is not recorded unless realisation is virtually certain.

(e) Non-current assets

The carrying amounts of all non-current assets valued on the cost basis, other than exploration and evaluation expenditure carried forward, are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

In assessing recoverable amounts the relevant cash flows have not been discounted to their present value.

(f) Investments

Controlled entities

Investments in controlled entities are carried in the Company's accounts at cost less amounts written off to recognise any decline in recoverable amounts. Dividends are brought to account as they are received.

Associated companies
An associate is an entity, other than a partnership, over which the Company as at 30 June 2005 and the Consolidated Entity as at 30 June 2004 exercises significant influence and where the investment in that entity has not been acquired with a view to disposal in the near future.

In the Company's financial statements at 30 June 2004, investments in associates are carried at the lower of cost and recoverable amount. Dividends are brought to account as they are received.

In the Consolidated Entity at 30 June 2004 and the Company at 30 June 2005, investments in associates are accounted for using equity accounting principles. Investments in associates are carried at the lower of the equity accounted amount and recoverable amount. The share of the associates' net profit or loss after tax is recognised in the Statement of Financial Performance after adjustments for: revisions in depreciation of depreciable assets and amortisation of goodwill arising from notional adjustments made as at the date of acquisition; dissimilar accounting policies. Other movements in reserves are recognised directly in reserves.

Investments in listed companies (related companies)
Investments in listed companies are carried at the lower of cost and recoverable amount. Recoverable amount is determined by the Directors having regard to quoted market values, the investee's net assets and other factors which influence the recoverable amount. Dividends are brought to account as they are received.

(g) Plant & equipment
Plant and equipment is capitalised at historical cost and depreciated over their estimated useful lives. The straight line and reducing balance methods are used. Assets are first depreciated in the year of acquisition.

The depreciation rate used for plant and equipment is 20% (2004: 20%)

(h) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

(i) Exploration and evaluation expenditure
Exploration costs carried forward represent an accumulation of net costs incurred in relation to separate areas of interest for which rights of tenure are current and in respect of which :

(i) such costs are expected to be recouped through successful sale or development and exploitation of the area, or

(ii) exploration activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in the Statement of Financial Performance in the period in which the area is abandoned. Accumulated costs on continuing areas of interest which are not expected to be recouped are written off in the Statement of Financial Performance in the period in which this assessment is made.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(j) Provisions
The collectibility of all advances is assessed at year-end to determine whether the debtor companies have the ability to repay those advances.

	Consolidated		The Company	
	2005	2004	2005	2004
	$	$	$	$
2. REVENUE FROM ORDINARY ACTIVITIES				
Other revenue from operating activities :				
Interest revenue	15,594	48,793	15,594	48,793
Dividend received	-	200	-	200
Other revenue from outside operating activities :				
Distribution from liquidation of controlled entity	-	-	3,367,971	-
Gross proceeds from sale of non-current assets	10,000	441,677	10,000	441,677
Total revenue from ordinary activities	25,594	490,670	3,393,565	490,670

3. PROFIT / (LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE

(a) Profit/ (loss) from ordinary activities before income tax expenses has been arrived at after charging/(crediting) the following items :

	Consolidated 2005	Consolidated 2004	The Company 2005	The Company 2004
Gain/(loss) on sale of non-current assets	5,300	217,108	5,300	79,208
Amounts to provide for diminution in value of investments	(53,331)	-	(53,331)	-
Amounts provided/ (written back) for non-recoverability of advances	18,912	(10,000)	18,912	(10,000)
Depreciation of plant and equipment	401	502	401	502
Borrowing costs paid to associates	67,496	83,991	67,496	83,991

4. AUDITORS' REMUNERATION

	Consolidated 2005	Consolidated 2004	The Company 2005	The Company 2004
Auditing and reviewing financial reports	12,188	15,000	12,188	15,000

5. INCOME TAX

(a) Income tax expense/ (benefit)

	Consolidated 2005	Consolidated 2004	The Company 2005	The Company 2004
Prima facie income tax expense/ (benefit) calculated at 30% on operating profit/ (loss) from ordinary activities	(71,159)	(4,298)	917,312	(42,725)
Add : share of associates net loss after tax	5,046	3,628	2,076	-
	(66,113)	(670)	919,388	(42,725)
Increase in income tax expense due to:				
Non assessable distribution on liquidation	-	-	(1,032,147)	-
Non deductible expense	21,673	24,799	21,673	281
Tax losses not brought to account	49,324	53,472	95,970	75,080
Decrease in income tax expense due to:				
Exploration expenditure deductions	(4,884)	(77,601)	(4,884)	(32,636)
Income tax expense	-	-	-	-

	Consolidated	The Company	
	2004	2005	2004
	$	$	$

5. INCOME TAX (Continued)

(b) Provision for Deferred Income Tax

Provision for deferred income tax calculated at 30% comprises:-			
Exploration expenditure capitalised in the accounts which is currently deductible for tax purposes in the year incurred	143,164	148,048	143,164
Future income tax benefit of tax losses brought to account as a reduction in provision for deferred income tax	(143,164)	(148,048)	(143,164)
	-	-	-

(c) Future Income Tax Benefit not brought to account

A future income tax benefit calculated at 30% exists in respect of timing differences and tax losses which have not been recognised at 30 June, 2005:-			
Tax losses	814,690	910,660	814,690
Capital losses	141,032	141,032	141,032
	995,722	1,051,692	995,722

This future income tax benefit will only be obtained if : -

(i) the company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;

(ii) the company continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the Company in realising the benefit.

6. (LOSS) PER SHARE

	Consolidated	
	2005	2004
	Cents	Cents
Basic (loss) per share	(1.25)	(0.30)

	Number of Shares	
Weighted average number of ordinary shares		
Fully paid ordinary shares	9,955,760	9,931,360
Ordinary shares paid to 5 cents	9,012,240	9,036,640
Total number used in the calculation of basic loss per share	18,968,000	18,968,000

Net loss of $237,198 (2004: $56,892) has been applied in calculating the basic loss per share. There were no potentially dilutive shares outstanding during the financial year.

	Consolidated	The Company	
	2004	2005	2004
	$	$	$
7. RESERVES			
Asset revaluation	644,006	516,352	516,352
Capital profits	3,439,604	747,253	747,253
	4,083,610	1,263,605	1,263,605
8. RECEIVABLES			
Current			
Short term deposits	350,000	230,000	350,000
Sundry debtors and prepayments	5,681	4,964	5,681
	355,681	234,964	355,681
Non-current			
Advances to associates	558,992	577,904	558,992
Less: provision for non-recoverability	(558,992)	(577,904)	(558,992)
	-	-	-

The Company has subordinated its advance of $577,904 (2004: $558,977) to Texas Energy Corporation N.L. and Alpha Resources Pty Ltd in favour of all other creditors.

	Consolidated	The Company	
	2004	2005	2004
9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD			
Non-current			
Shares in unlisted Associated Companies			
Equity Accounted	314,609	313,907	-

Refer Note 19 for particulars in relation to associated companies.

		Consolidated 2004 $	The Company 2005 $	The Company 2004 $
10. OTHER FINANCIAL ASSETS				
Non-current				
Paintings – at cost	(i)	4,700	-	4,700
Shares in controlled entities				
Unquoted – at cost	(ii)	-	-	72,519
Shares in associated companies				
Unquoted - at cost	(iii)	-	68,891	68,891
Less: provision for diminution		-	(68,872)	(68,872)
		-	19	19
Shares in related companies				
Quoted - at cost	(iv)	-	130,918	130,918
Less provision for diminution		-	(14,788)	(64,087)
		-	116,130	66,831
Quoted - at cost	(v)	521,666	521,666	521,666
Less provision for diminution		(21,300)	(123,930)	(21,300)
		500,366	397,736	500,366
Total investments		505,066	513,885	644,435
Quoted market value of investments in listed companies		591,266	513,866	591,266

At 30 June 2005 the Directors have reviewed the asset backing of listed entities in which the Company have invested with the objective of holding these investments for the medium to long term as part of its exploration strategy. The Directors do not consider the carrying value of investments to be less than their recoverable amounts at 30 June 2005.

(i) During the financial period the investment in paintings were sold for $10,000.

(ii) On 1 March 2005, Onslow Mining Pty Ltd, a controlled entity, was liquidated. Refer Note 18 for particulars in relation to controlled entities.

(iii) Investment in associated company, Alpha Resources Pty Limited.

(iv) Investment in related company, Esperance Minerals NL, by virtue of common directors, is 17.5% (2004: 17.5%).

(v) Investment in related company, East Coast Minerals NL, by virtue of common directors, is 8.0% (2004: 8.0%).

The principal activities of East Coast Minerals N.L and Esperance Minerals N L are investment of funds in shares and mineral exploration.

	Consolidated 2004 $	The Company 2005 $	The Company 2004 $
11. PLANT & EQUIPMENT			
Plant and equipment - at cost	14,093	14,093	14,093
Less: accumulated depreciation	(12,065)	(12,466)	(12,065)
Total plant and equipment - net book value	2,028	1,627	2,028
Reconciliation			
Carrying amount at beginning of year	2,530	2,028	2,530
Depreciation	(502)	(401)	(502)
Carrying amount at end of year	2,028	1,627	2,028
12. EXPLORATION & EVALUATION EXPENDITURE			
Exploration and evaluation phase expenditure costs carried forward at cost	1,519,959	1,986,574	1,519,959
Reconciliation			
Carrying amount at beginning of year	1,381,183	1,519,959	1,381,183
Additions	138,776	466,615	138,776
Carrying amount at end of year	1,519,959	1,986,574	1,519,959

An additional 25% interest in the Nagoorin interest was purchased for $550,000 of which a deposit of $100,000 was paid in the financial year ending 30 June 2004 and the remaining balance of $450,000 paid in the current period.

The balance of the exploration expenditure carried forward at 30 June 2005 represents a 50% (2004: 50%) interest in Alpha (MDL 330 - registered in the name of Alpha Resources Pty. Limited) and a set 25% (2004: 25%) interest in Lowmead (MDL 188) and 50% of Nagoorin (EPM 7721 and MDL 234) mining leases. These leases are located in the south eastern region of Queensland. The company has identified oil shale reserves in these areas of interest. The recoupment of exploration costs carried forward depends on the successful development and commercial exportation of oil shale recoveries which have been discovered in these leases and further development of technology to enable extraction of oil from oil shale on a commercially viable basis, having regard to the future price of oil.

	Consolidated 2004 $	The Company 2005 $	The Company 2004 $
13. PAYABLES			
Current			
Other creditors and accruals	59,366	81,578	59,366
Non-current			
Loans from controlled entities	-	-	3,119,665
14. INTEREST BEARING LIABILITIES			
Non-current borrowings			
Loans from associates	806,515	1,370,488	806,515

15. CONTRIBUTED EQUITY

	Consolidated	The Company	
	2004	2005	2004
	$	$	$
9,955,760 (2004: 9,931,360) ordinary shares fully paid to 20 cents	2,501,672	2,507,500	2,501,672
9,012,240 (2004: 9,036,640) ordinary shares paid to 5 cents	565,433	563,265	565,433
	-------------	-------------	-------------
	3,067,105	3,070,765	3,067,105
	========	========	========

During the year 24,400 (2004 : 44,300 shares) contributing shares paid to 5 cents were converted to fully paid shares. Consideration for this transaction was cash.

Partly paid shares are 15 cents uncalled and rank equally with fully paid shares for dividend and voting purposes.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. In the event of winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

	Consolidated		The Company	
	2005	2004	2005	2004
	$	$	$	$
16. ACCUMULATED LOSSES				
Accumulated losses at beginning of the year	(5,290,351)	(5,233,459)	(5,765,251)	(5,622,835)
Profit / (loss) for the year	(237,198)	(56,892)	3,057,707	(142,416)
Transfer of reserves	2,820,005	-	-	-
	----------------	--------------	-------------	-------------
Accumulated losses at end of year	(2,707,544)	(5,290,351)	(2,707,544)	(5,765,251)
	==========	========	=======	=======
17. TOTAL EQUITY RECONCILIATION				
Total equity at beginning of year	1,869,364	1,910,611	(1,434,541)	(1,298,770)
Increase in share capital	3,660	6,645	3,660	6,645
Net profit/ (loss) for the year	(237,198)	(56,892)	3,057,707	(142,416)
	---------------	------------	-------------	------------
Total	1,626,826	1,860,364	1,626,826	(1,434,541)
	=========	=======	========	=======

18. CONTROLLED ENTITIES

Particulars in relation to controlled entities

Name		Class of shares	Holding 2005 %	Holding 2004 %
Parent entity				
Greenvale Mining N.L.				
Controlled entities				
Onslow Mining Pty Limited	(i)	Ordinary	-	100

(i) On 1 March 2005, the controlled entity was liquidated and control ceased from this date. The controlled entity was incorporated in Australia. The Company received a distribution of $3,367,971 on liquidation which represents net assets distributed of $3,440,490 less return of capital of $72,519.

19. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in associates

Name	Principal Activities	Balance Date	Direct & Indirect Ownership 2005	Interest 2004		Consolidated Investment Carrying Amount 2004 $	The Company Investment Carrying Amount 2005 $
Austral Pacific Energy & Resources Corporation	Oil & gas exploration	30 June 2005	26.1%	26.1%		-	-
Minga Pty Limited	Finance Company	30 June 2005	49.7%	49.7%	(i)	314,609	313,907
Alpha Resources Pty Limited	Mineral Exploration	30 June 2005	52.2%	52.2%		-	-
Texas Energy Corporation NL	Mining	30 June 2005	52.2%	52.2%		-	-
						314,609	313,907

(i) On 1 March 2005, the 22,500 shares in Minga Pty Ltd, held by the Onslow Mining Pty Ltd, which represented a 49.7% share holding, were sold to Greenvale Mining Ltd for consideration of $320,825 which represented market value at the date of sale. The shares were sold as part of the liquidation of the controlled entity Onslow Mining Pty Ltd.

	Consolidated 2005 $	Consolidated 2004 $	Company 2005 $
Results of associates			
Share of associates' operating (loss) after income tax	(16,819)	(42,568)	(6,918)
Share of post-acquisition accumulated (losses) and reserves attributable to associates			
Accumulated (losses)			
Share of associates' accumulated (losses) at the beginning of the financial year	(816,708)	(774,140)	-
Disposal of equity accounted investment (i)	833,527	-	-
Share of associates' (loss)	(16,819)	(42,568)	(6,918)
Share of associates' accumulated (losses) at the end of the financial year	-	(816,708)	(6,918)
Capital profit reserve			
Share of associates' capital profits reserve at the beginning of the financial year	306,639	306,639	-
Disposal of equity accounted investment (i)	(306,639)	-	-
	-	306,639	-
Movements in carrying amount of investments			
Carrying amount of investments in associates at the beginning of the financial year	314,609	357,177	-
Investments in associates acquired during the year	(297,790)	-	320,825
Disposal of equity accounted investment (i)			
Share of associates' (loss)	(16,819)	(42,568)	(6,918)
Carrying amount of investments in associates at the end the financial year	-	314,609	313,907

19. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (Continued)

Summary performance and financial position of associates

	Consolidated 2004 $	The Company 2005 $
The share of net losses and aggregate assets and liabilities of associates is as follows:		
Net (losses)	(42,568)	(6,918)
Current assets	4,236	2,104
Non-current assets	853,771	1,033,839
Total assets	858,007	1,035,943
Current liabilities	4,060	3,838
Non-current liabilities	604,162	730,945
Total liabilities	608,222	734,783
Net assets	249,785	301,160

20. SEGMENT INFORMATION

(a) THE COMPANY

	FINANCE/INVESTMENT 2005 $	MINING AND MINERAL EXPLORATION 2005 $	COMPANY TOTAL 2005 $
Business Segments			
Revenue			
External segment revenue	3,393,565	-	3,393,565
	------------	---------------	-------------
Result			
Segment result	3,064,625	-	3,064,625
Share of (loss) of equity accounted investments	(6,918) -	(6,918)	
	-------------	---------------	------------
(Loss) from ordinary activities before income tax	3,057,707	-	3,057,707
Income Tax Expense			-

(Loss) from ordinary activities after income tax			3,057,707
			=======
Non-cash items :			
Depreciation and amortisation	401	-	401
Provision for diminution	72,242	-	72,242
Assets			
Segment Assets	1,064,383	1,986,574	3,050,957
Unallocated corporate assets			27,935

Total assets			3,078,892
			=======
Liabilities			
Segment Liabilities	1,452,066	-	1,452,066
	-------------	--------------	-------------

20. SEGMENT INFORMATION

(b) CONSOLIDATED

	FINANCE/INVESTMENT	MINING AND MINERAL EXPLORATION	CONSOLIDATED TOTAL
	2004	2004	2004
	$	$	$
Business Segments			
Revenue			
External segment revenue	490,670	-	490,670
Result			
Segment result	(14,324)		(14,324)
Share of (loss) of equity accounted investments	(42,568)	-	(42,568)
(Loss) from ordinary activities before income tax	(56,892)	-	(56,892)
Income Tax Expense			-
(Loss) from ordinary activities after income tax			(56,892)
Non-cash items :			
Depreciation and amortisation	502	-	502
Provision for diminution in Shares	55,331	-	55,331
Provision for non-recoverability in advances	10,000	-	10,000
Assets			
Segment Assets	1,177,385	1,519,959	2,697,344
Unallocated corporate assets	-	-	28,902
Total assets			2,726,246
Liabilities			
Segment Liabilities	865,881	-	65,881

Geographical Segments
The entity operates in one geographical segment, Australia.

21. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest rate risk

Greenvale Mining N.L. does not enter into interest rate swaps, forward rate agreements or interest rate options to manage cash flow risks associated with the interest rates on borrowings that are floating, or to alter interest rate exposures arising from mismatches in repricing dates between assets and liabilities.

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below : -

THE COMPANY 2005	Note	Weighted average interest rate %	Floating interest rate $	Fixed Interest maturing in : At call $	Non-interest Bearing $	Total $
Financial assets						
Cash		4.85	27,935	-		27,935
Receivables	8	5.5	-	230,000	4,964	234,964
Investments					513,885	513,885
			27,935	230,000	518,849	776,784
Financial liabilities						
Payables			-	-	81,578	81,578
Borrowings	14	8.5	-	1,370,488	-	1,370,488
			-	1,370,488	81,578	1,452,066

CONSOLDIATED 2004	Note	Weighted average interest rate %	Floating interest rate $	Fixed Interest maturing in : At call $	Non-interest bearing $	Total $
Financial assets						
Cash		5.25	28,902	-	-	28,902
Receivables	8	5.25	-	350,000	-	350,000
Investments	10		-	-	500,366	500,366
			28,902	350,000	500,366	879,268
Financial liabilities						
Payables	13		-	-	59,366	59,366
Borrowings	14	7.75	-	806,515	-	806,515
			-	806,515	59,366	865,881

21. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (continued)

(b) Net Fair values of financial assets and liabilities

Listed shares included in "investments" are traded in an organised financial market. The net fair value of listed shares are determined by valuing them at the current quoted market bid price, adjusted for transactions costs necessary to realise the asset or settle the liability. The fair values are provided at note 10.

The carrying amounts of cash, receivables and interest bearing liabilities approximate net fair value.

The net fair value of investments in unlisted shares in other corporations is determined by reference to the underlying net assets of the respective corporations. The carrying amount of investment in unlisted shares in other corporations approximates net fair values.

(c) Credit Risk

There is negligible credit risk on financial assets, excluding investments, of the Company since there is no exposure to individual customers or countries and the economic entity's exposure is limited to the amount of cash, shot term deposits and receivables which have been recognised in the balance sheet and is minimised by using recognised financial intermediaries as counterparties.

22. NOTES TO THE STATEMENTS OF CASH FLOWS

	Consolidated		The Company	
	2005	**2004**	**2005**	**2004**
	$	**$**	**$**	**$**
(a) RECONCILIATION OF CASH				
Cash	27,935	28,902	27,935	28,902
(b) RECONCILIATION OF OPERATING PROFIT / (LOSS) AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES :				
Operating profit/ (loss) after income tax	(237,198)	(56,892)	3,057,707	(142,416)
Add/(less) non-cash items :				
Depreciation and amortisation	401	502	401	502
Amounts set aside for provisions	(10,724)	(10,000)	72,243	(10,000)
Share of associates' loss after tax	16,819	42,568	6,918	-
Payable in controlled entities	-	-	72,519	-
Liquidation of investment in controlled entities	-	-	(3,119,665)	-
Investment in equity accounting	-	-	(320,825)	-
Add/(less) items classified as investing/financing activities:				
Loss/ (Profit) from sale of non-current assets	(5,300)	(217,108)	(5,300)	(79,208)
Net cash / (decrease) used in operating activities before change in assets and liabilities	(236,002)	(240,930)	(236,002)	(231,122)
Change in assets and liabilities during the financial year :				
(Increase)/decrease in sundry debtors and prepayments	717	7,457	717	(1,844)
Increase/(decrease) in other creditors and accruals	22,212	14,562	22,212	16,114
Net cash (used in) operating activities	(213,073)	(208,911)	(213,073)	(216,852)

23. FINANCING FACILITIES

The Company has access to bank overdraft facilities to a maximum of $20,000 leaving an unused facility of $20,000 (2004: $20,000). The facilities are secured over the assets of an associated company, Minga Pty Limited and is subject to annual review.

24 DIRECTOR DISCLOSURES FOR DISCLOSING ENTITIES

The Company's policy is to set remuneration levels that are competitive to attract and retain appropriately qualified and experienced directors and senior executives. Remuneration packages are based on fixed remuneration.

Directors Remuneration

Total directors fees for all directors, last voted upon by shareholders at the 1999 AGM, is not to exceed in aggregate $45,000 per annum. Directors' base fees are presently up to $12,750.

Termination benefits are determined on a case by case basis and are not contractually defined.

The following table provides the details of all directors of the Company and the nature and amount of the elements of their remuneration for the year ended 30 June 2005, calculated on the basis of cost to the Company net of and therefore excluding costs recovered from outside the Company.

Director	Salary	Allowance	Post-employment Superannuation Benefits	Total
	$	$	$	$
Mr L L White	19,500	4,800	-	24,300
Mr G M Lorentz	12,750	1,650	1,296	15,696
Mrs E Stoliar	12,750	1,650	1,296	15,696
Total	45,000	8,100	2,592	55,692

The Company does not have any specified executives.

Equity Instruments

Options
There are no options over the Company's shares issued or outstanding at 30 June 2005.

Directors' Shareholdings
The total number of ordinary shares of Greenvale Mining NL held directly, indirectly or beneficially by each director, including their personally-related entities is as follows:

Fully Paid

	Held 1 July 2004	**Sales**	**Held 30 June 2005**
Mr Leslie L. White	195,200	12,000	183,200
Mr Gabriel M. Lorentz	-	-	-
Mrs Elizabeth Stoliar	-	-	-

Contributing

	Held 1 July 2004	**Sales**	**Held 30 June 2005**
Mr Leslie L. White	598,112	103,667	494,445
Mr Gabriel M. Lorentz	248,800	-	248,800
Mrs Elizabeth Stoliar	64,200	-	64,200

Other Transactions with the Company

Mr. L.L. White, Mrs E. Stoliar and other related parties own L & E White Investments Pty Limited a company that provides management services to the Company and related bodies corporate. Mr. L.L. White and Mrs E. Stoliar are related. The cost of services being provided are charged under normal commercial terms and conditions. Management fees paid to L & E White Investments Pty Limited by the Company during the year were $63,745 (2004: $62,092).

During the period Mr. L. L. White purchased paintings from the Company for consideration of $10,000 which was under normal commercial terms and conditions.

There existed no contingent liabilities of the Company for termination benefits under service agreements with Directors or persons who take part in the management of the Company as at 30 June 2005.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the Company since the end of the previous financial year and there were no material contracts involving the directors' interests subsisting at year-end.

25. NON DIRECTOR RELATED TRANSACTIONS

Transactions - related entities and associates

During the year the associate company Minga Pty. Limited provided various office services to Greenvale Mining N.L. The charges for these services amounted to $15,842 (2004: $30,000) and were on normal terms and conditions.

In addition to the above, interest was paid during the year for advances from Minga Pty Limited amounting to $67,496 (2004: $83,991) at an interest rate of 8.5% (2004: 8.5%)

26. INTERNATIONAL FINANCIAL REPORTING STANDARDS

For reporting periods beginning on or after 1 January 2005, the Company must comply with Australian Equivalents to International Financial Reporting Standards (AIFRS) as issued by the Australian Accounting Standards Board.

This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP). The difference between Australian GAAP and AIFRS identified to date as potentially having a significant effect on the Company's financial performance and financial position are summarised below. The summary should not be taken as an exhaustive list of all the differences between Australian GAAP and AIFRS. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented.

Transition Management

The Company has established a project to assess the impact of the transition to AIFRS and to achieve compliance with AIFRS reporting for the financial year commencing 1 July 2005. The Company will be in a position to fully comply with the requirements of AIFRS for the 31 December 2005 half year and the 30 June 2006 financial year.

Assessment and planning: The assessment and planning phase generated a high level overview of the impacts of conversion to AIFRS on existing accounting and reporting policies and procedures, systems and processes, business structures and staff. The assessment and planning phase is completed as at 30 June 2005.

Design: The design phase is in progress as at 30 June 2005.

Implementation: The implementation phase includes implementation of identified changes to accounting and business procedures, systems and processes and operational training for staff and will enable the economic entity to generate the required reconciliations and disclosures of AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards. This phase is in progress as at 30 June 2005.

Impact of transition to AIFRS

The Company has not quantified the effects of the differences discussed below. Accordingly, there can be no assurances that the statements of financial performance and financial position would not be significantly different if determined in accordance with AIFRS. Only a complete set of financial statements and notes together with comparative balances can provide a true and fair presentation of the Company's financial position, results of operations and cash flows in accordance with AIFRS.

The key potential implications of the conversations to AIFRS on the Company are as follows:

- Under current Australian GAAP exploration and evaluation expenditure carried forward is valued on a cost basis in accordance with exploration, evaluation and development expenditure accounting policy set out in Note 1 to the Financial Statements. Under AIFRS this will remain unchanged except that "pre-exploration" cost will not be recognised. Pre-exploration costs are incurred prior to licenses being granted. Management are currently analysing capital expenditures, however at this stage it is expected that no adjustments will arise at 1 July 2004 on transition to AIFRS. No pre-exploration costs were incurred in the year ended 30 June 2005.

- The Company expects to take advantage of the election in AASB 1 to not restate comparatives for AASB 132 Financial Instruments; Disclosure and Presentation, and AASB 139 Financial instruments; Recognition and Measurement.

  The Company has followed the Australian GAAP in accounting for financial instruments as described in Note 1 Statement of significant accounting policies.

  At 1 July 2005 the expected adjustment is: Under Australian GAAP available-for-sale equity securities were recognised at cost. These will be recognised at fair value when AASB 139 is applied. There is no expected impact for this change.

- Changes in accounting policies will be recognised by restating comparatives rather than making current adjustments with note disclosures of prior year effects.

- On transition to AIFRS the balance sheet method of tax effect accounting will be adopted, rather than the liability method applied under Australian GAAP. Under the balance sheet approach, income tax on profit and loss for the year comprises current and deferred taxes. Income tax will be recognised in the income statement except to the extent that it relates to items recognised directly in equity in which case it will be recognised in equity.

  A deferred tax asset will be recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised deferred tax assets will be reduced to the extent it is no longer probable that the related tax benefit will be realised.

  The change to the balance sheet approach may result in the recognition of additional deferred tax assets and liabilities with a corresponding impact to retained earnings. At present, the company is not in a position to quantify the effect of this, if any, on the balance sheet.

STATEMENT BY DIRECTORS

In the opinion of the Directors of Greenvale Mining N.L. :

(a) the financial statements and notes, set out on pages 7 to 24 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2005 and of the Company's and consolidated entity's performance, as represented by the results of their operations and their cashflows, for the financial year ended on that date

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001, and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The directors have been given the declarations required by section 295A of the Corporations Act 2001 from the individuals acting in the role of the chief executive officer function and the chief financial officer function for the financial year ended 30 June 2005.

Dated at Sydney this 29 September 2005.

Signed in accordance with a resolution of the Directors.

Leslie L. White
Director

Independent audit report to members of Greenvale Mining NL

Scope

The financial report and director's responsibility

The financial report comprises the statements of financial position, statements of financial performance, statements of cash flows, accompanying notes to the financial statements, and the directors declaration for Greenvale Mining NL (the "Company"), and Greenvale Mining NL and its controlled entity (" the consolidated entity") for the year ended 30 June 2005. The consolidated entity comprises both the Company and the controlled entity it controlled from the 1 July 2004 to 1 March 2005.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001.* This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial reports presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which include:

- examining , on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Audit opinion

In our opinion, the financial report of Greenvale Mining NL is in accordance with:

a) the *Corporations Act 2001,* including:

   i. giving a true and fair view of the Company's financial position as at 30 June 2005 and of the Company's and consolidated entity's performance for the financial year ended on that date; and

   ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

b) other mandatory financial reporting requirements in Australia.

KPMG

Mark Epper
Partner

Sydney, 29 September 2005

Additional Statutory Information
At 15th September 2005

(a) The number of shareholders and the distribution of their holdings in each class of quoted securities was as follows:

Shareholding	Fully Paid Shares	Contributing Shares
1 - 1,000	506	794
1,001 - 5,000	152	374
5,001 - 10,000	26	68
10,001 - 100,000	49	60
100,001 and over	10	17
	-----	--------
	743	1,313
	===	=====

	Fully paid Shares	Contributing Shares
(b) Shareholders with holdings less than a marketable parcel of 1,786 shares for the fully paid shares and 12,196 shares for the contributing shares was	537	1,242
	===	=====
(c) The twenty largest shareholders hold:-	80.91%	59.22%
	======	======

(d) All shares issued at balance date entitle the holders to one vote per share.

The Register of Substantial Shareholders discloses the following:

Direct Holding -

(i) East Coast Minerals N.L.
Level 2, 580 George Street,
Sydney NSW 2000
holder of:
1,484,720 fully paid shares

(ii) Esperance Minerals N.L.
Level 2, 580 George Street,
Sydney NSW 2000
holder of :
3,455,000 fully paid shares

(iii) Leslie L. White
by virtue of substantial shareholding
in East Coast Minerals N.L. and his
holding of:
108,945 contributing shares

(iv) Exploration Finance Pty Ltd
PO Box 366
Double Bay NSW 2028
holder of :
1,147,500 contributing shares

Indirect Holding -

Minga Pty Ltd
by virtue of substantial shareholding
in Esperance Minerals N.L. and their
holding of :
96,100 fully paid shares

TOP TWENTY HOLDERS OF FULLY PAID SHARES :

The top twenty largest holders of fully paid shares are listed below.

	Number	%
Esperance Minerals N L	3,455,000	34.70
East Coast Minerals N L	1,484,720	14.91
Strategic Pooled Development Limited	769,230	7.73
Queensland Energy Resources	360,978	3.63
National Nominees Limited	269,125	2.70
Mr David Hale	210,772	2.12
Mrs Deborah Ann Kroger	203,000	2.04
Rock (Nominees) Limited	201,300	2.02
Texas Energy Corporation N L	150,000	1.51
L & E White Family Holdings Pty Limited	118,000	1.19
Zandoc Holdings Pty Ltd	100,000	1.00
Mr Trevor Hay	96,925	0.97
Mr Howard Jones	98,000	0.99
Minga Pty Ltd	96,100	0.97
Mr David Cliffe	80,160	0.81
Cost Nominees Limited	80,000	0.80
ANZ Nominees Limited	79,713	0.80
Ms Joy Reid	77,000	0.77
l & E White Investlments Pty Limited	65,000	0.65
Austsral Pacific Energy & Resources Corporation	60,000	0.60
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	8,055,025	80.91
	=======	====

Additional Statutory Information
At 15th September 2005

TOP TWENTY HOLDERS OF CONTRIBUTING SHARES :

The top twenty largest holders of contributing shares are listed below.

	Number	%
Exploration Finance Pty Ltd	1,147,500	12.73
Bretred Pty Limited	442,430	4.91
National Nominees Limited	441,800	4.90
Queensland Enerfy Resources	425,310	3.78
L & E White Investments Pty Ltd	333,500	3.70
Mr Howard Jones	302,900	3.36
Mrs Deborah Ann Kroger	300,022	3.33
Peter Stanford & John Stanford & Jeremy Stanford	228,000	2.53
Gabriel M Lorentz	220,000	2.44
Stanley Cullen	206,800	2.29
Mr David Cliffe	195,618	2.17
Mrs Edith White189,500	2.10	
Mr Randall Henri Olgers	159,000	1.76
John A McEvoy	140,000	1.55
Peter Stanford & John Stanford & Jeremy Stanford	139,167	1.54
Leslie L White	108,945	1.21
Swiss Corporate Credit Pty Limited	105,667	1.17
John Albert McEvoy	100,000	1.11
Portfolio Custodian Limited	76,000	0.84
Kalr Capital	75,000	0.83
	-----------	--------
	5,337,159	59.22
	=======	=====

GREENVALE MINING N.L.
A.C.N. 000 743 555

Registered Office : C/- Agoston, Douglas & Partners, Level 2, 580 George Street, Sydney N.S.W. 2000

PROXY FORM

I/We ....

of...…..

being a member/members of Greenvale Mining N.L., hereby appoint *...…......…..

....

....of..…

....(or failing him)..……......................................…

....

as my/our proxy to vote for me/us and on my/our behalf at the annual meeting of the Company to be held on Wednesday, 30 November 2005 and at any adjournment thereof.

As witness my/our hands this day of 2005

Signed by the said.............…..……………..

in the presence of ....……

*If you wish, you may appoint as your proxy “The Chairman of the Meeting”.

Should the member desire to direct the proxy how to vote the member shall place a mark in the appropriate box against each item hereunder, other wise the proxy may vote as he or she thinks fit or abstain from voting.

	For	**Against**
BY ORDINARY RESOLUTION :		
1. To adopt the reports and financial report	☐	☐
2. To elect as Director Mr Gabriel Lorentz	☐	☐
3. To approve the directors' remuneration	☐	☐

(i) A member entitled to attend and vote is entitled to appoint no more than two proxies. Where more than one proxy is appointed each proxy must be appointed to represent a specified proportion of the members voting rights.

(ii) If the appointer is a Corporation, this instrument may have to be executed under its Common Seal.

(iii) If signed under a power of attorney, an office copy or a notarially certified copy thereof, shall be deposited at the Registered Office not less than forty eight (48) hours before the time of holding the Meeting.

(iv) A Proxy need not be a member of the Company.

(v) This Instrument is required to be deposited at the Registered Office of the Company not less than forty eight (48) hours before the time of holding the Meeting.