Greenpower Energy Limited

ABN 22 000 002 111

Consolidated Annual Report

For the Year Ended 30 June 2018

Greenpower Energy Limited

ABN 22 000 002 111

For the Year Ended 30 June 2018

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Greenpower Energy Limited

ABN 22 000 002 111

Directors' Report

30 June 2018

Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2018.

Directors

The following persons were Directors of Greenpower Energy Limited for part of the financial year and up to the date of this report:

Names

Mr. Gerard King
Mr. Edwin Bulseco – Resigned 2 June 2018
Mr. Simon Peters
Mr. Matthew Suttling – Appointed 2 June 2018

Information on directors

Gerard King

Qualifications	LLB
Experience	After graduating in law (LLB) from the University of Western Australia in 1963, Gerard commenced articles with (Sir) John Lavan (Lavan & Walsh) in Perth, being admitted as a solicitor in 1965, into the law firm partnership in 1966, and became its senior partner in 1978. Under Gerard, Lavan & Walsh eventually became Phillips Fox, Perth in 1985. Throughout his career, Gerard has practised in the legal areas of commercial property, banking/finance, revenue/tax, corporate compliance, and mining law. He taught mortgage and other debt security drafting at UWA law school for 5 years, joined the Taxation Institute of Australia, and the Australian Mining and Petroleum Lawyers Association and gave papers on revenue, strata title, prospectuses, document drafting and other topics. Gerard served on the Law Society of WA Council, and its committees. He was involved in the management of his law firm from 1968 to 1991 and attended two law firm management courses at the University of New England. Gerard has been a company director of Australasian Shopping Centres Property Trust, 1977 to 1980, Australian Mining Investments Ltd., 1983 to 2002, as well as other public companies, and is currently Chairman of Astron Limited, since 1985. He was Chairman of WA St. John Ambulance Service Board 1987 to 1996, and WA State St. John Council Chairman until 2017.
Interest in shares and options	165,785,208 Ordinary Shares and 6,000,000 Unlisted Options
Special responsibilities	Chairman and Executive Director
Other current directorships in listed entities	Gerard King has been a Director of Astron Limited since 5 November 1985.

Information on directors continued

Edwin Bulseco

Qualifications	Bachelor of Commerce
Experience	Edwin Bulseco has a wealth of experience in capital markets and corporate strategic planning. From 2010 to 2014 Edwin served as senior equity research analyst at two of Australia's oldest stockbrokers. Edwin is currently a Director of Corporate Finance at a boutique Corporate Advisory firm gaining exposure to a broad range of sectors including Technology, Energy and Resources. Prior to working in capital markets Edwin held various internal consulting, corporate/strategic planning and commercial roles with Royal Dutch Shell.
Interest in shares and options	Nil Ordinary Shares and 2,000,000 Options
Special responsibilities	Non-Executive Director.
Other current directorships in listed entities	Edwin Bulseco has been a Non-Executive Director of Transcendence Technologies Ltd since 8 June 2017.

Simon Peters

Qualifications	BEng (Mining) MAusIMM (Hons)
Experience	Simon is a highly qualified Mining Engineer and Executive Manager with 16 years international and Australian experience covering mining, feasibility studies, sensitive permitting and approvals, mineral exploration, strategic planning, development resource definition and Project development. More recently Simon was project executive for an ASX listed entity Astron Ltd and a Director of 3 subsidiaries including a joint venture subsidiary involved in funding and commissioning an African mineral sands operation and gold exploration programs. He has gained experience in production of industrial minerals, iron ore and gold and has held senior operational and management positons within Rio Tinto and Henry Walker Eltin. He holds a Bachelor of Engineering (mining) with Honors from Federation University Australia and an unrestricted WA Quarry Managers Certificate. Simon is a partner of Sustainable Project Services which provides strategic & technical management consultancy advice to government, mining and agricultural sectors.
Interest in shares and options	1,228,846 Ordinary Shares and 5,000,000 Unlisted Options
Special responsibilities	Non-Executive Director
Other directorships in listed entities held in the previous three years	Managing Director of E2 Metals Limited since 27 June 2017.

Information on directors continued

Matthew Suttling

Qualifications	Chartered Accountant, Batchelor of Economics
Experience	Mr Suttling is an experienced professional with a background as a CFO. Mr Suttling brings experience as a CFO for a number of ASX boards and continue to practise as a Chartered Accountant in Public Practise.
Interest in shares and options	4,515,576 Ordinary Shares and 5,000,000 Unlisted Options
Special responsibilities	Executive Director.
Other current directorships in listed entities	Nil

Principal Activities

The principal activities of the Group during the financial year were the research and development of its Coal to Liquid project, exploration for Lithium in Guyana and the hypersaline Brine project in the Northern Territory.

The specific activities of the Greenpower Energy Limited and its subsidiaries (“Greenpower”) during the financial year relating to these were:

Guyana Lithium / Tantalum Project:

• During the year Greenpower funded Phases 2 and 3 within the Guyana Morabisi Project Area, for which exploration was managed by its partner Guyana Strategic Metals Inc (“GSM”).

• Phase 3 included drilling 15 holes for 1,990 metres in the Turesi area of interest. The drilling was largely successful and provided valuable information within the Turesi area. GSM and Greenpower are currently discussing the implementation of the next Phase.

• With the completion of the Phase 3 commitments subsequent to year end Greenpower’s interest in Guyana Strategic Metals Inc (Guyana Company) is expected to increase from 35% to 51% in accordance with the Heads of Agreement.

Northern Territory – Pretoria Project:

• As at 30 June 2018 Greenpower holds 9 Exploration Licenses (EL-31459 through to EL-31466 and EL 31496) in the Northern Territory. The initial target was to secure title in order to test underground supercritical brine reservoirs, disclosed in previous petroleum exploration, for lithium presence.

• Greenpower had anticipated working with companies drilling in the licence areas which had been delayed due to awaiting approvals from the Northern Territory government for gas exploration fracture drilling. Post year end this approval has been indicated but gas exploration companies have not indicated when any hydrocarbon exploration may recommence, enabling the company to liaise with them on formation water extraction and testing. The company must now decide whether the cost of holding the areas justifies the waiting indefinitely.

• Due to the delays encountered and uncertainty in relation to the future drilling the capitalised exploration expenditure carried forward was fully impaired at 30 June 2018.

Victoria:

• As at 30 June 2018 Greenpower held an application for an Exploration License for an area situated near Moe township, in the Latrobe Valley, Victoria. (Greenpower previously held Exploration Licenses 4500, 4877 and 5227, also in the Latrobe Valley, Victoria).

• The Group then intends to hold the new licence until the Company’s coal to liquid technology has been advanced to the degree necessary to resort to this deposit, if necessary by converting to Retention licenses.

• Exploration of the license(s) can also be broadened in the meantime to include other minerals of interest that may be able to be exploited to add value for shareholders.

Coal to Liquid Project 'CTL':

• In November 2013 Greenpower signed a 'research and option' agreement with US-based Thermaquatica Inc., to jointly test and develop the Oxidative Hydrothermal Dissolution (OHD) process for the conversion of coal to liquids. OHD is a patented process for the conversion of coals to liquids, the rights to which are owned by Thermaquatica Inc. The arrangement provided for Greenpower to receive an exclusive license to develop and apply the OHD process on a commercial scale within Australia and New Zealand in exchange for contributing USD $2m towards research into extraction of the products from the OHD liquid. On 12 May 2016 Greenpower and Thermaquatica signed off on the conversion of the research and option agreement to an exclusive license agreement for Australia and New Zealand.

• OHD is an environmentally friendly technology for the conversion of coal and other solid organic material into low molecular weight, water soluble chemical products, with no greenhouse gases created in the process. Many of the initial products are potentially useful for producing polymers as well as other hydrocarbon-based products. The process works by taking the initial macromolecular solid material such as coal and causing a reaction with small amounts of oxygen in high temperature and high-pressure water.

• During the year Greenpower concentrated on developing its understanding of the potential and marketability of the bio-stimulant output from the OHD process.

- As such ongoing plant trials are being undertaken by Monash University on behalf of Greenpower. Studies to date have confirmed that the OHD bio-stimulant fertiliser can deliver positive yield results and the studies have concluded that the OHD bio-stimulant enhances reproductive activity in plants that produce flower and seeds. These studies have led Greenpower to continue to focus on crop cereal and horticultural markets.

- HRL Technology Group ('HRL') in Victoria have provided consulting advice with the detailed designs and costing of an OHD pilot plant in Victoria. HRL are currently working with Thermaquatica and Epic Process Systems in the USA on specific tests designed to further enhance the Process Demonstration Unit being designed and anticipated to be built in the USA for operation in Australia.

- Greenpower is working with consultants to review the project, the potential design, costings, market scope and co-funding opportunities (including government co-funding) and in so doing the company is working towards a clear path to commercialisation.

- Thermaquatica are assisting by continuing their research while undertaking to increase the output quantity of liquor to cater for the increased level of testing to be carried out by HRL and the Monash University programs amongst others.

• In undertaking a broad review of the project Greenpower is reviewing all aspects of the project to date including scale, locations and markets.

• In order to develop the project Greenpower will need to raise finance and or issue equity to provide sufficient funding to build the plant.

Corporate:

• During the year Greenpower engaged Xcel Capital to provide ongoing advisory services including capital management. During the year Greenpower successfully raised $3,460,972 net of costs.

• In June 2018 Greenpower advised shareholders that it would conduct a strategic review of its battery metal focus, various projects and management, subsequently Greenpower announced that it was seeking ASX and shareholder approvals to consider both refreshing the Board and a proposed acquisition in Ion Minerals Pty Ltd which would allow Greenpower to acquire Australian cobalt and vanadium exploration projects to be voted on by shareholders on 12 October 2018.

Governance Arrangements

Greenpower seeks to ensure the reporting of Mineral Resources and Ore Reserves is in accordance with Industry best practice and Listing Rules. All current Mineral Resources and Ore Reserves have been compiled by independent consultants recognised for their expertise in the estimation of coal resources and reserves. The Estimates have been reviewed by an independent consultant considered to be a Competent Person under the JORC Code 2012 to ensure that the resource reports comply with the listing rules.

Matter Subsequent to the end of the Financial Year

Subsequent to the year end of the Group:

• On 5 July 2018, it was announced that Greenpower was seeking to acquire high grade Australian cobalt and vanadium focused company Ion Minerals Pty Ltd. This acquisition continues Greenpower's focus as a battery metals company. Due diligence on the proposed acquisition has been concluded and the acquisition will occur once shareholder approval is obtained. Post-acquisition or as part of the acquisition, Cameron McLean and Alistair Williams, experience mining executives will be appointed to the Greenpower board.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results from Operations

The Company expects to receive external recommendation for the commercialisation plan for the Coal to Liquids project, continue to develop potential OHD markets through its Monash University programs, progress the pilot plan and seek additional funding; determine Phase IV of the Guyana Lithium & Tantalum project; initial exploration in the ION tenements (subject to shareholder approval) and review the Northern Territory drilling opportunities and project.

Non-Audit Services

There were no non-audit services during the year (2017: Nil).

Auditors Independence Declaration

The lead auditors' independence declaration for the year ended 30 June 2018 has been received and can be found on page 15 of the financial report. The auditor William Buck Audit (WA) Pty Ltd continues in office in accordance with Section 327 of the *Corporations Act 200*1.

Environmental Regulations

The Group's operations to date are not regulated by any significant environmental regulation under the law of the Commonwealth or of a state or territory. The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report on annual greenhouse gas emissions and energy use. For the measurement period 1 July 2017 to 30 June 2018 the directors have assessed that there is no current reporting requirements but may be required to do so in the future.

Dividends Paid or Declared

No dividends were paid or declared since the start of the financial year.

Company Secretary

Mr Matthew Suttling, B.Ec CA was appointed Company Secretary of Greenpower Energy Limited on 1 May 2007. He is a Chartered Accountant with broad experience including clients ranging from multinationals to listed public companies, other business financial and taxation services. He is currently in Public Practice.

Business Review

Operating Results

The loss after providing for income tax amounted to $5,026,320 (2017: $2,320,120). The loss was impacted by the Turesi exploration program in Guyana and accounting for the equity investment in GSM Guyana. Current year exploration and tenement costs increased over the prior year as anticipated with the Turesi drilling. Administration costs decreased to $1,069,360 (2017: $1,105,447) which was impacted by increased consultancy support, reduced share-based payments expenses and higher costs of business.

The Directors are committed to carefully utilising current resources, reviewing potentially markets for output, partners and other funding initiatives.

Meetings of Directors

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Mr Gerard King	6	6
Mr Edwin Belseco	6	6
Mr Simon Peters	6	6
Mr Matthew Suttling	-	-

Remuneration Report (AUDITED)

The key management personnel of the Group consisted of the following directors and other persons:

- Gerard King - Executive Chairman
- Edwin Bulseco – Non-Executive Director
- Simon Peters – Non-Executive Director
- Matthew Suttling – Director/CFO/Company Secretary

The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*. This report details the nature and amount of remuneration for each director of Greenpower Energy Limited, and for the executives of the Group.

Remuneration Policy

As the Group develops it will be implementing the following remuneration guidelines. The remuneration policy of Greenpower Energy Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The board of Greenpower Energy Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for the board members and senior executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives was developed by the board and legal advisors. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation where applicable. The board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

- The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the high calibre of executives and reward them for performance that results in long term growth in shareholder wealth.

- Executives will also be entitled to participate in future employee share and option arrangements.

- The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits. Some individuals may choose to sacrifice part of their salary to increase payments towards superannuation.

- All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Shares allocated to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using appropriate methodologies.

- The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. No such advice was obtained during the year. Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and can participate in the employee option plan.

Service Agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in a Service Agreement. The major provisions of the agreements relating to remuneration are set out below:

	Based Salary	Term of agreement	Notice period
Directors			
Gerard King	$120,000	Unspecified	Six months
Edwin Bulseco	$36,000	Unspecified	Six months
Simon Peters	$36,000	Unspecified	Six months
Matthew Suttling	$84,000	Unspecified	Six months

Additional Conditions of the Consultancy Agreements which specify:

- The employment conditions with Greenpower and the consultant and their consulting entity;
- That the Consultant is not entitled to annual leave or long service leave entitlements; and
- Termination is dependent on with or without cause where termination payments are limited by the *Corporations Act 2001* or the ASX Listing rules to a maximum of 12 months remuneration with an inclusive 6 month notice period or zero with cause.

Voting and Comments Made at the Company’s 2017 Annual General Meeting

The Company passed the motion approving the 2017 remuneration report with 85.36% of the votes received and cast at the meeting (after eliminating excluded votes). The company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Share-Based Compensation

During the year 8,000,000 (2017: 23,000,000) unlisted options were issued to directors of Greenpower Energy Limited as approved at the AGM held on 27 October 2017. No additional options over shares in Greenpower Energy Limited were granted during the year in accordance with the Company Employee Share Option Plan ("ESOP").

The options are issued to provide long-term incentives for executives and consultants to deliver long-term shareholder returns. Participation in the plan is at the board’s discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

During the year Nil (2017: 25,010,000) ordinary shares in the company were issued as a result of the exercise of remuneration options to directors of Greenpower Energy Limited or other key management personnel of the group.

Additional information

No performance-based bonuses have been paid to key management personnel during the financial year. It is the intent of the board to include performance bonuses as part of remuneration packages when mine production commences.

For non-executive Directors the aggregate pool limit approved by shareholders as Directors Fees is $100,000 as approved at the 2009 Annual General Meeting.

Details of Remuneration

Details of remuneration of the directors and key management personnel of the group are set out below:

2018	Short-term benefits				Post employment benefits	Share-based payments		Total
	Cash salary	Cash profit share	Cash bonus	Non-cash benefits	Superannuation	Equity	Options	
	$	$	$	$	$	$	$	$
Gerard King	120,000	-	-	-	-	-	22,985	142,985
Edwin Bulseco 1.	33,000	-	-	-	-	-	22,985	55,985
Simon Peters 3.	36,000	-	-	-	-	-	22,985	58,985
Matthew Suttling	72,000	-	-	-	-	-	22,985	94,985
	261,000	-	-	-	-	-	91,940	352,940

2017	Short-term benefits				Post employment benefits	Share-based payments		Total
	Cash salary	Cash profit share	Cash bonus	Non-cash benefits	Superannuation	Equity	Options	
	$	$	$	$	$	$	$	$
Gerard King	78,000	-	-	-	-	-	58,823	136,823
Edwin Bulseco 1.	24,000	-	-	-	-	-	-	24,000
Timothy Wall 2.	38,000	-	-	-	-	-	209,452	247,452
Simon Peters 3.	21,000	-	-	-	-	-	44,117	65,117
Matthew Suttling	54,166	-	-	-	-	-	44,117	98,283
	215,166	-	-	-	-	-	356,509	571,675

1. Edwin Bulseco appointed as a Director on 28 March 2017 and resigned on 2 June 2018.
2. Timothy Wall was appointed as a Director on 23 May 2016 and resigned on 28 March 2017.
3. Simon Peters was appointed as a Director on 6 December 2016.
4. Matthew Suttling was appointed as a Director on 2 June 2018. Matthew is the Company Secretary.

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the Group. The table also illustrates the proportion of remuneration that was fixed and at risk.

	Fixed Remuneration %	At Risk Long Term Remuneration %
Directors		
Gerard King	84	16
Edwin Bulseco	59	41
Simon Peters	61	39
Matthew Suttling	76	24

Other transactions with Key Management Personnel

Greenpower has engaged Xcel Capital to provide an ongoing corporate advisory role. The corporate advisory services mandate is on essentially the same terms as Greenpower's previous service provider and includes the same team. Director Edwin Bulseco is a principal of Xcel Capital, however is not engaged on the Greenpower account. Greenpower incurred capital raising costs of $418,712 and advisory fees of $123,500 during the year. There were no other Key Management personnel related party transactions during the year.

Key Management Personnel Share and Option Holdings

The number of ordinary shares in Greenpower Energy Limited held by each key management person of the Group during the financial year is as follows:

30 June 2018	Balance at beginning of year	On exercise of options	Net Change Other #	Balance at resignation date	Balance at end of year
Directors					
Gerard King	163,977,516	-	1,807,692	-	165,785,208
Edwin Bulseco	-	-	-	-	-
Simon Peters	75,000	-	1,153,846	-	1,228,846
Matthew Suttling	3,361,730	-	1,153,846	-	4,515,576
	167,414,246	-	4,115,384	-	171,529,630

Net change other are ordinary shares issued through the share purchase plan.

Details of Options Issued During the year:

30 June 2018	Grant Date	Number Granted	Value per Option $	Value of options at grant date	Number lapsed during the year
Directors					
Gerard King	27 October 2017	2,000,000	0.021	22,985	-
Edwin Bulseco	27 October 2017	2,000,000	0.021	22,985	-
Simon Peters	27 October 2017	2,000,000	0.021	22,985	-
Matthew Suttling	27 October 2017	2,000,000	0.021	22,985	-

30 June 2018	Exercise Price Cents	Vesting and first exercise date	Last exercise date
Directors			
Gerard King	0.03	27 October 2017	27 October 2020
Edwin Bulseco	0.03	27 October 2017	27 October 2020
Simon Peters	0.03	27 October 2017	27 October 2020
Matthew Suttling	0.03	27 October 2017	27 October 2020

The options granted in the year ended 30 June 2018 were issued and paid at $Nil and are exercisable at as per the table below. They vested immediately.

The options have been valued using Black Scholes methodology, the Black Scholes assumptions and details are outlined below:

	Unlisted options
Number of options in series	8,000,000
Underlying share price	$0.021
Exercise price	$0.03
Expected volatility	99.20%
Option life	3 years
Expiry date	27 October 2020
Dividend yield	0.00%
Interest rate	1.64%

Options Held by KMP

	Opening Balance	Granted as remuneration	On exercise of options	Other #	Balance at Resignation	Vested and Exercisable	Vested and Un-exercisable
Gerard King	4,000,000	2,000,000	-	1,538,460	-	7,538,460	-
Edwin Bulseco	-	2,000,000	-	-	(2,000,000)	-	-
Simon Peters	3,000,000	2,000,000	-	769,230	-	5,769,230	-
Matthew Suttling	3,000,000	2,000,000	-	769,230	-	5,769,230	-
	10,000,000	8,000,000	-	3,076,920	(2,000,000)	19,076,920	-

On 27 October 2017 8,000,000 KMP Options were issued as approved by the Annual General Meeting held on 27 October 2017.

Directors who participated in the Share Purchase Plan were issued 2 options for each 3 ordinary shares acquired under the Share Purchase Plan on 4 June 2018.

No further Options were issued during the year. No options have been granted to the directors or KMP since the end of the financial year. Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. Refer above tables for the exercise price of the options.

Performance-based Remuneration

The Group currently has no performance-based remuneration component built into director and executive remuneration packages due to the stage of the Group's development, as such no link between remuneration and financial performance currently exists.

The table below sets out summary information about the Group's earnings and movement in share price for the five years to 30 June 2018:

	2018 $	2017 $	2016 $	2015 $	2014 $
Income	14,391	49,659	12,418	31,042	21,982
Net loss before tax	(5,302,286)	(2,411,036)	(2,873,530)	(806,434)	(1,726,517)
Net loss after tax benefit	(5,026,320)	(2,320,120)	(2,873,530)	(701,717)	(1,726,517)
Share Price at end of year (cents)	0.5	0.2	0.5	0.9	0.2
Basic and diluted loss per share	(0.04)	(0.02)	(0.87)	(0.76)	(1.87)

Long Term Benefits and Termination Benefits

The Group's Employee Share and Option Plan aligns remuneration with at-risk long-term benefits. The Group has no long-term benefits payable or termination benefits due.

End of Audited Remuneration Report

Indemnifying Officers or Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Group.

Auditors' Independence Declaration

The lead auditors' independence declaration for the year ended 30 June 2018 has been received and can be found on page 17 of the financial report.

Proceedings on Behalf of Company

No person has applied for leave of Court under s237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

Options

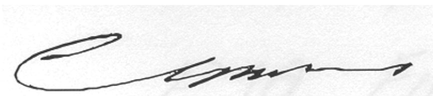
Unissued shares under option

At the date of this report, the unissued ordinary shares of Greenpower Energy Limited under option are as follows:

Date Options Granted	Expiry Date	Exercise Price Cents	Number under Option	Number of Option Holders
13/10/2016	13/10/2019	1.0	85,100,000	61
23/01/2017	01/01/2019	2.2	28,400,000	11
23/01/2017	23/01/2020	2.5	10,000,000	1
27/10/2017	27/10/2020	3.0	16,000,000	8
04/06/2018	15/12/2021	1.8	185,787,108	195 #
			325,287,108	276

The options were issued as 2 options for each 3 shares acquired in the placement and share purchase plan completed in June 2018.

Signed in accordance with a resolution of the Board of Directors:



Director: ....

Gerard King

Dated this 27 September 2018

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GREENPOWER ENERGY LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2018 there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

CM

Conley Manifis
Director
Dated this 27th day of September 2018

CHARTERED ACCOUNTANTS & ADVISORS

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Greenpower Energy Limited

ABN 22 000 002 111

Consolidated Income Statement

For the Year Ended 30 June 2018

	Note	2018 $	2017 $
Other income	4	**-**	30,613
Interest income		**14,391**	19,046
Occupancy costs		**(12,420)**	(12,420)
Administrative costs		**(1,069,360)**	(1,105,447)
Exploration and tenement costs		**(1,752,940)**	(1,342,828)
Impairment of tenements	13	**(15,732)**	-
Fair value adjustment - investments in associates	14	**(2,466,225)**	-
Profit (loss) before income tax		**(5,302,286)**	(2,411,036)
Tax benefit	5	**275,966**	90,916
Loss after income tax		**(5,026,320)**	(2,320,120)
Loss attributable to owners of Greenpower Energy Limited		**(5,026,320)**	(2,320,120)

	Note	2018	2017
Loss per share:			
Basic loss per share (cents)	6	**(0.449)**	(0.25)
Diluted loss per share (cents)	6	**(0.449)**	(0.25)

The above consolidated income statement should be read in conjunction with the accompanying notes.

Greenpower Energy Limited

ABN 22 000 002 111

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2018

	2018 $	2017 $
Net loss for the year	**(5,026,320)**	(2,320,120)
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Net gain on revaluation of financial assets	**3,333**	-
Reclassification adjustment on disposal of available for sale assets	**-**	375,785
Other comprehensive income for the year, net of tax	**3,333**	375,785
Total comprehensive loss for the year	**(5,022,987)**	(1,944,335)
Total comprehensive loss attributable to:		
Owners of Greenpower Energy Limited	**(5,022,987)**	(1,944,335)
	(5,022,987)	(1,944,335)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Greenpower Energy Limited

ABN 22 000 002 111

Consolidated Statement of Financial Position

As at 30 June 2018

	Note	2018 $	2017 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**3,421,578**	3,714,845
Trade and other receivables	8	**334,148**	24,569
TOTAL CURRENT ASSETS		**3,755,726**	3,739,414
NON-CURRENT ASSETS			
Available for sale assets	9	**33,333**	30,000
Plant and equipment	10	**757**	1,082
Intangible assets	11	**5,547**	8,320
Exploration and evaluation assets	13	**-**	340,732
Investments accounted for using the equity method	14	**12,731**	-
TOTAL NON-CURRENT ASSETS		**52,368**	380,134
TOTAL ASSETS		**3,808,094**	4,119,548
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	**481,880**	208,068
TOTAL CURRENT LIABILITIES		**481,880**	208,068
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		**-**	-
TOTAL LIABILITIES		**481,880**	208,068
NET ASSETS		**3,326,214**	3,911,480
EQUITY			
Contributed equity	16	**74,126,524**	69,872,680
Reserves	17	**731,523**	544,313
Accumulated losses	18	**(71,531,833)**	(66,505,513)
TOTAL EQUITY		**3,326,214**	3,911,480

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Greenpower Energy Limited

ABN 22 000 002 111

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Contributed Equity $	Accumulated Losses $	Capital Profits Reserve $	Option Reserve $	Financial Assets Reserve $	Total $
Balance at 1 July 2017	**69,872,680**	**(66,505,513)**	**-**	**532,980**	**11,333**	**3,911,480**
Loss for the year	**-**	**(5,026,320)**	**-**	**-**	**-**	**(5,026,320)**
Revaluation	**-**	**-**	**-**	**-**	**3,333**	**3,333**
Total comprehensive income for the year	**-**	**(5,026,320)**	**-**	**-**	**3,333**	**(5,022,987)**
Shares issued during the year (net of costs)	**4,253,844**	**-**	**-**	**-**	**-**	**4,253,844**
Options issued	**-**	**-**	**-**	**183,877**	**-**	**183,877**
Balance at 30 June 2018	**74,126,524**	**(71,531,833)**	**-**	**716,857**	**14,666**	**3,326,214**

2017

	Contributed Equity $	Accumulated Losses $	Capital Profits Reserve $	Option Reserve $	Financial Assets Reserve $	Total $
Balance at 1 July 2016	64,701,662	(75,153,671)	10,314,793	473,960	416,858	753,602
Loss for the year	-	(2,320,120)	-	-	-	(2,320,120)
Revaluation	-	-	-	-	(29,740)	(29,740)
Reclassification adjustment on disposal of available for sale assets	-	375,785	-	-	(375,785)	-
Total comprehensive income for the year	-	(1,944,335)	-	-	(405,525)	(2,349,860)
Reclassification adjustment of capital profit reserve	-	10,314,793	(10,314,793)	-	-	-
Shares issued during the year (net of costs)	3,658,341	-	-	-	-	3,658,341
Options exercised	1,512,677	-	-	(240,477)	-	1,272,200
Options expired	-	277,700	-	(277,700)	-	-
Options issued	-	-	-	577,197	-	577,197
Balance at 30 June 2017	69,872,680	(66,505,513)	-	532,980	11,333	3,911,480

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Greenpower Energy Limited

ABN 22 000 002 111

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2018

	Note	2018 $	2017 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Payments to suppliers and employees		**(2,378,622)**	(1,834,524)
Other income received		**-**	8,402
Interest received		**14,391**	19,046
Income tax benefit received		**-**	90,916
Net cash provided by (used in) operating activities	19(a)	**(2,364,231)**	(1,716,160)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of exploration assets		**-**	(15,732)
Purchase of investments in associates		**(1,386,687)**	-
Purchase of intangible assets		**-**	(8,320)
Proceeds from disposal of investments		**-**	231,374
Net cash provided by (used in) investing activities		**(1,386,687)**	207,322
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares and options net of transaction costs		**3,457,651**	4,555,641
Net cash used by financing activities		**3,457,651**	4,555,641
Net increase (decrease) in cash and cash equivalents held		**(293,267)**	3,046,803
Cash and cash equivalents at beginning of year		**3,714,845**	668,042
Cash and cash equivalents at end of financial year	7	**3,421,578**	3,714,845

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Corporate Information

The financial report of Greenpower Energy Limited for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Directors on 27 September 2018 and covers Greenpower Energy Limited as an individual entity as well as the consolidated entity consisting of Greenpower Energy Limited and its subsidiaries as required by the *Corporations Act 2001*.

The financial report is presented in the Australian currency.

Greenpower Energy Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. The financial statements and notes comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of financial assets.

(b) Principles of Consolidation

Subsidiaries

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2018. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Subsidiaries are accounted for in the Parent entity financial statements at cost. A list of subsidiary entities is contained in Note 12 to the financial statements. All subsidiaries entities have a 30 June financial year end.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Directors. The Directors are responsible for allocating resources and assessing the performance of the operating segments.

(d) Other Income

Other income is recognised at the fair value of the consideration received or receivable.

Interest revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Dividends received are accounted for when received.

(e) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Greenpower Energy Limited and its wholly owned subsidiaries have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements. Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

(f) Impairment of Assets

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined and impairment losses are recognised in the income statement where the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate the recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

(g) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(h) Property, Plant and Equipment

Each class of plant and equipment is carried at cost as indicated less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Class of Asset	
Office Equipment	3-4 Years
Office Furniture	10 Years

(i) Exploration and Evaluation Assets

Exploration and evaluation expenditure is generally written off in the year incurred, except for acquisition of exploration properties which is capitalised and carried forward.

When production commences, any accumulated costs for the relevant area of interest which have been capitalised and carried forward will be amortised over the life of the area according to the rate of depletion of the economically recoverable resources.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to the area of interest. The carrying value of any capitalised expenditure is assessed by the Directors each year to determine if any provision should be made for the impairment of the carrying value. The appropriateness of the Group's ability to recover these capitalised costs has been assessed at year end and the Directors are satisfied that the value is recoverable.

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at an overall level whenever facts and circumstances suggest that the carrying amount of the assets may exceed recoverable amount. An impairment exists when the carrying amount of the assets exceed the estimated recoverable amount. The assets are then written down to their recoverable amount. Any impairment losses are recognised in the income statement.

(j) Intangible assets

Intangible assets being website development is recorded at cost, it has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years. It is assessed annually for impairment.

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Fair Values

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures. Fair values for financial instruments traded in active markets are based on quoted market prices at reporting date. The quoted market price for financial assets is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

(l) Investments and Available for Sale Assets

All investments and available for sale assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the Group commits to purchase or sell the asset. Accounting policies for each category of investments and available for sale assets subsequent to initial recognition are set out below.

Available-for-sale Financial Assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term. Impairment testing is performed annually.

After initial recognition, available-for-sale investments are measured at fair value. Gains or losses are recognised in other comprehensive income and presented as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in profit or loss.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

(m) Investments in Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equal or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(n) Provisions

Provisions for legal claims and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(o) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 30 day payment terms.

(p) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares associated with the acquisition of a business are included as part of the purchase consideration.

(q) Earnings per Share

Basic Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to owners of Greenpower Energy Limited by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year.

Diluted Earnings per Share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(r) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and from within the Group.

Key estimates - income taxes

The Group has not recognised deferred tax assets relating to carried forward tax losses as utilisation of the tax losses also depends on the ability of the group to satisfy certain tests at the time the losses are recouped. Due to the recent capital raising of the parent entity, there are some concerns that the entity may fail to satisfy the continuity of ownership test and therefore has to rely on the same business test. The probably of future profit and utilisation of income tax losses will be reliant on the successful development of the group's intellectual property.

Key judgments - exploration and evaluation assets

The Group has not capitalised expenditure relating to exploration and evaluation during the year. At year end an impairment has been brought to account against the carrying value being the initial cost of Exploration Licenses acquired in the Northern Territory.

Key judgments - available-for-sale investments

The Group maintains a portfolio of securities with a carrying value of $33,333 at the end of the reporting period. Certain individual investments have declined in value and impairment adjustments have been brought to account against the financial assets reserve.

Key judgments - *Share-based payment transactions*

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(s) Goods and Services Tax (GST)

Revenues and expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(t) New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2018. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

Title of standard	Nature of change	Impact	Mandatory application date/ Date adopted by Company
AASB 9 Financial Instruments	AASB 9 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, impairment of financial assets and hedge accounting.	Given the nature of the Company's financial assets and financial liabilities, the Company does not expect the impact to be significant.	Must be applied for reporting periods commencing on or after 1 January 2018. Therefore, the application date for the company will be for the reporting period commencing on 1 July 2018.
AASB 15 Revenue from contracts with customers	An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under AASB 118 Revenue.	Based on the Company's assessment, the impact is not expected to be significant.	Must be applied for annual reporting periods beginning on or after 1 January 2018. Therefore, the application date for the Company will be for the reporting period commencing on 1 July 2018.

(u) New and Amended Accounting Policies Adopted by the Group

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(v) Going Concern

For the year ended 30 June 2018 the Group recorded a consolidated loss of $5,026,321 (2017: $2,320,120) and at that date the net operating cash out flows were $2,364,231 (2017: $1,716,160). The company had net current assets of $3,273,846 (2017: $3,531,346).

These conditions could indicate a material uncertainly that may cast significant doubt about the Group's ability to continue as a going concern, however notwithstanding this the accounts have been prepared on a going concern basis.

The Directors have assessed the Group's operating and research costs along with future commitments for tenement exploration costs in order to establish the future funding requirements for the Group.

As at 30 June 2018 the Group had cash on hand of $3,273,846 and while well financed the Directors anticipate significant ongoing expenditure to realise the potential of its projects. As such the Group is likely to seek continued financial support from shareholders and stakeholders.

In the event that this strategy cannot be implemented successfully then the going concern basis of accounting may not be appropriate with the result that the group may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from that stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

3 Auditors' Remuneration

	2018	2017
	$	$
Remuneration of the auditor of the parent entity for:		
- Audit or review - William Buck Audit (WA) Pty Ltd	**26,590**	25,090
- Total remuneration for audit services	**26,590**	25,090

4 Other Income

	2018	2017
	$	$
- Gain on disposal of available for sale investments	**-**	22,211
- Other income	**-**	8,402
	-	30,613

5 Tax Expense / (Benefit)

(a) The major components of tax expense (benefit) comprise:

	2018	2017
	$	$
Research and development refund received/receivable	(275,966)	(90,916)
	(275,966)	(90,916)

(b) The prima facie tax benefit/(expense) from the loss before income tax is reconciled to the income tax as follows:

	2018	2017
	$	$
Prima facie tax benefit on loss from ordinary activities before income tax at 27.5% (2017: 27.5%)		
- the Group	(1,458,129)	(663,035)
	(1,458,129)	(663,035)
Add/Less tax effect of:		
- losses not brought to account	1,182,163	753,951
- Research and development refund received/receivable	275,966	90,916
Income tax attributable to parent entity	-	-

(c) Unrecognised temporary differences

	2018	2017
	$	$
Deferred Tax Assets at 27.5%	295,306	205,139
Losses not brought to account	1,764,731	1,465,093

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Availability of losses is subject to passing the required tests under the ITAA 1997/1936.

6 Loss per Share

(a) Reconciliation of Loss used to calculate Loss per share

	2018 $	2017 $
Loss	**5,026,320**	2,320,120
Loss used to calculate basic and diluted EPS	**5,026,320**	2,320,120

(b) Weighted average number of ordinary shares (diluted):

	2018	2017
Weighted average number of ordinary shares outstanding during the year number used in calculating:		
Basic EPS	**1,118,876,038**	911,524,250
Diluted EPS	**1,118,876,038**	911,524,250

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of the Parent Company as the numerator (ie no adjustments to loss were necessary in 2018 or 2017).

The weighted average number of ordinary shares has been utilised in the calculation of basic and diluted loss per share.

146,914,977 of potential ordinary shares have not been considered in calculating Diluted EPS as they are anti-dilutive.

7 Cash and Cash Equivalents

	Note	2018 $	2017 $
Cash at bank		**3,262,580**	3,559,004
Short-term bank deposits	7(a)	**158,998**	155,841
		3,421,578	3,714,845

Reconciliation of Cash

	2018 $	2017 $
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash and cash equivalents	**3,421,578**	3,714,845
	3,421,578	3,714,845

The effective interest rate on short-term bank deposits was 1.55% (2017: 1.95%).

(a) Short term deposit

Short term deposits are held as a security for various bank guarantees.

8 Trade and Other Receivables

	Note	2018 $	2017 $
CURRENT			
Other receivables	8(a)	**334,148**	24,569
		334,148	24,569

(a) Other Receivables

Other receivables represent receivables due from the Australian Taxation Office and other amounts which are not impaired and will be receivable.

9 Available-for-Sale Financial Assets

Available-for-Sale Financial Assets Comprise:

	2018 $	2017 $
Listed investments		
shares in listed corporations	**33,333**	**30,000**
Total available for sale assets at fair value	**33,333**	**30,000**

Available for sale assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

Fair Value

Listed investments have been valued at the quoted market bid price at the end of the reporting period.

At 30 June 2018 and 30 June 2017, the aggregate fair values and carrying amounts of financial assets and financial liabilities approximate their carrying amounts.

Available-for-sale financial instruments are recognised in the statement of financial position of the Group according to the hierarchy stipulated in AASB 13.

	2018 $	2017 $
Available-for-sale financial assets		
ASX Listed equity shares – Level 1	**33,333**	**30,000**
	33,333	**30,000**

(a) Reconciliation of Available-for-Sale Financial Assets

	2018 $	2017 $
Opening Balance	**30,000**	268,902
Net gain/(loss) on revaluation of financial assets	**3,333**	(7,528)
Proceeds on disposal	**-**	(231,374)
	33,333	30,000

10 Plant and Equipment

	2018 $	2017 $
PLANT AND EQUIPMENT		
Office equipment & furniture		
At cost	**5,796**	5,796
Accumulated depreciation	**(5,039)**	(4,714)
Total office equipment & furniture	**757**	1,082
Total plant and equipment	**757**	1,082

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Office Equipment $
Balance at 30 June 2018	
Balance at the beginning of year	**1,082**
Additions	**-**
Depreciation expense	**(325)**
Balance at 30 June 2018	**757**
Balance at 30 June 2017	
Balance at the beginning of year	1,407
Additions	-
Depreciation expense	(325)
Balance at 30 June 2017	1,082

11 Intangible Assets

	Note	2018 $	2017 $
Other intangible assets			
Cost	12(b)	**8,320**	8,320
Accumulated amortisation and impairment		**(2,773)**	-
Net carrying value		**5,547**	8,320
Total Intangibles		**5,547**	8,320

(a) Movements in Carrying Amounts

	Other intangible assets - Website $
Year ended 30 June 2018	
Opening balance	8,320
Additions	-
Amortisation	(2,773)
Closing value at 30 June 2018	5,547
Year ended 30 June 2017	
Opening balance	-
Additions	8,320
Amortisation	-
Closing value at 30 June 2017	8,320

(b) Intangible Assets

Intangible assets are represented by capitalised costs of the Group's website development.

12 Controlled Entities

	Principal Activity	Country of incorporation	Percentage Owned 2018	Percentage Owned 2017
Subsidiaries of parent entity:				
Greenpower Group Ltd	Investment	Australia	100	100
GCC Asset Holdings Pty Ltd	Investment	Australia	100	100
Northern Exploration Pty Ltd	Exploration NT	Australia	100	100
Sawells Pty Ltd	Coal Exploration VIC	Australia	100	100
Greengrowth Bio-Stimulants Pty Ltd	Non-trading	Australia	100	100
Greenpower Chemicals Pty Ltd	Non-trading	Australia	100	100
Greenpower Guyana Pty Ltd #	Investment	Australia	100	-

Greenpower Guyana Pty Ltd was incorporated on 4 August 2017.

13 Exploration and Evaluation Assets

	Note	2018 $	2017 $
NON-CURRENT			
Exploration permits		**-**	340,732

Movements in Exploration and Evaluation Assets

		Exploration permits $	Total $
Year ended 30 June 2018			
Opening balance		**340,732**	340,732
Transfer to investments in associates	14	**(325,000)**	(325,000)
Impairment of Tenements		**(15,732)**	(15,732)
Balance at 30 June 2018		**-**	-
Year ended 30 June 2017			
Opening balance		**-**	-
Additions		**340,732**	340,732
Impairment of Tenements		**-**	-
Balance at 30 June 2017		**340,732**	340,732

Exploration permits

Greenpower currently holds one Exploration Licence application in Victoria and 9 Exploration Licences in the Northern Territory.

Greenpower's partner Guyana Strategic Metals Inc hold an exploration licence in the Lithium and Tantalum project area of Morabisi.

14 Investments accounted for using the equity method

		2018 $	2017 $
Investment in associate	14(a)	**12,731**	-
		12,731	-

Greenpower has accounted for its investment in Guyana Strategic Metals Inc ('GSM') in accordance with AASB 128 "Investments in associates" reflecting Greenpower's equity interest in as at 30 June 2018. Greenpower's equity interest as at 30 June 2017 were nil and exploration costs incurred were expensed in accordance with the Group accounting policy.

14(a) Movements in Investments in Associates

	2018	2017
	$	$
Opening balance	**-**	-
Acquisition costs	**969,103**	-
Acquisition costs transferred from exploration assets	**325,000**	-
Pre-investment costs	**1,184,853**	-
Fair value adjustment - acquisition costs	**(2,466,225)**	
Net assets in equity investment 30 June 2018	**12,731**	-

14(b) Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set up below:

		2018	2017
		$	$
Name	**Country of Incorporation**		
GSM Inc	Guyana	**35%**	-
Summarised statement of financial position			
Assets			
Current assets		**55,712**	-
Non-current assets		**176,808**	-
Total Assets		**232,520**	-
Liabilities			
Current liabilities		**196,146**	-
Total Liabilities		**196,146**	-
Net Assets		**36,374**	-

Loss from continuing operations		
Other comprehensive income	**-**	-
Total comprehensive loss	**385,279**	-
Aggregate carrying amount of the Group's interests in associates	**12,731**	-

15 Trade and Other Payables

	2018 $	2017 $
CURRENT		
Trade payables	**461,460**	82,525
Other payables	**20,420**	125,543
	481,880	208,068

16 Issued Capital

	2018 $	2017 $
1,455,370,361 (2017: 1,025,999,976) Ordinary Shares	**74,126,524**	69,872,680
	74,126,524	69,872,680

The Company has no authorised share capital or par value in respect of its issued shares.

Movements in ordinary share capital

	No. of shares	$
Year ended 30 June 2018		
At the beginning of year	1,025,999,976	69,872,680
Shares issued during the year	429,370,385	4,782,850
Cost of listing shares	-	(529,006)
Balance at 30 June 2018	1,455,370,361	74,126,524
Year ended 30 June 2017		
At the beginning of year	608,899,976	64,701,662
Shares issued during the year	417,100,000	5,762,677
Cost of listing shares	-	(591,659)
Balance at 30 June 2017	1,025,999,976	69,872,680

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

16 Issued Capital (continued)

Capital Risk Management

The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may pay dividends to shareholders, return capital to shareholders, issue new shares or sell assets. During 2018, the Group's strategy, which was unchanged from 2017, was to maintain minimum borrowings outside of trade and other payables. During the previous year a loan on commercial terms from a Director was received.

	2018	2017
	$	$
Cash and cash equivalents	**3,421,578**	**3,714,845**
Less: payables	**(481,880)**	**(208,068)**
Net cash	**2,939,698**	**3,506,777**
Total equity	**3,326,214**	**3,911,480**
Total capital	**386,516**	**404,703**

17 Reserves

	2018	2017
	$	$
Share Based Payments Reserve	**716,857**	532,980
Available for Sale Asset Reserve	**14,666**	11,333
	731,523	544,313

	2018	2017
	$	$
Share Based Payments Reserve		
Opening balance	**532,980**	473,960
Options exercised	**-**	(240,477)
Options expired	**-**	(277,700)
Share based payments	**183,877**	577,197
	716,857	532,980
Available for Sale Asset Reserve		
Opening balance	**11,333**	416,858
Fair value adjustment	**3,333**	(29,740)
Reclassification adjustment on disposal of available for sale assets	**-**	(375,785)
	14,666	11,333
Total reserves	**731,523**	544,313

17 Reserves (continued)

Capital Realisation Reserve

The capital realisation reserve records profits on revalued assets realised in prior periods.

Available for Sale Asset Reserve

The financial assets reserve recognises movements in fair value of available for sale financial assets.

Share Based Payments Reserve

The share-based payments reserve records items recognised as expenses on valuation of employee share options. Share options are issued for nil consideration. The exercise price of the share options is determined by the Directors in their absolute discretion and set out in the Offer provided that the exercise price is not less than the average Market Price on ASX on the five trading days prior to the day the Directors resolve to grant the Options. Any options that are not exercised by their expiry date will lapse. Upon exercise, these options will be settled in ordinary fully paid shares of the Company. The Options can be exercised in whole or part at any time up to and including the Expiry Date by lodging and Option Exercise Notice accompanied by the payment of the exercise Price.

	Other Equity Instruments No	Amount Vested to Reserve $
Options at 1 July 2017	123,500,000	532,980
Issue of options as approved at AGM (KMP and consultants)	16,000,000	183,877
Issue of listed options (June 2018) – exercisable at 1.8 cents by December 2021 – attaching to share purchase and placement plans	165,787,180	-
Issue of listed broker options as approved by shareholders	20,000,000	-
	325,287,180	716,857

Summary of options granted under the Long-Term Incentive Plan

The following table illustrates the number and the weighted average exercise price (WAEP) of and movements in shares options under the long-term incentive plan:

	2018 Number	**2018 WAEP**	**2017 Number**	**2017 WAEP**
Outstanding at the beginning of the year	**23,000,000**	**0.005**	45,450,000	0.02
Granted during the year	**8,000,000**	**0.02**	23,000,000	0.02
Vested during the year	**-**	**-**	-	-
Exercised during the year	**-**		(45,000,000)	
Lapsed/cancelled during the year	**-**	**-**	(450,000)	-
Forfeited during the year	**-**	**-**	-	-
Outstanding at the year end	**31,000,000**		23,000,000	
Exercisable at the year end	**31,000,000**		23,000,000	

17 Reserves (continued)

Weighted average remaining contractual life of share options

The weighted average remaining contractual life for the share options outstanding as at 30 June 2018 is 2.5 years (2017: 2 years).

Range of exercise price of share options

The exercise price for options outstanding at the end of the year is $0.022 to $0.03 (2017: $0.022 to $0.025).

Weighted average fair value of share options

The weighted average fair value of options granted during the year is $0.02 (2017: $0.02).

Share option valuation

The fair value of the equity-settled share options granted under the LTIP is estimated at the date of grant using a Black Scholes model, which takes into account factors including the options exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying shares at grant date, historical and expected dividends and the expected life of the option. The options were valued using Black Scholes with the below assumptions:

	Unlisted options
Number of options in series	8,000,000
Underlying share price	$0.021
Exercise price	$0.03
Expected volatility	99.20%
Option life	3 years
Expiry date	27 October 2020
Dividend yield	0.00%
Interest rate	1.64%

Expected volatility has been based on an evaluation of the historical volatility of the share price of similar companies operating in the junior explorer mining industry, particularly over the historical period commensurate with the expected term.

18 Accumulated Losses

	2018 **$**	2017 $
Accumulated losses		
Opening balance	**(66,505,513)**	(75,153,671)
Net loss for the period	**(5,026,320)**	(2,320,120)
Reclassification adjustments:		
- Options lapsed transferred from reserves	**-**	277,700
- Reclassification adjustment of profits earned in prior periods	**-**	10,314,793
- Available for sale assets reserve transferred	**-**	375,785
Total	**(71,531,833)**	(66,505,513)

19 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Loss after Income Tax

	2018 $	2017 $
Net loss for the year	**(5,026,320)**	(1,944,335)
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in loss		
Amortisation	**2,773**	-
Depreciation	**325**	325
Loss on impairment of tenement	**-**	-
Share based payments	**200,070**	627,097
Fair value adjustment	**2,478,956**	(375,785)
Impairment of exploration assets	**15,732**	-
Net (gain)/loss on disposal of investments	**-**	(22,211)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease/(Increase) in receivables	**(309,579)**	10,448
(Decrease)/Increase in trade payables and accruals	**273,812**	(11,699)
Net cash (outflow) from operating activities	**(2,364,231)**	(1,716,160)

20 Capital Commitments

Capital Expenditure Commitments

	2018 $	2017 $
Capital expenditure commitments contracted for:		
Exploration Permits (Morabisi)	**327,862**	-
Coal to Liquids	**-**	-
	327,862	-
Payable:		
- not later than 12 months	**327,862**	-
- between 12 months and 5 years	**-**	-
	327,862	-

21 Related Party Transactions

(a) Parent entity

The ultimate parent entity within the Group is Greenpower Energy Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 12.

(c) Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2018	2017
	$	$
Short-term employee benefits	**261,000**	215,166
Post-employment benefits	**-**	-
Long-term benefits	**-**	-
Share-based payments	**91,940**	356,509
	352,940	571,675

(d) Transactions and balances with related parties

All transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

- Greenpower has engaged Xcel Capital to provide an ongoing corporate advisory role. The corporate advisory services mandate is on essentially the same terms as Greenpower's previous service provider and includes the same team. Director Edwin Bulseco is a principal of Xcel Capital, however is not engaged on the Greenpower account. Greenpower incurred capital raising costs of $418,712 (2017: $63,598) and advisory fees of $123,500 (2017: $28,500) during the year. As at 30 June 2018 $Nil was due and payable (2017: $Nil).

- There were no other Key Management personnel related party transactions during the year.

22 Contingent liabilities and contingent assets

The Group had contingent liabilities at 30 June 2018 in respect of:

(i) Guarantees

The Group has provided bank guarantees in favour of the Minister of Energy and Resources with respect to a security deposit and in favour of Minister of Energy and Resources Victoria with respect to a contract performance at 30 June 2018. The total of these guarantees at 30 June 2018 was $20,000 with a financial institution (30 June 2017: $20,000).

23 Financial Risk Management

(a) Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk and liquidity risk.

The Group manages liquidity risk by prudent monitoring of expenditure in line with available funds.

23 Financial Risk Management (continued)

(b) Net Fair Values

Fair Value Measurement

The Group's fair values of financial instruments are categorised by the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(c) Foreign Currency Risk

During the year ended 30 June 2018, as a result of a relationship with Thermaquatica Inc., a company incorporated in the USA and its investment in Guyana (denominated in USD) the financial performance of the Group was affected by movements in the AUD$/USD$ exchange rates. Greenpower has sort to hedge this exposure by opening a USD account with the Commonwealth Bank, as at 30 June 2018 this account held USD $Nil (2017: $376,500).

There is no formal foreign currency management policy, however the Group monitors its foreign currency expenditure on an ongoing basis.

As at 30 June 2018 there were foreign currency commitments of USD $510,470 (2017: USD $Nil) being AUD $694,347. Of this balance USD $470,470 being AUD $639,552 was paid subsequent to year end.

(d) Credit Risk

The Group has no significant concentrations of credit risk other than cash at bank which is held with the Commonwealth Bank of Australia and Westpac Bank both AA- rated Australian banks. The maximum exposure to credit risk at reporting date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the statement of financial position and notes to the financial statements.

As the Group does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

23 Financial Risk Management continued

(e) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments (e.g. borrowing repayments). The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Maturity analysis

	Carrying Amount $	Contractual Cash flows $	< 6 months $	6- 12 months $	1- 5 years $	> 5 years $	Total $
Year ended 30 June 2018							
Trade and other payables	481,880	481,880	481,880	-	-	-	481,880
	481,880	481,880	481,880	-	-	-	481,880
Year ended 30 June 2017							
Trade and other payables	208,068	208,068	208,068	-	-	-	208,068
	208,068	208,068	208,068	-	-	-	208,068

(f) Price Risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position as available-for-sale.

To manage its price risk arising from investments in equity securities, the Group regularly reviews the holdings and maintains a portfolio which the Directors believe has strong core values. The Group's equity investments are publicly traded and are listed on the ASX.

The maximum probable exposure to price risk from an income statement perspective at reporting date is the carrying amount of the investments.

	+ 50% 2018 $	2017 $	- 50% 2018 $	2017 $
Financial Assets	16,666	6,000	(16,666)	(6,000)
	16,666	6,000	(16,666)	(6,000)

23 Financial Risk Management continued

(g) Interest Rate Risk

The Group manages its interest rate risk by monitoring available interest rates while maintaining an overriding position of security whereby the majority of cash and cash equivalents are held in AA- rated bank accounts.

The Groups' exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the tables below:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year		Non-interest Bearing		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	%	%	$	$	$	$	$	$	$	$
Financial Assets:										
Cash and cash equivalents	**0.9**	0.9	**3,262,580**	3,559,004	**158,998**	155,841	**-**	-	**3,421,578**	3,714,845
Receivables	**-**	-	**-**	-	**-**	-	**334,148**	24,569	**334,148**	24,569
Total Financial Assets			**3,262,580**	3,559,004	**158,998**	155,841	**334,148**	24,569	**3,755,726**	3,739,414
Financial Liabilities:										
Trade and sundry payables	**-**	-	**-**	-	**-**	-	**481,880**	208,068	**481,880**	208,068
Total Financial Liabilities			**-**	-	**-**	-	**481,880**	208,068	**481,880**	208,068

Sensitivity analysis

The following tables show the movements in profit due to higher/lower interest costs from variable interest rate cash balances.

	+ .5% (50 basis points)		- .5% (50 basis points)	
	2018	2017	2018	2017
	$	$	$	$
Cash at bank	7,195	10,957	(7,195)	(10,957)
	7,195	10,957	(7,195)	(10,957)

24 Segment Reporting

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group predominantly operates in one segment, being exploration activities. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group. Following the investment in Guyana Strategic Minerals Inc in Guyana, the Group operates in Australia and Guyana. (Guyana exploration costs were incurred via Greenpower's exploration partner Guyana Strategic Minerals Inc., a Canadian registered entity).

Information regarding the non-current assets by geographical location is reported below. Refer Note 27 for segment information for Guyana in relation to revenue and profit or loss for the year ended 30 June 2018.

(a) Reconciliation of Non-current Assets by geographical location

	2018 $	2017 $
Australia	**39,637**	55,134
Guyana	**12,731**	325,000
	52,368	380,134

25 Parent Entity

The following information has been extracted from the books and records of the parent, Greenpower Energy Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Greenpower Energy Limited has been prepared on the same basis as the consolidated financial statements.

Investments in subsidiaries
Investments in subsidiaries, are accounted for at cost in the financial statements of the parent entity.

	2018 $	2017 $
Consolidated Statement of Financial Position		
Assets		
Current assets	**3,652,567**	3,637,877
Non-current assets	**6,304**	481,671
Total Assets	**3,658,871**	4,119,548
Liabilities		
Current liabilities	**481,880**	208,068
Total Liabilities	**481,880**	208,068
Equity		
Issued capital	**74,126,524**	69,872,680
Accumulated losses	**(71,666,390)**	(66,494,180)
Share Based Payments Reserve	**716,857**	532,980
Total Equity	**3,176,991**	3,911,480

25 Parent entity continued

Consolidated Income Statement		
Total loss for the year	**(5,172,119)**	(2,349,765)
Total comprehensive loss	**(5,172,119)**	(2,349,765)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

Pursuant to ASIC Instrument 2017/785 Greenpower Energy Limited and its wholly owned subsidiaries (refer note 12) entered into a deed of cross guarantee. The effect to the deed is that Greenpower has guaranteed to pay any deficiency in the event of winding up of any controlled entity or if they do not meet their obligations under the terms of any debt subject to the guarantee. The controlled entities have given a similar guarantee in the event that Greenpower is wound up or if it does not meet its obligations under the terms of any debt subject to the guarantee.

Contingent liabilities of the parent entity.

The Directors are not aware of any contingent liabilities at reporting date.

Contractual commitments by the parent entity.

	2018 **$**	2017 $
Capital expenditure commitments contracted for:		
Exploration expenses payable not later than 12 months	**327,862**	-
Coal to Liquids payable not later than 12 months	**-**	-
	327,862	-

26 Company Details

Registered office

The registered office of the company is:

Greenpower Energy Limited
1st Floor, 46 Ord Street
West Perth WA 6005

Principal place of business

The principal place of business is:

Greenpower Energy Limited
1st Floor, 46 Ord Street
West Perth WA 6005

Greenpower Energy Limited

ABN 22 000 002 111

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 16 to 46, are in accordance with the *Corporations Act 2001* and:

   a. comply with *Corporations Regulations 2001* and other mandatory professional reporting requirements, Accounting Standards, which, as stated in accounting policy note 2 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   b. give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the consolidated group.

2. the Chief Executive Officer and Chief Finance Officer have each declared that as required by Section 295A:

   a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

   b. the financial statements and notes for the financial year comply with the Accounting Standards; and

   c. the financial statements and notes for the financial year give a true and fair view.

3. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director ....

Dated 27 September 2018

Greenpower Energy Limited
Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion
We have audited the financial report of Greenpower Energy Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:
(i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion
We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern
We draw attention to Note 2 (v) of the financial statements which indicates that the Company incurred a net loss before income tax of $5,026,320 and net operating cash out flows were $2,364,231 for the year ended 30 June 2018. As stated in Note 2 (v), these events or conditions, along with other matters set forth in Note 2 (v),

Independent auditor's report to members (cont'd.)

indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

SHARE BASED PAYMENTS	
Area of focus **Refer also to note 17**	**How our audit addressed it**
The Group has entered into share-based payment arrangements during the year. The options were issued to provide long term incentives for executives and consultants to deliver long term shareholder returns. Participation in the plan was at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. The above arrangement required significant judgments and estimations by management, including the following: — The evaluation of the grant date of each arrangement, and the evaluation of the fair value of the underlying share price of the Company as at the grant date; — The evaluation of key inputs into the Black Scholes option pricing model, including the significant judgment of the forecast volatility of the share option over its exercise period. The results of these share-based payment arrangements materially affect the disclosures.	Our audit procedures included: — Evaluating the grant dates based on the terms and conditions of the share-based payment arrangements — Evaluating the fair values of share-based payment arrangements by understanding and documenting the assumptions used. — For the specific application of the Black Scholes model, we assessed the experience of the CFO in preparing these calculations. We retested some of the assumptions used in the model and recalculated those fair values using volatility applied in the model to be appropriately reasonable and within industry norms. We also reconciled the vesting of the share-based payment arrangements to disclosures made in both the key management personnel compensation note and the disclosures in the Remuneration Report.

Independent auditor's report to members (cont'd.)

<table>
<tr><th colspan="2">INVESTMENT IN ASSOCIATE</th></tr>
<tr><th>Area of focus
Refer also to note 14</th><th>How our audit addressed it</th></tr>
<tr><td>The group continued its exploration activities in Guyana during the year. As part of the Heads of Agreement with Guyana Strategic Metals Inc., a Canadian incorporated entity, Greenpower were issued a 25% shareholding in Guyana Strategic Metals Inc. ('GSM Guyana'), a Guyanese incorporated entity, during the year, bringing their total shareholding up to 35% on 22 January 2018.

On 22 January 2018, Greenpower began accounting for their shareholding in GSM Guyana as an investment in associate using the equity accounting method.

Management have assessed the fair value of the net asset and liabilities of the investment in associate at the reporting date. This resulted in a fair value adjustment of $2,466,225 which has been recognised in the Consolidated Income Statement.</td><td>Our audit procedures included the following procedures to assess the key assumptions used in assessing the cost of investment and the fair value of the assets and liabilities at the date on which the investment in associate was acquired.
We:
— obtained and reviewed relevant contracts related to the investment in associate and evaluated management's process for recognising the cost of investment and the identifiable asset and liabilities;
— we compared the carrying values of the Group's investment in associate to the financial statements of the entity to ensure these were accurately reflected;
— we evaluated management's assumptions utilised when performing their impairment assessment at the reporting date; and
— we ensured disclosures meet the requirements of AASB 12 Disclosure of Interests in Other Entities.
We concluded that recognition treatment and impairment assessment were in accordance with the relevant Australian Accounting Standards.</td></tr>
</table>

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2018 but does not include the financial report and the auditor's report thereon.

Independent auditor's report to members (cont'd.)

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our independent auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 8 to 13 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Greenpower Energy Limited, for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

CM

Conley Manifis
Director
Dated this day 27th day of September 2018

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 25 September 2018.

Voting Rights

Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

No voting rights.

Distribution of Equity Security Holders

Holding	Holders	Number of Shares
1 - 1,000	83	7,916
1,001 - 5,000	15	45,533
5,001 - 10,000	9	81,000
10,001 - 100,000	766	48,739,683
100,000 and over	1,232	1,406,496,229
	2,105	1,455,370,361

There were 957 holders of less than a marketable parcel of ordinary shares.

20 Largest Shareholders

	Ordinary shares	
	Number held	% of issued shares
Pandora Nominees Pty Ltd	135,653,846	9.32
Elstree Capital Pty Ltd	43,200,000	2.97
Mr Gangadhar Bevinakoppa	31,000,000	2.13
Tregeare Pty Ltd	30,131,362	2.07
Sacco Developments Australia Pty Limited <The Sacco Family A/C>	29,531,914	2.03
Xcel Capital Pty Ltd	27,000,000	1.86
GLM Koppa Pty Ltd <Koppa Family Super Fund A/C>	26,000,000	1.79
Stoj Invest Pty Ltd <Stoj Invest Super Fund A/C>	17,378,926	1.19
HSBC Custody Nominees Australia Limited	16,623,300	1.14
Mrs Aynur Nihal Deniz + Mr Emre Can Deniz <Densa Super Fund A/C>	16,170,000	1.11
V7 Investment & Development <The Zhou Family A/C>	16,153,846	1.11
Mr Thomas Andrew Wood	14,000,000	0.96
J P Morgan Nominees Australia Limited	13,785,281	0.95
Mrs Christina Marie Hirrell	13,711,538	0.94
Mrs Katie Elizabeth Reece	13,708,707	0.94
First One Realty Pty Ltd	12,307,869	0.85
Mr Niels Mosegaard + Ms Wannee Phetsakare	11,000,000	0.76
Bilim Pty Limited <Superannuation Fund A/C>	10,965,607	0.75
Bontown Pty Ltd	10,500,000	0.72
Mr Poh Seng Tan	10,000,000	0.69
Volta Investments Pty Ltd <Volta A/C>	10,000,000	0.69
	508,822,196	34.96

Greenpower Energy Limited

ASX Additional Information

For the Year Ended 30 June 2018

Securities exchange

The Company is listed on the Australian Securities Exchange.

20 Largest Option holders

	Options	
	Number held	% of issued options
Mr Adrian Cost	20,000,000	6.15
Mrs Simida Cost	18,491,017	5.68
Sacco Developments Australia Pty Limited <The Sacco Family A/C>	17,570,358	5.40
Mr Alan John Flavelle	12,000,000	3.69
Tell Corporation Pty Ltd	11,333,333	3.48
Mr Daniel John Baker	10,200,000	3.14
EFI Management Pty Ltd <EFI Management A/C>	10,000,000	3.07
Mr Bin Liu	8,666,666	2.66
Xcel Capital Pty Ltd	8,000,000	2.46
Mr Paul Robert Dalla-Libera	7,645,735	2.35
Borg Geoscience Pty Ltd	6,000,000	1.84
Pandora Nominees Pty Ltd	6,000,000	1.84
Mr Domenic Marino	5,049,927	1.55
Goffacan Pty Ltd	5,000,000	1.54
Mr Simon Peters	5,000,000	1.54
Mr Matthew Denis Suttling <Suttling Family A/C>	5,000,000	1.54
Cappafield Pty Ltd <Cappafield Super A/C>	4,500,000	1.38
Mr John Adrian + Mrs Judith Margaret Watts <John Watts Super Fund A/C>	4,000,000	1.23
Comsec Nominees Pty Limited	4,000,000	1.23
Mr Nicholas Anthony Di Maggio	3,100,000	0.95
	171,557,036	52.74

Unissued Equity Securities

Total options issued 325,287,108.

Total options listed 270,887,108.

Total unlisted options 54,400,000.

CORPORATE GOVERNANCE STATEMENT

The Board of Greenpower Energy Limited ('Greenpower') is responsible for the corporate governance of the Consolidated Entity. The Board guides and monitors the business and affairs of Greenpower on behalf of the shareholders by whom they are elected and to whom they are accountable. This statement reports on Greenpower's key governance principles and practices.

1. COMPLIANCE WITH BEST PRACTICE RECOMMENDATIONS

The Company, as a listed entity, must comply with the Corporations Act 2001 and the Australian Securities Exchange (ASX) Listing Rules. The ASX Listing Rules require the Company to report on the extent to which it has followed the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council. Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure. For further information on corporate governance policies adopted by the Company, refer to the corporate governance section of our website: www.greenpowerenergy.com.au

The table below summaries the Company's compliance with the Corporate Governance Council's Principles and Recommendations:

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 1	**Lay solid foundations for management and oversight**		
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	2(a)	Yes
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	2(b), 3(b)	Yes
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	3(b)	Yes
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	2(f)	Yes
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	6(c)	Yes

1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	2(i), 3(b)	Yes
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	3(b), Remuneration Report	Yes
Principle 2	**Structure the Board to add value**		
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	3(b)	No
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	2(b), 2(c)	Yes
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 (which appears on page 16 of the ASX Recommendations and is entitled "Factors relevant to assessing the independence of a director") but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	2(c), 2(e)	Yes
2.4	A majority of the board of a listed entity should be independent directors.	2(e)	Yes
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	2(c), 2(d), 2(e)	Yes
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	3(b)	Yes

Principle 3	**Act ethically and responsibly**		
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	6(a)	Yes
Principle 4	**Safeguard integrity in corporate reporting**		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	3(a)	No
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	5(c)	Yes
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	4(a)	Yes
Principle 5	**Make timely and balanced disclosure**		
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	4(b)	Yes
Principle 6	**Respect the rights of security holders**		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	4(a), 4(b)	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	4(a), 4(b)	Yes
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	4(a), 4(b)	Yes
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	4(a), 4(b)	Yes

Principle 7	**Recognise and manage risk**		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	3(a)	No
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	5(a), 5(b), 5(d)	Yes
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	3(a)	No
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	5(a)	Yes
Principle 8	**Remunerate fairly and responsibly**		
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	3(b)	No
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	3(b), Remuneration Report	Yes
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	6(b), Remuneration Report	Yes

2. THE BOARD OF DIRECTORS

2(a) Roles and Responsibilities of the Board

The Board is accountable to the shareholders and investors for the overall performance of the Company and takes responsibility for monitoring the Company's business and affairs and setting its strategic direction, establishing and overseeing the Company's financial position.

The Board is responsible for:

- Appointing, evaluating, rewarding and if necessary the removal of the Chief Executive Officer ("CEO") and senior management;
- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the Company;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the board that proper operational, financial, compliance, risk management and internal control process are in place and functioning appropriately;
- Approving and monitoring financial and other reporting;
- Assuring itself that appropriate audit arrangements are in place;
- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the Company has adopted a Code of Conduct and that the Company practice is consistent with that Code; and other policies; and
- Reporting to and advising shareholders.

Other than as specifically reserved to the Board, responsibility for the day-to-day management of the Company's business activities is delegated to the CEO and senior management.

2(b) Board Composition

The Directors determine the composition of the Board employing the following principles:

- the Board, in accordance with the Company's constitution must comprise a minimum of three directors;
- the roles of the Chairman of the Board and of the CEO should be exercised by different individuals;
- the majority of the Board should comprise directors who are non-executive;
- the Board should represent a broad range of qualifications, experience and expertise considered of benefit to the Company; and
- the Board must be structured in such a way that it has a proper understanding of, and competency in, the current and emerging issues facing the Company, and can effectively review management's decisions.

The Company's constitution requires one-third of the directors (or the next lowest whole number) to retire by rotation at each Annual General Meeting (AGM). The directors to retire at each AGM are those who have been longest in office since their last election, or a Director appointed without shareholder approval. Where directors have served for equal periods, they may agree amongst themselves or determine by ballot who will retire. A director must retire in any event at the third AGM since he or she was last elected or re-elected. Retiring directors may offer themselves for re-election.

A director appointed as an additional or casual director by the Board will hold office until the next AGM when they may be re-elected. The CEO is subject to retirement by rotation. Any director appointed as an additional or casual director, is not to be taken into account in determining the number of directors required to retire by rotation.

2(c) Board Membership

The Board is currently comprised of three non-executive directors and one executive director. Details of the Board member's experience, expertise and qualifications are set out in the Directors' Report of the Annual Report under the heading "Directors".

Name	Position	Date Appointed
G King	Chairman & non-executive director	4 November 1985
C McLean	Managing director	12 October 2018
A Williams	Independent non-executive director	12 October 2018
S Peters	Independent non-executive director	6 December 2017

2(d) Chairman and CEO

The Chairman is responsible for:

. leadership of the Board;

. the efficient organisation and conduct of the Board's functions;

. the promotion of constructive and respectful relations between Board members and between the Board and management;

. contributing to the briefing of directors in relation to issues arising at Board meetings;

. facilitating the effective contribution of all Board members; and

. committing the time necessary to effectively discharge the role of the Chairman.

The CEO is responsible for:

. implementing the Company's strategies and policies; and

. the day-to-day management of the Consolidated Entity's business activities.

The Board specifies that the roles of the Chairman and the CEO that when appropriate are to be undertaken by separate people.

2(e) Independent Directors

The Company recognises that independent directors are important in assuring shareholders that the Board is properly fulfilling its role and is diligent in holding senior management accountable for its performance. The Board assesses each of the directors against specific criteria to decide whether they are in a position to exercise independent judgment.

Directors of Greenpower are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

In making this assessment, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when assessing independence are whether a director:

. is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;

. is employed, or has previously been employed in an executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;

. has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another group member, or an employee materially associated with the service provided;

. is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or

. has a material contractual relationship with the Company or another group member other than as a director.

. has been a director of the entity for such a period that his or her independence may have been compromised.

The Board notes that the mere fact that a director has served on a Board for a substantial period does not mean that he or she has become too close to management to be considered not independent. The Board will regularly assess the independence of all and any director who serves on the Board.

Family ties and cross-directorships may be relevant in considering interests and relationships which may affect independence, and should be disclosed to the Board.

The Company does comply with ASX Recommendation 2.4, as there is a majority of non-executive directors and there is a majority of independent directors on the Board. In accordance with the definition of independence above, three of the directors of the Company are considered to be independent.

The Company maintains a mix of directors from different backgrounds with complementary skills and experience.

In recognition of the importance of independent views and the Board's role in supervising the activities of management the Chairman is a non-executive director.

2(f) Company Secretary

The appointment, performance, review, and where appropriate, the removal of the Company Secretary is a key responsibility of the Board. All directors have access to the Company Secretary who is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

2(g) Avoidance of Conflicts of Interest by a Director

In order to ensure that any interests of a director in a particular matter to be considered by the Board are known by each director, each director is required by the Company to disclose any relationships, duties or interests held that may give rise to a potential conflict. Directors are required to adhere strictly to constraints on their participation and voting in relation to any matters in which they may have an interest and noted in the Minutes or each Directors meeting.

Directors are able to access members of the management team at any time to request relevant information. There are procedures in place, agreed by the board, to enable directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

2(h) Review of Board Performance

The performance of the board and each of its committees is reviewed at least annually by the Chairman. Performance evaluations are conducted annually which involve an assessment of each board member's performance against specific and measurable qualitative and quantitative performance criteria. The performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of Greenpower. Directors whose performance is consistently unsatisfactory may be asked to retire.

The performance of each committee is against the requirements of their respective charters.

3. BOARD COMMITTEES

The Board has the ability under the Company's constitution to delegate its powers and responsibilities to committees of the Board.

3(a) Audit and Risk Committee

The Board has not established an Audit and Risk Committee and as such the Group is not in compliance with Principle 4.1 of the ASX Corporate Governance Council. The Board considers that the Group is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit and risk committee. The Board as a whole undertakes the selection and proper application of accounting policies, the identification and management of risk and the review of the operation of the internal control systems. The Board considers that the experience and qualifications of the Board will assure the integrity of the financial statements of the Group and the independence of the external auditor.

The Board ensures that the auditor is invited to attend all general meetings of shareholders.

The Board in lieu of an Audit and Risk Committee is responsible for:

i) reviewing the quality and integrity of the Group's financial reporting to shareholders, ASX and the Australian Securities and Investments Commission;

ii) reviewing the accounting policies, internal controls, practices and disclosures to assist the Board in making informed decisions, with direct access to management;

iii) reviewing the scope and outcome of external audits, with direct access to external auditors;

iv) nominating external auditors and reviewing the adequacy of existing external audit arrangements;

v) ensuring the independence of external auditors and reviewing any other services provided by them;

vi) reviewing the Group's risk management systems; and

vii) reporting to the Board on its meetings and the results of any assessments and reviews.

The Board has ratified an Audit Policy which states the services that may or may not normally be conducted by the Group's external auditing firm under the following guiding principles.

External Auditor

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually, taking into consideration assessment of performance, existing value and tender costs.

An analysis of fees paid to the external auditors, including a breakdown of fees for non-audit services, is provided in the notes to the financial statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Board.

The external auditor is requested to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Internal Audit

The Company does not currently have a formal internal audit function however the Board oversee the effectiveness of risk management and internal control.

The Board works closely with management to identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives. The Board actively encourages the External Auditor to raise internal control issues, and oversees management's timely remediation thereof.

3(b) Remuneration and Nomination Committee

Given the present size of the Group, the existing Board structure is able to meet the needs of the Group in the examination of selection and appointment practices without the establishment of a nomination committee of the Board as recommended under Principle 2.1 of the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council.

Remuneration

The remuneration received by directors and executives in the current period is contained in the "Remuneration Report" within the Directors' Report of the Annual Report.

The Company seeks to attract and retain directors and executives with the appropriate expertise and ability to create value for shareholders.

The remuneration structure for non-executive directors is not related to performance. The Company aims to ensure non-executive directors receive fees which reflect their skills, responsibilities and the time commitments required to discharge their duties; currently the non-executive directors are unpaid and supporting the Company. The Company does not pay retirement benefits to non-executive directors (other than superannuation contributions in accordance with its statutory superannuation obligations).

The remuneration structure for executive directors and other executives reflects the Company's financial resources and as such there is not currently a direct correlation between the executive's reward and individual and Company performance so as to seek to ensure that the Company's remuneration policy is aligned with its long term business objectives and the interests of shareholders and other stakeholders.

Nomination

A profile of each director is included within the Directors' Report of the Annual Report under the heading "Directors". The Company has a written agreement in place with each director setting out the terms of their appointment. The committee and the Board consider the composition of the Board at least annually, when assessing the Board's performance and when considering director election and re-election.

In considering whether the Board will support the election or re-election of incumbent directors, the committee considers the skills, experience, expertise, diversity and contribution made to the Board by the director and the contribution that the director is likely to make if elected or re-elected.

When considering appointing new directors, the committee assesses the range of skills, experience, expertise, diversity and other attributes from which the Board would benefit and to the extent to which current directors possess such attributes. This assessment allows the committee to provide the Board with a recommendation concerning the attributes for a new director, such that they balance those of existing directors.

All material information that is relevant to the decision as to whether or not to elect or re-elect a director is provided to shareholders in the explanatory notes accompanying the notice of meeting for the Annual General Meeting at which the election or re-election is to be considered.

4. TIMELY AND BALANCED DISCLOSURE

4(a) Shareholder Communication

The Company believes that all shareholders should have equal and timely access to material information about the Company including its financial situation, performance, ownership and governance.

The Board aims to ensure that shareholders are informed of all material information relating to the Company by communicating to shareholders through:

- continuous disclosure reporting to the ASX;
- its annual reports; and
- media releases and other investor relations publications on the Company's website.
- The Company provides other information about itself and its governance via its website.

Two-way Communication

The Board is also mindful of the importance of not only providing information, but also enabling two-way communication between the Company and its shareholders.

The Company encourages direct electronic contact from shareholders – the Company's website has a "Contact Us" section which allows shareholders to submit questions or comments. The Company's website also allows shareholders to register to receive information updates electronically from the Company.

The Company provides shareholder materials directly to shareholders through electronic means. A shareholder may request a hard copy of the Company's annual report to be posted to them. Shareholders may also communicate via electronic means with the Company's Share Registry and may register to access personal shareholding information and receive electronic information.

General Meetings

Shareholders are encouraged to participate in general meetings. Copies of addresses by the Chairman or CEO are disclosed to the market and posted on the Company's website.

At the meeting the Chairman encourages questions and comments from shareholders and seeks to ensure that shareholders are given ample opportunity to participate.

The Company's external auditor attends the Company's annual general meeting to answer shareholder questions about the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

4(b) Continuous Disclosure Policy

The Company is committed to ensuring that shareholders and the market are provided with full and timely information and that all stakeholders have equal opportunities to receive externally available information issued by the Company.

The Company's "ASX Disclosure Policy" encourages effective communication with its shareholders by requiring that Company announcements:

- be factual and subject to internal vetting and authorisation before issue;
- be made in a timely manner;
- not omit material information;
- be expressed in a clear and objective manner to allow investors to assess the impact of the information when making investment decisions;
- be in compliance with ASX Listing Rules continuous disclosure requirements; and
- be placed on the Company's website promptly following release.

The Company's "ASX Disclosure Policy" reinforces the Company's commitment to continuous disclosure and outline management's accountabilities and the processes to be followed for ensuring compliance.

The policy also contains guidelines on information that may be price sensitive. The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements with the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX.

5. RECOGNISING AND MANAGING RISK

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives. Considerable importance is placed on maintaining a strong control environment.

The Company has exposure to the following risks:

- Currency: The Company is exposed to fluctuations in the Australian dollar which can impact on expenditures related to project development and potentially future operations. Due to the size and assets of the Company the Board has not instigated a hedging program. The Board will continue to review the implementation of hedging at each Board meeting to ensure it fits within the Company's hedging policy framework and is deemed appropriate.
- Environmental: The Company is subject to, and responsible for, existing environmental liabilities associated with its tenements as well as potential new liabilities through future mining activities. The Company will continually monitor its ongoing environmental obligations and risks, and implement rehabilitation and corrective actions as appropriate to remain compliant. These risks may be impacted by change in Government policy.
- Market Risk: The Company seeks to reduce investment risk by regularly monitoring the market and considering at each Board meeting the ongoing benefits of carrying the investments or disposal.

Board Oversight of the Risk Management System

The Board is responsible for approving and overseeing the risk management system. The Board reviews, at least annually, the effectiveness of the implementation of the risk management controls and procedures.

The principle aim of the system of internal control is the management of business risks, with a view to enhancing the value of shareholders' investments and safeguarding assets. Although no system of internal control can provide absolute assurance that the business risks will be fully mitigated, the internal control systems have been designed to meet the Company's specific needs and the risks to which it is exposed.

Annually, the Board is responsible for identifying the risks facing the Company, assessing the risks and ensuring that there are controls for these risks, which are to be designed to ensure that any identified risk is reduced to an acceptable level.

Internal control measures currently adopted by the Board include:

- monthly reporting to the Board in respect of operations and the Company's financial position; and
- regular reports to the Board by appropriate members of the management team outlining the nature of particular risks and highlighting measures which are either in place or can be adopted to manage or mitigate those risks.

5(a) Risk Management Roles and Responsibilities

The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Senior management is responsible for implementing the Board approved risk management strategy and developing policies, controls, processes and procedures to identify and manage risks in all of the Company's activities.

The Board and Audit and Risk Committee are responsible for ensuring that management has developed and implemented a sound system of risk management and internal control.

5(b) Chief Executive Officer and Chief Financial Officer Certification

The Chief Executive Officer and Chief Financial Officer provide to the Board written certification that in all material respects:

- the Company's financial statements present a true and fair view of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- the statement given to the Board on the integrity of the Company's financial statements is founded on a sound system of risk management and internal compliance and controls which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

6. ETHICAL AND RESPONSIBLE DECISION MAKING

6(a) Code of Ethics and Conduct

The Board endeavours to ensure that the directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities. The "Code of Conduct" sets out the principles, practices, and standards of personal behaviour the Company expects people to adopt in their daily business activities.

All directors, officers and employees are required to comply with the Code of Conduct. Senior managers are expected to ensure that employees, contractors, consultants, agents and partners under their supervision are aware of the Company's expectations as set out in the Code of Conduct.

All directors, officers and employees are expected to:

- comply with the law;
- act in the best interests of the Company;
- be responsible and accountable for their actions; and
- observe the ethical principles of fairness, honesty and truthfulness, including prompt disclosure of potential conflicts.

Policy Concerning Trading in Company Securities

The Company's "Securities Trading Policy" applies to all directors, officers and employees. This policy sets out the restrictions on dealing in securities by people who work for, or are associated with the Company and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities. The policy stipulates that the only appropriate time for a director, officer, consultant or employee to deal in the Company's securities is when they are not in possession of price sensitive information that is not generally available to the market.

As a matter of practice, Company shares may only be dealt with by directors and officers of the Company under the following guidelines:

- no trading is permitted in the period of one month prior to the announcement to the ASX of the Company's quarterly, half year and full year results;
- guidelines are to be considered complementary to and not replace the various sections of the Corporations Act 2001 dealing with insider trading; and
- prior approval of the Chairman, or in his absence, the approval of two directors is required prior to any trading being undertaken.
- Senior management are prohibited from entering into transactions which limit the risk of participating in unvested entitlements under any equity-based remuneration scheme.

6(b) Policy Concerning Diversity

The Company encourages diversity in employment throughout the Company and in the composition of the Board, as a mechanism to ensure that the Company is able to draw on a variety of skill, talent and previous experiences in order to maximise the Company's performance.

The Company's "Diversity Policy" has been implemented to ensure the Company has the benefit of a diverse range of employees with different skills, experience, age, gender, race and cultural backgrounds. The Company reports its results on an annual basis in the Annual Report in achieving measurable targets which are set by the Board as part of implementation of the Diversity Policy.

The table below outlines the diversity objectives established by the Board, the steps taken during the year to achieve these objectives, and the outcomes.

Objectives	Steps Taken/Outcome
Increase the number of women in the workforce, including management and at board level.	Key senior female appointments during the year include: - Greenpower appointed nil females in managerial roles. - As at 30 June 2018, women represented 0% in the Greenpower workforce (2017: 0%) and Nil at board level (2017: Nil). Greenpower currently has 2 employees (2017: Nil) however engages contractors a number of which are women in senior roles.
Review gender pay gaps on an annual basis and implement actions to address any variances.	As a part of the annual remuneration review, the Board assesses the performance and salaries of all key management personnel and executive directors. Any gender pay disparities are addressed.
Provide flexible workplace arrangements.	During the year Greenpower employed Nil employees on flexible work arrangements (2017: Nil).
Provide career development opportunities for every employee, irrespective of any cultural, gender and other differences.	Whilst Greenpower places special focus on gender diversity, career development opportunities are equal for all employees. Employees are encouraged to attend professional development courses/workshops throughout the year.
Promote an inclusive culture that treats the workforce with fairness and respect.	Greenpower has set a zero tolerance policy against discrimination of employees at all levels. The Company provides avenues to employees to voice their concerns or report any discrimination. No cases of discrimination were reported during the year (2017: Nil).
Be compliant with all mandatory diversity reporting requirements.	In accordance with the Australian *Workplace Gender Equality Act 2012*, the Consolidated Entity has submitted a Workplace Gender Equality Report for the 2016/2017 reporting period which is available on the Company's website.