GREENVALE MINING N.L. AND ITS CONTROLLED ENTITIES

A.B.N. 000 743 555

DIRECTORS:
Leslie L. White (Chairman)
Gabriel M. Lorentz, LL.B. (Deputy Chairman)
Elizabeth Stoliar, B.Bus., ASA
Gary Douglas F.C.A (Alternate Director)

SOLICITORS:
Osborne & Associates

AUDITORS:
KPMG

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

REGISTERED OFFICE:
C/- Agoston, Douglas & Partners
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BANKERS:
Westpac Banking Corporation

SHARE REGISTRARS:
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The directors present their report together with the consolidated financial report for the half-year ended 31 December, 2002 and the review report thereon.

Directors
The directors of the company at any time during or since the end of the half-year are :

Mr Leslie L. White Chairman	Date of Appointment 1969
Mr Gabriel M. Lorentz, LL.B., Deputy Chairman	Date of Appointment 1972
Mrs Elizabeth Stoliar, B.Bus C.P.A.	Date of Appointment 1984
Mr Gary Douglas F.C.A (Alternate director to Leslie White and Elizabeth Stoliar)	Date of Appointment November 2002

Review of Operations
During the period the consolidated entity continued its mineral exploration activity and care and maintenance program on its oil shale and other leases and continued to invest its surplus funds.

The directors, in view of the current market share values, have considered it advisable to re-value its holdings in public company shares to market value.

Result
The operating loss after income tax for the six months ended 31 December 2002 amounted to $459,856 (six months ended 31 December, 2001 - $158,937).

Dated at Sydney this th day of March, 2003

Signed in accordance with a resolution of the directors :

Leslie L. White
Director

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF GREENVALE MINING N L

Scope

We have reviewed the financial report of Greenvale Mining N L ("the Company") for the half year ended 31 December, 2002, consisting of the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes 1 to 9 and the directors' declaration set out on pages 3 to 8. The financial report includes the consolidated financial statements of the consolidated entity comprising the Company and the entities it controlled at the end of the half year or from time to time during the half year. The Company's directors are responsible for the financial report.

We have performed an independent review of the financial report in order to state whether, on the basis of procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows and in order for the Company to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. The review is limited primarily to inquiries of Company personnel and analytical procedures applied to the financial data. Our review has not involved a study and evaluation of internal accounting controls, test of accounting records or tests of responses to inquiries by obtaining corroborative evidence from inspections, observation and confirmation. The procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Greenvale Mining N L is not in accordance with :

(a) The Corporations Act 2001, including :

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2002 and of its performance for the half-year ended on that date; and

   (ii) complying with Australian Accounting Standard AASB 1029 "Interim Financial Report" and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

KPMG

MARK EPPER
Partner

SYDNEY March, 2003

DIRECTORS' DECLARATION

In the opinion of the directors of Greenvale Mining N L

1. the financial statements and notes set out on the pages 4 to 8, are in accordance with the Corporations Act 2001, including :

   (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2002 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this th day of March, 2003.

Signed in accordance with a resolution of the directors :

Leslie I. White
Director

STATEMENT OF FINANCIAL PERFORMANCE FOR THE HALF YEAR ENDED 31 DECEMBER, 2002

	Consolidated	
	31 December 2002 $	31 December 2001 $
Revenue from Ordinary Activities	25,931	23,477
Total Revenue	25,931	23,477
Expenses from ordinary activities:		
Administration expenses	104,985	138,449
Provision for diminution in shares	352,838	23,352
Borrowing costs	27,964	20,613
Total Expenses	485,787	182,414
Loss from ordinary activities before related income tax expense	459,856	158,937
Income tax (expense)/benefit relating to ordinary activities	-	-
Net Loss	459,856	158,937
Basic & diluted loss per share	2.42	0.84

The statement of financial performance is to be read in conjunction with the notes to and forming part of the half year financial statements set out on pages 6 to 8.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2002

		Consolidated	
	Note	31 December 2002 $	30 June 2002 $
CURRENT ASSETS			
Cash		15,943	104,398
Receivables		402,744	403,688
Loans to related entities		448,310	433,185
TOTAL CURRENT ASSETS		866,997	941,271
NON-CURRENT ASSETS			
Investments accounted for using the equity method	8	357,712	357,712
Other financial assets		256,249	609,087
Plant and Equipment		2,682	3,248
Exploration and evaluation expenditure		1,377,739	1,362,800
TOTAL NON-CURRENT ASSETS		1,994,382	2,332,847
TOTAL ASSETS		2,861,379	3,274,118
CURRENT LIABILITIES			
Payables		67,851	81,265
Interest bearing liabilities to related entities		801,431	740,900
TOTAL CURRENT LIABILITIES		869,282	822,165
TOTAL LIABILITIES		869,282	822,165
NET ASSETS		1,992,097	2,451,953
EQUITY			
Contributed equity	5	3,060,119	3,060,119
Reserves		4,083,610	4,083,610
Accumulated losses	6	(5,151,632)	(4,691,776)
TOTAL EQUITY	7	1,992,097	2,451,953

The statement of financial position is to be read in conjunction with the notes to and forming part of the half-year financial statements set out on pages 6 to 8.

STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2002

		Consolidated	
		31 December 2002	31 December 2001
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash payments in the course of operations		(116,889)	(153,069)
Interest received		25,755	23,301
Net cash (used in) operating activities		(91,134)	(153,069)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		176	176
Exploration expenditure		(14,939)	-
Advances (to) associated companies		(15,125)	(14,666)
Net cash provided by/(used in) investing activities	(29,888)	8,811	
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(27,964)	(20,613)
Proceeds from loans from related entities		60,531	188,897
Proceeds from issue of shares		-	28,291
Net cash provided by financing activities		32,567	196,575
Net increase in cash held		(88,455)	52,317
Cash at beginning of financial period		104,398	13,794
Cash at end of financial period		15,943	66,111

The statement of cash flows is to be read in conjunction with the notes to and forming part of the half-year financial statements set out on pages 6 to 8.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT

The half-year consolidated financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard 1029 "Interim Financial Reporting", the recognition and measurement requirements of applicable AASB standards and authorative pronouncements of the Australian Standards Board and Urgent Issues Group consensus views and the Corporations Act 2001. This half year financial report is to be read in conjunction with the 30 June 2002 Annual Financial Report and any public announcements by Greenvale Mining N L and its controlled entities, during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

These accounting policies have been consistently applied by each entity in the consolidated entity and, except where there is a change in accounting policy as disclosed, are consistent with those applied in the 30 June 2002 Annual Financial Report.

The half-year report does not include full note disclosures of the type normally included in an annual financial report.

		Consolidated	
		Half-Year ended 31 December 2002	Half-Year ended 31 December 2001
2. INDIVIDUALLY SIGNIFICANT ITEMS		$	$
Individually significant items included in loss from ordinary activities before income tax expense:			
Provision for diminution in shares		352,838	23,352
3. INCOME TAX			
Income Tax (Benefit)			
Prime facie income tax (benefit) calculated at 30% (2001 : 30%) on operating loss from ordinary activities		(137,957)	(47,681)
Non deductible expenses		105,852	315
Tax losses not brought to account	32,105	47,366	
Income tax expense/(benefit)		-	-

4. SEGMENT INFORMATION

	BUSINESS SEGMENT					
	FINANCE/INVESTMENT		MINING AND MINERAL EXPLORATION		CONSOLIDATED TOTAL	
	31 December 2002 $	31 December 2001 $	31 December 2002 $	31 December 2001 $	31 December 2002 $	31 December 2001 $
Segment revenue	25,931	23,477	-	-	25,931	23,477
Segment operating (loss)	(459,856)	(158,937)	-	-	(459,856)	(158,937)

The consolidated entity does not engage in inter-segment transactions nor does it carry on business outside Australia. All revenue and operating results relate to operations in Australia, except for the consolidated entity's investment in Austral Pacific Energy & Resources Corporation, which is incorporated in the United States of America. Intra-group investments and advances have been eliminated from the segment assets shown above.

	Consolidated Half-Year ended 31 December 2002	Consolidated Half-Year ended 31 December 2001
	$	$
5. CONTRIBUTED EQUITY		
9,884,790 (June 2002 – 9,884,790) ordinary shares fully paid	2,492,358	2,492,358
9,083,210 (June 2002 – 9,083,210) ordinary shares paid to 5 cents	567,761	567,761
	3,060,119	3,060,119
6. ACCUMULATED LOSSES		
Accumulated losses at beginning of the half-year	(4,691,776)	(4,436,615)
Loss for the half-year	(459,856)	(158,937)
Accumulated losses at the end of the half-year	(5,151,632)	(4,595,552)
7. TOTAL EQUITY RECONCILIATION		
Total equity at beginning of the half-year	2,451,953	2,678,823
Contributions of equity	-	28,291
Total changes in interest in equity recognised in statement of financial performance	(459,856)	(158,937)
Total equity at the end of the half-year	1,992,097	2,548,177

8. MATERIAL INTEREST IN ENTITIES WHICH ARE NOT CONTROLLED

The consolidated entity has a material interest in the following entities :

Name	Principal Activities	Place of Incorporation	Equitable Interest 31 December 2002 %	Equitable Interest 30 June 2002 %	Carrying amount Equity Accounted 31 December 2002 $	Carrying amount Equity Accounted 30 June 2002 $
Equity Accounted Associates						
Minga Pty Ltd	Finance Company	AUST	50.0	50.0	357,712	357,712
Esperance Minerals N.L.	Mineral Exploration	AUST	23.4	23.4	-	-
Alpha Resources Pty Limited	Mineral Exploration	AUST	50.0	50.0	-	-
Austral Pacific Energy & Resources Corporation	Oil & Gas Exploration	USA	34.5	34.5	-	-
Texas Energy Corporation N.L.	Mining	AUST	50.0	50.0	-	-
					357,712	357,712

9. COMMITMENTS AND CONTINGENT LIABILITIES

The company has subordinated its advances to two unlisted associated companies, Epithermal Pacific N.L. and Texas Energy Corporation N.L. in favour of all other creditors. These advances have been provided for in the accounts as follows :

	Gross Advance		Provision for Non-recoverability		Carrying Value	
	31 December 2002	31 December 2001	31 December 2002	31 December 2001	31 December 2002	31 December 2001
	$	$	$	$	$	$
Epithermal Pacific N.L.	-	61,414	-	61,414	-	
Texas Energy Corporation N.L.	569,713	569,713	569,713	569,713	-	-
	569,713	631,127	569,713	631,127	-	-

GREENVALE MINING N.L AND ITS CONTROLLED ENTITIES
ABN 000 743 555

HALF-YEAR FINANCIAL REPORT
31 DECEMBER 2002