

Quarterly Activities Report

for the three months ending 31 March 2008

30 April 2008

Highlights

- ▶ Hydraulic-fracture testing successfully completed at Olympic Dam
- ▶ Pressure and stress regime confirmed by testing
- ▶ Applications for geothermal rights in Perth Basin lodged in Western Australia
- ▶ \$2 million raised from exercise of options and share placement

Investors & Media

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Activities

Olympic Dam

Geothermal Energy Project
South Australia, 100% interest

Green Rock Energy successfully completed the hydraulic fracture testing ("mini-frac") in its Blanche No 1 well at the Olympic Dam Geothermal Energy Project, South Australia. Thirteen hydraulic fracturing stress measurements were carried out by a German crew and CSIRO in Blanche No 1. The testing to measure the in-situ rock stresses, demonstrated that fractures were successfully opened in the hot granite rocks by the hydraulic fracture tests.

Preliminary results confirm that the stress regime has high horizontal stresses and the minimum principal stress is the vertical stress. This indicates that the creation of horizontal fractures will be favoured during stimulation operations at production depths, and that the required operating pressures to open the fractures should be in the order of the minimum principal stress. This supports the earlier work undertaken by the CSIRO in which they concluded ".....that hydraulic fracture orientation and fluid flow in a stimulated zone are most likely to be in a sub-horizontal direction. This is an ideal situation for generating an optimal heat exchange reservoir that would allow a maximum distance between injection and production wells."

These results provide the Company with the information required to commence the planning of the two evaluation wells and associated geothermal water circulation testing. The Company's aim is to commence this drilling in early 2009 to set up a sub-surface heat exchanger and prove a commercial circulation system to recover heat from the hot granites for power generation.

Patchawarra

Geothermal Energy Project
South Australia, 100% interest

Further progress was made on modelling of the extensive geological, geophysical and well testing data from petroleum drilling in the three geothermal exploration licences covering 1,483 sq kms of land over the Patchawarra Trough in the Cooper Basin, South Australia. This work is being used to further refine target areas with potential high heat flow and good thicknesses of combined Patchawarra and Tirrawarra formations which are hotter than 140°C at depths of around 3,000 metres.

Western Australia

In January applications were invited by tender for Western Australia's first geothermal energy exploration rights and during the quarter Green Rock Energy devoted considerable effort to area selection. Applications for geothermal Exploration Permits closed on 24th April after the Company submitted applications both alone and jointly with other strong companies for a number of Exploration Permits in and around the Perth Basin. At least one 400 metre drill hole will be required in the first two years of each Exploration Permit.

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Corporate

Funding

In April \$2,074,809 million was raised by Green Rock Energy from exercise of its options and private placement. The Company's options, which matured on 18 April 2008, raised \$574,809. The Company also raised an additional \$1.5 million through the private placement to Acorn Capital of 15 million shares at 10 cents per share, plus 7.5 million options with a 14 cents per share exercise price and on expiry date of 28 April 2010.

Australian Geothermal Energy Association

During the quarter the Australian Geothermal Energy Association (AGEA) submitted a proposal to the Federal Minister for Resources, Energy and Tourism, on how the Government's proposed \$50 million Geothermal Energy Drilling Fund should be allocated. Alan Knights, Executive Director of Green Rock Energy chaired the AGEA sub-committee that developed and submitted the proposal. It is anticipated grants between \$7 million and \$10 million will be provided to specific geothermal energy projects. Green Rock Energy is hopeful that its Olympic Dam project will qualify for a grant.

About Green Rock Energy

Green Rock Energy Limited is an Australian company focused on developing commercially sound renewable geothermal energy projects. The Company has projects in Australia and Europe and is a member of the Australian Geothermal Energy Association and sponsor member of the International Energy Agency's Geothermal Implementing Agreement.

For more information visit www.greenrock.com.au

Board of Directors:

Adrian Larking	Managing Director
Alan Knights	Executive Director
Jorg Baumgartner	Non-Executive Director
Scott Spencer	Non-Executive Director

Australian Stock Exchange Listing:

ASX Code	GRK
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