



ASX Announcement

Company Announcements Office
Australian Securities Exchange

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(ASX Code GRK)

Annual General Meeting - Chairman's Address

Attached is the Chairman's Address to the 2011 Annual General Meeting of Green Rock held in Perth today.

A handwritten signature in black ink, appearing to read "Nigel Hodder", with a horizontal line underneath.

Nigel Hodder
Company Secretary

Investors and Media

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Green Rock Energy Limited

Chairman's Address to Shareholders – 2011 AGM

During this past year the priorities for Green Rock Energy have been:-

- Firstly, to secure a meaningful position in a non-geothermal opportunity to widen the appeal to investors at a time when the geothermal sector is not strongly supported; and,
- Secondly, to focus our capital resources and capabilities on those geothermal projects most likely to succeed in the short to medium term.

The Board and management have been pursuing these priorities against a back-drop of the geothermal sector continuing to be out of favour with investors and intense volatility generally in capital markets.

We believe that the political focus on sustainable energy in recent times will see increased funding from both State and Federal Governments for quality geothermal projects. Green Rock Energy is working hard to benefit from this anticipated increase in Government financial support.

To increase investor support the geothermal industry in Australia clearly needs some success stories. We believe that the opportunities on which your company is focussed have the potential to be part of this success story.

Let me turn to our pursuit of non-geothermal projects. Through the farm-in with New Standard Energy Limited in the Canning Basin announced in March this year, Green Rock has achieved the first of the priorities described earlier. After completion of the earning phase this farm-in arrangement will see Green Rock earn a 20% interest in permit EP417. Through the establishment of an upstream alliance with New Standard Energy we have moved to secure additional acreage through the granting of a Special Prospecting Authority (SPA) for the Seven Lakes area in the Canning Basin. In this new acreage Green Rock will have rights to a 40% interest.

Recent exploration success in the Canning Basin by Buru Energy Limited and the interest in the area being shown by international heavy-weights such as Mitsubishi and Conoco-Phillips reinforce the value inherent in our position.

The first well in this earning phase in EP417, the Lawford #1 Deepening, was completed in late October with disappointing results. This is regrettably in the nature of oil and gas exploration. Your Board believes the strategy of entry into opportunities outside the geothermal sector remains appropriate – our challenge will be to gain access to sufficient capital to be able to see it through to success.

On geothermal opportunities in Australia, Green Rock has decided to focus its efforts and capital on the development of power projects based on geothermal exploration permits and licenses held by the Company in the North Perth Basin ("NPB") in the Mid West of WA. To this end, the

Company announced in August the establishment of an alliance with Pacific Hydro a leading Australian renewable energy company to develop power projects based on these resources. Pacific-Hydro and Green Rock are now in the process of securing a further joint venture partner to participate in the drilling of the wells for the initial 25MW power project. Given the substantial investment in power hungry mineral projects in the area we are confident of being able to attract a suitable partner. Green Rock is also actively engaged in discussions with both State and Federal Governments on development grant funding to assist with the funding of the concept demonstration phase of the Mid West project. The Company expects to make progress in this regard in coming months.

The other priority geothermal project for Green Rock is the joint venture with MOL in Hungary which is a 50:50 Joint Venture. From the work undertaken to date, including well testing, both MOL and Green Rock are of the view that an economic geothermal resource exists in the area of focus. Progress on this project is dependent on the necessary legislative framework to ensure valid title to the resource before further investment is warranted. It is currently expected that this framework will be completed in the first half of 2012.

The Board is most appreciative of the support given during this past year by our shareholders. In this regard I would like to express the appreciation of the Board for the efforts of our corporate advisors Cygnet Capital. With the support of shareholders and Cygnet Capital in this past year, the Company has raised a total of \$4.2M of additional equity.

Looking forward the continued volatility in equity markets and diminished investor support for the geothermal sector is a very challenging combination for the Company. Our response to this situation must be to make solid progress on our priority projects while keeping our operating costs to a minimum.

I take this opportunity to thank my fellow Board members and the management of the Company especially Richard Beresford the Managing Director for their energetic efforts on behalf of shareholders. On behalf of the Board I again thank shareholders for their support during this past year. The Board remains determined to see this support is well rewarded.

Jeff Schneider
Non Executive Chairman