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Company Announcements Office
Australian Stock Exchange

By e Lodgement

Quarterly Report
for period ended 30 September 2005

HIGHLIGHTS

- Green Rock Energy's first geothermal exploration well confirmed the presence of granite suitable to act as a reservoir of geothermal energy.
- Drilling of Blanche No. 1 exploratory geothermal well was completed at a depth of 1,934.6 metres and geophysical and temperature logging commenced.
- The temperature recorded at the bottom of Blanche No.1 was 85.35 °C which was on track towards the higher temperatures required at depth for electricity generation.
- Extensive horizontal fracturing was present in drill core from Blanche No.1 which is beneficial for the development of a circulation system at depth.
- A new geothermal exploration licence GEL 213 of 206 square kilometres was granted next to giant Olympic Dam copper-uranium-gold mine in South Australia.
- The drill rig was moved to new GEL 213 to test the temperatures down an old mineral drill hole.

GEOTHERMAL ENERGY PROJECT

Olympic Dam Geothermal Energy Project (100% interest)

Green Rock Energy successfully completed drilling its first geothermal exploration well in its Olympic Dam geothermal exploration licences.

Green Rock Energy holds seven geothermal exploration licences (GEL's) in South Australia covering 2,899 square kilometres immediately around the Olympic Dam copper-uranium-gold mine. This includes a new GEL of 206 square kilometres, adjoining the western border of the GELs, which was granted during the quarter. The GELs

encompass a large region of elevated heat flows identified by shallower mineral holes drilled into the granitic basement rocks by WMC (now owned by BHP/Billiton).

(*Note: A GEL grants the right to explore for reservoirs of geothermal energy contained at depth within what are known as Hot Dry Rocks or simply Hot Rocks.)*

On 26 September 2005, the Company completed drilling its first geothermal exploration well Blanche No. 1 in granite at a depth of 1,934.6 metres.

Blanche No. 1 was drilled 8 kilometres west of the Olympic Dam mine in South Australia and only 5 kilometres from a high voltage power line connecting Olympic Dam to the national electricity grid linked to the major population centres of south eastern Australia.

The well was drilled to better define the top of the potential geothermal resource and to test the temperature, geothermal gradients and rock stress regime close to the Olympic Dam mine.

Blanche No. 1 drilled through 1,217.6 metres of granite beneath 717 metres of insulating sediments. Temperature logs taken on completion of the drilling measured a temperature of 85.35 ºC at the bottom of the well. This was towards the upper end of the temperature range the Company had been expecting at that depth from extrapolation of temperatures recorded in the shallower WMC drill holes. This temperature is not far below the boiling of water and temperatures at which Rankine Cycle power plants are currently operating at geothermal fields overseas. Further temperature measurements will be taken at various time intervals to enable Blanche No 1 to equilibrate with the surrounding hot rocks. This may result in a slight increase in the recorded temperatures.

Further encouragement for the recovery of geothermal energy from the granites at greater depths was obtained from the Blanche No. 1 drill core, which contained abundant horizontal and sub-horizontal fracturing through much of the granite. This granite, known as the Roxby Downs granite, forms part of the widespread Burgoyne Batholith which had been drilled by WMC.

This augurs well for the establishment of circulation cells by circulating water through an underground network of horizontal fractures at depth in the hot granites.

At the end of the quarter the Company moved the drill rig to the new GEL 213. This was done in order to re-enter the old mineral exploration drill hole SAP No. 1, to measure the temperature at the bottom of the drill hole in deeper cover sediments than occurs at Blanche No. 1. SAP No.1 is located about 17 kms to the south-west of Blanche No. 1 in the new GEL 213, and had been drilled in the 1970's to 1,369 metres depth in cover sediments.

Geophysical and temperature logs were being acquired at Blanche No. 1 at the end of the quarter. This data along with the drill core from the well will assist the Company in selecting the optimal location in the general vicinity of Blanche No.1 to drill the first deep geothermal energy well upon which to

establish a pilot circulation cell for trial electricity generation.

MINERAL EXPLORATION PROJECTS

Menzies Gold Project

After undertaking a data review, the Company withdrew from the project and handed its interest back to Westex Resources Pty Ltd.

Telfer Gold-Copper Project

The Telfer Project is located 45 kilometres northwest of the giant 27 million ounce Telfer gold mine, in WA.

The Telfer Project tenement application areas are considered to be prospective for gold and uranium. The areas have similar rock types and structural style to the Telfer gold-copper deposit. When the tenement applications are granted the joint venture, operated by Siberia Mining Corporation Limited, plans to drill an EM anomaly and to follow up the discovery by CRA Exploration in 1977 of uranium mineralisation in channels within the tenements. The tenement application areas are the subject of negotiations with native title claimants. The Company has the right to earn up to 49% interest in the tenements by contributing $62,000 to earn 25% interest and another $250,000 to earn an additional 24% interest. Siberia has the right to repurchase 19% interest in the project.

CORPORATE

At the end of September 2005, the Company had $ 991,000 in cash.

Adrian Larking
Managing Director

The information in this report as it relates to ore reserves, mineral resources or mineralisation is reported in accordance with the AusIMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves" and is based on information compiled by Competent Persons as defined by the code.