

QUARTERLY ACTIVITY REPORT

31 March 2020

Kimberley Basin Exploration Licences

Enegex Ltd (ASX:ENX) has applications for two exploration licenses in the eastern margin of the Kimberley Basin of Western Australia (Figure 1), an area it has identified as offering prospectivity for Vanadium, Cobalt-Nickel, PGE and Fluorite mineralisation.

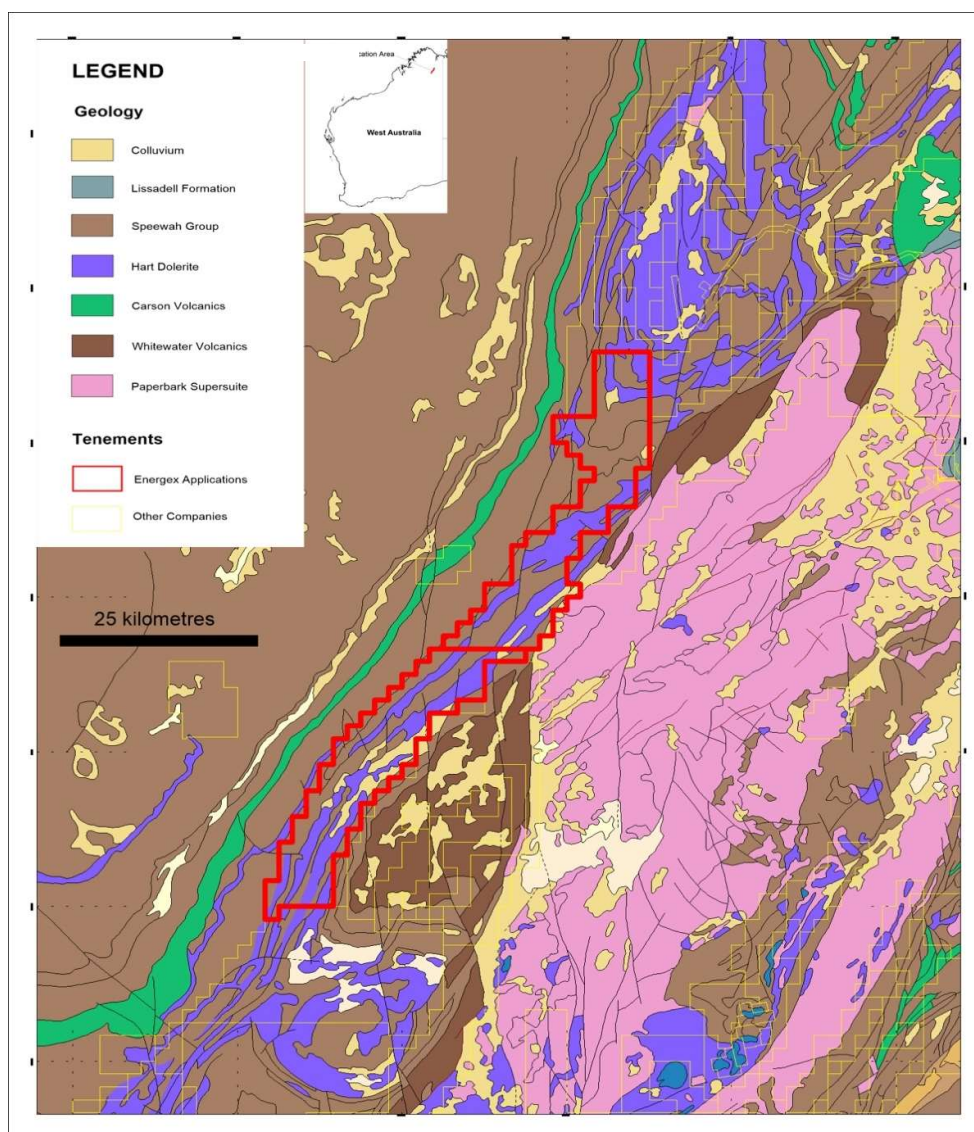


Figure 1 EnegeX Application Areas shown on regional geology

The geology of the tenements has been mapped as “Hart Dolerite”, a regionally extensive Proterozoic sill complex which has historically not been considered prospective. The tenement areas have been the subject of only limited exploration, focused on gold and diamonds (Figure 2).

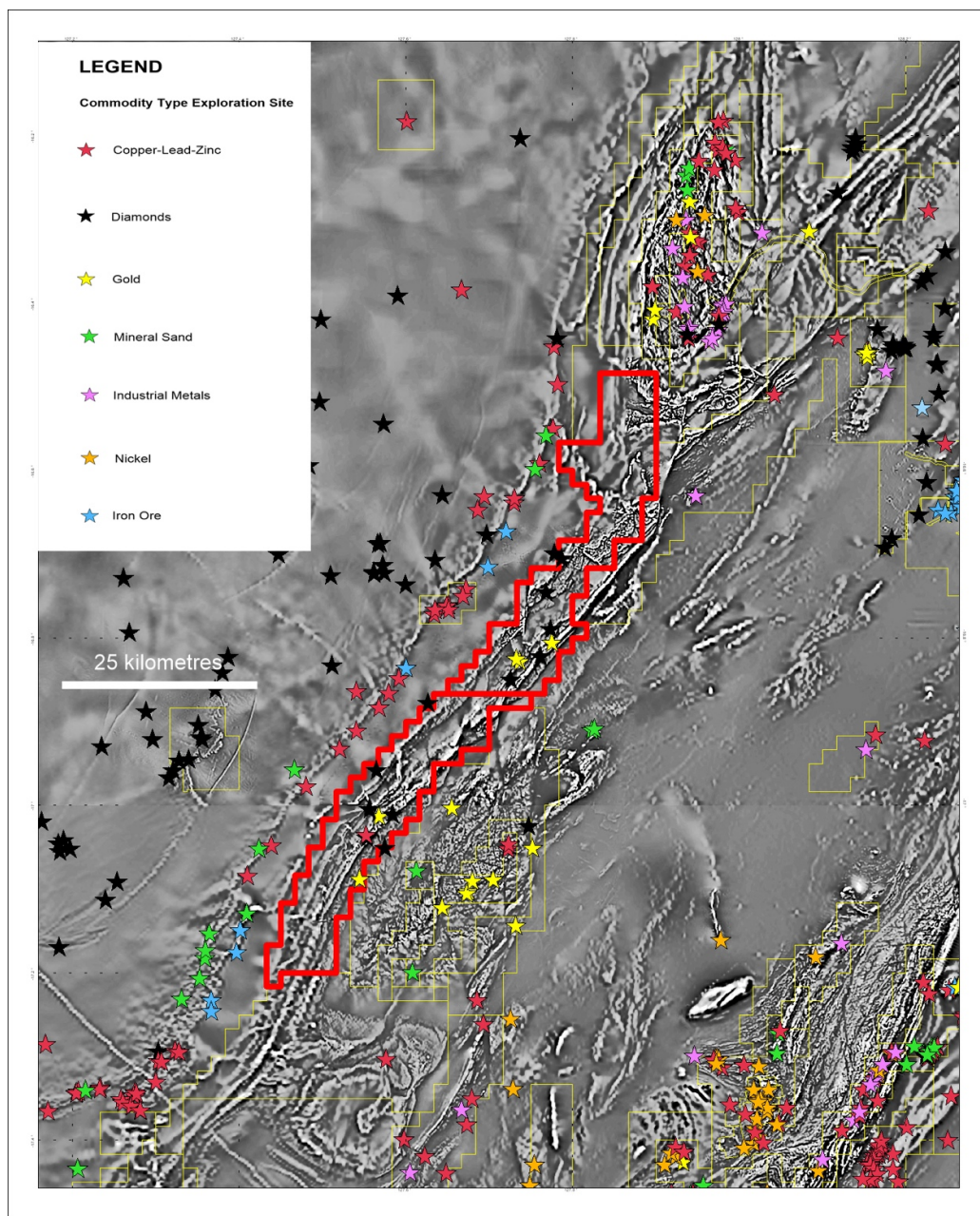


Figure 2: Historical Exploration in and around Enegex Application Areas shown on regional magnetics (reduced to pole first vertical derivative)

Enegex has identified recent advances in geological understanding that alter the prospectivity of the Hart Dolerite:

- Mapping and exploration of the Speewah Dome, immediately to the north of the Enegex tenement areas, has identified that the Hart Dolerite comprises a layered intrusive suite of rocks (Intrusive Suite), and that the prospective part of the Intrusive Suite is the Disseminated Magnetite Gabbro which hosts the Speewah Dome Vanadium Deposit (adjacent to the Enegex application area). Disseminated gold and copper also identified in the sulphides of the Intrusive Suite indicate potential for reef-type PGE mineralization in the upper, differentiated, magnetite-rich parts of the layered intrusion.

- Regolith sampling by Geological Survey WA (GSWA) has identified high cobalt and coincident high nickel anomalies in Hart Dolerite, indicating prospective fertile host rocks for these minerals within the Suite.
- A later epithermal event has been identified in the Hart Dolerite in the Speewah area with carbonate and epithermal fluorite overprinting the dolerite. Fluoride is currently being investigated as a potential replacement for lithium in batteries.

The limited historical exploration in the Eneget application areas has not determined which units of the Intrusive Suite are exposed. Thus, following grant of exploration licenses, Eneget intends to conduct exploration activities to determine the presence or otherwise of prospective units within the tenement area.

Both tenements are proceeding through the Native Title Tribunal process. However, Eneget anticipates that COVID-19 related restrictions may create delays in the Native Title process.

Other Mineral Resources Opportunities

Eneget is open to other natural resource opportunities and continues to evaluate opportunities to generate shareholder value including in the areas of:

- The exploration for a range of strategic energy, transmission and storage minerals
- Energy storage technologies
- Alternative and renewable energy sources
- Natural gas for domestic consumption
- The exploration for precious metals

By Order of the Board



R J Wright
Company Secretary
Melbourne, Australia
30 April 2020

Additional Information Required by Listing Rules 5.3.3 and 5.4.3

Mining Tenements held/applied for at the end of the quarter and their location

Tenement	Enegex interest	Tenement status
Western Australia (Kimberley Region)		
E 80/5354	100%	Application
E 80/5355	100%	Application

Tenements acquired during the quarter and their location

Nil.

Tenements disposed of during the quarter and their location

Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter:

Nil.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ENEGEX LIMITED

ABN

28 160 818 986

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation (if expensed)			
(b) development			
(c) production			
(d) staff costs			
(e) administration and corporate costs		(11)	(74)
1.3 Dividends received (see note 3)			
1.4 Interest received			1
1.5 Interest and other costs of finance paid			
1.6 Income taxes paid			
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)			
1.9 Net cash used in operating activities		(11)	(73)
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) entities			
(b) tenements		(3)	(3)
(c) property, plant and equipment			
(d) exploration & evaluation (if capitalised)			
(e) investments			
(f) other non-current assets			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash used in investing activities	(3)	(3)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities		

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	78	140
4.2	Net cash used in operating activities (item 1.9 above)	(11)	(73)
4.3	Net cash used in investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	64	64

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	64	64
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	64	64

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>			
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash used in operating activities (Item 1.9)	(11)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(11)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	64
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	64
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	5.8
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

30 April 2020

Date:



Authorised by:

Robert Wright – Company Secretary

Released with authority of the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.