



27 August 2020

Dear Shareholder

**Non–Renounceable Rights Issue**

EneGEX Limited (ENX) ("**EneGEX**" or the "**Company**") is pleased to announce a non-renounceable pro rata rights issue on the basis that for every three Shares held as at the Record Date, Eligible Shareholders will have the right to subscribe for one new Share at an issue price of \$0.022 (2.2 cents) per new Share. Each subscriber will also be entitled to receive (for no additional consideration) one New Option (exercisable at a price of \$0.03 at any time on or before 31 August 2022) for every two Shares subscribed for and received under the Rights Issue.

The New Options will not be quoted and will comprise a new class of security.

The Rights Issue seeks to raise up to \$736,998 (before costs) to provide working capital for EneGEX to advance exploration at its projects, particularly its South West Terrane initiative where the Company has established an extensive tenement position in an emerging nickel-copper-cobalt-PGE province. If fully subscribed, a total of approximately 33,499,912 new Shares will be issued under the Rights Issue.

The Rights Issue is available to Shareholders who are (as at 7:00pm AEST on the Record Date of 1 September 2020) registered (in accordance with the records of the Company's share registry) with a registered address in Australian or New Zealand (**Eligible Shareholders**).

Shares purchased on-market on or after the "Ex Date" of 31 August 2020 will not carry an entitlement to participate in the Rights Issue. If you have any doubt, please consult your sponsoring broker.

Entitlements to New Shares pursuant to the Rights Issue are non-renounceable and accordingly, there will be no trading of rights.

Various details of the Rights Issue are contained in an ASX Appendix 3B which was released by the Company to the ASX on 27 August 2020.

Further details of the Rights Issue are contained in a Prospectus which will be mailed to Eligible Shareholders on Thursday, 3 September 2020. The Prospectus will also be available on the Company's announcements platform at [www.asx.com.au](http://www.asx.com.au) (ASX Code: ENX) or the company website [www.eneGEX.com.au](http://www.eneGEX.com.au) on 3 September 2020.

### Key dates of the Rights Issue

<b>Announcement of Offer</b> , lodgement of Prospectus with ASIC and ASX, and Appendix 3B lodged with ASX	27 August 2020
Ex date (date Shares are quoted ex-Rights)	31 August 2020
<b>Record Date</b> <sup>1</sup> for determining Entitlements	1 September 2020
<b>Opening Date.</b> Prospectus and personalised Entitlement and Acceptance Forms despatched to Shareholders and Company announces despatch has been completed	3 September 2020
Last day to extend the Closing Date	18 September 2020
<b>Closing Date</b> <sup>2</sup>	23 September 2020
New Shares quoted on a deferred settlement basis	24 September 2020
ASX notified of Shortfall	28 September 2020
<b>Issue of new Shares and New Options</b> <sup>2</sup> and lodgement of Appendix 2A applying for quotation of the new Shares	30 September 2020
Deferred settlement trading ceases at market close	30 September 2020
Despatch of holding statements	30 September 2020
<b>Quotation and normal trading of new Shares</b> issued under the Offer expected to commence on ASX	1 October 2020
Deadline for placement of Shortfall Securities	1 December 2020

<sup>1</sup> 7.00 pm AEST. This date, and all dates after this date are indicative only.

<sup>2</sup> 5.00 pm AEST. Subject to the unqualified right of the Directors to extend the Closing Date, in which case the Allotment Date will change accordingly.

An application for New Shares under the Rights Issue may only be made by completing the Entitlement and Acceptance Form which accompanies the Prospectus. Eligible Shareholders should read the Prospectus in its entirety.

### Ineligible Foreign Shareholders

In accordance with ASX Listing Rule 7.7 and Section 9A of the *Corporations Act 2001* (Cth), the Company advises that it has decided that it is unreasonable to offer the Rights Issue to shareholders with a registered address outside of Australia or New Zealand (Ineligible Foreign Shareholders). As at the date of the Prospectus the Company has no shareholders with addresses outside of these countries.

Accordingly, the Rights Issue will not be offered to Ineligible Foreign Shareholders.

### **Shortfall Placement**

Any new Shares and New Options not applied for under the Offer will form the Shortfall. Shortfall Securities may be placed at the Directors' discretion.

The Shortfall is not offered to any Eligible Shareholder or other investor under the Prospectus. The Directors propose and reserve the right to allocate Shortfall Securities to sophisticated and professional investors as defined in sections 708(8), 708(10) and 708(11) of the Corporations Act, subject to the Listing Rules and any restrictions under applicable law, within 3 months of the close of the Offer. The Directors will have discretion as to how to allocate all or any of the Shortfall. The issue price of the Shortfall Securities will not be less than the price at which the Securities were offered under the Offer.

The Directors will not allocate the Shortfall to the extent that the recipient's voting power in the Company on issue of Shortfall Securities would exceed 20%.

As at the date of the Prospectus the Directors propose to allocate any Shortfall to new Investors only, having regard to the best interests of the Company, and the Company's desire to maximise the amount of funds raised.

If you have any queries about the Rights Issue please contact Enegex's Share Registry, Automic Pty Ltd, on 1300 288 664 (within Australia) or +61 (2) 9698 5414 (outside Australia).

Yours sincerely,



Raewyn Clark  
Director