

20 October 2021

Dear Shareholder

A Notice of Annual General Meeting of EneGEX Limited (**EneGEX** or the **Company**) to be held on Friday 26th November 2021 at 2:00pm AEDT is now available at <https://www.eneGEX.com/investors/announcements/>

Safety of our shareholders and staff is our paramount concern, and therefore we will hold the Annual General Meeting by way of live video conference. There will be no physical meeting.

The consequences of this are as follows:

1. If you wish to attend the virtual meeting, you must email admin@eneGEX.com and you will be provided with a link to enable you to join the video conference;
2. We recommend that any questions concerning the business of the meeting are submitted to admin@eneGEX.com in advance of the meeting;
3. All resolutions will be determined by way of a poll. The poll will be conducted based on votes submitted by proxy and Shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions below.
4. Due to the virtual nature of the Meeting, shareholders who wish to vote during the Meeting must notify the Company Secretary of their intention by emailing admin@eneGEX.com by no later than 2:00pm AEDT on Wednesday 24th November 2021 and provide their registered Shareholding details and the Company Secretary will verify their Shareholding. Shareholders will be able to submit their electronic vote immediately after the Chair calls for a vote on each Resolution.

Shareholders are strongly encouraged to lodge a proxy form to vote at the Annual General Meeting at least 48 hours before the meeting.

Yours sincerely



Robert Wright
Company Secretary

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ENEGEX LIMITED

(ABN 28 160 818 986)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (**Meeting**) of the Members of EnegeX Limited (Company) will be held by videoconference, at 2:00pm (AEDT) on Friday, 26th November 2021.

ORDINARY BUSINESS

Annual Financial Report

To receive and consider the Financial Statements of the Company for the year ended 30 June 2021 and the reports of the Directors and Auditor thereon.

Resolution 1: Adoption of the Remuneration Report for the year ended 30 June 2021

To consider and if thought fit, to pass the following as a non-binding and advisory resolution in accordance with section 250R of the Corporations Act:

"To adopt the Remuneration Report as included in the Directors' Report for the year ended 30 June 2021."

Resolution 2: To consider the re-election of E.G. Albers as a Director of the Company

To consider and if thought fit, to pass the following as an ordinary resolution:

"That Ernest Geoffrey Albers, who retires as a Director pursuant to the Constitution and, being eligible, offers himself for re-election and is hereby elected as a Director of the Company."

Resolution 3: Ratification of prior grant of options to consultants

To consider and if thought fit, to pass the following as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the grant of 2,750,000 options to consultants on the terms and conditions set out in the Explanatory Statement."

Resolution 4: Grant of Options to an employee

To consider and if thought fit, to pass the following as an **ordinary resolution**:

"That, in accordance with, and for the purposes of Listing Rule 7.1 and in accordance with Listing Rule 7.3, approval is given to grant an employee of the Company an aggregate 1,000,000 options on the terms and conditions set out in the Explanatory Statement."



Resolution 5: Grant of Options to director – Mr AP Armitage

To consider and if thought fit, to pass the following as an **ordinary resolution**:

“That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.1, approval is given to grant Mr AP Armitage 250,000 options on the terms and conditions set out in the Explanatory Statement.”

SPECIAL BUSINESS

Resolution 6. 10% Placement Capacity under Listing Rule 7.1A

To consider and if thought fit, to pass the following resolution as a special resolution:

“That for the purposes of Listing Rule 7.1A and for all other purposes, the issue of up to 10% of the Company’s share capital, calculated in accordance with Listing Rule 7.1A and on the terms and conditions set out in the Explanatory Memorandum, is approved.”

OTHER BUSINESS

To transact any other business which may be properly brought before the Meeting in accordance with the Company’s Constitution and the Corporations Act.

NOTES

Requisite Majorities

Resolutions 1 to 5 are ordinary resolutions and will be passed only if supported by a simple majority of the votes cast by Shareholders entitled to vote on the resolutions.

Resolution 6 is a special resolution and will be passed only if supported by 75% of votes cast by members present and eligible to vote at the Meeting.

Voting Exclusion Statement

Resolution 1 - Remuneration Report

A vote may not be cast (in any capacity) on Resolution 1 by or on behalf of any of the following persons:

- (a) a member of the *Key Management Personnel*, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of a member of the Key Management Personnel.

However, a person described in (a) or (b) may cast a vote on Resolution 1 if:

the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and

the vote is not cast on behalf of a person described in (a) or (b).

Resolution 3 Ratification of prior grant of options to consultants

In accordance with the provisions of Chapter 2E of the Corporations Act 2001 and the requirements of ASX Listing Rule 7.4 the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved. However, the Company will not disregard a vote if:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Please note, in accordance with sections 250BD(1) and (2) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to these Resolutions unless the Shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions.

Resolution 4 Grant of Options to an Employee

In accordance with the provisions of Chapter 2E of the Corporations Act 2001 and the requirements of ASX Listing Rule 7.1 the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed grant (except a benefit solely by reason of being a Shareholder) or any associates of those persons. However, the Company will not disregard a vote if:

- (d) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (e) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Please note, in accordance with sections 250BD(1) and (2) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to these Resolutions unless the

Shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions.

Resolution 5 – Grant of Options to Director – AP Armitage

In accordance with the provisions of Chapter 2E of the Corporations Act 2001 and the requirements of ASX Listing Rule 10.13, the Company will disregard any votes cast in favour of Resolution 5 by AP Armitage, or any Associate of AP Armitage and any other person who will obtain a material benefit as a result of the issue of the (except a benefit solely by reason of being a holder of ordinary securities in the entity). However, the Company will not disregard a vote if:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Please note, in accordance with sections 250BD(1) and (2) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to these Resolutions unless the Shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions.

Resolution 6 – 10% Placement Capacity

In accordance with the provisions of Chapter 2E of the Corporations Act 2001 and the requirements of ASX Listing Rule 7.1 the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed grant (except a benefit solely by reason of being a Shareholder) or any associates of those persons. However, the Company will not disregard a vote if:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

At the date of the Notice the Company had not approached any Member or an identifiable class of Members to participate in the issue of equity securities. No Member's vote will therefore be excluded under the voting exclusion statements in the Notice.

Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Meeting is incorporated in and comprises part of this Notice of Meeting.

By order of the Board

ENEGEX LIMITED



Robert Wright
Company Secretary
20 October 2021

EXPLANATORY NOTES TO THE BUSINESS OF THE MEETING

Note 1: Annual Financial Report of the Company

The Financial Statements and related reports for the last financial year are contained in the Company's 2021 Annual Report and will be laid before the Meeting. While no Resolution is required, Members are encouraged to ask questions of the Directors and the Auditor and make comments on the Financial Statements and reports.

The Auditor responsible for preparing the Auditor's Report for the year ended 30 June 2021, (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Members to ask the Auditor questions about the:

- a) conduct of the audit;
- b) preparation and content of the Auditor's Report;
- c) accounting policies adopted by the Company in relation to the preparation of the Consolidated Financial Statements; and
- d) independence of the Auditor in relation to the conduct of the audit.

To assist the Directors and the Auditor in responding to questions, please submit your questions by mail to Enege Limited, Level 1, 10 Yarra Street, South Yarra Vic 3141 or by email to admin@enegex.com so they are received by no later than 5:00pm (AEDT) on Friday, 19 November 2021, being five (5) business days prior to the Meeting.

As required under section 250PA of the Corporations Act, at the Meeting the Company will distribute a list setting out the questions directed to the Auditor that have been received in writing from Members, being questions the Auditor considers relevant to the content of the Auditor's Report or the conduct of the audit of the Consolidated Financial Statements for the year ended 30 June 2021. The Chairman will allow reasonable opportunity for the Auditor to respond to the questions set out in this list.

Note 2: Resolution 1 - Remuneration Report

The Remuneration Report, which is included in the Directors' Report section of the Company's 2021 Annual Report, will be laid before the Meeting. While the Resolution to adopt it is not binding on the Company or the Directors, Members are encouraged to ask questions and make comments on the Remuneration Report. You should also note that the following voting restrictions apply in relation to voting on the Remuneration Report.

Voting exclusion statement

A vote may not be cast (in any capacity) on Resolution 1 by or on behalf of any of the following persons:

- a) a member of the *Key Management Personnel*, details of whose remuneration are included in the Remuneration Report; or
- b) a *Closely Related Party* of a member of the *Key Management Personnel*.

However, a person described in (a) or (b) may cast a vote on Resolution 1 if:

- c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution; and
- d) the vote is not cast on behalf of a person described in (a) or (b).

The Directors unanimously recommend eligible Members vote in favour of adopting the Remuneration Report.

Note 3: Resolution 2 Re-election of Director

Resolution 2. The Company's Constitution requires that at every Annual General Meeting one third of the Directors (other than the Managing Director) shall, by rotation, retire from office and provides that such Director or Directors are eligible for re-election. Mr Albers retires by rotation and is seeking re-election at the Meeting. Biographical information for Mr Albers can be found in the Company's annual report and on the company's website: <https://www.enegex.com/>. The Directors, other than Mr Albers, unanimously recommend all Members vote in favour of the re-election of Mr Albers.

Note 4: Resolution 3 Ratification of prior grant of options to consultants

Background

The Board believes that the grant of Options to Consultants constitutes an important incentive for key Consultants and a cost effective method of aligning the interests of key Consultants and shareholders whilst preserving the Company's cash reserves.

The Board granted an aggregate of 2,750,000 unlisted options on 31 March 2021 to key consultants.

On 5 November 2020, the Company held its annual general meeting where shareholder approval was sought and obtained to, amongst other things, refresh its placement capacity pursuant to Listing Rule 7.1 and approve an additional 10% placement capacity pursuant to Listing Rule 7.1A.

The Company issued the Resolution 3 Options without prior Shareholder approval pursuant to both its 15% annual placement capacity under ASX Listing Rule 7.1 and additional 10% placement capacity under ASX Listing Rule 7.1A.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the granted of the 2,750,000 unlisted options granted on 29 March 2021 under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to have the additional capacity to issue equity securities during any 12 month period up to that amount which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period, subject to that issue satisfying certain criteria.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this grant of unlisted options, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 and up to the 10% additional placement capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

In the event that shareholders do not approve the ratification of the grant unlisted options, the options will still remained granted and placement capacity will be reduced by 500,000 shares.

Application of Listing Rules 7.5

In compliance with Listing Rules 7.5 the following information is provided in relation to resolution 3 on the Notice of Meeting.

- 2,750,000 granted Options will be ratified under the resolution and 2,750,000 Options in total is specified in resolution 3.
- The date by which EnegeX granted the Options was 31 March 2021.
- The Options are issued free of cost as incentive Options.
- The consultants to whom the options were granted to are
 - (i) Carolyn Higgins (1,000,000).
 - (ii) Robina Sharpe (500,000).
 - (iii) Darryl Clark (500,000).
 - (iv) Scott Bishop (500,000).
 - (v) Simon Fleming (250,000).
- All these consultants are not related parties to the company.
- The purpose of the grant was incentivise the consultants.

Terms of options

The terms of grant of the options were as follows:

- Each of the 2,750,000 options granted entitle the holder to subscribe for one ordinary share in EnegeX Limited (the Company) upon the payment of the Exercise Price.
- The **Exercise Price** of the options is as follows:
 - \$0.13 (13 cents)
- The options will lapse at 5.00pm (AEDT) on their **Expiry Date**, which is as follows:
 - the Expiry Date is 29 March 2024
- The options are not transferable to any person other than an Associate of the grantee (within the meaning of the Corporations Act 2001) without the prior approval of the Board of Directors of the Company.
- There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option or in the payment of any dividend without having exercised the option prior to the record date to determine entitlements to any such entitlements or distributions.
- In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised in respect to number and exercise price as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.

- The options are exercisable at any time during the period ending on or before the Expiry Date (**Exercise Period**), subject to holders' continuing involvement with the company in the form of ongoing employment and/or consultancy arrangements, by the delivery to the registered office of the Company of a notice in writing (**Notice**) stating the intention of the optionholder accompanied by an Option Certificate or Holding Statement and a cheque or electronic transfer made payable to the Company for the subscription monies for the shares to be issued on exercise of the options the subject of the Notice. The Notice and cheque or electronic transfer must be received by the Company during the Exercise Period. An exercise of only some options shall not affect the rights of the optionholder to the balance of the options held by him.
- The Company shall allot the resultant shares and deliver a statement of shareholdings with a Holders' Identification Number within 5 business days of exercise of the options.
- The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
- No funds will be raised by the grant of the Options.
- In accordance with the requirements of ASX Listing Rule 7.1 the Company advises that it will disregard any votes cast on Resolution 1 on the Notice of Meeting by any of the persons named in paragraph (d) above and otherwise, a who participated in the issue or is a counterparty to the agreement being approved, or who obtained a material benefit as a result of, the grant or any associates of those persons.

Note 5: Resolution 4: Proposed Grant of Options to an Employee

Background

The Board considers that the grant of Options to employees is a cost effective method of aligning the interests of employees and shareholders whilst preserving the Company's cash reserves.

The Board resolved on 14 October 2021 to grant (subject to Shareholder approval) 1,000,000 unlisted Options to an employee.

As at the date the Board resolved to issue Options to the employee the 5-day VWAP of the Company's shares (ASX Code: ENX) was \$0.0718 per share.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 4 will be to allow the Company to issue the employee options during the period of one month after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

In the event that shareholders do not approve the grant of the consultant options, the options will still remain granted and the Company's 15% annual placement capacity will be used for this purpose.

Application of Listing Rules 7.1 and 7.3

In compliance with Listing Rules 7.1 and 7.3 the following information is provided in relation to Resolution 4 on the Notice of Meeting.

- (a) The maximum number of Options which will be issued under the resolution is 1,000,000 Options in total as specified in Resolution 4.
- (b) The date by which EnegeX will issue the Options will be not later than 26 December 2021 which is not later than one (1) month after the date of the Meeting.
- (c) The Options are issued free of cost as incentive Options.
- (d) The person to whom the options will be granted is Carolyn Higgins who is an employee of the company.
- (e) The purpose of the grant is to incentivise the employee with a cost effective method of aligning the interests of employees and shareholders whilst preserving the Company's cash reserves.

Terms of options

The proposed terms of grant of options are as follows:

- a) Each of the 1,000,000 options granted shall, subject to the terms and conditions set out below, entitle the holder to subscribe for one ordinary share in EnegeX Limited (the Company) upon the payment of the Exercise Price.
- b) The **Exercise Price** of the options is \$0.14 (14cents)
- c) The options will lapse at 5.00pm (AEDT) on 25 November 2024 (**Expiry Date**) subject to the provisions of (h).
- d) The options are not transferable to any person other than an Associate of the grantee (within the meaning of the Corporations Act 2001) without the prior approval of the Board of Directors of the Company.
- e) There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option or in the payment of any dividend without having exercised the option prior to the record date to determine entitlements to any such entitlements or distributions.
- f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised in respect to number and exercise price as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- g) Contingent upon the holder's continuing involvement with the Company in the form of ongoing employment and or consultancy arrangements, the options are exercisable at any time during the period and on or before the Expiry Date (subject to the right set out in provision (h)), by the delivery to the registered office of the Company of a notice in writing (**Notice**) stating the intention of the optionholder to exercise the option accompanied by an Option Certificate or Holding Statement and a cheque or electronic transfer made payable to the Company for the subscription monies for the shares to be issued on exercise of the options the subject of the Notice. The Notice and cheque or electronic transfer must be received by the Company during the exercise period. An exercise of

only some options shall not affect the rights of the optionholder to the balance of the options held by him.

- h) In the event that the holder ceases involvement with the Company before the Expiry Date, then the holder shall have the right for a further period of three months from the date of cessation of ongoing employment, and or consultancy arrangement, in which to exercise the options, provided that such extended period shall be limited to a date no later than the Expiry Date (Extended Expiry Date). In this circumstance, the options will lapse on the Extended Expiry Date. The decision as to the date of cessation of involvement with the Company and the end of the Extended Expiry Date shall be a matter at the sole discretion of the Board of Directors of the Company.
- i) The Company shall allot the resultant shares and deliver a statement of shareholdings with a Holders' Identification Number within 5 business days of exercise of the options.
- j) The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
- k) No monies are required for the grant of the Options.
- l) In accordance with the requirements of ASX Listing Rule 7.1 the Company advises that it will disregard any votes cast on Resolution 4 on the Notice of Meeting by the person named in paragraph (d) above and any associates of that person.

Note 6: Resolution 5 – Grant of Options to Director AP Armitage

Background

The Board believes that the grant of Options to Mr AP Armitage proposed by Resolution 5 constitutes an important incentive for the Director and a cost effective method of aligning the interests of Directors and shareholders whilst preserving the Company's cash reserves.

The Board resolved on 14 October 2021 to grant (subject to Shareholder approval) an aggregate of 250,000 unlisted Options to Mr Armitage.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Accordingly, the grant of the Director Options to Mr Peter Armitage will not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

In the event that shareholders do not approve the grant of the director options, the options will not be granted. No other form of replacement incentive and/or remuneration is currently available to directors should the options not be granted.

As at the date the Board resolved to issue Options to the directors the 5-day VWAP of the Company's shares was \$0.0718 per share.

Terms of options

The proposed terms of grant of options are as follows:

- a) Each of the 250,000 options granted shall, subject to the terms and conditions set out below, entitle the holder to subscribe for one ordinary share in EnegeX Limited (the Company) upon the payment of the Exercise Price.
- b) The **Exercise Price** of the options is \$0.14 (14cents)
- c) The options will lapse at 5.00pm (AEDT) on 25 November 2024 (**Expiry Date**).
- d) The options are not transferable to any person other than an Associate of the grantee (within the meaning of the Corporations Act 2001) without the prior approval of the Board of Directors of the Company.
- e) There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option or in the payment of any dividend without having exercised the option prior to the record date to determine entitlements to any such entitlements or distributions.
- f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised in respect to number and exercise price as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- g) The options are exercisable at any time during the period and on or before the Expiry Date by the delivery to the registered office of the Company of a notice in writing (**Notice**) stating the intention of the optionholder to exercise the option accompanied by an Option Certificate or Holding Statement and a cheque or electronic transfer made payable to the Company for the subscription monies for the shares to be issued on exercise of the options the subject of the Notice. The Notice and cheque or electronic transfer must be received by the Company during the exercise period. An exercise of only some options shall not affect the rights of the optionholder to the balance of the options held by him.
- h) The Company shall allot the resultant shares and deliver a statement of shareholdings with a Holders' Identification Number within 5 business days of exercise of the options.
- i) The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
- j) No monies are required for the grant of the Options.
- k) In accordance with the requirements of ASX Listing Rule 7.1 the Company advises that it will disregard any votes cast on Resolution 5 on the Notice of Meeting by the person named in paragraph (d) above and any associates of that person.

Application of Listing Rules 10.11,10.13 and 10.13.8

In compliance with Listing Rules 10.11,10.13 and 10.13.8 the following information is provided in relation to resolution 5 on the Notice of Meeting.

- (a) The name of the grantee of the Options is as set out in resolution 5(AP Armitage);
- (b) The Related Party is Mr AP Armitage who is a related party under Listing Rule 10.11.1 by virtue of being a Director.
- (c) The maximum number of Options which will be issued under Resolution 5 is 250,000 options.
- (d) The date by which the Company will issue the Options will be not later than 26 December 2021 which is not later than one (1) month after the date of the Meeting.
- (e) The grantee of the Option; the subject of Resolution 5, is a director of the Company as named in the resolution.
- (f) The Options are issued free of cost as incentive Options. The Exercise Price of the options will be \$0.014 (14 cents).
- (g) No monies are required for the grant of the Options.
- (h) The only director to have an interest in the outcome of the resolution 5 is Mr Armitage and his respective benefits are that he will be granted the Options as provided in resolution 5 and will be the recipient of any financial benefit flowing from the grant of such options.
- (i) A voting exclusion for the resolution is included in the Notice of Meeting.
- (j) The purpose of the grant is to incentivise the Director.
- (k) the remuneration from the Company to the Director for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
AP Armitage	\$Nil ¹	\$30,149 ²

¹ excluding any value attributable to options proposed to be granted in resolution 5

² being the value attributed to 1,000,000 options exercisable at \$0.092 on or before 5 November 2023

In relation to Resolutions 4, if approval is given by such resolution to grant options to the director named in such resolution under Listing Rule 10.11 further approval to grant such options is not required under Listing Rule 7.1.

250,000 Options – Exercise Price – Expiry Date 25 November 2024

The exercise price of the Director Options will be \$0.14 (14 cents).

The options proposed to be granted have a pro forma valued based on current share prices using Black Scholes binomial model. That valuation has determined a current value of \$0.0271 for each option with total values as shown in the table below:

Name of Director	No. of Options	Black Scholes Valuation
AP Armitage	250,000	\$6,772

The director has not received any other payments for services provided.

Mr Armitage's relevant interests in existing securities in the capital of the Company is as follows.

Name of Director	No. of Fully Paid Shares held	No of Options held
AP Armitage	Nil	1,000,000

Option pro forma Valuation

The valuation of the options as 13 October 2021 using a binomial model shows a current value per option of \$0.0271 per option, based on the following assumptions:

- A current share price of \$0.069;
- an exercise price of \$0.14
- the options being granted on 26 November 2021 and expiring on 25 November 2024;
- a risk free rate of 0.39% for Commonwealth Treasury Bond yields with a maturity approximating the expiry date of the options.
- a volatility factor of 88% calculated by reference to the average volatility of various other relevant companies.

Recent market prices of ENEGEX shares on ASX

During the 90-day period to 13 October 2021, the shares traded in a range of \$0.010 to \$0.051 per share. Volume weighted average share price ("VWAP") for various periods are set out below:

Subject to shareholder approval and prior to grant the offer option exercise price will be fully determined and valued in accordance with Black Scholes method appropriate to the offer.

VWAP Period	VWAP	Volume	Value Traded \$
30 Day	\$ 0.0778	6,427,826	499,921
90 Day	\$ 0.0980	22,995,499	2,253,444

Related Party Requirements of Chapter 2E of the Corporations Act 2001

The requirements of Section 219 of the Act as set out in Chapter 2E thereof require that certain information must be provided to members to enable them to vote in relation to each of the resolutions to be put to the meeting.

The Director named in the resolution proposing the grant of options to that Director has an interest in the outcome of that resolution. The nature of the financial benefit which may be obtained the named Director as a related party of the Company is that the Director will be granted the options which have the value as summarised above.

It is important for members to recognise that for the value in the related party benefit constituted by the grant of the options to be realisable by the optionholder, that the options must be exercised as they are, generally, not transferable.

The acquisition by any person of options does not change voting power. That voting power will only change in accordance with changes in the relevant interests in shareholdings of any member or of those of his associates.

Director's recommendations

The Corporations Act requires in Section 219, inter alia, that, in relation to each director of the company, it must be set out herein:

- (a) if the director wanted to make a recommendation to members about the proposed resolution—the recommendation and his or her reasons for it; or
- (b) if not—why not; or
- (c) if the director was not available to consider the proposed resolution—why not.

In relation to Resolution 5 dealing with the grant of Options to AP Armitage, Mr Armitage abstains from making any recommendation to members in relation to the resolution as he has an interest in the outcome of the resolution

However, all other Directors recommend that members vote in favour of the resolution as they consider that the grant of the Options to Mr Armitage will provide a significant incentive for Mr Armitage to actively act in the interests of the Company and its members as it more closely aligns his interests to those of members and other security holders.

Within the knowledge of the directors, there is no other information reasonably required by members in order to decide whether or not it is in the interest of the members to pass proposed resolution 5. Clearly, the effect of passing the resolutions will, if the Options are ever exercised, be to dilute members' interests proportionately and to reduce the respective voting power of each of them proportionately.

Note 7: Resolution 6 - Approval of 10% Placement Capacity under Listing Rule 7.1A

Under Resolution 6, the Company is seeking Members' approval of a Special Resolution to renew the Company's capacity to issue the maximum number of additional equity securities permitted under ASX Listing Rule 7.1A. This Listing Rule (**LR**) permits the placement of new equity securities (calculated in accordance with LR 7.1A.2) as described here:

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A = The number of fully paid ordinary shares on issue at the commencement of the 12 months immediately preceding the date of issue or agreement to issue:

plus the number of fully paid ordinary securities issued in the 12 months under an exception to ASX Listing Rule 7.2 other than exception 9, 16 or 17;

plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- the issue of, or agreement to issue the convertible securities was approved or taken under these rules to have been approved under ASX Listing Rule 7.1 or 7.4;

plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the relevant period; or
- the agreement or issue was approved, or taken under these rules to have been approved under ASX Listing Rule 7.1 or rule 7.4;

plus the number of any other fully paid ordinary securities that became fully paid in the relevant period

less the number of fully paid ordinary securities cancelled in the last 12 months

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D = 10%

E = the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the last 12 months immediately preceding the date of issue of the shares where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4

As Resolution 6 is a Special Resolution, it requires approval of 75% of the votes cast by Members present and eligible to vote at the Meeting.

Eligibility criteria

Under LR 7.1A an eligible entity may, subject to shareholder approval by way of special resolution, make such a 10% Placement in addition to the 15% new issue capacity available to ASX-listed entities under LR 7.1. An eligible entity for the purposes of LR 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is not included in the S&P/ASX 300 Index and has a market capitalisation of significantly less than \$300 million, so is an eligible entity.

Placement capacity under Listing Rule 7.1A

As at the date of this Notice, the Company had 150,000,273 ordinary shares on issue. Therefore, in addition to any equity securities it can issue under LR 7.1, if Resolution 6 is approved, the Company will have capacity to issue up to 15,000,027 equity securities under LR 7.1A, being up to 10% of the 150,000,273 fully paid ordinary shares presently on issue. However, the number of equity securities that may be issued under LR 7.1A may increase beyond 15,000,027, as the actual number of fully paid shares on issue may increase by the date of any issue that may be made should Resolution 6 be approved.

Minimum issue price

In accordance with LR 7.1A, equity securities issued under the 10% Placement can only be issued at a price that is equivalent to not less than 75% of the volume weighted average price (**VWAP**) of the Company's equity securities of the same class calculated over the 15 trading days on which trades in its Shares were recorded immediately before:

- the date on which the issue price of the equity securities is agreed; or
- the issue date (if the equity securities are not issued within ten trading days of the date on which the issue price is agreed).

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur to the following:

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- the time and date of the Company's next annual general meeting; or
- the time and date of the approval by shareholders of ordinary securities of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Shareholder approval under LR 7.1A does not lapse if the Company's market capitalisation subsequently exceeds \$300 million or it is included in the S&P/ASX 300 Index at some time during the placement period; provided the Company meets the criteria under LR 7.1A on the date of the Meeting.

Dilution to existing shareholdings

If Resolution 6 is approved by Members and the Company issues equity securities under the 10% Placement, there is a potential risk of economic and voting dilution to existing Shareholders as a result.

Further, as the market price of the equity securities may be significantly lower on the issue date of the 10% Placement than on the date of approval at the Meeting, and because equity securities may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement may raise less funding than it would if it was based on current market prices.

The economic dilution will reflect that existing Shareholders who do not participate in the 10% Placement will have their underlying economic interests in the Company's assets diluted pro rata to the dilution in their shareholdings.

Additionally, as the issue price of any equity securities issued under the 10% Placement capacity may be at a discount to the equivalent VWAP of the Company's Shares traded over the 15 trading days prior to their issue price being set or the equity securities being issued, a further economic effect of such a placement may be a reduction in the market price or value of their then existing equity holding in the capital of the Company. Whether such a reduction in market price or value occurs, and if so for how long it continues, will depend on factors not presently known, including the purpose for which the 10% Placement may be made. The converse outcomes may also occur.

It is not possible to set out further economic effects which may arise from the 10% Placement, as they are unknown in advance of such a placement being made.

Details of all issues of equity securities by EnegeX during the 12 months preceding the date of the meeting as required by Listing Rule 7.3A6.

There were no issuances in the preceding 12 months.

Table showing various hypothetical scenarios as required by Listing Rule 7.3A.4

As required by LR 7.3A.4, the table below shows a number of hypothetical scenarios for the 10% Placement where Variable "A" in the formula in LR 7.1A.2 (representing the Company's share capital) has increased by either 50% or 100% and the share price has decreased by 50% or increased by 100% from the approximate share price as at the date of this Notice.

DILUTION				
Variable "A" in LR 7.1A.2 is presently 150,000,273 fully paid shares		10% Placement Issue Price \$0.035 (being a 50% decrease in Issue Price below current share price)	10% Placement Issue Price \$0.070 (being the current Share Price)	10% Placement Issue Price \$0.14 (being a 100% increase in Issue Price above current share price)
Current Capital comprises 150,000,273 shares No increase in capital. Variable A remains 150,002,273 shares	Number of Shares	15,000,027	15,000,027	15,000,027
	Funds raised ²	\$525,001	\$1,050,002	\$2,100,004
50% increase in capital to 225,000,410 shares by issue of 75,000,137 shares. Variable A increases to 225,000,410 shares	Number of Shares ³	22,500,041	22,500,041	22,500,041
	Funds raised	\$787,501	\$1,575,003	\$3,150,006
100% increase in capital to 300,000,546 shares by issue of 150,000,273 shares. Variable A increases to 300,000,546 fully paid shares	Number of Shares ³	30,000,055	30,000,055	30,000,055
	Funds raised ²	\$1,050,002	\$2,100,004	\$4,200,008

¹ Rounded to nearest whole dollar

² No of Shares rounded to nearest whole Share

The table has been prepared on the following hypothetical assumptions but the Company does not represent the assumptions will necessarily occur:

- the Company issues the maximum number of Shares available under the 10% Placement.
- any increase in Variable A (being the Company's issued share capital at the time of issue under the 10% Placement) is due solely to an issue of Shares which is an exception in LR 7.2; for example a pro-rata rights issue. However, a 15% placement under LR 7.1 does not increase Variable "A" for the purposes of calculating the placement capacity under LR 7.1A.
- the table shows only the effect of issues of shares under LR 7.1A, not under the 15% placement capacity available to ASX listed entities under LR 7.1.

- the table does not show the dilution that may be caused to any particular Shareholder by reason of placements of Shares under LR 7.1A, based on that Shareholder's holding at the date of the Meeting. For instance, Shareholders will have different outcomes depending on whether or not they participate in a pro-rata issue which has the effect of increasing Variable "A"; and
- the current price for shares is assumed to be \$0.070, being the price on 13 October 2021 immediately prior to lodgement of this Notice with ASX.

Purpose of the 10% Placement

The Company may seek to issue equity securities under the 10% Placement at a cash issue price, in which case the Company would use the funds for existing projects, to fund new venture opportunities, as working capital generally or for other corporate purposes.

Allocation policy

The allottees of any equity securities to be issued under the 10% Placement capacity have not yet been determined. However, the allottees of equity securities could consist of current shareholders or new investors (or both), none of whom will be related parties of the Company.

No priority of application will be accorded to existing shareholders and, unless the 10% Placement was made with disclosure, the allottees will be excluded offerees under section 708(8), 708(10) or 708(11) of the Corporations Act.

Subject to the above provisos, the Company will determine the allottees and the manner of their selection at the time of the issue of the 10% Placement, having regard for the following factors:

- the purpose of the issue of equity securities;
- alternative methods for raising funds available to the Company at that time including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- the effect of the issue of equity securities on the control of the Company;
- the circumstances of the Company including, but not limited to, the financial position and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisors (if applicable).

Recommendation

As at the date of the Notice containing these Explanatory Notes, the Company has no plans to raise additional capital utilising the 10% Placement authority provided by Resolution 6. However, many eligible resource companies are, as a matter of corporate prudence, seeking to obtain this form of available shareholder approval to enable capital raisings to be made, if appropriate, during the 12 months following the Meeting. Accordingly, Members' approval of Resolution 6 is considered prudent.

The Directors believe Resolution 6 will provide the Company with the flexibility to raise capital quickly if advantageous terms are available or if required for funding the Company and where doing so is in the best interests of the Company.

The Directors unanimously recommend that all Members vote in favour of Resolution 6.

Note 8: Voting Generally

- The Company has determined that, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cwth), the holders of shares of the Company who are on the Company's share register as at 2:00pm (AEDT) on Wednesday 24th November 2021 will be taken for the purposes of the Meeting to be held by the persons who held them at that time. Accordingly, those persons will be entitled to attend and vote at the Meeting.
- A Member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Member's voting rights.
- A proxy duly appointed need not be a Member.
- A proxy form accompanies this Notice and to be effective, the form and any document necessary to show the validity of the form must be lodged with the Company not less than 48 hours before the time appointed for the Meeting. Any proxy lodged after that time will be treated as invalid.
- Directors and Officers of corporate shareholders should note that unless the corporate shareholder either:
 - a) completes and lodges with the Company a valid form of appointment of proxy in accordance with the instructions on the enclosed proxy form; or
 - b) completes and either lodges with the Company prior to the Meeting a form of appointment of personal representative in accordance with the provisions of Section 250D of the Corporations Act or causes such personal representative to attend the Meeting with such form of appointment; or
 - c) has appointed an attorney,
 - d) and such proxy, personal representative or attorney attends the Meeting, then such corporate shareholder will be unable to exercise any votes at the Meeting.
- Proxy and corporate appointment of representative forms may be returned to the Company in the manner detailed at point 6 on the reverse of the proxy form.
- Corporate shareholders should comply with the execution requirements set out above and on the reverse of the proxy form and otherwise comply with the provisions of Section 127 of the Corporations Act, as detailed at point 7 on the reverse of the proxy form.
- Completion of a proxy form will not prevent individual Members from attending the Meeting in person if they wish. Where a Member completes and lodges a valid proxy form and attends the Meeting in person then the proxy's authority to speak and vote for that Member is suspended while the Member is present at the Meeting.
- Where a proxy form or form of appointment of personal representative is lodged and is executed under power of attorney the power of attorney must be lodged in like manner as a proxy.

PROXY FORM
ENEGEX LIMITED
(ABN 28 160 818 986)

The Company Secretary
Enege Limited
Level 1, 10 Yarra Street
South Yarra, Victoria 3141

I/We (name of Member)

of (address).....

being a Member/Members of Enege Limited (**Company**) HEREBY APPOINT

(name) or, failing that person, then the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday 26th November 2021 commencing at **2.00pm** (AEDT) and at any adjournment thereof.

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

Mark ☒ to indicate your instructions

If no directions are given my/our proxy may vote as he/she thinks fit or may abstain. Otherwise my/our proxy is to vote as follows:

FOR AGAINST ABSTAIN

Ordinary resolutions

Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election E.G. Albers as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Ratification of prior grant of options to consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Grant of options to employee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Grant of options to Director – AP Armitage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special resolution

Resolution 6 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Chair's voting intention in relation to undirected proxies

Subject to the operation of the express voting exclusions contained in the Explanatory Notes to the Notice of Meeting, the Chair's intention is to vote an undirected proxy in favour of each resolution to be put to the Meeting, even if he has an interest in the outcome of the resolution/s. You should be aware that votes so cast by the Chair of the Meeting as your proxyholder will not be disregarded because of that interest.

If no direction is given above or if more than one box is marked in relation to a resolution, I/we authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of that resolution at the Meeting and any adjournment thereof.

If you are appointing more than one proxy, you must complete the following statement

My total voting right is _____ shares. This Proxy is appointed to represent _____ % of my voting right or if 2 proxies are appointed Proxy 1 represents _____ % and Proxy 2 represents _____ % of my total votes. If no direction is given above or if more than one box is marked in relation to a resolution, I/we authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of that resolution at the Meeting and any adjournment thereof.

Signature(s)

Date

Individual or
Joint Shareholder 1

Director/ Sole Director with no
Company Secretary

Joint Shareholder 2

Director/Company Secretary

Joint Shareholder 3

Sole Director & Sole Company
Secretary

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A Member entitled to attend and vote at a General Meeting of the Company is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Member's voting rights.
2. A duly appointed proxy need not be a Member.
3. This proxy form and any document necessary to show the validity of the form must be lodged with the Company not less than 48 hours before the time appointed for the meeting. Any proxy lodged after that time will be treated as invalid.
4. In the case of joint holders of shares in the Company, all holders must sign.
5. Directors and Officers of corporate shareholders should note that unless the corporate shareholder either:
 - (i) completes and lodges with the Company a valid form of appointment of proxy; or
 - (ii) completes and either lodges with the Company a form of appointment of or certificate of appointment of personal representative in accordance with the provisions of Section 250D of the Corporations Act (**Act**) or causes such personal representative to attend the meeting with such form of appointment or certificate; or
 - (iii) has appointed an attorney,and such proxy, personal representative or attorney attends the relevant meeting, then such corporate shareholder will be unable to exercise any votes at the relevant meeting.
6. Proxy and corporate representative appointment forms may be returned to the Company by delivery (by hand, mail, courier, facsimile or email) to the Company Secretary, ENEGEX Limited at its Registered Office:

Level 1, 10 Yarra Street
South Yarra
Victoria 3141 Australia
Email: admin@enegex.com

Corporate shareholders should comply with the provisions of Section 127 or Section 204A of the Act as applicable. Section 127 of the Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company; or
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary - that director. In this case the signatory must state this next to their signature.

Section 204A of the Act permits a proprietary company that does not have a company secretary to validly execute an instrument appointing a proxy if it is executed by the sole company director of that company and the person signing the proxy states that next to their signature.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Act, a document must appear to have been executed in accordance with section 127(1) or (2) or section 204A of the Act. This effectively means the status of the person(s) signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) or section 204A as applicable. In all cases the person or persons signing the instrument of proxy will be deemed to have warranted and represented to the Company that the proxy is executed in accordance with sections 129(5) and (6) of the Act or section 204A of the Act as relevant.

7. Where a proxy form or form of appointment of or certificate of appointment of personal representative is lodged and is executed under power of attorney the power of attorney must be lodged in like manner as a proxy.