

Quarterly Activities Report

For the period ending 31 December 2022

Highlights

- Soil sample program completed over Miamoon geophysical targets 29 and 30, with results showing low-level Pt anomalism.
- EnegeX's West Yilgarn land holdings reduced following a review of EnegeX's target areas and exploration model update.
- Access negotiations continued and preparations for the West Yilgarn project field season underway.
- Hart project field reconnaissance mapping and sampling results confirm the presence of V-Ti mineralisation and highlight the potential for Ni-Cu-PGE mineralisation.

West Yilgarn Ni-Cu-PGE Projects – EnegeX 100%

EnegeX (ASX: **ENX**) has built a strategic tenure position in the West Yilgarn Ni-Cu-PGE province of Western Australia. The prospectivity of the West Yilgarn as an endowed mineral province is highlighted by the discovery of the nearby Gonneville Ni-Cu-PGE resource at Julimar (**Figure 1**) by Chalice Mining.

The province is now a focus of exploration activity following the Julimar discovery.

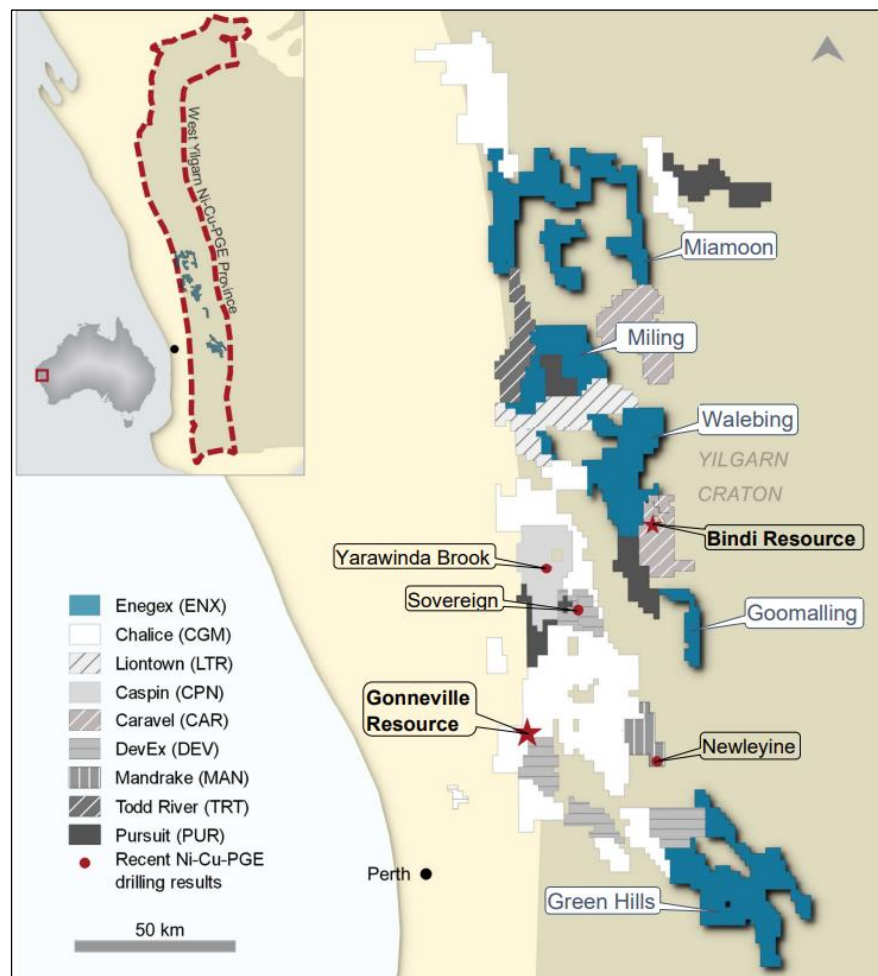


Figure 1. EnegeX Tenure across the West Yilgarn Ni-Cu-PGE Province.

Enege Project Overview

Enege has divided its West Yilgarn tenements into five project areas; Miamoon, Miling, Walebing, Goomalling and Green Hills (**Figure 2**).

The understanding of the Archean geology across the Enege project areas is still being developed. Private freehold farming land is prevalent across the West Yilgarn province. As a result, the area has, until recently, undergone precursory geology and explorative work largely limited to broad-scale government mapping, interpreting the bedrock geology as metamorphic sedimentary, greenstone and granite (**Figure 2**). The economic potential of the province is highlighted by the Julimar discovery of Ni-Cu-PGE mineralisation within a mafic-ultramafic host rock sequence (the Gonneville intrusion) in an area historically interpreted to be a granitic domain.

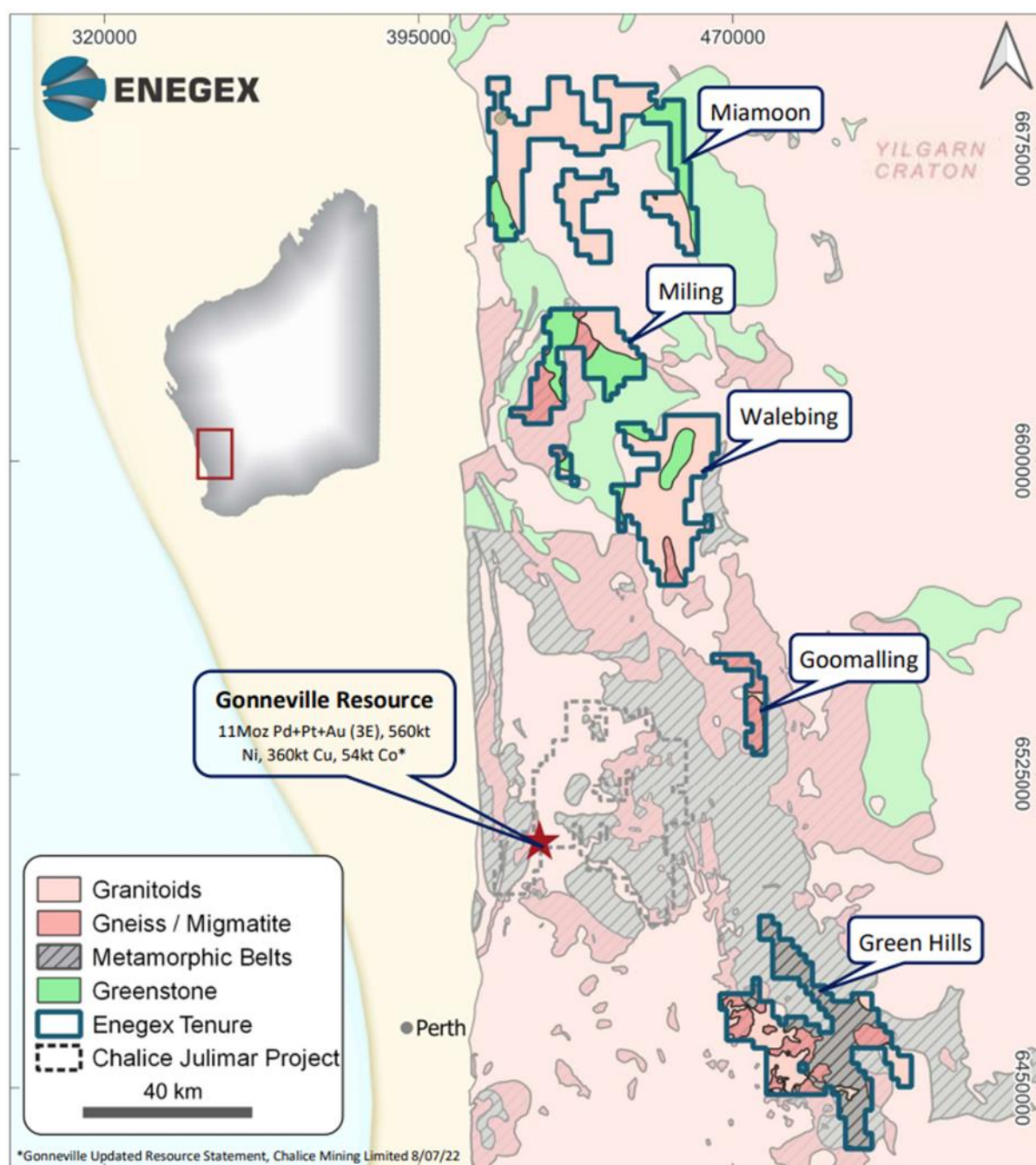


Figure 2. GSWA Interpreted bedrock geology 1:500,000 scale with Enege Tenure.

Whilst the geology of EnegeX tenements is, at this stage, not well defined, government geology maps record small areas of outcropping mafic (greenstone) to ultramafic units scattered across a number of EnegeX tenement areas including Miamoon and Milling. The presence of these mafic-ultramafic rock units on EnegeX tenements is encouraging, with further definition and evaluation of these units needed to determine mineralisation potential.

Exploration Activities

Summary

Activities during the quarter continued to be focused on landholder access negotiations over all of the project areas in order to enable exploration on private freehold property. Contact with landowners over higher ranked target areas has been prioritised which will allow expeditious access once crops have been harvested. A soil sampling program was completed at Miamoon, over geophysical targets 29 and 30.

Partial tenement relinquishments were executed for the Miamoon, Walebing, Goomalling and Green Hills projects, and a full relinquishment was made for one tenement from the Miamoon project. All exploration targets have been retained.

EnegeX's near term objective is to define quality drill targets for drill testing as soon as feasible. Target rankings are being dynamically assessed based on accessibility, reconnaissance field visits and geochemical sampling.

Miamoon Project

At its flagship Miamoon Project, EnegeX acquired an Airborne Falcon Gravity Gradiometer (AGG) survey over the western part of the Miamoon Project in late 2021 for which interpretation and modelling was subsequently completed.

Numerous geophysical target areas were defined from the gravity data interpretation and are shown on the right panel of **Figure 3**, with priority targets highlighted in red.

During the quarter, a first pass soil sampling program consisting of 123 samples was completed over geophysical targets 29 and 30 that are located in the far south west of the Miamoon project (**Figures 3 and 4**). Samples were sent to Genalysis Intertek and assayed using multi-element leachwell method MSQ53 with low level Platinum anomalism returned. Further grab samples will be collected from a dolerite within the target area that may contain above background level levels of platinum.

A DMIRS co-funded drilling grant under the Exploration Incentive Scheme (EIS) in respect of RC drilling at the Miamoon project was previously awarded to EnegeX and is available for drilling completed in the period ending 31 May 2023. The

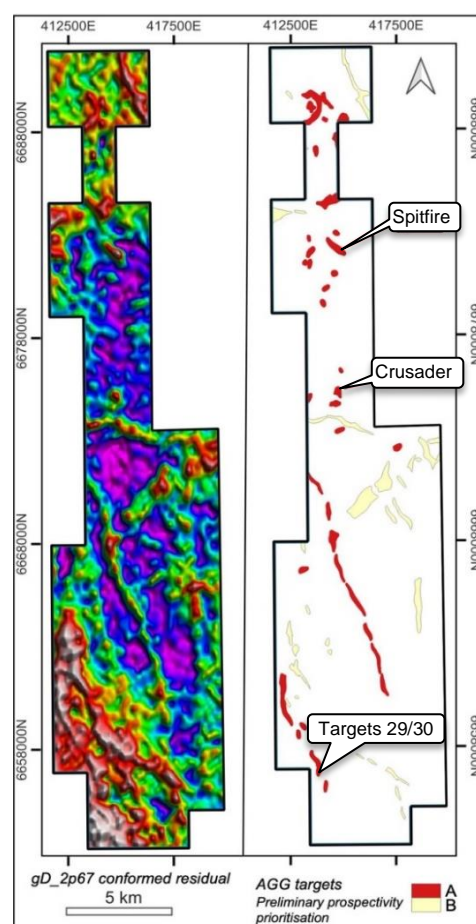


Figure 3. Miamoon Gravity Survey and anomalies.

grant is for an amount of \$90,500 and based on drilling 6 RC holes for 1600m to test the Spitfire target.

Access has not been granted by freehold landholders over the 'Spitfire' and 'Crusader' priority drill target areas and thus limited progress has been made on these targets. Negotiations for access to the landholdings that cover these targets will continue.



Figure 4. Soil sampling at targets 29 and 30 at the Miamoon project.

Miling Project

EnegeX has a number of prioritised targets at the Miling project where magnetic anomalies are coincident with prospective stratigraphy and also where mineralised trends identified on adjacent tenements potentially extend in strike into EnegeX tenements (**Figure 5**).

Work has continued on gaining land access over priority target areas with ongoing landholder negotiations across the Miling project. Landowner access negotiations for the northern part of E70/5445 where the Ni-Cu-PGE anomaly in the adjacent Todd River Resources tenure is projected to extend is still ongoing.

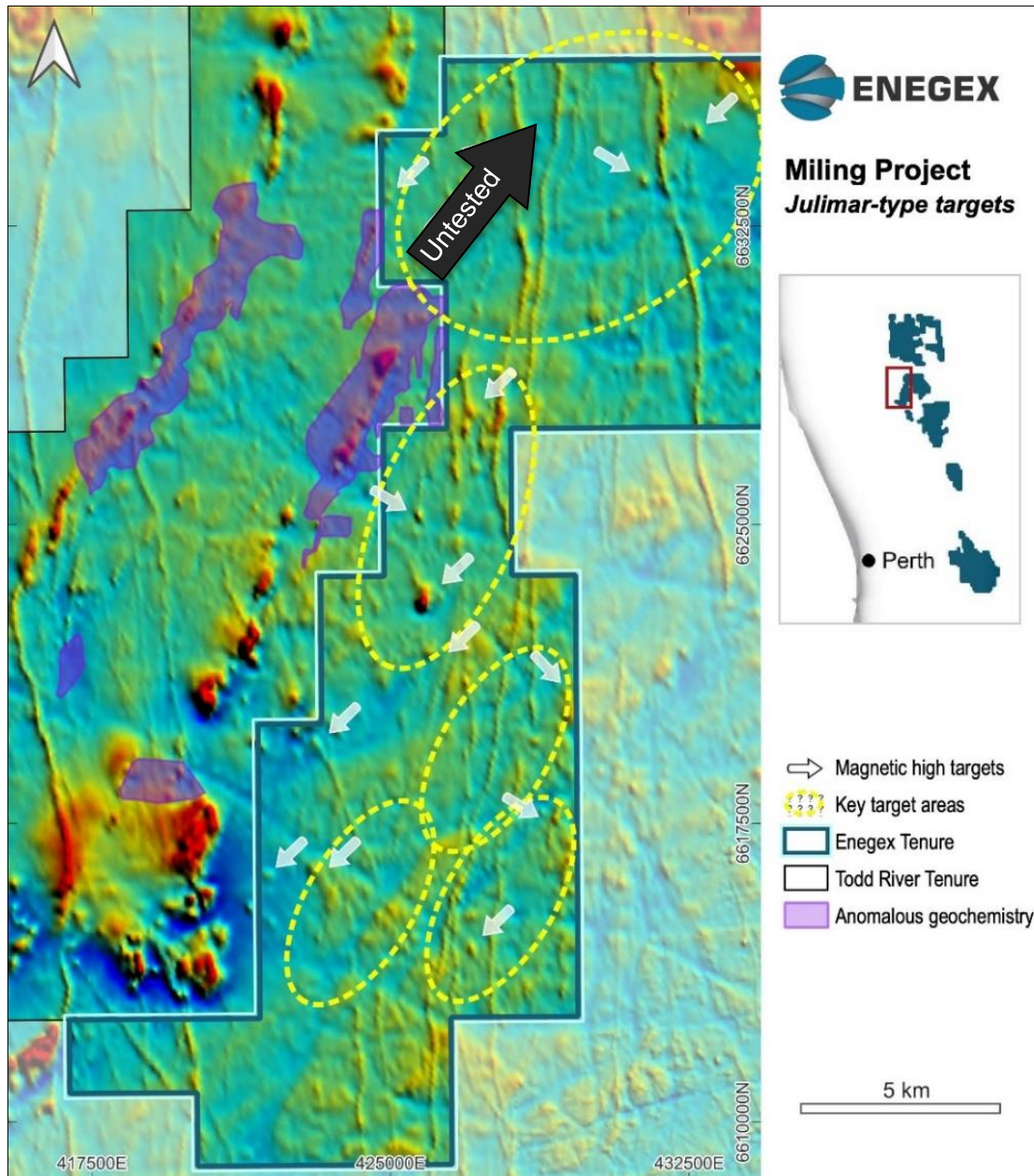


Figure 5. Miling Project target areas on magnetics and anomalous geochemistry zones.

Several occurrences of mafic and ultramafic rocks were observed prior to the cropping season that are potential host rocks for the Ni-Cu-PGE mineralisation style that Enegeex is targeting. These areas will be the focus of more detailed mapping in granted access areas once crops have been harvested.

Other West Yilgarn Projects Areas

Enegeex's activities across its southern West Yilgarn project areas (Walebing, Goomalling and Green Hills) consisted of ongoing communications and new contacts with landowners over priority target areas. This will ensure as much land as possible will be accessible for exploration once crops are harvested to maximise field season productivity.

Extraction and capture of soil sample data and 3 diamond drill holes located within and just to the east of the Walebing project was completed and uploaded to Enegeex's SQL database.

Interpretation of new datasets in conjunction with integration of historical map and data sets underpin target generative activities that define EnegeX's forward exploration framework. An important aspect of this process will be field checking target areas during the coming field season.

West Yilgarn Landholding Reductions

EnegeX's West Yilgarn landholding was successfully reduced by ~25% during the quarter whilst retaining all exploration targets. The relinquishment followed a review of EnegeX's extensive tenement holdings in light of our evolving exploration model, with a decision to focus exploration on priority target areas. This will reduce exposure and administrative overheads for areas that did not contain exploration targets. As a result, partial tenement relinquishments were made on 12 tenements from the Miamoon, Walebing, Goomalling and Green Hills projects, and a full tenement relinquishment was made for the E70/5459 tenement from the Miamoon project.

Hart Project, North Kimberley - EnegeX 100%

EnegeX's Hart project consists of two tenement areas along the eastern margin of the Kimberley Basin of Western Australia (**Figure 6**). The tenements incorporate one granted tenement covering 374km² (E80/5354) and a second tenement of 350km² under application.

The geology of the Hart project has been mapped largely as a regionally extensive Proterozoic sill complex termed the "Hart Dolerite". The understanding of the geology is still developing within the project area, but mapping of the Hart Dolerite complex indicates the dolerite consists of a layered series of intrusive rocks including mafic sills that are mostly tholeiitic in composition. Tholeiitic compositions, although associated with a wide range of tectonic settings are often associated with higher prospectivity for Ni, Cu, PGE, V and Ti mineralisation, concentrated in specific layers within the intrusive complex.

Previous exploration by other companies within the mafic-ultramafic intrusion units across the Halls Creek Orogen have identified a number of Ni sulphide deposits including the Savannah (Sally Malay) and Copernicus (Alicia Downs Ultramafics) deposits in addition to numerous untested prospects along the belt.

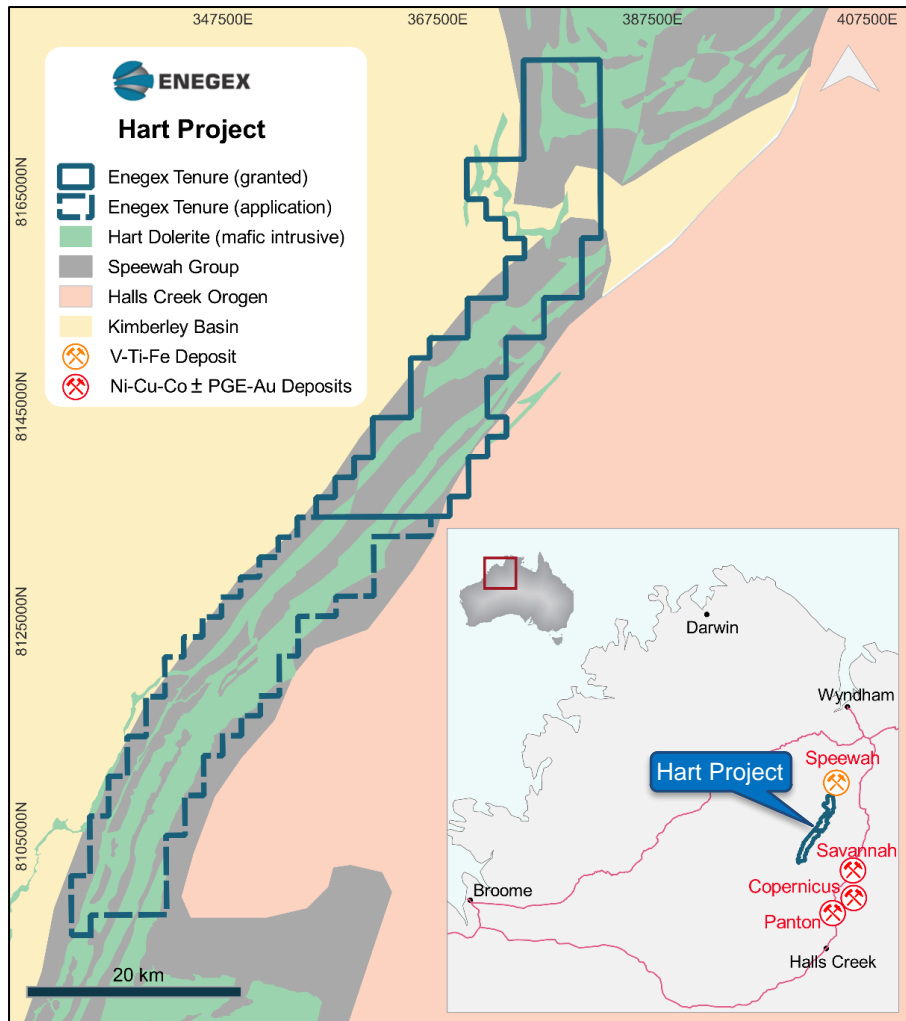


Figure 6. Hart Project Location.

Exploration Activities

Final rock sample assay results were received during the quarter from the Hart project reconnaissance exploration campaign that was completed between July and August 2022 (**Figure 7**). The mapping campaign highlighted a strongly magnetic gabbroic sill that is considered to be the same prospective horizon that hosts the Speewah V-Ti-Fe resource. A felsic rock unit prospective for low-sulfide style PGE-Cu-Ni mineralisation was also defined that consists of multiple horizons with an extensive lateral footprint.

A total of 214 samples were collected with a subset of approximately 140 samples selected and submitted for Aqua Regia multi-element analysis at Genalysis Intertek, Perth. A further subset of 54 and 36 samples were then submitted for 4-acid digestion method and fire assay analysis respectively.

The results confirm the potential for Ni-Cu-PGE and V-Ti mineralisation with up to 0.37% V_2O_5 and 2.14% Ti within the magnetic gabbro sill. This horizon is also anomalous in PGEs, Au, Co, Cu and Ni, but further work is required to identify zones of PGE enrichment. The anomalous results are located over a strike length of 14km.

A sample of felsic intrusive with 380ppb Au was returned from the northern tenement at the Central target. The sample is located between the Pentecost and King River Faults that are major regional fault structures indicating that there is potential for structurally controlled Au deposits (**Figure 7**).

Thin sections have been prepared for 13 samples and SWIR analysis has been completed for 4 samples. The thin sections and SWIR data will be reviewed in early 2023.

Once the review of the thin sections and SWIR data is completed, all data will be used to assess the prospectivity and to refine and update the exploration model. Target areas will be prioritised for further work and to frame potential field work programs.

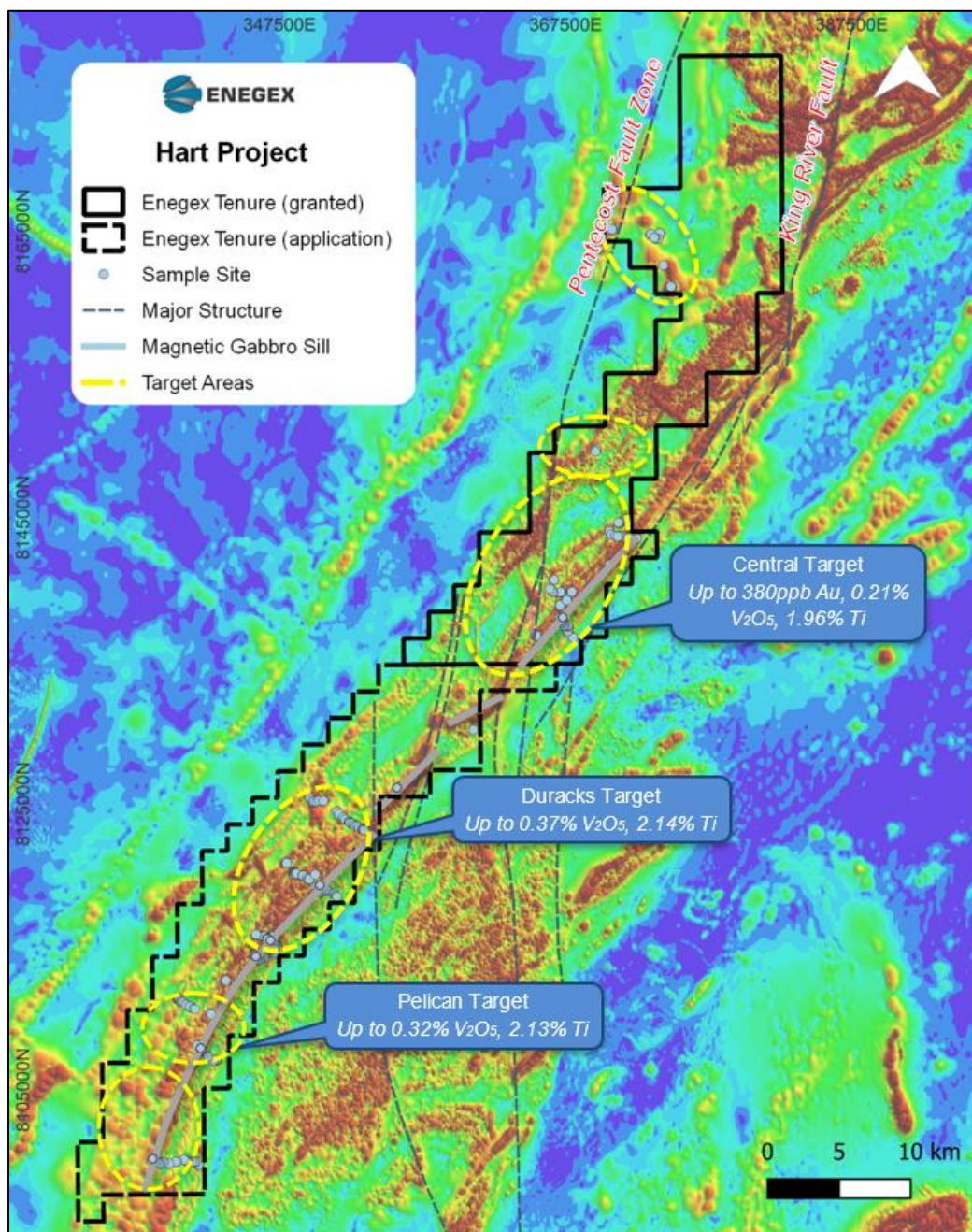


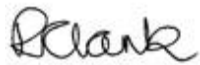
Figure 7. Location of rock chip results at the Hart Project.

Corporate

Following the end of the quarter, on 30 January 2023, the Company announced it will launch a Share Purchase Plan (SPP) whereby it will offer shareholders on the share register as at 27 January 2023 with registered addresses in Australia and New Zealand the opportunity to apply for a maximum of \$30,000 worth of New Shares in the Company.

New Shares will be issued at a price of \$0.03, together with a 1 for 2 unlisted option with an exercise price of \$0.05 and an expiry date of 31 January 2026.

By Order of the Board



Rae Clark, Director
30 January 2023

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	Energex Interest	Km ²	Tenement Status
Western Australia (Kimberley Region)			
E 80/5354	100%	373.79	Granted
E 80/5355	100%	350.22	Application
Western Australia (South-West Terrane)			
E70/5446	100%	207.63	Granted
E70/5457	100%	162.98	Granted
E70/5458	100%	207.86	Granted
E70/5460	100%	195.69	Granted
E70/5463	100%	166.28	Granted
E70/5444	100%	203.85	Granted
E70/5445	100%	203.80	Granted
E70/5439	100%	159.18	Granted
E70/5440	100%	206.05	Granted
E70/5441	100%*	58.91	Granted
E70/5442	100%*	82.33	Granted
E70/5631	100%	114.97	Granted
E70/5580	100%	114.33	Granted
E70/5566	100%	168.74	Granted
E70/5567	100%	122.38	Granted
E70/5568	100%	75.55	Granted
E70/5569	100%	203.83	Granted
E70/5570	100%	116.16	Granted
E70/5571	100%	171.58	Granted

* via First Right of Refusal

Tenements acquired during the quarter and their location

Nil

Tenements disposed of during the quarter and their location

E70/5459, located in the south west part of the Miamoon project.

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

Nil

Additional Information Required by Listing Rule 5.3.5

Payments to related parties during the quarter included in Appendix 5B – Quarterly Cash Flow Report

Payments were made to directors and their associates during the quarter totaling approximately \$62,000. Payments were for contracted services including consulting fees, office costs and administrative support.

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 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(51)	(92)
	(e) administration and corporate costs	(66)	(222)
1.3	Dividends received (see note 3)		
1.4	Interest received		
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 from / (used in) operating activities	(117)	(314)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(5)	(11)
	(c) property, plant and equipment		
	(d) exploration & evaluation	(112)	(314)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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 from / (used in) investing activities	(117)	(325)

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	-	75
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	-	75

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	376	706
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(117)	(314)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(117)	(325)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	75

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	142	142

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	142	376
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)	142	376

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	62
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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 from / (used in) operating activities (item 1.9)	(117)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(112)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(229)
8.4	Cash and cash equivalents at quarter end (item 4.6)	142
8.5	Unused finance facilities available at quarter end (item 7.5)	
8.6	Total available funding (item 8.4 + item 8.5)	142
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.6
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	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?	
	<div style="border: 1px solid black; padding: 5px;"> Answer: Yes. Expected outgoings for the next quarter approximately \$260k. </div>	
8.8.2	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?	
	<div style="border: 1px solid black; padding: 5px;"> <p>Answer: On 30 January 2023, the Company announced it will launch a Share Purchase Plan (SPP) whereby it will offer eligible shareholders the opportunity to apply for a maximum of \$30,000 worth of New Shares in the Company. New Shares will be issued at a price of \$0.03, together with a 1 for 2 unlisted option with an exercise price of \$0.05 and an expiry date of 31 January 2026.</p> <p>Up to approximately 33,783,203 shares and 16,891,602 unlisted options may be issued under the SPP to raise up to a maximum of \$1,013,496.</p> </div>	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<div style="border: 1px solid black; padding: 5px;"> Answer: Yes. On the basis of the answers above. </div>	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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 January 2023

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.