



ENEGEX NL

ABN 28 160 818 986



ANNUAL REPORT 2014

CORPORATE DIRECTORY

G.A. Menzies (Chairman)
R.J. Coppin
B.D. Maltz

COMPANY SECRETARY

R.J. Wright

Registered Office

and Principal Administration Office

Level 21, 500 Collins Street
Melbourne, Victoria 3000, Australia
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Email: admin@enegex.com.au

Auditor

Grant Thornton Audit Pty Ltd
GPO Box 4736
Melbourne, Victoria 3001 Australia

Website: www.enegex.com.au

Share Registry

Link Market Service Limited
Level 1, 333 Collins Street
Melbourne, Victoria 3000 Australia

Telephone: +61 (0)3 9615 9947
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Website: www.linkmarketservices.com.au

Stock Exchange Listing

ASX Limited
Level 45, South Tower, Rialto
525 Collins Street
Melbourne, Victoria 3000 Australia

ASX Code:

ENX Ordinary Shares
ENXO 30 June 2015 Options

Incorporated in the State of Victoria

17 October 2012

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FORWARD LOOKING STATEMENTS

This Annual Financial Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the company or not currently considered material by the company.

RISK FACTORS

Exploration for oil and gas is speculative, expensive and subject to a wide range of risks. There can be no assurance that any well drilled by the company will result in the discovery of oil or gas, nor that any discovery will prove to be commercially viable. Individual investors should consider these matters in light of their personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional adviser as to the suitability of an investment in the Company.

CHAIRMAN'S REVIEW

Enege listed on the Australian Securities Exchange on 8 October 2013 following implementation of the Schemes of Arrangement between Enege and its previous owner, Moby Oil and Gas Limited.

Since listing, Enege has focussed on its projects in the Browse, Bass and Carnarvon Basins, offshore Australia.

During the year the Cornea Retention Lease WA-54R, in which Enege holds a 14.875% participating Interest, was granted. Enege is participating in the work programme approved under the terms of grant with a view to unlocking the value inherent in the Cornea oil and gas accumulations.

Enege has participated in work programmes designed to assess the prospectivity of the Vic/P47 Permit. Since year end, application has been made to NOPTA for the Year 5 work programme to include reprocessing of existing 3D seismic over the Judith gas field and further inversion studies to help obtain a better understanding of the Judith field, with a view to delineation of a future drilling target.

In WA-409-P, Apache, as farminee and operator, has been carrying Enege and the other participants in the Permit through the current work program. Recently, Apache has given notice of its intention to withdraw from the Permit with effect from the end of this year. Thus the farmin carry will be at an end. If the Permit is renewed, as a condition of prior variations, it must be renewed with an exploration well forming part of the committed work programme for the primary term of the renewed permit. Enege will not participate in any renewal with such a requirement.

Enege has, during the year, reviewed a proposal relating to possible acquisition of interests in Papua-New Guinea. After consideration, Enege declined to participate in the opportunity offered to it. Since year end, it has reviewed data relating to an onshore oil and gas acquisition opportunity in Australia, but has also declined to participate in that opportunity.

Short of acquiring other assets, the most substantial prospect of an increase in shareholder value for Enege members relates to enhancement of the Vic/P47 Permit, provided the proposed variation to the current Permit Year 5 work programme is approved, or to the enhancement of the Cornea Project as the work programme resolves the existing technical barriers to development and production.

Enege remains open to acquisitions in the oil and gas sector which, with associated capital raising, might have the capacity to transform Enege's activities and structure.



G.A. Menzies
Chairman

17 October 2014

DIRECTORS' REPORT

The directors present their report on the results and state of affairs of EnegeX NL (**the company** or **EnegeX**) for the year ended 30 June 2014.

PRINCIPAL ACTIVITY

The principal activity of the company during the financial year ended 30 June 2014 was oil and gas exploration, which has remained unchanged since incorporation of the company.

FINANCIAL RESULTS FOR THE YEAR

The company recorded an operating loss after income tax for the year ended 30 June 2014 of \$373,165 (2013: \$Nil).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Demerger of EnegeX N L

EnegeX listed on the Australian Securities Exchange ("ASX") on 8 October 2013 following implementation of the Schemes of Arrangement between EnegeX and its previous owner, Moby Oil and Gas Limited ("Moby"). Moby was delisted from the ASX on 4 October 2013.

DIVIDENDS

No dividend has been paid, provided or recommended during the financial year and to the date of this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The likely developments in the company's operations in future years and the expected result from those operations are dependent on exploration success in the permit areas in which the company holds an interest, as described in the Review of Operations section of this report.

REVIEW OF FINANCIAL POSITION

At 30 June 2014, the company had a working capital (current assets less current liabilities) surplus of \$657,359 (2013: \$1).

REVIEW OF OPERATIONS

The company holds working interests in two petroleum exploration permits and a petroleum retention lease in the offshore basins of Australia. One of the exploration permits is located in the Carnarvon Basin (WA-409-P) and the other in the Gippsland Basin (Vic/P47). The petroleum retention lease is located in the Browse Basin (WA-54-R). Details of these permits and retention lease and the work activities undertaken in each one during the financial year are provided in this section.

WA-409-P – Carnarvon Basin

The WA-409-P Joint Venture consists of the following parties:

Apache Northwest Pty Ltd	40.00% and Operator
Rankin Trend Pty Ltd	13.50%
(subsidiary of Moby Oil & Gas Limited)	
EnegeX NL *	16.50%
Cue Exploration Pty Ltd	30.00%

* subject to approval and registration by the National Offshore Petroleum Titles Administrator (NOPATA)

On 20 October 2010, Rankin Trend Pty and Cue Exploration Pty Ltd entered into the Apache Farmin Agreement under which Apache earned a 40% Participating Interest in and operatorship of WA-409-P by acquiring, processing,

mapping and interpreting the Zeebries 3D seismic survey at its cost. Under the terms of the Apache Farmin all work commitments under the WA-409-P Permit are presently being met by Apache and will be so met until the end of the current permit year. That work program comprises PSDM Reprocessing of 500km³ 3D Seismic Data, QI study and Geotechnical Studies.

On 23 September 2014, Apache gave the participants in the Joint Venture notice in accordance with the WA-409-P Joint Venture Operating Agreement (JVOA) of its decision to withdraw from WA-409-P and the JVOA with effect from the last day of the current permit year. At present the current permit year ends on 29 January 2015 but the Joint Venture has applied for an extension of the current permit year for a further 3 months. If the extension is granted, the current permit year will expire on 29 April 2015. Apache has also given notice that it resigns as operator under the JVOA.

The WA-409-P permit is displayed in the Carnarvon Basin Permit Location Map below.

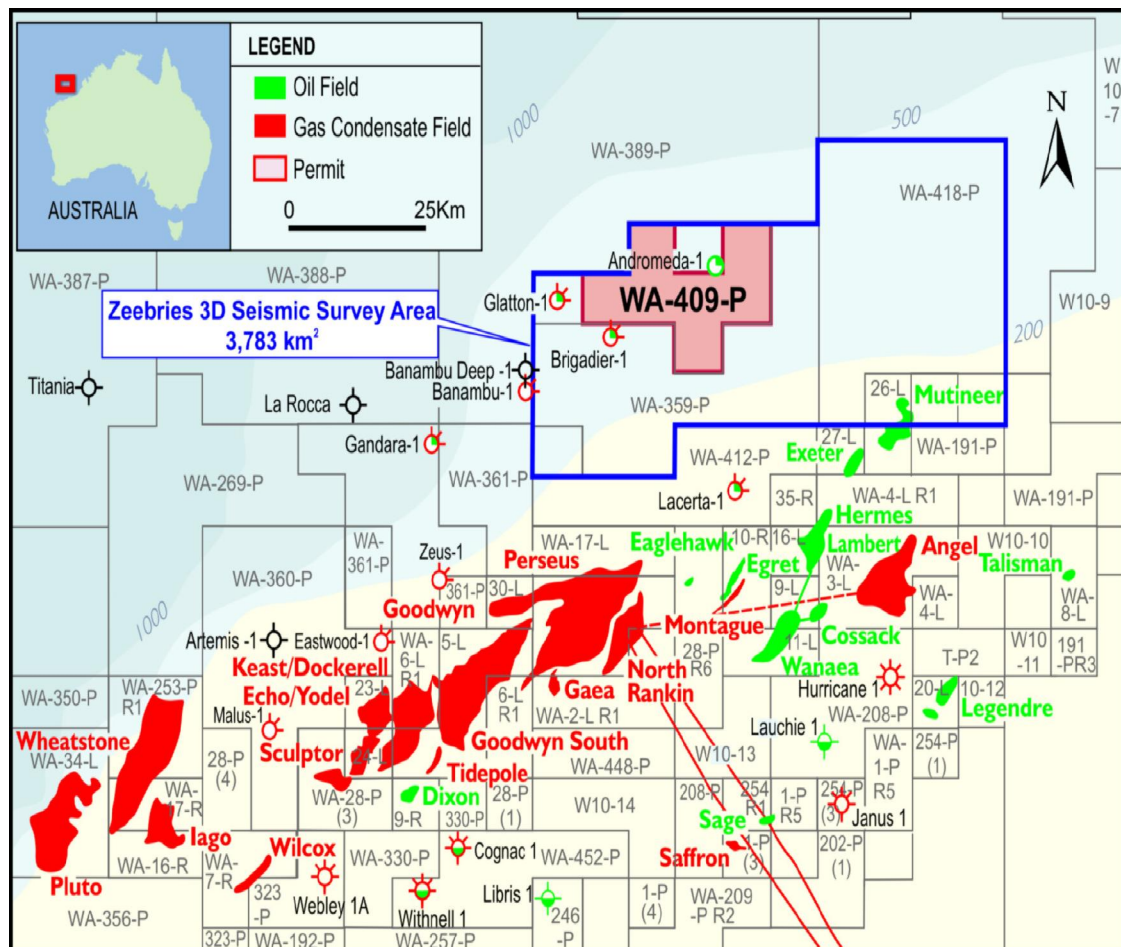


Figure 1: Carnarvon Basin Permit Location and Zeebries 3D Seismic Survey Map

WA-54-R – Cornea Retention Lease

The Cornea Joint Venture consists of the following interests:

Moby Oil & Gas Limited	7.500%
Enegetics NL	14.875%
Cornea Oil & Gas Pty Ltd	17.000%
Cornea Petroleum Pty Ltd	14.875%
Cornea Resources Pty Ltd	13.100% and Operator
Octanex Group. (ASX Code: OXX)	18.750%
Coldron Pty Ltd	7.500%
Auralandia Pty Ltd	6.400%

Award of the Cornea Retention Lease

The Retention Lease was granted for an initial 5-year term in May 2014 and is located in the Browse Basin, offshore from Western Australia. WA-54-R covers the Cornea Location Area of six graticular blocks (approximately 497 km²) located within what was the WA-342-P permit and incorporates the Cornea oil and gas accumulations (**Greater Cornea Fields**). The Greater Cornea Fields include the Cornea (Central and South), Focus and Sparkle Oil Fields and the Cornea North (Tear) Gas Field – see the Figure 2 Cornea Retention Lease Location Map.

Work Programme designed to achieve early commercial production

The Greater Cornea Fields are seen as an economic value opportunity and the path to early development is to overcome the technical challenges to unlock that value as quickly as possible. The work programme calls for extensive engineering and complementary studies. In the main, the studies are a lead up to the first and fundamentally important operational activity of drilling a production test well in Year 4.

The design and required technologies for drilling and producing from what will likely be a horizontal test well are complex. The studies have been structured to overcome the technical challenges likely to be faced in bringing the Greater Cornea Fields into commercial production. The oil and gas volumes in the Greater Cornea Fields are such that, if threshold production flow rates can be demonstrated, the economics should be immediately attractive and provide a reasonable expectation of commercial development.

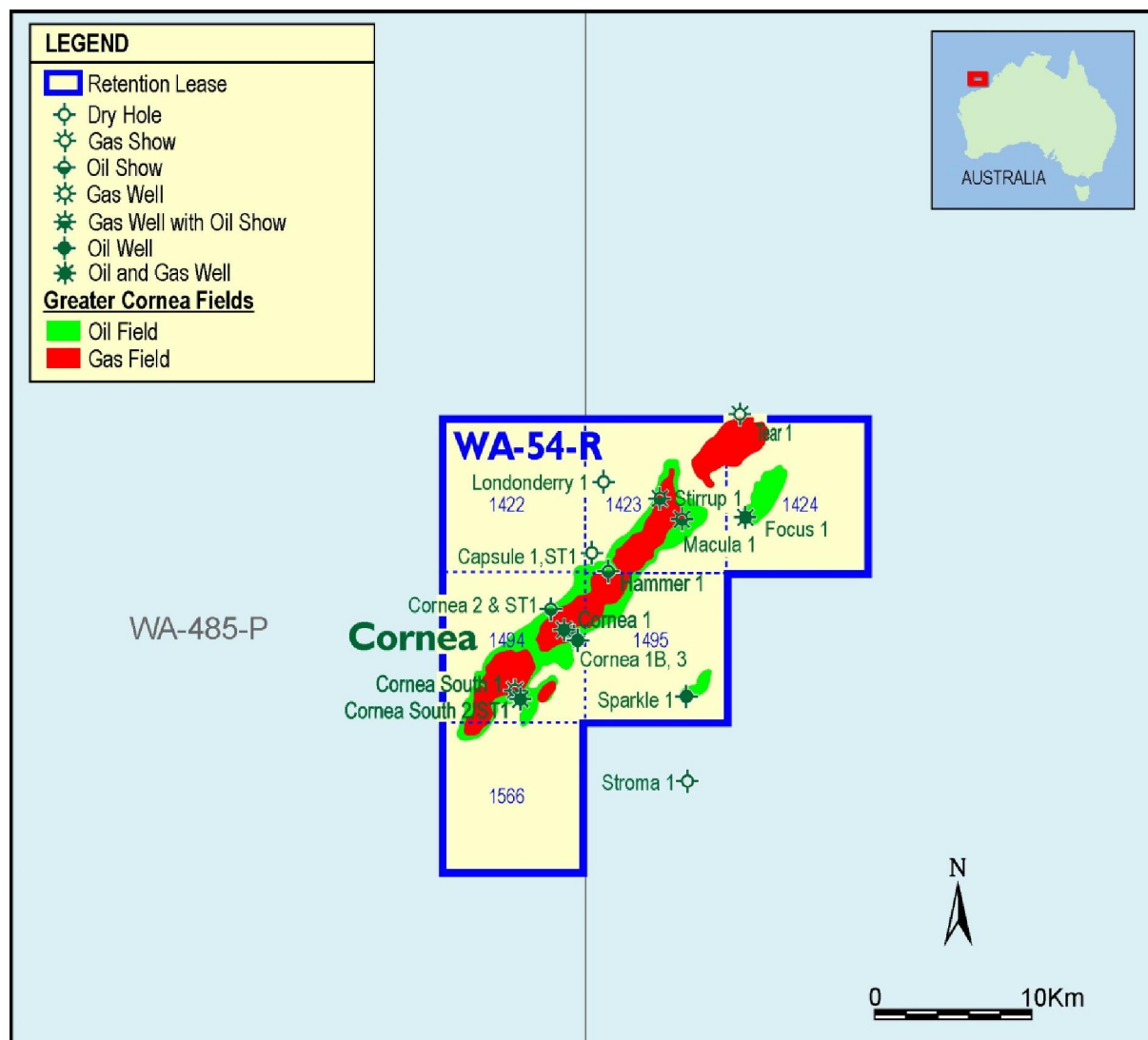


Figure 2: Cornea Retention Lease Location Map

Development scenario

For the purposes of undertaking a preliminary economic analysis, a full development of the southern portion of the Cornea South and Central Oil Fields, based on 32 producing wells around 3 hubs, was the subject of the economic analysis – see the schematic diagram at Figure 3.

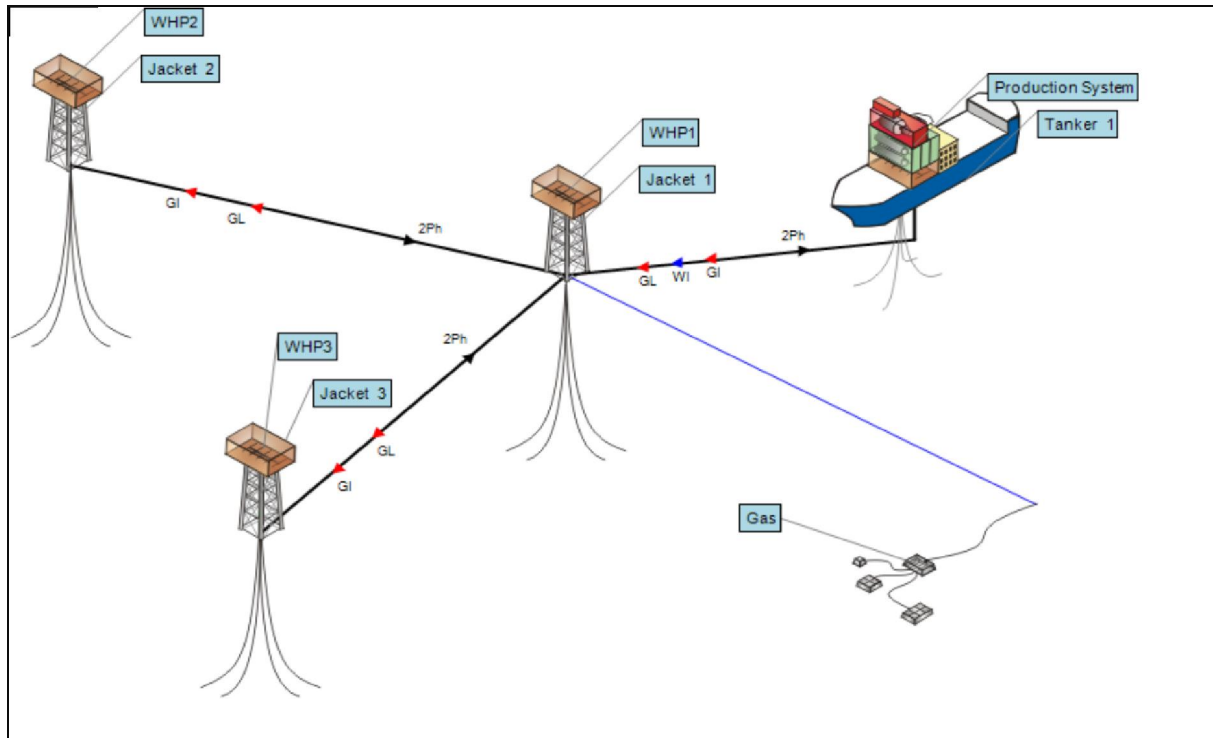


Figure 3: Greater Cornea Fields Preliminary Conceptual Development Schematic

Contingent Oil Resources

Table 1 below presents the probabilistically derived *In-place and Contingent Oil Resources for the Cornea Central and South Oil Fields*, with no development risk having been applied in deriving these volumes.

Middle Albian B & C Sands	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)	Units
Total Oil In-place	298.0	411.7	567.2	mmbbl
Recovery Factor (RF)	2	7	25	%
Contingent Oil Resources	7.9	28.8	101.9	mmbbl
Prospective Enegex Economic Interest*	1.16	4.28	15.16	mmbbl

* Based on Enegex's 14.875% Participating Interest in WA-342-P.

Table 1: In-place and Contingent Oil Resources for Cornea Central and South Fields

WA-342-P – Cornea Exploration Permit

Following the grant of the Cornea Retention Lease, the decision was made to surrender the WA-342-P permit.

Vic/P47 – Gippsland Basin

The Vic/P47 Joint Venture consisted of the following parties:

Sequest Petroleum Pty Ltd	40.00% and Operator
Moby Oil & Gas Limited	15.75%
Enege NL*	19.25%
Oil Basins Limited (“ASX Code:OBL”)	25.00%

* subject to approval and registration by NOPTA

Moby originally held a 35% undivided Participating Interest in Vic/P47 from which Enege’s 19.25% participating Interest is derived.

The Vic/P47 permit is located in the offshore Gippsland Basin, 14 km from the coast and south of the Victorian town of Orbost with water depths ranging up to 80 metres – refer to the *Vic/P47 Location Map* (Figure 4).

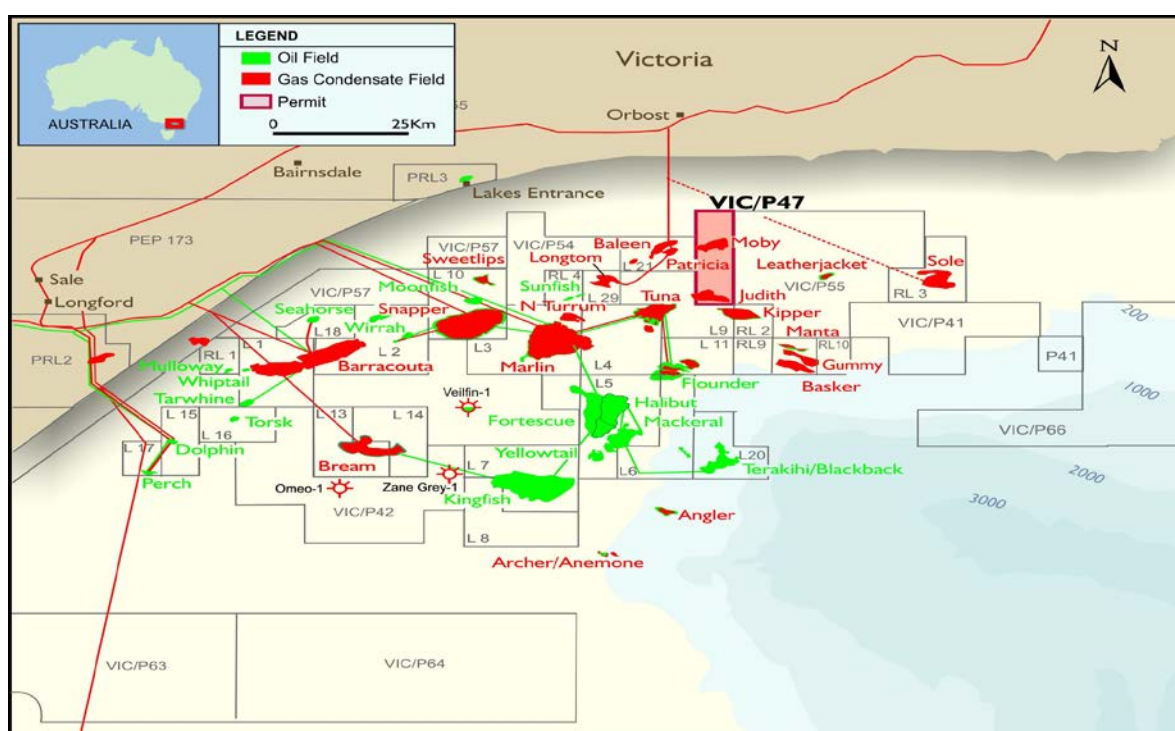


Figure 4: Vic/P47 Permit Location Map

The permit is in Year 4 of the first 5-year renewed term, where the work commitments are to carry out a reappraisal of the Judith gas resource and conceptual field development and well design studies. This follows the gas marketing studies and conceptual appraisal planning completed during Year 3. A further six month suspension and extension of the permit was granted on 26 June 2014. Year 4 of the permit now ends on 15 November 2014. The Year 4 program continues to be progressed.

DIRECTORS

The directors in office during the entire financial year and to the date of this report were:

GA Menzies LL.B

Chairman and Chief Executive Officer

Executive Director

Director since 17/10/12

Mr Menzies is a barrister and solicitor. He graduated from Melbourne University in 1971 and qualified for admission to the degree of Master of Laws in 1975. He was admitted to practice in 1972.

Since 1987 he has carried on practice as a sole practitioner under the name of Menzies & Partners. In the course of his legal practice Mr Menzies has been involved in a wide range of activities, including takeovers, litigation in respect thereof, numerous capital raisings and corporate reconstructions. He has been involved as a lawyer in the listing of a large number of public companies ranging from junior explorers to substantial mining companies. Over recent years his activities have focused primarily on corporate reconstructions and capital raisings.

Mr Menzies is a director of Octanex NL, as well of a number of private and unlisted public companies.

RJ Coppin B.Sc. (Hons)

Non-Executive Director

Director since 17/10/12

Mr Coppin graduated from the University of Adelaide in 1965 with a Bachelor of Science with Honours, majoring in Geology and Physics. For the next 45 years he worked in the petroleum exploration industry, beginning with the South Australian Department of Mines and then moving to Esso in Australia and Malaysia where, as Exploration Projects Manager, he was involved in several oil and gas discoveries in the Malay Basin.

After a period with Exxon USA in Houston, Mr Coppin returned to Esso Australia as Western Division Manager in charge of exploration in Western Australia and the Delhi interests in the South Australian Cooper Basin. He then joined Santos Limited as South East Asia Exploration Manager and in this position was responsible for Santos' exploration interests in Papua New Guinea and Malaysia and new venture activities in Vietnam, Cambodia, Thailand and Myanmar.

From 1994 to 2010, Mr Coppin was with Cue Energy Resources Limited where he oversaw that company's focus on Papua New Guinea, Indonesia, New Zealand and Australia. For the last 12 of those years he was Chief Executive Officer of Cue. Mr Coppin is a former officer of the Australia Petroleum Production and Exploration Association where he was a councillor for 10 years and for 8 years was chairman of the APPEA exploration committee.

BD Maltz B Bus, CA

Non-Executive Director

Director since 12/03/13

Mr Maltz is a Chartered Accountant with more than 15 years experience and a background in both public practice and commerce. He has been involved in a wide range of corporate transactions in the resources, funds management and financial services industries. He joined the Albers Group in 2008 as tax manager.

Prior to joining the Albers Group, Mr Maltz worked in the funds management industry, with full responsibility for the taxation requirements of a large fund manager and its property, agriculture and venture capital funds. He commenced his professional career in the mid-1990s at national chartered accounting firms in Sydney and Melbourne, advising high net worth individuals and corporates. Mr Maltz is a member of the Institute of Chartered Accountants in Australia and is a registered Tax Agent.

COMPANY SECRETARY

RJ Wright B Bus, CPA – *appointed 17 October 2012*

Mr Wright is a senior financial professional with over 25 years commercial experience in the resource, energy and manufacturing industries gained at various companies and locations, including 14 years at BHP. As well as carrying out his secretarial duties for EnegeX, he is the company's Chief Financial Officer and the Company Secretary and CFO of several listed and unlisted exploration companies. Mr Wright is a member of CPA Australia.

BOARD AND COMMITTEE MEETINGS

The following table sets out the number of meetings held during the year and the number of meetings attended by each director.

	Board of Directors		Audit Committee	
	Held	Attended	Held	Attended
GA Menzies	2	2	1	1
RJ Coppin	2	2	1	1
BD Maltz	2	2	1	1

The board undertakes all audit committee functions.

DIRECTORS' INTERESTS

At the date of this report, the relevant beneficial and non-beneficial interests of each of the directors in the shares and options in the company were:

	<i>Ordinary Shares</i>	<i>30/06/2015 Listed Options</i>
GA Menzies	1,479,444	268,333
RJ Coppin	16,667	-
BD Maltz	41,416	235,000

SHARE CAPITAL

ORDINARY SHARES

Following implementation of the Schemes of Arrangement between EnegeX and its previous owner, Moby Oil and Gas Limited ("Moby") Moby shareholders, including the directors of EnegeX NL, were issued one fully paid EnegeX Share in exchange for every three Moby Shares held at 1 July 2013. This resulted in 53,666,486 ordinary fully paid shares in the company being issued during the year ended 30 June 2014.

OPTIONS

Following implementation of the Schemes of Arrangement between EnegeX and Moby option holders, including the directors of EnegeX NL, were granted one EnegeX Option in exchange for every three Moby Options held at 30 June 2013. Details of the listed options outstanding at the date of this report are:

- 30 June 2015 Listed Options – Exercise price 10 cents – 7,357,105 Options (2013: Nil).

REMUNERATION REPORT

This report is audited.

Directors / Executives	Position Held
GA Menzies	Chairman and Chief Executive Officer
RJ Coppin	Non-Executive Director
BD Maltz	Non-Executive Director

REMUNERATION REPORT (Continued)

All directors held their position for all of the year ended 30 June 2014 and to the date of signing this report.

During the year there were no employees or consultants to the company that meet the definition of key management personnel, other than the directors.

Remuneration levels for company officers are competitively set to attract and retain experienced directors.

The remuneration structure explained below is designed to attract suitably qualified candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders.

The remuneration structure takes into account:

- the capability and experience of the directors;
- the ability of directors to control the entity's performance; and

Remuneration levels are reviewed annually through a process that considers the performance of individual directors and the overall performance of the entity.

Director Remuneration

During the year under review, directors were remunerated a total of \$98,325 (2013: \$Nil) which included shareholder-approved non-executive remuneration of \$65,550 (2013: \$Nil).

There is no performance related remuneration for directors. Directors' remuneration paid covers all board activities including serving on committees.

The directors do not receive employee benefits, including annual leave and long service leave, but remuneration may include the grant of options (share based payments) over shares of the company to align directors' interests with that of the shareholders. The company aims to reward directors with a level and mix of remuneration commensurate with their position and responsibilities within the company.

There is no direct relationship between remuneration of directors and the company's performance since incorporation

Components of directors' compensation are disclosed below.

		<i>Short Term</i>		<i>Post</i>	<i>Equity</i>	<i>Total</i>	
	<i>Year</i>	<i>Directors</i>	<i>Other</i>	<i>Employment</i>	<i>Settled</i>		
		<i>Fees</i>	<i>Fees</i>	<i>Super-</i>	<i>Options</i>		<i>Options as</i>
		<i>\$</i>	<i>\$</i>	<i>annuation</i>	<i>\$</i>	<i>\$</i>	<i>percentage of</i>
				<i>\$</i>			<i>Total</i>
GA Menzies	2014	30,000	-	2,775	-	32,775	-
	2013	-	-	-	-	-	-
RJ Coppin	2014	30,000	-	2,775	-	32,775	-
	2013	-	-	-	-	-	-
BD Maltz	2014	30,000	-	2,775	-	32,775	-
	2013	-	-	-	-	-	-
TOTAL	2014	90,000	-	8,325	-	98,325	-
	2013	-	-	-	-	-	-

End of Remuneration Report

INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year and to the date of this report, the company did not pay premiums in respect of contracts insuring officers or auditors of the company against liabilities arising from their position of officers or auditor of the company.

ENVIRONMENT, HEALTH AND SAFETY

The company has adopted an environmental, health and safety policy and conducts its operations in accordance with the APPEA Code of Practice.

The company's petroleum exploration activities are subject to environmental conditions specified in the Offshore Petroleum and Greenhouse Gas Storage Act 2006, associated Regulations and Directions, as well as the Environment Protection and Biodiversity Conservation Act 1999. There were no known contraventions of any relevant environmental regulations by the company, its subsidiary or by the operator of any of the permits in which an interest is held.

The company believes all injuries are avoidable and has policies and procedures to ensure employees and contractors manage safety accordingly. The company monitors and evaluates its procedures. During the year there were no known contraventions of health and safety by the company or reported health and safety incidents.

During the year the company did not act as operator of any of the exploration permits in which an interest is held.

CORPORATE GOVERNANCE

The ASX Corporate Governance Council has issued "Corporate Governance Principles and Recommendations" (the CGC Paper) requiring ASX listed companies to report their corporate governance practices against those principles and recommendations. The directors have agreed the company adopt those principles and recommendations set out in the latest CGC Paper that are appropriate to a company of the size and stage of development of Enegex.

WEBSITE

The company has a website that can be found at www.enegex.com.au where relevant company documents and information are displayed.

EVENTS SINCE BALANCE DATE

There has been no significant after balance date event up to the date of signing this report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

A copy of the auditor's independence declaration, as required under Section 307C of the Corporations Act 2001, is attached and forms part of this Directors' Report for the year ended 30 June 2014.

No fees were paid to the auditor for non-audit services.

Signed in accordance with a resolution of the directors in Melbourne on 30 September 2014.

A handwritten signature in black ink, appearing to read 'G A Menzies', with a small dot at the end of the line.

G A Menzies
Director

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and
 - (a) comply with Accounting Standards and the Corporations Regulations 2001;
 - (b) give a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (c) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The remuneration disclosures included in pages 8 to 9 of the Directors' Report, (as part of the audited Remuneration Report), for the year ended 30 June 2014, comply with section 300A of the Corporations Act 2001.
4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



GA Menzies
Director

Melbourne, 30 September 2014

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014**

	NOTE	2014 \$	2013 \$
Revenue - interest received		945	-
Expenses	3	(374,110)	-
Loss before income tax expense		(373,165)	-
Income tax expense	4	-	-
Loss for the year		(373,165)	-
Other comprehensive income		-	-
Total comprehensive income for the year		(373,165)	-
Basic loss per share (cent per share)	16	(\$0.930)	-
Diluted loss per share (cent per share)	16	(\$0.930)	-

The above Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2014

	NOTE	2014 \$	2013 \$
CURRENT ASSETS			
Cash and cash equivalents	5	756,812	1
Trade and other receivables	6	2,420	-
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		759,232	1
		<hr/>	<hr/>
NON-CURRENT ASSETS			
Exploration and evaluation assets	7	66,383	-
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		66,383	-
		<hr/>	<hr/>
TOTAL ASSETS		825,615	1
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade and other payables	8	101,873	-
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		101,873	-
		<hr/>	<hr/>
TOTAL LIABILITIES		101,873	-
		<hr/>	<hr/>
NET ASSETS		723,742	1
		<hr/>	<hr/>
EQUITY			
Issued capital	9	1,096,907	1
Accumulated losses		(373,165)	-
		<hr/>	<hr/>
TOTAL EQUITY		723,742	1
		<hr/>	<hr/>

The above Statement of Financial Position is to be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014**

	Issued Capital	Accumulated Losses	Total Equity
	\$	\$	\$
2014			
At 1 July 2013	1	-	1
Transactions with owners in their capacity as owners			
Issue of shares	1,096,906	-	1,096,906
Loss after tax for the period	-	(373,165)	(373,165)
Total comprehensive income for the year	<u>-</u>	<u>(373,165)</u>	<u>(373,165)</u>
At 30 June 2014	<u>1,096,907</u>	<u>(373,165)</u>	<u>723,742</u>
2013			
At 1 July 2012	-	-	-
Transactions with owners in their capacity as owners			
Issue of shares	1	-	1
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
At 30 June 2013	<u>1</u>	<u>-</u>	<u>1</u>

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(274,657)	-
Interest received		945	-
		<hr/>	<hr/>
Net cash outflow in operating activities	(i)	(273,712)	-
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to suppliers - exploration		(66,383)	-
		<hr/>	<hr/>
Net cash outflow from investing activities		(66,383)	-
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares under schemes of arrangement	2	1,096,906	1
		<hr/>	<hr/>
Net cash inflow from financing activities		1,096,906	1
		<hr/>	<hr/>
Net increase in cash and cash equivalents		756,811	1
Cash and cash equivalents at the beginning of the year		1	-
CASH AND CASH EQUIVALENTS AT YEAR END	5	<hr/> 756,812 <hr/> <hr/>	<hr/> 1 <hr/> <hr/> <hr/>
(i) RECONCILIATION OF LOSS TO NET CASH OUTFLOW IN OPERATING ACTIVITIES			
Loss after income tax		(373,165)	-
<i>Changes in Assets and Liabilities:</i>			
Increase in payables		101,873	-
Increase in receivables		(2,420)	-
		<hr/>	<hr/>
Net cash outflow from operating activities		(273,712)	-
		<hr/> <hr/>	<hr/> <hr/>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Enege NL ("Enege" or "the company") is a for-profit company incorporated and domiciled in Australia with its registered office and principal place of business located at Level 21, 500 Collins Street, Melbourne, Victoria 3000. The financial report of the company for the year ended 30 June 2014 comprises the company and its interest in joint operations.

The principal activity of the company during the year was exploration for petroleum in Australia and has remained unchanged since incorporation. The company entered into schemes of arrangement effective 1 July 2013 (Note 2).

The financial report was authorised for issue by the directors on 30 September 2014.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, including the Accounting Interpretations, issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The financial report of the company complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

(b) Basis of preparation

The financial report is presented in Australian dollars which is the company's functional currency and is prepared on the accrual and historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial report and estimates with a significant risk of material adjustment in the next year are discussed in note 1(n).

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(c) Exploration and evaluation expenditure

Exploration and evaluation assets are capitalised as exploration and evaluation assets on an area of interest basis.

Exploration and evaluation costs are only recognised when the rights to tenure of the area of interest are current and either:

- (i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale, or partial sale; or
- (ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if the facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment, accounting policy 1 (g)).

Proceeds from the sale of exploration permits or recoupment of exploration costs from farm-in arrangements are credited against exploration costs previously capitalised. Any excess of the proceeds over costs recouped are accounted for as a gain on disposal.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Restoration, rehabilitation and environmental expenditure

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are provided for as part of the cost of those activities. Costs are estimated on the basis of current legal requirements, anticipated technology and future costs that have been discounted to their present value. Estimates of future costs are reassessed at each reporting date.

(e) Trade and other receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will not be able to collect all amounts due according to the original terms.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call bank deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(g) Impairment of assets

The carrying amounts of the company's assets are reviewed at each statement of financial position date to determine whether there are indicators of impairment. At each reporting date the company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

(h) Share capital

Ordinary share capital is recognised at the fair value of the consideration received by the company. Transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the consideration received, net of any related income tax benefit.

(i) Provisions

A provision is recognised in the statement of financial position when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(j) Trade and other payables

Trade, accruals and other payables are recorded initially at fair value and subsequently at amortised cost. Trade payables are non-interest bearing and are normally settled on 60-day terms.

(k) Revenue

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The initial recognition of assets or liabilities that do not affect accounting nor taxable profit is not provided for in determining deferred tax amounts. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be applied. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company recognises deferred tax assets arising from unused tax losses of the company to the extent that is probable that future taxable profits of the company will be available against which the asset can be utilised.

(m) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Accounting estimates and judgements

Management determine the development, selection and disclosure of the company's critical accounting policies and estimates and the application of these policies and estimates. There are no estimates and judgements that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

There is, however, a risk that actual expenditure to achieve minimum work obligations could differ from estimates disclosed in the notes to the financial statements (Note 13). The estimated amounts represent the higher end of possible future expenditure. Work requirements achieved by farm-ins materially reduce the level of expenditure incurred by the company to comply with work program commitments.

Management has determined that realisation of the estimated deferred tax asset arising from tax losses and temporary differences is not probable and has not brought to account the asset at balance date (Note 4).

Per Note 1(c) and 1(g) management exercise judgement as to the recoverability of exploration expenditure. Any judgement may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Joint Operations

Interest in joint operations is brought to account, by including in the respective classifications, the company's share of individual assets employed, liabilities, income and expenses incurred. Where the company is acquiring or disposing of a joint operation interest the company's share of joint operation assets is based on the contributions made to the joint operation.

(p) Fair value

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures. Fair values for financial instruments traded in active markets are based on quoted market prices at statement of financial position date. The quoted market price for financial assets is the current bid price and the quoted market price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at balance date. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments.

The carrying value (less impairment provision of trade receivables and payables) are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments

(q) Foreign Currency Translation

The functional and presentation currency of the company is Australian dollars (A\$).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

(r) Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to members of EnegeX, adjusted for the after-tax effect of preference dividends on preference shares, if any, classified as equity, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year.

Diluted earnings per share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) New standards adopted during the year

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2013. Information on these new standards is presented below.

AASB 11 Joint Arrangements

AASB 11 supersedes AASB 131 Interests in Joint Ventures (AAS 131) and AASB Interpretation 113 Jointly Controlled Entities- Non-Monetary-Contributions by Venturers. AASB 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, AASB 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. AASB 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates).

Management has reviewed the joint arrangements for its interests in exploration joint ventures in accordance with AASB 11 and has concluded these are joint operations. AASB 11 requires a joint operator to recognise its interest in assets, liabilities, revenue and expenses of the joint operation.

AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements, except in certain circumstances.

AASB 13 applies prospectively for annual periods beginning on or after 1 January 2013. Its disclosure requirements need not be applied to comparative information in the first year of application.

(t) Comparatives

The company was incorporated on 17 October 2012. As such, the comparative amounts disclosed represent the period 17 October 2012 to 30 June 2013.

(u) Accounting standards issued not yet effective

AASB 9 Financial Instruments

This standard introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The entity has not yet assessed the full impact of AASB 9 as this standard does not apply mandatorily before 1 January 2018.

NOTE 2 SCHEMES OF ARRANGEMENT

Effective, 1 July 2013, the company issued 53,666,486 new Enegex shares and granted 7,357,105 new Enegex listed options pursuant to Moby Oil & Gas Limited ("Moby") schemes of arrangement under which the participating shareholders of Moby (being all Moby shareholders other than Moby director EG Albers and interests associated with him) and all Moby optionholders approved the cancellation of their Moby shares and options and, in return, received shares and options issued and granted respectively by Enegex.

Under the Schemes of arrangement Enegex received subscription moneys of \$1,096,906, issued the abovementioned shares and options and increased its contributed equity from \$1 to \$1,096,907.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 2 SCHEMES OF ARRANGEMENT (Continued)

The schemes of arrangement were conditional on EnegeX entering into the farmin agreement with Moby in relation to the WA-409-P permit, WA-342-P permit and the Vic/P47 permit, as described at Note 10. EnegeX acquired participating interests in WA-342-P, WA-409-P and Vic/P47 in consideration of meeting pro rata future work commitments under the terms of Permits. The fair values of the permits acquired under the schemes of arrangement were determined to be \$nil for each of the three permits.

No other assets or liabilities were acquired from the schemes of arrangement.

	NOTE	2014 \$	2013 \$
NOTE 3 EXPENSES			
Audit and other related fees	17	37,000	-
Directors' remuneration		98,323	-
Consultants fees		112,321	-
Management fees		24,000	-
Office costs		13,623	-
Printing and stationery		26,211	-
Stock exchange and registry costs		52,496	-
Other expenses		10,136	-
		<u>374,110</u>	<u>-</u>
NOTE 4 INCOME TAX EXPENSE			
Components of income tax expense			
Current tax (benefit)/expense		(111,949)	-
Deferred tax relating to the origination and reversal of temporary differences		-	-
Deferred tax asset not brought to account		111,949	-
		<u>-</u>	<u>-</u>
Income tax expense		-	-
Reconciliation between tax expense and pre-tax loss			
Loss before tax		(373,165)	-
		<u>(373,165)</u>	<u>-</u>
Income tax using statutory income tax rate of 30% (2013: 30%)		(111,949)	-
		<u>(111,949)</u>	<u>-</u>
Tax benefit		(111,949)	-
		<u>(111,949)</u>	<u>-</u>
Deferred tax asset not brought to account		111,949	-
		<u>111,949</u>	<u>-</u>
Income tax expense		-	-
Unrecognised deferred tax asset			
The estimated deferred tax asset arising from tax losses and temporary differences not brought to account at balance date as realisation of the benefit is not probable:			
Tax losses carried forward		127,064	-
Temporary differences		(15,115)	-
		<u>111,949</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

	NOTE	2014	2013
		\$	\$

NOTE 5 CASH AND CASH EQUIVALENTS

Cash at bank and on hand		756,812	1
		<u>756,812</u>	<u>1</u>
		=====	=====

Cash and cash equivalents are subject to interest rate risk as they earn floating rates. The bank deposit is at call in 2014.

NOTE 6 TRADE & OTHER RECEIVABLES

Other receivables		2,420	-
		<u>2,420</u>	<u>-</u>
		=====	=====

The carrying amount of all receivables is equal to their fair value as they are short term. None of the receivables are impaired or past due. The maximum credit risk for the company is the gross value of all receivables. All receivables are non-interest bearing.

NOTE 7 EXPLORATION AND EVALUATION ASSETS

Balance at beginning of year		-	-
Expenditure for the year		66,383	-
		<u>66,383</u>	<u>-</u>
		=====	=====

Exploration and evaluation assets relate to the areas of interest in the exploration phase for petroleum exploration permits WA-409-P and Vic/P47. (2013: Nil).

Exploration and evaluation assets also include the petroleum retention lease WA-54-R. On 6 May 2014 the Cornea Joint Venture, of which the company holds an 14.75% interest, was granted a retention lease which covers six graticular blocks located within the WA-342-P exploration permit. At the same time as the grant of the WA-54-R the Cornea Joint Venture applied to surrender the exploration permit WA-342-P. This surrender was granted in August 2014.

WA-54-R, WA-409-P and Vic/P47 are held through joint operations and details of interests held in the permits can be found in Note 10.

NOTE 8 TRADE AND OTHER PAYABLES

Other payables and accrued expenses		101,873	-
		=====	=====

Trade payables are current liabilities which result in their fair value being equal to the current carrying amount. Information about the company's exposure to foreign exchange risk in relation to other trade payables and accrued expenses, including sensitivities to changes in foreign exchange rates, is provided in Note 14.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

	2014	2014	2013	2013
	Shares	\$	Shares	\$
NOTE 9 ISSUED CAPITAL				
Issued Capital				
Ordinary shares fully paid	53,666,491	1,096,907	5	1
Ordinary Shares				
Movements during the year				
Balance at beginning of year	5	1	-	-
Shares issued:				
- Per Moby Scheme of arrangement (i)	53,666,486	1,096,906	5	1
Balance at end of year	53,666,491	1,096,907	5	1

(i) Following implementation of the Schemes of Arrangement (Note 2) between EnegeX and its previous owner, Moby Oil and Gas Limited ("Moby") Moby shareholders, including the directors of EnegeX (Note 11), were issued one fully paid EnegeX Share in exchange for every three Moby Shares held at 1 July 2013. This resulted in 53,666,486 ordinary fully paid shares in the company being issued during the year ended 30 June 2014.

Ordinary Shares

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company. The company does not have a limited authorised capital and issued shares have no par value.

Share Options

Each option entitles the holder to subscribe for a fully paid ordinary share that will from the date of issue rank equally in all respects with the then issued ordinary fully paid shares in the capital of the company, and will be subject to the provisions of the constitution of the company. The option does not entitle the holder to a vote at meeting of members of the company or to participate in new issues of ordinary shares offered to members of the company during the currency of the option.

	2014	2013
	Options	Options
30 June 2015 Listed Options— exercisable at 10 cents		
Balance at beginning of year	-	-
Options granted per Moby Scheme of Arrangement (ii)	7,357,105	-
Balance at end of year	7,357,105	-

(ii) Following implementation of the Schemes of Arrangement (Note 2) between EnegeX and Moby optionholders, including the directors of EnegeX NL (Note 11), were granted one EnegeX Option in exchange for every three Moby Options held at 30 June 2013. As a result 7,357,105 options were granted during the year ended 30 June 2014.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 10 INTEREST IN JOINT OPERATIONS

The company has an interest in the assets, liabilities and output of joint operations for the exploration and development of petroleum in Australia. The company has taken up its share of joint operations transactions based on the company's contributions to the joint operations. Expenditure commitments in respect of the joint operations are disclosed in Note 13. Details of the company's interests in the joint operations are:

	Interest 30/6/2014	Interest Acquired (Disposed)	Interest 30/6/2013
Cornea Joint Venture – WA-54-R (i)	14.875%	14.875%	-
Vic/P47(ii)	19.250%	19.250%	-
WA-409-P (iii)	16.500%	16.500%	-

(i) As part of the Moby Oil & Gas Limited schemes of arrangement EnegeX signed a farmin deed on 15 July 2013. EnegeX was entitled to earn the Farmin Interest in WA-342-P of 14.875% by meeting all future work commitments in relation to the Farmin Interest. Title was transferred and approved by the designated authority effective 14 February 2014. On 6 May 2014 the Cornea Joint Venture was granted a retention lease which covers six graticular blocks located within the WA-342-P exploration permit. At the same time as the grant of the WA-54-R the Cornea Joint Venture applied to surrender the exploration permit WA-342-P. This surrender was granted in August 2014

(ii) As part of the Moby Oil & Gas Limited schemes of arrangement EnegeX signed a farmin deed on 15 July 2013. EnegeX will become entitled to earn the Farmin Interest in Vic/P47 of 19.25% by meeting all future work commitments in relation to the Farmin Interest. Title has yet to be transferred and approved by the designated authority.

(iii) As part of the Moby Oil & Gas Limited schemes of arrangement EnegeX signed a farmin deed on 15 July 2013. EnegeX will become entitled to earn the Farmin Interest in WA-409-P of 16.50% by meeting all future work commitments in relation to the Farmin Interest. Title has yet to be transferred and approved by the designated authority.

Assets and liabilities of the joint operations are included in the financial statements as follows:

	2014	2013
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	15,266	-
Trade and other receivables	855	-
TOTAL CURRENT ASSETS	16,121	-
NON-CURRENT ASSETS		
Exploration costs	66,383	-
TOTAL ASSETS	82,504	-
	=====	=====
CURRENT LIABILITIES		
Trade and other payables	22,213	-
Trade and other payables – director related	3,998	-
TOTAL LIABILITIES	26,211	-
	=====	=====

There are no contingent liabilities in any of the joint operations. Minimum work requirements in exploration permit interests held in joint operations is estimated at reporting date and is shown at Note 13.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 11 KEY MANAGEMENT PERSONNEL

Non-executive Directors

BD Maltz

RJ Coppin

Executive Director

GA Menzies

During the year the only persons that met the definition of key management personnel were the directors. The company has no employees.

Fees paid to GA Menzies in his capacity as a consultant to EnegeX are disclosed below in the Related Party Note 12. Fees paid to GA Menzies as director are summarised in the table below and detailed in the Remuneration Report section of the Directors' Report.

Individual compensation disclosures

Information regarding individual director's compensation is provided in the Remuneration Report section of the Directors' Report. In summary form:

	<i>Year</i>	<i>Short Term</i>		<i>Post</i>	<i>Equity</i>	<i>Total</i>
		<i>Directors Fees</i>	<i>Other Fees</i>	<i>Employment</i>	<i>Settled</i>	
				<i>Super-annuation</i>	<i>Options</i>	
		\$	\$	\$	\$	\$
TOTAL	2014	90,000	-	8,325	-	98,325
	2013	-	-	-	-	-

Interests in Equity Instruments of EnegeX NL

Ordinary Shares

The movement during the reporting period in the number of ordinary shares and options over ordinary shares held directly, indirectly or beneficially, by each key management person, including their related parties, is detailed below. No shares were granted to directors during the reporting period as compensation.

Directors	Held at 1 July 2013	Prospectus Issue	Options Exercised	Net Change Other (i)	Held at 30 June 2014
GA Menzies	-	-	-	1,479,444	1,479,444
RJ Coppin	-	-	-	16,667	16,667
BD Maltz	-	-	-	41,416	41,416
	-	-	-	1,537,527	1,537,527

(i) Following implementation of the Schemes of Arrangement (Note 2) between EnegeX and its previous owner, Moby Oil and Gas Limited ("Moby") Moby shareholders, including the directors of EnegeX, were issued one fully paid EnegeX Share in exchange for every three Moby Shares held at 1 July 2013.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 11 KEY MANAGEMENT PERSONNEL (Continued)

Options over Ordinary Shares - Listed

30 June 2015 Options (exercisable at 10 cents per share)

Directors	Held at 1 July 2013	Granted as compensation	Exercised	Net Change Other (ii)	Held at 30 June 2014
GA Menzies	-	-	-	268,333	268,333
RJ Coppin	-	-	-	-	-
BD Maltz	-	-	-	235,000	235,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>503,333</u>	<u>503,333</u>
	=====	=====	=====	=====	=====

(ii) Following implementation of the Schemes of Arrangement (Note 2) between Enegex and Moby optionholders, including the directors of Enegex NL, were granted one Enegex Option in exchange for every three Moby Options held at 30 June 2013.

NOTE 12 RELATED PARTY TRANSACTIONS

Director-related Entities

Companies in which an Enegex director controls or significantly influences, that provide services to the company or to a joint operation in which the company has an interest.

During the year services were provided under normal commercial terms and conditions by:

Gresham Management Pty Ltd (Gresham), a director-related entity of GA Menzies

Service Provided		2014	2013
		\$	\$
Gresham	Management and consulting services to the Company	92,904	-
		2014	2013
		\$	\$

NOTE 13 EXPLORATION PERMIT COMMITMENTS

Estimated expenditure to satisfy contractual and permit work obligations

Not later than 1 year

Vic/P47	12,031	-
WA-54-R	<u>66,938</u>	<u>-</u>
	<u>78,969</u>	<u>-</u>
	=====	=====

Later than 1 year but not later than 3 years

Vic/P47	-	-
WA-54-R	<u>193,376</u>	<u>-</u>
	<u>193,376</u>	<u>-</u>
	=====	=====

Expenditure commitments include obligations arising from farm-in arrangements, and minimum work obligations for the initial three year period of exploration permits and thereafter annually. Minimum work obligations, may, subject to negotiation and approval, be varied. They may also be satisfied by farmout, sale, relinquishment or surrender of a permit.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 14 FINANCIAL INSTRUMENTS

Purchases and sales of financial assets and financial liabilities are recognised on trade date; the date on which the company commits to purchase or sell the financial assets or financial liabilities. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Exposure to credit, interest rate, liquidity and currency risks arises in the normal course of the company's business. The company's overall risk management approach is to identify the risks and implement safeguards which seek to minimise potential adverse effects on the financial performance of the company.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. At balance date there were no significant concentrations of credit risk for the company. The maximum exposure to credit risk of financial assets is represented by the carrying amounts of each financial asset in the statement of financial position.

Interest rate risk

All financial liabilities and financial assets at floating rates expose the company to cash flow interest rate risk. The company has no exposure to interest rate risk at balance date, other than in relation to cash and cash equivalents which attract a floating interest rate. Details of cash and cash deposits can be found in Note 5. At balance date a 1% (100 basis point) increase/ decrease in the interest rate would improve / worsen the company's post tax profit by \$5,298 (2013: \$Nil)

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. Liquidity risk is monitored to ensure sufficient monies are available to meet contractual obligations as and when they fall due. All financial assets and liabilities have a maturity date of less than 12 months.

Foreign currency risk

The company is exposed to foreign currency risk arising on purchases that are denominated in a currency other than the Australian dollar functional currency. The company incurs seismic, exploration and well costs in US dollars. The risk is measured using sensitivity analysis and cash flow forecasting and monitored by management when seismic and drilling programs are current. To this extent, the company is exposed to exchange rate fluctuations between the Australian and US dollar.

As at 30 June 2014 the company has no US dollars in cash at bank.

Capital Management

When managing capital, directors' objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

It is the company's plan that capital will be raised by any one or a combination of the following manners: placement of shares to excluded offerees, pro-rata issue to shareholders, the exercise of outstanding options, and/or a further issue of shares. Should these methods not be considered to be viable, or in the best interests of shareholders, then it would be the company's intention to meet its exploration obligations by either partial sale of its interests or farmout, the latter course of action being part of its overall strategy.

The company is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2014

NOTE 15 SEGMENT INFORMATION

The company has adopted AASB 8 Operating Segments whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the board of directors

At regular intervals the board is provided management information at a company level for the company's cash position, the carrying values of exploration permits and a company cash forecast for the next twelve months of operation.

On this basis, no segment information is included in these financial statements.

All interest received has been derived in Australia. All exploration and evaluation assets are held in Australia.

NOTE 16 LOSS PER SHARE

The following reflects the loss and share data used in the calculation of basic and diluted loss per share:

	2014	2013
	\$	\$
Net Loss	(373,165)	-

The weighted average number of shares used for the purposes of calculating diluted earnings per share reconciles to the number used to calculate basic earnings per share as follows:

	Weighted Average Number of Shares	Weighted Average Number of Shares
Basic and diluted loss per share	40,139,156	-

No options would be exercised at the share price of \$0.013 at 30 June 2014.

	2014	2013
	\$	\$

NOTE 17 AUDITOR'S REMUNERATION

Amounts received or due and receivable by the auditor of the Company for:

Audit of the full year and review of the half year financial reports	33,000	-
Other assurance services	4,000	-
	<u>37,000</u>	<u>-</u>
	=====	=====

NOTE 18 EVENTS SINCE BALANCE DATE

There are no significant after balance date events up to the signing of this report.

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Independent Auditor's Report To the Members of Enegeg NL

Report on the financial report

We have audited the accompanying financial report of Enegeg NL (the "Company"), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of Eneget NL is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 8 to 9 of the directors' report for the year ended 30 June 2014. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Eneget NL for the year ended 30 June 2014, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 30 September 2014

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Auditor's Independence Declaration To the Directors of ENEGEX NL

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of ENEGEX NL for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 30 September 2014

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

CORPORATE GOVERNANCE

Enegex seeks to provide accountability levels that meet or exceed the ASX Corporate Governance Council's Principles for Good Corporate Governance and Best Practice Recommendations. These corporate governance procedures, policies and practices are described below.

The Directors are responsible for the strategic direction of the Company, the identification and implementation of corporate policies and goals and monitoring of the business and affairs of the Company on behalf of the Shareholders.

This section of the Annual Report includes information on how the Company and the Board address, on an ongoing basis, the specific requirements of ASX in relation to corporate governance in general and more specifically regarding the operation of the Board itself, Board committees and their charters, the Company's code of ethics and its share transaction policy for designated officers (as they are defined).

Important to a culture of actively addressing the area of corporate governance is the Board's ongoing review of the Company's relevant and existing policies and practice. To this end the Board annually reviews the Company's corporate governance activities by benchmarking against the latest Corporate Governance Principles and Recommendations ("principles & recommendations") issued by the ASX Corporate Governance Council ("Council"). The Board has adopted the elements of the eight principles & recommendations that are appropriate to the Company. Details of the governance practices applied by the Company and specific instances where the Company has followed alternatives to the Council's eight principles & recommendations are set out below.

Given the size of the Company to date, with limited activities, limited resources and having a Board with a complement of only three Directors, it is not able to practically establish a series of separate committees to address specific areas of corporate governance. Consequently, corporate governance is (generally) dealt with by the Board under the terms of reference of its own charter. It also acts as committees in relation to the various areas or issues required to be considered, utilising formal terms of reference for the activities of those committees.

As noted, the capacity of the Company to comply with the principles and recommendations is limited because of the present size and structure of the Company and the Board. Currently, the Board comprises Mr GA Menzies, an executive director who is not independent and Mr RJ Coppin and Mr BD Maltz, both non-executive directors who are independent. Mr Menzies is the Board Chairman and Chief Executive Officer ("CEO") and is not independent because of past and present professional and commercial relationships with the Company.

Separate from its own charter (the main terms of which are detailed below), the Board has developed formal charters that incorporate the terms of reference under which it addresses the areas and functions of audit, compliance, remuneration and nominations - these are also explained below. The charters introduce a formal structure of objectives and functions for the Board to apply when addressing these aspects of the Company's corporate governance, in anticipation of an expanded Board being able to address these functions via committees constituted with the recommended personnel.

The Board has established itself as two committees to separately address the areas of audit & compliance and remuneration & nominations. Currently each of the Directors is a member of those committees, although Mr Menzies attends meetings of the Committees in his capacity as CEO rather than as a Director. The Board has not established separate committees to address risk management or health, safety and environment, with such issues currently dealt with by the Board as a whole.

In relevant situations, any interested Director(s) are expected to abstain or be absent from Board or committee deliberations as required either by the *Corporations Act 2001* ("Act") or as necessary to avoid conflict or possible breach of their fiduciary duties.

Board Charter

The Company's charter for its Board ("Charter") provides that the Directors are appointed by the Shareholders and are (individually and collectively) responsible for the activities of the Company in accordance with legal and regulatory requirements and the Company's Constitution.

CORPORATE GOVERNANCE (Continued)

The Charter sets out that the primary role of the Board is to create shareholder wealth (with a long term bias) and, in that context, to have due regard to the interests of other stakeholders. The Board is to achieve this by:

- ensuring the Company has effective processes and systems in place to enable the Board to plan strategically, review current strategy, consider alternative strategies, monitor corporate performance and capabilities and recognise and oversee the management of risk;
- setting, overseeing and maintaining the Company's values, corporate governance framework, compliance with regulatory and ethical standards and ensuring that these are adhered to in the interests of the Company's shareholders, employees, customers, suppliers and the communities in which it operates;
- safeguarding the reputation of the Company;
- ensuring there is an effective balance between the delegation of responsibility for the day-to-day operation and management to the CEO and the role of the Board in monitoring, guiding and providing oversight;
- ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;
- ensuring that the performance of management, and the Board itself, is regularly assessed and monitored;
- promoting a culture where transparent and timely information is shared between management and the Board and where there is opportunity to advance proposals, challenge views, assumptions and beliefs in an environment of trust, respect and openness;
- ensuring effective communication with Shareholders; and
- appointing, terminating and reviewing the performance of the CEO.

The Charter also provides specific provisions and guidance to the Board in relation to:

- Composition of the Board;
- Selection of Directors;
- Board committees and their makeup;
- Board authorities and accountabilities;
- Taking independent advice;
- Individual responsibilities;
- Conduct of Board meetings and record-keeping; and
- Review of Board and Director performance.

The Board reviews the Charter at least once a year to ensure it remains consistent with the Board's objectives and responsibilities.

Audit & Compliance Committee

The function of an Audit & Compliance Committee is to give additional assurance regarding the quality and reliability of financial information used by the Board and regarding the financial information provided by the Company pursuant to its statutory reporting requirements.

Aspects of the audit and compliance function to be addressed by this Committee, as part of its terms of reference, are:

- to consider any matters relating to the financial affairs of the Company;
- compliance with statutory requirements;
- adherence to applicable Listing Rules; and
- issues relating to internal and external audit.

CORPORATE GOVERNANCE (Continued)

Additional to those aspects, the Board examines any other matters of an audit or compliance nature that come to its attention or are referred to it. At least annually, the non-executive Directors on this Committee may meet separately with the (external) Auditors.

Nominations & Remuneration Committee

The core remuneration function of this Committee is reviewing the remuneration policies and practices of the Company. Where relevant, this review covers compensation arrangements for executives, superannuation arrangements, the requirements for an employee share and option plan, performance reviews, succession planning and the fees of non-executive Directors.

When addressing these areas, the non-interested Directors who carry out these functions have access to independent advice and comparative studies on the appropriateness of remuneration arrangements.

In the event of exploration success or expansion of the Company's operations beyond those currently capable of being undertaken, the remuneration levels of Directors may increase; but not beyond the approved limit for directors' fees set from time to time by the Shareholders in general meeting. It should be noted that directors' remuneration as fixed in general meeting does not include salary (and associated benefits, including superannuation) payable to executive Directors.

The functions of the Committee in relation to nominations are:

- to identify and recommend candidates to fill Board vacancies as and when they arise;
- before recommending an appointment, to evaluate the balance of skills, knowledge and experience on the Board and, in the light of that evaluation, to determine the role and capabilities required for the appointment;
- to make recommendations to the Board with respect to the:
 - (a) re-appointment of any non-executive Director at the conclusion of their specified term of office; and
 - (b) re-election by Shareholders of any Director under the retirement by rotation provisions in the Company's Constitution;
- to formulate succession plans for both non-executive and executive Directors, taking into account the expertise required on the Board in the future;
- to review the structure, size and composition of the Board; and
- to consider such other matters relating to Board nomination or succession issues as may be referred to it by the Board.

The Board of Directors adherence to the ASX Principles & Recommendations of Corporate Governance

Principle 1 – Lay Solid Foundations for Management and Oversight

The Board's primary role is the stewardship of the shareholders' funds with the objective of creating long term shareholder value. In fulfilling this role, the Board accepts overall responsibility for corporate governance. A board charter, which outlines the framework for its operation and of those functions delegated to the management, has been outlined above.

At the date of this Annual Report, the Company's only senior executives were the Chairman, the Company Secretary, (who is also the Chief Financial Officer ("CFO") and a Consultant Geophysicist / Exploration Manager. Where necessary, the Company utilises contractors to provide expertise for technical, legal and administrative services..

The performance evaluation of the relevant Director is undertaken together with the other members of the Board. This evaluation comprises a board performance appraisal and director self-assessments that are reviewed by the Chairman.

CORPORATE GOVERNANCE (Continued)

Principle 2 – Structure the Board to Add Value

Board Composition

At the date of this Annual Report, the Board comprised three Directors. Mr G. Menzies is executive Chairman but not independent. Mr R. Coppin and Mr B. Maltz are both a non-executive, independent Directors. The qualifications, skills, expertise, financial and industry experience and period in office of each Director are set out in the Directors' Report. The

Chairman administers the procedure for Directors to seek independent professional advice, at the Company's expense, to assist them to fulfil their duties and obligations.

Given the size of the Board and the scope of the Company's activities, the Company does not have a diversity policy, so is unable to comply with this Principle in terms of board composition.

Independence

The Company has a majority of independent directors.

The Board determined that, where these are available, the specific skills of non-executive directors may be called upon from time to time to assist the Management. The Board has established a level of remuneration paid for those services as a materiality threshold to determine a director's non-executive status.

Role of the Chairman

Mr Menzies is not an independent director. The Board considers that his lack of independence and carrying out executive duties for the Company do not hinder the effective performance of his role as Chairman and CEO. The Company does not therefore comply with this Principle in terms of independent chairmanship.

Given the size of the Board and the scope of the Company's activities, the Company does not have a separate nominations committee, with the functions of such a committee undertaken by the Board under a charter that describes the terms of reference for a Remuneration and Nominations Committee.

As noted in Principle 1, 'board performance appraisals' and 'director self-assessments' are undertaken annually.

Principle 3 – Promote Ethical and Responsible Decision-making

The Board has established a:

- Board Charter, outlining the responsibilities and activities of the board and individual directors within legal and regulatory requirements and the Company's constitution - *see above*;
- committee charters, describing the terms of reference for the operation of an Audit & Compliance Committee and a Remuneration & Nominations Committee - *see above*;
- Code of Ethics, setting out the standards of ethical behaviour required of directors, executives and employees - *see below*; and
- Share Trading Policy, setting out the policy and procedures for the sale and purchase of the Company's securities by directors, executives and employees - *see below*.

Principle 4 – Safeguard Integrity in Financial Reporting

Each financial year, the CEO and CFO will formally record that the Company's financial reports present a true and fair view of the Company's financial condition and operational results and are in accordance with accounting standards.

Given the size of the Board and the scope of the Company's activities, the Board acts as the Audit Committee; with the functions exercised under the terms of reference of that Committee's charter. As noted above, although the Company has one independent director, the composition of the Audit Committee does not comply with this Principle in terms of composition.

The number of meetings of the Audit Committee held during each reporting period and the names of the attendees are set out in the Directors' Report.

The Audit Committee has a formal charter that incorporates its terms of reference. As required by that charter, the Board annually reviews the performance and ongoing independence of the (external) Auditors. The need (or not)

CORPORATE GOVERNANCE (Continued)

for rotation of the lead partner or of the Auditors themselves forms part of that annual review.

Principle 5 – Make Timely and Balanced Disclosure

The Board has established policies and procedures designed to ensure compliance with all applicable Listing Rule disclosure requirements (and consequently continuous disclosure requirements under the Act) such that:

- all investors have equal and timely access to material information concerning the Company, including its financial position, performance, ownership and governance; and
- Company announcements are factual and presented in a clear and balanced way.

The Chairman, a Director or the Company Secretary authorises all disclosures necessary to ensure compliance with disclosure requirements under the Listing Rules and the Act.

Principle 6 – Respect the Rights of Shareholders

The Board has established a policy for communicating with the Company's shareholders by:

- sending the Annual Report to shareholders;
- placing all shareholder related information and Stock Exchange announcements promptly onto the website in an accessible manner;
- ensuring shareholder participation in meetings by use of the Council's guidelines for meetings and notices; and
- encouraging shareholders at the annual general meeting to question both the Directors (about the Company's governance and business) and the Auditors (about the conduct of the audit and the content of the audit report).

Principle 7 – Recognise and Manage Risk

The Board is responsible for overseeing the effectiveness of risk management so as to:

- identify, assess, monitor and manage risk; and
- inform investors of the nature of, and material changes to, the Company's risk profile.

The Company's activities are currently centred on advancing its inherently high-in-risk exploration projects. Apart from geological risk, material business risks include financial, operational, environmental and technological risk - this is not an exhaustive list of risks faced by the Company. The Board considers the existing policies and procedures for risk oversight to be appropriate for the Company's current stage of development.

At each major milestone of the Company's projects, specific risk oversight and management policies are developed consistent with activities at that time. The Board categorises the various types of risks facing the Company by assessing their likelihood (as high, medium or low), gauging their consequences (as major, moderate or minor) and seeking to mitigate the related risk (by sharing risk with others (farmout or sale), raising of additional equity capital, employment of consultants, outsourcing, insurance or management process).

In relation to any financial reporting period, the Board receives formal assurance from the CEO and CFO that the declaration provided in accordance with section 295A of the Act is founded on a sound system of risk management and internal control and that, recognising that the Company has limited ability to institute an effective division of duties, the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 8 – Remunerate Fairly and Responsibly

Given the size of the Board and the scope of the Company's activities, the Board acts as the Remuneration Committee; with the functions exercised under the terms of reference of that Committee's charter.

The Board reviews the remuneration packages of Directors and Executive Officers on an annual basis.

CORPORATE GOVERNANCE (Continued)

The Company's policy for determining the nature and amount of emoluments of the Directors, non-executive and executive, is as follows:

- fees for non-executive directors are based on the demands and responsibilities of their role. In determining fees, regard is had for similar fee structures paid to non-executive directors in peer group companies;
- the remuneration structure for executive directors is determined having regard to industry practice, market trends and company performance;
- performance related incentive payments are based on share price performance targets but may also become based partly on other performance criteria established from time to time; and
- there is no provision of retiring allowances for Directors.

The audited Remuneration Report is included in the Directors' Report and details all forms of remuneration provided to the Directors during the relevant reporting period.

Code of Ethics

The Company has in place a Code of Ethics ("Code") which is the framework of standards under which the Directors, Officers and Employees of the Company are expected to conduct their professional lives. The Code is not intended to prescribe an exhaustive list of acceptable and non-acceptable behaviour; rather it is intended to facilitate decisions that are consistent with the Company's values, business goals and legal and policy obligations, thereby enhancing performance outcomes.

The Code is subject to annual review by the Board and is based around articles covering the areas of:

- Conflicts of interest;
- Gifts;
- Corporate opportunities;
- Confidentiality;
- Behaviour;
- Proper use of the Company's assets and information;
- Compliance with laws and policies;
- Delegated authority;
- Additional director responsibilities;
- Information for the Board; and
- Reporting concerns.

Share Trading Policy

The Company's share transaction policy provides guidelines for designated officers with regard to trading of the Company's securities. A designated officer conducting a trade is responsible and accountable for ensuring any trade they conduct complies with the law and this policy. The Policy covers:

- Who are designated officers;
- Trading windows;
- Trading black-outs;
- Trading at other times;
- Trading in financial products issued or created over the Company's securities by third parties; and
- Trading in associated products which operate to limit the economic risk of security holdings in the Company.

SHAREHOLDER AND OTHER INFORMATION

COMPILED AS AT 1 OCTOBER 2014

VOTING RIGHTS

At meetings of members or classes of members:

- (a) each member entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and
- (c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:
 - (i) for each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, one vote for the share;
 - (ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited),

subject to any rights or restrictions attached to any shares or class or classes of shares.

DISTRIBUTION OF ORDINARY SHARES

Numbers of members by size of holding and the total number of shares on issue:

Ordinary Shares	No. of Holders	No. of Shares
1 – 1,000	204	63,837
1,001 – 5,000	379	1,179,260
5,001 – 10,000	275	2,165,399
10,001 – 100,000	483	14,857,657
100,001 and over	78	35,400,338
TOTAL ON ISSUE	1,419	53,666,491

1,223 holders held less than a marketable parcel of ordinary shares. There is no current on-market buy-back.

SUBSTANTIAL SHAREHOLDERS

As disclosed in notices given to the Company.

Name of Substantial Shareholder	Interest in Number of Shares <i>Beneficial and non-beneficial</i>	% of Shares
Albers Group	6,149,646	11.46
Ross Di Bartolo	4,556,932	8.49

SHAREHOLDER AND OTHER INFORMATION (continued)

COMPILED AS AT 1 OCTOBER 2014

THE 20 LARGEST HOLDERS OF ORDINARY SHARES

Holder	Ordinary Shares	% of Total Issued
Ross Di Bartolo	3,407,933	6.35
E G Albers	2,083,333	3.88
Sacrosanct Pty Ltd	1,515,924	2.82
Small Business Finance Pty Ltd	1,433,333	2.67
Ianaki Semerdziev	1,407,000	2.62
Dolrack Pty Ltd	1,333,333	2.48
ICM Investments Pty Ltd	1,311,233	2.44
Australis Finance Pty Ltd	1,247,385	2.32
Peppercorn Hill Pty Ltd	1,125,000	2.10
Faith Hope & Charity Pty Ltd	1,087,088	2.03
S E Evans	1,000,000	1.86
M Watt	1,000,000	1.86
H Rexhep	966,667	1.80
Ganeshaya Pty Ltd	740,429	1.38
Tre Pty Ltd	666,667	1.24
Albers Custodian Company Pty Ltd	658,604	1.23
EERC Australasia Pty Ltd	648,750	1.21
Appledore Custodians Ltd	632,813	1.18
Relativity Pty Ltd	603,333	1.12
Robinson & Blackburn	550,000	1.02

The 20 largest shareholders hold 23,418,825 shares representing 43.63% of the issued share capital.

DISTRIBUTION OF 30 JUNE 2015 OPTIONS (EXERCISE PRICE 10 CENTS)

Numbers of option holders by size of holding and the total number of options on issue:

	No. of Holders	No. of Options
1 – 1,000	0	0
1,001 – 5,000	2	5,760
5,001 – 10,000	44	321,480
10,001 – 100,000	54	1,563,000
100,001 and over	17	5,466,865
TOTAL ON ISSUE	117	7,357,105

115 holders held less than a marketable parcel of options.

SHAREHOLDER AND OTHER INFORMATION (continued)

COMPILED AS AT 1 OCTOBER 2014

THE 20 LARGEST HOLDERS OF 30 JUNE 2015 OPTIONS (EXERCISE PRICE 10 CENTS)

Holder	Options	% of Total Issued
Faith Hope & Charity Pty Ltd	1,980,000	26.91
Strat Trap Pty Ltd	675,000	9.17
J Cant	493,200	6.70
Appledore Custodians Ltd	358,333	4.87
N E Wright	268,333	3.65
Kinbrae Custodian Limited	268,333	3.65
F M Perugini	235,000	3.19
K Maltz	185,000	2.51
G A Menzies	168,333	2.29
Relativity Pty Ltd Super Fund	144,000	1.96
L & J Coburn Super Fund	133,333	1.88
Walker Petrophysics Pty Ltd	112,500	1.53
Peter Kirk Geophysical Consultancy Pty Ltd	112,500	1.53
A P Armitage	112,500	1.53
D R Gregory	108,000	1.47
First Investment Partners Pty Ltd	90,000	1.22
Upstream Consulting Pty Ltd	90,000	1.22
Tromso Pty Ltd	72,000	0.98
Relativity Pty Ltd	72,000	0.98
Cartron Pty Ltd	72,000	0.98

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ENEGEX NL

ABN 28 160 818 986

www.enegex.com.au