

DECEMBER 2024 QUARTERLY REPORT

NGX Limited (ASX: NGX) (“NGX” or “Company”) is pleased to present its Quarterly Report for the quarter ending 31 December 2024. The Company is developing a portfolio of African projects focussing on minerals critical to the clean energy transition.

HIGHLIGHTS

Uranium Exploration Projects in Namibia

- During the quarter, permitting for the EPL9629 application (**Tubusis**) progressed with activities for Tubusis’ Environmental Clearance Certificate (**ECC**) advancing after previously receiving the Intention to Grant from the Ministry of Mines and Energy (**MME**)
- Desktop modelling, data review and target generation continues in preparation of the granting to accelerate on-ground activities

Malingunde – Product Qualification & Downstream

- Bulk-scale optimisation test work is on-going, to commercially demonstrate Malingunde’s downstream process and define engineering parameters for developing a vertically integrated Active Anode Material (**AAM**) operation
- During the quarter, NGX worked with leading technology partners worldwide to enhance the production of AAM from its high-quality natural graphite for the growing lithium-ion battery market
- Continued forward progress with dialogue and assessment by Tier-1 customers

Malingunde – Upstream

- During the quarter, significant progress with improvements of the Malingunde’s upstream component (concentrate) project and its future operation. Notable improvements include the successful assessment of a dry stack tailings facility, reduction in water requirements and flowsheet optimisation
- These enhancements lead to the production of a higher-purity graphite concentrate, providing notable benefits for downstream processing, including reduced reagent consumption and environmental advantages

Corporate

- Effective 2 December 2024, NGX appointed Peter Fox as Executive Director. Mr Fox, a corporate finance executive who is highly regarded in the graphite and clean energy materials sector with extensive experience in equity capital markets and business development in the metals and mining sector
- NGX is in a strong financial position with cash at bank of approximately \$4.8 million and no debt as at the end of the quarter
- The Company continues to assess further opportunities in the clean energy space across southern Africa to expand and complement its current portfolio

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NGX OVERVIEW

NGX is a leading African clean energy minerals explorer and developer with an exciting portfolio of natural graphite and uranium assets across Malawi and Namibia in southern Africa. The Company is developing a portfolio of African projects focussing on minerals critical to the clean energy transition.

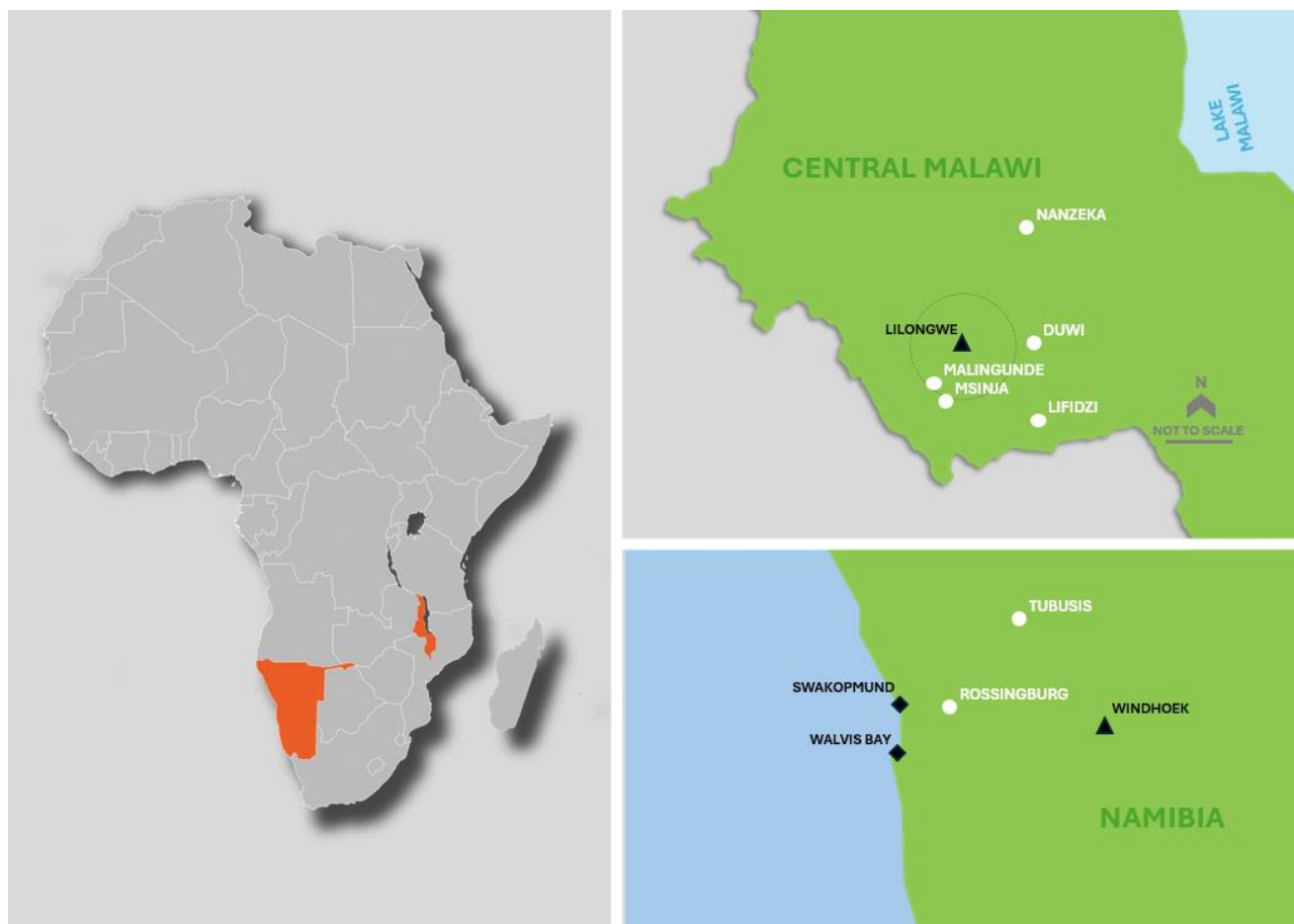


Figure 1: NGX's high-quality projects across central Malawi and Namibia

URANIUM EXPLORATION PROJECTS IN NAMIBIA

NGX holds two earn-in joint venture agreements to acquire Tubusis and Rossingburg uranium exploration project applications in Namibia. Both EPLs are located in the Erongo Region of Namibia, one of the world's best-known uranium districts with multiple operating mines in the area (Figure 2).

During the quarter, NGX continued the permitting process for both applications including activities to support the Environmental Clearance Certificate (**ECC**) to allow the granting of the Tubusis application.

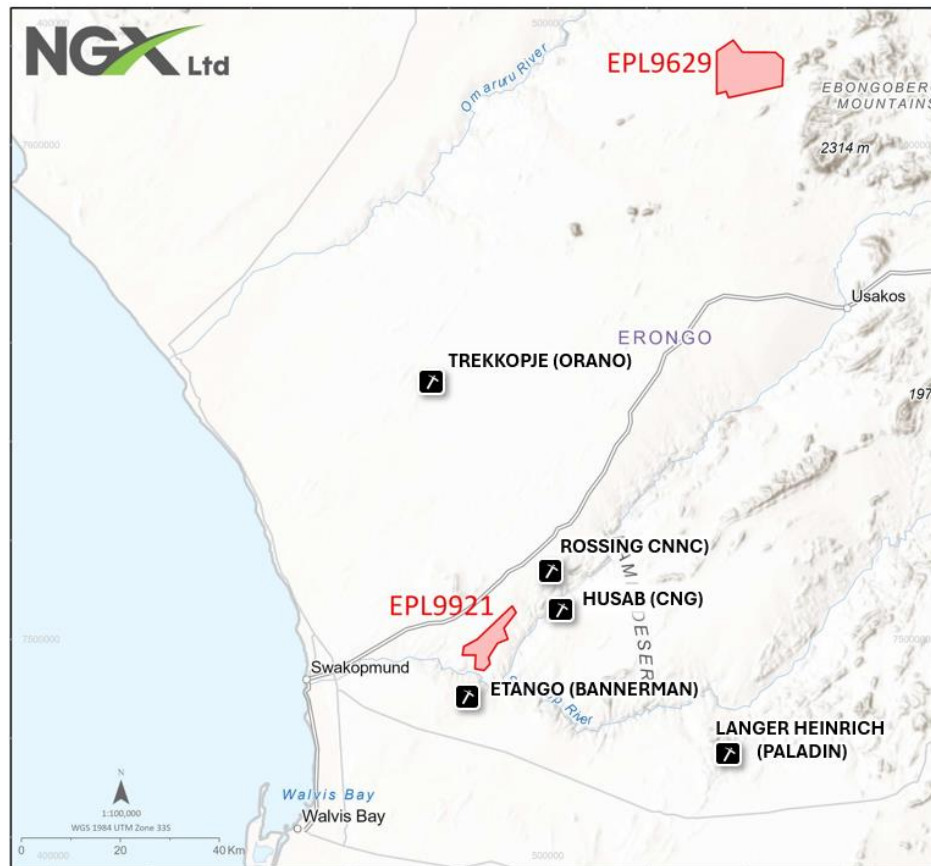


Figure 2: Regional Map of EPL9921 & EPL9629 applications including neighboring major uranium mines in the area

TUBUSIS (EPL9629)

Tubusis (EPL9629), a 113km² licence application, to the northeast of Swakopmund, is in an under explored region of the Damara belt. Limited previous exploration has focused on the Tubusis leucogranite outcrop to the east of the licence area. The Tubusis outcrop is an approximately 750m by 200m garnet-bearing leucogranite outcrop surrounded by sand, soil and calcrete cover. The garnet-bearing granite is cross-cut by thin layers of pegmatitic granite and medium-grained biotite-rich granite.

The previous holders of the licence conducted a twelve-channel sampling program over the Tubusis outcrop covering over 620 metres. Results revealed uranium mineralisation of over 4,500 ppm U₃O₈ at surface.

In August 2024, The Project's Vendor received notification that the Namibian Ministry of Mines and Energy has updated its application for the Tubusis project (EPL9629) to '**Intention to Grant**' pending the completion of the Environmental Clearance Certificate (**ECC**). The Project's Vendor with NGX has commenced the ECC process which is now advancing well to enable the licence to be granted.

As the ECC process is undertaken, NGX continues to correlate regional data on the area to develop exploration targets and further understand uranium mineralisation.

ROSSINGBURG (EPL9921)

Rossingburg (EPL9921) (**Rossingburg Project**) a 47km² licence application, is located in the main uranium production hub of the central Damara uranium province, less than 20km from both the Rossing uranium mine and Bannerman Energy Limited's (**Bannerman**) Etango uranium Project. The Rossingburg Project area includes extensive outcropping alaskites and encountered widespread uranium mineralisation in drilling by past explorers.

The Rossingburg Project has been historically explored by Bannerman as part of their Etango project, where Bannerman recently announced the granting of the Mining Licence. Prior to Bannerman, Rio Tinto held the ground exploring for various commodities in the 1970's, including uranium. The licence has been subject to multiple drill programs resulting in a number of notable intercepts which will be valuable in the development of future programs and target generation.

During the quarter, no notable progress was made with the Exploration Licence's application. The Project Vendor and NGX continue to monitor progress and are prepared to commence the ECC process at the receipt of an Intention to Grant (like that of EPL9629).

MALINGUNDE – PRODUCT QUALIFICATION & DOWNSTREAM

During the quarter, NGX continued to make advances in the production of Active Anode Material (**AAM**) as part of the Company's qualification program to qualify concentrate from Malingunde for use in lithium-ion batteries. The pre-qualification program focuses on developing and assessing AAM production technologies across the three principal processes for producing Coated Purified Spherionised Graphite (**CPSG**): shaping, purification, and coating.

The production of AAM samples at a bulk scale for distribution to major end-users for use in the rapidly expanding lithium-ion sector is the first significant step in qualifying Malingunde's graphite concentrate as an anode material.

As part of an AAM pre-qualification program, NGX has identified and is collaborating with technology partners to fast-track development and meet projected global demand for active anode materials. The Company plans to reduce technical risk and enhance go-to-market efficiencies by focusing on bulk-scale processes within commercial production settings to evaluate commercial vendors.

The qualification program's key objectives are to produce AAM samples for pre-qualification and facilitate discussions with end-users, including OEMs and major battery makers. It will also assist the Company in identifying and collaborating with technology partners to fast-track development and define future downstream strategy.

At the successful completion of the program, NGX expects to be well positioned to fast-track downstream feasibility studies targeting tonne-scale production of AAM, which will drive offtake, sale arrangements, and the potential for strategic participation.

During the quarter, NGX conducted half-cell electrochemical testing in line with industry standards to understand how Malingunde's coated spherionised purified material performed - measuring initial coulombic efficiency and AAM capacity for lithium-ion storage. The outcome of the testing concluded that Malingunde's unoptimized CPSG was within reach of Chinese reference material and major anode manufacturer's specifications.

Table 1: Electrochemical Test Results on CPSG		
Sample	First Cycle Efficiency (%)	Initial Capacity (mAh/g)
Malingunde CPSG	93.9%	353
China Reference CPSG	94.7%	363
BTR (LSG-17)	≥94.0%	≥355

Source: BTR anode material specs taken from this webpage: <https://www.btrchina.com/en/NegativeProducts/info.aspx?itemid=1069>

NGX has identified a number of areas for improvement in both the first cycle efficiency and initial capacity. As a first pass optimisation, NGX has commenced CSPG production utilizing upgraded recently produced upgrade concentrate (refer to ASX release 24 October 2024). Characterisation, electrochemical testing results and Series A samples on the optimized material are expected later this quarter. The results in Table 1 were based on feed material from Malingunde concentrate which was not yet upgraded.

In parallel, and as part of NGX's ongoing downstream flake graphite program, the Company is working with leading technology partners worldwide to enhance the production of AAM from high-quality natural graphite for the growing lithium-ion battery market. The Company is planning to provide an update during this quarter.

MALINGUNDE - UPSTREAM

NGX continues to conduct a technical review of the previous Pre-Feasibility Study completed on Malingunde for areas of optimisation with a focus on supplying graphite concentrates as a feedstock for lithium-ion battery anodes, and potential increased recovery from further technical studies.

To date, NGX has identified potential improvements to both the economic and environmental credentials of the project that will be examined as part of future technical studies. An example of such potential improvements include the assessment of a dry stack tailings which may eliminate the liquefaction risks associated with traditional Tailing Storage Facilities and the associated downstream impacts.

As outlined above, NGX also successfully completed flowsheet optimisation test work at an industry-leading processing laboratory in Australia, producing graphite concentrate at over 98% TGC, a high purity concentrate well suited for high value applications like active anode material for lithium-ion batteries. These flowsheet improvements increased the average graphite grade from 94% to 98% TGC with no reduction in recovery. The production of higher purity graphite concentrate offers significant advantages in downstream processing applications as the material requires lower reagent consumption which results in both environmental and cost saving advantages when purifying the material.

The Company continues to work closely with various stakeholders on incorporating these improvements into the overall mine plan, which will include a revised study and Environmental Social Impact Assessment as part of the final permitting process.

STAKEHOLDER ENGAGEMENT

Throughout the quarter, the Company conducted extensive stakeholder engagement programs centered on addressing potential environmental and social impacts of the Malingunde project. NGX continued to incorporate stakeholder feedback from these programs into its overall mine design and planning as well as taking proactive steps to enhance the project's overall environmental footprint and reduce any potential risks.

CORPORATE

NGX is in a strong financial position with cash at bank of approximately \$4.8 million and no debt as at 31 December 2024.

Effective 2 December 2024, Mr Peter Fox was appointed Executive Director of the Company. Mr Fox, who was previously a Non-Executive Director of NGX, is a corporate finance executive who is highly regarded in the graphite and clean energy materials sector. Mr Fox has extensive experience in equity capital markets and business development in the metals and mining sector. He also has significant expertise in the execution of downstream strategies for graphite projects and establishing key collaborations with major technology partners.

Mr Fox's initial focus will be on the continued advancement of the Company's existing uranium and graphite projects, as well as pursuing new business opportunities.

APPENDIX 1: DISCLOSURES IN ACCORDANCE WITH ASX LISTING RULE 5.3

Mining exploration tenements

As at 31 December 2024, the Company holds an interest in the following exploration tenements:

Project	Country	Licence Number	Interest (%)	Status
Malingunde Natural Graphite Project	Malawi	RL0033/24	100%	Granted
Nanzeka Natural Graphite Project	Malawi	RL0012/21	100%	Granted
Duwi Natural Graphite Project	Malawi	RL0032/22	100%	Granted
Msinja Natural Graphite Project	Malawi	EL0745/24	100%	Granted
Lifidzi Natural Graphite Project	Malawi	EL0739/24	100%	Granted
Tubusis Uranium	Namibia	EPL9629	0% ¹	Pending ECC
Rossingburg Uranium	Namibia	EPL9921	0% ¹	Application

1. EPLs under an Earn-In-Agreement. Refer to ASX announcement dated 22 July 2024 titled Acquisition Of Uranium Exploration Projects In Namibia for transaction details

Use of Funds Statement

The Company was admitted to the official list of the ASX on 14 June 2023 with official quotation occurring on 16 June 2023 and as such, the Quarterly Report for the period ended 31 December 2024 is covered by the "Use of Funds Statement" included in the Company's Prospectus.

Allocation of Funds	Actual \$A'000	Prospectus \$A'000	Variance \$A'000
Exploration expenditure on granted tenements	2,156	3,620	(1,464)
Expenditure on other projects	350	825	(475)
Business development activities	584	425	159
General and administration costs	1,228	984	244
Working capital facility for operating expenses	484	484	-
Cash Reserves and working capital	214	341	(127)
Expenses of the offers	320	448	(128)
Total Funds Allocated	5,336	7,127	(1,791)

Summary of Mining Exploration Activities Expenditure

During the quarter, the Company made the following payments in relation to mining exploration activities:

Mining exploration activity	A\$000
Geological and other consultants	79
Metallurgy and Processing testwork and analysis	69
In-Country Exploration Operations - site office, personnel, field supplies, equipment, travel and other	164
Total	312

There were no mining or production activities or expenses during the quarter.

Related party payments

During the quarter, the Company made the following payments to related parties and their associates:

Related party and associates	A\$000
Administrative fees ¹	78
Director fees	45
Total	123

Note:

¹ Including company secretarial services and provision of a fully serviced office.

Securities on issue

As at 31 December 2024, the Company has the following securities on issue:

Security Type	Number
Ordinary Shares	90,611,840
Unlisted Options	6,000,000
- Options exercisable at \$0.30, expiring on various dates	2,500,000
- Options exercisable at \$0.40, expiring on various dates	3,500,000

Forward Looking Statements

Statements regarding plans with respect to NGX's project are forward-looking statements. There can be no assurance that the Company's plans for development of the projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

Competent Person Statement

The information in this announcement that relates to Exploration Results (Uranium Exploration Projects) is extracted from the announcement dated 27 August 2024 entitled 'Widespread Uranium Mineralisation Confirmed Across Namibian Projects' which is available to view at www.ngxlimited.com. NGX confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially changed from the original announcement.

The information in this announcement that relates to Metallurgical Downstream Studies is extracted from the announcement dated 24 October 2024 entitled 'NGX Produces Graphite Concentrate over 98% TGC for Lithium-ion Batteries' which is available to view at www.ngxlimited.com. NGX confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially changed from the original announcement.

This announcement has been authorised for release by the Company's Executive Director, Peter Fox.

Appendix 5B

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

Name of entity

NGX Limited

ABN

35 649 545 068

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows		Current quarter A\$000	Year to date (6 months) A\$000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(312)	(839)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(105)	(187)
	(e) administration and corporate costs	(101)	(247)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	55	154
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Business development)	(15)	(45)
1.9	Net cash from / (used in) operating activities	(478)	(1,164)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment:	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter A\$000	Year to date (6 months) A\$000
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Repayment of loan)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,294	5,983
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(478)	(1,164)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	5	2
4.6	Cash and cash equivalents at end of period	4,821	4,821

Mining exploration entity and oil and gas exploration entity quarterly report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter A\$000	Previous quarter A\$000
5.1 Bank balances	4,801	5,274
5.2 Call deposits	20	20
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,821	5,294

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

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

**Current quarter
A\$000**

(123)

-

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

7. Financing facilities

Note: the term 'facility' includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end A\$000	Amount drawn at quarter end A\$000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify):	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Not applicable.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

8. Estimated cash available for future operating activities	A\$000
8.1 Net cash from / (used in) operating activities (item 1.9)	(478)
8.2 (Payments for exploration & evaluation classified as investment activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(478)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,821
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,821
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	10.1

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Not applicable.

8.8.2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Not applicable.

8.8.3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Not applicable.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

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

Date: 30 January 2025.....

Authorised by: Company Secretary.....
(Name of body or officer authorising release – see note 4)

Notes

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