

Quarterly Activities Report for the Period Ending 31 December 2022

Operational Highlights:

- **Exploration Target defined for Agadez Uranium Project, with geological modelling based on historical drilling indicating potential for significant uranium mineralisation within the tenement package.**
- **Drilling program developed for next phase of exploration at Agadez, to be implemented in stages across multiple tenements.**
- **Three domal features identified at ENRG's Ghanzi West Copper-Silver Project following review of Airborne Electromagnetic and Gravity survey data, similar to those discovered along strike by Sandfire Resources Ltd at its Motheo Copper Mine.**
- **High Priority Drill Targets Identified at Ghanzi West Copper-Silver Project, with the Company currently undertaking an Induced Polarisation (IP) survey and further geochemical work planned to prioritise targets.**
- **Focus on Niger Uranium and Botswana Copper-Silver Projects leads to withdrawal from Horseshoe West Project Farm-In and JV.**

ENRG Elements Limited (ASX:EEL) ("ENRG" or the "Company") is pleased to provide an overview of activities for the quarter ended 31 December 2022 ("Quarter", "Reporting Period") to accompany the Appendix 5B.

Commenting on the Quarter, ENRG Managing Director, Caroline Keats, said:

"The Company continued its progress in the December Quarter to advance our Agadez Uranium and Ghanzi West Copper-Silver Projects.

We are pleased with our progress at the Agadez Project and have developed a drilling program for the next phase of exploration, with the program based on a review of historical data and our current interpretation of the geology. We look forward to conducting further exploration at the Project with the aim of further increasing the existing Takardeit Mineral Resource Estimate and identifying additional mineralisation across our tenements.

The Airborne Electromagnetic and Gravity Survey by New Resolution Geophysics over our wholly owned Ghanzi West Copper-Silver Project identified three domal features. We are encouraged by these results and have identified multiple high-priority structural targets for drilling. We are very excited to continue to develop the Ghanzi project and the team will commence further geophysical work in Q1 CY2023.

We made a key strategic decision during the Quarter to concentrate our focus and resources to further refine our Niger Uranium and Botswana Copper-Silver Projects and as a result, we withdrew from the Farm-in and Joint Venture Agreement with MCM and Kopore.

We look forward to further advancing our projects this calendar year and thank our Shareholders for their continual support throughout CY2022."

Agadez Project, Niger

In September 2022, the Company completed its first drilling and soil sampling program at the Agadez Uranium Project ("**Agadez Project**"), which continues to deliver encouraging results. The 5,500m shallow drill program, focused in and around the Takardeit Deposit and confirmed mineralisation across the drill campaign area which remains open in multiple directions. Assay results are currently under review and will be announced to the market once complete.

On 17 November 2022, the Company announced an exploration target of between 90 and 130Mlb U_3O_8 , at a grade of between 300 and 400ppm U_3O_8 , based on an average mineralisation thickness varying between 2m and 5m ("**Exploration Target**") (refer ASX Release – 17 November 2022). The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate Mineral Resources on the prospects located on ENRG Elements tenements (outside of the Takardeit Deposit) and it is uncertain if further exploration will result in the estimation of additional Mineral Resources on these prospects.

Agadez Project Exploration Target	Million Pound U_3O_8	Grade U_3O_8 (ppm)
Total	90 to 130	300 to 400

The Exploration Target was based on a comprehensive review of historical drilling data, likely locations of mineralisation within the tenements and an analysis of the geological setting of the adjacent projects.

A drilling program has been developed for the next phase of exploration, to be implemented in several stages, commencing in 2023. The program has been designed to identify mineralisation

within prospects of the Agadez Project area and is expected to consist of 379 drill holes, for a total of 20,165m, with an average hole depth of 53m.

The Takardeit Deposit Mineral Resource Estimate (“**MRE**”), which was updated from JORC 2004 to JORC 2012 guidelines, contains an Inferred MRE of 16.5Mt at a grade of 295ppm eU₃O₈ for 10.7Mlbs (at 150ppm cut-off) (refer ASX Release – 30 May 2022). The Company anticipates an update to the Takardeit MRE in Q1 CY2023.

Ghazi West Copper-Silver Project , Botswana

During the Quarter, and as announced on 7 December 2022, an Airborne Electromagnetic and Gravity Survey by New Resolution Geophysics was completed over the Kara prospect at the Ghanzi West Copper-Silver Project (“**Ghanzi West**”, “**Project**”), in the emerging world class Kalahari Copper Belt of Botswana. Following a review of the new geophysical data, along with historical soil geochemistry and prior drilling results, three domal features were identified, similar to those discovered along strike by Sandfire Resources Ltd at its Motheo Copper Mine.

Based on this work, multiple exploration drill targets have been identified. Post the end of the period, the Company commenced an IP Survey, which will consist of four linear traverses totalling 26 km to inform future drill programs. The Company engaged Botswana based Spectral Geophysics to undertake this work.

Horseshoe West Project, Western Australia

During the Reporting Period, it was announced that the Company made a strategic decision to further refine its focus on the Company’s Niger Uranium and Botswana Copper-Silver Projects.

As a result, the Company provided notice to Murchison Copper Mines Pty Ltd (“**MCM**”), a subsidiary of Horseshoe Metals Limited (ASX:HOR) to withdraw from the Farm-in and Joint Venture Agreement with MCM and Kopore (WA) Pty Ltd.

In accordance with the terms of the Farm-in and Joint Venture Agreement, entered into on 25 January 2021, the Company provided the required 30 days advance notice of withdrawal, resulting in an effective withdrawal date of 30 November 2022.

Corporate

The Company successfully held its annual general meeting of shareholders on 18 November 2022, where all resolutions put to shareholders were approved.

The Company's cash balance as at 31 December 2022 was \$2,049,000. In accordance with ASX Listing Rule 5.3.1, expenditure incurred during the Quarter on the above-mentioned exploration activities totalled \$216,000.

The Company confirmed that 30,000,000 fully paid ordinary shares were released from escrow on 24 November 2022.

In accordance with ASX Listing Rule 5.3.5, payments to related parties or their associates during the Reporting Period comprised Managing Director salary, Non-executive Director fees, consulting fees and superannuation and totalled \$84,409.47.

Authorised by the Board of ENRG Elements Limited.

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About ENRG Elements Limited

ENRG Elements Limited (ASX:EEL) is a company focused on the exploration and development of its uranium and copper projects, both commodities which are essential for a clean energy future.

The Company holds 100% of the underexplored Agadez Uranium Project located in the Tim Mersoï Basin of Niger, with a JORC Resource of 10.7m pounds of contained eU₃O₈ at 295ppm (150ppm cut-off grade) from surface to only ~30m depth, with exploration currently underway to advance the project (ASX Release – 30 May 2022). Agadez hosts similar geology to Orano SA's Cominak/Somair and Imouraren uranium mines and deposits held by Global Atomic Corporation (TSE:GLO) and GoviEx Uranium (CVE:GXU).

Niger has one of the world's largest uranium reserves and in 2021 it was the seventh-highest uranium producer globally,¹ with the Tim Mersoï Basin in Niger hosting the highest-grade and tonnage uranium ores in Africa.²

ENRG also holds the 100% owned Ghanzi West Copper-Silver Project covering a total area of 2,630km² in the emerging world class Kalahari Copper Belt of Botswana, one of the most prospective copper belts in the world, which hosts Sandfire Resources' Motheo Copper Mine and Khoemacau Copper Mining's Zone 5 underground mine. ENRG believes that the Kalahari Copper Belt has the potential for material discovery, with further exploration underway to advance the project.

Botswana is a stable, pro-mining jurisdiction, supportive of mineral exploration and development.

The Directors and management of ENRG have strong complementary experience with over 90 years of Australian and international technical, legal and executive experience in exploration, resource development, mining, legal and resource fields.

Competent Persons Statement

The information relating to Mineral Resources and Exploration Target outlined in this announcement was compiled by Mr. David Princep, an independent consultant employed by Gill Lane Consulting. Mr Princep is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional Geologist. Mr Princep has more than five years relevant experience in estimation of mineral resources and the mineral commodity uranium. Mr Princep has sufficient experience relevant to the assessment of this style of mineralisation to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2012)". The Company confirms that the form and context in which the results are presented have not been materially modified from the original announcements.

¹ <https://world-nuclear.org/information-library/facts-and-figures/uranium-production-figures.aspx>

² <https://www.sciencedirect.com/science/article/pii/S016913682200213X>

Tenement Information at 31 December 2022
as Required by ASX Listing Rule 5.3.3

Prospecting Licence	Location	% Interest	Change in Quarter
Terzemazour 1	Niger	100	-
Tagait 4	Niger	100	-
Toulouk 1	Niger	100	-
PL203/2016	Botswana	100	-
PL204/2016	Botswana	100	-
PL205/2016	Botswana	100	-
PL127/2017	Botswana	100	-
PL128/2017	Botswana	100	-
PL129/2017	Botswana	100	-
PL135/2017	Botswana	25	-
PL162/2017	Botswana	25	-