

Quarterly Activities Report for the Period Ending 31 December 2023

Key Operational Matters:

- **Mineral Exploration Licence applications lodged over potential lithium target areas in Manitoba, Canada, with 3 permits recently being granted.**
- **Sale of 90% of the Company's Ghanzi West Project, for total, staged consideration of A\$2.5 million completed.**
- **ENRG plans to commence trenching program at its flagship Agadez Uranium Project in Q1 CY2024.**

ENRG Elements Limited (**ASX:EEL, OTCQB: EELFF**) ("**ENRG**" or the "**Company**") is pleased to provide an overview of activities for the quarter ended 31 December 2023 ("**Quarter**", "**Reporting Period**"), to accompany the Appendix 5B.

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

"During the Quarter, we were pleased to announce the completion of the sale of our Ghanzi West Project in Botswana. The sale of this non-core asset has provided us with funds for general working capital and to advance our exploration efforts for our uranium project in Niger and our new lithium projects in Manitoba, Canada

During the Quarter, the Company applied for four exploration permits in Manitoba, Canada, over areas that have lithium potential. Three exploration permits have since been granted.

2024 is looking to be a very exciting year for the Company in the uranium sector, with uranium prices breaching US\$100/lb in the context of a significant re-commitment to nuclear power as a valuable energy source to compensate for the imminent closure of fossil fuel generation worldwide.

Lithium is also an essential ingredient in the energy transition, and we have intentionally selected prospective areas in favourable jurisdictions to supplement our existing property. We look forward to getting on the ground on our new prospects over the coming months."

Mineral Exploration Licence Applications – Manitoba, Canada

On 5 December 2023, ENRG announced that it lodged four (4) mineral exploration licence applications over potential lithium targets in Manitoba, Canada.

Following an initial geological assessment, four (4) areas at Handle Lake, Split Lake, Beaver Hill Lake and Unwin Lake were selected for application, with the Beaver Hill Lake and Unwin Lake Projects selected due to their geological similarities to that of the Tanco mine and the fractionated Lithium-Caesium-Tantalum pegmatite model. Handle Lake and Split Lake were selected as they are located on granite-greenstone contacts.

The applications cover a total area of ~500km² in two separate geological provinces and in both cases, the underlying Archaean basement (granite-tonalite-granodiorite) and associated pegmatites, as well as the identified lithological units associated with the Tanco mine, provided the basis of the applications.

The Company has recently been granted three (3) Mineral Exploration Licences (1274B, 1275B and 194A) ("**Exploration Licences**") over areas at Handle Lake, Split Lake and Unwin Lake. The remaining application at Beaver Hill Lake remains pending at this time.

The Handle Lake and Split Exploration Licences have been issued for a term of five (5) years, with an option to renew for a further term of five (5) years. The Unwin Lake Exploration Licence has a term of three (3) years, renewable further three (3) years. Prior to any exploration activities on the Exploration Licences, work permits must be obtained from the Department of Economic Development, Investment, Trade and Natural Resources. The Company will commence the process to comply with the necessary requirements.

See the ASX announcements dated 5 December and 29 December 2023 for further information.

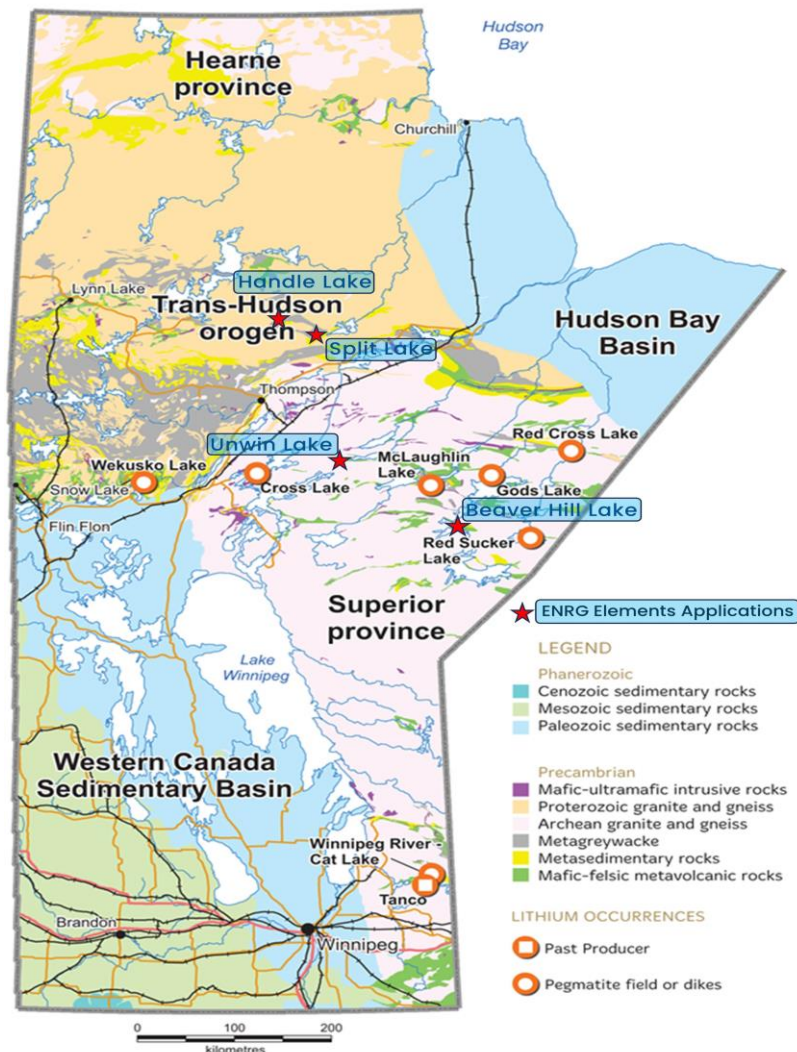


Figure 1: Map of the Company's Manitoba Project – Applications
(Manitoba – Department of [Economic Development, Investment, Trade and Natural Resources](#))

Taroudji Lithium Project, Niger

On 11 July 2023, ENRG announced that it had been granted the Taroudji 2 exploration permit in the largely underexplored Taroudji area, located in the Agadez region of Niger ("**Taroudji Project**"), which is prospective for lithium and tin minerals, within a multiphase granitic setting in the Air Massif.

Shortly after being granted the Taroudji Project, the Company embarked upon a reconnaissance fieldwork program that included a small surface rock chip sampling campaign, focused primarily on areas historically identified with lithium anomalies and pegmatitic material. The Company is currently waiting for the samples to be analysed.

The Taroudaji Project represents a strategic increase in the Company's land holding position in Niger, situated 70km east of the Company's Agadez Project and covers an area of 499.7km² (see Figure 5).

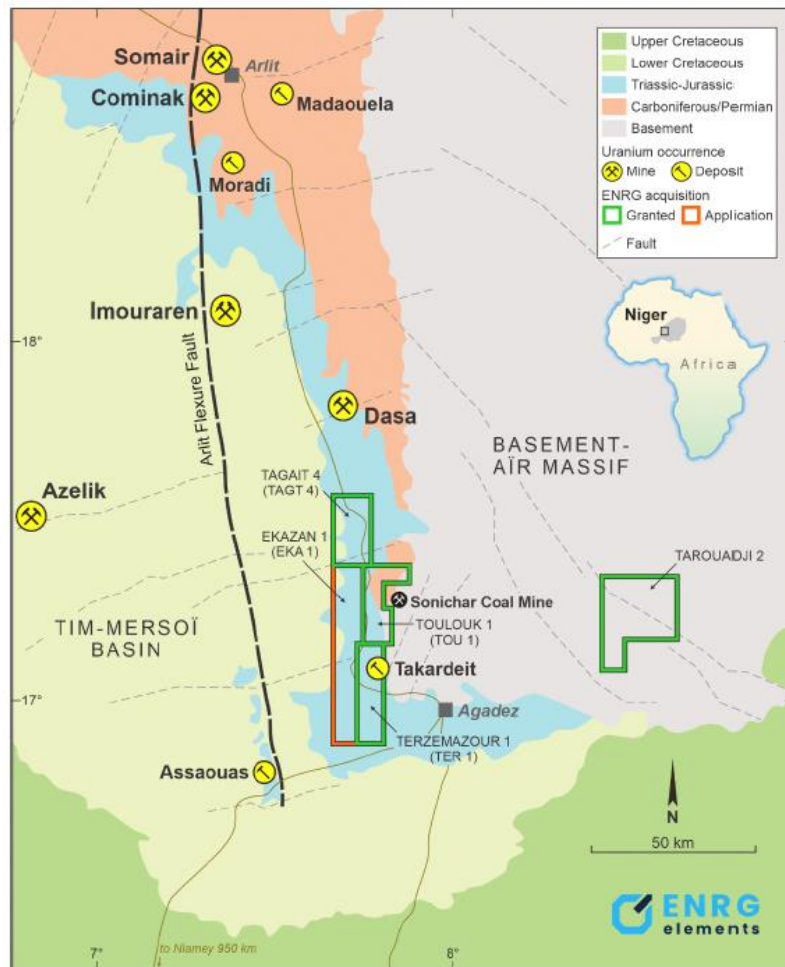


Figure 5: Map of the Company's Agadez Project and Taroudaji Project

Agadez Uranium Project and the Niger Situation

On 26 April 2023, the Company announced a 101% increase in the Mineral Resource Estimate ("MRE") at the Takardeit Deposit, within the Agadez Uranium Project ("Agadez Project"), to 31.1Mt at a grade of 315 ppm U₃O₈ for 21.5 Mlb U₃O₈, in the Inferred category¹.

Cut off	M tonnes	Grade U ₃ O ₈ ppm	Mlb U ₃ O ₈
175	31.1	315	21.5

¹ ASX Release – 26 April 2023 – "100% Increase in Mineral Resource at Agadez Uranium Project"

Table 1: JORC (2012) Inferred Mineral Resources (Figures may not add due to rounding)

On 11 May 2023, ENRG announced positive results from an orientation electrical resistivity tomography (“ERT”) survey undertaken across the Takardeit area, demonstrating a correlation with existing drilling data and historical geophysical surveys². Based on these results, ERT will be useful to not only identify additional targets at the Agadez Project, but also to potentially reduce the timeframe needed to increase the Resource base by narrowing down the search area and better targeting its drilling program.

Following the political events in Niger and the announcements on 28 July 2023 and 12 September 2023, ENRG Elements’ Managing Director, Ms Caroline Keats travelled to Niger to meet with Government representatives. The Niger Minister of Petroleum, Mines and Energy, the Honourable Barke Bako Mahaman Moustaha, indicated that the administration continues to support the Agadez Uranium Project and the Taroudji Lithium Project and the advancement of these assets by ENRG Elements.

Based on the exploration work completed to date at the Agadez Project, the Company’s geological team has been assessing the data from the drilling, sampling and mapping programs. To gain a better understanding of the detailed morphology of the mineralised channel system, a localised trenching program is now planned for Q1 CY2024.

The Board is committed to progressing its uranium and lithium projects in Niger and is looking forward to commencing an exploration program in Niger in the coming weeks.

Ghanzi West Copper-Silver Project, Botswana (EEL 10% interest)

On 16 November 2023, the Company advised it had completed the sale of 90% of the issued capital of each of the Company’s wholly owned subsidiaries, Icon Trading Company Proprietary Ltd (“Icon”) and Ashmead Holdings Proprietary Ltd (“Ashmead”) to LSE listed Kavango Resources Plc (“Kavango”) for a total, staged, cash consideration of A\$2.5 million, following receipt of Botswanan regulatory approvals.

A\$1.5 million was received upon completion of the transaction, with a further A\$1 million payable as follows:

- A\$500,000, 90 days post completion;
- A\$500,000, 180 days post completion.

² ASX Release – 11 May 2023 – “Ground Resistivity Geophysical Survey at Agadez Project”

The Company's remaining 10% interest in the Target Companies will be free carried until the earlier of three years after Completion (provided that A\$3,000,000 is expended on the licences during this period) and the date that a decision to mine is made.

(Refer to ASX announcements on 25 September 2023 and 16 November 2023 for further details).

Virgo Project, Botswana (EEL 25% interest)

The Company retains a 25% interest in Alvis-Crest (Propriety) Limited, the holder of two prospecting licences in the Kalahari Copper Belt (PL 135/2017 and PL 162/2017) ("**Virgo Project**"). The Virgo Project is located in an emerging copper district in the Kalahari district in close proximity of some larger discoveries and cover an area of over 210km². The Virgo licenses lie within (PL 165/2017) and adjacent (PL 135/2017) to the highly prospective Central Structural Corridor and within 10km and 50km of the Zone 5 and Banana Zone copper projects respectively, known as the two largest copper projects on the Kalahari Copper Belt.

Corporate

The Company held its annual general meeting of shareholders on 29 November 2023, where all resolutions put to shareholders were carried on a poll.

The Company has applied for grants to assist with the advancement of its projects in Niger and Canada. The Company is still waiting on the outcome of these applications and there is no assurance that any grant funding will be obtained.

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 \$184,000.

The Company's cash balance as at 31 December 2023 was \$1,341,000. In accordance with ASX Listing Rule 5.3.1, expenditure incurred during the Quarter on the above-mentioned exploration activities totalled \$77,000.

Authorised by the Board of ENRG Elements Limited.

For further enquiries, please contact:**Caroline Keats**

Managing Director

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www.enrg-elements.com**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 21.5 Mlbs of contained U₃O₈ at 315 ppm (175 ppm cut-off grade) from surface to ~37m depth (ASX Release – 26 April 2023). Agadez hosts similar geology to Orano SA's Cominak/Somair and Imouraren uranium mines and the deposits held by Global Atomic Corporation (TSE:GLO) and GoviEx Uranium (CVE:GXU). The Company was also recently granted the Tarouadji Project in Niger, a lithium exploration permit covering approximately 500km², located 70km² from the Company's flagship Agadez Uranium Project.

Niger has one of the world's largest uranium reserves and in 2021 it was the seventh-highest uranium producer globally³ with the Tim Mersoï Basin in Niger hosting the highest-grade and tonnage uranium ores in Africa.⁴

ENRG Elements owns 10% of the shares in Icon-Trading Company Pty Ltd and Ashmead Holdings Pty Ltd, which hold a total of 6 prospecting licences, comprising the Ghanzi West Copper-Silver Project which covers an area of 2,630km². ENRG Elements also holds 25% of Alvis-Crest (Proprietary) Limited, the holder of two prospecting licences, the Virgo Project. Both projects are located in Botswana's Kalahari Copper Belt, 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. Botswana is a stable, pro-mining jurisdiction, supportive of mineral exploration and development.

The Directors and management of ENRG Elements 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.

³ <https://world-nuclear.org/information-library/facts-and-figures/uranium-production-figures.aspx>.

⁴ <https://www.sciencedirect.com/science/article/pii/S016913682200213X>.

Competent Persons Statement

The information relating to previous Niger Exploration Results and Mineral Resources 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 information on the Canadian Exploration Results outlined in this announcement was compiled by Mr Michael Griffiths, an independent consultant employed by Black Barrel Exploration Pty Ltd. Mr Griffiths is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Griffiths 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 and all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed or been materially modified from the original announcements.

Tenement Information at 31 December 2023
as Required by ASX Listing Rule 5.3.3

Prospecting Licence	Location	% Interest	Change in Quarter
Tarouadji 2	Niger	100	-
Terzemazour 1	Niger	100	-
Tagait 4	Niger	100	-
Toulouk 1	Niger	100	-
PL203/2016	Botswana	10	Reduced from 100%
PL204/2016	Botswana	10	Reduced from 100%
PL205/2016	Botswana	10	Reduced from 100%
PL127/2017	Botswana	10	Reduced from 100%
PL128/2017	Botswana	10	Reduced from 100%
PL129/2017	Botswana	10	Reduced from 100%
PL135/2017	Botswana	25	-
PL162/2017	Botswana	25	-
1274B	Canada	100	Added this Quarter
1275B	Canada	100	Added this Quarter
1294A	Canada	100	Added this Quarter