

## Quarterly Activities Report for the Period Ending 30 September 2023

### Key Operational Matters:

- **Granted the Tarouadji Project, prospective for lithium and tin, in a favourable geological setting.**
- **Prospecting Licences at Ghanzi West Project renewed for a further two years.**
- **Binding agreement entered into for the sale of 90% of the Company's Ghanzi West Project, for total, staged consideration of A\$2.5 million, upon satisfaction of customary conditions precedent.**
- **Strengthened balance sheet to pursue Company strategy in the critical minerals space, including value accretive opportunities.**
- **Following the recent coup in Niger, ENRG continues to monitor the situation on the ground, with activities being adjusted to adapt to the changing environment.**

ENRG Elements Limited (**ASX:EEL, OTCQB: EELFF**) ("**ENRG**" or the "**Company**") is pleased to provide an overview of activities for the quarter ended 30 September 2023 ("**Quarter**", "**Reporting Period**"), to accompany the Appendix 5B.

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

*"Despite facing several challenges throughout the September Quarter, in particular, the coup in Niger and challenging market conditions, ENRG concluded the Quarter with several positive developments. Our assets and personnel continue to remain safe in Niger.*

*Just prior to the coup, ENRG initiated a reconnaissance program for the recently acquired Tarouadji Lithium Project. We are now eagerly awaiting return of the rock chip samples to Australia to undertake analysis of the material. As the political situation in Niger continues to evolve and stabilise, the Company looks to further advance the Tarouadji Lithium Project, as well as our flagship asset, the Agadez Uranium Project.*

*In the Reporting Period, we were delighted to announce the sale of 90% of the Ghanzi-West Project, with a structured, all-cash payment plan. This transaction will bolster the Company's balance sheet during the coming period."*

## Tarouadji Lithium Project, Niger

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

The Tarouadji 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 499.7km<sup>2</sup> (see Figure 1).

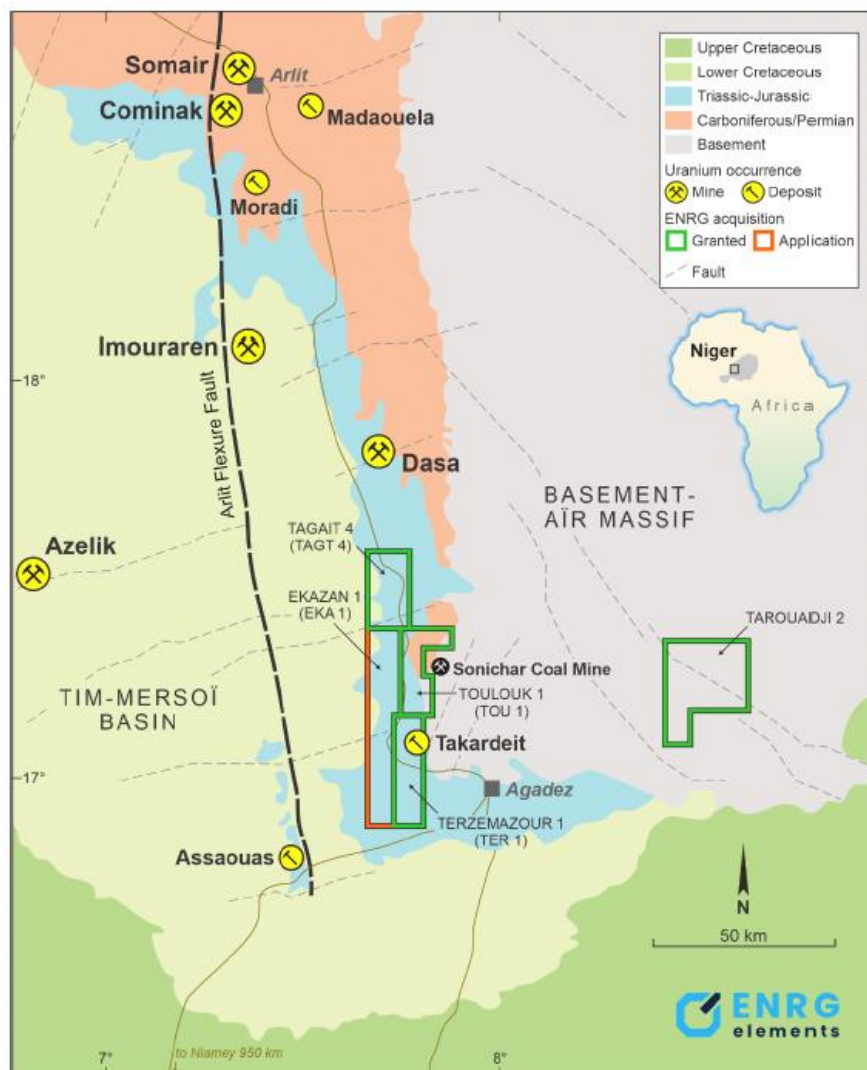


Figure 1: Map of the Company’s Agadez Project and Tarouadji Project

The Taroudaji Project was initially explored in early 1969 by N Mikhailoff<sup>1</sup> through surface sampling and geological mapping. The region contains the world's largest ring dykes, with the tenement mostly covering the "Taroudaji-Type" ring structure and hosting identified pegmatitic intrusions<sup>2</sup>.

The Company is currently undertaking a verification of the historic sample results which identified lithium and tin anomalies and will report them in accordance with JORC Code 2012 in due course.

Ground reconnaissance work commenced at the Taroudaji Project in early August 2023 (refer ASX release – 26 July 2023), with the initial phase of exploration beginning with a surface rock chip sampling campaign, focusing primarily on areas historically identified with lithium anomalies and pegmatitic material. This preliminary assessment of rock chip samples will guide the Company in formulating future exploration work. The Company is currently waiting on samples to be transported to Australia for analysis.

### 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  $U_3O_8$  for 21.5 Mlb  $U_3O_8$ , in the Inferred category<sup>3</sup>.

Cut off	M tonnes	Grade $U_3O_8$ ppm	Mlb $U_3O_8$
175	31.1	315	21.5

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 surveys<sup>4</sup>.

Following the 2023 Mineral Resource update and the results from the ERT survey at Agadez, ENRG had planned an exploration program for the second half of 2023, including the use of ERT to not only identify additional targets, 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.

<sup>1</sup> Rapport sur les Travaux de Prospection Geochemique des Massifs Cristallins de L'Air, Par N Mikhailoff, 1971

<sup>2</sup> Geological Atlas of Africa, Thomas Schluter, 2006

<sup>3</sup> ASX Release – 26 April 2023 – "100% Increase in Mineral Resource at Agadez Uranium Project"

<sup>4</sup> ASX Release – 11 May 2023 – "Ground Resistivity Geophysical Survey at Agadez Project"

On 26 July 2023, a group of the Presidential Guard detained the Niger President Mohamed Bazoum seeking his resignation, with the military assuming control of the government. On 28 July 2023, ENRG provided an update on the ongoing political uncertainty in Niger, advising that the Company's personnel and assets remained safe. While continuing to monitor the situation, which remains fluid, the Company has adjusted its operations in Niger during this period of continued political uncertainty.

The Board remains committed to developing its Agadez Project and Tarouadji Project and is dedicated to safeguarding the team and the integrity of the Company's assets in the region.

#### **Ghanzi West Copper-Silver Project, Botswana**

On 12 September 2023, the Company advised that three Prospecting Licences (PL203/2016, PL204/2016 & PL205/2016), comprising part of the Company's wholly owned Ghanzi West Project, were renewed for a further two years, until 30 September 2025. The Ghanzi West Project covers a total area of 2,629.60 km<sup>2</sup>.

On 25 September 2023, the Company announced that, through its wholly-owned subsidiary Global Exploration Technologies Pty Ltd, it has executed a binding Share Purchase Agreement with AIM listed Kavango Resources Plc ("**Kavango**"), for the sale of 90% of its Ghanzi West Copper-Silver Project ("**Ghanzi West Project**") ("**Transaction**"). Kavango have agreed to purchase 90% of the issued capital of each of the Company's wholly owned subsidiaries Icon-Trading Company Proprietary Ltd and Ashmead Holdings Proprietary Ltd for total, staged, cash consideration of A\$2.5 million, with completion being subject to customary conditions precedent. The Transaction aligns with the Company's strategy to monetise non-core assets to fund the advancement of its Agadez Uranium Project, the Tarouadji Lithium Project and identify additional value accretive opportunities for the Company. The material terms of the Transaction include:

- Total consideration of A\$2.5 million, comprising:
  - A\$1.5 million at completion;
  - A\$500,000, 90 days post completion;
  - A\$500,000, 180 days post completion.
- 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.

- Intercompany loans between the Company and the Target Companies will be assigned to Kavango at Completion.

**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). Arc Minerals Limited (75% interest in Alvis-Crest (Propriety) Limited, has advised that following soil sampling programs which identified a copper anomaly on PL 162/2017, a drilling program comprising five RC and 2 diamond holes was undertaken. As at the date of this announcement, assays from this drilling program remain pending.

**Corporate**

On 9 June 2023, the Company announced a non-underwritten Share Purchase Plan (“SPP”) to raise up to \$1.5 million before costs through the issue of 120,000,000 Shares at an issue price of \$0.0125 per Share, with a 1-for-2 free attaching option exercisable at \$0.019 each, expiring 18 months from the date of issue. In response to current market conditions and the ongoing political uncertainty in Niger, the SPP was withdrawn, as announced on 9 June 2023.

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 \$80,000.

The Company’s cash balance as at 30 September 2023 was \$290,000. In accordance with ASX Listing Rule 5.3.1, expenditure incurred during the Quarter on the above-mentioned exploration activities totalled \$105,000.

Authorised by the Board of ENRG Elements Limited.

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

Managing Director

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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 21.5 Mlbs of contained U<sub>3</sub>O<sub>8</sub> 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 500km<sup>2</sup>, located 70km<sup>2</sup> 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 globally<sup>5</sup> with the Tim Mersoï Basin in Niger hosting the highest-grade and tonnage uranium ores in Africa.<sup>6</sup>

ENRG Elements also holds the 100% owned Ghanzi West Copper-Silver Project covering a total area of 2,630km<sup>2</sup> 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 Elements believes that the Kalahari Copper Belt has the potential for material discovery, with further exploration underway to advance the project. On 25 September 2023, the Company announced it had entered into an agreement with AIM listed Kavango Resources Plc (Kavango), for the sale of 90% of its Ghanzi West Copper-Silver Project, subject to customary conditions precedent.

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.

### Competent Persons Statement

The information relating to previous 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)".

<sup>5</sup> <https://world-nuclear.org/information-library/facts-and-figures/uranium-production-figures.aspx>.

<sup>6</sup> <https://www.sciencedirect.com/science/article/pii/S016913682200213X>.

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 have not been materially modified from the original announcements.

**Tenement Information at 30 September 2023**  
**as Required by ASX Listing Rule 5.3.3**

Prospecting Licence	Location	% Interest	Change in Quarter
Taroudji 2	Niger	100	Granted during 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	-