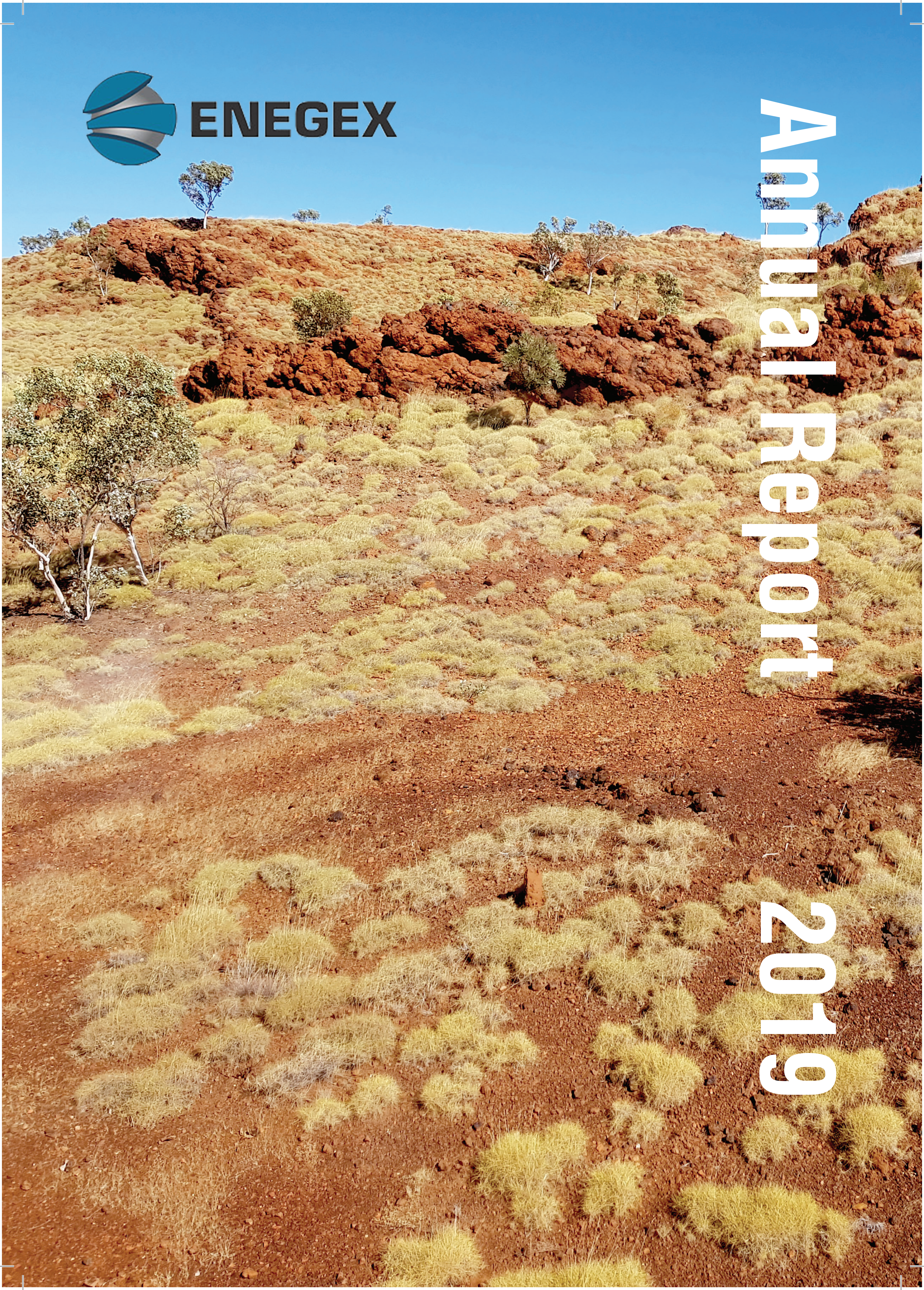
ENEGEX
Annual Report 2019

CORPORATE DIRECTORY

E.G Albers (Chairman)
R.L. Clark
A.P. Armitage

COMPANY SECRETARY

R.J. Wright

Registered Office
and Principal Administration Office
Level 21, 500 Collins Street
Melbourne, Victoria 3000, Australia
Telephone: +61 (0)3 8610 4713
Facsimile: +61 (0)3 8610 4799
Email: admin@enegex.com.au
Website: www.enegex.com.au

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

Share Registry
Automic Pty Ltd
Level 3
50 Holt Street
Surry Hills, NSW 2010, Australia

Telephone: 1300 288 664 (within Australia)
Telephone: +61 (2) 9698 5414 (outside Australia)
Website: www.automic.com.au

Stock Exchange Listing
ASX Limited
Level 4, North Tower, Rialto
525 Collins Street
Melbourne, Victoria 3000 Australia

ASX Code:
ENX **Ordinary Shares**

Incorporated in the State of Victoria
17 October 2012

CONTENTS

Chairman's Review……………………………1
Directors' Report 3
Remuneration Report 9
Corporate Governance 11
Directors' Declaration....................................... 13
Statement of Profit or Loss and
Other Comprehensive Income 14
Statement of Financial Position 15
Statement of Changes in Equity......................... 16
Statement of Cash Flows 17
Notes to the Financial Statements 18
Audit Report 31
Auditor's Independence Declaration.................. 33
Shareholder and Other Information 34

CHAIRMAN'S REVIEW

Dear Shareholders

Enegex is a natural resources company with its securities listed on the ASX. Its particular focus over recent years has been to seek opportunities that may be created by advances in energy generation, transmission and storage, with a particular emphasis on the natural resources required.

Enegex's Kimberley Project comprises application for two exploration licenses in the eastern margin of the Kimberley Basin of Western Australia targeting Vanadium, Cobalt-Nickel, PGE and Fluorite mineralisation. All minerals with a potential role to play in energy transmission and storage. Prior exploration in the two areas has been extremely limited, focussed on gold and diamonds, and the geology superficially mapped as "Hart Dolerite", a regionally extensive Proterozoic sill complex which has historically not been considered prospective.

As a result of advances in geological understanding, and building on recent data including mapping and government data, the Hart Dolerite is now understood to comprise a layered intrusive suite of rocks of which some parts are identified to be prospective for a range of mineralisation. The disseminated magnetite gabbro hosts the Speerwah Dome vanadium deposit (adjacent to Enegex's project area). Disseminated gold and copper in the sulphides in the intrusive suite indicate potential for reef-type mineralization in the magnetite-rich parts of the layered intrusion. High cobalt and coincident high nickel anomalies within other parts indicate a prospectively fertile host rock for these minerals.

Our involvement with the Cornea oil and gas accumulation offshore Western Australia, where we had a 14.875% joint venture interest, came to an end during the year. A Retention Lease over the Cornea accumulation had been granted in May 2014 for a five year-term.

In order for a Retention Lease to be renewed, the Commonwealth-Western Australia Joint Authority (JA) must be satisfied that the accumulation is "not presently commercial but is likely to be commercially viable within 15 years". The Cornea JV lodged an application to renew the Retention Lease for a further five years, demonstrating to the authorities that the field was clearly not presently commercially viable, and identifying the oil price, production and cost parameters that would be necessary for the field to become commercially viable. It identified numerous avenues by which the field's viability could be improved and proposed a work program focused on strategies for accessing both more oil volumes and lowering the development cost.

A renewal of the Retention Lease would have allowed for the possibility that oil demand would result in oil prices recovering sufficiently over the next five years to meet or exceed the necessary threshold oil price needed to justify any further substantial investment in either drilling or development.

However, following receipt of correspondence regarding the renewal application from the National Offshore Petroleum Titles Administrator (NOPTA), the Joint Venture withdrew its renewal application, having concluded that NOPTA was unlikely to support renewal of the Retention Lease and that the JA would therefore be unlikely to grant such renewal on the realistic terms we sought, given that oil prices are currently far below the level at which any substantial further investment could presently be justified.

Enegex remains open to other natural resource opportunities and continues to evaluate opportunities including in the area of:

- The exploration for strategic energy, transmission and storage minerals
- Energy storage technologies
- Alternative and renewable energy sources
- Natural gas for domestic consumption

I thank my co-directors for their support during the year.

E.G. Albers
Chairman
18 October 2019

DIRECTORS' REPORT

The directors present their report on the results and state of affairs of Enegex Limited (the group or the company or Enegex) for the year ended 30 June 2019.

PRINCIPAL ACTIVITY

The principal activity of the company during the financial year ended 30 June 2019 was the exploration for natural resources, unchanged since the incorporation of the Company.

FINANCIAL RESULTS FOR THE YEAR

The company recorded an operating loss after income tax for the year ended 30 June 2019 of $307,079 (2018: $83,503).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than outlined in this report there have been no significant changes in the state of affairs during the financial year and to the date of this report.

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 highly dependent on success in the permit areas in which the company holds an interest.

REVIEW OF FINANCIAL POSITION

At 30 June 2019, the company had a working capital (current assets less current liabilities) surplus of $133,902 (2018: $255,733).

REVIEW OF OPERATIONS

Kimberley Basin Exploration Licences

In May 2019 the company made application for two exploration licenses in the eastern margin of the Kimberley Basin of Western, a culmination of its expanded its focus over recent years to consider potential opportunities that may be created by advances in energy generation, transmission and storage (refer Figure 1).

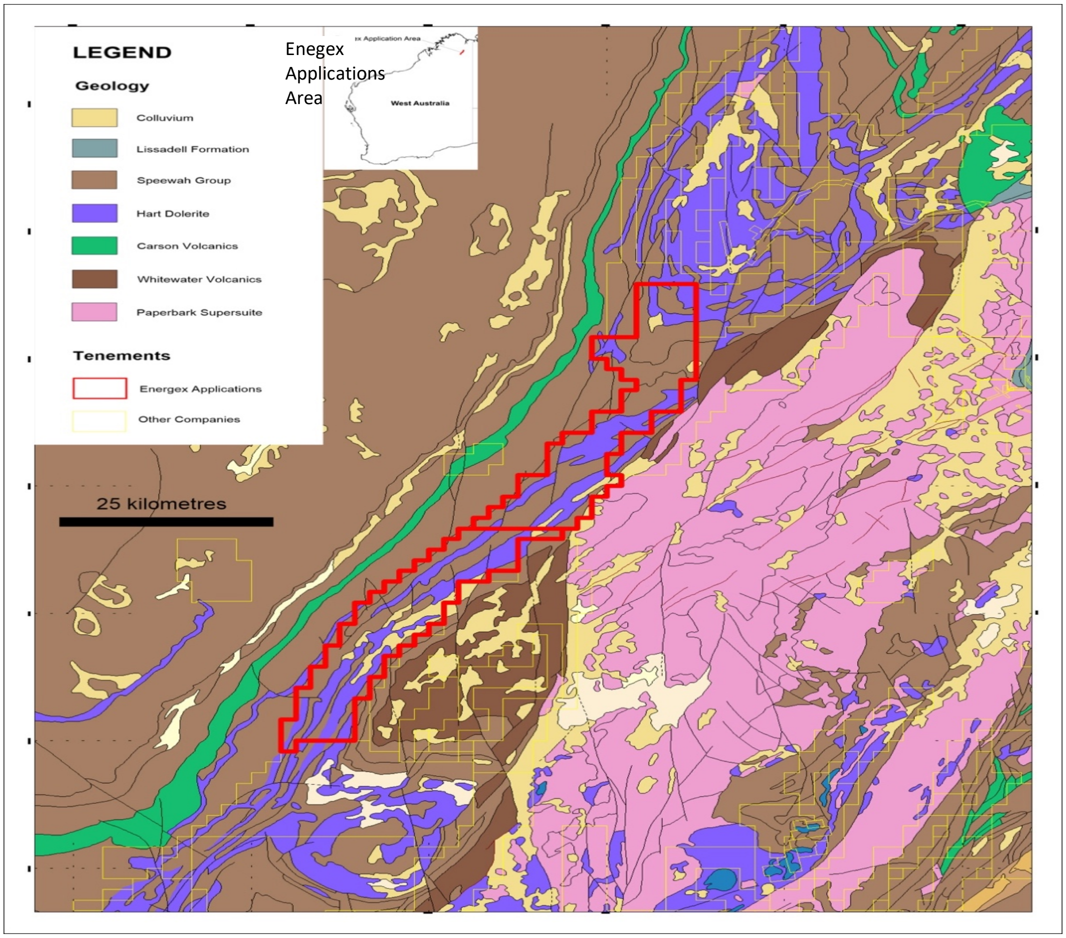

Figure 1 Enegex Application Areas shown on regional geology

Enegex has identified the area covered by its two applications as offering prospectivity for Vanadium, Cobalt-Nickel, PGE and Fluorite mineralisation.

The geology of the tenements has been mapped as "Hart Dolerite", a regionally extensive Proterozoic sill complex which has historically not been considered prospective. The tenement areas have previously been the subject of limited exploration, focused on gold and diamonds (refer Figure 2).

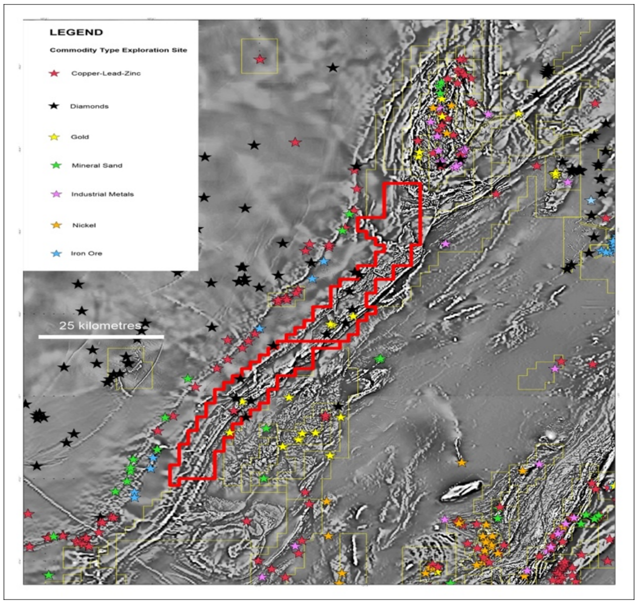

Figure 2: Historical Exploration in and around Enegex Application Areas shown on regional magnetics (reduced to pole first vertical derivative)

Enegex has identified three recent advances in geological understanding that potentially alter the prospectivity of the Hart Dolerite:

- Recent mapping and exploration of the Speewah Dome, immediately to the north of the Enegex tenement areas, has identified that the Hart Dolerite comprises a layered intrusive suite of rocks (Intrusive Suite), and that the prospective part of the Intrusive Suite is the Disseminated Magnetite Gabbro which hosts the Speerwah Dome Vanadium Deposit (adjacent to the Enegex application area). Disseminated gold and copper have also been identified in the sulphides of the Intrusive Suite, indicating potential for reef-type PGE mineralization in the upper, differentiated, magnetite-rich parts of the layered intrusion.

- Regolith sampling by Geological Survey WA (GSWA) has identified high cobalt and coincident high nickel anomalies in Hart Dolerite, indicating prospective fertile host rocks for these minerals within the Suite.

- A later epithermal event has been identified in the Hart Dolerite in the Speewah area with carbonate and epithermal fluorite overprinting the dolerite.

- Fluoride is currently being investigated as a potential replacement for lithium batteries.

The limited historical exploration in the Enegex application areas has not determined which units of the Intrusive Suite are exposed. Thus, following grant of exploration licenses, Enegex intends to conduct exploration activities to determine the presence or otherwise of prospective units within the tenement area.

Other Mineral Resources Opportunities

Enegex is open to other natural resource opportunities including gold and base metals and continues to evaluate opportunities to generate shareholder value including in the areas of

- The exploration for strategic energy, transmission and storage minerals
- New energy storage technologies
- Alternative and renewable energy opportunities

Cornea Retention Lease (WA-54-R)

The five year term of the WA-54-R Cornea Retention Lease in which Enegex had a 14.75% joint venture interest ended during the year, on 5 May 2019.

In order for a Retention Lease to be granted and subsequently renewed, the Commonwealth-Western Australia Joint Authority (JA) must be satisfied that the accumulation is “not presently commercial but is likely to be commercially viable within 15 years”.

The Cornea JV initially lodged an application to renew the Retention Lease for a further five years, predicated on the work completed over the initial lease term, especially the last two years of the lease. Its application was accompanied by detailed oil, gas and water production simulation forecasts generated from an integrated reservoir model prepared by a team of independent specialists comprising a petrophysicist, geologists, geophysicists and reservoir engineers. The development concept and cost estimates were prepared by an independent engineering firm.

The Cornea accumulation has had 18 wells drilled into it and its immediate environs. The renewal application and our studies demonstrated that the field is not presently commercially viable, even adopting an extremely cost efficient development concept of a platform and subsea storage unit. The renewal application demonstrated the oil price, production and cost parameters required for the field to be commercially viable. It identified numerous avenues by which the field’s commercial viability could be improved. The submission proposed a work program focused on strategies for accessing more oil volumes and lowering the development cost.

A renewal of the Retention Lease would have allowed for the possibility that oil demand would result in oil prices recovering sufficiently over the next five years to meet or exceed the necessary threshold oil price needed to justify any further substantial investment in either drilling or development.

The National Offshore Petroleum Titles Administrator (NOPTA) provided a “request for further information” in relation to the renewal application, as is typical with all titles administration matters. However, this “request” was unusual in that it did not in fact request any information or seek any clarifications. Rather, it advised that “insufficient information has been provided to demonstrate that recovery of petroleum from the lease area is likely to become commercially viable within 15 years, and therefore to support a recommendation to renew Petroleum Retention Lease WA-54-R” with extremely wide and general reasons cited without reference to any of the detailed supporting content provided by the Joint Venture in its renewal application.

Having reviewed NOPTA’s “request”, the Joint Venture considered that NOPTA was unlikely to support renewal of WA-54-R and that the JA is therefore unlikely to grant such renewal.

WA-54-R presented an unusual retention lease circumstance, having been granted over an oil accumulation, rather than a gas accumulation. The Cornea JV's decision to apply for a Retention Lease in 2013 reflected advice from the Joint Authority in early 2013 that it should do so. In September 2013 the Coalition Government's Policy for Resources and Energy was released with measures aimed at ensuring that Retention Leases are held for "a legitimate need to secure gas for long-lived production projects". The Cornea JV lodged its application for Retention Lease the next month (October 2013) and WA-54-R was granted in May 2014, reflecting the Joint Authority's earlier advice to the Cornea JV, notwithstanding the September 2013 policy change.

The Cornea JV believes that NOPTA and the JA intended to apply the September 2013 policy and deny a renewal of the Cornea Retention Lease, despite the Cornea JV's significant investment in Cornea. This investment includes the drilling of Cornea-3. The Cornea JV increased its investment over the course of the Retention Lease, recently completing an integrated reservoir model in accordance with the work program variation approved by the JA.

The Cornea JV has considered avenues open to it, including pathways for administrative review in the event of a negative decision and ultimately formed the view that NOPTA's letter reflected an insurmountable hurdle. To develop Cornea, significant production and oil price hurdles would need to be overcome. The Cornea JV believes that, for a marginal field such as Cornea to have any chance of development, it must be supported by a constructive and commercial approach from the relevant regulator.

The Cornea JV therefore decided to withdraw its application to renew WA-54-R, which withdrawal has been approved with the result that WA-54-R is no longer in force.

DIRECTORS

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

EG Albers LLB, FAICD

Chairman since 12/4/17

Director since 1/10/15

Mr Albers has over 35 years' experience as a director and administrator in corporate law, petroleum exploration and resource sector investment. Mr Albers became involved in oil exploration in 1977 and has a track record of developing significant oil and gas assets.

Mr Albers has held interests in a number of companies active in the petroleum industry in Australia and Malaysia.

Mr Albers is also a director of the ASX listed companies Octanex Limited and Peako Limited.

RL Clark B.Bus (dist), CA, MAICD, AGIA, ACIS

Executive Director

Director since 12/10/15

Mrs Clark has more than 20 years' experience focussed primarily on the natural resources sector. Her experience includes business development, financial modelling and analysis, capital raising and mergers and acquisitions, as well as managing joint venture partners, government, regulator and investor relations.

Mrs Clark is also a director of the ASX listed companies Octanex Limited and Peako Limited.

AP Armitage FCA FAICD

Non-Executive Director

Director since 11/4/17

Mr Armitage began his professional career with an international accounting firm. After qualification he was invited into partnership of a national firm. Since the early 1980s he has been a director of a number of listed exploration companies in both Australia and New Zealand. He resigned as a Non-Executive director of ASX listed company Peako Limited on 20 March 2019.

COMPANY SECRETARY

RJ Wright B Bus, CPA – *appointed 17 October 2012*
Mr Wright is a senior financial professional with over 30 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 the ASX listed companies Octanex Limited and Peako Limited. Mr Wright is a member of CPA Australia.

BOARD AND COMMITTEE MEETINGS

The following table sets out the number of formal meetings held during the year and the number of meetings attended by each director. All other matters that required formal Board resolutions were dealt with via written circular resolutions. In addition, the directors met and corresponded at numerous times throughout the financial year to discuss the Group's affairs. The board undertakes all audit committee functions.

	Board of Directors		Audit Committee	
	Held	**Attended**	**Held**	**Attended**
EG Albers	2	2	2	2
RL Clark	2	2	2	2
AP Armitage	2	2	2	2

SHARE CAPITAL

ORDINARY SHARES

No shares were issued during the year and to the date of this report.

OPTIONS

No options were issued during the year and to the date of this report.

REMUNERATION REPORT

This report is audited.

Directors / Executives	Position Held
EG Albers	Non-Executive Chairman
RL Clark	Executive Director
AP Armitage	Non-Executive Director

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 are reviewed annually.

Director Remuneration
During the year under review, directors were remunerated a total of $Nil (2018: $Nil).

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

Remuneration Report (continued)

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 so as to align directors' interests with that of the shareholders.

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

Components of directors' compensation are disclosed below.

		Short Term		*Post Employment*	*Equity Settled*	*Total*	
	Year	*Directors Fees $*	*Other Fees $*	*Super annuation $*	*Options $*	*$*	*Options as percentage of Total*
EG Albers	**2019**	**-**	**-**	**-**	**-**	**-**	-
	2018	-	-	-	-	-	-
RL Clark	**2019**	**-**	**-**	**-**	**-**	**-**	-
	2018	-	-	-	-	-	-
AP Armitage	**2019**	**-**	**-**	**-**	**-**	**-**	**-**
	2018	-	-	-	-	-	-
TOTAL	**2019**	**-**	**-**	**-**	**-**	**-**	**-**
	2018	-	-	-	-	-	-

There were no shares or options issues to directors as part of compensation during the year ended 30 June 2019.

Directors' interests in shares

The number of shares in the company held during by each director, including their related parties, is set out below:

Directors	**Held at 1 July 2018**	**Net Change Other**	**Held At 30 June 2019**
EG Albers	32,904,849	-	32,904,849
RL Clark	75,000	-	75,000
AP Armitage	-	-	-
	32,979,849	-	32,979,849

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 industry best practice.

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.

CORPORATE GOVERNANCE STATEMENT

A corporate governance statement reporting on Enegex's governance framework, principles and practices is provided on the Enegex website www.enegex.com.au.

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

There are no proceedings on behalf of the company.

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 on page 33 and forms part of this Directors' Report for the year ended 30 June 2019.

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

Signed in accordance with a resolution of the directors.

R.L. Clark
Director
Melbourne, 25 September 2019

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 2019 and of its performance for the year ended on that date; and

   (c) the financial statements and notes also comply 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 9 to 10 of the Directors' Report, (as part of the audited Remuneration Report), for the year ended 30 June 2019, comply with section 300A of the Corporations Act 2001.

4. The directors have been given the declarations by the executive officer and the financial officer required by section 295A of the Corporations Act.

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:

RClark

R.L. Clark
Director
Melbourne, 25 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
Interest income		3,433	4,626
Expenses	2	(310,512)	(88,129)
Loss before income tax expense		(307,079)	(83,503)
Income tax expense	3	-	-
Loss for the year		(307,079)	(83,503)
Items that will not be reclassified subsequently to profit or loss			
Changes in financial assets at fair value through other comprehensive income		(3,370)	4,814
Total comprehensive income for the year		(310,449)	(78,689)
		cents	cents
Basic loss per share (cent per share)	17	(0.381)	(0.104)
Diluted loss per share (cent per share)	17	(0.381)	(0.104)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2019

	NOTE	2019 $	2018 $
CURRENT ASSETS			
Cash and cash equivalents	4	139,914	287,052
Trade and other receivables	5	2,809	2,561
Prepayments	6	30,056	-
TOTAL CURRENT ASSETS		172,779	289,613
NON-CURRENT ASSETS			
Financial assets at fair value through other comprehensive income	7	24,548	-
Available-for-sale financial assets		-	27,917
Exploration and evaluation assets	8	-	185,249
TOTAL NON-CURRENT ASSETS		24,548	213,166
TOTAL ASSETS		197,327	502,779
CURRENT LIABILITIES			
Trade and other payables	9	38,877	33,880
TOTAL LIABILITIES		38,877	33,880
NET ASSETS		158,450	468,899
EQUITY			
Issued capital	10	1,366,891	1,366,891
Reserves		3,414	6,784
Accumulated losses		(1,211,855)	(904,776)
TOTAL EQUITY		158,450	468,899

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Issued capital	Accumulated losses	Financial assets at fair value through other comprehensive income	Total Equity
	$	$	$	$
At 1 July 2018	1,366,891	(904,776)	6,784	468,899
Loss for the year	-	(307,079)	-	(307,079)
Revaluation of financial asset (net of tax)	-	-	(3,370)	(3,370)
Total comprehensive income for the year	-	(307,079)	(3,370)	(307,079)
At 30 June 2019	1,366,891	(1,211,855)	3,414	158,450
At 1 July 2017	1,366,891	(821,273)	1,970	547,588
Loss for the year	-	(83,503)	-	(83,503)
Revaluation of financial asset (net of tax)	-	-	4,814	4,814
Total comprehensive income for the year	-	(83,503)	4,814	(78,689)
At 30 June 2018	1,366,891	(904,776)	6,784	468,899

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(99,256)	(84,882)
Interest received		4,060	3,599
Net cash outflow in operating activities	(i)	(95,196)	(81,283)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to suppliers - exploration		(51,942)	(63,329)
Net cash outflow from investing activities		(51,942)	(63,329)
Net decrease in cash and cash equivalents		(147,138)	(144,612)
Cash and cash equivalents at the beginning of the year		287,052	431,664
CASH AND CASH EQUIVALENTS AT YEAR END	4	139,914	287,052

(i) RECONCILIATION OF LOSS TO NET CASH OUTFLOW IN OPERATING ACTIVITIES

	2019	2018
Loss after income tax	(307,079)	(83,503)
Exploration expensed	5,315	-
Impairment of asset	201,820	-
Changes in Assets and Liabilities:		
Decrease in payables	4,997	1,023
Decrease in receivables	(249)	1,197
Net cash outflow from operating activities	(95,196)	(81,283)

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Enegex Limited ("Enegex" or "the company" or "the group") 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 consolidated financial report of the company for the year ended 30 June 2019 comprises the company and its subsidiaries (together referred to as the "consolidated entity" or "the group") and the consolidated entity's interest in joint operations. Financial information for Enegex Limited as an individual entity is included in Note 20. The financial report was authorised by the directors for issue on 25 September 2019. The principal activity of the company during the year was natural resources exploration, evaluation and investment.

(a) Statement of compliance
The consolidated 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 consolidated 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(m).

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

New and revised accounting standards applicable for the first time to the current reporting period

The company has adopted all new and revised Australian Accounting Standards and Interpretations that became effective for the first time and are relevant to the company.

The adoption of the new and revised Australian Accounting Standards and Interpretations, including AASB 15 Revenue from Contracts with Customers, has had no impact on the company's accounting policies or the amounts reported during the current year.

AASB 9 Financial Instruments
AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement requirements. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The Group has assessed the classification and measurement of the Group's financial liabilities and financial assets.

When adopting AASB 9, the Group has applied transitional relief and elected not to restate prior periods. Rather, differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings as at 1 July 2018.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

The table below outlines the accounting treatment for financial assets and financial liabilities under AASB 139 as compared to AASB 9

Financial instrument	Previous AASB 139	Current AASB 9
Trade and other payables	Amortised cost	Amortised cost
Derivative financial instruments	Fair value through profit or loss	Fair value through profit or loss

The Group's other receivables do not meet the definition of a financial asset as they include GST receivable and prepayments. As a result, Group management is satisfied that there is no impact from the transition from AASB139 to AASB9.

Impairment of financial assets
AASB 9's new impairment model use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. The application of the new impairment model depends on whether there has been a significant increase in credit risk.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

(c) Exploration and evaluation expenditure
Exploration and evaluation assets, including the costs of acquiring permits or licences, are capitalised as exploration and evaluation assets on an area of interest basis. Exploration and evaluation assets are only recognised if 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.

The tests contained in AASB6.20 are applied to determine whether exploration and evaluation assets are assessed for impairment:

1) the exploration and evaluation tenure right has expired or are expected to expire in the near future, and is not expected to be renewed.
2) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
3) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
4) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

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

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.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) (i)Trade and other receivables (relates to period ending 30 June 2018 and earlier)
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.

(d) (ii) Trade and other receivables and contract assets (relates to period beginning 1 July 2018)
The company makes uses of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

(j) 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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) 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.

(l) 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.

(m) 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. Other than as disclosed in these notes 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.

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 3).

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Accounting estimates and judgements (continued)
Per Note 1(c) and 1(f) 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 and other comprehensive income.

(n) 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.

(o) 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

(p) 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.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) 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.

(r) New and revised accounting standards issued not yet effective

The company has adopted all of the new and revised Accounting Standards issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2018.

The Directors do not believe that new and revised standards issued by AASB (that are not as yet effective, will have any material financial impact on the financial statements, including AASB 16 Leases, which does not apply to leases to explore for or use minerals, oil, natural gas and similar non-regenerative resources

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

	NOTE	2019 $	2018 $
NOTE 2 EXPENSES			
Audit and other related fees		26,650	25,052
Consultants fees		1,603	733
Impairment of exploration asset	**8**	201,820	-
Office costs		22,717	25,550
Stock exchange and registry costs		20,878	20,113
Other expenses		36,844	16,681
		310,512	88,129

NOTE 3 INCOME TAX BENEFIT

	2019 $	2018 $
Components of income tax benefit		
Current tax benefit	(92,194)	(25,051)
Deferred tax asset not brought to account	92,194	25,051
Income tax benefit	-	-
Reconciliation between tax benefit and pre-tax loss		
Loss before tax	(307,079)	(83,503)
Income tax using statutory income tax rate of 30% (2018: 30%)	(92,124)	(25,051)
Tax benefit	(92,124)	(25,051)
Deferred tax asset not brought to account	92,124	25,051
Income tax benefit	-	-

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:

	2019 $	2018 $
Tax losses carried forward	1,268,715	1,104,913
Temporary differences	11,221	(175,524)
	1,279,936	929,389

NOTE 4 CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at bank and on hand	139,914	287,052
	139,914	287,052

NOTES TO THE FINANCIAL STATEMENTS	**2019**	**2018**
30 JUNE 2019	**$**	**$**

NOTE 5 TRADE & OTHER RECEIVABLES

Other receivables	2,809	2,561
	2,809	2,561

The carrying amount of all receivables is equal to their fair value as they are short term. None of the receivables have a loss allowance as there aren't any expected shortfalls in contractual cash flows. The maximum credit risk for the company is the gross value of all receivables. All receivables are non-interest bearing.

NOTE 6 PREPAYMENTS

Prepaid tenement rent	30,056	-
	30,056	-

The company applied for exploration tenements E80/5354 and E80/5355 in May 2019. If the tenements are granted rent paid on application will cover rent required on the first year of exploration in both tenements. As at 30 June 2019 and to the date of signing the report the tenements have not been granted. If the tenements are not granted the rent paid on application is fully refundable.

NOTE 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in listed equities		
Balance at beginning of year	27,917	23,104
Net revaluation increment	(3,369)	4,813
Balance at end of year	24,548	27,917

NOTE 8 EXPLORATION AND EVALUATION ASSETS

Balance at beginning of year	185,249	121,920
Expenditure for the year	16,571	63,329
Impairment of asset (1)	(201,820)	-
Balance at end of year	-	185,249

(1)The retention lease WA-54-R expired 3 May 2019 as was held through joint operations and details of interests held in the permits can be found in Note 11.

NOTE 9 TRADE AND OTHER PAYABLES

Other payables and accrued expenses	19,344	17,981
Director-related entities – other payables (Note 13)	19,533	15,899
	38,877	33,880

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 15.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 10 ISSUED CAPITAL

Issued Capital	2019 Shares	2019 $	2019 Shares	2018 $
Ordinary shares fully paid	80,499,737	1,366,891	80,499,737	1,366,891
Ordinary Shares				
Movements during the year				
Balance at beginning of year	80,499,737	1,366,891	80,499,737	1,366,891
Shares issued: costs of issue	-	-	-	-
Balance at end of year	80,499,737	1,366,891	80,499,737	1,366,891

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
No options were on issue during the year and to the date of this report.

NOTE 11 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 14. Details of the company's interests in the joint operations are:

	Interest 30/6/2019	Interest Acquired (Disposed)	Interest 30/6/2018
WA-54-R	Nil	(14.875%)	14.875%

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

	2019 $	2018 $
CURRENT ASSETS		
Cash and cash equivalents	4,670	3,551
Trade and other receivables	1,117	390
TOTAL CURRENT ASSETS	5,787	3,941
NON-CURRENT ASSETS		
Exploration costs	-	185,249
TOTAL ASSETS	5,787	189,190
CURRENT LIABILITIES		
Trade and other payables – director related	4,768	7,910
TOTAL LIABILITIES	4,768	7,910

There are no contingent liabilities in any of the joint operations.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 12 KEY MANAGEMENT PERSONNEL

Non-executive Directors
EG Albers
AP Armitage

Executive Director
RL Clark

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 PA Armitage, EG Albers and RL Clark in their capacities as consultants or service providers to Enegex are disclosed below in the Related Party Note 13. Fees paid to directors 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:

		Short Term		*Post Employment*	*Equity Settled*	*Total*
	Year	*Directors Fees*	*Other Fees*	*Super-annuation*	*Options*	
		$	*$*	*$*	*$*	*$*
TOTAL	**2019**	-	-	-	-	-
	2018	-	-	-	-	-

NOTE 13 RELATED PARTY TRANSACTIONS

The consolidated financial statements of the Group include:

Name	**2019 Interest**	**2018 Interest**	**Country of Incorporation**
Ellendale South Pty Ltd	100%	Nil	Australia
Diamandia Pty Ltd	100%	Nil	Australia

Both Ellendale South Pty Ltd and Diamandia Pty Ltd were acquired for $100 on 5 April 2019. They were shelf companies with no assets or liabilities at the date of acquisition.

During the year services were provided under normal commercial terms and conditions by director-related entities as disclosed below together with amounts payable as at 30 June including in relation to joint operations*.

Entity	**Related director**	**Service**	**Amounts paid 2019 $**	**Amounts paid 2018 $**	**Payable at 30/06/19 $**	**Payable at 30/06/18 $**
Samika Pty Ltd	RL Clark	Consulting services	2,480	2,957	1,215	182
Exoil Pty Ltd	EG Albers	Office services	24,970	27,570	7,069	7,287
Natural Resources Group Pty Ltd	EG Albers	Management of exploration tenements	744	2,975	744	3,272
Octanex Limited	EG Albers	Accounting and administrative support	21,755	11,218	10,505	5,158
			49,949	44,720	19,533	15,899

* As a participant of the Cornea Joint Venture Enegex holds an interest in a petroleum joint venture with director-related entities: Cornea Petroleum Pty Ltd, Cornea Oil & Gas Pty Ltd, Coldron Pty Ltd, Octanex Cornea Pty Ltd, Moby Oil & Gas Pty Ltd, Octanex Limited, Cornea Resources Pty Ltd and Auralandia Pty Ltd, all director-related entities of EG Albers.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 14 EXPLORATION AND EVALUATION PERMIT COMMITMENTS

Estimated expenditure to satisfy contractual and permit work obligations:

	2019 $	2018 $
Not later than 1 year - WA-54-R	-	74,375
Later than 1 year but not later than 3 years – WA-54-R	-	-

WA-54-R expired 5 May 2019.

NOTE 15 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 4. At balance date a 1% (100 basis point) increase/ decrease in the interest rate would improve / worsen the company's post tax profit by $979 (2018: $2,009)

Liquidity risk
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.

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 2019

NOTE 16 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 17 LOSS PER SHARE

The loss and weighted average number of ordinary shares used in the calculation of basic and dilutive loss per share is as follows::

	2019	2018
	$	$
Net Loss for the year	(307,079)	(83,503)
The weighted average number of ordinary shares	80,499,737	80,499,737
Total basic and dilutive loss per share (cents)	(0.381)	(0.104)

NOTE 18 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	26,650	25,052
Other assurance services	-	-
	26,650	25,052

NOTE 19 EVENTS SINCE BALANCE DATE

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

NOTE 20 PARENT ENTITY INFORMATION

	2019	2018
	$	$

The following details information related to the parent entity, Enegex Limited at 30 June 2019. The information presented here has been prepared using consistent accounting policies as presented in Note 1, except for the use of the cost method for investment in subsidiary companies by the parent.

	2019 $	2018 $
Current assets	142,723	289,613
Non-current assets	59,987	213,166
Total assets	202,710	502,779
Current liabilities	38,544	33,880
Non-current liabilities	-	-
Total liabilities	38,544	33,880
Contributed equity	1,366,891	1,366,891
Financial assets at fair value through other comprehensive income reserve	3,414	6,784
Accumulated losses	(1,206,139)	(904,776)
Total equity	164,166	468,899
Loss for the year	(301,363)	(83,503)
Other comprehensive income for the year	(3,370)	4,814
Total comprehensive income for the year	(304,733)	(78,689)

No dividends were paid by the parent entity in 2019 (2018: Nil).

The company's share of minimum work requirements contracted for under exploration permit interests held in joint operation is estimated at reporting date:

	2019 $	2018 $
Payable not later than one year	-	74,375
Payable later than one year but not later than three years	-	-
	-	74,375

Collins Square, Tower 5
727 Collins Street
Melbourne Victoria 3008

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T 61 3 8320 2222
F 61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

To the Members of Enegex Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Enegex Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. For the period ended 30 June 2019 we have determined that there are no key audit matters to communicate in our report.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' 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* and for 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.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 7 to 8 of the Directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Enegex Limited, for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

Grant Thornton Audit Pty Ltd
Chartered Accountants

B L Taylor
Partner – Audit & Assurance

Melbourne, 25 September 2019

Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008

Correspondence to:
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration

To the Directors of Enegex Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Enegex Limited for the year ended 30 June 2019, 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

B L Taylor
Partner – Audit & Assurance

Melbourne, 25 September 2019

Additional Information (unaudited)

As at 16 October 2019 Enegex holds the following interests in Mineral Tenements:

Western Australia (Kimberley Province)	
E 80/5354 (100%)	Application
E 80/5355 (100%)	Application

Shareholder Information (compiled as at 16 October 2019)

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	66,29
1,001 – 5,000	298	906,543
5,001 – 10,000	183	1,436,843
10,001 – 100,000	383	12,588,628
100,001 and over	66	65,501,494
TOTAL ON ISSUE	1,134	80,499,737

960 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 *Beneficial and non-beneficial*	% of Shares
Albers Group	32,639,070	40.55
Ross Di Bartolo	8,815,126	10.95
Graeme Kirke	4,122,667	5.12

THE 20 LARGEST HOLDERS OF ORDINARY SHARE

Holder	Ordinary Shares	% of Total Issued
Mr Ernest Geoffrey Albers	13,433,600	16.70%
Mr Ross Di Bartolo	8,815,126	10.95%
Auralandia Pty Ltd	5,000,000	6.21%
Gascorp Australia Pty Ltd	4,750,000	5.90%
Mr Graeme Eric Kirke	4,000,000	4.97%
Sacrosanct Pty Ltd	2,373,886	2.82%
Small Business Finance Pty Ltd	2,218,985	2.76%
Australia Finance Pty Ltd	1,871,078	2.32%
Strata Resources Pty Ltd	1,769,332	2.20%
Mr Alfredo Varela	1,484,166	1.84%
Mr Ianaki Semerdziev	1,407,000	1.75%
TRE Pty Ltd	1,345,942	1.67%
ICM Investments Pty Ltd	1,311,233	1.63%
Mr Ernest Geoffrey Albers	1,246,867	1.55%
Mr Xing Wang Li	1,219,999	1.52%
Albers Foundation Pty Ltd	1,125,000	1.40%
Albers Custodian Company Pty Ltd	987,906	1.23%
500 Custodian Pty Ltd	765,000	0.95%
Relativity Pty Ltd	603,333	0.75%
Natural Resources Group Pty Ltd	523,221	0.65%

The 20 largest shareholders hold 56,161,674 shares representing 69.77% of the issued share capital.