



# **ENEGEX LIMITED**

**ABN 28 160 818 986**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30 June 2023**

# Corporate Directory

## Directors

R. Steinepreis (Chairman)  
N. Castleden  
R.L. Clark  
R.A. Sharpe

## Company Secretary

A. Neuling

## Registered Office and Principal Administration Office

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Cottesloe, WA 6011

Email: [admin@enegex.com.au](mailto:admin@enegex.com.au)  
Phone: 08 6153 1861  
Website: [www.enegex.com.au](http://www.enegex.com.au)

## Auditor

Grant Thornton Audit Pty Ltd  
Collins Square, Tower 5  
727 Collins Street  
Melbourne, Victoria 3008 Australia

## Share Registry

Automic Pty Ltd  
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Surry Hills, NSW 2010, Australia  
Telephone: 1300 288 664 (within Australia)  
Telephone: +61 (2) 9698 5414 (outside Australia)  
Website: [www.automic.com.au](http://www.automic.com.au)

## Stock Exchange Listing

ASX Limited  
Level 40, Central Park  
152-159 St George's Terrace  
Perth, WA 6000 Australia

**ENX Code:** ENX - Ordinary Shares

Incorporated in the State of Victoria  
17 October 2012

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# Review of Operations

## 1. West Yilgarn Projects

2022 saw EnegeX continue to actively evaluate and refine its landholdings in the West Yilgarn (Figure 1) as it pursued its goal to discover new Ni-Cu-PGE and/or Cu-Au mineralised systems in this emerging mineral province.

The potential of the West Yilgarn to deliver large-scale economic discoveries has come into sharp focus in recent years and is highlighted by the highly significant **Gonneville** Ni-Cu-PGE discovery by Chalice Mining Ltd, hosted within a mafic-ultramafic intrusion, and the delineation of 2.84Mt of contained copper at the **Caravel Copper Project** (Caravel Minerals Ltd) in an area historically interpreted to be underlain by non-prospective granitic geology. The multi-million-ounce **Boddington** copper-gold mine (Newmont Ltd), and the **Greenbushes** Lithium Operations (Albemarle, IGO, Tianqi) demonstrate that discoveries in the province can progress through feasibility studies and develop into highly lucrative mining operations.

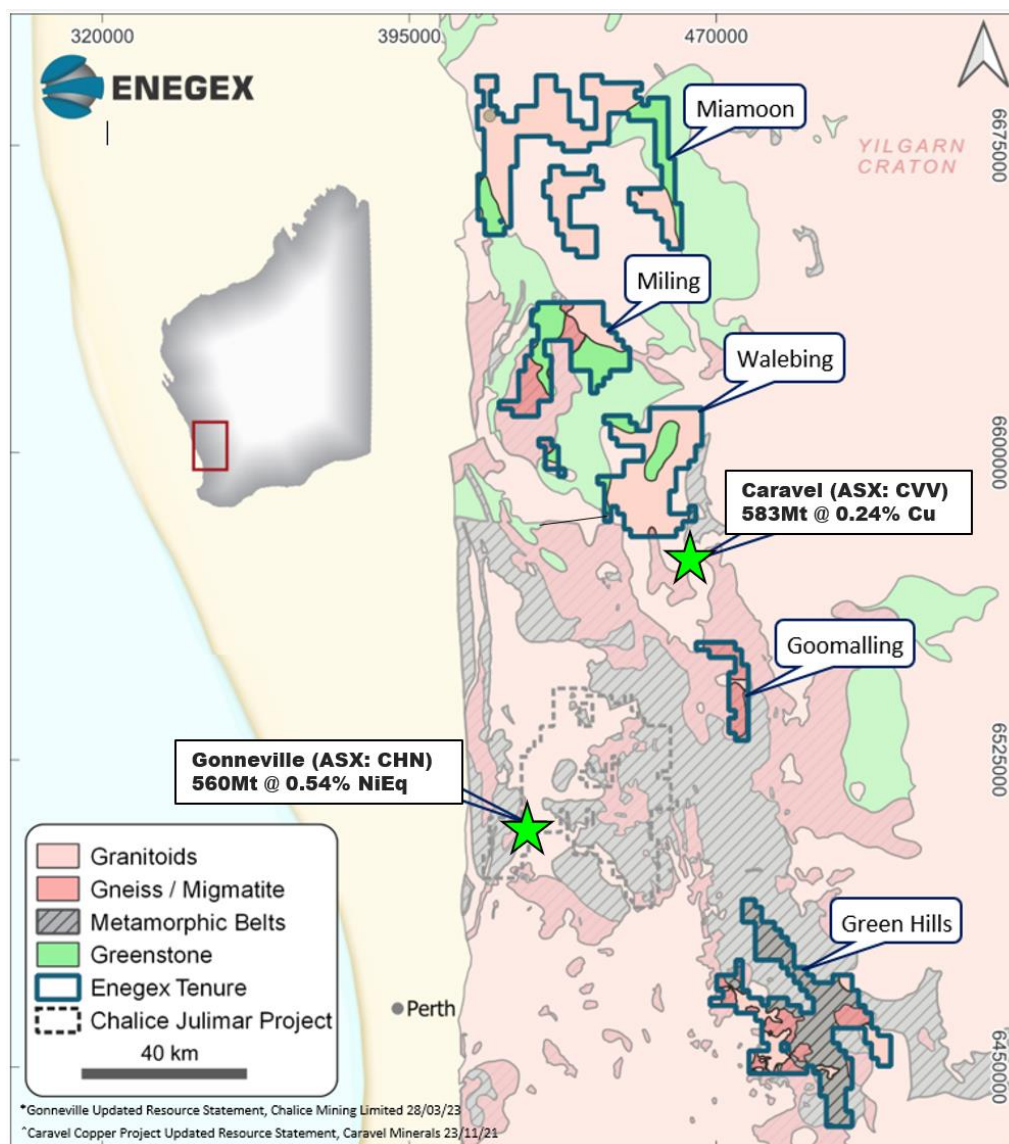
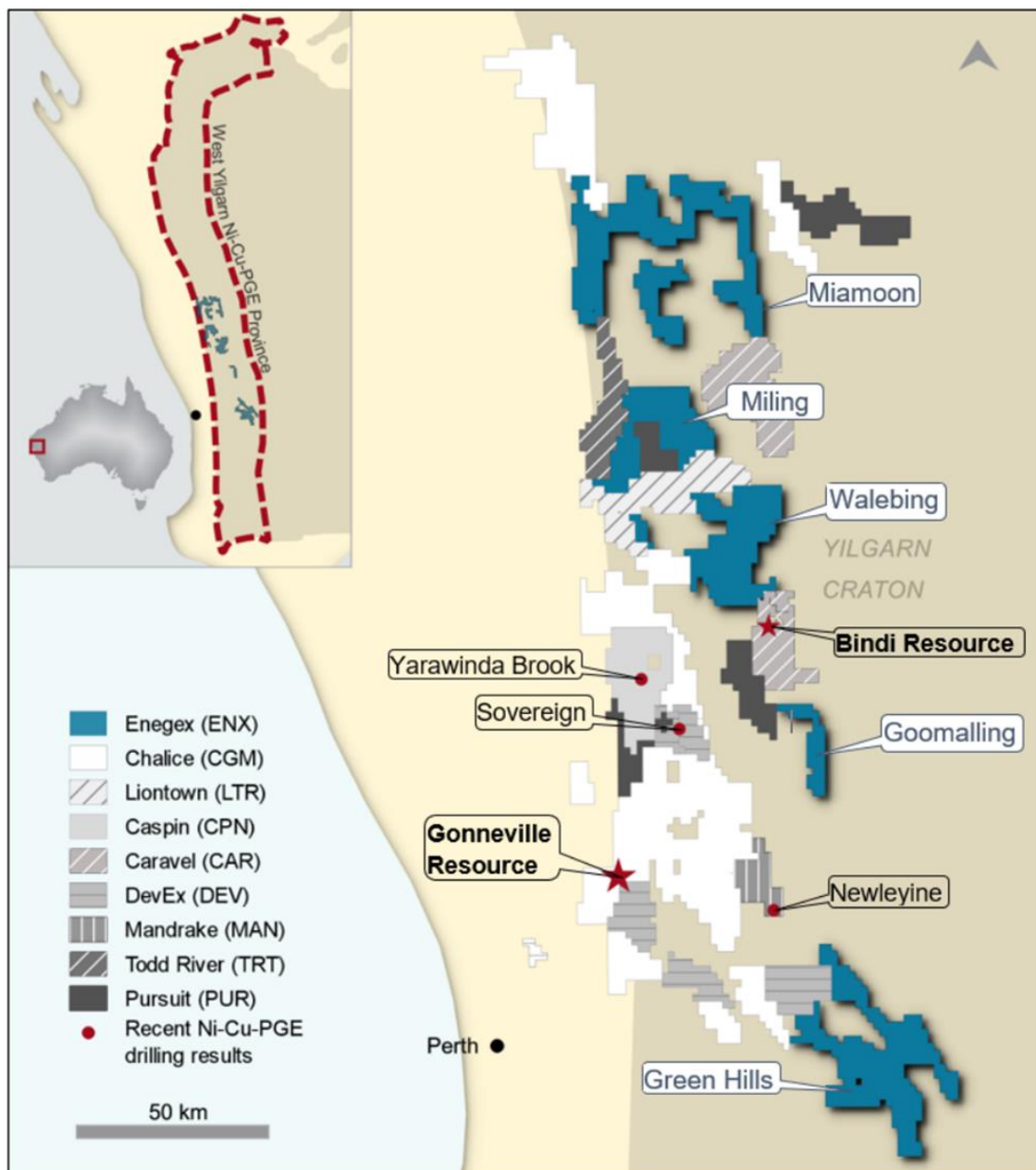


Figure 1. EnegeX's Tenure on GSWA 1:500,000 scale Interpreted bedrock geology.

Enegex's landholdings in the area were assembled through opportunistic ground acquisition, focussing on unexplored aeromagnetic and gravity features and regional structural corridors, and are well placed in amongst active explorers (Figure 2).



**Figure 2.** Enegex project areas, and tenement holdings of other explorers in the region.

The Company has assembled an excellent historical and geophysical dataset, and is utilising field geology, past explorative work and regional and proprietary geophysical data to refine its understanding of the underlying Archean geology.

An agreement executed in March 2023 for the sale of tenement E70/5442 (part of Walebing Project) to Caravel Minerals Ltd allowed access to an extensive proprietary ('Dominion') roadside surface sampling dataset that stretches across Enegex's West Yilgarn project areas (see *ASX: ENX release 3rd March 2023*). This 3500-point dataset continues to be evaluated, with selected copper and gold targets to be followed up over the second half of 2023.

Geology is limited to broad-scale government mapping that has interpreted belts of metamorphic sedimentary, greenstone and gneiss between larger granite plutons (Figure 1) but the accuracy of interpretation is limited by widespread soil and laterite gravel cover, particularly in the northern Enegex tenure.

Potential target areas across Enegex's tenure are assessed and prioritised according to geological criteria, reconnaissance geochemical sampling results, and accessibility.

A first step is to seek access to potential target areas through liaison with freehold landowners, an essential process that may at times be time consuming. Enegex is very pleased that its geological staff have gained reconnaissance access to key parts of its mineral tenure and will continue to work closely with landowners to minimise its impact and work around farming schedules. Once access is obtained the Company aims to define and quickly evaluate quality targets using low-impact surface sampling techniques, particularly where prior geochemical coverage is wide spaced or absent. Any areas of significant gold or basemetal anomalism can then be progressed to ground geophysical surveys and first-pass drilling.

Enegex's West Yilgarn tenements are divided into five project areas: **Miamoon**, **Miling**, **Walebing**, **Goomalling** and **Green Hills** (Figure 2), comprising 14 granted exploration licences totalling over 3000km<sup>2</sup>.

During the year reconnaissance mapping and sampling was carried out over specific, accessible targets at each of the project areas. Whilst no materially anomalous assay results were received from the 2022 work programs, the work remains at an early stage and elevated copper and gold geochemistry is evident at the Gladius target in the Goomalling Project, and new targets continue to emerge.

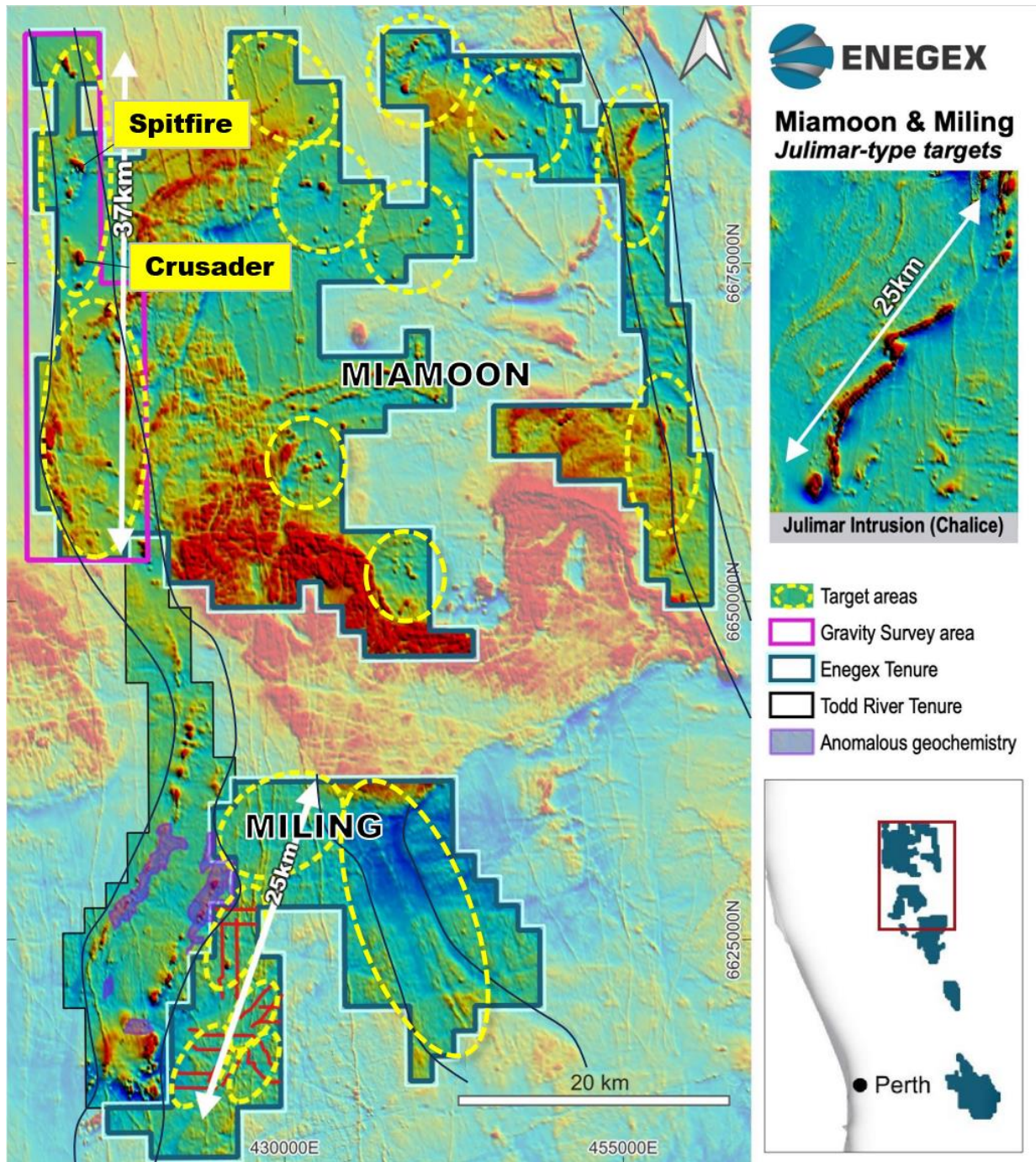
### **Miamoon Project**

Miamoon is a large landholding that straddles two major corridors of potential, a western continuation of the geological package interpreted to host the Gonneville series of mafic and ultramafic intrusions, and an eastern structural suture considered an important controlling feature with respect to copper and gold mineralisation at Caravel and elsewhere. The central area of the tenement block covers several late-stage magnetic granitoid intrusions that are flanked in places by discrete aeromagnetic anomalies. Selective tenement reductions and relinquishments were made over the year.

The western Miamoon tenure remains a key target area and contains several unexplored coincident magnetic and gravity bodies that are prospective for Ni-Cu-PGE styles (Figure 3). Landowner access continued to be negotiated over the 'Spitfire' and 'Crusader' aeromagnetic features that were defined and enhanced via an Airborne Falcon Gravity Gradiometer (AGG) survey conducted late 2021. These features remain priority drill targets.



A first pass soil sampling program consisting of 123 samples was completed over geophysical targets 29 and 30 that are located in the far southwest of the Miamoon project, with low levels of platinum anomalism returned.



**Figure 3.** Miamoon and Miling tenure and exploration targets on aeromagnetic imagery.

The Company successfully obtained access to freehold land along the eastern side of the Miamoon Project during the year, carried out several reconnaissance mapping and rock sampling programs, and plans to expand geochemical coverage in coming months along a major structural zone that is interpreted to trend in a north westerly direction through the area (Figure 3). This structural zone is seen as a potential continuation of structures related to the Caravel Minerals' copper deposits, and therefore prospective for structural and porphyry style Cu-Au mineralisation.

Aeromagnetic interpretation over the central Miamoon tenure has highlighted zones of patchy anomalously high magnetic responses along the margins of granite bodies that may also have potential for copper-gold mineralisation styles. These zones will receive reconnaissance sampling as access negotiation progresses.

### **Miling Project**

Activity over 2022 focussed on reconnaissance and landholder negotiations along the western margin of the Miling project where tenure abuts Todd River Resources tenure and Ni-Cu-PGE anomalism. Several occurrences of mafic and ultramafic rocks were observed on EnegeX tenure that are considered to be potential host rocks.

The Company made good progress establishing access to freehold land within E70/5444 in the eastern part of the Miling Project. The tenement contains a major east verging flexure indicated in magnetic imagery (Figure 3). The flexure and associated structural corridor are considered prospective for gold or Cu-Au mineralisation and past geochemical coverage is too wide-spaced to be considered effective.

Selective tenement reductions will be made, subject to ongoing exploration results.

### **Walebing**

The Walebing Project comprises several exploration licences in the early stages of exploration located to the north and west of the Caravel Copper Project (Figure 4) and flanking the Wongan Hills greenstone belt. Landowner access negotiations continued over the most prospective far eastern margin of the Project where tenements cover extensions of the Wongan Hill greenstone belt.

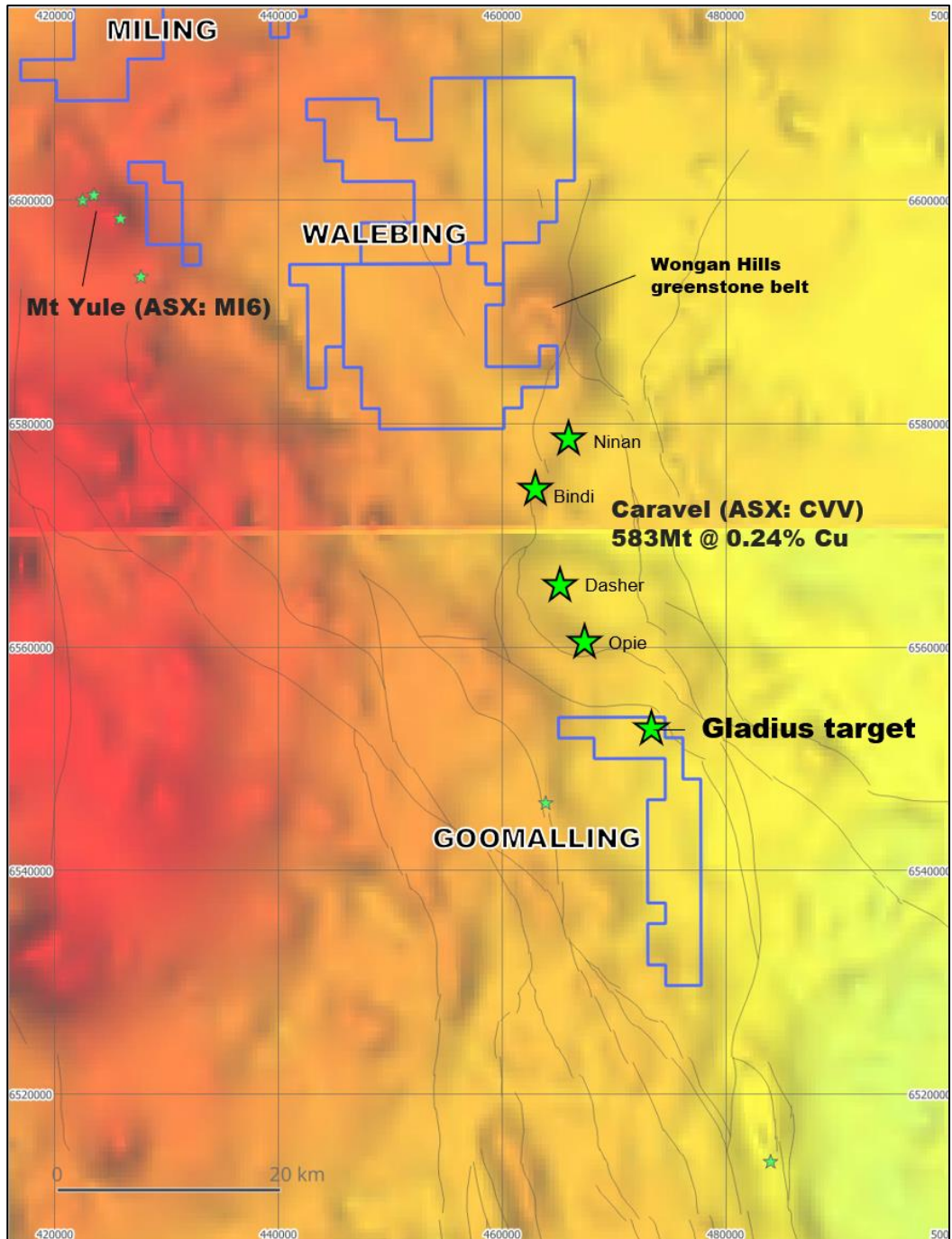
Reconnaissance geological mapping and selected rock sampling was carried out in the north-west part of E70/5439 around a series of east-west trending quartz veins. No materially anomalous results were obtained, and no follow up work is planned at this prospect.

An agreement executed in March 2023 for the sale of tenement E70/5442 to Caravel Minerals Ltd allowed access to the 3500-point Dominion roadside surface sampling dataset that stretches across EnegeX's West Yilgarn project areas. This dataset provided an important increase in the Company's geochemical coverage at Walebing and generated several follow-up targets.

### **Goomalling**

Exploration during the year focussed on the north-east of the Project area, where magnetic and gravity responses sit approximately 10km south-east of Caravel Minerals' Opie Copper resource (refer to <https://caravelminerals.com.au>) and broadly on-trend.



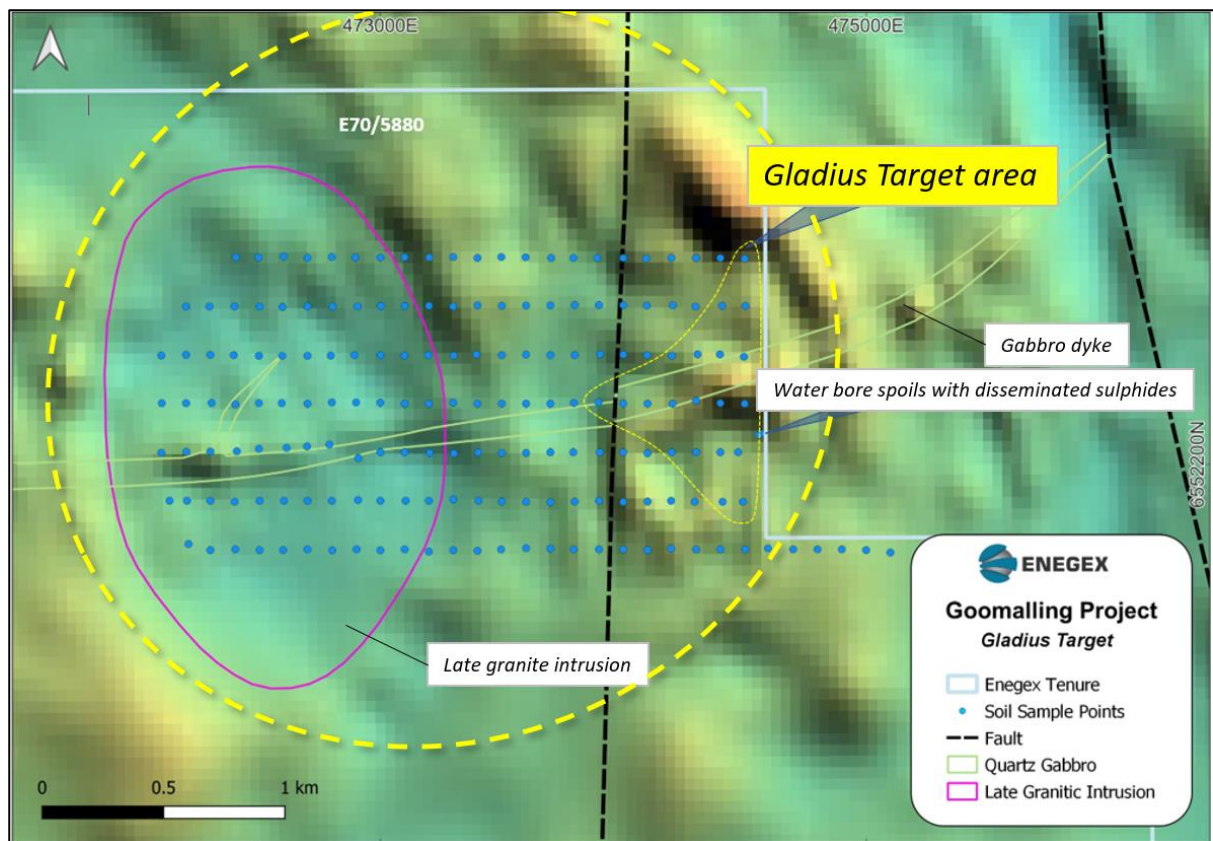


**Figure 4.** Goomalling and Walebing tenure and exploration targets on gravity imagery and structural interpretation.

A total of 176 soil samples were collected at the **Gladius Prospect** along with supporting rock-chip sampling, where water bore drill cuttings in gneiss were observed to contain minor disseminated sulphides (Figure 5). Mapped geology is dominated by gneiss and local exposures of meta sediments, including banded iron formation, and late gabbro dykes (Figure 5).



Prospectivity in the area is enhanced by a late-stage granite plug and through-going north trending structures. Exploration in this area will continue as cropping allows.



**Figure 5.** *Gladius tenure and exploration targets on aeromagnetic imagery.*

### **Green Hills**

The Green Hills tenement group covers a belt of metamorphic sedimentary rocks, associated gneiss, and granitoid intrusions that is relatively well-exposed compared to the northern Energex tenure. Several campaigns of field mapping and sampling were completed over the year including 73 soil samples and a rock-chip program at the Edwards Crossing gold prospect. Exploration confirmed that the areas tested have limited exploration potential and no further work will be completed at those locations.

It is likely that parts of the Green Hills tenure will be rationalised in coming months to allow focus on the Company's higher priority areas.

## 2. Hart Project, North Kimberley

During September 2022 the Company completed an initial field campaign at the Hart Project, a greenfield tenement holding acquired to search for intrusive hosted vanadium-titanium-magnetite mineralisation. Exploration activities completed included ground validation of desktop targets, rock chip sampling, traverse mapping, magnetic susceptibility data collection and pXRF data on collected rocks across the main target areas.

The traverse mapping results highlighted a strongly magnetic gabbroic sill with highly anomalous magnetic susceptibility values (up to  $92 \times 10^{-3}$  SI). This magnetic gabbroic sill is interpreted to be the same prospective horizon that hosts the Speewah V-Ti-Fe resource.

A total of 214 samples were assayed, returning results to 0.37%  $V_2O_5$  and 2.14% Ti.

Following the modest exploration results, and the cost of seasonal exploration in the Kimberley, EnegeX surrendered tenement E80/5354 and withdrew its application for tenement E80/5355 to conclude its exploration activities in the region. The move allows EnegeX to focus its resources on its existing West Yilgarn Projects, and to pursue new opportunities.

## Directors' Report

The directors present their report on the consolidated entity consisting of Egegex Limited ("Egegex" or "the Company") and the entities it controlled at the end of, or during the year ended 30 June 2023. Throughout the report, the consolidated entity is referred to as the group.

### Principal Activity

The principal activity of the company during the financial year ended 30 June 2023 was the exploration for natural resources.

### Financial Results for the Year

The company recorded an operating loss after income tax for the year ended 30 June 2023 of \$1,528,429 (2022: \$640,096).

### Significant Changes in State of Affairs

In May 2023, the Company completed a placement of 200 million ordinary shares and 55 million free-attaching options to raise \$3 million before costs. Following the placement, Messrs Steinepreis and Castleden joined the Board of the Company and Messrs Albers and Armitage resigned.

Other than as noted above, 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 2023, the company had a working capital (current assets less current liabilities) surplus of \$2,507,425 (2022: Surplus \$556,091).

### Directors

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

#### **R Steinepreis** BJURIS LLB

Non-Executive Chairman – appointed 9 May 2023

Mr Steinepreis is a corporate and resources lawyer and Executive Chairman of Perth based corporate law firm, Steinepreis Paganin. He has practised as a lawyer for over 35 years, acting as legal advisor to a number of public companies, particularly in the energy and resources sector, on a wide range of corporate matters.



Mr Steinepreis is currently a director of the following listed companies:

- Meeka Metals Limited (ASX:MEL) - appointed 6 November 2012
- Metalicity Limited (ASX: MCT) - appointed 6 February 2023.

In the last 3 years Mr Steinepreis has held the following directorships of listed companies:

- Clearvue Technologies Limited (ASX:CPV) – resigned 10 February 2023
- Apollo Consolidated Ltd (ASX: AOP) - resigned December 2021
- PetroNor E&P limited (Listed on Oslo Axess) – resigned February 2022

At the date of this report Mr Steinepreis holds an interest in 26,666,667 ordinary shares and a total of 25,000,000 options.

### **N Castleden**

Non-Executive Director – appointed 9 May 2023

Mr Castleden is a geologist with over 25 years of experience in the mineral exploration and development industry. Mr Castleden was appointed Managing Director and CEO of Solstice Minerals Limited (ASX: SLS) on 25 January 2023.

In the last 3 years Mr Castleden has held the following directorships of listed companies:

- Apollo Consolidated Ltd (ASX: AOP) - resigned December 2021
- Latitude Consolidated Limited (ASX:LCD) – resigned 1 April 2021
- TNT Mines Limited (ASX:TIN) – resigned 23 October 2022

At the date of this report Mr Castleden holds an interest in 16,000,000 ordinary shares and a total of 25,000,000 options.

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

Executive Director, Director since October 2015

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 currently a director of the following companies:

- Octanex Limited (ASX:OXX until removed from official list on 6 June 2023) – appointed October 2014
- Peakco Limited (ASX:PKO) – appointed December 2014

At the date of this report Mrs Clark holds an interest in 75,000 ordinary shares and a total of 4,500,000 options.

### **Dr RA Sharpe** B.Sc. (hons), PhD (Geology)

Non-Executive Director, appointed 31 January 2022

Dr Sharpe has over 30 years' experience in green and brown field projects with a focus on the exploration for and evaluation of gold and base metal projects in Australia, South America, West Africa, Fiji, Solomon Islands and Mexico.

Dr Sharpe has a Bachelor of Science (Hons) from UTas, a PhD (Geology) from the Centre for Ore Deposits and Earth Sciences (“CODES”) UTas and completed post-doctoral studies under an ARC Fellowship at CODES.

Dr Sharpe currently holds no directorships in any other listed companies.

At the date of this report Dr Sharpe holds an interest in 60,833 ordinary shares and a total of 2,750,000 options.

**EG Albers** LLB, FAICD

Resigned 11 May 2023

Chairman since April 2017, Director since October 2015

Mr Albers has over 35 years’ experience as a director and administrator in corporate law, resource exploration and investment.

**AP Armitage** FCA FAICD

Resigned 9 May 2023

Non-Executive Director, Director since April 2017

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.

**Company Secretary**

**AJ Neuling** – FCA, ICAEW, FCIS

Appointed 28 March 2023

Mr Neuling has 25 years’ corporate and financial experience, including more than 20 years across various ASX-listed companies in the mineral exploration, mining, Oil & Gas and other sectors.

**RJ Wright** - B.Bus, CPA – resigned 28 March 2023

## Board and Committee Meetings

The number of formal meetings of the Company's board of directors and relevant committees attended by each director are set out in the following table. 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 Company' affairs. The board undertakes all audit committee functions.

	Directors' Meetings	
	Held	Attended
R Steinepreis	1	1
N Castleden	1	1
EG Albers	3	3
R Clark	4	4
AP Armitage	3	2
R Sharpe	4	4

## Share Capital

### Ordinary Shares

At 30 June 2023 the Company's share capital consists of 368,916,018 ordinary fully paid shares (2022: 166,443,711).

In May 2023 EnegeX completed a placement issuing 200,000,000 ordinary shares at \$0.015 per share with 55,000,000 free-attaching options to raise \$3,000,000 before costs. A further 10,000,000 options were issued to the placement brokers.

During the year a total of 2,472,307 previously issued, listed options have been exercised, resulting in the issue of 2,472,307 shares and raising \$ 74,822. The remaining 3,819,748 listed options expired, unexercised.

### Options

#### Listed options

Movements during the year	2023	2022
Balance at beginning of year	6,292,055	11,527,140
Options granted	-	-
Options exercised	(2,742,307)	(5,235,085)
Options expired	(3,819,748)	-
Balance at end of year	-	6,292,055



## Unlisted options

<b>Movements during the year</b>	<b>2023</b>	<b>2022</b>
Balance at beginning of year	28,662,500	8,750,000
Options granted	70,000,000	21,912,500
Options exercised	-	-
Options expired	(4,700,000)	(2,000,000)
Balance at end of year	<u>93,962,500</u>	<u>28,662,500</u>

During the year a total of 15,000,000 unlisted options were granted to directors, employees and consultants. A further 50,000,000 unlisted options were granted as part of the May 2023 placement.

## Remuneration Report

This report is audited.

<b>Directors / Executives</b>	<b>Position Held</b>	
R Steinepreis	Non-Executive Chairman	appointed 9 May 2023
N Castleden	Non-Executive Director	appointed 9 May 2023
RL Clark	Executive Director	
RA Sharpe	Non-Executive Director	
EG Albers	Non-Executive Chairman	resigned 11 May 2023
AP Armitage	Non-Executive Director	resigned 9 May 2023

During the year there were no employees or consultants to the company that meet the definition of key management personnel, other than the directors.

### Director Remuneration

During the year under review, directors were remunerated a total of \$167,324 (2022: \$130,394).

There is no performance related remuneration for directors. There is no direct relationship between remuneration of directors and the company's performance for the last five years. Directors' remuneration paid covers all board activities including serving on committees. Remuneration levels are reviewed annually.

### Additional information

The earnings of the Consolidated Entity for the five years to 30 June 2023 are summarised below:

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Loss after income tax	(1,528,429)	(640,096)	(475,452)	(202,987)	(307,079)
Share price at financial year end (cents per share)	2.0	3.3	19.0	1.5	1.0

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.

## Remuneration Report (continued)

Components of directors' compensation are disclosed below.

	Short Term		Post Employ- ment	Equity Settled	Total	Options as % of Total
	Directors Fees \$	Other Fees <sup>(3)</sup> \$	Super annuation \$	Options <sup>(1)</sup> \$		
<b>Year ended 30 June 2023</b>						
R Steinepreis <sup>(2)</sup>	5,082	-	-	-	5,082	-
N Castleden <sup>(2)</sup>	5,082	-	-	-	5,082	-
RL Clark	2,917	92,400	-	13,005	108,322	12%
RA Sharpe	35,000	3,840	-	6,503	45,343	14%
EG Albers <sup>(2)</sup>	-	-	-	-	-	-
AP Armitage <sup>(2)</sup>	-	-	-	4,335	4,335	100%
	<b>48,081</b>	<b>96,240</b>	<b>-</b>	<b>23,843</b>	<b>168,164</b>	
<b>Year ended 30 June 2022</b>						
RL Clark	-	92,400	-	-	92,400	-
RA Sharpe	14,583	14,682	-	-	29,265	-
EG Albers	-	-	-	-	-	-
AP Armitage	-	-	-	8,729	8,729	100%
	<b>14,583</b>	<b>107,082</b>	<b>-</b>	<b>8,729</b>	<b>130,394</b>	

(1) The whole value of options granted during the year has been disclosed as remuneration rather than the amount vested.

(2) Roger Steinepreis and Nick Castleden were appointed as directors on 9 May 2023; Peter Armitage and Geoffrey Albers resigned as directors on 9 May 2023 and 11 May 2023 respectively.

(3) Consulting fees charged by director-related entities.

No shares were issued to directors as part of compensation during the year ended 30 June 2023.

### Other transactions with key management personnel

The Company incurred consulting fees with director-related entities on normal commercial terms and conditions as follows:

Director	Director-related entity	Consulting Fees		Unpaid	
		30 June 2023 \$	30 June 2022 \$	30 June 2023 \$	30 June 2022 \$
RL Clark	Samika Pty Ltd	92,400	92,400	-	-
RA Sharpe	Sharpes Siding Pty Ltd	3,840	14,682	-	7,438



## Remuneration Report (continued)

### Key management personnel interest in equity holdings

#### Fully paid ordinary shares

	Number of shares at start of year	Shares Acquired	Number of shares at end of year <sup>(1)</sup>
	<i>1 July 2022</i>		<i>30 June 2023</i>
R Steinepreis <sup>(2)</sup>	-	26,666,667	26,666,667
N Castleden <sup>(2)</sup>	-	16,000,000	16,000,000
RL Clark	75,000	-	75,000
RA Sharpe	60,833	-	60,833
EG Albers <sup>(2)</sup>	49,328,283	8,000,000	57,328,283
AP Armitage	-	-	-
	<b>49,464,116</b>	<b>50,666,667</b>	<b>100,130,783</b>

(1) Or at date of resignation

(2) Shares acquired as part of a placement

#### Unlisted options

The Company granted a total of 2,750,000 options over ordinary shares to directors RL Clark, RA Sharpe and AP Armitage during the financial year (2022: 250,000). Option exercise is conditional on continued involvement with the company. The options granted have been valued using the Black-Scholes Option Valuation with fair values and share based payment expenses recognised as shown below:

	Number of options granted	Fair value at grant date	Share based payment recognised
RL Clark	1,500,000	13,005	3,861
RA Sharpe	750,000	6,503	1,930
AP Armitage <sup>1</sup>	500,000	4,335	-
	<b>2,750,000</b>	<b>23,843</b>	<b>5,791</b>

1. Options granted in the period lapsed unexercised following resignation from the Company.

## Remuneration Report (continued)

### Director Option Holdings

The table below details the terms and conditions of options held by directors:

Grant date	Expiry date	Exercise price	Value at grant date	Vesting terms	Conditions
5/11/2020	2/11/2023	\$0.092	\$0.0301	Vesting over life of option	
29/3/2021	29/3/2024	\$0.013	\$0.0378	Vested on grant	
29/11/2021	24/11/2024	\$0.014	\$0.0349	Vested on grant	
25/1/2022 – A	24/1/2024	\$0.015	\$0.0215	Vesting over life of option	Conditional on continued involvement
25/1/2022 – B	24/1/2025	\$0.015	\$0.0244	Vesting over life of option	Conditional on continued involvement
4/2/2022	30/6/2024	\$0.14	N/a		Free-attaching options
25/11/2022	25/11/2024	\$0.04	\$0.0087	Vesting over life of option	Conditional on continued involvement
9/5/2023 – A	30/6/2027	\$0.02	N/a		Free-attaching options
9/5/2023 – B	1/7/2027	\$0.04	N/a		Free-attaching options

The table below show a reconciliation of options held by each director from the beginning to the end of the financial year:

2023 Name and Date	Grant	Number of options at start of year	Options granted as compensation	Options exercised /expired during year	Other changes	Number of options at end of year	
						<u>Total</u>	<u>Unvested</u>
<b>R Steinepreis</b>							
9/5/2023 - A		-	-	-	12,500,000	12,500,000	-
9/5/2023 – B		-	-	-	12,500,000	12,500,000	-
<b>N Castleden</b>							
9/5/2023 - A		-	-	-	12,500,000	12,500,000	-
9/5/2023 – B		-	-	-	12,500,000	12,500,000	-
<b>RL Clark</b>							
5/11/2020		3,000,000	-	-	-	3,000,000	-
25/11/2022		-	1,500,000	-	-	1,500,000	-
<b>RA Sharpe</b>							
29/3/2021		500,000	-	-	-	500,000	-
25/1/2022 – A		750,000	-	-	-	750,000	-
25/1/2022 – B		750,000	-	-	-	750,000	-
25/11/2022		-	750,000	-	-	750,000	-
<b>EG Albers <sup>(1)</sup></b>							
4/2/2022		2,625,000	-	-	-	2,625,000	-
<b>AP Armitage<sup>(1,2)</sup></b>							
5/11/2020		1,000,000	-	-	-	1,000,000	-
29/11/2021		250,000	-	-	-	250,000	-
25/11/2022		-	500,000	-	-	500,000	-
		<b>8,875,000</b>	<b>2,750,000</b>	<b>-</b>	<b>50,000,000</b>	<b>61,625,000</b>	

(1) At date of resignation

(2) As the options held by Peter Armitage were conditional on continued involvement with the Company, they expired unexercised 3 months after his resignation on 9 May 2023.

### End of Remuneration Report

## **Indemnification of Officers and Auditors**

The Company has indemnified, to the extent permitted by law, the Directors and officers of the Company against any liability incurred by a Director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of that officer's duties. No amount was paid pursuant to these indemnities during the financial year, nor to the date of this report.

## **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.

## **Operating and Financial Risk**

The Group faces and manages the following material business risks that could influence the Group's future prospects:

### **Operational risks**

The Company may be affected by various operational factors. In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

The Company's tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.

There can be no assurance that exploration of the Tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral. In the event the Company successfully delineates economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

### **Further capital requirements**

The Company's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Company.

### **Native title and Aboriginal Heritage**

There are areas of the Company's projects over which legitimate common law and/or statutory Native Title rights of Aboriginal Australians exist. Where Native Title rights do exist, the Company must obtain consent of the relevant landowner to progress the exploration, development and mining phases of operations. Where there is an Aboriginal Site for the purposes of the Aboriginal Heritage legislation, the Company must obtain consents in accordance with the legislation.

### **The Company's activities are subject to Government regulations and approvals**

The Company is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Western Australian and Australia that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of projects.

### **Global conditions**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

### **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 50 and forms part of this Directors' Report for the year ended 30 June 2023.

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

Signed in accordance with a resolution of the directors.



**N Castleden**  
**Director**  
**Perth, 20 September 2023**

## 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 2023 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 15 to 18 of the Directors' Report, (as part of the audited Remuneration Report), for the year ended 30 June 2023, 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:



N Castleden  
Director  
Perth, 20 September 2023

## Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2023

	<b>Note</b>	<b>2023</b> \$	<b>2022</b> \$
Other income	2	105,678	50,535
Expenses:			
Administration and compliance		(247,605)	(241,704)
Employee benefits		(110,108)	(111,505)
Director fees		(48,081)	(14,583)
Consulting and legal fees		(113,702)	(46,270)
Impairment recognised		(1,012,140)	-
Share based payments		(24,686)	(79,805)
Occupancy expenses		(43,836)	(104,994)
Other	2	(33,949)	(91,770)
		<u>(1,528,429)</u>	<u>(640,096)</u>
Loss before income tax expense		(1,528,429)	(640,096)
Income tax expense	3	-	-
Loss for the year		<u>(1,528,429)</u>	<u>(640,096)</u>
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes in financial assets at fair value through other comprehensive income		3,851	(10,108)
Total comprehensive loss for the year		<u>(1,524,578)</u>	<u>(650,204)</u>
		cents	cents
Basic loss per share (cent per share)	19	(0.776)	(0.409)
Diluted loss per share (cent per share)	19	(0.776)	(0.409)

The above Consolidated 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 2023

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
Cash and cash equivalents	4	2,577,336	706,486
Trade and other receivables	5	17,025	16,876
Prepayments	6	14,552	14,552
<b>Total Current Assets</b>		<u>2,608,913</u>	<u>737,914</u>
<b>Non-Current Assets</b>			
Financial assets at fair value through other comprehensive income	8	-	11,071
Exploration and evaluation expenditure	7	1,018,226	1,473,059
<b>Total Non-Current Assets</b>		<u>1,018,226</u>	<u>1,484,130</u>
<b>Total Assets</b>		<u><b>3,627,139</b></u>	<u><b>2,222,044</b></u>
<b>Current Liabilities</b>			
Trade and other payables	9	84,296	168,631
Provisions		17,191	13,191
<b>Total Liabilities</b>		<u>101,487</u>	<u>181,822</u>
<b>Net Assets</b>		<u>3,525,652</u>	<u>2,040,222</u>
<b>Equity</b>			
Issued capital	11	7,247,851	4,382,529
Reserves	12	342,832	188,083
Accumulated losses	13	(4,065,031)	(2,530,390)
<b>Total Equity</b>		<u>3,525,652</u>	<u>2,040,222</u>

The above Consolidated 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 2023

	Issued capital \$	Accumulated losses \$	Reserves \$	Total Equity \$
At 1 July 2021	2,930,447	(1,890,294)	118,387	1,158,540
Loss for the year	-	(640,096)	-	(640,096)
Revaluation of financial asset (net of tax)	-	-	(10,108)	(10,108)
<b>Total comprehensive income for the year</b>	-	(640,096)	(10,108)	(650,204)
Issue of Shares	1,313,000	-	-	1,313,000
Issue of shares from exercise of options	156,969	-	-	156,969
Costs of Issue	(17,887)	-	-	(17,887)
Grant of Options	-	-	79,804	79,804
<b>At 30 June 2022</b>	<b>4,382,529</b>	<b>(2,530,390)</b>	<b>188,083</b>	<b>2,040,222</b>
At 1 July 2022	4,382,529	(2,530,390)	188,083	2,040,222
Loss for the year	-	(1,528,429)	-	(1,528,429)
Revaluation of financial asset (net of tax)	-	-	3,851	3,851
<b>Total comprehensive income for the year</b>	-	(1,528,429)	3,851	(1,524,578)
Transfer accumulated losses on sale of financial asset	-	(6,212)	6,212	-
Issue of Shares	3,074,822	-	-	3,074,822
Costs of Issue	(209,500)	-	120,000	(89,500)
Grant of Options	-	-	24,686	24,686
<b>At 30 June 2023</b>	<b>7,247,851</b>	<b>(4,065,031)</b>	<b>342,832</b>	<b>3,525,652</b>

The above Consolidated 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 2023

	Note	2023 \$	2022 \$
<b>Cash Flows from Operating Activities</b>			
Payments to suppliers		(617,804)	(693,430)
Administration fees received		52,444	79,794
Net cash outflow in operating activities	20	<u>(565,360)</u>	<u>(613,636)</u>
<b>Cash Flows from Investing Activities</b>			
Interest received		2,704	-
Payments to suppliers – exploration		(641,738)	(1,093,660)
Proceeds on sale of exploration asset		75,000	-
Proceeds on sale of financial asset		14,922	-
Net cash outflow from investing activities		<u>(549,112)</u>	<u>(1,093,660)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from share issues		2,880,000	1,313,000
Proceeds from exercise of options		74,822	156,969
Costs of issue		(89,500)	(17,887)
Repayment of borrowings	10	(120,000)	-
Proceeds from borrowings	10	240,000	-
Net cash inflow in financing activities		<u>2,985,322</u>	<u>1,452,082</u>
Net increase/(decrease) in cash and cash equivalents		1,870,850	(255,214)
Cash and cash equivalents at the beginning of the year		706,486	961,700
Cash And Cash Equivalents at Year End		<u>2,577,336</u>	<u>706,486</u>

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

## Notes to the Financial Statements

### 30 June 2023

#### 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 Unit 24, 589 Stirling Highway, Cottesloe WA 6011. The consolidated financial report of the company for the year ended 30 June 2023 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 21. The financial report was authorised by the directors for issue on 20 September 2023. 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).

##### *Going concern*

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the commercial realisation of the Company’s assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2023 the Group incurred a net cash outflow from operating and investing activities of \$1,114,472 (2022: \$1,707,296) and a net loss after tax of \$1,528,429 (2022: \$640,096). As at 30 June 2023, the Group has positive working capital of \$2,507,425 (2022: \$556,091).

## **Note 1 - Significant Accounting Policies (continued)**

Based on cashflow forecasts prepared for existing commitments, Directors expect that the Group will continue as a going concern for at least 12 months from the signing of annual financial report.

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

### *New or amended Accounting Standards and Interpretations adopted*

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Consolidated Entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### **(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 indicators:

- 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 over costs recouped are accounted for as a gain on disposal.



## **Note 1 - Significant Accounting Policies (continued)**

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.

### **(d) Trade and other receivables and contract assets**

The company makes use 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 reporting date to determine whether there are indicators of impairment. 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.

## **Note 1 - Significant Accounting Policies (continued)**

### **(j) Interest revenue**

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

### **(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 determines 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.

## **Note 1 - Significant Accounting Policies (continued)**

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).

Per Note 1(c) and 1(f) management exercise judgement as to the whether exploration expenditure is assessed for impairment. 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) 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.

### **(o) 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.

### *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.

## Note 1 - Significant Accounting Policies (continued)

### (q) Share-based payment transactions

#### *Equity settled transactions*

The fair value of options granted are recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the grantee become unconditionally entitled to the options.

The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

## Note 2 – Other Income and Expenses

	Note	2023 \$	2022 \$
Interest income		2,704	10
Gain on sale of exploration tenement		50,530	-
Geological fee income – director related	15	52,444	50,525
		<u>105,678</u>	<u>50,534</u>
Exploration expenditure – not capitalised		32,530	19,863
Investor relations fees		1,200	58,950
Other expenses		219	12,957
		<u>33,949</u>	<u>91,770</u>



## Notes to the Financial Statements 30 June 2023

	2023 \$	2022 \$
<b>Note 3 - Income Tax Benefit</b>		
<b>Components of income tax benefit</b>		
Current tax benefit	(382,108)	(192,029)
Deferred tax asset not brought to account	382,108	192,029
Income tax benefit	<u>-</u>	<u>-</u>
<b>Reconciliation between tax benefit and pre-tax loss</b>		
Loss before tax	(1,528,429)	(640,096)
<b>Income tax using statutory income tax rate of 25% (2022: 30%)</b>	<u>(382,108)</u>	<u>(192,029)</u>
Tax benefit	(382,108)	(192,029)
Deferred tax asset not brought to account	382,108	192,029
Income tax benefit	<u>-</u>	<u>-</u>
<b>Unrecognised deferred tax asset</b>		
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:		
Tax losses carried forward	5,119,239	3,861,747
Temporary differences	(1,001,035)	(1,434,356)
	<u>4,118,204</u>	<u>2,427,391</u>
<b>Note 4 - Cash and Cash Equivalents</b>		
Cash at bank and on hand	<u>2,577,336</u>	<u>706,486</u>
<b>Note 5 - Trade and Other Receivables</b>		
Other receivables	<u>17,025</u>	<u>16,876</u>
	<u>17,025</u>	<u>16,876</u>

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.

## Notes to the Financial Statements 30 June 2023

**2023**                      **2022**  
\$                                      \$

### Note 6 - Prepayments

#### Prepaid tenement rent

Balance at start for year	14,552	14,552
Prepaid tenement rent for the year	-	-
Balance at end of the year	<u>14,552</u>	<u>14,552</u>

As at 30 June 2023 the company has one tenement application (2022: 1 application). If the tenement is granted rent paid on application will cover rent required on the first year of exploration in the tenement. If the tenement is not granted the rent paid on application is fully refundable.

### Note 7 - Exploration and Evaluation

Balance at start for year	1,473,059	263,719
Costs for the year	581,777	1,209,340
Tenement sold	(24,470)	-
Impairment recognised	(1,012,140)	-
Balance at end of year	<u>1,018,226</u>	<u>1,473,059</u>

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and exploitation, or alternatively sale of the respective area of interest. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

### Note 8 - Financial Assets at Fair Value through other Comprehensive Income

#### Investments in listed equities

Balance at beginning of year	11,071	21,179
Fair value movement	3,851	(10,108)
Sale of investment	(14,922)	-
Balance at end of year	<u>-</u>	<u>11,071</u>

## Notes to the Financial Statements 30 June 2023

	2023 \$	2022 \$
Other payables and accrued expenses	71,215	83,378
Director-related entities – other payables (Note 15)	13,081	85,253
Balance at end of year	<u>84,296</u>	<u>168,631</u>

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 17.

### Note 10 - Borrowings

	2023 \$	2022 \$
Opening balance	-	-
Funds advanced	240,000	-
Borrowings repaid	<u>(240,000)</u>	-
Closing balance	<u>-</u>	<u>-</u>

On 15 March 2023 a line of credit was advanced by Australis Finance Pty Ltd, a director-related entity, for up to \$240,000 at 0% interest and maturity of 15 May 2023. The line of credit was utilised in full and repaid in full on 9 May 2023 by a cash settlement of \$120,000 and the issue of 8 million ordinary shares at \$0.015 per share.

### Note 11 - Issued Capital

	2023 Shares	2023 \$	2022 Shares	2022 \$
<b>Issued Capital</b>				
Ordinary shares fully paid	<u>368,916,018</u>	<u>7,247,851</u>	<u>166,443,711</u>	<u>4,382,529</u>
<b>Ordinary Shares</b>				
Balance at beginning of year	166,443,711	4,382,529	144,796,126	2,930,447
Shares issued				
Options exercised	(a) 2,472,307	74,822	5,235,085	156,970
Share Purchase Plan	(b) -	-	16,412,500	1,313,000
Placement	(c) 200,000,000	3,000,000	-	-
Costs of issue	(d) -	<u>(209,500)</u>	-	<u>(17,888)</u>
Balance at end of year	<u>368,916,018</u>	<u>7,247,851</u>	<u>166,443,711</u>	<u>4,382,529</u>

## Notes to the Financial Statements

### 30 June 2023

#### 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.

- a) Shares issued following the exercise of listed options exercisable on or before 31 August 2022 at \$0.03 per option.
- b) On 4 February 2022, the Company issued 16,412,500 ordinary shares at \$0.08 per share and 16,412,500 free-attaching options exercisable on or before 30 June 2024 at \$0.14 per option, to raise \$1,313,000 before costs.
- c) On 9 May 2023, the Company raised \$3,000,000 before costs through the issue of 200,000,000 ordinary shares at \$0.015 per share. The shares were issued with 27,500,000 free-attaching options exercisable at \$0.02 on or before 30 June 2027 and 27,500,000 free-attaching options exercisable at \$0.04 on or before 1 July 2027. A further 10,000,000 options were issued to the lead brokers as a share-based payment (see note 16).
- d) Costs of issue includes a share-based payment of \$120,000 for the options issued to the lead brokers noted above.

#### Share Options

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Unlisted</b>	<b>Unlisted</b>	<b>Listed</b>	<b>Unlisted</b>
<b>Movements during the year</b>				
Balance at beginning of the year	28,662,500	8,750,000	6,292,055	11,527,140
Options Granted –				
Share based payments	15,000,000	5,500,000		
Options Granted –				
non share based payments	55,000,000	16,412,500		
Options Lapsed	(4,700,000)	(2,000,000)	(3,819,748)	
Options Exercised	-		(2,472,307)	(5,235,085)
Balance at end of year	98,662,500	28,662,500	-	6,292,055

#### Options Granted during the year

For details of options granted as share-based payments see Note 16.

As part of the 9 May 2023 placement, a total of 55,000,000 free-attaching options were issued to investors. 27,500,000 options are exercisable at \$0.02 on or before 30 June 2027. A further 27,500,000 options are exercisable at \$0.04 on or before 1 July 2027.

At the beginning of the year, the Company had 6,292,055 listed options on issue exercisable at \$0.03 on or before 31 August 2022. During the financial year, 2,472,307 of the options were exercised and converted to ordinary shares; the remaining 3,819,748 options lapsed unexercised.

## Notes to the Financial Statements 30 June 2023

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Share-based payment?	Number on issue at 30 June 2023	Number on issue at 30 June 2022
30 September 2020	31 August 2022	\$0.03	N	-	6,292,055
6 November 2020	5 November 2023	\$0.092	Y	3,000,000	6,000,000
31 March 2021	29 March 2024	\$0.13	Y	1,750,000	1,750,000
29 November 2021	25 November 2024	\$0.14	Y	250,000	250,000
25 January 2022 – A	24 January 2024	\$0.15	Y	750,000	750,000
25 January 2022 – B	24 January 2024	\$0.20	Y	750,000	750,000
4 February 2022	30 June 2024	\$0.14	N	16,412,500	16,412,500
23 February 2022 – A	22 February 2024	\$0.15	Y	1,250,000	1,250,000
23 February 2022 – B	22 February 2025	\$0.20	Y	750,000	750,000
23 February 2022 – C	22 February 2026	\$0.25	Y	750,000	750,000
25 November 2022	25 November 2024	\$0.04	Y	3,300,000	-
9 May 2023 – A	30 June 2027	\$0.02	N	27,500,000	-
9 May 2023 – B	1 July 2027	\$0.04	N	27,500,000	-
9 May 2023 – C	30 June 2027	\$0.02	Y	5,000,000	-
9 May 2023 – D	1 July 2027	\$0.04	Y	5,000,000	-
				93,962,500	34,954,555

### Note 12 - Reserves

The following table shows a breakdown of the balance sheet line item “Reserves” and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

	2023	2022
	\$	\$
Financial assets at fair value through other comprehensive income	-	(10,063)
Share-based payments	342,832	198,146
	342,832	188,083



## Notes to the Financial Statements 30 June 2023

### Nature and purpose of reserves

#### Financial assets at fair value through other comprehensive income (FVOCI)

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of the year	(10,063)	45
Transfer to retained earnings	6,212	-
Revaluation	3,851	(10,108)
Balance at end of the year	<u>-</u>	<u>(10,063)</u>

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income (OCI). These changes are accumulated with the FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

#### Share based payments

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of the year	198,146	118,342
Accounting value of share-based payments recognised in the year (see note 16)	144,686	79,804
Balance at end of the year	<u>342,832</u>	<u>198,146</u>

The reserve relates to share options granted by the Company to its employees and to consultants and advisors in consideration for services provided. Further information about share-based payments is set out in note 16.

#### Note 13 - Accumulated losses

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of the year	(2,530,390)	(1,890,294)
Loss for the year	(1,528,429)	(640,096)
Transfer from Financial Assets at FVOCI	(6,212)	-
Balance at end of the year	<u>(4,065,031)</u>	<u>(2,530,390)</u>

## Notes to the Financial Statements 30 June 2023

### Note 14 - Key Management Personnel

	2023	2022
	\$	\$
Short-term employee benefits	144,321	121,665
Post-employment benefits	-	-
Share-based payments	23,843	8,729
	168,164	130,394

Detailed remuneration disclosures are provided in the remuneration report on pages 15 to 18.

### Note 15 - Related Party Transactions

The consolidated financial statements of the Group include:

Name	2023 Interest	2022 Interest	Country of Incorporation
Ellendale South Pty Ltd	100%	100%	Australia
Diamandia Pty Ltd	100%	100%	Australia

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 2023.

Entity	Related director	Service	Amounts paid		Payable at	
			2023	2022	30/06/23	30/06/22
			\$	\$	\$	\$
Samika Pty Ltd	RL Clark	Consulting services	92,400	92,400	-	-
Exoil Pty Ltd	EG Albers	Office services	53,592	60,956	-	23,769
Natural Resources Group Pty Ltd	EG Albers	Management of exploration tenements	10,000	20,000	-	20,000
Sharpes Siding Pty Ltd <sup>(1)</sup>	RA Sharpe	Geological services	3,840	14,682	-	7,438
Octanex Limited	EG Albers & RL Clark	Accounting and administrative support	137,112	114,098	-	34,046
Peako Limited	EG Albers & RL Clark	Geological services	36,822	-	5,441	-
			333,766	302,136	5,441	85,253

(1) Robina Sharpe was appointed as director 31 January 2022.

## Notes to the Financial Statements 30 June 2023

During the year services were provided under normal commercial terms and conditions to director-related entities as disclosed below together with amounts receivable as at 30 June 2023. The amounts exclude GST.

Entity	Related director	Service	Services sold		Receivable at	
			2023	2022	30/06/23	30/06/22
			\$	\$	\$	\$
Peako Limited	EG Albers & RL Clark	Geological	51,534	8,855	17,024	3,010
Octanex Limited	EG Albers & RL Clark	Geological	910	41,670	-	770
			<u>52,444</u>	<u>50,525</u>	<u>17,024</u>	<u>3,780</u>

During the year, Australis Finance Pty Ltd, a related party of EG Albers, advanced the Group an interest free line of credit of \$240,000. The facility was settled in full through a cash payment of \$120,000 and the issue of 8,000,000 ordinary shares at \$0.015 per share. See note 10 for further details.

### Note 16 - Share Based Payments

	2023	2022
	\$	\$
Share based payment expense net of forfeiture of options:		
Directors	33,532	54,983
Consultants and employee	(8,846)	24,822
Balance at end of year	<u>24,686</u>	<u>79,805</u>
Share issue expense	<u>120,000</u>	-
Total share-based payments	<u>144,686</u>	<u>79,805</u>

## Notes to the Financial Statements

### 30 June 2023

During the financial year, options granted as share-based payments were valued using the Black-Scholes Option valuation model. Details were as follows:

	<b>Employee/ Consultants</b>	<b>Broker Tranche 1</b>	<b>Broker Tranche 2</b>
Number issued	5,000,000	5,000,000	5,000,000
Grant date	25 November 2022	9 May 2023	9 May 2023
Expiry date	25 November 2024	30 June 2027	1 July 2027
Exercise price	\$0.04	\$0.02	\$0.04
Share price at approval date	\$0.026	\$0.02	\$0.02
Expected volatility	88%	90%	90%
Option life (years)	2.0	4.1	4.1
Dividend yield	-	-	-
Risk-free interest rate	3.19%	3.22%	3.22%
Other	Continued involvement	N/a	N/a
Fair value at grant date	\$0.0087 \$43,350	\$0.0133 \$66,500	\$0.0107 \$53,500

The table below summarises options granted as share-based payments:

	<b>2023</b>		<b>2022</b>	
	<b>Number of options</b>	<b>Weighted average exercise price</b>	<b>Number of options</b>	<b>Weighted average exercise price</b>
As at 1 July	12,250,000	\$0.1308	8,750,000	\$0.1039
Granted during the year	15,000,000	\$0.0333	5,500,000	\$0.1750
Lapsed during the year	(4,700,000)	\$0.0779	(2,000,000)	\$0.1300
Balance at 30 June	22,550,000		12,250,000	
Exercisable	22,550,000			

In the financial year, 4,700,000 (2022: 2,000,000) options lapsed unexercised as a result of holders no longer meeting the option conditions.

Details of expiry dates and exercise prices of share options outstanding at the end of the year is included in Note 11.

### Note 17 - 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.

## Notes to the Financial Statements

### 30 June 2023

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.

#### Fair value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 13 '*Fair Value Measurement*' requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The consolidated entity's financial assets measured and recognised at fair value at 30 June 2023 and 30 June 2022 on a recurring basis are as follows:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2023				
Assets				
Listed securities	-	-	-	-
30 June 2022				
Assets				
Listed securities	11,071	-	-	11,071

#### 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 \$16,419 (2022: \$4,945).



## **Notes to the Financial Statements**

### **30 June 2023**

#### **Note 17 - Financial Instruments (Continued)**

##### **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.

##### **Foreign currency risk**

The consolidated entity is exposed to foreign currency risk arising from purchases of goods and services that are denominated in a currency other than the Australian dollar functional currency. Data processing by overseas suppliers are usually denominated in US dollars. To this extent, the consolidated entity is exposed to exchange rate fluctuations between the Australian and US dollar. At 30 June 2023 the consolidated entity has no foreign currency exposure (2022: \$nil).

##### **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.

#### **Note 18 - 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 permits and activity is in Australia.

## Notes to the Financial Statements 30 June 2023

	2023	2022
	\$	\$

### Note 19 - 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:

Net Loss for the year	(1,528,429)	(640,096)
The weighted average number of ordinary shares	<u>197,022,515</u>	<u>156,442,312</u>
Total basic and dilutive loss per share (cents)	<u>(0.776)</u>	<u>(0.409)</u>

Despite having options on issue, basic and dilutive loss per share are the same as there is a loss position and to include options would be anti-dilutive.

### Note 20 - Reconciliation of Loss to Net Cash Outflow from Operating Activities

Loss after income tax	(1,528,429)	(640,096)
Investing and financing income	1,146	-
Gain on sale of exploration asset	(50,530)	-
Exploration impairment	1,012,140	-
Non-capitalised exploration expense	32,530	19,863
Capitalisation of salary costs	-	(109,077)
Share based payments	24,686	79,804
Employee provisions	3,999	10,895
<i>Changes in Assets and Liabilities:</i>		
Movement in payables	(43,807)	607
Movement in receivables	(17,095)	24,368
Net cash outflow from operating activities	<u>(565,360)</u>	<u>(613,636)</u>

### Note 21 - 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	53,909	50,303
Other assurance services	-	-
	<u>53,909</u>	<u>50,303</u>

## Notes to the Financial Statements 30 June 2023

### Note 22 - Exploration and Evaluation Expenditure Commitments

The consolidated entity's minimum expenditure requirements in exploration permits held by the consolidated entity at reporting date:

	2023 \$	2022 \$
Payable not later than one year	601,250	1,036,000
Payable later than one year but not later than four years	1,286,250	5,600,000
Payable not later than one year	<u>1,887,500</u>	<u>6,636,000</u>

Estimated expenditure, arising from exploration work programmes which, may, subject to negotiation and approval, be varied. They may also be satisfied by farmout, sale, relinquishment or surrender.

### Note 23 - Events since Balance Date

There has been no significant after balance date event up to the date of signing this report.

	2023 \$	2022 \$
<b>Note 24 - Parent Entity Information</b>		
Current assets	2,589,827	718,481
Non-current assets	1,367,715	1,484,736
Total assets	<u>3,957,542</u>	<u>2,203,217</u>
Current liabilities	101,216	162,794
Non-current liabilities	-	-
Total liabilities	<u>101,216</u>	<u>162,794</u>
Contributed equity	7,247,851	4,382,529
Financial assets at fair value through other comprehensive income reserve	-	(10,063)
Options reserve	342,832	198,146
Accumulated losses	(3,734,357)	(2,530,188)
Total equity	<u>3,856,326</u>	<u>2,040,424</u>
Loss for the year	(1,197,956)	(640,096)
Other comprehensive income for the year	3,851	(10,108)
Total comprehensive income for the year	<u>(1,194,105)</u>	<u>(650,204)</u>

No dividends were paid by the parent entity in 2023 (2022: Nil).

## 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 2023, 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 2023 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 (including Independence Standards)* (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. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Key audit matter

### How our audit addressed the key audit matter

#### Exploration and Evaluation Assets — Note 7

At 30 June 2023, the carrying value of exploration and evaluation assets was \$1,018,226.

In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any indicators of impairment which may suggest the carrying value is in excess of the recoverable value.

The process undertaken by management to assess whether there are any impairment indicators in each area of interest involves an element of management judgement.

This area is a key audit matter due to the significant judgement involved in determining the existence of impairment indicators.

Our procedures included, amongst others:

- Obtained the management reconciliation of capitalised exploration and evaluation expenditure and agree to the general ledger;
- Reviewed management's area of interest considerations against AASB 6;
- Conducted a detailed review of management's assessment of impairment indicators prepared in accordance with AASB 6 including:
  - Traced projects to statutory registers, exploration licenses and third party confirmations to determine whether a current right of tenure existed;
  - Enquired of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;
  - Understood whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;
- Assessed the accuracy of impairment recorded for the year as it pertained to exploration interests;
- Evaluated the competence and capabilities of management in the evaluation of potential impairment indicators; and
- Assessed the appropriateness of the related financial statement disclosures.

#### 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 2023, 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\\_2020.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.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 15 to 18 of the Directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Egegex Limited, for the year ended 30 June 2023 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



T S Jackman  
Partner – Audit & Assurance

Melbourne, 20 September 2023

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**Grant Thornton Audit Pty Ltd**

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## Auditor's Independence Declaration

### To the Directors of Enege Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Enege Limited for the year ended 30 June 2023, 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



T S Jackman  
Partner – Audit & Assurance

Melbourne, 20 September 2023

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ACN-130 913 594

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## Corporate Governance Statement

The Company's Corporate Governance Plan is available in full on the Company's website at <https://www.enegex.com/corporate-governance> and contains the following documents:

Corporate Governance Statement dated 20 September 2023

Board and Committee Charters:

- Board Charter
- Audit Committee Charter
- Nomination and Remuneration Committee Charter

Documentation of Policies and Procedures:

- Code of Ethics
- Continuous Disclosure Policy
- Share Trading Policy

The Corporate Governance Statement discloses the extent to which the Company follows the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations – 4th Edition (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

## Additional Securities Exchange Information

The shareholder information set out below was applicable at 8 September 2023 except where otherwise stated.

### 1. Twenty largest holders of quoted equity securities

Shareholder	Number	Percentage
ASIAGO PTY LTD	26,666,667	7.23
MR ROGER STEINEPREIS & MRS JACQUELINE STEINEPREIS <RC & JM STEINEPREIS S/F A/C>	26,666,667	7.23
MR ERNEST GEOFFREY ALBERS	18,132,612	4.92
MR DAVID NICHOLAS CASTLEDEN <BULLET REEF S/F A/C>	16,000,000	4.34
YARRAANDOO PTY LTD <YARRAANDOO SUPER FUND A/C>	13,350,000	3.62
RAM PLATINUM PTY LTD <R MICHAELS FAMILY A/C>	13,333,333	3.61
AUSTRALIS FINANCE PTY LTD	8,000,000	2.17
MR ROSS DI BARTOLO	7,877,521	2.14
AURALANDIA PTY LTD	7,875,001	2.13
MRS ERMIONE RIMPAS	7,200,000	1.95
GASCORP AUSTRALIA PTY LTD	7,145,482	1.94
JORLYN INVESTMENTS PTY LTD	7,000,000	1.90
SANPEREZ PTY LTD <P CHALMERS PARTNERSHIP>	6,666,667	1.81
IGN (TT) PTY LTD <GNK A/C>	6,666,667	1.81
PINVESTMENT PTY LTD <NEULING FAMILY A/C>	6,666,664	1.81
MR DOMINIC VIRGARA	6,000,000	1.63
PERTH SELECT SEAFOODS PTY LTD	5,000,000	1.36
HARRY HINDSIGHT PTY LTD <THE WILLOUGHBY SUPER A/C>	4,666,700	1.26
MR MICHAEL GEORGE FAULKNER & MRS JENNIFER KAYE FAULKNER <FAULKNER SUPER FUND A/C>	4,25,000	1.14
MR ERNEST GEOFFREY ALBERS	3,903,090	1.06
SACROSANT PTY LTD <SACROSANT SUPER FUND A/C>	3,827,497	1.04
MR JEREMY DAVID DUNLOP	3,333,333	0.90
<b>Total Top 20</b>	<b>210,192,901</b>	<b>56.98</b>
Other	158,723,117	43.02
<b>Total ordinary shares on issue</b>	<b>368,916,018</b>	<b>100.00</b>

## Additional Securities Exchange Information

### 2. Substantial shareholders

The following table details the Company's substantial shareholders as extracted from the Company's registers of substantial shareholders:

<b>Name</b>	<b>Number of ordinary shares</b>	<b>Percentage</b>	<b>Date of last notice</b>
ALBERS GROUP	57,328,283	15.54%	9/5/2023
ASIAGO PTY LTD	26,666,667	7.23%	9/5/2023
MR ROGER STEINEPREIS & MRS JACQUELINE STEINEPREIS <RC & JM STEINEPREIS S/F A/C>	26,666,667	7.23%	9/5/2023

### 3. Distribution of holders of equity securities

	<b>Fully paid ordinary shares</b>	<b>Unlisted options</b>
1 - 1,000	212	-
1,001 - 5,000	276	-
5,001 – 10,000	218	-
10,001 – 100,000	544	48
100,001 and over	234	52
	<b>1,484</b>	<b>100</b>
<b>Number on issue</b>	<b>368,916,018</b>	<b>81,412,500</b>
<b>Holding less than a marketable parcel</b>	<b>1,484</b>	<b>-</b>

### 4. Voting rights

See Note 11 to the Financial Statements

### 5. Restricted securities

There are currently no restricted securities at the date of this report.:

### 6. Unquoted equity security holdings greater than 20%

<b>Options</b>	<b>Number</b>
MR DAVID NICHOLAS CASTLEDEN <BULLET REEF S/F A/C>	25,000,000
MR ROGER STEINEPREIS & MRS JACQUELINE STEINEPREIS <RC & JM STEINEPREIS S/F A/C>	25,000,000



## 7. On-market buy-back

There is currently no on-market buy back program for any of the Company's listed securities.

## 8. Company secretary, registered and principal administrative office and share registry

The Company Secretary is Mr Alex Neuling.

The Company's principal and registered office is at Unit 24, 589 Stirling Highway, Cottesloe WA 6011, telephone number +61 8 6153 1861.

The Company's share registry is maintained by Automic Group, Level 5, 191 St Georges Terrace, Perth WA 6000, telephone number 1300 288 644.

## 9. Tenement listing

<b>Tenement Number</b>	<b>Location</b>	<b>Status</b>	<b>% Interest</b>
E70/5439	South-West Terrane, WA	Granted	100%
E70/5440	South-West Terrane, WA	Granted	100%
E70/5441	South-West Terrane, WA	Granted	100%
E70/5444	South-West Terrane, WA	Granted	100%
E70/5445	South-West Terrane, WA	Granted	100%
E70/5446	South-West Terrane, WA	Granted	100%
E70/5457	South-West Terrane, WA	Granted	100%
E70/5458	South-West Terrane, WA	Granted	100%
E70/5460	South-West Terrane, WA	Granted	100%
E70/5463	South-West Terrane, WA	Granted	100%
E70/5466	South-West Terrane, WA	Granted	100%
E70/5467	South-West Terrane, WA	Granted	100%
E70/5580	South-West Terrane, WA	Granted	100%
E70/5631	South-West Terrane, WA	Granted	100%