



**ENRG**  
**elements**

ABN 73 149 230 811

# 2024 ANNUAL REPORT

# ENRG ELEMENTS LIMITED

ABN 73 149 230 811

ANNUAL REPORT 30 JUNE 2024

## CORPORATE DIRECTORY

### Directors

|                  |                               |
|------------------|-------------------------------|
| James Eggins     | <i>Non-executive Chairman</i> |
| Caroline Keats   | <i>Managing Director</i>      |
| Quinton de Klerk | <i>Non-executive Director</i> |

### Company Secretary

Shannon Coates

### Head Office and Registered Office

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WEST PERTH WA 6005  
Telephone: +61 (0)8 6263 4451  
Facsimile: +61 (0)8 9481 7863  
Website: <https://enrg-elements.com>

### Securities Exchange Listing

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Level 40, Central Park, 152-158 St Georges Terrace  
PERTH WA 6000  
Telephone: 131 ASX (131 279) (within Australia)  
Telephone: +61 (0)2 9338 0000  
Facsimile: +61 (0)2 9227 0885  
Website: <https://www.asx.com.au>  
ASX Code: EEL

### Share Registry

Automic Group Pty Ltd  
Level 5, 191 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 288 664  
Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)  
Website: <https://www.automicgroup.com.au>

### Auditor

RSM Australia Partners  
Level 32, Exchange Tower, 2 The Esplanade  
PERTH WA 6000

# ANNUAL REPORT

30 June 2024

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## LETTER FROM THE CHAIRMAN



Dear Shareholders,

On behalf of the Board, I am pleased to present ENRG Elements Limited's Annual Report for the year ended 30 June 2024. This year has been one of significant progress and adaptation, and while we have encountered challenges, we have made substantial strides toward our strategic goals.

Our focus remains on developing a high-quality portfolio of exploration assets, with a particular emphasis on clean energy materials. The strengthening uranium market, driven by global imperatives for energy security and decarbonization, has reinforced the strategic value of our uranium assets. This trend is expected to enhance the future value of our projects and align with the increasing demand for sustainable energy solutions.

### Key Developments:

- **Agadez Uranium Project (Niger):** Despite navigating political complexities, we achieved a key milestone by initiating a trenching program, which yielded promising radiometric results. We are eagerly awaiting further assay results and are preparing for a follow-up exploration program, contingent on the renewal of our exploration permits. The positive findings to date bolster our confidence in the potential of this asset.
- **Taroudji 2 Project (Niger):** We expanded our footprint by securing an exploration permit for Taroudji 2, a project with significant potential for lithium and tin. Initial rock chip sampling has identified several promising pegmatite veins, and we are planning additional work to further explore these findings.
- **Manitoba Lithium Project (Canada):** We successfully obtained three exploration licenses and were awarded a C\$180,000 grant from the Manitoba Mineral Development Fund. This funding supports our exploration efforts and underscores our commitment to expanding our portfolio in a new and promising region.
- **Ghanzi-West Copper Silver Project (Botswana):** The completion of the sale of a 90% stake in this project provided us with non-dilutive funding while retaining a 10% interest. This strategic move not only enhances our financial position but also maintains exposure to future upside potential.
- **Lamont Lake Uranium Project (Canada):** Our acquisition of the Lamont Lake Uranium Project in Saskatchewan, located in a stable jurisdiction, represents a significant addition to our asset base. We are currently reviewing historical data and preparing an exploration program.

As we move forward, our strategy includes continuing to explore new asset opportunities to further diversify and strengthen our portfolio. The growing market for uranium, driven by global trends toward greater energy security and reduced carbon emissions, positions us well for future success.

The Company remains committed to conserving cash and is actively exploring further cost-saving measures. This includes a thoughtful assessment of executive remuneration to ensure that any adjustments are both fair and reasonable.

We deeply appreciate your continued support and confidence in ENRG Elements. We remain committed to advancing our strategic objectives and unlocking value from our diverse asset base.

Thank you for your ongoing investment in our vision. We look forward to updating you on our progress and achieving new milestones in the year ahead.

Sincerely,

**James Eggins**  
Non-Executive Chairman

# OPERATIONS REVIEW

ENRG Elements Limited (ASX: EEL) (“ENRG” or the “Company”) is pleased to present its review of operations for the financial year ended 30 June 2024 (“FY24”).

Key activities and achievements for FY24 are summarised below.

## Agadez Project, Niger

The Agadez Uranium Project (“Agadez Project”) comprises three (3) granted exploration permits (“Permits”) and one (1) exploration licence application in the highly prospective Tim Mersoï Basin, considered one of the world’s major uranium producing areas.

There is currently a shallow Mineral Resource at the Takardeit Deposit of 31.1Mt at a grade of 315 ppm U<sub>3</sub>O<sub>8</sub> for 21.5 Mlbs U<sub>3</sub>O<sub>8</sub>, in the Inferred category.

Following the 2023 Mineral Resource update and the results from the Electrical Resistivity Tomography (“ERT”) survey at Agadez, ENRG had planned an exploration program for the second half of 2023, including the use of ERT to not only identify additional targets, but also to potentially reduce the timeframe needed to increase the Mineral Resource base by narrowing down the search area and better targeting its drilling program.

Following a coup in Niger on the 26 July 2023, the Company has adjusted its operations in Niger during this period of continued political uncertainty. The Company continues to monitor the situation, which remains fluid.

On 31 January 2024, the Company announced it had executed an agreement with African Logging SARL to commence a trenching program in February 2024, focused on the Takardeit area of the Agadez Project.

Following on from drilling, sampling and mapping programs completed the previous year, the trenching program targeted four prospective areas for more detailed groundwork, in addition to a re-examination of the original NGM Resources Limited (“NGM”) trench excavated in 2009, as shown in Figure 2.

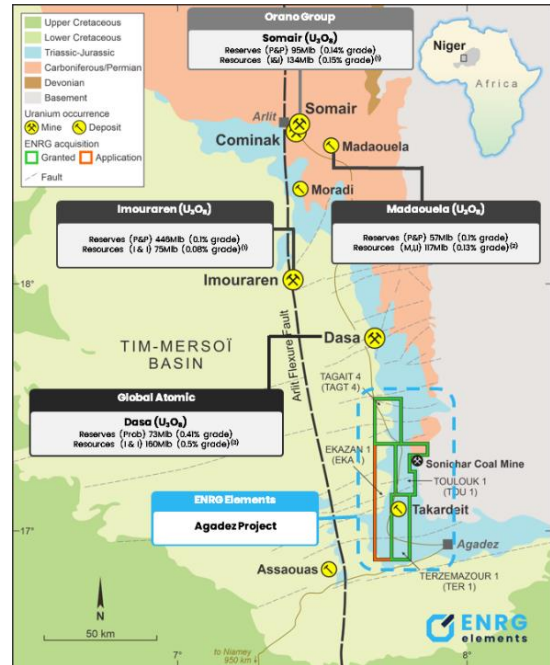


Figure 1: Map of ENRG's Tenements and location of the Tim Mersoï Basin

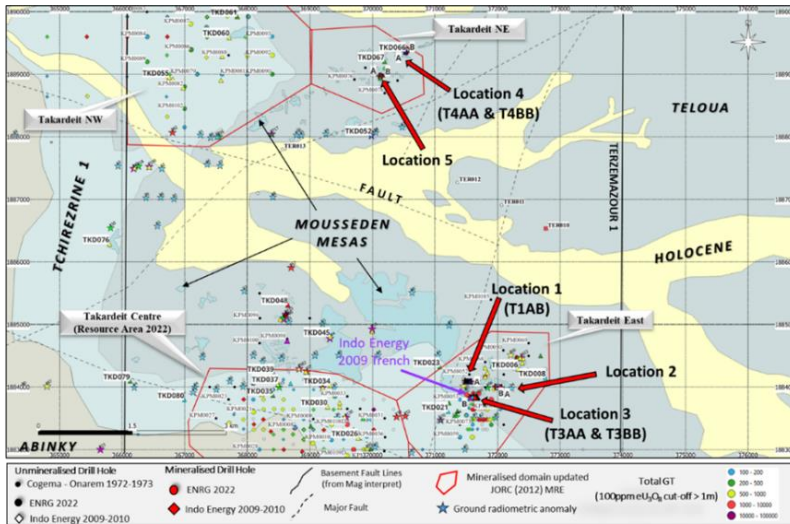


Figure 2: Prospective trench sites and NGM trench site

On 24 April 2024, ENRG reported positive results from the ground survey and trenching program across the Takardeit area within the Terzemazour 1 exploration permit at the Company's Agadez Project.

The trenching program consisted of five trenches at three sites for a total length of 157m, ranging in depth from 0.9 to 2.5m.

The trenching program has demonstrated, through radiometrics, the continuity of higher-grade mineralisation in the Mousseden Formation, particularly in the downstream direction with radiometric readings >10,000 counts per second (“cps”) in four of five trenches.

The locations were based on historical drilling and surface sampling assay results, geophysical anomalies from a 2009 airborne magnetic and radiometric survey, and ground surveys completed by the Company as part of this campaign.

<sup>1</sup> Numbers are on a 100% basis, Orano Annual Activity Report 2022. Mineral Resources are reported exclusive of any Ore Reserves and converted to U<sub>3</sub>O<sub>8</sub>.  
<sup>2</sup> Goviex NI43-101 Technical Report, 1 November 2022. Mineral Resources are reported inclusive of Ore Reserves and converted to U<sub>3</sub>O<sub>8</sub>.  
<sup>3</sup> Global Atomic NI43-101 Technical Report, 28 February 2024. Mineral Resources are reported inclusive of any Ore Reserves.

## OPERATIONS REVIEW

The scintillometer ground surveys were carried out over the five locations known to host high-grade, near-surface, mineralisation. The ground surveys demonstrated anomalies exceeding 50 x background and up to 2,900 x background, with an average background radiation for the Agadez sandstone of 20cps. From this work, three sites were selected for trenching.

Samples from the trenching program have been transported to Perth for assaying at Intertek Laboratory. Additional updates on assay results will be provided as they are received. The trenching program will assist the Company to better define its future drill spacing and targeting strategy for exploring the higher-grade Mouseden paleochannel system.

### Tarouadji Lithium Project – Niger

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

The Tarouadji Project represented a strategic increase in the Company’s land holding position in Niger, situated 70km east of the Company’s Agadez Project and covers an area of 499.7km<sup>2</sup> (see Figure ).

On 26 July 2023, the Company announced the commencement of ground reconnaissance work at the Tarouadji Project. The initial phase of the exploration was focused on several areas historically identified with lithium anomalies and pegmatitic material.

On 21 February 2024, ENRG announced the results from the initial 30 rock chip samples collected from the Tarouadji Project. The completed rock chip sample program was designed to test historic geochemical data, with the results confirming the earlier work. The remaining targets will be the focus of future programs.

Several pegmatite veins and dykes with differing orientations were identified and were mapped for over 200m with several promising granitic horizons. The next phase of work will look to map this area in detail as there is limited geological or geophysical information available at present. Work has been constrained to date, due to the political uncertainties in Niger.

### Manitoba Lithium Projects – Manitoba, Canada

On the 5 December 2023, the Company announced it had submitted applications for four (4) mineral exploration licenses over potential lithium targets in Manitoba, Canada (“**Manitoba Lithium Project**”). Manitoba hosts the world class “Tanco” LCT pegmatite (“**Lithium-Caesium-Tantalum**”) Mine located in eastern Manitoba, which has been in commercial operation for over 50 years.

During the period ENRG was granted three (3) Mineral Exploration Licences over potential lithium targets at Handle Lake, Split Lake and Unwin Lake in Manitoba, with the Handle Lake and Split Exploration Licences having been issued for a term of five (5) years, with an option to renew for a further term of five (5) years. The Unwin Lake Exploration Licence has a term of three (3) years, renewable for a further three (3) years. The fourth application at Beaver Hill Lake remains pending currently.

Prior to any exploration activities on the Exploration Licences, work permits must be obtained from the Department of Economic Development, Investment, Trade and Natural Resources. The Company commenced the process to comply with the necessary requirements.

On the 19 March 2024, ENRG announced it was awarded a co-funded grant of up to CAD\$180,000 from the Manitoba Mineral Development Fund (“**MMDF**”) to assist with the advancement of its Manitoba lithium Project. The funding supported the 2024 exploration program to advance the Manitoba Lithium Project. A desktop review of historical exploration work has been undertaken on the permits to determine next steps.

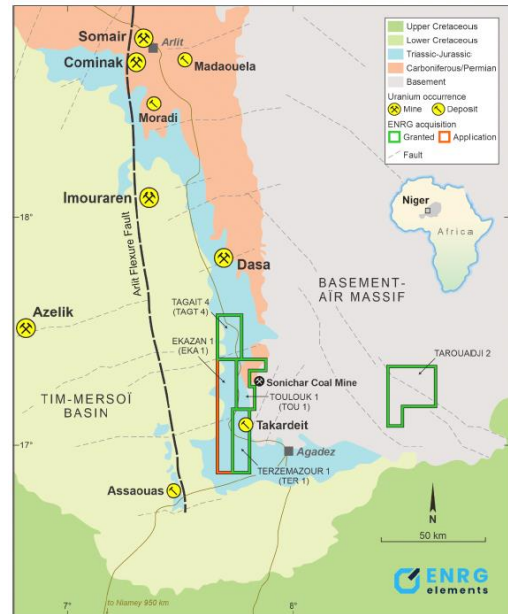


Figure 3: Map of the Company's Agadez Project and Tarouadji Project



Figure 4: Map of the Company's Manitoba Project

## OPERATIONS REVIEW

### Ghanzi West Copper-Silver Project - Botswana (EEL: 10%)

On 12 September 2023, the Company advised that three prospecting licences (PL203/2016, PL204/2016 & PL205/2016), comprising part of the Company's wholly owned Ghanzi-West Copper Silver Project ("**Ghanzi-West Project**"), were renewed for a further two years, until 30 September 2025.

The Ghanzi-West Project comprises of six (6) prospecting licences located in the emerging world class Kalahari Copper Belt of Botswana covering a total area of 2,629.60km<sup>2</sup>.

On 25 September 2023, the Company announced that, through its wholly-owned subsidiary Global Exploration Technologies Pty Ltd, it had entered into a binding Share Purchase Agreement with LSE listed Kavango Resources Plc ("**Kavango**"), for the sale of 90% of the Ghanzi-West Project.

Kavango agreed to purchase 90% of the issued capital of each of the Company's wholly owned subsidiaries Icon Trading Company Proprietary Ltd ("**Icon**") and Ashmead Holdings Proprietary Ltd ("**Ashmead**") for total, staged, cash consideration of A\$2.5 million.

The material terms of the Transaction included:

- Total consideration of A\$2.5 million, comprising:
  - A\$1.5 million at completion;
  - A\$500,000, 90 days post completion;
  - A\$500,000, 180 days post completion;
- The Company's remaining 10% interest in Ashmead and Icon will be free carried until the earlier of three years after completion (provided that A\$3,000,000 is expended on the Licences during this period) and the date that a decision to mine is made.
- Intercompany loans between the Company and Ashmead and Icon were assigned to Kavango at Completion.

On 16 November 2023, the Company advised it had completed the sale of 90% of the issued capital of each of the Company's wholly owned subsidiaries, Icon and Ashmead to Kavango following achievement of the condition precedent to the transaction the previous week, being the requisite Botswanan regulatory approval, the transaction has now completed.

Kavango provided several updates to its shareholders during the period in relation to results from a geophysical survey, placement of a drilling contract, first high priority targets identified for Phase 1 drilling and the completion of drilling the first high priority target on the Ghanzi-West Project.

The Company retains a 10% interest in Icon and Ashmead.

### Virgo Project - Botswana (EEL: 25%)

The Company retains a 25% interest in Alvis-Crest (Propriety) Limited ("**Alvis Crest**"), the holder of two prospecting licences in the Kalahari Copper Belt (PL 135/2017 and PL 162/2017) ("**Virgo Project**").

During the period, the 75% owner of Alvis Crest, AIM listed Arc Minerals Limited (AIM:ARCM) ("**Arc**"), provided updates to its shareholders regarding the results of its previous drilling program, the results of an Induced Polarisation geophysical survey and commencement of an exploration drilling program at the Virgo Project.

The Company retains a 25% interest in Alvis-Crest.

### Corporate

On 28 July 2023 and 12 September 2023, the Company provided an update on the ongoing political uncertainty in Niger. The Company's personnel and assets remain safe. Niger is a major global uranium supplier, being the world's 5th largest producer of uranium between 2013 and 2022. The Tim Merso basin in Niger, hosts all the major deposits in the region, including those held by French owned uranium production company Orano SA (Orano) that hosts the Somair and Cominak (recently shut down) mines, the significant deposit held by TSX-listed Global Atomic Corporation (Global Atomic), the Imouraren and Madaouela deposits and the deposit owned by the Company. While the situation is dynamic, the Company's operations in Niger have not ceased. Instead, activities have been adjusted to adapt to the changing environment. The Board remains committed to developing its Agadez Project and Taroudaji Project and is dedicated to safeguarding the team and the integrity of the Company's assets in the region.

On 16 February 2024, Ms Sarah Wilson resigned as Joint Company Secretary, with Ms Shannon Coates remaining as the sole Company Secretary.

## OPERATIONS REVIEW

On 16 November 2023 and 30 May 2024, the Company advised Managing Director, Ms Caroline Keats, visited Niger. During the visits, she had successful meetings with officials from the Mines Department and the Minister of Mines. During those meetings it was confirmed that the Nigerien Government remained supportive of the Company's mining activities in the country and the exploration permit renewals at the Company's Agadez Uranium Project in Niger were expected to be granted shortly.

Also, on 30 May 2024 10,500,000 options with various expiry dates and exercise prices, expired without exercise or conversion.

The Board remains committed to the strategic expansion of the Company's asset base and strengthening its market position. Management continues to assess other corporate opportunities to identify and capitalize on avenues for growth, with a focus on maximizing shareholder value.

In the meantime, the Company continues to conserve cash and has adopted strategies to reduce expenses. As part of this effort, executive compensation is being reviewed, ensuring any changes are fair and reasonable.

### Capital Raisings

On 19 July 2023, the Company announced the closing date of the Share Purchase Plan (announced 9 June 2023) as being extended to 1 August 2023. The Company subsequently announced the withdrawal of the SPP on 1 August 2023, in light of unfavourable market conditions and the ongoing political uncertainty in the Republic of Niger.

### Matters Subsequent to the End of the Period

Subsequent to the end of the period:

On 1 August 2024 the Company announced it had entered into a binding agreement with Marino Specogna, a private vendor ("**Vendor**") to acquire 100% of the Lamont Lake Uranium Project ("**Project**") in Saskatchewan, Canada, subject to the Company completing its due diligence enquiries.

The Project is located approximately 85km northwest of Uranium City. The tenement holding is situated immediately north of the Athabasca Basin, where some of the world's highest-grade uranium deposits are situated.

The Project encompasses 4 mineral claims covering an area of ~22km<sup>2</sup>. It is situated in an area that, based on historical drilling data, contains shallow uranium mineralisation, occurring from near-surface down to ~57m, with approximate grades of between 0.02% and 0.5%. The Project encompasses a landholding of 11 historic uranium occurrences, which include promising historical assays and geological data.

The total consideration payable by the Company includes cash and fully paid ordinary shares in the Company ("**Shares**") as follows:

- C\$27,500 in cash paid to the Vendor on execution;
- 33,333,333 Shares to be issued to the Vendor on completion of the Acquisition ("**Completion**"); and;
- within six months of Completion, at the Company's discretion, the Company will either:
  - pay A\$100,000 in cash to the Vendor; or
  - issue the Vendor the number of Shares equal in value to A\$100,000 at a deemed issue price equal to the higher of:
    - the 10-day volume weighted average price of Shares over the trading days immediately prior to the issue date; or
    - A\$0.003,

(the "**Deferred Consideration Shares**"), (in either case, the "**Deferred Consideration**").

If the Company elects for the Deferred Consideration to be paid in Shares, the issue of the Deferred Consideration Shares will be subject to the receipt of approval of the Company's shareholders. If shareholder approval is not obtained, the Company must instead pay to the Vendor the Deferred Cash Consideration.

Completion of the acquisition was announced on 28 August 2024.



## OPERATIONS REVIEW

### Annual Mineral Resource and Ore Reserves Statement

The Company's Mineral Resource Estimate for the Takardeit Deposit at Agadez Uranium Project in Niger as at 30 June 2024 and the comparatives to 30 June 2023, are listed in the tables below. The Competent Person Statement this estimate is included on page 6 of this Annual Report.

The Company's Mineral Resources inventory did not increase during FY2024. The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource as reported on 26 April 2023 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Company carries out an annual review of its Mineral Resources and Ore Reserves, as required by the ASX Listing Rules. The review was carried out as at 30 June 2024.

### Takardeit Inferred Mineral Resources as at 30 June 2024

| Mineral Resource   | Cut off | M Tonnes | Grade ppm eU <sub>3</sub> O <sub>8</sub> | Mlb eU <sub>3</sub> O <sub>8</sub> |
|--------------------|---------|----------|--|------------------------------------|
| Update (JORC 2012) | 175     | 31.1     | 315                                      | 21.5                               |

### Takardeit Inferred Mineral Resources as at 30 June 2023 (as released on 26 April 2023)

| Mineral Resource   | Cut off | M Tonnes | Grade ppm eU <sub>3</sub> O <sub>8</sub> | Mlb eU <sub>3</sub> O <sub>8</sub> |
|--------------------|---------|----------|--|------------------------------------|
| Update (JORC 2012) | 175     | 31.1     | 315                                      | 21.5                               |

The Mineral Resource has been reported above a cut-off grade of 175ppm eU<sub>3</sub>O<sub>8</sub> reflecting estimated processing costs and recoveries as well as projected product pricing.

### Estimation Governance Statement

The Company ensures that all Mineral Resource and Ore Reserves estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource and Ore Reserves estimates are prepared by appropriately qualified, independent Competent Persons. If there is a material change in the estimate of a Mineral Resource or Ore Reserves, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons and announced to the ASX in accordance with the Listing Rules.

The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with JORC Code 2012.

### Competent Person's Statement

The information on the Mineral Resources and Exploration Results outlined in this announcement was compiled by Mr David Princep, an independent consultant employed by Gill Lane Consulting. Mr Princep is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional Geologist. Mr Princep has more than five years relevant experience in estimation of mineral resources and the mineral commodity uranium. Mr Princep has sufficient experience relevant to the assessment of this style of mineralisation to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2012)". Mr Princep approves of, and consents to, the inclusion of the information in this Annual Mineral Resource Statement and the Annual Mineral Resource Statement as a whole, in the form and context in which it appears.

## DIRECTORS' REPORT

Your Directors present their report together with the financial statements of the Group, being the Company and its controlled entities (collectively the **Group**), for the financial year ended 30 June 2024.

### 1. DIRECTORS

The names, qualifications, experience and special responsibilities of the Directors in office at any time during or since year-end are as follows. Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**JAMES EGGINS** Non-Executive Chairman

#### **BA, LLB (Hons)**

Mr Eggins previously held senior management roles at Queensland Mines Ltd, that developed and operated the Nabarlek uranium project in the Northern Territory; was General Manager and then Divisional Manager for Olympic Dam Marketing during his 15-year tenure with WMC Ltd and later, was the General Manager (Sales & Contract Administration) at Paladin Energy Ltd for seven years. Complementing forty years of uranium experience, Mr Eggins has also managed marketing and business development roles in mineral sands, refined copper, precious metals, and for the last seven years with Greenland Minerals Ltd, rare-earth minerals.

He has been involved with the mine-to-market supply chain for mines in Australia and Africa. Mr Eggins, who holds a BA from the University of Sydney and an LLB (Hons) from the Australian National University, Canberra, also served as Chair of the Uranium Information Centre and as a Board member of the World Nuclear Association.

*Directorships held in other listed entities:*

None

**CAROLINE KEATS** Managing Director

#### **BBus, LLB (Hons)**

Ms Keats is a focused business leader and corporate executive with 20 years of corporate/commercial experience. She has extensive experience working with assets in foreign jurisdictions, particularly Africa and has successfully liaised with foreign governments to improve understanding about operational and Australian corporate requirements and facilitated outcomes beneficial to mining projects, local communities and the local economy.

Ms Keats is legally qualified, having commenced her career as a lawyer at Blake Dawson Waldron (now Ashurst) and then at Blakiston & Crabb (now Gilbert & Tobin). She has since worked in senior management and executive roles at Paladin Energy Ltd, Mawson West Limited, MRX Technologies (a Siemens business) and she has held the Managing Director role at Tiger Resources Limited.

*Directorships held in other listed entities:*

Velox Energy Materials Inc. (TSX-VLX): (formerly known as Currie Rose Resources Inc.) – Non-executive Director. Appointed 11 April 2023 – 1 January 2024.

**QUINTON DE KLERK** Non-Executive Director

#### **NHD, FAusIMM**

Mr de Klerk is a highly qualified and accomplished mining engineer with more than 30-years' experience spanning operational roles in open pit and underground mining environments as well as consulting services across multiple jurisdictions and commodities.

Mr de Klerk has held senior positions with AngloGold Ashanti Ltd in South Africa, Namibia and Australia. He is currently the Head of Mining Engineering and a Director of Cube Consulting Pty Ltd where, for the past 16 years, he led the mining team in multiple feasibility studies, due diligence processes, Mineral Reserves CP responsibilities and audits. He has a demonstrated and respected capability in providing strategic direction and advice to executives and boards of junior and mid-tier mining companies.

In addition to being a qualified mining engineer, Mr de Klerk is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a graduate of the Australian Institute of Company Directors (AICD) Company Directors course.

*Directorships held in other listed entities:*

None

## DIRECTORS' REPORT

### 2. COMPANY SECRETARIES

The following persons held the position of Joint Company Secretary during or since the start of the financial year:

#### SHANNON COATES

Ms Coates remains as the sole Company Secretary and is a non-executive director and Chartered Secretary. She is a qualified lawyer and has over 20 years' experience in corporate law and compliance. Ms Coates is currently Managing Director of Source Governance, a national corporate advisory firm providing company secretarial and corporate advisory support to boards and various committees across a variety of industries including resources, oil and gas, manufacturing and technology.

#### SARAH WILSON – Resigned 16 February 2024

Ms Wilson resigned as Joint Company Secretary on 16 February 2024. Ms Wilson was a Company Secretary with national corporate advisory firm Source Governance and has over 10 years' experience in company secretarial, corporate advisory and corporate governance roles, which have included the provision of company secretarial services to a number of ASX listed resource companies. Ms Wilson holds a Certificate in Governance Practice and is a Certified Member of the Governance Institute of Australia. She is currently company secretary to a number of ASX listed companies with a strong focus on resources.

### 3. DIRECTORS' MEETINGS

The number of Directors' meetings attended by each of the Directors of the Company who hold or held office during the financial year was:

|                  | DIRECTORS' MEETINGS       |                 |
|------------------|---------------------------|-----------------|
|                  | Number eligible to attend | Number Attended |
| James Eggins     | 6                         | 6               |
| Caroline Keats   | 6                         | 6               |
| Quinton de Klerk | 6                         | 6               |

As at the date of this report, the Company has not established Remuneration, Nomination, Audit or Risk Committees as the Directors believe the Company is not currently of a size, nor are its affairs of such complexity, as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

### 4. DIRECTORS' INTERESTS

The relevant interests of Directors in the shares and options of the Company up to the date of this report were as follows:

| 2024                          | Shares<br>(Direct)<br>No. | Shares<br>(Indirect)<br>No. | Options<br>(Direct)<br>No. | Options<br>(Indirect)<br>No. |
|-------------------------------|---------------------------|-----------------------------|----------------------------|------------------------------|
|                               | James Eggins              | 7,500,000                   | -                          | -                            |
| Caroline Keats <sup>1</sup>   | 22,500,000                | 1,214,285                   | -                          | -                            |
| Quinton de Klerk <sup>2</sup> | 4,000,000                 | 1,515,151                   | -                          | -                            |
|                               | 34,000,000                | 2,729,436                   | -                          | -                            |

- 1,214,285 Shares held by Toledo Superannuation Pty Ltd.
- 1,515,151 Shares held by BNP Paribas Nominees Pty Ltd HUB 24 Custodial Serv Ltd <DRP A/C>.

### 5. PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the financial year was uranium, copper/base metals exploration.

### 6. OPERATING RESULTS

For the 2024 financial year the Group delivered a profit after tax of \$714,654 (2023: \$5,275,174 loss).

### 7. REVIEW OF OPERATIONS

During the year, the Group continued its exploration of the prospecting licence portfolios. Refer to the detailed Operations Review on page 2 of the Annual Report.

### 8. DIVIDENDS

The Directors have not paid an interim dividend nor do they recommend the payment of a final dividend.

## DIRECTORS' REPORT

### 9. FINANCIAL POSITION

The net assets of the Group have increased from 30 June 2023 by \$953,567 to \$2,518,403 at 30 June 2024 (2023: \$1,564,836). As at 30 June 2024, the Group's cash and cash equivalents increased from 30 June 2023 by \$670,286 to \$1,482,951 at 30 June 2024 (2023: \$812,665) and had working capital of \$1,402,402 (2023: \$710,946), as noted in Note 9.

The Directors believe the Group is in a satisfactorily stable financial position to continue its current operations.

### 10. KEY BUSINESS RISKS

The Group is subject to various risk factors. Some of these are specific to its business activities while others are of a more general nature. Individually, or in combination, these risk factors may affect the future operating and financial performance of the Group.

#### a. OCCUPATIONAL HEALTH AND SAFETY RISKS

The Company seeks to ensure that it provides a safe workplace to minimise risk of harm to its employees and contractors. It achieves this through an appropriate safety culture, safety systems, training, and emergency preparedness.

#### b. EXPLORATION RISK

Exploration and Mineral Resource development incorporates a high degree of technical and geological risk. The natural endowment of the ground being explored is the limiting factor and there always remains a risk of insufficient natural endowment to make an economic discovery.

Detailed planning of exploration programs, with external consultant input where required, ensures the highest quality exploration targets are tested. The Board approves all exploration programs and budgets to achieve outcomes in the Company's (and shareholders) best interests, with regular reporting provided to the Board of the results of exploration programs.

The Company undertakes business development activities to source new projects for the Company with the objective of acquiring assets with a high potential for exploration success.

#### c. SUPPLIER RISK

The current economic climate has impacted both the cost and availability of key suppliers (drill contractors, analytical laboratories, labour hire, consultants etc) to allow the Company to conduct exploration activity in a timely manner.

In order to mitigate these risks, the Company:

1. Maintains contact with multiple suppliers for services; and
2. Plans activities ahead of time, taking into account Board approved budget allocations and work programs, to ensure sufficient notice of work can be provided.

#### d. MINERAL RESOURCES

The Mineral Resources for the Group's projects are estimates only and no assurance can be given that they will be realised.

#### e. GOVERNMENT CHARGES

The Group has assets in multiple jurisdictions namely, Canada and Niger, and holds an interest in projects in Botswana. The mining industry is subject to a number of Government taxes, royalties and charges. Changes to the rates of taxes, royalties and charges can impact on the future profitability of the Company. The Company maintains communications with relevant parties to mitigate potential increases.

#### f. LOSS OF KEY MANAGEMENT PERSONNEL

The resources sector is currently highly competitive with significant cost escalation and wage growth. The loss of key management personnel would impact the Company's ability to undertake activities in a timely manner.

The Board maintains regular contact with the Company's Executive and other personnel to ensure the Board is fully informed of all material business issues. The Company undertakes annual reviews for key roles to ensure competitive contracts are in place and has contractual notice periods in place to minimise business disruption.

## DIRECTORS' REPORT

### g. ENVIRONMENTAL

The Group has environmental liabilities associated with its tenements which arise as a consequence of its operations. The Group monitors its ongoing environmental obligations and risks and implements rehabilitation and corrective actions as appropriate.

### h. MARKET RISK

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

The Group is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have short or long-term debt, and therefore this risk is minimal.

### i. COMMUNITY/SOCIAL RISKS

The Group operates in different jurisdictions with varying community, heritage and social laws and cultural practices. Community expectations are continually evolving and are managed through the development of robust strategies and maintaining strong relationships with communities.

### j. FINANCIAL RISKS

The Group recognises the importance of maintaining a strong balance sheet that enables flexibility to pursue strategic objectives. ENRG maintains policies which define appropriate financial controls and governance which seek to ensure financial risks are recognised, managed and recorded in a manner consistent with generally accepted industry practice and governance standards.

### k. REGULATORY AND COMPLIANCE RISK

New or evolving regulations and international standards are outside the Company's control and are often complex and difficult to predict. The potential development of international opportunities can be jeopardised by changes to fiscal or regulatory regimes, adverse changes to tax laws, difficulties in interpreting or complying with local laws, material differences in sustainability standards and practices, or changes to existing political, judicial or administrative policies and changing community expectations.

Amendments to laws, regulations and permits governing operations and activities of mining companies, or the more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, operating costs, or abandonment or delays in exploration activities.

Further, there can be no assurance that the renewal of permits which the Company may require for future exploration will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project which the Company may undertake.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions thereunder, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits.

### l. ANTI-BRIBERY AND CORRUPTION RISK

The Group's business activities and operations are located in jurisdictions with varying degrees of political and judicial stability, including some countries with a relatively high inherent risk with regards to bribery and corruption. This exposes ENRG to the risk of unauthorised payments or offers of payments to or by employees, agents or distributors that could be in violation of applicable anti-corruption laws.

The Group has a clear Anti-bribery and Corruption Policy, and internal controls and procedures to protect against such risks. However, there is no assurance that such controls, policies or procedures will protect the Group from potentially improper or criminal acts.

### m. CHANGES IN GOVERNMENT

A rise in nationalist sentiment presents an operational risk to the Group. Sovereign risk associated with changes of government, including coup d'états, can result in sanctions. Fiscal policy changes can materially impact the profitability of the Group.

## DIRECTORS' REPORT

Following a coup in Niger on the 26 July 2023, the Company continues to monitor the situation, which remains fluid. The Company has adjusted its operations in Niger during this period of continued political uncertainty.

### n. SOVEREIGN AND GEOPOLITICAL RISK

The Company's projects are located in Canada and Niger, with an interest in projects in Botswana. Uncertainty exists as to the stability of the regulatory and political environment in each country, but especially in Niger, and there is potential for sovereign events to have a material impact on the investment and security environment in the country. The Company cannot guarantee that the Government in Niger, Botswana or Canada will remain stable or supportive of the mining and resources sector and existing ownership structures. The Company manages sovereign risk through closely monitoring political developments and events.

Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the Company's operations. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with varied or other interests. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's business, financial condition and results of operations.

### 11. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Group during the year ended 30 June 2024.

### 12. EVENTS SUBSEQUENT TO REPORTING DATE

There were no other events which occurred subsequent to the reporting date that are not covered in this Directors' Report or within the financial statements at Note 16.

### 13. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely future developments in the operations of the Group are referred to in the Operations Review on page 2 of this Annual Report.

### 14. DIRECTORS' SHAREHOLDINGS, CONTRACTS AND BENEFITS

Since the end of the previous financial year no Director of the Company has received, or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the Company with the Director or with a firm of which the Director is a member, or a Company in which the Director has a substantial financial interest, other than as disclosed in the remuneration report below.

### 15. REMUNERATION REPORT (AUDITED)

The full Board currently fulfils the role of a Remuneration Committee in line with a Remuneration Committee Charter and in accordance with the Company's adopted remuneration policy.

#### 15.1 REMUNERATION POLICY

This policy governs the operations of the Remuneration Committee. The Committee shall review and reassess the policy at least annually and obtain the approval of the Board.

#### a. EXECUTIVE REMUNERATION

The Company's remuneration policy for Executive Directors and senior management is designed to promote superior performance and long-term commitment to the Company. Executive Directors receive a base remuneration which is market related, and may be entitled to performance-based remuneration at the ultimate discretion of the Board.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so.

Executive Directors' remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice.

## DIRECTORS' REPORT

### 15. REMUNERATION REPORT (AUDITED) (CONTINUED)

The Committee's reward policy reflects its obligation to align Executive Directors' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

- i. reward reflects the competitive market in which the Company operates;
- ii. individual reward should be linked to performance criteria; and
- iii. Executive Directors should be rewarded for both financial and non-financial performance.

The total remuneration of executives and other senior managers consists of the following:

- i. **salary** - Executive Directors and senior managers receive a sum payable monthly in cash;
- ii. **bonus** - Executive Directors and nominated senior managers are eligible to participate in a bonus or profit participation plan if deemed appropriate;
- iii. **long term incentives** - Executive Directors may participate in share option and performance rights schemes with the prior approval of shareholders. Executives may also participate in employee share option and performance rights schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options or performance rights to executives outside of approved employee option plans in exceptional circumstances; and
- iv. **other benefits** - Executive Directors and senior managers are eligible to participate in superannuation schemes and other appropriate additional benefits.

Remuneration of other executives consists of the following:

- i. **salary** - senior executives receive a sum payable monthly in cash;
- ii. **bonus** - each executive is eligible to participate in a bonus or profit participation plan if deemed appropriate;
- iii. **long term incentives** - each senior executive may, where appropriate, participate in share option and performance rights schemes which have been approved by shareholders; and
- iv. **other benefits** - senior executives are eligible to participate in superannuation schemes and other appropriate additional benefits.

#### b. NON-EXECUTIVE REMUNERATION

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The full Board recommends the actual payments to Directors and the Board is responsible for ratifying any recommendations, if appropriate. The maximum aggregate remuneration approved for Non-Executive Directors is currently \$300,000.

It is recognised that Non-Executive Directors' remuneration is ideally structured to exclude equity-based remuneration. However, whilst the Company remains small and the full Board, including the Non-Executive Directors, are included in the operations of the Company more closely than may be the case with larger companies, the Non-Executive Directors are entitled to participate in equity-based remuneration schemes subject to shareholder approval.

All Directors are entitled to have their indemnity insurance paid by the Company.

#### c. BONUS OR PROFIT PARTICIPATION PLAN

Performance incentives may be offered to Executive Directors and senior management of the Company through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

#### d. VOTING AND COMMENTS MADE AT THE COMPANY'S 2023 ANNUAL GENERAL MEETING ("AGM")

At the 2023 AGM, 83.27% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

## DIRECTORS' REPORT

### 15. REMUNERATION REPORT (AUDITED) (CONTINUED)

#### e. ADDITIONAL INFORMATION

The loss of the Group for the five years to 30 June 2024 are summarised below:

|                                | 2024        | *Restated<br>2023 | 2022        | 2021        | 2020        |
|--------------------------------|-------------|-------------------|-------------|-------------|-------------|
|                                | \$          | \$                | \$          | \$          | \$          |
| Sales revenue                  | -           | -                 | -           | -           | -           |
| EBITDA                         | (1,907,592) | (4,722,479)       | (7,329,043) | (1,159,088) | (1,139,506) |
| EBIT                           | (1,907,592) | (4,722,479)       | (7,328,997) | (1,159,207) | (1,139,625) |
| Profit/(Loss) after income tax | 714,654     | (5,275,174)       | (7,328,997) | (1,159,207) | (1,139,625) |

\*Refer to note 11

The factors that are considered to affect total shareholders return (TSR) are summarised below:

|   | 2024  | 2023   | 2022   | 2021   | 2020  |
|---|-------|--------|--------|--------|-------|
| Share price at financial year end (\$)            | 0.002 | 0.011  | 0.032  | 0.027  | 0.007 |
| Dividends declared (cents per share)              | -     | -      | -      | -      | -     |
| Basic earnings/(loss) per share (cents per share) | 0.71  | (0.57) | (0.65) | (0.19) | -     |

### 15.2 DETAILS OF REMUNERATION

Details of the nature and amount of each element of the emoluments of each of the key management personnel (KMP) of the Company for the year ended 30 June 2024 are set out in the following tables.

| 2024             |                        |                          |              |       |   |                             |                      |                                     |         |         |
|------------------|------------------------|--------------------------|--------------|-------|---|-----------------------------|----------------------|-------------------------------------|---------|---------|
| Group KMP        | Short-term benefits    |                          |              |       | Post-employment benefits<br>Super-annuation | Long-term benefits<br>Other | Termination benefits | Equity-settled share-based payments |         | Total   |
|                  | Salary, fees and leave | Profit share and bonuses | Non-monetary | Other |   |                             |                      | Loan shares                         | Options |         |
|                  |                        |                          |              |       |   |                             |                      |                                     |         |         |
| James Eggins     | 75,000                 | -                        | -            | -     | 8,250                                       | -                           | -                    | 16,836                              | -       | 100,086 |
| Caroline Keats   | 315,000                | 23,625                   | -            | -     | 27,399                                      | -                           | -                    | 51,312                              | -       | 417,336 |
| Quinton de Klerk | 50,000                 | -                        | -            | -     | 5,500                                       | -                           | -                    | 11,225                              | -       | 66,725  |
|                  | 440,000                | 23,625                   | -            | -     | 41,149                                      | -                           | -                    | 79,373                              | -       | 584,147 |

| 2023             |                        |                          |              |       |   |                             |                      |                                     |         |         |
|------------------|------------------------|--------------------------|--------------|-------|---|-----------------------------|----------------------|-------------------------------------|---------|---------|
| Group KMP        | Short-term benefits    |                          |              |       | Post-employment benefits<br>Super-annuation | Long-term benefits<br>Other | Termination benefits | Equity-settled share-based payments |         | Total   |
|                  | Salary, fees and leave | Profit share and bonuses | Non-monetary | Other |   |                             |                      | Loan shares                         | Options |         |
|                  |                        |                          |              |       |   |                             |                      |                                     |         |         |
| James Eggins     | 73,750                 | -                        | -            | -     | 7,744                                       | -                           | -                    | 16,790                              | -       | 98,284  |
| Caroline Keats   | 307,500                | -                        | -            | -     | 25,292                                      | -                           | -                    | 51,172                              | -       | 383,964 |
| Quinton de Klerk | 48,333                 | -                        | -            | -     | 5,075                                       | -                           | -                    | 11,194                              | -       | 64,602  |
|                  | 429,583                | -                        | -            | -     | 38,111                                      | -                           | -                    | 79,156                              | -       | 546,850 |

The Company remains committed to conserving cash and is actively exploring further cost-saving measures. This includes a thoughtful assessment of executive remuneration to ensure that any adjustments are both fair and reasonable.



## DIRECTORS' REPORT

### 15. REMUNERATION REPORT (AUDITED) (CONTINUED)

#### 15.3 THE PROPORTION OF REMUNERATION LINKED TO PERFORMANCE AND THE FIXED PROPORTION ARE AS FOLLOWS:

| Name                          | Fixed remuneration |      | Short-term incentive |      | Long-term incentive |      |
|-------------------------------|--------------------|------|----------------------|------|---------------------|------|
|                               | 2024               | 2023 | 2024                 | 2023 | 2024                | 2023 |
| James Eggins <sup>1</sup>     | 83%                | 83%  | -                    | -    | 17%                 | 17%  |
| Caroline Keats <sup>2</sup>   | 82%                | 87%  | 6%                   | -    | 12%                 | 13%  |
| Quinton de Klerk <sup>3</sup> | 83%                | 83%  | -                    | -    | 17%                 | 17%  |

#### 15.4 EQUITY INSTRUMENTS DISCLOSURE RELATING TO KMP

##### a. SHAREHOLDINGS

Number of shares held by Parent Entity Directors and other KMP of the Group, including their personally related parties, are set out below:

| 2024             | Balance at start of year | Balance on Appointment | Received during the year as loan shares | Received during the year on the exercise of options | Other changes during the year | Balance at end of year/at resignation |
|------------------|--------------------------|------------------------|---|---|-------------------------------|---------------------------------------|
|                  | No.*                     | No.                    | No.                                     | No.   | No.                           | No.                                   |
| James Eggins     | 7,000,000                | -                      | -                                       | -   | 500,000                       | 7,500,000                             |
| Caroline Keats   | 22,500,000               | -                      | -                                       | -   | 1,214,285                     | 23,714,285                            |
| Quinton de Klerk | 5,515,151                | -                      | -                                       | -   | -                             | 5,515,151                             |
|                  | 35,015,151               | -                      | -                                       | -   | 1,714,285                     | 36,729,436                            |

\*Includes loan shares

##### b. OPTION HOLDINGS

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

| 2024             | Balance at start of year | Granted as Compensation | Options Exercised/ lapsed | Net Change Other | Balance on Appointment | Balance at end of year/ at resignation | Total Exercisable | Total at end of year |
|------------------|--------------------------|-------------------------|---------------------------|------------------|------------------------|--|-------------------|----------------------|
|                  | No.                      | No.                     | No.                       | No.              | No.                    | No.                                    | No.               | No.                  |
| James Eggins     | -                        | -                       | -                         | -                | -                      | -                                      | -                 | -                    |
| Caroline Keats   | -                        | -                       | -                         | -                | -                      | -                                      | -                 | -                    |
| Quinton de Klerk | -                        | -                       | -                         | -                | -                      | -                                      | -                 | -                    |
|                  | -                        | -                       | -                         | -                | -                      | -                                      | -                 | -                    |

#### 15.5 OTHER TRANSACTIONS WITH KMP AND THEIR RELATED PARTIES

##### a. RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES ARE AS FOLLOWS:

There were no amounts receivable or payable to any related parties (2023: Nil).

##### b. LOANS TO / FROM KMP

There were no loans with KMP or their related parties. (2023: Nil)

##### c. TRANSACTIONS WITH RELATED PARTIES OF KMP

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

*Mr James Eggins*

Consulting services in accordance with a consultancy agreement.

|  | 30 June 2024 | 30 June 2023 |
|--|--------------|--------------|
|  | \$           | \$           |
|  | -            | 20,000       |

There have been no other transactions in addition to those described in the tables or as detailed in Note 18 Related Party Transactions.

## DIRECTORS' REPORT

### 15. REMUNERATION REPORT (AUDITED) (CONTINUED)

#### 15.6 OPTIONS ISSUED AS PART OF REMUNERATION

During the year, no options were granted to KMP of the Company as remuneration (2023: Nil).

#### 15.7 SHARES ISSUED AS PART OF REMUNERATION

During the financial year ended 30 June 2024, no shares were issued to Directors of the Company as remuneration. During the financial year ended 30 June 2022, loan shares were issued to Directors of the Company as set out below:

Following shareholders' approval, the Company issued 20,000,000 loan shares and 10,000,000 loan shares on 11 January 2022 and 4 March 2022 respectively (together **the Loan Share**) to the directors pursuant to the Company's Employee Securities Incentive Plan (**the Plan**), on the following terms:

| Director         | Number of Loan Shares | Date of issue   | Date of Expiry  | Exercise Price | Tranche   |
|------------------|-----------------------|-----------------|-----------------|----------------|-----------|
| Caroline Keats   | 20,000,000            | 11 January 2022 | 11 January 2027 | \$0.023        | Tranche 1 |
| James Eggins     | 6,000,000             | 4 March 2022    | 4 March 2027    | \$0.024        | Tranche 2 |
| Quinton de Klerk | 4,000,000             | 4 March 2022    | 4 March 2027    | \$0.024        | Tranche 2 |

The material terms of the Loan and Loan Shares are as follows:

- i. The issue price of each Loan Share will be equal to the 10-day VWAP of the Company's Shares as at date of issue.
- ii. The related parties are to grant the Company a pledge of their respective Loan Shares and a charge over all dividends and other amounts paid or payable on their respective Loan Shares.
- iii. The respective Loans must be repaid on the earlier of:
  - Five years after issuance of the Loan Shares, and;
  - Three months after the relevant related party ceases to be eligible employee for any reason under the Plan; or
  - If determined by the Board to be repayable as a result of, or in anticipation of, a change of control event occurring in respect of the Company.
- iv. The related parties must not transfer, encumber or otherwise dispose of, or have a security interest granted over any Loan Share unless and until the respective Loan is repaid.
- v. The Company's sole recourse in the event that a Loan is not repaid will be limited to the respective Loan Shares and the Company may sell the Loan Shares or dispose of such number of Loan Shares for their market price as the Board determines in its absolute discretion.

#### 15.8 SERVICE CONTRACTS OF KMP

The KMP terms are formalised in service agreements, a summary of which is set out below.

| Name           | Contact Duration | Termination Notice period by Company | Termination Notice period by Executive |
|----------------|------------------|--------------------------------------|--|
| Caroline Keats | On going         | one month                            | three months                           |

All Non-Executive Directors were appointed by a letter of appointment.

### END OF REMUNERATION REPORT

#### 16. INDEMNIFYING OFFICERS

In accordance with the Constitution, except as may be prohibited by the *Corporations Act 2001* (Cth), every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him/her in his/her capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

The Company has entered into Deeds of Indemnity and Access with each of its Directors (**Deeds**). Pursuant to the Deeds, the Company will indemnify each Director to the extent permitted by the Corporations Act against any liability arising as a



## DIRECTORS' REPORT

result of the Director acting as an officer of the Company. The Company will be required under the Deeds to maintain insurance policies for the benefit of the relevant Director for the term of the appointment and for a period of 7 years after the relevant Director's retirement or resignation.

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretaries and all executive officers of the Company and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of any liability and the amount of the premium.

### 17. SHARES

As at the date of this report, there are 1,045,015,984 fully paid ordinary shares on issue.

### 18. OPTIONS AND PERFORMANCE RIGHTS

At the date of this report, there are 87,500,000 unissued ordinary shares of the Company under option and 3,866,234 performance rights as follows:

| Unlisted options             | Date of Expiry  | Exercise price | Number     |
|------------------------------|-----------------|----------------|------------|
| Unlisted Options             | 1 February 2025 | \$0.020        | 25,000,000 |
| Unlisted Performance Options | 24 May 2025     | \$0.030        | 50,000,000 |
| Unlisted Options             | 21 June 2025    | \$0.035        | 12,500,000 |
| Performance Rights           | 19 August 2027  | \$0.029        | 3,866,234  |

During the financial year to 30 June 2024, 27,500,000 options lapsed unexercised and 730,780 performance rights vested into ordinary shares.

Option holders and performance rights holders do not have any rights to participate in new issues of shares or other interests in the Company or any other entity.

### 19. INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

### 20. ENVIRONMENTAL REGULATION

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The Directors of the Group are not aware of any breach of environmental regulations for the year under review.

### 21. NON-AUDIT SERVICES

During the year, RSM Australia Partners, the Company's auditor, provided taxation compliance services, in addition to their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at Note 19.

In the event that non-audit services are provided by RSM Australia Partners, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth). These procedures include:

- i. non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ii. ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

### 22. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

## DIRECTORS' REPORT

### 23. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under s.307C of the *Corporations Act 2001* (Cth) is set out on page 18.

### 24. AUDITOR

The auditor, RSM Australia Partners continues in accordance with s.327 of the *Corporations Act 2001* (Cth).

This report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of Directors made pursuant to s.298(2)(a) of the *Corporations Act 2001* (Cth).



**Caroline Keats**

Managing Director

Dated this Monday, 30 September 2024



**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of ENRG Elements Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA

TUTU PHONG  
Partner

Perth, Western Australia  
Dated: 30 September 2024

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.  
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## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

|   | Note | 2024<br>\$         | *Restated<br>2023<br>\$ |
|---|------|--------------------|-------------------------|
| Other income  | 1    | 27,340             | 16,119                  |
| Share of loss of associate accounted for using the equity method                              | 12   | (15,667)           | (20,106)                |
| Administration expense  |      | (23,559)           | (48,374)                |
| Compliance and regulatory   |      | (338,171)          | (395,575)               |
| Consulting and legal  |      | (161,060)          | (335,803)               |
| Employee benefit expense  | 2    | (743,382)          | (721,840)               |
| Exploration expense   | 2    | (329,606)          | (899,474)               |
| Travel and accommodation  |      | (39,873)           | (156,053)               |
| Share based payments  | 21   | (154,571)          | (2,027,562)             |
| Other expenses  |      | (127,317)          | (126,342)               |
| Unrealised loss on foreign exchange   |      | (1,726)            | (7,469)                 |
| <b>Loss before income tax</b>   |      | <b>(1,907,592)</b> | <b>(4,722,479)</b>      |
| Income tax expense  | 4    | -                  | -                       |
| <b>Loss from continuing operations</b>  |      | <b>(1,907,592)</b> | <b>(4,722,479)</b>      |
| <i>Discontinued Operations</i>  |      |                    |                         |
| Profit/(Loss) from discontinued operations (attributable to equity holders of the Company)    | 11   | 2,622,246          | (552,695)               |
| <b>Net profit / (loss) for the year</b>   |      | <b>714,654</b>     | <b>(5,275,174)</b>      |
| <i>Other comprehensive income for the year:</i>   |      |                    |                         |
| Items that may be reclassified subsequently to profit or loss:                                |      |                    |                         |
| Exchange differences on translation of foreign continuing operations                          |      | 9,136              | (162,348)               |
| Exchange differences on translation of foreign discontinued operations                        |      | 75,283             | 211,998                 |
| <b>Other comprehensive income for the year, net of tax</b>                                    |      | <b>84,419</b>      | <b>49,650</b>           |
| <b>Total comprehensive income / (loss) for the year</b>                                       |      | <b>799,073</b>     | <b>(5,225,524)</b>      |
| <i>Total Comprehensive income / (loss) is attributable to:</i>                                |      |                    |                         |
| Equity holders of the Company   |      | 799,073            | (5,225,524)             |
|   |      | 799,073            | (5,225,524)             |
| <i>Total comprehensive income / (loss) attributable to owners of the Company arises from:</i> |      |                    |                         |
| Continuing operations   |      | (1,907,592)        | (4,722,479)             |
| Discontinued operations   |      | 2,706,665          | (552,695)               |
| <i>Earnings per share:</i>  |      |                    |                         |
|   |      | ¢                  | ¢                       |
| Basic earnings/(loss) per share   | 20   | 0.708              | (0.568)                 |
| Basic loss per share from continuing operations   | 20   | (0.189)            | (0.509)                 |
| Basic earnings/(loss) per share from discontinued operations                                  | 20   | 0.268              | (0.595)                 |

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

\*Refer to Note 11

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

|  | Note | 2024<br>\$       | 2023<br>\$       |
|--|------|------------------|------------------|
| <b>Current assets</b>                                  |      |                  |                  |
| Cash and cash equivalents                              | 5    | 1,482,951        | 812,665          |
| Other receivables                                      | 5    | 49,082           | 81,747           |
| Other current assets                                   | 5    | 33,029           | 20,259           |
| <b>Total current assets</b>                            |      | <b>1,565,062</b> | <b>914,671</b>   |
| <b>Non-current assets</b>                              |      |                  |                  |
| Investment in associate – equity method                | 12   | 626,628          | 642,295          |
| Financial assets at fair value through profit and loss | 13   | 277,778          | -                |
| Other receivables                                      | 5    | 211,595          | 211,595          |
| <b>Total non-current assets</b>                        |      | <b>1,116,001</b> | <b>853,890</b>   |
| <b>Total assets</b>                                    |      | <b>2,681,063</b> | <b>1,768,561</b> |
| <b>Current liabilities</b>                             |      |                  |                  |
| Trade and other payables                               | 5    | 162,660          | 203,725          |
| <b>Total current liabilities</b>                       |      | <b>162,660</b>   | <b>203,725</b>   |
| <b>Total liabilities</b>                               |      | <b>162,660</b>   | <b>203,725</b>   |
| <b>Net assets</b>                                      |      | <b>2,518,403</b> | <b>1,564,836</b> |
| <b>Equity</b>  |      |                  |                  |
| Contributed equity                                     | 7    | 17,404,802       | 17,325,506       |
| Reserves   | 7    | 2,883,003        | 2,723,386        |
| Accumulated losses                                     |      | (17,769,402)     | (18,484,056)     |
| <b>Total equity</b>                                    |      | <b>2,518,403</b> | <b>1,564,836</b> |

The 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 2024

|  | Note | Contributed<br>equity<br>\$ | Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>Equity<br>\$ |
|--|------|-----------------------------|---------------|-----------------------------|-----------------------|
| <b>Balance at 1 July 2022</b>                                |      | 17,170,761                  | 760,330       | (13,208,882)                | 4,722,209             |
| Loss for the year  |      | -                           | -             | (5,275,174)                 | (5,275,174)           |
| Other comprehensive income for the year                      |      | -                           | 49,650        | -                           | 49,650                |
| <b>Total comprehensive income/(loss) for the year</b>        |      | -                           | 49,650        | (5,275,174)                 | (5,225,524)           |
| <i>Transactions with owners in their capacity as owners:</i> |      |                             |               |                             |                       |
| Contributions of equity, net of transaction costs            | 7    | 154,745                     | -             | -                           | 154,745               |
| Share-based payments   | 7    | -                           | 1,913,406     | -                           | 1,913,406             |
| <b>Balance at 30 June 2023</b>                               |      | 17,325,506                  | 2,723,386     | (18,484,056)                | 1,564,836             |
| <b>Balance at 1 July 2023</b>                                |      | 17,325,506                  | 2,723,386     | (18,484,056)                | 1,564,836             |
| Profit for the year  |      | -                           | -             | 714,654                     | 714,654               |
| Other comprehensive income for the year                      |      | -                           | 84,419        | -                           | 84,419                |
| <b>Total comprehensive income for the year</b>               |      | -                           | 84,419        | 714,654                     | 799,073               |
| <i>Transactions with owners in their capacity as owners:</i> |      |                             |               |                             |                       |
| Contributions of equity, net of transaction costs            | 7    | 79,296                      | -             | -                           | 79,296                |
| Share-based payments   | 7    | -                           | 75,198        | -                           | 75,198                |
| <b>Balance at 30 June 2024</b>                               |      | 17,404,802                  | 2,883,003     | (17,769,402)                | 2,518,403             |

The 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 2024

|  | Note | 2024<br>\$         | 2023<br>\$         |
|--|------|--------------------|--------------------|
| Cash flow from operating activities                          |      |                    |                    |
| Payments to suppliers & employees                            |      | (1,487,497)        | (1,814,224)        |
| Interest received  |      | 27,340             | 16,124             |
| Payments for exploration expenditure                         |      | (369,480)          | (1,578,815)        |
| <b>Net cash outflow from operating activities</b>            | 5    | <b>(1,829,637)</b> | <b>(3,376,915)</b> |
| Cash flow from investing activities:                         |      |                    |                    |
| Proceed from disposal of exploration expenditure             |      | 2,500,000          | -                  |
| <b>Net cash inflow from investing activities</b>             |      | <b>2,500,000</b>   | <b>-</b>           |
| Cash flow from financing activities:                         |      |                    |                    |
| Proceeds from issue of shares                                |      | -                  | 50,000             |
| Cost of capital raising                                      |      | (77)               | (9,412)            |
| <b>Net cash (outflow) / inflow from financing activities</b> |      | <b>(77)</b>        | <b>40,588</b>      |
| <b>Net increase / (decrease) in cash held</b>                |      | <b>670,286</b>     | <b>(3,336,327)</b> |
| Effect of foreign exchange movement on cash                  |      | -                  | -                  |
| Cash and cash equivalents at the beginning of the year       |      | 812,665            | 4,148,992          |
| <b>Cash and cash equivalents at the end of year</b>          | 5    | <b>1,482,951</b>   | <b>812,665</b>     |

*The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.*

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

In preparing the 2024 financial statements, ENRG Elements Limited has grouped notes into sections under five key categories:

|   |    |
|---|----|
| Section A: How the numbers are calculated ..... | 24 |
| Section B: Risk .....                           | 32 |
| Section C: Group structure .....                | 35 |
| Section D: Unrecognised items .....             | 38 |
| Section E: Other Information .....              | 39 |

Material accounting policy information specific to each note are included within that note. Accounting policies that are determined to be not material are not included in the financial statements.

The financial report is presented in Australian dollars, except where otherwise stated.

**The registered office and principal place of business of the Company is:**

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WEST PERTH WA 6005  
Telephone: +61 (0)8 6263 4451  
Facsimile: +61 (0)8 9481 7869

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the entity, including:

(a) accounting policies that are relevant for an understanding of the items recognised in the financial statements.

These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction.

(b) analysis and sub-totals, including segment information; and

(c) information about estimates and judgements made in relation to particular items.

#### NOTE 1 REVENUE AND OTHER INCOME

|                                       | 2024          | 2023          |
|---------------------------------------|---------------|---------------|
|                                       | \$            | \$            |
| <b>From continuing operations:</b>    |               |               |
| Interest – unrelated parties          | 27,340        | 16,124        |
| <b>Total revenue and other income</b> | <b>27,340</b> | <b>16,124</b> |

#### Accounting Policy

##### Interest Revenue

Interest revenue is recognised in accordance with Note 3 Finance income and expenses.

##### Other income

Other income is recognised when the Group obtains control over the funds, which is at the time of receipt.

All revenue is stated net of the amount of GST (Note 24 Goods and Services Tax (GST)).

#### NOTE 2 LOSS BEFORE INCOME TAX

| Note   | 2024           | *Restated<br>2023 |
|--|----------------|-------------------|
|  | \$             | \$                |
| Loss before income tax has been determined after including the following expenses: |                |                   |
| <b>Employee benefit expense:</b>   |                |                   |
| Directors' fees  | 440,000        | 429,583           |
| Salaries and wages   | 142,534        | 149,229           |
| Superannuation   | 57,571         | 51,680            |
| Bonus  | 30,382         | -                 |
| Leave accruals   | 18,221         | 52,643            |
| FBT expense  | 51,066         | 35,719            |
| Other  | 3,608          | 2,986             |
|  | <b>743,382</b> | <b>721,840</b>    |
| <b>Exploration and evaluation costs:</b>   |                |                   |
| Exploration and evaluation expenditure   | 6 329,606      | 899,474           |
|  | <b>329,606</b> | <b>899,474</b>    |

\*Refer to Note 11

#### Accounting Policy

##### Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave are expected to be settled within 12 months of the reporting date and are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2024

#### NOTE 2 LOSS BEFORE INCOME TAX (CONTINUED)

##### *Retirement benefit obligations: Defined contribution superannuation funds*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

##### *Long service leave*

Any liability for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

#### NOTE 3 OTHER MATERIAL ACCOUNTING POLICIES RELATED TO ITEMS OF PROFIT AND LOSS

##### Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest revenue is recognised on a time proportionate basis that considers the effective yield on the financial asset.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

#### NOTE 4 INCOME TAX

|  | 2024<br>\$       | 2023<br>\$       |
|--|------------------|------------------|
| <b>4.1 The prima facie tax on loss from continuing ordinary activities before income tax is reconciled to the income tax expense as follows:</b> |                  |                  |
| Loss before income tax   | (1,907,592)      | (5,275,174)      |
| Prima facie tax payable on loss from ordinary activities before income tax at 30% (2023: 30%)  | (572,278)        | (1,582,552)      |
| Capital-raising costs deductible   | 5,943            | 10,759           |
| Non-deductible expenses  | 29,470           | 42,682           |
| Share based payments   | 46,372           | 608,269          |
| Deferred tax asset not brought to account  | 490,493          | 920,842          |
| <b>Income tax expense</b>  | <b>-</b>         | <b>-</b>         |
| <b>4.2 Deferred tax liability</b>  |                  |                  |
| Exploration and evaluation expenditure – Australia Mining Properties   | -                | -                |
| Temporary differences – Australia  | -                | -                |
| Off-set of deferred tax assets   | -                | -                |
| Net deferred tax liability recognised  | -                | -                |
| <b>4.3 Unrecognised deferred tax assets arising on timing</b>  |                  |                  |
| Tax losses   | 4,185,981        | 4,894,248        |
| Temporary differences  | 17,897           | 31,480           |
| Capital losses   | 2,265,565        | 2,265,565        |
|  | <b>6,469,443</b> | <b>7,191,293</b> |
| Off-set of deferred tax liabilities  | -                | -                |
| Net deferred tax assets unrecognised   | <b>6,469,443</b> | <b>7,191,293</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 4 INCOME TAX (CONTINUED)

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Group has tax and capital losses of \$21,505,155 (2023: \$23,866,044) that have the ability to be carried forward indefinitely for offset against future taxable profits of the Group. The recoupment of available tax losses as at 30 June 2024 are contingent upon the Group satisfying the following conditions:

1. deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
2. the conditions for deductibility imposed by tax legislation continuing to be complied with and the Company meeting either its continuity of ownership test or in the absence of satisfying that test the Company can satisfy the same business test; and
3. there being no changes in tax legislation which would adversely affect the Group from realising the benefits from the losses.

In the event that the Group fails to satisfy these conditions above or the Commissioner of Taxation challenges the Group's ability to utilise its losses, the Group may be liable for future income tax on assessable income derived by the Company.

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of Directors. These estimates consider both the financial performance and position of the Company as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that Directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

#### Accounting Policy

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

### NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

#### 5.1 Cash and cash equivalents

|   | 2024<br>\$       | 2023<br>\$     |
|---|------------------|----------------|
| Cash at bank and on hand  | 1,477,951        | 807,665        |
| Bank term deposits  | 5,000            | 5,000          |
|   | <b>1,482,951</b> | <b>812,665</b> |
| <b>Reconciliation of Cash</b>   |                  |                |
| Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the consolidated statement of financial position as follows: |                  |                |
| Cash and cash equivalents   | 1,482,951        | 812,665        |

The Group's exposure to interest rate risk is discussed in Note 8.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

|   | 2024        | 2023        |
|---|-------------|-------------|
|   | \$          | \$          |
| <b>Reconciliation of cash flow from operations to loss after income tax</b> |             |             |
| Operating profit / (loss) after income tax                                  | 714,654     | (5,275,174) |
| <i>Add / (less) non-cash items:</i>   |             |             |
| Share of associate's losses   | 15,667      | 20,106      |
| Share-based payments  | 154,571     | 2,027,562   |
| Foreign exchange differences (unrealised)                                   | 84,419      | 49,650      |
| Gain on disposal of subsidiary company                                      | (2,622,246) | -           |
| <i>Changes in assets and liabilities</i>                                    |             |             |
| Other receivables   | (135,638)   | (6,503)     |
| Trade and other payables  | (41,064)    | (192,556)   |
| Net Cash Flow used in Operating Activities                                  | (1,829,637) | (3,376,915) |

#### Non-cash financing and investing activities

##### 2024

On 14 August 2023, 730,780 shares are being issued on conversion of performance rights following achievement of the performance milestone.

##### 2023

On 3 May 2023, 80,000,000 performance shares were converted to Fully Paid Ordinary Shares and 50,000,000 performance options vested and became exercisable on achievement of the vesting condition, as set out in the Notice of Meeting dated 2 February 2022.

#### Accounting Policy

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

#### 5.2 Other receivables

|                   | 2024   | 2023   |
|-------------------|--------|--------|
|                   | \$     | \$     |
| Current           |        |        |
| GST refundable    | 13,043 | 22,746 |
| Other receivables | 36,039 | 59,001 |
|                   | 49,082 | 81,747 |

|                                 | 2024    | 2023    |
|---------------------------------|---------|---------|
|                                 | \$      | \$      |
| Non-Current                     |         |         |
| Other receivables – Alvis-Crest | 211,595 | 211,595 |
|                                 | 211,595 | 211,595 |

The Group's financial instruments consist mainly of deposits with banks, accounts receivables and payables and loans to subsidiaries. Risk exposure arising from current receivables is set out in Note 8.

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value.

The Group did not recognise any losses in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

#### Accounting Policy

Other receivables are generally due for settlement within periods ranging from 15 days to 30 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

Other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Allowance for expected credit losses of receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the allowance for expected credit losses is recognised in the statement of profit or loss and other comprehensive income within other expenses. When another receivable for which an allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

#### 5.3 Other Assets

|                  | 2024          | 2023          |
|------------------|---------------|---------------|
|                  | \$            | \$            |
| Current:         |               |               |
| Prepayments      | 18,041        | 20,259        |
| Security Deposit | 14,988        | -             |
|                  | <b>33,029</b> | <b>20,259</b> |

#### 5.4 Trade and other payables

|                             | 2024           | 2023           |
|-----------------------------|----------------|----------------|
|                             | \$             | \$             |
| Current:                    |                |                |
| <b>Unsecured</b>            |                |                |
| Trade payables              | 4,218          | 92,668         |
| Other payables and accruals | 158,442        | 111,057        |
| Total unsecured liabilities | <b>162,660</b> | <b>203,725</b> |

#### Accounting Policy

Trade payables are non-interest bearing and are normally settled on 30-day terms.

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade creditors and other payables are presented as current liabilities unless payment is not due within 12 months.

Trade and other payables are classified as financial liabilities. Financial liabilities are measured at amortised cost using the effective interest method.

#### 5.5 Other Material Accounting Policies related to Financial Assets and Liabilities

Investments and other financial assets

##### Classification

The Group classifies its financial assets in the following measurement categories:

- i. those to be measured subsequently at fair value (either through other comprehensive income (**OCI**) or through profit or loss), and
- ii. those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

#### *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (**FVPL**), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### i. Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- a. *Amortised cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- b. *FVOCI*: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- c. *FVPL*: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and
- d. presented net within other gains/(losses) in the period in which it arises.

#### ii. Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 6 NON-FINANCIAL ASSETS AND FINANCIAL LIABILITIES

#### 6.1 Mineral Exploration and Evaluation Expenditure

##### Accounting Policy

##### *Exploration and evaluation expenditure*

Exploration and evaluation expenditures are expensed as incurred.

##### Other Material Accounting Policies related to Non-Financial Assets and Liabilities

##### *Impairment of non-financial assets*

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### NOTE 7 EQUITY

|   | Note | 2024<br>No.   | 2024<br>\$ | 2023<br>No.   | 2023<br>\$ |
|---|------|---------------|------------|---------------|------------|
| <b>7.1 Issued capital</b>   |      |               |            |               |            |
| Fully paid ordinary shares at no par value                            |      | 1,009,965,029 | 17,404,802 | 1,009,234,249 | 17,325,506 |
| <i>Ordinary shares</i>  |      |               |            |               |            |
| At the beginning of the year  |      | 1,009,234,249 | 17,325,506 | 926,486,703   | 17,170,761 |
| <i>Shares issued during the year:</i>                                 |      |               |            |               |            |
| - Directors' Loan Shares  | (a)  | -             | 79,373     | -             | 79,157     |
| - Performance shares converted to ordinary shares @ \$0.018 per share | (b)  | -             | -          | 80,000,000    | -          |
| - Shares Placement @ \$0.033 per share                                |      | -             | -          | 1,515,151     | 50,000     |
| - Consultant's shares issued @ \$0.0284 per share                     | (c)  | -             | -          | 1,232,395     | 35,000     |
| - Performance rights converted to ordinary shares                     | (d)  | 730,780       | -          | -             | -          |
| <i>Transaction costs relating to share issues</i>                     |      |               |            |               |            |
| - Share issue costs – Cash-based                                      |      | -             | (77)       | -             | (9,412)    |
| At end of the year  |      | 1,009,965,029 | 17,404,802 | 1,009,234,249 | 17,325,506 |

Total contributions of equity net of transaction costs are \$79,296 for the year ended 30 June 2024 (2023: \$154,745).

- (a) Directors' loan shares issued pursuant to Employee Securities Incentive Plan approved at the Annual General Meeting held on 11 January 2022. Refer to Note 21.1.1(a) Directors Loan Shares for details.
- (b) Performance Shares converted to Fully Paid Ordinary Shares on achievement of the vesting condition, as set out in the Notice of Meeting dated 2 February 2022.
- (c) Shares issued to consultant as consideration for service provided.
- (d) Shares are being issued on conversion of performance rights following achievement of the performance milestone.

#### Terms and Conditions

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called otherwise each shareholder has one vote on a show of hands.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

## NOTE 7 EQUITY (CONTINUED)

## Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are not included in the cost of the acquisition as part of the purchase consideration.

## 7.2 Options and Performance Rights

For information relating to the share-based payment plan, including details of options and performance rights issued and/or lapsed during the financial year, and the options outstanding at balance date, refer to Note 21 Share-based Payments. The total number of options and performance rights on issue are as follows:

| Note   | 2024<br>No.  | 2024<br>\$ | 2023<br>No. | 2023<br>\$ |
|--|--------------|------------|-------------|------------|
| <i>Unlisted options / Performance rights</i>                       |              |            |             |            |
| At the beginning of the year                                       | 121,314,636  | 2,718,839  | 65,000,000  | 805,433    |
| <i>Performance rights issued during the year:</i>                  |              |            |             |            |
| - Issued – Exp. Date: 19/08/2027<br>Ex. Price \$0.029              | -            | 36,704     | 6,314,636   | 31,590     |
| - Performance Rights Conversion                                    | (730,780)    | -          | -           | -          |
| <i>Options issued / expired during the year:</i>                   |              |            |             |            |
| - Issued – Exp. Date: 24/05/2025<br>Ex. Price \$0.03               | -            | -          | 50,000,000  | 1,750,000  |
| - Issued – Exp. Date: 01/02/2025<br>Ex. Price \$0.02               | -            | 38,494     | -           | 131,816    |
| - Expired unexercised – Exp. Date:<br>19/11/2023 Ex. Price \$0.045 | (3,000,000)  | -          | -           | -          |
| - Expired unexercised – Exp. Date:<br>07/12/2023 Ex. Price \$0.045 | (14,000,000) | -          | -           | -          |
| - Expired unexercised – Exp. Date:<br>29/05/2024 Ex. Price \$0.036 | (10,500,000) | -          | -           | -          |
| At end of the year   | 93,083,856   | 2,794,037  | 121,314,636 | 2,718,839  |

## 7.3 Reserves

Foreign currency translation reserve  
Share-based payment reserve

|                                      | 2024<br>\$ | 2023<br>\$ |
|--------------------------------------|------------|------------|
| Foreign currency translation reserve | 88,966     | 4,547      |
| Share-based payment reserve          | 2,794,037  | 2,718,839  |
|                                      | 2,883,003  | 2,723,386  |

Foreign currency translation reserve

Balance at beginning of the year  
Change in reserve  
Balance at end of the year

|                                  | 2024<br>\$ | 2023<br>\$ |
|----------------------------------|------------|------------|
| Balance at beginning of the year | 4,547      | (45,103)   |
| Change in reserve                | 84,419     | 49,650     |
| Balance at end of the year       | 88,966     | 4,547      |

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Share-based payment reserve

Balance at beginning of the year  
Options issued  
Performance rights issued to personnel  
Balance at end of the year

| Note                                   | 2024<br>\$ | 2023<br>\$ |
|--|------------|------------|
| Balance at beginning of the year       | 2,718,839  | 805,433    |
| Options issued                         | 38,494     | 1,881,816  |
| Performance rights issued to personnel | 36,704     | 31,590     |
| Balance at end of the year             | 2,794,037  | 2,718,839  |

The share-based payment reserve records the value of options issued to Directors, employees or consultants.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**SECTION B. RISK**

*This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.*

**NOTE 8 FINANCIAL RISK MANAGEMENT****8.1 Financial Risk Management Policies**

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivables and payables, loans to subsidiaries. The Group does not speculate in the trading of derivative instruments. Risk management has focused on limiting liabilities to a level which could be extinguished by sale of assets if necessary.

The Group's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the Board as a whole and a formal risk management policy has been documented and implemented.

The Group holds the following financial instruments:

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>Financial Assets</b>                               |                  |                  |
| Cash and cash equivalents                             | 1,482,951        | 812,665          |
| Financial assets at fair value through profit or loss | 277,778          | -                |
| Other receivables                                     | 260,677          | 293,342          |
|   | <b>2,021,406</b> | <b>1,106,007</b> |
| <b>Financial liabilities</b>                          |                  |                  |
| Trade and other payables                              | 162,660          | 203,725          |
|   | <b>162,660</b>   | <b>203,725</b>   |
| <b>Net financial instruments</b>                      | <b>1,858,746</b> | <b>902,282</b>   |

**8.2 Specific Financial Risk Exposures and Management**

## (a) Market risk

## (i) Foreign exchange risk

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the Group being US dollar (USD), Botswana Pula and West Africa CFA franc (XOF). Currently there are no foreign exchange programs in place. The Group treasury function manages the purchase of foreign currency to meet operational requirements. The impact of reasonably possible changes in foreign exchange rates for the Group has the potential to be material. The Group monitors this risk on a regular basis.

## (ii) Price risk

The Group is not exposed to securities price risk on investments held for trading or for medium to longer term as no such investments are currently held.

## (b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables.

The Group applies simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables and contract assets.

Credit risk related to balances with banks and other financial institutions is managed by the Directors in accordance with approved Company policy.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2024

#### NOTE 8 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The objective of the Group is to maintain sufficient liquidity to meet commitments under normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the lack of material revenue, the Group aims at maintaining flexibility in funding by maintaining adequate reserves of liquidity.

The Group did not have access to any undrawn borrowing facilities at the reporting date.

All liabilities are current and will be repaid in normal trading terms.

##### a. Contractual Maturities

The following are the contractual maturities of financial liabilities of the Group:

|                                       | Within 1 Year  |                | Greater Than 1 Year |          | Total          |                |
|---------------------------------------|----------------|----------------|---------------------|----------|----------------|----------------|
|                                       | 2024           | 2023           | 2024                | 2023     | 2024           | 2023           |
|                                       | \$             | \$             | \$                  | \$       | \$             | \$             |
| Financial liabilities due for payment |                |                |                     |          |                |                |
| Trade and other payables              | 162,660        | 203,725        | -                   | -        | 162,660        | 203,725        |
| <b>Total contractual outflows</b>     | <b>162,660</b> | <b>203,725</b> | <b>-</b>            | <b>-</b> | <b>162,660</b> | <b>203,725</b> |

It is not expected that the cash flows included in the maturity analysis could occur significantly later or at significantly different amounts.

##### Cash flow and interest rate risk

From time to time the Group has significant interest-bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances. As such, this is not considered a material exposure and no sensitivity analysis has been prepared.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below.

|   | Floating interest rate | Fixed interest maturing in 1 year or less | Non-interest bearing | Total            |
|---|------------------------|---|----------------------|------------------|
|   | \$                     | \$  | \$                   | \$               |
| <b>2024</b>   |                        |   |                      |                  |
| <b>Financial assets</b>                               |                        |   |                      |                  |
| Cash and cash equivalents                             | 1,477,951              | 5,000                                     | -                    | 1,482,951        |
| Financial assets at fair value through profit or loss | -                      | -   | 277,778              | 277,778          |
| Other receivables                                     | -                      | -   | 260,677              | 260,677          |
|   | <b>1,477,951</b>       | <b>5,000</b>                              | <b>538,455</b>       | <b>2,021,406</b> |
| <i>Weighted average interest rate</i>                 | 4.26%                  | 0.01%                                     | N/A                  |                  |
| <b>Financial Liabilities</b>                          |                        |   |                      |                  |
| Trade and other payables                              | -                      | -   | 162,660              | 162,660          |
|   | -                      | -   | 162,660              | 162,660          |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 8 FINANCIAL RISK MANAGEMENT (CONTINUED)**

|                                       | Floating<br>interest rate<br>\$ | Fixed interest<br>maturing in 1<br>year or less<br>\$ | Non-interest<br>bearing<br>\$ | Total<br>\$ |
|---------------------------------------|---------------------------------|---|-------------------------------|-------------|
| <b>2023</b>                           |                                 |   |                               |             |
| <b>Financial assets</b>               |                                 |   |                               |             |
| Cash and cash equivalents             | 807,665                         | 5,000   | -                             | 812,665     |
| Other receivables                     | -                               | -   | 293,342                       | 293,342     |
|                                       | 807,665                         | 5,000   | 293,342                       | 1,106,007   |
| <i>Weighted average interest rate</i> | 1.35%                           | 0.01%   | N/A                           |             |
| <b>Financial Liabilities</b>          |                                 |   |                               |             |
| Trade and other payables              | -                               | -   | 203,725                       | 203,725     |
|                                       | -                               | -   | 203,725                       | 203,725     |

*Net fair value of Financial Assets and Liabilities*

The net fair value of cash and cash equivalents and non-interest bearing monetary assets and financial liabilities approximates their carrying values.

## a. Fair value hierarchy

AASB 13 *Fair Value Measurement: Disclosures* requires disclosure of the fair value measurements by level of the following fair value measurement hierarchy:

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

All financial assets are classified as Level 1 and their value has been calculated in line with accounting policy Note 24 Fair Value.

**NOTE 9 CAPITAL MANAGEMENT**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The capital structure of the Group consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programs and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to any externally imposed capital requirements.

The working capital position of the Group at 30 June 2024 and 30 June 2023 is as follows:

|                           | Note | 2024<br>\$ | 2023<br>\$ |
|---------------------------|------|------------|------------|
| Cash and cash equivalents | 5.1  | 1,482,951  | 812,665    |
| Other receivables         | 5.2  | 49,082     | 81,747     |
| Other Assets              | 5.3  | 33,029     | 20,259     |
| Trade and other payables  | 5.4  | (162,660)  | (203,725)  |
| Working capital position  |      | 1,402,402  | 710,946    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**SECTION C. GROUP STRUCTURE**

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole. In particular, there is information about:

- (a) changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation
- (b) transactions with non-controlling interests, and
- (c) interests in joint operations.

A list of significant subsidiaries is provided in Note 10

**NOTE 10 INTEREST IN SUBSIDIARIES**

|   | Country of Incorporation | Percentage Owned |      |
|---|--------------------------|------------------|------|
|   |                          | 2024             | 2023 |
|   |                          | %                | %    |
| Ashmead Holdings (Pty) Ltd <sup>(1)</sup>     | Botswana                 | -                | 100  |
| Icon-Trading Company (Pty) Ltd <sup>(2)</sup> | Botswana                 | -                | 100  |
| Global Exploration Technologies Pty Ltd       | Australia                | 100              | 100  |
| Kopore (WA) Pty Ltd                           | Australia                | 100              | 100  |
| ENRG Elements Niger Pty Ltd                   | Australia                | 100              | 100  |
| EF Niger Exploration SARL                     | Niger                    | 100              | 100  |

<sup>(1)</sup> The Company sold its 90% equity in Ashmead Holdings (Pty) Ltd to 10%. The remaining equity holding (10% at 30 June 2024) is recognised and measured as financial asset at fair value through profit or loss (Refer Note 11).

<sup>(2)</sup> The Company sold its 90% equity in Icon-Trading Company (Pty) Ltd to 10%. The remaining equity holding (10% at 30 June 2024) is recognised and measured as financial asset at fair value through profit or loss (Refer Note 11).

Investments in subsidiaries are accounted for at cost

**NOTE 11 DISCONTINUED OPERATIONS****Sale of Ghanzi-West Project**

On 25 September 2023, the Company entered into a binding agreement to sell 90% equity of its Ghanzi West Copper-Silver Project to AIM listed Kavango Resources Plc (Kavango).

On 15 November 2023, the Company completed the sale of 90% of the issued capital of each of the Company's wholly owned subsidiaries Icon Holdings Proprietary Ltd and Ashmead Holdings Proprietary Ltd.

Comparative balances in the statement of profit or loss and other comprehensive income have been adjusted for this disposal.

Operating results of the business are not included in operating segment disclosed in Note 22 Segment Reporting.

Financial information relating to the discontinued operation to the date of sale is set out below:

The financial performance of the discontinued operation to the date of sale, which is included in the profit/(loss) from the discontinued operations per the statement of comprehensive income, is as follows:

**Ashmead Holdings Proprietary Ltd**

Revenue and other income  
Expenses  
Loss before income tax  
Income tax expense  
Loss after income tax of discontinued operation

|  | 2024     | 2023      |
|--|----------|-----------|
|  | \$       | \$        |
|  | -        | 2         |
|  | (20,017) | (246,899) |
|  | (20,017) | (246,897) |
|  | -        | -         |
|  | (20,017) | (246,897) |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 11 DISCONTINUED OPERATIONS (CONTINUED)**

|  |           |           |
|--|-----------|-----------|
| Gain on sale of the subsidiary after income tax  | 1,439,036 | -         |
| Profit/(loss) from discontinued operation  | 1,419,019 | (246,897) |
| The net cash flows of the discontinued operation, which have been incorporated into the statement of cash flows, are as follows: |           |           |
| Net cash outflow from operating activities   | (20,017)  | (246,897) |
| Net cash flow generated by the discontinued operations   | (20,017)  | (246,897) |

Profit on disposal of the operation is included in discontinued operations per the statement of profit or loss and comprehensive income

|                           |           |
|---------------------------|-----------|
|                           | 2024      |
|                           | \$        |
| Cash and cash equivalents | 155       |
| Other current assets      | -         |
| Total assets              | 155       |
| Trade and other payables  | 715,752   |
| Total liabilities         | 715,752   |
| Net (liabilities)/Assets  | (715,597) |

The financial performance of the discontinued operation to the date of sale, which is included in the profit/(loss) from the discontinued operations per the statement of comprehensive income, is as follows:

**Icon Holdings Proprietary Ltd**

|  |           |           |
|--|-----------|-----------|
|  | 2024      | 2023      |
|  | \$        | \$        |
| Revenue and other income   | -         | 3         |
| Expenses   | (17,246)  | (305,801) |
| Loss before income tax   | (17,246)  | (305,798) |
| Income tax expense   | -         | -         |
| Loss after income tax of discontinued operation  | (17,246)  | (305,798) |
| Gain on sale of the subsidiary after income tax  | 1,220,473 | -         |
| Profit/(loss) from discontinued operation  | 1,203,227 | (305,798) |
| The net cash flows of the discontinued operation, which have been incorporated into the statement of cash flows, are as follows: |           |           |
| Net cash outflow from operating activities   | (17,246)  | (305,801) |
| Net cash flow generated by the discontinued operations   | (17,246)  | (305,801) |

Profit on disposal of the operation is included in discontinued operations per the statement of profit or loss and comprehensive income

|                           |             |
|---------------------------|-------------|
|                           | 2024        |
|                           | \$          |
| Cash and cash equivalents | 520         |
| Other current assets      | -           |
| Total assets              | 520         |
| Trade and other payables  | 1,176,091   |
| Total liabilities         | 1,176,091   |
| Net (liabilities)         | (1,175,571) |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 11 DISCONTINUED OPERATIONS (CONTINUED)**

| Details of the disposal – Icon Holdings Proprietary Ltd & Ashmead Holdings Proprietary Ltd | 2024      |
|--|-----------|
|  | \$        |
| Sales consideration – cash   | 2,500,000 |
| Fair value of residual interest  | 277,778   |
| Carrying amount of net liabilities disposed  | (118,269) |
| Loss for the period  | (37,263)  |
| Disposal costs   | -         |
| Gain on disposal before income tax   | 2,622,246 |
| Gain on disposal after income tax  | 2,622,246 |

**NOTE 12 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD**

|  | 2024    | 2023    |
|--|---------|---------|
|  | \$      | \$      |
| <b>Non-Current</b>                               |         |         |
| Investment accounted for using the equity method | 626,628 | 642,295 |
|  | 626,628 | 642,295 |

**Information about associates**

Set out below is the investment accounted for using the equity method. The entity listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

| Associates                     | Country of Incorporation | Measurement method | Percentage Owned |              |
|--------------------------------|--------------------------|--------------------|------------------|--------------|
|                                |                          |                    | 30 June 2024     | 30 June 2023 |
|                                |                          |                    | %                | %            |
| Alvis-Crest Holdings (Pty) Ltd | Botswana                 | Equity method      | 25%              | 25%          |

**Summarised financial position**

|                         | 2024        | 2023        |
|-------------------------|-------------|-------------|
|                         | \$          | \$          |
| Current assets          | 100,277     | 43,515      |
| Current liabilities     | (50,085)    | (57,485)    |
| Current net liabilities | 50,192      | (13,970)    |
| Non-current assets      | 979,172     | 603,645     |
| Non-current liabilities | (1,840,893) | (1,416,887) |
| Non-current deficiency  | (861,721)   | (813,242)   |
| Net deficiency          | (811,529)   | (827,212)   |

**Summarised financial performance**

|   | 2024     | 2023     |
|---|----------|----------|
|   | \$       | \$       |
| Loss for the period                                     | (62,666) | (80,422) |
| Other comprehensive income                              | -        | -        |
| Total comprehensive loss                                | (62,666) | (80,422) |
| Group's share of associate's loss after tax             | (15,667) | (20,106) |
| Group's share of associate's other comprehensive income | -        | -        |

**Reconciliation to carrying amounts**

|  | 2024     | 2023     |
|--|----------|----------|
|  | \$       | \$       |
| Opening net assets at fair value                   | 642,295  | 662,401  |
| Share of loss for the period                       | (15,667) | (20,106) |
| Other comprehensive income                         | -        | -        |
| Closing net assets (carrying amount of investment) | 626,628  | 642,295  |

**NOTE 12 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)****Accounting Policy**



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies. Investments in associates are accounted for in the consolidated financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate. In addition, the Group's share of the profit or loss of the associate is included in the Group's profit or loss.

The carrying amount of the investment includes, when applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Group's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in an associate equal or exceed its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Upon the associate subsequently making profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

The underlying assets held by Alvis-Crest Holdings (Pty) Ltd, which support the value of the investment, are the exploration tenements. The Group assessed impairment indicators of the exploration tenements in line with the Group's policies. The Group has determined that impairment is not required and it is appropriate to carry forward the balance of the investment as at 30 June 2024.

### NOTE 13 FAIR VALUE MEASUREMENT

#### Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

#### Consolidated – 30 June 2024

|  | Level 1 | Level 2 | Level 3 | Total   |
|--|---------|---------|---------|---------|
|  | \$      | \$      | \$      | \$      |
| Assets   |         |         |         |         |
| Ordinary shares at fair value through profit or loss (i) | -       | -       | 277,778 | 277,778 |
| Total assets   | -       | -       | 277,778 | 277,778 |

(i) Comprises shares held in Icon Holdings Proprietary Ltd and Ashmead Holdings Proprietary Ltd

There were no transfers between levels during the financial year.

### SECTION D. UNRECOGNISED ITEMS

*This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria.*

*In addition to the items and transactions disclosed below, there are also unrecognised tax amounts – see Note 4 Income Tax.*

### NOTE 14 COMMITMENTS

The Group does not have any capital expenditure commitments as at 30 June 2024 and 30 June 2023.

### NOTE 15 CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any other contingent liabilities as at 30 June 2024 and 30 June 2023.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 16 EVENTS SUBSEQUENT TO REPORTING DATE**

Subsequent to the end of the period:

On 1 August 2024 the Company announced it had entered into a binding agreement with Marino Specogna, a private vendor (“Vendor”) to acquire 100% of the Lamont Lake Uranium Project (“Project”) in Saskatchewan, Canada, subject to the Company completing its due diligence enquiries.

The Project is located approximately 85km northwest of Uranium City. The tenement holding is situated immediately north of the Athabasca Basin, where some of the world’s highest-grade uranium deposits are situated.

The Project encompasses 4 mineral claims covering an area of ~22km<sup>2</sup>. It is situated in an area that, based on historical drilling data, contains shallow uranium mineralisation, occurring from near-surface down to ~57m, with approximate grades of between 0.02% and 0.5%. The Project encompasses a landholding of 11 historic uranium occurrences, which include promising historical assays and geological data.

The total consideration payable by the Company includes cash and fully paid ordinary shares in the Company (“Shares”) as follows:

- C\$27,500 in cash paid to the Vendor on execution;
- 33,333,333 Shares to be issued to the Vendor on completion of the Acquisition (“Completion”); and;
- within six months of Completion, at the Company’s discretion, the Company will either:
  - pay A\$100,000 in cash to the Vendor; or
  - issue the Vendor the number of Shares equal in value to A\$100,000 at a deemed issue price equal to the higher of:
    - the 10-day volume weighted average price of Shares over the trading days immediately prior to the issue date; or
    - A\$0.003,

(the “Deferred Consideration Shares”), (in either case, the “Deferred Consideration”).

If the Company elects for the Deferred Consideration to be paid in Shares, the issue of the Deferred Consideration Shares will be subject to the receipt of approval of the Company’s shareholders. If shareholder approval is not obtained, the Company must instead pay to the Vendor the Deferred Cash Consideration.

Completion of the acquisition was announced on 28 August 2024.

**SECTION E. OTHER INFORMATION**

*This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.*

**NOTE 17 KEY MANAGEMENT PERSONNEL COMPENSATION**

|                              | 2024           | 2023           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Short term employee benefits | 463,625        | 429,583        |
| Post-employment benefits     | 41,149         | 38,111         |
| Share based payments         | 79,373         | 79,156         |
|                              | <b>584,147</b> | <b>546,850</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 18 RELATED PARTY TRANSACTIONS

#### KMP and related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

*Mr James Eggins – consulting services in accordance with a consultancy agreement.*

|  | 2024 | 2023   |
|--|------|--------|
|  | \$   | \$     |
|  | -    | 20,000 |

There are no other related party transactions other than those payments to Directors as disclosed in the remuneration report.

### NOTE 19 AUDITOR'S REMUNERATION

Remuneration of the auditors, RSM Australia Partners, for:  
Auditing or reviewing the financial statements  
Tax services

|  | 2024   | 2023   |
|--|--------|--------|
|  | \$     | \$     |
| Auditing or reviewing the financial statements | 42,800 | 39,150 |
| Tax services                                   | 12,000 | 17,890 |
|  | 54,800 | 57,040 |

### NOTE 20 LOSS PER SHARE

#### Reconciliation of loss to profit or loss

Net profit/(loss) for the year  
Net profit/(loss) used in the calculation of basic and diluted earnings/(loss) per share

|  | 2024    | *Restated<br>2023 |
|--|---------|-------------------|
|  | \$      | \$                |
| Net profit/(loss) for the year   | 714,654 | (5,275,174)       |
| Net profit/(loss) used in the calculation of basic and diluted earnings/(loss) per share | 714,654 | (5,275,174)       |

#### Reconciliation of loss to profit or loss from continuing operations

Loss for the year from continuing operations  
Loss used in the calculation of basic and diluted EPS continuing operations

|   |             |             |
|---|-------------|-------------|
| Loss for the year from continuing operations                                | (1,907,592) | (4,722,479) |
| Loss used in the calculation of basic and diluted EPS continuing operations | (1,907,592) | (4,722,479) |

#### Reconciliation of loss to profit or loss from discontinued operations

Profit for the year from discontinued operations  
Profit used in the calculation of basic and diluted EPS discontinued operations

|   |           |           |
|---|-----------|-----------|
| Profit for the year from discontinued operations                                | 2,706,665 | (552,695) |
| Profit used in the calculation of basic and diluted EPS discontinued operations | 2,706,665 | (552,695) |

\*Refer to Note 11

Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share

|  | No.           | No.         |
|--|---------------|-------------|
| Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share | 1,009,876,935 | 928,342,373 |

The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than the average market price during the period (out of the money). In addition, the Group does not report diluted earnings per share on annual losses generated by the Group. At the end of the 2024 financial year, the Group had no unissued shares under options that were out of the money which are anti-dilutive (2023: Nil).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 20 LOSS PER SHARE (CONTINUED)****Accounting Policy***Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

*Diluted earnings per share*

Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

**NOTE 21 SHARE-BASED PAYMENTS**

|  | Note          | 2024<br>\$ | 2023<br>\$ |
|--|---------------|------------|------------|
| The following share-based payment arrangements were entered into during the year:                  |               |            |            |
| Amortisation of Loan Shares issued to Directors  | 21.1.1 (a)    | 79,373     | 79,156     |
| Amortisation of options issued to Directors in 30 June 2019 financial year                         | 21.1.1(b),(c) | -          | -          |
| Options issued to consultants in lieu of services  | 21.1.1 (d)    | 38,494     | 131,816    |
| Shares issued to consultants in lieu of services   | 21.1.1 (e)    | -          | 35,000     |
| Performance rights issued to personnel   | 21.1.1 (f)    | 36,704     | 31,590     |
| Options issued as consideration  | 21.1.1 (g)    | -          | 1,750,000  |
| Total shares-based payments included in statement of profit or loss and other comprehensive income |               | 154,571    | 2,027,562  |
| Total share-based payments included in statement of financial position as capital raising costs    |               | -          | -          |

Total share-based payments recognised in reserves is \$75,198 (2023: \$1,913,406).

**21.1 Share-based payment arrangements****21.1.1 Share-based payments recognised in profit and loss****(a) Directors Loan Shares [30 June 2022]**

Following shareholders' approval, the Company issued 20,000,000 Loan shares and 10,000,000 Loan shares on 11 January 2022 and 4 March 2022 respectively to the directors pursuant to the Company's Employee Securities Incentive Plan ("the Plan"), on the following terms.

| Director         | Number of Loan Shares | Date of issue   | Date of Expiry  | Exercise Price | Tranche   |
|------------------|-----------------------|-----------------|-----------------|----------------|-----------|
| Caroline Keats   | 20,000,000            | 11 January 2022 | 11 January 2027 | \$0.023        | Tranche 1 |
| James Egghins    | 6,000,000             | 4 March 2022    | 4 March 2027    | \$0.024        | Tranche 2 |
| Quinton de Klerk | 4,000,000             | 4 March 2022    | 4 March 2027    | \$0.024        | Tranche 2 |

The material terms of the Loan and Loan Shares are as follows:

- i. The issue price of each Loan Share will be equal to the 10-day VWAP of the Company's Shares as at date of issue.
- ii. The related parties are to grant the Company a pledge of their respective Loan Shares and a charge over all dividends and other amounts paid or payable on their respective Loan Shares.
- iii. The respective Loans must be repaid on the earlier of:
  - Five years after issuance of the Loan Shares, and;
  - Three months after the relevant related party ceases to be eligible employee for any reason under the Plan; or
  - If determined by the Board to be repayable as a result of, or in anticipation of, a change of control event occurring in respect of the Company.
- iv. The related parties must not transfer, encumber or otherwise dispose of, or have a security interest granted over any Loan Share unless and until the respective Loan is repaid.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 21 SHARE-BASED PAYMENTS (CONTINUED)

- v. The Company's sole recourse in the event that a Loan is not repaid will be limited to the respective Loan Shares and the Company may sell the Loan Shares or dispose of such number of Loan Shares for their market price as the Board determines in its absolute discretion.

*The loan shares issued to Directors were valued at \$79,373 (2023: \$79,156)*

#### (b) Director Options [30 June 2022]

Following shareholders' approval, the Company issued 14,000,000 Options to the Company's previous Directors on 7 December 2018, on the following terms:

| Number of Options        | Date of Expiry  | Exercise Price |
|--------------------------|-----------------|----------------|
| 6,000,000 <sup>(1)</sup> | 7 December 2023 | \$0.045        |
| 8,000,000 <sup>(2)</sup> | 7 December 2023 | \$0.045        |

(1) Unquoted options issued to the Directors were valued at \$nil (2023: \$nil) and had no vesting conditions.

(2) Unquoted options issued to the Director were valued at \$nil (2023: \$nil) and had the following vesting conditions:

- i) 1/3 of options issued vest 12 months after the date of issue
- ii) 1/3 of options issued vest 24 months after the date of issue
- iii) 1/3 of options issued vest 36 months after the date of issue

#### (c) Director Options [30 June 2022]

Following shareholders' approval, the Company issued 8,000,000 Options to the Company's previous Managing Director, Simon Jackson (or his Nominee), on 29 May 2019, on the following terms:

| Number of Options        | Date of Expiry | Exercise Price |
|--------------------------|----------------|----------------|
| 8,000,000 <sup>(1)</sup> | 29 May 2024    | \$0.036        |

(1) Unquoted option issued to Simon Jackson (or his nominee) were valued at \$nil (2023: \$nil) and had the following vesting conditions:

- i) 1/3 of options issued vest on 29 May 2020
- ii) 1/3 of options issued vest on 29 May 2021
- iii) 1/3 of options issued vest on 29 May 2022

#### (d) Corporate advisory fees – Unlisted options [30 June 2022]

The Company issued 25,000,000 Options to corporate advisors on 4 June 2021, on the following terms:

| Number of Options         | Date of Expiry  | Exercise Price |
|---------------------------|-----------------|----------------|
| 25,000,000 <sup>(1)</sup> | 1 February 2025 | \$0.020        |

(1) Unquoted option issued to the corporate advisors were valued at \$38,494 (2023: \$131,816) and had the following vesting conditions:

- i) 12,500,000 options issued vesting subject to the ENRG Board electing to proceed with the JV Stage 1 (51%) or share price achieving a 10-day VWAP of \$0.03 and commencement of an exploration program on the Horseshoe West Project.
- ii) 12,500,000 options issued vesting subject to the ENRG Board electing to proceed with the JV Stage 2 (70%) or share price achieving a 10-day VWAP of \$0.04 and commencement of an exploration drilling program on the Horseshoe West Project.

The Company issued 2,500,000 Options to a corporate advisor on 4 April 2022, on the following terms:

| Number of Options | Date of Expiry | Exercise Price |
|-------------------|----------------|----------------|
| 2,500,000         | 29/05/2024     | \$0.036        |

*Unquoted option issued to the corporate advisor were valued at \$nil (2023: \$nil)*

The Company issued 12,500,000 Options to a corporate advisor on 21 June 2022, on the following terms:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 21 SHARE-BASED PAYMENTS (CONTINUED)**

| Number of Options | Date of Expiry | Exercise Price |
|-------------------|----------------|----------------|
| 12,500,000        | 21/06/2025     | \$0.035        |

Unquoted option issued to the corporate advisor were valued at \$nil (2023: \$nil)

**(e) Shares issued to consultants in lieu of services [30 June 2023]**

In consideration for services provided by consultants the Company issued 1,232,395 ordinary shares at a deemed issue price of \$0.0284 per share on 15 February 2023.

**(f) Performance rights issued contractors and staff [30 June 2023]**

4,122,295 Performance Rights were issued as a long-term incentive to key contractors who provide technical services to the Company and 2,192,341 Performance Rights issued to an employee of the Company on 19 August 2022:

| Number of Options | Date of Expiry | Exercise Price |
|-------------------|----------------|----------------|
| 6,314,636         | 19/08/2027     | \$0.00         |

The options issued were valued at \$36,704 (2023: \$183,124) and had the following vesting conditions:

- i) 1/3 of options issued vest on 19 August 2027
- ii) 1/3 of options issued vest on 19 August 2027
- iii) 1/3 of options issued vest on 19 August 2027

**(g) Options issued as consideration [30 June 2023]**

Performance Options were issued on achievement of the vesting condition, as set out in the Notice of Meeting dated 2 February 2022.

| Number of Options | Date of Expiry | Exercise Price |
|-------------------|----------------|----------------|
| 50,000,000        | 24 May 2025    | \$0.03         |

**21.2 Fair value of loan shares issued during the year**

No new loan shares were issued during the year.

**21.3 Fair value of options grants during the year**

No new options were issued during the year.

**Accounting Policy**

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of ENRG Elements (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 21 SHARE-BASED PAYMENTS (CONTINUED)

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

#### Key Estimate - Share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instrument at the date at which they are granted. The fair value of options granted is measured using either the Binomial or Black-Scholes option pricing model. The model uses assumptions and estimates as inputs. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 21.2 and 21.3.

#### 21.4 Movement in share-based payment arrangements during the year

A summary of the movements of all Company options issued as share-based payments is as follows:

|  | 2024              |   | 2023              |   |
|--|-------------------|---|-------------------|---|
|  | Number of Options | Weighted Average Exercise Price (cents) | Number of Options | Weighted Average Exercise Price (cents) |
| Outstanding at the beginning of the year                   | 115,000,000       | 3.1                                     | 65,000,000        | 3.2                                     |
| Performance options vested upon meeting vesting conditions | -                 | -                                       | 50,000,000        | 3.0                                     |
| Expired  | (27,500,000)      | 4.2                                     | -                 | -                                       |
| Outstanding at year-end                                    | 87,500,000        | 2.8                                     | 115,000,000       | 3.1                                     |
| Exercisable at year-end                                    | 87,500,000        | 2.8                                     | 115,000,000       | 3.1                                     |

- i. No share-based payment options were exercised during the year.
- ii. The weighted average remaining contractual life of share-based payment options outstanding at year end was 0.82 years (2023: 1.95 years).

### NOTE 22 SEGMENT REPORTING

#### Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of business category and geographical areas. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics. The Group considers that it has only operated in one segment, being the exploration business.

#### Basis of accounting for purposes of reporting by operating segments

##### *Accounting policies adopted*

The accounting policies used by the Group in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

##### *Inter-segment transactions*

All such transactions are eliminated on consolidation of the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

##### *Segment assets*

During the year ended 30 June 2024 and 30 June 2023, all assets were in the same business segment, which is the Group's exploration business.

##### *Segment liabilities*

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 22 SEGMENT REPORTING (CONTINUED)

During the year ended 30 June 2024 and 30 June 2023, all liabilities were in the same business segment, which is the Group's exploration business.

#### Revenue by geographical region

There is no revenue attributable to external customers for the year ended 30 June 2024 and 30 June 2023.

#### Assets by geographical region

During the year ended 30 June 2024 and 30 June 2023, all reportable segment assets are located in Africa and Australia, with the Group's financial assets located in Africa and Australia.

### NOTE 23 PARENT ENTITY DISCLOSURES

|   | 2024<br>\$       | 2023<br>\$         |
|---|------------------|--------------------|
| <b>Financial Position of ENRG Elements Limited</b>    |                  |                    |
| Current Assets  | 1,523,652        | 860,813            |
| Non-current assets                                    | 247,626          | 247,626            |
| <b>Total assets</b>                                   | <b>1,771,278</b> | <b>1,108,439</b>   |
| Current liabilities                                   | 162,092          | 190,487            |
| Non-current liabilities                               | -                | -                  |
| <b>Total liabilities</b>                              | <b>162,092</b>   | <b>190,487</b>     |
| <b>Net assets</b>                                     | <b>1,609,186</b> | <b>917,952</b>     |
| Equity  |                  |                    |
| Issued capital  | 38,865,755       | 38,786,458         |
| Reserves  | 7,704,490        | 7,629,291          |
| Accumulated losses                                    | (44,524,594)     | (45,497,797)       |
| <b>TOTAL EQUITY</b>                                   | <b>2,045,651</b> | <b>917,952</b>     |
| <b>Financial Performance of ENRG Elements Limited</b> |                  |                    |
| Profit / (Loss) for the year                          | 973,203          | (3,674,135)        |
| <b>Total comprehensive income/(loss)</b>              | <b>973,203</b>   | <b>(3,674,135)</b> |

#### Guarantees entered into by ENRG Elements Limited

There are no guarantees entered into by ENRG Elements Limited for the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

#### Contingent liabilities of ENRG Elements Limited

The contingent liabilities of ENRG Elements Limited are the same as those for the Group disclosed in Note 15.

#### Commitments of ENRG Elements Limited

The commitments of ENRG Elements Limited are the same as those for the Group disclosed in Note 14.

### NOTE 24 MATERIAL ACCOUNTING POLICY INFORMATION

This note provides a list of the material accounting policy information adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

##### Reporting Entity

ENRG Elements Limited is a listed public company limited by shares, domiciled and incorporated in Australia. The Company's registered office is at Suite 10, 44 Kings Park Road, West Perth, Western Australia. These are the consolidated financial statements and notes of ENRG Elements Limited (the Company) and controlled entities (collectively the Group). The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity and is primarily involved in the exploration, development and mining of minerals.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 24 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

The separate financial statements of ENRG Elements Limited, as the parent entity, have not been presented with this financial report as permitted by the Corporations Act 2001 (Cth).

#### *Basis of accounting*

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AAS Board) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (AASBs) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

The financial statements were authorised for issue on 30 September 2024 by the Directors of the Company.

#### *Going Concern*

The financial statements have been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

As disclosed in the financial statements, the Group incurred a loss from continuing operations of \$1,907,592 and a net cash out-flow from operating activities of \$1,829,637. This indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds by raising additional capital from equity markets and managing cash flows in line with available funds.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report, after consideration of the following factors:

- a. The Group is in a net current asset position of \$1,402,402 at year end, which is considered sufficient to meet its liabilities as and when they become due and payable;
- b. The Group has the ability to curtail its exploration activities and reduce other expenditure in order to conserve cash; and
- c. The Group has the ability to raise further funds through capital raisings as and when required as it has successfully achieved in the past.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

#### *Comparative Figures*

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

#### **Principles of Consolidation**

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

#### *Subsidiaries*

The consolidated financial statements incorporate the assets, liabilities and results of the parent, ENRG Elements Limited, and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 10.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 24 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as non-controlling interests. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

#### Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

#### Goods and Services Tax (GST)

Goods and Services Tax (GST) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (Goods and Services Tax or GST) and in Botswana and Namibia (Value-added tax or VAT), hereafter collectively referred to as GST.

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

#### Foreign currency translation

The financial statements are presented in Australian dollars, which is ENRG Elements Limited's functional and presentation currency.

##### *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

##### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

#### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 24 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various 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.

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 and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed as follows:

#### *Critical Accounting Estimates and Judgements*

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes assumptions concerning the future. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below.

- i. Key estimate – Taxation (refer Note 4)
- ii. Key estimate - Share-based payments (refer Note 21)

#### Fair Value

##### Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

#### *Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they acquired for the purpose of selling in the short-term with an intention of making profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 24 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### *Fair value hierarchy*

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

| Level 1  | Level 2  | Level 3   |
|--|--|---|
| Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. | Measurements based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. | Measurements based on unobservable inputs for the asset or liability. |

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

#### *Valuation techniques*

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

#### **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.

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

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the Corporations Act 2001 (Cth). The entities listed in the statement are ENRG Elements Ltd and all the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

## CONSOLIDATED ENTITY DISCLOSURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

The percentage of share capital disclosed for bodies corporate included in the statement represents the economic interest consolidated in the consolidated financial statements. In developing the disclosures in the statement, the directors have relied on advice provided by management and the Company's taxation adviser.

The Group's consolidated entity disclosure statement as at 30 June 2024 is set out below.

| Entity name                             | Entity type    | Place formed /<br>Country of incorporation | Ownership<br>interest<br>% | Tax<br>residency |
|---|----------------|--|----------------------------|------------------|
| Global Exploration Technologies Pty Ltd | Body Corporate | Australia                                  | 100.0%                     | Australia *      |
| ENRG Elements Niger Pty Ltd             | Body Corporate | Australia                                  | 100.0%                     | Australia *      |
| Kopore (WA) Pty Ltd                     | Body Corporate | Australia                                  | 100.0%                     | Australia *      |
| EF Niger Exploration SARL               | Body Corporate | Niger                                      | 100.0%                     | Niger            |

\* ENRG Elements Limited (the 'head entity') and its wholly-owned subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

## DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 19 to 49, are in accordance with the Corporations Act 2001 (Cth) and:
  - (a) comply with Australian Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements;
  - (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in notes to the financial statements;
  - (c) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Group.
  - (d) the Directors have been given the declarations required by s.295(5)(a) of the Corporations Act 2001 (Cth);
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; and
3. the information disclosed in the Consolidated Entity Disclosure Statement is true and correct.

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:



**Caroline Keats**

Managing Director

Dated this 30<sup>th</sup> September 2024



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENRG ELEMENTS LIMITED**

**Opinion**

We have audited the financial report of ENRG Elements Limited (**Company**) and its subsidiaries (**Group**), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for opinion**

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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## Material Uncertainty Related to Going Concern

We draw attention to Note 24, which indicates that the Group incurred a loss from continuing operations of \$1,907,592 and had net operating cash outflows of \$1,829,637 for the year ended 30 June 2024. As stated in Note 24, these events or conditions, along with other matters as set forth in Note 24, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## 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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter   | How our audit addressed this matter  |
|--|--|
| <b>Investment in Associate</b><br>Refer to Note 12 in the financial statements   |  |
| <p>The Group owns a 25% stake in Alvis-Crest Holdings (Pty) Ltd (<b>Alvis</b>) with a carrying value of \$626,628. The underlying assets held by Alvis, which support the value of the investment, are exploration and evaluation expenditure, which, as at the date of this report, have not achieved commercialisation.</p> <p>We considered this to be a key audit matter due to significant management judgements involved in assessing the carrying value of the asset including:</p> <ul style="list-style-type: none"> <li>• Determination of whether the exploration and evaluation expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest;</li> <li>• Assessing whether exploration and evaluation activities have reached a stage at which the existence of economically recoverable reserves may be determined; and</li> <li>• Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantify any impairment loss.</li> </ul> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Assessing that the Group's accounting treatment for its 25% stake in Alvis as at 30 June 2024 is in accordance with Australian Accounting Standards;</li> <li>• Obtaining evidence that the Alvis has valid rights to explore in the specific areas of interest;</li> <li>• Testing on a sample basis, exploration and evaluation expenditure to supporting documentation, including assessing whether amounts are capital in nature and relate to the relevant area of interest;</li> <li>• Assessing and evaluating management's assessment of whether indicators of impairment existed as at 30 June 2024;</li> <li>• Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined;</li> <li>• Enquiring with management and reading budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interests will be continued in the future; and</li> <li>• Assessing the disclosures in the financial report.</li> </ul> |



## Other information

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 2024 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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:

- a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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: [https://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar2.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 the directors' report for the year ended 30 June 2024.

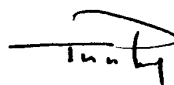
In our opinion, the Remuneration Report of ENRG Elements Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

### *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.

A stylized, handwritten-style signature of the letters "RSM".

RSM AUSTRALIA

A handwritten signature in black ink, appearing to read "Tutu Phong".

TUTU PHONG  
Partner

Perth, Western Australia  
Dated: 30 September 2024



## ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Securities Exchange in respect of listed public companies and is current as at 3 September 2024.

### Issued Capital

The Company has 1,045,015,984 ordinary fully paid shares on issued, held by 1,612 shareholders. Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

| Holding Ranges     | Total Holders | Units                | % Issued Share Capital |
|--------------------|---------------|----------------------|------------------------|
| 1 - 1,000          | 662           | 148,792              | 0.01                   |
| 1,001 – 5,000      | 113           | 236,429              | 0.02                   |
| 5,001 – 10,000     | 16            | 119,683              | 0.01                   |
| 10,001 – 100,000   | 273           | 13,430,640           | 1.29                   |
| 100,001 – and over | 548           | 1,031,080,440        | 98.67                  |
|                    | <b>1,612</b>  | <b>1,045,015,984</b> | <b>100.00</b>          |

The Company has 87,500,000 unlisted options on issue, as set out below. Options do not entitle the holders to vote in respect of that option, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.

### Unlisted options exercisable at \$0.02 on or before 1 February 2025

| Category (size of holding) | Total Holders    | Units             | % Held of Issued |
|----------------------------|------------------|-------------------|------------------|
| 1 - 1,000                  | -                | -                 | -                |
| 1,001 – 5,000              | -                | -                 | -                |
| 5,001 – 10,000             | -                | -                 | -                |
| 10,001 – 100,000           | -                | -                 | -                |
| 100,001 – and over         | 3 <sup>1,2</sup> | 25,000,000        | 100.00           |
|                            | <b>3</b>         | <b>25,000,000</b> | <b>100.00</b>    |

1. Ironside Capital Pty Ltd holds 12,500,000 options comprising 50% of this class.
2. Laneway Investments Pty Ltd holds 10,000,000 options comprising 40% of this class.

### Unlisted Performance Options exercisable at \$0.03 on or before 24 May 2025

| Category (size of holding) | Total Holders  | Units             | % Held of Issued |
|----------------------------|----------------|-------------------|------------------|
| 1 - 1,000                  | -              | -                 | -                |
| 1,001 – 5,000              | -              | -                 | -                |
| 5,001 – 10,000             | -              | -                 | -                |
| 10,001 – 100,000           | -              | -                 | -                |
| 100,001 – and over         | 7 <sup>1</sup> | 50,000,000        | 100.00           |
|                            | <b>7</b>       | <b>50,000,000</b> | <b>100.00</b>    |

1. Endeavour Financial AG holds 33,333,333 options comprising 66.67% of this class.

### Unlisted options exercisable at \$0.035 on or before 21 June 2025

| Category (size of holding) | Total Holders  | Units             | % Held of Issued |
|----------------------------|----------------|-------------------|------------------|
| 1 - 1,000                  | -              | -                 | -                |
| 1,001 – 5,000              | -              | -                 | -                |
| 5,001 – 10,000             | -              | -                 | -                |
| 10,001 – 100,000           | -              | -                 | -                |
| 100,001 – and over         | 2 <sup>1</sup> | 12,500,000        | 100.00           |
|                            | <b>2</b>       | <b>12,500,000</b> | <b>100.00</b>    |

1. Axion Capital Partners Pty Ltd holds 10,500,000 options comprising 84% of this class.

## ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The Company has 3,866,234 Performance Rights on issue, as set out below. Performance Rights do not entitle the holders to vote in respect of that Performance Rights, nor participate in dividends, when declared, until such time as the Performance rights vest, exercised and are subsequently registered as ordinary shares.

### Performance Rights

| Category (size of holding) | Total Holders | Units            | % Held of Issued |
|----------------------------|---------------|------------------|------------------|
| 1 - 1,000                  | -             | -                | -                |
| 1,001 – 5,000              | -             | -                | -                |
| 5,001 – 10,000             | -             | -                | -                |
| 10,001 – 100,000           | -             | -                | -                |
| 100,001 – and over         | 3             | 3,866,234        | 100.00           |
|                            | <b>3</b>      | <b>3,866,234</b> | <b>100.00</b>    |

### Substantial Shareholders

Substantial shareholders as disclosed in substantial shareholder notices as at 3 September 2024.

|   |            |       |
|---|------------|-------|
| Endeavour Financial Ag <sup>1</sup>                         | 80,000,000 | 8.63  |
| The Gas Super Pty Ltd <The Gas Super Fund A/C> <sup>2</sup> | 64,561,766 | 10.05 |

1. As released on ASX on 27 June 2022.

2. As released on ASX on 9 April 2020.

### Unmarketable Parcels

There were 1,213 shareholders holding less than a marketable parcel of shares as at 3 September 2024 (being 38,635,210 shares based on a share price of \$0.002).

### On-Market Buy-Back

There is no current on-market buy-back.

### Restricted Securities

The Company does not have any restricted securities on issue.

### 20 Largest Shareholders – Ordinary Shares as at 3 September 2024

| Rank / Name   | Number of Ordinary Fully Paid Shares Held | % Held of Issued Ordinary Capital |
|---|---|-----------------------------------|
| 1. BNP PARIBAS NOMS PTY LTD   | 132,863,736                               | 12.71%                            |
| 2. BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>                                     | 61,060,714                                | 5.84%                             |
| 3. CITICORP NOMINEES PTY LIMITED  | 40,522,406                                | 3.88%                             |
| 4. WILGUS INVESTMENTS PTY LTD   | 26,700,000                                | 2.56%                             |
| 5. RAVENCLAN LTD  | 23,333,333                                | 2.23%                             |
| 6. CAROLINE DENISE KEATS  | 20,000,000                                | 1.91%                             |
| 6. POCO ASINO INVESTMENTS PTY LTD   | 20,000,000                                | 1.91%                             |
| 6. LANEWAY INVESTMENTS PTY LTD <JOLA FAMILY A/C>  | 20,000,000                                | 1.91%                             |
| 7. CALDWELL MOORE PTY LIMITED <PBKL DISCRETIONARY A/C>  | 18,398,816                                | 1.76%                             |
| 8. The Gas  | 16,024,849                                | 1.53%                             |
| 9. LEE MILLER INVESTMENTS PTY LTD <D M & L INVESTMENTS A/C>                                   | 16,000,000                                | 1.53%                             |
| 10. MR KIMBERLEY ROSS GARTRELL & MRS JENNIFER MARGARET GARTRELL <K&J GARTRELL SUPER FUND A/C> | 15,000,000                                | 1.44%                             |
| 11. DISCOVERY SERVICES PTY LTD <DISCOVERY CAPT INV UNIT A/C>                                  | 14,593,319                                | 1.40%                             |

**ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES**

|  |                    |               |
|--|--------------------|---------------|
| 12. MR PAUL BRYCE WILLIAM CZISLOWSKI                               | 13,002,562         | 1.24%         |
| 13. PHEAKES PTY LTD <SENATE A/C>                                   | 11,711,250         | 1.12%         |
| 14. LEHAV PTY LTD <THE VHL FAMILY A/C>                             | 11,586,234         | 1.11%         |
| 15. M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>            | 11,011,427         | 1.05%         |
| 16. STARCODES CANADA INC   | 10,000,000         | 0.96%         |
| 16. MOLLYGOLD SUPERANNUATION PTY LTD<br><MOLLYGOLD SUPER FUND A/C> | 10,000,000         | 0.96%         |
| 17. MR MARCUS STEVEN DING  | 9,519,566          | 0.91%         |
| 18. MR ANDREW RAYMOND BROOKS                                       | 8,702,233          | 0.83%         |
| 19. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED                      | 8,547,863          | 0.82%         |
| 20. MRMODNM PTY LTD <THE MURPHY FAMILY A/C>                        | 7,743,621          | 0.74%         |
| <b>TOTAL</b>   | <b>526,321,929</b> | <b>50.36%</b> |

**Corporate Governance Statement**

The Company's Corporate Governance Statement for the 2024 financial year is available from the Company's website at <https://enrg-elements.com/about/#corporate-governance>

## TENEMENTS SCHEDULE

Tenements Schedule as at 18 September 2024

| Prospecting Licence | Holder                             | Expiry Date | Project Area<br>(km <sup>2</sup> ) | Ownership<br>(%) |
|---------------------|------------------------------------|-------------|------------------------------------|------------------|
| PL203/2016          | Icon-Trading Company (Proprietary) | 30/09/2025  | 842.44                             | 10               |
| PL204/2016          | Icon-Trading Company (Proprietary) | 30/09/2025  | 585.5                              | 10               |
| PL205/2016          | Icon-Trading Company (Proprietary) | 30/09/2025  | 542.26                             | 10               |
| PL127/2017          | Ashmead Holdings (Pty) Ltd         | 30/06/2024  | 359                                | 10               |
| PL128/2017          | Ashmead Holdings (Pty) Ltd         | 30/06/2024  | 233.4                              | 10               |
| PL129/2017          | Ashmead Holdings (Pty) Ltd         | 30/06/2024  | 67                                 | 10               |
| PL135/2017          | ARC Minerals Limited               | 30/09/2024  | 141.9                              | 25               |
| PL162/2017          | ARC Minerals Limited               | 30/09/2024  | 70                                 | 25               |
| Terzemazour 1       | EF Niger Exploration SarL          | 06/11/2024  | 242.8                              | 100              |
| Tagait 4            | EF Niger Exploration SarL          | 06/11/2024  | 237.292                            | 100              |
| Toulouk 1           | EF Niger Exploration SarL          | 06/11/2024  | 246                                | 100              |
| Tarouadji 2         | EF Niger Exploration SarL          | 03/07/2027  | 499.9                              | 100              |
| 1274B               | Kopore (WA) Pty Ltd                | 19/12/2028  | 76.09                              | 100              |
| 1275B               | Kopore (WA) Pty Ltd                | 19/12/2028  | 74.3                               | 100              |
| 1294A               | Kopore (WA) Pty Ltd                | 25/01/2027  | 264.28                             | 100              |
| MC00018675          | Kopore (WA) Pty Ltd                | 07/05/2026  | 8.63                               | 100              |
| MC00019192          | Kopore (WA) Pty Ltd                | 08/10/2026  | 11.86                              | 100              |
| MC00019193          | Kopore (WA) Pty Ltd                | 08/10/2026  | 0.82                               | 100              |
| MC00019194          | Kopore (WA) Pty Ltd                | 08/10/2026  | 0.69                               | 100              |