ENRG elements

ASX Announcement

9 June 2023

Capital raising to advance the Agadez Uranium Project

Not for release to US wire services or distribution in the United States

Highlights:

- **To advance ongoing exploration at the Agadez Uranium Project, EEL is undertaking a capital raising to raise $1. 5m before costs.**
- **Funds to be applied towards exploration programs, predominantly at the flagship Agadez Uranium Project, at the Ghanzi-West Project, general working capital and costs of the raising.**

ENRG Elements Limited (**ASX.EEL, OTCQB: EELFF**) ("**ERNG**", or the "**Company**") is pleased to advise that it is undertaking a capital raising via a non-underwritten Share Purchase Plan ("**SPP**") to raise up to $1. 5 million before costs through the issue of up to 120,000,000 fully paid ordinary shares at an issue price of $0.0125 per share ("**New Shares**"), with a 1 for 2 free attaching option exercisable at $0.019 and expiring 18 months from the date of issue ("**Attaching Options**").

Under the SPP, eligible ENRG shareholders, being shareholders with a registered address in Australia or New Zealand ("**Eligible Shareholders**") recorded on the Company's share register as at 5:00pm (AWST) on Thursday, 8 June 2023 ("**Record Date**"), will each have the opportunity to apply for up to $30,000 of New Shares and free Attaching Options (on a 1:2 basis) without incurring brokerage or other transaction costs.

The SPP offer period will open on Friday, 16 June 2023 and is expected to close at 5:00pm (AWST) on Wednesday, 19 July 2023. As the SPP is not underwritten, the Company may raise more or less than this amount. If the sum of applications received under the SPP is greater than $1.5 million, the Directors in their absolute discretion may decide to scale back or to accept applications (in whole or in part) that results in the SPP raising more than the $1.5 million, subject to compliance with the ASX Listing Rules.

In the event that less than $1.5 million is applied for under the SPP by Eligible Shareholders, the Directors reserve the right to place that number of Shares at the SPP issue price to raise up to $1.5 million when combined with the amount raised under the SPP ("**SPP Shortfall Offer**"), including Attaching Options on the same terms as the SPP, under its available placement capacity under ASX Listing Rules 7.1 and 7.1A. The full terms and conditions of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX and dispatched to eligible shareholders via their preferred method of contact on Friday, 16 June 2023. New Shares to be issued under the SPP will rank equally with existing ENRG shares, from their respective date of issue.

The Attaching Options will be issued under the Company's available placement capacity under ASX Listing Rule 7.1.

The Company has lodged an ASX Appendix 3B for the SPP, and will lodge a cleansing notice under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 on the SPP open date and an ASX Appendix 2A on completion of the SPP.

Key timeline of events

Event	Date*
Record Date (5:00pm AWST)	8 June 2023
Announcement of Offer and lodgement of Appendix 3B	9 June 2023
Despatch of SPP Offer Booklet to Eligible Shareholders and release of Booklet on the ASX	16 June 2023
Offer opening date	16 June 2023
Offer closing date (5:00pm AWST)	19 July 2023
Announcement of Offer results Despatch of the prospectus for the Attaching Options	24 July 2023
Issue of New Shares and SPP Options Application for quotation of New Shares	26 July 2023
Official quotation and commencement of trading of New Shares	27 July 2023

Note: This timetable is indicative only and may be subject to change. The commencement of trading and quotation of New Shares under the SPP is subject to confirmation from the ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules. ENRG reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting applications generally or in particular cases, without notice. Accordingly, shareholders are encouraged to submit their Application Forms as early as possible.

Use of Funds

Funds raised under the SPP will be applied towards exploration programs, predominantly at the Company's flagship Agadez Project in Niger and also at the Ghanzi-West Project in Botswana, general corporate and administrative expenditure and costs of the raising.

Approved by the Board of ENRG Elements Limited.

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All dollar amounts in this Announcement refer to Australian dollars unless otherwise stated.

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About ENRG Elements Limited

ENRG Elements Limited (ASX:EEL) is a company focused on the exploration and development of its uranium and copper projects, both commodities which are essential for a clean energy future.

The Company holds 100% of the underexplored Agadez Uranium Project located in the Tim Mersoi Basin of Niger, which holds a shallow Inferred JORC (2012) Mineral Resource of 31.1 Mt at a grade of 315 ppm U3O8 for 21.5 Mlbs (at 175 ppm cut-off) from surface to only ~37m depth (ASX Release – 26 April 2023). Agadez hosts similar geology to Orano SA's Cominak/Somair and Imouraren uranium mines and the deposits held by Global Atomic Corporation (TSE:GLO) and GoviEx Uranium (CVE:GXU).

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

ENRG Elements also holds the 100% owned Ghanzi West Copper-Silver Project covering a total area of 2,630km2 in the emerging world class Kalahari Copper Belt of Botswana, one of the most prospective copper belts in the world, which hosts Sandfire Resources' Motheo Copper Mine and Khoemacau Copper Mining's Zone 5 underground mine. ENRG Elements believes that the Kalahari Copper Belt has the potential for material discovery, with further exploration underway to advance the project.

Botswana is a stable, pro-mining jurisdiction, supportive of mineral exploration and development.

The Directors and management of ENRG Elements have strong complementary experience with over 90 years of Australian and international technical, legal and executive experience in exploration, resource development, mining, legal and resource fields.

Competent Persons Statement

The information 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 announcement in the form and context in which it appears.