

ENEGEX NL

ABN 28 160 818 986

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2015

CORPORATE DIRECTORY

G.A. Menzies (Chairman)
R.J. Coppin
B.D. Maltz (resigned 1 October 2015)
E.G Albers (appointed 1 October 2015)
R.L. Clark (appointed 12 October 2015)

COMPANY SECRETARY

R.J. Wright

Registered Office

and Principal Administration Office

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Facsimile: +61 (0)3 8610 4799
Email: admin@enegex.com.au

Auditor

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

Website: www.enegex.com.au

Share Registry

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Melbourne, Victoria 3000 Australia

Telephone: +61 (0)3 9615 9947
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Website: www.linkmarketservices.com.au

Stock Exchange Listing

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

ASX Code:

ENX **Ordinary Shares**

Incorporated in the State of Victoria

17 October 2012

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FORWARD LOOKING STATEMENTS

This Annual Financial Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the company or not currently considered material by the company.

RISK FACTORS

Exploration for oil and gas is speculative, expensive and subject to a wide range of risks. There can be no assurance that any well drilled by the company will result in the discovery of oil or gas, nor that any discovery will prove to be commercially viable. Individual investors should consider these matters in light of their personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional adviser as to the suitability of an investment in the Company.

CHAIRMAN'S REVIEW

Enegex continues to focus on its interest in the Cornea Retention Lease WA-54R, in which it holds a 14.875% participating Interest. Full details of WA-54R are set out in the Directors Report herein.

During the year Enegex participated in further work programmes within the Vic/P47 Permit designed to re-assess the prospectivity of the Moby gas accumulation and assess the prospect of economic recovery of oil or gas from the Flathead or Whale structures. Those studies indicated that there was no viable prospect for economic recovery of either oil or gas with a detailed technical evaluation leading to the conclusion that there were insufficient gas volumes to enable commercialisation of the Moby gas accumulation.

Enegex participated in an application to NOPTA for the Vic/P47 Year 5 work programme to be varied so as to not include an exploration well but to include reprocessing of existing 3D seismic over the Judith gas accumulation and further inversion studies to help obtain a better understanding of the Judith accumulation, with a view to delineation of a future drilling target on the basis that no well commitment would be included in the initial term of any renewal of the Permit.

As at the expiry date of Permit Year 4 of the Vic/P47 Permit, that application had not been granted by NOPTA and, to avoid the risk of entering into a Permit Year containing a well commitment and, in view of the Boards' somewhat negative assessment of the remaining prospectivity of Vic/P47 and the unlikely prospect of any farmout of Vic/P47 being achieved, Enegex transferred its interest in Vic/P47 to its joint venture partners Oil Basins Limited ("OBL") and OBL's wholly owned subsidiary Shelf Oil Pty Ltd.

In WA-409-P, Enegex withdrew from the Permit in December 2014 following Apache's withdrawal from the Permit on the basis that, as Apache was not prepared to continue in the Permit for a renewed term and fund a commitment well in the guaranteed term of the renewed term of the Permit, Enegex was not prepared to continue as a participant in WA-409-P.

Members will be aware of the difficulties facing junior explorers, such as Enegex, given stock market conditions following the collapse of the oil price to its present levels. Such adverse market conditions emphasise the need for junior explorers to conserve funds where possible and, in that context, the Directors have resolved that no directors' fees will be paid to any of the directors in the 2015-2016 financial year.

The recent appointment of each of Mr Geoff Albers and Mrs Rae Clark to the Board will provide a deeper level of commercial expertise to the Board.

Mr Albers is the Chairman of each of Octanex NL and Peak Oil & Gas Limited ("Peak") while Mrs Clark is Chief Operating Officer of Octanex, a Director of Octanex and a Director of Peak.

The most substantial prospect of an increase in shareholder value for Enegex members relates to enhancement of the Cornea Project. While the programme has worked towards resolving the technical barriers to development and production, we are now faced with the further hurdle of significantly lower oil prices.

Enegex remains open to acquisitions in the oil and gas sector which, with associated capital raising, might have the capacity to enlarge Enegex's activities.

G.A. Menzies
Chairman



20 October 2015

DIRECTORS' REPORT

The directors present their report on the results and state of affairs of EnegeX NL (**the company** or **EnegeX**) for the year ended 30 June 2015.

PRINCIPAL ACTIVITY

The principal activity of the company during the financial year ended 30 June 2015 was oil and gas exploration, which has remained unchanged since incorporation of the company.

FINANCIAL RESULTS FOR THE YEAR

The company recorded an operating loss after income tax for the year ended 30 June 2015 of \$260,821 (2014: \$373,165).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year EnegeX withdrew from the exploration permit WA-409-P and transferred its permit interest in Vic/P47 to Oil Basins Limited. Aside from those two changes there have been no other significant changes in the state of affairs during the financial year and to the date of this report.

DIVIDENDS

No dividend has been paid, provided or recommended during the financial year and to the date of this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The likely developments in the company's operations in future years and the expected result from those operations are dependent on exploration success in the permit areas in which the company holds an interest, as described in the Review of Operations section of this report.

REVIEW OF FINANCIAL POSITION

At 30 June 2015, the company had a working capital (current assets less current liabilities) surplus of \$396,288 (2014: \$657,359).

REVIEW OF OPERATIONS

The company holds a working interest in petroleum Retention Lease WA-54-R located in the Browse Basin. Details of the retention lease and the work activities undertaken in the lease during the financial year are provided in this section.

WA-54-R – Greater Cornea Fields, Western Australia, 14.875% interest

The Greater Cornea Fields (being the Cornea (Central and South), Focus and Sparkle Oil Fields and the Cornea North (Tear) Gas Field) are located in the Browse Basin, offshore from Western Australia and held via a retention lease granted for an initial 5-year term in 2014.

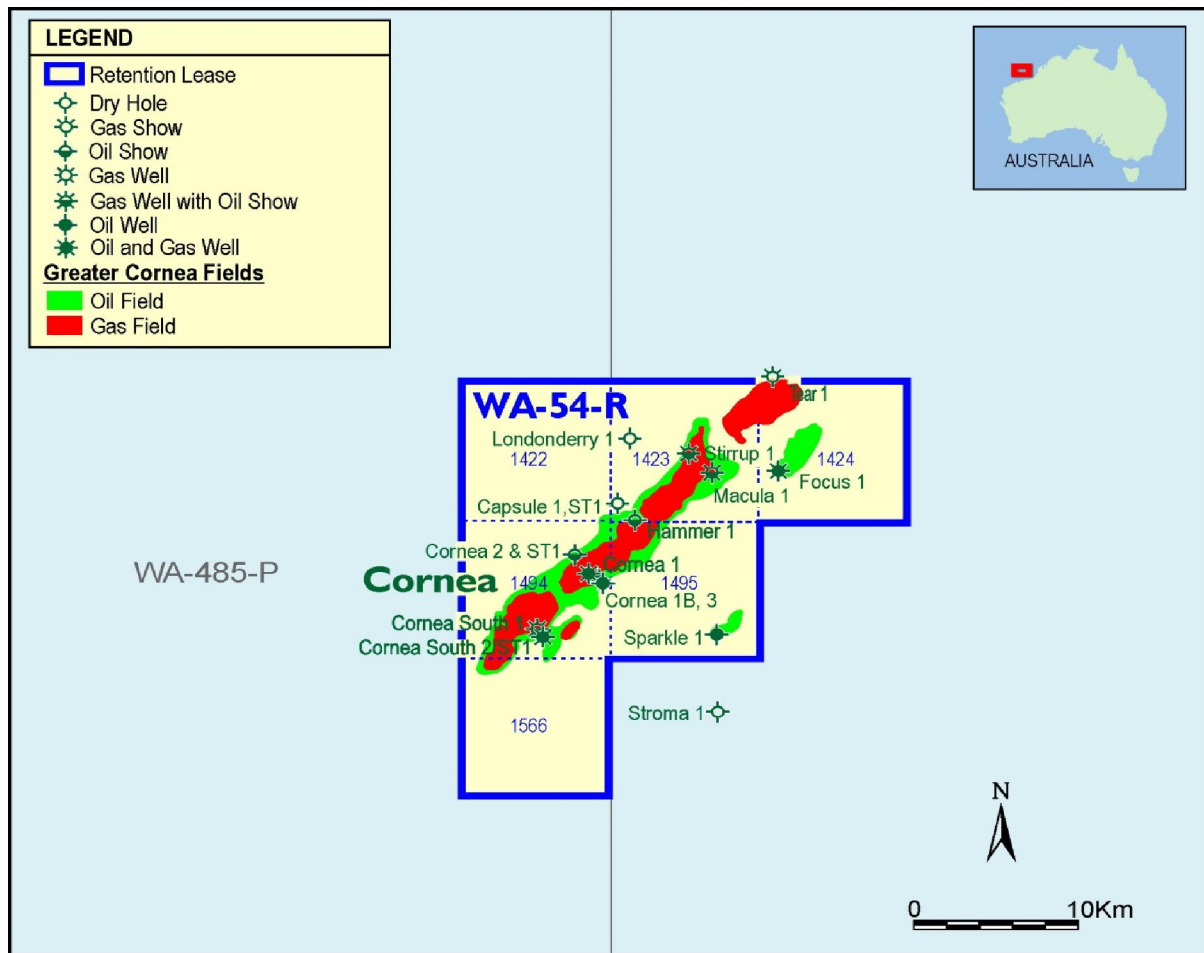


Figure 1 Greater Cornea Field Retention Lease Location Map

The oil volumes in the Greater Cornea Fields are such that, if threshold production flow rates can be demonstrated, but dependent on oil price, the economics should be attractive and provide a reasonable expectation of commercial development. (Refer Table 1 In-place and Contingent Oil Resource estimates for the Cornea Central and South Oil Fields).

Middle Albian B & C Sands	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)	Units
Total Oil In-place	298.0	411.7	567.2	mmbbl
Recovery Factor (RF)	2	7	25	%
Contingent Oil Resources	7.9	28.8	101.9	mmbbl
Prospective Enegex Economic Interest*	1.16	4.28	15.16	mmbbl

* Based on Enegex's 14.875% Participating Interest in WA-54-R.

Table 1 Probabilistic In-place and Contingent Oil Resources for Cornea Central and South Fields (no development risk applied)

During the year the Year-1 studies program was completed. Together with those to be completed in the next two years, the studies are aimed at overcoming technical challenges likely to be faced in bringing the Greater Cornea Fields into commercial production and are a lead up to the drilling of a production test well in 2018.

DIRECTORS

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

GA Menzies LL.B

Chairman and Chief Executive Officer

Executive Director

Director since 17/10/12

Mr Menzies is a barrister and solicitor. He graduated from Melbourne University in 1971 and qualified for admission to the degree of Master of Laws in 1975. He was admitted to practice in 1972.

Since 1987 he has carried on practice as a sole practitioner under the name of Menzies & Partners. In the course of his legal practice Mr Menzies has been involved in a wide range of activities, including takeovers, litigation in respect thereof, numerous capital raisings and corporate reconstructions. He has been involved as a lawyer in the listing of a large number of public companies ranging from junior explorers to substantial mining companies. Over recent years his activities have focused primarily on corporate reconstructions and capital raisings.

Mr Menzies was a director of Octanex NL, until his resignation on 18 December 2014. He is the director of a number of private and unlisted public companies.

RJ Coppin B.Sc. (Hons)

Non-Executive Director

Director since 17/10/12

Mr Coppin graduated from the University of Adelaide in 1965 with a Bachelor of Science with Honours, majoring in Geology and Physics. For the next 45 years he worked in the petroleum exploration industry, beginning with the South Australian Department of Mines and then moving to Esso in Australia and Malaysia where, as Exploration Projects Manager, he was involved in several oil and gas discoveries in the Malay Basin.

After a period with Exxon USA in Houston, Mr Coppin returned to Esso Australia as Western Division Manager in charge of exploration in Western Australia and the Delhi interests in the South Australian Cooper Basin. He then joined Santos Limited as South East Asia Exploration Manager and in this position was responsible for Santos' exploration interests in Papua New Guinea and Malaysia and new venture activities in Vietnam, Cambodia, Thailand and Myanmar.

From 1994 to 2010, Mr Coppin was with Cue Energy Resources Limited where he oversaw that company's focus on Papua New Guinea, Indonesia, New Zealand and Australia. For the last 12 of those years he was Chief Executive Officer of Cue. Mr Coppin is a former officer of the Australia Petroleum Production and Exploration Association where he was a councillor for 10 years and for 8 years was chairman of the APPEA exploration committee.

BD Maltz BBus, CA

Non-Executive Director

Director since 12/03/13- Resigned 1 October 2015

Mr Maltz is a Chartered Accountant with more than 20 years experience and a background in both public practice and commerce. He has been involved in a wide range of corporate transactions in the resources, funds management and financial services industries. He joined the Albers Group in 2008 as tax manager.

Prior to joining the Albers Group, Mr Maltz worked in the funds management industry, with full responsibility for the taxation requirements of a large fund manager and its property, agriculture and venture capital funds. He commenced his professional career in the mid-1990s at national chartered accounting firms in Sydney and Melbourne, advising high net worth individuals and corporates. Mr Maltz is a member of the Chartered Accountants Australia and New Zealand and is a registered Tax Agent.

COMPANY SECRETARY

RJ Wright B Bus, CPA – *appointed 17 October 2012*

Mr Wright is a senior financial professional with over 25 years commercial experience in the resource, energy and manufacturing industries gained at various companies and locations, including 14 years at BHP. As well as carrying out his secretarial duties for EnegeX, he is the company's Chief Financial Officer and the Company Secretary and CFO of several listed and unlisted exploration companies. Mr Wright is a member of CPA Australia.

BOARD AND COMMITTEE MEETINGS

The following table sets out the number of meetings held during the year and the number of meetings attended by each director.

	Board of Directors		Audit Committee	
	Held	Attended	Held	Attended
GA Menzies	2	2	2	2
RJ Coppin	2	2	2	2
BD Maltz	2	2	2	2

The board undertakes all audit committee functions.

DIRECTORS' INTERESTS

At the date of this report, the relevant beneficial and non-beneficial interests of each of the directors in the shares and options in the company were:

	<i>Ordinary Shares</i>
GA Menzies	229,444
RJ Coppin	16,667
BD Maltz	41,416

SHARE CAPITAL

ORDINARY SHARES

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

OPTIONS

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

REMUNERATION REPORT

This report is audited.

Directors / Executives	Position Held
GA Menzies	Chairman and Chief Executive Officer
RJ Coppin	Non-Executive Director
BD Maltz	Non-Executive Director

REMUNERATION REPORT (Continued)

All directors held their position for all of the year ended 30 June 2015 and to the date of signing this report.

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

Remuneration levels for company officers are competitively set to attract and retain experienced directors.

The remuneration structure explained below is designed to attract suitably qualified candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders.

The remuneration structure takes into account:

- the capability and experience of the directors; and
- the ability of directors to control the entity's performance.

Remuneration levels are reviewed annually through a process that considers the performance of individual directors and the overall performance of the entity.

Director Remuneration

During the year under review, directors were remunerated a total of \$98,550 (2014: \$98,325) which included shareholder-approved non-executive remuneration of \$65,700 (2014: \$65,550).

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

The directors do not receive employee benefits, including annual leave and long service leave, but remuneration may include the grant of options (share based payments) over shares of the company to align directors' interests with that of the shareholders. The company aims to reward directors with a level and mix of remuneration commensurate with their position and responsibilities within the company.

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

Components of directors' compensation are disclosed below.

		<i>Short Term</i>		<i>Post Employment</i>	<i>Equity Settled</i>	<i>Total</i>	
	<i>Year</i>	<i>Directors Fees</i>	<i>Other Fees</i>	<i>Super-annuation</i>	<i>Options</i>		<i>Options as percentage of Total</i>
		\$	\$	\$	\$	\$	
GA Menzies	2015	30,000	-	2,850	-	32,850	-
	2014	30,000	-	2,775	-	32,775	-
RJ Coppin	2015	30,000	-	2,850	-	32,850	-
	2014	30,000	-	2,775	-	32,775	-
BD Maltz	2015	30,000	-	2,850	-	32,850	-
	2014	30,000	-	2,775	-	32,775	-
TOTAL	2015	90,000	-	8,550	-	98,550	-
	2014	90,000	-	8,325	-	98,325	-

End of Remuneration Report

INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year and to the date of this report, the company did not pay premiums in respect of contracts insuring officers or auditors of the company against liabilities arising from their position of officers or auditor of the company.

ENVIRONMENT, HEALTH AND SAFETY

The company has adopted an environmental, health and safety policy and conducts its operations in accordance with the APPEA Code of Practice.

The company's petroleum exploration activities are subject to environmental conditions specified in the Offshore Petroleum and Greenhouse Gas Storage Act 2006, associated Regulations and Directions, as well as the Environment Protection and Biodiversity Conservation Act 1999. There were no known contraventions of any relevant environmental regulations by the company, its subsidiary or by the operator of any of the permits in which an interest is held.

The company believes all injuries are avoidable and has policies and procedures to ensure employees and contractors manage safety accordingly. The company monitors and evaluates its procedures. During the year there were no known contraventions of health and safety by the company or reported health and safety incidents.

During the year the company did not act as operator of any of the exploration permits in which an interest is held.

CORPORATE GOVERNANCE STATEMENT

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

WEBSITE

The company has a website that can be found at www.enegex.com.au where relevant company documents and information are displayed.

EVENTS SINCE BALANCE DATE

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

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

A copy of the auditor's independence declaration, as required under Section 307C of the Corporations Act 2001, is attached on page 29, and forms part of this Directors' Report for the year ended 30 June 2015.

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

Signed in accordance with a resolution of the directors in Melbourne on 27 August 2015.



G A Menzies
Director

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and
 - (a) comply with Accounting Standards and the Corporations Regulations 2001;
 - (b) give a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (c) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The remuneration disclosures included in pages 5 to 6 of the Directors' Report, (as part of the audited Remuneration Report), for the year ended 30 June 2015, comply with section 300A of the Corporations Act 2001.
4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

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:



GA Menzies
Director

Melbourne, 27 August 2015

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	NOTE	2015 \$	2014 \$
Revenue - interest received		16,551	945
Expenses	2	(277,372)	(374,110)
Loss before income tax expense		(260,821)	(373,165)
Income tax expense	3	-	-
Loss for the year		(260,821)	(373,165)
Other comprehensive income		-	-
Total comprehensive income for the year		(260,821)	(373,165)
Basic loss per share (cent per share)	15	(0.486)	(0.930)
Diluted loss per share (cent per share)	15	(0.486)	(0.930)

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

STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2015

	NOTE	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	4	467,153	756,812
Trade and other receivables	5	6,227	2,420
TOTAL CURRENT ASSETS		473,380	759,232
NON-CURRENT ASSETS			
Exploration and evaluation assets	6	66,633	66,383
TOTAL NON-CURRENT ASSETS		66,633	66,383
TOTAL ASSETS		540,013	825,615
CURRENT LIABILITIES			
Trade and other payables	7	77,092	101,873
TOTAL CURRENT LIABILITIES		77,092	101,873
TOTAL LIABILITIES		77,092	101,873
NET ASSETS		462,921	723,742
EQUITY			
Issued capital	8	1,096,907	1,096,907
Accumulated losses		(633,986)	(373,165)
TOTAL EQUITY		462,921	723,742

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

2015	Issued Capital \$	Accumulated Losses \$	Total Equity \$
At 1 July 2014	1,096,907	(373,165)	723,742
Transactions with owners in their capacity as owners			
Loss after tax for the period	-	(260,821)	(260,821)
Total comprehensive income for the year	-	(260,821)	(260,821)
At 30 June 2015	1,096,907	(633,986)	462,921
2014	Issued Capital \$	Accumulated Losses \$	Total Equity \$
At 1 July 2013	1	-	1
Transactions with owners in their capacity as owners			
Issue of shares	1,096,906	-	1,096,906
Loss after tax for the period	-	(373,165)	(373,165)
Total comprehensive income for the year	-	(373,165)	(373,165)
At 30 June 2014	1,096,907	(373,165)	723,742

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	NOTE	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(264,373)	(274,657)
Interest received		14,341	945
		<u> </u>	<u> </u>
Net cash outflow in operating activities	(i)	(250,032)	(273,712)
		<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to suppliers - exploration		(39,627)	(66,383)
		<u> </u>	<u> </u>
Net cash outflow from investing activities		(39,627)	(66,383)
		<u> </u>	<u> </u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares under schemes of arrangement		-	1,096,906
		<u> </u>	<u> </u>
Net cash inflow from financing activities		-	1,096,906
		<u> </u>	<u> </u>
Net (decrease) / increase in cash and cash equivalents		(289,659)	756,811
Cash and cash equivalents at the beginning of the year		756,812	1
CASH AND CASH EQUIVALENTS AT YEAR END	4	<u>467,153</u>	<u>756,812</u>
		<u>=====</u>	<u>=====</u>
(i) RECONCILIATION OF LOSS TO NET CASH OUTFLOW IN OPERATING ACTIVITIES			
Loss after income tax		(260,821)	(373,165)
<i>Non Cash Items</i>			
Impairment of exploration assets		39,377	-
<i>Changes in Assets and Liabilities:</i>			
(Decrease) / Increase in payables		(24,781)	101,873
Increase in receivables		(3,807)	(2,420)
		<u> </u>	<u> </u>
Net cash outflow from operating activities		(250,032)	(273,712)
		<u>=====</u>	<u>=====</u>

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Enege NL ("Enege" or 'the company') is a for-profit company incorporated and domiciled in Australia with its registered office and principal place of business located at Level 21, 500 Collins Street, Melbourne, Victoria 3000. The financial report of the company for the year ended 30 June 2015 comprises the company and its interest in joint operations.

The principal activity of the company during the year was exploration for petroleum in Australia and has remained unchanged since incorporation.

The financial report was authorised for issue by the directors on 27 August 2015.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, including the Accounting Interpretations, issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The financial report of the company complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

(b) Basis of preparation

The financial report is presented in Australian dollars which is the company's functional currency and is prepared on the accrual and historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial report and estimates with a significant risk of material adjustment in the next year are discussed in note 1(n).

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

(c) Exploration and evaluation expenditure

Exploration and evaluation assets are capitalised as exploration and evaluation assets on an area of interest basis.

Exploration and evaluation costs are only recognised when the rights to tenure of the area of interest are current and either:

- (i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale, or partial sale; or
- (ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if the facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment, accounting policy 1 (g)).

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Restoration, rehabilitation and environmental expenditure

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are provided for as part of the cost of those activities. Costs are estimated on the basis of current legal requirements, anticipated technology and future costs that have been discounted to their present value. Estimates of future costs are reassessed at each reporting date.

(e) Trade and other receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will not be able to collect all amounts due according to the original terms.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call bank deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(g) Impairment of assets

The carrying amounts of the company's assets are reviewed at each statement of financial position date to determine whether there are indicators of impairment. At each reporting date the company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

(h) Share capital

Ordinary share capital is recognised at the fair value of the consideration received by the company. Transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the consideration received, net of any related income tax benefit.

(i) Provisions

A provision is recognised in the statement of financial position when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(j) Trade and other payables

Trade, accruals and other payables are recorded initially at fair value and subsequently at amortised cost. Trade payables are non-interest bearing and are normally settled on 60-day terms.

(k) Revenue

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The initial recognition of assets or liabilities that do not affect accounting nor taxable profit is not provided for in determining deferred tax amounts. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be applied. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company recognises deferred tax assets arising from unused tax losses of the company to the extent that is probable that future taxable profits of the company will be available against which the asset can be utilised.

(m) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Accounting estimates and judgements

Management determine the development, selection and disclosure of the company's critical accounting policies and estimates and the application of these policies and estimates. There are no estimates and judgements that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

There is, however, a risk that actual expenditure to achieve minimum work obligations could differ from estimates disclosed in the notes to the financial statements (Note 12). The estimated amounts represent the higher end of possible future expenditure. Work requirements achieved by farm-ins materially reduce the level of expenditure incurred by the company to comply with work program commitments.

Management has determined that realisation of the estimated deferred tax asset arising from tax losses and temporary differences is not probable and has not brought to account the asset at balance date (Note 3).

Per Note 1(c) and 1(g) management exercise judgement as to the recoverability of exploration expenditure. Any judgement may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Joint Operations

Interest in joint operations is brought to account, by including in the respective classifications, the company's share of individual assets employed, liabilities, income and expenses incurred. Where the company is acquiring or disposing of a joint operation interest the company's share of joint operation assets is based on the contributions made to the joint operation.

(p) Fair value

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures. Fair values for financial instruments traded in active markets are based on quoted market prices at statement of financial position date. The quoted market price for financial assets is the current bid price and the quoted market price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at balance date. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments.

The carrying value (less impairment provision of trade receivables and payables) are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments

(q) Foreign Currency Translation

The functional and presentation currency of the company is Australian dollars (A\$).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

(r) Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to members of EnegeX, adjusted for the after-tax effect of preference dividends on preference shares, if any, classified as equity, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year.

Diluted earnings per share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The company has adopted all of the new and revised Accounting Standards issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2014.

The Directors do not believe that new and revised standards issued by AASB that are not yet effective will have any material financial impact on the financial statements.

	NOTE	2015 \$	2014 \$
NOTE 2 EXPENSES			
Audit and other related fees	16	32,020	37,000
Directors' remuneration		98,550	98,323
Consultants fees		28,817	112,321
Management fees		(16,000)	24,000
Office costs		32,702	13,623
Printing and stationery		6,607	26,211
Stock exchange and registry costs		30,485	52,496
Other expenses		24,814	10,136
Exploration costs written off		39,377	-
		<u>277,372</u>	<u>374,110</u>
NOTE 3 INCOME TAX BENEFIT			
Components of income tax benefit			
Current tax benefit		(78,246)	(111,949)
Deferred tax relating to the origination and reversal of temporary differences		-	-
Deferred tax asset not brought to account		78,246	111,949
Income tax benefit		<u>-</u>	<u>-</u>
Reconciliation between tax benefit and pre-tax loss			
Loss before tax		(260,821)	(373,165)
Income tax using statutory income tax rate of 30% (2014: 30%)		<u>(78,246)</u>	<u>(111,949)</u>
Tax benefit		(78,246)	(111,949)
Deferred tax asset not brought to account		78,246	111,949
Income tax benefit		<u>-</u>	<u>-</u>
Unrecognised deferred tax asset			
The estimated deferred tax asset arising from tax losses and temporary differences not brought to account at balance date as realisation of the benefit is not probable:			
Tax losses carried forward		205,449	127,064
Temporary differences		(15,253)	(15,115)
		<u>190,196</u>	<u>111,949</u>

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

	2015	2014
	\$	\$

NOTE 4 CASH AND CASH EQUIVALENTS

Cash at bank and on hand	467,153	756,812
	<u>467,153</u>	<u>756,812</u>
	=====	=====

Cash and cash equivalents are subject to interest rate risk as they earn floating rates. The bank deposit is at call in 2015.

NOTE 5 TRADE & OTHER RECEIVABLES

Other receivables	6,227	2,420
	<u>6,227</u>	<u>2,420</u>
	=====	=====

The carrying amount of all receivables is equal to their fair value as they are short term. None of the receivables are impaired or past due. The maximum credit risk for the company is the gross value of all receivables. All receivables are non-interest bearing.

NOTE 6 EXPLORATION AND EVALUATION ASSETS

Balance at beginning of year	66,383	-
Expenditure for the year	39,627	66,383
Expenditure written off	(39,377)	-
	<u>66,633</u>	<u>66,383</u>
	=====	=====

Exploration and evaluation assets relate to the areas of interest in the exploration phase for petroleum retention lease WA-54-R. (2014: WA-409-P, WA-54-R and Vic/P47).

WA-54-R is held through joint operations and details of interests held in the permits can be found in Note 9.

NOTE 7 TRADE AND OTHER PAYABLES

Other payables and accrued expenses	77,092	101,873
	=====	=====

Trade payables are current liabilities which result in their fair value being equal to the current carrying amount. Information about the company's exposure to foreign exchange risk in relation to other trade payables and accrued expenses, including sensitivities to changes in foreign exchange rates, is provided in Note 13.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

	2015	2015	2014	2014
	Shares	\$	Shares	\$
NOTE 8 ISSUED CAPITAL				
Issued Capital				
Ordinary shares fully paid	53,666,491	1,096,907	53,666,491	1,096,907
Ordinary Shares				
Movements during the year				
Balance at beginning of year	53,666,491	1,096,907	5	1
Shares issued:				
- Per Moby Scheme of arrangement (i)	-	-	53,666,486	1,096,906
Balance at end of year	53,666,491	1,096,907	53,666,491	1,096,907

(i) Following implementation of the Schemes of Arrangement between EnegeX and its previous owner, Moby Oil and Gas Limited ("Moby") Moby shareholders, including the directors of EnegeX (Note 10), were issued one fully paid EnegeX Share in exchange for every three Moby Shares held at 1 July 2013. This resulted in 53,666,486 ordinary fully paid shares in the company being issued during the year ended 30 June 2014.

Ordinary Shares

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company. The company does not have a limited authorised capital and issued shares have no par value.

Share Options

Each option entitles the holder to subscribe for a fully paid ordinary share that will from the date of issue rank equally in all respects with the then issued ordinary fully paid shares in the capital of the company, and will be subject to the provisions of the constitution of the company. The option does not entitle the holder to a vote at meeting of members of the company or to participate in new issues of ordinary shares offered to members of the company during the currency of the option.

	2015	2014
	Options	Options
30 June 2015 Listed Options— exercisable at 10 cents		
Balance at beginning of year	7,357,105	-
Options granted per Moby Scheme of Arrangement (ii)	-	7,357,105
Expired	(7,357,105)	-
Balance at end of year	-	7,357,105

(ii) Following implementation of the Schemes of Arrangement between EnegeX and Moby optionholders, including the directors of EnegeX NL (Note 10), were granted one EnegeX Option in exchange for every three Moby Options held at 30 June 2013. As a result 7,357,105 options were granted during the year ended 30 June 2014.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 9 INTEREST IN JOINT OPERATIONS

The company has an interest in the assets, liabilities and output of joint operations for the exploration and development of petroleum in Australia. The company has taken up its share of joint operations transactions based on the company's contributions to the joint operations. Expenditure commitments in respect of the joint operations are disclosed in Note 12. Details of the company's interests in the joint operations are:

	Interest 30/6/2015	Interest Acquired (Disposed)	Interest 30/6/2014
Cornea Joint Venture – WA-54-R	14.875%	-	14.875%
Vic/P47(i)	-	(19.250)%	19.250%
WA-409-P (ii)	-	(16.500)%	16.500%

(i) The permit interest in Vic/P47 previously held by the company was transferred to Oil Basins Limited; effective 20 November 2014.

(ii) Enegetex withdrew from the Permit, effective 5 February 2015.

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

	2015	2014
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	976	15,266
Trade and other receivables	1,012	855
TOTAL CURRENT ASSETS	<u>1,988</u>	<u>16,121</u>
NON-CURRENT ASSETS		
Exploration costs	66,633	66,383
TOTAL ASSETS	<u>68,621</u>	<u>82,504</u>
CURRENT LIABILITIES		
Trade and other payables	11,328	22,213
Trade and other payables – director related	3,453	3,998
TOTAL LIABILITIES	<u>14,781</u>	<u>26,211</u>

There are no contingent liabilities in any of the joint operations. Minimum work requirements in exploration permit interests held in joint operations is estimated at reporting date and is shown at Note 12.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 10 KEY MANAGEMENT PERSONNEL

Non-executive Directors

BD Maltz

RJ Coppin

Executive Director

GA Menzies

During the year the only persons that met the definition of key management personnel were the directors. The company has no employees.

Fees paid to GA Menzies in his capacity as a consultant to EnegeX are disclosed below in the Related Party Note 11. Fees paid to GA Menzies as director are summarised in the table below and detailed in the Remuneration Report section of the Directors' Report.

Individual compensation disclosures

Information regarding individual director's compensation is provided in the Remuneration Report section of the Directors' Report. In summary form:

		<i>Short Term</i>		<i>Post Employment</i>	<i>Equity Settled</i>	<i>Total</i>
	<i>Year</i>	<i>Directors Fees</i>	<i>Other Fees</i>	<i>Super-annuation</i>	<i>Options</i>	
		\$	\$	\$	\$	\$
TOTAL	2015	90,000	-	8,550	-	98,550
	2014	90,000	-	8,325	-	98,325

Interests in Equity Instruments of EnegeX NL

Ordinary Shares

The movement during the reporting period in the number of ordinary shares and options over ordinary shares held directly, indirectly or beneficially, by each key management person, including their related parties, is detailed below. No shares were granted to directors during the reporting period as compensation.

Directors	Held at 1 July 2014	Prospectus Issue	Options Exercised	Net Change Other	Held at 30 June 2015
GA Menzies	1,479,444	-	-	(1,250,000)	229,444
RJ Coppin	16,667	-	-	-	16,667
BD Maltz	41,416	-	-	-	41,416
	<u>1,537,527</u>	<u>-</u>	<u>-</u>	<u>(1,250,000)</u>	<u>287,527</u>
	=====	=====	=====	=====	=====
Directors	Held at 1 July 2013	Prospectus Issue	Options Exercised	Net Change Other (i)	Held at 30 June 2014
GA Menzies	-	-	-	1,479,444	1,479,444
RJ Coppin	-	-	-	16,667	16,667
BD Maltz	-	-	-	41,416	41,416
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,537,327</u>	<u>1,537,527</u>
	=====	=====	=====	=====	=====

(i) Following implementation of the Schemes of Arrangement between EnegeX and its previous owner, Moby Oil and Gas Limited ("Moby") Moby shareholders, including the directors of EnegeX, were issued one fully paid EnegeX Share in exchange for every three Moby Shares held at 1 July 2013.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 10 KEY MANAGEMENT PERSONNEL (Continued)

Options over Ordinary Shares – Listed

30 June 2015 Options (exercisable at 10 cents per share)

Directors	Held at 1 July 2014	Granted as compensation	Expired	Net Change Other	Held at 30 June 2015
GA Menzies	268,333	-	(268,333)	-	-
RJ Coppin	-	-	-	-	-
BD Maltz	235,000	-	(235,000)	-	-
	<u>503,333</u>	<u>-</u>	<u>(503,333)</u>	<u>-</u>	<u>-</u>

30 June 2015 Options (exercisable at 10 cents per share)

Directors	Held at 1 July 2013	Granted as compensation	Exercised	Net Change Other (ii)	Held at 30 June 2014
GA Menzies	-	-	-	268,333	268,333
RJ Coppin	-	-	-	-	-
BD Maltz	-	-	-	235,000	235,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>503,333</u>	<u>503,333</u>

(ii) Following implementation of the Schemes of Arrangement between EnegeX and Moby optionholders, including the directors of EnegeX NL, were granted one EnegeX Option in exchange for every three Moby Options held at 30 June 2013.

NOTE 11 RELATED PARTY TRANSACTIONS

Director-related Entities

Companies in which an EnegeX director controls or significantly influences, that provide services to the company or to a joint operation in which the company has an interest.

During the year services were provided under normal commercial terms and conditions by:

Gresham Management Pty Ltd (Gresham), a director-related entity of GA Menzies

Service Provided		2015	2014
		\$	\$
Gresham	Management and consulting services to the Company	8,698	92,904

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

	2015	2014
	\$	\$
NOTE 12 EXPLORATION PERMIT COMMITMENTS		
Estimated expenditure to satisfy contractual and permit work obligations		
Not later than 1 year		
Vic/P47	-	12,031
WA-54-R	<u>81,813</u>	<u>66,938</u>
	81,813	78,969
	=====	=====
Later than 1 year but not later than 3 years		
WA-54-R	<u>111,563</u>	<u>193,376</u>
	<u>111,563</u>	<u>193,376</u>
	=====	=====

Expenditure commitments include obligations arising from farm-in arrangements, and minimum work obligations for the initial three year period of exploration permits and thereafter annually. Minimum work obligations, may, subject to negotiation and approval, be varied. They may also be satisfied by farmout, sale, relinquishment or surrender of a permit.

NOTE 13 FINANCIAL INSTRUMENTS

Purchases and sales of financial assets and financial liabilities are recognised on trade date; the date on which the company commits to purchase or sell the financial assets or financial liabilities. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Exposure to credit, interest rate, liquidity and currency risks arises in the normal course of the company's business. The company's overall risk management approach is to identify the risks and implement safeguards which seek to minimise potential adverse effects on the financial performance of the company.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. At balance date there were no significant concentrations of credit risk for the company. The maximum exposure to credit risk of financial assets is represented by the carrying amounts of each financial asset in the statement of financial position.

Interest rate risk

All financial liabilities and financial assets at floating rates expose the company to cash flow interest rate risk. The company has no exposure to interest rate risk at balance date, other than in relation to cash and cash equivalents which attract a floating interest rate. Details of cash and cash deposits can be found in Note 4. At balance date a 1% (100 basis point) increase/ decrease in the interest rate would improve / worsen the company's post tax profit by \$5,298 (2014: \$Nil)

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. Liquidity risk is monitored to ensure sufficient monies are available to meet contractual obligations as and when they fall due. All financial assets and liabilities have a maturity date of less than 12 months.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

NOTE 13 FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk

The company is exposed to foreign currency risk arising on purchases that are denominated in a currency other than the Australian dollar functional currency. The company incurs seismic, exploration and well costs in US dollars. The risk is measured using sensitivity analysis and cash flow forecasting and monitored by management when seismic and drilling programs are current. To this extent, the company is exposed to exchange rate fluctuations between the Australian and US dollar.

As at 30 June 2015 the company has no US dollars in cash at bank.

Capital Management

When managing capital, directors' objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

It is the company's plan that capital will be raised by any one or a combination of the following manners: placement of shares to excluded offerees, pro-rata issue to shareholders, the exercise of outstanding options, and/or a further issue of shares. Should these methods not be considered to be viable, or in the best interests of shareholders, then it would be the company's intention to meet its exploration obligations by either partial sale of its interests or farmout, the latter course of action being part of its overall strategy.

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

NOTE 14 SEGMENT INFORMATION

The company has adopted AASB 8 Operating Segments whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the board of directors

At regular intervals the board is provided management information at a company level for the company's cash position, the carrying values of exploration permits and a company cash forecast for the next twelve months of operation.

On this basis, no segment information is included in these financial statements.

All interest received has been derived in Australia. All exploration and evaluation assets are held in Australia.

NOTE 15 LOSS PER SHARE

The following reflects the loss and share data used in the calculation of basic and diluted loss per share:

	2015	2014
	\$	\$
Net Loss	(260,821)	(373,165)

The weighted average number of shares used for the purposes of calculating diluted earnings per share reconciles to the number used to calculate basic earnings per share as follows:

	Weighted Average Number of Shares	Weighted Average Number of Shares
Basic and diluted loss per share	53,666,491	40,139,156

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

	2015	2014
	\$	\$
NOTE 16 AUDITOR'S REMUNERATION		
Amounts received or due and receivable by the auditor of the Company for:		
Audit of the full year and review of the half year financial reports	32,020	33,000
Other assurance services	-	4,000
	<u>32,020</u>	<u>37,000</u>
	=====	=====

NOTE 17 EVENTS SINCE BALANCE DATE

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

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Independent Auditor's Report To the Members of Enege NL

Report on the financial report

We have audited the accompanying financial report of Enege NL (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of Eneget NL is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

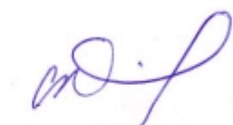
We have audited the remuneration report included in pages 5 to 6 of the directors' report for the year ended 30 June 2015. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Eneget NL for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 27 August 2015

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**Auditor's Independence Declaration
To the Directors of Enege NL**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Enege NL for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 27 August 2015

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

CORPORATE GOVERNANCE

The Board is responsible for the strategic direction of the Company, the identification and implementation of corporate policies and goals, and the monitoring of the business and affairs of the Company on behalf of its shareholders.

The Board delegates responsibility for the day-to-day management of Enegex to the Chief Executive Officer. All Directors have unrestricted access to Company records and information and receive detailed financial and operational reports.

The Board is currently comprised of two Non- Executive Directors and one Executive Director. In accordance with the Company's Constitution and the ASX Listing Rules, the Directors (other than the Chief Executive Officer) are subject to re-election by shareholders every three years.

The Board meets regularly throughout the year. Where appropriate, presentations are given to the Board from management who may be questioned directly by Board members on technical, operational and commercial issues.

Details of the Company's corporate governance practices are included in the Corporate Governance statement found on the Company's website.

SHAREHOLDER AND OTHER INFORMATION

COMPILED AS AT 30 SEPTEMBER 2015

VOTING RIGHTS

At meetings of members or classes of members:

- (a) each member entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and
- (c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:
 - (i) for each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, one vote for the share;
 - (ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited),

subject to any rights or restrictions attached to any shares or class or classes of shares.

DISTRIBUTION OF ORDINARY SHARES

Numbers of members by size of holding and the total number of shares on issue:

Ordinary Shares	No. of Holders	No. of Shares
1 – 1,000	202	63,244
1,001 – 5,000	363	1,125,349
5,001 – 10,000	256	2,022,140
10,001 – 100,000	450	13,776,468
100,001 and over	69	36,679,290
TOTAL ON ISSUE	1,340	53,666,491

1,210 holders held less than a marketable parcel of ordinary shares. There is no current on-market buy-back.

SHAREHOLDER AND OTHER INFORMATION (continued)

COMPILED AS AT 30 SEPTEMBER 2015

SUBSTANTIAL SHAREHOLDERS

As disclosed in notices given to the Company.

Name of Substantial Shareholder	Interest in Number of Shares <i>Beneficial and non-beneficial</i>	% of Shares
Albers Group	10,288,406	19.17
Ross Di Bartolo	6,773,750	12.62

THE 20 LARGEST HOLDERS OF ORDINARY SHARES

Holder	Ordinary Shares	% of Total Issued
E G Albers	6,161,618	11.48
Ross Di Bartolo	5,307,417	9.89
Sacrosanct Pty Ltd	1,515,924	2.82
Small Business Finance Pty Ltd	1,433,333	2.67
Ianaki Semerdziev	1,407,000	2.62
ICM Investments Pty Ltd	1,311,233	2.44
Australis Finance Pty Ltd	1,247,385	2.32
Peppercorn Hill Pty Ltd	1,125,000	2.10
Faith Hope & Charity Pty Ltd	1,087,088	2.03
Tre Pty Ltd	1,000,000	1.86
M.A.Tkocz	1,000,000	1.86
H Rexhep	966,667	1.80
Albers Custodian Company Pty Ltd	658,604	1.23
EERC Australasia Pty Ltd	648,750	1.21
Appledore Custodians Ltd	632,813	1.18
Relativity Pty Ltd	603,333	1.12
500 Custodian Pty Ltd	510,000	0.95
Gascorp Australia Pty Ltd	500,000	0.93
Trans Pacific Petroleum NL	450,000	0.84
V & R Brizzi	352,456	0.66

The 20 largest shareholders hold 27,918,621 shares representing 52.02% of the issued share capital.

