



ABN 66 138 145 114

36B Colin Street Street
West Perth WA 6005
Tel: +61 8 6245 9821

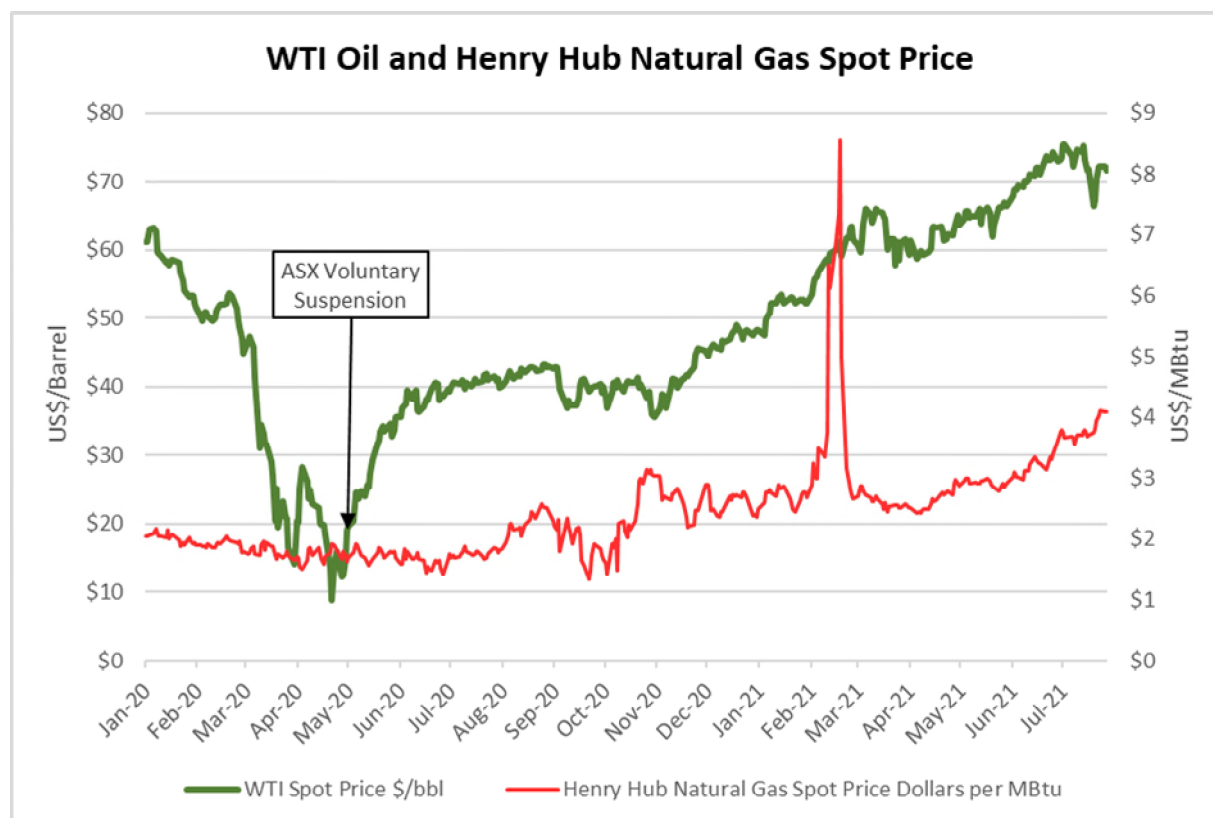
4 August 2021

ASX : E2E

QUARTERLY ACTIVITIES REPORT For the period ending June 30, 2021

1 CORPORATE

During the second quarter of 2021, Eon NRG Ltd (**Eon** or the **Company**) reviewed its options with regards to having the Company relisted on the ASX (following voluntary suspension in May 2020). In light of the significant increase of the oil and natural gas price over the last year and the ongoing reports around the increased demand for battery minerals, the Company believes that there is a strong economic case for carrying out on-ground and other exploration activities to advance the development potential of the company's assets.



The Company has carried out a review of potential exploration activities that may be carried out on its existing assets:

- Powder River Basin exploration acreage - rights to explore and develop leasehold acreage of approximately 9,600 acres in the Powder River Basin in Wyoming for oil and gas. Eon identified opportunities in and around the leasehold acreage that it acquired in 2018 that remain undeveloped and have commercial merit in the right economic circumstances. Preliminary work would include the acquisition and analysis of data (including seismic) over identified prospects, initiation of an ASTAR survey and undertaking of a preliminary environmental review;
- Nevada Mineral Lode Claims - The rights to explore for minerals in its 840 acres of mineral lode claims in the Table Mountain District of Nevada. Preliminary work was carried out by the Company to identify the potential for battery minerals, in particular cobalt when the claims were first pegged in 2018. Preliminary field work would include a field trip to carry out auger/soil sampling, assay of the samples collected and a review of contiguous acreage to determine its potential prospectivity.

Consideration is being given to the capital requirements of the company to meet its current commitments and to carry out proposed exploration activities. Corporate overheads remain low with no director fees and salaries being paid.

By order of the Board

All reference to dollars or \$ refers to USD unless otherwise stated.

For further information, contact:

Simon Adams
CFO/Company Secretary
Perth
+61 (0)8 6144 0590
Email: sadams@i-og.net

Forward-looking Statements

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this press release and are subject to a variety of unpredictable risks, uncertainties, and other unknown factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth to various factors, many which are beyond our ability to control or predict. Some of the risk and other factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological, technical and drilling results; predicted production and reserves estimates; operational delays or unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favourable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Eon NRG Ltd, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this Press Release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Eon NRG Limited

ABN

66 138 145 114

Quarter ended ("current quarter")

June 30, 2021

Consolidated statement of cash flows		Current quarter (Q2-21)	Year to date (6 months)
		\$US '000	\$US '000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(2)	(5)
	(e) administration and corporate costs	(7)	(15)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	14
1.9	Net cash from / (used in) operating activities	(9)	(6)
1.8 Proceeds from ATO Covid-19 cash booster			

Consolidated statement of cash flows		Current quarter (Q2-21)	Year to date (3 months)
		\$US '000	\$US '000
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) entities	-	-	-
(b) tenements	-	-	-
(c) property, plant and equipment	-	-	-
(d) exploration & evaluation (if capitalised)	-	-	-
(e) investments	-	-	-
(f) other non-current assets	-	-	-
2.2 Proceeds from the disposal of:			
(a) entities	-	-	-
(b) tenements	-	-	-
(c) property, plant and equipment	-	-	-
(d) investments	-	-	-
(e) other non-current assets	-	-	-
2.3 Cash flows from loans to other entities			
2.4 Dividends received (see note 3)			
2.5 Other (provide details if material)			
2.6 Net cash from / (used in) investing activities	-	-	-
3. Cash flows from financing activities			
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-	-
3.2 Proceeds from issue of convertible debt securities	-	-	-
3.3 Proceeds from exercise of options	-	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-	-
3.5 Proceeds from borrowings	-	-	-
3.6 Repayment of borrowings	-	-	-
3.7 Transaction costs related to loans and borrowings	-	-	-
3.8 Dividends paid	-	-	-
3.9 Other (provide details if material)	-	-	-
3.10 Net cash from / (used in) financing activities	-	-	-

Consolidated statement of cash flows		Current quarter (Q2-21)	Year to date (3 months)
		\$US '000	\$US '000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	14	11
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9)	(6)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5	5

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	4	14
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4	14

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$US'000**

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Explanation regarding the transactions included in items 6.1 and 6.2 above:

Item 6.1 – Superannuation to S Adams from prior year

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(9)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(9)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.5

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Corporate operating overhead has been cut to minimal expenditure with no salary overheads. Expenditure is expected to be higher in Q3 due to compliance costs (ASX and ASIC) and payment of outstanding creditors

8.8.2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. Board is considering options available to progress approval from ASX for relisting, part of which includes near term capital raise from 15% placement capacity.

8.8.3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Based on the expectation of raising additional capital, the Company expects to be able to meet its ongoing operation expenditure commitments.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:04./08./2021.....

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.