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29 April 2022

ASX : EZE

QUARTERLY ACTIVITIES REPORT For the period ending 31 March 2022

CORPORATE

Eon NRG Ltd (**Eon** or the **Company**) is pleased to announce that during the first quarter of 2022, it was able to secure non-binding offers on a portfolio of new mineral exploration assets, targeting battery and precious metals in Western Australia, that are of sufficient scale and potential for the Company to apply to ASX for relisting. The Company has been focused on carrying out due diligence of these assets and preparation of a submission to ASX to seek approval to proceed with a relisting and recapitalisation process. Details of the new exploration assets and the proposed recapitalised structure will be provided to shareholders after ASX has confirmed that the Company has satisfied the requirements to commence the re-compliance process which will require a full prospectus pursuant to section 710 of the Corporations Act 2001 (Cth) and a shareholder meeting to approve the relisting asset acquisitions and raising of new capital. The proposed restructuring will involve a consolidation of the existing share structure and new capital raised to carry out exploration of the proposed new assets.

The Company was previously focused on onshore USA oil and gas exploration in California and Wyoming and mineral exploration in Nevada. Following the disposal of its USA oil and gas assets in 2020, the Company has pivoted to a business strategy focused solely on hard-rock mineral exploration. This transition to hard-rock exploration compliments the acquisition lode claim tenements by the Company in Nevada in 2018 and this asset will form one of the projects within its portfolio.

To reflect the change in direction of the Company, it plans to change its name to 'Voltaic Strategic Resources Limited', under the ticker code ASX:VSR (still to be approved by ASX), and proposes to adopt a new Constitution and will have a new Board and Management. This name change will require approval from shareholders.

In the last quarter, Gerry McGann, a founding director of the Company, retired as non-executive technical director and was replaced through the appointment of Lachlan Reynolds. Lachlan is a professional geologist with over 30 years involvement in mineral exploration, project development and mining, in both Australia and internationally. He has broad resource industry expertise, across a range of commodities including copper, gold, nickel and uranium. Over the past decade, Lachlan has served as a senior executive and manager for a number of ASX-listed companies and has managed the advancement of a diverse suite of mineral projects. Lachlan is currently the Managing Director of ASX listed mineral exploration company, Mt Monger Resources (ASX: MTM), a junior exploration company that holds projects in the Eastern Goldfields and Ravensthorpe districts of Western Australia.

The Company is finalising agreements with Michael Walshe to take on the role of CEO of the Company. Michael has over 15 years of international experience in engineering, operations, technology commercialisation, and project development roles across the minerals, chemicals, and renewable energy sectors. Michael has recently completed 10 years with Metso Outotec, in various technical and senior management roles, covering all major commodities including lithium, rare earths, gold, and base metals. He has extensive expertise in process design, metallurgical flowsheet development, and structuring project finance packages for junior miners via export credit funding. Michael holds a Bachelor of Chemical and Process Engineering (Hons.) from University College Dublin, Ireland, and a Master of Business Administration (Finance) from the Australian Institute of Business (AIB). He is a chartered professional engineer with both Engineers Australia and the Institution of Chemical Engineers (IChemE), and is a member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Recruitment of other members of the management team will commence once the recapitalisation process has commenced.

Corporate overheads have been kept to a minimum during the quarter (refer Appendix 5B) and the costs of services supplied by legal, finance and administration providers to facilitate the relisting have been provided on the basis of payment from funds raised through the proposed recapitalisation. Minimal funding has been provided by way of loans from Directors to cover essential fees and creditors have provided ongoing support through this period of dormancy of operations.

By order of the Board

For further information, contact:

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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")

31 March 2022

Consolidated statement of cash flows		Current quarter (Q1-22)	Year to date (3 months)
		\$'000	\$'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	(19)	(19)
	(e) administration and corporate costs	(8)	(8)
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)	-	-
1.9	Net cash from / (used in) operating activities	(27)	(27)
1.8 Proceeds from ATO Covid-19 cash booster			

Consolidated statement of cash flows		Current quarter (Q4-21)	Year to date (12 months)
		\$'000	\$'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	32	32	32
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	32	32	32

Consolidated statement of cash flows		Current quarter (Q4-21)	Year to date (12 months)
		\$'000	\$'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	-	-
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(27)	(27)
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)	32	32
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 \$'000	Previous quarter \$'000
5.1	Bank balances	5	-
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)	5	-

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
\$'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 \$'000	Amount drawn at quarter end \$'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	\$'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	27
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	27
8.4	Cash and cash equivalents at quarter end (Item 4.6)	5
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	5
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.20

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. Suppliers of services to the company have allowed extended credit terms on the basis of proposed capital restructure which will satisfy outstanding debts.

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. The Company is proceeding with a recapitalisation which will provide sufficient working capital to meet future expenditure commitments.

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:29./04./2022.....

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.