Eon NRG Ltd

(ACN 138 145 114)

Annual Report

31 December 2021

Corporate Directory

Directors and Company Secretary

Matthew McCann: Non-Executive Chairman (Appointed Director - 3 April 2014, appointed Chairman – 23 May 2019)
John Hannaford: Non-Executive Chairman (Appointed - 30 March 2021)
Lachlan Reynolds: Managing Director (Appointed - 18 March 2022)
Simon Adams: Non-Executive Director (Appointed - 26 June 2019)

Simon Adams: Company Secretary (Appointed - 18 May 2012)

Retired Director
John Whisler: Managing Director (Appointed July 2014 until resignation 24 December 2020), Non-executive Director – (24 December 2020 until retired 30 March 2021)
Gerard (Gerry) McGann: Non-Executive Technical Director (Appointed - 7 July 2009, Retired - 21 February 2022)

Registered and Principal Office

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Share Register

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Web: www.linkmarketservices.com.au

Securities Exchange Listing

Australian Securities Exchange Limited
Home Branch – Perth
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

ASX Code

E2E - Fully paid ordinary shares

Auditor

Butler Settineri (Audit) Pty Ltd
Suite 16, First Floor
Spectrum Offices
100 Railway Road
Subiaco WA 6008

This annual report is of the group comprising Eon NRG Limited ("the parent entity") and its subsidiaries (see Note 6.1.1 to Financial Statements) (collectively "the Group"). The Group's functional and presentation currency was US Dollars ($). In 2021, the Company no longer had US operations and its functional and reporting currency changed to Australian (AU) Dollars Unless otherwise stated, all amounts in the Annual Report are in AU Dollars.

A description of the Group's operations and of its principal activities is included in the review of operations on page 2.

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Eon NRG Limited (also referred to hereafter as the '**Company**' or '**parent entity**' or '**Eon**') and the entities it controlled at the end of, or during, the year ended 31 December 2021.

1. REVIEW OF OPERATIONS

During 2020, Eon's primary activity was oil and gas exploration and production company until it disposed its primary production assets through a debt workout arrangement with its US banker. The Company has a 100% interest in lode claims over prospective battery minerals in the Stillwater Range, Nevada which it continues to hold as at the date of this report.

1.1. Battery mineral exploration

Eon established a battery minerals exploration division in 2018 with a long-term strategic view that global energy demands will require a range of new technologies and energy supply and storage solutions in the future.

In 2018, Eon acquired 42 lode claims covering 840 acres of land in the Stillwater Range, Nevada, which was seen as having exploration potential for a range of battery minerals including cobalt and copper. The claims cover a number of historic mine workings and adits are within 3 miles of the Lovelock Mine which has a history of producing high grade cobalt.

In January 2019, Global Energy Metals Corp (TSXV: GEMC) announced that it had entered into an agreement to acquire an 85% interest in the Lovelock and Treasure Box exploration projects (adjacent to the Company's lode claims) for consideration that was made up of shares and an agreed royalty stream on production. The agreement requires GEMC to spend US$1 million in exploration within the first three years of the agreement term.

The strategic objectives of mineral exploration in this area of Nevada includes:

- Nevada is a superior mining jurisdiction which hosts several copper-gold projects nearby and benefits from having excellent infrastructure;
- The Stillwater Range has good access and infrastructure in place and is only 150 kilometres east of Sparks Nevada, home to Tesla's Gigafactory 1;
- The nearby Lovelock mine has historically had limited, yet high-grade, production of cobalt, nickel and copper in the 1880s but the area has never been thoroughly explored in the modern era;
- The District shows strong enrichment in cobalt, nickel and copper making it very attractive for further exploration and expansion through other attractive growth opportunities.

GEMC has completed a drilling program in 2021 with encouraging results announced. Eon expects to commence a range of low cost exploration activities on its Nevada prospects to add value to this asset. Based on the results from these activities, it will look at acquiring additional lode claims to expand its exploration potential in the area which has a rich history of mineral discovery.

2. CORPORATE

During 2020, the Board of Eon NRG Ltd managed the operations of the Company while it negotiated a workout agreement with ANB Bank. During this period, Directors acted to preserve value for shareholders. A lengthy negotiation process with ANB Bank limited the ability of the Board to raise additional capital and define the Company's future business objectives during 2020. Following agreement with ANB Bank in October 2020, funding was secured by way of a convertible note facility to enable the payment of various employee and creditor liabilities that allowed completion of the Workout Arrangement with ANB Bank. The ANB workout was completed in December 2020.

During 2021, the Company was unsuccessful in gaining approval from ASX to have the voluntary suspension of its shares lifted on the basis of of its remaining assets. Negotiations were carried out with numerous vendors to acquire assets across various energy commodities including oil and gas and hard-rock minerals such as lithium, uranium, graphite and vanadium to facilitate a relisting. These negotiations were undertaken to facilitate the best outcome possible for existing shareholders.

The Company continued to operate on limited funds with the support of creditors and with no salaries or fees paid to employees or directors during the suspension period. Subsequent to the end of the 2021 financial period, various acquisitions agreements were entered into which has enabled the company to commence a recapitalisation process which will result in relisting of Eon shares (Refer section 0 – Matters Subsequent to the end of the financial year).

3. DIVIDENDS

No dividends have been declared, provided for or paid in respect of the period ended 31 December 2021.

4. CORPORATE AND FINANCIAL POSITION

The Group's net loss from operations for the period was $434,676 (2020 – profit of $1,134,999).

At 31 December 2021, the Group had net current liabilities of $457,034 (2020 – current liabilities of $33,391). Subsequent to period end, the Company was granted approval by ASX to undertake a re-compliance plan which will result in up to $5.79 million of capital (before costs) being raised. New mineral exploration projects have been secured for purchase subject to completion of the capital raise and a lead manager has been appointed to assist with the recapitalisation process. This additional working capital will enable the Company to carry out significant work programs on its new Western Australian mineral exploration leases and pay for corporate overheads.

The Directors believe there are sufficient funds to meet the Group's working capital requirements and as at the date of this report the Group believes it can meet all liabilities as and when they fall due.

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business (refer Note 1.5).

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing additional funds through equity issues as and when the need to raise funds arises.

5. BUSINESS STRATGEY AND PROSPECTS

The group currently has the following business strategies and prospects over the medium to long term:

(i) Seek to maximise the value of the group through successful exploration activities;
(ii) Selectively expand the Group's portfolio of exploration assets; and
(iii) Examine other new business development opportunities in the mining and resources sector.

6. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Eon's principal activity until December 2020 was oil and gas exploration and production in USA (California and Wyoming). After the disposal of its core oil and gas assets in 2020, the Company has been considering numerous business opportunities.

In 2022, the Company secured option agreements with multiple vendors to acquire a portfolio of West Australian exploration tenements (8 granted, 8 under application), which on completion and granting will comprise 13 exploration licences and 3 prospecting licences located in the Gascoyne and Meekatharra regions of WA (Project Acquisitions). These tenements (Projects) are prospective for gold, rare earths, lithium, and other battery metals. The project acquisitions are conditional on the Company obtaining all necessary regulatory and Shareholder approvals and the Company receiving conditional ASX approval for its re-compliance listing, on conditions which are reasonably able to be satisfied by the Company.

Following completion of the Public Offer and the Proposed Acquisitions, the Company's proposed business model will be to further explore and develop the tenements that it will acquire through the Project Acquisitions and the Mineral Lode Claims in Nevada. Specifically, the Company's main objectives on completion of the Public Offer are to:

(a) systemically explore the Meekatharra Gold project, Gascoyne Battery Metals project, Pilbara Gold project (all shown in Figure 1) and the Nevada Lode Claims project (Figure 2) through geological mapping, surface sampling and drilling on the projects;

(b) identify preferred exploration targets and rationalise the Company's land holding based on likelihood of exploration success;

(c) continue to pursue other acquisitions that have a strategic fit for the Company;

(d) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders;

(e) implement a growth strategy to seek further exploration and acquisition opportunities; and

(f) provide working capital for the Company.

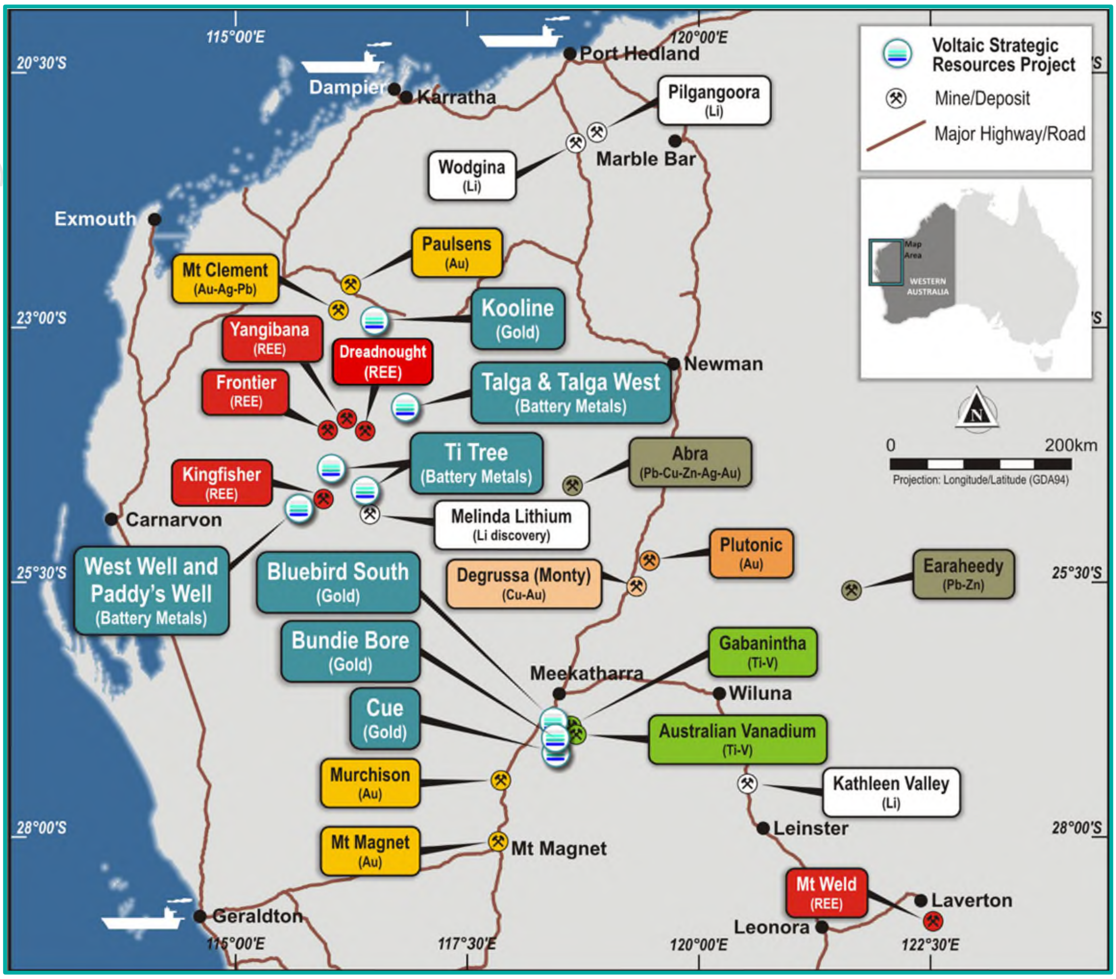

Figure 1: Location of Projects in Australia (Primary Focus Projects)

Figure 2: Location of Nevada Project (Secondary Focus Project)

7. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to the end of the financial year, Eon secured a portfolio of new exploration assets, targeting battery and precious metals, under a re-compliance plan that will see the Company's shares relist on the ASX. The Company received in principle approval from ASX for its re-compliance and it will seek Shareholder approval for the re-compliance.

On completion, the project acquisitions will result in a significant change in the nature and scale of the Company's current activities. A notice of meeting was sent to shareholders on 13 June to advise of a general meeting to be held on 13 July to approve a range of resolutions required to facilitate this recapitalisation program.

As part of the re-compliance the Company plans, subject to Shareholder approval, to raise up to $5.79M via:

(a) a placement under the company's 15% placement capacity to raise up to $115,483 (**Placement**);

(b) a convertible note issue to raise $500,000 with the notes converting to shares at the time of re-compliance at the re-compliance price (**Convertible Note Placement**);

(c) the acquisition of Monomatapa Coal Pty Ltd, a company with $625,000 in cash reserves; and

(d) the re-compliance capital raising of $4.5M (**Public Offer**), coupled with an offer of options to raise an addition $50,000. Existing Shareholders will be offered to participate in a $1M priority offer in the Public Offer.

CPS Capital Limited (**CPS**) has agreed to be the Lead Manager under a mandate with the Company to assist on a best endeavours basis in raising the above capital.

In addition to the above capital raisings, the Company intends to complete the following corporate actions as part of its re-compliance plan:

(a) hold a Shareholder meeting to approve the re-compliance plan and associated issues of securities;

(b) consolidate its capital on a 1:20 basis, bringing the Shares on issue post 15% Placement to 44,268,614 with a share price of $0.02 (**Consolidation**);

(c) issue of Options under the Placement (participants in the Placement will receive a 1 for 1, 3 year Option at a 50% premium to the re-listing price, the issue of which is subject to Shareholder approval) (**Placement Options**);

(d) settle debts owed to current and previous Directors to the value of $317,804 via the issue of Shares to the value of $200,000;

(e) issue previous employees 661,942 Shares owing under their previous employee agreements;

(f) convert related party and unrelated party convertible notes to the value of $730,000, convertible to both Shares and Options;

(g) issue of 60,000,000 Shares at the re-listing price of $0.02 and 26,250,000 Options exercisable at a 50% premium to the re-listing price with an expiry date of three years from re-compliance listing date, in consideration for the Project Acquisitions;

(h) acquire 100% of the issued shares in Monomatapa Coal Pty Ltd (**MCPL**) in consideration for the issue of 31,250,000 Company Shares to MCPL shareholders in order for the Company to access additional cash on hand of $625,000;

(i) issue Options to Directors on the following terms:

    (i) 10,000,000 Options exercisable at a 50% premium to the re-listing price and expiring 3 years from the relisting date; and

    (ii) 10,000,000 Options exercisable at a 100% premium to the re-listing price and expiring 4 years from the relisting date; and

(j) issue $250,000 worth of Shares to nominees of CPS at $0.02 with a 1 for 1, 3 year Option exercisable at a 50% premium to the re-listing price, forming part of the consideration under the lead manager mandate;

(k) adopt an Employee Share Option Plan and new Constitution; and

(l) Change the Company's name to Voltaic Strategic Resources Ltd.

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact of COVID-19, positive or negative, after the reporting date. The consequences of the pandemic such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided will continue to be monitored.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

8. ENVIRONMENTAL AND SOCIAL REGULATION AND PERFORMANCE

The Group's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities. There have been no significant known breaches by the group during the financial period.

The Company is developing a framework of stewardship of our environment and are focussed on providing social benefits and mutually rewarding outcomes for the communities in which it operates.

9. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

It is the Board's current intention that the Group will seek to progress exploration on the new projects that it intends to acquire (refer Matters subsequent to the year-end above). The Group will also continue to examine new opportunities in the mineral exploration and resources sector where appropriate.

These activities are inherently risky and there can be no certainty that the Group will be able to successfully achieve the objectives.

10. INDEMNITY AND INSURANCE OF OFFICERS AND AUDITORS

The Company has entered into a Deed of Indemnity, Insurance and Access ("Deed") with each Director and the Company Secretary (collectively "Officers"). Under the Deed, the Company indemnifies the Officers to the maximum extent permitted by law and the Constitution against legal proceedings, damage, loss, liability, cost, charge, expense, outgoing or payment (including legal expenses on a solicitor/client basis) suffered, paid or incurred by the officers in connection with the Director or Officers being an officer of the Company, the employment of the officer with the Company or a breach by the Company of its obligations under the Deed.

11. SHARE OPTIONS ON ISSUE AT THE DATE OF THIS REPORT

There are no share options on issue at the date of this report.

12. SHARES ISSUED DURING THE YEAR

The number of shares on issue as at 31 December 2021 was 769,888,934. No new shares were issued in 2021.

13. NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Butler Settineri (Audit) Pty Ltd, in 2021 or in 2020.

14. AUDITORS'S INDEPENDENCE DECLARATION

The auditor's independence declaration is on page 15 of the Annual Report.

15. DIRECTOR INFORMATION

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors and officers were in office for the entire period unless otherwise stated.

Matthew McCann, J.D. – Non-Executive Chairman
Appointed as a Director - 3 April 2014
Appointed as Chairman - 23 May 2019

After serving in private practice in the United States of America for 6 years, Mr McCann became General Counsel at Riata Energy, Inc., in 2001, which later became SandRidge Energy, Inc., a NYSE listed corporation. Before leaving SandRidge in 2007, he ultimately served as Senior Vice President, General Counsel, and Corporate Secretary. From 2007-2015 Mr McCann worked for the Riata Corporate Group, a large privately owned group of companies that has substantial oil and gas interests in the US where he focused on business development.

Mr McCann was Chief Executive Officer at TransAtlantic Petroleum Ltd, a TSX listed oil and gas exploration and production company from 2009 until 2011 where he was instrumental in growing TransAtlantic from a junior explorer to a significant international oil and gas producer.

Mr McCann earned a Doctor of Jurisprudence from the University of Oklahoma--College of Law in 1995 and a B.Sc. in Business Administration from the University of Vermont in 1991.

Mr McCann is an independent director at the time of this report.

Other current directorships
None

Special responsibilities
Chairman
Risk & Audit Committee Member

Former directorships in the last three years
None

Interests in shares and options
10,511,437 Shares

John Hannaford, B.Com, CA, F.Fin – Non-Executive Director
Appointed - 31 March 2021

Mr Hannaford is an experienced company director and executive with extensive experience as a director of ASX listed companies, including Chairman. A qualified Chartered Accountant and Fellow of the Securities Institute of Australia, he has founded and listed several companies on the ASX. He has also advised numerous companies through the ASX listing process in his corporate advisory career. He has established an extensive corporate network and gained a highly distinguished reputation over the last twenty years of corporate life in Australia.

Other current directorships
Forrestania Resources Ltd (Chairman)
Mt Monger Resources Ltd (Chairman)
Eon NRG Ltd
Kula Gold Ltd

Special responsibilities
Risk & Audit Committee Member

Former directorships in the last three years
Hardey Resources Ltd (Retired - 27 September 2019)

Interests in shares and options
Nil Shares
$100,000 of Convertible Notes which are exercisable at $0.001 at the time of Relisting of the Company on ASX (equal to 100 million shares)

Mr Hannaford is not an independent director at the time of this report because his interest in the company on conversion of notes would exceed 5% of the Company.

Lachlan Reynolds, BSc (Honours) – Non-Executive Director
Appointed 18 March 2022

Mr Reynolds is a professional geologist with over 30 years' experience 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.

Mr Reynolds commenced his career at WMC Resources Ltd working on gold and nickel opportunities in Western Australia, later being involved in the Tampakan copper project in the Philippines and multi-commodity Olympic Dam mine in South Australia. After 12 years with WMC, Mr Reynolds accepted a position with OceanaGold Ltd in New Zealand where he was involved with teams that successfully defined additional gold resources and brought a number of open pit and underground mining developments into production. Lachlan has subsequently held Managing Director positions for Energy Ventures Ltd where he oversaw development of the Aurora uranium deposit in the USA and Golden Mile Resources Limited (ASX: G88), a junior exploration company that holds gold projects in the Eastern Goldfields of Western

Australia. He has recently consulted to Caravel Minerals Ltd (ASX: CVV) as General Manager Exploration, supervising geological activities at their Caravel Copper Project and an active exploration program in the southwest of Western Australia. He is currently the Managing Director of ASX listed company Mt Monger Resources Ltd (ASX: MTM), a junior exploration company which holds exploration projects in Western Australia across a number of regions and commodities including gold, lithium, nickel and rare earth elements (REE).

Mr Reynolds holds a BSc (Honours) in Geology from the University of Melbourne.

Other current directorships
Mt Monger Resources – Managing Director

Special responsibilities
None

Former directorships in the last three years
None

Interests in shares and options
Nil shares

Mr Reynolds is an independent director at the time of this report.

Simon Adams, B.Bus M.Acc AGIA – Director, CFO and Company Secretary
Appointed 13 November 2020

Mr Adams has over 25 years of experience with listed (ASX and NASDAQ) and private companies in Australia where he has filled various executive roles as Company secretary, CFO and Managing Director across a range of sectors including mining, aquaculture, finance and in the upstream energy industry. He has experience in the areas of corporate and financial management, corporate compliance and business development.

Mr Adams holds a Master of Accounting and is a member of the Governance Institute of Australia.

Other current directorships
Kula Gold Ltd

Special responsibilities
Company Secretary/CFO

Former directorships in the last three years
None

Interests in shares and options
3,400,680 shares

Mr Adams is not an independent director at the time of this report due to his executive roles with the company.

Mr G. McGann, B.Sc (Hons) - Technical Director (Retired)
Appointed 7 July 2009
Retired 21 February 2022

Mr McGann has over 40 years of geological and operations experience in the upstream oil and gas industry, in a career that has spanned all five continents. As a petroleum geologist, he has been instrumental in the discovery of oilfields totalling more than 200 million barrels in Australia, Middle East and the North Sea, and been part of teams that have discovered other substantial oil resources.

Mr McGann was a founding shareholder and Managing Director of Incremental Petroleum Ltd. He identified the Selmo Oilfield in South-east Turkey in 2005 and increased the production from a declining 1,500 bopd to 2,000 bopd when the company was sold in March 2009.

Mr McGann has published 14 technical papers and is a certified petroleum geologist with the American Association of Petroleum Geologists.

Mr J. Whisler B.Sc - Managing Director (Retired)
Appointed to the Board July 2014
Appointed Managing Director 14 October 2014
Retired from the Board 30 March 2021

Mr Whisler has more than 25 years of experience in leading, developing, and implementing projects that have created value in the oil and gas industry. He has a successful track record of managing and growing both public and private exploration and production companies. His diverse and extensive background in the US oil and gas industry covers all aspects of operations, including exploration, business development, acquisitions and divestures, corporate and project management, financial and economic analysis, field operations, production and extensive experience in drilling and completions.

Mr Whisler joined Delek Energy US and Elk Companies in July 2008 as the Vice President of Operations, was promoted to Chief Operating Officer in January of 2009, and was then promoted to Chief Executive Officer in May 2010. He served as Chief Executive Officer until 2011 when he was personally responsible for the divesture of all the US assets in multiple transactions, in order to assist the parent company in funding the new natural gas discoveries off the coast of Israel with

Noble Energy. While at Delek, Mr Whisler was responsible for acquiring multiple assets in the USA, designing and implementing work-over plans and re-completions, and optimising production in multiple mature fields.

Mr Whisler is also a member of the Society of Petroleum Engineers. He has served on several non-profit company boards and advisory teams.

16. MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's directors held during the12 month period ended 31 December 2021, and the number of meetings attended by each director.

	Board Meetings Number Eligible to attend	Board Meetings Number attended
Matthew McCann	8	8
Simon Adams	8	8
Gerry McGann	8	7
John Hannaford	7	7
John Whisler	1	-

No Audit and Risk Committee meetings were convened during the period, however the Board underwent a comprehensive risk review process during the project due diligence review period in preparation for relisting the Company and preparation of the relisting Prospectus.

REMUNERATION REPORT

(Audited)

This Remuneration Report outlines the director and executive remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group. Based on this definition the KMP of Eon NRG Limited are the directors of the Company. No performance reviews of Directors or executives remuneration were undertaken in the period.

Details of Key Management Personnel

Directors

Matthew McCann	Non-Executive Chairman
Gerard McGann	Non-Executive Director
John Hannaford	Non-Executive Director
Simon Adams	Non-Executive Director
John Whisler	Managing Director (Retired 24 December 2020), Non-Executive Director (Retired 30 March 2021)

Lachlan Reynolds (Non-Executive Director) was appointed after the reporting date and before the date the annual financial report was authorised for issue.

Remuneration Philosophy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives; and
- Link executive rewards to shareholder value.

During the current reporting periods, the Company has limited its full time employees to preserve cash. The Company is intending to transition from its previous core activity of oil and gas exploration and production to mineral exploration. Due to the early stage of development which the Company is in, shareholder wealth is directly affected by the Company share price, as the Company is not in a position to pay dividends. By remunerating Directors and Executives in part by share based payments, the Company aims to align the interests of Directors and Executives with Shareholder wealth, thus providing individual incentive to perform and thereby improving overall Company performance and associated value.

As the Company has been incorporated since 13 November 2020 and remains in the development stage of an inherently risky industry, the remuneration policy does not currently take into account current or prior year earnings. Other than share based payments made to the directors from time to time, there is no specific link to the Company's performance and directors' remuneration.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors to the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate directors' fees payable to non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. Aggregate maximum directors' fees payable of $350,000 per year has been approved by shareholders.

The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Cash fees for non-executive directors are not linked to the performance of the Company or shareholder wealth.

All remuneration paid to Non-Executive Directors is valued at cost to the Company and expensed.

The remuneration of Non-Executive Directors for the years ended 31 December 2021 is detailed below, within this section.

Executive remuneration

Objective

The Company aims to reward executives (both directors and company executives) with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Reward executives for Company performance;
- Align the interest of executives with those of shareholders; and
- Ensure total remuneration is competitive by market standards.

Structure

The remuneration policy for executives is to provide a fixed remuneration component and a specific equity related component. The board believes that this remuneration policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate in aligning director objectives with shareholder and business objectives.

The remuneration policy going forward in regard to setting the terms and conditions for the executive directors has been developed by the board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

Fixed Remuneration

Objective

The level of fixed remuneration is set so as to provide a base level of remuneration.

Fixed remuneration is to be reviewed annually and the process consists of a review of company and individual performance, relevant comparative remuneration in the market and internal policies and practices.

Structure

Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

The remuneration policy going forward in regard to setting the terms and conditions for the executive directors has been developed by the board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

The remuneration of executives for the period ended 31 December 2021 is detailed below, within this section.

Variable Remuneration

Objective

The objective of variable remuneration provided is to reward executives in a manner which aligns this element of remuneration with the creation of shareholder wealth.

Structure

Variable remuneration may be delivered in the form of options, shares or cash bonus. No cash bonuses were granted or paid during the period ended 31 December 2021.

Executives receive a superannuation guarantee contribution required by the government, which is currently 10% and do not receive any other retirement benefit. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

Employment Contracts

Executive Directors

Mr John Whisler was the Managing Director up to 24th December 2020 and remained on as a non-executive director of the Company until his retirement on 30 March 2021. He did not receive any salary or benefits for executive services after his role as Managing Director ceased in December 2020.

Mr Simon Adams continues in the role of Chief Financial Officer and Company Secretary, but his salaried position was terminated in May 2020. He has continued to perform duties on an ad hoc basis to ensure that administration and compliance functions are carried out. Mr Adams is remunerated based on time to perform the various compliance, administration and finance duties but will not be paid until re-compliance and re-listing of the Company is completed. Mr Adams was not paid and continues not to be paid for director responsibilities.

Non Executive Directors

Mr McCann, Mr Hannaford and Mr McGann were not paid any director fees during 2021. Mr McCann and Mr McGann received a portion of their director fees in the first quarter of 2020. Mr McCann and Mr McGann have provided consulting services for various functions during 2021. These consulting fees have been accrued but will not be paid until re-compliance and re-listing of the Company is completed.

Key Management Personnel Remuneration

2020	Short term employee benefits		Post-employment benefits	Share based payments	Total	% Performance-based
KMP Name	**Salary/ Consultancy**	**Other benefits**	**Superannuation**			
Non-Executive Directors						
Matthew McCann	20,996	-	-	35,399	56,395	-
Gerard McGann	18,459	-	1,754	23,306	43,519	-
Executive Directors						
John Whisler	435,403	39,958	17,091	80,013	572,464	-
Simon Adams	67,685	469	6,431	61,282	135,866	-
Total	542,543	40,427	25,276	200,000	808,246	-

Key Management Personnel Remuneration (Cont.)

2021	Short term employee benefits		Post-employment benefits	Share based payments	Total	% Performance-based
KMP Name	Salary/ Consultancy	Other benefits	Superannuation			
Non-Executive Directors						
Matthew McCann	61,657	-	-	-	61,657	-
Gerard McGann	-	-	-	-	-	-
John Hannaford	-	-	-	-	-	-
Executive Directors						
John Whisler	5,812	-	-	-	5,812	-
Simon Adams	34,410	-	-	-	34,410	-
Total	101,879	-	-	-	101,879	-

Additional Disclosures Relating to Key Management Personnel

Shareholding

The number of shares in the company held during the financial year by KMP of the consolidated entity, including their personally related parties, is set out below:

2020	Balance at 1/1/2020	Purchased/ Sold	Remun-eration	Issued/ vested	Balance at 31/12/2020
Non-Executive Directors					
Matthew McCann	10,511,437	-	-	-	10,511,437
Gerard McCann	27,415,004	-	-	-	27,415,004
John Hannaford	-	-	-	-	-
Executive Directors					
John Whisler	7,865,100	-	-	-	7,865,100
Simon Adams	2,650,680	-	-	-	2,650,680
Total	48,742,221	-	-	-	48,742,221

2021	Balance at 1/1/2021	Purchased/ Sold	Remun-eration	Issued/ vested	Balance at 31/12/2021	Balance at Reporting Date
Non-Executive Directors						
Matthew McCann	10,511,437	-	-	-	10,511,437	10,511,437
Gerard McCann	27,415,004	-	-	-	27,415,004	27,415,004
John Hannaford	-	-	-	-	-	-
Executive Directors						
John Whisler	7,865,100	-	-	2,000,000[1]	9,865,100	9,865,100
Simon Adams	2,650,680	-	-	750,000[1]	3,400,680	3,400,680
Total	48,742,221	-	-	2,750,000	48,492,221	48,492,221

1. Employee rights converted to share entitlement on termination of employment.

Option/Rights holding

The number of options over ordinary shares in the company held during the financial year by KMP of the consolidated entity, including related parties, is set out below:

2020	Type	Balance at 1/1/2020	Purchased/ Sold/ Expired	Remun-eration	Exercised/ charged	Balance at 31/12/2020
Non-Executive Directors						
Matthew McCann	Options	2,985,063	-	-	-	2,985,063
	Rights	-	-	35,399,000[1]	-	35,399,000
Gerard McCann	Options	-	-	-	-	-
	Rights	-	-	23,306,000[1]	-	23,306,000
John Hannaford	Rights	-	-	-	100,000,000[2]	100,000,000
Executive Directors						
John Whisler	Options	1,000,000	-	-	-	1,000,000
	Rights	2,000,000	-	80,013,000[1]		82,013,000
Simon Adams	Options	650,000	-	-	-	650,000
	Rights	750,000	-	61,282,000[1]		62,032,000
Total		7,385,063	-	200,000,000	100,000,000	307,385,063

Option/Rights holding (Cont.)

2021	Type	Balance at 1/1/2021	Purchased/ Sold/ Expired	Remun-eration	Exercised/ charged	Balance at 31/12/2021	Balance at Reporting Date
Non-Executive Directors							
Matthew McCann	Options	2,985,063	(2,985,063)[3]	-	-	-	-
	Rights	35,399,000	-	-	-	35,399,000	35,399,000
Gerard McCann	Options	-	-	-	-	-	-
	Rights	23,306,000	-	-	-	23,306,000	23,306,000
John Hannaford	Rights	100,000,000	-	-	10,000,000[4]	110,000,000	115,000,000[6]
Executive Directors							
John Whisler	Options	1,000,000	(1,000,000)[3]	-	-	-	-
	Rights	82,013,000	-	-	(2,000,000)[5]	80,013,000	80,013,000
Simon Adams	Options	650,000	(650,000)[3]	-	-	-	-
	Rights	62,032,000	-	-	(750,000)[5]	61,282,000	61,282,000
Total		307,385,063	(4,635,063)	-	(7,250,000)	310,000,000	315,000,000

1. Entitlement to shares at $0.001 per share based on compensation due for fees and entitlements payable in shares subject to successful relisting of the Company's shares on ASX and Shareholder approval (Refer note 7.4).
2. $100,000 convertible not convertible at $0.001 per share with a free attaching option for every note converted to shares at the time of relisting.
3. Listed options expired 22 February 2021.
4. Interest on Convertible Notes ($100,000) at 10% per annum (2021 - $10,000 interest) convertible to shares at $0.001 per share.
5. Entitlement to shares (rights) deemed to be vested at termination of employment by the Company.
6. Assumption of additional six months of interest at 10% on convertible note balance ($100,000) convertible to shares at $0.001 per share up to June 2022.

Use of Remuneration Consultants

The company did not use the services of any remuneration consultants during the year.

Transactions with key management personnel

Mr Hannaford joined the Board in March 2021. Mr Hannaford is a director and shareholder of Rockford Partners which has provided corporate advisory services to the Company at a rate of $10,000 per month since December 2020. These fees have been accrued but have not been paid during the financial period and will not be paid until re-compliance and re-listing of the Company is completed.

From January 2022, the Company has entered into an agreement to rent office space from Rockford Partners at an arms-length rate. The rental agreement has no fixed term and is payable monthly at a rate of $700 per desk per month. At the time of this report, the Company was renting two desks for consultants and executives to use.

During the period ended 31 December 2021, there were no other services provided to the Company by any KMP.

Loans with KMP

As at 31 December 2021 the following unsecured loans were outstanding with KMP:

KMP	Loan Amount
John Hannaford	$27,500
Simon Adams	$11,000

END OF AUDITED REMUNERATION REPORT

Signed in accordance with a resolution of the directors.

John Hannaford
Director
28 June 2022

BUTLER SETTINERI
Real People. Better Business

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Eon NRG Limited for the year ended 31 December 2021, 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.

This declaration is in respect of Eon NRG Limited and the entities it controlled during the year.

BUTLER SETTINERI (AUDIT) PTY LTD

MARCIA JOHNSON CA
Director

Perth
Date: 28 June 2022

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Butler Settineri (Audit) Pty Ltd
RCA No. 289109 ABN 61 112 942 373
Liability limited by a scheme approved under Professional Standards Legislation

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Period Ended 31 December 2021

	Note	2021 $	2020 (Restated)* $
Continuing operations			
Income/(Expenses)			
Administration services	*3.1*	(429,120)	(362,257)
Interest and finance expense	*3.1*	(22,062)	(395)
Foreign Exchange gain/(loss)		(5)	16,492
Other income	*3.1*	16,511	27,518
Loss before income tax expense		(434,676)	(318,642)
Income tax expense	*3.4*	-	-
(Loss) after tax for continuing operations		**(434,676)**	**(318,642)**
Discontinued operations			
Profit from discontinued operations	*3.2*	-	1,453,641
Profit/(Loss) for the year		**(434,676)**	**1,134,999**
Loss per Share for Loss attributable to the Ordinary Equity Holders of the Company			
		Cents	**Cents**
Basic and diluted (loss) per share (cents per share) for **continuing** operations attributable to the shareholders of the Company	*3.5*	(0.056)	(0.041)
Basic and diluted loss per share (**cents** per share) attributable to the shareholders of the Company	*3.5*	-	-
Basic and diluted profit per share (cents per share) for **discontinued** operations attributable to the shareholders of the Company	*3.5*	-	0.189
Basic and diluted loss per share (**cents** per share) attributable to the shareholders of the Company	*3.5*	-	0.124

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

** See Note 1.3 for detail regarding the restatement as a result of the change in accounting policy.*

Consolidated Statement of Financial Position
As at 31 December 2021

	Note	2021 $	2020 (Restated) $	1 January 2020 (Restated)* $
Assets				
Current assets				
Cash and cash equivalents	*4.1*	1,541	15,590	2,652,610
Trade and other receivables	*4.3*	13,157	4,607	773,964
Inventories		-	-	95,215
Total current assets		14,698	20,197	3,521,789
Non-current assets				
Other financial assets		-	-	998,958
Oil and gas properties		-	-	9,734,329
Exploration and evaluation expenditure	*2.1*			
Continuing operations		111,994	102,480	98,732
Discontinued operations		-	-	1,272,429
Property, plant and equipment	*2.2*	-	-	587,210
Right of use asset		-	-	85,579
Total non-current assets		111,994	102,480	12,777,237
Total assets		126,692	122,677	16,299,026
Liabilities				
Current liabilities				
Trade & other payables	*4.4*			
Continuing operations		432,540	53,588	102,808
Discontinued operations		-	-	2,868,815
Loans	*4.5*	39,192	-	8,996,080
Provisions		-	-	269,853
Lease liabilities		-	-	92,058
Total current liabilities		471,732	53,588	12,329,614
Non-current liabilities				
Provisions		-	-	5,411,079
Lease Liabilities		-	-	8,710
Total non-current liabilities		-	-	5,419,789
Total liabilities		471,732	53,588	17,749,403
Net assets		**(345,040)**	**69,089**	**(1,450,377)**
Equity				
Issued share capital	*5.1*	27,375,608	27,375,608	27,375,608
Convertible Notes	*5.3.1*	273,906	253,359	-
Shares to be issued – Debt shares	*5.3.2*	200,000	200,000	-
Reserves	*5.3.3*	389,925	389,925	458,817
Accumulated loss		(28,584,479)	(28,149,803)	(29,284,802)
Total equity attributable to shareholders of the Company		**(345,040)**	**69,089**	**(1,450,377)**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

** See Note 1.3 for detail regarding the restatement as a result of the change in accounting policy.*

Consolidated Statement of Changes in Equity
For the Period Ended 31 December 2021

	Note	Contributed equity	Convertible Notes	Shares to be issued	Accumulated losses	Foreign Currency Reserve	Share Option Reserve	Total equity
		$	$	$	$		$	$
At -1 January 2020 (Restated)		27,375,608	-	-	(29,284,802)	68,892	389,925	(1,450,377)
(Loss) for the year		-	-	-	1,134,999	-	-	1,134,999
Other Comprehensive Income		-	-	-	-	-	-	-
Total comprehensive loss for the year		-	-	-	1,134,999	-	-	1,134,999
Transactions with owners in their capacity as owners and other transfers:								
Issue of Convertible Notes with interest		-	253,359	-	-		-	253,359
Reversal of FX reserve on sale of US assets		-	-	-	-	(68,892)	-	(68,892)
Recognition of debt shares		-	-	200,000	-	-	-	200,000
		-	253,359	200,000	-	(68,892)	-	384,467
At 31 December 2020 (Restated)		**27,375,608**	**253,359**	**200,000**	**(28,149,803)**	**-**	**389,925**	**69,089**

	Note	Contributed equity	Convertible Notes	Shares to be issued	Accumulated losses	Foreign Currency Reserve	Share Option Reserve	Total equity
		$	$	$	$		$	
At 31 December 2020		**27,375,608**	**253,359**	**200,000**	**(28,149,803)**	**-**	**389,925**	**69,089**
(Loss) for the year		-	-	-	(434,676)	-	-	(434,676)
Other Comprehensive Income		-	-	-	-	-	-	-
Total comprehensive loss for the year		-	-	-	(434,676)	-	-	(434,676)
Transactions with owners in their capacity as owners and other transfers:								
Recognition of Convertible Notes interest		-	20,547	-	-	-	-	20,548
		-	20,547	-	-	-	-	20,548
At 31 December 2021		**27,375,608**	**273,906**	**200,000**	**(28,584,479)**	**-**	**389,925**	**(345,040)**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
For the Period Ended 31 December 2021

Continuing Operations:

	Note	2021 $	2020 (Restated)* $
Cash flows from operating activities			
Proceeds from COVID-19 subsidies		16,511	23,833
Payments to suppliers and employees		(60,010)	(284,221)
Net cash (outflow) from operating activities	*4.2*	(43,499)	(260,388)
Cash flows from investing activities			
Payments for exploration and evaluation activities		(9,050)	(3,748)
Net cash (outflow) from investing activities		(9,050)	(3,748)
Cash flows from financing activities			
Proceeds from issue of convertible notes	*5.3.1*	-	200,000
Proceeds from borrowings	*4.5*	38,500	-
Net cash inflow from financing activities		38,050	200,00
Net cash received/(paid) from Continuing operations		(14,049)	(64,136)

Discontinued Operations:

	Note	2021 $	2020 (Restated) $
Cash flows from operating activities			
Payments from customers		-	2,239,932
Payments to suppliers and employees		-	(4,174,774)
Interest received		-	24,575
Other income		-	127,760
Interest paid		-	(3,305)
Production tax paid		-	(216,846)
Net cash (outflow) from operating activities	*4.2*	-	(2,002,657)
Cash flows from investing activities			
Oil and gas development expenditure		-	(80,942)
Exploration expenditure		-	(783,590)
Net cash (outflow) from investing activities		-	(864,532)
Cash flows from financing activities			
Proceeds from borrowings		-	196,479
Assignment of overdraft		-	97,549
Interest		-	275
Net cash inflow from financing activities		-	294,303
		-	
Net cash received/(paid) from Discontinued operations		-	(2,572,886)
Net increase/ (decrease) in cash and cash equivalents		(14,049)	(2,637,022)
Exchange difference on cash balances held		-	2
Cash and cash equivalents at the beginning of the year		15,590	2,652,610
Cash and cash equivalents at the end of the year	*4.1*	1,541	15,590

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

** See Note 1.3 for detail regarding the restatement as a result of the change in accounting policy.*

1. Basis of preparation

The annual report of Eon NRG Limited for the period ended 31 December 2021 was authorised for issue in accordance with a resolution of the directors on 28 June 2022.

1.1. Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Eon NRG Limited is a for-profit entity for the purpose of preparing the financial statements.

1.2. Basis of Measurement

The financial report has been prepared on a historical cost basis.

1.3. Change in Functional and Presentation Currency

Functional Currency

In December 2020, the Company completed a workout agreement with ANB Bank which resulting in all of its core US based oil and gas production assets being assigned to the bank. Consequently, the Directors have determined that the functional currency of the Company and all its subsidiaries is Australian dollars (AU$) effective 1 January 2021. The change in functional currency has been applied prospectively with effect from 1 January 2021 in accordance with the requirements of the Accounting Standard (*AASB121 The Effects of Changes in Foreign Exchange Rates*). To give effect to the change in functional currency, the assets and liabilities of entities with a United States (US$) functional currency at 1 January 2021 were converted into AUS$ at a fixed exchange rate of US$0.7702: AU$1.00.

Presentation Currency

Following the change in functional currency, the Company changed its presentation currency from US$ to AU$. The change in presentation currency is to provide comparable information to users and better reflect the Group's business activities. Prior to the change, the Company reported its financial statements in US$. A change in presentation currency is a change in accounting policy which is accounted for retrospectively. In making this change in presentation currency, the Company followed the requirements set out in *AASB 121 The Effects of Changes in Foreign Exchange Rates*. As required by *AASB 121*, the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for each period have been translated into the presentation currency using the average exchange rates prevailing during each reporting period. All assets and liabilities have been translated using the exchange rate prevailing at the consolidated statement of financial position dates. Shareholders' equity transactions have been translated using the rates of exchange in effect as of the dates of the various capital transactions. All resulting exchange differences arising from the translation are included as a separate component of other comprehensive income. All comparative financial information has been restated to reflect the Company's results as if they had been historically reported in AU$.

1.4. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Eon NRG Limited ('company' or 'parent entity') as at 31 December 2021 and the results of all subsidiaries for the period then ended. Eon NRG Limited and its subsidiaries together are referred to in this financial report as the group or the consolidated entity.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

A list of controlled entities is contained in note 6.1.1 to the financial statements.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

1.5. Going Concern

The financial report has been prepared on a going concern basis which contemplates that as at the report balance date, it was likely that there would be continuity of normal business activity and realisation of assets and the settlement of liabilities in the normal course of business.

However, there are events that have occurred during the financial period which creates a material uncertainty with regards to the Group's ability to continue to operate on this basis. In 2020, the Company sold and assigned the assets from which it generated revenue that contributed towards the payment of operating and administrative costs for the Group. However, the sale of these assets has cleared all of its debt obligations which has placed the Group in a strong position to raise additional new equity to acquire and develop new assets.

As at the date of this report, the Company has received approval from ASX to undertake a recapitalisation of the and raise capital through the issue of new shares (see note 8.1). Subject to processing of legal requirements, the placement is expected to close in July 2022 and the Company expects to have its securities readmitted and successfully listed on ASX by 29 July 2022.

The Company's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments and the Board believes it will have sufficient funding in place to meet its operating objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- the cash balance of the Company relative to its fixed and discretionary expenditure commitments;
- given the Company's market capitalisation and the underlying prospects for the Company to raise further funds from the capital markets;
- The Company has secured support from a Lead Manager to raise the required new equity and it enjoys the support of investors who have provided recent funding by way of new Convertible Notes; and
- the fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Company's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Company's working capital.

Should the Group not be able to execute the strategies set out above, the Group may not be able to meet its debts as and when they fall due and thus continue as a going concern.

1.6. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant accounting judgements

The determination of mineral resources impacts the accounting for asset carrying values. Eon NRG Limited estimates its mineral resources in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the 'JORC' Code). The information on mineral resources was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the mineral resources determined under the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources, and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Significant accounting estimates and assumptions

Exploration and evaluation expenditure

Exploration and evaluation expenditure is assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation expenditure is assessed for indicators of impairment in accordance with *AASB 6 Exploration for and Evaluation of Mineral Resources* when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration and/ or evaluation of mineral resources in the specific area are not budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated, an assessment is performed for each cash generating unit that is no larger than the area of interest. The Group performs impairment testing in accordance with accounting policy note 2.3.

Judgement is applied when considering whether fact and circumstances as per above indicate that the exploration and evaluation asset should be tested for impairment and no impairment indicators were noted during the period.

1.7. Share based payments

The consolidated entity measures the cost of equity-settled transactions with employees (including directors) by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

1.8. Discontinued Operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the group and which:

- Represents a separate major line of business or geographic area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

2. Capital Expenditure

2.1. Exploration & Evaluation Expenditure

Exploration and evaluation costs are capitalised as incurred by the Group. Costs related to the acquisition of properties that contain mineral resources are capitalised and allocated separately to specific areas of interest. These costs are capitalised until the viability of the area of interest is determined.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

	2021	2020
Exploration and evaluation	111,994	102,480

Opening Balance	102,480	98,732
Movement:		
Expenditure incurred	9,514	9,679
Acquisition of tenements	-	-
FX Movement	-	(5,931)
Closing balance	**111,994**	**102,480**

2.2. Property Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on either the straight-line basis or diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used are as follows:

Computer equipment and software	40%- 100%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of profit or loss and other comprehensive income.

	2021	2020
Computer Equipment - Cost	7,789	7,798
Accumulated depreciation	(7,798)	(7,789)
Net carrying amount	-	-

2.3. Impairment of assets

Eon NRG Limited conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which 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 purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

No impairment indicators were noted for the period ended 31 December 2021.

3. Financial Performance

3.1. Continuing operations

Expenses:

	2021 $	2020 $
Administration services		

	2021 $	2020 $
Compliance	(171,916)	(97,042)
Administration expenses	(10,096)	(14,873)
Marketing	(1,393)	(5,794)
Occupancy	(7,740)	(2,157)
Consulting	(227,616)	-
Depreciation	-	(8,632)
Insurance	(2,318)	(33,857)
Share based payments	-	(53,359)
Other	(8,042)	(9,156)
	(429,120)	(224,870)
Employee expenses		
Salaries, wages and director fees	-	(128,551)
Superannuation	-	(8,712)
Other employee taxes and benefits	-	(124)
	-	(137,387)
Total administration services	(429,120)	(362,257)
Finance costs		
Interest and finance charges	(22,062)	(395)
Income:		
Govt COVID-19 supplements	16,511	27,518

3.2. Discontinued operations

	2021 $	2020 $
Revenue		
Sales revenue from oil, gas and NGL's	-	2,239,932
Revenue – other	-	113,132
	-	2,353,064
Cost of sales		
Lease operating expenses	-	(1,436,627)
Production taxes	-	(168,870)
Amortisation and depreciation	-	(406,907)
Rehabilitation provision movements	-	(410,091)
Exploration expenses	-	(30,000)
Gain on sale	-	12,248
Other costs	-	(96,593)
	-	(2,536,840)

3.2 Discontinued operations (Cont.)

	2021 $	2020 $
Administration services		
Compliance	-	(96,280)
Administration expenses	-	(95,046)
Occupancy	-	(526)
Depreciation	-	(73,192)
Insurance	-	(230,774)
Foreign exchange gain	-	374,884
Other	-	(25,137)
	-	(1,036,513)
Employee expenses		
Salaries and wages	-	(537,470)
Superannuation	-	(11,813)
Other employee taxes and benefits	-	(157,343)
	-	(706,626)
Finance costs		
Interest and finance charges	-	(370,012)
Other income/expenses		
Impairment of assets	-	(34,824)
Gain on sale of Silvertip Oilfield	-	2,990,604
Interest income	-	10,300
Loss on assignment of assets in workout agreement with ANB Bank	-	(104,231)
Other	-	(1,683)
	-	2,860,166
Profit from discontinued operations	**-**	**1,453,641**

3.3. Segment Information

The Group has determined that it operates in one operating segment, being and this is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources in the Group. Accordingly, the financial results of the segment are equivalent to the financial statements of the Group as a whole.

The Australian head office does not engage in business activities from which it generates or earn revenues. As a result, the Australian head office does not represent an operating segment.

3.4. Income Tax

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

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

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Eon NRG Limited and its wholly-owned Australian controlled entities have not implemented the tax consolidation legislation as of 13 November 2020. As a consequence, these entities are taxed as separate entities and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

3.4.1. The major components of income tax are:

	2021 $	2020 $
Current income tax	-	-
Deferred income tax	-	-

3.4.2. A reconciliation between tax expense and the product of accounting loss

	2021 $	2020 $
Accounting gain/(loss) before tax from continuing operations	(434,676)	1,134,999
Loss before income tax from discontinued operations	-	-
Accounting loss before income tax	(434,676)	1,134,999
At the Company's statutory income tax rate of 25% (2020 - 26%; USA subsidiaries - 21%)	(116,616)	221,452
Non-deductible expenses	5	1,010
Non-assessable amounts	-	-
DTA not brought to account as their realisation is not probable	110,770	(217,307)
	-	-
Income tax expense reported in the consolidated income statement	-	-
Income tax attributable to discontinued operations	-	-
	-	-

3.4.3. Deferred tax liabilities have not been recognised in respect of

	2021 $	2020 $
Exploration & Evaluation Expenditure	(86,119)	(133,690)
Prepayments	35	(8711)
	(86,119)	(142,401)

3.4.4. Deferred tax assets have not been recognised in respect of

	2021 $	2020 $
Provisions and accruals	68,704	70,216
Business related costs	(19269)	(20,735)
Carry forward revenue losses	-	-
	49,431	49,481

3.5. Profit/Loss Per Share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the period, adjusted for bonus elements in ordinary shares issued during the period.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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

	2021 $	2020 $
Loss attributable to ordinary shares from continuing operations	(434,676)	(318,642)
Profit attributable to ordinary shares from discontinued operations	-	1,453,641
Gain/(Loss) attributable to ordinary shareholders	(434,676)	1,134,999
Weighted average number of ordinary shares for the purpose of basic earnings per shares	769,888,934	769,888,934
Effect of shares issued during the period or still to be issued	400,547,945	400,547,945
Weighted average number of shares for period to 31 December	1,190,436,879	1,170,436,879
	Cents	**Cents**
(Loss) per share from **continuing** operations:		
Basic (**cents** per share)	(0.056)	(0.041)
Earnings per share from **discontinued** operations:		
Basic (**cents** per share)	-	0.189
Diluted (**cents** per share)	-	0.124

As at reporting date, there were $200,000 of convertible notes on issue which were entitled to be converted to shares at a conversion price of $0.001 per share (200 million shares). The convertible notes accrue interest at 10% per annum (2021 - $20,000; 2020 - $548) the interest is converted to shares at the same rate (2021 – 20 million shares; 2020 – 547,945 shares). There is also a debt of $200,000 to previous executives and directors that is to be settled through the issue of shares at the time of listing (200 million shares).

There have been no conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

4. Working Capital Management

4.1. Cash and Cash Equivalents

	2021 $	2020 $
Cash at bank and in hand	1,541	15,590

“Cash and cash equivalents“ includes cash on hand, deposits held at call with financial institutions and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

4.2. Cash flows from operating activities

	2021 $	2020 $
Profit/(Loss) for the period	(434,676)	1,134,999
Adjustments for:		
(Increase) / decrease in current receivables	(8,550)	601,646
Increase / (decrease) in trade & other payables	378,951	(2,050,681)
Increase / (decrease) in loan	21,240	337,612
Decrease in inventory	-	96,593
Increase in provisions	-	410,091
Increase/(decrease) in lease liabilities	-	10,339
Decrease in employee leave provision	-	(279,219)
Reversal of impairment	-	(2,914,722)
Amortisation	-	290,111
Depreciation	-	130,402
Share based payment	-	253,359
Loss on disposal of assets	-	104,231
Exchange differences	(464)	(387,807)
Net (cash used)/provided by in operating activities	(43,499)	(2,263,045)

4.3. Trade and Other Receivables

Trade receivables are initially recognised and carried at original invoice amount less allowance for expected credit loss. Trade receivables are due for settlement no more than 30 days from the date of recognition. A provision for impairment is made based on a forward-looking expected credit loss model in line the requirements of AASB 9. Bad debts are written off when identified.

	2021 $	2020 $
GST receivable	13,030	4,607
Prepayment	127	-
Total trade and other receivables	13,157	4,607

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the 31 December reporting dates under review are of good credit quality (refer to 5.5.1).

4.4. Trade and Other Payables

Trade and other payables are carried at amortised cost and represent liabilities for the goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days.

Current:	2021 $	2020 $
Trade payables – continuing operations	175,176	42,816
Accrued expenses – continuing operations	255,934	7,500
Other payables – continuing operations	1,430	3,272
Total trade and other payables	432,540	53,588

4.5. Interest Bearing Liabilities

	2021 $	2020 $
Current-		
Bank loan	-	-
Other loan	39,192	-
	39,192	-
Bank Loan opening balance	-	8,996,080
Loan advance	38,500	(196,479)
Interest and fees	692	370,012
Balance owing pre-assignment (2020)	-	9,169,613
Balance assigned to ANB bank as per Workover agreement	-	(9,169,613)
Closing balance	39,192	-

5. Funding and risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held. Ordinary shares are classified as equity.

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

5.1. Contributed Equity

Ordinary shares are classified as equity. Issued and paid-up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

	2021 $	2020 $
Contributed equity		
Issued capital	27,375,608	27,375,608
Total contributed equity	27,375,608	27,375,608

5.2. Movement in shares on issue

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of 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.

5.2.1. Ordinary Shares

	Date	Number of shares	Issue price cents	$
Balance 1 January 2020		769,888,934		27,375,608
New Shares issued		-	-	-
Balance at 31 December 2020		769,888,934		27,375,608
New Shares issued		-	-	-
Balance 31 December 2021		769,888,934		27,375,608

5.3. Reserves

5.3.1. Convertible Notes

AUD $200,000 of convertible notes were issued to three different entities in December 2020. The terms of the notes are as follows:

- The principal sums and interest accrued will not be repaid in cash, but will be converted into Ordinary Shares and Noteholder options subject to the completion of the necessary shareholder approvals and regulatory approvals as well as the Company obtaining the ASX Re-instatement condition. The Conversion date will be not later than 17 July 2022 or such date as may be agreed by the Company and the Noteholder. On this date, the whole of the Principal Sum advanced and interest accrued must be converted into ordinary shares and noteholder options.
- The Number of Ordinary Shares = (Principal Sum + Interest at 10% per annum) / Conversion Price (price at which capital is raised for re-compliance listing)
- The Number of Noteholder Options = Number of Ordinary Shares / 2. The exercise prices of the options is set at 50% above the price of the shares that are issued when capital is raised for the re-compliance listing and the expiry date is 3 years from Issue Date. These have been valued using a Black Scholes model with the following assumptions:
  - Market Price $0.02
  - Exercise Price $0.03
  - Term of Options 3 years
  - Risk Free Rate 1%
  - Volatility 100%

	Date	Number of shares	Issue price cents	$
Balance 1 January 2020		-		-
Convertible Notes Issued[1]	20-Dec-20	200,000,000	$0.001	200,000
Options issued with convertible notes[2]	20-Dec-20	-	-	53,358
Balance at 31 December 2020		200,000,000		253,358
Interest on convertible notes[3]	31-Dec-21	20,548,000	$0.001	20,548
Balance 31 December 2021		220,548,000		273,906

1. Convertible notes issued with conversion price of $0.001 per share, interest rate of 10% per annum. Notes to be converted to shares at the time that the Company relists on ASX and subject to shareholder approval.
2. Options valued based on Black Scholes model.
3. Interest for 6 days in December 202 (not accrued in 2020) and for 12 months in 2021.

5.3.2. Debt Shares

On 17 December 2020 outstanding employee entitlements (including consulting fees, accrued annual leave and redundancy provisions) were converted into AUD $200,000 of debt shares by way of deeds of settlement and release. The names and details of directors who are to receive compensation by way of these shares are as follows:

	2021 $	2020 $
Matthew McCann	35,399	35,399
John Whisler	80,013	80,013
Gerard McGann	23,306	23,306
Simon Adams	61,282	61,282
	200,000	200,000

	Date	Number of shares	Issue price cents	$
Balance 1 January 2020		-		-
Debt shares	20-Dec-20	200,000,000	$0.001	200,000
Balance at 31 December 2020		200,000,000		200,000
Debt shares		-		-
Balance at 31 December 2021		200,000,000		200,000

5.3.3. Reserves

	2021 Number	2020 Number
Balance at 1 January	389,925	458,817
Reversal of FX reserve on assignment of US assets	-	(68,892)
Balance at 31 December	389,925	389,925

5.3.4. Options

	2021 Number	2020 Number
Outstanding at 31 December		
Listed options	371,499,774	371,499,774
Expired or lapsed during the period	(371,499,774)	-
Outstanding at the end of the period	-	371,499,774
Exercisable at the end of the period	-	371,499,774

5.4. Capital risk management

When managing capital, management's 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.

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

5.5. Financial risk management

The Group's principal financial instruments comprise cash and short-term on-call deposits.

The main purpose of these financial instruments is to fund capital expenditure on the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. Being at an exploration stage, the Group has limited exposure to risks arising from its financial instruments.

Currently the Group does not have any exposure to commodity price risk or foreign currency risk. As the Group moves into development and production phases, exposure to commodity price risk, foreign currency risk and credit risk are expected to increase. The Board will set appropriate policies to manage these risks dependent on market conditions and requirements at that time.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1.

5.5.1. Credit risk

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the statement of financial position. The majority of cash and cash equivalents is held with one Australian Bank which has an AA- long-term credit rating from Standard and Poor's.

Wherever possible, the Group trades only with recognised, credit worthy third parties. There are no significant concentrations of credit risk within the Group. Since the Group trades only with recognised third parties, there is no requirement for collateral.

5.5.2. Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient funds to pay its debts as and when they become due and payable. The Group currently does not have major funding in place. However, the Group continuously monitors forecast and actual cash flows and the maturity profiles of financial assets and financial liabilities to manage its liquidity risk.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans if and when required.

Cash at bank and on hand, as set out in Note 4.1, is available for use by the Group without restrictions.

Financial liabilities of the Group at 31 December 2021 are expected to be settled within 6 months of year-end.

5.5.3. Market risk

(A) Price risk

The group is not exposed to equity securities price risk. The group is not exposed to commodity price risk. The sensitivity of movements in the price has not been disclosed as it is not material to the Group.

(B) Foreign currency risk

The group had exposure to foreign currency risk in 2020 when it held US$ denominated assets in USA prior to their disposal in December 2020. While the US assets were held, the Company's functional and reporting currency was US$ which mitigated the foreign currency disclosure risk. As at 31 December 2021, the Group has limited exposure to foreign currency balances and therefore is not exposed to currency risk in a material way.

(C) Interest rate risk

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax loss and equity would have been affected as shown. The analysis represents management's judgement of a reasonably possible movement.

	Carrying Amount	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Net Loss	Equity	Net Gain	Equity
31 December 2021	**$**	**$**	**$**	**$**	**$**
Cash and cash equivalents	1,541	(15)	15	15	(15)
Other current assets	13,017	(130)	130	130	(130)

Some of the Group's financial liabilities are interest bearing. Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

	Carrying Amount	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Net Loss	Equity	Net Gain	Equity
31 December 2021	**$**	**$**	**$**	**$**	**$**
Current liabilities	470,190	4,702	(4,702)	(4,702)	4,702

6. Group Structure

6.1. Basis of consolidation

6.1.1. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name of entity	Country of incorporation	Equity holding %
Incremental Oil & Gast USA Holdings, Inc.	United States	100
Incremental Oil & Gas (Silvertip), LLC	United States	100
Eon Cobalt, LLC	United States	100
Eon NRG Holdings, Inc.	United States	100

6.1.2. Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

6.2. Parent Entity Information

The following information relates to the parent entity, Eon NRG Limited. The information presented has been prepared using accounting policies that are consistent with those presented in the Notes to the Financial Statements.

	2021 $	2020 $
Current Assets	14,698	20,197
Non-current Assets	-	-
Total Assets	14,698	20,197
Current Liabilities	426,796	53,585
Non-current Liabilities	-	-
Total Liabilities	426,796	53,585
Equity		
Issued Capital	27,375,608	27,375,608
Director Debt Shares	200,000	200,000
Convertible Notes	273,906	253,359
Reserves	389,925	389,925
Accumulated Losses	(28,651,538)	(28,252,280)
Total Equity	(412,099)	(33,388)
Loss for the period	(112,570)	(337,965)
Other comprehensive income / (loss) for the period	-	-
Total comprehensive income / (loss) for the period	(112,570)	(337,965)

Eon NRG Limited has not issued any guarantees on behalf of subsidiaries.

7. Related Parties

7.1. Related Parties

Details relating to key management personnel, including remuneration paid, are included in the audited remuneration report section of the directors' report. The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2021 $	2020 $
Short term employee benefits	101,879	582,970
Post-employment benefits	-	25,276
Share based payments	-	200,000
Total compensation	101,879	808,246

7.2. Transactions with Other Related Parties

Mr Hannaford is a director and shareholder of Rockford Partners which has provided corporate advisory services to the Company at a rate of $10,000 per month since December 2020. These fees have been accrued but have not been paid during the financial period and will not be paid until re-compliance and re-listing of the Company is completed.

Consulting fees have been accrued for Directors in relation to work carried out in 2021 as follows:

Director	Amount Due $
Matthew McCann	61,657
Simon Adams	34,410
	96,067

There are no other transactions with related parties.

7.3. Related Party Loans

As at 31 December 2021 the following unsecured loans were outstanding with KMP:

KMP	Loan Amount
John Hannaford	$27,500
Simon Adams	$11,000

7.4. Share Based Payments

On 17 December 2020 outstanding employee entitlements (including consulting fees, accrued annual leave and redundancy provisions) were converted into AUD $200,000 of debt shares by way of deeds of settlement and release. These shares will be issued at the time of relisting of the Company on ASX and are subject to shareholder approval. The names and details of directors who are to receive compensation by way of these shares are as follows:

Director	Value $
John Whisler	80,013
Simon Adams	61,282
Matthew McCann	35,399
Gerard McGann	23,306
	200,000

There were no share based payments in 2021.

7.5. Employee Incentive Plan

There is no Employee incentive plan in place as at the date of this report.

7.6. Shares

No shares were issued to suppliers in exchange for services in the period ended 31 December 2021.

8. Other

8.1. Events occurring after the reporting period

Subsequent to the end of the financial year, Eon secured a portfolio of new exploration assets, targeting battery and precious metals, under a re-compliance plan that will see the Company's shares relist on the ASX. The Company received in principle approval from ASX for its re-compliance and it will seek Shareholder approval for the re-compliance.

On completion, the project acquisitions will result in a significant change in the nature and scale of the Company's current activities. A notice of meeting was sent to shareholders on 13 June to advise of a general meeting to be held on 13 July to approve a range of resolutions required to facilitate this recapitalisation program.

As part of the re-compliance the Company plans, subject to Shareholder approval, to raise up to $5.79M via:

(a) a placement under the company's 15% placement capacity to raise up to $115,483 (**Placement**);

(b) a convertible note issue to raise $500,000 with the notes converting to shares at the time of re-compliance at the re-compliance price (**Convertible Note Placement**);

(c) the acquisition of Monomatapa Coal Pty Ltd, a company with $625,000 in cash reserves; and

(d) the re-compliance capital raising of $4.5M (**Public Offer**), coupled with an offer of options to raise an addition $50,000. Existing Shareholders will be offered to participate in a $1M priority offer in the Public Offer.

CPS Capital Limited (**CPS**) has agreed to be the Lead Manager under a mandate with the Company to assist on a best endeavours basis in raising the above capital.

In addition to the above capital raisings, the Company intends to complete the following corporate actions as part of its re-compliance plan:

(a) hold a Shareholder meeting to approve the re-compliance plan and associated issues of securities;

(b) consolidate its capital on a 1:20 basis, bringing the Shares on issue post 15% Placement to 44,268,614 with a share price of $0.02 (**Consolidation**);

(c) issue of Options under the Placement (participants in the Placement will receive a 1 for 1, 3 year Option at a 50% premium to the re-listing price, the issue of which is subject to Shareholder approval) (**Placement Options**);

(d) settle debts owed to current and previous Directors to the value of $317,804 via the issue of Shares to the value of $200,000;

(e) issue previous employees 661,942 Shares owing under their previous employee agreements;

(f) convert related party and unrelated party convertible notes to the value of $730,000, convertible to both Shares and Options;

(g) issue of 60,000,000 Shares at the re-listing price of $0.02 and 26,250,000 Options exercisable at a 50% premium to the re-listing price with an expiry date of three years from re-compliance listing date, in consideration for the Project Acquisitions (refer to Annexure B for details);

(h) acquire 100% of the issued shares in Monomatapa Coal Pty Ltd (**MCPL**) in consideration for the issue of 31,250,000 Company Shares to MCPL shareholders in order for the Company to access additional cash on hand of $625,000 (refer to Annexure C for details of the acquisition agreement);

(i) issue Options to Directors on the following terms:

   (i) 10,000,000 Options exercisable at a 50% premium to the re-listing price and expiring 3 years from the relisting date; and

   (ii) 10,000,000 Options exercisable at a 100% premium to the re-listing price and expiring 4 years from the relisting date; and

(j) issue $250,000 worth of Shares to nominees of CPS at $0.02 with a 1 for 1, 3 year Option exercisable at a 50% premium to the re-listing price, forming part of the consideration under the lead manager mandate;

(k) adopt an Employee Share Option Plan and new Constitution; and

(l) Change the Company's name to Voltaic Strategic Resources Ltd.

8.2. Commitments

The Group has no commitments in place in relation to its exploration assets.

8.3. Contingent assets and liabilities

The Group had no contingent assets or liabilities as at 31 December 2021.

Subsequent to the end of the reporting period, Eon NRG Ltd has entered into purchase option agreements with various counterparties to acquire a number of granted and applied-for mining tenements in the Gascoyne and Meekatharra regions of WA. The terms of the option agreements that are in place as at the date of this report are summarised below.

Tenement Holder: Jindalee Resources Ltd (Jindalee)
Tenements: 80% interest in E51/1909, E51/1946, P51/3145, P51/3146, P51/3147

- Option Fees: $30,000 option fee expiring 6months from execution date payable to Jindalee, and a further $30,000 fee to extend the notice by 6 months
- Consideration: the following consideration was agreed upon exercising of the option -
  - $150,000 of ordinary shares (post-consolidation) in the capital of Eon NRG Ltd upon re-listing on the ASX
  - Up to $25,000 in cash as reimbursement of previous expenditure in developing the Jindalee Resources Tenements
- Free Carried Interest - From settlement, until the Company completes a bankable feasibility study (BFS) in respect of all or any part of the Jindalee tenements, Jindalees' interest in each of the Jindalee Resources Tenements (being 20%) will be free carried up to the date of completion of the BFS, and Jindalee will not be responsible for contributing their percentage share of the Jindalee's tenement costs up until the date of completion of the BFS.

Tenement Holder: Nuclear Energy Resources Pty Ltd (Nuclear)
Tenement: 100% interest in E09/2414

- Option Fees: $15,000 option fee expiring 6months from execution date payable to Nuclear. Nuclear has agreed to provide the Company with receipts and invoices to substantiate exploration expenditure on the Tenement to an amount equal to the Option Fee. Nuclear agrees that should it not be able to verify that it has expended an amount equal to the Option Fee on the Tenement, then it will refund that portion of the Option Fee that cannot be verified against Tenement expenditure back to the Eon.
- Consideration: - the following consideration was agreed upon exercising of the option:
  - $100,000 of ordinary shares (post-consolidation) in the capital of Eon NRG Ltd upon re-listing on the ASX

Tenement Holder: Arabella Resources Pty Ltd (Arabella)
Tenement: 100% interest in E51/2057 and E51/2022

- Option Fees: $20,000 option fee (being an early repayment of a portion of the reimbursable expenditure) expiring 6months from execution date payable to Arabella.
- Consideration: - the following consideration was agreed upon exercising of the option:
  - $100,000 of ordinary shares (post-consolidation) in the capital of Eon NRG Ltd upon re-listing on the ASX
  - 1 for 1 unlisted options with an exercise price equal to 150% of the price of shares being issued as part of the Company's re-compliance capital raising (expiring 3 years from listing)

Tenement Holder: Beau Resources Pty Ltd (Beau)
Tenement: 100% interest in E09/2663, E09/2669, E08/3303, E08/3420, E09/2503, E09/2522, E09/2470 and E08/3314

- Option Fees: $60,000 option fee (being an early repayment of a portion of the reimbursable expenditure) expiring 4 months from execution date payable to Arabella.
- Consideration: - the following consideration was agreed upon exercising of the option:
  - $850,000 of ordinary shares (post-consolidation) in the capital of Eon NRG Ltd upon re-listing on the ASX
  - 1 for 2 unlisted options with an exercise price equal to 150% of the price of shares being issued as part of the Company's re-compliance capital raising (expiring 3 years from listing)
  - Royalty - two percent (2%) gross revenue royalty in respect of all mineral produced from the area within the boundaries of the Beau tenements, as those boundaries exist at settlement and the

Company will enter into a royalty agreement with Beau on the terms and conditions based on the AMPLA Model Royalty Deed when requested by Beau.

8.4. Remuneration of Auditors

	2021 $	2020 $
Amount received or due and receivable by the auditor for:		
Auditing the financial statements, including audit review - current period audits	47,403	27,500
Non-Audit services	-	-
Total remuneration of auditors	47,403	27,500

8.5. New and revised accounting standards

Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2021. New and revised Standards and amendments thereof and Interpretations effective for the current period that are relevant to the Group include:

- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not yet issued in Australia.
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to AASB 3 – Reference to the Conceptual Framework
- AASB 2020-8 Amendments to AASs – Interest Rate Benchmark Reform

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Directors Declaration

In accordance with a resolution of the directors of Eon NRG Limited, I state that:

(1) In the opinion of the directors:

(a) the financial statements, notes and the additional disclosures included in the directors' report designated as audited, of the Group are in accordance with the *Corporations Act 2001* including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the period ended on that date; and

(ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(2) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

(3) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the period ended 31 December 2021.

On behalf of the Board.

John Hannaford
Director
28 June 2022

BUTLER SETTINERI
Real People. Better Business

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EON NRG LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Eon NRG Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion,

(a) the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

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

Material Uncertainty Related to Going Concern

Without qualifying our opinion above, we wish to draw your attention to Note 1.5 to the Financial Statements "Going Concern" on page 21 of the financial report.

The matters as set forth in the "Going Concern" note, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period.

These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Key Audit Matter	How we addressed the Key Audit Matter
Events occurring after the reporting period (*refer notes 8.1 and Directors' Report note 6)* Subsequent to the end of the financial year, EON NRG secured a portfolio of new exploration assets, targeting battery and precious metals, under a re-compliance plan that will see the Company's shares relist on the ASX. The Company received in principle approval from the ASX for its re-compliance and it will seek Shareholder approval for the re-compliance. On completion, the project acquisitions will result in a significant change in the nature and scale of the Company's current activities. A notice of meeting was sent to shareholders on 13 June 2022 to advise of a general meeting to be held on 13 July 2022 to approve a range of resolutions required to facilitate this recapitalisation program.	Our audit procedures included; • Reviewed agreements the Company entered into to secure the portfolio of new exploration assets and other related agreements relating to the proposed recapitalisation; and • Considered the adequacy of the Group's disclosures in the note to the financial report.
Change of Functional and Presentation Currency to Australian Dollars (*refer note 1.3)* During the year ended 31 December 2021 the Group elected to change it's functional currency from United States Dollars (''US$'') to Australian Dollars (''AU"$). In December 2020, the Group completed a workout agreement with ANB Bank which resulted in all of its core US based oil and gas production assets being assigned to the bank. Consequently, the Directors have determined that the functional currency of the Group is Australian dollars (AU$) effective 1 January 2021.	Our audit procedures included: • Reviewed management's assessment of the change in functional currency in accordance with AASB 121 *The Effects of Change in Foreign Exchange Rates*; • Recalculated the impact of the change in functional and presentation currency and verified that the appropriate foreign exchange rates were used. • Considered the adequacy of the Group's disclosures in the note to the financial report.

Following the change in functional currency, the Group also changed its presentation currency of the comparative information from US$ to AU$. A change in presentation currency is a change in accounting policy which is accounted for retrospectively and therefore comparative balances and transactions have been restated to provide comparable information and better reflect the Group's business activities in AU$.	

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Other Matter

We expressed a qualified audit opinion on the financial report for the year ended 31 December 2020. We were unable to obtain sufficient appropriate audit evidence to confirm the completeness and accuracy of expenses of US$2,047,201 and as well as the profit from discontinued operations of US$972,000 as disclosed in Note 5.3 to the financial statements for the year ended 31 December 2020.

This lack of evidence arose because third party and internal financial documentation were not provided to us by management. We were unable to perform alternative procedures to obtain sufficient evidence for our opinion. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

In the audit of the current year management provided the required information. We were therefore able to obtain sufficient appropriate audit evidence to confirm the completeness and accuracy of comparative expenses as disclosed in note 3.2 to the financial statements for the year ended 31 December 2021.

Responsibilities of the Directors 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 the Australian Accounting Standards and the Corporations Act 2001 and for 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.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the remuneration report included on pages 9 to 14 of the directors' report for the year ended 31 December 2021.

In our opinion, the remuneration report of Eon NRG Limited and its controlled entities, for the year ended 31 December 2021, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BUTLER SETTINERI (AUDIT) PTY LTD

MARCIA JOHNSON CA
Director

Perth
Date: 28 June 2022

Additional Shareholder Information – as at 25 June 2022

1. TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of each class of listed securities are listed below:

ORDINARY SHARES

Rank	Holder Name	Securities	%
1	ROOKHARP CAPITAL PTY LIMITED	30,000,000	3.90
2	MR WAYNE ROGER DIXON	23,214,469	3.02
3	MR MARK ALEXANDER BROUSEK & MRS RHONDA JOAN BROUSEK	21,500,000	2.79
4	MCGANN PTY LTD	20,940,640	2.72
5	MR JING HONG JIE	18,000,000	2.34
6	MRS ZI JUAN QI	15,000,000	1.95
6	MRS YAN WANG	15,000,000	1.95
7	MR RICHARD ANDREW STEDMAN & MRS JANICE CATHERINE STEDMAN	14,014,474	1.82
8	EQUITY T S PTY LTD	13,850,900	1.80
9	BNP PARIBAS NOMINEES PTY LTD	13,215,557	1.72
10	MERRIBROOK SUPER PTY LTD	12,000,000	1.56
11	MR PETER JAMES NIXON	11,000,000	1.43
12	MR PETER JOHN DOWLING	10,800,000	1.40
13	ROOKHARP CAPITAL PTY LIMITED	10,000,000	1.30
14	MATTHEW MCCANN	9,773,437	1.27
15	PLAN-1 PTY LTD	9,142,857	1.19
16	MRS GLORIA MARIA PHONG	8,142,857	1.06
17	MR PETER JOHN DOWLING & MRS JANET MARGARET DOWLING	8,000,000	1.04
18	ANDERBY QLD PTY LTD	7,750,000	1.01
19	STONNINGTON SECURITIES PTY LTD	7,000,000	0.91
20	MRS VAISHALI HIMANSHU PATEL	6,980,651	0.91
	Top 20 Total	**285,325,842**	3.02
	Total Remaining Holder Balance	**484,563,092**	2.79
	Total Shares on Issue	**769,888,934**	2.72

2. DISTRIBUTION OF EQUITY SECURITIES

Analysis of security by size holding:

Range	Securities	%	No. of holders	%
100,001 and Over	755,527,278	98.13	413	53.85
10,001 to 100,000	13,827,920	1.80	243	31.68
5,001 to 10,000	461,987	0.06	59	7.69
1,001 to 5,000	67,576	0.01	24	3.13
1 to 1,000	4,173	0.00	28	3.65
Total	769,888,934	100.00	767	100.00
Unmarketable Parcels	53,178,063	6.91	515	67.14

3. **SUBSTANTIAL SHAREHOLDERS**

There are no substantial shareholders who hold a relevant interest as disclosed in substantial notices given to the Company.

4. **UNQUOTED SECURITIES**

As at the date of this report, the Company was suspended from trading on ASX.

5. **VOTING RIGHTS**

The voting rights of the ordinary shares are as follows:

Subject to any rights or restrictions for the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representation more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents.

On a poll each eligible member has one vote for each fully paid share held.

There are no voting rights attached to any of the options that the Company currently has on issue. Upon exercise of these options, the shares issued will have the same voting rights as existing ordinary shares.

6. **ON-MARKET BUY BACK**

There is currently no on-market buy-back program for any of Eon NRG Limited's listed securities.

7. **MINERAL RESOURCES**

The Company has not announced any mineral resources at any of its projects as at the date of this report.