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ASX ANNOUNCEMENT
ASX: ENV

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29th October 2020

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 30 SEPTEMBER 2020

CORPORATE

No new corporate activity of significance.

Enova Mining Limited ("Enova", "the Company"), remains focused on the development of the Charley Creek rare earth project located in central Northern Territory, Australia.

FINANCE

On the 8th and 19th October 2020, two loans each being $50,000 respectively were entered into with EMMCO Sdn. Bhd. (a Malaysian incorporated company). The funds will be used to support ongoing operations and to complete laboratory test work on the Cattle Creek drill samples. The loans are unsecured, with interest of 15% per annum and a maturity date of 8th February 2021 and 9th February 2021, respectively. Enova Director, Mr Harun Halim Rasip, is a Director and Shareholder of EMMCO Sdn. Bhd.

The Company continues to investigate all available finance options, mindful of ASX and ASIC requirements. The Company is actively in discussions with investors and anticipates continued future funding by way of private placements.

The Company and its Board closely monitor and manage available funds to ensure adequate funds for creditors and expense commitments are in place.

PROJECT DEVELOPMENT STRATEGY

Background Information

Air-core drilling at Cattle Creek in 2019 provided the necessary drill hole coverage for both resource estimation and samples for metallurgical testing. In addition, the program seeks to explore new zones below alluvial coverage and at depth (generally less than 60 metres). The core program consisted of 105 vertical holes drilled to bedrock on a regular 15 (east-west) x 7 (north-south) grid with nominal dimensions of 200m x 400m per hole respectively. These holes were assayed upon drilling. A further 34 holes, drilled as infill and twinned holes for check purposes, have yet to be assayed.

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Assay results, below the alluvium horizon, have revealed localized elevated rare earth elements (REE) and scandium (Sc) grades, at the northern end of Cattle Creek within the weathered meta-sediment, saprolite and weathered bedrock horizons.

In April 2020, the Company commenced preliminary leach tests ('sighter tests') using samples held at Brisbane Metallurgical Laboratories (BML), Brisbane. Further leach tests are planned to commence in November 2020.

Based on this test work, we expect to develop a conceptual process flowsheet and estimate key project parameters and costs. This will allow Enova to assess its viability and to ascribe economic cut-off grade(s) to resource data and move forward with supporting resource reporting work.

Further details of our tests are provided in the Project Activity section of this report.

Our Strategy

Our strategy is to firstly identify and assess hydrometallurgical processes to recover REE and Scandium from higher-grade weathered horizons and assess the viability of derived concept options. This shall benefit the existing project concept or spawn a new project concept. This strategy seeks to benefit the project by:

1. Reducing the size/complexity of operations;
2. Improving product value; and
3. Reducing project capital

For this reason, the Board decided to prioritize this investigation, placing the current project concept temporarily on-hold and to secure funding for this development strategy.

The Company now intends to complete the following tasks, in order of priority:

1. Complete metallurgical tests.
   Based on findings from these trials, identify the most viable test combination with consideration of practical scalability. Test work must be of a confidence level that confirms 'reasonable' expectations for a selected process to be a commercial success;
2. Engage a consulting Metallurgist to peer-review on-going test work and confirm a conceptual design case and provide recommendations for further work.
3. Additional drill hole assay information will be available in November this year with samples in hand needed for metallurgical tests. Thereafter update the drilling database for resource modelling and significant results reporting;
4. Continue independent technical development of the existing resource model and drill information, focusing on mineralized zones likely to support the project concept;
5. Follow up on recommendations for further work;
6. With the above technical work, provide for public reporting of 'significant drilling' intercept results and a technical summary of metallurgical work with a work

schedule and budget estimate;
7. Complete resource estimates and proceed with the required scoping study.

Enova will be actively seeking interest and support from 'Sophisticated Investors'. Failing this, the Company will seek public funding, by preparing an Information Memorandum and engaging an advisor to assist in raising funds.

In May 2020, shareholders approved an allocation of 10% Placement Capacity. The additional 10% Placement Capacity is in addition to the Company's 15% Placement Capacity under ASX Listing Rule 7.1. This allocation is currently only available to Sophisticated Investors.

PROJECT ACTIVITY

During Q3, Brisbane Metallurgical Laboratories (BML) continued laboratory 'sighter test' work focusing on hydro-cyclone beneficiation and leach tests. Initially four (4) "shaker" leach tests of different leachates were completed using mixed rock type samples. These inexpensive tests are indicators for follow-up "stirred" leach tests. Seven (7) "stirred" leach tests were completed. Each test trialed various leachates at varying temperatures, sampling at regular intervals over an extended 24-hour period whilst measuring acid consumption.

Going forward, testing will use samples from infill and twinned hole drilling that are yet to be assayed. These samples will serve to provide metallurgical samples and additional assays for our drilling database. Testing will use samples made up from drill hole intervals passing through the enriched ore zones and investigate the leach character of specific rock types within the mineralized zone, such as weathered meta-sediments, weathered saprolite variants (ferruginous, mottled, pallid and saprock), clays and weathered bedrock. Thereafter, the next phase of test work will be to isolate valuable metals in solution, targeting REE and Sc in solution.

TENEMENTS

Enova has not changed its tenement holdings since the March 2020 quarter. No further tenement reductions are planned for this year. Enova is focused on the Charley Creek project tenements to conserve finances.

Further information about Enova is available at our website www.enovamining.com.

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The market will be kept appraised of developments, as required under ASX Listing Rules and in accord with continuous disclosure requirements.

Approved for release by the Board of Enova Mining Limited



Eric Vesel,
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Enova Mining Limited

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About the Charley Creek (Mineral Sands) Project

The Charley Creek rare earth project is located 110 km W-NW of Alice Springs in the central Northern Territory, Australia (see map below, Figure 1). The operation will involve free-dig mining of sand/silt mineralisation extending from the surface to varying depths (10 to 80m) with little to no overburden. Enova Mining Limited, with 100% project equity, is working to re-establish a resource statement and scoping study. The project is well positioned to be a low environmental impact mine with few encumbrances. The Company is currently reviewing its resource model and the mineral processing flowsheet. Metallurgical laboratory test-work is in-progress to increase the rare earth mineral process recovery. The target final products are high purity rare earth oxide/hydroxide/carbonates, suitable for export to downstream high-purity product refiners, with potential industrial mineral by-products.

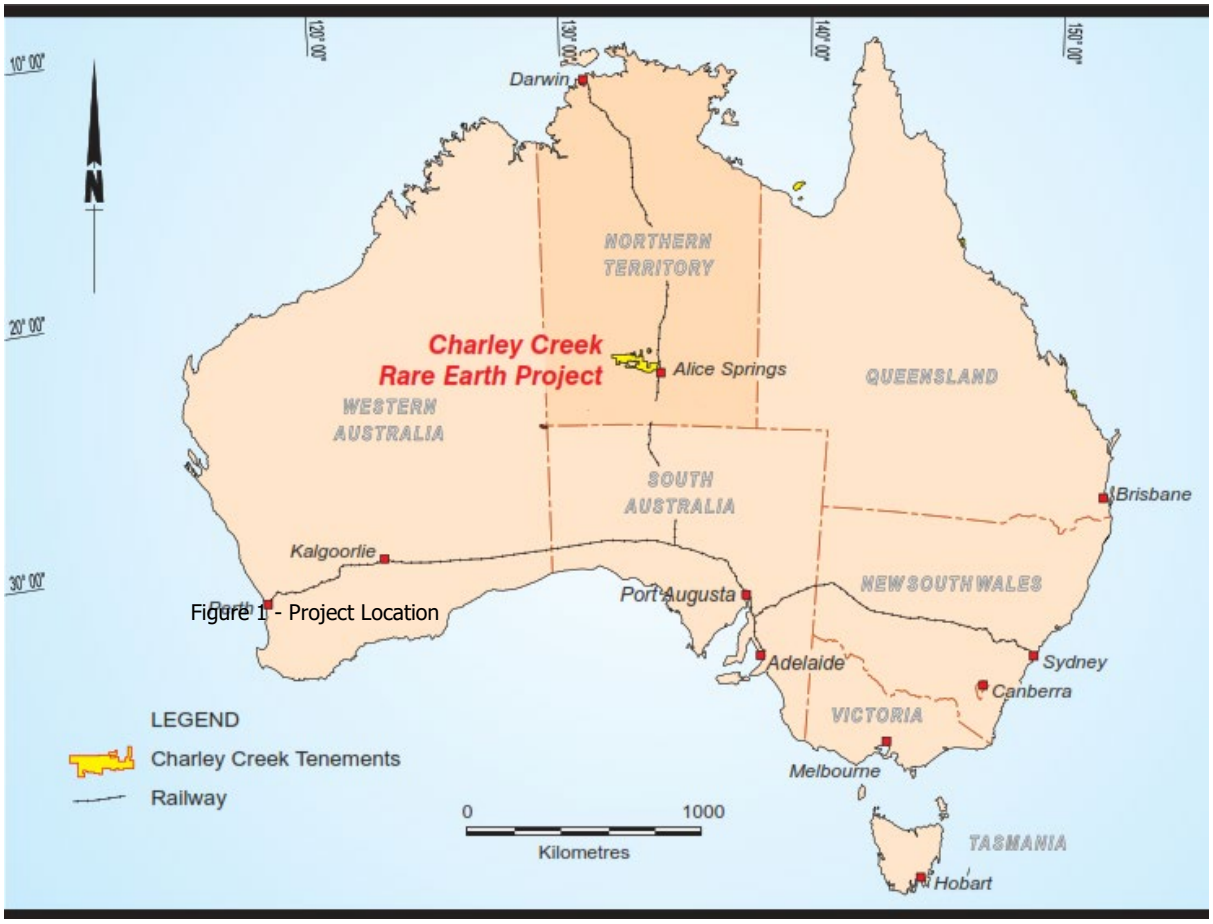


Figure 1 - Project Location

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This Announcement contains summary information about Enova, its subsidiaries, and their activities, which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Enova.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Enova's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are many risks, both specific to Enova and of a general nature which may affect the future operating and financial performance of Enova and the value of an investment in Enova including but not limited to economic conditions, stock market fluctuations, commodity price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Enova and its projects, are forward-looking statements that: may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions; are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Enova, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and, involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Enova disclaims any intent or obligation to update publicly any forward-looking statements, whether because of new information, future events, or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. No verification: although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.