

31 October 2013

## SEPTEMBER 2013 QUARTERLY ACTIVITIES REPORT

### CORPORATE

**ASX CODE:** ENU

**\*Shares on Issue:** 68,280,439

**\*Shares quoted:** 64,448,322

**Options:** 12,818,132

**Market Cap:** \$2.2M

**Cash at Qtr** \$2.9M

**Top 20**

**Shareholders:** 72%

\*At 30 Sept 2013

### CONTACT DETAILS

Level 1, 640 Murray Street

West Perth WA 6005

PO Box 1906

West Perth WA 6872

**Telephone:** +61 8 9436 9240

**Facsimile:** +61 8 9436 9220

### DIRECTORS

**Anna Mao**

Non-Executive Chairperson

**Dermot Ryan**

Executive Director

**Dr Zhen Huang**

Non-Executive Director

**Michael Atkins**

Non-Executive Director

### PROJECTS

Byro

Yalgoo

Peranbye

Ponton

Harris Lake

### HIGHLIGHTS

- ❖ **Agreement signed on 30 October 2013 to purchase shares representing 18.5 % interest in Energia Minerals Ltd (ASX:"EMX")**
- ❖ **Cash at bank at 30 September 2013: \$2.9 million**

### Ponton Project

- ❖ **Airborne EM data utilised to reduce overall area of granted tenements E28/2202-2206**
- ❖ **New tenement application lodged over Lake Roe**
- ❖ **Heritage clearance for first-stage drilling finalised**

### Harris Lake Project

- ❖ **Flora and Fauna Risk Assessment nearing completion**

### Peranbye Project

- ❖ **"Hot Chocolate" tenement E59/1855 granted, along with nearby E70/4297**
- ❖ **Heritage agreement for these areas executed**

## SUMMARY OF EXPLORATION ACTIVITIES

### PERANBYE PROJECT

The Peranbye Project is situated approximately 300km north of Perth, close to the agricultural towns of Perenjori and Morawa. The tenements cover an extensive drainage system characterised by intermittent playa lakes.

Exploration licences E59/1855 ("*Hot Chocolate*") and E70/4297 and were granted just after the close of Quarter. The Peranbye Project now comprises six granted exploration licences for a total area of 1,200km<sup>2</sup> and a single exploration licence application [Figure 1].

Inspection of airborne radiometric anomalies within these tenements has already defined a series of highly prospective surface uranium anomalies. Consultation with government departments and Native Title Claimants with regard to the accessing and drill-testing of these prospects is in progress.

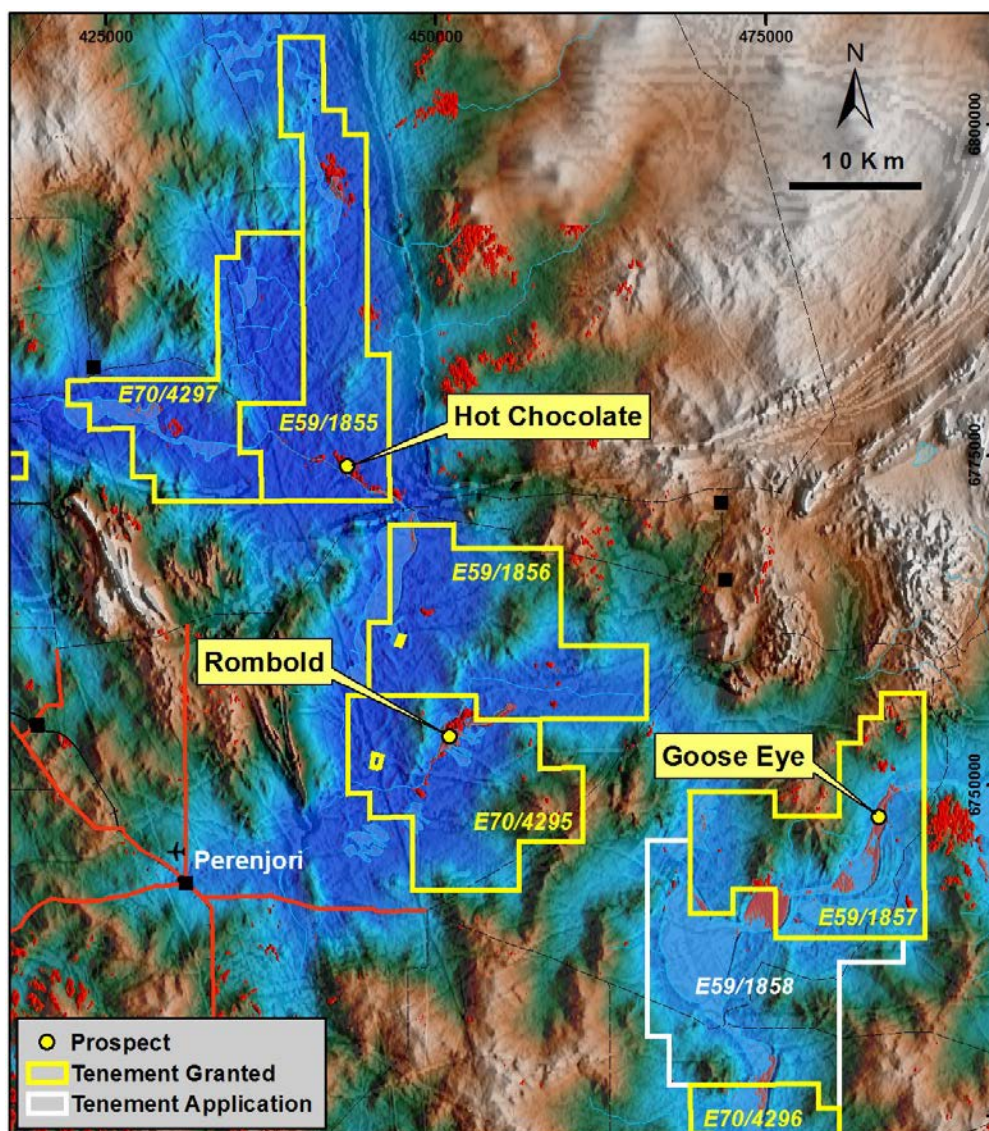


Figure 1: Peranbye Project, Regional DTM & Radiometric Uranium Anomalies



## PONTON PROJECT

The Ponton Project is located approximately 130km east of Kalgoorlie, to the north of the Trans-Australian Railway siding of Chifley. The Project is centered on the Lake Rebecca and Lake Yindana drainage systems, which are considered prospective for sand-hosted uranium mineralisation akin to that observed at the nearby Double 8 uranium deposit [Figure 2].

An application for an additional exploration licence, E28/2333, was lodged in July 2013. This ground predominantly overlies Lake Roe, to the immediate west of Lake Yindana. All five granted tenements, E28/2202-2206, were subjected to voluntary partial surrender just after the close of Quarter in order to focus on the palaeochannels defined by the airborne EM (AEM) survey.

A reconnaissance drilling program that will give a general test of the uranium prospectivity of the Lake Rebecca and Lake Yindana systems received comprehensive heritage clearance during the Quarter. Drilling is scheduled to commence in first Quarter 2014.

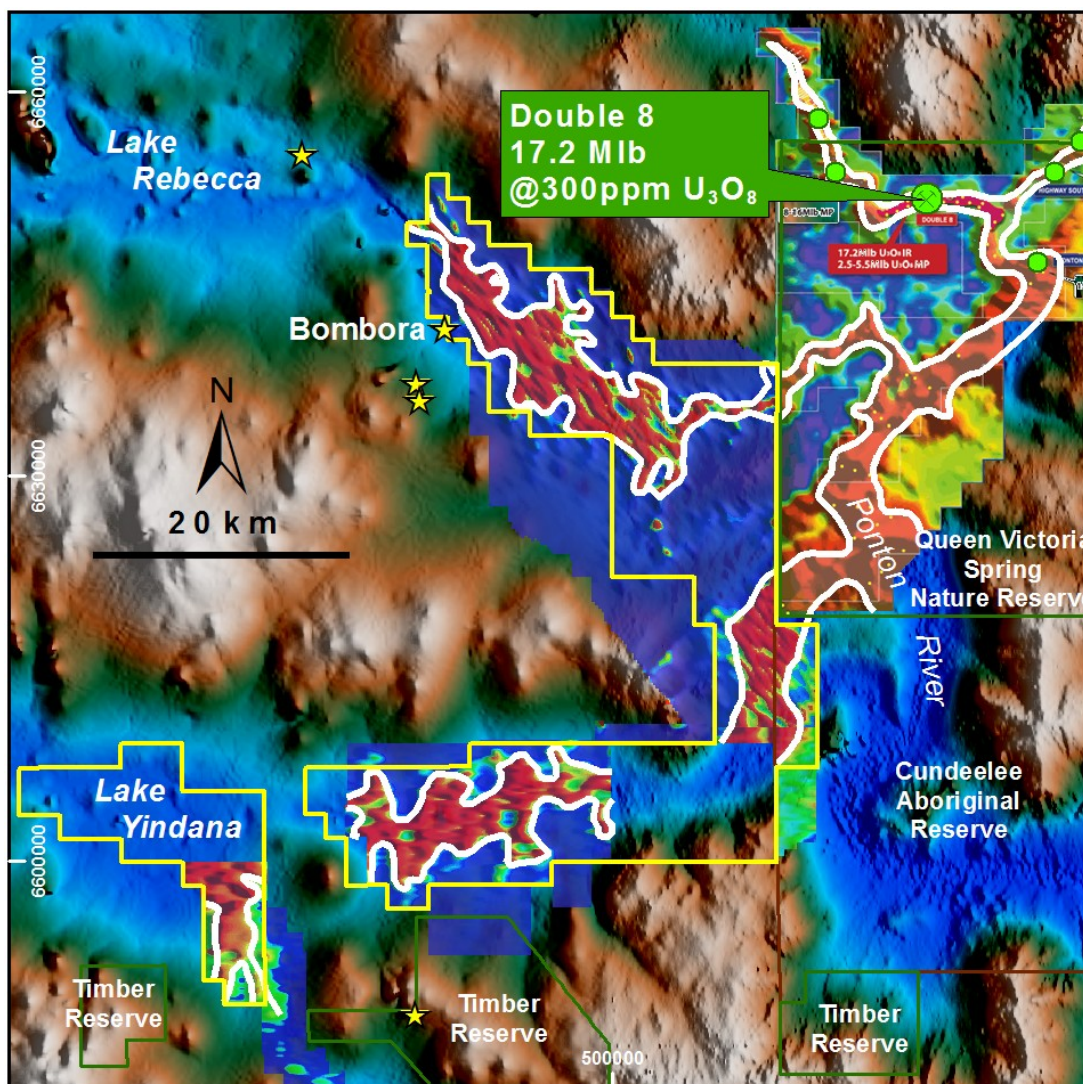


Figure 2: Ponton Project, Regional DTM & AEM-Defined Palaeochannels



## BYRO PROJECT

The Byro Project is located approximately 600km north of Perth and 250km northeast of Geraldton in the Murchison Province of WA. The project is primarily concerned with sediments of the Murchison River drainage system, considered prospective for sand-hosted uranium.

Exploration licence E20/758 was granted in August 2013. Two exploration applications, E09/1931 and E09/1956, were withdrawn just after the close of Quarter, the prospective portions of which were included in a new application, E09/2077. This extends to 170km the Company's landholdings over an uninterrupted stretch of the prospective Murchison River valley. The Byro Project now comprises two granted leases for a total area of 1,100km<sup>2</sup>, with a further two applications pending [Figure 3].

An airborne EM survey flown in 2012 defined a broad, deep palaeochannel coursing through E59/1617, offset to the north of modern-day drainage [Figure 3]. A reconnaissance drilling program that will provide a general test of the uranium prospectivity of the system has been designed and is scheduled to commence in 2014. Further heritage clearance is required due to an expanded drill program, and a heritage survey is being planned.

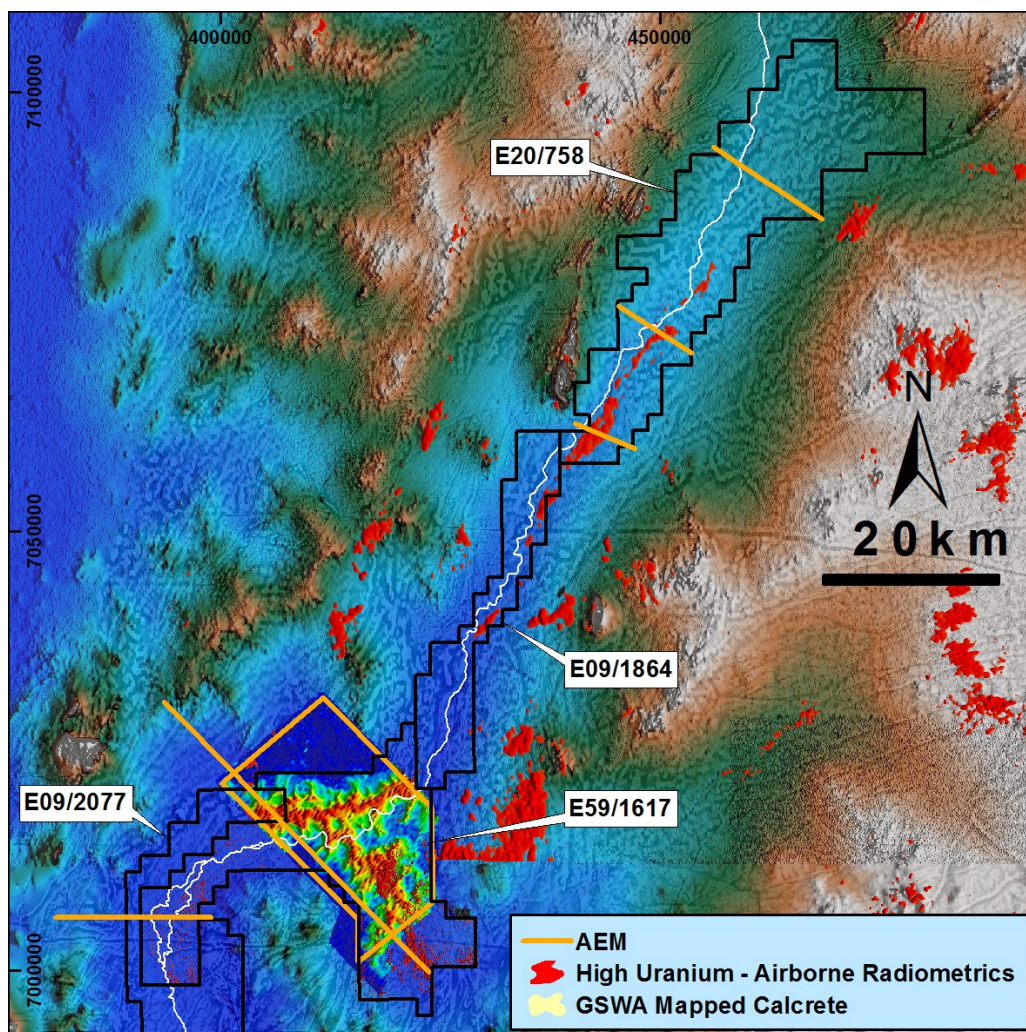


Figure 3: Byro Project, Regional DTM & AEM-Defined Palaeochannel



## HARRIS LAKE PROJECT

The Harris Lake Project is located 200km east of Kalgoorlie and 25km south of the Trans-Australian Railway outpost of Zanthus. The project comprises a single tenement, E28/1958, which overlies Harris Lake and its southern outlet.

An airborne EM survey flown in 2012 defined a deep palaeochannel largely coincident with the modern-day drainage system [Figure 4]. The palaeochannel is considered prospective for sand-hosted uranium mineralisation. The two orthogonal turns evident in the palaeochannel course are of particular interest, serving as potential trap sites for carbonaceous material at depth, accumulations of which provide the reducing conditions necessary for the precipitation of uranium from oxidized groundwaters.

E28/1958 falls within proposed nature reserve, PNR/091. As such, flora and fauna risk assessments pertaining to a proposed drilling program were commissioned. The fauna component has been completed and the flora risk assessment is in its final stages. A Conservation Management Plan, informed by these assessments, is being prepared for submission to the Dept of Parks and Wildlife. (DPaW)

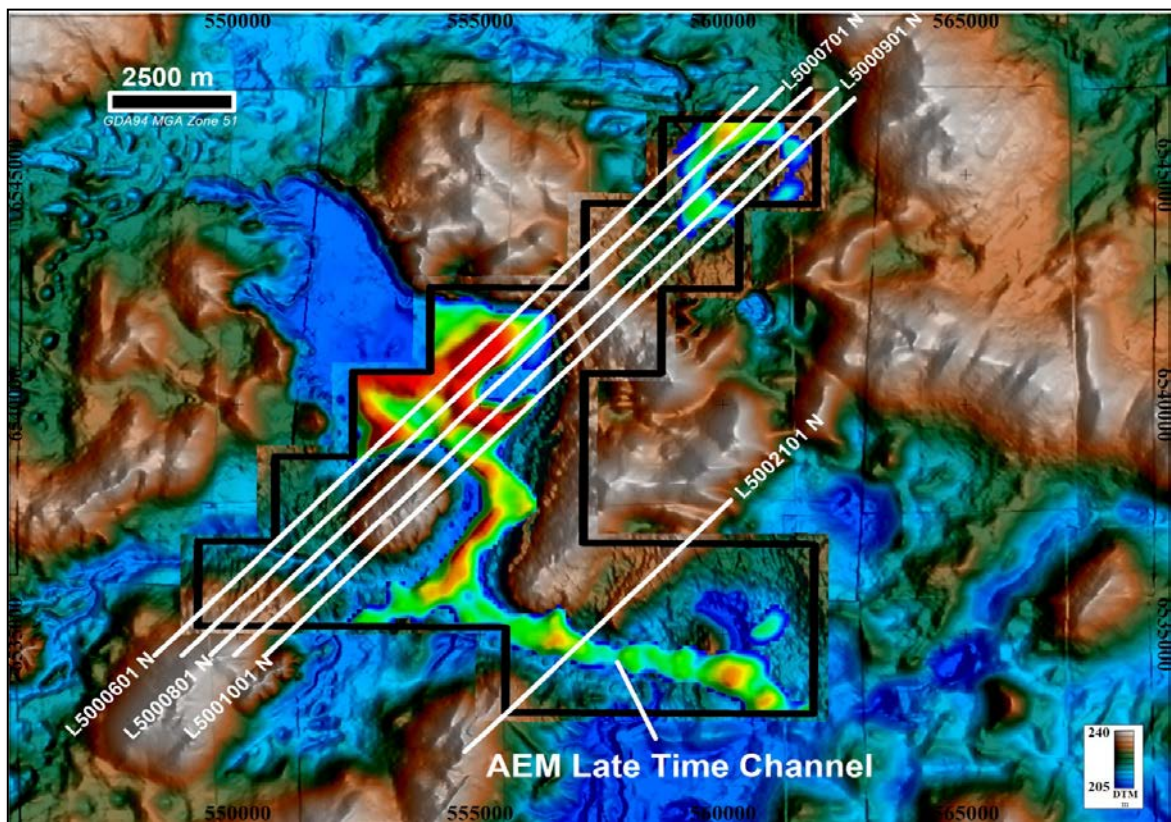


Figure 4: Harris Lake Project, Regional DTM & AEM-Defined Palaeochannel



## YALGOO PROJECT

The Yalgoo Project is located approximately 400km north of Perth, and is just west of the township of Yalgoo. The project area covers an extensive drainage system that is primarily considered prospective for shallow, calcrete-hosted uranium mineralisation.

Exploration licence E59/1645 was surrendered outright in October, after the close of Quarter. Two applications were also withdrawn in the north of the project area and effectively replaced with a single new application, E59/2006, which more tightly envelopes the targeted Pindathunna Creek drainage system. The Yalgoo Project now comprises six granted exploration licences, three exploration licence applications and three granted prospecting licences for a total area of 1,000km<sup>2</sup>.

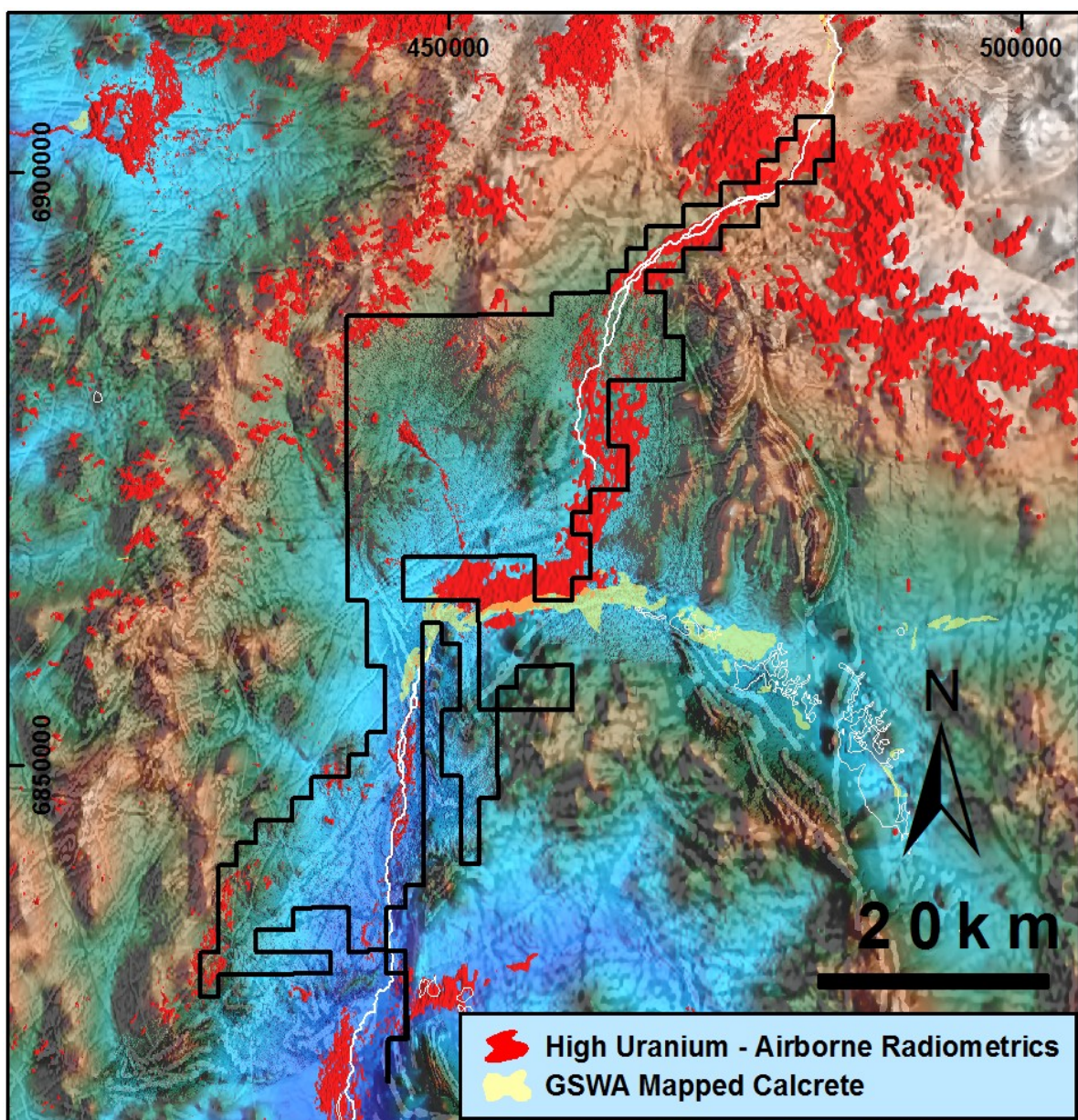


Figure 5: Yalgoo Project, Regional DTM & Radiometric Uranium Anomalies

## **SUMMARY OF CORPORATE ACTIVITIES**

No significant corporate activity occurred during the Quarter.

### **Post 30 September 2013**

On 30 October 2013, the Company announced that it had entered into an agreement to purchase an 18.52% interest in Energia Minerals Limited (ASX: EMX) from South Australian based UEQ Investments Pty Ltd, a subsidiary of Uranium Equities Limited (ASX: UEQ).

Subject to registration of share Transfers, the Company will acquire Uranium Equities' 37,280,714 Energia shares for 2.2 cents per share for a total consideration of \$820,176, payable on completion as follows:

- \$500,000 in cash; and
- The balance in fully paid ordinary shares in ENU at a deemed issue price of 4 cents (for a total 8,004,393 shares).

Upon completion, UEQ Investments Pty Ltd will hold a 10.49% interest in ENU and ENU will be the single largest shareholder in Energia, with an 18.52% interest. The ENU shares will be issued under the Company's 15% capacity in accordance with ASX LR7.1 without shareholder approval.

Energia's main assets are:

- The rapidly growing Carley Bore uranium deposit within the Nyang Project in WA and additional exploration upside. Details of the Carley Bore uranium deposit can be found in Energia's September Quarterly Activities Report lodged with ASX on 11 October 2013,
- advanced base metal and uranium opportunities in northern Italy, with ownership of a historical base metals mine at Gorno, and a high grade uranium deposit at Val Vedello, and
- an extensive portfolio of other Australian uranium projects.

Following completion and issue of 8,004,393 shares to UEQ, ENU's capital structure will be:

- **Shares on Issue:** 76,284,882
- **Shares quoted:** 72,452,715
- **Options:** 12,818,132

### **CASH POSITION**

Cash held at 30 September 2013 was \$2.9 million. Following completion of the transaction to purchase an 18.52% interest in Energia Minerals, the cash balance will be \$2.4 million.



**Dermot Ryan**  
Executive Director



**Contact:** Telephone: 08 9436 9240 Facsimile: 08 9436 9220 Email: [info@enterpriseuranium.com.au](mailto:info@enterpriseuranium.com.au)

### Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Dermot Ryan, who is employed as the Executive Director of the Company through geological consultancy Xserv Pty Ltd. Mr Ryan is a Fellow of the Australasian Institute of Mining & Metallurgy, a Fellow of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ryan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

### PROJECT LOCATIONS WESTERN AUSTRALIA 30 SEPTEMBER 2013

