ENTERPRISE METALS LIMITED

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AND
CONTROLLED ENTITIES

ACN 123 567 073

ANNUAL REPORT
30 JUNE 2009

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CHAIRMAN'S LETTER

Dear Shareholder

It is a pleasure to present this third annual report of Enterprise Metals Limited.

On 14 October 2008, the Company announced the successful completion of the acquisition of Enterprise Metals Limited following the acceptance of the Company's offer by all Shareholders. The acquired projects have significant upside and strengthen the Company's exploration portfolio.

In early 2009, the Company expanded field operations at its Revere Project south of Doolgunna in Western Australia and completed the costeaning of the Revere Reef 2 quatz vein system. Samples from this reef were observed to consist of quartz vein breccias, with an iron oxide (after sulphide) matrix, with free gold occurring in the iron oxide matrix. This observation in March 2009 led to the Company redefining its exploration target at Revere from quartz vein gold to copper/gold and massive sulphides.

In May 2009, Sandfire Resources NL announced the discovery of major copper gold mineralisation at its Degrussa Prospect, north of Doolgunna Homestead. The realisation by Enterprise, Sandfire Resources and others that small quartz vein gold prospects may represent the surface expression of larger, deeply weathered and leached sulphide copper/gold systems has led to a fundamental reappraisal of the prospectivity of what was formerly called the Glengarry Basin, and in particular the exploration techniques required to find sulphide rich systems with deeply weathered leached cappings.

In mid 2009, the Company was offered $110,000 by the Western Australian Department of Mines and Petroleum to fund up to 50% of an RC drilling program to test geophysical targets at Doug's Find quartz reef and the Golden King massive sulphide target. Enterprise was one of 29 companies to receive an offer in the first round of the State Government's Co-funded Industry Drilling Program.

On 16 June 2009 the Company announced that it would offer eligible shareholders the opportunity to participate in a non-renounceable Entitlement Offer on the basis of one new Share at an issue price of $0.15 for every six shares held on the record date of 26 June 2009. For every one new share issued, one new option would also be granted for nil consideration with an exercise price of $0.25 cents exercisable on or before 20 June 2012. These funds were to be applied for the ongoing exploration at Doolgunna, in particular geophysics and drilling, and the Company's other projects in Western Australia.

This Entitlement Offer closed on 13 July 2009 and the Company successfully raised $2,278,012 cash before costs. A major drilling program, to test 5 geochemical/geophysical targets south of Doolgunna, commenced on 19 September 2009.

Enterprise will continue to expand its exploration portfolio and seek opportunities to develop commercial agreements over prospective properties in Australia and overseas.

The Company is in a strong financial position and has made significant progress on its corporate structure and strategic plan. On behalf of the Board, I wish to thank you for your support of the Company as we progress our existing exploration projects and identify new opportunities for Enterprise Metals Limited.

Yours sincerely

Paul Larsen
CHAIRMAN

REVIEW OF OPERATIONS

REVERE PROJECT (100% interest all tenements except E52/2404, 2406 [80%])

The Company's Revere Project tenements are located 90-130 km NE of Meekatharra in Western Australia. The tenements cover 1,240km^2 of intracratonic Palaeoproterozoic rocks of the Padbury and Yerrida Basins which have been affected by the Capricorn Orogen. This orogenic event resulted from the oblique collision of the Pilbara and Yilgarn Cratons about 1.8 billion years ago. The orogen was continental in scale, being traced for more than 1,000 km and is defined by a broad belt of deformed, low grade volcano-sedimentary rocks, high grade metamorphic rocks and granitoids. Similar age intracratonic basins in Canada and southern Africa are known to host world class massive sulphide copper deposits.

The primary targets sought by Enterprise are one or more large stockwork gold systems, and/or large copper/gold massive sulphide systems. Metal detecting prospectors have operated in the area since the late 1980's and alluvial gold has been recovered in substantial quantities from thin quartz veins hosted by sediments of the Narracoota and Doolgunna Formations. At Doug's Find, the Revere Reef and numerous other localities in the Companies tenements, small quartz reefs containing coarse gold particles have been identified. However, lack of outcrop, deep weathering and a complex geomorphological history have impeded effective exploration and resulted in the lack of discovery of substantial mineral deposits.

During 2008/2009, Enterprise completed the compilation of all relevant historical exploration data into a digital database, undertook reconnaissance RAB drilling (at E51/1019 & 1079) and costeaning of the quartz vein system at Revere Reef 2. Samples from this reef consisted of quartz vein breccias, with an iron oxide (after sulphide) matrix. Free gold was observed to occur within the iron oxide matrix, not the quartz per se. This observation in March 2009 led to the Company redefining its exploration target from quartz vein gold only to copper/gold and massive sulphides. Subsequently, Enterprise completed a ground orientation Induced Polarisation ("IP") survey at Doug's Find and Golden King (formerly Greater Revere), which identified a number of conductive bodies (potentially massive sulphide bodies) at depth below or adjacent to quartz vein systems.

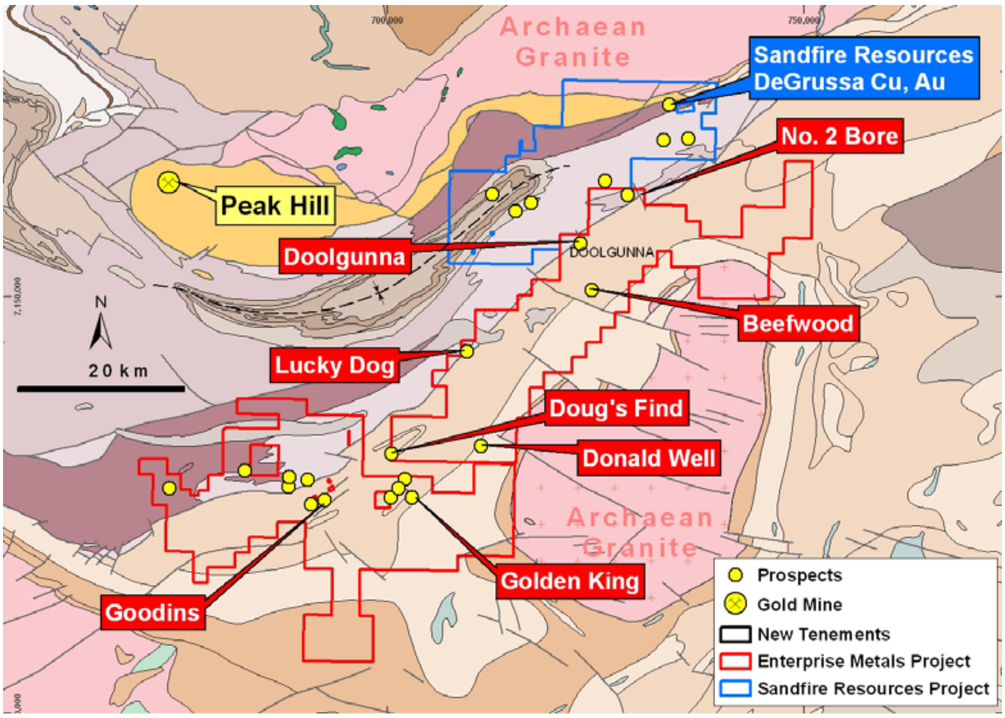


Figure 1. Geological Plan of Revere Project & Sandfire Resources NL's Degussa Cu/Au Discovery

In May 2009, Enterprise flew five small airborne Versatile Time-Domain Electromagnetic ("VTEM") surveys over 6 areas where geochemical, magnetic or IP anomalism had been identified. These areas, from south to north were: Golden King, Doug's Find, Donald Well, Beefwood, Doolgunna and No. 2 Bore. Refer Figure 1 above.

A number of late time (Channel 30) conductors were identified from these surveys, some of which confirmed conductors identified from IP surveys, and some of which were entirely new. A 41 hole RC program was subsequently planned to test these targets at depth. This drilling program commenced on 19 September 2009. Refer Figures 2 and 3.

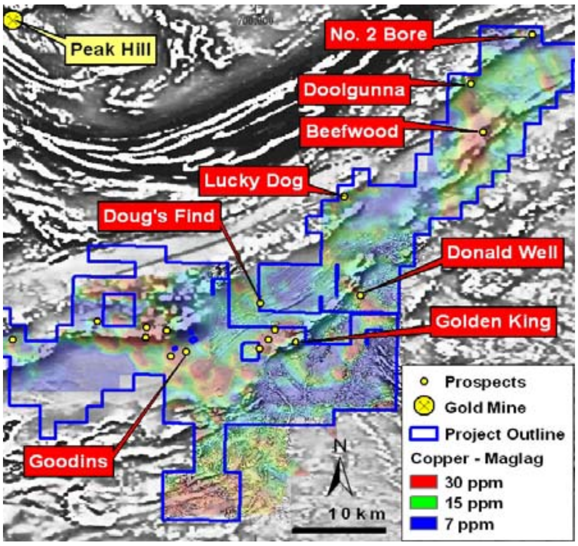


Figure 2.
Magnetic & Copper Soil Geochemistry Image with Prospect Locations

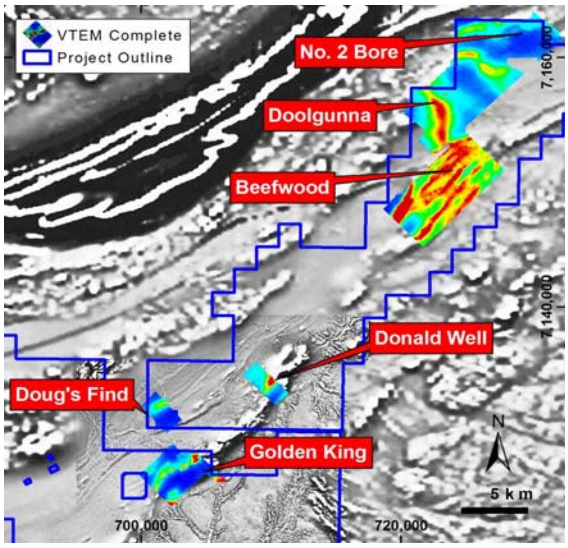


Figure 3.
VTEM Survey (Channel 30) Images over Magnetic Image with Prospect Locations

On 18 May 2009 Sandfire Resources NL announced the discovery of gold and copper sulphides at depth below gold bearing quartz veins at their DeGrussa prospect some 20km north of Doolgunna station.

DARLOT PROJECT (100% interest in all tenements except E37/859 [80% interest])

Enterprise's Darlot Project covers an area of 750 km^2 over the southern portion of the Archaean Yandal Greenstone belt in Western Australia, and is centered approximately 40km east north east of Leinster. The project area is approximately midway between the Bronzewing and Darlot gold mines. The Company considers the area to be prospective for high grade orogenic gold deposits, VMS style copper/zinc base metal deposits, and shallow calcrete hosted uranium deposits. Refer Figure 4.

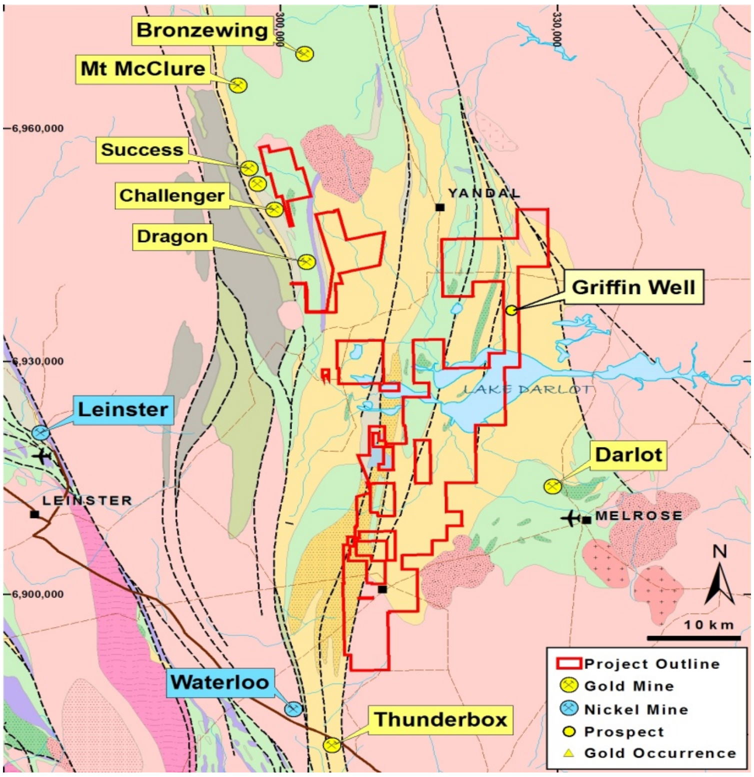


Figure 4. Darlot Project, Regional Geology & Location Plan

As a general observation, the primary exploration technique in the late 1980's for gold in this and similar areas of deeply weathered poorly outcropping greenstone terrain was soil sampling, which found some deposits (e.g. the Mt McClure deposits from 1987 to 1990) but was ineffective in discovering more deeply weathered or buried deposits.

The "second wave" in the 1990's consisted of shallow RAB drilling over extensive areas, followed by limited RC drilling as follow up, and this method led to the discovery of "blind" (or non-outcropping) deposits such as Bronzewing in 1992.

Enterprise concluded after careful re-examination of this accumulated historical data that the "third age" of exploration needed to be focused geophysical surveying in areas of known shallow gold anomalism, to identify drilling targets below the heavily weathered and leached regolith profile.

During 2008/2009, Enterprise completed the compilation of all relevant historical exploration data into a digital database, undertook some reconnaissance soil and rockchip sampling, and planned an extensive IP survey at the Griffin Well prospect. In early July 2009 a total of 41 line km of IP data was completed over the Griffin Well gold prospect to search for gold mineralization associated with zones of quartz veining, silica alteration and massive and disseminated pyrite. A number of IP targets at Griffin North, Griffin and Griffin South were identified for subsequent drill testing.

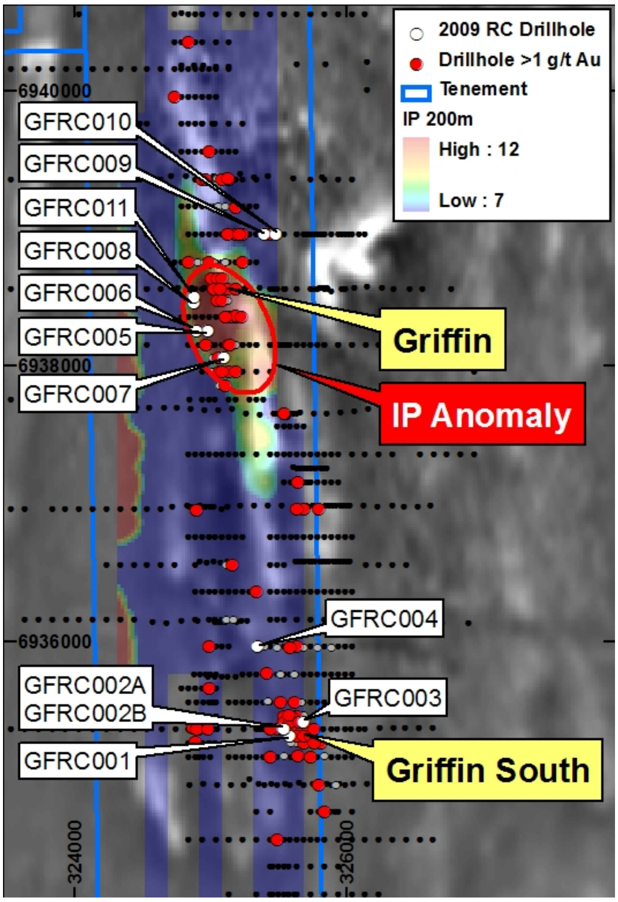


Figure 5. Darlot 2009 RC Drill Hole Locations over 1st VD Magnetic and Colour IP Image

In late 2009, a 14 hole (2,065 metres) reverse circulation drilling program was undertaken to test the IP anomalies and shallow gold anomalism identified within several historic drill holes. Five holes returned significant results, and these are shown in Table 1 below.

Table 1. Darlot Project 2009 RC Drilling - Gold Results

Hole Number	Interval (m)	Width (m)	Au (g/t)	Comment
GFRC1	20-28	8	1.0*	Includes 1m @ 4.3 g/t from 21m
GFRC1	41-60	19	0.7*	Includes 2m @ 1.3 g/t from 41m & 3m @ 1.0 g/t from 56m
GFRC1	68-69	1	6.8*	
GFRC1	75-101	26	0.6*	
GFRC2A& B				Holes abandoned at 12m
GFRC3	49-52	3	1.2*	Includes 1m @ 2.5 g/t from 49m. Silica alteration, disseminated pyrite.
GFRC4	68-69	1	1.1*	
GFRC6	152-156	4	1.8	Quartz veining
GFRC9	84-88	4	2.7	Hematite altered felsic volcaniclastics

* *Indicates a one metre resplit result analysed by nominal 50g lead collection fire assay and flame AAS for Au (0.01ppm) – Genalysis method code FA50/AAS. Otherwise, 4m composite analysis is by 10g aqua regia digest, solvent extraction and flame AAS for Au (0.01ppm) - Genalysis method code B/SAAS.*

Preliminary interpretation of geological and geochemical data suggests the gold is most likely associated with disseminated pyrite within silica altered diorite and iron oxide altered felsic volcaniclastics. Quartz veining was also noted as being coincident with elevated gold in several drill holes. An evaluation of all results will be made to determine the most prospective areas for follow-up drilling in 2010.

Lake Darlot is also 140 km downstream and south east of the Yeelirrie deposit held by BHP Billiton, the world's largest calcrete associated uranium deposit, with a published resource of 52,500 tonnes of U3O8. At Yeelirrie, carnotite mineralisation has precipitated within valley fill calcrete aquifers in response to changes in groundwater chemistry.

It is assumed that the Lake Darlot and Yeelirrie lake systems developed during similar climatic conditions over a similar granitoid basement, and hence the opportunity exists to identify substantial uranium mineralisation within the Lake Darlot palaeo-drainage system. This potential is supported by existing radiometric data and some drilling undertaken by a previous explorer that has returned up to 170ppm uranium. Processing of multi-channel radiometric data has identified a concentration of uranium mineralisation along the northern and southern flanks of the Lake Darlot drainage system.

In February 2009, Enterprise Metals carried out reconnaissance exploration for uranium west of Lake Darlot at Boundary Well and Salt Lagoon. Soil samples were collected from a nominal depth of 0.6m, and the maximum uranium assay was 164.2 ppm U. The average uranium value returned from all soil sampling in E37/926 was 92 ppm U, whilst around 50% of the samples returned values of >100 ppm U.

An air core drilling program is planned for the western part of E37/926 in 2010 to follow up the anomalous uranium results obtained from the soil sampling program.

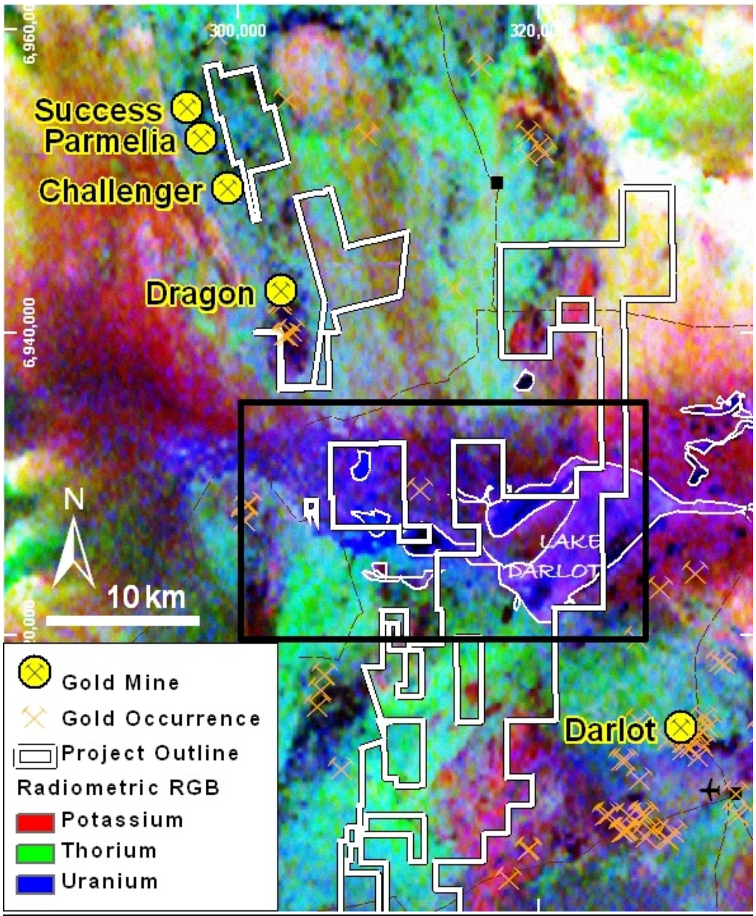


Figure 6. Radiometric Image Showing Uranium Concentrated in Sediments of Lake Darlot

MAITLAND PROJECT (70% interest, Uranium only)

This project area is approximately 100 km south east of the town of Wiluna and covers predominantly Archaean granitoids and minor greenstones of the Yandal greenstone belt, over which the Lake Maitland drainage system has been developed. The Maitland project area includes approximately 5km of the main Tertiary channel system that lies immediately upstream from the Lake Maitland uranium deposit held by Mega Uranium, and is some 80 km downstream from the Lake Way deposit held by Toro Energy Ltd.

In early 2009, an air-core drilling program using a tractor mounted drilling rig was conducted over the Maitland Channel Prospect. Fifty-six holes were drilled for a total of 743 metres, and down-hole gamma logging identified 29 holes with peak analyses of between 100 – 258 parts per million ("ppm") U_3O_8 equivalent ("eU_3O_8 ") within shallow calcrete horizons. The uraniferous calcrete horizons are interpreted to be laterally equivalent to the horizons that host Mega Uranium's Lake Maitland deposit, immediately to the east and downstream. The gamma logging suggests there is a 6,400m long and 900 to 1,700m wide east-west channel containing calcrete hosted uranium mineralisation in excess of 100ppm eU_3O_8, as shown in Figure 7 below.

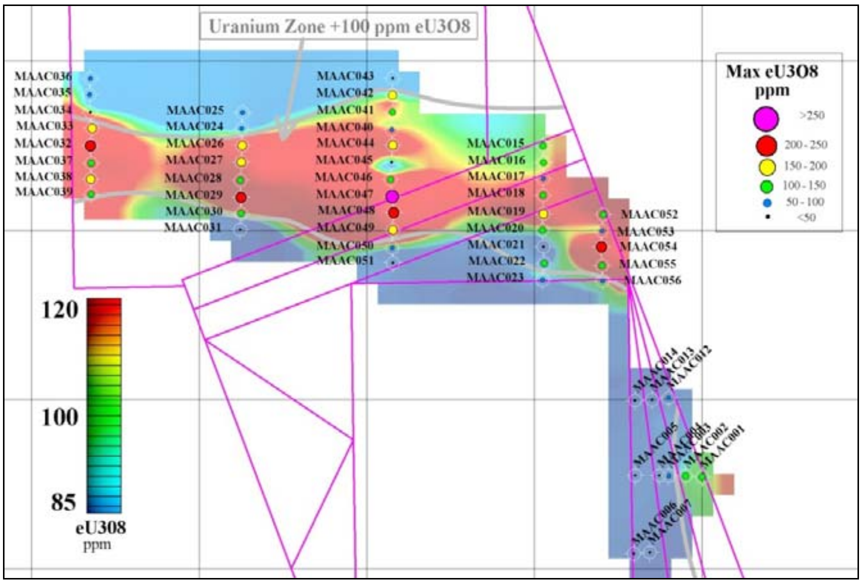


Figure 7. Image of Gridded Max eU_3O_8 ppm

LAKE MASON PROJECT (100% interest)

The Company's Lake Mason project is located approximately 60km north east of Sandstone and covers approximately $70km^2$ of predominantly Archaean granitoids and minor greenstones, over which the Lake Mason drainage system has developed. Calcrete hosted uranium mineralisation is the primary exploration target within the tenement.

The Yeelirrie Uranium project held by BHP Billiton is located approximately 40km to the NE. Uranium anomalism is clearly evident in the GSWA 400 metre line spaced airborne radiometric data flown in 2000 and Enterprise's detailed survey flown in 2007. The lake margins and lake itself are respectively veneered by superficial lacustrine sediments and sand dunes that locally appear to mask the airborne uranium-channel radiometric response.

In early 2009, Enterprise completed a reconnaissance aircore drilling program comprising a total of 98 air core drill holes (1,766 metres) to assess the uranium potential of this calcrete delta on Lake Mason. Downhole radiometric logs of the drill holes suggested only low level uranium mineralization (less than 50ppm U_3O_8) is present.

<u>WATTAGEE PROJECT</u> (100% interest)

The Wattagee area is located in the Murchison Province of the Yilgarn Craton and comprises one granted exploration licence 30 km north of the town of Cue. The Company considers the geology of the project area to be prospective for gold and base metal deposits. From 1971 onwards, a number of major companies explored the felsic volcanic sequence around Wattagee Hill for VMS style base metal deposits. It is considered that the most prospective areas have been largely overlooked by subsequent explorers who were focused on gold elsewhere in the project area.

The appeal of the area is the combination of favourable host rock sequences, large-scale alteration systems and a complex of intersections, regional faults and shears, chiefly the Big Bell Lineament and Mt Magnet-Cuddingwarra Shear, both of which host major gold deposits. The tenement is immediately north along strike from the former Harmony Cuddingwarra pit, from which New Hampton mined approximately 5.7mt at 2.5 g/t Au for 460,000 ounces.

Enterprise considers the geology of the project area to be highly prospective for economic gold and base metal deposits. A detailed review of the compiled database has identified several first class gold and base metal targets. The gold targets are largely in the north of the project area, and the base metal targets are in the south eastern section of the project area.

Up to 80% of the prospective stratigraphy within the project area is obscured by a regolith which has hindered previous explorers' efforts. Enterprise intends to explore these covered areas for gold and base metals with ground geophysical surveys (IP) and RAB and RC drilling.

The most promising targets are, from north to south: the MetalsEx, Eastmet, and AM14 Prospects respectively. The AM14 zone has been sporadically drilled over a 1km strike length, with some IP surveys having been conducted. The best drill intercept at AM14 is in drill hole WP138, with 3m at 7.5% Zn, 0.53% Pb and 0.42% Cu.

Modelling of the historical IP by Enterprise indicates that the best IP anomalies have yet to be drill tested to adequate depth. Modern IP surveying is planned for the latter half of 2009.

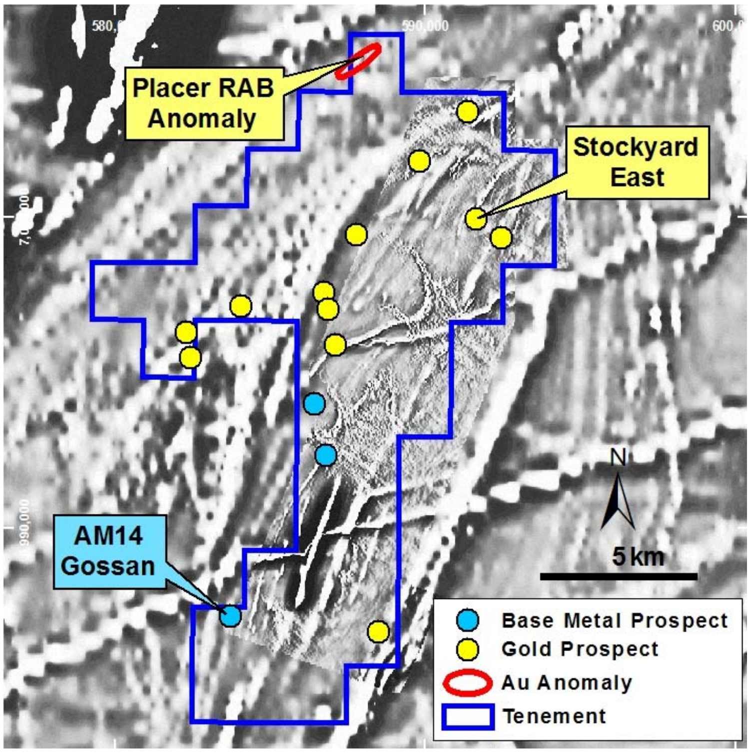


Figure 8. Magnetic Image of Wattagee Tenement showing prospect locations

SYLVANIA PROJECT (100% interest)

The Sylvania Project is located on the southern margin of the Sylvania Dome in the Pilbara block, approximately 70km east-southeast of the town of Newman. Airborne radiometric and magnetic data over the project area shows a strong uranium channel anomaly along the south western margin of the Sylvania Dome, where it is overlain by Proterozoic sediments. The potential exists for shear hosted or unconformity style uranium deposits along this contact.

The geological setting has been interpreted as analogous to the Alligator Rivers unconformity uranium setting. An alternative is the long standing comparison between the basal Fortescue Group and the Witzwatersrand gold-uranium deposits. There has been little systematic uranium or gold exploration targeted at the local unconformity.

During 2009, Enterprise undertook geological mapping and soil sampling aided by scintillometry was conducted to further evaluate this target and to aid drill-hole design. Results are encouraging with soil assays up to 252ppm U in Fortescue Group metasediments close to the Archaean granitoid contact. Refer Figure 9 below. The uranium anomalies are associated with chloritic or hematitic phyllite lithologies. Detailed geological mapping together with airborne EM are under consideration to define drill targets at this prospect.

Hamersley Group banded iron formations ("Bif") and hematite outcrop on the northern margin of the southern portion of Enterprise's tenement. They have been drill tested by Rio Tinto/Hamersley Iron immediately to the north of Enterprise's tenement in successive phases since the late 1980's. The Bif units dip shallowly to the south and are interpreted to belong to the Brockman and Weeli Wolli Iron Formations. The iron formations extend into Enterprise's tenement but are partly overlain by clastic rocks assigned to the Wyloo group.

Reconnaissance geological mapping and rock chip sampling by Enterprise has also located hematite mineralisation (up to 66.3%Fe) transgressing the Rio Tinto/Enterprise Metals tenement boundary. Refer Figure 9. The area is poorly exposed and there is limited scope to advance the search by geological mapping. Scout RC drilling is being considered for 2010.

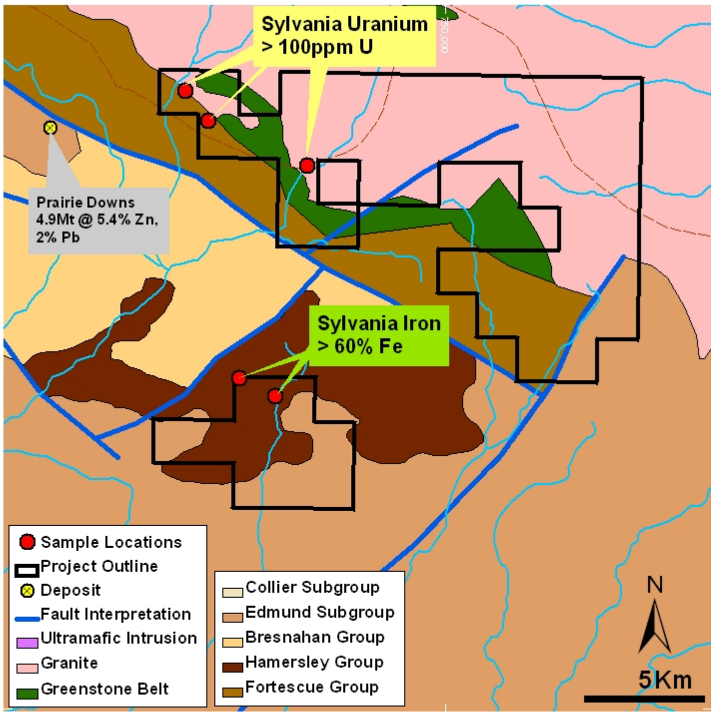


Figure 9. Geological Plan of the Sylvania Tenement Showing Uranium and Iron Ore Rockchip Results

Figure 10 . Hematite outcrop on southern portion of Enterprise Tenement E52/1689

EARAHEEDY PROJECT (100% interest)

The Earaheedy Project in the Nabberu Basin consists of one elongate tenement application with its western extremity in the vicinity of the Earaheedy Homestead. It is considered that potential exists in the application area for substantial channel iron deposits ("CIDs") concealed below thin Cainozoic cover.

The Nabberu Basin is similar in age and size to the Hamersley Basin. In part, the basins share similar sedimentation histories and styles of mineralisation. The iron bearing units in these basins are interbedded with shales, and include local areas of hematite enrichment.

The Yelma Sandstone at the base of the Nabberu Basin is overlain by the Frere Formation, which contains cherty and iron rich chemical sediments, carbonates and clastic sediments. These iron rich sediments within the licence application area may be the protore for interpreted channel iron deposits.

The lower iron formation (Granular Iron Formation or "Gif") is granular in texture and resembles the iron formations found in the Lake Superior region of North America. The upper unit is Banded Iron Formation with some similarity to the Hamersley Basin Bif's, and consists of purple to black finely laminated hematitic chert up to 150m thick which is, in places, interbedded with minor Gif and thin shale units.

The Hamersley Basin iron ores are considered to have originated as a result of the leaching by ground water of impurities from BIF to produce nearly pure iron oxide. Weathering of pre existing iron ore some 20 to 30 million years ago has resulted in the formation of valley fill "channel iron deposits". These usually consist of goethite and hematite with minor amounts of silica and clay. Goethite pisoliths with hematite cores are commonplace. Uplift and erosion has exposed the channel deposits in places such as the Yandicoogina mine.

Enterprise has imaged processed and interpreted GSWA supplied 400 metre line spaced airborne magnetics for the Earaheedy 1:250,000 map sheet. The Bif's of the Earaheedy area are characterised by strong E-W linear magnetic responses. Enterprise's tenement application overlies a series of major magnetic palaeochannels draining south easterly from the Bif's of the Lee Steere Ranges. These interpreted channels have the potential to host channel iron deposits of significant tonnage. Exploration in 20010 will include gravity surveys and possible reverse circulation drilling of the channels

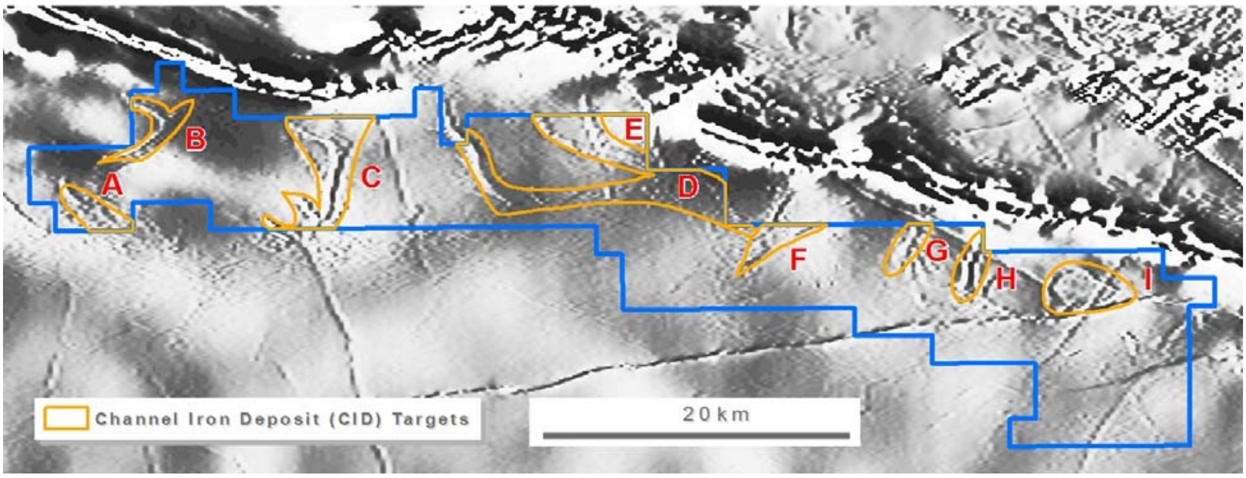


Figure 11. Magnetic Image showing Interpreted CID Targets draining SE from Lee Steere Ranges

FRASER RANGE PROJECT (100% interest)

In late 2008, the Company applied for tenements over the Fraser Range area east of Norseman. Theses tenements cover an area prospective for precious metal and base metal deposits. A prominent 7km long magnetic anomaly occurs over the Titan Hills area, which straddles the Eyre Highway. Historic rockchip sample results of up to 38% TiO_2 and 0.25% V_2O_5 suggest the presence of a significant titaniferous magnetite body. Refer Figure 12 below.

The tenements are not yet granted, and no work has been completed during 2008/2009. However reconnaissance soil sampling is planned for the first half of 2010.

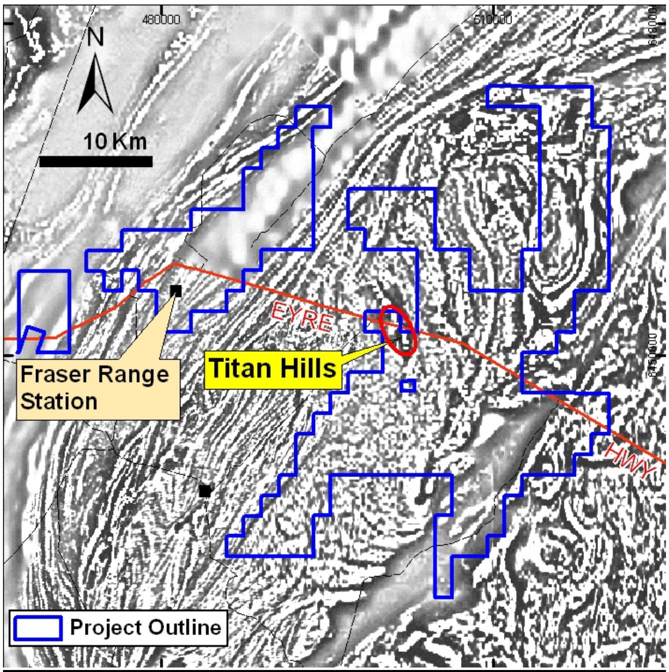


Figure 12. Magnetic Image of Fraser Range tenements showing Titan Hills Anomaly

<u>EUCLA PROJECT</u> (100% interest)

Following the release of newly flown magnetic and radiometric survey data by the Geological Survey of Western Australia ("GSWA") in early 2009, Enterprise applied for two new exploration licence applications to cover a series of strong discrete magnetic anomalies in the vicinity of Balladonia, on the edge of the Nullabor Plain.

The tenement applications lie to the immediate east the Proterozoic Fraser Range Orogenic Complex, within the Nornalup Complex, which is made up of intensely deformed, high grade migmatitic, ortho- and paragneisses, intruded by granite sheets. Magnetic data suggests the area may contain enclaves of granulite and upper amphibolite high grade metamorphics and/or thin linear belts of mafic volcanics, mafic-ultramafic layered complexes, and acid volcanics with sulphide rich intrusive bodies. Tertiary sedimentary units covering most of the magnetic targets are thought to be generally less than 50 metres thick.

The strong discrete magnetic anomalies are each several square kilometers in extent, and may relate to enclaves of mafic and/or ultramafic rocks prospective for gold and base metals. Refer Figure 13 below. Alternatively, they may indicate the presence of large magnetite rich intrusive or metamorphosed sedimentary bodies. Detailed airborne magnetic surveys were carried out over these anomalies in June 2009, and detailed gravity surveys are planned for the latter half of 2009.

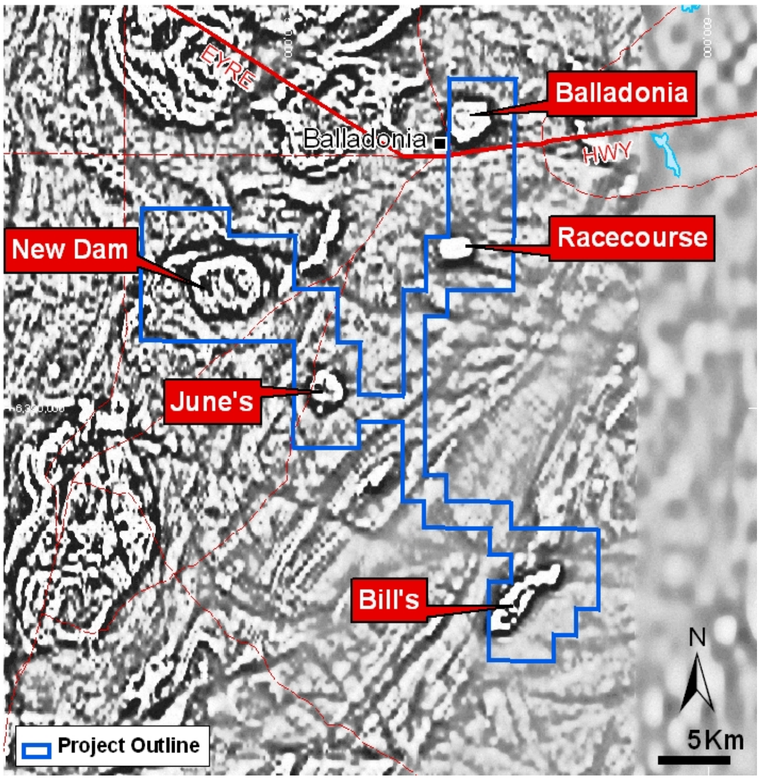
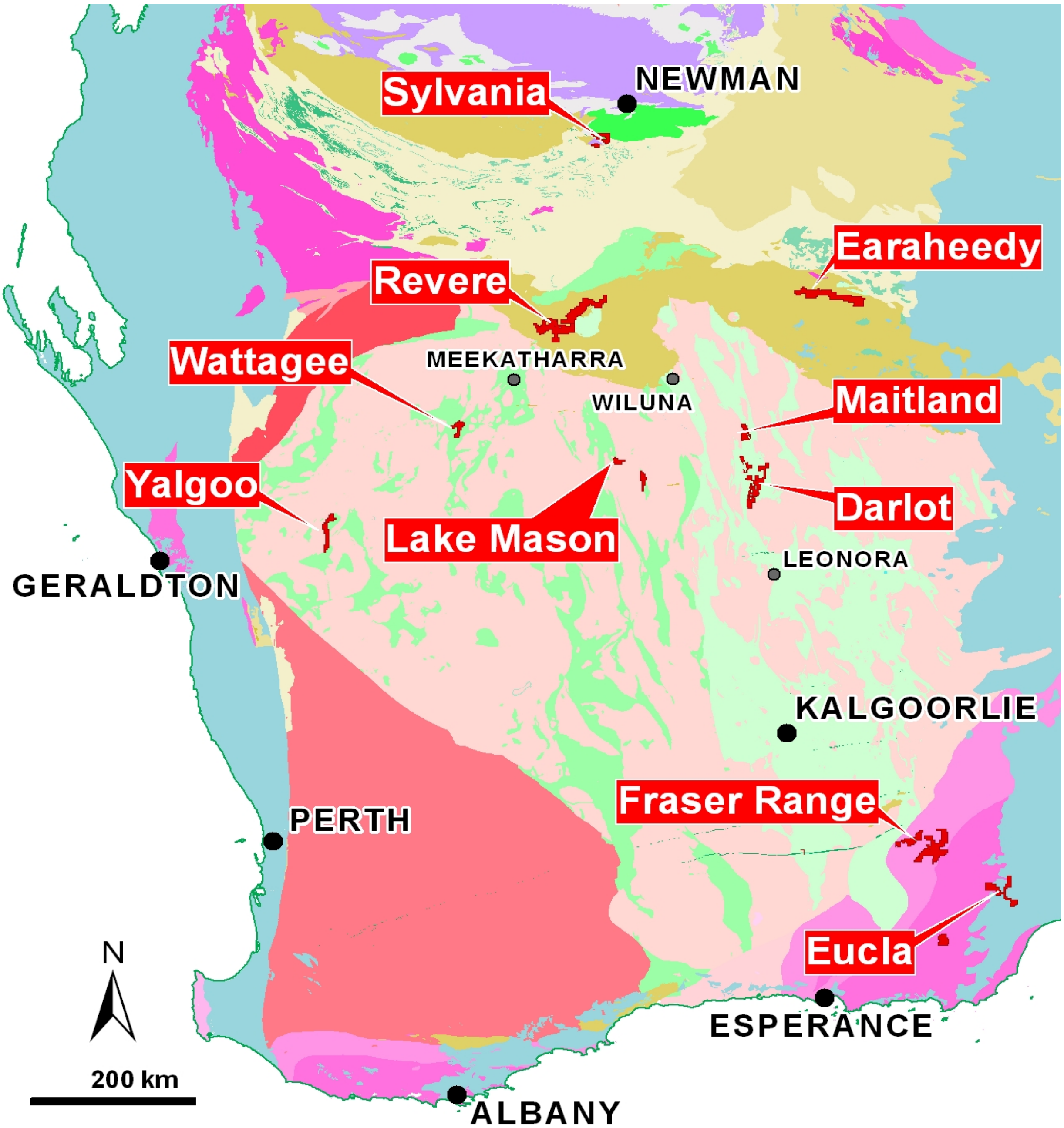


Figure 13 . Eucla Project Tenement, First VD Magnetics and Magnetic Targets

PROJECT LOCATIONS OVER GEOLOGY AT 30 JUNE 2009



The information in this Operations Section of this Annual Report that relates to Exploration Results has been reviewed by Mr Dermot Ryan, who is a Fellow of the Australian Institute of Geoscientists, a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional and a full time employee of geological consultancy XServ Pty Ltd. Mr Ryan has sufficient relevant experience in the styles of mineralisation and types of deposit under consideration, and in the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code), and consents to the inclusion of the information in the form and context in which it appears.

CORPORATE GOVERNANCE STATEMENT

As the framework of how the Board of Directors of Enterprise Metals Limited ("Company") carries out its duties and obligations, the Board has considered the eight principles of corporate governance as set out in the ASX Good Corporate Governance and Best Practice Recommendations.

The essential corporate governance principles are:

1 Lay solid foundations for management and oversight;

2 Structure the Board to add value;

3 Promote ethical and responsible decision-making;

4 Safeguard integrity in financial reporting;

5 Make timely and balanced disclosure;

6 Respect the rights of shareholders;

7 Recognise and manage risk;

8 Remunerate fairly and responsibly.

1. Lay solid foundations for management and oversight.

Recommendation 1.1: *Formalise and disclose the functions reserved to the Board and those delegates to management.*

Roles and Responsibilities:

The roles and responsibilities of the Board are to:

- Oversee control and accountability of the Company;
- Set the broad targets, objectives, and strategies;
- Monitor financial performance;
- Assess and review risk exposure and management;
- Oversee compliance, corporate governance, and legal obligations;
- Approve all major purchases, disposals, acquisitions, and issue of new shares;
- Approve the annual and half-year financial statements;
- Appoint and remove the Company's Auditor;
- Appoint and assess the performance of the Managing Director and members of the senior management team;
- Report to shareholders.

2. Structure the Board to add value.

Recommendation 2.1: *A majority of the Board should be independent Directors. – There are no independent Directors. Refer general comment below.*

Recommendation 2.2: *The Chairperson should be an independent Director. – The Chairman is not independent. Refer general comment below.*

Recommendation 2.3: *The roles of the Chairperson and Chief Executive should not be exercised by the same individual.*
Recommendation 2.4: *Establishment of a nominations committee.*

Recommendation 2.5: *Disclose the process for performance evaluation of the board, its committees and individual directors, and key executives.*

Recommendation 2.6: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 2.*

Membership
The Board's membership and structure is selected to provide the Company with the most appropriate direction in the areas of business controlled by the Company. The Board currently consists of three members; a Managing Director and two non-executive Directors. The Company is not of a size where a majority of independent Directors is possible. The directors each hold shares in the Company. Refer to the Directors' Report for details of each Director's profile.

Chairman and Managing Director
The roles of the Chairman and the Managing Director are separate. The Chairman is responsible for leading the Board in its duties, and facilitating effective discussions at Board level. The Managing Director is responsible for the efficient and effective operation of the Company.

Nomination Committee
The Company has a formal charter for the Nomination Committee, however, no Committee has been appointed to date. The Board as a whole deals with areas that would normally fall under the charter of the Nomination Committee. These include matters relating to the renewal of Board members and Board performance.

Skills
The Directors bring a range of skills and backgrounds to the Board including mineral exploration, engineering, construction, accountancy and finance.

Experience
The Directors have considerable experience in business at both operational and corporate levels.

Meetings
The Board meets at least bi-monthly on a formal basis.

Independent professional advice
Each Director has the right to seek independent professional advice at the Company's expense for which the prior approval of the Chairman is required, and is not unreasonably withheld.

3. Promote ethical and responsible decision-making.

Recommendation 3.1: *Establish a code of conduct to guide the Directors, the Chief Executive Officer (or equivalent) and any other key executives as to:*

3.1.1 The practices necessary to maintain confidence in the Company's integrity;
3.1.2 The practices necessary to take into account legal obligations and the reasonable expectations of shareholders;
3.1.2 The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

Recommendation 3.2: *Disclose the policy concerning trading in Company securities by Directors, officers, and employees.*

Standards
The Company is committed to its Directors and employees maintaining high standards of integrity and ensuring that activities are in compliance with the letter and spirit of both the law and Company policies. Each staff member is issued with the Company's Policies and Procedures manual at the beginning of their employment with the Company.

Recommendation 3.3: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 3.*
A summary of both the Company's Code of Conduct and its Share Trading Policy are included on the Company's website.

4. Safeguard integrity in financial reporting.

Recommendation 4.1: *The Board should establish an audit committee. – Refer general comment below.*

Recommendation 4.2: *Structure the audit committee so that it consists of:*

- *Only non-executive Directors;*
- *A majority of independent Directors;*
- *An independent Chairperson, who is not Chairperson of the Board;*
- *At least three members.*

Recommendation 4.3: *The Audit Committee should have a formal charter.*

Integrity of Company's Financial Condition
The Company's Financial Controller and Company Secretary report in writing to the Board that the consolidated financial statements of the Company and its controlled entities for the half and full financial year present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards.

Audit Committee
The Company has a formal charter for an Audit Committee, however no Committee has been appointed to date. All members of the Board currently provide an active role in the following activities:

- Review the Company's accounting policies;
- Review the content of financial statements;
- Review the scope of the external audit, its effectiveness, and independence of the external audit;
- Ensure accounting records are maintained in accordance with statutory and accounting standard requirements;
- Monitor systems used to ensure financial and other information provided is reliable, accurate, and timely;
- Review the audit process with the external auditors to ensure full and frank discussion of audit issues;
- Present half and full year financial statements to the Board.

5. Make timely and balanced disclosure.

Recommendation 5.1: *Establish written policies and procedures designed to ensure compliance with ASX Listing rules disclosure requirements and to ensure accountability at a senior management level for that compliance.*

Being a listed entity on the ASX, the Company has an obligation under the ASX Listing Rules to maintain an informed market with respect to its securities. Accordingly, the Company advises the market of all information required to be disclosed under the Rules which the Board believes would have a material affect on the price of the Company's securities.

The Company Secretary has been appointed as the person responsible for communication with the Australian Stock Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements of the ASX Listing Rules, and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All shareholders receive a copy of the Company's annual report via the Enterprise Metals Limited website (www.enterprisemetals.com.au) or a hard copy will be posted on request.

Recommendation 5.2: *Provide the information indicated in the ASX Corporate Governance Councils' Guide to Reporting on Principle 5.*
Disclosure is reviewed as a routine agenda item at each Board meeting.

6. Respect the rights of shareholders.

Recommendation 6.1: *Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.*

Recommendation 6.2: *Request the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.*

The Company is committed to keeping shareholders fully informed of significant developments at the Company. In addition to public announcements of its financial statements and significant matters, the Company provides the opportunity for shareholders to question the Board and management about its activities at the Company's annual general meeting.

The Company's auditor, Grant Thornton, will be in attendance at the annual general meeting and will also be available to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

7. Recognise and manage risk

Recommendation 7.1: *The board or appropriate board committee should establish policies on risk oversight and management.*

Recommendation 7.2: *The chief executive officer (or equivalent) and the chief financial officer (or equivalent) to state in writing to the board that:*

7.2.1 The statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board.

7.2.2 The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

Recommendation 7.3: *The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to the financial reporting risks.*

Recommendation 7.4: *Provide the information indicated in the ASX Corporate Governance Council's Guide to reporting on Principle 7.*

The Board oversees the Company's risk profile. The financial position of the Company and matters of risk are considered by the Board on a daily basis. The Board is responsible for ensuring that controls and procedures to identify, analyse, assess, prioritise, monitor and manage risk are in place, being maintained and adhered to.

The Chief Financial Officer/Company Secretary, Mr Jay Stephenson states in writing to the board that:

- The statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board.

- The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

8. Remunerate fairly and responsibly

Recommendation 8.1: *The Board should establish a Remuneration Committee.*

Recommendation 8.2: *Clearly distinguish the structure of non-executive Directors' remuneration from that of executives.*

Recommendation 8.3: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 8.*

Principles used to determine the nature and amount of remuneration
The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate to the results delivered. The framework aligns executive reward with the creation of value for shareholders, and conforms to market best practice.

The remuneration committee ensures that executive rewards satisfy the following key criteria for good reward governance practices:

- Competitiveness and reasonableness;
- Acceptability to the shareholders;
- Performance linked;
- Transparency;
- Capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Remuneration Committee
Members of the Remuneration Committee are Messrs Larsen and Ryan although the remuneration meetings are part of the regular board meetings and the entire board act on remuneration issues.

Directors' Remuneration
Further information on Directors' and executives' remuneration is set out in the Directors' Report.

DIRECTORS' REPORT

Your Directors present their report on the Company and its controlled entities for the financial year ended 30 June 2009.

Directors

The names of Directors in office at any time during or since the end of the year are:

Mr Paul Larsen

Mr Dermot Ryan – (appointed 14 October 2008)

Mr Bruce Hawley

Mr Peter Del Fante – (resigned 14 January 2009)

Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

Mr Jay Richard Stephenson — Chartered Secretary (FCIS), Master of Business Administration (MBA), Certified Practicing Accountant (FCPA), Certified Management Accountant (CMA), Member of the Australian Institute of Company Directors (MAICD), was appointed as Company Secretary for Enterprise Metals Limited on 23 January 2007. Mr Stephenson also performs the role of Chief Financial Officer for the Company.

Principal Activities

The principal activities of the economic entity during the financial year were the exploration of a number of gold, uranium and iron ore tenements in Western Australia

Significant Changes in State of Affairs

- In October 2008, the Company (formerly known as Revere Mining Limited) completed its acquisition of Enterprise Metals Limited and changed the name of Enterprise Metals Limited to Enterprise Uranium Limited. Revere Mining Limited then changed its name to Enterprise Metals Limited. The consideration for the acquisition was 37,000,000 Shares and 1,500,000 to the Shareholders and Option Holders of Enterprise Uranium Limited (formerly Enterprise Metals Limited).
- Mr Dermot Ryan was appointed Managing Director of the Company on 14 October 2008.
- The new Company portfolio of projects increased significantly at this time and expanded from Gold exploration to Gold, Uranium and Iron ore exploration.

Operating Results

The consolidated loss of the economic entity after providing for income tax amounted to $876,445 (2008: $141,191).

Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year ended 30 June 2009.

Review of Operations

A detailed review of the Company's exploration activities is set out in the section titled "Review of Operations" in this annual report.

Financial Position

The net assets of the economic entity at 30 June 2009 are $10,934,892 (2008: $5,438,487).

- The consolidated loss of the economic entity amounted to $876,445.
- The economic entity increased its exploration assets by $7,115,805.

After Balance Date Events

On 17 July 2009, the Company announced the results of its Entitlement Issue. The Company Issued 15,209,743 Shares at $0.15 and 16,209,743 Options exercisable at $0.25 on or before 20 June 2012 to raise a total of $2,278,012 before costs.

There were no further after balance date events.

Information on Directors

Mr Paul Larsen	— Chairman (Non-Executive).
Experience	— Mr Larsen has over 25 years of commercial experience, being the managing director of a number of successful private companies. Mr Larsen has also been heavily involved in the construction industry.
Interest in Shares and Options	— 4,396,034 Shares 985,148 Options
Special Responsibilities	— Member of the Due Diligence Committee and Remuneration Committee.
Directorships held in other listed entities	— Nil

Mr Dermot Ryan	— Managing Director since 14 October 2008 – Appointed 14 October 2008
Experience	— Mr Ryan spent 20 years with the CRA group of companies from 1977-1996, including 10 years as Chief Geologist for CRA Exploration in various states of Australia. He was GM Exploration for Great Central Mines Ltd (later Normandy Yandal Operations Ltd) from late 1996-2001, and for the past 6 years has run a private mineral exploration consulting group (XServ Pty Ltd). He is a Fellow of the AusIMM, (CP), a Fellow of the AIG, and holds a BApSc (Geol).
Interest in Shares and Options	— 12,000,000 Shares 3,500,000 Options
Special Responsibilities	— Member of Remuneration Committee
Directorships held in other listed entities	— Legend Mining Limited. There have been no other directorships in ASX listed companies in the past three years.

Mr Bruce Hawley	—	Executive Director
Experience	—	Mr Hawley has 35 years experience in the management, evaluation, , development and construction of mining projects. He is a Fellow of the AusIMM (CP) andholds a BE (Chem) Hons..
Interest in Shares and Options	—	3,216,168 Shares 3,352,168 Options
Special Responsibilities	—	None
Directorships held in other listed entities	—	Mr Hawley was a Director of Prime Minerals Limited during the past three years.

Mr Peter Del Fante	—	Director (Non-Executive) – *Resigned 14 January 2009*
Experience	—	Mr Del Fante has 19 years experience in the mineral and resources sector where he is principal of Corporate Tenement Services, a company specialising in mining title management and native title issues.
Special Responsibilities	—	Past Member of Due Diligence Committee and Remuneration Committee.
Directorships held in other listed entities	—	Current Director of Prime Resources Limited. There have been no other directorships in ASX listed companies in the past three years.

REMUNERATION REPORT (audited)

This report details the nature and amount of remuneration for each Director of Enterprise Metals Limited and key management receiving the highest remuneration.

A. Key Management Remuneration Policy

The remuneration policy of Enterprise Metals Limited has been designed to align Director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The Board of Enterprise Metals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the economic entity is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Remuneration Committee and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, and options as performance incentives. The Remuneration Committee reviews executive packages annually by reference to the economic entity's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share and option arrangements.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed. Options given to Directors and employees are valued using the Black-Scholes methodology.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders investment objectives and directors' and executives' performance. Currently, this is facilitated through the issue of options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. For details of directors' and executives' interests in options at year end, refer to note 5 of the financial statements.

The Board policy is to remunerate non-executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The non-executive Directors have been provided with options that are designed to incentivise the non-executive Directors. The Remuneration Committee 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. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

DIRECTORS' REPORT

B. Details of Remuneration for Year Ended 30 June 2009 (audited)

Details of the remuneration of the Directors and Key Management Personnel (as defined in AASB 124 Related Party Disclosures) of Enterprise Metals Limited are set out in the following tables:

The Key Management Personnel of Enterprise Metals Limited includes the directors as per pages 24-25. There are no other Key Management Personnel as at 30 June 2009.

There were no cash bonuses paid during the year and there are no set performance criteria for achieving cash bonuses. Options granted during the year are detailed in section D below.

Key Management Personnel of the Entity

2009	Short-term benefits			Post-employment benefits	Other Long-term Benefits	Share-based Payment			Remuneration that is Performance based
Name	Cash salary and fees	Cash from Other Activities	Non-cash Benefits	Super-annuation	Other	Equity	Options	Total	
	$	$	$	$	$	$	$	$	%
Directors and Key Personnel									
Paul Larsen	15,000	-	-	-	-	-	-	15,000	-
Dermot Ryan*	-	45,400	-	-	-	-	-	45,400	-
Peter Del Fante	15,000	6,000	-	-	-	-	149,800	170,800	88
Bruce Hawley	20,000	13,750	-	-	-	-	470,550	504,300	93
Jay Stephenson**	-	-	-	-	-	-	-	-	-
	50,000	65,150	-	-	-	-	620,350	735,500	84

2008	Short-term benefits			Post-employment benefits	Other Long-term Benefits	Share-based Payment			Remuneration that is Performance based
Name	Cash salary and fees	Cash from Other Activities	Non-cash Benefits	Super-annuation	Other	Equity	Options	Total	
	$	$	$	$	$	$	$	$	%
Directors and Key Personnel									
Paul Larsen	-	-	-	-	-	-	-	-	-
Tony Byrne	48,708	-	-	-	-	-	-	48,708	-
Peter Del Fante	30,000	15,000	-	-	-	-	-	45,000	-
Syd Morete	61,349	-	-	-	-	-	-	61,349	-
Bruce Hawley	60,000	-	-	-	-	-	-	60,000	-
Jay Stephenson**	-	-	-	-	-	-	-	-	-
	200,057	15,000	-	-	-	-	-	215,057	-

REMUNERATION REPORT (continued)

* Dermot Ryan is paid by a related party of the Group – refer note 20 for disclosure of related party transactions. The amount shown above is an assessment of the amount paid for his services.

**Jay Stephenson is paid by a related party of the Group – refer note 20 for disclosure of related party transactions.

C. Service Agreements (unaudited)

The Company has no service agreements with any Directors.

D. Share-based compensation (audited)

Options are granted under the Enterprise Metals Limited Incentive Option Scheme. All staff who have been continuously employed by the Company for a period of at least one year are eligible to participate in the plan.

Options are granted under the plan for no consideration. Options are granted for a five year period.

The Company has issued Options under the Scheme to Messrs Hawley and Del Fante on 23 July 2008 as approved by Shareholders at a General meeting on 14 July 2007.

Options were also issued to Mr Ryan on 14 October 2008 as a consideration for options he held in the subsidiary Enterprise Uranium Ltd.

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

Grant date	Expiry date	Number outstanding	Exercise price	Value per option at grant date	Date exercisable
20 March 2007	31 December 2009	2,000,000	25 cents	5.49 cents	20 March 2007
23 July 2008	22 November 2012	1,500,000	25 cents	16.39 cents	23 July 2008
23 July 2008	30 June 2013	2,500,000	50 cents	14.98 cents	23 July 2008
14 October 2008	22 November 2012	1,500,000	25 cents	9.80 cents	14 October 2008

Options granted under the plan carry no dividend or voting rights.

The ability for the employee to exercise the options is restricted in accordance with the terms and conditions detailed in the Incentive Option Scheme.

Each option will automatically lapse if not exercised within five years of the date of issue. The exercise period may also be affected by other events as detailed in the terms and conditions in the Incentive Option Scheme.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

There were no options exercised during the year.

REMUNERATION REPORT (continued)

E. Additional information – (audited)

Details of remuneration; cash bonuses and options

For each cash bonus and grant of options included in the table below, the percentage of the available bonus or grant that was paid or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below. No part of the bonuses is payable in future years. The options vest when they are issued.

Name		**Options**		
	Financial Year granted	Vested %	Forfeited %	Financial years in which options may vest
Paul Larsen	2007	100	-	2007
Dermot Ryan – Appointed 14/10/2008 – paid as consideration	2009	100	-	2009
Bruce Hawley	2009	100	-	2009
Tony Byrne	2007	100	-	2007
Peter Del Fante – Resigned 14/01/2009	2007	100	-	2007
Peter Del Fante – Resigned 14/01/2009	2009	100	-	2009

Loans to Directors and Executives

There are no loans at 30 June 2009 to any Director.

Share-based compensation: Options

4,000,000 options were issued during the year ended 30 June 2009 as compensation to directors and 1,500,000 options were issued as consideration for the acquisition of Enterprise Uranium Limited, as detailed below:
On 23rd July 2008, 3,000,000 options were issued to Mr Hawley and 1,000,000 options were issued to Mr Del Fante as compensation.
On 14th October 2008, 1,500,000 options were issued to Mr Ryan as consideration for his options that were held in the subsidiary Enterprise Uranium Limited as part of the acquisition of Enterprise Uranium Limited.

Share options granted to directors and the most highly remunerated officers

Options over unissued ordinary shares of Enterprise Metals Limited granted during or since the end of the financial year to the most highly remunerated officers of the Company as part of their remuneration or as part of the consideration for options held in the subsidiary Enterprise Uranium Ltd. for the period were as follows:

Directors of Enterprise Metals Limited	**Options granted 23 July 2008**	**Options granted 14 October 2008**	**Options granted 20 March 2007**
Paul Larsen – Non-executive Chairman			500,000
Dermot Ryan – Managing Director – Appointed 14/10/2008		1,500,000	
Bruce Hawley	3,000,000		
Peter Del Fante – Resigned 14/01/2009	1,000,000		500,000

Details of the options granted can be found in section D of the remuneration report on page 16.

REMUNERATION REPORT (continued)

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2009 included:

Options Issued as Remuneration	2,500,000	1,500,000	
Options Issued as Consideration for acquisition of Enterprise Uranium Options			1,500,000
a) consideration	Nil	Nil	$0.098
b) exercise price	$0.50	$0.25	$0.25
c) grant date	23 July 2008	23 July 2008	14 October 2008
d) expiry date	30 Jun 2013	22 Nov 2012	22 Nov 2012
e) share price at grant date	$0.225	$0.225	$0.15
f) expected price volatility of Company shares	100%	100%	100%
g) expected dividend yield	Nil	Nil	Nil
h) risk-free interest rate	6.45%	6.53%	6.53%

Equity Instruments issued on exercise of remuneration options

There were no equity instruments issued during the period to Directors or other key management personnel as a result of options exercised that had previously been granted as compensation.

DIRECTORS' REPORT

REMUNERATION REPORT (continued)

(e) Additional information

Share-based compensation: Options

Further details relating to options are set out below:

Name	A Remuneration consisting of options	B Value at grant date $	C Value at exercise date $	D Value at lapse date $
Paul Larsen	-	-	-	-
Dermot Ryan	-	-	-	-
Bruce Hawley	93.0%	470,550	-	-
Peter Del Fante	88.0%	149,800		

A = The percentage of the value of remuneration consisting of options, based on the value at grant date set out in column B.

B = The value at grant date calculated in accordance with AASB 2 *Share-based Payment* of options granted during the year as part of remuneration.

C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.

D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

END OF REMUNERATION REPORT

DIRECTORS' REPORT

Meetings of Directors

During the financial year, 7 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year were as follows:

	DIRECTORS' MEETINGS		COMMITTEE MEETINGS			
			DUE DILIGENCE COMMITTEE		REMUNERATION COMMITTEE	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Paul Larsen	7	2	2	2	-	-
Dermot Ryan – Appointed 14/10/2008	6	6	-	-	-	-
Bruce Hawley	7	7	2	2	-	-
Peter Del Fante – Resigned 14/01/2009	2	2	2	2	-	-

Indemnifying Officers or Auditor

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was $15,318 for all Directors.

Options

At the date of this report, the un-issued ordinary shares of Enterprise Metals Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
20 March 2007	31 December 2009	$0.25	2,000,000
23 July 2008	22 November 2012	$0.25	1,500,000
23 July 2008	30 June 2013	$0.50	2,500,000
14 October 2008	22 November 2012	$0.25	1,500,000
27 July 2009	20 June 2012	$0.25	16,209,743
			23,709,743

No person entitled to exercise the option has or has any right by virtue of the option to participate in any share issue of any other body corporate.

Environmental Regulations

In the normal course of business, there are no environmental regulations or requirements that the Company is subject to.

DIRECTORS' REPORT

Non-audit Services

The board of directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

There were no non-audit services provided by the auditors during the financial year.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 35 of the Annual Report.

Signed in accordance with a resolution of the Board of Directors.

Paul Larsen
DIRECTOR

Dated this 30th day of September 2009.

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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ENTERPRISE METALS LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Enterprise Metals Limited for the year ended 30 June 2009, 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.

Grant Thornton (WA) Partnership

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

J W VIBERT
Partner

Perth, 30 September 2009

INCOME STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

		Economic Entity		Parent Entity	
		2009	**2008**	**2009**	**2008**
	Note	$	$	$	$
Revenue	2	135,280	232,905	135,280	228,843
Accounting and Audit Fees		(37,286)	(23,825)	(45,774)	(23,825)
Share registry and Listing Fees		(45,786)	(15,924)	(45,786)	(15,924)
Employee Benefits Expense		(135,655)	(234,553)	(135,655)	(234,553)
Computers and Software		(1,371)	(5,266)	(1,371)	(5,266)
Investor Relations		(3,883)	(11,032)	(3,883)	(11,032)
Insurance		(24,220)	(12,222)	(24,220)	(12,222)
Depreciation		(2,785)	(2,140)	(2,785)	(2,140)
Accommodation		(79,699)	(8,583)	(79,699)	(8,583)
Share-based payments expense	18	(620,350)	-	(620,350)	-
Exploration Expenses not capitalised		30,126	-	(229)	-
Other expenses		(90,816)	(60,551)	(72,906)	(60,430)
Loss before income tax	3	(876,445)	(141,191)	(897,378)	(145,132)
Income tax expense	4	-	-	-	-
Loss attributable to members of the parent entity		(876,445)	(141,191)	(897,378)	(145,132)
Basic loss per share (cents per share)	7	(0.013)	(3.7)		
Diluted loss per share (cents per share)	7	(0.013)	(3.7)		

The above income statements should be read in conjunction with the accompanying notes.

BALANCE SHEETS AS AT 30 JUNE 2009

		Economic Entity		Parent Entity	
	Note	**2009**	**2008**	**2009**	**2008**
		$	$	$	$
Current Assets					
Cash and cash equivalents	8	1,036,254	2,646,960	1,007,047	2,646,427
Trade and other receivables	9	110,421	51,870	181,889	51,870
Total Current Assets		**1,146,675**	**2,698,830**	**1,188,936**	**2,698,297**
Non-Current Assets					
Plant and Equipment	10	8,508	7,563	8,508	7,563
Exploration and evaluation	11	9,989,822	2,874,017	2,089,940	795,103
Other financial assets	12	529	-	7,787,194	2,059,148
Total Non-Current Assets		**9,998,859**	**2,881,580**	**9,885,642**	**2,861,814**
TOTAL ASSETS		**11,145,534**	**5,580,410**	**11,074,578**	**5,560,111**
Current Liabilities					
Trade and other payables	13	210,642	141,923	180,918	141,923
Total Current Liabilities		**210,642**	**141,923**	**180,918**	**141,923**
TOTAL LIABILITIES		**210,642**	**141,923**	**180,918**	**141,923**
NET ASSETS		**10,934,892**	**5,438,487**	**10,893,660**	**5,418,188**
Equity					
Issued Capital	15	11,210,098	5,604,598	11,210,098	5,604,598
Options Reserve	16	877,150	109,800	877,150	109,800
Accumulated Losses		(1,152,356)	(275,911)	(1,193,588)	(296,210)
TOTAL EQUITY		**10,934,892**	**5,438,487**	**10,893,660**	**5,418,188**

The above Balance Sheets should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Note	Share Capital Ordinary	Accumulated Losses	Options Reserve	Total
		$	$	$	$
ECONOMIC ENTITY					
Balance at 30 June 2007		5,676,053	(134,720)	109,800	5,651,133
Shares issued during the year – net of costs		(71,455)	-	-	(71,455)
Loss for the year		-	(141,191)	-	(141,191)
Balance at 30 June 2008		5,604,598	(275,911)	109,800	5,438,487
ECONOMIC ENTITY					
Balance at 30 June 2008		5,604,598	(275,911)	109,800	5,438,487
Shares issued during the year – net of costs		5,605,500	-	-	5,605,500
Loss for the year		-	(876,445)	-	(876,445)
Share based payment		-	-	767,350	767,350
Balance at 30 June 2009		11,210,098	(1,152,356)	877,150	10,934,892
PARENT ENTITY					
Balance at 30 June 2007		5,676,053	(151,078)	109,800	5,634,775
Shares issued during the year – net of costs		(71,455)	-	-	(71,455)
Loss for the year		-	(145,132)	-	(145,132)
Balance at 30 June 2008		5,604,598	(296,210)	109,800	5,418,188
PARENT ENTITY					
Balance at 30 June 2008		5,604,598	(296,210)	109,800	5,418,188
Shares issued during the year – net of costs		5,605,500	-	-	5,605,500
Loss for the year		-	(897,378)	-	(897,378)
Share based payment		-	-	767,350	767,350
Balance at 30 June 2009		11,210,098	(1,193,588)	877,150	10,893,660

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

CASH FLOW STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

		Economic Entity		Parent Entity	
		2009	2008	2009	2008
	Note	$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Interest received		110,382	228,843	110,382	228,843
Rent and other receipts		27,388	-	27,387	-
Payments to suppliers and employees		(486,950)	(348,758)	(429,674)	(349,303)
Exploration and evaluation expenditure		(1,234,405)	(667,034)	(1,239,336)	(667,034)
Net cash (used in) operating activities	17a	(1,583,585)	(786,949)	(1,531,241)	(787,494)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(3,730)	(5,437)	(3,730)	(5,437)
Loans to controlled entities		-	-	(73,363)	-
Purchase of controlled entities, net of cash acquired		(23,391)	-	(31,046)	-
Net cash (used in) investing activities		(27,121)	(5,437)	(108,139)	(5,437)
CASH FLOWS FROM FINANCING ACTIVITIES					
Share issue costs		-	(71,455)	-	(71,455)
Net cash (used by) financing activities		-	(71,455)	-	(71,455)
Net increase/(decrease) in cash held		(1,610,706)	(863,841)	(1,639,380)	(864,386)
Cash at beginning of year		2,646,960	3,510,801	2,646,427	3,510,813
Cash at end of year	8	**1,036,254**	**2,646,960**	**1,007,047**	**2,646,427**

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the consolidated group of Enterprise Metals Limited and controlled entities, and Enterprise Metals Limited as an individual parent entity. Enterprise Metals Limited is a listed public company, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Principles of Consolidation

A controlled entity is any entity controlled by Enterprise Metals Limited. Control exists where Enterprise Metals Limited has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Enterprise Metals Limited to achieve the objectives of Enterprise Metals Limited. A list of controlled entities is contained in Note 12 to the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Enterprise Metals Limited.

(b) Income Tax

The charge for current income tax expense is based on the profit/(loss) for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(c) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(d) Property, Plant, and Equipment

Each class of property, plant, and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the historical cost basis.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs, and an appropriate proportion of fixed and variable overheads.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%
Computers	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(g) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Rental income is recognised on an accrual basis.

All revenue is stated net of the amount of goods and services tax (GST).

(h) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash Flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of financing activities, which are disclosed as operating cash flow.

(i) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair values of quoted financial assets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities) the economic entity establishes fair value by using a variety of valuation techniques. Where the fair value of a financial asset cannot be reliably measured, it will be

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

measured at cost.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the economic entity for similar financial instruments.

(j) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(k) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and measurement of Financial Instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available for sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(l) Earnings Per Share

i. Basic earnings per share

Basic earnings per share is determined by dividing the profit attributable to equity holders of the company, excluding any costs of service equity other than ordinary shares, by the weighted average

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. Diluted earnings per share
Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financial 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.

(m) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(n) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will results and that outflow can be reliably measured.

(o) Equity-settled compensation

The Company operates an Incentive Option Scheme share-based compensation plan. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

Critical Accounting Estimates and Judgments
The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates — Impairment

The economic entity assesses impairment at each reporting date by evaluating conditions specific to the economic entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The directors considered the impairment of their investment in subsidiaries and loans receivable from subsidiaries based on the fair value less costs to sell the underlying mineral tenements. The inter-company loans have no interest or repayment terms and are effectively investments in controlled entities and are reflected at cost.

No impairment has been recorded for the year.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Key Estimates – Share based payment transactions

The economic entity measures the cost of equity-settled transactions with employees 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 the Black-Scholes formula, with the assumptions detailed in note 18.

The financial report was authorized for issue on 30 September by the board of Directors.

	Note	Economic Entity 2009 $	Economic Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
NOTE 2: REVENUE					
Operating activities					
— Rental and other income		24,898	-	24,898	-
— Interest received (a)	2(a)	110,382	232,905	110,382	228,843
Total Revenue		135,280	232,905	135,280	228,843
(a) Interest revenue from:					
— Other parties		110,382	232,905	110,382	228,843
Total Interest Revenue		110,382	232,905	110,382	228,843

NOTE 3: LOSS FOR THE YEAR

(a) Expenses

	Economic Entity 2009 $	Economic Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Depreciation and amortisation of non-current assets:				
— plant and equipment	2,785	2,140	2,785	2,140
Total depreciation and amortisation	2,785	2,140	2,785	2,140
Operating Lease Expense	79,699	8,583	79,699	8,583

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 4 INCOME TAX

		Economic Entity		Parent Entity	
		2009	**2008**	**2009**	**2008**
		$	$	$	$
(a) **Income tax expense**					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
		-	-	-	-
Deferred income tax expense included in income tax expense comprises:					
- (Increase) in deferred tax assets	4(c)	(625,373)	(200,111)	(626,853)	(200,111)
- Increase in deferred tax liabilities	4(d)	625,373	200,111	626,853	200,111
		-	-	-	-
(b) **Reconciliation of income tax expense to prima facie tax payable**					
The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:					
Prima facie tax on operating loss at 30%		(262,933)	(42,357)	(269,213)	(43,540)
Add / (Less) tax effect of:					
Non-deductible expenses		625,022	27,465	624,957	27,465
Deferred tax asset not brought to account		(362,089)	14,892	(355,744)	16,075
Income tax attributable to operating loss		-	-	-	-
The applicable weighted average effective tax rates are as follows:		nil%	nil%	nil%	nil%
Balance of franking account at year end		nil	nil	nil	nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

			Economic Entity		Parent Entity	
(c)	**Deferred tax assets**		**2009**	**2008**	**2009**	**2008**
			$	$	$	$
	Tax Losses		603,938	115,297	605,419	138,510
	Provisions and Accrual		4,500	40,165	4,500	40,165
	Other		16,935	44,649	16,935	21,436
			625,373	200,111	626,854	200,111
	Set-off deferred tax liabilities	4(d)	(625,373)	(200,111)	(626,854)	(200,111)
	Net deferred tax assets		-	-	-	-
(d)	**Deferred tax liabilities**					
	Exploration expenditure		625,373	200,111	626,853	200,111
			625,373	200,111	626,853	200,111
	Set-off deferred tax assets	4(c)	(625,673)	(200,111)	(626,853)	(200,111)
	Net deferred tax liabilities		-	-	-	-
(e)	Tax losses					
	Unused tax losses for which no deferred tax asset has been recognised		388,288	215,536	151,115	207,200

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2009 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- the company continues to comply with conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

NOTE 5: KEY MANAGEMENT PERSONNEL

(a) Names and positions held of the economic and parent entity key management personnel in office at any time during the financial year:

Directors	**Position**
Paul Larsen	Chairman — Non-executive – Appointed 23 January 2007
Dermot Ryan	Managing Director – Appointed 10 October 2008
Bruce Hawley	Executive Director – Appointed 10 January 2008
Peter Del Fante	Director — Non-executive – Resigned 10 January 2009

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 5: KEY MANAGEMENT PERSONNEL (cont.)	Economic Entity		Parent Entity	
	2009 $	2008 $	2009 $	2008 $
(b) Key management personnel compensation				
Short-term employee benefits	115,150	215,057	115,150	215,057
Share based payments	620,350	-	620,350	-
Total key management personnel compensation	735,500	215,057	735,500	215,057

The Company has transferred the detailed remuneration disclosures to the Directors' Report in accordance with the Corporations Amendment Regulations 2006 (No 4) which exempts listed entities from providing remuneration disclosures in relation to their specified directors in their annual financial reports by Accounting Standard AASB 124 "Related Party Disclosures". The relevant information can be found in section B of the Remuneration Report on page 27 and is designated as audited.

(c) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options
Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in section D of the Remuneration Report on pages 28.

(ii) Option holdings
The numbers of options over ordinary shares in the Company held during the financial year by each Director of Enterprise Metals Limited and other key management personnel of the Company, including their personally related parties, are set out below.

2009	Balance at the start of the year	Granted during the year as compensation	Options Exercised	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors of Enterprise Metals Limited						
Paul Larsen	500,000	-	-	-	500,000	500,000
Dermot Ryan – Appointed 14/10/2008	-	-	-	1,500,000	1,500,000	1,500,000
Bruce Hawley	-	3,000,000	-	-	3,000,000	3,000,000
Peter Del Fante – Resigned 10/01/2009	500,000	1,000,000	-	-	1,500,000	1,500,000

(iii) Shareholdings

The numbers of shares in the Company held during the financial year by each Director of Enterprise Metals Limited and other key management personnel of the Company, including their personally related parties are set out below. There were no shares granted during the reporting period as compensation.

NOTE 5: KEY MANAGEMENT PERSONNEL (cont.)

2009	Balance at the start of the year	Received during the year as compensation	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Directors					
Ordinary Shares					
Paul Larsen	1,945,842	-	-	965,044	2,910,886
Dermot Ryan				12,000,000	12,000,000
Bruce Hawley	263,243	-	-	1,650,757	1,914,000
Peter Del Fante	956,444	-	-	(956,444)	-
Total	3,165,529	-	-	13,659,357	16,824,886

(d) Loans to key management personnel

There are no loans made to directors of Enterprise Metals Limited and controlled entity as at 30 June 2009.

(e) Other transactions with key management personnel

There are no other transactions with key management personnel.

For information relating to the Employee Share Scheme, including details of options issued during the financial year, refer to Note 18.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

		Economic Entity		Parent Entity	
		2009	**2008**	**2009**	**2008**
		$	$	$	$

NOTE 6: AUDITORS' REMUNERATION

Remuneration of the auditor of the parent entity for:

-	Taxation services	-	1,500	-	1,500
-	Auditing or reviewing the financial report	31,800	15,575	31,800	15,575

NOTE 7: LOSS PER SHARE

(a)	Reconciliation of earnings to loss				
	Net Loss	(876,445)	(141,191)	(897,378)	(145,132)
	Earning used in the calculation of basic EPS	(876,445)	(141,191)	(897,378)	(145,132)
		Number	Number	Number	Number
(b)	Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	64,853,486	38,576,500	64,853,486	38,576,500

Options are out of the money as at 30 June 2009 and are therefore anti dilutive

NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank	57,010	32,227	27,803	31,694
Cash in term deposit	979,244	2,614,733	979,244	2,614,733
	1,036,254	2,646,960	1,007,047	2,646,427

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statements is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	1,036,254	2,646,960	1,007,047	2,646,427

Cash at bank earns an effective interest rate of 1.07%
Cash in term deposit rolls every 30 days and earns an effective interest rate of 5.72%.

NOTE 9: TRADE AND OTHER RECEIVABLES

CURRENT

GST receivable	84,169	21,133	84,169	21,133
Trade receivables	17,472	19,607	15,577	19,607
Amount receivable from controlled entities (i)	-	-	73,363	-
Prepayments	8,780	11,130	8,780	11,130
	110,421	51,870	181,889	51,870

(i) These loans are unsecured, interest free, and have no formal terms for repayment.

There are no balances within trade and other receivables that contain assets that are not impaired and are past due. The trade receivables relate to withholding tax receivable and interest receivable. It is expected these balances will be received when due.

Refer note 1, Key Estimates – Impairment for assessment of recoverability of amounts receivable from controlled entities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT				
NON-CURRENT				
Computer equipment – cost	6,893	3,711	6,893	3,711
Accumulated Depreciation	(2,519)	(1,237)	(2,519)	(1,237)
Plant and equipment – cost	3,903	3,355	3,903	3,355
Accumulated Depreciation	(1,252)	(408)	(1,252)	(408)
Furniture and fittings – cost	2,637	2,637	2,637	2,637
Accumulated Depreciation	(1,154)	(495)	(1,154)	(495)
	8,508	7,563	8,508	7,563
a) Reconciliation of Carrying Amounts				
Computer equipment				
Opening balance	2,474	3,711	2,474	3,711
- Additions	3,182	-	3,182	-
- Depreciation expense	(1,281)	(1,237)	(1,281)	(1,237)
Carrying amount at the end of the year	4,375	2,474	4,375	2,474
Plant and equipment				
Opening balance	2,946	555	2,946	555
- Additions	548	2,800	548	2,800
- Depreciation expense	(844)	(409)	(844)	(409)
Carrying amount at the end of the year	2,650	2,946	2,650	2,946
Furniture and fittings				
Opening balance	2,143	-	2,143	-
- Additions	-	2,637	-	2,637
- Depreciation expense	(660)	(494)	(660)	(494)
Carrying amount at the end of the year	1,483	2,143	1,483	2,143
Totals				
Opening balance	7,563	4,266	7,563	4,266
- Additions	3,730	5,437	3,730	5,437
- Depreciation expense	(2,785)	(2,140)	(2,785)	(2,140)
Carrying amount at the end of year	8,508	7,563	8,508	7,563

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	$	$	$
NOTE 11: EXPLORATION AND EVALUATION				
Exploration and evaluation phases – at cost	9,964,322	2,874,017	2,089,940	795,103
(a) Exploration and evaluation				
Opening balance	2,874,017	2,206,983	795,103	128,069
Exploration expenditure	1,289,902	667,034	1,294,837	667,034
Acquisition through business combination	5,825,903	-	-	-
Closing balance	9,989,822	2,874,017	2,089,940	795,103

The Directors' assessment of the carrying amount for the Company's exploration properties was after consideration of prevailing market conditions; previous expenditure for exploration work carried out on the tenements; and the potential for mineralisation based on the Company's and independent geological reports. The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole or part of the Company's interests in these exploration properties for an amount at least equal to the carrying value. There may exist on the Company's exploration properties areas subject to claim under Native Title or containing sacred sites or sites of significance to Aboriginal people. As a result, the Company's exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

NOTE 12: OTHER FINANCIAL ASSETS

NON-CURRENT				
Formation costs	529	-	-	-
Shares in Controlled Entities	-	-	7,787,194	2,059,148
	529	-	7,787,194	2,059,148

Refer note 1, Key Estimates – Impairment for assessment of recoverability of investments.

Details of Controlled Entities	Country of Incorporation	Class of Shares	Percentage Owned % 2009	Percentage Owned % 2008
Murchison Exploration Pty Limited	Australia	Ordinary	100	100
Enterprise Uranium Pty Ltd	Australia	Ordinary	100	-
Enterprise Exploration Pty Ltd	Australia	Ordinary	100	-
Australasian Mining and Exploration Pty Ltd	Australia	Ordinary	100	-
Traynor Pty Ltd	Australia	Ordinary	100	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	$	$	$
NOTE 13: TRADE AND OTHER PAYABLES				
CURRENT – unsecured liabilities				
Trade payables	174,676	8,041	145,028	8,041
Accrued Expenses	33,400	133,882	33,400	133,882
GST payable	2,566	-	2,490	-
	210,642	141,923	180,918	141,923

NOTE 14: ACQUISITION OF ENTITIES

On 14 October 2008, 100% of Enterprise Uranium Limited and subsidiaries was acquired.

The purchase was satisfied by the issue of 37,000,000 ordinary shares at an issue price of $0.15 each, the issue of 1,500,000 options at an issue price of $0.098 as valued using the Black Scholes Method, and the payment of $31,046 purchase costs. The issue was based on the market price at the date of purchase.

Details of this transaction are:

Purchase consideration:	$
Costs of acquisition	31,046
Cash acquired	(7,655)
Net cash paid	23,391
Share capital issued	5,550,000
Options issued	147,000
	5,720,391
Assets and liabilities at acquisition date:	
Prepayments	17,056
Exploration and evaluation	1,785,696
Intangible assets	530
Trade and other payables	(123,098)
	1,680,184
Excess value of exploration assets on acquisition	4,040,207
	5,720,391

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

		Economic Entity		Parent Entity	
		2009	**2008**	**2009**	**2008**
		$	$	$	$
NOTE 15: ISSUED CAPITAL					
75,876,500 (2008: 38,576,500) Ordinary shares	13a	11,210,098	5,604,598	11,210,098	5,604,598

The Company has no authorised share capital. Shares have no par value.

(a) Ordinary shares

	Economic Entity 2009 $	Economic Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
At the beginning of the reporting period	5,604,598	5,676,053	5,604,598	5,676,053
Shares issued during the year	-	-	-	-
• 37,000,000 on 14 October 2009 @ $0.15 per share	5,550,000	-	5,550,000	-
• 300,000 on 3 June 2009 @ $0.185 per share	55,500	-	55,500	-
Transaction costs relating to share issues	-	(71,455)	-	(71,455)
At reporting date	11,210,098	5,604,598	11,210,098	5,604,598

	No.	**No.**	**No.**	**No.**
At the beginning of the reporting period	38,576,500	38,576,500	38,576,500	38,576,500
Shares issued during the year				
• 37,000,000 on 14 October 2008 @ $0.15 per share	37,000,000	-	37,000,000	-
• 300,000 on 3 June 2009 @ $0.185 per share	300,000	-	300,000	-
At reporting date	75,876,500	38,576,500	75,876,500	38,576,500

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has a vote on a show of hands.

	No.	**No.**	**No.**	**No.**
(b) Options				
At the beginning of the reporting period	2,000,000	2,000,000	2,000,000	2,000,000
Options issued during the year				
• 23 July 2008	4,000,000	-	4,000,000	-
• 14 October 2008	1,500,000	-	1,500,000	-
At reporting date	7,500,000	2,000,000	7,500,000	2,000,000

i For information relating to share options issued to key management personnel during the financial year, refer to Note 5 and Directors' Report.

ii Options issued on 23 July 2008 include 1,500,000 $0.25 options exercisable by 22 November 2012 and 2,500,000 $0.50 options exercisable by 30 June 2013.

iii Options issued on 14 October 2008 include 1,500,000 $0.25 options exercisable by 22 November 2012.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 15: ISSUED CAPITAL (cont.)

(c) Employee Share Scheme

For information relating to the Enterprise Metals Limited Employee Share Scheme, including details of options issued during the financial year, refer to Note 18.

(d) Capital Management

The economic entity's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the economic entity's activities, being mineral exploration, the economic entity does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the economic entity's capital risk management is the current working capital position against the requirements of the economic entity to meet exploration programmes and corporate overheads. The economic entity's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the economic entity and the parent entity at 30 June 2009 and 30 June 2008 are as follows:

	Economic Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Cash and cash equivalents	1,036,254	2,646,960	1,007,047	2,646,427
Trade and other receivables	110,421	51,870	181,889	51,870
Trade and other payables	(210,644)	(141,923)	(180,918)	(141,923)
Working capital position	936,031	2,556,907	1,008,018	2,556,374

NOTE 16: OPTIONS RESERVE

Options Reserve	877,150	109,800	877,150	109,800

The Options Reserve records the value of share based payments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 17: CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with loss after Income Tax

	Economic Entity		Parent Entity	
	2009 $	**2008** $	**2009** $	**2008** $
(Loss) after income tax	(876,445)	(141,191)	(897,378)	(145,132)
Non-cash flows in profit from ordinary activities				
Depreciation	2,785	2,140	2,785	2,140
Employee Share-based payments expense	620,350	-	620,350	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase) in receivables	(60,901)	(5,767)	(59,007)	(8,131)
Decrease in prepayments	19,406	-	2,350	-
(Increase) in other non-current assets	(1,234,405)	(667,034)	(1,239,336)	(667,034)
Increase/(Decrease) in payables	(54,375)	24,903	38,995	30,663
Cash flow from/(used in) operations	(1,583,585)	(786,949)	(1,531,241)	(787,494)

(b) Acquisition of Entities

The Company acquired its subsidiary companies Enterprise Uranium Pty Ltd, Enterprise Exploration Pty Ltd, Australasian Mining and Exploration Pty Ltd, and Traynor Pty Ltd in October 2008. Refer Note 14 for details.

(c) Credit Standby Facilities

The Company has no credit standby facilities.

(d) Non-Cash investing and financing activities

The Company has no non-cash investing and financing activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 18: SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2009.

On 20 March 2007, 2,000,000 share options were granted to Directors to take up ordinary shares at an exercise price of $0.25 each. The options are exercisable on or before 31 December 2009.

On 23 July 2008, 1,500,000 share options were granted to Directors to take up ordinary shares at an exercise price of $0.25 each. The options are exercisable on or before 22 November 2012.

On 23 July 2008, 2,500,000 share options were granted to Directors to take up ordinary shares at an exercise price of $0.50 each. The options are exercisable on or before 30 June 2013.

On 14 October 2008, 1,500,000 share options were granted to Directors to take up ordinary shares at an exercise price of $0.25 each. The options are exercisable on or before 22 November 2012.

At balance date, no share options have been exercised.

All options granted to key management personnel are ordinary shares in Enterprise Metals Limited, which confer a right to one ordinary share for every option held.

	2009	2008	2009	2008
	Number of Options	Number of Options	Weighted Average Exercise Price $	Weighted Average Exercise Price $
Outstanding at the beginning of the year	2,000,000	2,000,000	$0.25	$0.25
Granted	5,500,000	-	$0.36	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year-end	7,500,000	2,000,000	$0.33	$0.25
Exercisable at year-end	7,500,000	2,000,000	$0.33	$0.25

NOTE 18: SHARE-BASED PAYMENTS continued

The options outstanding at 30 June 2009 had a weighted average exercise price of $0.33 and a remaining weighted average contractual life of 2.83 years.

The weighted average fair value of the options granted during the 2009 year was $0.14. This price was calculated by an independent accountant using a Black Scholes option pricing model applying the following inputs:

	$0.50 Options granted 23 July 2008	**$0.25 Options granted 23 July 2008**	**$0.25 Options granted 14 October 2008**
Exercise price	$0.25	$0.50	$0.25
Valuation date	29 May 2008	14 July 2008	14 October 2008
Expiry date	30 June 2013	22 November 2012	22 November 2012
Underlying share price	$0.225	$0.225	$0.150
Expected share price volatility	100%	100%	100%
Risk free interest rate	6.53%	6.53%	6.53%

A number of factors were taken into account in determining the expected share price volatility including the share price movement over the 12 months prior to the issue of options, the announcement made in relation to the exploration on the Revere gold project, and the acquisition of Enterprise Metals Limited.

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

On 17 July 2009, the Company announced the results of its Entitlement Issue. The Company Issued 15,209,743 Shares at $0.15 and 16,209,743 Options exercisable at $0.25 on or before 20 June 2012 to raise a total of $2,282,461 before costs.

There were no further after balance date events.

NOTE 20: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties, inclusive of Directors Remuneration:

	Economic Entity		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	$	$	$
XServ Pty Ltd				
Mr Ryan is a Director Shareholder of XServ Pty Ltd. Mr Ryan provides Geological Consulting Services for Enterprise Metals Limited in addition to his Directors fees.				
Mineral ExplorationServices	689,819	-	612,204	-
As at 30 June 2009, $nil was payable to XServ Pty Ltd				
Corporate Tenement Services Pty Ltd				
Mr Del Fante is a Director Shareholder of Corporate Tenement Services Pty Ltd. Mr Del Fante provides Tenement Management Services for Enterprise Metals Limited in addition to his Directors fees.				
Tenement Management Services	21,000	45,000	21,000	45,000
As at 30 June 2009, $8,300 was payable to Corporate Tenement Services Pty Ltd				
West Coast Projects Pty Ltd				
Mr Hawley is a Director Shareholder of West Coast Projects Pty Ltd. Mr Hawley provides consultancy services in the area of technical support for Enterprise Metals Limited in addition to his Directors Fees.				
West Coast Projects	33,750	60,000	33,750	60,000
As at 30 June 2009, $nil was payable to West Coast Projects Pty Ltd				
Phillip Hoff Taxation Consultant				
Mr Phillip Hoff is a taxation consultant and is a significant shareholder of Enterprise Metals Limited.				
Phillip Hoff Taxation Consultant	13,656	-	10,654	-
As at 30 June 2009, $nil was payable to Phillip Hoff Pty Ltd				

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	$	$	$
NOTE 20: RELATED PARTY TRANSACTIONS continued				
Wolfstar Group Pty Ltd				
Mr Stephenson is a Director of Wolfstar Group Pty Ltd. Mr Stephenson provides Company Secretarial and Chief Financial Officer services for Enterprise Metals Limited. In addition, Wolfstar provides accounting, administration and Corporate Advisory Services to Enterprise Metals Limited.				
Wolfstar Group Pty Ltd	56,540	120,821	56,540	120,821

As at 30 June 2009, $3,400 was payable to Wolfstar Group Pty Ltd

All above related party transactions were at arms length.

NOTE 21: CAPITAL AND LEASING COMMITMENTS

Capital expenditure commitments:

Capital expenditure commitments contracted for:

	Economic Entity 2009 $	Economic Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Exploration tenement minimum expenditure requirements	2,103,561	430,000	825,634	430,000
Amounts payable:				
- not later than 12 months	659,180	86,000	294,780	86,000
- between 12 months and 5 years	1,444,381	344,000	530,854	344,000
- greater than 5 years	-	-	-	-
	2,103,561	430,000	825,634	430,000

Commitments relate to granted exploration and prospecting tenements.

Operating lease commitments:

	Economic Entity 2009 $	Economic Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Non-cancellable operating lease contracted for but not capitalised in the financial statements	32,070	-	32,070	-
Amounts payable:				
- not later than 12 months	32,070	-	32,070	-
	32,070	-	32,070	-

The operating lease is for the term of fourteen months ending 31 October 2009.

The Company has an option to renew for a further 12 months.

NOTE 22: FINANCIAL INSTRUMENTS

a. Financial Risk Management Policies

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and loans to and from subsidiaries.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Treasury Risk Management

The Board meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Board's operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

ii. Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk, and credit risk.

Interest Rate Risk

Interest rate risk is managed by closely monitoring the interest rates at various financial institutions. The Company has no debt and as such the interest rate risk is limited to the Company's investments in term deposits and other interest bearing investments.

Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained. At 30 June 2009 the Company had no debt.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no other material amounts of collateral held as security at 30 June 2009. Trade and other receivables are expected to be settled within 30 days.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 22: FINANCIAL INSTRUMENTS (cont.)

b. Financial Instruments

i. Derivative Financial Instruments

The economic entity had no derivative financial instruments at 30 June 2009.

ii. Interest Rate Risk

The consolidated group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 22: FINANCIAL INSTRUMENTS (cont.)

2009	**Floating Interest Rate**	**Fixed Interest maturing in 1 year or less**	**Fixed Interest maturing over 1 to 5 years**	**Non-interest bearing**	**2009 Total**
Economic Entity	**$**	**$**	**$**	**$**	**$**
Financial assets					
Cash Assets	1,036,254	-	-	-	1,036,254
Loans and Receivables	-	-	-	110,421	110,421
	1,036,254	-	-	110,421	1,146,675
Weighted average interest rate – cash assets	5.61%				
Financial Liabilities at amortised cost					
Payables	-	-	-	210,644	210,644
	-	-	-	210,644	210,644
Net financial assets	1,036,254	-	-	(100,223)	936,031

2008	**Floating Interest Rate**	**Fixed Interest maturing in 1 year or less**	**Fixed Interest maturing over 1 to 5 years**	**Non-interest bearing**	**2008 Total**
Economic Entity	**$**	**$**	**$**	**$**	**$**
Financial assets					
Cash Assets	2,646,960	-	-	-	2,646,960
Loans and Receivables	-	-	-	51,870	51,870
	2,646,960	-	-	51,870	2,698,830
Weighted average interest rate – cash assets	6.75%				
Financial Liabilities at amortised cost					
Payables	-	-	-	141,923	141,923
	-	-	-	141,923	141,923
Net financial assets	2,646,960	-	-	(90,053)	2,556,907

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 22: FINANCIAL INSTRUMENTS (cont.)

2009	Floating Interest Rate	Fixed Interest maturing in 1 year or less	Fixed Interest maturing over 1 to 5 years	Non-interest bearing	2009 Total
Parent	**$**	**$**	**$**	**$**	**$**
Financial assets					
Cash Assets	1,007,047	-	-	-	1,007,047
Loans and Receivables	-	-	-	181,889	181,889
	1,007,047	-	-	181,889	1,188,936
Weighted average interest rate – cash assets	5.68%				
Financial Liabilities at amortised cost					
Payables	-	-	-	180,918	180,918
	-	-	-	180,918	180,918
Net financial assets	1,007,047	-	-	971	1,008,018

2008	Floating Interest Rate	Fixed Interest maturing in 1 year or less	Fixed Interest maturing over 1 to 5 years	Non-interest bearing	2008 Total
Parent	**$**	**$**	**$**	**$**	**$**
Financial assets					
Cash Assets	2,646,427	-	-	-	2,646,427
Loans and Receivables	-	-	-	51,870	51,870
	2,646,427	-	-	51,870	2,698,297
Weighted average interest rate – cash assets	6.75%				
Financial Liabilities at amortised cost	-	-	-	-	-
Payables	-	-	-	141,923	141,923
	-	-	-	141,923	141,923
Net financial assets	2,646,427	-	-	(90,053)	2,556,374

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 22: FINANCIAL INSTRUMENTS (cont.)

iii. Net Fair Values

The net fair values of:

— For unlisted investments where there is no organised financial market, the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.

— Other assets and other liabilities approximate their carrying value.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date.

Economic Entity	**2009**	**2009**	**2008**	**2008**
	Carrying Amount $	**Net Fair Value $**	**Carrying Amount $**	**Net Fair Value $**
Financial Assets				
Loans and receivables	110,421	110,421	51,870	51,870
	110,421	110,421	51,870	51,870
Financial Liabilities at amortised cost				
Other liabilities	210,644	210,644	141,923	141,923
	210,644	210,644	141,923	141,923

Parent	**2009**	**2009**	**2008**	**2008**
	Carrying Amount $	**Net Fair Value $**	**Carrying Amount $**	**Net Fair Value $**
Financial Assets				
Loans and receivables	181,889	181,889	51,870	51,870
	181,889	181,889	51,870	51,870
Financial Liabilities at amortised cost				
Other liabilities	180,918	180,918	141,923	141,923
	180,918	180,918	141,923	141,923

NOTE 22: FINANCIAL INSTRUMENTS (cont.)

iv. **Sensitivity Analysis**

Interest Rate Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Group		**Parent Entity**	
	2009 **$**	**2008** **$**	**2009** **$**	**2008** **$**
Change in profit				
— Increase in interest rate by 1%	19,677	33,903	19,444	33,903
— Decrease in interest rate by 1%	(19,677)	(33,903)	(19,444)	(33,903)
Change in Equity				
— Increase in interest rate by 1%	19,677	33,903	19,444	33,903
— Decrease in interest rate by 1%	(19,677)	(33,903)	(19,444)	(33,903)

NOTE 23: CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2009.

NOTE 24: SEGMENT REPORTING

The economic entity is involved in only one segment - the acquisition of tenements and exploration of those tenements in Western Australia.

NOTE 25: COMPANY DETAILS

The registered office and principal place of business of the Company is:

Enterprise Metals Limited
Level 1
640 Murray Street
WEST PERTH WA 6005

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 26: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The following standards, amendments to standards and interpretations are available for early adoption at 30 June 2009. These standards have not been applied in preparing this financial report.

AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (June 2007) incorporates amendments arising from Interpretation 12 Service Concession Arrangements. The entity is not expecting to enter into service concession arrangements in future reporting periods therefore these amendments are not expected to have any impact on the entity's financial report. This standard is applicable for annual reporting periods ending on or after 31 December 2008.

AASB 3: Business Combinations, AASB 127: Consolidated and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7: Amendments to Australian Accounting Standards — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. In this regard, its impact on the Group will be unable to be determined.

The following changes to accounting requirements are included:

- acquisition costs incurred in a business combination will no longer be recognised in goodwill but will be expensed unless the cost relates to issuing debt or equity securities;
- contingent consideration will be measured at fair value at the acquisition date and may only be provisionally accounted for during a period of 12 months after acquisition;
- gain or loss of control will require the previous ownership interests to be remeasured to their fair value;
- there shall be no gain or loss from transactions affecting a parent's ownership interest of a subsidiary with all transactions required to be accounted for through equity (this will not represent a change to the Group's policy);
- dividends declared out of pre-acquisition profits will not be deducted from the cost of an investment but will be recognised;
- impairment of investments in subsidiaries, joint ventures and associates shall be considered when a dividend is paid by the respective investee; and
- where there is, in substance, no change to Group interests, parent entities inserted above existing Groups shall measure the cost of its investments at the carrying amount of its share of the equity items shown in the balance sheet of the original parent at the date of reorganisation. The Group will need to determine whether to maintain its present accounting policy of calculating goodwill acquired based on the parent entity's share of net assets acquired or change its policy so goodwill recognised also reflects that of the non-controlling interest.

The Group will need to determine whether to maintain its present accounting policy of calculating goodwill acquired based on the parent entity's share of net assets acquired or change its policy so goodwill recognised also reflects that of the non-controlling interest.

NOTE 26: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED (Cont.)

AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). AASB 8 replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's Board for the purposes of decision making. While the impact of this standard cannot be assessed at this stage, there is the potential for more segments to be identified. Given the lower economic levels at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management does not presently believe impairment will result however.

AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Group. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

AASB 123 *Borrowing Costs (June 2007)* incorporates amendments removing the option to immediately expense borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. As the entity does not have borrowings associated with qualifying assets, these amendments are not expected to have any impact on the entity's financial report. This standard is applicable for annual reporting periods ending on or after 31 December 2009.

AASB 127 *Consolidated and Separate Financial Statements (March 2008)* amends how entities account for business combinations and changes in ownership interests in subsidiaries. As the transitional provision of AASB 127 provide that the changes to the recognition and measurement criteria within AASB 127 resulting from this revision do not apply retrospectively to business combinations effected prior to the amendments being adopted, this standard is not expected to have any impact on the entity's financial report. This standard is applicable for annual reporting periods ending on or after 30 June 2010.

AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123* [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]. As the entity does not have borrowings associated with qualifying assets, these amendments are not expected to have any impact on the entity's financial report. This standard is applicable for annual reporting periods ending on or after 31 December 2009.

AASB 2008-1 Amendments to Australian Accounting Standard – Share based Payments: Vesting Conditions and Cancellations [AASB 2]. Unless the entity enters into share-based payment transactions in future reporting periods, these amendments are not expected to have any impact on the entity's financial report. This standard is applicable for annual reporting periods ending on or after 30 June 2010.

AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]. This standard is applicable for annual reporting periods ending on or after 30 June 2010.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1 The financial statements, comprising the income statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes are in accordance with the *Corporations Act 2001* and:

(a) Comply with Accounting Standards and the *Corporations Act 2001*; and

(b) Give a true and fair view of the financial position as at 30 June 2009, and of the performance for the year ended on that date of the Company and consolidated entity.

2 the Chief Executive Officer and Chief Finance Officer have each declared that:

(a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

(b) the financial statements and notes for the financial year comply with the Accounting Standards; and

(c) the financial statements and notes for the financial year give a true and fair view;

3 In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

DIRECTOR

Paul Larsen

Dated 30th September 2009, Perth WA

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ENTERPRISE METALS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Enterprise Metals Limited, (the Company) which comprises the balance sheets as at 30 June 2009, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence
In conducting our audit, we complied with applicable independence requirements of the Corporations Act 2001.

Auditor's opinion
In our opinion:

a the financial report of Enterprise Metals Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and

  ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report
We have audited the Remuneration Report included in pages 26 to 31 of the directors' report for the year ended 30 June 2009. 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.

Auditor's opinion
In our opinion the Remuneration Report of Enterprise Metals Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.

Grant Thornton (WA) Partnership

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

J W VIBERT
Partner

Perth, 30 September 2009

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies only.

1 Shareholding as at 24 September 2009

(a) Distribution of Shareholders

Category (size of holding)	Number Ordinary
1 – 1,000	10
1,001 – 5,000	112
5,001 – 10,000	119
10,001 – 100,000	362
100,001 – and over	145
	748

(b) The number of shareholdings held in less than marketable parcels is 18.

(c) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

— Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(d) 20 Largest Shareholders — Ordinary Shares as at 24 September 2009

Name		Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	MR DERMOT MICHAEL RYAN + MRS VIVIENNE ELEANOR RYAN <THE ENTERPRISE A/C>	6,000,000	6.59
2	MR SERGIO ALFIERI + EMILIA MARIA ALFIERI	3,839,026	4.21
3	MR DERMOT MICHAEL RYAN <ENTERPRISE A/C>	3,000,000	3.29
4	MS VIVIENNE ELEANOR RYAN <ENTERPRISE A/C>	3,000,000	3.29
5	MR MILES GEORGE SMYTH	2,819,358	3.10
6	MR PAUL GRAEME LARSEN	2,633,209	2.89
7	MR PHILIP HOFF <CORNUCOPIA A/C>	2,422,500	2.66
8	ANZ NOMINEES LIMITED <CASH INCOME A/C>	2,042,039	2.24
8	MS CHRISTINE LINDA MEEKS <MAFORCA A/C>	1,800,000	1.98
10	DESMOND FRANK CRAWLEY + SOUKSAVANH GUY <EST ALAN GUY A/C>	1,666,667	1.83
11	MR DEREK NOEL LAFERLA + MS SUZAN JAYNE PERVAN	1,500,000	1.65
12	ROSANE PTY LTD <ROSANE HOLDINGS S/F A/C>	1,458,334	1.60
13	MR ROBIN CHRISTOPHER COOPER	1,284,043	1.41
14	MR WILLIAM JOHN ROBERTSON + MRS JUNE DIANE	1,195,834	1.31

	ROBERTSON <THE ROBERTSON FAMILY A/C>		
15	BATEMAN AND COMPANY LIMITED	1,000,000	1.10
16	MR PAUL GRAEME LARSEN	1,000,000	1.10
17	MR WILLIAM JOHN ROBERTSON + MS JUNE DIANE ROBERTSON <ROBERTSON SUPER FUND A/C>	1,000,000	1.10
18	MR SYDNEY SEDDON MORETE	941,667	1.03
19	MR LAWRENCE PATRICK HEALY + MRS RAELENE KAREN HEALY <LP HEALY SUPER FUND A/C>	900,000	0.99
20	ORCAS PTY LTD <R & R UNIT A/C>	867,466	0.95
		40,370,143	44.32

2 The name of the Company Secretary is Jay Richard Stephenson.

3 The address of the principal registered office in Australia is Level 1, 640 Murray Street, West Perth WA 6005. Telephone Number: 08 9436 9200.

4 Registers of securities are held at the following addresses

Western Australia	Computershare Registry Services Level 2, 45 St Georges Terrace PERTH WA 6000

5 Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Stock Exchange Limited.

6 Unquoted Securities

Options over Un-issued Shares

A total of 7,500,000 options are on issue of which 5,500,000 are on issue to the three Directors.

7 Use of Funds

The Company has used its funds in accordance with its initial business objectives.

TENEMENT REPORT

Tenement	Lease Status	Project	% Held
E20/0620	Granted	Wattagee	100%
E36/0597	Granted	Darlot	100%
E36/0706	Application	Darlot	100%
E37/0859	Granted	Darlot	80%
E37/0926	Granted	Darlot	100%
E37/0927	Granted	Darlot	100%
E37/0939	Granted	Darlot	100%
E37/0947	Granted	Darlot	100%
E37/1004	Application	Darlot	100%
E37/1005	Application	Darlot	100%
E51/0802	Granted	Revere	100%
E51/0941	Granted	Revere	100%
E51/1019	Granted	Revere	100%
E51/1079	Granted	Revere	100%
E51/1168	Granted	Revere	100%
E51/1301	Application	Revere	100%
E51/1302	Application	Revere	100%
E51/1303	Application	Revere	100%
E51/1304	Application	Revere	100%
E51/1337	Application	Revere	100%
E52/1689 - I	Granted	Sylvania	100%
E52/2049	Granted	Revere	100%
E52/2349	Application	Sylvania	100%
E53/1212	Granted	Maitland	70% U
E53/1373	Application	Maitland	70% U
E53/1450	Application	Maitland	100%
E53/1451	Application	Maitland	100%
E57/0620	Granted	Lake Mason	100%
E57/0690	Granted	Lake Mason	100%
E57/0789	Application	Lake Mason	100%
E59/1437	Application	Yalgoo ENT	100%
E63/1281	Application	Fraser Range	100%

Tenement	Lease Status	Project	% Held
E63/1282	Application	Fraser Range	100%
E63/1283	Application	Fraser Range	100%
E69/2574	Application	Fraser Range	100%
E69/2603	Application	Eucla	100%
E69/2604	Application	Eucla	100%
E69/2607	Application	Earaheedy	100%
E69/2636	Application	Earaheedy	100%
M51/0818	Application	Revere	100%
P36/1546	Granted	Darlot	100%
P36/1547	Granted	Darlot	100%
P36/1548	Granted	Darlot	100%
P36/1549	Granted	Darlot	100%
P36/1550	Granted	Darlot	100%
P36/1551	Granted	Darlot	100%
P36/1552	Granted	Darlot	100%
P36/1553	Granted	Darlot	100%
P36/1554	Granted	Darlot	100%
P36/1555	Granted	Darlot	100%
P36/1556	Granted	Darlot	100%
P36/1557	Granted	Darlot	100%
P36/1560	Granted	Darlot	100%
P36/1561	Granted	Darlot	100%
P36/1659	Granted	Darlot	100%
P36/1660	Granted	Darlot	100%
P36/1661	Granted	Darlot	100%
P37/7772	Application	Darlot	100%
P37/7773	Application	Darlot	100%
P51/2516	Granted	Revere	100%
P51/2517	Granted	Revere	100%
P51/2624	Application	Revere	100%
P51/2625	Application	Revere	100%
P51/2626	Application	Revere	100%
P51/2627	Application	Revere	100%
P53/1273	Granted	Paddy Well	100%
P53/1274	Granted	Paddy Well	100%
Tenement	**Lease**	**Project**	

	Status		**% Held**
P53/1275	Granted	Paddy Well	100%
P53/1423	Granted	Maitland	70% U
P53/1424	Granted	Maitland	70% U
P53/1425	Granted	Maitland	70% U
P53/1426	Granted	Maitland	70% U
P53/1427	Granted	Maitland	70% U
P53/1428	Granted	Maitland	70% U
P53/1429	Granted	Maitland	70% U
P53/1430	Granted	Maitland	70% U
P57/1128	Granted	Lake Mason	100%
P57/1129	Granted	Lake Mason	100%
P63/1644	Granted	Mt Thirsty	100%
P63/1645	Granted	Mt Thirsty	100%