



# ENTERPRISE METALS LIMITED

(ACN 123 567 073)

24 October 2012

SEPTEMBER 2012 QUARTERLY ACTIVITIES REPORT

ASX Symbol: **ENT**

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## PROJECTS

### Iron Ore

Booylgoo  
Burracoppin  
Sylvania  
Earaheedy

### Gold/Base Metals

Doolgunna  
Darlot  
Wattagee  
Fraser Range

### Uranium

Yalgoo  
Peranbye (Yalgoo South)  
Byro  
Harris Lake  
Ponton  
Darlot

## ISSUED CAPITAL

30 September 2012

Shares on Issue	213,220,776
Shares Quoted	213,220,776
Listed Options	Nil
Unlisted Options	80,925,806

## HIGHLIGHTS

### Doolgunna Gold/Base Metals Project

Soil sampling defines copper & gold soil anomaly (1,500m long), and DeGrussa style multi-element geochemical anomaly. Aircore drill holes intersect further oxide gold with primary zone still to be tested.

DNAC066: 2m @16.5 g/t Au from 72m  
Incl. 1m @ 30.6 g/t Au from 73m  
DNAC133: 15m @ 2.0 g/t Au from 35m  
Inc 7m @ 3.7 g/t Au from 42m  
DNAC133: 14m @ 1.0 g/t Au from 54m  
DNAC136: 6m @ 4.9 g/t Au from 49m  
Incl. 1m @ 19.0 g/t Au from 49m

260 hole infill aircore program underway, testing gold intersections and soil anomalies.

### Fraser Range Gold/Base Metals Project

Soil sample results identify five Ni-Cu-Co ("Nova style") anomalies and one gold anomaly. Infill sampling commenced.

### Peranbye Uranium Project

Airborne EM (AEM) survey identifies deep palaeochannel target considered prospective for uranium. 4 EL's granted covering 816km<sup>2</sup>.

### Ponton Uranium Project

AEM survey identifies deep palaeochannel targets similar in character to nearby Mulga Rocks and Double 8 deposits. 5 EL's granted covering 1,218km<sup>2</sup>.

### Byro Uranium Project

Radiation Management Plan (RMP) and Radio Quiet Management Plan (RQMP) approved and heritage survey planned prior to palaeochannel drill testing.

## CORPORATE

Cash of \$8.4 million at 30<sup>th</sup> September 2012.

Sinotech (Hong Kong) Corporation Limited exercised 10 million ENT Options on 11 July, thereby injecting \$2.5 million into the Company. SinoTech were issued 11 million 25 cent ENT bonus Options for early exercise, with an expiry date of 12 July 2014. SinoTech's interest increased from 30.51% to 33.77%.

## 1. SUMMARY OF EXPLORATION ACTIVITIES

### DOOLGUNNA PROJECT

The Doolgunna Project covers 1,100km<sup>2</sup> and is located approximately 110km northeast of Meekatharra and some 10km southwest of Sandfire’s DeGrussa discovery. The project is considered prospective for volcanogenic massive sulphide (VMS) and stratabound base metals, and mesothermal stockwork gold.

#### Vulcan Prospect

Following the discovery of visible gold in a shallow pit northeast of the Doolgunna homestead, Enterprise completed two vertical aircore holes (DNAC069-070) drilled 40m apart either side of the pit. DNAC069 returned encouraging gold intervals of 3m @ 2.03 g/t Au from 1m and 11m @ 0.58 g/t Au from 92m to end of hole.

Based on these results and the lack outcrop, Enterprise excavated a costean to provide sub-surface geological/structural data as well as information on the character and setting of the visible gold. An estimated 500 tonnes of material was excavated from the costean and a total of 47 ounces of coarse gold was recovered. This figure applies to the coarse “detectable” gold portion only, and does not take into account the presence of any “fine” gold.

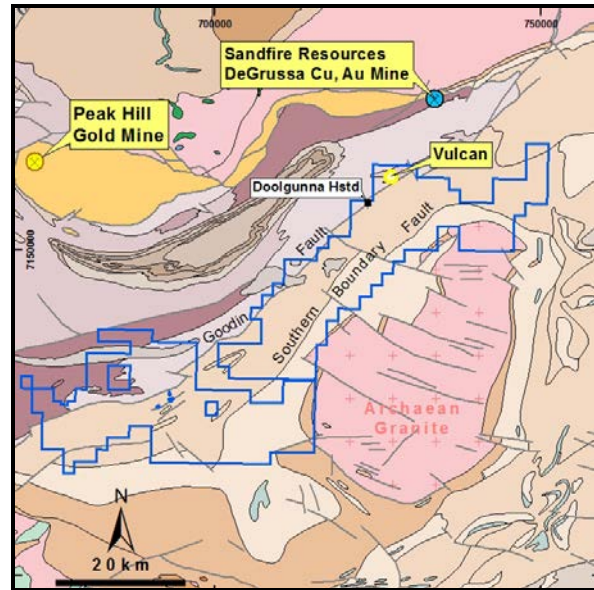


Figure 1: Tenement and Regional Geology

An additional four angled aircore drillholes (DNAC131-134) were completed targeting the down dip extension of a gossanous unit exposed in the costean. Due to hard ground and high water flows, hole DNAC132 failed to intersect the projected target zone, but nonetheless intersected shallow mineralisation. Anomalous results are shown in Table 1 and illustrated in Figure 2.

Table 1: Vulcan Aircore Drill Hole Assay Results

Hole	East MGA94	North MGA94	From (m)	To (m)	Interval (m)	Au (g/t)
DNAC069	727502	7161780	1	4	3	2.03
Incl.			92	103 EOH	11	0.58
DNAC132	727580	7161846	16	18	2	1.26
DNAC133	727550	7161781	35	50	<b>15</b>	<b>2.03</b>
Incl.			42	49	<b>7</b>	<b>3.66</b>
DNAC133			54	68	14	1.01

Note: 0.5g/t Au cut off grade applied. Gold analysis by 50g fire assay with lead collection

Detailed soil sampling over Vulcan has defined a 1,500m long northeast trending zone of copper, with anomalous gold. A new base metal multi-element association comprising gold, silver, arsenic, lead, zinc, molybdenum, antimony and cadmium has also been identified on the open, eastern margin of Vulcan. Further soil sampling to the east of Vulcan has been completed, with results pending.

A rockchip sample with visible gold, located in the general vicinity of the Vulcan soil anomaly, returned **810g/t Au, 0.1% Cu, 18.3g/t Ag, 1.0% Bi, 132ppm Mo and 2.7ppm Sb**, which supports the base metal prospectivity of the area. This gold/base metal association is similar to the VMS pathfinder elements reported from the DeGrussa deposit 13km to the northeast. Both DeGrussa and Vulcan are hosted by the Narracoota Formation volcanics, adjacent to major regional faults.

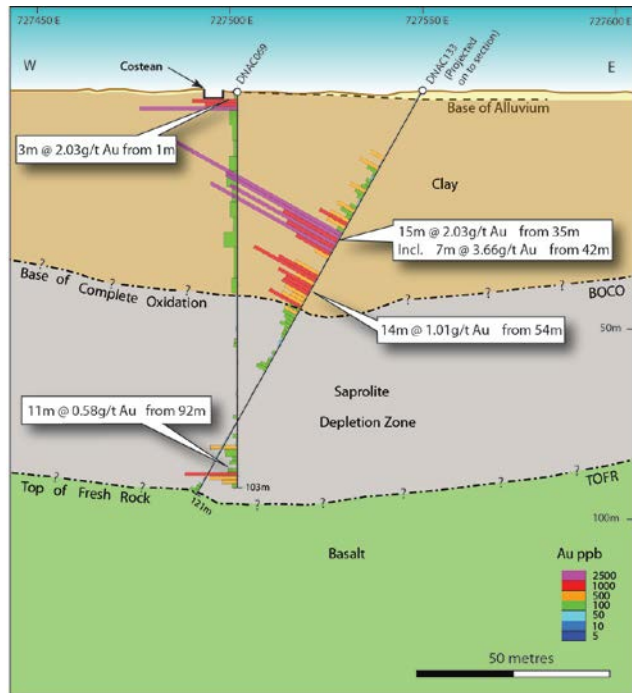


Figure 2: Vulcan Prospect, Schematic Cross Section 716 178N showing Aircore Drillholes

Figure 3 shows the location of the copper/gold soil anomalism, aircore holes drilled during the Quarter, and the 810g/t Au rockchip sample (Refer Table 2). Tabulated significant soil samples results were released to the ASX on 17<sup>th</sup> September 2012.

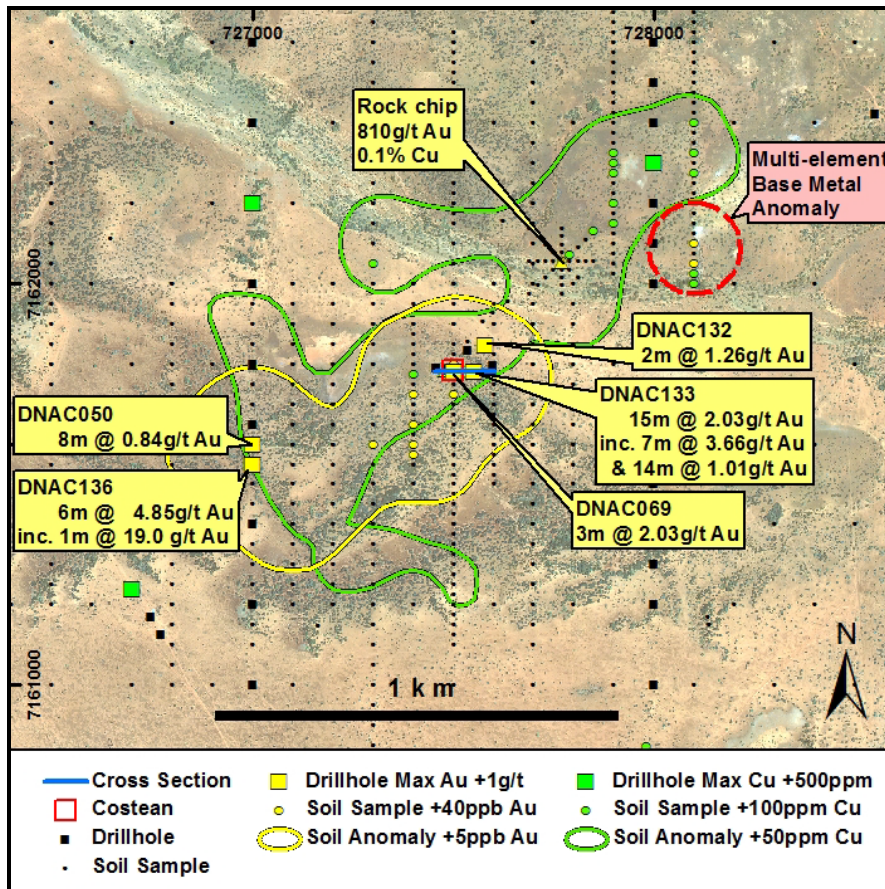


Figure 3: Vulcan Soil and Rockchip Locations with Gold and Copper Anomalies

**Table 2: Vulcan Prospect, Rockchip Result**

East MGA94_z50	North MGA94_z50	Au (g/t)	Ag (g/t)	Cu (ppm)	As (ppm)	Bi (ppm)	Mo (ppm)	Sb (ppm)
727772	7162054	<b>810</b>	<b>18.3</b>	<b>986</b>	45	<b>9950</b>	132	2.73

*Gold analysis by 50g fire assay with lead collection*

*Multi-element analysis by 50g aqua regia digest with ICP-MS finish*

The aircore drilling program completed during the Quarter comprised 134 broad spaced holes (7,790m) in the area surrounding Vulcan. This broad spaced program (200m x 1km) was designed to test the regolith for a supergene/oxide copper “blanket” which may be developed over deeper primary sulphide mineralisation. The drilling also tested an 8km strike length of the Goodin Fault, which marks the contact between the Narracoota Formation volcanics and Doolgunna Formation.

Tables 3 & 4 summarise the best gold and copper results respectively. The widths and grades of these intersections are considered highly encouraging given that they are from first pass, broad spaced drill holes. These oxide intersections remain essentially “open” in all directions and follow-up drill testing to define their relationship with primary sulphide mineralisation will be completed in the December Quarter.

**Table 3: Doolgunna Project, Significant Gold Intersections**

Hole	East MGA94_z50	North MGA94_z50	From (m)	To (m)	Interval (m)	Au (g/t)
DNAC050	727000	7161600	26	34	8	0.84
DNAC066	728000	7160000	72	74	<b>2</b>	<b>16.48</b>
Incl.			73	74	<b>1</b>	<b>30.60</b>
DNAC136	727000	7161550	49	55	<b>6</b>	<b>4.85</b>
			49	50	<b>1</b>	<b>19.00</b>

*Note: 0.5g/t Au cut off grade applied. Gold analysis by 50g fire assay with lead collection*

**Table 4: Doolgunna Project, Significant Copper Intersections**

Hole	East MGA94_z50	North MGA94_z50	From (m)	To (m)	Int (m)	Cu (ppm)
DNAC007	725000	7161600	0	31 EOH	31	469
DNAC047	727000	7162200	12	60	48	601
DNAC085	728000	7162300	8	36 EOH	28	452
DNAC119	730000	7160600	36	58 EOH	22	798
Incl.			52	56	4	1010

*Cu analysed by 50g Aqua regia digest, ICP-MS. Method ARM155 by SGS Australia Pty Ltd.*

### **Further Vulcan Drilling Program**

A 260 hole aircore drilling program is now in progress at the Vulcan prospect and surrounding areas, testing previous gold intersections and multi-element geochemical anomalies. This program is designed to enhance Enterprise’s understanding of both the bedrock geology and the distribution of gold, copper and pathfinder elements in the regolith, with the ultimate aim of delineating VMS and gold mineralisation in the primary (fresh rock) zone.

**DARLOT PROJECT**

**Regional Base Metal Assessment**

The regional review of the base metal potential of the Darlot Project was completed, focussing on the lithological/stratigraphic **contact between mafic and felsic volcanics**, see Figure 4. This 75km long contact zone represents the northern extension of the favourable horizon which hosts volcanogenic massive sulphide (VMS) deposits at Teutonic Bore, Jaguar and Bentley owned by Independence Group (ASX:IGO).

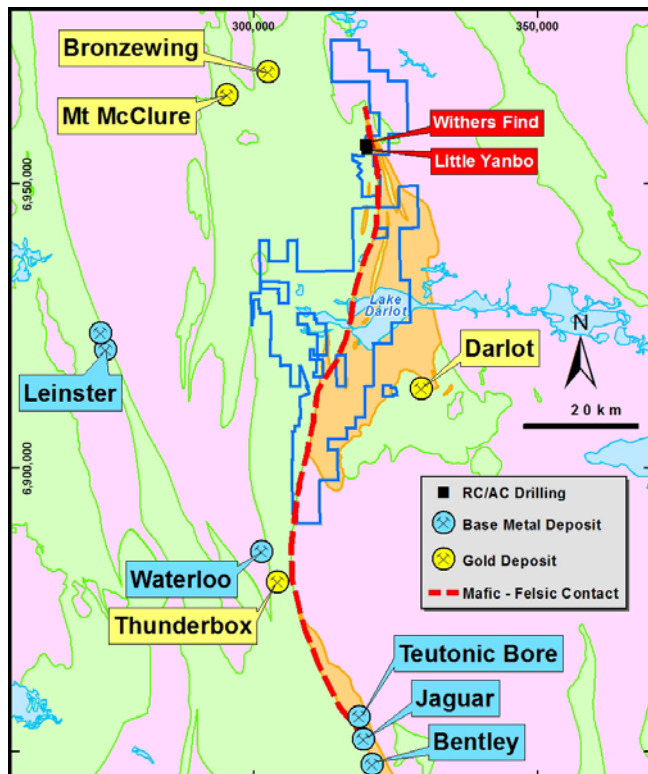
Bottom-of-hole drill samples from 671 previous holes were submitted for multi-spectral scanning (“*Hylogger*”) aimed at identifying alteration signatures related to VMS mineralisation. The samples were also analysed for an extensive multi-element base metal suite. Results from the spectral analysis suggests that the character of white mica and chlorite may be indicative of hydrothermal alteration, however further work is required to define drill targets.

**Regional Gold Assessment**

A review of the gold potential of the entire Darlot Project has identified several targets for follow up in the Griffin Well (NE) and Mt Von Mueller (south) areas, as well as a linear zone of discontinuous gold mineralisation, called the Ockerburry Trend (“OT”).

The OT lies sub-parallel to the north-south trending Ockerburry Fault (approximately 2-3km to the east) and also runs parallel to and is semi contiguous with the zone considered prospective for VMS deposits, see above. The OT is extensively covered by transported overburden and has not been drill tested over much of its length.

The next phase of exploration at Darlot will involve regional aircore/RC traverses targeting a combination of broad zones of alteration/anomalism identified by the Hylogger and multi-element analysis and gold targets within the Ockerburry Trend.



**Figure 4: Darlot Project, Prospective VMS Trend**

**FRASER RANGE PROJECT**

The Fraser Range Project covering 594km<sup>2</sup> is located approximately 100km east of Norseman and 650km east of Perth within the Albany-Fraser province, see Figure 5. The Project is considered prospective for gold and copper/nickel/PGE mineralisation and is situated some 30km southwest of Sirius Resources NL’s Nova nickel-copper discovery.

The Albany-Fraser province extends along the southern and southwestern margin of the Yilgarn Craton. It consists mainly of orthogneiss and granite, but also includes large sheets of metagabbro (including the Fraser Complex), remnants of mafic dykes and widespread metasedimentary rocks.

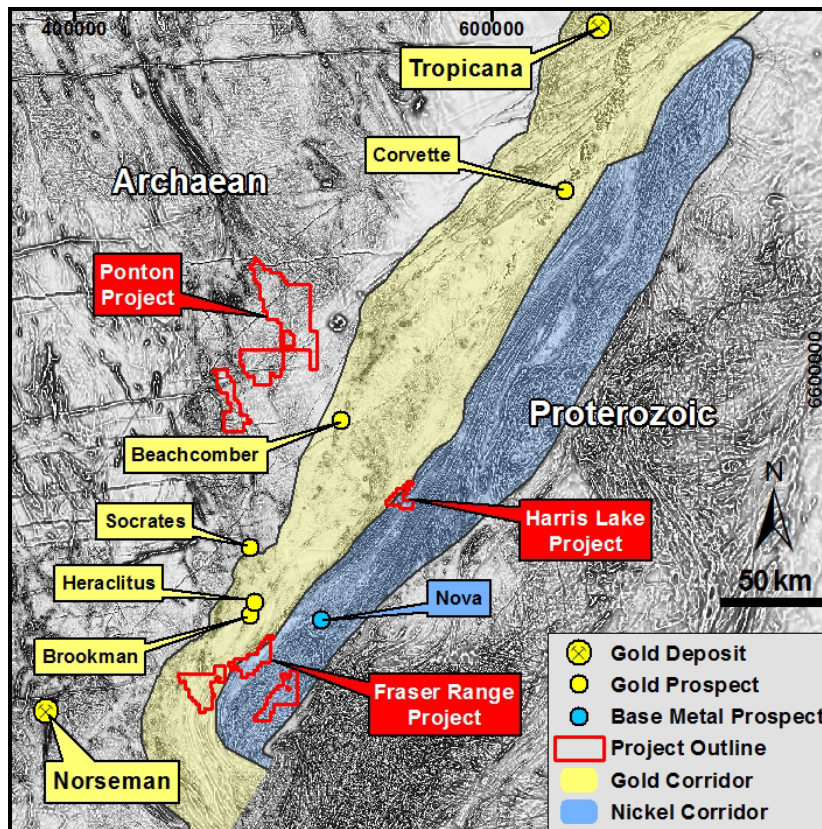


Figure 5: Fraser Range Project, Tenement Location Plan over Magnetics

During the quarter, results from first-pass regional calcrete (1,744 samples) and bulk soil sampling (1,853 samples) across the entire Fraser Range Project on a nominal 400m x 800m pattern were received. Five areas with anomalous coincident Ni-Cu-Co geochemistry (similar metal association as Nova) have been identified at the Plato, East Dam, EH1, EH2 and EH3 prospects, along with a gold target at Microwave, see Figure 6. Second-pass infill soil sampling has been commissioned to further delineate the anomalies, and ground electrical geophysical surveys will be undertaken to define drill targets.

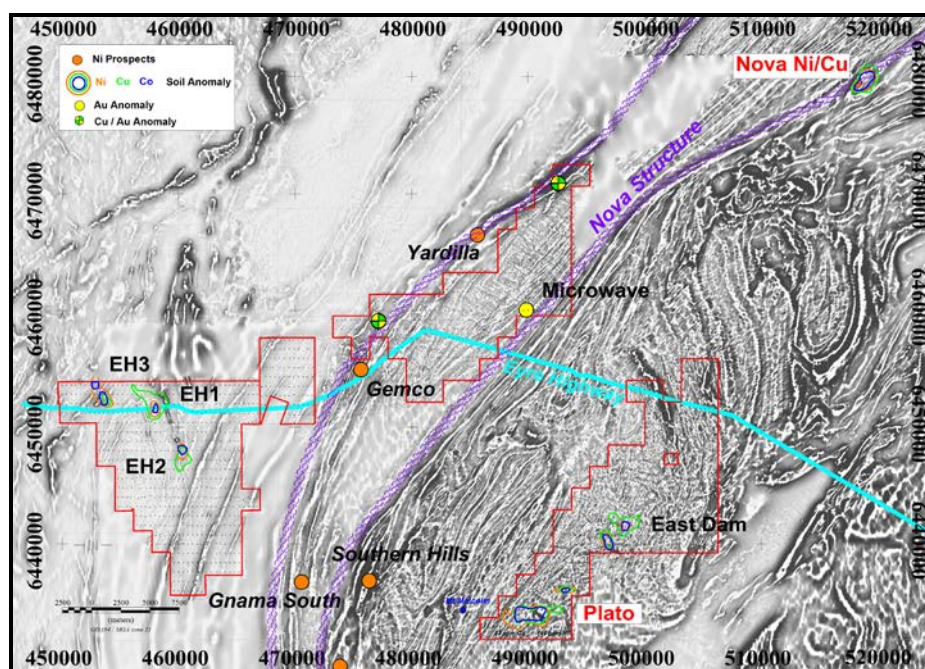


Figure 6: Fraser Range Ni-Cu-Co Soil Anomalies (with “Nova-style” Geochemical Signature)

**BOOYLGOO PROJECT**

The Booylgoo Project is centred approximately 80km WNW of Leinster in Western Australia and is considered to have potential for iron ore in the form of hematite/goethite deposits associated with banded iron formation (BIF). It lies 100km to the south of Golden West Resources Ltd's *Wiluna West* hematite project (127.2Mt at 60.2% Fe) which is hosted in similar rocks.

A scout RC drilling program comprising 30 holes for 2,076m along seven traverses was completed during the Quarter. The program was targeting DSO hematite/goethite associated with BIF, identified during geological mapping and rockchip sampling programs. Individual drillholes were specifically sited to test the depth potential beneath outcropping hematite/goethite, which returned significant iron grades (+50% Fe) in rockchip samples. The drilling commonly intersected a ferruginous hard cap or ferricrete to 10-15m, followed by an alternating sequence of BIF and felsic tuff, overlying a mafic volcanic containing abundant magnetite. BIF, with an average downhole thickness of 20m was intersected beneath the iron rich surficial material (+50% Fe) in most holes, however limited iron enrichment was noted at depth, apart from several narrow 3-6m intervals.

The assay results confirm the character of the BIF observed in the drilling, with average values of: 33.8% Fe, 39.3% SiO<sub>2</sub>, 6.1% Al<sub>2</sub>O<sub>3</sub>, 0.043% P and 5.3% LOI, see Table 5 for summary results.

**Table 5: Booylgoo Project RC Drill Results**

Hole_ID	MGA94E	MGA94N	From	To	Int	Fe %	SiO2 %	Al2O3 %	P %	LOI %
BGRC001	785794	6931320	5	25	20	33.2	43.3	4.1	0.027	4.50
BGRC001			31	47	16	36.1	42.9	1.6	0.034	3.20
BGRC003	785856	6931346	0	11	11	37.4	25.5	10.8	0.027	8.84
BGRC004	786007	6931426	0	55	55	30.9	39.4	7.9	0.043	6.11
BGRC005	786048	6931438	12	17	5	34.5	41.5	4.3	0.030	4.73
BGRC005			25	34	9	27.3	42.5	9.5	0.068	6.50
BGRC007	786217	6831515	14	20	6	32.8	46.8	2.5	0.030	1.77
BGRC008	786813	6930411	0	11	11	31.0	27.8	14.4	0.010	10.41
BGRC009	786376	6930426	0	38	38	35.3	34.8	7.1	0.048	6.09
BGRC009			44	49	5	29.2	55.7	0.9	0.025	1.63
BGRC009			55	74	19	34.4	47.9	0.7	0.024	1.69
BGRC010	786358	6930448	12	17	5	30.2	46.3	5.5	0.024	4.55
BGRC010			20	26	6	27.6	51.6	4.9	0.150	3.73
BGRC011	786400	6930463	0	15	15	30.5	28.7	15.8	0.052	9.82
BGRC012	786490	6930509	21	26	5	32.0	49.3	1.9	0.051	2.06
BGRC013	786524	6929953	6	62	56	32.2	38.6	2.9	0.052	3.47
BGRC014	786554	6929976	0	42	42	41.0	32.5	3.8	0.061	4.59
Incl			0	28	28	45.2	24.1	4.8	0.072	5.88
BGRC015	786603	6929998	14	20	6	37.6	28.9	9.0	0.078	6.93
BGRC016	786645	6930016	0	24	24	23.9	48.1	8.5	0.023	6.35
BGRC017	787771	6928594	46	67	21	39.1	55.2	5.7	0.096	5.67
BGRC018	787811	6928620	0	24	24	44.4	22.9	7.1	0.037	6.10
BGRC019	787860	6928639	0	8	8	24.7	36.8	17.3	0.014	9.09
BGRC023	787608	6928031	0	37	37	33.7	42.9	3.1	0.013	4.95
Incl			28	34	6	50.9	12.7	3.6	0.006	8.74
BGRC024	787664	6928056	0	9	9	40.8	20.9	9.3	0.025	9.12
BGRC024			15	61	46	33.4	47.8	1.0	0.034	2.70
BGRC025	787719	6428080	33	44	11	26.7	53.2	2.7	0.056	1.88

*Co-ordinates Map Grid of Australia, Zone 50, GDA 94. Analyses using XRF spectrometry by SGS Australia Pty Ltd.*

**BYRO PROJECT**

The Byro Project is approximately 250km northeast of Geraldton and has a combined area of 1,943km<sup>2</sup>. The Project covers the Murchison River valley which is considered prospective for (blind) sand or sandstone hosted uranium mineralisation.

An AEM survey was flown over the Wooleen Lake area in July to identify deep sand hosted palaeochannels with potential to carry high grade uranium mineralisation. Six regional lines of AEM were also flown over selected areas of the Murchison valley, to test for deep sand hosted palaeochannels below previously identified calcrete hosted uranium anomalies, see Figure 7.

Processing and interpretation of this data is complete. The results suggest buried palaeochannels up to 100m deep, prospective for uranium are present under the modern drainage, see Figure 8.

The Byro Radiation Management Plan was approved by the WA Radiological Council in July 2012. A “Radio Quiet Management Plan” (RQMP) to allow the Company to operate within the 70km restricted zone of the Square Kilometre Array (SKA) was also approved by the Department of Mines and Petroleum (DMP) and CSIRO in September 2012.

Enterprise was successful in receiving WA Government co-funding of \$120,000 for RC drilling to test these uranium targets within the Wooleen region.

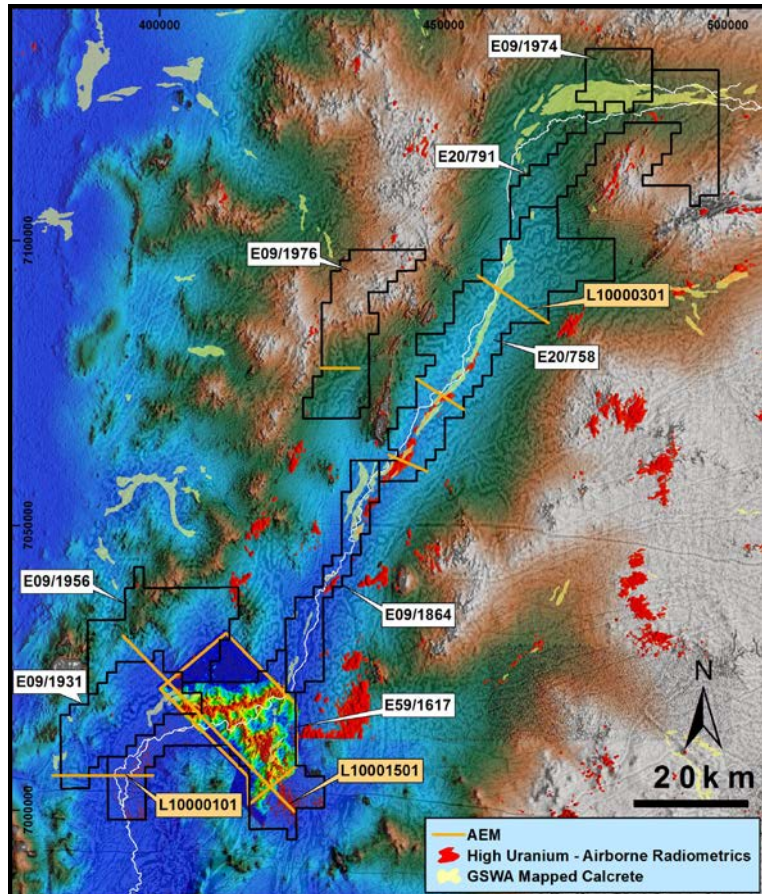


Figure 7: Byro Project, AEM over Topography

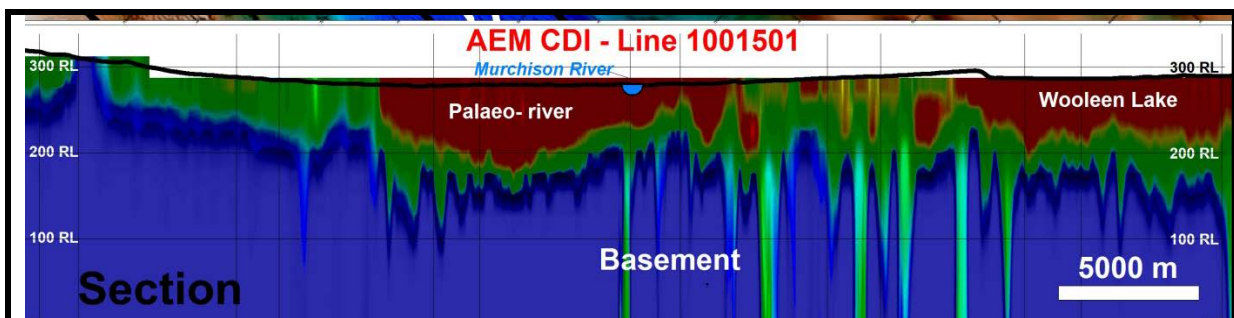


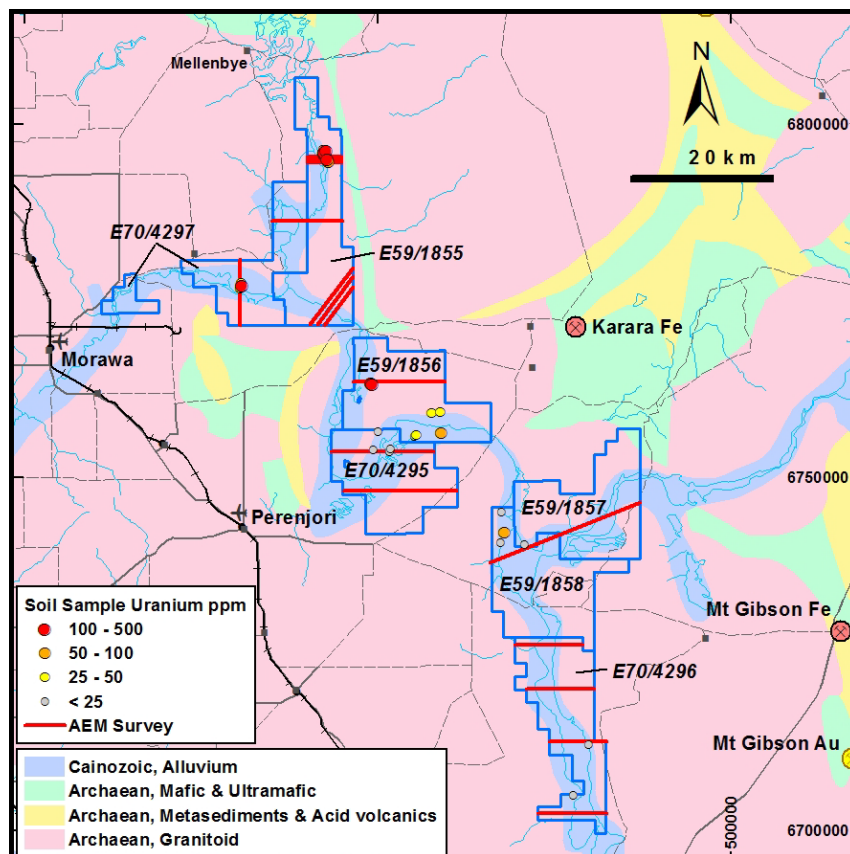
Figure 8: Exploration Licence 59/1617, AEM Conductivity Depth Image Line 1001501.



**PERANBYE PROJECT**

Seven tenements comprising the Peranbye Project were pegged following the identification of significant uranium anomalies in airborne radiometric data released in early 2012 by the Geological Survey of WA. Four of these tenements were subsequently granted in early October covering an area of 816km<sup>2</sup>.

Initial field investigation of several of these uranium anomalies located highly anomalous concentrations of uranium mineralisation in calcareous clays and calcretes within lakes and palaeochannel systems. Assaying of surface rockchip and soil samples returned nine values between 102ppm U and 504ppm U, which confirms that significant surficial uranium mineralisation exists in the tenements, see Figure 9.



**Figure 9: Peranbye Project, Geology and Orientation AEM lines.**

Reconnaissance sampling of untested areas and follow up and infill sampling of known anomalous areas will be undertaken as soon as field access is possible. This ground work will lead to the identification of targets for drill testing.

Twelve orientation airborne electromagnetic (“AEM”) traverses were completed in July to test the theory that deep and ancient palaeochannels exist beneath the extensive present day lake systems.

Conductivity Depth Images clearly define these palaeochannels which have the potential to host uranium deposits in classical sand hosted settings, see Figures 10 & 11. Results will be used to assist planning of reconnaissance drillholes.

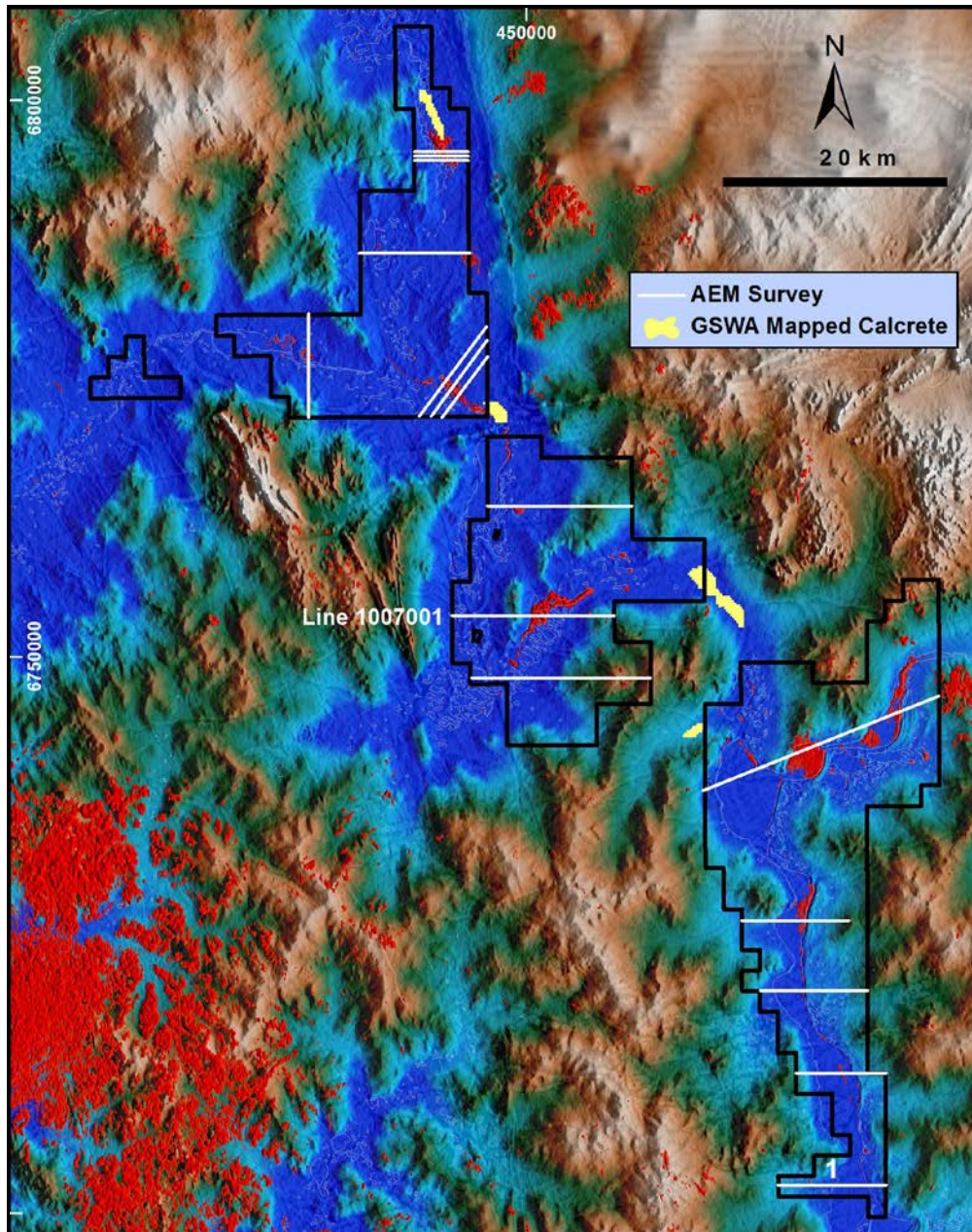


Figure 10: Peranbye Project, Orientation AEM Lines & Uranium Anomalies (red) over Topography

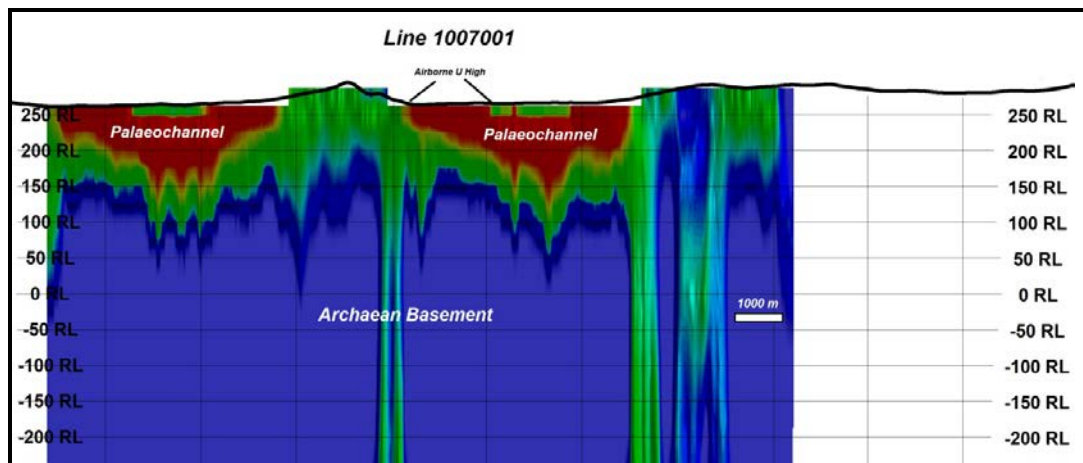


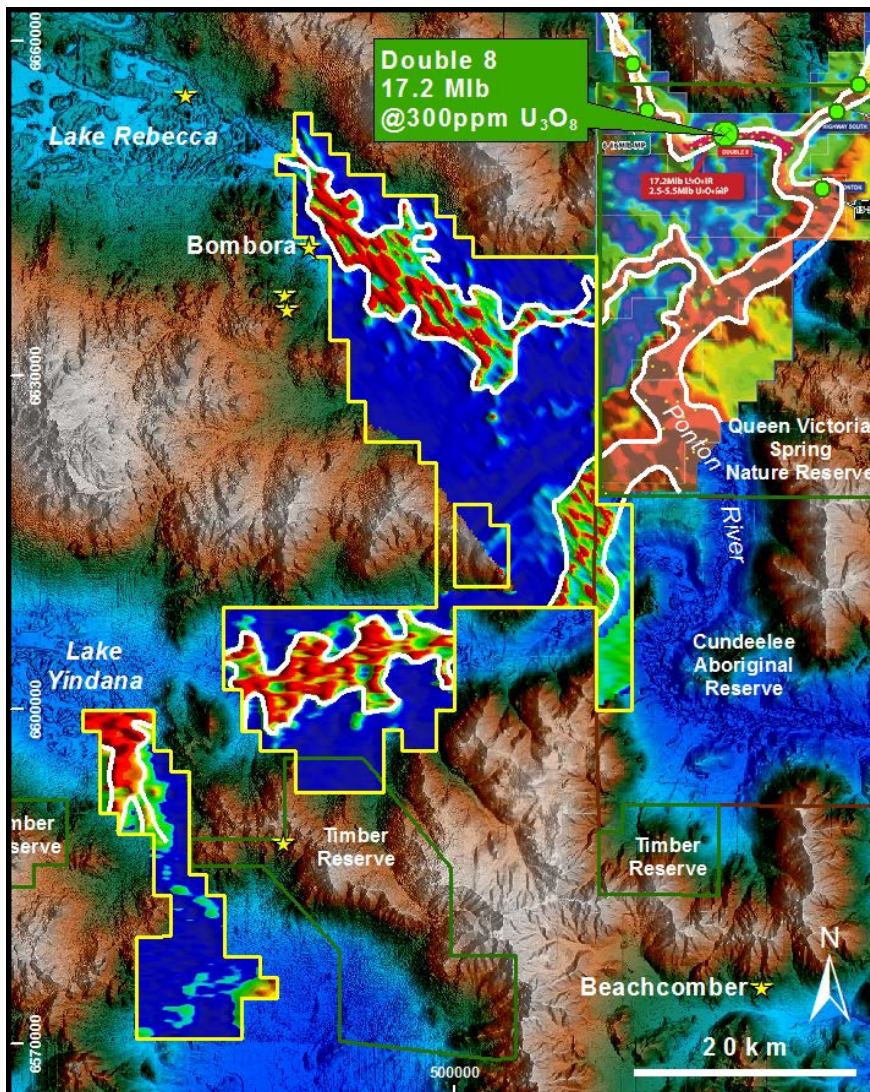
Figure 11: Example AEM Conductivity Depth Image, Line 1007001

**PONTON PROJECT**

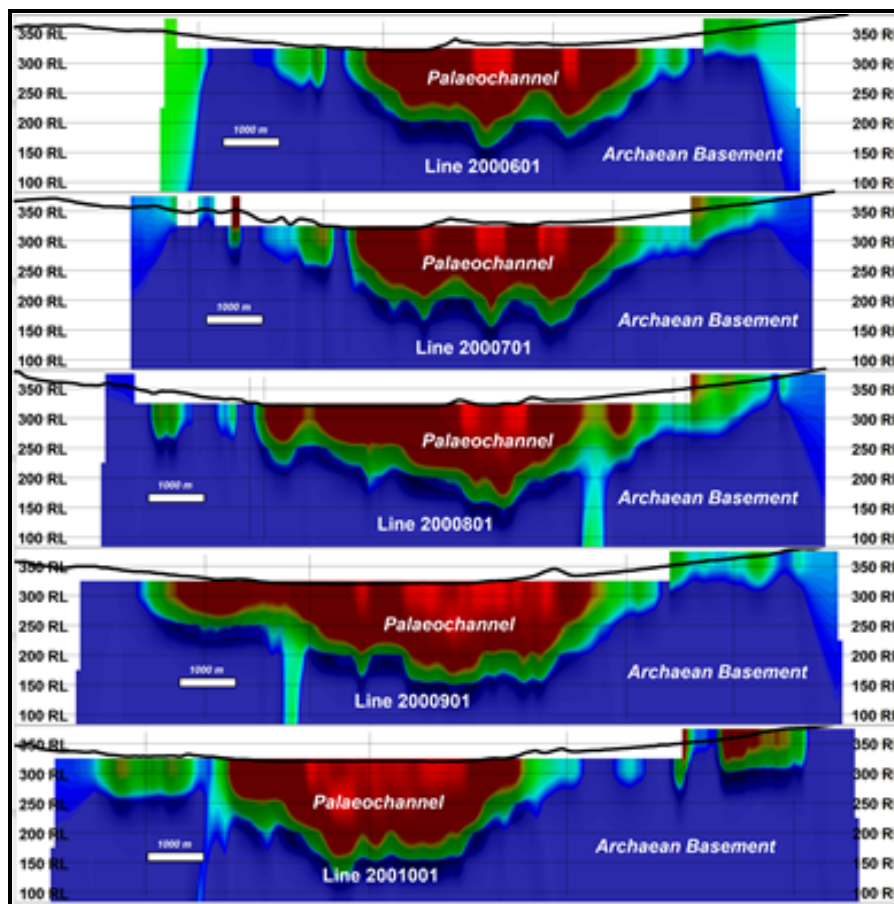
The Ponton Project is located 135km east of Kalgoorlie and covers the confluence of Lake Rebecca, Lake Yindana and the Ponton River on the southeast margin of the Archaean Yilgarn Craton. In mid 2012, Enterprise flew a 1,000m line spaced AEM survey over the Project area, on the assumption that palaeodrainage systems within Enterprise’s tenements were similar to those at the nearby Double 8 and Mulga Rocks projects, and AEM could pinpoint the base of these channels where uranium mineralisation had potentially accumulated.

Figure 14 below shows Channel 15 of the AEM survey, which defines deep palaeochannels, overlain on a topographic image (DTM). The palaeochannels on Enterprise’s tenements are seen to be continuous with the palaeochannels on the tenements held by Manhattan Corporation Ltd over the Double 8 uranium resource.

Examples of Conductivity Depth Images from the AEM data in the northwest corner of E28/2206 are shown in Figure 15. The deepest channels are approximately 150m deep, and are targeted for RC drill testing. All five exploration licences covering a total area of 1,240km<sup>2</sup> were granted in early October. Following the grant of the five exploration licences, a Radiation Management Plan for Ponton Project was submitted to the WA Radiological Council. DMP and heritage approvals will be required prior to the testing of palaeochannel targets in the first half of 2013.



**Figure 14: Ponton Project, AEM Defined Palaeochannels on DTM Image**



**Figure 15: Ponton Project, Lake Rebecca, Example of Conductivity Depth Images**

**HARRIS LAKE PROJECT**

In 2011, the Company flew a detailed aeromagnetic and radiometric survey over the entire project area identifying a highly anomalous uranium response on the Harris Lake drainage system. In July 2012, the Company flew an AEM survey on 400m spaced lines over the project area in order to detect and define deep palaeochannels which may contain substantial sand hosted uranium mineralisation. This survey defined deep channels favourable for the deposition of uranium mineralisation below and adjacent to Harris Lake.

Figure 16 shows the location of the palaeochannel, while Figure 17 shows examples of Conductivity Depth Images from the AEM survey. This data highlights +150m deep palaeochannels which Enterprise considers to be highly prospective for sand hosted uranium mineralisation.

The project area is contained within the proposed Harris Lake Nature Reserve, and is managed by the Department of Conservation (DEC). Enterprise has consulted with both the DMP and DEC and established protocols for a Conservation Management Plan (CMP).

The Harris Lake Radiation Management Plan has been approved by the WA Radiological Council, and a heritage clearance survey was completed in mid October.

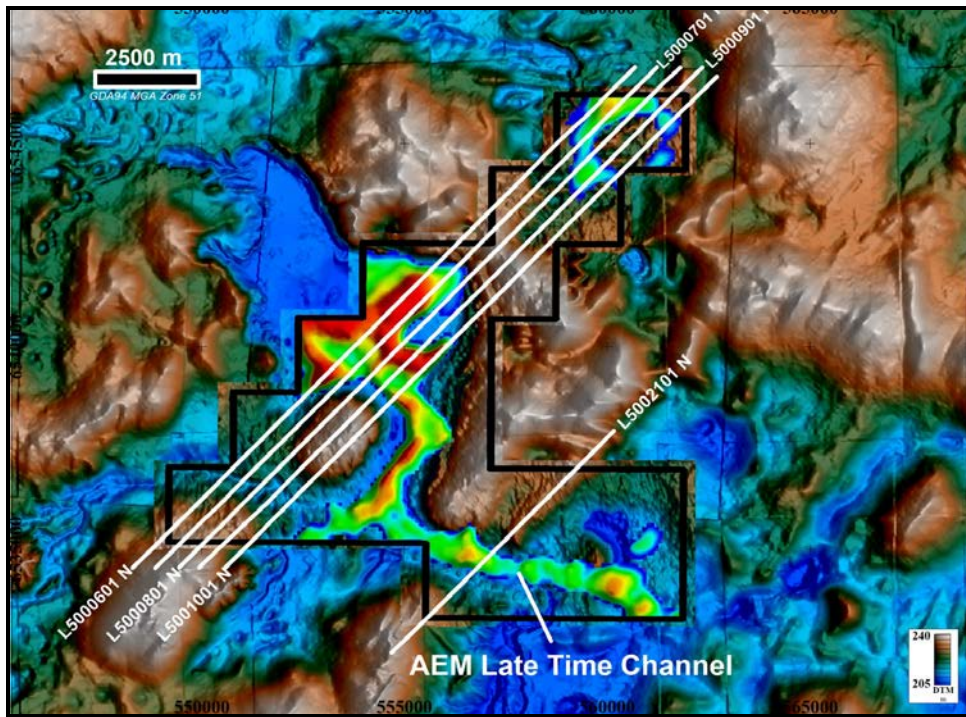


Figure 16: Harris Lake Project, AEM Image over DTM

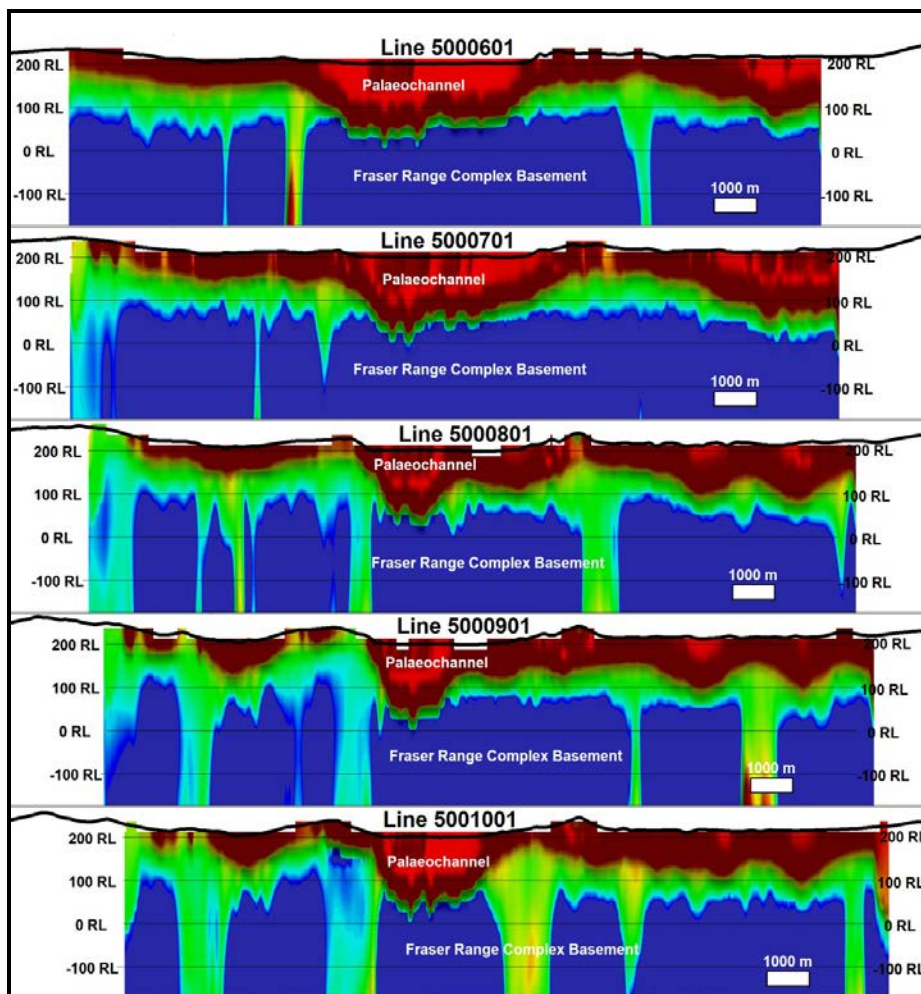


Figure 17: Harris Lake Project, Example Conductivity Depth Images

## 2. CORPORATE

### Exercise of Options

On 12<sup>th</sup> July 2012 SinoTech (Hong Kong) Corporation Limited exercised 10 million 25 cent ENT Options thereby raising \$2.5 million for the Company. As a result of the early exercise of these Options by SinoTech, and subject to the Subscription Agreement dated 21<sup>st</sup> May 2011 which was approved at a General Meeting of Shareholders on 30<sup>th</sup> June 2011, SinoTech were issued with a further 11 million 25 cent ENT Options with an expiry date of 12<sup>th</sup> July 2014. Following the exercise of the 10 million ENT Options, SinoTech's shareholding in the Company has increased from 62 million ordinary shares to 72 million ordinary shares, and SinoTech's interest in the Company has increased from 30.51% to 33.77%.

In addition, 10 million 25 cent ENT options with an expiry date of 12 July 2014 were purchased by ENT from the Receiver of RI Group Pty Ltd and cancelled.

On 11<sup>th</sup> September 2012, the Company issued 7,600,000 Options with an exercise price of 17.7 cents to Directors of the Company. The expiry date is 11<sup>th</sup> September 2015.

### Cash Position

Cash held by the Company at 30<sup>th</sup> September 2012 was \$8.422 million.

### Post end of Quarter Events

At a General Meeting of Shareholders held on 15<sup>th</sup> October 2012, the shareholders approved the reduction in capital and de-merger of the Company's uranium assets into ENT's wholly owned subsidiary Enterprise Uranium Ltd (ENU), and the distribution in specie of ENU shares to ENT shareholders on a 1 ENU for 5 ENT held basis.

On 15<sup>th</sup> October 2012, the Company announced the resignation of Non-Executive Director Dr Zhen Huang. Dr Huang joined the Board in July 2011 and has been instrumental in assisting the Company develop its exploration strategy. Concurrently with his resignation from the ENT Board, Dr Huang has taken up the role of Non-Executive Director Enterprise Uranium Ltd.



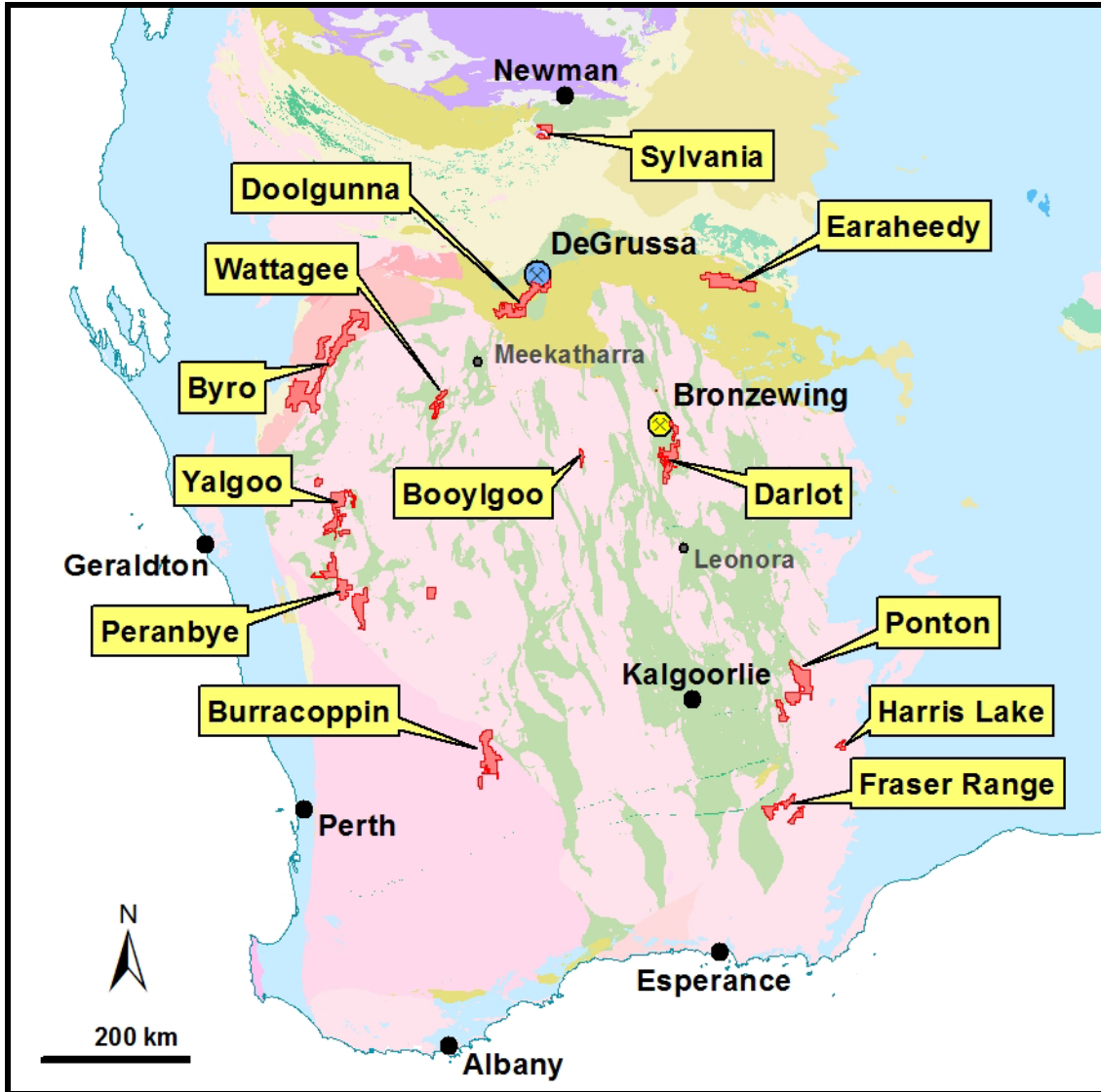
**Dermot Ryan**  
**Managing Director**

*The information in this announcement that relates to Exploration Results is based on information compiled by Mr Derek Waterfield, a Member of the Australian Institute of Geoscientists and a full time employee of Enterprise Metals Limited. Mr Waterfield 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.*

### **Contact:**

Telephone: 08 9436 9200 Facsimile: 08 9436 9220 Email: [admin@enterprisemetals.com.au](mailto:admin@enterprisemetals.com.au)

## PROJECT LOCATIONS WESTERN AUSTRALIA 30 September 2012



# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

**Enterprise Metals Limited**

ABN

43 123 567 073

Quarter ended ("current quarter")

30 September 2012

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	4	4
1.2 Payments for (a) exploration & evaluation	(1,832)	(1,832)
(b) development	-	-
(c) production	-	-
(d) administration	(550)	(550)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	155	155
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(2,223)</b>	<b>(2,223)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(47)	(47)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(47)</b>	<b>(47)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,270)</b>	<b>(2,270)</b>

+ See chapter 19 for defined terms.



**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(2,270)	(2,270)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	2,500	2,500
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	2,500	2,500
	<b>Net increase (decrease) in cash held</b>	230	230
1.20	Cash at beginning of quarter/year to date	8,192	8,192
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	8,422	8,422

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	435
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$72,312 paid to Directors for Director and Consulting Fees.  
 \$362,554 paid to XServ Pty Ltd, a geological consulting company related to Mr Dermot Ryan, a Director of Enterprise Metals Limited.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	950
4.2	Development	-
4.3	Production	-
4.4	Administration	300
<b>Total</b>		<b>1,250</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	751	2,030
5.2	Deposits at call	7,671	6,162
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)		<b>8,422</b>	<b>8,192</b>

### Changes in interests in mining tenements

6.1	Interests in mining tenements relinquished, reduced or lapsed	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	Surrendered	E09/1731	Glintan P/L	0%	0%
	Surrendered	E70/3816	Enterprise Iron P/L	100%	0%

6.2	Interests in mining tenements acquired	Tenement reference	Current Registered Holder, and acquired from:	Interest at beginning of quarter	Interest at end of quarter
	New application	E36/791	Enterprise Metals Ltd	0%	100%
	New application	E59/1894	Enterprise Uranium Pty Ltd	0%	100%
	New application	E59/1895	Enterprise Uranium Pty Ltd	0%	100%
	New application	E59/1896	Enterprise Uranium Pty Ltd	0%	100%
	New application	E59/1897	Enterprise Uranium Pty Ltd	0%	100%
	New application	E59/1900	Enterprise Uranium Pty Ltd	0%	100%
	New application	E59/1907	Enterprise Uranium Pty Ltd	0%	100%
	New application	E59/1908	Enterprise Metals Ltd	0%	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**


*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference</b> <b>+securities</b> ( <i>description</i> )				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	213,220,776	213,220,776		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	10,000,000	10,000,000		
7.5 <b>+Convertible debt securities</b> ( <i>description</i> )				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> ( <i>description and conversion factor</i> )	7,600,000 3,000,000 3,225,806 10,000,000 36,000,000 2,500,000	- - - - - -	<i>Exercise price</i> 17.7 cents 25 cents 25 cents 25 cents 25 cents 50 cents	<i>Expiry date</i> 11 September 2015 22 November 2012 1 June 2013 12 July 2013 12 July 2014 30 June 2013
7.8 Issued during quarter	7,600,000 11,000,000	- -	17.7 cents 25 cents	11 September 2015 12 July 2014
7.9 Exercised during quarter	10,000,000	-	25 cents	12 July 2013
7.10 Expired/cancelled during quarter	10,000,000	-	25 cents	12 July 2014
7.11 <b>Debentures</b> ( <i>totals only</i> )				
7.12 <b>Unsecured notes</b> ( <i>totals only</i> )				

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:   
(Director and Company secretary)

Date: 24 October 2012

Print name: **Dennis Wilkins**

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.