

30 April 2014

## MARCH 2014 QUARTERLY ACTIVITIES REPORT

### CORPORATE

ASX CODE: ENU  
 \*Shares on Issue: 76,284,882  
 \*Shares quoted: 72,452,715  
 Options: Nil  
 Market Cap: \$4.6M\*  
 Cash at Qtr \$1.8M\*\*

\* At 30 April 2014  
 \*\* At 31 March 2014

### CONTACT DETAILS

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### DIRECTORS

**Anna Mao**  
 Non-Executive Chairperson

**Dermot Ryan**  
 Executive Director

**Damian Delaney**  
 Executive Director & CFO

**Dr Zhen Huang**  
 Non-Executive Director

### PROJECTS

Byro

Peranbye

Ponton

Lake Harris

Yalgoo

### HIGHLIGHTS

#### Lake Harris Project (Fraser Range WA)

- ❖ Fixed loop ground EM survey (FLEM) completed over basement conductors identified in 2012 airborne EM survey.
- ❖ Location of basement conductors H1 & H2 now defined for future drill testing.

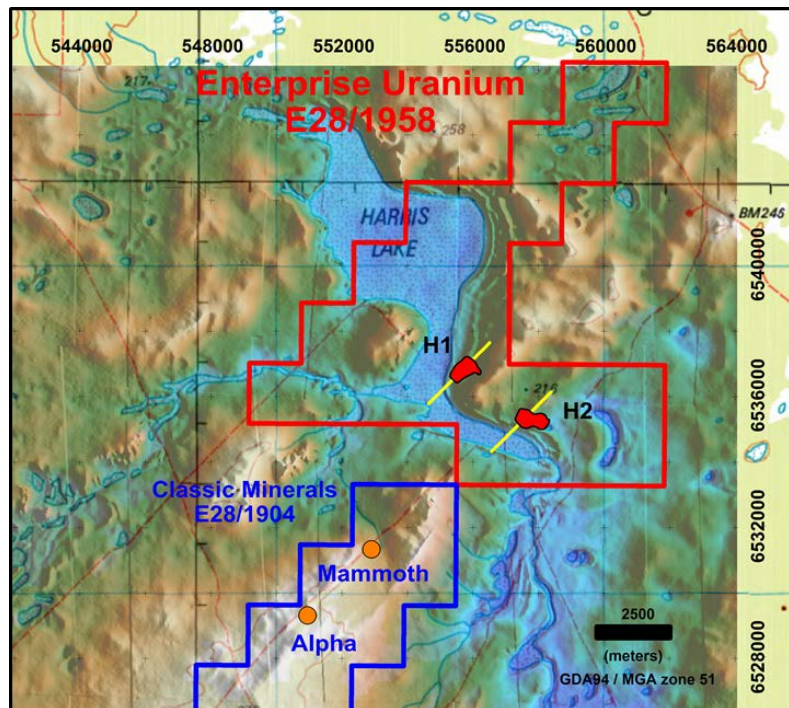


Figure 1. Digital Terrain Image & Location of Basement EM Targets

### CORPORATE

- ❖ The Company sold 5,281,634 Energia Minerals Ltd (ASX:EMX) shares to take a profit on its investment, which would assist in the funding of the Lake Harris GEM survey and future RC drilling program. The sale of these shares netted ENU approximately \$116,000.
- ❖ ENU's shareholding in EMX at 30 April 2014 was 31,999,080 shares or approximately 13.63%. At EMX's share price of 2.5 cents on 30 April, this shareholding is valued at approximately \$800,000.
- ❖ ENU had \$1.8 million cash at bank at 31 March 2014

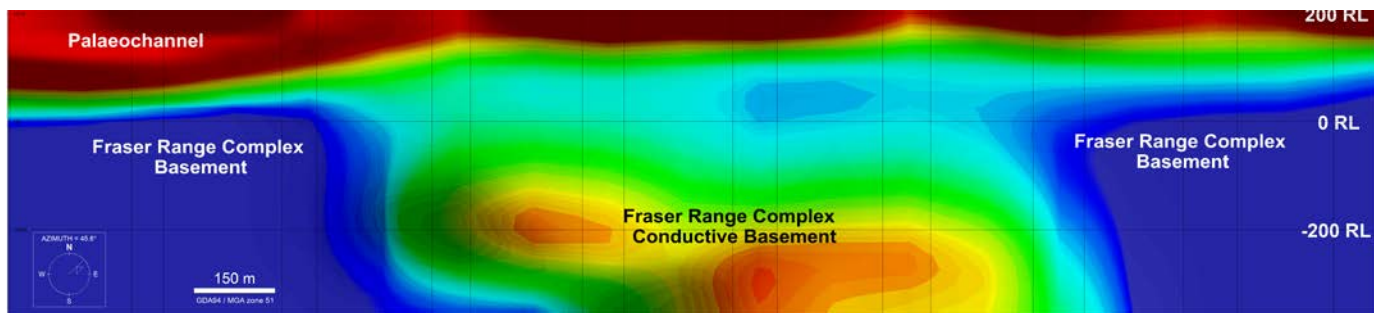
## **SUMMARY OF EXPLORATION ACTIVITIES**

### **LAKE HARRIS PROJECT**

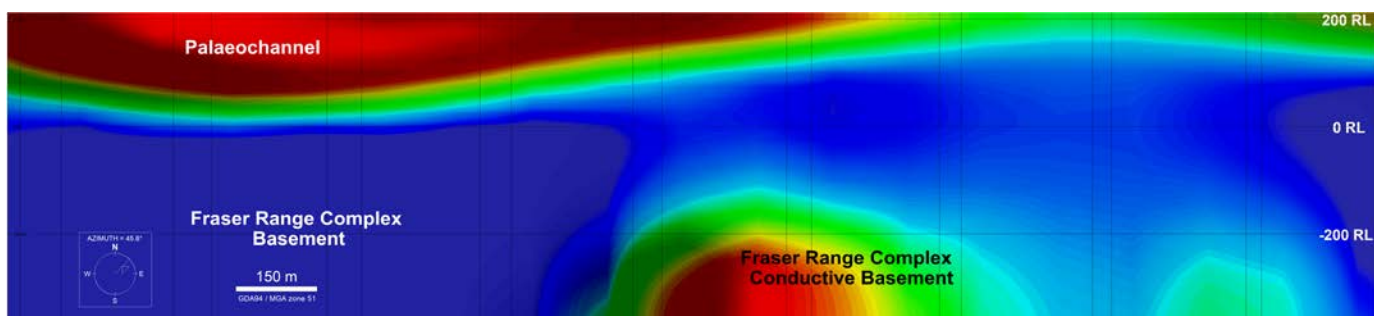
The Lake Harris Project is situated 200km east of Kalgoorlie and 25km south of Zanthus on the Trans-Australian rail line. The project comprises a single exploration licence, E28/1958, which was granted on 8 March 2010 and is wholly held by Enterprise Uranium Ltd. The tenement is subject to a 1.5% Gross Royalty to the original vendor.

The primary focus of the project remains an AEM-defined palaeochannel that underlies and is largely coincident with the modern-day Lake Harris drainage system. The palaeochannel is considered prospective for sand-hosted uranium mineralisation.

In light of Classic Minerals' Ltd (ASX:CLZ) "Mammoth" nickel-copper discovery adjacent to E28/1958, Enterprise has reviewed two discrete basement conductors (H1 & H2) identified in its 2012 airborne EM survey (Figure 1). Conductivity Depth Image (CDI) pseudo-sections produced from AEM data and highlighting these conductors are presented in Figures 2a and 2b, with CDI line locations shown in Figure 1.



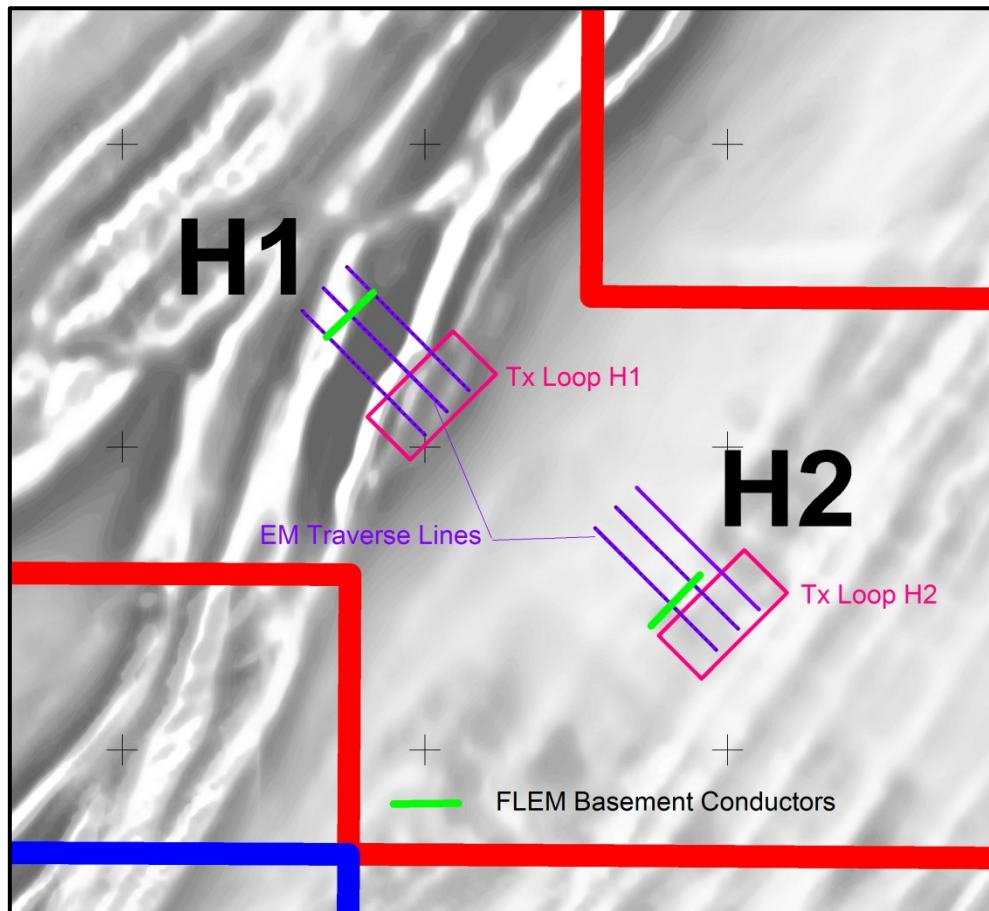
**Figure 2a. CDI – Basement Conductor H1**



**Figure 2b. CDI – Basement Conductor H2**

During the March 2014 Quarter a fixed-loop ground EM survey was completed, comprising a series of short traverses over each of the basement conductors.

This survey served to further define the location and orientation of both H1 and H2. (Figure 3 overleaf)



**Figure 3. Fixed-Loop Ground EM Survey Coverage**

**Conductor H1** is interpreted to dip to the SE, with a 70m depth to top of the model plate (1,500 x 500m).

**Conductor H2** is more subtle than H1 and is interpreted to dip steeply to the NW with a 40m depth to top of the model plate (400 x 150m).

For details of this geophysical survey, refer ENU:ASX release dated 9<sup>th</sup> April 2014.

The project area predominantly falls within the bounds of the proposed Lake Harris 'C' Class Nature Reserve. As such, approval for any proposed ground disturbing activities must be obtained from the Department of Parks and Wildlife (DPaW) prior to the commencement of such work. A Conservation Management Plan is to be prepared for DPaW perusal upon the finalization of all drill targets. An additional heritage survey may also be required in order to obtain clearance to drill within new target areas.

It is anticipated that drill testing of the nickel/copper sulphide basement targets will be undertaken in conjunction with the previously defined palaeochannel uranium target, once all necessary approvals have been obtained. (Refer ASX releases 16 and 20 December 2013)



## **CORPORATE ACTIVITIES**

### **INVESTMENT IN ENERGIA MINERALS LTD**

In November 2013, the Company acquired 37,280,714 shares in Energia Minerals Limited (ASX:EMX) from South Australian based UEQ Investments Pty Ltd, a subsidiary of Uranium Equities Limited. (ASX:UEQ)

As consideration for the purchase, ENU paid UEQ \$500,000 cash and 8,004,393 ordinary fully paid shares in ENU at a deemed issue price of 4 cents.

Following a Rights Issue which closed on 20 February 2014, EMX issued 30,188,849 new shares. At 17 April 2014, EMX reported total shares on issue of 234,696,343 following the issue of shares to its directors in lieu of salary.

ENU's shareholding in EMX was subsequently reduced by the sale of 5,281,634 shares in March 2014 following a decision by the ENU board to take a profit on its investment, which would assist in the funding of the Lake Harris GEM survey and future RC drilling program.

The sale of these shares netted ENU approximately \$116,000. ENU's shareholding in EMX at 30 April 2014 was 31,999,000 shares or approximately 13.63%. At EMX's share price of 2.5 cents at 30 April, this shareholding is valued at approximately \$800,000.

### **DIRECTOR RESIGNATION & APPOINTMENT**

On the 1<sup>st</sup> April 2014, the Board accepted the resignation of Mr Michael Atkins as a non-executive Director of the Company. Mr Atkins resigned to concentrate on other professional and business activities.

Mr Damian Delaney was subsequently appointed as an Executive Director of the Company. Mr Delaney is also the Company Secretary and CFO of the Company. He is a Chartered Accountant with over 25 years of experience working with international listed companies.

### **GENERAL MEETING OF SHAREHOLDERS**

A General Meeting of shareholders was held on 21<sup>st</sup> March 2014 to consider two ordinary resolutions. Both resolutions below were passed by the requisite majority on a show of hands.

The first resolution was to ratify the prior issue of 8,004,393 Shares issued to UEQ Investments Pty Ltd on 31 October 2013 as part of the acquisition of the Energia Minerals Limited holding. The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as, and ranking equally (from the date of their issue) with the Company's existing Shares.

No funds were raised as part of the issue of the new Shares. The Shares were issued as part of the acquisition cost of 37,280,714 fully paid ordinary shares in Energia Minerals Limited.

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The second resolution sought approval for the issue of up to 11,000,000 new Shares. The approval of this issue of up to 11,000,000 Shares gave the Company the flexibility to issue up to 11,000,000 Shares within the three month period following the date of the Meeting. No investor has been identified by the Board at this time. The Resolution was included to maximise the Company's flexibility to issue Shares.

In addition, the Company retained the full flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### ENU CAPITAL STRUCTURE

- **Shares on Issue:** 76,284,882
- **Shares quoted:** 72,452,715
- **Options:** All Options expired during the Quarter.

### CASH POSITION

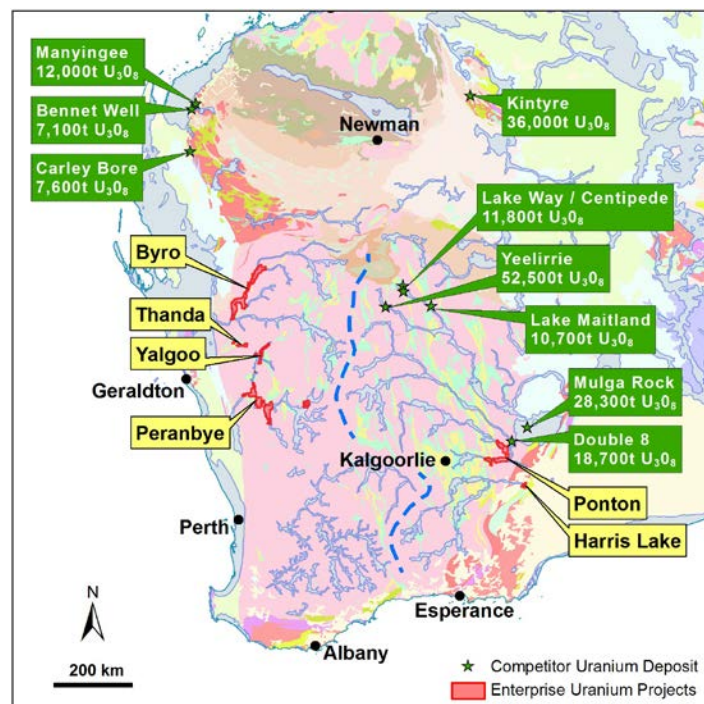
Cash held at 31 March 2014 was \$1.8 million.



**Dermot Ryan**  
Executive Director

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### PROJECT LOCATIONS WESTERN AUSTRALIA @ 31 MARCH 2014



**Appendix 1: Tenement Schedule at 31 March 2014**

<b>Project</b>	<b>Lease</b>	<b>Interest Held</b>	<b>State</b>	<b>Status</b>
Byro	E09/1864	100%	WA	Application
Byro	E09/2077	100%	WA	Application
Byro	E20/758	100%	WA	Granted
Byro	E59/1617	100%	WA	Granted
Lake Harris	E28/1958	100%	WA	Granted
Peranbye	E59/1855	100%	WA	Granted
Peranbye	E59/1856	100%	WA	Granted
Peranbye	E59/1857	100%	WA	Granted
Lake Moore	E59/2003	100%	WA	Application
Peranbye	E59/2039	100%	WA	Application
Peranbye	E70/4295	100%	WA	Granted
Peranbye	E70/4296	100%	WA	Granted
Peranbye	E70/4297	100%	WA	Granted
Ponton	E28/2202	100%	WA	Granted
Ponton	E28/2203	100%	WA	Granted
Ponton	E28/2204	100%	WA	Granted
Ponton	E28/2205	100%	WA	Granted
Ponton	E28/2206	100%	WA	Granted
Ponton	E28/2308	100%	WA	Application
Ponton	E28/2333	100%	WA	Granted
Thanda	E59/2013	100%	WA	Application
Thanda	E59/2014	100%	WA	Application
Yalgoo	E59/1437	100%	WA	Granted
Yalgoo	E59/1658	100%	WA	Granted
Yalgoo	E59/2011	100%	WA	Application
Zanthus	E28/2402	100%	WA	Application