

# SANDSTONE GOLD PROJECT

**COMPANY DEFINING ACQUISITION BY ENTERPRISE  
TO ACQUIRE MAJORITY OF SANDSTONE GOLDFIELD**



**Mines and Money Hong Kong**  
**April 2016**

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## Competent Person Statement

The information in this presentation that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dermot Ryan, a Fellow of the Australasian Institute of Mining & Metallurgy. Dermot Ryan is an employee of consulting company Xserv Pty Ltd and Director of the Company. Dermot Ryan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dermot Ryan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

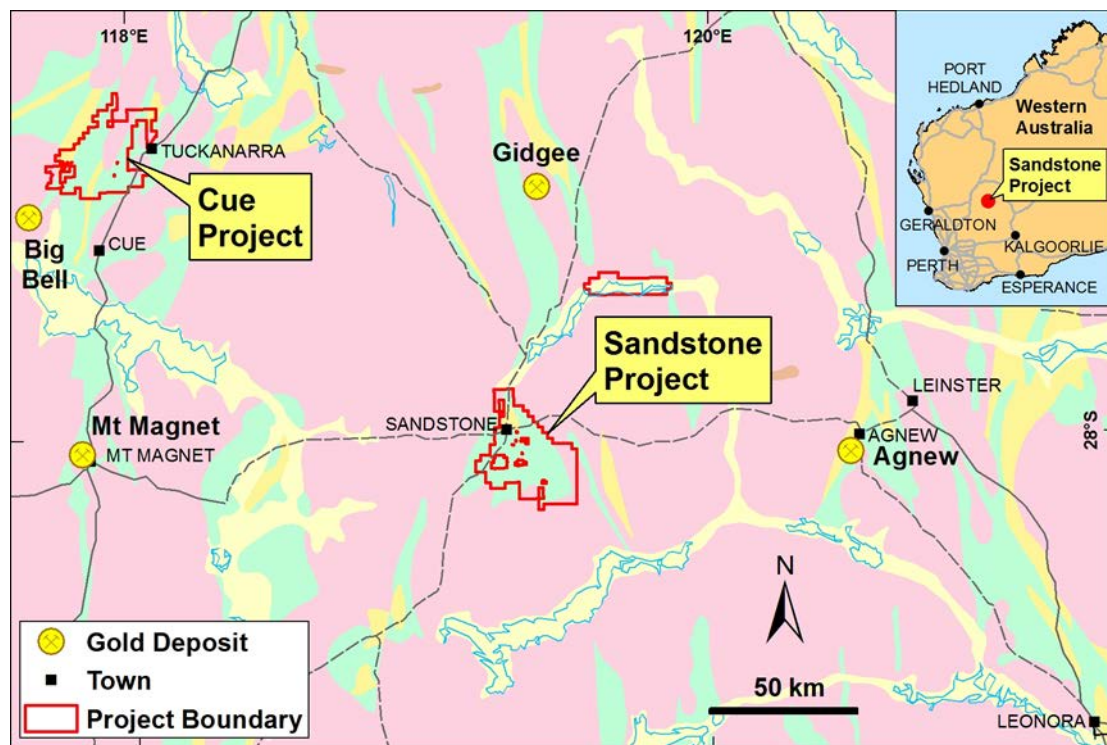
# Sandstone Overview

## The Project, the People & the Company

- Near 100% holding over well endowed goldfield (1.1Moz mined to date) with considerable exploration upside
- Highly experienced exploration team, with
- Track record of exploration success in +1Moz gold systems in Western Australia (Eg. Jundee, Rosemont)
- Company focus on meaningful outcomes
- Low market value offering strong leverage to subsequent exploration success.

# Sandstone Project

- Large under-explored Archean greenstone belt
- Previous production in excess of 1Moz.
- High grade Au drill results not yet followed up
- Multiple targets identified from historical mining and AC/RAB/RC drilling
- Project area: ~723km<sup>2</sup> with tenements in application



- Brownfields exploration, with initial target similar to that mined by Troy Resources NL
- Magnetic survey data to produce “blind” litho-structural targets for drill testing

# Sandstone History

## Production since 1894

## +1Moz Au

- 1890-1920: - Hack's Reef Black Range mine 206Koz @24 g/t Au
  - Oroya Black Range mine 223Koz @16.5g/t Au
  - Hancock's mine 40Koz @28.9g/t Au
- 1993: - Elmina vat leach 10Koz
- 1994-1999: - Herald Resources pits 125Koz
- 1999-2010: - **Troy Resources NL pits\*** 508Koz @ 3.36g/t Au


\* Includes Lord Henry & Lord Nelson (**257,720oz**)

\* *Note: Positive reconciliation on grade & ounces due to high grade veins with visible gold*

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- 2012-2014: - Black Oak Minerals Ltd (ASX: BOK)
  - 2015: - Sandstone Exploration P/L (SSE)
  - **2016:** - **Enterprise ASX (ENU) acquires SSE**
    - **Planning underway for major exploration program**

# Sandstone Acquisition

## The Purchase Agreement

- \$100,000 on execution 
- Shareholder meeting by 31/05/16
- To approve issue of 19m ENU shares & 25m ENU Performance (PF) Shares
- Completion when tenements granted.

### At Completion, ENU pays Vendors

- \$400,000 cash & 19 million ENU shares
- Vendors nominate 1 Non-Exec Director
- ENU to spend at least \$300,000pa on exploration
- 25m PF Shares convert to 25m ENU shares when resource = 500,000oz
- 2% gross royalty on all mineral production
- Vendors retain fossicking rights to 2metres below surface





# Sandstone Infrastructure

## Sandstone Town

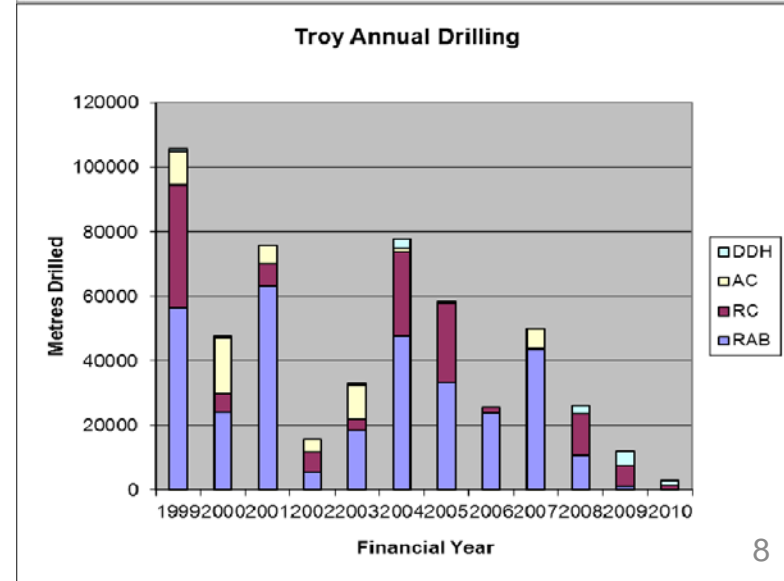
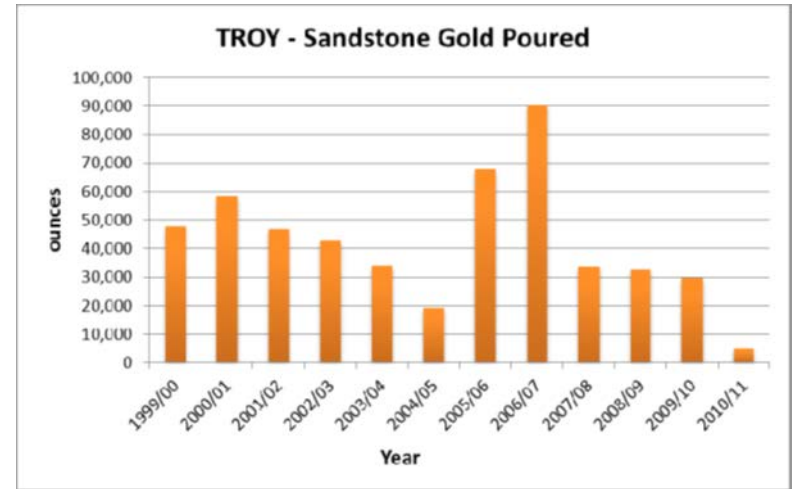
- Shire population ~200
- 600kms north of Perth
- Pastoral region, sheep, cattle
- Gravel daytime airstrip
- Mobile phone coverage
- Grid power, potable water
- 2 Hotels



# Troy Resources NL (ASX:TRY) 1999 -2010

**Troy's Sandstone mines produced 508,000oz of gold over ten years & funded Troy's expansion into South America.**

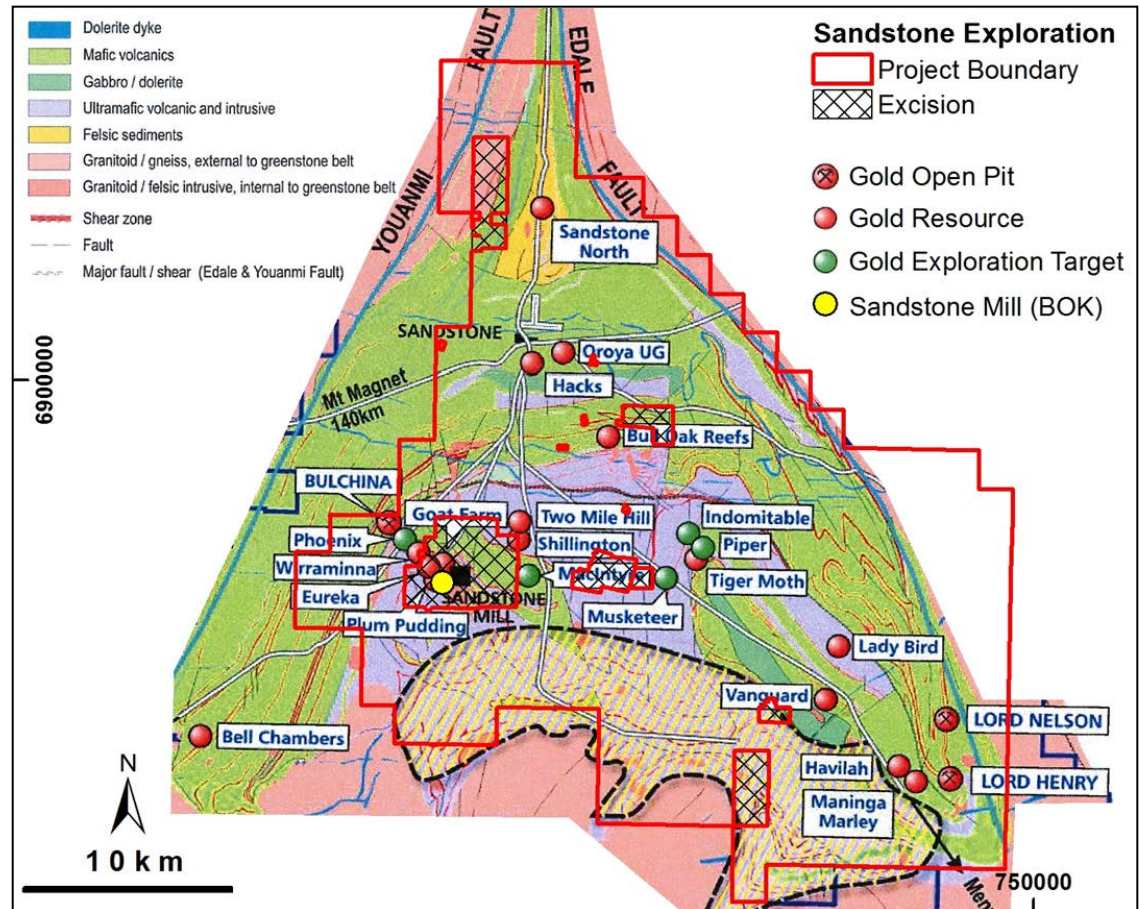
- The **Bulchina** pit produced 230,000oz of gold (1,979,000t at 3.62g/t Au)
- The **Lord Nelson** pit produced 207,440oz of gold (1.454mt at 4.43g/t Au).
- The **Lord Henry** pit produced 48,000oz of gold (413,000t at 3.61g/t Au)
- The **Eureka** pit produced 2,280oz of gold (30,181t at 2.35g/t Au).
- Several other small pits & low grade stockpiles produced the remaining 68,000oz.
- Mining ceased in August 2010 & the operation was placed on care & maint.





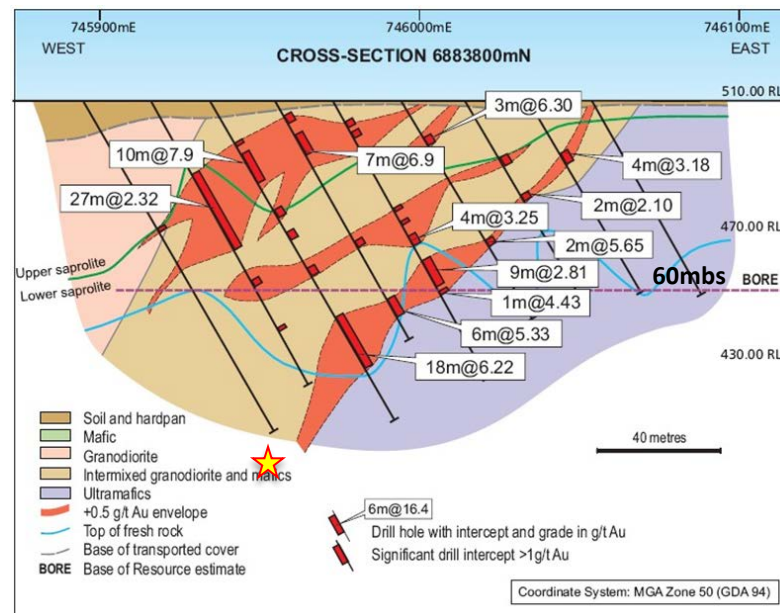
# Geology & Mineralisation

- Triangular Greenstone Belt
- Bounded by major trans-cratonic Edale & Youanmi Faults
- Northern end of Diemals Dome & within Central spine of Archean Yilgarn Block
- Multiple gold deposits
  - Shallow and steeply dipping high grade reefs
  - Stacked or sheeted stockworks

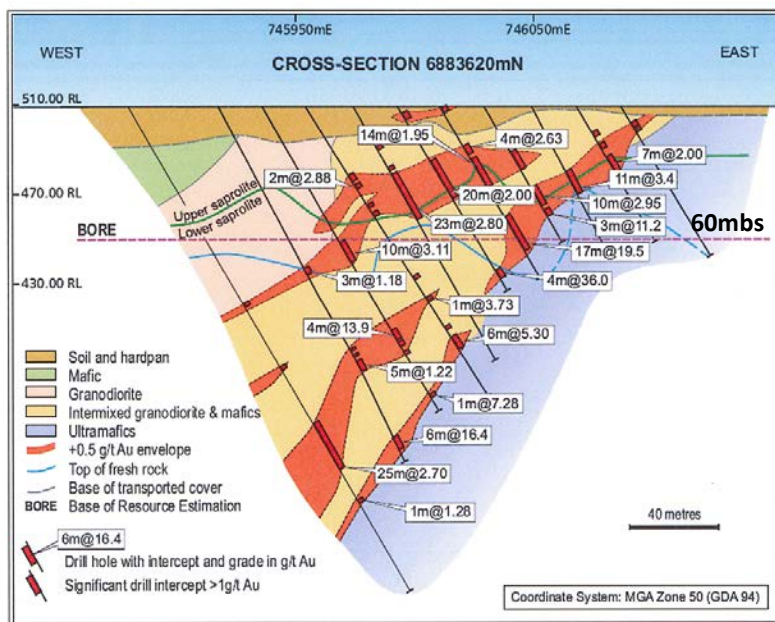


# Lord Nelson Deposit - mined by Troy

- **1.454mt at 4.43g/t Au for 207,440oz of gold**
- Mineralisation hosted within mixed granodiorite /mafic intrusive, with ultramafic footwall
- Gold hosted in thin qtz+ carbonate + pyrite veins, within brittle–ductile shear zones. ★ **OPEN AT DEPTH**
- **Lord Nelson Reconciliation:**  
-16% tonnes, +45% grade, +20% oz



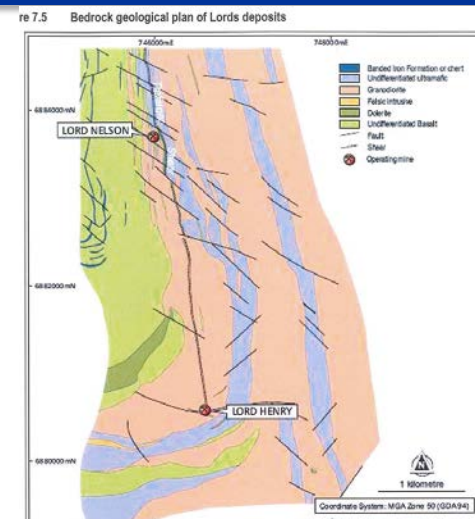
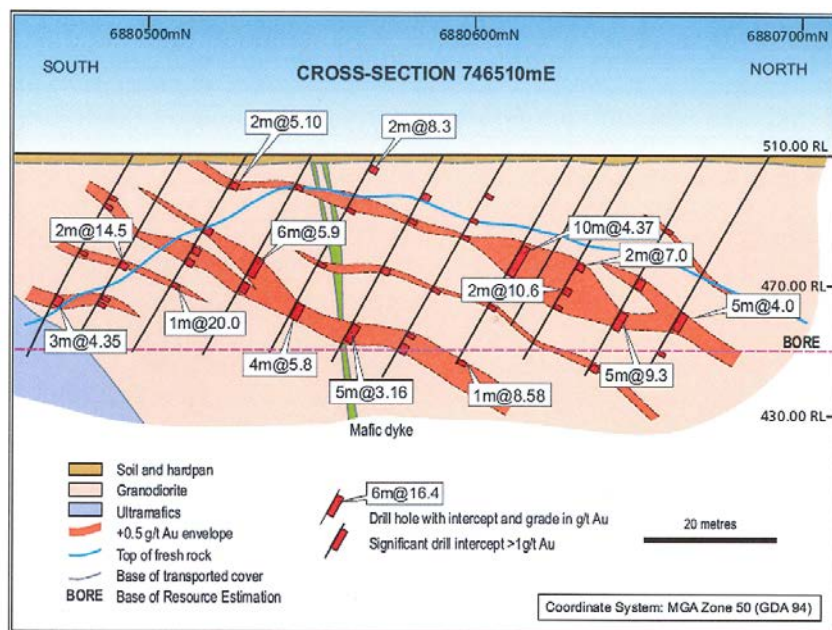
Lord Nelson, Mined to Base of Reserve Estimation (~60mbs) 10





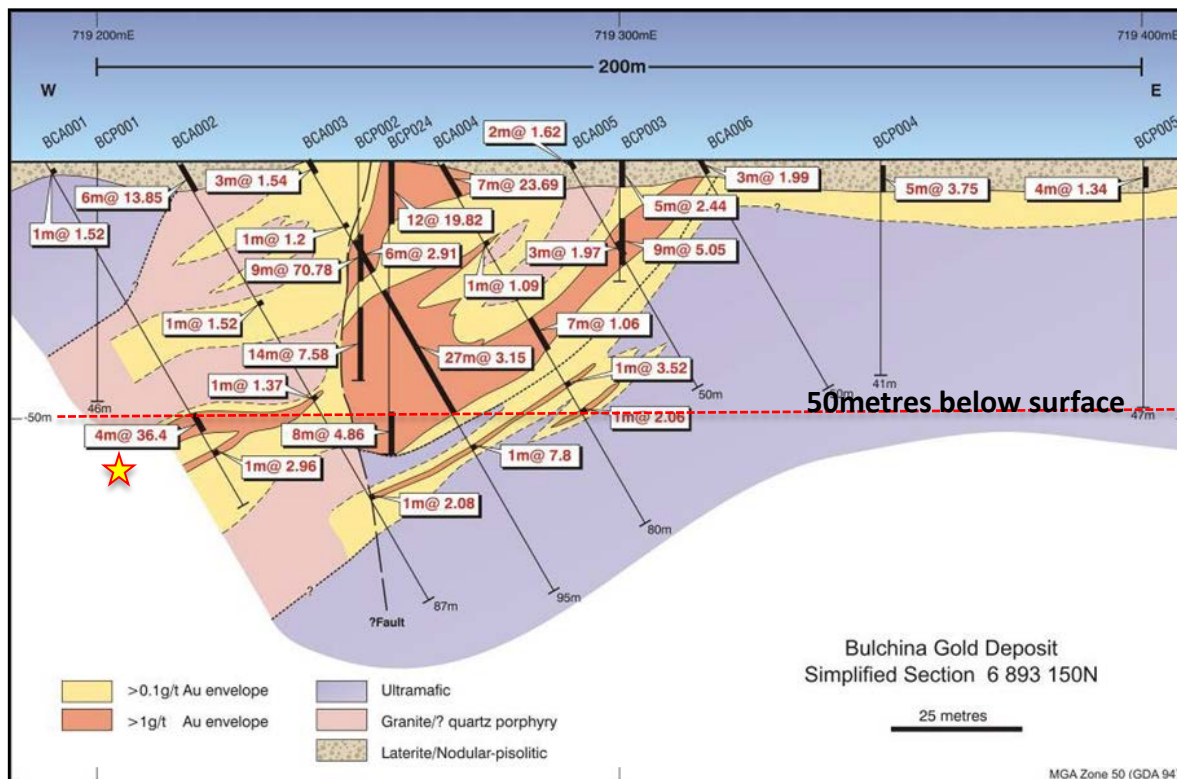
# Lord Henry Deposit - mined by Troy

- **413,000t at 3.61g/t Au for 48,000oz of gold**
- Mineralisation hosted in granodiorite, close to ultramafic
- Gold hosted in thin qtz+ carbonate + pyrite veins, mined to BORE ~60mbs. **OPEN AT DEPTH**
- **Lord Henry Reconciliation:** +11% tonnes, +48% grade, +65% ounces.
- A high co-efficient of variation (CV) deposit



# BulChina Deposit - mined by Troy

- 1,979,000t at 3.62g/t Au for 230,000oz of gold
- Mineralisation is hosted within mixed granodiorite/quartz porphyry, with ultramafic footwall
- Gold is hosted in thin qtz+ carbonate + pyrite veins



**Bulchina Reconciliation**  
 +70% tonnes, +60% grade,  
 A high co-efficient of variation  
 (CV) deposit

Mined to Base of Reserve  
 Estimate (~60mbs)

★ **NOT TESTED AT DEPTH**

# Sandstone Exploration Strategies

## **PRIORITY ONE STRATEGIES:**

- Upgrade of historic 2007 & 2011 Indicated & Inferred Mineral Resources to JORC 2012 status
- Infill drilling of near-surface oxide mineralisation marginal to former Herald / Troy Resources' open pits to establish new resources (E.g. Bulchina, Lord Henry, Lord Nelson)
- Reconnaissance drilling of large tracts of unexplored transported cover for shallow open-pitable oxide mineralisation

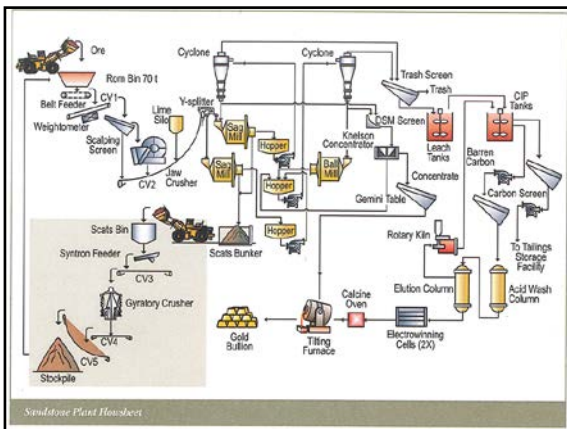
## **PRIORITY TWO STRATEGIES :**

- Drill testing for high-grade primary mineralised vein systems below open pits
- Drill testing other high-grade primary mineralised vein systems throughout tenure (E.g. Indomitable, Musketeer, Tiger Moth, Ladybird, Havilah prospects)



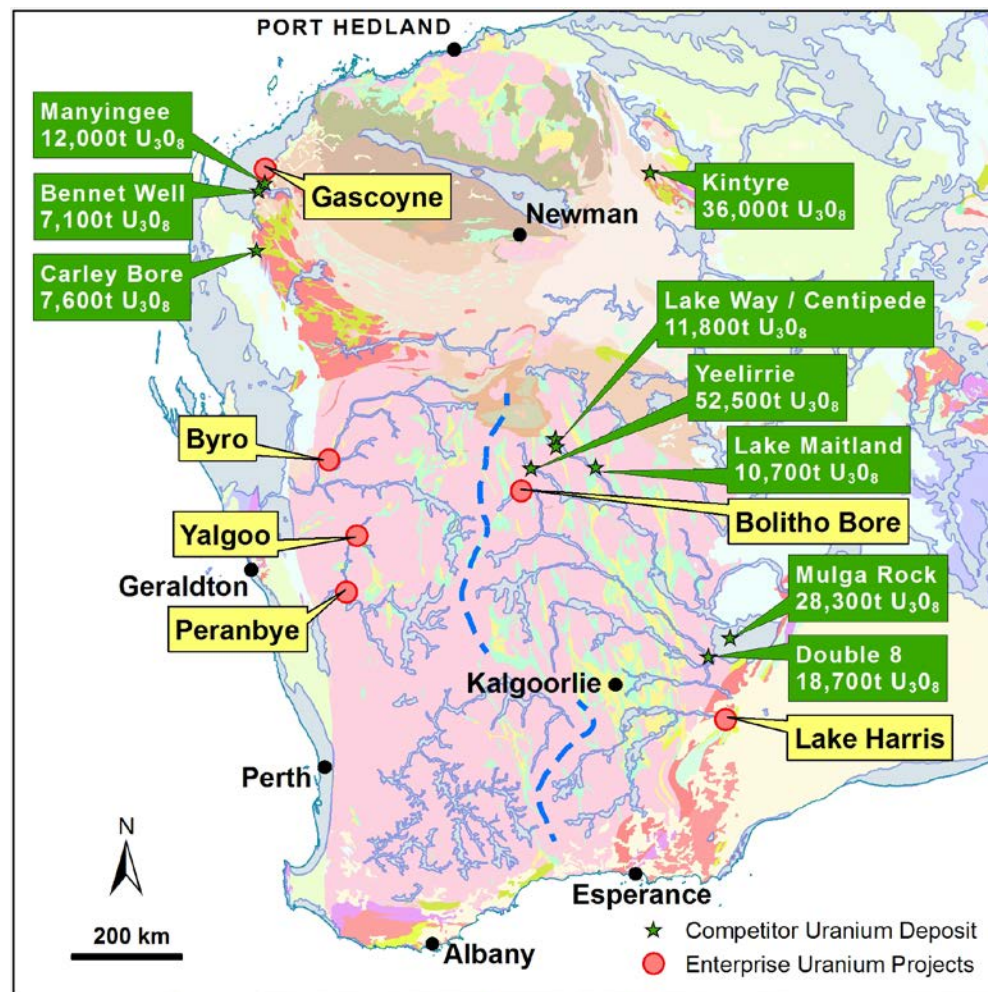
# Sandstone Mill - NOT an asset of Enterprise

- 600,000tpa CIP plant, with 2 SAG mills, 1 ball mill
- Owner: Black Oak Minerals Ltd (ASX:BOK) [Liquidator appointed]
- On care & maintenance since 2010
- Condition unknown



# Uranium Projects – to be reviewed

- ISR style uranium targets in paleo-river valleys
- Airborne radiometric and EM surveys completed
- 3 Uranium targets ready for drill testing
  - Byro
  - Peranbye
  - Lake Harris



# Capital Structure & Board

## CAPITAL STRUCTURE

Share Price (1 April 2016)	A\$	0.02
Shares on Issue	#	77,356,652
Options on Issue	#	
Market Capitalisation	A\$m	\$1.55m
Cash **	A\$m	\$0.871m
Debt	A\$m	Nil
Enterprise Value**	A\$m	\$0.68m

## INVESTMENTS

25.5m Antipa Minerals Ltd Options (ASX: AZYO)

2.5m Enterprise Metals Ltd Shares (ASX: ENT)

\*\*excluding share investments, at 31 December 2015

## DIRECTORS

**Ms Anna Mao**    **Non-Exec Chairperson**

**Dermot Ryan**    **Executive Director**

**Bill Robertson**    **Non-Exec Director**

**ASX: "ENU"**

*An experienced Board & senior  
management team  
with extensive operating and  
exploration experience*