



# Enterprise Metals

Sep 10<sup>th</sup> 2012

## Enterprise Metals uncovers deep uranium prospective palaeochannels at Byro

Enterprise Metals (ASX: ENT) has discovered extensive and deep palaeochannels below the present day delta and river valley following the completion of detailed and orientation airborne electromagnetic traverses over the Byro Project in the Murchison region of Western Australia.

These palaeochannels, which are up to 100 metres deep, are considered to be highly prospective for sand hosted uranium mineralisation, and demonstrate the potential for Byro to become another new uranium province.

Orientation airborne electromagnetic traverses over the Murchison River valley, which has an over 170 kilometre strike extent, has also defined deep channels.

Dr Jingbin Wang, chairman, commented: "This is a good example of the company's exploration strategy at work, which is to generate in-house high quality grass roots exploration targets which have the potential to host Tier 1 type deposits in terms of grade and tonnages.

"Subject to drill testing, the Byro area has the potential to become another new uranium province."

Processing of the detailed 400 metre line spaced airborne electromagnetic traverses survey data has produced a conductivity depth model, from which Depth Slices and Conductivity Depth Images (CDIs) have been produced.

Enterprise has engaged a specialist consultant to develop a Radio Quiet Management Plan to allow the company to operate within the 70 kilometre restricted zone of the Square Kilometre Array being developed on nearby Boolardy Station.

The Radio Quiet Management Plan was submitted to the Department of Mines and Petroleum and CSIRO for feedback and approval, which is expected in the September 2012 quarter.

No on-ground exploration can begin until the management plan is approved.

The Byro Radiation Management Plan has been approved by the WA Radiological Council, and field reconnaissance is scheduled to begin following approval of the Radio Quiet Management Plan and Program of Work.

Subject to these approvals and a heritage survey, Enterprise intends to drill test the deep palaeochannels underlying the Inland Delta for sand hosted uranium mineralisation.

The company has been awarded \$120,000 by the WA Department of Mines and Petroleum, under the Round 4/2012 Co-Funded Exploration Drilling Program (Royalties for Regions), to assist in the cost of drill testing targets.

Meanwhile, CDIs have also been produced for the regional orientation airborne electromagnetic traverses across the valley of the Murchison River.

The orientation airborne electromagnetic traverses across the valley of the Murchison River north of the Inland Delta show the ancient Murchison River to be much broader and shallower.

**Price:** A\$0.22

**Market Cap:** A\$45.84M

### 1 Year Share Price Graph



### Share Information

**Code:** ENT

**Listing:** ASX

**Sector:** General Mining

**Website:** www.enterprisemetals.com.au

### Company Synopsis:

*Enterprise Metals (ASX: ENT) is an exploration company with a portfolio of prospective gold, uranium and iron ore projects in Western Australia.*

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However, mapping by the GSWA shows extensive areas of calcrete development co-incident with airborne radiometric uranium anomalism.

These targets will be drill tested upon the grant of the tenement applications and other necessary approvals.

## New ASX-listed uranium company

Enterprise plans to spin off its uranium assets into a new entity to be called Enterprise Uranium.

The demerger will be via an in specie distribution of about 100% of the shares in Enterprise Uranium to shareholders of Enterprise Metals, on a one for five basis, comprising about 42 million shares to be issued.

Following the demerger, Enterprise plans to pursue an ASX listing of the new company, for which it envisages a \$4 to \$5 million IPO.

A separate ASX listing of the new company would facilitate a capital raising for progressing exploration of the uranium assets without diluting Enterprise's shareholder equity in its non-uranium assets.

Enterprise intends to apply for about 19% of Enterprise Uranium at IPO.

Major shareholder, SinoTech which owns 72 million shares (33.7%), is known to be extremely bullish on Enterprise's uranium prospects.

The company is SinoTech's first equity investment in Australia. Enterprise had a strong \$10.8 million cash balance as at 11 July 2012.

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