



ENTERPRISE METALS LIMITED

ACN 123 567 073

Notice of General Meeting and Explanatory Statement

General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia
on 15 October 2012 at 10 am (WST)

Shareholders should note that the technical information regarding the Company's uranium assets which is provided in this Notice of Meeting is current as at the date it was submitted to the Australian Securities and Investments Commission for review, on 22 August 2012. Shareholders should be aware that the technical information has been updated by ASX announcements since that date, and further updates may be made by ASX announcements prior to the date of the General Meeting.

This Notice of General Meeting and Explanatory Statement should be read in its entirety.
Shareholders in doubt as to how they should vote should seek advice from their professional advisers.

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Corporate Directory

Directors

Dr Jingbin Wang (Non Executive Chairman)
Mr Dermot Ryan (Managing Director)
Dr Zhen Huang (Non Executive Director)
Mrs Anna Mao (Non Executive Director)
Mr Paul Hallam (Non Executive Director)
Dr Allan Trench (Non Executive Director)

Company Secretary

Mr Dennis Wilkins (CFO)

Principal & Registered Office

Level 1, 640 Murray Street
West Perth WA 6005

Telephone: (08) 9436 9200
Email: info@enterprisemetals.com.au

Share Registry

Computershare Registry Services
Level 2, 45 St Georges Terrace
Perth WA 600

Auditor

Grant Thornton Audit Pty Ltd
Level 1, 10 Kings Park Road
West Perth WA 6005

ASX Code

ENT

Website

www.enterprisemetals.com.au

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Notice of General Meeting

A General Meeting of Enterprise Metals Limited will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Monday 15 October 2012 at 10 am (WST). The Explanatory Statement which forms part of this Notice of General Meeting describes the various matters to be considered. Shareholders are asked to refer to the Glossary at the end of the Explanatory Statement which contains definitions of the terminology used in this Notice of General Meeting and the Explanatory Statement.

Special Business:

Resolution: Reduction of capital and distribution in specie of Enterprise Uranium Ltd shares

To consider and if thought fit to pass, with or without amendment, the following as an ordinary resolution:

“That for the purposes of section 256C(1) of the Corporations Act and for all other purposes, the issued share capital of the Company be reduced by the Company making a pro rata distribution in specie of up to 42,644,155 fully paid ordinary shares in Enterprise Uranium Limited (ACN 159 819 173) to all holders of ordinary shares in the Company at the Record Date and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

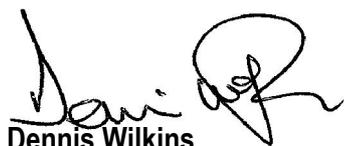
Snap-shot time

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting. The Directors have determined that all Shares that are quoted on ASX at 5pm WST on 13 October 2012 shall be taken to be held by the persons registered as holding the Shares at that time, for the purposes of determining voting entitlements at the General Meeting.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An appointment of Corporate Representative form is available upon request.

Signed in accordance with a resolution of the Directors dated 10 September 2012



Dennis Wilkins

Company Secretary

Dated 10 September 2012

Explanatory Statement

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolution. This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Shareholders are asked to refer to the Glossary at the end of the Explanatory Statement which contains definitions of the terminology used.

Resolution: Reduction of Capital and distribution in specie of Enterprise Uranium Shares

Background to Resolution – legal requirements under section 256C Corporations Act

1. The Company is proposing a reduction of capital and intends to effect this reduction of capital by way of a distribution in specie to its Eligible Shareholders of up to 42,644,155 ENU Shares on the basis of one ENU Share for every five ENT Shares held on the Record Date, by way of an equal reduction of capital under Section 256C of the Corporations Act.
2. The Board retains discretion whether to proceed with the proposed Demerger. If ENT Shareholders pass the Resolution, the Board may resolve not to proceed should market conditions and other factors impacting on the proposed Demerger cause the ENT Directors to believe that proceeding with the Demerger would not be in the best interests of the ENT Shareholders.
3. The reduction of capital by way of a distribution in specie to Shareholders is an equal capital reduction under the Corporations Act. Pursuant to section 256C of the Corporations Act, an equal reduction must be approved by an ordinary resolution passed at a general meeting of the Company. As provided in section 256B of the Corporations Act, the Company may only reduce its share capital if the reduction:
 - (a) is fair and reasonable to the Shareholders as a whole; and
 - (b) does not materially prejudice the Company's ability to pay its creditors; and
 - (c) is approved by Shareholders under section 256C of the Corporations Act.In addition the Company must give Shareholders all information known to the Company that is material to the decision on how to vote on the Resolution.
4. The proposed capital reduction is an equal reduction because it only relates to Shares of the Company, applicable to each Shareholder in proportion to the number of Shares held and the terms of the reduction are the same for each holder of ordinary Shares. An ordinary resolution is therefore necessary to approve the proposed equal reduction of capital, under section 256C of the Corporations Act.
5. The ENT Board considers that the proposed Distribution is fair and reasonable to ENT Shareholders as a whole because they are all treated in the same manner given that the distribution of ENU Shares is on a pro rata basis. The Directors consider that the proposed Distribution does not materially prejudice ENT's ability to pay its creditors and it will not result in ENT being insolvent at the time of or after the Distribution. The disadvantages and advantages of the Demerger are assessed below in more detail.

Ordinary Resolution required

6. The Company's Constitution permits the Company to conduct a distribution in specie of shares in another company, with the Company's Shareholders being deemed to have agreed to be bound by the constitution of a company in which shares are distributed to the Company's Shareholders as part of a capital reduction.
7. This means that if Eligible Shareholders approve the Resolution by ordinary resolution at the Meeting, when the distribution takes place all of the Shareholders will be deemed to have agreed to comply with the constitution of ENU by virtue of the ordinary resolution having been passed. In other words if a simple majority of Shareholders passes the Resolution, the capital reduction will be binding on all Eligible Shareholders regardless of how they voted on the Resolution at the Meeting or whether they voted on the Resolution.

Rationale for the proposed capital reduction and distribution in specie

8. The Board has conducted a strategic review of the Company's assets. Having regard to the size and scale of the Company's uranium interests, when considered in conjunction with the Company's other mineral exploration interests, the Board has decided that demerger of the Company's Uranium Assets into a sole purpose vehicle, wholly owned subsidiary Enterprise Uranium Limited, will ensure that these assets receive the focus required for optimum development and best delivery of value for the Company's shareholders.
9. ENU will have its own management and technical expertise, and administrative support.

Capital reduction is not conditional on IPO by ENU

10. It is proposed that following the Demerger ENU will conduct an IPO.
11. The proposed Demerger is not conditional on the IPO successfully listing on the ASX. Following the Demerger, if the IPO is unsuccessful:
 - (a) ENU will fund its activities by raising capital privately through the issue of securities including issues to ENU shareholders by way of placements or rights issues; and
 - (b) ENT Shareholders will hold ENU Shares that are unlisted and relatively illiquid, without there being a ready market to sell the ENU Shares in order to realise their value.

Commercial terms of acquisition of uranium assets by ENU

12. The Company and the Subsidiaries have entered into Sale Agreements with ENU for the assignment of the Uranium Assets comprising tenements and tenement applications which are prospective for uranium, to ENU. The total consideration of \$5,970,182 will be payable by ENU subject to Shareholder approval of the proposed Demerger, which will be satisfied by the issue of 42,644,154 ENU Shares to ENT at a deemed issue price of \$0.14 each at Completion. The Sale Agreements will be completed immediately following the Meeting, if Shareholders approve the Resolution.
13. Following Completion of the Sale Agreements ENT will hold 42,644,155 ENU Shares, comprising all the ENU Shares on issue, and proposes to distribute up to 42,644,155 ENU Shares to the Eligible Shareholders.
14. There is no proposal for ENU to acquire assets from any other entities before the Demerger.

Impact of Demerger on ENT Shareholders

15. The proportionate ownership of each ENT Shareholder in ENT remains the same before and after the proposed reduction of capital.
16. ENT currently has 213,220,776 fully paid ordinary shares on issue.
17. ENT has 54,725,806 Options currently on issue. At a general meeting of the Company on 29 August 2012 the Shareholders approved the grant of an additional 8,500,000 Options which will be granted on or before 29 September 2012. Accordingly the following table details the Options on issue and to be issued:

Number of Options	Exercise Price and Expiry Date
3,000,000	AU\$0.25 by 22 November 2012
2,500,000	AU\$0.50 by 30 June 2013
3,225,806	AU\$0.25 by 1 June 2013
10,000,000	AU\$0.25 by 12 July 2013

36,000,000	AU\$0.25 by 12 July 2014
8,500,000*	50% premium to VWAP, 3 years from date of issue

* exercise is subject to a vesting condition of one year from date of issue

18. The equal reduction of capital will have the effect of reducing the Company's total and net assets, and reducing the Company's total equity, by \$5,970,182 which is the value of the Uranium Assets transferred to ENU in consideration for the issue of 42,644,155 ENU Shares. This represents a proposed capital reduction of approximately \$0.03 for each ENT Share on issue ("**Reduction Amount**"). The precise Reduction Amount will not be known until the number of ENT Shares on issue on the Record Date is known, depending on how many, if any, of the 54,725,806 Options currently on issue and free of any vesting conditions are exercised before the Record Date. The ENT Board will announce the amount of the proposed Reduction Amount by ASX announcement as soon as possible after the Record Date.

19. Under the Demerger each Eligible Shareholder will receive approximately one ENU share for every 5 ENT Shares held on the Record Date. ENT Shareholders are not required to pay any consideration for the ENU Shares received from ENT.

Impact of Demerger on ENT Optionholders

20. The effect of the capital reduction on ENT option holders will be to reduce the exercise price of Options on issue but not exercised by the Record Date. The exercise price will be reduced by the Reduction Amount, ie. the same amount as the amount returned in respect of each ENT Share, in accordance with the requirements of Listing Rule 7.22.3. The number of ENT Options on issue will not change as result of the reduction of capital unless any Options on issue are exercised before the Record Date.

Capital structure for ENT and ENU

21. In determining the number of ENU Shares to be transferred by ENT to Shareholders under the Distribution, fractional entitlements to ENU Shares will be rounded up. It is intended that the Company will hold as close as possible to no ENU Shares subsequent to the Distribution.

22. The number of Shares on issue in ENT will remain the same before and after the proposed Demerger. There is no cancellation of ENT shares proposed.

ASIC disclosure requirements in relation to ENU Shares

23. The Corporations Act restricts:

- (a) ENT from transferring the Distribution Shares to Eligible Shareholders within 12 months of their issue, by way of the proposed Demerger, without ENT issuing a prospectus providing disclosure against the ENU Shares issued with the consent of the Directors and the ENU Directors; and
- (b) ENU Shareholders from on-selling the Distribution Shares which are transferred by ENT to the Eligible Shareholders under the proposed Demerger, within the first 12 months after receiving them from ENT under the Distribution.

24. As a result, a compliance prospectus would be required to be sent to all Shareholders with this Notice of Meeting in order to comply with the disclosure obligations of Chapter 6.D of the Corporations Act.

25. The ENT Board are of the view that the disproportionately high costs involved in ENT preparing a compliance prospectus disclosing against the ENU Shares to accompany this Notice of Meeting for the capital reduction approval are not justified, and consider that these costs outweigh any benefit to ENT members in receiving a compliance prospectus. No application form is necessary to effect the transfer of the Distribution Shares from ENT to ENT Shareholders. The ENT Board therefore submitted an application to ASIC for relief from the obligation to issue a compliance prospectus in respect of the ENU Shares, in accordance with the policies set out in ASIC Regulatory Guide 188. ASIC relief is possible where the

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proposed distribution in-specie involves a capital reduction where there is no significant change to the members' overall investment, and no change to the underlying business or assets.

26. ASIC has granted the relief, allowing the Company to provide all information required by the Corporations Act in relation to the Distribution in this Notice of Meeting, without the need to also issue and despatch a compliance prospectus disclosing against the ENU Shares. This has avoided unnecessary expenditure by ENT on advisers' fees to prepare a compliance prospectus, and printing and postage costs in sending it to all ENT Shareholders.
27. The Company confirms in accordance with the requirements of the ASIC relief granted, that this Notice of Meeting is substantially the same as the draft notice of meeting which was provided by ENT to ASIC in support of its application for relief under ASIC Regulatory Guide 188.
28. Following a successful Demerger ENU will then seek a listing on ASX and it is intended that ENT Shareholders will be given the opportunity to participate in a pro rata offer as part of the IPO consistent with ASX Listing Rules 11.4 and 7.17.
29. Shareholders should note that Listing Rule 11.4 is applicable because the Uranium Assets which ENU is acquiring from the ENT Entities constitute a major asset for the purposes of Listing Rule 11.4 because, amongst other things, the value attributed to the Uranium Assets may represent more than 20% of ENT's consolidated equity interests in its half year accounts as at 31 December 2011.
30. Waivers have been sought from ASX to permit the Distribution, and to permit those who receive ENU Shares under the Distribution to be free of escrow restrictions (if they are not vendors or promoters), notwithstanding the escrow restrictions which would otherwise apply under Listing Rule 9, because the Uranium Assets are classified assets under the Listing Rules and therefore attract the escrow restrictions in Listing Rule 9 and Appendix 9B. These waiver requests are consistent with ASX policy and are supported by various precedents. The result of the waiver requests are expected to be known by the date of the General Meeting. In addition, Shareholders should note that ASX has been asked to confirm in accordance with Listing Rule 7.17 that the pro rata offer to be made to ENT Shareholders on a record date 7 business days after the date the ENU IPO prospectus is lodged with ASIC will not be required to apply to Shareholders if the resulting holding in ENU would be less than a holding with a value of \$2,000 and no facility to round up is offered. In other words, that the pro rata offer to be made by ENU can be made conditional on applicants' entitlements allowing them to subscribe for ENU Shares of at least \$2,000 in value. ASX has not yet issued its decision in this regard.
31. The proposed timetable for the proposed Demerger is set out below. This may be subject to change at the discretion of the Company's Board.

Date of ENT Shareholders general meeting	15 October 2012
ENU completes all asset sale agreements with ENT entities to acquire the Uranium Assets and ENT is allotted 42,644,154 ENU Shares	15 October 2012
Record Date to determine which ENT Shareholders are eligible to participate in the capital reduction	23 October 2012
Distribution of up to 42,644,155 ENU Shares is made to ENT Shareholders – Demerger Date and date of despatch of holding statements as a result of Demerger	30 October 2012

Tax Consequences of capital reduction and demerger dividend for ENT and ENT Shareholders

32. The distribution in specie of up to 42,644,155 ENU Shares has potential taxation issues for ENT and ENT Shareholders, as explained below.
33. The following summary only applies to Australian resident Shareholders who hold their Shares in ENT ("**Shares**") on capital account for tax purposes, and not on revenue account.

34. The application of tax legislation can vary according to the individual circumstances of each Shareholder. This summary is not intended, and should not be relied upon, as specific taxation advice to any particular Shareholder. The comments in this summary are of a general nature only, may not apply to your specific circumstances and cannot be relied upon for accuracy or completeness. Each Shareholder should seek and rely on their own professional taxation advice, specific to their particular circumstances, in relation to the taxation consequences of the proposed transaction. Neither ENT, nor any of its officers or advisers, accepts liability or responsibility with respect to such consequences or the reliance by any Shareholder on any part of the following summary.
35. ENT has applied to the Australian Taxation Office (“**ATO**”) for a Class Ruling to confirm the Australian income tax consequences associated with the in-specie distribution for ENT’s Shareholders.
36. The return of capital arising from the demerger process results in a capital gains tax (“**CGT**”) event under the Income Tax Assessment Act 1997 (“**the 1997 Tax Act**”). The demerger dividend arising from the demerger process results in the ENT Shareholders deriving income which is ordinarily assessable.
37. Shareholders should be eligible for rollover relief in respect of the return of capital component under the demerger rules in the 1997 Tax Act (“**demerger rollover relief**”). Broadly, demerger rollover relief will allow Shareholders to elect to disregard any capital gain arising from the return of capital. Furthermore, the demerger dividend component will not be taxable.
38. More specifically the following tax implications arise for Shareholders who, being eligible for demerger rollover relief, choose to apply it:
- Any capital gain arising from the return of capital will be disregarded.
 - The original cost base of ENT Shares held before the demerger will be apportioned between ENT Shares and ENU Shares held after the demerger according to their relative market values. ENT intends to advise Shareholders of the relative market values after the transaction is complete.
 - The ENU Shares received will be taken to have been acquired when the Shareholder’s ENT Shares were acquired.
39. The following tax implications arise for Shareholders who, being eligible for demerger rollover relief, choose not to apply it:
- ENT Shareholders will realise a capital gain to the extent that the return of capital exceeds the cost base of their ENT Shares. In these circumstances, the cost base of each ENT Share is reduced to nil and the balance of the return of capital will be a capital gain for ENT Shareholders.
 - Where the return of capital does not exceed the cost base of the ENT Shares, the cost base of the ENT Shares is reduced by the amount of the return of capital. ENT Shareholders cannot realise a loss as a result of the return of capital.
 - The original cost base of ENT Shares held before the demerger will be apportioned between ENT and ENU Shares held after the demerger according to their relative market values. ENT intends to advise Shareholders of the apportionment percentage after the demerger is complete.
 - For CGT discount purposes (see below), the ENU Shares received will be taken to have been acquired when the Shareholder’s ENT shares were acquired. For general CGT purposes, the ENU Shares received will be considered acquired on the date they are received by Shareholders.
40. The demerger dividend component will not be taxable as it is neither assessable income nor exempt income, irrespective of whether or not demerger rollover relief is chosen. No imputation credits will attach to the demerger dividend.
41. The return of capital does not result in a disposal of the ENT Shares. On a future disposal of the ENT Shares and ENU Shares, certain Shareholders (such as individuals and complying superannuation funds) may be entitled to a CGT discount if they have held their Shares for at least 12 months. For these
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purposes, Shareholders can treat their ENU Shares as having been acquired on the date that they acquired the corresponding original ENT Shares.

42. Rollover relief will only be available to non-resident Shareholders as a result of the in-specie distribution in limited circumstances. In this regard, non-resident Shareholders should seek advice from their professional tax advisers and also confirm the tax implications in their country of residence.
43. Any capital gain ENT would otherwise make on the disposal of shares in ENU arising from the distribution in specie may be disregarded if demerger rollover relief applies. If not, then ENT would be required to include in its assessable income such a gain.
44. ENT is not required to withhold non-resident dividend withholding tax on the demerger dividend component.
45. Accompanying this Notice of Meeting is a request to Shareholders to complete the enclosed Tax File Number Request in order to allow the Company to transfer to you 100% of the distribution in specie to which you are entitled, regardless of the ATO's decision whether or not to consider some or all of the distribution in specie to be a dividend. Failure to return the Tax File Number to the Company could mean that the Company may need to retain part of the distribution for taxation purposes.

Advantages of the proposed Demerger

46. Shareholders will retain their current indirect interest in the Uranium Assets through their direct individual pro rata shareholdings in ENU.
47. Shareholders will retain their current percentage ownership interest in the capital of ENT.
48. The separation of the Uranium Assets from the ENT Entities will allow ENT to concentrate on its non-uranium assets which are prospective for base metals and iron ore. These narrower more focussed objectives for ENT and ENU will allow the value of each discrete business to gain more recognition. Allowing ENT to further focus on its core business of exploration for base metals and iron ore may have a positive impact on the market price of ENT Shares.
49. The clear separation of the distinctive businesses of base metals/iron ore exploration, and uranium exploration, is an advantage to enable each entity to separately access capital markets for their respective projects. Future capital raising may be more achievable by ENT and ENU respectively, because the focus of funding will be either on uranium exploration and development, or base metals and iron ore exploration and development.
50. Following the Demerger, Shareholders will be able to increase their ENU Share holdings by participation in the ENU IPO under a pro rata offer to be included in the ENU IPO.
51. Details of the general taxation effects of the proposal are set out in paragraphs 32 to 45 above.

Disadvantages of the proposed Demerger

52. There is no guarantee that ENU will achieve a listing on ASX, resulting in ENT Shareholders holding relatively illiquid investments in the form of unlisted ENU Shares.
 53. There is no guarantee that ENU Shares will retain their value, or increase in value.
 54. ENU will incur one off costs for legal, advisory and listing expenses in conducting the IPO. ENT will be providing loan funds for all ENU costs from the Demerger date, on an interest free basis prior to 31 December 2012. If the ENU IPO is successful, ENU will incur ongoing expenses associated with ASX listing such as annual listing fees, share registry costs, non executive director fees and shareholder communication costs. If the IPO is delayed beyond 31 December 2012, interest on arms length terms will be payable to ENT for the loan. If the IPO is not successful, ENU will be obliged to repay the loan to ENT within a reasonable period of demand being made by ENT.
 55. Currently, administrative and overhead costs are paid by ENT for all its projects including the projects comprising the Uranium Assets. Following the Demerger ENU will be responsible for all its ongoing overheads. ENT's overhead costs will reduce to some extent as a result.
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56. Decrease in diversity within ENT (in terms of potential income stream) as a result of the Demerger may be disadvantageous to ENT Shareholders.
57. ENT Shareholders may incur brokerage costs if they wish to dispose of the ENU Shares they receive under the Demerger, should brokerage expenses be attracted by any sale of ENU Shares.
58. Details of the general taxation effects of the proposal are set out in paragraphs 32 to 45 above.
59. ENU will in due course require additional capital to fund its activities in relation to the Uranium Assets, in addition to the funds raised by its IPO, and ENU may not be able to raise that additional funding.

Listing Rule 7.20 information

60. In accordance with ASX Listing Rule 7.20 the following information is provided:
- (a) as a result of the Distribution the number of Shares on issue in ENT will not change; and
 - (b) Holders of Options will not be entitled to participate in the proposed reduction of capital. The effect of the capital reduction on ENT option holders will be to reduce the exercise price of Options on issue but not exercised by the Record Date. The exercise price will be reduced by the same amount as the amount returned in respect of each ENT Share. ENT Option holders may exercise their Options (provided any vesting conditions have been satisfied) prior to the Record Date in order to participate in the in specie distribution of ENU Shares. The maximum number of Options that could be exercised and which are free of any vesting conditions prior to the Record Date, is 54,725,806.

Directors Interests

61. Set out below is a table which indicates the securities in which the Directors each have an interest in prior to the proposed capital reduction and the number of ENU Shares they are likely to have an interest in if the Resolution is passed and implemented (ignoring any ENU Shares which the Directors may elect to apply for under the ENU IPO). This includes options to be issued following the Shareholder approval which was given on 29 August 2012 in general meeting.

Director	ENT Shares	ENT Options	Number of ENU Shares each Director will receive if Resolution is passed
Dr Jingbin Wang (Non Executive Chairman)	nil	1,500,000 (expiry 3 years from date of issue)	nil
Mr Dermot Ryan (Managing Director)	12,075,000	1,500,000 (expiry 22 Nov 2012) 2,500,000 (expiry 3 years from date of issue)	2,415,000
Dr Zhen Huang	nil	900,000 (expiry 3 years from date of issue)	nil
Mrs Anna Mao (Non Executive Director)	6,500,000	2,096,774 900,000 (expiry 3 years from date of issue)	1,300,000
Mr Paul Hallam (Non Executive Director)	436,667	900,000 (expiry 3 years from date of issue)	87,334

Dr Allan Trench (Non Executive Director)	50,000	900,000 (expiry 3 years from date of issue)	10,000
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Directors Recommendations

62. After considering all the relevant factors, the Directors recommend that the Shareholders should vote in favour of the Resolution for the following reasons:

- (a) After a full and proper assessment of all available information, the Directors believe that the capital reduction to be effected by way of a distribution in specie of ENU Shares is in the best interests of the ENT Shareholders, and
- (b) In the opinion of the Directors, the benefits of the capital reduction outweigh its disadvantages, as referred to above.

Information on Enterprise Uranium

63. Shareholders are encouraged to read Annexure A providing geological information concerning the Uranium Assets.

ENU Board

64. With effect on 1 September 2012, the ENU Board comprises Mrs Anna Mao (Non Executive Chairman), Dr Zhen Huang (Non Executive Director), Mr Dermot Ryan (Non Executive Director), Mr Trevor Saul (Managing Director) and Mr Michael Atkins (Non Executive Director). Of the ENU Directors, Mrs Anna Mao and Mr Dermot Ryan are Directors of ENT. The remaining ENU Directors have no relationship with ENT other than that Dr Huang resigned as a director of ENT with effect on or before the Demerger date. More information about the ENU Directors is set out below:

- (a) Mrs Anna Mao

Ms. Anna Mao is CEO and director of Worldtex Capital Resources Limited, a privately owned capital and investment company focusing in industry metals, precious metals and coal, incorporated in Hong Kong. Worldtex is well funded, and its primary investors and shareholders are from the commercial real estate industry, financial industry and mining industry in China, which comprise both private and public organizations, and individuals. Currently, Worldtex is actively pursuing investment opportunities in Canada, Australia and Africa, and looking for mining projects and exploration companies with great potential and good management teams.

Ms Mao is a creative leader and entrepreneur with 19 years' rich experience and knowledge in finance and operation. She co-founded and developed several successful businesses both in China and Canada. Ms. Anna Mao graduated from Beijing Institute of Technology University in 1991, and obtained her MBA from Richard Ivey Business School of Western Ontario University in 2001. Ms. Anna Mao is also a director and Founder of Sino Link Capital Resources Limited, and director of Enpar Technologies Inc. (ENP: TSX-V). She is a Canadian Citizen and resident in Beijing.

- (b) Dr Zhen Huang

Dr. Huang is currently a director of Sinotech Minerals Exploration Co., Ltd, founded in 2004 and is now one of the largest mineral exploration companies in the world. Its major shareholder is Beijing Institute of Geology for Mineral Resources. In the past, Sinotech Minerals Exploration Co. Ltd has discovered numerous world class mineral deposits in China, and more recently has discovered a porphyry copper deposit in Chile and a VMS

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style copper/gold deposit in Ethiopia. Sinotech Minerals Exploration Co. Ltd and its subsidiary SinoTech (Hong Kong) Corporation Limited (currently a 33% shareholder in ENT) are Chinese government owned or controlled entities.

Dr Huang is also a director of an Australian company Golden Phoenix Resources Limited. He is also Managing Director of SinoDrill Co. Ltd. Prior to his appointment he was Director of Geology Department of China National Nonferrous Metals Industry Corporation. Dr. Huang has 29 years of experience in non-ferrous minerals exploration and ever since 1999, he has actively established four technical service companies covering engineering construction, drilling, environment engineering and mining investment, all of which have made significant achievements. Dr Huang is a resident of Beijing in the People's Republic of China.

(c) Mr Dermot Ryan

Mr Ryan is a Fellow of the Australian Institute of Mining and Metallurgy, a Fellow of the Australian Institute of Geoscientists, has Chartered Professional (CP) accreditation in the discipline of Geology and is a graduate from Curtin University in Western Australia. He has over 35 years experience in the discovery and successful development of gold, base metals, iron ore and diamond deposits. He spent 20 years with the CRA (Rio Tinto) group of companies, including ten years as Chief Geologist for CRA Exploration in various parts of Australia and was then GM Exploration for Great Central Mines / Normandy Yandal Operations in the 5 year period up to 2001. Over the past 11 years he has acted as a mineral exploration consultant to private and public exploration companies in Western Australia. Mr Ryan is currently a Non Executive Director of ASX listed Legend Mining Limited.

(d) Mr Trevor Saul

Mr Saul is a Member of the Australian Institute of Mining and Metallurgy and is a graduate from New England University in N.S.W. [B.Sc. (Geol) Hons]. He has 17 years' experience in mining, geotechnical and exploration roles. His experience has been gained in uranium, gold, base metals, mineral sands, iron ore and manganese exploration and development in WA and NT. He has held senior positions in uranium, gold, base metal and bulk mineral exploration companies. He joined Enterprise Metals as the uranium Exploration Manager in April 2012.

(e) Mr Michael Atkins

Michael Atkins is a Fellow of the Australian Institute of Company Directors.

Mr Atkins was a founding partner of a national Chartered Accounting practice from 1979 to 1987 and was a Fellow of the Institute of Chartered Accountants in Australia until resigning in June 2011.

Between 1987 and 1998 he was a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, USA, South East Asia and Africa. From 1990 to 1995 he was Managing Director and later a non-executive director of Claremont Petroleum NL and Beach Petroleum NL during their reconstruction, and then remained as a Non-Executive Director until 1995. He was also founding Executive Chairman of Gallery Gold Ltd until 1998, and remained a Non-Executive Director until 2000.

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Since February 2009 Mr Atkins has been a Director - Corporate Finance at Patersons Securities Limited where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector.

He is currently non-executive Chairman of Australian listed companies Azumah Resources Ltd, Westgold Resources Ltd and Legend Mining Ltd.

ENU Director's interests

65. Set out below is a table which indicates the ENT securities in which the ENU Directors each have an interest in, in their capacity as ENT Shareholders, prior to the proposed Demerger and the approximate number of ENU Shares they are likely to have an interest in if the Resolution is passed and implemented (ignoring any ENU Shares which the ENU Directors may elect to apply for under the subsequent IPO). This includes options to be issued following the Shareholder approval which was given on 29 August 2012 in general meeting.

Director	ENT Shares	ENT Options	Number of ENU Shares each Director will receive if Resolution is passed
Mrs Anna Mao	6,500,000	2,096,774 900,000 (expiry 3 years from date of issue)	1,300,000
Dr Zhen Huang	nil	900,000 (expiry 3 years from date of issue)	nil
Mr Dermot Ryan	12,075,000	1,500,000 (expiry 22 Nov 2012) 2,500,000 (expiry 3 years from date of issue)	2,415,000
Mr Trevor Saul	100,000	nil	20,000
Mr Michael Atkins	nil	nil	nil

Rights of ENU Shares

66. The rights attaching to the ENU Shares arise from a combination of ENU's constitution, statute and general law. Copies of the Company's Constitution are available for inspection during business hours at the Company's registered office. The Constitution was lodged with ASIC upon incorporation of ENU. A summary of the more significant rights is set out below.
- Shareholders are entitled to receive all notices, reports, accounts and other documents required to be furnished to shareholders under the company's constitution, the Corporations Act and the Listing Rules.
 - Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act. All members are entitled to a notice of meeting. A quorum for a meeting of members is 3 eligible voters.
 - The company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.

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- (d) Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a company) to speak and to vote at general meetings of the company.
 - (e) Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the company on a show of hands, every ordinary shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote and upon a poll, every shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote for any share held by the shareholder. In the case of an equality of votes, the chairperson has a casting vote.
 - (f) A poll may be demanded by the chairperson of the meeting, any 5 shareholders entitled to vote in person or by any one or more shareholders holding not less than 5% of the total voting rights of all shareholders having the right to vote.
 - (g) Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, the company may pay dividends as the directors resolve but only out of profits of the company. The directors may determine the method and time for payment of the dividend.
 - (h) Subject to any rights or restrictions attached to a class of shares, on a winding up of the company, any surplus must be divided among the shareholders in the proportion to the shares held by them. Subject to any rights or restrictions attached to a class of shares, on a winding up of the company, the liquidator may, with the sanction of a special resolution of the shareholders:
 - (i) distribute among shareholders the whole or any part of the property of the company; and
 - (ii) vest any part of the assets of the company in a trustee upon trust for the benefit of the members.
 - (i) Generally, shares in the company are freely transferable, subject to formal requirements, and to the registration of the transfer not resulting in a contravention of, or failure to observe, the provisions of a law of Australia.
 - (j) The directors may, subject to any restrictions imposed by the constitution and the Corporations Act, allot, issue and grant options over further shares, on such terms and conditions as they see fit.
 - (k) The existing directors may appoint a new director to fill a casual vacancy or as an addition to the board. Any such director must retire at the next following annual general meeting of the company (at which meeting he or she may be eligible for election as a director).
 - (l) The Constitution and the Listing Rules contains provisions relating to the rotation and election of directors. No director other than the managing director may hold office later than the third annual general meeting after his or her appointment or election without submitting himself or herself for re-election.
 - (m) Shares may be converted or cancelled with member approval and the company's share capital may be reduced in accordance with the requirements of the Corporations Act.
 - (n) The company's constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the
-

company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

- (o) Provided the company is and then remains admitted to the Official List of ASX, then despite anything in the constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. If as a result of an amendment to the Listing Rules, there is an inconsistency between the constitution and the Listing Rules, the company shall, subject to the Corporations Act, do all things necessary to change the constitution to remove the inconsistency as soon as possible and in any event, at the first general meeting of the company held after the date on which the relevant amendment the Listing Rules comes into operation.

Risk Factors in relation to acquiring ENU Shares

67. An investment in ENU is not risk free. ENT Shareholders should consider the risk factors described below, which are consistent with the risks applicable to an investment in ENT Shares. ENT Shareholders should consider that investment in ENU Shares is speculative and they should consult their professional advisers in deciding how to vote on the Resolution.
68. The Directors have considered and identified the critical areas of risk associated with an investment in ENU Shares. These are not exhaustive and potential investors should seek professional advice if they require further information on material risks in holding investments in ENU Shares.
69. In particular, ENU is subject to risks relating to the exploration and development of mineral properties which are not generally associated with other businesses outside the mineral exploration industry. Many of the circumstances giving rise to these risks are beyond the control of ENU, its directors and management. The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

- (a) Exploration and evaluation risks

The success of ENU depends on the delineation of economically minable reserves and resources in Western Australia, obtaining all state and federal consents and approvals necessary under mining and environmental legislation for the conduct of uranium exploration and mining activities on terms which are viable for ENU, access to required development capital, movement in the price of commodities, and securing and maintaining (and renewing) licences for ENU's exploration and in due course, mining tenements. Exploration on ENU's existing exploration tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of ENU and possible relinquishment of the exploration tenements. In the case of exploration targets, it should be noted that these are conceptual in nature, there has been insufficient exploration to define a JORC Code compliant Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource. It may not always be possible for ENU to exploit successful discoveries which may be made in areas in which ENU has an interest. Such exploration would involve obtaining the necessary licences or clearances from the relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not be the same as ENU's, if farmin and joint venture relationships are entered into by ENU.

- (b) Liquidity risk

The proposed IPO for ENU may be unsuccessful, resulting in lack of liquidity for the ENU Shares. If the proposed IPO for ENU is successful, there may be relatively few buyers or sellers of ENU securities on ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which ENU Shareholders

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are able to sell their ENU Shares. This may result in ENU Shareholders receiving a market price for their ENU Shares that is less or more than the value attributable to them on the demerger date.

(c) Mining and development risk

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of ENU. Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management. Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events. ENU's business operations are subject to risks and hazards inherent in the exploration and mining industry. The exploration for and the development of mineral deposits involves significant risks, including: environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability.

(d) Resource estimations

Resource estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as new information becomes available. Should ENU encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect ENU's operations.

(e) History of uranium mining ban – Western Australia

In 2008, the Western Australian Liberal government lifted a six-year ban on uranium mining that was imposed by the previous Labor government in Western Australia. If Labor return to power in Western Australia following the March 2013 election, Labor's leader has made it clear that Labour remains opposed to uranium mining in Western Australia and will ban uranium mining, although exceptions would be made to allow uranium mining projects to proceed where government approvals had already been obtained. There is therefore a risk that if there is a change of government in 2013, the previous ban on uranium mining may be re-imposed, which is likely to adversely affect ENU and the value of its securities.

(f) Uranium Mining projects in Western Australia

Whether income will result from ENU's exploration projects depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development. New uranium mining projects in Australia face technical, regulatory and financial hurdles peculiar to the uranium production industry, before mine feasibility studies can be completed, and before construction and uranium production can commence. There are currently no uranium mines in Western Australia. In May 2012 the Federal Environment Protection Authority recommended that environmental approval be granted for Toro Energy Limited's uranium mine project at Wiluna in the Mid West of Western Australia subject to eight conditions to meet the EPA's objectives in relation to radiation management, transport, mine closure and rehabilitation, groundwater and water supply, surface water, air

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quality, flora and vegetation, fauna, habitat and Indigenous heritage. The Western Australian government's Environment Minister and the Federal Government have not yet granted the environmental approvals still required following the EPA's recommendation. If all necessary approvals are obtained, Toro Energy expect to be in production during 2014/15. BHP Billiton has put its environmental approvals process on hold in relation to its Yeelirrie uranium mining project in the Mid West of Western Australia, where BHP Billiton had previously targeted first production in the 2014/15 financial year.

(g) Environmental risks

All phases of ENU operations are subject to environmental regulation in Western Australia. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect ENU's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to ENU at present and which have been caused by previous or existing owners or operators of the properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

(h) Legislative control over ENU's activities

Current legislation and amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies more generally, or more stringent implementation thereof, could have a material adverse impact on ENU and cause increases in exploration expenses, capital expenditures, or production costs, or reduction in levels of production at producing properties, or require abandonment or delays in development of new mining properties.

(i) Future capital requirements

ENU's activities will require substantial expenditure. There can be no guarantees that the funds raised through the proposed IPO by ENU will be sufficient to successfully achieve all the objectives of ENU's overall business strategy. If the IPO is not successful, there can be no guarantee that ENU will raise the funds required to achieve its objectives generally. Any additional equity financing may be dilutive to ENU Shareholders and any debt financing if available may involve restrictive covenants, which may limit ENU's operations and business strategy. ENU's failure to raise capital if and when needed could delay or suspend ENU's business strategy and could have a material adverse effect on ENU's activities.

(j) Potential Acquisitions

As part of its business strategy, ENU may make acquisitions of or significant investments in companies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies or resource projects.

(k) Reliance on Key Personnel

ENU is reliant on key personnel employed or engaged by ENU, in particular its exploration manager. Loss of such personnel may have a material adverse impact on the performance of ENU. In addition, the recruiting of qualified personnel is critical to ENU's success. As ENU's business grows, it will require additional key exploration, financial, administrative, mining personnel as well as additional staff for operations. While ENU believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

(l) Insurance and uninsured risks

Although ENU maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and ENU may decide not to insure against certain risks because of high premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not likely to be generally available to ENU on acceptable terms. Losses from these events may cause ENU to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

(m) Economic risks

General economic conditions in Australia and internationally, movements in interest, inflation and currency exchange rates, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws and changes to dividend imputation in Australia may have an adverse effect on ENU's exploration, development and future mining and production activities, as well as on its ability to fund those activities.

(n) Commodity price and exchange rate risks

If and to the extent that ENU is involved in mineral production in the future, the revenue to be derived through the sale of commodities may expose the potential income of ENU to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of ENU. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are commonly denominated in United States dollars, whereas the income and expenditure of ENU are and will be taken into account in Australian currency, exposing ENU to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets. In addition to adversely affecting the reserve estimates of ENU and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(o) Market conditions

The market price of ENU Shares can fall as well as rise and may be subject to varied and unpredictable influences for equities and in particular, resources stocks. If ENU is not listed

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on ASX there may be no ready market for selling ENU Shares. Neither the Company nor the Directors warrant the future performance of ENU or any return on an investment in ENU.

(p) Stock exchange prices

If the proposed IPO for ENU is successful, the market price of an ENU Share will be affected by many variables not all of which are directly related to the success of ENU. This year and in recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance or underlying asset values of such companies. There can be no assurance that such fluctuations will not affect the price of ENU securities.

Overseas Shareholders

70. Distribution of the ENU Shares to Shareholders under the reduction of capital will be subject to legal and regulatory requirements in the jurisdictions in which the Eligible Shareholders reside. If in the Directors' opinion the requirements of any jurisdiction where an Eligible Shareholder is resident will restrict or prohibit the distribution of the ENU Shares as proposed, or would impose an obligation on ENT to issue a prospectus or similar disclosure document to comply with an overseas jurisdiction's legislative requirements or otherwise impose an undue burden on ENT, ENT will use reasonable practical efforts to sell the ENU Shares to which the relevant Eligible Shareholder is entitled under the capital reduction as soon as practicable after the Record Date. If a sale is achieved, ENT will then account to the relevant Eligible Shareholders for the net proceeds of sale after deducting the costs and expenses of the sale of ENU Shares. As the reduction of capital is being represented and satisfied by the distribution of ENU Shares to Eligible Shareholders, assuming a liquid market is available the net proceeds of sale to such Eligible Shareholders residing in overseas jurisdictions may be more or less than the notional dollar value of the Reduction Amount, for the return of capital as set out in this Explanatory Statement.

Lodgement with ASIC

71. The Company has lodged with ASIC a copy of this Notice of Meeting and the Explanatory Statement in accordance with section 256(C) of the Corporations Act.

Other Material Information

72. There is no information material to a decision by a Shareholder in the Company whether or not to approve the Resolution (being information that is known to any of the Directors and which has not previously been disclosed to Shareholders in the Company) other than as disclosed in this Explanatory Statement.
73. Shareholders should seek professional advice in relation to any questions they may have arising out of this Explanatory Statement.

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Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

ASX	ASX Limited
Board	the board of Directors
Company or ENT	Enterprise Metals Limited
Completion	the date on which the acquisition of the Uranium Assets by ENU under the Sale Agreements complete
Constitution	The constitution of the Company as adopted by Shareholders from time to time
Corporations Act	Corporations Act 2001 (Cth)
Demerger	The capital reduction to be effected by way of a distribution in specie of up to 42,644,155 ENU Shares by ENT to Shareholders in accordance with section 256C of the Corporations Act
Director	Director of the Company
Distribution	The distribution in specie of the Distribution Shares to Eligible Shareholders as part of the Demerger
Distribution Shares or Enterprise Uranium Shares	up to 42,644,155 ENU Shares the subject of the Resolution
Eligible Shareholder	A Shareholder on the Record Date who is therefore entitled to participate in the Distribution
ENT Entities	ENT and the Subsidiaries
ENU or Enterprise Uranium	Enterprise Uranium Limited (ACN 159 819 173)
ENU Director	A director of ENU
ENU Share	A fully paid ordinary share in ENU
ENU Shareholder	A holder of ENU Shares

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IPO	An initial public offer of ENU Shares by ENU with the objective of gaining admission to the Official List of ASX
Listing Rules	the ASX Listing Rules
Meeting or General Meeting	The General Meeting of the Company the subject of this Notice of Meeting
Notice of Meeting	This notice of meeting incorporating the Explanatory Statement
Option	An option to subscribe for a Share
Record Date	The date used by the Company to determine which Shareholders are eligible to participate in the proposed capital reduction the subject of the Resolution
Reduction Amount	The amount of capital returned by ENT to the Eligible Shareholders in respect of one Share
Related Party	Has the meaning given in the Corporations Act
Sale Agreements	The asset sale agreements between ENU and the ENT Entities for the sale of the Uranium Assets to ENU
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A shareholder of the Company
Subsidiaries	The following wholly owned subsidiaries of ENT which have entered into Sale Agreements with ENU: Burracoppin Resources Pty Ltd; 125 615 232 Pty Ltd; Enterprise Gold Pty Ltd; Amiable Holdings Pty Ltd.
Uranium Assets	the granted tenements and tenement applications, and associated information, which are being acquired by ENU under the Sale Agreements from the ENT Entities
VWAP	the volume weighted average price of Shares over the last five days in which Shares are traded on ASX prior to 29 August 2012

Annexure A : Geological information concerning the Uranium Assets

Shareholders should note that the technical information regarding the Company's uranium assets which is provided in this Notice of Meeting is current as at the date it was submitted to the Australian Securities and Investments Commission for review, on 22 August 2012. Shareholders should be aware that the technical information has been updated by ASX announcements since that date, and further updates may be made by ASX announcements prior to the date of the General Meeting.

1 Overview

Enterprise Metals Limited ("the Company") and its wholly owned subsidiary Enterprise Uranium Ltd is currently exploring five uranium projects targeting calcrete/channel and sandstone hosted uranium mineralisation. Some of these projects also include other commodities as a secondary target. These 5 Projects are all located on the Yilgarn Craton in Western Australia and will be incorporated into the new uranium company.

These projects are:

- Byro (Calcrete and Sand hosted Uranium)
- Yalgoo (Calcrete and Sand hosted Uranium, Vein Gold)
- Peranbye (Calcrete and Sand hosted Uranium, Playa Lake Gypsum)
- Ponton (Sand hosted Uranium, Palaeochannel Gold)
- Harris Lake (Calcrete and Sand hosted Uranium)

Project	No. of Tenements	Area (km ²)	Current Expenditure	Total Granted Expenditure
Byro	5	1,943	\$166,000	\$635,000
Yalgoo	15	1,306	\$310,000	\$457,101
Peranbye	7	1,443	\$0	\$438,000
Ponton	5	1,216	\$0	\$412,000
Harris Lake	1	76	\$26,000	\$26,000
Total	35	6,202	\$502,000	\$1,968,101

Table 1: Uranium Projects Tenement Summary

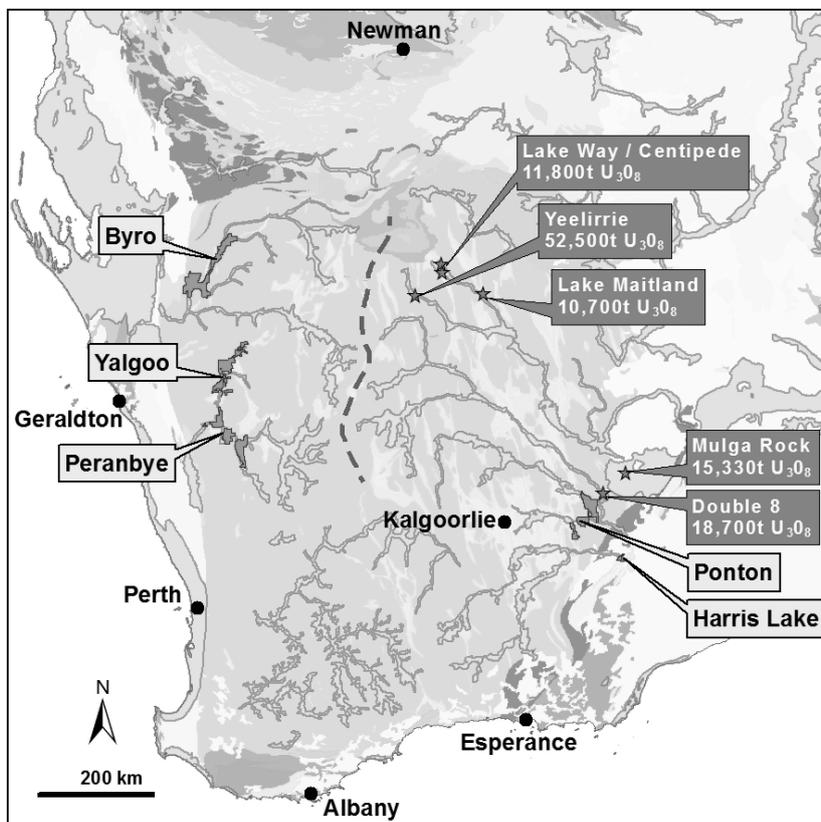


Figure 1: Location Map of all Enterprise Metals Limited Projects.

2 BYRO PROJECT

The Byro Project is located approximately 250km northeast of Geraldton and 600km north of Perth in the Murchison Province of Western Australia. The Project is accessed via the Carnarvon Mullewa Road. Approximately 2/3 of the project is covered by the 70km wide Murchison Radio Astronomy Quiet Zone. The Project covers the drainage channels of the Intermittent Murchison River.

The Project comprises 1 granted exploration tenement and 4 tenement applications for a combined area of 1943km² (table 2). The applications are anticipated to be granted at the time of listing, pending the acceptance of the RQMP, discussed below.

Tenement	Status	Area (Km)	Grant Date	Grant Expenditure	Pending Expenditure
E09/1864	Pending	204.97			\$67,000
E09/1931	Pending	290.15			\$95,000
E09/1956	Pending	333.28			\$109,000
E20/758	Pending	607.75			\$198,000
E59/1617	Granted	506.71	13-Sep-10	\$166,000	
Total @ 100% Granting		1942.86	Total @ 100% Granting		\$635,000

Table 2: Byro Project Tenement Status

The project area is located within the Narryer terrane of the Yilgarn Craton in Western Australia, which is divided into different terranes based on their tectonic architecture, age and lithological assemblages. The craton has formed as amalgamation of several raft-like fragments of continental crust.

Approximately 80-90% of the tenement area is covered by alluvium, colluvium and river delta. Thicknesses of Cainozoic cover can be up to 30 metres. Hardpan, locally known as coffee rock is extensively developed in the area

E59/1617 contains an unusual confluence between the south flowing Murchison River and the north flowing Roderick River, which has created Wooleen Lake, a low energy environment where damming or ponding has occurred forming a palaeo-delta.

Radiometric data from the Company's 100m line spaced airborne survey shows an elevated uranium signature, covering an area of 2.5 by 4.75km, on this palaeo-delta which is adjacent to mapped calcrete on the western margin of Wooleen Lake.

The sediment deposited at the confluence of the rivers is thought to have formed as a result of normal faulting (west block up) thereby damming the Murchison and Roderick Rivers forming a large proto Wooleen Lake, which has subsequently filled with sediment and the present Murchison River, having captured the flow of the Roderick River, has cut an incised gorge to the north west of the uplifted block. Immediately to the east and upstream along the Roderick River, there is a radiometrically "hot" granitic body (Impey Granite).

The detailed airborne magnetic/radiometric survey by the Company's over granted tenement E59/1617 identified a large 2.5km x 4.75km uranium anomaly on the north-western margin of Wooleen Lake, and also shows an elevated uranium response on the eastern margin of the lake. The image indicates a uranium low over Lake Wooleen, however the lake remains highly prospective for uranium, as the presence of surface ponds of water and lake sediments is considered to have masked the true uranium response.

An airborne electromagnetic (AEM) survey over the Project was flown in June 2012. This involved a detailed 400m grid over the Wooleen delta (granted E59/1617), and 6 separate regional lines (over pending tenements) to assist with the definition of palaeochannels in both extent and depth. Processing of this data is currently underway and will be used to assist drillhole targeting. Preliminary results suggest buried palaeochannels are present under the modern drainage.

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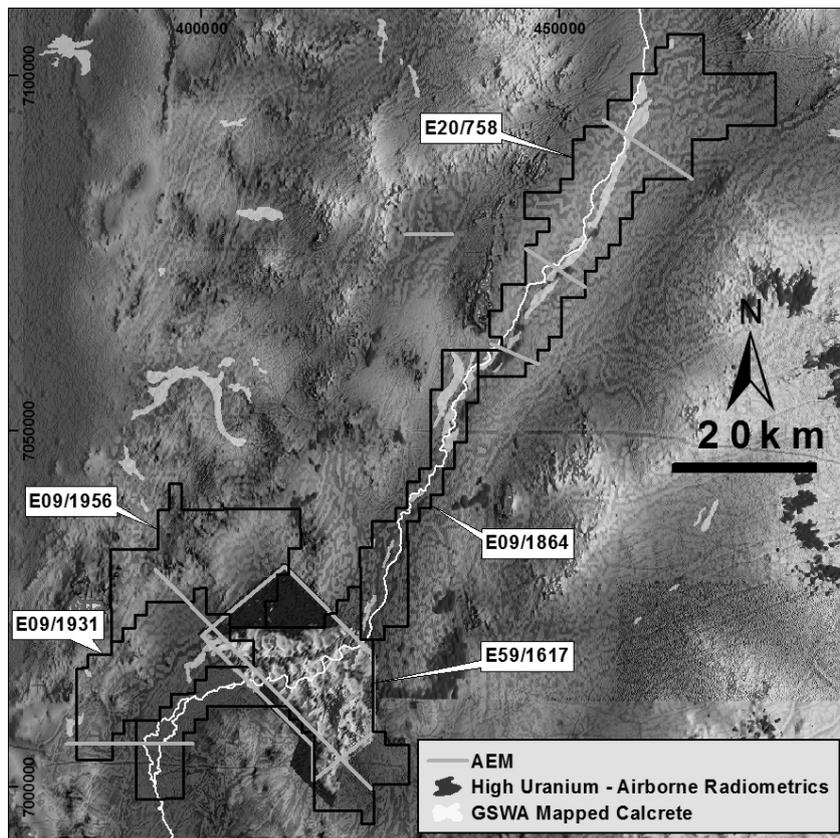


Figure 2: Byro Project Map showing high U and Airborne ElectroMagnetics survey.

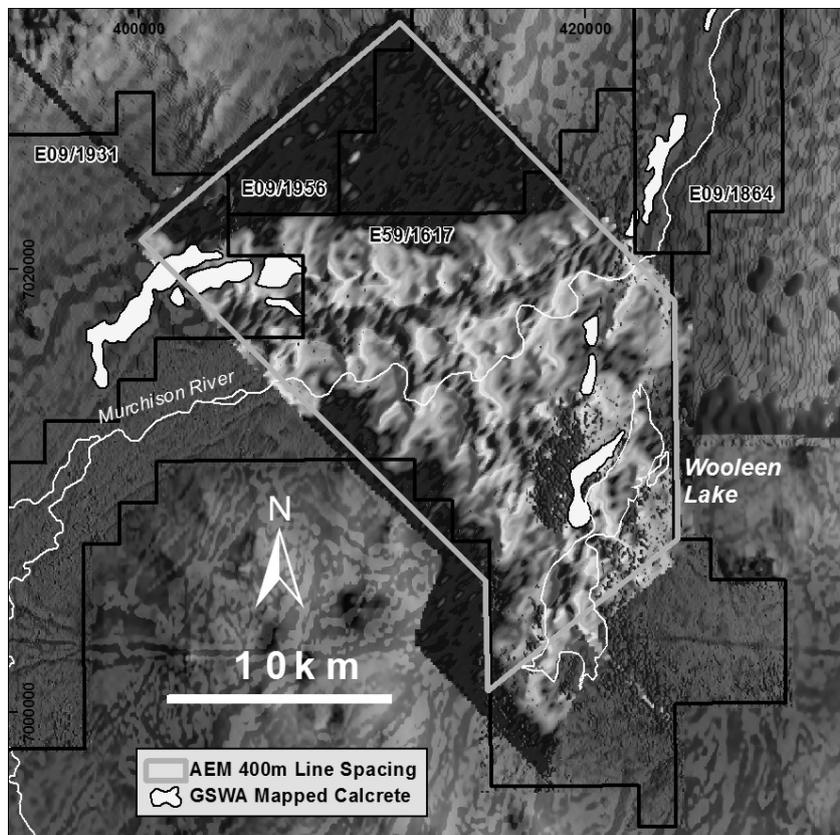


Figure 3: Area of detailed AEM survey over Inland delta.

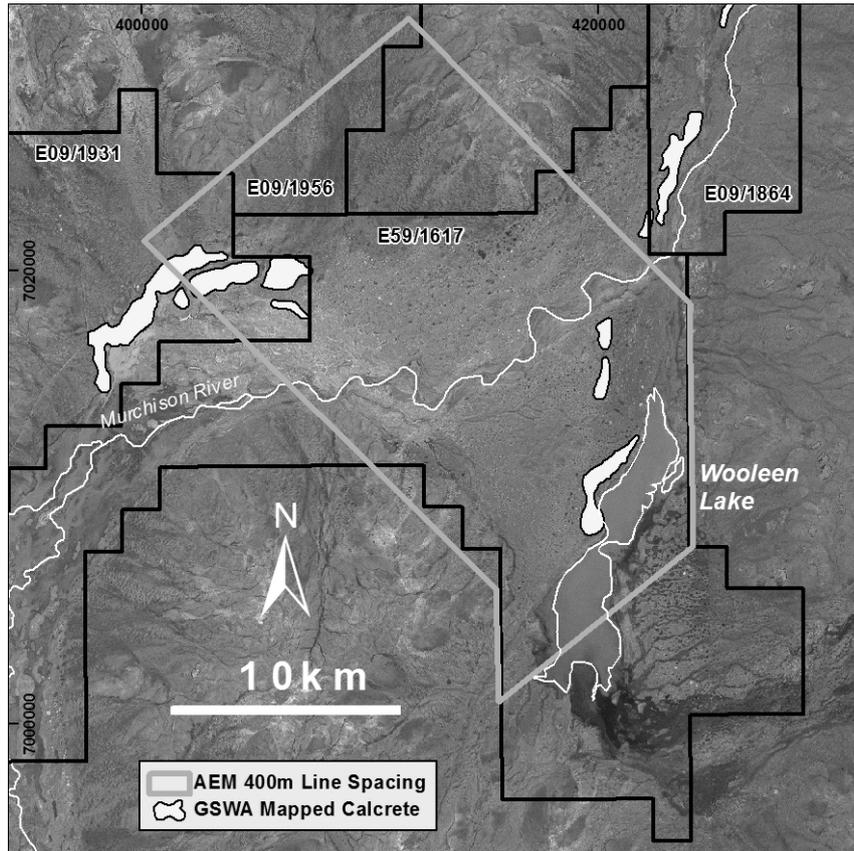


Figure 4: Google Earth image of area covered by detailed 400m AEM.

2.1 Exploration Potential

There is a surficial uranium response in the Murchison River valley, however it is also prospective for (blind) sand or sandstone hosted uranium mineralisation. Magnetic imagery of the Company's detailed airborne survey suggests the underlying rocks are a mixture of the Narryer Gneiss and Manfred Complex.

Lines of drill holes are planned across the Murchison River "inland delta target" and sediments of the Murchison River valley to search for both surficial calcrete uranium mineralisation and deeper palaeochannel sand hosted roll front mineralisation.

Exploration in the first year will focus on the inland delta and selected areas to north, along the Murchison River drainage as this tenement is granted. Results from the first year will be followed up with detailed AC drilling and Diamond Core/Sonic holes. Additional step out exploratory Aircore drill holes will build on the knowledge and results obtained from the initial Aircore drill holes.

Statutory DMP approvals, Radio Quiet Management Plan and heritage clearances will be required prior to the commencement of drilling.

RQMP

A Radio Quiet Management Plan (RQMP) is required for the Byro Project. This plan has been developed as per the Memorandum of Understanding (2007 MoU) signed on behalf of the Commonwealth of Australia and the State of Western Australia in relation to Australia's bid for the Square Kilometre Array (SKA) Project.

The Radio Quiet Management Plan is applicable to Exploration Licence E59/1617 as the only granted tenement on the Byro Project at the time of submission.

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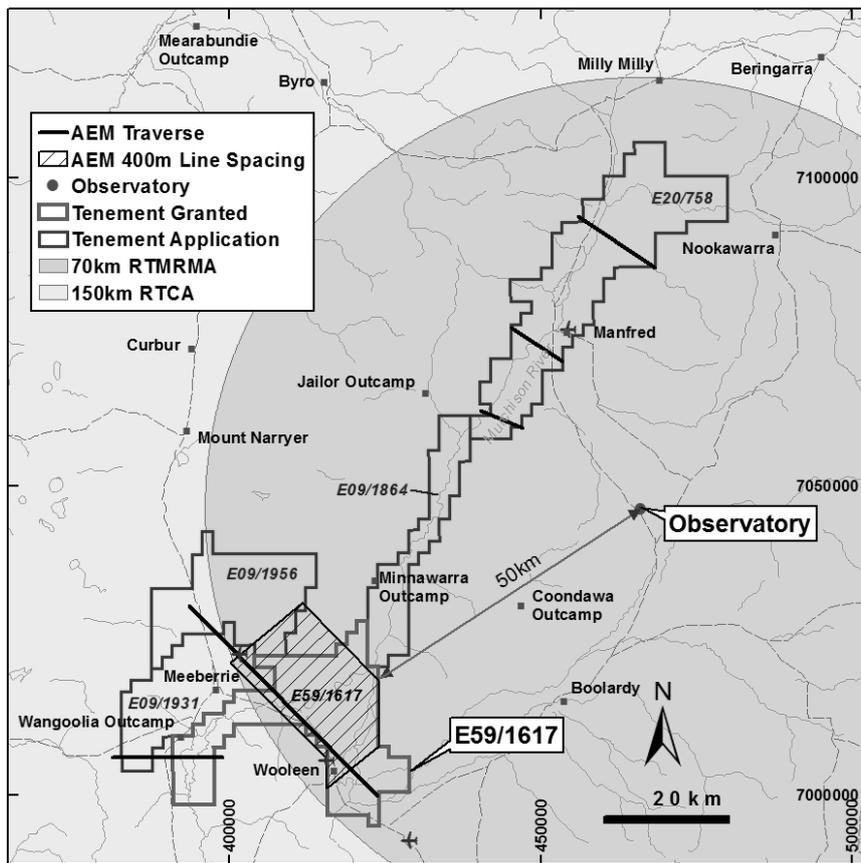


Figure 5: Byro Project with location of Radio Observatory and 70km buffer zone.

This RQMP complies with the requirement for assessment of any exploration and mining activity prior to occurring within the 70km wide Radio Telescope Mineral Resource Management Area (RTMRMA), centred from S26 42 15 Latitude and E 116 39 32 Longitude (MRO). Principally this ensures that no radiofrequency interference above predetermined levels will be received at the centre of the MRO during the life of the project.

The RQMP was submitted for approval on 5 July 2012. Approval is pending.

3 YALGOO PROJECT

The Yalgoo Project is centred approximately 400km north of Perth. The tenements are positioned 5-20km SW, W and NW of the township of Yalgoo in the Murchison region of Western Australia. Access is via the sealed Geraldton–Mt Magnet road transecting the central Project area, the sealed Morawa–Yalgoo road passing through the southern area and the all-weather gravel Dalgara road to the north.

The Yalgoo Project covers a total of 1,342km², made up of 7 granted tenements for 890km² and 8 tenement applications for 452km².

Tenement	Status	Size (km ²)	Grant Date	Grant Expenditure	Pending Expenditure
E59/1437	Granted	208.88	25-Sep-09	\$70,000	
E59/1632	Granted	126.76	26-Oct-10	\$42,000	
E59/1633	Granted	174.60	09-May-11	\$58,000	
E59/1645	Granted	84.22	26-Oct-10	\$28,000	
E59/1651	Granted	66.29	07-Dec-10	\$22,000	
E59/1655	Granted	211.39	18-Jan-11	\$70,000	
E59/1658	Granted	18.05	03-Jul-12	\$20,000	
E59/1819	Pending	57.28			\$20,000
E59/1896	Pending	114.92			\$38,000
E59/1897	Pending	90.57			\$30,000
E59/1900	Pending	151.34			\$50,000
P59/1925	Pending	0.23			\$2,000
P59/1926	Pending	0.77			\$3,101
P59/1927	Pending	0.21			\$2,000
P59/1928	Pending	0.50			\$2,000
Totals				\$310,000.00	\$167,101
Total @ 100% Granting		1,342.25	Total @ 100% Granting		\$457,101

Table 3: Yalgoo Project Uranium tenements.

The Yalgoo Project is situated within the western region of the Archaean Yilgarn Province and covers part of the northern portion of the Yalgoo-Gullewa Greenstone Belt of Western Australia. The Yalgoo-Gullewa Greenstone Belt is one of the most westerly belts of greenstone within the larger Murchison Province.

The Geological Survey of Western Australia (GSWA) has mapped mafic rock units in the north and south of the Project area. These mafic rocks are dominated by volcanics (basalt and high-mg basalt) with subordinate mafic to ultramafic intrusive rocks (gabbro, dolerite & diorite), some felsic rocks and BIF. The basalt is pale green to grey and shows primary structures and textures such as pillow lavas, breccias, variolites and ovoid blebs containing amphiboles with skeletal textures.

A large proportion of the project area is blanketed by Quaternary alluvial and colluvial sediments, as well as remnant laterite caps in some locations.

The Yalgoo project area has had little exploration targeted at uranium. There is only one record of previous exploration relating to uranium (within E59/1645) carried out by Magma Mining NL between 2007-2009. Magma completed ground based spectrometer surveys (33 lines for 1,480 readings) and MMI soil sampling (209 samples) over four uranium targets identified from regional airborne radiometric data. An 18 hole vertical

aircore programme (584m) was subsequently completed, following up elevated spectrometer values and a maximum soil value of 23.6ppm U. No anomalous results were returned from the drilling.

Enterprise commissioned an airborne radiometric survey over the northern parts of the Yalgoo Project in early 2010 following up uranium anomalies identified in regional 400m line spaced data. The survey identified the Muggaburna anomaly, directly related to a broad drainage channel (both ancient and modern), approximately 3.5km long and up to 700m wide

The majority of the anomaly is covered by red-brown sandy alluvium with no outcrop and rare calcrete float. A modern drainage channel up to 30m wide and 2m deep has removed the alluvium, exposing a well-developed "layered" calcrete profile. It is likely that this calcrete unit is widespread in the region, but covered by alluvium.

Reconnaissance work at Muggaburna involved calcrete rockchip sampling over the uranium anomaly, with 24 calcrete samples collected from a major drainage channel over a length of 950m. Eighteen of the 24 samples returned highly anomalous uranium results ranging from 149ppm to 418ppm U. The sampling was restricted to areas of exposed calcrete within the drainage channel and isolated occurrences of calcrete in areas of thin alluvial cover.

Aircore drilling at Muggaburna, comprising 43 holes on a 100m x 200m spacing were completed around the uranium rich calcrete exposed in the drainage channel, avoiding a 100m-wide heritage corridor around the creek itself. Several regional aircore traverses were also completed targeting potentially deeper sand hosted uranium mineralisation associated with large palaeodrainage channels identified in the airborne survey.

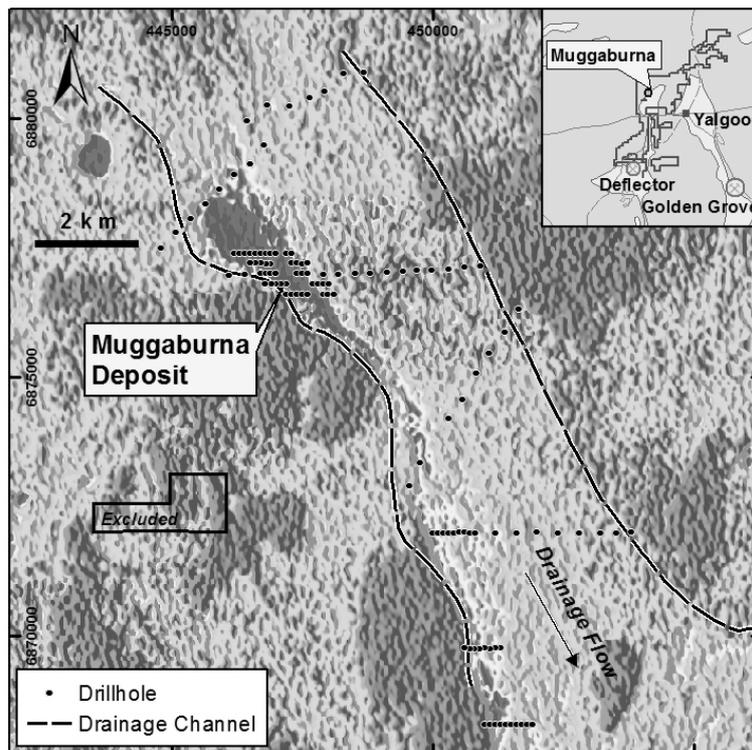


Figure 6: Uranium Channel Radiometric Image with Rockchip Locations.

The drilling results were encouraging with nine holes yielding grade x thickness values over 200ppm*metres eU_3O_8 (where * denotes multiplication of grade times thickness). The best grades occur in two adjacent holes (100m apart):

- YGAC083 1.88m at 462ppm eU_3O_8 from 1.26m
- YGAC084 2.16m at 457ppm eU_3O_8 from 1.17m

Most intercepts are shallow, between 0-4m vertically below surface, and the better intercepts are centred on the uraniferous calcrete exposure in the Muggaburna creek bed in a zone 200-450m wide, 900m long, and open to the north west and south east.

Follow up and extension aircore drilling is now being planned for the Muggaburna prospect, which will require a more detailed heritage survey to allow drill access to the current Exclusion Zone over the uraniferous calcrete exposure. Other nearby uranium and gold targets will also be prioritised for scout drilling.

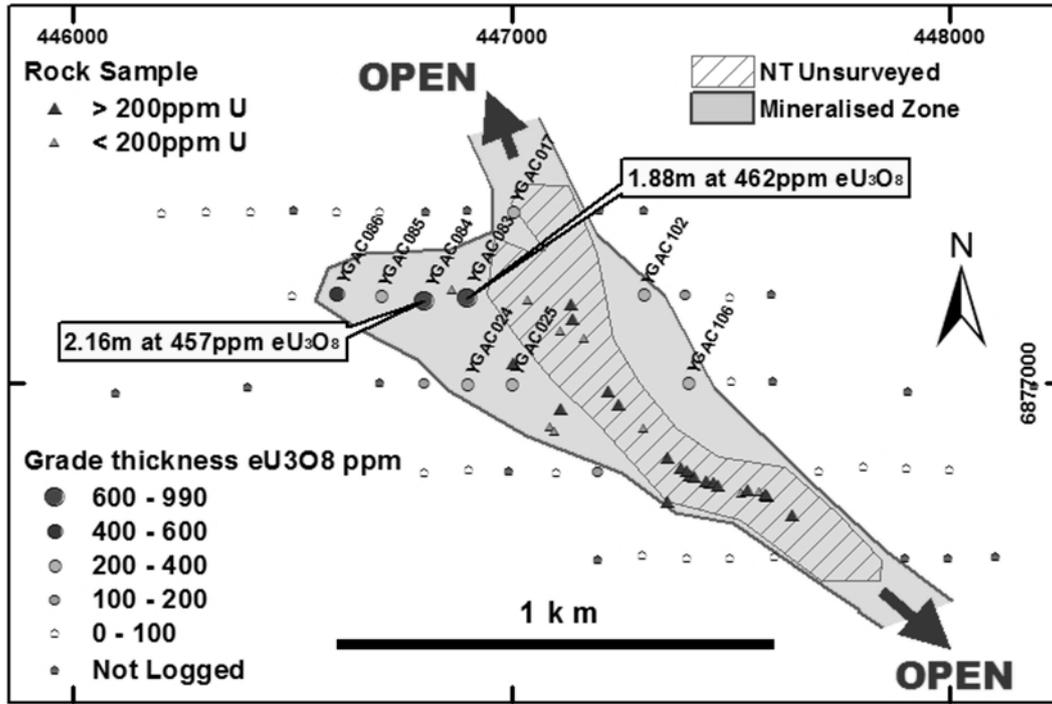


Figure 7: Muggaburna Prospect, Showing Drill Hole Locations over Channel

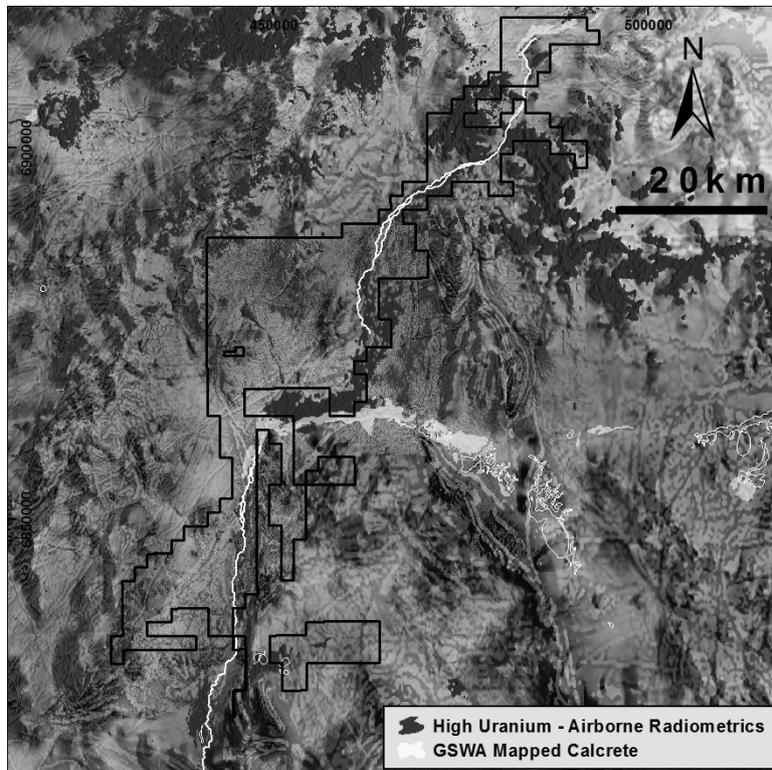


Figure 8: Yalgoo Project DTM, clipped U and calcrete map.

Historically, gold and base metal occurrences, deposits and mines occur together, and are grouped together for this section. Areas of gold-base metal exploration work extend into the Yalgoo project area and may yield some gold-base metal targets.

A search through the Department of Mines and Petroleum (DMP) 'Minedex' database reveals several historic gold prospects/workings located with E59/1437. A gold-copper prospect with historic workings at 'Whelock', gold workings at 'Edargo Treasure', and two gold prospects (from historic drilling) named 'Telegraph 1 & 2'. The mineralisation at Whelock and Edargo Treasure is associated with mafic volcanic rocks along with mafic/ultramafic intrusive units.

Extensive lag and rockchip sampling targeting gold and base metals was undertaken in the northern part of the Project (E59/1437, E59/1655) by Gullewa Gold and Paladin Resources. Their data include 3 rock chips from a 50x50m area in the north of E59/1437 with 5 and 6ppm gold. This area does not appear to have been drill tested and further investigation of this is in progress.

Historic RAB/aircore drilling has returned anomalous multi-element assay results of up to 3g/t Au, 1,220ppm As, 3.2g/t Ag, 1,930ppm Cr, 480ppm Cu, 556ppm Ni, 860ppm Pb and 1,235ppm Zn. Many of these elevated values have been returned from the 'Telegraph' prospect in the south of E59/1437 and appear to be associated with mafic volcanic rocks in a structurally complex area. The Whelock and Edargo Treasure gold workings also occur in this area. Deep drill testing has been relatively sparse and potential exists for deep drill tests targeted at gold or base metals. Exploration in the first year will focus on the targets generated from the geophysical data, including magnetics, radiometrics. Aircore holes will be drilled over these initial target areas.

3.1 Exploration Potential

The Yalgoo Project covers areas of known calcrete with very high radiometric uranium responses from aerial surveys. Drilling at Muggaburna has demonstrated calcrete hosted uranium mineralisation is occurring within these areas. The project has many large areas of calcrete with similar properties to Muggaburna, with no historic information regarding uranium. Enterprise believes these areas to be very prospective for calcrete hosted uranium.

Below the surface calcrete, palaeochannel sand hosted roll front uranium mineralisation is a secondary target. Reduced sands associated small amounts of fossil/detrital organic matter are the specific targets. The deposits commonly sit at the base of the sedimentary profile, in contact with basement rocks. The source of the uranium is from older basement rocks, particularly weakly radioactive granites which disperse uranium into the drainage system as they weather. The source of the uranium could be known nearby radiometrically "hot" granites, outcropping further upstream from present day drainage.

This first year program is intended to:

1. Verify calcrete style uranium mineralisation in areas of "hot" calcrete;
2. Test for suitable host sediments for roll front style mineralisation and;
3. Confirm the presence of roll front mineralisation.

In the second year, results from the first year will be followed up with more focussed AC drilling and possibly Diamond Core holes. Additional step out exploratory Aircore holes will build on the knowledge and results obtained from the first year. The Yalgoo Area is a historic gold production area, with many old and modern mines outside off the project Area. Importantly, some significant gold in drilling, soil sampling and known historic small scale mines do occur within the project area. Enterprise intends to interrogate the WA government's very large historic gold/base metals data and determine a secondary focus on gold. This will involve selecting areas of interest for gold targets co-incident to the uranium focus.

4 PERANBYE PROJECT

The Peranbye Project comprises seven tenement applications covering 1,625km², 300km north of Perth. The tenements are located south of the Murchison River and stretches south to the north-eastern wheatbelt and as far east as Paynes Find. The project area is close to the agricultural towns of Morawa and Penjori, with numerous access tracks and roads covering the project.

The Project covers the drainage and tributaries that drain south and westwards through Lakes Moore, Monger and Weelhamby, terminating in the YarraYarra Lakes near Three Springs. These major drainages are remnants of an ancient river system which has been successively superimposed on the Tertiary Plateau and on the present erosion surface

The Peranbye Project comprises 7 exploration licence applications and covers an area of 1,443km². The applications are anticipated to be granted at the time of listing.

Tenement	Status	Size (km ²)	Grant Date	Grant Expenditure	Pending Expenditure
E59/1855	Pending	209.73			\$70,000
E59/1856	Pending	209.29			\$70,000
E59/1857	Pending	208.99			\$70,000
E59/1858	Pending	208.79			\$70,000
E70/4295	Pending	188.17			\$63,000
E70/4296	Pending	208.44			\$70,000
E70/4297	Pending	209.63			\$70,000
Total @ 100% Granting		1443.04	Total @ 100% Granting		\$483,000

Table 4: Peranbye Project Uranium tenements.

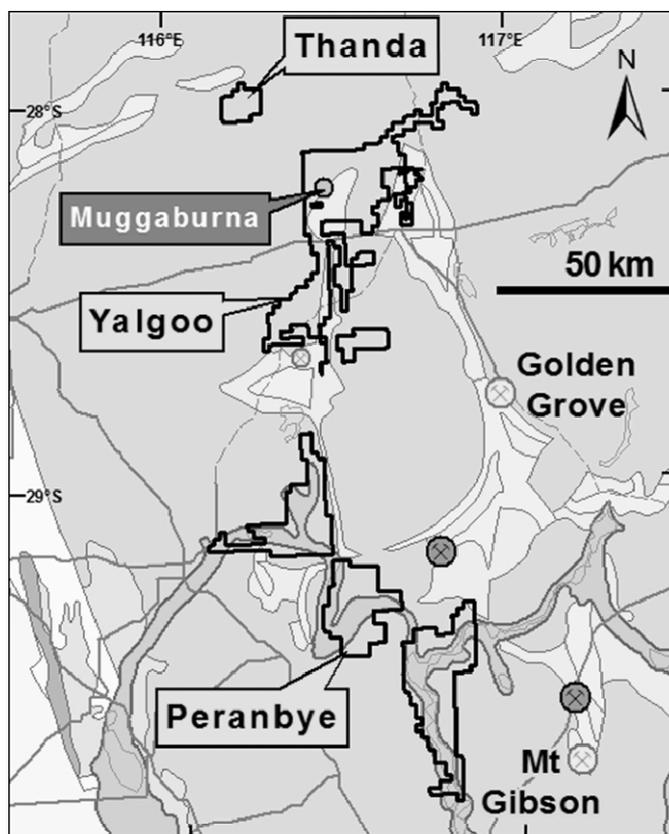


Figure 9: Peranbye Project location and regional geology.

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The Peranbye Project is situated within the Murchison Province of the Archaean Yilgarn Craton. The project covers portions of the Yalgoo-Gullewa Greenstone Belt, the Warriedar Fold Belt and the Koolanooka Synform.

The Murchison Province has an approximate east - north east structural trend and a general level of greenschist facies metamorphism. The distribution of gneisses, granitoids and greenstones in the Murchison Province forms a distinctive pattern typical of many Archaean granite-greenstone terranes. The distribution of the rocks is controlled by five major phases of deformation, D1 – D5, of which D1 – D3 comprise phases of folding and D4 – D5 phases of shear zone and fault developed in late stages

Typical of the geology of the Yilgarn Craton, the rocks in the area have undergone prolonged lateritic weathering during the Tertiary, followed by dessication and deposition of Quaternary sediments in colluvial, alluvial, lacustrine and aeolian settings. This has resulted in the variable landforms and geomorphology of the region.

The project area is characterised by wide valleys, comprised of colluvial material between areas of high ground of outcrop and Cainozoic sandplain. The project area is extensively (+95%) covered by alluvial, colluvial, calcrete, and lacustrine deposits associated with Lakes Moore, Monger and Weelhamby drainage systems.

The central part of the drainage is dominated by saline clay and silt bordered by red sand and clay pans. Sand and gravel fringes the drainage. Laterite capped ridges occur in the higher areas of the project. The depth of the cover sediments is generally ranges from a few meters, up to an estimated 80m.

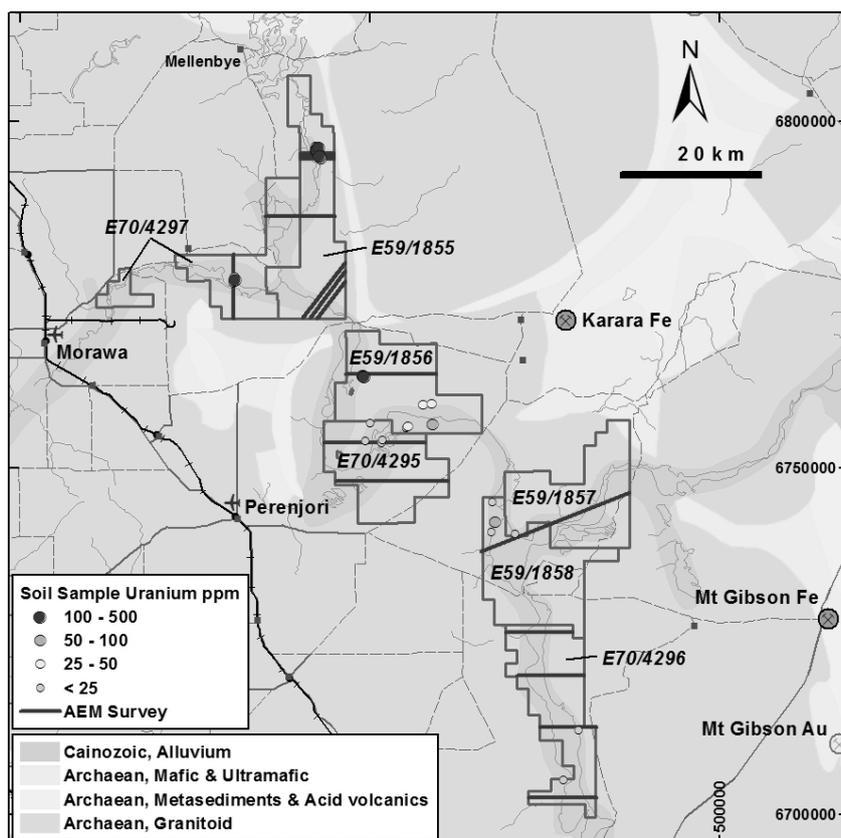


Figure 10: Peranbye Project local geology dominated by drainage areas.

Very little exploration of the drainage and palaeochannel area on the Peranbye Project has been undertaken. Within the substantial tenement area, only two companies, Aurora Minerals Ltd and E & B Explorations Ltd, have explored for uranium. All exploration undertaken on the surrounding areas has been for gold, base metals and iron ore on the Yalgoo-Gullewa Greenstone Belt, the Warriedar Fold Belt and the Koolanooka Synform.

Airborne radiometric/magnetic and digital terrain data covering the Murgoo, Yalgoo and Perenjori mapsheets was released to the public by the WA Geological Survey in February 2012. Enterprise rapidly processed the data and identified a number of major drainage systems where uranium was indicated, and subsequently lodged tenement applications to cover those areas.

Anomalous uranium highs (outlined in red and clipped from the airborne data) displayed over the coloured DTM (topography) images. The DTM image also clearly outlines the limbs of a major drainage system that has been incised into the weathered granitoid basement. Many of these uranium highs correspond to calcrete bodies (mapped by the WA Geological Survey) on the banks of the major drainage limbs.

An initial field investigation of the project in April 2012 successfully located attractive concentrations of uranium. These were found in calcareous clays and calcrete formation within palaeochannels.

The highest and most consistent assays were found on E59/1855. In the northern part of this tenement, prospect YG1 returned assays with the highest value being 504ppm U and five others between 100 and 200ppm. In the southeastern corner of E59/1855, more very high uranium occurrences recorded by spectrometer are on another tributary of the Yarra Yarra Lakes catchment. This palaeochannel drains a large area, including Mongers Lake, Weelhamby Lake and Lake Moore.

Elsewhere, surface uranium is subdued, but widespread calcrete formation was mapped on the northern and eastern banks of palaeodrainages and salt pans throughout the tenements.

A reconnaissance TEMPEST AEM survey was flown over 12 selected lines, representative of the area, to give first pass information on the depth of drainage.

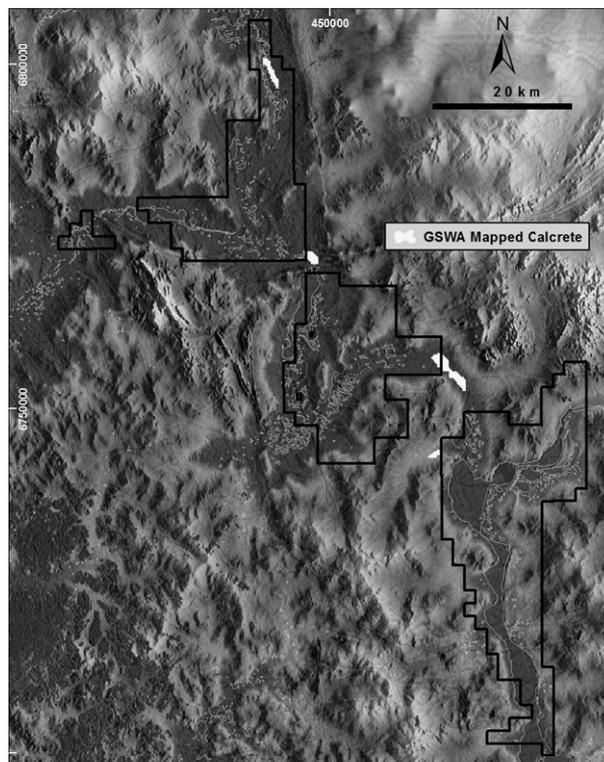


Figure 11: Peranbye Project, High Clipped Uranium over DTM

4.1 Exploration Potential

The project is considered prospective for calcrete hosted and sand hosted roll front uranium deposits associated within major drainage systems where uranium anomalies are identified from airborne surveys. These anomalies follow palaeochannels that drain westwards through Lakes Moore, Monger and Weelhamby, terminating in the YarraYarra Lakes near Three Springs.

Historically, little exploration work was done within the tenements as the main targets were gold, base metals and iron ore away from the drainage and lakes areas. Only two companies targeting uranium, explored in the area and the results show only a small concentration of uranium inside sand and calcrete. However, it is important to consider that all the previous drilling and analysis targeting uranium only marginally involved the tenements. Accordingly to that reconnaissance field work needs to be conducted to assess uranium anomalies shown in geophysics.

Significant airborne radiometrics uranium anomalies have been partially field visited, with most recording surface concentrations above 100ppm U. This is highly significant, and proves uranium is enriched in the areas of the Project. The same levels of surface sample assays were seen in Yalgoo, at the Muggaburna Uranium deposit discussed in the Yalgoo section above. Enterprise believes the same conditions that the same conditions that created the Muggaburna mineralisation exist in the Peranbye Project.

Additionally, the Peranbye Project covers the intersecting confluence of major drainage areas that are known to have deeper palaeodrainage equivalents. These are a target for sand hosted uranium mineralisation. Initial AEM flight lines have been flown over selected areas of the drainage where, based on present geomorphology, deeper channels are thought to occur.

Exploration in the first year will focus on the targets generated from the geophysical data, including magnetics, radiometrics and from the 1000m line spaced Aerial Electromagnetic (AEM) survey flown July 2012. Aircore holes will be drilled over these initial target areas.

This first year program is intended to:

4. Verify AEM modelling assumptions of palaeodrainage under cover sediments;
5. Test for suitable host sediments for roll front style mineralisation and;
6. Confirm the presence of roll front mineralisation.

In the second year, results from the first year will be followed up with detailed AEM surveys to provide better targeting for AC drilling and Diamond Core holes. Additional step out exploratory Aircore drill holes will build on the knowledge and results obtained from the initial Aircore drill holes and other information highlighted from geophysical data.

Department of Environment & Conservation Areas

The project covers a number of DEC controlled ex pastoral leases and a timber reserve, along with active lake/drainage areas. A Conservation Management Plan (CMP) will be drafted after the tenements are granted and a full list of tenement conditions is provided. It is expected that access will be granted to most areas, including within the timber reserve, when the CMP is accepted.

5 PONTON PROJECT

The Ponton Project is located approximately 130km east of Kalgoorlie and 680km east northeast of Perth. The Project is north of the Trans Australian Railway line in the south eastern part of the Yilgarn Mineral Field of Western Australia. Access is via Trans Access Road to the Coonana Siding (170 km) then by local Pastoral Lease tracks.

The Project covers the drainage and tributaries of the Lake Rebecca, Lake Yindana and Lake Roe drainage systems. Away from these drainage areas systems, the area is covered by sand plains and low laterite plateaus, with breakaways occurring near the Lake Yindana and Lake Rebecca salt lake systems. The salt lakes themselves are located close to the confluence of several of these major palaeo-drainages which traverse the Yilgarn of Western Australia from a north-westerly to south-easterly direction. Immediately east of Enterprise's Ponton Project tenements, these major drainages join to form the Ponton River, which empties into the western margin of the Eucla Basin

The Ponton Project comprises 5 exploration licence applications and covers an area of 1,216km². The applications are anticipated to be granted at the time of listing, pending the acceptance of the Heritage Agreements.

Tenement	Status	Size (km ²)	Grant Date	Grant Expenditure	Pending Expenditure
E28/2202	Pending	431.18			\$146,000
E28/2203	Pending	168.22			\$57,000
E28/2204	Pending	203.37			\$69,000
E28/2205	Pending	205.97			\$70,000
E28/2206	Pending	207.06			\$70,000
Total @ 100% Granting		1215.8	Total @ 100% Granting		\$412,000

Table 5: Ponton Project Uranium IPO Inclusive tenements.

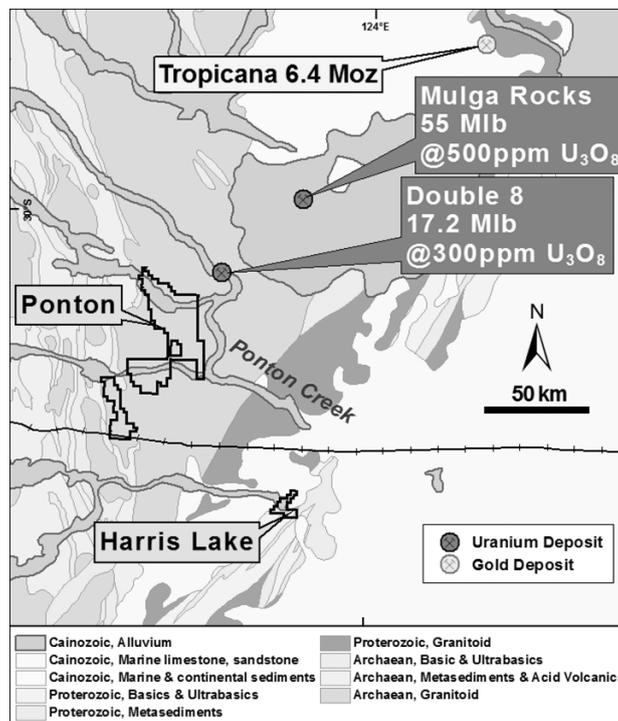


Figure 12: Ponton Project regional geology map with location to nearby U deposits.

The Ponton tenement area is located toward the SE margin of the Archaean Yilgarn Province of Western Australia, to the east of the Edjudina greenstone belt on the Celia/Pinjin lineament/fault zone, with a major granitoid gneiss (Kirkella) underlying the majority of the tenements. The area is covered by sand plains and laterite plateaus, with breakaways occurring near the Lake Yindana and Lake Rebecca salt lake systems. Several regional NNW trending faults are interpreted cutting through the granite-greenstone terrane.

Approximately 75% of the project is covered by recent cover sediments of the lower reaches of the Lake Rebecca and Lake Roe/Yindana drainage systems. These salt lake systems overlie major palaeo-drainages up to 10 kilometres wide and +100 metres deep, which have developed since the Cretaceous period over predominantly Archaean granitoid and greenstone basement.

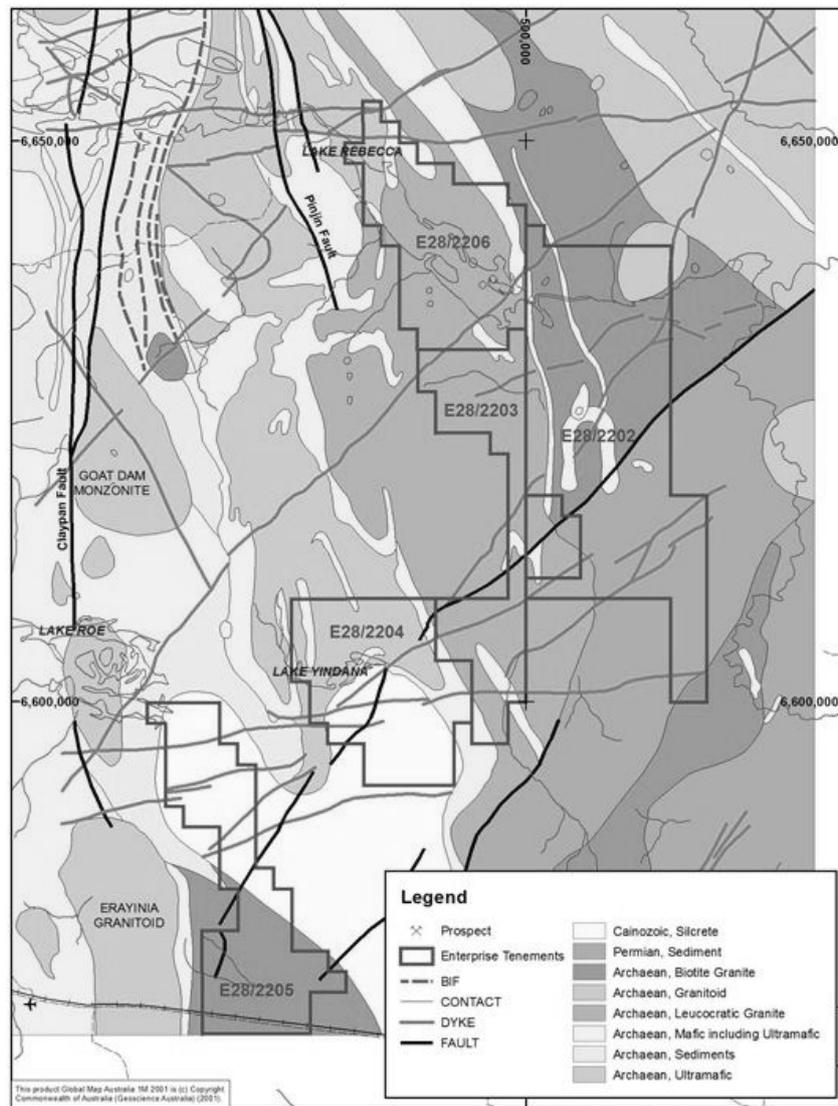


Figure 13: Ponton Project Project Geology

The basement Greenstones comprising mafic and ultramafic rocks and thin sediment units are common within the stratigraphy often containing garnets. Granitoids include granite, granodiorite/tonalite, and mafic dykes. All are metamorphosed to predominantly upper greenschist facies with later granitic and pegmatitic veins and segregations occurring throughout the area. These granite/pegmatite veins/segregations have indistinct contacts with the host rocks and are interpreted to be partial melts derived from a potassium-rich source rock.

During the period 1984 to 1990, BHP and Uranerz Pty Ltd ("Uranerz") explored the Lake Rebecca palaeo-channel system, which is expressed at the surface by the Lake Rebecca chain of salt lakes. Scout drilling across the channel intersected uranium values up to 150 ppm in thin carbonaceous clays as well as gold values of between 1 g/t and 2 g/t in the basal 1 to 2 metres of the channel. A trial solution mining project was initiated to test the feasibility of recovering the gold without removal of the overburden, but was not scaled up due to problems with flooding on Lake Rebecca.

BHP investigated another palaeo-channel system extending between Lake Paddock and Lake Roe, in a line ENE of E28/2205. A few RC drill intercepts were anomalous for gold with the best being a 1 metre interval of 1.2 g/t gold. The interpreted orientation of this palaeo-channel is towards E28/2204 and this will need to be confirmed. From the drilling and a study of the geomorphology, the channel appears to be constrained by present day topography, with a valley approximately 2 kilometres wide in the section between Lake Paddock and Lake Roe opening out to about 14 kilometres towards the east. The valley is approximately 70 to 100 metres below the constraining topography.

Drill spoil was analysed for most economic metallic elements, however uranium results were not reported. The drill logs recorded downhole gamma probe data (no eU_3O_8 calculations) showing distinct roll front style radioactive anomalism from Double 8 and Mulga Rocks style Oxidised roll fronts within reduced sands.

In 2012, technical staff from Manhattan Corporation, the owners of the Double 8 Uranium Deposit, confirmed that Electromagnetic surveys map the Uranium mineralised palaeodrainage very well. Subsequently in July, 2012, the Company commissioned an airborne electromagnetic (AEM) survey to be flown over the project, on broad 1000m line spacing's. The final data from this survey is waiting to be processed.

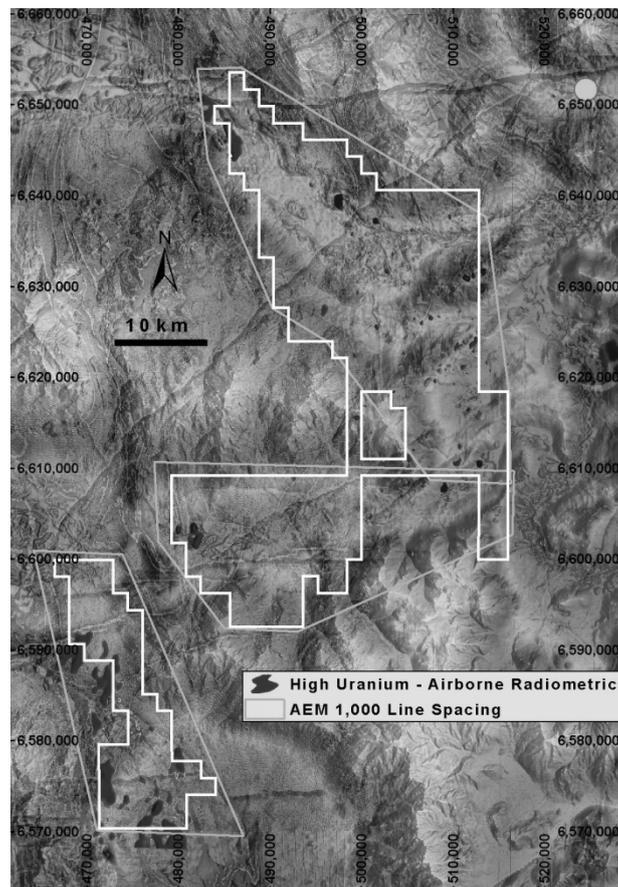


Figure 14: Ponton Project showing Aerial EM area with clipped Uranium in Red.

There are two nearby uranium projects with resources of potentially comparable style, being Mulga Rocks and Double 8, discussed below.

Mulga Rocks (Energy and Minerals Australia)

The total JORC resources @ July 2012 within the MRD are:

Deposit	Tonnes	Grade (ppm U ₃ O ₈)	Contained Tonnes U ₃ O ₈
Emperor	24.14	500	11,970
Shogun	3.96	590	2,160
Ambassador	16.53	630	10,380

Table 6: Resources for Mulga Rocks Uranium Deposits.

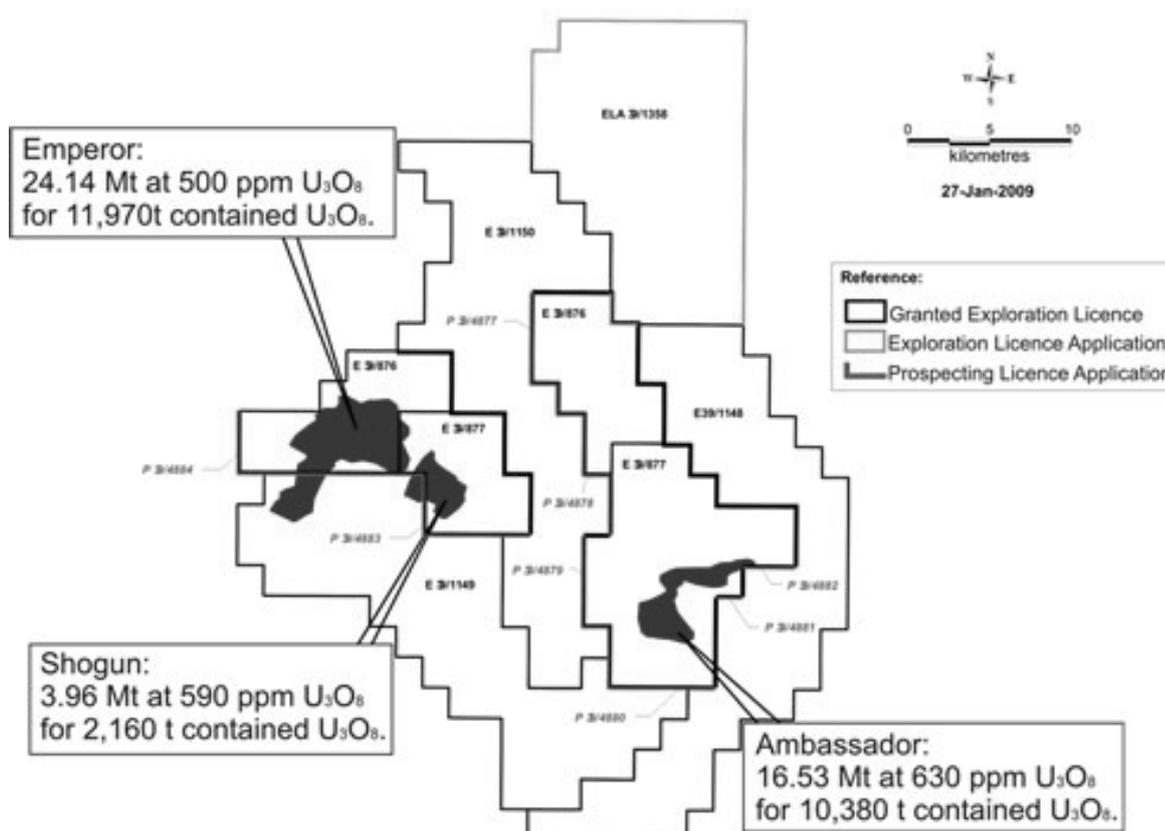


Figure15: Mulga Rocks Deposits resources from Energy and Minerals Australia website July 2012.

Associated with the uranium mineralisation, or underlying it, are layers containing oily lignite (kerogens), oil, nickel and cobalt with possible credits of gold, vanadium, Rare Earth Elements ('REE') and other elements. The full extent of this mineralisation is presently not known. PNC assayed samples from only 10 holes for elements other than uranium. All of these holes intersected nickel and cobalt values (and locally copper and zinc) in association with the uranium. This suggests that nickel and cobalt mineralisation may be wide spread within the Ambassador Deposit. Drilling below Emperor has identified gold mineralisation some 75 metres below surface.

Ponton Project (Manhattan Corporation Ltd)

The Ponton Project includes the Double 8 uranium deposit that has a JORC Inferred Resource of 17.2Mlb U_3O_8 at a 200ppm cutoff. In addition, Exploration Results reported by Manhattan in March 2011 identified Mineralisation Potential (non JORC) totalling 33 to 67Mlb U_3O_8 at the 200ppm U_3O_8 cutoff in four prospects at:

- Double 8 of between 2.5 and 5.5Mlb U_3O_8 ;
- Stallion South of between 8 and 16Mlb U_3O_8 ;
- Highway South of between 8 and 16Mlb U_3O_8 ; and
- Ponton of between 15 and 30Mlb U_3O_8

Carbonaceous sand hosted uranium mineralisation, below 40 to 60 metres of cover, has now been defined in drill holes along 55 kilometres of Tertiary palaeochannels at Stallion, Stallion South, Double 8, Ponton, Highway South and Highway prospects.

These palaeochannels connect with Energy and Minerals Australia's lignite hosted Mulga Rock uranium deposits discussed above.

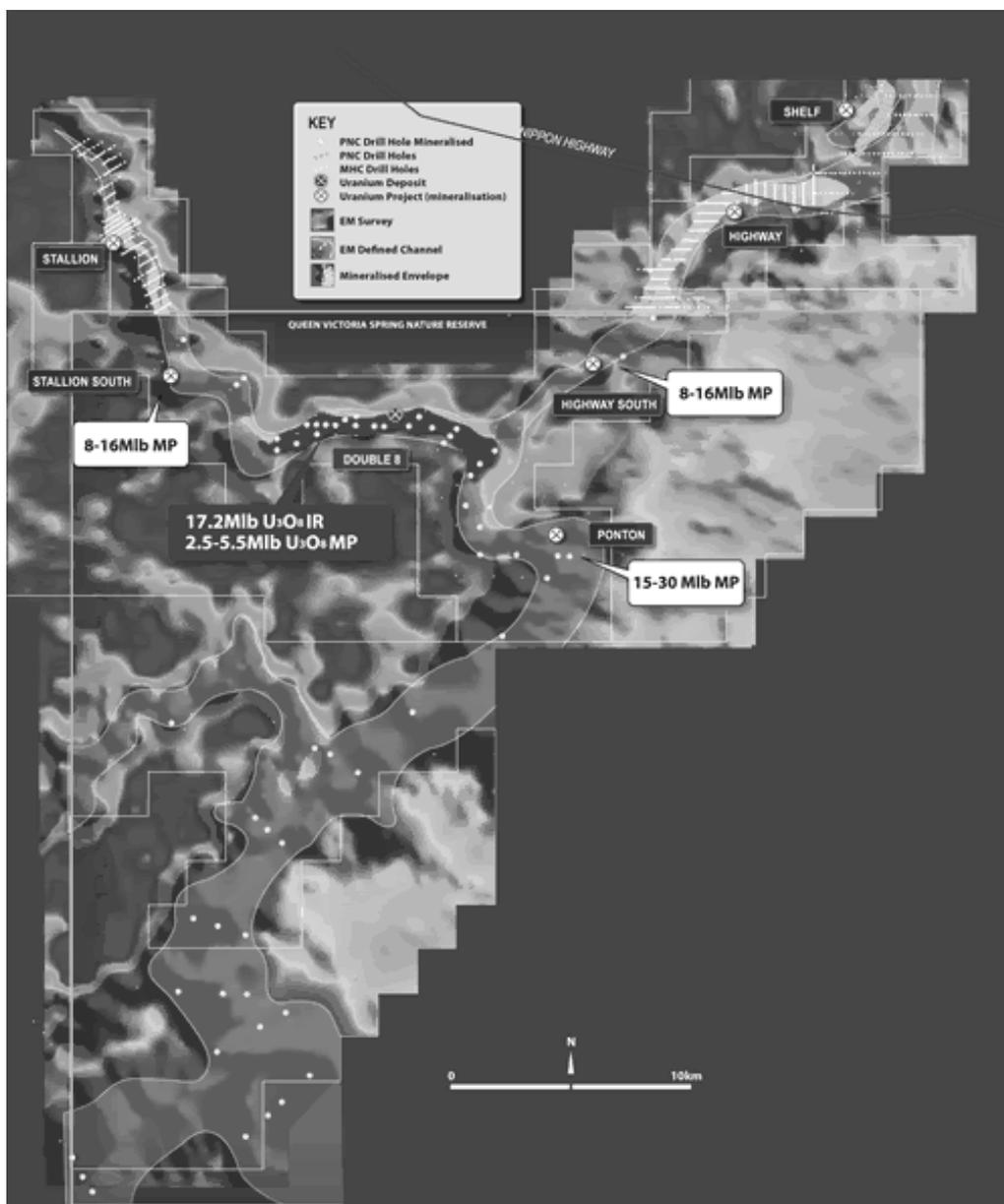


Figure16: Manhattan Corporation Ltd, Ponton Project Resources and mineralisation.

5.1 Exploration Potential

In south eastern Western Australia, exploration undertaken for sandstone or roll front type uranium concentrates on palaeochannels within the Eocene margins of the Eucla Basin. Reduced sands associated with lignite deposits are the specific target. The deposits commonly sit at the base of the sedimentary profile, in contact with basement rocks. The source of the uranium is from older basement rocks, particularly weakly radioactive granites which disperse uranium into the drainage system as they weather. The source of the uranium could either be distal with uranium entering the drainage system upstream from the deposit or proximal from source rocks adjacent to the deposit. Changes from oxidizing to reducing conditions within the palaeochannel lead to the precipitation of uranium minerals.

From airborne magnetic, radiometric and digital terrain data, Enterprise has identified a number of areas prospective for sandstone hosted uranium deposits occurring over the confluence of Lake Rebecca, Lake Yindana and the Ponton River on the south-eastern margin of the Achaean Yilgarn Craton. A review of historical data found very little uranium exploration over these anomalies. Enterprise intends to actively explore the area for sandstone hosted 'roll front' uranium deposits.

To the immediate northeast of Enterprise's Ponton Project lies the Double 8 uranium deposit (*17.2Mlb U_3O_8 at a 200ppm cutoff, Manhattan Corporation Ltd website, Oct 2011*), and further to the northeast lies the Mulga Rocks uranium deposit (*55.1Mlb U_3O_8 at a 200ppm cutoff, Energy and Minerals Australia Ltd Website, Jan 2009 Resource Estimate*).

It is assumed that palaeodrainage systems at Double 8 and Mulga Rocks and within Enterprise's tenements developed during similar climatic and erosional conditions over a common Achaean granitoid basement (including Permian mudstones). Historic data covering drainage just outside of the Ponton Project include detailed BHP InSitu leach Recovery (ISR) testwork concentrating on palaeochannel gold. Importantly, this drilling recorded downhole gamma probe data (no eU_3O_8 calculations) showing distinct roll front style radioactive anomalism from Double 8 and Mulga Rocks style Oxidised roll fronts within reduced sands.

An airborne electromagnetic survey over the Project has been flown July 2012, with full results pending. These results will be used to assist with the definition of palaeochannels (both extent and depth) and drillhole targeting.

Exploration in the first year will focus on the targets generated from the geophysical data, including magnetics, radiometrics and from the 1000m line spaced airborne electromagnetic (AEM) survey flown July 2012. Aircore holes will be drilled over these initial target areas.

This first year program is intended to:

1. Verify AEM modelling assumptions of palaeodrainage under cover sediments;
2. Test for suitable host sediments for roll front style mineralisation and;
3. Confirm the presence of roll front mineralisation.

In the second year, results from the first year will be followed up with detailed AEM surveys to provide better targeting for AC drilling and Diamond Core holes. Additional step out exploratory Aircore holes will build on the knowledge and results obtained from the initial Aircore holes and other information highlighted from geophysical data.

6 HARRIS LAKE PROJECT

The Harris Lake Project is located 25km south of the town of Zanthus on the trans-Australian rail line and 200km east of Kalgoorlie. Access to Zanthus from Kalgoorlie is along the Trans Access Road to Zanthus, then 25km south along the Balladonia Zanthus Road.

E28/1958 covers a substantial portion of the Harris Lake salt lake system including the southern outlet of the lake, which drains the Archaean Yilgarn Craton and traverses the iron rich western units of the Proterozoic Albany-Fraser Orogen.

Burracoppin Resources Pty Ltd, a 100% owned subsidiary of the Company currently holds E28/1958 covering 76.3km². This 1 exploration licence constitutes the Harris Lake Project.

Tenement	Status	Size (km ²)	Grant Date	Grant Expenditure	Pending Expenditure
E28/1958	Granted	76.19	08-Mar-10	\$26,000	
Total @ 100% Granting		76.19	Total @ 100% Granting		\$26,000

Table 7: Ponton Project Uranium IPO Inclusive tenements.

The Project is situated on Vacant Crown Land however most of the tenement is also the subject of a Proposed Nature Reserve.

The project is located within the Albany-Fraser province, which extends along the southern and southeastern 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. The orthogneisses are derived from Late Archaean and Palaeo- and Mesoproterozoic granitic rocks that were deformed and metamorphosed during Mesoproterozoic orogenic activity.

Harris Lake dominates the central and northwestern part of the tenement area and is comprised of lacustrine silt/clay mainly covered by a gypsiferous saline crust. The lake marks the culmination of several channels draining from the south, west and northwest.

The remainder of the tenement is extensively covered by alluvial and colluvial sand/silt with little topographic variation. The highest points are sand dunes and rare rounded granulite/gabbro outcrop, with salt pans commonly located between and paralleling the sand dunes

Past exploration over the actual tenement area has not been extensive, despite the ground being held by numerous base metal companies, dating back to the late 1960s.

Uranerz undertook extensive exploration for uranium in the region focussing on the drainage systems associated with Harris Lake and Lake Rivers during 1974-1978. Exploration activities completed included; airborne radiometric and spectrometer surveys, ground spectrometer surveys, geological mapping, water sampling, "drop hammer" seismic lines, auger and RC drilling. The drilling identified several palaeochannels and a maximum value of 138ppm U₃O₈ was returned in hole ZR6 from interval 22-23m, located 7km to the north of E28/1958.

CRA Exploration Pty Ltd (CRA) explored a large area, including the Harris Lake region, for brown coal (lignite) in 1980-1982. Their work concentrated on the Upper Eocene Werillup Formation. CRA drilled 43 RC holes totaling 1468 metres, of which 2, ZRH12 and ZRH14, are located on Enterprise's E28/1958. CRA's holes were located away from the airborne radiometric anomalies targeted by URL and CRA did not assay for

uranium or undertake any downhole radiometric testing. They found no sufficient thickness and quality to warrant further work.

The Company completed an extensive literature review of previous exploration reports, compiled historic geochemical and drilling data over the project area and immediate surrounds. A detailed aeromagnetic and radiometric survey covering the entire project area of 76.3km² was flown in March 2011.

The magnetic clearly shows the general geological strike (NE/SW). The area is structurally complex with numerous faults trending E-W or NW-SW. The magnetic signature supports Enterprise interpretation that this tenement overlies contact between the south eastern margin of the Archaean Yilgarn Craton and the Proterozoic Albany-Fraser Orogen.

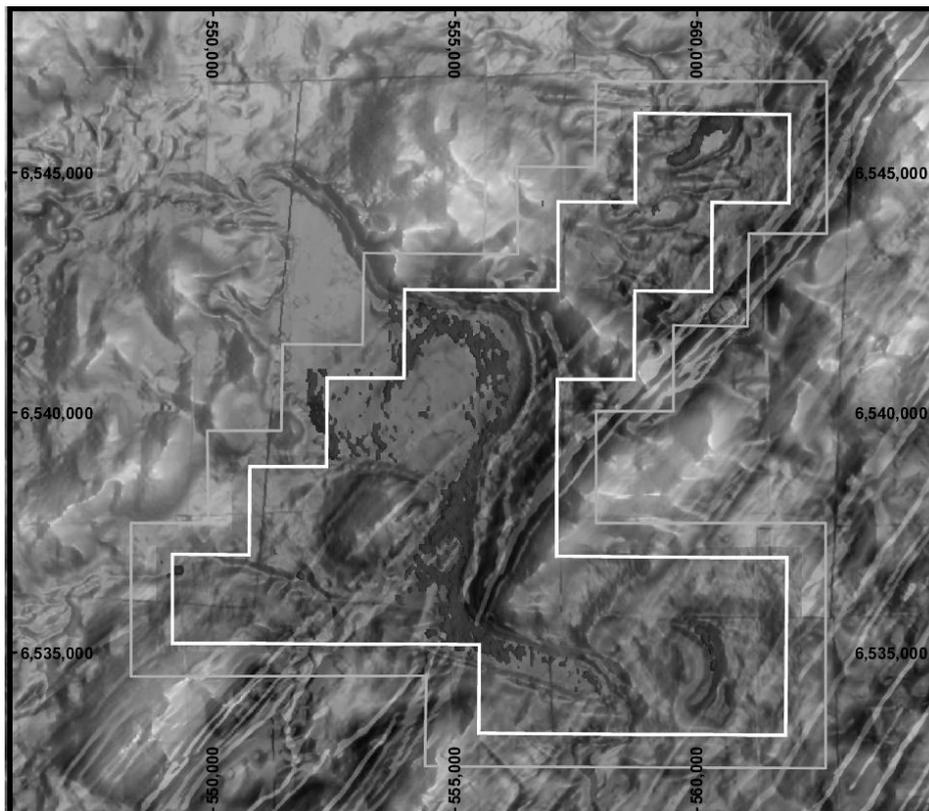


Figure 17: Harris Lake Project DTM with clipped U and AEM.

The radiometric data acquired clearly shows the anomalous uranium response of the Harris Lake drainage system.

An airborne electromagnetic survey over the Project has been flown July 2012, with full results data pending. These results will be used to assist with the definition of palaeochannels (both extent and depth) and drillhole targeting.

6.1 Exploration Potential

In south eastern Western Australia, exploration undertaken for sandstone or roll front type uranium concentrates on palaeochannels within the Eocene margins of the Eucla Basin. Reduced sands associated with lignite deposits are the specific target. The deposits commonly sit at the base of the sedimentary profile, in contact with basement rocks. The source of the uranium is from older basement rocks, particularly weakly

radioactive granites which disperse uranium into the drainage system as they weather. The source of the uranium could either be distal with uranium entering the drainage system upstream from the deposit or proximal from source rocks adjacent to the deposit. Changes from oxidizing to reducing conditions within the palaeochannel lead to the precipitation of uranium minerals.

At Harris Lake, four target areas with anomalous uranium responses are identified, and are in order of priority:

1. The main uranium anomaly, over 10km in length.
2. Isolated "oxbow" off current drainage, 1,000m x 150m in size.
3. Strong discrete elongate anomaly, 1,500m x 200m in size
4. E-W trending tributary, possibly masked by water in the current drainage.

These anomalous uranium responses observed in the Harris Lake drainage system suggest that the tenement is prospective for three styles of uranium mineralisation;

- Calcrete-type, carnotite-dominant mineralisation hosted by carbonate-enriched lacustrine successions deposited within the channel. This mineralisation would be similar to that at the Lake Way-Centipede and Lake Maitland.
- Sandstone-hosted and sandstone dominant roll-front or tabular style mineralisation.
- Sandstone- or lignite-hosted, coffinite-dominant, tabular or fault-associated mineralisation. This mineralisation would be similar to the Mulga Rocks Uranium Deposits

Exploration in the first year will focus on the targets generated from the geophysical data, including magnetics, radiometrics and from the 400m line spaced airborne electromagnetic (AEM) survey flown July 2012. Aircore drill holes will be drilled over these initial target areas.

This first year program is intended to:

1. Verify AEM modelling assumptions of palaeodrainage under cover sediments;
2. Test for suitable host sediments for roll front style mineralisation and;
3. Confirm the presence of roll front mineralisation.

In the second year, results from the first year will be followed up with detailed AEM surveys to provide better targeting for AC drilling and Diamond Core holes. Additional step out exploratory Aircore drill holes will build on the knowledge and results obtained from the initial Aircore drill holes and other information highlighted from geophysical data.

6.1.1 DEC Reserve

The Project Area is contained within the Lake Harris Nature Reserve. It is a 'C' Class nature reserve, vested in the NPNCA for the purpose of conservation of flora and fauna.

Conditions associated with the Reserve require preparing a detailed program for each phase of proposed exploration for written approval of the Director, Environment, DMP. The Director, Environment, DMP to consult with the phase of proposed exploration for written approval of the Director, Environment, DMP. The Director, Environment, DMP to consult with the Regional/District Manager, Department of Environment and Conservation or other government agency (as relevant) prior to approval. The program is to describe the environmental impacts and programs for their management.

Enterprise Metals Limited

ABN 43 123 567 073

Lodge your vote:



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SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 10.00am (WST) Saturday 13 October 2012

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Enterprise Metals Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Enterprise Metals Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Monday, 15 October 2012 at 10.00am (WST) and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Resolution 1 Reduction of capital and distribution in specie of Enterprise Uranium Ltd shares

	For	Against	Abstain
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /

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