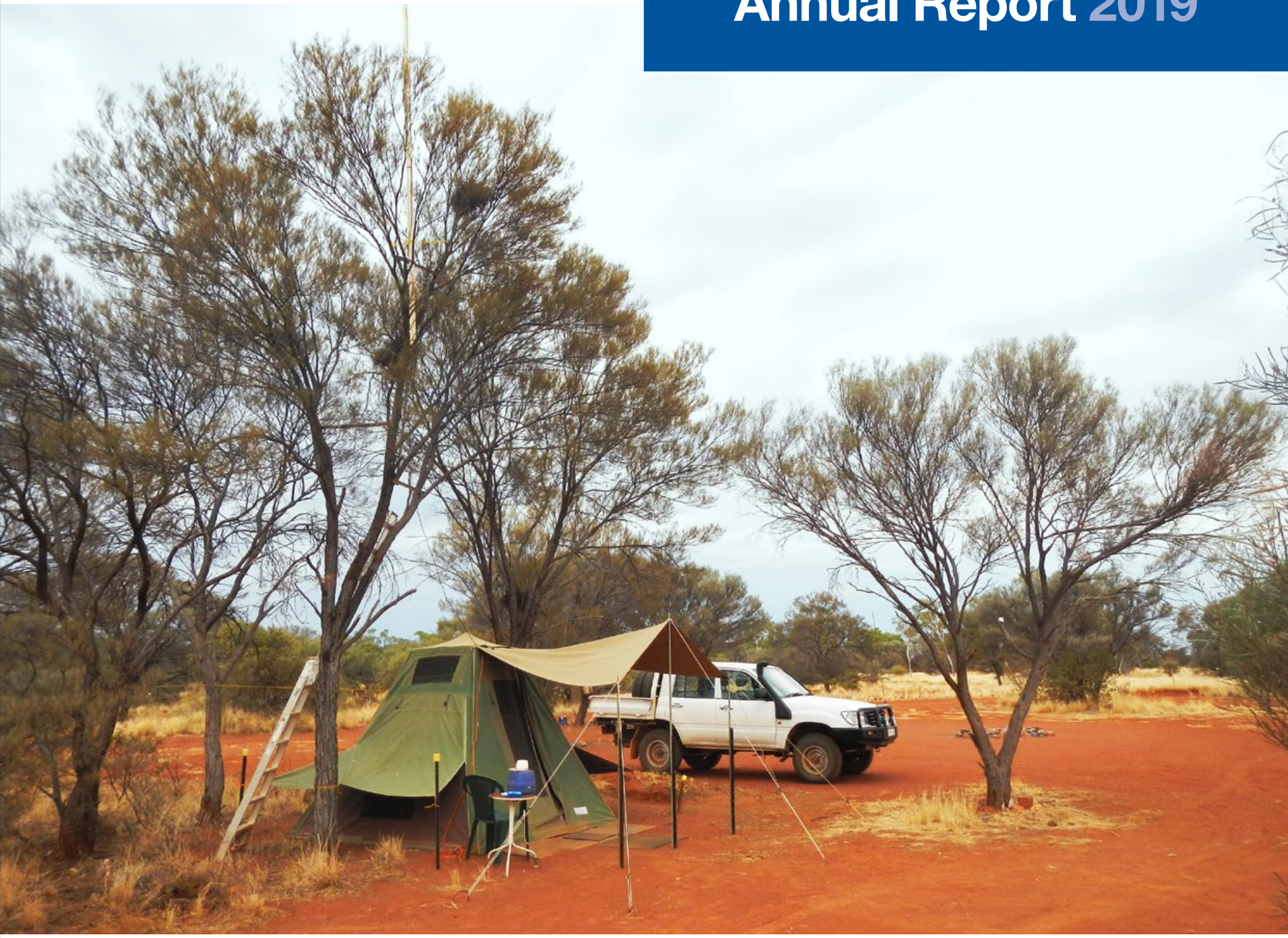
Annual Report 2019



Enterprise Metals Limited

ABN 43 123 567 073

Contents

Corporate Directory

Directors
Dr Allan Trench (Non-Executive Chairman)
Mr Dermot Ryan (Non-Executive Director)
Dr Zhijun He (Non-Executive Director)

Company Secretary
Mr Graeme Smith

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Cover photograph:
Murchison Project Field Camp.

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This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement. The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward looking statements will be or are likely to be fulfilled. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements). The information in this document does not take into account the objectives, financial situation or particular needs of any person. Nothing contained in this document constitutes investment, legal, tax or other advice.

Chairman's Letter

Dear Fellow Enterprise Metals Shareholder

Your company now has three joint venture partners advancing Enterprise Metals projects in Western Australia in search of gold, copper and nickel mineralisation.

Sandfire Resources NL (ASX: SFR) at the Doolgunna copper-gold project and Constellation Resources Ltd (ASX: CR1) at the Fraser Range project have continued the search for economic discoveries at no cost to Enterprise shareholders thanks to our free-carried joint venture agreements.

In 2019, we have welcomed Evolution Mining (ASX: EVN) as a partner at the Murchison gold project, with once again Enterprise Metals in a free-carried situation. Enterprise commissioned a high-resolution aeromagnetic survey of the project which has highlighted a number of areas of structural complexity favourable to the formation of gold deposits. We look forward to Evolution's planned drill-testing of the project which they have indicated will commence later in 2019, with an initial indicative budget of $2 to $3 million.

The potential for discovery remains clear for each project, and Enterprise is in an enviable position of having significant leverage to future exploration outcomes without having to dilute shareholders through raising excessive new capital.

At Doolgunna, Sandfire continue to test for favourable geological horizons that may host De Grussa-style high-grade copper-gold mineralisation. In the Fraser Range, Constellation are targeting both nickel sulphides using combined geophysics and geochemistry but also following-up gold anomalism with drill-testing.

For the year ahead we see continued exploration being undertaken by all our joint venture partners.

Enterprise has also maintained a strategic investment of 12 million shares in Alto Metals Ltd (ASX: AME) which controls the majority of the Sandstone greenstone belt in the East Murchison of WA.

During the last year, Alto has grown the resource base at the project which currently stands at around 290,000 ounces.

Enterprise concurs with Alto Metals' ongoing systematic exploration at Sandstone with the goal of discovering a minimum of 1 million ounces of gold.

As a board we continue to scan the business environment for new exploration opportunities.

Similarly, we routinely evaluate potential corporate-level developments that could potentially add value to your investment should compelling opportunities for a merger with or acquisition of another company present.

Our corporate overheads remain among the lowest of exploration companies listed on the Australian Stock Exchange, a fact of which we remain proud.

As a shareholder in Enterprise, I look forward to the year ahead, and in particular to outcomes of the planned drilling of the Murchison project. Exploration success at any one of our projects through the efforts of our joint venture partners would herald your company being re-rated significantly.

I sincerely thank you for your support of the company through 2018-2019. Lastly, I would like to thank fellow board members Dermot Ryan and Dr He, all the professionals who have assisted the company with exploration and the administrative tasks of maintaining a public company this year, our joint venture partners and not least our company secretary Graeme Smith and past company secretary Patrick Holywell.

Yours sincerely,

Dr Allan Trench – Chairman
26 September 2019

Enterprise's three major projects, all in Western Australia, Murchison (gold/copper/zinc), Doolgunna (copper/zinc/gold) and Fraser Range (nickel/copper) project were being fully funded by joint venture partners at year end 30 June 2019.

Enterprise's newest and second largest project at Murchison, incurred modest expenditure by the Company, up until 1st June 2019, when Evolution Mining Limited (ASX: EVN) assumed responsibility for management and all expenditure on the project. The Company's other small tenements at Ballard, Yalgoo and Darlot incurred minimal expenditure prior to their relinquishment during the year.

At 30 June 2019, Enterprise was not required to incur any expenditure on any of its wholly or partially owned tenements.

MURCHISON PROJECT: Au (Cu-Zn) ENT 100%, EVN Farm-In

(EVN have right to earn up to 80%)

Enterprise's Murchison Project landholdings are centred 30km north of Cue and 35km north-east of the Big Bell Gold Mine and form a semi-contiguous landholding of approximately 750 over a buried greenstone belt. This portion of the greenstone belt has been under-explored due to the presence of regolith cover and lack of outcrop and represents an exciting exploration target for gold and copper/zinc.

The Project area sits within a well-endowed region, with major gold deposits such as Big Bell (5.3 Moz production, operated by Westgold Resources Ltd) and the nearby historic Day Dawn mine (2.6 Moz production). (refer Figure 2)

The Murchison Project contains two stratigraphic horizons with known volcanogenic massive sulphide (VMS) mineralisation, the Wattagee horizon, containing the AM14 prospect, where Esso discovered Zn/Pb/Cu mineralisation with a best intercept of **3m at 7.5% Zn, 0.53% Pb and 0.42% Cu** from 228m in hole WP138, and the Emily Well horizon, with VMS mineralisation and gossans located at or near Emily Well. The Company controls approximately 50km of stratigraphy prospective for VMS style copper-zinc mineralisation.

Geochemical work by the GSWA indicates that the felsic volcanics in both the Wattagee horizon and the Emily Well horizon have geochemical characteristics consistent with VMS fertile packages across the Yilgarn and Canadian Abitibi Provinces.

Enterprise acquired the Murchison Project by purchasing all of the issued capital of Calypso Minerals Pty Ltd in 2017, along with Calypso's exploration licence applications. The Calypso tenements were granted in May 2018. Enterprise initially compiled a detailed digital database containing previous explorers' soil samples, drill holes and assays and geophysical data. Several priority gold targets were identified for follow up work, based on compilation of this historical data.

Figure 1. Location of Enterprise's Projects in Western Australia.

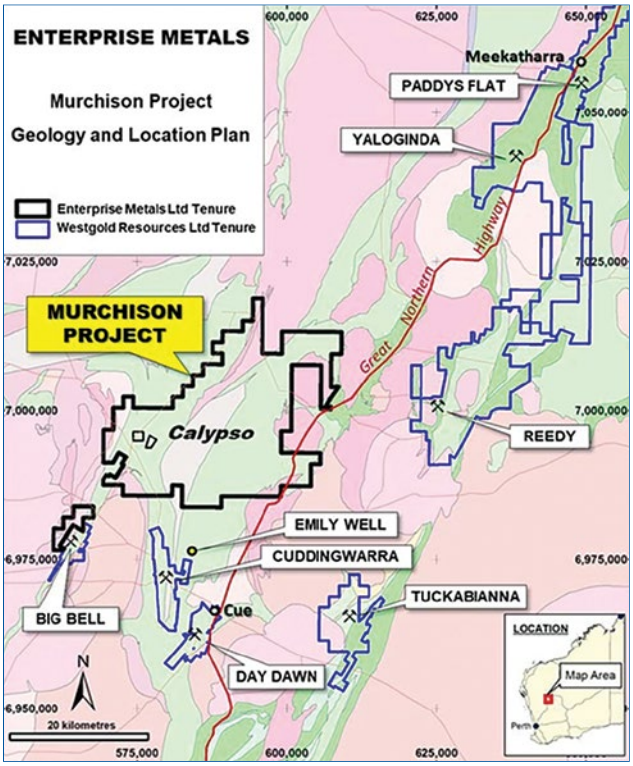

Figure 2. Murchison Project, Geology & Major Competitor Landholdings.

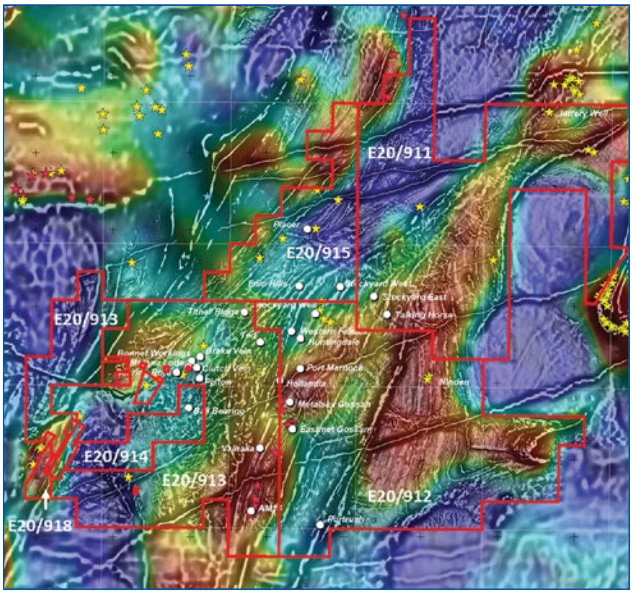

Figure 3. Murchison Project, Grey Scale 1st VD Magnetic Imagery over Coloured Gravity VD1 Imagery with Metallogenic Data.

Following a due diligence period, Evolution Mining Limited ("Evolution") announced on 1st April 2019 that it had entered into an earn-in joint venture agreement with Enterprise Metals over the Murchison Project, which incorporated the Calypso tenements. Evolution made an initial cash payment to Enterprise of $150,000 on signing of the agreement and can earn an 80% interest in the Murchison Project by spending A$6 million on exploration over a four-year period. Evolution will make an additional cash payment to Enterprise of $150,000 should the agreement remain in place after two years. Evolution will operate and wholly fund the project during the earn-in period.

Following the grant of the Murchison tenements in May 2018, the Company completed two detailed airborne magnetic and radiometric surveys, each with a line spacing of 50m and flying height of 30m. (refer Figure 3)

The first survey of 4,350 line km covered the southwest quadrant of the project area, including splays off the Big Bell Shear and Behring Shear Zones, where alluvial cover has traditionally impeded effective exploration. The second survey of 7,200 line km covered the eastern half of the project area, where significant transported overburden has traditionally hindered exploration of the stratigraphy with potential to host VMS style mineralisation.

The Company's farm-in JV partner, Evolution Mining Ltd is currently interpreting the data to identify "*buried*" litho-structural targets for drill testing for gold, which is planned to commence in September/October 2019.

DOOLGUNNA PROJECT:
Cu-Zn (Au) ENT 100%, SFR Farm-In

(SFR have right to earn up to 75%)

Enterprise's Doolgunna Project covers over 60km of strike of the southern boundary of the Bryah Basin and the northern part of the Yerrida Basin. The southern Bryah Basin contains the Karalundi Formation which hosts the DeGrussa and Monty copper-gold deposits.

Sandfire Resources NL (ASX: SFR) entered into a farm-in agreement with Enterprise Metals in October 2016 to earn up to a 75% interest in Enterprise's Doolgunna Project by sole funding exploration on the tenements to define a JORC (2012) compliant mineral resource of at least 50,000 tonnes of contained copper or copper equivalent. Sandfire have been operating and wholly funding exploration on the project area over the past 3 years, and have undertaken extensive airborne surveys, aircore (AC), reverse circulation (RC) and diamond core (DC) drilling programs.

During the 12 months ended 30 June 2019, Sandfire conducted very significant aircore (46,000m), and reverse circulation (10,250m) drilling programs, plus a high-resolution gravity survey and a large Moving Loop Electromagnetic (MLEM) survey on the Enterprise Farm-in tenements. The MLEM survey was undertaken to extend the existing MLEM survey from the Vulcan prospect south west along the Karalundi trend.

The aircore and reverse circulation drilling was focussed on testing the sediments and dolerite of the Karalundi Formation, the host sequence to DeGrussa deposit and the Monty deposit. No ore grade assays were received from the aircore and reverse circulation drilling programs during the period ending 30 June 2019.

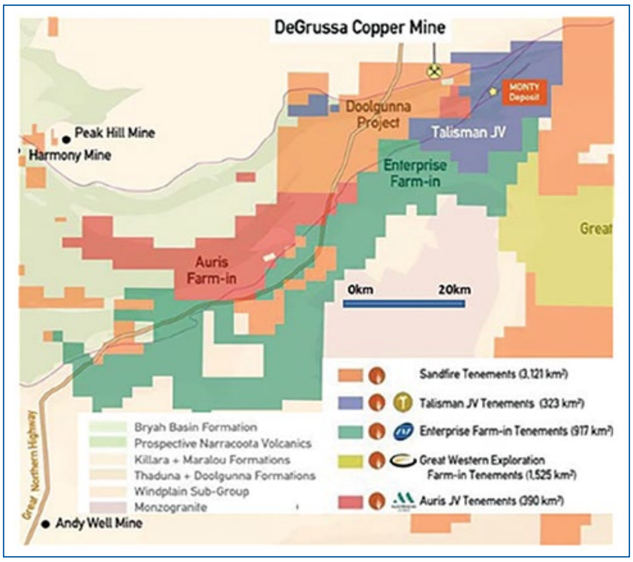

Figure 4. Location of the Enterprise - Sandfire Farm-In Area.

The regional, high resolution (50 x 100m stations) **ground gravity survey** was completed along the Karalundi Trend, beginning at Vulcan and traversing to the south west. The survey was designed to see through paleochannel material where magnetic signatures have been muted with deep drainage and identify detailed bedrock lithologies and structures. The data is successfully achieving its goal of mapping the stratigraphy beneath variable cover.

FRASER RANGE PROJECT: Ni-Cu (Au) ENT 30% free carried to BFS

(CR1: 70% managing/ funding)

Apollo Minerals Ltd (ASX: AON) entered into a Sale and Joint Venture Agreement with Enterprise in February 2015. Apollo purchased a 70% interest in three mineral exploration licences and one mineral exploration licence application owned by Enterprise and agreed to free carry Enterprise's 30% interest to completion of a bankable feasibility stage (BFS) on any discovery.

Apollo's interest in the Orpheus Joint Venture was subsequently transferred to Constellation Resources Ltd (ASX: CR1) which raised $7 million via an IPO and listed on the ASX on 30 July 2018. The joint venture tenements are shown in Figure 5.

The Fraser Range province is considered prospective for nickel, copper and gold, and has attracted significant exploration since the discovery of Independence Group NL's (ASX: IGO) Nova-Bollinger nickel and copper deposit in 2012. The bulk of the Project is strategically located along strike and mid-way between the Nova deposit to the northeast and Independence Company's Crux nickel prospect to the southwest. Recent work has confirmed a number of targets within the Orpheus Project tenements and Constellation Resources is undertaking systematic exploration to assess these targets

During the year ended 30 June 2019, a second phase moving-loop transient electromagnetic (MLTEM) survey was completed on **Exploration Licence 63/1281** for nickel. Two prospects, Mag2 and Plato South (Figure 6) were surveyed to test for potential conductive anomalies at a number of targets.

The 2019 EM surveys were completed by GEM Geophysics during February 2019 using their 60-80A transmitter and Jessy Deeps high-temperature SQUID B-field sensor. A total of 450 stations were recorded over 33 lines for a total of 31.05 line-km.

The most interesting anomaly to come out of the program was a weak anomaly in the north western part of the Mag 2 area. The model for this anomaly is a relatively weak conductor, and appears to be related to a SSW–NNE structure.

The Slingram follow-up of the subtle in-loop anomaly at Plato South has confirmed a possible weak conductor in this area, but modelling suggests it is relatively low conductance and could be at significant depth.

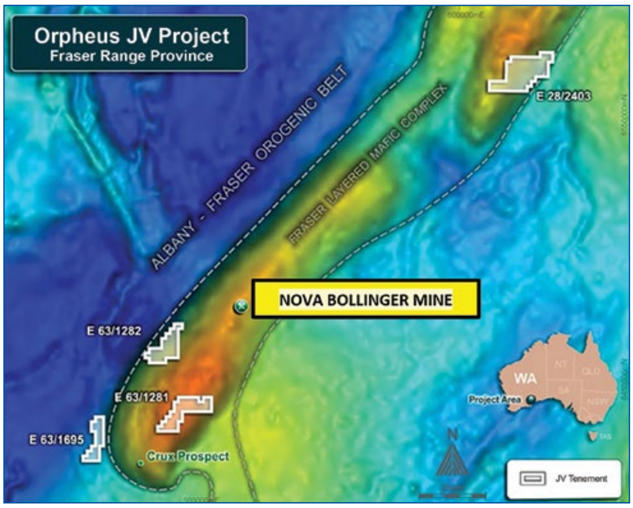

Figure 5. Location of the Orpheus Joint Venture Tenements – Fraser Range.

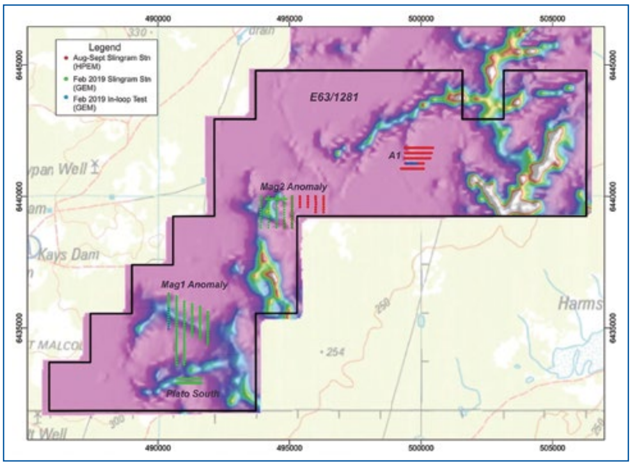

Figure 6. Location of all MLTEM surveys completed to February 2019 on E63/1281. Background image is HeliTEM Ch20Z B-field image.

A weak anomaly at the northern edge of the survey is of potential interest. Modelling suggests the potential source could be a SSW–NNE striking, steep-dipping low level conductor (Conductance: 210S) at a depth of around 150 metres. The modelled plate size is 300 metre x 300 metre dipping steeply to the southeast.

The modelling of the MLTEM data suggests the response is from depth, rather than being a surficial response from the palaeochannel sediments, but the source of the anomalism is ambiguous. This weak response could be representing a number of sources including remobilised sulphides or graphite, locally more intense alteration along the fault plane, and/or locally more ground water within this complex fault zone.

The local MLTEM anomaly is located on a discontinuity along a SSW–NNE mid time HeliTEM. There also appears to be some truncation of magnetic features in this area that suggest this is a site of an east–west structure. The MLTEM anomaly looks to be located at the junction of two fault trends.

The anomaly is considered interesting enough to warrant a targeted drilling program to determine the cause of the conductive anomaly beneath cover. Planning for the drilling program is underway.

During the 2017 review, several HeliTEM targets on **Exploration Licence 63/1282** were identified for ground EM follow-up. All targets are under shallow cover and any subcrop found was weathered and leached. Ground EM surveys completed over these targets during the year ended 30 June 2019 did not return any anomalism.

On **Exploration Licence 28/2403** three conceptual magnetic targets were covered by a gravity survey on a 400 metre x 400 metre grid in 2017. This was subsequently followed up by an infill gravity survey on a 200 metre x 200 metre spacing over two anomalies of interest.

Four regional moving loop electromagnetic (“MLTEM”) test lines were completed during the year ended 30 June 2019 to cover the strongest parts of the gravity anomalies. Although these test lines did not return any significant anomalism, they did indicate that ground EM was effective in “seeing” to basement and therefore can be used for direct drill targeting for massive nickel sulphides.

During May and June 2019, an RC hole drilling program was completed on **Exploration Licence 63/1282** to test a 3km long low-level gold-in-soil anomaly with a peak value of 27ppb Au, coincident with NE-SW trending magnetics. The majority of the RC drilling was focussed over a coherent 350 metre x 150 metre gold in soil geochemical anomaly.

A total of 25 RC drill holes were drilled for 2,370 metres to test this gold in soil gold anomalies. Drilling was completed on lines spaced 100-200 metres along strike with drill holes spaced at 30 metre intervals across strike (on some lines up to 60 metres apart). Drill holes ranged in depth from 60 to 108 metres to ensure fresh rock was encountered.

Four metre composite samples were analysed for a multi-element suite comprising Ag, As, Au, Bi, Co, Cu, Mo, Ni, Pb, Sb, Te, W and Zn. No significant assays were returned.

The RC drilling has shown that the area of the gold-in-soil geochemical anomaly is comprised up to 20 metres of transported clays and gravels and deep weathering to an average depth of 50 metres. The bedrock lithological package is dominated by an intercalated quartz-bioitite/mica garnet gneiss and chlorite-magnetite amphibolite. In addition, occasional chert and BIF lithologies were logged. The amphibolite unit is extremely chloritic and has weak to strong magnetite content. The gneiss can be massive to banded with quartz rich augens and in places displays silica alteration. The target is believed to have been adequately tested and no further work is currently planned here.

New Project Generation

The acquisition of the Murchison Project in 2018 delivered Enterprise a core asset in an underexplored portion of a well-endowed greenstone belt in Western Australia, at a time when exploration funding was hard to find.

The farm-out of the Murchison Project to a strategic partner in Evolution Mining Ltd on favourable terms has provided Enterprise with an opportunity to consider acquisitions of other available projects, undertake further project generation in its own right. The Company has a track record of assembling and/or acquiring gold and base metal projects in favourable geological domains, and it intends to continue to do this style of project generation work to grow shareholder value.

Corporate

A Share Purchase Plan (SPP) was announced to the market on 22 February 2019, whereby eligible shareholders (at 5pm on 21 February 2019) were offered the opportunity to apply for up to $15,000 worth of new ENT Shares at an issue price of $0.01 per Share. The issue price represented a ~10% discount to the volume weighted average market price of ENT shares over the last five days on which sales of shares were recorded on the Australian Securities Exchange immediately prior to the announcement of the SPP.

The SPP closed on 5 April and on 10 April 2019, the Company announced that it had received valid applications from eligible shareholders for 13,350,000 new shares thereby raising $133,500.

On 11 April 2019, the Company issued the new 13,350,000 ordinary fully paid shares, bringing the total ordinary fully paid ENT shares on issue to 401,412,753.

With the funds raised by the SPP and the funds from Evolution, Enterprise continues to seek out first class exploration opportunities that have the potential to add significant shareholder value.

At 30 June 2019, the total fully paid ordinary on issue by Enterprise Metals Ltd was 401,412,753.

Enterprise currently holds 12 million shares in Alto Metals Limited (ASX: AME, or “Alto”). Alto’s main asset is the Sandstone Gold Project, which covers ~ 85% of the Sandstone Greenstone Belt in Western Australia. This greenstone belt has produced over 1.3 million ounces of gold. At 30 June 2019, Enterprise’s 12 million Alto shares had a fair market value of $0.396 million.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Dermot Ryan, who is an employee of Xserv Pty Ltd and a Director and security holder of the Company. Mr Ryan is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ryan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Historic exploration results referred to in this Report were previously reported by numerous ASX listed companies. Enterprise Metals Limited understands that this information has not been updated since to comply with the JORC Code (2012) but believes the information has not materially changed since it was last reported.

Forward Looking Statements

Certain statements in this document are or maybe “forward–looking statements” and represent Enterprise’s intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward–looking statements don’t necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Enterprise, and which may cause Enterprise’s actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Enterprise does not make any representation or warranty as to the accuracy of such statements or assumptions.

Your Directors present their report on Enterprise Metals Limited ("Enterprise", "Company" or "Group") and its controlled entities ("Group") for the financial year ended 30 June 2019.

Directors

The names of Directors in office at any time during or since the end of the period are:

Dr Allan Trench
Mr Dermot Ryan
Dr Zhijun He

Information on Directors

Allan Trench (Non-Executive Chairman, appointed 3 April 2012)

Dr Trench is a mineral economist, geophysicist and business management consultant with a BSc (Hons) Geology from the Royal School of Mines, London, a Ph.D (Geophysics) from Glasgow University, an MBA (Distinction) from Oxford University and an MSc (Distinction) in Mineral Economics from the WA School of Mines (WASM). His former roles include management of nickel and gold/base metal exploration teams in the Yilgarn region of WA, initially for WMC and subsequently for a group of junior ASX listed companies.

Dr Trench worked as a business consultant for McKinsey and Company, then as a manager at KCGM Pty Ltd and Woodside Petroleum, and more lately as a consultant with CRU Group, providing business analysis and intelligence on the global mining and metals and markets. He is currently Research Professor, Progressive Risk & Value, Centre for Exploration Targeting, University of Western Australia and Professor, UWA Business School. He is also non-executive independent director of a number of emerging overseas and Australian-listed resources companies.

Directorships held in other listed entities: Pioneer Resources Limited (September 2003 – present)
Hot Chili Limited (July 2010 – present)
Emmerson Resources Limited (March 2015 – present)

There have been no other listed entity directorships in the last 3 years.

Dermot Ryan (Non-Executive Director, appointed 12 December 2018 formerly Managing Director, 13 October 2008 – 12 December 2018)

Mr Ryan spent 20 years with CRA Ltd from 1977-1996, including 10 years as Chief Geologist for CRA Exploration in various states of Australia. He was GM Exploration for Great Central Mines Ltd (later Normandy Yandal Operations Ltd) from late 1996-2001, and for the past 10 years has run a private mineral exploration consulting Company (XServ Pty Ltd). He is a Fellow of the AusIMM, (CP), a Fellow of the AIG, and holds a BApSc (Geol).

Directorships held in other listed entities: Alto Metals Limited (December 2012 – February 2019)

There have been no other listed entity directorships in the last 3 years.

Dr Zhijun He (Non-Executive Director, appointed 12 October 2016)

Dr He holds a PhD degree in Petrology and Economic Geology from China University of Geosciences (Beijing) and is a member of AusIMM. He has over 20 years of experience in geological research, mineral exploration and geological services.

Dr He is a Winner of the 11th Silver Hammer Prize in Geological Science awarded by the Geological Society of China and has won several provincial and ministerial Technology Awards for mineral exploration and scientific research, including two First Prizes of the Prospecting Achievement Award from China Nonferrous Metals Industry Association. He currently holds the position as director of East Africa Metals Inc. (TSX-V:EAM) and Nickel North Exploration Corp.(TSXV:NNX).

Directorships held in other listed entities: There have been no other listed entity directorships in the last 3 years.

Company Secretary

Graeme Smith BEc, MBA, MComLaw, FCPA, FCIS, FGIA

Mr Smith was appointed Company Secretary 22 March 2019. Mr Smith is a corporate governance & finance professional with over 25 years' experience in accounting and company administration. He is a Fellow of the Australian Society of Certified Practicing Accountants, the Institute of Chartered Secretaries and Administrators and the Governance Institute of Australia. He is the principal of Wembley Corporate which provides Company Secretarial, CFO, and Corporate Governance services to public and private companies.

Mr Smith is a Non-Executive Director of Anglo Australia Resources NL.

Mr Patrick Holywell resigned as Company Secretary on 20 May 2019.

Principal Activities

The principal activities of the Group during the financial year were the exploration of a number of gold, copper/gold, and copper/nickel tenements in Western Australia.

Operating Results

The consolidated loss of the Group after providing for income tax amounted to $467,608 (2018: $862,616).

Financial Position

The net assets of the Group at 30 June 2019 are $7,085,703 (2018: $7,266,729).

Risk Management

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board. The Board believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee. The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets.

Significant Changes in State of Affairs

There have been no significant changes in the affairs of the Group during the year.

Significant Events After the Reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results

The Group expects to maintain the present status and level of operations and hence there are no likely developments in the Group's operations.

Exploration Risk

Mineral exploration and development are business undertakings that carry an associated high degree of uncertainty, and as a consequence there is no assurance that exploration of the tenements will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.

In order to manage the Groups exploration risk exposure therefore, all exploration properties are constantly reviewed as to whether the best exposure for shareholders is to maintain 100%-ownership by the Group of each project or whether appropriate risk-sharing can be put in place via joint venture agreements with other minerals companies.

The future exploration activities of the Group may be affected by a range of factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents and many other factors beyond the control of the Group.

Environmental Regulation and Performance

The Group is subject to significant environmental regulation in respect to its exploration activities. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The Directors of the Group are not aware of any breach of environmental legislation for the year under review.

Dividends Paid or Recommended

No dividend has been paid or recommended.

Meetings of Directors

During the financial period, the following meetings of Directors were held. Attendances by each Director during the period were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Dr Allan Trench	4	4
Dermot Ryan	4	4
Dr Zhijun He	4	4

Indemnifying Officers or Auditor

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- The Company has entered into agreements to indemnify all Directors and provide access to documents, against any liability arising from a claim brought by a third party against the Company. The agreement provides for the Company to pay all damages and costs which may be awarded against the Directors.
- The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the

capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was $11,600 (2018: $9,000).

- No indemnity has been given to the auditors.

Options/Performance Shares

There were no options/ performance shares issued during the year.

Non-audit Services

The following non-audit services were provided by the entity's auditor, Grant Thornton Audit Pty Ltd, or associated entities. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.
- Grant Thornton Audit Pty Ltd, or associated entities, received or are due to receive the following amounts for the provision of non-audit services:

	2019	2018
	$	$
Tax compliance services	3,500	5,000

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Director of Enterprise Metals Limited and other key management personnel ("KMP").

Remuneration Policy

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Company is as follows:

All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation if applicable. The Board reviews executive packages periodically by reference to the Company's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share and option arrangements.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed. Options given to Directors and employees are valued using the Black-Scholes methodology.

The Board policy is to remunerate Non-Executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration periodically based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

There is no relationship between KMP remuneration and the performance of the Company.

No options have been issued to Directors in the period under review to the date of this report.

Use of remuneration consultants

The Company did not employ the services of any remuneration consultants during the financial period ended 30 June 2019.

Voting and comments made at the Company's 2018 Annual General Meeting

The Company received approximately 100% of "yes" votes based on the number of proxy votes received on its remuneration report for the 2018 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Details of Remuneration for Period Ended 30 June 2019

There were no cash bonuses paid during the period and there are no set performance criteria for achieving cash bonuses. The following table outlines benefits and payment details, in respect to the financial period, as well as the components of remuneration for each member of the KMP of the Company:

Key Management Personnel	Short-term benefits		Post-employment benefits	Equity-settled share-based payments	Termination benefits	Total	Remuneration performance based
	Salary, fees and leave	Cash from other activities	Super-annuation	Equity			
2019	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Dr A Trench [1]	15,000	-	-	15,000 [5]	-	30,000	-
D Ryan [2]	40,774	-	-	-	-	40,774	-
Dr Z He	18,750	-	-	6,250 [5]	-	25,000	-
P Holywell [3]	26,850	-	-	-	9,639	36,489	-
	101,374	**-**	**-**	**21,250**	**9,639**	**132,263**	**-**
2018							
Dr A Trench [1]	15,000	-	-	15,000 [5]	-	30,000	-
D Ryan [2]	60,000	-	-	-	-	60,000	-
Dr Z He	12,500	-	-	12,500 [5]	-	25,000	-
P Holywell [3]	13,650	-	-	-	-	13,650	-
S Middlemas [4]	24,470	-	-	-	-	24,470	-
	125,620	**-**	**-**	**27,500**	**-**	**153,120**	**-**

(1) All fees paid to Dr Allan Trench are paid to his private company Judicial Holdings Pty Ltd of which he is a shareholder.
(2) All fees paid to Dermot Ryan are paid to his private company XServ Pty Ltd of which he is a director and shareholder.
(3) Patrick Holywell was appointed 28 February 2018. All fees are paid to his private company PWT Corporate Pty Ltd. Patrick Holywell resigned as Company Secretary on 20 May 2019.
(4) Resigned as Company Secretary on 28 February 2018.
(5) Represents the issuance of shares in lieu of cash for directors' services provided.

Equity instrument disclosures relating to KMP

Option holdings

The were no options over ordinary shares held by any KMP of the Company during the financial period.

Shareholdings

The number of ordinary shares in Enterprise Metals Limited held by each KMP of the Company during the financial year is as follows:

	Balance at the start of the period	Received during the period as compensation	Other changes during the period	Balance at the end of the period
2019				
KMP				
Ordinary Shares				
Dr A Trench	5,162,039	833,334	1,000,000	6,995,373
D Ryan	14,728,759	-	1,000,000	15,728,759
Dr Z He	1,896,188	-	500,000	2,396,188
P Holywell [(1)]	150,000	-	(150,000)	-
Total	**21,936,986**	**833,334**	**2,350,000**	**25,120,320**

(1) Appointed 28 February 2018 and resigned 20 May 2019.

Loans to KMP

There were no loans made to KMP as at 30 June 2019, nor were any made during the reporting period.

Service Agreements

Mr Ryan commenced as a Managing Director on 13 October 2008, on 12 December 2018 Mr Ryan moved to the role of Non-Executive Director. In addition to Director services, from time to time Mr Ryan provides technical services to the Company. Mr Ryan is remunerated for such services, at a commercial rate, under the terms set out in a technical services agreement between the Company and Xserv Pty Ltd, a related party of Mr Ryan. During the year $35,145 was paid to XServ Pty Ltd for the provision of technical services.

Incentive Option Scheme

Options, where appropriate, may be granted under the Enterprise Metals Limited Employee Share Option Plan ("ESOP"). Options are granted under the plan for no consideration on terms and conditions considered appropriate by the Board at the time of issue. Options are granted for up to a five year period. Options granted under the plan carry no dividend or voting rights.

The ability for the employee to exercise the options is restricted in accordance with the terms and conditions detailed in the ESOP. Each option will automatically lapse if not exercised within five years of the date of issue. The exercise period may also be affected by other events as detailed in the terms and conditions in the ESOP. The options vest as specified when the options are issued. No options have been issued under the ESOP in the current period.

Director and Key Management Personnel Options

There were no options issued to Directors and Key Management Personnel during the 2019 financial period (2018: nil).

----- End of Audited Remuneration Report -----

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on the following page.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Allan Trench

Chairman

Dated this day 26 of September 2019

Grant Thornton

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Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Enterprise Metals Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Enterprise Metals Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 26 September 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2019	2018
		$	$
Interest income		5,482	2,994
Other income	2	-	30,803
Accounting and audit fees		(14,424)	(31,028)
Share registry and listing fees		(39,421)	(50,564)
Employee benefits expense		(4,314)	17,868
Corporate and consulting fees		(146,018)	(155,739)
Computers and software		(7,866)	(13,144)
Depreciation and amortisation	3	-	(1,328)
Insurance		(16,128)	(15,176)
Investor relations		(8,668)	(9,935)
Legal fees		(450)	(3,561)
Office rental expense	3	(19,249)	(35,797)
Travel and accommodation		-	604
Impairment of capitalised exploration expenses	3	(170,852)	(514,006)
Other expenses		(45,700)	(84,607)
Loss before income tax		**(467,608)**	**(862,616)**
Income tax expense	4	-	-
Loss for the year		**(467,608)**	**(862,616)**
Other comprehensive income, net of tax			
Items that may be subsequently reclassified to profit or loss			
Unrealised gain / (loss) on revaluation of AFS asset	10	-	(84,000)
Items not to be reclassified to profit or loss in subsequent periods			
Changes in the fair value of equity instruments carried at fair value through other comprehensive income	10	(384,000)	-
Other comprehensive income / (loss) for the year		**(384,000)**	**(84,000)**
Total comprehensive loss attributable to members of the parent entity		**(851,608)**	**(946,616)**
Basic loss per share (cents per share)	7	(0.12)	(0.25)
Diluted loss per share (cents per share)	7	(0.12)	(0.25)

Consolidated Statement of Financial Position

	Note	2019	2018
		$	$
Current Assets			
Cash and cash equivalents	8	330,305	216,210
Trade and other receivables	9	23,001	15,475
Total Current Assets		**353,306**	**231,685**
Non-Current Assets			
Available-for-sale financial assets	10	-	780,000
Equity instruments at fair value through other comprehensive income	10	396,000	-
Plant and equipment	11	1,000	1,000
Intangible assets	12	-	-
Exploration and evaluation assets	13	6,422,246	6,464,661
Total Non-Current Assets		**6,819,246**	**7,245,661**
TOTAL ASSETS		**7,172,552**	**7,477,346**
Current Liabilities			
Trade and other payables	14	85,721	210,617
Provisions		1,128	-
Total Current Liabilities		**86,849**	**210,617**
TOTAL LIABILITIES		**86,849**	**210,617**
NET ASSETS		**7,085,703**	**7,266,729**
Equity			
Issued capital	15	31,455,542	30,784,960
Reserves	16	144,000	6,623,155
Accumulated losses		(24,513,839)	(30,141,386)
TOTAL EQUITY		**7,085,703**	**7,266,729**

Consolidated Statement of Changes in Equity

	Issued Capital	Options Reserve	Equity Instruments at FVOCI Reserve	AFS Asset Reserve	Accumulated Losses	Total
	$	$	$	$	$	$
Balance at 1 July 2017	**30,106,736**	**6,095,155**	**-**	**612,000**	**(29,278,770)**	**7,535,121**
Loss attributable to members of the parent entity for the year	-	-	-	-	(862,616)	(862,616)
Other comprehensive income, net of tax	-	-	-	(84,000)	-	(84,000)
Total comprehensive loss for the year	**-**	**-**	**-**	**(84,000)**	**(862,616)**	**(946,616)**
Transaction with owners, directly in equity						
Shares issued during the year	678,224	-	-	-	-	678,224
Balance at 30 June 2018	**30,784,960**	**6,095,155**	**-**	**528,000**	**(30,141,386)**	**7,266,729**
Balance at 1 July 2018	**30,784,960**	**6,095,155**	**-**	**528,000**	**(30,141,386)**	**7,266,729**
Loss attributable to members of the parent entity for the year	-	-	-	-	(467,608)	(467,608)
Change in accounting policy arising from AASB 9	-	-	528,000	(528,000)	-	-
Other comprehensive income, net of tax						
Changes in the fair value of equity instruments carried at FVOCI	-	-	(384,000)	-	-	(384,000)
Total comprehensive loss for the year	**-**	**-**	**144,000**	**(528,000)**	**(467,608)**	**(851,608)**
Transaction with owners, directly in equity						
Shares issued during the year	670,582	-	-	-	-	670,582
Transfer of share based payment reserve upon the expiry of share options	-	(6,095,155)	-	-	6,095,155	-
Balance at 30 June 2019	**31,455,542**	**-**	**144,000**	**-**	**(24,513,839)**	**7,085,703**

	Note	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		5,482	3,191
Rent and other receipts		-	30,803
Payments to suppliers and employees		(396,910)	(287,920)
Net cash used in operating activities	17a	**(391,428)**	**(253,926)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure		(260,773)	(233,016)
Payment received from joint venture partner		150,000	-
Net cash used in investing activities		**(110,773)**	**(233,016)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		637,600	328,000
Share raising costs		(21,304)	(14,586)
Net cash provided by financing activities		**616,296**	**313,414**
Net increase/(decrease) in cash and cash equivalents held		114,095	(173,528)
Cash and cash equivalents at 1 July		216,210	389,738
Cash and cash equivalents at 30 June	8	**330,305**	**216,210**

NOTE 1: REPORTING ENTITY

The financial report includes the consolidated financial statements and notes of Enterprise Metals Limited ("the Company") and controlled entities ("the Consolidated Group" or "the Group"). Enterprise Metals Limited is a listed public company, incorporated and domiciled in Australia. The financial information is presented in Australian dollars.

NOTE 2: BASIS OF PREPARATION

a) Statement of Compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Enterprise Metals Limited is a for-profit entity for the purpose of preparing the financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The functional currency of the Group is Australian dollars.

The financial statements were authorised for issue by the Directors. The Directors have the power to amend and reissue the financial statements.

b) Going Concern

The financial statements have been prepared on a going concern basis which the Directors believe to be appropriate. The Directors are confident that the Group will be able to maintain sufficient levels of working capital to continue as a going concern and continue to pay its debts as and when they fall due.

For the year ended 30 June 2019, the Group incurred a loss before tax of $467,608 (2018: $862,616) including a non-cash impairment charge for exploration of $170,852 (2018: $514,006). For the year ended 30 June 2019, the Group incurred net operating cash outflows of $391,428 (2018: $253,926) and at reporting date, had a net current asset balance of $266,457 (2018: $21,068).

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The going concern of the Group is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors continue to be focused on meeting the Group's business objectives and are mindful of the funding requirements to meet these objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- The current cash of the Group relative to its fixed and discretionary commitments;
- The contingent nature of certain of the Groups' project expenditure commitments;
- The value of the Group's investment portfolio;
- The underlying prospects for the Group to raise funds from the capital markets; and
- The fact that future exploration and evaluation expenditure are generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the progress of works undertaken to date and

the prospects for the same). Subject to meeting certain expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Group's working capital.

The Directors are confident that the Group can continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

Should the Group be unable to undertake the initiatives disclosed above, there is significant uncertainty which may cast doubt as to whether or not the Group will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

c) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Enterprise Metals Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

d) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

e) Property, Plant, and Equipment

Each class of property, plant, and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the historical cost basis.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	25%
Computer equipment	33%
Furniture and fittings	25%
Motor vehicle	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

f) Intangible Assets

Recognition of intangible assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing.

The following useful lives are applied:

Software: 4 years

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets. Subsequent expenditures on the maintenance of computer software are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

g) Exploration And Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Such capitalised expenditure is carried at the end of the reporting period at $6,422,246 (2018: $6,464,661).

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. An impairment of $170,852 (2018: $514,006) was recognised during the year ended 30 June 2019.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The Company receives R&D grants from the Australian Taxation Office. Where an R&D rebate can be directly attributable to an area of interest the R&D rebate is applied against the area of interest upon receipt. For any amounts that cannot be directly attributable to an existing area of interest the amount will be recognised as grant income in the profit or loss.

h) Financial Instruments

As mentioned in note 1(u), AASB 9 replaces AASB 139 Financial Instructions: Recognition and Measurement (AASB 139) for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

When adopting AASB 9, the Group elected not to restate prior periods. Rather, differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings at 1 July 2018.

Accounting policy applicable from 1 July 2018

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following category upon initial recognition:

- equity instruments at fair value through other comprehensive income (FVOCI)
- amortised cost

Classification is determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under this category, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Group's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). The Group has not designated any financial liabilities at FVPL.

Accounting policy applicable before 1 July 2018

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

Available-for-sale (“AFS”) financial assets

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Company’s AFS financial assets include listed securities.

AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

Interest calculated using the effective interest method and dividends are recognised in profit or loss within ‘finance income’.

Reversals of impairment losses are recognised in other comprehensive income, except for financial assets that are debt securities which are recognised in profit or loss only if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Derivative instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the profit or loss unless they are designated as hedges.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

i) Impairment of Non-Financial Assets

At each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

j) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity-settled compensation

The Group operates an Incentive Option Scheme share-based compensation plan. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the profit or loss. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

l) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

m) Other Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

n) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

p) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flow.

q) Equity and Reserves

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include the following:

- AFS financial assets – comprises gains and losses relating to these types of financial instruments.
- FVOCI reserve – comprises gains and losses relating to these types of equity instruments.
- Retained earnings include all current and prior period retained profits.

r) Earnings per Share

Basic earnings per share

Basic earnings per share is determined by dividing the profit attributable to equity holders of the company, excluding any costs of service equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financial costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

s) Comparative Figures

When required by the Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

t) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the consolidated entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The Directors considered the impairment of the parent entity's investment in subsidiaries based on the fair value less costs to sell of the underlying mineral tenements. Investments in controlled entities are reflected at cost less impairment.

An impairment value of $384,000 has been recorded as a decrease in equity instruments at fair value through other comprehensive income for the year. In 2018 a impairment value of $84,000 was recorded as a decrease in available for sale financial assets during the year.

Key Judgments – Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $6,422,246 (2018: $6,464,661). An impairment of $170,852 (2018: $514,006) was recognised during the year ended 30 June 2019.

u) New and Amended Standards Adopted by the Group in this Financial Report

The Group has adopted the new accounting standards that have become effective this year, and are as follows:

AASB 9 Financial Instruments (2014) became mandatorily effective on 1 January 2018. Accordingly, these standards apply for the first time to this set of financial statements. The nature and effect of changes arising from AASB 9 Financial Instruments are summarised in below:

AASB 15 Revenue from Contracts with Customers became mandatorily effective on 1 January 2018. The Group has considered the requirements of AASB 15 Revenue from Contracts with Customers and concluded that adoption of this standard from 1 July 2018 has no impact due to the Group not having any revenue contracts with customers.

Except for the impact of adopting AASB 9 Financial Instruments (AASB 9) from 1 July 2018, the accounting policies and methods of computation adopted in the preparation of this annual financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2018. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year. The Group has considered the implications of new amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

Adoption of AASB 9 Financial Instruments

Equity investments were previously classified as available for sale assets. Under AASB 9, these were assessed as being equity instruments at fair value through other comprehensive income (FVOCI), as the group intends to hold these for the foreseeable future and which the Group has irrevocably elected to classify upon initial recognition or transition. This change in classification has had no impact on the measurement of these assets or comparative financial information. There was a transfer of balance of $528,000 from the available for sale reserve to the equity instruments at FVOCI reserve on 1 July 2018.

The table below shows the classification of each class of financial asset and financial liability under AASB 139 and AASB 9 as at 1 July 2018:

	AASB 139 classification	AASB 9 classification	AASB139 carrying amount	AASB 9 carrying amount
			($)	($)
Financial Assets				
Listed shares	Available for Sale	Equity FVOCI	780,000	780,000

The effect on classification changes on the Groups equity are summarised below:

	AFS Reserve	FVOCI Reserve	Total
	($)	($)	($)
Opening Balance at 1 July 2018	528,000	-	528,000
Change in Accounting Policy arising from AASB 9	(528,000)	528,000	-
Changes in the fair value of equity instruments carried at fair value through other comprehensive income	-	(384,000)	(384,000)
Closing Balance at 30 June 2019	-	144,000	144,000

v) Impact of Standards Issued but not yet Applied by the Group

There are a number of new standards, amendments to standards and interpretations issued by the AASB which are applicable to future reporting periods. The Group has not early adopted any of these standards or interpretations.

AASB 16 Leases (AASB 16) replaces AASB 17 Leases and some lease related interpretations and becomes mandatorily effective on 1 January 2019. AASB 16 requires all leases to be accounted for 'on-balance sheet' by lessees, other than short term and low value asset leases. AASB 16 provides guidance on the application of the definition of lease and on sale and lease back accounting. AASB 16 largely retains the existing lessor accounting requirements of AASB 17. AASB 16 requires new and different disclosures about leases.

When this standard is first adopted for the year ended 30 June 2020, there will be no material impact on the transactions and balances recognised in the financial report.

	Notes	2019 $	2018 $
NOTE 2: OTHER REVENUE AND OTHER INCOME			
Interest income			
Interest received		5,482	2,994
Other income			
Rental and other income		-	30,803
		-	30,803

	Notes	2019 $	2018 $
NOTE 3: LOSS FOR THE YEAR			
(a) Expenses			
Depreciation of plant and equipment		-	1,328
Office rental expense		19,249	35,797
Defined contribution superannuation expense		1,128	-
(b) Significant Revenues and Expenses			
The following significant revenue and expense items are relevant in explaining the financial performance:			
Impairment of capitalised exploration expenses	13	170,852	514,006

NOTE 4: INCOME TAX

	Notes	2019 $	2018 $
(a) Income tax expense			
Current tax		-	-
Deferred tax		-	-
Adjustments for current tax of prior periods		-	-
		-	-
(b) Reconciliation of income tax expense to prima facie tax payable			
The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prima facie tax on operating loss at 30% (2018: 30%)		(140,282)	(258,785)
Add / (Less) tax effect of:			
Impairment of capitalised exploration expenses		(38,531)	(73,299)
Other assessable amount		-	-
Non-assessable items		-	-
Non-deductible items		-	-
Deferred tax asset not brought to account		(178,813)	332,084
Income tax attributable to operating loss		-	-
The applicable weighted average effective tax rates are as follows:		nil%	nil%
(c) Deferred tax assets			
Tax Losses		1,897,219	1,816,640
Provisions and Accrual		7,194	21,865
Other		14,110	7,926
		1,918,523	1,846,431
Set-off deferred tax liabilities	4(c)	(1,918,523)	(1,846,431)
Net deferred tax assets		-	-

		2019 $	2018 $
(d) Deferred tax liabilities			
Exploration expenditure		(1,916,530)	(1,845,255)
Other		(1,993)	(1,176)
		(1,918,523)	(1,846,430)
Set-off deferred tax assets	4(b)	1,918,523	1,846,430
Net deferred tax liabilities		-	-
(e) Unrecognised deferred tax assets			
Unused tax losses for which no deferred tax asset has been recognised		10,198,474	10,051,994
Other		601,200	486,000
		10,799,674	10,537,994

Potential deferred tax assets have not been recognised at 30 June 2019 because the Directors do not believe it is appropriate to regard the realisation of the potential deferred tax assets as probable at this point in time. These benefits of the tax and capital losses will only be obtained if:

- the Group derives future assessable income of a nature and amount to enable the benefit of the losses to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax law; and
- no changes in tax law adversely affect the Group from realising the benefit of the tax losses.

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid to each member of the Group's KMP for the year ended 30 June 2019. The totals of remuneration paid to KMP during the year are as follows:

	2019 $	2018 $
Short-term employee benefits	101,374	125,620
Post-employment benefits	-	-
Termination benefit	9,639	-
Equity settled share based payments	21,250	27,500
	132,263	153,120

NOTE 6: AUDITOR'S REMUNERATION

Remuneration of the auditor of the parent entity for:		
- Auditing or reviewing the financial report by Grant Thornton Audit Pty Ltd	21,167	19,450
Remuneration of the auditor, or associated entities, of the parent entity for non-audit services:		
- Tax compliance services	3,500	5,000

	2019 $	2018 $
NOTE 7: LOSS PER SHARE		
(a) Reconciliation of earnings to loss for the year		
Earnings used in the calculation of basic EPS	(467,608)	(862,616)
(b) Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	390,988,780	341,317,156
Basic / Diluted loss per share (cents per share)	(0.12)	(0.25)

No options were outstanding at the end of the current reporting period (2018: Nil).

NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank	330,305	216,210
Reconciliation of cash:		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	330,305	216,210

NOTE 9: TRADE AND OTHER RECEIVABLES

CURRENT		
GST receivable	16,357	11,556
Prepayments	6,644	3,919
	23,001	15,475

There are no balances within trade and other receivables that contain assets that are impaired and are past due. It is expected these balances will be received when due.

NOTE 10: FINANCIAL ASSETS AND LIABILITIES

Note 1 provides a description of each category of financial assets and financial liabilities and related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Amortised cost $	Available for sale $	FVOCI $
30 June 2019			
Financial assets			
Cash and cash equivalents	330,305	-	-
Trade and other receivables	23,001	-	-
Equity instruments	-	-	396,000
Total financial assets	**353,306**	-	**396,000**
Financial liabilities			
Trade and other payables	85,721	-	-
Total financial liabilities	**85,721**	-	**-**
30 June 2018			
Financial assets			
Cash and cash equivalents	216,210	-	-
Trade and other payables	15,475	-	-
Available for sale financial asset	-	780,000	-
Total financial assets	**231,685**	**780,000**	-
Financial liabilities			
Trade and other payables	210,617	-	-
Total financial liabilities	**210,617**	**-**	**-**

The carrying amount of the following financial assets and liabilities is considered reasonable approximation of fair value:
- cash and cash equivalents
- trade and other receivables
- trade and other payables

	2019 $	2018 $
Equity instruments at fair value through other comprehensive income		
Opening balance	-	-
Revaluation	(384,000)	-
Reclassification arising from the adoption of AASB 9	780,000	-
	396,000	-

Equity instruments are shares held in an ASX listed entity, Alto Metals Ltd, and were revalued in the current period based on the share sale price at reporting date. Fair value has been determined by reference to quoted market prices.

	2019 $	2018 $
Available for sale financial assets		
Opening balance	780,000	864,000
Revaluation	-	(84,000)
Reclassification arising from the adoption of AASB 9	(780,000)	-
	-	780,000

Available-for-sale financial asset are shares held in an ASX listed entity, Alto Metals Ltd, and were revalued in the current period based on the share sale price at reporting date. Fair value has been determined by reference to quoted market prices.

NOTE 11: PLANT AND EQUIPMENT

	2019 $	2018 $
NON-CURRENT		
Computer equipment – cost	64,956	64,956
Accumulated depreciation	(64,956)	(64,956)
	-	-
Plant and equipment – cost	153,863	153,863
Accumulated depreciation	(153,863)	(153,863)
	-	-
Furniture and fittings – cost	18,320	18,320
Accumulated depreciation	(17,320)	(17,320)
	1,000	1,000
Motor vehicles - cost	-	55,000
Accumulated depreciation	-	(55,000)
	-	-
Total plant and equipment	1,000	1,000
Furniture and fittings		
Opening balance	1,000	1,000
- Depreciation expense	-	-
Carrying amount at the end of the year	1,000	1,000
Motor vehicles		
Opening balance	-	-
- Disposals	(55,000)	-
- Depreciation expense	55,000	-
Carrying amount at the end of the year	-	-
Totals		
Opening balance	1,000	1,000
- Disposals	(55,000)	-
- Depreciation expense	55,000	-
Carrying amount at the end of year	1,000	1,000

NOTE 12: INTANGIBLE ASSETS

	2019 $	2018 $
NON-CURRENT		
Software – cost	106,436	106,436
Accumulated amortisation	(106,436)	(106,436)
	-	-
Software		
Opening balance	-	1,327
- Amortisation expense	-	(1,327)
Carrying amount at the end of the year	-	-

NOTE 13: EXPLORATION AND EVALUATION ASSETS

	2019 $	2018 $
Exploration and evaluation phases – at cost	6,422,246	6,464,661
Exploration and evaluation - movement		
Opening balance	6,464,661	6,454,337
Exploration expenditure	278,437	524,330
Proceeds from earn in and exploration joint venture agreement	(150,000)	-
Impairment of capitalised exploration expenses	(170,852)	(514,006)
Closing balance	6,422,246	6,464,661

The Directors' assessment of the carrying amount for the Group's exploration properties was after consideration of prevailing market conditions; previous expenditure for exploration work carried out on the tenements; and the potential for mineralisation based on the Group's and independent geological reports. The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole or part of the Group's interests in these exploration properties for an amount at least equal to the carrying value. There may exist on the Group's exploration properties, areas subject to claim under Native Title or containing sacred sites or sites of significance to Aboriginal people. As a result, the Group's exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

The Company and Evolution Mining Limited (EVN) entered into an earn-in and exploration joint venture agreement. Under the terms agreed, EVN paid the Company $150,000 in cash consideration.

During the reporting period, the Group impaired its capitalised exploration and evaluation asset by $170,852 (2018: $514,006) as a result of surrender or sale of tenements and expenditure on tenements not yet granted. Accordingly, in complying with the requirements of AASB 6, it has impaired the costs that had been previously capitalised to those tenements which have now been partially or fully relinquished.

NOTE 14: TRADE AND OTHER PAYABLES

	2019 $	2018 $
CURRENT – UNSECURED LIABILITIES		
Trade payables	64,356	172,549
Accrued expenses	21,365	38,068
	85,721	210,617

All amounts are short-term. The carrying value is considered to be a reasonable approximation of the fair value. Refer to note 21 related party transactions for trade payable balances with related parties.

N		2019 $	2018 $
401,412,753 (2018: 355,652,435) Fully paid ordinary shares	15a	31,455,542	30,784,960
The Company has no authorised share capital. Shares have no par value.			

(a) Ordinary shares

	$	$
At the beginning of the reporting period	30,784,960	30,106,736
Shares issued during the year		
28,005,556 on 20 July 2018 at $0.018 per share	504,100	-
833,334 on 27 December 2018 at $0.018 per share	15,000	-
3,571,428 on 27 December 2018 at $0.011 per share	39,286	-
13,350,000 on 11 April 2019 at $0.01 per share	133,500	-
Prior year		
19,640,712 on 19 December 2017 at $0.0167 per share	-	328,000
3,890,385 on 7 December 2017 at $0.0218 per share	-	84,810
9,000,000 on 26 October 2017 at $0.02 per share	-	180,000
4,351,610 on 8 August 2017 at $0.02298 per share	-	100,000
Transaction costs relating to share issues	(21,304)	(14,586)
At reporting date	31,455,542	30,784,960

	No.	No.
At the beginning of the reporting period	355,652,435	318,769,728
Shares issued during the year		
28,005,556 on 20 July 2018 at $0.018 per share	28,005,556	-
833,334 on 27 December 2018 at $0.018 per share	833,334	-
3,571,428 on 27 December 2018 at $0.011 per share	3,571,428	-
13,350,000 on 11 April 2019 at $0.01 per share	13,350,000	-
Prior year		
19,640,712 on 19 December 2017 at $0.0167 per share	-	19,640,712
3,890,385 on 7 December 2017 at $0.0218 per share	-	3,890,385
9,000,000 on 26 October 2017 at $0.02 per share	-	9,000,000
4,351,610 on 8 August 2017 at $0.02298 per share	-	4,351,610
At reporting date	401,412,753	355,652,435

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has a vote on a show of hands.

(b) Movement in options on issue

	No.	No.
At the beginning of the reporting period	-	2,000,000
Issued during the year:		
Exercisable at 5 cents, on or before 10 August 2017	-	-
Expired during the year		
Exercisable at 5 cents on or before 10 August 2017	-	(2,000,000)
Exercisable at 8 cents on or before 30 November 2016	-	-
Exercisable at 14.9 cents, on or before 11 September 2015	-	-
Exercisable at 8 cents, on or before 30 November 2015(1)	-	-
At reporting date	-	-

(c) Capital Management

The Directors' objectives when managing capital are to ensure that the Group can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The Group has no debt therefore has no externally imposed capital restrictions.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2019 and 30 June 2018 are as follows:

	2019 $	2018 $
Cash and cash equivalents	330,305	216,210
Trade and other receivables	23,001	15,475
Trade and other payables	(86,849)	(210,617)
Working capital position	266,457	21,068

NOTE 16: RESERVES

	2019 $	2018 $
Options Reserve	-	6,095,155
AFS Asset Reserve	-	528,000
Equity Instrument at FVOCI Reserve	144,000	-
	144,000	6,623,155
Options Reserve		
Movements during the year:		
At the beginning of the reporting period	6,095,155	6,095,155
Share-based payments	-	-
Transfer of share based payment reserve upon the expiry of share options	(6,095,155)	-
At reporting date	-	6,095,155

The Options Reserve records the value of share based payments (refer note 18).

NOTE 16: RESERVES CONTINUED

	Note	2019 $	2018 $
AFS Asset Reserve			
Movements during the year:			
At the beginning of the reporting period		528,000	612,000
Fair value gains/(loss) on available-for-sale financial assets	10	-	(84,000)
Reclassification arising from the adoption of AASB 9		(528,000)	-
At reporting date		-	528,000

The AFS Asset Reserve records revaluation of financial assets.

	Note	2019 $	2018 $
Equity Instruments at FVOCI Reserve			
Movements during the year:			
At the beginning of the reporting period		-	-
Reclassification arising from the adoption of AASB 9		528,000	-
Fair value gains/(loss) on equity instruments at FVOCI	10	(384,000)	-
At reporting date		144,000	-

The Equity Instruments at FVOCI Reserve records revaluation of equity instruments at fair value through other comprehensive income.

NOTE 17: CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with loss after Income Tax

	2019 $	2018 $
Loss after income tax	(467,608)	(862,616)
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in loss from ordinary activities:		
Depreciation and amortisation	-	1,328
Impairment of exploration and evaluation	170,852	514,006
Director fees paid in shares	15,000	51,109
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(4,801)	8,920
(Increase)/decrease in prepayments and other assets	(2,725)	(374)
Increase/(decrease) in payables	(102,146)	33,701
Cash flow used in operations	(391,428)	(253,926)

(b) Credit Standby Facilities

The Company had no credit standby facilities as at 30 June 2019 (2018: nil).

NOTE 18: SHARE-BASED PAYMENTS

Option issues

There were no options issued during the year ended 30 June 2019 and there were no options outstanding.

NOTE 19: CONTROLLED ENTITIES

Details of Controlled Entities	Country of Incorporation	Class of Shares	Percentage Owned % 2019	2018
Murchison Exploration Pty Limited	Australia	Ordinary	100	100
ACN 125 615 232 (previously Enterprise Uranium Pty Ltd)	Australia	Ordinary	100	100
Enterprise Exploration Pty Ltd	Australia	Ordinary	100	100
Enterprise Gold Pty Ltd (previously Australasian Mining and Exploration Pty Ltd)	Australia	Ordinary	100	100
Amiable Holdings Pty Ltd	Australia	Ordinary	100	100
Calypso Minerals Pty Ltd	Australia	Ordinary	100	100

NOTE 20: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 21: RELATED PARTY TRANSACTIONS

	2019 $	2018 $
XServ Pty Ltd		
Mr Ryan is a Director and Shareholder of XServ Pty Ltd. Mr Ryan's Company provides geological consulting services to Enterprise Metals Limited in addition to his Directors fees.		
Consulting/Director Services	75,919	60,000
As at 30 June 2019 $10,926 was payable to Xserv Pty Ltd.		
Alto Metals Limited		
Mr Ryan was a Director of Alto Metals Limited during the year. Alto Metals Limited provides shared office services to Enterprise Metals Limited.		
Reimbursement of shared costs charged to Alto Metals Ltd including staff, rental of office space and office administration	47,861	86,776
As at 30 June 2019 $22,510 was payable to Alto Metals Ltd.		
Judicial Holdings Pty Ltd		
Dr Allan Trench is director of Judicial Holdings Pty Ltd. The Company provides Director/Chairman services to Enterprise Metals Limited.		
Director/Chairman Services	30,000	30,000
As at 30 June 2019 $11,250 was payable to Judicial Holdings Pty Ltd.		

NOTE 22: CAPITAL AND LEASING COMMITMENTS

Expenditure commitments

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is very difficult to forecast the nature and amount of future expenditure. The Group's planned exploration and expected commitments, subject to available funds – refer note 1(a), for the next year is $325,000 (2018: $479,000).

NOTE 23: FINANCIAL INSTRUMENTS RISK

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, investment in equity instruments and accounts payable. The main purpose of non-derivative financial instruments is to raise finance for Group operations. The Group does not speculate in the trading of derivative instruments.

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

Credit risk exposures

There are no other material amounts of collateral held as security at 30 June 2019. Trade and other receivables are expected to be settled within 30 days.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	Note	2019 $	2018 $
Cash and cash equivalents			
- AA Rated	8	330,305	216,210

(b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

NOTE 23: FINANCIAL INSTRUMENTS RISK CONTINUED

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

(c) Market risk

The Board meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed by closely monitoring the interest rates at various financial institutions. The Company has no debt and as such the interest rate risk is limited to the Company's investments in term deposits and other interest bearing investments.

A summary of the Group's financial assets and liabilities exposed to interest rate risk is shown below:

	Floating Interest Rate	Fixed Interest maturing in 1 year or less	Fixed Interest maturing over 1 to 5 years	Non-interest bearing	Total
	$	$	$	$	$
2019					
Financial Assets					
Cash and cash equivalents	330,305	-	-	-	330,305
Trade and other receivables	-	-	-	23,001	23,001
Total Financial Assets	330,305	-	-	23,001	353,306
Weighted average interest rate – cash assets	1.75%	-	-		
Financial Liabilities at amortised cost					
Trade and other payables	-	-	-	(85,721)	(85,721)
Total Financial Liabilities	-	-	-	(85,721)	(85,721)
Net financial assets	330,305	-	-	(62,720)	267,585
2018					
Financial Assets					
Cash and cash equivalents	216,210	-	-	-	216,210
Trade and other receivables	-	-	-	15,475	15,475
Total Financial Assets	216,210	-	-	15,475	231,685
Weighted average interest rate – cash assets	1.65%	-	-		
Financial Liabilities at amortised cost					
Trade and other payables	-	-	-	(210,617)	(210,617)
Total Financial Liabilities	-	-	-	(210,617)	(210,617)
Net financial assets	216,210	-	-	(195,142)	21,068

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	Equity
Period ended 30 June 2019	**$**	**$**
+/-1% in interest rates	+/- 3,303	+/- 3,303
Period ended 30 June 2018	**$**	**$**
+/-1% in interest rates	+/- 2,162	+/- 2,162

Equity price risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position as equity instruments at fair value through other comprehensive income (2018: Available for sale financial assets).

Listed investments have been valued at the quoted market bid price at the end of reporting period, adjusted for transaction costs expected to be incurred. At 30 June 2019, the effect on profit and equity as a result of changes in listed equity prices, with all other variables remaining constant would be as follows:

	Carrying Amount	Listed equity price -10%		Listed equity price +10%	
		Net Loss	Equity	Net Loss	Equity
	$	$	$	$	$
30 June 2019	396,000	(39,600)	(39,600)	39,600	39,600
30 June 2018	780,000	(78,000)	(78,000)	78,000	78,000

(d) Net Fair Values

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

Fair value measurement hierarchy

AASB 13 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets and liabilities;

(b) Level 2 – a valuation technique is used using inputs other than quoted priced within Level 1 that are observable for the financial instrument, either directly (i.e. as prices), or indirectly (i.e. derived from prices); or

(c) Level 3 – a valuation technique is sued using inputs that are not based on observable market data (unobservable inputs).

The table below classifies financial instruments recognised in the consolidated Statement of Financial Position according to the fair value measurement hierarchy stipulated in AASB 13 Financial Instruments: Disclosures.

Valuation techniques used to derive level 2 and level 3 fair values

The fair value of financial instruments traded in active markets is based upon quoted market prices at the end of the reporting period. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group makes a number of assumptions based upon observable market data existing at each reporting period. The Group does not have any level 2 or 3 assets or liabilities.

	Level 1	Level 2	Level 3	Total
Year ended 30 June 2019	$	$	$	$
Financial Assets				
Equity instruments at FVOCI	396,000	-	-	396,000
Year ended 30 June 2018				
Financial Assets				
Available for sale financial assets	780,000	-	-	780,000

NOTE 24: PARENT ENTITY DISCLOSURES

	2019 $	2018 $
(a) Financial Position of Enterprise Metals Limited		
Current assets		
Cash and cash equivalents	330,305	216,210
Trade and other receivables	23,001	15,475
Total current assets	353,306	231,685
Non-current assets		
Plant and equipment	1,000	1,000
Intangible assets	-	-
Exploration and evaluation	3,230,279	3,330,691
Other financial assets	3,587,967	3,913,970
Total non-current assets	6,819,246	7,245,661
TOTAL ASSETS	7,172,552	7,477,346
Current liabilities		
Trade and other payables	85,721	210,617
Provisions	1,128	-
Total current liabilities	86,849	210,617
TOTAL LIABILITIES	86,849	210,617
NET ASSETS	7,085,703	7,266,729
Equity		
Issued capital	31,455,542	30,784,961
Option reserve	-	6,623,155
Equity Instruments at FVOCI Reserve	144,000	-
Accumulated losses	(24,513,839)	(30,141,387)
TOTAL EQUITY	7,085,703	7,266,729
(b) Financial Performance of Enterprise Metals Limited		
Loss for the year	(461,344)	(718,451)
Unrealised loss on revaluation of AFS asset	-	(84,000)
Changes in the fair value of equity instruments carried at fair value through other comprehensive income	(384,000)	-
Total comprehensive loss	(845,344)	(802,451)

NOTE 25: CONTINGENT LIABILITIES

As at 30 June 2019 the Group has contingent liabilities to the value of $nil (2018: $nil).

NOTE 26: OPERATING SEGMENTS

The Directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separately identifiable segments. The Group remains focused on mineral exploration over areas of interest solely in Western Australia.

NOTE 27: COMPANY DETAILS

The registered office and principal place of business of the Company is:

Enterprise Metals Limited
Suite 9, 12-14 Thelma Street
WEST PERTH WA 6005

Directors' Declaration

In accordance with a resolution of the Board of Directors of Enterprise Metals Limited, I state that:

In the opinion of the Directors:

- the financial statements and notes set out on pages 15 to 45 are in accordance with the Corporations Act 2001, including:
    - complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
    - giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date;
    - the audited remuneration disclosures set out on pages 11 to 14 of the Directors' report comply with Accounting Standards AASB 124 Related Party Disclosures and the Corporations Regulations 2001; and
    - the financial statements and notes also comply with International Financial Reporting Standards.
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2019.

On behalf of the Board

Allan Trench

Chairman

26 September 2019

Grant Thornton

Level 3, 170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Independent Auditor's Report

To the Members of Enterprise Metals Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Enterprise Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2b in the financial statements, which indicates that the Group incurred a net loss of $467,608 during the year ended 30 June 2019, and as of that date, the Group's incurred net operating cash flows of $391,428. As stated in Note 2b, these events or conditions, along with other matters as set forth in Note 2b, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets - Notes 2g & 13	
At 30 June 2019 the carrying value of exploration and evaluation assets was $6,422,246. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	Our procedures included, amongst others: • obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger; • reviewing management's area of interest considerations against AASB 6; • conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including; – tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed; – enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure; – understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; • assessing the accuracy of impairment recorded for the year as it pertained to exploration interests; and • assessing the appropriateness of the related financial statement disclosures.

Grant Thornton

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company/Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Enterprise Metals, for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Grant Thornton

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 26 September 2019

Additional information required by the ASX Listing Rules and not shown elsewhere in the report is as follows. The information is current as at 10 September 2019.

(a) Twenty largest holders of quoted equity securities

	Holder	Holding	%
1	SINOTECH (HONG KONG) CORPORATION LIMITED	88,305,556	22.00
2	MR DERMOT MICHAEL RYAN & MRS VIVIENNE ELEANOR RYAN <RF SUPER FUND A/C>	15,728,759	3.92
3	WINDSONG VALLEY PTY LTD <WHEELER FAMILY A/C>	13,544,255	3.37
4	RHB SECURITIES SINGAPORE PTE LTD <CLIENTS A/C>	10,148,807	2.53
5	MISS JIE LIU <YU FAMILY A/C>	8,310,000	2.07
6	MRS JINGHUA ZHANG	8,300,000	2.07
7	DR COLIN ROSE	7,456,702	1.86
8	MOTTE & BAILEY PTY LTD <BAILEY SUPER FUND A/C>	7,002,984	1.74
9	DR ALLAN TRENCH & MRS SUZANNE LOUISE TRENCH <TRENCH SUPER FUND A/C>	6,007,009	1.50
10	MR WILLIAM JOHN ROBERTSON & MRS JUNE DIANE ROBERTSON <ROBERTSON SUPER FUND A/C>	5,989,656	1.49
11	HARDROCK CAPITAL PTY LTD	4,555,555	1.13
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,510,486	1.12
13	PRANCER SUPER PTY LTD <ALFIERI SUPER FUND A/C>	4,501,567	1.12
14	MR XIN JIANG	4,500,000	1.12
15	AM-AUSTRALIAN MINERALS EXPLORATION PTY LTD <THE LEGENDRE SUPER FUND A/C>	4,247,777	1.06
16	OSSART HOLDINGS PTY LTD <THE OT FAMILY A/C>	4,000,000	1.00
16	MS LOIS DEBORAH BLACKWOOD	4,000,000	1.00
17	MR ZHANJUN FEI	3,980,000	0.99
18	CITICORP NOMINEES PTY LIMITED	3,695,467	0.92
19	GOLDFIRE ENTERPRISES PTY LTD	3,611,111	0.90
20	MR PAUL DUNCAN HALLAM & MRS CHRISTINE JOY HALLAM <HALLAM SUPER FUND A/C>	3,334,871	0.83
	Total	**215,730,562**	**53.74%**
	Total issued capital - selected security class(es)	**401,412,753**	**100.00%**

(b) **Substantial Shareholders**

The names of the substantial shareholders and the number of shares in which they have a relevant interest are:

Substantial Holder	Holding	%
SINOTECH (HONG KONG) CORPORATION LIMITED	88,305,556	22.00

(c) **Distribution of equity securities**

Holding Ranges	Holders	Total Units	% Issued Share Capital
1 - 1,000	92	11,361	0.00%
1,001 - 5,000	156	494,287	0.12%
5,001 - 10,000	188	1,598,773	0.40%
10,001 - 100,000	537	20,962,939	5.22%
100,001 - 9,999,999,999	302	378,345,393	94.25%
Totals	**1,275**	**401,412,753**	**100.00%**

The number of fully paid ordinary shareholdings held in less than marketable parcels is 801 (based on a share price of $0.010).

(d) **Voting rights**

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) **Corporate governance statement**

The Directors support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the corporate governance statement and the Appendix 4G released to ASX and posted on the Company website. The Directors are focused on fulfilling their responsibilities individually, and as a Board, for the benefit of all the Company's stakeholders. That involves recognition of, and a need to adopt, principles of good corporate governance. The Board supports the guidelines on the "Principles of Good Corporate Governance and Recommendations – 3rd Edition" established by the ASX Corporate Governance Council. Given the size and structure of the Company, the nature of its business activities, the stage of its development and the cost of strict and detailed compliance with all of the recommendations, it has adopted a range of modified systems, procedures and practices which enables it to meet the principles of good corporate governance. The Company's practices are mainly consistent with those of the guidelines and where they do not correlate with the recommendations in the guidelines the Company considers that its adopted practices are appropriate to it.

Enterprise Metals Ltd & its 100% Owned Subsidiaries, on a Consolidated Basis

*ENT 100% Interest (Doolgunna Farm-In Joint Venture Tenements**

Project	Lease	ENT Interest	State	Status
Doolgunna	E51/1168	100%*	WA	Granted
Doolgunna	E51/1301	100%*	WA	Granted
Doolgunna	E51/1303	100%*	WA	Granted
Doolgunna	E51/1304	100%*	WA	Granted
Doolgunna	E51/1539	100%*	WA	Granted
Doolgunna	E52/2049	100%*	WA	Granted
Doolgunna	E51/1683	100%*	WA	Granted
Doolgunna	E52/3347	100%*	WA	Granted

** ENT or wholly owned subsidiary the registered holder of 100% interest, with Sandfire Resources NL (SFR) managing and funding to earn a 75% interest in the Doolgunna Project tenements subject to discovery of a resource of 50,000t contained copper or equivalent.*

*ENT 100% Interest (Murchison Earn-In Joint Venture) Tenements***

Project	*Lease*	*ENT Interest*	*State*	*Status*
Murchison	E20/911	100%	WA	Granted
Murchison	E20/912	100%	WA	Granted
Murchison	E20/913	100%	WA	Granted
Murchison	E20/914	100%	WA	Granted
Murchison	E20/915	100%	WA	Granted
Murchison	E20/916	100%	WA	Granted
Murchison	E20/918	100%	WA	Granted
Murchison	P20/2302	100%	WA	Granted
Murchison	P20/2303	100%	WA	Granted
Murchison	E20/944	100%	WA	Application

***ENT or wholly owned subsidiary the registered holder of 100% interest, with Evolution Mining Ltd (EVN) managing and funding to earn an 80% interest in the Murchison Project by spending $6M over 4 years.*

*ENT 70% Interest (Orpheus – Fraser Range Joint Venture) Tenements****

Project	Lease	ENT Interest***	CR1 Interest	State	Status
Fraser Range	E63/1281	30%	70%	WA	Granted
Fraser Range	E63/1282	30%	70%	WA	Granted
Fraser Range	E63/1695	30%	70%	WA	Application
Fraser Range	E28/2403	30%	70%	WA	Granted

****ENT registered holder of 30% interest, with Constellation Resources (CR1) managing and solely funding to completion of any Bankable Feasibility Study.*

Enterprise Metals
Limited

www.enterprisemetals.com.au