



ABN 43 123 567 073

## **CONDENSED INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED**

**31 DECEMBER 2022**

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this condensed interim financial report is to be read in conjunction with the Annual Report for the year ended 30 June 2022 and any public announcements made by Enterprise Metals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## CORPORATE DIRECTORY

### Directors

Dr Allan Trench - Non-Executive Chairman  
Mr Dermot Ryan - Non-Executive Director  
Dr Changshun Jia - Non-Executive Director

### Auditor

Pitcher Partners BA&A Pty Ltd  
Level 11, 12-14 The Esplanade  
Perth WA 6000  
Telephone 08 9322 2022

### Company Secretary

Mr Graeme Smith

### Share Registry

Automic Registry Services  
Level 5, 126 Philip Street  
Sydney NSW 2000

### Principal Registered Office

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### Australian Securities Exchange

ASX Code – ENT

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## Enterprise Metals Limited

### Directors' report

Your Directors submit their report together with the condensed interim financial report of Enterprise Metals Limited (the "Company") and the entities it controlled (together "Enterprise" or "the Group") for the half-year ended 31 December 2022 and the auditor's review report thereon.

### DIRECTORS

The names of the Directors who held office during or since the end of the half-year are:

Dr Allan Trench  
Mr Dermot Ryan  
Dr Changshun Jia  
Mr Chris Stevens – Resigned 23/01/2023

Directors were in office for this entire half-year unless otherwise stated.

### REVIEW AND RESULTS OF OPERATIONS

The Group incurred a net loss of \$760,097 for the half-year ended 31 December 2022 (31 December 2021: \$576,430) and experienced net cash outflows used in operating activities of \$427,433 (31 December 2021: \$497,787). As at 31 December 2022, the Group had net current assets of \$837,130 (30 June 2022: \$979,220).

#### Corporate

On 18 October 2022, the Company announced a Share Purchase Plan to Eligible Shareholders, at a price of \$0.01 per share with 1 free attaching option for every 2 New Shares subscribed for, to raise up to \$500,000. On 30 November 2022, the Company announced that Eligible Shareholders had subscribed to 52,100,000 shares and 26,050,000 options, raising a total of \$521,000. The options will be exercisable at \$0.015 on or before 30 November 2024.

#### Projects

All projects of the Group are in Western Australia. At 31 December 2022 the Group had three major projects, Murchison (gold/copper/zinc), Doolgunna (copper/zinc/gold) and Fraser Range (nickel/copper). The Fraser Range Project is fully funded by a joint venture partner. In addition, the Company had option agreements over a number of gold, base metal and lithium projects in the Yilgarn Region, and one wholly owned potash exploration project in the Perenjori district. (Figure 1).

#### Murchison Project: Gold & Base metals

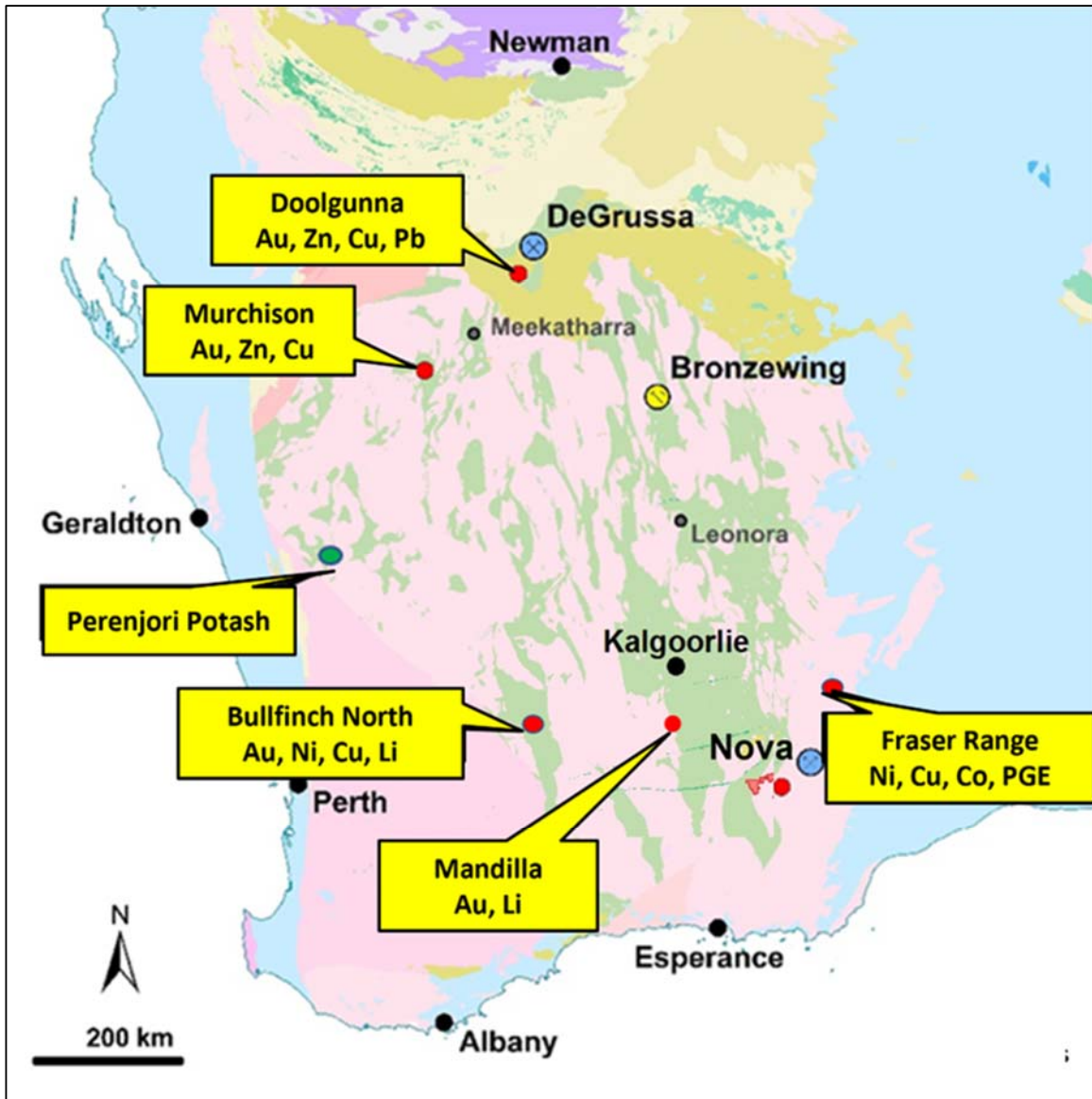
Enterprise 100% owned Murchison landholdings are centred 30km north of Cue and 35km north-east of the Big Bell Gold Mine and form a semi-contiguous landholding of approximately 823km<sup>2</sup> over a buried Archaean greenstone belt.

The combination of favourable host rocks, large scale alteration systems, significant gold deposits and Cu-Zn intersections, regional faults and shears make the tenements a highly prospective area for both volcanogenic massive sulphides (VMS) Cu-Zn and orogenic gold deposits.

During the period the Company completed a helicopter borne Time Domain Electromagnetic & Magnetic (TEM) survey north of Cue. The survey identified conductive bodies over the prospective Zn-Cu stratigraphy within the project area. Thirteen AEM Conductors (Zn-Cu Targets) with associated surface or drill hole geochemistry were selected for follow up.

Conductivity Depth Imaging (CDI) at the 275m RL has identified 8 of those AEM Targets within 3 main clusters, AM14, Eastmet and MetalsEx, which are associated with known isolated prospects that were discovered and partly drilled during the 1970's. The difference today is that the modern high powered AEM survey has extended the conductive target zones beyond the surface gossans that the early explorers drill tested. Ground investigation of the AEM Targets is planned to commence in April 2023.

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



**Doolgunna Project:** Base Metals, Gold

Enterprise's 100% owned Doolgunna project (742km<sup>2</sup>) has been explored and wholly funded since October 2016 by Sandfire Resources Ltd (ASX: SFR) under a Farm-in Agreement with Enterprise Metals Limited. During the period Sandfire notified Enterprise of its withdrawal from the earn-in joint venture, and Enterprise regained full control of the Doolgunna project.

The Enterprise tenements cover 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.

Following Sandfire's withdrawal, Enterprise sees an opportunity to continue with exploration for gold and base metals in its own right or with a joint venture partner along the basal units of the Yerrida Basin and the margins of the Goodin Fault.

## Enterprise Metals Limited

### Directors' report

#### **Fraser Range Project:** Gold & Nickel - Enterprise Metals Ltd 30%

The Fraser Range Project is located within the Albany-Fraser Orogen approximately 100km east of Norseman in Western Australia and covers approximately 423km<sup>2</sup> in a prospective portion of the Fraser Range. Constellation Resources Ltd ("Constellation" ASX: CR1) holds a 70% interest and funds and manages exploration on the four Orpheus Joint Venture tenements, and Enterprise Metals Ltd holds a 30% free carried interest to completion of a bankable feasibility stage (BFS) of a discovery.

The region is currently experiencing high levels of exploration activity for nickel following the Nova, Silver Knight, Mawson and Lantern discoveries. The Orpheus Joint Venture's northern most Exploration Licence 28/2403 lies approximately 25km SSW of Legend Mining Ltd's (ASX: LEG) Mawson nickel sulphide discovery, first reported in December 2019.

#### ***Eyre and Wylie Anomalies – E28/2403***

During the period Constellation reported that results from the 1,743 metre aircore ("AC") drilling program completed in the June Quarter returned anomalous nickel-copper-cobalt-PGE ("Ni-Cu-Co-PGE") analyses, extending the Wylie and GT2 geochemical trends. The program included infill and extensional drill holes at the Eyre, Wylie and GT2 Ni-Cu-Co-PGE geochemical trends. The program also included scout reconnaissance holes testing outside the known trends. The drill spacing of much of the established anomalies remains at a reconnaissance density, notionally at 100 metre centres. Assay results from extensional holes that were drilled at the Wylie and GT2 geochemical trends were successful in extending the known anomalism which remains open whilst infill holes around KAC0147, KAC0082 and KAC0084 returned similar levels of anomalism as per historical results. The Orpheus Project results have been reviewed in order to assist in target generation with the next steps to progress these targets currently being assessed.

No significant results were returned from scout holes that were drilled to the west of the Eyre and to the south of Wylie geochemical trends. No further work is planned at these areas.

#### **Bullfinch North Project:** Gold, Nickel, Lithium

Enterprise holds two "Options to Purchase" landholdings north of Bullfinch in the Southern Cross Greenstone Belt of WA. The Bullfinch North Option covers 177km<sup>2</sup> immediately north of the Radio gold mine. A second option, the Golden Valley Option, is held over the northern part of the Golden Valley area and partly over Lake Deborah West, and covers 23km<sup>2</sup>. Enterprise is also the holder of a tenement surrounding the western margin of the Ennuin Granite, which covers 98km<sup>2</sup>. The combined project areas stretch from Bullfinch in the south to Trough Well in the north and covers approximately 298km<sup>2</sup> and 50 strike km's of granted tenements over Archaean greenstone lithologies prospective for orogenic gold deposits, pegmatite-hosted lithium, and high-grade massive sulphide nickel-copper deposits.

Soil sampling and mapping of the greenstone sequence along the Mt Jackson Rd north of the Radio Gold Mine during the half-year has further defined the location and tenor of the recently discovered Li rich soil zones which are interpreted to be the surface expression of significant pegmatite intrusions.

Geological mapping is in progress to locate pegmatite outcrops for rock chip sampling which will complement the existing soil geochemical database. The mapping and prospecting has determined that the surface expression of the weathered pegmatites is a pale soil with widely dispersed gum trees. The results from the sampling to date indicate that further infill soil sampling is required. However, given the limitations of soil sampling, the Company has also planned a Toyota mounted auger program to recover "bottom of hole" pegmatite rock chips for analysis and petrology. The auger program is subject to approval from the Marlinyu Ghoorlie Native Title Claimant. (refer ENT ASX release 31 Jan 2023 for more details).

#### **Mandilla Prospect:** Gold, Lithium - under option to purchase 100%

In 2020 Enterprise entered into an Option Agreement with Mrs Vera Allen to purchase her Mandilla Gold Prospect (Exploration Licence 15/1437) located approximately 20 km south of Kambalda on the eastern margin of the Mandilla Syenite. The Mandilla Prospect is located in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain, some 100 kilometres south of Kalgoorlie by road and 20 kilometres southwest of Kambalda. The prospect lies on the margins of a porphyritic intrusion, the Mandilla

## Enterprise Metals Limited

### Directors' report

Syenite. The syenite intrudes volcanoclastic sedimentary rocks in the area which form part of the Spargoville Group.

Exploration activity prior to the current reporting period included the compilation of historic drill data, the drilling of 121 aircore (AC) drill holes (2,408m), a 3D-Induced Polarisation (IP) survey and the completion of 22 slimline reverse circulation (RC) drill holes (1,808m) over elevated gold and IP anomalies.

During the period Enterprise retrieved a range of RC sample pulps where pegmatites had been geologically logged. These pegmatite RC sample pulps were analysed by LabWest Minerals Analysis P/L and on 25 October 2022 Enterprise reported the following Li<sub>2</sub>O results:

- MERC011: a peak assay of 2m @ 0.97% Li<sub>2</sub>O% from 48-50m depth, and 8 metres @ 0.3% Li<sub>2</sub>O from 36-44m and 7metres @ 0.4% Li<sub>2</sub>O from 48-55m.
- MERC010: 12m @ 0.45% Li<sub>2</sub>O from 52-64m.

Further RC drilling was planned for March 2023 under an existing Program of Work to test for gold mineralization north of the Mandilla Homestead, and for lithium south of the Homestead.

#### **Perenjori Project:** Potash

Enterprise holds one exploration licence and one exploration licence application over deep palaeo-valleys centred approximately 35km north-northeast of the wheatbelt town of Perenjori. The granted tenement and tenement application cover ~50 km of ancient (+34 million years old) drainage systems which have their headwaters in the central part of the Yilgarn Craton.

Potash is a high-value global commodity of critical importance to Western Australia, notably to the local agricultural sector in enhancing the yield of crops. A number of companies are leading the development of a new mining sector in Western Australia targeting the production of potash both for domestic consumption and to feed into global markets.

Airborne geophysical surveys previously conducted by Enterprise provide evidence that deeply incised (100m - 150m depth) palaeo-valleys lie buried below the broad shallow valleys north-northeast of Perenjori. Enterprise plans to explore the palaeo-valleys for sub-surface brine deposits using aircore drilling methods. The ultimate goal is to produce Sulphate of Potash (K<sub>2</sub>SO<sub>4</sub> or "SOP") via surface evaporation (and processing) outside of salt lakes, within PVC lined evaporation ponds.

The Perenjori Project area is well serviced with a 245 km railway from Perenjori to the port of Geraldton and has established infrastructure in the nearby wheatbelt towns of Morawa and Perenjori.

#### **ROUNDING OF AMOUNTS**

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the condensed interim financial report have been rounded to the nearest dollar.

#### **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the Group other than as referred to elsewhere in this condensed interim financial report and in the condensed interim financial statements and notes attached thereto.

**Enterprise Metals Limited**

**Directors' report**

**SUBSEQUENT EVENTS**

On 23 January 2023, Chris Stevens resigned from his position as Non-Executive Director of the Company.

No other matters or circumstances have arisen since the end of the half-year, that have 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.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

This report is presented in accordance with a resolution of the Board of Directors made pursuant to s.306(3)(a) of the *Corporations Act 2001* and is signed for and on behalf of the Directors by:

A handwritten signature in black ink, appearing to read 'Allan Trench', with a horizontal line underneath.

**Allan Trench**

Chairman

Perth, 16 March 2023

**AUDITOR'S INDEPENDENCE DECLARATION****TO THE DIRECTORS OF ENTERPRISE METALS LIMITED  
AND ITS CONTROLLED ENTITIES**

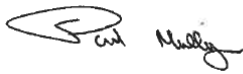
In relation to the independent auditor's review for the half-year ended 31 December 2022, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Enterprise Metals Limited and the entities it controlled during the period.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN  
Executive Director  
Perth, 16 March 2023



**Enterprise Metals Limited**

**Condensed consolidated statement of profit or loss and other comprehensive income**

**For the six months ended 31 December 2022**

	Note	31 December 2022	31 December 2021
		\$	\$
<b>OTHER INCOME</b>			
Interest received		7,013	314
<b>EXPENDITURE</b>			
Share registry and listing fees		(40,922)	(38,462)
Employee benefits expense		(89,376)	(79,175)
Corporate and consulting fees		(12,850)	(7,931)
Depreciation		(9,261)	(14,084)
Exploration expense		(268,291)	(323,089)
Impairment of capitalised exploration expenses	4	(278,661)	(34,668)
Other administration expense		(67,303)	(58,853)
Interest expense on lease liability		(446)	(936)
Share-based payment expense	3	-	(19,545)
<b>(LOSS) BEFORE INCOME TAX EXPENSE</b>		(760,097)	(576,430)
Income tax expense		-	-
<b>(LOSS) FOR THE HALF-YEAR</b>		(760,097)	(576,430)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE HALF-YEAR ATTRIBUTABLE TO MEMBERS OF ENTERPRISE METALS LIMITED</b>		(760,097)	(576,430)
Basic and diluted (loss) per share (cents per share)		(0.12)	(0.09)

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**Enterprise Metals Limited**  
**Condensed consolidated statement of financial position**  
**As at 31 December 2022**

	Note	31 December 2022	30 June 2022
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,011,922	1,061,770
Trade and other receivables		41,406	51,577
Prepayments		37,487	145,305
<b>TOTAL CURRENT ASSETS</b>		<b>1,090,815</b>	<b>1,258,652</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		9,671	9,248
Right-of-use assets		16,140	21,662
Exploration and evaluation assets	4	6,521,696	6,519,398
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,547,507</b>	<b>6,550,308</b>
<b>TOTAL ASSETS</b>		<b>7,638,322</b>	<b>7,808,960</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		231,573	260,973
Lease liabilities		13,762	12,509
Provisions		8,350	5,950
<b>TOTAL CURRENT LIABILITIES</b>		<b>253,685</b>	<b>279,432</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		3,537	9,755
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,537</b>	<b>9,755</b>
<b>TOTAL LIABILITIES</b>		<b>257,222</b>	<b>289,187</b>
<b>NET ASSETS</b>		<b>7,381,100</b>	<b>7,519,773</b>
<b>EQUITY</b>			
Issued capital	5	35,665,986	35,044,562
Reserves		109,515	109,515
Accumulated losses		(28,394,401)	(27,634,304)
<b>TOTAL EQUITY</b>		<b>7,381,100</b>	<b>7,519,773</b>

*The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.*

**Enterprise Metals Limited**  
**Condensed consolidated statement of changes in equity**  
**For the six months ended 31 December 2022**

	Issued capital	Options reserve	Accumulated losses	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>34,079,595</b>	<b>90,666</b>	<b>(26,470,166)</b>	<b>7,700,095</b>
Loss for the half-year	-	-	(576,430)	(576,430)
<b>Other comprehensive income</b>				
Other comprehensive income (loss), net of tax	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>-</b>	<b>(576,430)</b>	<b>(576,430)</b>
<b>Transactions with owners in their capacity as owners</b>				
Issue of options – expensed	-	19,545	-	19,545
<b>Balance at 31 December 2021</b>	<b>34,079,595</b>	<b>110,211</b>	<b>(27,046,596)</b>	<b>7,143,210</b>
<b>Balance at 1 July 2022</b>	<b>35,044,562</b>	<b>109,515</b>	<b>(27,634,304)</b>	<b>7,519,773</b>
Loss for the half-year	-	-	(760,097)	(760,097)
<b>Other comprehensive income</b>				
Other comprehensive income (loss), net of tax	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>-</b>	<b>(760,097)</b>	<b>(760,097)</b>
<b>Transactions with owners in their capacity as owners</b>				
Shares issued during the year, net of costs	621,424	-	-	621,424
<b>Balance at 31 December 2022</b>	<b>35,665,986</b>	<b>109,515</b>	<b>(28,394,401)</b>	<b>7,381,100</b>

*The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

**Enterprise Metals Limited**  
**Condensed consolidated statement of cash flows**  
**For the six months ended 31 December 2022**

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	7,012	314
Payments for exploration and evaluation expenditure	(262,729)	(321,878)
Payments to suppliers and employees	(171,716)	(176,223)
<b>Net cash (used in) operating activities</b>	<b>(427,433)</b>	<b>(497,787)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for capitalised exploration and evaluation expenditure	(117,599)	(14,551)
Payments for plant and equipment	(2,472)	(1,267)
<b>Net cash (used in) investing activities</b>	<b>(120,071)</b>	<b>(15,818)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of ordinary shares	521,000	-
Payments of share issue transaction costs	(16,243)	-
Payments of lease liabilities	(7,101)	(11,975)
<b>Net cash provided by (used in) financing activities</b>	<b>497,656</b>	<b>(11,975)</b>
Net (decrease) in cash and cash equivalents	(49,848)	(525,580)
Cash and cash equivalents at the beginning of the period	1,061,770	1,481,540
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR</b>	<b>1,011,922</b>	<b>955,960</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

**NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT**

**Reporting entity**

Enterprise Metals Limited (the "Company") is a company limited by shares, incorporated and domiciled in Australia. The condensed interim financial report as at and for the half-year ended 31 December 2022 covers the consolidated group of Enterprise Metals Limited and the entities it controlled (together "the Group"). The Group is a for-profit entity.

**Basis of preparation**

This condensed interim financial report is a consolidated general-purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* ("AASB 134") and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Standards IAS 34 *Interim Financial Reporting*. The condensed interim financial report has been prepared under the historical cost convention.

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial statements. Accordingly, this condensed interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Enterprise Metals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

**Going Concern**

The Group incurred a net loss of \$760,097 for the half-year ended 31 December 2022 (31 December 2021: \$576,430) and experienced net cash outflows used in operating activities of \$427,433 (31 December 2021: \$497,787) and as at that date, had net current assets of \$837,130 (30 June 2022: \$979,220) and net assets of \$7,381,100 (30 June 2022: \$7,519,773).

The Group has prepared the condensed interim financial statements on the basis that it will continue as a going concern, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

In arriving at this position, the Directors have had regard to the fact that the Group has, or in the Directors opinion, will have access to, sufficient cash to fund administrative and other committed expenditure (as disclosed within note 6) for a period of at least 12 months from the date of signing this condensed interim financial report. In forming this view the Directors have taken into consideration the following:

- Ability to reduce discretionary exploration expenditure.
- Ability to reduce landholdings and subsequently committed expenditure.
- Opportunities to minimise expenditure through joint venturing wholly owned tenements and/or projects.
- Ability to raise capital as and when required.

Should the Group not achieve the matters set out above there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern and meet its debts as and when they fall due.

**New and amended standards adopted by the Group**

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting new or amended standards. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Enterprise Metals Limited**  
**Notes to the condensed consolidated financial statements**  
**31 December 2022**

**Rounding of Amounts**

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the condensed interim financial report have been rounded to the nearest dollar.

**NOTE 2: SEGMENT INFORMATION**

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 3: SHARE-BASED PAYMENTS**

**Options issued**

No Share-based payment expense was recognised in the current period.

Share-based payments recognised in the previous half-year end are set out below. The fair value of the options granted was estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the options were granted and factors such as the share price at grant date, volatility of the share price and risk-free rate. As there were no vesting conditions attached, the expense of \$19,545 was recognised in full as a share-based payment.

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
Fair Value - Director Options	-	19,545

*Valuation of share-based payments*

A summary of the key assumptions used in applying the Black Scholes model to the share-based payment recognised in the year is as follows:

	<b>31 December 2022</b>	<b>31 December 2021</b>
Number of options/rights	-	3,000,000
Date of grant	-	4-Oct-21
Share price at grant date	-	\$0.0140
Volatility factor	-	118.00%
Risk free rate	-	0.58%
Expected life of option/right (years)	-	3 years
Valuation per option/right	-	\$0.01
Exercise price per option/right	-	\$0.03
Vesting conditions	-	None

**NOTE 4: EXPLORATION AND EVALUATION**

	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
Capitalised exploration and evaluation expenditure	6,521,696	6,519,398
<b>Movement</b>		
Balance at beginning of half-year	6,519,398	6,262,607
Exploration and evaluation expenditure capitalised in the year	280,959	292,323
Impairment of capitalised exploration and evaluation expenditure	(278,661)	(35,532)
<b>Balance at end of half-year</b>	<b>6,521,696</b>	<b>6,519,398</b>

**NOTE 4: EXPLORATION AND EVALUATION CONTINUED**

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward when the Group holds tenure over the area of interest and to the extent that they are expected to be recouped through the successful development or sale 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.

During the half-year the Group's exploration assets were reviewed for impairment indicators in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. Other than an exploration write off of \$278,661 (31 December 2021: \$34,668) recognised in relation to past expenditure on tenements surrenders and/or withdrawn during the period, no indicators of impairment were identified.

**NOTE 5: ISSUED CAPITAL**

**a) Issued Capital**

	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
705,080,688 (30 June 2022: 644,647,355) fully paid ordinary shares	35,665,986	35,044,562

**b) Movements in Ordinary Share Capital**

	<b>No. of Shares</b>	<b>Issue Price</b>	<b>\$</b>
At 1 July 2021	573,020,145		34,079,595
<b>At 31 December 2021</b>	<b>573,020,145</b>		<b>34,079,595</b>
Entitlement Offer	44,425,423	0.014	621,956
Entitlement Offer - Shortfall	27,201,787	0.014	380,825
Transaction costs relating to share issues			(37,814)
At 30 June 2022	644,647,355		35,044,562
Shares issued in lieu of cash <sup>1</sup>	8,333,333	0.014	116,667
Share purchase plan <sup>2</sup>	52,100,000	0.010	521,000
Transaction costs relating to share issues			(16,243)
<b>At 31 December 2022</b>	<b>705,080,688</b>		<b>35,665,986</b>

## Enterprise Metals Limited

### Notes to the condensed consolidated financial statements

31 December 2022

- <sup>1</sup> On 25 July 2022, under the terms of a tenement purchase agreement, the Company issued 8,333,333 shares in the Company to the Vendor.
- <sup>2</sup> On 18 October 2022, the Company announced a Share Purchase Plan to Eligible Shareholders, at a price of \$0.01 per share with 1 free attaching option for every 2 New Shares subscribed for, to raise up to \$500,000. On 30 November 2022, the Company issued 52,100,000 New Shares to Eligible Shareholders under the SPP (see ASX Announcement dated 30 November 2022), raising a total of \$521,000.

#### NOTE 6: COMMITMENTS AND CONTINGENCIES

##### Tenement Expenditure Commitments

Group has entered into certain obligations to perform minimum work on mineral tenements held. The Group is required to meet minimum tenement expenditure requirements which are set out below. These expected to be met in the normal course of business.

	31 December 2022	30 June 2022
	\$	\$
Not later than one year	548,000	600,000
Later than one year and not later than five years	4,226,000	2,167,000
	4,774,000	2,767,000

The expenditure commitment of the Group for later than one year but not later than five years is uncertain. It is difficult to accurately forecast the nature or amount of future tenement expenditure commitments required to maintain areas of interest, although it will be necessary to incur expenditure. Therefore, the expenditure commitments disclosed are managements best estimate as at 31 December 2022.

If the Group decides to relinquish, farm out, vary, or otherwise change its areas of interests such amounts that are committed will also change.

##### Contingent Liabilities

As at 31 December 2022, the Group has contingent liabilities to the value of \$nil (30 June 2022: \$nil).

#### NOTE 7: RELATED PARTY TRANSACTIONS

##### Other Related Party Transactions

During the period, Montana Exploration Services Pty Ltd ("Montana") provided technical consulting services and other exploration services to the Company. Montana is a related party of Mr Ryan, a non-executive director of the Company, Montana charges for such services, at commercial rates, under the terms set out in a technical services agreement between the Company and Montana. During the period Montana invoiced the Company \$121,562 (31 December 2022: \$112,628) excluding GST for the provision of technical and other services.

#### NOTE 8: SUBSEQUENT EVENTS

On 23 January 2023, Chris Stevens resigned from his position as Non-Executive Director of the Company.

No other matters or circumstances have arisen since the end of the half-year, that have 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.



**Enterprise Metals Limited**

**Notes to the condensed consolidated financial statements**

**31 December 2022**

**NOTE 9: FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS**

Financial instruments held by the Group include cash and cash equivalents, trade and other receivables and trade and other payables, the balances of which, at 31 December 2022 and 30 June 2022 are shown in the Consolidated Statement of Financial Position and associated notes. Due to their short-term nature, the carrying amounts of the Company's financial instruments are considered approximate their fair value.

**NOTE 10: DIVIDENDS**

No dividends were paid or declared during the period (31 December 2021: \$Nil) and no recommendation for payment of dividends has been made.

## Directors' declaration

In the opinion of the Directors of Enterprise Metals Limited:

1. the financial statements and notes set out on pages 9 to 17 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001*; and
  - (b) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Enterprise Metals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

On Behalf of the Board

A handwritten signature in black ink, appearing to read 'Allan Trench', with a horizontal line underneath.

**Allan Trench**

Chairman

16 March 2023

ENTERPRISE METALS LIMITED  
ABN 43 123 567 073

INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
ENTERPRISE METALS LIMITED

**Report on the Half-Year Financial Report**

*Conclusion*

We have reviewed the condensed interim financial report of Enterprise Metals Limited, (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Enterprise Metals Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ("ASRE 2410"). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

*Material Uncertainty Related to Going Concern*

We draw attention to Note 1 to the condensed interim financial report, which indicates that the Group incurred a net loss of \$760,097 for the half-year ended 31 December 2022 and generated an operating cash outflow of \$427,433, and as at that date, had net current assets of \$837,130 and net assets of \$7,381,100. These conditions, along with other matters set forth in Note 1 to the condensed interim financial report, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in this respect.

*Responsibility of the Directors for the Half-Year Financial Report*

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

ENTERPRISE METALS LIMITED  
ABN 43 123 567 073

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
ENTERPRISE METALS LIMITED**

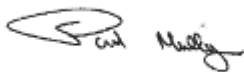
*Auditor's Responsibility for the Review of the Half-year Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Pitcher Partners BA&A PTY LTD*

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN  
Executive Director  
Perth, 16 March 2023