

# Company Defining Acquisition by Enterprise Uranium Ltd. to Acquire Majority of Sandstone Goldfield

23.03.2016 | [ABN Newswire](#)

Perth, Australia - [Enterprise Uranium Ltd.](#) (ASX:ENU) is pleased to advise that it has entered into a share sale and purchase agreement ("Agreement") to acquire all of the issued capital of Sandstone Exploration Pty Ltd ("Sandstone"). Sandstone's only asset, the Sandstone Gold Project, is located approximately 600km northeast of Perth in the East Murchison Mineral Field in Western Australia and is centred on the small township of Sandstone (Refer to Figure 1 in link below).

## Highlights:

- Staged cash and shares acquisition of Sandstone Exploration Pty Ltd,
- 75% (723km<sup>2</sup>) of Sandstone Archaean Greenstone Belt via 5 Exploration Licence applications,
- +1 Moz historical gold production,
- First time in 80 years area held unencumbered by a single entity,
- Multi-target discovery and mining opportunity,
- Numerous well-defined targets to underpin exploration, early-stage resource definition and mining ambitions. Target types include:
  - Upgrade of historic (2007 & 2011) Indicated and Inferred (JORC 2004) mineral resources;
  - near-surface oxide mineralisation marginal to former [Troy Resources Ltd.](#) open pits (e.g. Bulchina, Lord Henry, Lord Nelson);
  - high-grade primary mineralised vein systems below existing open pits;
  - several other open high-grade primary mineralised vein systems (E.g. Indomitable, Musketeer, Tiger Moth, Ladybird, Havilah); and
  - shallow oxide mineralisation below large tracts of transported cover.
- Several drill-ready high-priority targets within extensive database.
- Gold plants within trucking distance.
- Review of historical published Minerals Resources to be commissioned.

"The unique opportunity to acquire the Sandstone Gold Project encompassing 75% of the historic and prolific gold producing Sandstone Greenstone Belt at a time when the Australian gold price is at recent highs is a very timely and company defining transaction for ENU" said Executive Director, Dermot Ryan.

"Our immediate focus will be to identify and prioritise those areas where we might be able to establish early production utilising one or more of the existing gold plants in the region"

The Sandstone Gold Project tenure covers approximately 75% of the Archaean Sandstone Greenstone Belt and comprises 5 Exploration Licence applications and 2 Prospecting Licence applications ("Tenements") for a total landholding of ~723km<sup>2</sup>. The acquisition of Sandstone is consistent with Enterprise's move to assess non-uranium assets given the continuing low uranium price, as foreshadowed in the December 2015 Quarterly Activities Report.

The area covered by the Sandstone Gold Project tenements was formerly part of [Troy Resources Ltd.](#)'s

(ASX:TRY) Sandstone Gold Operations, which was highly profitable up until the cessation of mining in late 2007.

## MINING AND EXPLORATION HISTORY

Since the discovery of gold at the end of the 19th Century, the Sandstone Greenstone Belt has produced approximately 1 million ounces of gold from numerous underground and open pit mining operations. Of this, some 612,000 ounces was produced between 1999 and 2010 from the open-pit mining of shallow oxide ore by ASX listed companies [Herald Resources Ltd.](#) and [Troy Resources Ltd.](#)

The numerous former open pits, prospects and gold occurrences being acquired by Enterprise include Lord Nelson, Lord Henry, Havilah, Bull Oaks Reef, Vanguard, Ladybird, Maninga Marley, Sandstone North, Oroya, Tiger Moth, Musketeer, Piper and Bulchina. Over time and until recently the region's tenure had become extremely complex with most licences being subject to multiple, overlapping royalty agreements (in addition to State Royalties), net profits interests, tribute arrangements, etc.

On the basis that Sandstone's tenement applications are granted, 75% of the Sandstone Greenstone Belt will for the first time have no encumbrances other than pursuant to the terms of the Agreement with the two vendors of Sandstone's share capital.

The Sandstone Gold Project excludes Mining Leases 57/128 and 57/129 owned by [Black Oak Minerals Ltd.](#) ((ASX:BOK), In Liquidation) which contains some deep gold mineralisation and the former Troy 600,000tpa Sandstone Mill (Refer Figure 2, Excision zone, in link below).

Modern exploration was largely focussed on finding shallow oxide ore to feed the Herald/Troy mill at a time when the Australian dollar gold price was substantially lower than it is today. Enterprise considers the robust prevailing Australian gold price and competitive costs environment will enable it to consider, following a reappraisal of existing data and planned new work, several areas for early mining.

In addition to gold, there is evidence from previous exploration programmes that the area being acquired is also prospective for komatiite hosted nickel-copper sulphide deposits.

## ENTERPRISE'S EXPLORATION STRATEGY

The first priority is to delineate relatively shallow oxide gold mineralisation that can be economically mined and trucked to one of several gold treatment facilities in the region.

To support this work Enterprise intends to undertake a variety of broader exploration initiatives comprising acquisition of high-resolution airborne magnetic and radiometric data, undertake litho-structural interpretation and targeting, employ Induced Polarisation surveys where appropriate (to detect large deep sulphide systems) and undertake power-auger based geochemical soil sampling and/or aircore drilling and RC drilling.

The second priority is to delineate deeper and more extensive high-grade sulphide-hosted gold mineralisation.

Priority one strategies will include:

- Upgrade of historic 2007 & 2011 Indicated & Inferred Mineral Resources to JORC 2012

Several remnant resources contiguous with mined mineralisation at Lord Henry and Lord Nelson present immediate opportunities for upgrading to JORC Code 2012 status.

The Company intends to commission a firm of independent consultants to review all of the historic mineral resources that have appeared in public disclosures by their previous owners and to provide a Report as to their status pursuant to JORC Code 2012. This information will be made available to shareholders in due course.

- Infill drilling of near-surface oxide mineralisation marginal to former Herald / Troy Resources open pits to establish new resources (E.g. Bulchina, Lord Henry, Lord Nelson)

Publicly available data indicates several zones of relatively high-grade mineralisation marginal to former open pits that require evaluation and drilling to confirm new resources.

- Reconnaissance drilling of large tracts of unexplored transported cover for shallow open-pittable oxide

#### mineralisation

Large tracts of the Project area, especially in the northeast, are dominated by laterite and transported alluvial soil cover overlying what is known from aeromagnetic and other surveys to be favourable stratigraphy such as mafic and ultramafic volcanics, dolerites, gabbros and banded iron formations.

Considerable advances have been made in the past few years in the understanding of geochemical processes in covered areas, which have resulted in more effective sample collection techniques, and sample preparation and assaying that greatly increase the chances of detection of "hidden" gold deposits.

#### **Priority two strategies will include:**

- Drill testing for high-grade primary mineralised vein systems below existing open pits

A review of historical work shows that whilst it was conducted to a high standard, the former focus was on locating and delineating relatively shallow open pit resources such as Lord Henry (all oxide) and Lord Nelson (part oxide, part hard rock). These high-grade vein systems have not been adequately tested at depth.

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

Clusters of open-ended mineralised high-grade quartz vein systems have been identified by previous explorers but not followed-up due to the prevailing strategy to feed the oxide mill.

Occasional drill holes to greater than 100m depth intersected high-grade gold mineralisation associated with sulphides in quartz veins in the primary zone and these require follow-up drilling.

The timing of the field and drilling components of these proposed programmes is subject to the grant of the tenements which is expected to occur within the next six months, subject to there being no objections pursuant to the general provisions Mining Act.

#### **SUMMARY OF KEY TERMS OF SHARE SALE AND PURCHASE AGREEMENT**

1. Upon execution of the Agreement, Enterprise must pay the two individual Vendors of all of the issued shares of Sandstone a non-refundable amount of \$100,000.

2. Upon Completion, Enterprise must pay to the Vendors \$400,000 cash, issue 19 million Enterprise fully paid ordinary shares ("Shares"), and issue 25 million Performance Shares on terms which comply with ASX Guidance Note 19, converting on a one-for-one basis into Shares upon Enterprise confirming total combined Inferred and / or Indicated Mineral Resources and / or Ore Reserves of at least 500,000oz gold (or equivalent for other minerals or metals) in aggregate, on one or more of the Tenements ("Performance Shares");

3. Completion of the acquisition of Sandstone ("Completion") is subject to:

(a) Enterprise completing due diligence enquiries to its satisfaction within 10 business days of execution of the Agreement (Enterprise may waive this condition);

(b) Enterprise obtaining by 31 May 2016 shareholder approval under Listing Rule 7 and ASX approval of the terms of the 25 million Performance Shares to be issued by way of contingent deferred consideration (all parties may waive this condition); a break fee of \$100,000 is payable by Enterprise if this condition is not satisfied other than by reason of ASX imposing additional or substitute terms of the performance shares which are unacceptable to the Vendors or Enterprise (acting reasonably), and

(c) grant of all of the Tenement applications by 31 December 2016 (Enterprise may waive this condition).

4. Upon Completion, the Vendors have the right to nominate one non-executive Director to the Board of Enterprise;

5. Upon Completion Sandstone will grant the Vendors (and Enterprise guarantees the payment of) a 2% gross revenue royalty on all minerals produced from the Tenements and the right to fossick down to 2m below surface for all minerals and metals including gold nuggets.

6. Enterprise has agreed to incur a minimum \$300,000 per annum on exploration expenditure on the Tenements in the first two years following Completion.

7. Usual and appropriate warranties and covenants apply to the parties including pre-emptive rights upon surrender or sale of the Tenements by Sandstone.

A general meeting of Enterprise Shareholders will be convened prior to 31st May 2016 to approve the issue of the Shares and the Performance Shares.

## EXISTING ENTERPRISE URANIUM PROJECTS

The acquisition of Sandstone is consistent with Enterprise's move to assess non-uranium assets given the continuing low uranium price, as foreshadowed in the December 2015 Quarterly Activities Report. Following Completion, the Company currently intends to maintain its uranium exploration portfolio of four granted tenements, which requires minimum annual expenditure of approximately \$326,000, and several tenement applications. Upon the grant of the Sandstone Tenements, the Company will review its commitment to uranium exploration.

## CORPORATE

The acquisition of Sandstone was unanimously agreed by the Directors of Enterprise, and the Company's largest shareholder, SinoTech (Hong Kong) Corporation Limited has indicated that it fully supports the change in the Company's commodity focus towards gold.

The Company's cash position at 31 December 2015 was \$871,547. These funds are sufficient to meet the Company's obligations pursuant to the Agreement, its other immediate expenditure commitments and general working capital requirements.

In addition, the Company holds for investment purposes 25,573,183 Options in Antipa Minerals Ltd (ASX:AZY) on the basis of its attractive Minyari and Calibre gold copper projects in the Paterson Province of Western Australia. These have a present market value of approximately \$127,000. The Company also holds for investment purposes 2,500,000 shares in [Enterprise Metals Ltd.](#) (ASX:ENT) with a present market value of \$50,000.

To view tables and figures, please visit:  
<http://abnnewswire.net/lnk/UI791JD7>

## About Enterprise Uranium Ltd.:

[Enterprise Uranium Ltd.](#) (ASX:ENU) is based in Western Australia and focused solely on uranium exploration in Australia. Our objective is to discover and develop one or more "Tier 1" or world class uranium resources in order to meet the rising worldwide demand for uranium to meet electricity generation requirements.

## Contact:

Dermot Ryan, Executive Director  
[Enterprise Uranium Ltd.](#)  
T: +61-8-9381-2808  
E: [info@enterpriseuranium.com.au](mailto:info@enterpriseuranium.com.au)

---

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/225827--Company-Defining-Acquisition-by-Enterprise-Uranium-Ltd.-to-Acquire-Majority-of-Sandstone-Goldfield.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

---

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).