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30 July 2008

Manager Announcements  
Company Announcements Office  
Australian Securities Exchange  
10th Floor, 20 Bond Street  
SYDNEY NSW 2000

*Via electronic lodgement*

Dear Sir/Madam,

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## QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING 30 JUNE 2008

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### Highlights during the quarter:

- Energy Ventures completed its joint venture agreement with Swedish company IGE Nordic AB to consolidate both company's Swedish uranium exploration projects in an incorporated joint venture company **Norrskan Energy Limited (EVE 51%)**. Norrskan has commenced exploration for uranium over the combined permit areas in Sweden.
- **African Energy Resources Ltd (EVE 60%)** reported updated resource estimates for the Njame and Gwabe uranium deposits at the Chirundu Joint Venture Project to an Indicated and Inferred Resource. The Bankable-Feasibility Study (BFS) to evaluate mining of these deposits was approved and commenced during the quarter.
- AFR increased its equity interest to 70% in the Chirundu JV Project during the quarter. Joint venture partners Albidon Limited subsequently elected to maintain their remaining 30% equity in the Chirundu JV and to contribute their pro-rata share of costs on the Project.
- **Agricola Resources Plc (EVE 29.9%)** announced significant copper-gold mineralisation at the Ballek Copper-Gold-Uranium Joint Venture project with the release of assay results from its recent diamond drilling program to test geophysical targets.
- In addition to these copper-gold assay results, Agricola has also obtained archive data from historical drilling at the Lulepotten deposit, located within the Ballek Joint Venture, that show zones of copper-gold mineralisation that may have sufficient grade and width to be amenable to economic extraction through underground bulk mining.

## African Energy Resources (EVE 60%)

African Energy Resources (**ASX: AFR**) finalised its Pre-Feasibility Study (PFS) to evaluate the options for commercial mining of the Njame and Gwabe uranium deposits at the Chirundu Joint Venture Project in late March 2008. The PFS was completed with the delivery of Indicated Resource statements for the Njame and Gwabe deposits and resulted in African Energy increasing its vested interest in the project to 70%, with joint venture partner Albidon Limited reducing to 30%. Albidon recently elected to contribute to its pro-rata share of ongoing project costs.

### Bankable Feasibility Study at Chirundu JV Project

Upon approval of the PFS results by the boards of both African Energy and Albidon, African Energy commenced its Bankable Feasibility Study (BFS) for the Chirundu JV Project. African Energy has appointed Added Value Engineering Consultants as Owner's Representative to provide BFS project management consulting and to assist African Energy complete the BFS. Scoping of the BFS has commenced in conjunction with GRD Minproc (Johannesburg) and it is expected that a formal BFS proposal will be submitted to the Chirundu JV in the third quarter.

Several aspects of programmes to support/commence the BFS have started, including:

- Components of additional metallurgical testwork.
- Sterilisation drilling programs.
- Detailed topographic survey of project sites.
- Construction of a high quality field-camp to house staff and consultants at the Njame project site.
- Evaluation of sulphuric acid supply options.

### Updated Resource Estimates

African Energy reported an updated JORC compliant resource estimate for the Gwabe and Njame uranium deposits in during the quarter (Table 1), with a combined total resource for the Chirundu Project of 9.5Mlb of U<sub>3</sub>O<sub>8</sub>.

The updated estimate for Gwabe has outlined a total Resource of 4.9 Mt @ 284 ppm U<sub>3</sub>O<sub>8</sub> for 1,380t U<sub>3</sub>O<sub>8</sub> (3.0 Mlb). The updated estimate for Njame has outlined a total Resource of 9.2 Mt @ 324 ppm U<sub>3</sub>O<sub>8</sub> for 2,965t U<sub>3</sub>O<sub>8</sub> (6.5 Mlb). This resource is concentrated in the Njame North deposit, with contributions from the Njame East and Njame Central deposits.

Table 1: Chirundu Project - Njame and Gwabe Resource Estimate Summary

Deposit	Indicated Resource	Inferred Resource	Contained U <sub>3</sub> O <sub>8</sub>
Njame North	3.9 Mt @ 388 ppm U <sub>3</sub> O <sub>8</sub>	2.9 Mt @ 255 ppm U <sub>3</sub> O <sub>8</sub>	2,280t (5.0 Mlb)
Njame East		1.1 Mt @ 336 ppm U <sub>3</sub> O <sub>8</sub>	375t (0.8 Mlb)
Njame Central		1.2 Mt @ 267 ppm U <sub>3</sub> O <sub>8</sub>	310t (0.7 Mlb)
<b>NJAME TOTAL</b>	<b>3.9 Mt @ 388 ppm U<sub>3</sub>O<sub>8</sub></b>	<b>5.2 Mt @ 275 ppm U<sub>3</sub>O<sub>8</sub></b>	<b>2,965t (6.5 Mlb)</b>
<b>GWABE TOTAL</b>	<b>0.9 Mt @ 196 ppm U<sub>3</sub>O<sub>8</sub></b>	<b>4.0 Mt @ 303 ppm U<sub>3</sub>O<sub>8</sub></b>	<b>1,380t (3.0 Mlb)</b>

### Project Licenses and Approvals

A draft Environmental Impact Statement (EIS) has been submitted on behalf of the Chirundu Project to the Environmental Council of Zambia (ECZ) and the Mines Safety Department (MSD). Feedback from these Government Departments is expected in July and will be used to submit a revised EIS for final assessment.

### **Other AFR Exploration Projects**

African Energy is currently funding and operating the Kariba Valley Joint Venture and Luano Valley Joint Venture uranium projects in central Zambia. Under the Joint Venture Agreements with Albidon Limited, for each project AFR can earn an initial 30% equity interest through cumulative expenditure of AUD \$1.0 million.

Reconnaissance exploration programs are continuing at AFR's 100% owned Northern Luangwa Valley Uranium Project (Zambia); Sese Uranium Project (Botswana); and at the Majete and Rumphu Uranium Projects (Malawi).

### **African Energy Programs for the September quarter**

- Continue Bankable Feasibility Study work programs for the Chirundu Project.
- Infill RC percussion drilling at the Njame and Gwabe deposits to deliver JORC Measured and Indicated Resource upgrades.
- Infill diamond drilling to commence at Njame and Gwabe to provide bulk samples for metallurgical test-work and assays for updated resource estimations/upgrades.
- Further exploration drilling programmes in the Chirundu JV and Kariba Valley JV Projects.
- Exploration drilling to recommence at the Sese Uranium Project in Botswana.
- Field evaluation of uranium targets in Malawi and the Luano and Luangwa Valley projects in Zambia.

For AFR's June quarterly activity and cashflow report and for further information on the African Energy, please visit its website: [www.africanenergyresources.com](http://www.africanenergyresources.com).

### **Agricola Resources Plc (EVE 29.9%)**

Agricola Resources plc is a uranium and base metals explorer listed on the UK's PLUS Exchange with exploration projects in both Sweden and Finland. Energy Ventures holds a 29.9% interest in Agricola with a further 46.8 million options exercisable at £0.01 each (a 46% equity interest on a fully diluted basis).

Agricola is currently farming in on Beowulf Mining's Ballek 2, 3, 4 and 5 exploration licences that cover 110 square kilometres of Arjeplog County of Northern Sweden, and which are prospective for iron-oxide, copper-gold (IOCG) style mineralisation. These licences also cover the known Lulepotten Copper-Gold deposit.

Agricola is currently earning a 51% interest in the Ballek exploration permits by completing ground geophysical surveys followed by 3,200 metres of diamond drilling by June 30, 2009. To-date Agricola has completed the ground geophysical surveys and 1,617 metres of diamond drilling. Agricola's interest can subsequently be increased from 51% to 70% through funding a further USD \$500,000 of exploration expenditure. Further information on the Agricola and its projects may be found at [www.agricolaresources.com](http://www.agricolaresources.com).

### **Ballek JV Exploration Update**

Assay results were received during the June quarter for the 2008 diamond drilling program at the Ballek Copper-Gold-Uranium joint venture project in the municipality of Arjeplog, Northern Sweden. This program comprised four diamond drill holes for a total of 1,617m drilling and intersected significant copper-gold mineralisation in two of the four holes. These intersections appear analogous to the style of mineralisation known at the nearby Lulepotten Copper-Gold deposit, where previous drilling by the Geological Survey of Sweden (SGU) defined a zone of copper sulphide mineralisation locally more than 20m true thickness over a strike length in excess of 1,000m. The Lulepotten deposit is located on the Ballek JV exploration licences.

### **Lulepotten Copper-Gold Deposit**

The Lulepotten Copper-Gold deposit occurs along the contact between a granitoid and a package of intercalated mafic to felsic meta-volcanic rocks and is located on the Ballek JV exploration licences. The host rocks are strongly foliated, and the mineralised zone apparently follows the local schistosity which strikes SW-NE and dips steeply to

the NW. Sulphide mineralisation within the deposit comprises a zone of steeply dipping veinlets and disseminated chalcopyrite plus bornite, with lesser chalcocite and pyrite. The observed alteration and mineralisation assemblages are considered to be consistent with iron-oxide copper-gold (“IOCG”) styles of mineralisation.

During the period 1960 to 1971, 77 diamond drill holes were completed in the SW part of the project area for approximately 17,500m of drilling on a nominal 40m by 40m grid spacing. These drill holes, which are currently stored at the SGC core archive in Malå, tested the deposit to a maximum depth of about 200m below surface, and over a strike length of about 500m. Historical assay results which have been located in the SGU archives, suggest that the mineralisation locally has sufficient width, grade and continuity to have potential as an underground bulk mining target.

### Results of Drilling at the Ballek Joint Venture

A reconnaissance diamond drilling programme commenced at the Ballek project on 5th January 2008 to test a number of targets prioritised on the results of ground magnetic and induced polarisation/resistivity surveys completed in December 2007. Four diamond drill holes for a total of 1,617m drilling have been completed to date.

Holes BAL0003 and BAL0004 intersected zones of fracture-hosted copper sulphide mineralisation that is considered to be similar to the known mineralisation at the Lulepotten deposit and significant assays are shown in Table 2. In hole BAL0003, fracture-hosted bornite plus chalcocite (minor chalcopyrite) mineralisation was intersected between 57m and 78m downhole. Hole BAL0004 contained a wide zone of local fracture-hosted sulphide mineralisation between 138m and 220m downhole, with narrow higher grade zones. In both drill holes, mineralised fractures cut the drill core at low angle to the core axis and are inferred to be sub-parallel to the steeply dipping meta-volcanic stratigraphy. Consequently, the true widths and orientations of the mineralised zones are not known.

**Table 2: Summary of Significant Assay Results**

Hole ID	From (m)	To (m)	Length (m)	Grade		Comment
				Cu (%)	Au (g/t)	
BAL0003	62.0	63.0	1.0	0.28	1.33	Bornite and chalcocite veinlets
	67.0	79.0	12.0	0.34	1.40	
	including 67.0	70.0	3.0	0.97	4.41	
	and 71.0	72.0	1.0	0.14	0.99	
	and 76.0	78.0	2.0	0.28	0.84	
BAL0004	149.0	151.0	2.0	1.30	0.40	Chalcopyrite and bornite (minor chalcocite) veinlets
	194.0	196.0	2.0	1.25	0.28	

### Next Stage of Lulepotten Exploration

Mineralisation at Lulepotten is open at depth and along strike. Drill hole BAL0003 reported above, is located approximately 2 kilometres along strike to the SW from the Lulepotten deposit. The geological similarity of the style of mineralisation intersected in this hole suggests that there may be significant untested potential along the structure, which is interpreted to have an overall strike length in excess of 5,000 metres. Furthermore, the occurrence of copper sulphides in BAL0004 suggests that repetitions of the Lulepotten-style mineralisation may be possible in other parts of the project.

An induced polarisation (IP) survey completed by Agricola in late 2007 outlined the Lulepotten mineralisation, which is characterised by a marked increase in conductivity and IP response. Hole BAL0003 was drilled to test a similar geophysical response with considerable success. This gives the company confidence that ground geophysics can be used to identify prospective zones that can be prioritised for drill testing.

Agricola is currently compiling the historical geological, assay and drilling data from the Lulepotten deposit with the intention of progressing to a JORC compliant resource estimate. Further drilling is planned to evaluate the full extent of the Lulepotten system and a drill rig has been sourced for this work and is expected to commence during the September quarter.

### **Norrskan Energy Ltd (EVE 51%, formerly subsidiary EVE Ventures (UK) Ltd)**

#### **Update on Joint Venture with IGE Nordic AB**

During the quarter Energy Ventures executed a formal joint venture agreement with Swedish mineral exploration company IGE Nordic AB (IGEN), listed on the Oslo Axess exchange (OAX), to explore their combined Swedish uranium exploration projects.

Under the terms of the agreement Norrskan Energy Limited is the joint venture entity, a UK incorporated company and previously a 100% subsidiary of EVE. EVE is the manager of the joint venture and has committed SEK 5 million (approximately A\$870,000) to fund the initial exploration programs within the first 18 months. Under the agreement EVE will hold a 51% equity interest in Norrskan Energy, with IGEN holding 49%.

The consolidated Norrskan Energy project portfolio comprises 100% ownership of 17 exploration permits over an area of about 1,200 km<sup>2</sup> in Sweden. The permits are considered to encompass a broad range of uranium exploration opportunities, from drill-ready targets with known occurrences of bedrock uranium mineralisation, through to greenfield exploration targets.

#### **Project Portfolio**

The exploration projects contributed by EVE are considered prospective for uranium systems based on interpretation of high quality geological, geophysical and geochemical data sourced from the Swedish Geological Survey (SGU). Field evaluation of these projects has already commenced, with initial reconnaissance of high priority radiometric anomalies and some targets previously identified by the SGU. Preliminary indications confirm high grade, fracture-hosted epigenetic uranium oxides as being the predominant style of mineralisation present in most areas visited. It is also apparent that many targets previously identified by the SGU have only received limited follow-up.

The IGEN exploration projects are at a more advanced stage and mainly cover known occurrences of uranium mineralisation that were originally discovered and explored by the SGU. The projects are characterised by well defined boulder trails that contain uranium mineralisation. A number of these projects have been tested with drilling, which has confirmed the location, style and grade of mineralised bedrock structures. There is significant potential for the discovery of strike extensions or repetitions of known mineralisation with further exploration in these areas.

#### **Norrskan Energy 2008 Work Program**

A comprehensive work program has been prepared for the Norrskan Energy projects. Data compilation, particularly for historical prospect areas, is underway and will be followed by reconnaissance exploration and more advanced geochemical and geophysical surveys. Drilling programs are scheduled to be undertaken on the high priority targets during the upcoming Swedish summer field season and the company is in the process of securing a drilling rig for these priority targets.

Further information on IGE Nordic AB can be found on their website at [www.igenordic.se](http://www.igenordic.se).

## **Cash Position at 30 June 2008**

The Company's cash balance at the end of the June 2008 quarter was \$1,579,339.

*The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code and references to "Indicated" and "Inferred Resources" are to those terms as defined in the JORC Code.*

*Information in this report relating to exploration results is based on data compiled by Mr Lachlan Reynolds (a full time employee of Energy Ventures), who is a member of The Australasian Institute of Mining and Metallurgy. Mr Reynolds has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Reynolds consents to the inclusion of the data in the form and context in which it appears.*

[www.energyventures.com.au](http://www.energyventures.com.au)

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

ENERGY VENTURES LTD

ABN

89 106 523 611

Quarter ended ("current quarter")

30 JUNE 2008

### Consolidated statement of cash flows

(includes 60% of African Energy Resources (Guernsey) Limited)

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(122)	(716)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(370)	(1,502)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	104	356
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(388)</b>	<b>(1,862)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)	<b>(388)</b>	<b>(1,862)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(113)	(353)
(e) other non-current assets	(857)	(4,844)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	83	276
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(887)</b>	<b>(4,921)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(1,275)</b>	<b>(6,783)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	4,694	4,694
1.16 Costs associated with the issue	(56)	(56)
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (dilution of interest in subsidiary)	(299)	(299)
<b>Net financing cash flows</b>	<b>4,339</b>	<b>4,339</b>
<b>Net increase (decrease) in cash held</b>	<b>3,064</b>	<b>(2,444)</b>
1.21 Cash at beginning of quarter/year to date	2,773	8,292
1.22 Exchange rate adjustments to item 1.20	(13)	(24)
<b>1.23 Cash at end of quarter</b>	<b>5,824</b>	<b>5,824</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	279
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions:

Payments include consulting fees, directors fees, tenement, GIS management and provision of a fully services office by related party entities. The majority of these costs relate to African Energy Resources.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	4,674	1,466
4.2 Deposits at call	1,150	1,307
4.3 Bank overdraft	-	-
4.4 Other (funds held on trust during capital raising)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>5,824</b>	<b>2,773</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Brett Mitchell

Director and Company Secretary

30 July 2008

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+ See chapter 19 for defined terms.

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.