



31st March 2013

Quarterly Report – March 2012

Forte Energy NL (“Forte Energy” or “the Company”) (ASX/AIM: FTE) is an emerging international uranium company focused on the exploration and development of a portfolio of uranium assets in the Republics of Mauritania and Guinea, West Africa.

Highlights of 1st Quarter to 31st March 2013

- On the 15th February the Company entered into a £10 million Equity Financing Facility (“EFF”) with Darwin Strategic Limited (“Darwin”), a majority owned subsidiary of Henderson Global Investors’ Volantis Capital (“Henderson Volantis”)
- On 6 March 2013 the Company completed the placement of 29,250,000 Shares each at an issue price of £0.0201 (Placement Shares) to raise £587,177 (before costs)
- A 5,000m drilling contract signed with Wallis Drilling Africa Pty Ltd
- Drilling in the highly prospective areas close to the A238 prospect and at Hassi Baida is scheduled to start in Mid-May, following the shipment of the drill rig to Mauritania
- Forte Energy U₃O₈ JORC resources (all at a 100ppm cut-off):

Project	Resource Category	Tonnage (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈ Mlbs
A238*	Inferred	45.2	235	23.4
Bir En Nar	Indicated	0.5	886	1.0
	Inferred	0.8	575	1.0
Firawa	Inferred	30.3	295	19.5
Total	Indicated	0.5	886	1.0
	Inferred	76.3	262	43.9
	Total	76.8	266	44.9

* A238NW Anomaly included in the A238 Inferred Resources

Progress

Commenting on the quarter, Mark Reilly, Managing Director of Forte Energy, said:

"Having secured access to funding through the Darwin Equity Financing Facility, a portion of which has been drawn down during this quarter, Forte has ensured that it is well positioned to continue adding to the Company's already considerable resource base in Mauritania. We look forward to updating the market with results from the highly

prospective areas close to A238 and from the calcrete deposits at Hassi Baida following the completion of the drilling campaign.”

Republic of Mauritania, West Africa

Forte Energy has ten 100% owned licences over 7,000km² in Mauritania.

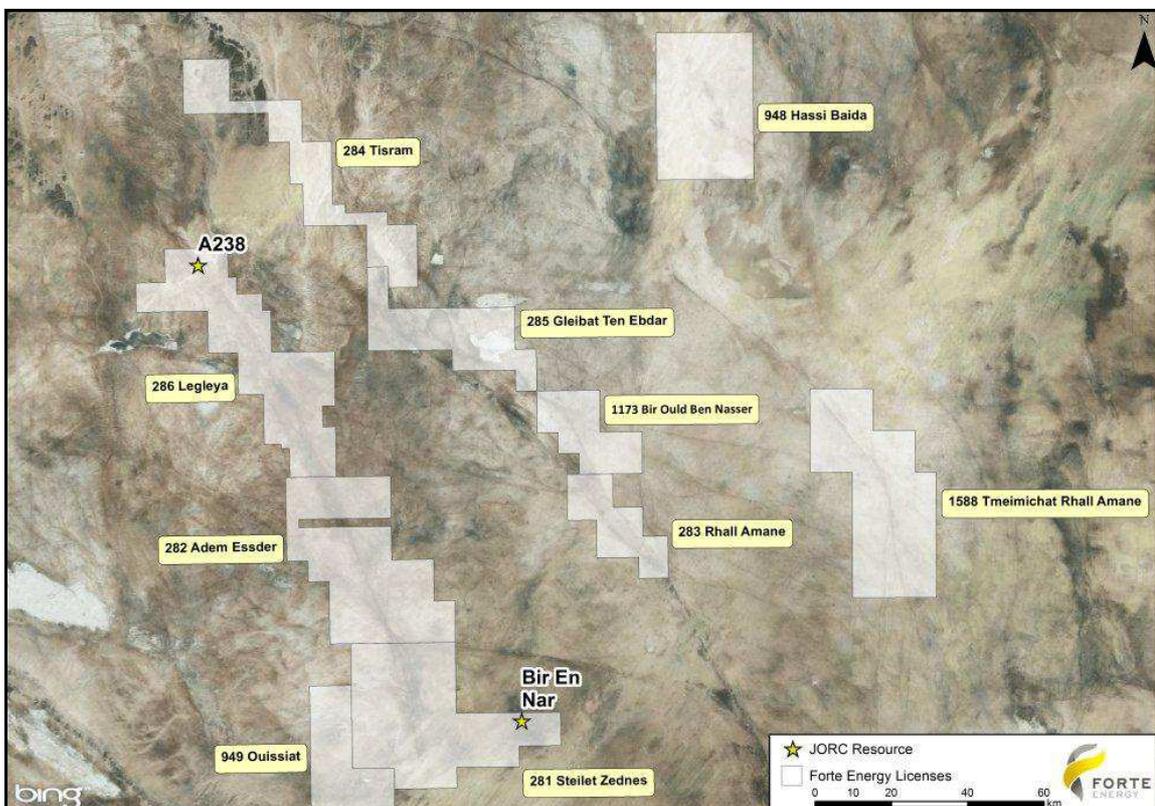


Figure 1: Mauritanian Licences

The Company received chemical assay results during the quarter from the Reverse Circulation (RC) drilling program completed at the A238 Prospect in Mauritania in December, 2012. The program included 28 holes drilled, totalling 4,115m and covered the structural extensions identified in the high resolution ground magnetic and radiometric surveys to the north and south of the existing A238 Resource.

A total of 12 holes were drilled up to 2km to the north of the existing A238 Resource at 200m spacing. Positive assay results from five of the holes located over 0.8km to the north of A238 indicated narrow mineralised structures over a strike length of 0.5km. Assay results from RC 222 indicated intermittent mineralisation from 53m to 100m below surface, with grades of up to 567ppm U₃O₈.

During the quarter the Company also conducted an evaluation of the structurally controlled metasomatite uranium/Thorium (U/Th) mineralisation systems and further targets for exploration in Mauritania. The objective was to systematically review the regional data base to define any further potential targets of structurally controlled uranium targets situated along the main structural trends within and adjacent to the Forte Mauritanian Project area.

The study was successful in applying simple, selective criteria that helped in identifying further zones of potential metasomatite U/Th mineralisation systems within the Forte licence areas. A total of 27 targets were identified along major NW and WNW structures within the Forte Mauritanian licences. Four high priority targets were identified, two of which are located within an 8km radius of the A238 prospect.

On 10th April the Company announced that a contract had been signed with Wallis Drilling Africa Pty Ltd for approximately 5,000m of NQ Aircore drilling in the highly prospective areas close to the A238 prospect and at Hassi Baida.

Hassi Baida is a highly prospective calcrete area situated approximately 50km north-east of the existing Forte Energy licences and covers over 800km². The drilling programme will target eight separate prospects within the Hassi Baida licence. The targets are all uranium in superficial calcrete deposits.

The 5,000m programme will also include aircore scout drilling which will target blind, near surface metasomatite style uranium mineralisation along interpreted major structural corridors close to the A238 Prospect.

Republic of Guinea, West Africa

Firawa

The Firawa Project consists of two 100% owned licences totalling 549km² which are located approximately 25km to the east of Kissidougou.

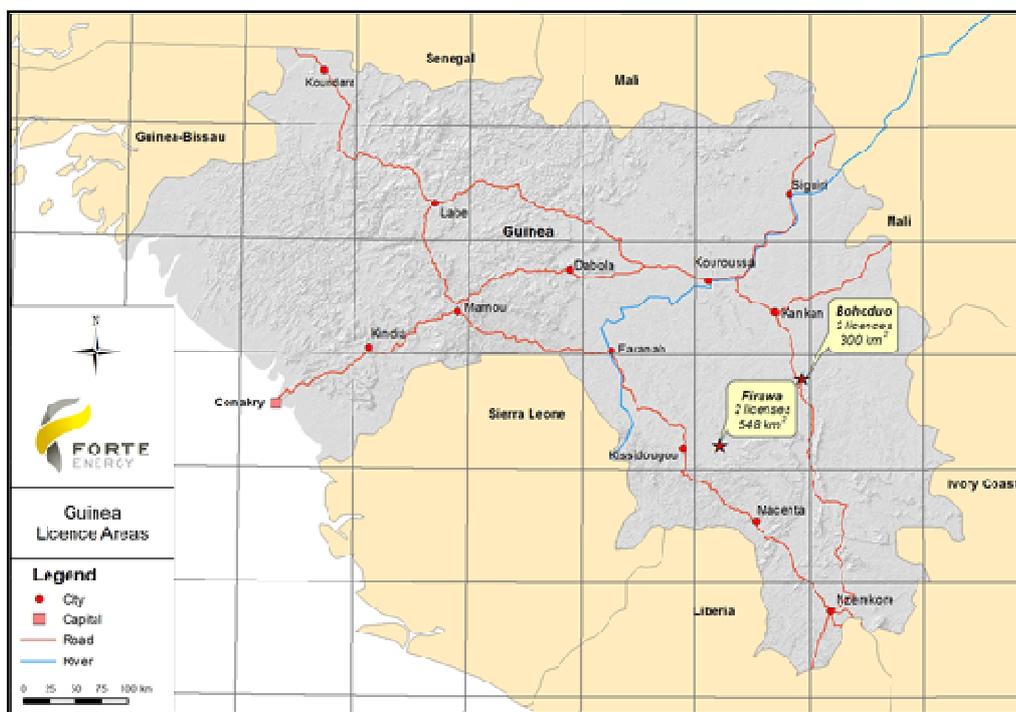


Figure 2: Guinea Licences

No significant works were carried out in Guinea during the quarter.

Corporate

The Company entered into detailed negotiations on several prospective corporate transactions during the quarter however agreement could not be reached on terms that were acceptable to the Company at that time.

The Company is continuing to assess alternative opportunities, and will update the market if and when any developments occur.

On 15th February 2013, Forte Energy announced that it had entered into a £10 million discretionary Equity Financing Facility (“EFF”) with Darwin Strategic Limited (“Darwin”), a majority owned subsidiary of Henderson Global Investors’ Volantis Capital (“Henderson Volantis”).

During March, the Company raised £587,177 before expenses by way of the issue of 29,250,000 shares to Darwin Strategic under the EFF. The shares were issued at a price of 2.01p (A\$ 2.98 cents) per share. The Company has the capacity to draw down a further £9.4million (A\$14.1million) under the facility as and when required.

Mark Reilly
Managing Director

For further information contact:

Mark Reilly, Managing Director
Forte Energy NL

Tel: +44 (0) 203 3849555

Geoff Nash/Ben Thompson
Elizabeth Johnson (broking)
finnCap

Tel: +44 (0)207 220 0500

Bobby Morse/Louise Hadcocks/Cornelia Browne
Buchanan

Tel: +44 (0) 207 466 5000

Stuart Laing
RFC Ambrian Ltd
(AIM Nominated Adviser to the Company)

Tel: +61 (0) 8 9480 2506

Forte Energy NL

Australia

Suite 3, Level 3
1292 Hay Street
West Perth WA 6005
Ph: +61 (0)8 9322 4071
Fax: +61 (0)8 9322 4073
Email: info@forteenergy.com.au
Web: www.forteenergy.com.au

United Kingdom

3C Princes House
38 Jermyn Street
London SW1Y6DN
Ph: +44 (0)203 3847474
Fax: +44 (0)207 2878387
Email: info@forteenergy.co.uk

About Forte Energy

Forte Energy is an Australian-based minerals company focused on the exploration and development of uranium and associated bi-products in Mauritania and Guinea in West Africa. The Company has an extensive pipeline of assets and total JORC resources of 76.8Mt @ 266ppm U₃O₈ for 44.9Mlbs contained U₃O₈ (100ppm cut-off).

Its flagship assets are the A238 prospect (23.4Mlbs U₃O₈) and the Bir En Nar project (2.06Mlbs U₃O₈) in Mauritania, and the Firawa Project in Guinea (19.5Mlb U₃O₈).

Forte Energy U₃O₈ JORC resources (all at a 100ppm cut-off):

Project	Resource Category	M tonnes	ppm U ₃ O ₈	Contained U ₃ O ₈ Mlbs
A238*	Inferred	45.2	235	23.4
Bir En Nar	Indicated	0.5	886	1.0
	Inferred	0.8	575	1.0
Firawa	Inferred	30.3	295	19.5
Total	Indicated	0.5	886	1.0
	Inferred	76.3	262	43.9
	Total	76.8	266	44.9

* A238NW Anomaly included in the A238 Inferred Resources

Forte Energy's strategy is to target high grade uranium ore bodies and build a low cost West African-focused uranium producer. The Company is quoted on the Australian Stock Exchange (ASX: FTE) and AIM market of the London Stock Exchange (AIM: FTE). For more information, visit www.forteenergy.com.au

Note:

The information in this report that relates to the reporting of Mineral Resources is based on information compiled by Mr. Galen White, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). The Mineral Resources have been estimated and reported in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004). Mr White is the Principal Geologist of CSA Global (UK) Ltd. CSA Global have an on-going role as geological consultants to Forte Energy NL. Mr. White 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 as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. White consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FORTE ENERGY NL

ABN

59 009 087 852

Quarter ended ("current quarter")

31 March 2013

Cash flows related to operating activities		Current quarter A\$'000	Year to date (9 months) A\$'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(358)	(1,897)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(488)	(1,593)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(845)	(3,483)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(16)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	(16)
1.13	Total operating and investing cash flows (carried forward)	(845)	(3,499)

Consolidated statement of cash flows

1.13	Total operating and investing cash flows (brought forward)	(845)	(3,499)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	825	2,205
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Settlement of Guarantee	-	-
Net financing cash flows		825	2,205
Net increase (decrease) in cash held		(20)	(1,294)
1.20	Cash at beginning of quarter/year to date	489	1,763
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	469	469

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
Aggregate amount of payments to the parties included in item 1.2	169
Aggregate amount of loans to the parties included in item 1.10	0

Explanation necessary for an understanding of the transactions

Salaries and rental of office premises
--

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

Nil

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

Nil

Financing facilities available*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	N/A
3.2 Credit standby arrangements	Nil	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	-
4.3 Production	-
4.4 Administration	350
Total	500

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
5.1 Cash on hand and at bank	469	489
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	469	489

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

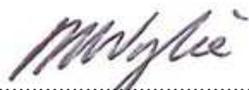
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺ securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	902,145,311 2,250,000	902,145,311 -	25	1
7.4 Changes during quarter (a) Increases through issues Issue for cash (b) Decreases through returns of capital, buy-backs	29,251,000	29,251,000	2.98 cents	2.98 cents
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	1,000,000	-	6 pence	1/09/2016
	4,000,000	-	12.5 cents	14/04/2015
	88,652,500	-	3 pence	3/08/2013
	5,000,000	-	3 pence	14/02/2015
7.8 Issued during quarter	5,000,000	-	3 pence	14/02/2015
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:
Company Secretary



Date: 30 April 2013.

Print name:Murray Wylie.....

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 "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent, which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **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.