ENERNORTH INDUSTRIES INC Form 6-K May 18, 2005

EnerNorth Industries Inc.

Date: May 17, 2005

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer Pursuant to Rule 13a-16 or 15d-16 under the Securities Exchange Act of 1934

For the month of May, 2005
Commission File Number 0-29586
EnerNorth Industries Inc. (Address of Principal executive offices)
2 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 1L6, Canada (Address of principal executive offices)
Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:
Form 20-FX Form 40-F
Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):
Yes _ No X _
Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:
Yes_NoX_
If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3- 2(b): 82
SIGNATURES
Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: "Sandra J. Hall"

Sandra J. Hall, President, Secretary & Director EnerNorth Industries Inc.

News Release

EnerNorth Reports 3rd Quarter Results

Toronto, Canada - May 17, 2005 - **EnerNorth Industries Inc.** (AMEX: ENY & Frankfurt Stock Exchange: EPW1) (www.enernorth.com) ("EnerNorth" or the "Company") announces that it has issued unaudited consolidated financial statements for the third quarter ending March 31, 2005 expressed in Canadian dollars. Effective February 1, 2005, the Company divested its interest in its Industrial & Offshore subsidiary, M&M Engineering Limited (M&M) for cash proceeds of \$7,361,999. For the purpose of financial presentation the operations of M&M have been accounted for as discontinued operations.

HIGHLIGHTS	For the N	Ionth Per	Ending	For the Three Month Period Ending												
	March			March		%			March			March			%	
Average production	31, 2005			31, 2004		Change			31, 2005			31, 2004			Change	
Natural gas (mcf per																
day)	292			165		77	%		233			126			85	%
Natural gas liquids (bbls																
per day)	10			7		43	-	+	14			8			75	
Crude oil (bbls per day)	11			5		120	%		14			2			600	_
Total (boe per day)	69			39		77	%		66			31			113	%
Average prices																
Natural gas (\$/mcf)	\$ 6.50	9	\$	7.07		-8	%	\$	7.97		\$	8.02			-1	%
Natural gas liquids																
(\$/bbl)	\$ 33.77	9	\$	32.04		5	%	\$	32.67		\$	30.78			6	%
Crude oil (\$/bbl)	\$ 50.98	9	\$	41.61		23	%	\$	52.71		\$	40.68			30	_
BOE (\$/boe)	\$ 40.12	9	\$	40.49		-1	%	\$	45.68		\$	43.29			6	%
Operating costs and																
Netbacks																
BOE (\$/boe)	\$ 40.12	9	\$	40.49		-1	%	\$	45.68		\$	43.29			6	%
Royalties (\$/boe)	\$ 8.39	S	\$	6.37		32	%	\$	11.06		\$	4.46			148	%
Operating cost (\$/boe)	\$ 18.88	9	\$	21.32		-11	%	\$	14.84		\$	26.03			-43	%
Netbacks (\$/boe)	\$ 12.85	S	\$	12.80		0	%	\$	19.78		\$	12.80			55	%
Financial																
Natural gas revenue	\$ 517,347	Ç	\$	318,916		62	%	\$	167,376		\$	90,691			85	%
Natural gas liquids																
revenue	\$ 88,552	9	\$	60,291		47	%	\$	40,450		\$	21,105			92	%
Crude oil revenue	\$ 148,088	9	\$	53,901		175	%	\$	64,052		\$	7,626			740	%
Total revenue	\$ 753,987	9	\$	433,108		74	%	\$	271,878		\$	119,422			128	%
Royalties	\$ 157,778	9	\$	68,091		132	%	\$	65,834		\$	12,311			435	%
Net revenue	\$ 596,209	9	\$	365,017		63	%	\$	206,044		\$	107,111			92	%

A Boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Disclosure provided herein in respect of Boes may be misleading, particularly if used in isolation.

Depletion and Accretion. For the nine month period ending March 31, 2005 depletion and accretion expense was \$546,448, 71% higher compared to \$319,746 for the nine month period in 2004. For the three month period ending March 31, 2005 depletion and accretion expense was \$184,835, 121% higher compared to \$83,534 for the comparative three month period in 20034. The increased depletion and accretion was a result of higher production volumes.

Administrative Expenses. Administrative expenses of \$1,873,946 for the nine month period ending March 31, 2005 were 37% higher than administrative expenses of \$1,372,839 the previous year. Administrative expenses for the three month period ending March 31, 2005 were \$749,972, 1% lower than \$755,275 for the comparable period in 2004. The primary increase in administrative expenses for the nine month period ending March 31, 2005 was related to increased litigation expenses of \$1,000,148. Litigation expenses were \$194,663 during the three month period ending March 31, 2005.

Foreign Exchange. For the nine months period ending March 31, 2005 the gain on foreign exchange was \$492,781 compared to a foreign exchange loss of \$159,070 for the nine month period in 2004. For the three month period ending March 31, 2005 the loss on foreign exchange was \$11,050 compared to a foreign exchange loss of \$6,246 during the comparable period in 2004. The foreign exchange gain during fiscal 2005 related to appreciation in the Canadian dollar relating to the Oakwell Claim. This gain was partially offset by a foreign exchange loss relating to the Company's investment in Konaseema EPS Oakwell Power Limited .

Interest income. For the nine months ending March 31, 2005 interest income was \$221,452, 191% higher compared to \$76,156 for the comparable nine month period in 2004. For the three month period ending March 31, 2005 interest income was \$56,603 compared to \$17,089, 231% higher compared to the three month period in 2004. The increase in interest income was related to interest payments received on the Company's KEOPL investment.

Net loss from continuing operations. Net loss from continuing operations decreased 61% to \$1,456,530 for the nine month period ended March 31, 2005 compared to a net loss of \$3,777,988 for the nine month period ending March 31, 2004. Net loss from continuing operations decreased 42% to \$771,886 for the nine three month period ended March 31, 2005 compared to a net loss of \$1,340,132 for the three month period ending March 31, 2004. Net loss from continuing operations were significantly higher in the previous year due to a \$2,150,000 provision for the Oakwell Claim.

Net income (loss) from discontinued operations. Net income from discontinued operations resulted from the Company's disposition of its Industrial & Offshore Division which was sold February 2005. Net income from discontinued operations decreased 60% to \$337,355 for the nine month period ended March 31, 2005 compared to \$835,677 for the nine month period ended March 31, 2004. On disposition of the operations of the Industrial & Offshore Division the Company recorded a gain of \$1,847,642.

Net income from discontinued operations was \$112,367 for the three month period ended March 31, 2005 compared to a net loss from discontinued operations of \$420,291 for the three month period ended March 31, 2004. The reduction in net income from discontinued operations was due to a significant contract performed during 2003 and 2004 by NECL which did not recur during fiscal 2005.

Net income (loss). As a result of the above net income was \$728,467 for the nine month period ending March 31, 2005 compared to a loss of \$2,942,311 for the comparable nine month period ending March 31, 2004. For the three month period ending March 31, 2005 net income was \$1,188,123 compared to a net loss of \$1,760,423 for the three month period ending March 31, 2004.

Net loss from continuing operations per share and fully diluted net loss from continuing operations per share. Net loss from continuing operations per share and fully diluted net loss per share from continuing operations for the nine month period ending March 31, 2005 decreased by 61% to \$0.36 per share from \$0.93 per share for the same nine month period 2004. Net loss from continuing operations per shar