

1 February 2022

Dear Shareholder

Notice to Eligible Shareholders of Non-Renounceable Entitlements Issue

We write to you as the registered holder of Enterprise Metals Limited (ASX: ENT) (**Enterprise** or the **Company**) shares as at today's date. As advised in the Company's ASX announcement dated 31 January 2022, Enterprise is undertaking a non-renounceable pro-rata Entitlements Issue to eligible shareholders of ordinary fully paid shares in the Company at an issue price of \$0.014 per share and on the basis of one (1) share for every eight (8) shares held at the record date on Thursday 3 February 2022 (**Record Date**), together with one (1) free New Option (**New Option**) for every three (3) shares issued pursuant to this offer (**Entitlements Issue**). The New Options will be exercisable at \$0.025 each on or before 2 years after their date of issue.

Pursuant to the Entitlements Issue, the Company will issue up to approximately 71,627,518 Shares and 23,875,839 New Options to raise approximately \$1,002,785 before costs.

A copy of the Prospectus has been lodged with ASIC and ASX and is available on the Company's website (enterprisemetals.com.au) the ASX's website (www.asx.com.au) and will be dispatched to persons holding shares as at the Record Date.

Eligible Shareholders

The Entitlements Issue is available to all Enterprise Metals shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia or subject to certain offer restrictions, New Zealand (**Eligible Shareholders**).

A Shareholder who has a registered address outside Australia and New Zealand will not be eligible to participate in the Entitlements Issue (**Ineligible Shareholder**).

Effect of the Entitlements Issue

The table below sets out the impact of the Entitlements Issue on the capital structure of the Company assuming all securities are issued under the Entitlements Issue.

Detail	Number of Shares	Number of unquoted options
Balance at date of announcement of the Entitlements Issue	573,020,145	46,765,006
Maximum number of securities offered under the Entitlements Issue	71,627,518	23,875,839
Total at completion of the Entitlements Issue	644,647,663	70,640,845



Use of proceeds

Subject to the satisfactory completion of the Entitlements Issue, funds will be used for the advancement of Enterprise Metals gold, base metals and lithium exploration projects in Western Australia, as well as for general working capital.

Indicative Timetable

The Entitlements Issue will be conducted in accordance with the following indicative timetable:

Lodgement of Prospectus with ASIC	28 January 2022
Lodgement of Prospectus & Appendix 3B with ASX	31 January 2022
Ex date	2 February 2022
Record Date for determining Entitlements	3 February 2022
Prospectus sent out to Eligible Shareholders and Opening Date of the Offer	8 February 2022
Last day to extend the Closing Date of the Offer	14 February 2022
Closing Date*	17 February 2022
Shares quoted on a deferred settlement basis	18 February 2022
Dispatch date of holding statements, issue of New Shares	24 February 2022
Trading commences for New Share	25 February 2022

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date.

As such the date the Shares are expected to commence trading on ASX may vary.

All dates are indicative only and subject to change without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the securities.

Shortfall

Any Shares and New Options not applied for by the Closing Date will become 'Shortfall Securities'.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Securities.

If you take up your Entitlement in full, you may also apply for Shortfall Securities (to the extent there is availability) in excess of your Entitlement by completing the relevant part of the Entitlement and Acceptance Form.

The Company reserves the right, subject to any restrictions imposed by the Corporations Act and the Listing Rules, to issue the Shortfall Securities at their sole discretion.



Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may take up all or some of your rights to subscribe for shares and New Options pursuant to your Entitlement. To take up all or some of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by Automatic Registry Services (**Share Registry**) by no later than 5:00pm (AEST) on Thursday, 17 February 2022, by either completing and returning your Entitlement and Acceptance Form together with your application money or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- If you have taken up all of your Entitlement, you may apply for additional Shares and New Options via the Shortfall Offer.
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of shares, your interest in the Company will be diluted and you will receive no value for your Entitlements.

If you have any queries regarding your entitlement or participation in the upcoming Entitlements Issue, please do not hesitate to contact the Company's Share Registry on 1300 288 664.

Yours faithfully,

ENTERPRISE METALS LIMITED

A handwritten signature in black ink, appearing to read 'Allan Trench', is written over a horizontal line.

Dr Allan Trench
Chairman