ENTERPRISE METALS LIMITED

ASX ANNOUNCEMENT **7 July 2009**

Airborne EM Survey Underway At Revere - Doolgunna

SUMMARY

Enterprise Metals Limited ("Enterprise" or "the Company", ASX: **"ENT"**) is pleased to announce that a Versatile Time-Domain Electromagnetic ("VTEM") airborne survey has commenced at its Revere Project on Doolgunna and Mooloogool stations, between 100-130km NE of Meekatharra in WA.

The VTEM Time Domain EM system has been used elsewhere in Western Australia for locating sub-surface conductors and mapping resistivities. A high-sensitivity magnetometer for mapping geologic structure and lithology is also included with the helicopter borne system.

Enterprise is conducting 5 surveys over 6 areas where geochemical, magnetic or IP anomalism has been identified. These areas, from south to north are: **Golden King, Doug's Find, Donald Well, Beefwood, Doolgunna and No. 2 Bore.** (Refer Figure 1 below for prospect locations)

Partial and preliminary data only from these surveys have been received. However, a number of late time (Channel 30) conductors have been identified, some of which confirm conductors identified from the Company's recent Induced Polarisation ("IP") surveys in the area, and some of which are entirely new. The VTEM data received and processed to date is shown overleaf in Figure 2, with a following discussion.

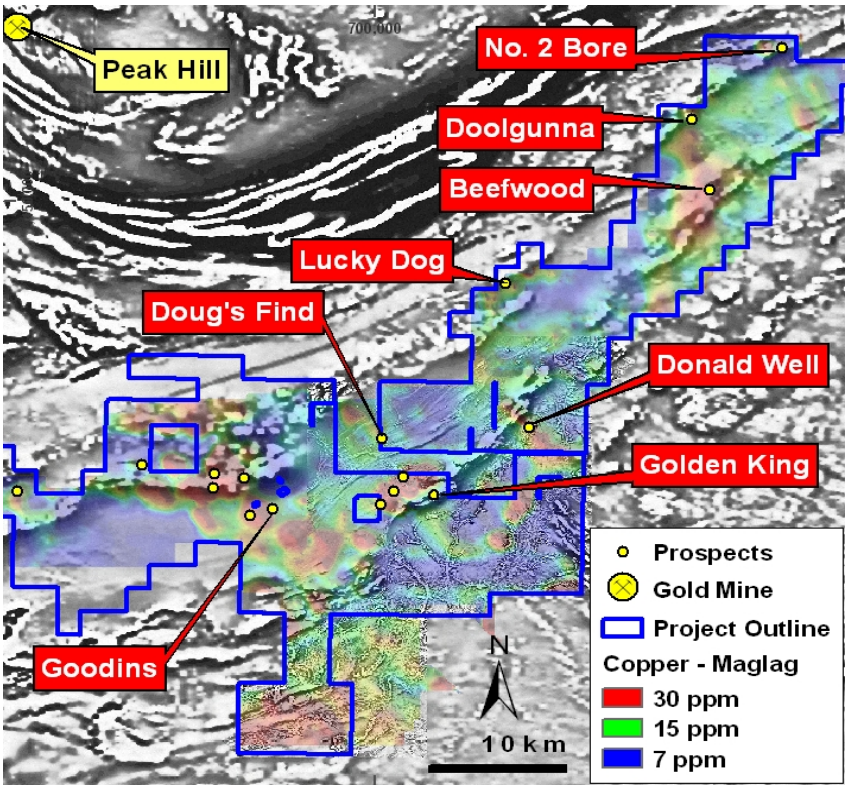

Figure 1. Revere – Doolgunna Project, Prospect Locations & Copper Geochemistry

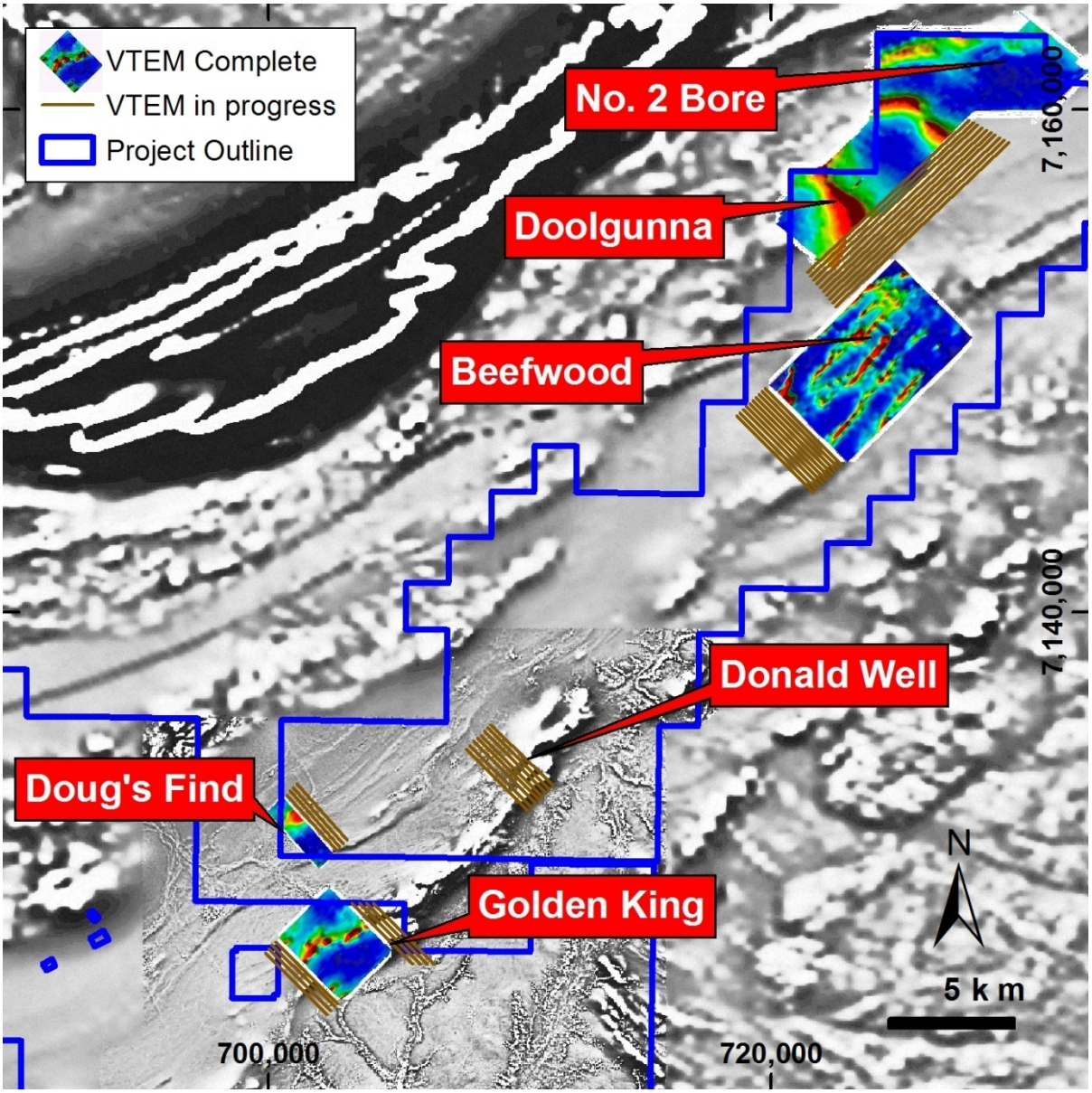

Figure 2. Revere – Doolgunna VTEM Images over 1st VD Magnetic Image

DISCUSSION OF PROSPECTS

Golden King

This ENE trending magnetic feature was formerly known as Little Revere. Maglag sampling by Enterprise over this feature defined a significant sub-circular multi-element geochemical anomaly interpreted to represent hydrothermal mineralisation. The geochemical anomaly covers 1,700m by 1,200m and includes the "Reef Two" bonanza gold quartz vein. Visual observations of the lode material from Reef Two indicate that coarse visible gold is contained within (gossanous) iron oxide which forms the matrix to the quartz breccias.

As a result of this observation, Enterprise commissioned in May 2009, 2 lines of IP over Reef Two and the Golden King magnetic anomaly. The IP detected strong conductors on the northern margin of the magnetic body, coincident with a +30ppm Maglag copper anomaly. (ENT ASX announcement 18 May 2009)

Preliminary data from the **VTEM** survey (late time, Channel 30) indicates that there are several discrete conductors along the northern margin of the magnetic anomaly which require follow up RC drilling.

Doug's Find

Doug's Find was discovered by metal detecting prospectors, who located match head sized gold nuggets, which was later traced to a ferruginous gold-bearing quartz reef hosted within siltstones of the Doolgunna Formation. Subsequent trenching and shallow RC drilling determined that the quartz reef, although assaying between 15-30g/t gold, was too narrow (~20cm wide) to have any economic significance. In May 2009, Enterprise commissioned 1 line of IP over Doug's Find to search for larger bodies at depth. A significant conductor was defined immediately NW of the quartz reef.

Preliminary data from the **VTEM** survey (late time, Channel 30) indicates that this discrete conductor strikes NE and is adjacent to the reef at Doug's Find. Further VTEM surveying of this target is in progress.

Donald Well

Enterprise's 2007 airborne magnetic survey defined an intense magnetic anomaly which was interpreted to represent the "footprint" of an alteration system resulting from deep basinal fluids outsourcing along the the South Boundary Fault ("SBF"). The Geological Survey of WA consider that deep basinal fluids migrated east and rose along pathways formed by the Goodin Fault and the SBF.

Geochemical sampling at Donald Well has defined two anomalous zones using +1ppb Au contour. These zones are coincident with the SBF. Pitting within these zones confirmed anomalous gold geochemistry up to 55ppb. **VTEM** surveying of the Donald Well geochemical/magnetic target is in progress.

Beefwood

The Beefwood copper anomaly is defined by several anomalous Maglag samples located at the confluence of the South Boundary Fault and a northerly trending stream system. In 1992, CRA Exploration Pty Ltd ("CRAE") drill tested a combined magnetic/TEM feature in this area as part of its Mt Leake project (8 holes total). Hole MLAC35, on the southern corner of Enterprise's current VTEM survey, intersected 2m at 0.4g/t Au from 42m depth in Cenozoic clays with abundant hematite nodules. The hole also intersected elevated Cu (to 350ppm), Pb (65ppm), Co(660ppm), As(410ppm), and Ba (1,330ppm) associated with a probable dolomite between 91-96m. CRAE concluded that the magnetic feature and conductor was probably explained by a weakly pyritic graphitic shale overlying a sequence of siltstone, shale, sandstone and schist containing 1-5% disseminated euhedral magnetite. They interpreted the magnetite as being introduced by hydrothermal fluids.

Enterprise's **VTEM** survey in this area has defined a number of linear, NE striking late time Channel 30 conductors which have not been drill tested by CRAE. Further processing of the VTEM data and ground follow up is required.

Doolgunna

The Doolgunna copper anomaly lies downstream from Beefwood, at the contact between the Narracoota Volcanics and Doolgunna Formation sediments, along the Goodin Fault. It is immediately west of the Doolgunna homestead.

Preliminary late time Channel 30 data from the **VTEM** survey indicates a NNW trending conductor broadly coincident with a northerly trending calcreted drainage system. Further processing is required to determine whether the conductor is related to secondary surficial deposits or primary basement features. Two similar but smaller conductors occur between Doolgunna and No. 2 Bore.

No. 2 Bore

In 1971 WMC discovered low grade oxidized copper mineralization (0.2-0.4%Cu) by shallow (30m) drilling in the vicinity of the No. 2 Bore area, NW of Doolgunna homestead. WMC reported that volcanic breccias were found at surface, with surrounding ironstones assaying up to 1,940ppm Cu. A number of ironstones were located as fracture fillings in the sediments and lying close to the volcanic breccias. Chalcopyrite textures were recognized, and WMC suggested there was the possibility of a volcanic vent and sulphide rich fractures.

Enterprise's **VTEM** survey has shown elevated conductivity in the vicinity of No. 2 Bore, coincident with the Goodin Fault and Narracoota Volcanics. Further processing of the VTEM data is required.

BACKGROUND TO REVERE PROJECT (100% INTEREST)

The Company's Exploration Licences are located between 90 - 130km northeast of Meekatharra in Western Australia and cover Palaeoproterozoic rocks affected by the Capricorn Orogen, and are predominantly located within the Yerrida Basin. The primary target sought by the Company is one or more large mesothermal-style gold stockwork systems and/or volcangenic massive sulphide systems.

Recent drilling by Sandfire Resources NL ("Sandfire", ASX: SFR) at the DeGrussa Prospect some 10km north of Doolgunna station has intersected significant intervals of gold and copper sulphides at depth below gold bearing quartz veins. The host to the DeGrussa massive sulphides is believed to be the Narracoota Volcanics. Sandfire have reported that ground EM surveys have identified two major sub-surface conductors which are associated with these massive sulphides.

The results from Enterprise's recent IP surveys and its current airborne VTEM surveys suggest that airborne EM will be an effective tool to target primary sulphide zones on Enterprise's tenements.

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The information in this announcement that relates to Geophysical Exploration Results has been compiled by Mr Bill Robertson, who is a Member of the Australian Institute of Geoscientists, and a full time employee of geophysical consultancy Value Adding resources Pty Ltd. Mr Robertson has sufficient relevant experience in the geophysical techniques being reported and styles of mineralisation and types of deposit under consideration, and in the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code), and consents to the inclusion of the information in the form and context in which it appears.