ENTERPRISE METALS LIMITED

ASX ANNOUNCEMENT **4 December 2009**

Further RC Drilling Update - Revere Project WA

SUMMARY

Enterprise Metals Limited ("Enterprise" or "the Company", ASX: **"ENT"**) advises that it has received geochemical analyses for the RC holes drilled in the Doolgunna channel, the 3 RC holes at Donald Well, and 5 RC holes at No. 2 Bore. From the 2009 RC drilling program at Doolgunna, all assays have now been received with the exception of three holes at No. 2 Bore.

The 2009 exploration program has largely focussed on testing gold targets on the limited number of **granted tenements** where ground disturbance and drilling is permitted at this time. These tenements largely cover the Doolgunna Formation sediments of the Yerrida Basin. This initial exploration program has been the first deep test of the alluvial gold and coincident base metal anomalies generated by the Company along the 50km long magnetic trend termed the South Boundary Fault. The results to date, although devoid of any economic mineralisation, need to be thoroughly assessed over the coming months to determine the need for further exploration along the South Boundary Fault.

The Company's portfolio of **tenement applications** at Doolgunna includes a significant strike length of the Goodin Fault, which separates the Narracoota Formation volcanics (Bryah Basin) from the Doolgunna Formation sediments (Yerrida Basin). The Company has a number of excellent soil and Maglag copper anomalies within the Narracoota volcanics and along the Goodin fault which remain to be drill tested. Drill testing of these targets is expected to take place after the granting of these tenements in the first half of 2010. The Company's granted tenements are shown in black in Figure 1 below, and the tenement applications are shown in red. The latest assay results are discussed overleaf.

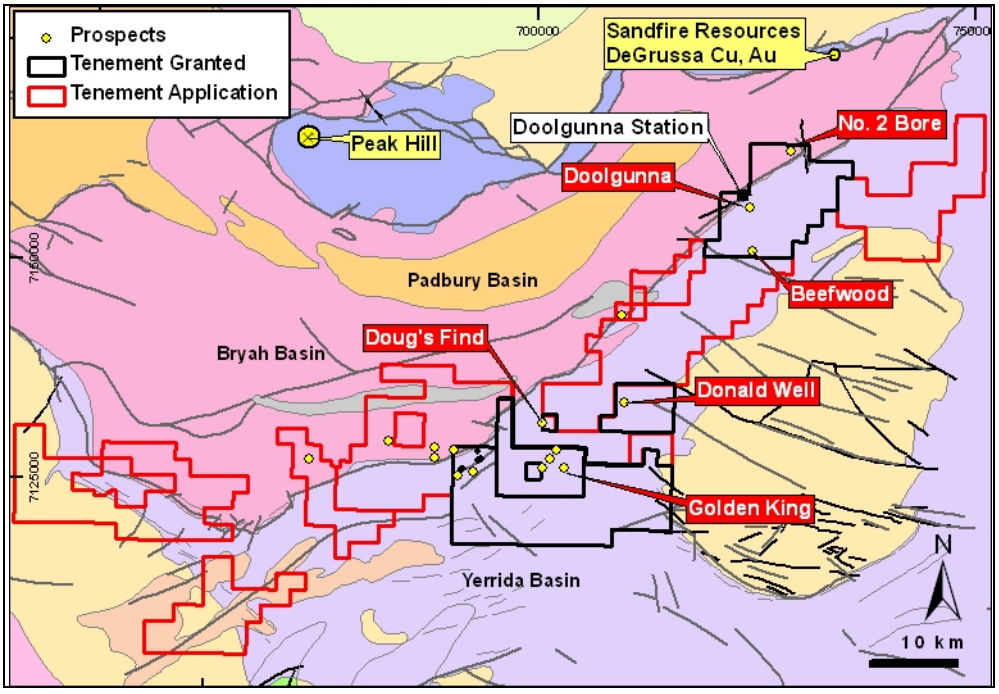


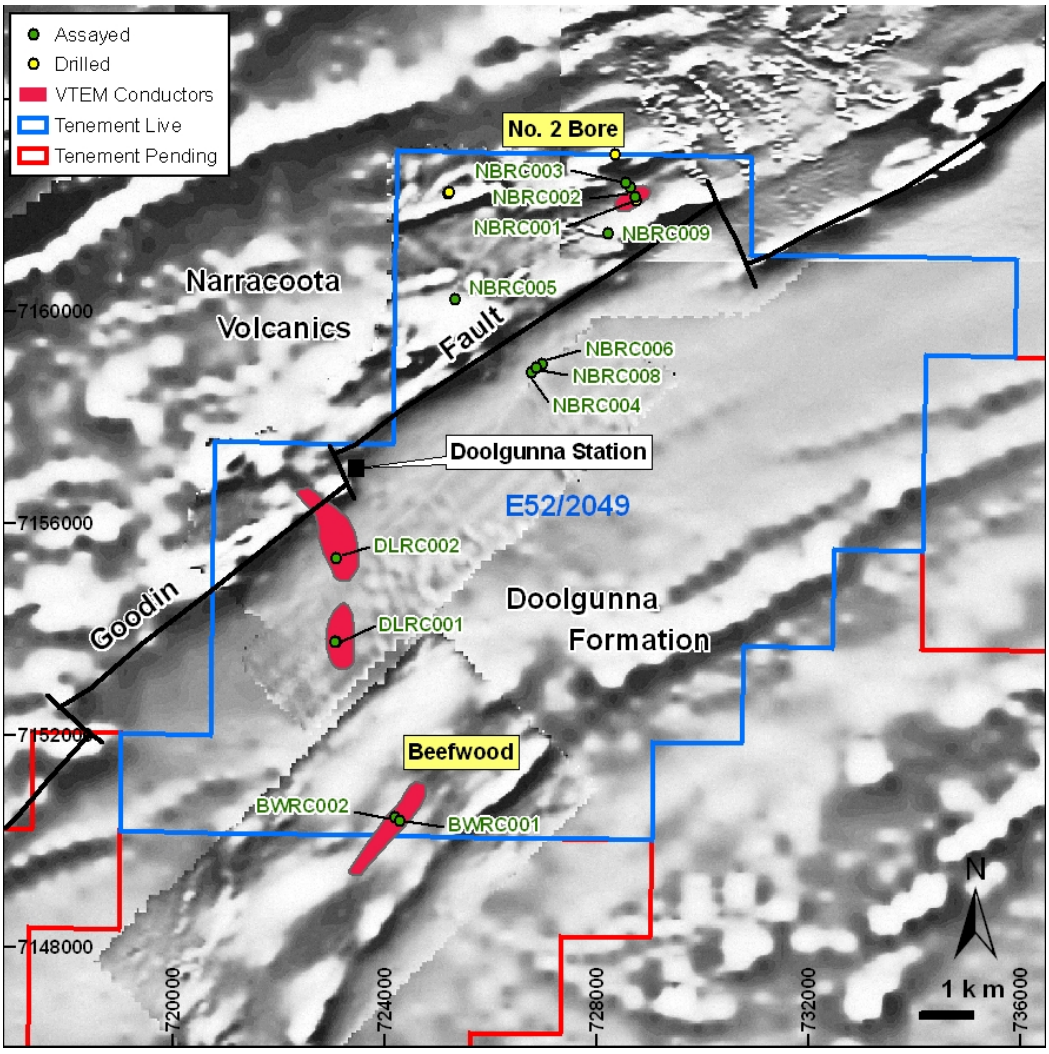
Figure 1. Revere Project Location Plan, showing granted and ungranted Tenements

LATEST RC DRILLING RESULTS

South of **Doolgunna** homestead, 2 widely spaced reconnaissance RC holes were planned to test a N-S trending coincident copper in soil-VTEM target. Hole **DLRC001** drilled into a 102m deep alluvium filled channel, below which graphitic pyritic siltstone and shale was intersected. The hole was abandoned at 168m due to nil sample return from 156m. From 104m-136m, the pyritic siltstone and shale was anomalous in zinc (av. 120ppm Zn) and below this, from 136m- 156m, a 20m zone of anomalous lead was encountered. (av. 690ppm Pb) DLRC001A was redrilled a short distance away but suffered the same fate and was abandoned at 156m. A narrow zone of gold was intersected in alluvium from 52m-56m. (av. 0.2ppm Au)

Hole **DLRC002** drilled through 100m of alluvium before also intersecting graphitic pyritic siltstone and shale between 100m-148m. Hard basic volcanic rock and quartz rich "tuff" was intersected between 148m and end of hole at 216m. There was no anomalous geochemistry in this hole.

Figure 1. RC Drill hole locations, Doolgunna and No. 2 Bore Prospects, on Magnetic Image



At **No. 2 Bore**, assay results from a further 5 RC holes testing a variety of VTEM and geochemical targets have been returned. Holes NBRC005 and NBRC009 were drilled to test weak VTEM targets in the Narracoota Volcanics approximately 6-9km NE of Doolgunna homestead.

Hole **NBRC005** intersected iron rich clays and pisolites down to 100m, and then encountered freshrock to end of hole at 224m. Apart from a quartz vein with trace gold (0.05ppm Au) from 120m-124m, the hole was not geochemically anomalous.

Hole **NBRC009** intersected a similar weathered profile down to 99m, and then entered fresh pyritic shales and greywacke. A zone of anomalous zinc (80m @ 105ppm Zn from 40m depth) was encountered before the hole intersected a magnetic pyritic carbonate altered shale (4m @ 0.1ppm Au from 184m depth) sitting directly above a dolerite unit. The dolerite was anomalous in copper (16m @ 193ppm Cu from 200m).

Holes NBRC004, NBRC006 and NBRC008 were drilled as a fence to test a weak VTEM target within the Doolgunna Formation sediments, just south of the Goodin Fault. Hole **NBRC004** encountered pisolites, clays and weathered sediments to 126m, followed by fresh interbedded graphitic sandstones and shales to end of hole at 243m. Hole **NBRC006** encountered a similar sequence and was terminated at 217m. There was no anomalous geochemistry in either hole. Hole **NBRC008** encountered a deep alluvium filled channel with unconsolidated clays and sands and was abandoned at 80m due to drilling difficulties.

Hole locations for Beefwood, No. 2 Bore and Doolgunna prospects are shown below in Table 1 below.

Table 1. RC Drill hole locations, No. 2 Bore and Doolgunna Prospect

Hole Number	North (m)	East (m)	Prospect Name	Tenement Number	Depth (m)	Assays
NBRC004	7158851	726776	No 2 Bore	E52/2049	243	Received
NBRC005	7160214	725334	No 2 Bore	E52/2049	224	Received
NBRC006	7159000	726960	No 2 Bore	E52/2049	217	Received
NBRC007	7162226	725194	No 2 Bore	E52/2049	156	Awaited
NBRC008	7158925	726870	No 2 Bore	E52/2049	80	Received
NBRC009	7161457	728217	No 2 Bore	E52/2049	223	Received
NBRC010	7162084	728744	No 2 Bore	E52/2049	234	Awaited
NBRC011	7162947	728356	No 2 Bore	E52/2049	223	Awaited
DLRC001	7153746	723062	Doolgunna	E52/2049	168	Received
DLRC001A	7153754	723080	Doolgunna	E52/2049	156	Received
DLRC002	7155341	723089	Doolgunna	E52/2049	216	Received

All No. 2 Bore holes MGA94, Zone 50, Dip 60^0, Azimuth 135^0, except NBRC004,005,006 and NBRC008 (45^0)
All Doolgunna holes MGA94, Zone 50, Dip 60^0, Azimuth 45^0

At **Donald Well,** DWRC001, DWRC002 and DWRC003 were drilled as a fence of holes across a coincident gold/base metal soil and VTEM anomaly. The target was located on the northern margin of a strong unexplained magnetic anomaly, in a similar position to the Golden King anomaly some 10km to the SW.

Hole **DWRC001** intersected a zone of strongly pyritic graphitic shale from 151m-168m which was anomalous in copper (17m @ 120ppm Cu). A sandstone unit occurred from 171m-182m, below which was a dolerite to end of hole at 217m.

Hole **DWRC002** intersected a similar pyritic sequence from 116m-120m with elevated copper (4m @ 128ppm Cu) and another pyritic zone with elevated copper and 30-40% quartz – carbonate veining, from 184-204m. (20m @ 133ppm Cu). This pyritic zone also lies immediately above a dolerite unit.

Hole **DWRC003** intersected a similar pyritic sequence from 68m-116m with quartz – carbonate veining and elevated copper (48m @ 121ppm Cu)**.** Refer Figure 2 and Table 2 for hole locations.

Figure 2. RC Drill Hole Locations, Donald Well Prospect, on Magnetic Image

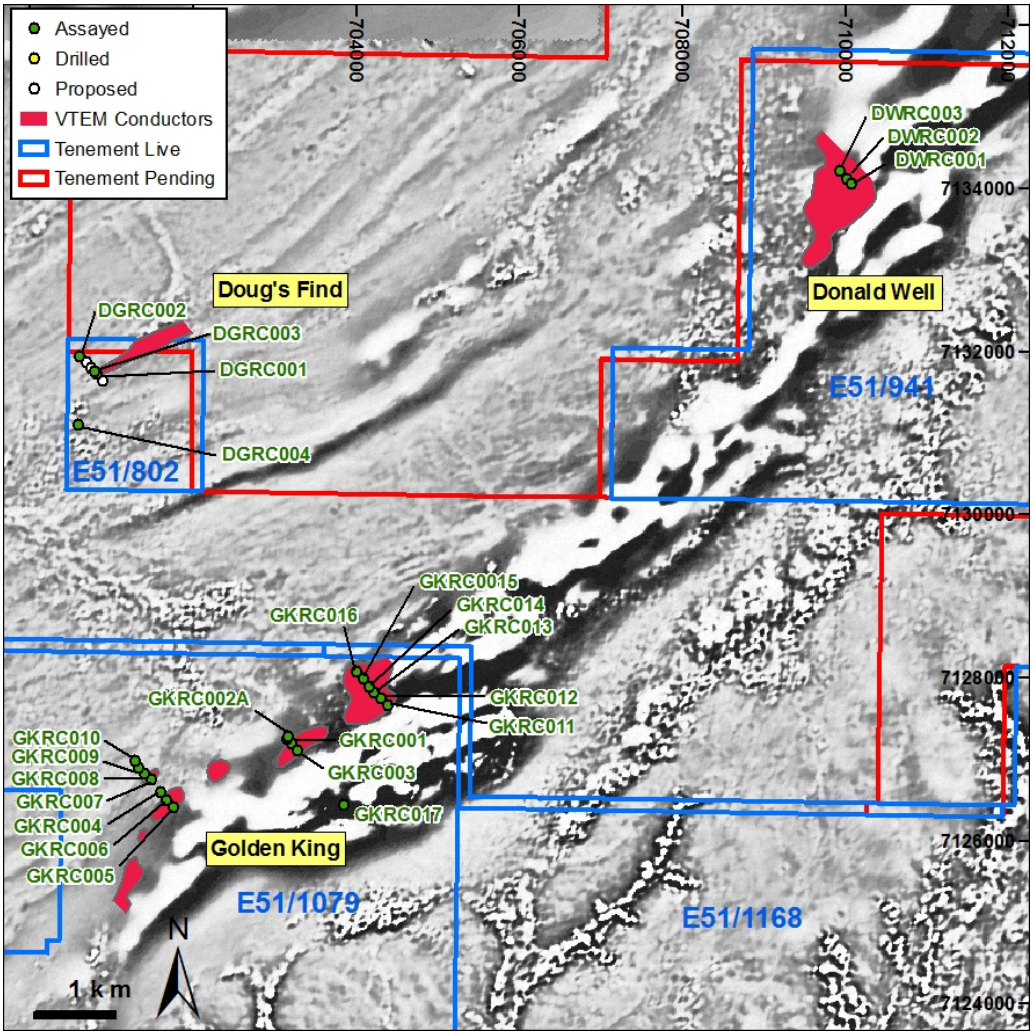


Table 2. RC Drill hole locations, Donald Well Prospect

Hole Number	North (m)	East (m)	Prospect Name	Tenement Number	Depth (m)	Assays
DWRC001	7134051	710071	Donald Well	E51/941	217	Received
DWRC002	7134116	710015	Donald Well	E51/941	229	Received
DWRC003	7134213	709927	Donald Well	E51/941	229	Received

All holes MGA94, Zone 50, Dip 60^0, Azimuth 135^0.

The Enterprise board and management remain committed to continuing exploration in the Revere-Doolgunna project area, as the area is still considered highly prospective and under explored, and we are still awaiting the results from the last 3 drill holes.

However, the focus in 2010 will move to testing of targets along the Goodin Fault, and the adjacent Narracoota Volcanics, as the Company's tenement applications are granted.

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The information in this announcement that relates to Exploration Results has been compiled by Mr Dermot Ryan, who is a Fellow of the Australian Institute of Geoscientists, and a full time employee of geological consultancy Xserv Pty Ltd. Mr Ryan has sufficient relevant experience in the 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.