
WATTAGEE PROJECT- HIGH GRADE GOLD INTERSECTION AT STOCKYARD EAST PROSPECT

- **8 metres at 5.77g/t gold in RC hole STERC004**

SUMMARY

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) wishes to announce that assay results have now been received from the RC holes drilled at the Stockyard East prospect, approximately 30km North of Cue.

Hole STERC004 returned a significant result of 8 metres at 5.77g/t gold from 181–189m. This intersection lies almost 100m down dip from a previously identified low grade oxide gold accumulation at the base of the weathering profile, and lies approximately 70 metres south west of previous (competitor) intersections of 1m at 14g/t from 128m and 1m at 17g/t from 141m in hole SERC002. (Eagle Mining, 1997)

BACKGROUND

In April 2010, the Company completed 10 RC drill holes (inc. 2 abandoned) on three prospects: *Placer*, *Stockyard East/West* and *AM14*. Results from the *Placer* prospect were reported to the ASX on 21st April 2010.

At **Stockyard East**, four RC holes were drilled to test a “*gold in regolith*” target associated with IP anomalism. The best gold results are in a sheared zone of mafic rocks with sulphide stringers, within a broader mafic sequence.

Based on the high arsenic assays, the high grade gold mineralisation in hole STERC004 is associated with arsenopyrite.

The following table summarises the results from recent drilling at Stockyard East.

Table 1. Stockyard East Prospect - Anomalous RC Drilling Results

Hole No.	GDA East	GDA North	Hole Depth	Dip	Azimuth	From (m)	To (m)	Int (m)	Au (g/t)	As (%)
STERC001	591742	7000580	235	-60	135	184	188	4	0.70	
STERC002	591700	7000591	118		Abandoned					
STERC003	591970	7000890	250	-60	135	112	116	4	1.92	
STERC004	591891	7000919	250	-60	135	181	189	8	5.77	3.2
						202	203	1	1.34	1.3

NOTE: Samples were initially assayed as 4m or 1m composites using standard Aqua Regia digest/ICP-MS technique with a 1ppb detection limit for gold. All samples were assayed for gold and 15 base metal elements. Hole STERC002 was abandoned at 118m depth, short of target depth.

A diagrammatic cross section is shown overleaf in Figure 1 and a plan showing the location of these RC drill holes with respect to the other Wattagee prospects is shown in Figure 2.

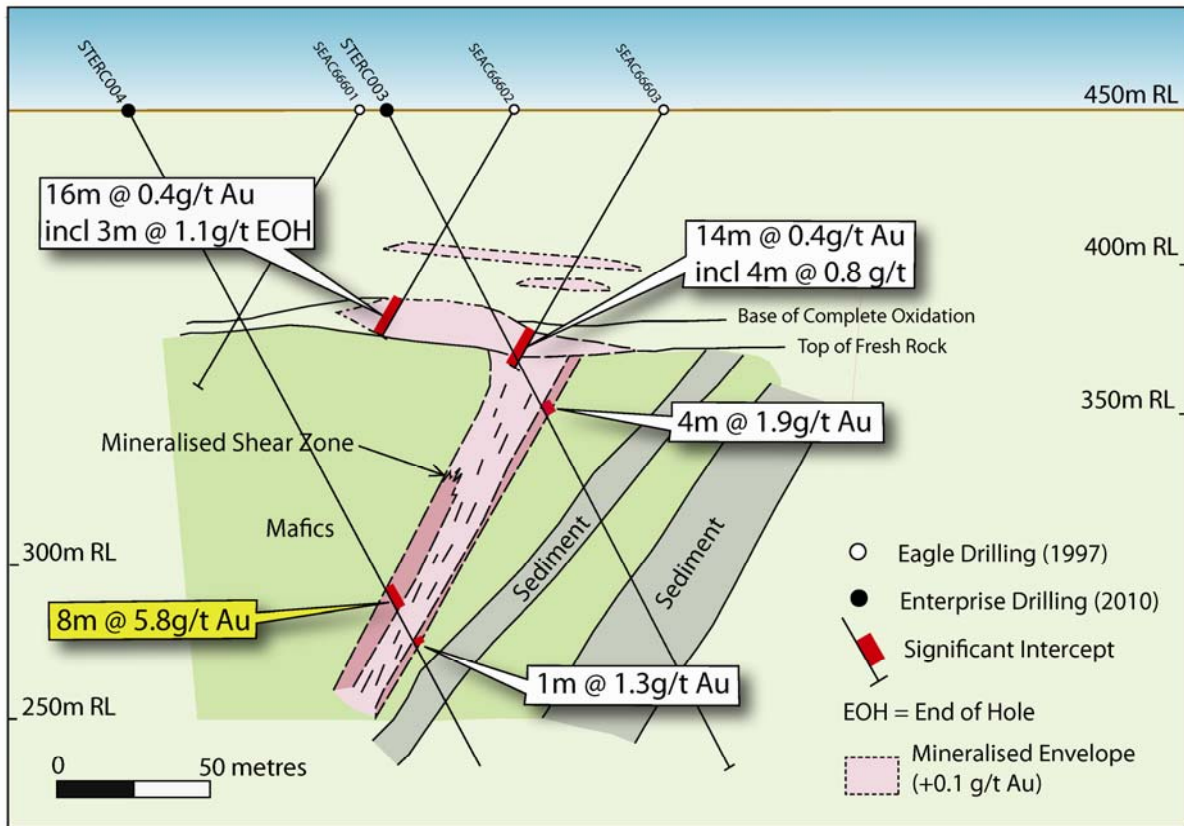


Figure 1. Stockyard East Prospect
Diagrammatic Cross Section showing Enterprise RC Holes STERC003 and STERC004

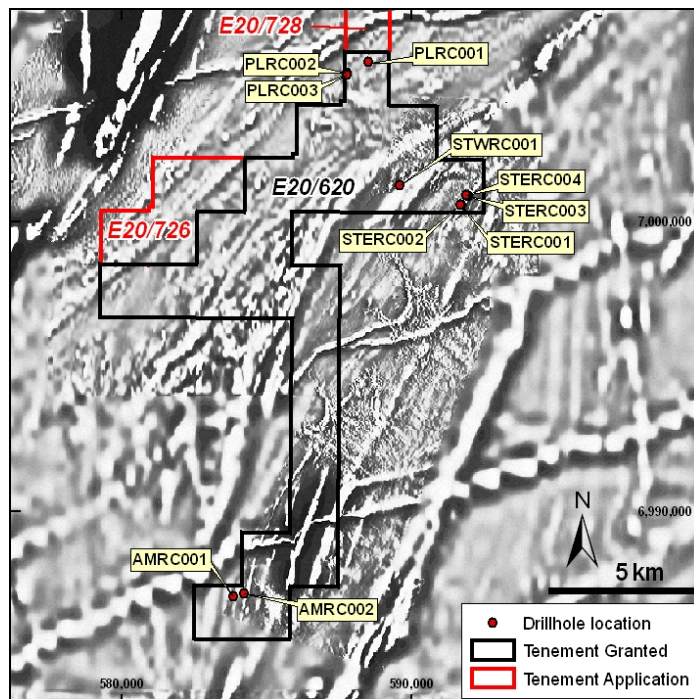


Figure 2. Wattagee Project, 1st VD Magnetic Image with Location of RC Drill Holes

The Company is currently planning additional RC holes at Stockyard East to further test the main mineralised shear within the primary zone.

Assay results from the RC drilling at Stockyard West and AM14 prospects are still awaited.



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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.