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**BURRACOPPIN IRON PROJECT  
ASSAYS FROM GRAB SAMPLING INDICATE POTENTIAL FOR DSO**

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**SUMMARY**

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) wishes to announce that it has received assay results for the 16 rockchip samples recently collected at Burracoppin, 280 km east of Perth in Western Australia.

The samples were obtained from scattered outcrops of altered and unaltered Archaean quartz-magnetite/banded iron formation (“Bif”). The best assay results of +50% Fe (refer Table 1 below) were obtained from Bif which has been completely altered to massive goethite. *Loss on Ignition* (“LOI”) values of greater than 10% were also obtained, indicating that, after calcining and removal of the contained water, the iron grades would beneficiate to between 57-60%Fe.

**Table 1. High Grade Rockchip Assays**

<b>Rockchip Sample</b>	<b>Fe %</b>	<b>Al<sub>2</sub>O<sub>3</sub> %</b>	<b>SiO<sub>2</sub> %</b>	<b>LOI %</b>	<b>P %</b>	<b>Comments</b>
Y34754	50.35	6.25	7.99	12.29	0.131	Massive goethite
Y34755	50.71	7.46	6.42	12.52	0.160	Massive goethite
Y34756	53.69	5.35	5.27	11.52	0.075	Massive goethite

Although from a limited number of samples, these results strengthen the Company’s belief that intense alteration of Bif to goethite (and possibly hematite at depth) at Burracoppin has the potential to produce Direct Shipping Ore (“DSO”).

Based on these early encouraging results, the Company has commissioned a geophysical contractor to fly a low level 100m line spaced airborne magnetic and radiometric survey over its tenements to generate drill targets. This survey is due to commence in September 2010.

**BACKGROUND**

The Company collected 16 iron rich samples from Bif outcrops or scattered float at 8 localities, and submitted these for XRF analysis of iron and associated metals.

Three samples returned elevated **gold values** (+100ppb or +0.1g/t Au), indicating the potential for the Bif units (and perhaps the surrounding greenstones) to contain gold mineralisation.

One sample (Y34759) of nodular pisolites returned elevated alumina assays (+20% Al<sub>2</sub>O<sub>3</sub>). This sample contained iron rich nodules, surrounded by an aluminous rich matrix. (refer Plate 2 overleaf) It is speculated that the separation of the nodules and matrix could produce a high grade (ie +25%) concentrate of **alumina (bauxite)**. Further field sampling and early warning metallurgy is warranted.

The locations of these samples are shown below in Table 2. The locations are also shown overleaf on a magnetic image. (Figure 1)

**Table 2. Burracoppin Project - Rock Chip Assays and Locations**

Rockchip	GDA94	GDA94	Fe	Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>	LOI	P	Au	Comments
Sample	Easting	Northing	%	%	%	%	%	ppb	
Y34747	640116	6531809	31.07	1.97	50.37	3.13	0.073	7	Goethitic Bif
Y34748	640043	6532626	7.55	0.97	86.56	0.95	0.018	127	Quartz-Fe float
Y34750	640043	6532626	29.11	0.86	53.42	3.12	0.064	37	Goethitic Bif
Y34751	640067	653139	35.33	0.52	46.14	1.82	0.030	44	Goethitic Bif
Y34752	640097	6531299	5.11	0.77	90.5	0.76	0.016	40	Siliceous Bif
Y34753	640097	6531299	14.98	0.42	76.56	1.09	0.015	151	Siliceous Bif
Y34754	642922	6522031	50.35	6.25	7.99	12.29	0.131	346	Massive goethite
Y34755	642019	6521421	50.71	7.46	6.42	12.52	0.160	13	Massive goethite
Y34756	642029	6521388	53.69	5.35	5.27	11.52	0.075	18	Massive goethite
Y34757	641290	6523512	36.20	1.21	38.74	7.60	0.076	9	Goethitic Bif
Y34758	641290	6523512	18.78	1.51	67.44	4.08	0.020	10	Siliceous Bif
Y34759	645114	6508734	27.13	20.04	31.43	8.04	0.026	70	Nodular pisolites
Y34783	639420	6519620	36.67	0.88	46.07	0.56	0.021	5	Hematized Bif.
Y34784	639420	6519620	36.06	1.52	45.92	0.99	0.018	6	Hematized Bif.
Y34785	639420	6519620	41.84	2.93	33.98	2.70	0.031	5	Hematized Bif.
Y34786	639420	6519620	31.34	1.04	53.91	0.48	0.015	6	Hematized Bif.

Fe, Al<sub>2</sub>O<sub>3</sub>, SiO<sub>2</sub>, & P were determined by X-ray fluorescence spectroscopy (XRF) on pulverised samples fused with a lithium borate flux. Single point Loss on Ignition (LOI) was determined by the use of Thermo Gravimetric Analysis (TGA) at 1000°C. Au was determined using a 25gm Fire Assay/ICP-MS method.


**Plate 1. Sample Y34754: Massive Goethite assaying 50.7% Fe**

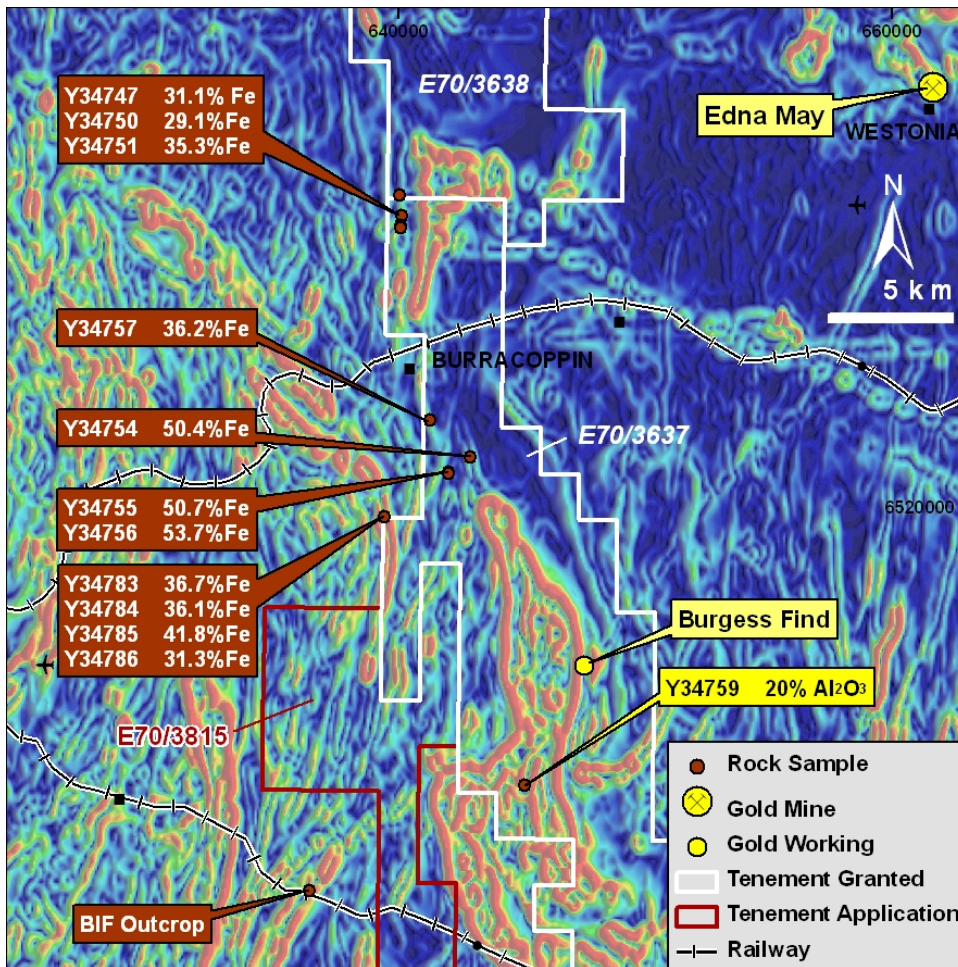


**Plate 2. Sample Y34756: Massive Goethite assaying 53.7% Fe**



**Plate 3. Sample Y34759: Nodular Pisolite assaying 20% Al<sub>2</sub>O<sub>3</sub> (alumina)**





**Figure 1. Sample Locations and Assays over Magnetic Image**



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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.*