

**DOOLGUNNA IP SURVEYS COMPLETED – 12 DRILL TARGETS DEFINED**

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) wishes to advise that it has completed three extensive Induced Polarisation (“IP”) surveys over its base metal soil targets at Doolgunna. **Four RC drill targets at each of the Doolgunna, Ruby Well East and Ruby Well West Prospects are currently being prioritized for RC drill testing.**

The IP surveys were designed to follow-up discrete and co-incident silver, arsenic, tin, gold and tellurium geochemical anomalies lying over Narracoota Formation volcanics adjacent to the Goodin Fault.

The original 400 metre line spaced 100m dipole-dipole IP lines were extended in places to adequately cover early anomalous IP responses, and infill lines at 200m spacing were also completed. There was a considerable delay in the completion of the surveys due to weather (rain and flooding in the Meekatharra-Doolgunna area) and the need to return and undertake the infill lines.

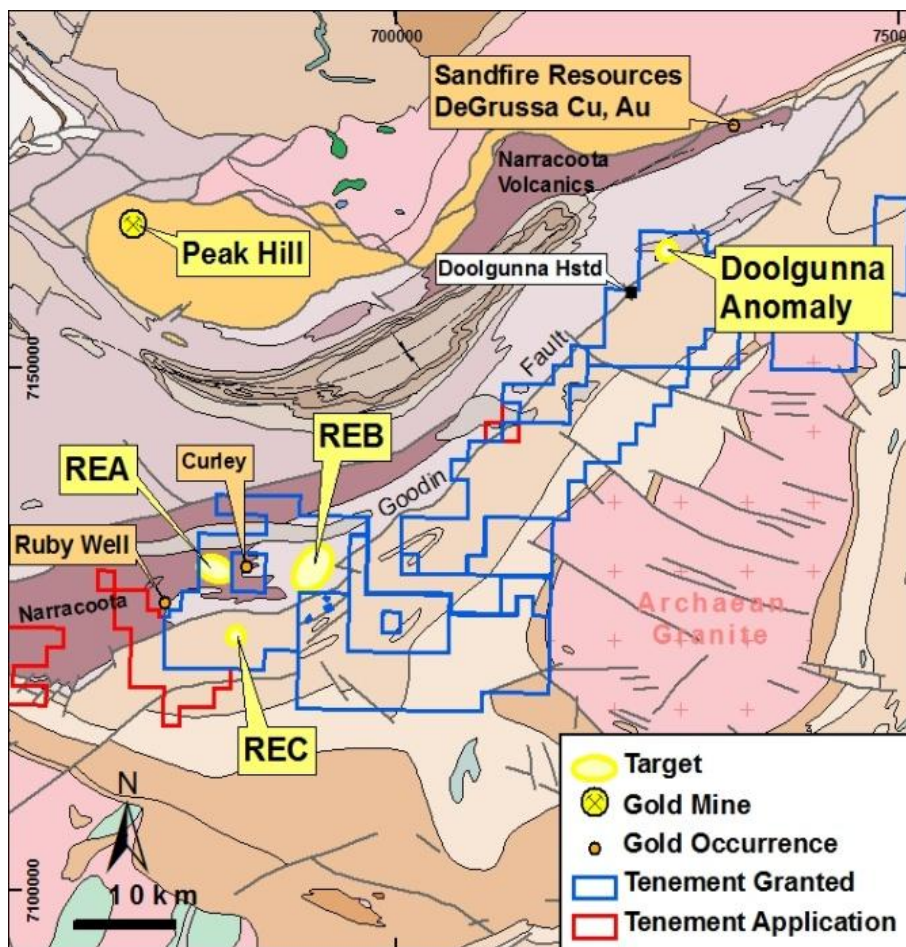
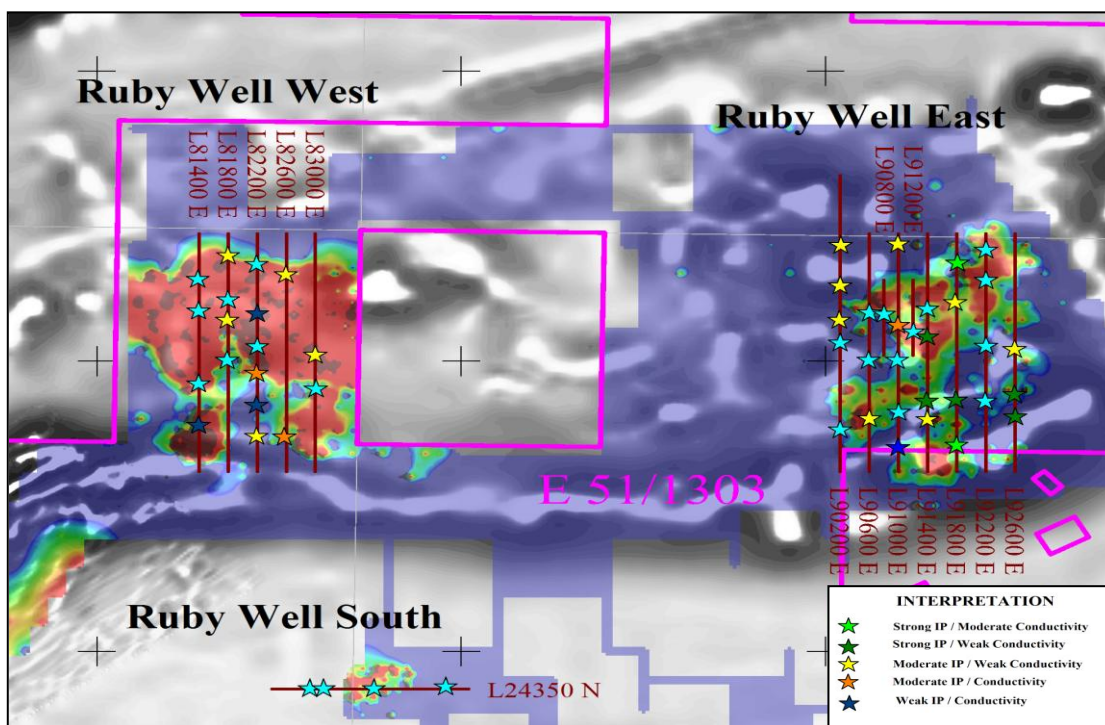


Figure 1. Regional Geology Plan Showing Tenements & Doolgunna Anomaly

**RUBY WELL PROSPECT**

The Ruby Well IP surveys were designed to follow up three discrete but areally extensive multi-element geochemical anomalies at the Ruby Well West (REA), Ruby Well East (REB) and Ruby Well South (REC) prospects. Fifteen lines (54.5 line km) of 100m dipole-dipole were completed. The silver geochemical image is generally representative of the area of the multi-element geochemical anomalies. (Refer ENT: ASX 22 October 2010) The location of the IP traverses in relation to the silver geochemical anomalies is shown in Figure 2.



**Figure 2. Ruby Well Prospect, Location of IP Anomalies over Silver Anomalism and 1VD Magnetics**

The survey area is covered by approximately 50m of conductive cover underlain by a resistive basement. This resistive basement has been interpreted as being the Narracoota Formation volcanics. Generally the IP response within the Narracoota volcanics over the geochemical anomaly is weak to moderate. Exploration targets within the Ruby Well Prospect areas (Figure 3) are:

- Volcanogenic massive sulphide (“VMS”) style base metal - as per Sandfire Resources NL’s DeGrussa copper-gold deposit.
- Gold mineralisation associated with quartz veins in shear zones within basaltic rocks.

The expected IP signatures for these styles of mineralisation are:

- VMS Cu-Au - Conductive with a chargeability high
- Quartz vein Au - Resistive with a chargeability high.

The IP data was processed with Geosoft and 2D modelled with Zonge TS2DIP Smooth Model Inversion software. The observed data and 2D models are shown Figures 4 to 18.

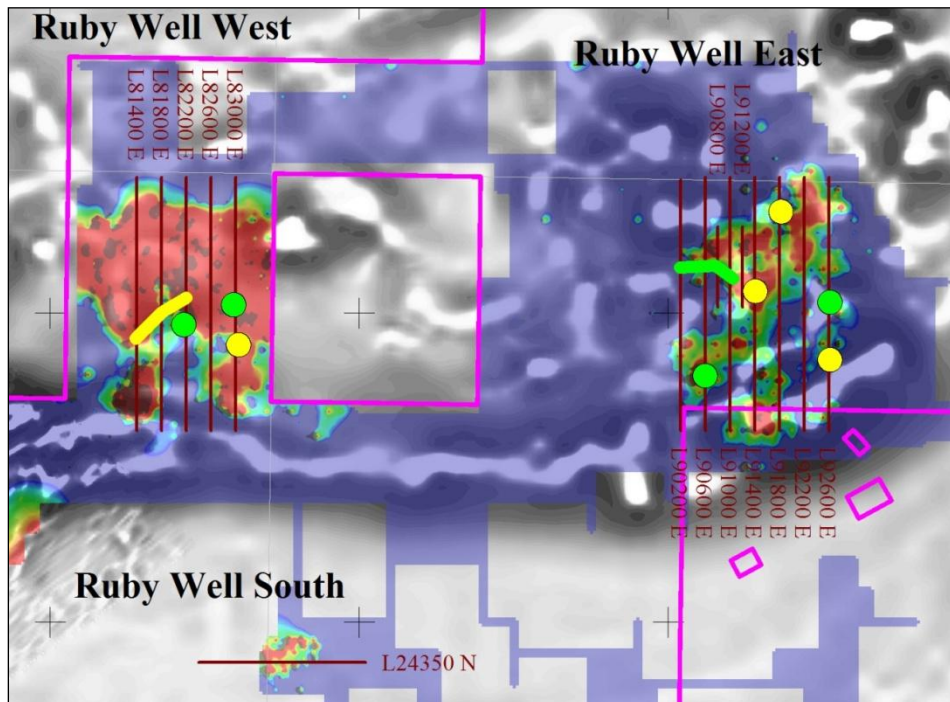


Figure 3. Ruby Well Prospect, Interpreted IP Targets  
(Green = Cu-Au Targets, Yellow = Quartz Au Targets)

### RUBY WELL WEST SOIL GEOCHEMICAL ANOMALY (REA)

This multi-element soil geochemical anomaly is centred approximately 4km west of Curley's gold occurrence, immediately north of the Great Northern Highway. It is approximately 5km x 2km in extent, and strikes WNW.

Although at relatively low levels due to dilution within soils, **REA** is a spatially co-incident and discrete silver-arsenic-bismuth-gold-tellurium-molybdenum-tin anomaly within Narracoota Fm volcanics. The anomaly occurs within a broader zone of anomalous copper and lead. Enterprise is not aware of any historical drill testing of this target.

Five lines (20.5 line km) of 100m dipole-dipole IP was collected over **REA** (Figures 4 to 8). There are no strong distinct conductive bodies associated with the IP.

There are **three Cu-Au targets (B, C and E)**. These targets have weak IP responses associated with weak conductive zones.

There are **four quartz Au targets (A, A1, A2 and D)**.

**Follow up aircore/RC drilling is planned for the stronger of these targets (A, D, B and C).**

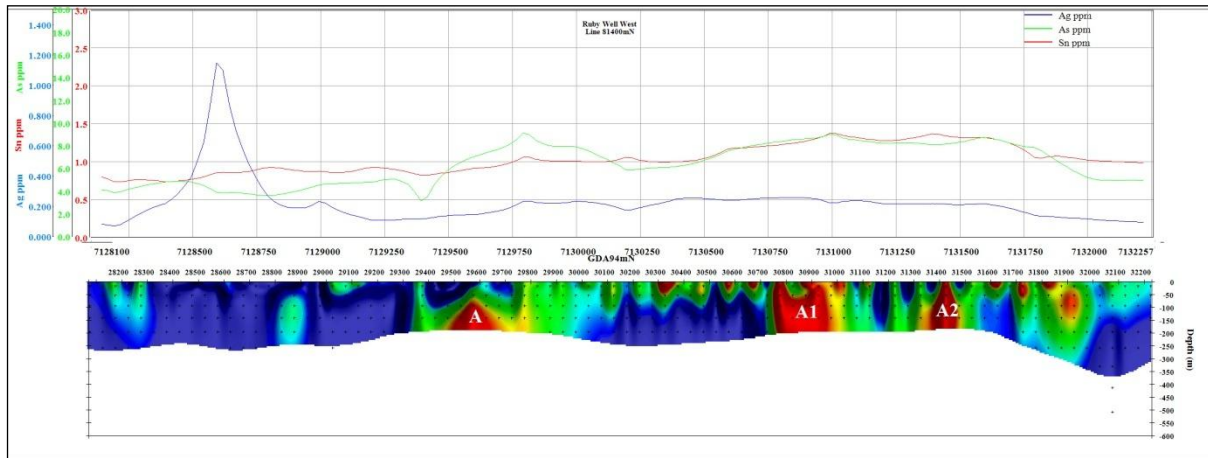


Figure 4. Ruby Well West Prospect - Line 81400mE, Chargeability with Geochemistry

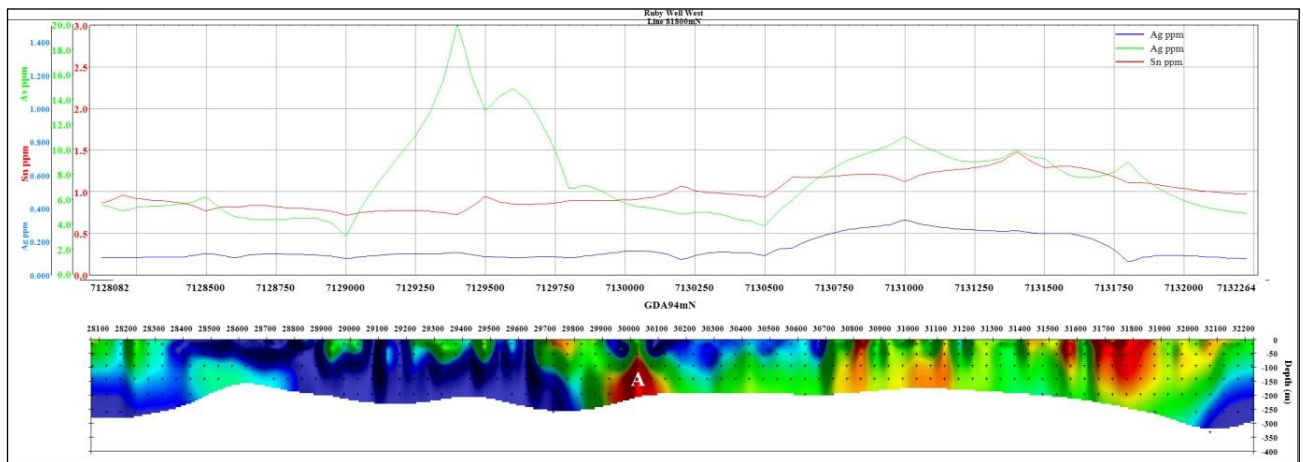


Figure 5. Ruby Well West Prospect - Line 81800mE, Chargeability with Geochemistry

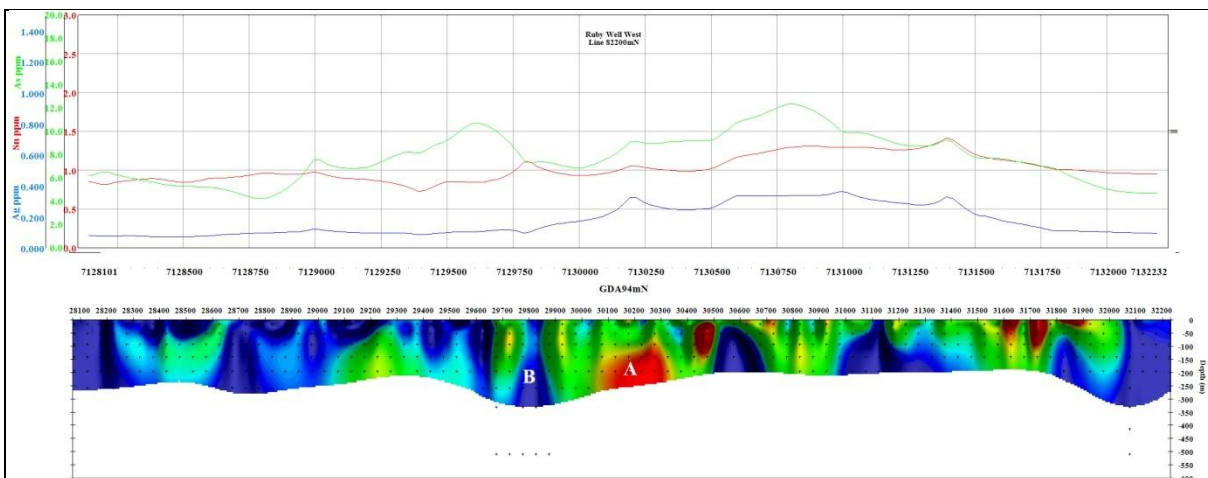
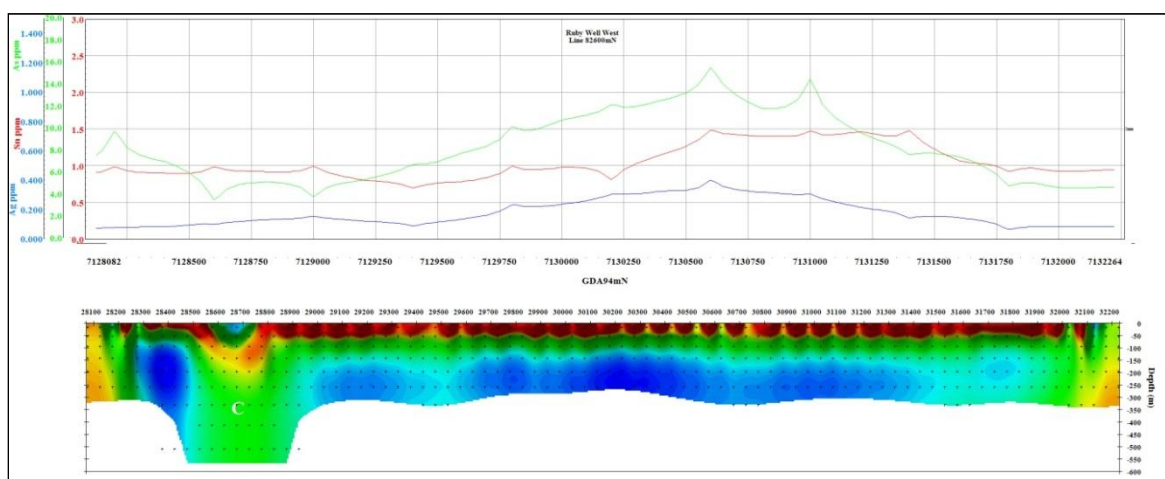
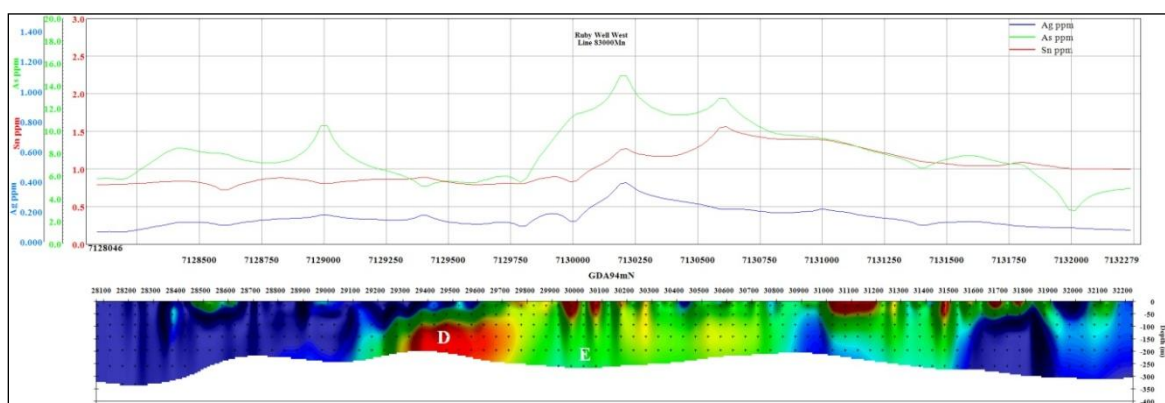


Figure 6. Ruby Well West Prospect - Line 82200mE, Chargeability with Geochemistry



**Figure 7. Ruby Well West Prospect - Line 82600mE, Apparent Resistivity with Geochemistry**



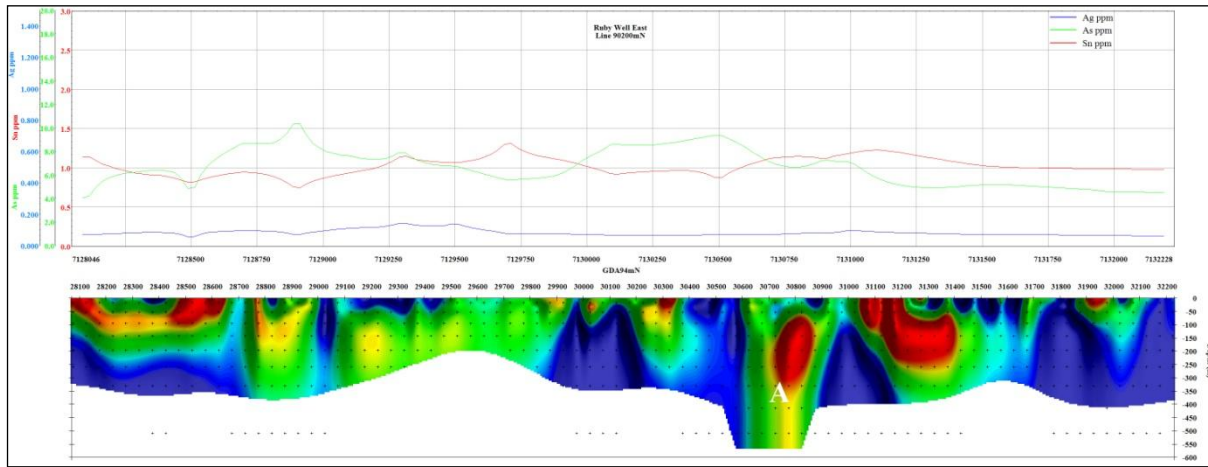
**Figure 8. Ruby Well West Prospect - Line 83000mE, Chargeability with Geochemistry**

### **RUBY WELL EAST SOIL GEOCHEMICAL ANOMALY (REB)**

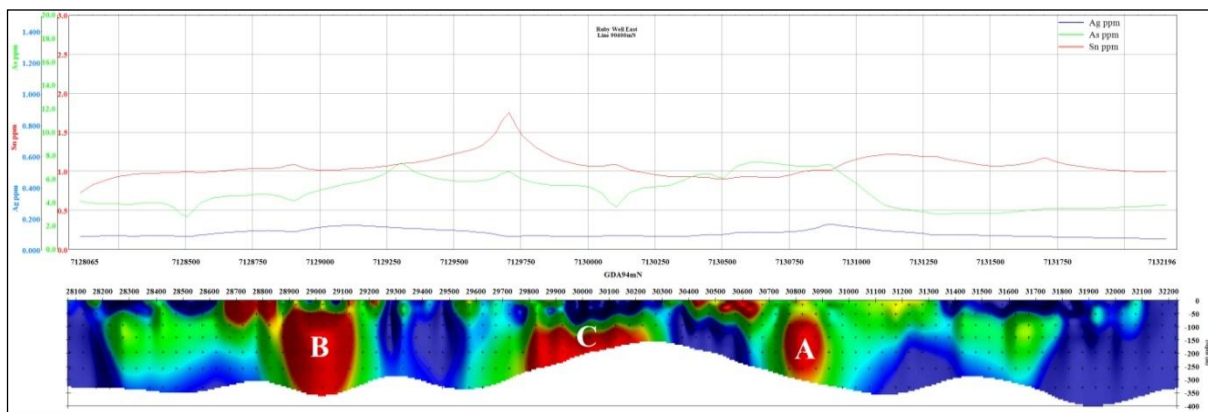
This soil geochemical anomaly is centred approximately 8km east of Curley's, immediately south of the Great Northern Highway. It is a complex anomaly and appears to be composed of several zones. **REB** is a spatially co-incident and discrete silver-arsenic-bismuth-tellurium-molybdenum anomaly within sediments interpreted to be Karalundi Fm. However airborne magnetic data suggest the presence also of Narracoota volcanics.

This anomaly occurs within a broad, but weaker zone of anomalous copper and lead. Enterprise is not aware of any historical drill testing of this target. The Company has located records of minor shallow (30-40m) RAB drilling by a competitor in the 1990's on the southern edge of this target, but Enterprise believes that the target is essentially untested by any drilling.

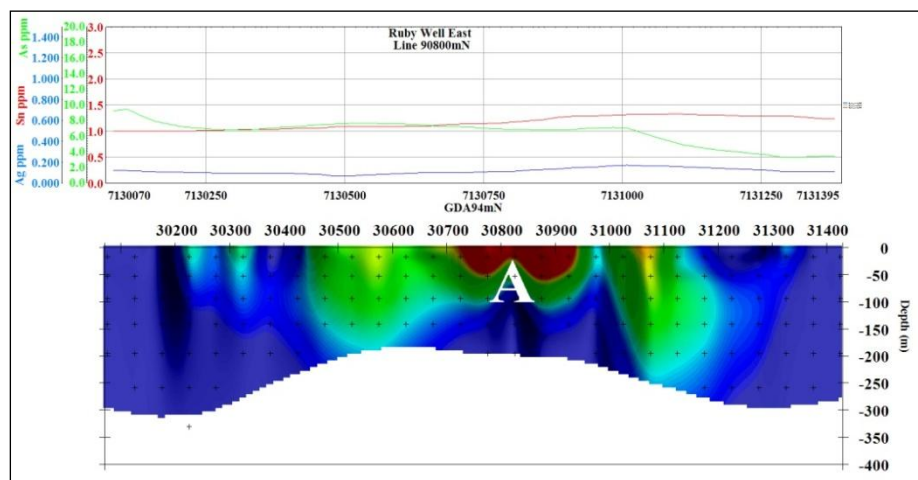
Nine lines (31.3 line km) of 100m dipole-dipole IP was collected over **REB**. (Figures 9 to 17) There are no strong distinct conductive bodies associated with the IP. There are **four Cu-Au targets (A, B, E and D)**. These targets have a weak to moderate IP responses associated with weak conductive zones. There are **four quartz Au targets (B, C, F, G and I)**. **Follow up aircore/ RC drilling is planned for Targets A, B, C and F.**



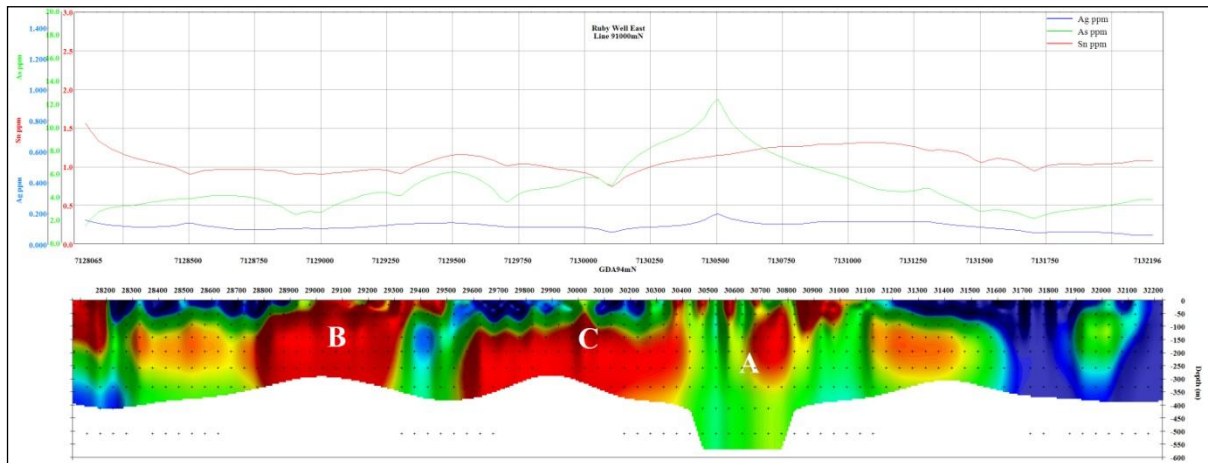
**Figure 9. Ruby Well East Prospect - Line 90200mE, Chargeability with Geochemistry**



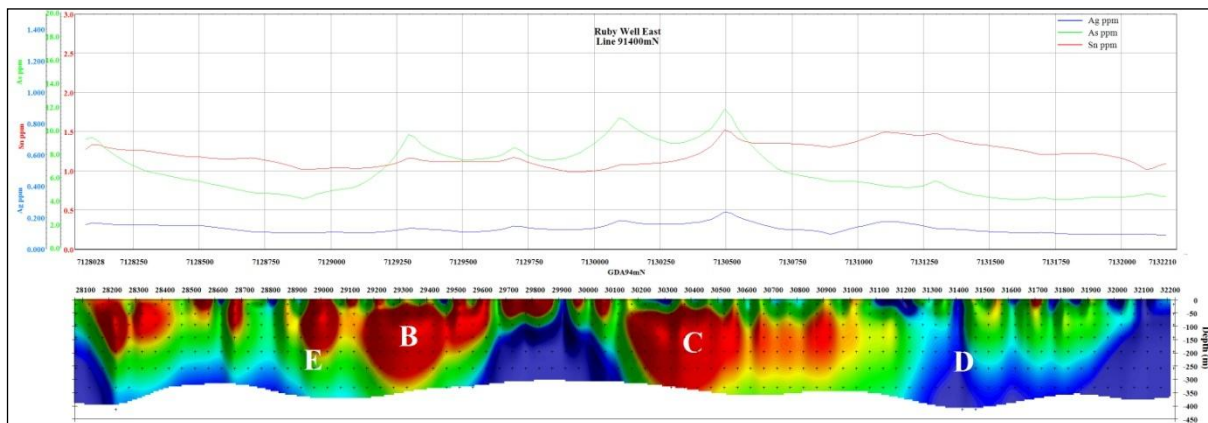
**Figure 10. Ruby Well East Prospect - Line 90600mE, Chargeability with Geochemistry**



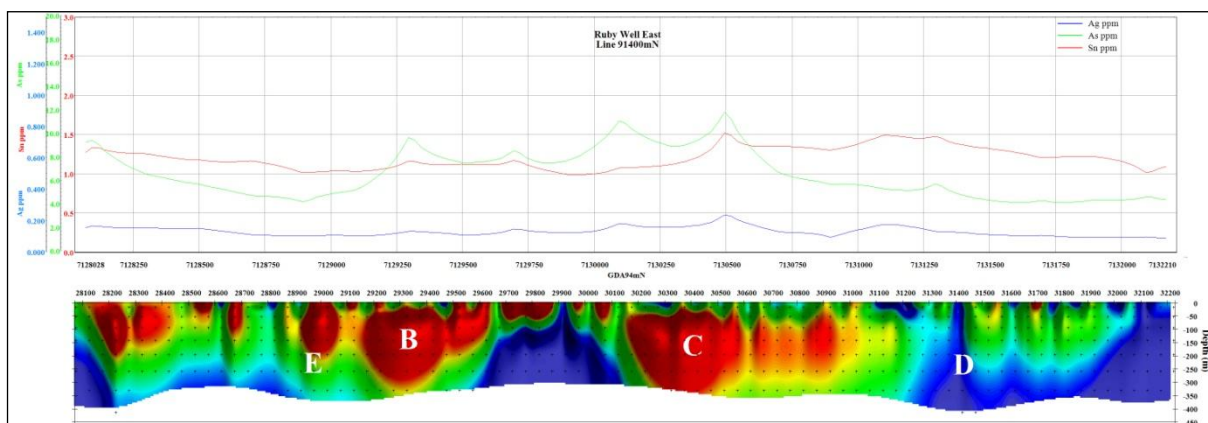
**Figure 11. Ruby Well East Prospect - Line 90800mE, Chargeability with Geochemistry**



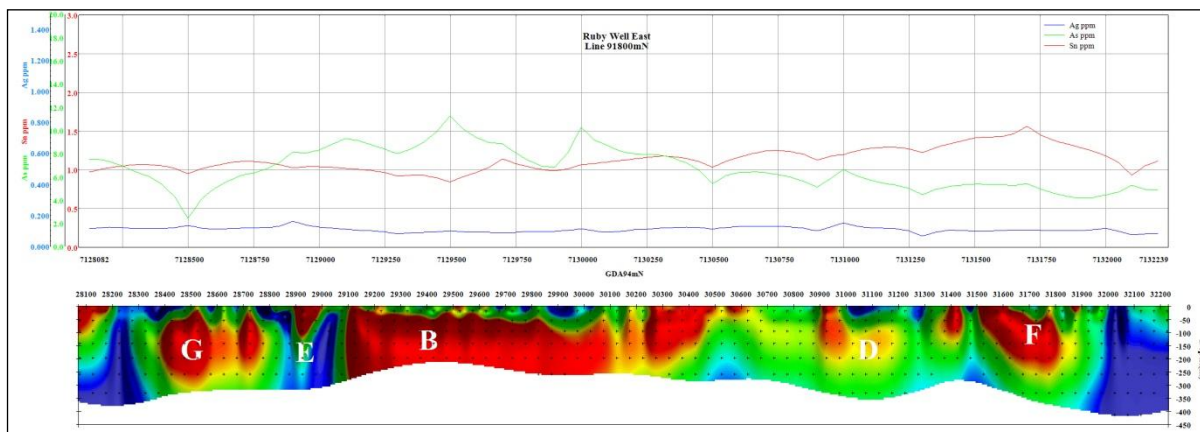
**Figure 12. Ruby Well East Prospect - Line 91000mE, Chargeability with Geochemistry**



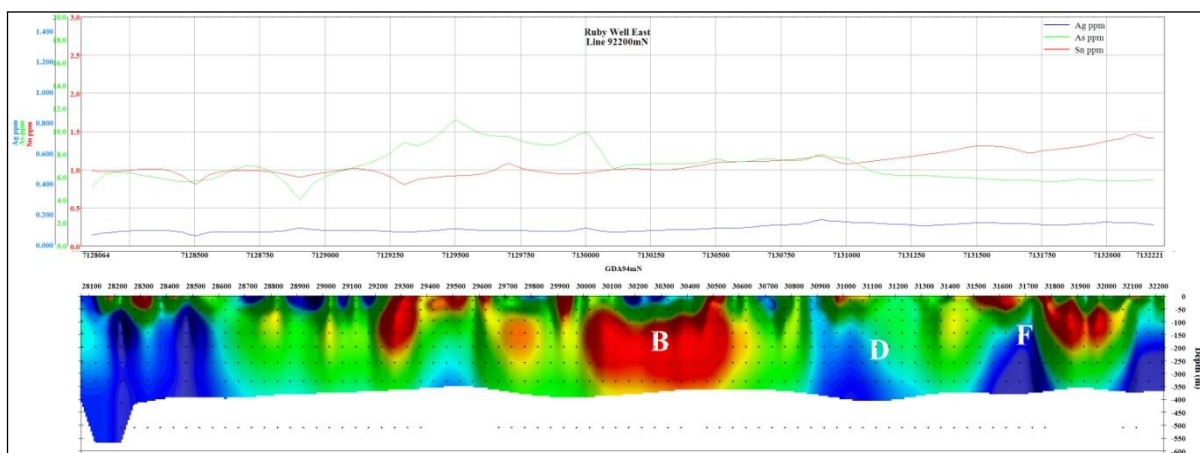
**Figure 13. Ruby Well East Prospect - Line 91400mE, Chargeability with Geochemistry**



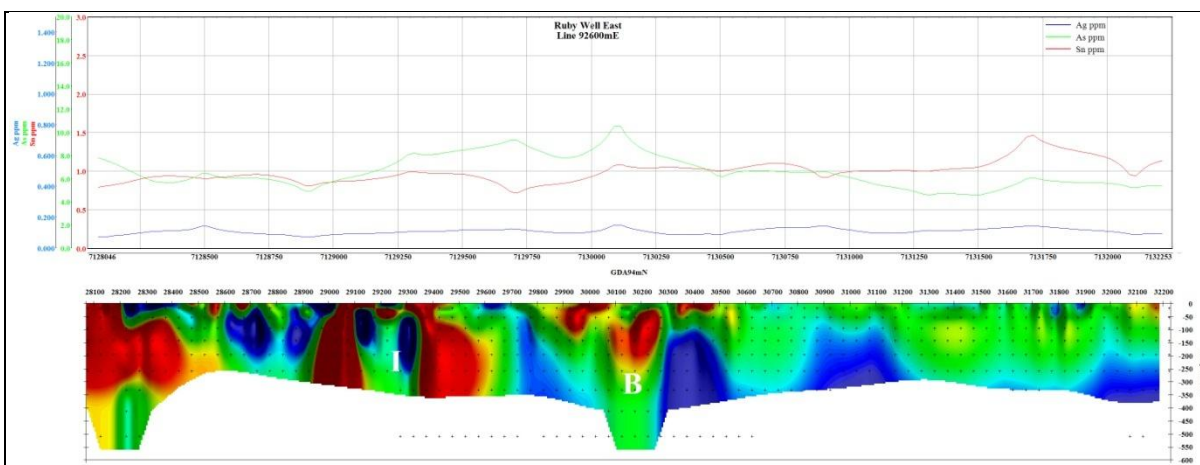
**Figure 14. Ruby Well East Prospect - Line 91400mE, Chargeability with Geochemistry**



**Figure 15. Ruby Well East Prospect - Line 91800mE, Chargeability with Geochemistry**



**Figure 16. Ruby Well East Prospect - Line 92200mE, Chargeability with Geochemistry**



**Figure 17. Ruby Well East Prospect - Line 92600mE, Chargeability with Geochemistry**



### **RUBY WELL SOUTH SOIL GEOCHEMICAL ANOMALY (REC)**

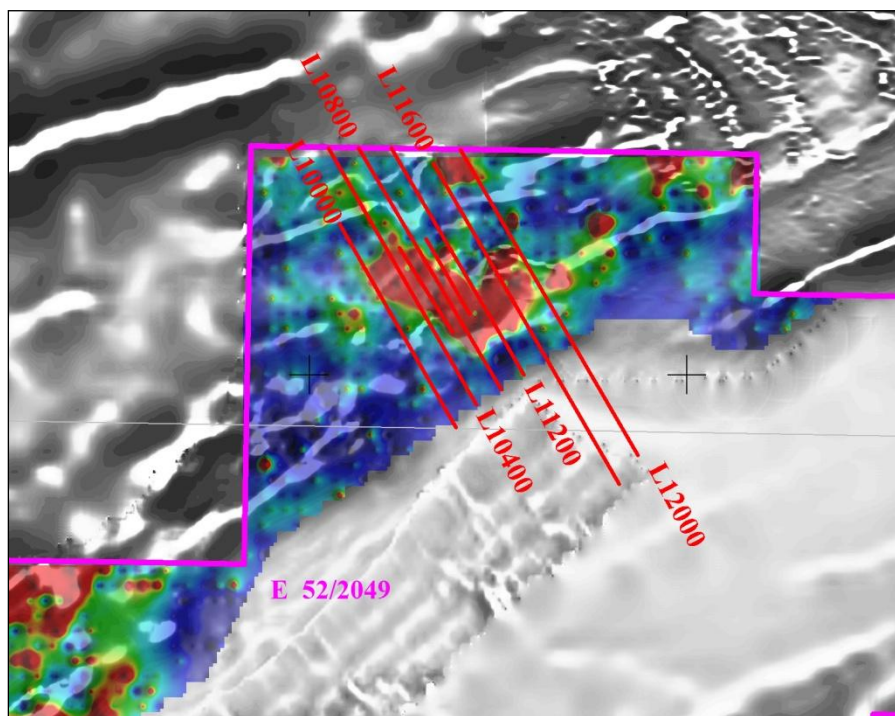
This soil anomaly lies approximately 10km south of Curley's, and is a circular anomaly a little over 1km in diameter. The anomaly is open to the west, where soil sampling is incomplete. Unlike REA and REB, this anomaly lies within sediments of the Doolgunna Formation, which is the lateral equivalent of the Thaduna Formation which hosts the Thaduna copper mine ENE of Doolgunna Homestead.

The **REC** area was initially identified from a historical "single point" maglag Sn anomaly from a survey conducted on a 1km x 1km grid. Because of its unusual nature, the area was sampled on a very detailed 50m x 50m grid. **REC** is a spatially co-incident and discrete silver-arsenic-bismuth-gold-tellurium-molybdenum and tin anomaly. It is also weakly anomalous in copper and lead. Enterprise is not aware of any historical drill testing of this target.

One reconnaissance line (2.7 line km) of 100m dipole-dipole IP was collect over **REC**. The survey area is covered by approximately 50m of conductive cover underlain by a resistive basement. No targets were identified from this single line of IP.

### **DOOLGUNNA SOIL GEOCHEMICAL ANOMALY**

At the Doolgunna Prospect, six full lines and two infill lines of 100m dipole-dipole were completed to follow-up a discrete and co-incident silver (max 350ppb), arsenic (max 57ppm), tin (max 4.6ppm), gold (max 30ppb) and tellurium (max 510ppb) geochemical anomaly. The location of the IP traverses are shown in Figure 18 in relation to the tin geochemical anomaly which has been superimposed on an image of the 1VD magnetics.

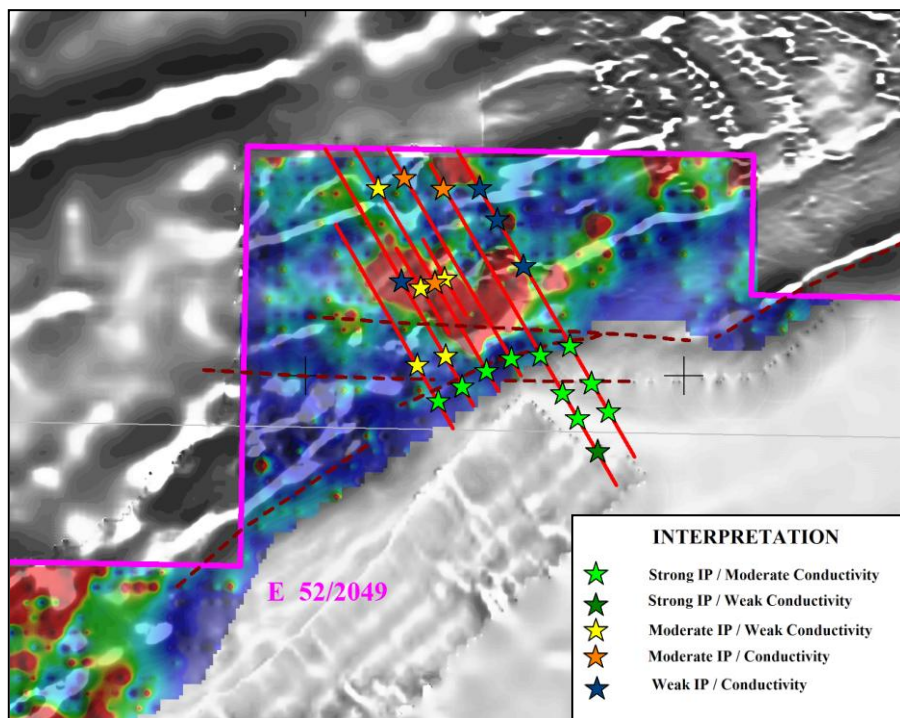


**Figure 18. Doolgunna Prospect IP Lines over 1VD Magnetic Image**

Generally the IP response within the Narracoota volcanics, over the geochemical anomaly, is weak to moderate. The Goodin Fault is clearly seen as a major boundary to the south.

Although there are no strong, distinct conductive bodies apparent from the IP, the weak to moderate IP responses could be sourced by “sulphide stringers” or narrow veins of mineralisation. It should be noted that on Line 10800, (see Figures 25 & 26, Anomaly D) there is a weak conductive zone that is flanked by weak IP responses. The observed data and 2D models are shown in Figures 21 to 30.

**Four targets have been identified for follow-up by drilling.** The targets areas are shown in Figure 20 overleaf. All targets have an IP signature and are associated with weak zones of conductivity.

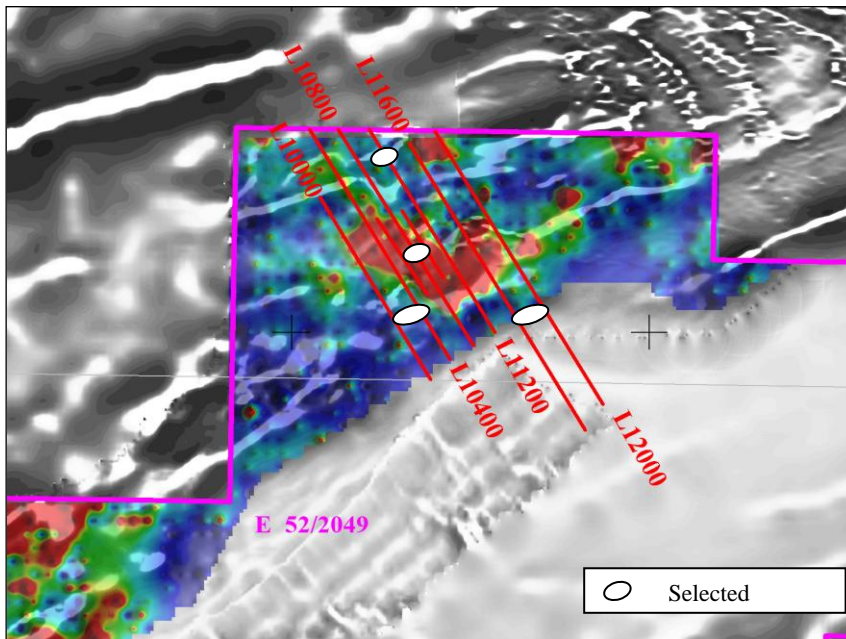


**Figure 19. Doolgunna Prospect IP Interpretation over 1VD Magnetic Image**

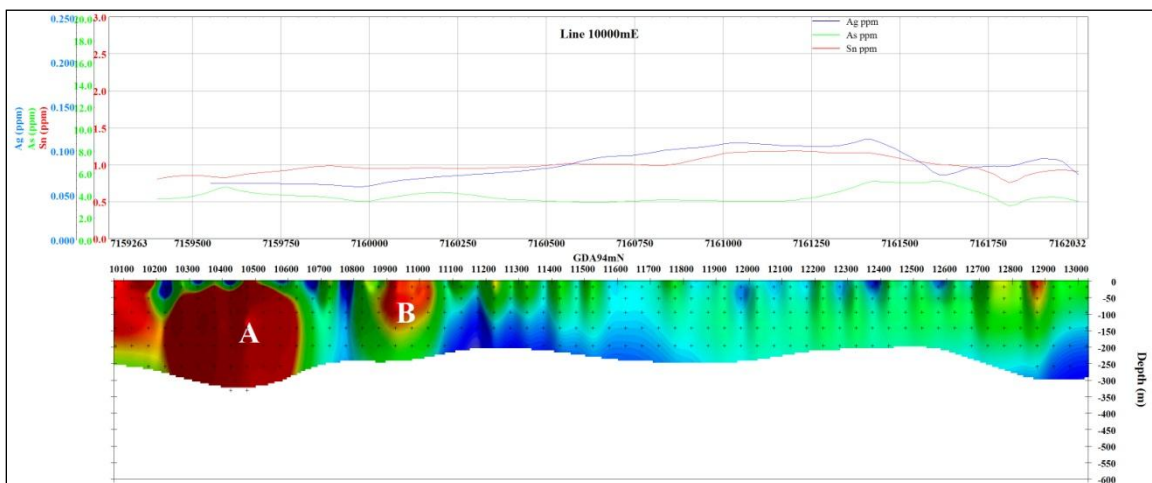
On the northern end of the IP lines, the IP responses are stronger (Anomaly E). These responses are associated with moderate conductive zones (Figures 25, 26 and 29).

On the southern end of the IP survey there is a strong IP response seen on all lines (Anomaly A). Lines 11600 and 12000 were extended to fully resolve this response. The IP response is also associated with a change in resistivity, becoming less resistive to the south.

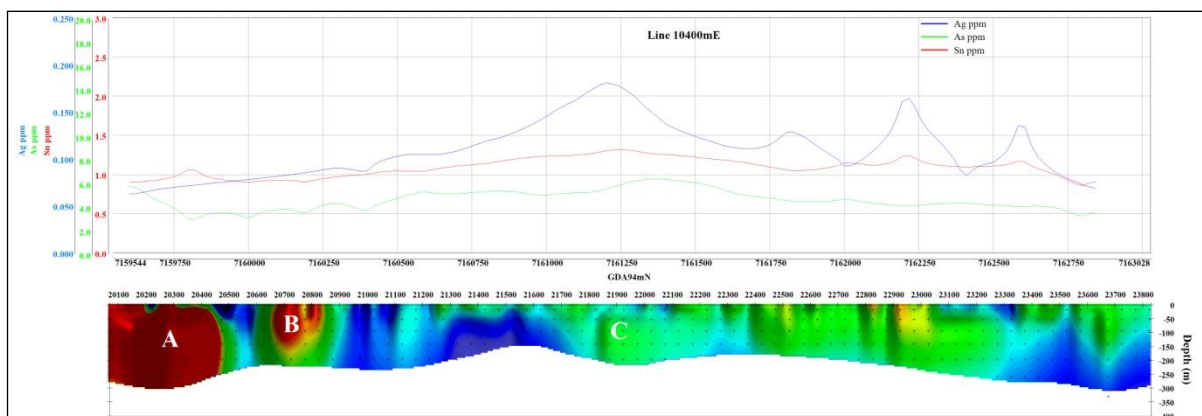
This strong IP response is associated with the interpreted position of the Goodin Fault. The IP response is complex with multiple sources. On Line 11600 and Line 12000 the IP is associated with moderate conductive zones that abut the Goodin Fault (Figures 29 and 30). Anomaly B (Figures 21 and 22) is a strong IP target associated with a weak conductive zone.



**Figure 20. Doolgunna Prospect IP Targets over 1VD Magnetic Image**



**Figure 21. Doolgunna Prospect - Line 10000mE Chargeability with Geochemistry**



**Figure 22. Doolgunna Prospect - Line 10400mE Chargeability with Geochemistry**

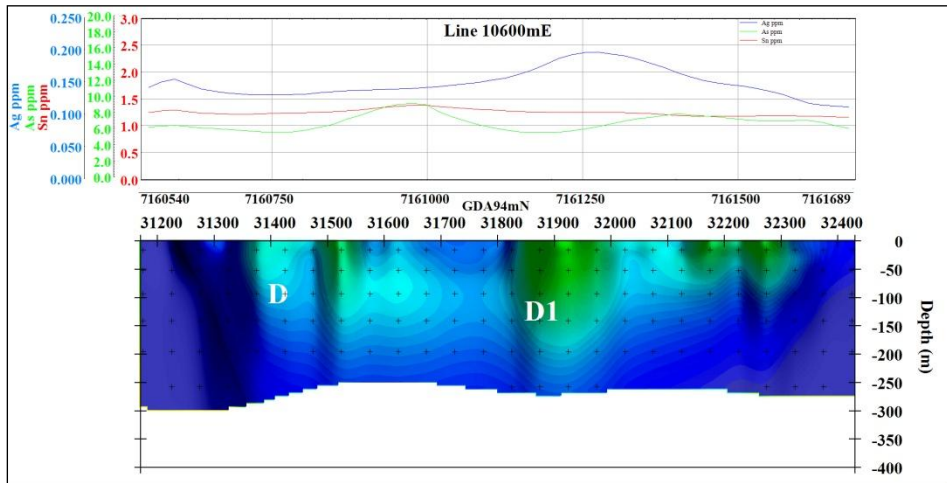


Figure 23. Doolgunna Prospect - Line 10600mE, Chargeability with Geochemistry

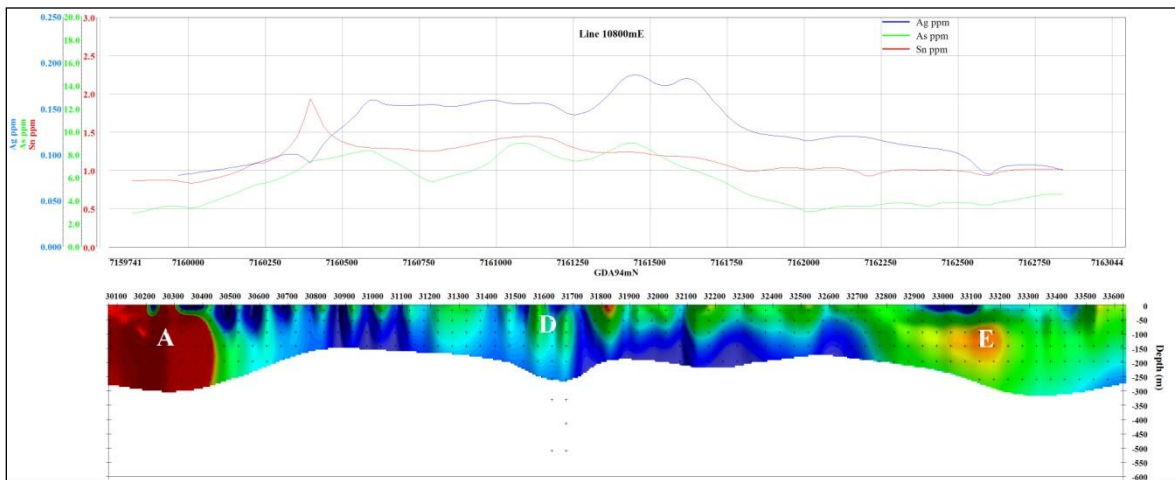


Figure 24. Doolgunna Prospect - Line 10800mE Chargeability with Geochemistry

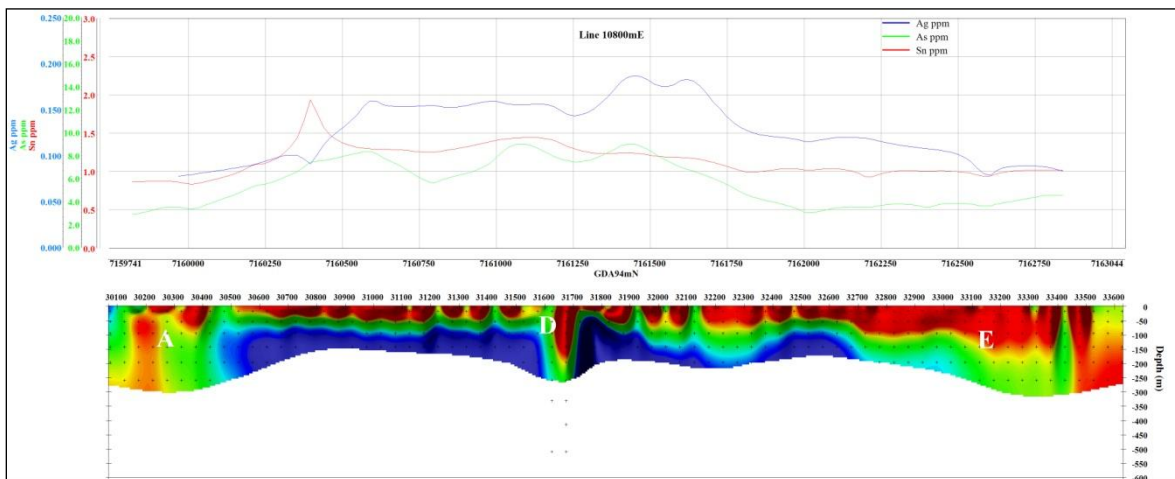
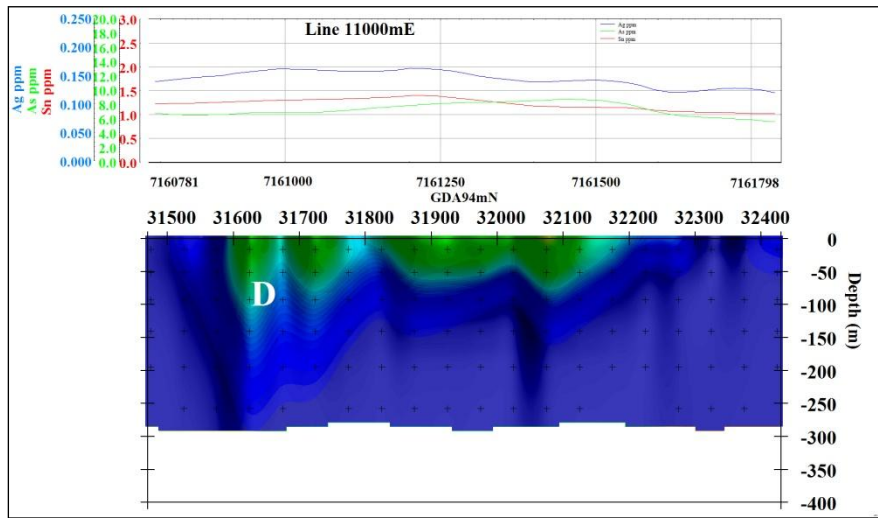
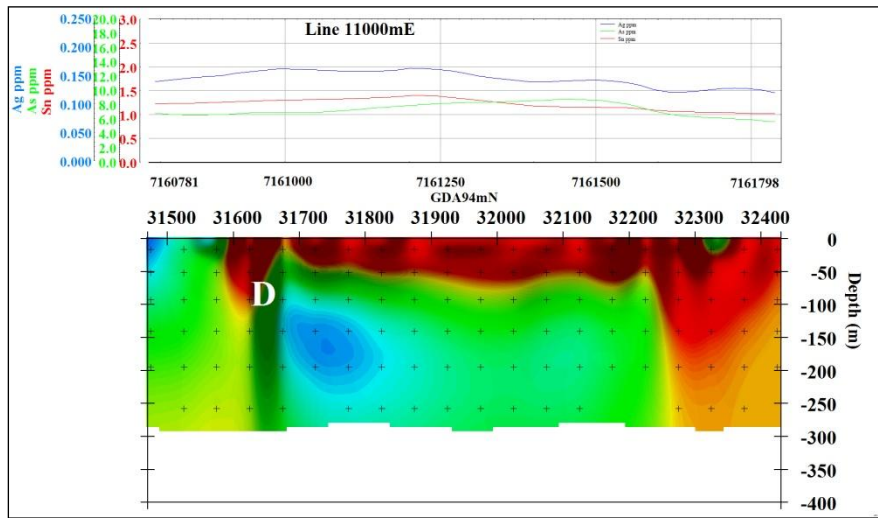


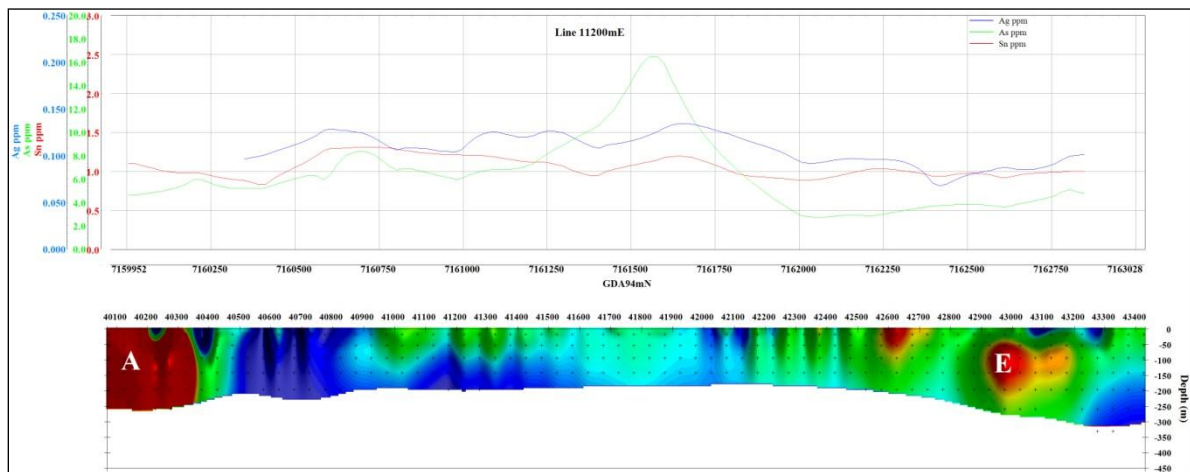
Figure 25. Doolgunna Prospect - Line 10800mE Apparent Resistivity with Geochemistry



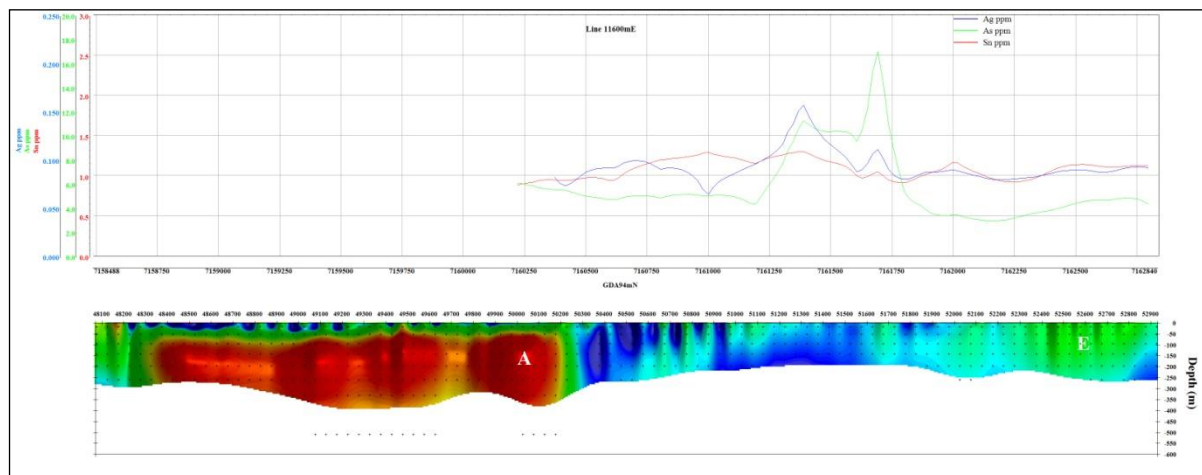
**Figure 26. Doolgunna Prospect - Line 11000mE Chargeability with Geochemistry**



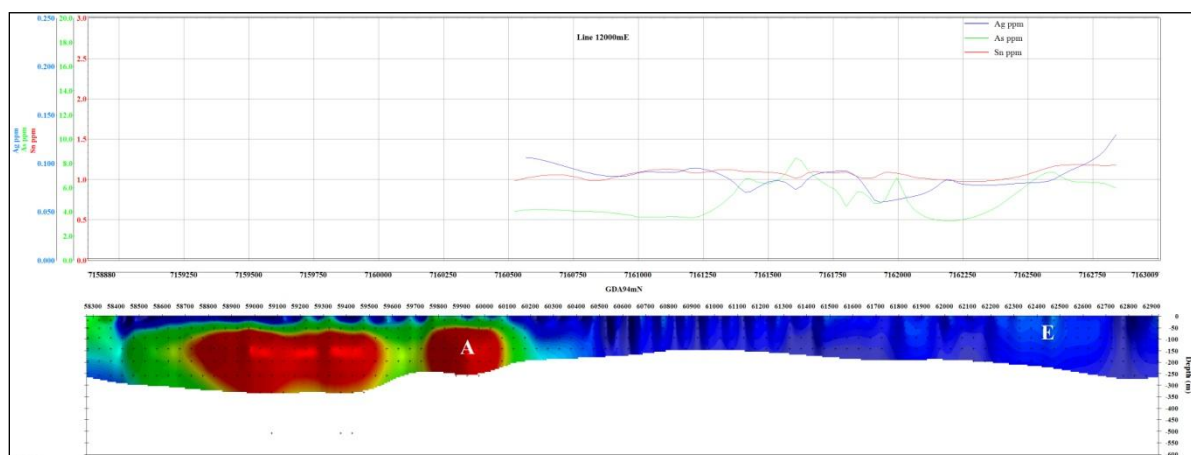
**Figure 27. Doolgunna Prospect - Line 11000mE Apparent Resistivity with Geochemistry**



**Figure 28. Doolgunna Prospect - Line 11200mE Chargeability with Geochemistry**



**Figure 29. Doolgunna Prospect - Line 11600mE, Chargeability with Geochemistry**



**Figure 30. Doolgunna Prospect - Line 12000mE, Chargeability with Geochemistry**



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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.*