



ENTERPRISE METALS LIMITED

(ACN 123 567 073)

11 July 2012

JUNE 2012 QUARTERLY ACTIVITIES REPORT

ASX Symbol: **ENT**

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PROJECTS

Iron Ore

Booylgoo
Burracoppin
Sylvania
Earaheedy

Gold/Base Metals

Doolgunna
Darlot
Wattagee
Fraser Range

Uranium

Yalgoo
Peranbye (Yalgoo South)
Byro
Harris Lake
Ponton
Darlot

ISSUED CAPITAL 30 JUNE 2012

Shares on Issue	203,220,776
Shares Quoted	203,220,776
Listed Options	Nil
Unlisted Options	63,725,806

HIGHLIGHTS

Doolgunna Gold/Base Metals Project

Visible gold in shallow pit within ironstone. Initial aircore drill hole intersects gold in deep oxide zone. Primary zone still to be tested.

DNAC069: 3m @ 2.03 g/t Au from 1m
48m @ 0.25 g/t Au from 4m
11m @ 0.58 g/t Au from 92m to EOH

Darlot Gold/Base Metal Project

RC results received from Withers Find and Little Yanbo.

LYRC001: 6m @ 2.33 g/t Au from 57m
WFRC003: 4m @ 1.42 g/t Au from 99m
WFRC004: 7m @ 1.44 g/t Au from 108m

Yalgoo Uranium Project

Significant downhole probe results from aircore drilling.

YGAC083: 1.9m @ 462 ppm eU₃O₈ from 1.26m
YGAC084: 2.2m @ 457 ppm eU₃O₈ from 1.17m

Booylgoo Iron Project

RC drilling program commenced to test hematite and goethite outcrops associated with BIF's.

CORPORATE

- Cash of \$8.2 million at 30 June 2012.
- Sinotech (Hong Kong) Corporation Limited advised in writing that it had exercised 10 million 25 cent ENT Options on 11 July 2012, thereby injecting \$2.5 million into the Company.
- SinoTech to be issued a further 11 million 25 cent ENT bonus Options for early exercise, with an expiry date of 12 July 2014.
- SinoTech's interest in the Company to increase from 30.51% to 33.77%.

1. SUMMARY OF GOLD & BASE METALS EXPLORATION ACTIVITIES

DOOLGUNNA PROJECT

Regional Aircore Drilling

Following on from previous RC drilling at the Doolgunna Prospect, where hole DGRC007 intersected 8m @ 1.01% Cu from 144m, Enterprise has commenced a grid based vertical aircore drilling program targeting the Narracoota Volcanics, see Figure 1. This broad spaced program is designed to test the regolith for a supergene/oxide copper “blanket” which may be developed over deeper primary sulphide mineralisation. The drilling will also test an 8km strike length of the Goodin Fault, which marks the contact between the Narracoota Volcanics and Doolgunna Formation.

The aircore program is currently 75% complete, with results pending.

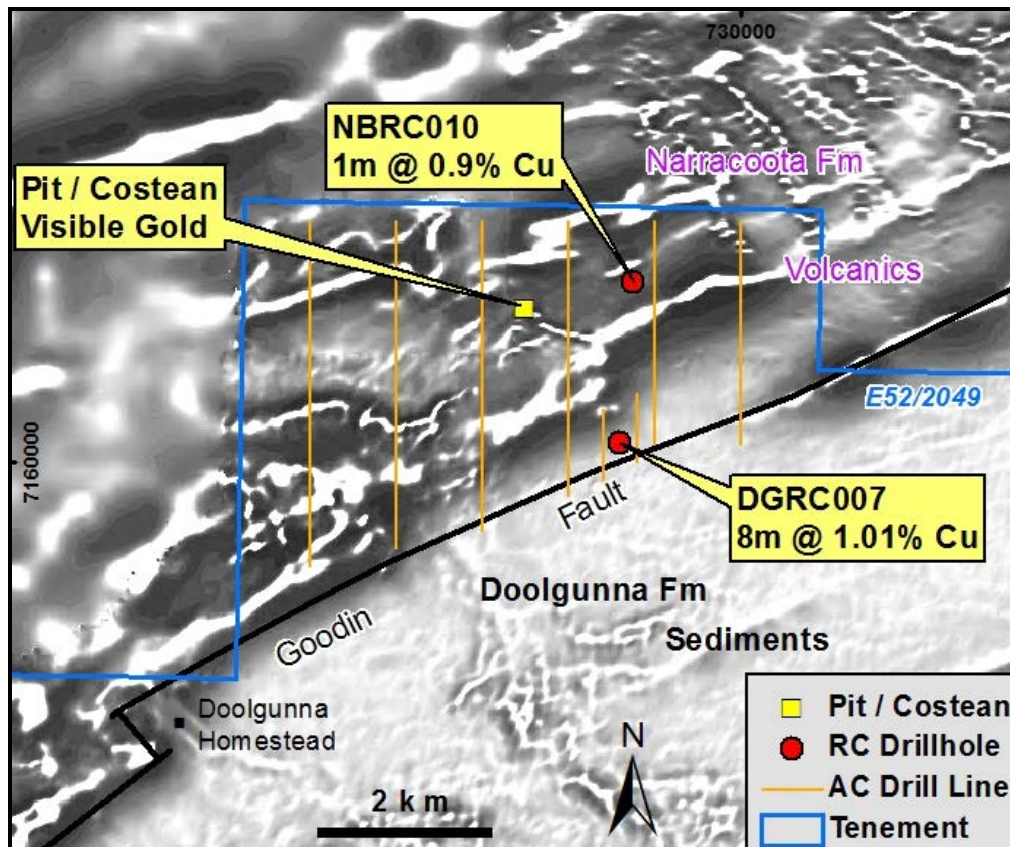


Figure 1: Doolgunna Prospect, Aircore Drilling and Costean Location over Magnetics

Aircore Drilling Near Shallow Pit with Visible Gold

The Company and prospectors identified a WNW-ESE trending zone of gold bearing laterite/ironstone, approximately 7km NE of the Doolgunna Homestead, and 12 km SSW of Sandfire Resources NL’s De Grussa copper–gold deposit. A shallow pit was excavated to examine the nature of this ironstone, and coarse visible gold was identified in a number of angular ferruginous fragments, some of which displayed “gossanous” textures, see Plate 1.

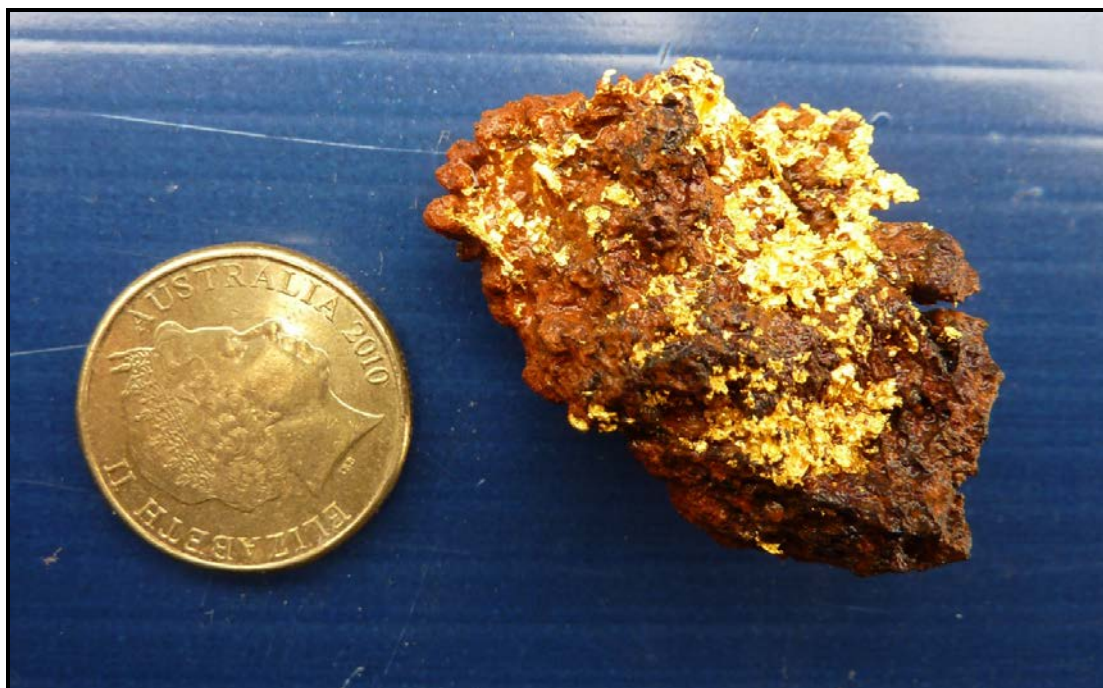


Plate 1. Ironstone with Visible Gold

Two vertical aircore drillholes were completed either side of the shallow pit, 40m apart in an E-W direction. The eastern hole (DNAC069) intersected a profile comprising ironstone, a broad interval of ferruginous mottled clay/saprolite, and ended in saprolitic clay with quartz veining. The western hole (DNAC070) was abandoned at 64m in a goethitic/ferruginous unit due to drilling difficulties.

Gold assays from DNAC069 returned an interval of 3m @ 2.03 g/t Au from 1m depth in ironstone breccia. The ironstone contains cemented angular ferruginous/gossanous fragments, and is interpreted to be insitu or having only been transported a short distance.

Beneath this intersection is an interval of 48m @ 0.25 g/t Au in ferruginous clay followed by a relatively depleted zone of 40m @ 0.05 g/t Au associated with hematitic/limonitic saprolite. A second interval containing 11m @ 0.58 g/t Au in saprolitic clays with quartz veining was returned from 92m to the end of hole at 103m. A possible primary source for the gold remains untested, as fresh basement was not reached in this drillhole. Table 1 below summarises the assay results from DNAC069.

Table 1 : Gold Intersections from Aircore Drillhole DNAC069

Hole	From	To	Int	Au g/t	Description
DNAC069	1	4	3	2.03	Cemented ferruginous Laterite
DNAC069	4	52	48	0.25	Ferruginous Clay Zone
DNAC069	52	92	40	0.05	Hematitic/limonitic Saprolite and Clay
DNAC069	92	103 EOH	11	0.58	Saprolitic Clay with Quartz Veining
Incl	92	93	1	0.97	Saprolitic Clay with Quartz Veining
Incl	99	101	2	1.42	Saprolitic Clay with Quartz Veining

Note: DNAC069 – 727,502E / 7161,780N, -90° GDA94Z50.

Au analysed by 50g fire assay with lead collection, Method FAA505 by SGS Australia Pty Ltd.

Geological Mapping, Rockchip and Soil Sampling

Reconnaissance geological mapping and rockchip sampling (93 samples) over a 2km² area located some 300m north of the shallow pit was undertaken. The regolith in this area is similar to that near the pit, comprising ferruginous laterite and scattered quartz veining. One rock sample (DNR072; 727,772E / 7162,054N, GDA94Z50), contained flecks of visible gold associated with quartz fragments rather than ferruginous fragments and returned a gold value of 0.8 g/t Au. The remaining samples returned gold values between 10-60 ppb Au.

Close spaced soil sampling (208 samples) in the area surrounding the pit was completed, targeting gold associated with the laterite/ironstone. Assay results have defined a NE-SW trending +400m long gold-in-soil anomaly, with a maximum value of 1.06g/t Au located some 200m SSW of the pit, see Figure 2.

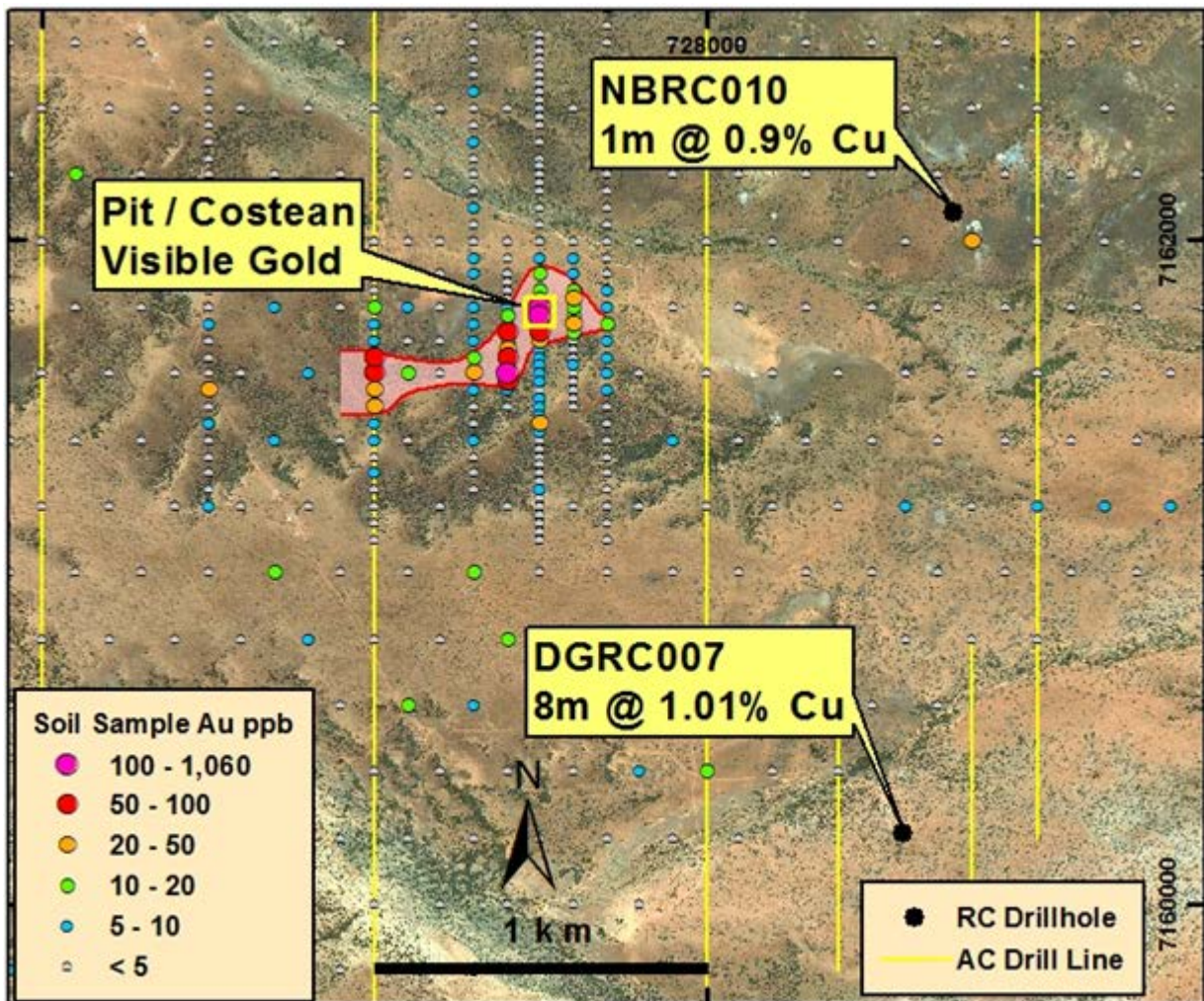


Figure 2: Doolgunna Prospect, Soil Sample Gold Results and Costean Location

A small costean (10m x 3m x 2m) adjacent to the pit has recently been completed to provide information on the regolith profile, as well as the location/setting of the visible gold. The costean revealed a hematitic/clay unit, possibly shear related, dipping at 40-50⁰ to ENE containing gold. Four drillholes have been planned to test this unit at depth.

DARLOT PROJECT

Final assay results including 1m resplits from the recently completed RC and aircore drilling programs (14 RC drillholes and 63 aircore drillholes) targeting the Withers Find and Little Yanbo prospects have been received, see Figure 3. The RC drilling was targeting chargeable Induced Polarisation (“IP”) anomalies down dip and adjacent to previously identified saprolite hosted oxide gold mineralisation, while the aircore holes were focussed on interpreted NNW trending shear zones. Maximum gold results from RC drillholes at Withers Find and Little Yanbo include:

- LYRC001:** 6m @ 2.33 g/t Au from 57m Incl. 1m @ 8.40 g/t Au from 60m
- WFRC003:** 4m @ 1.42 g/t Au from 99m
- WFRC004:** 7m @ 1.44 g/t Au from 108m

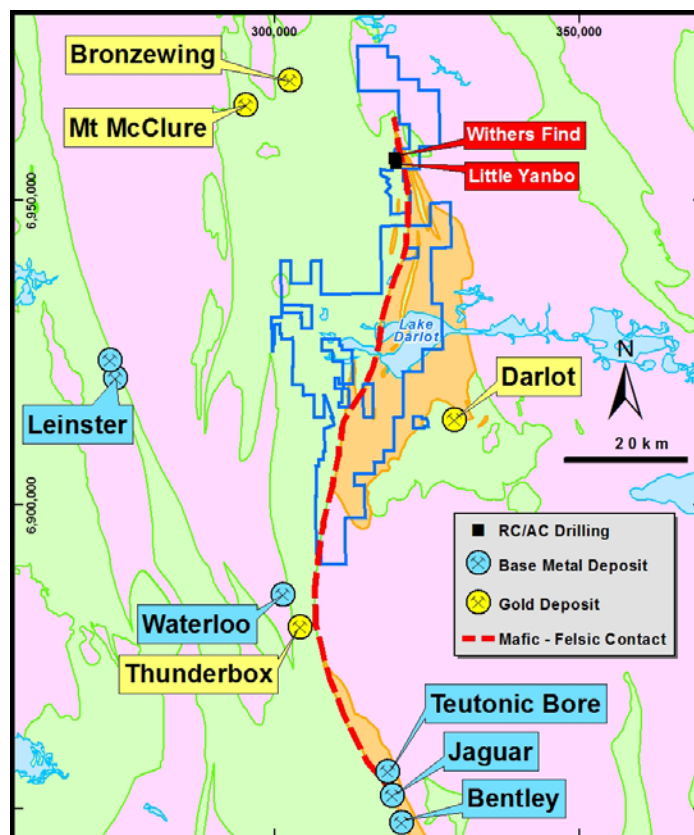


Figure 3: Darlot Project, RC and AC Drilling Locations and Prospective VMS Trend

RC Drilling Program

The RC program comprised 14 RC drillholes for 2,333m, with seven holes each at the Withers Find and Little Yanbo prospects.

At Withers Find, initial 4m composite sampling identified broad zones with elevated gold including; 64m @ 0.26 g/t Au from 60m in WFRC003 and 24m @ 0.71 g/t Au from 92m in WFRC004. Follow-up 1m re-sampling of 4m composite samples >0.1 g/t Au was undertaken to define higher grade intervals. All drillholes intersected +1 g/t Au values, predominantly down dip or along strike of the known mineralisation. Plus 1g/t Au intervals from Withers Find are presented in Table 2.

Table 2: Withers Find RC Drillhole Results - (1.0g/t Au Cut-off)

Hole	From	To	Int	Au g/t	Description
WFRC001	57	58	1	1.65	Saprock over felsic intrusive
WFRC002	74	76	2	1.44	Saprock over felsic intrusive
WFRC002	99	100	1	1.39	Fresh coarse felsic intrusive
WFRC003	63	65	2	0.95	Basalt with pyrite, silica alteration
WFRC003	78	79	1	1.57	Basalt with hematite alteration
WFRC003	94	95	1	1.23	Basalt with disseminated pyrite
WFRC003	99	103	4	1.42	Basalt with disseminated pyrite
WFRC004	46	48	2	1.23	Saprock over basalt and felsic intrusive
WFRC004	52	53	1	3.45	Saprock over basalt and felsic intrusive
WFRC004	99	100	1	3.49	Basalt with silica alteration
WFRC004	108	115	7	1.44	Felsic intrusive with silica alteration
WFRC005	113	116	3	0.93	Felsic intrusive with pyrite
WFRC006	73	77	4	0.79	Felsic intrusive with pyrite
WFRC007	52	54	2	1.18	Basalt with silica alteration

Note: Au analysed by 50g fire assay with lead collection, Method FAA505 by SGS Australia Pty Ltd.

At Little Yanbo, broad zones containing elevated gold values were also intersected, with 1m samples in LYRC001 returning an interval of 6m @ 2.33 g/t Au from 57m. This intersection occurred within the saprock/oxide portion of the profile and confirmed previous gold mineralisation. The best intervals from Little Yanbo are presented in Table 3 below.

Table 3: Little Yanbo RC Drillhole Results - (1.0g/t Au Cut-off)

Hole	From	To	Int	Au g/t	Description
LYRC001	39	40	1	1.76	Saprolite/clay over dolerite
	57	63	6	2.33	Saprock over dolerite
Incl.	60	61	1	8.4	Saprock over dolerite
LYRC002	82	85	3	0.95	Basalt, minor hematite alteration
	169	170	1	1.78	Dolerite with pyrite
LYRC003	96	97	1	2.99	Basalt

Note: Au analysed by 50g fire assay with lead collection, Method FAA505 by SGS Australia Pty Ltd.

The RC drilling down dip of the known low grade mineralisation at both prospects has failed to intersect higher grade mineralisation in the primary zone. The gold mineralisation appears to be preferentially hosted within mafic lithologies, although minor gold does occur in felsic intrusive. A 3m thick black shale unit containing pyrite and pyrrhotite within in mafic volcanics, along with basalt and felsic intrusive units containing varying amounts of disseminated pyrite and silica alteration, explain the targeted IP features. No further work is planned at this stage for these two prospects.

Refer Table 4 overleaf for drillhole collar details.

Table 4: Darlot RC Drillhole Collar Details – Withers Find & Little Yanbo

Hole	MGA94_East	MGA94_North	Dip	Azimuth	Depth	Prospect
WFRC001	319620	6956850	-60	270	80	Withers Find
WFRC002	319660	6956850	-60	270	100	Withers Find
WFRC003	319700	6956850	-60	270	126	Withers Find
WFRC004	319740	6956850	-60	270	150	Withers Find
WFRC005	319760	6956900	-60	270	170	Withers Find
WFRC006	319640	6956950	-60	270	150	Withers Find
WFRC007	319720	6956950	-60	270	150	Withers Find
LYRC001	319925	6956200	-60	270	132	Little Yanbo
LYRC002	319975	6956200	-60	270	204	Little Yanbo
LYRC003	320025	6955950	-60	270	210	Little Yanbo
LYRC004	320270	6955975	-60	90	247	Little Yanbo
LYRC005	320565	6955975	-60	270	264	Little Yanbo
LYRC006	320953	6955977	-50	90	150	Little Yanbo
LYRC007	321077	6955976	-60	270	200	Little Yanbo
Total					2,333	

Aircore Drilling Program

Results from the regional aircore drilling program (63 holes for 1,744m) were also received. The drilling focussed on an interpreted shear zone paralleling the known gold bearing shear corridor which hosts the mineralisation at Withers Find and Little Yanbo. Results were generally low, however weakly elevated gold values were returned from several holes with silica alteration.

Regional Base Metal Assessment

A regional review of the base metal potential of the Darlot Project is in progress, focussing on the lithological/stratigraphic contact (75km strike length) between mafic and felsic volcanics, see Figure 3. This contact zone represents the northern extension of the favourable horizon which hosts volcanogenic massive sulphide (VMS) deposits at Teutonic Bore, Jaguar and Bentley owned by Independence Group (ASX:IGO).

A total of 671 drill samples from historic drillholes were collected in the field and submitted for HyLogger™ spectral analysis along with a base metal geochemical analysis. Much of the historic exploration in the Darlot project area was focused on gold, resulting in only limited or non-systematic multi-element assay coverage. Enterprise's sampling and analysis is aimed at identifying subtle alteration signatures associated with VMS mineralisation, which may assist drill hole targeting.

2. SUMMARY OF URANIUM EXPLORATION ACTIVITIES

The Company is developing a substantial uranium exploration portfolio in the sedimentary sequences overlying the Yilgarn Craton. On the NW margin of the craton, the Company has identified opportunities for both calcrete hosted and deeper sand hosted uranium mineralisation at the Byro, Yalgoo and Peranbye projects. (see Figure 4)

On the SE margin of the craton, the Company has identified opportunities for sand hosted uranium mineralisation in paleochannels at the Ponton and Harris Lake projects.

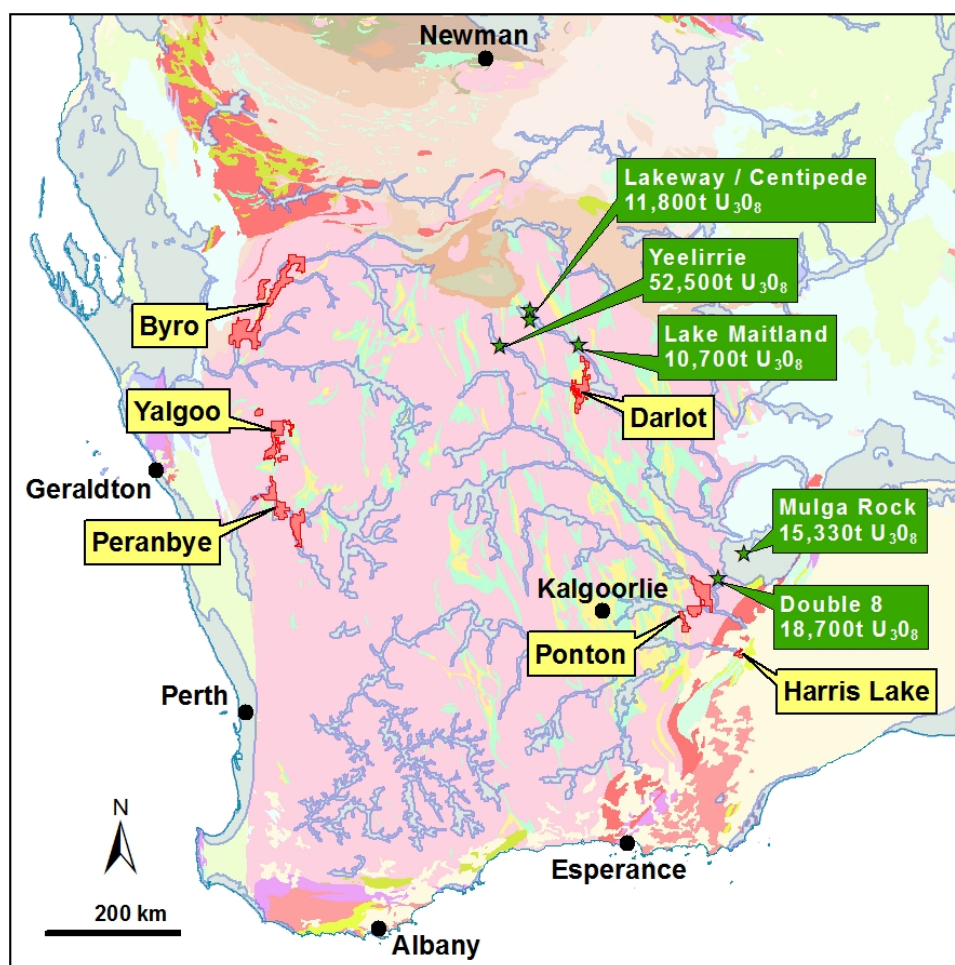


Figure 4: Location Plan, Enterprise Uranium Projects and Known Resources

YALGOO PROJECT

A 115 hole aircore drilling program (6,366m) was completed in April, see Figure 5. The drilling was targeting calcrete (up to 418 ppm in rockchip samples) and possible sand hosted uranium mineralisation associated with large paleodrainage channels identified in the Company's airborne radiometric survey.

Downhole geophysical gamma logging was completed on all holes, and 24 samples with elevated uranium values (>25eU ppm) from a handheld spectrometer were submitted for check analysis. Comparative results from the downhole gamma logger and geochemical analysis are shown overleaf. All significant downhole geophysical gamma logging results are presented in Table 6.

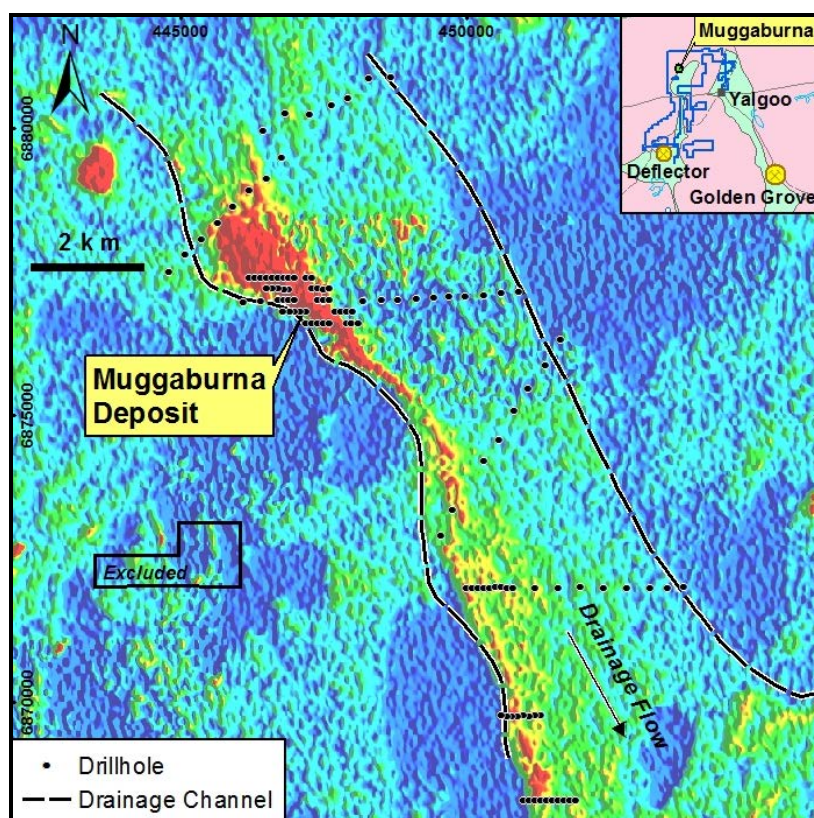


Figure 5: Yalgoo Project, AC Drilling Locations over Uranium Channel Radiometric Image

<i>Downhole Gamma</i>		<i>Laboratory Assays</i>	
YGAC083:	1.9m @ 462 ppm eU ₃ O ₈ from 1.26m	YGAC083:	2m @ 463 ppm eU ₃ O ₈ from 2m Incl. 1m @ 713 ppm eU ₃ O ₈ from 2m
YGAC084:	2.2m @ 457 ppm eU ₃ O ₈ from 1.17m	YGAC084:	2m @ 341 ppm eU ₃ O ₈ from 2m

Drilling to date at Muggaburna has avoided the 50m exclusion zone around the present day drainage channel, where the main uranium mineralised zone is now thought to be located. In the next phase of drilling, a heritage survey and monitoring team will be employed to allow low impact shallow drill testing of the main Muggaburna channel.

Table 6: Muggaburna Prospect - Downhole Gamma Logging Results

Hole Number	MGA94_East	MGA94_North	From (m)	To (m)	Intercept (m)	eU ₃ O ₈ (ppm)*
YGAC017	497003	6877383	1.66	2.06	0.40	272
			2.6	3.38	0.78	290
YGAC023	446802	6876999	1.76	2.16	0.40	282
YGAC024	446900	6876996	1.40	1.86	0.46	260
			1.88	2.46	0.58	252
YGAC025	447001	6876998	1.19	2.45	1.26	317
YGAC083	446899	6877197	1.26	3.14	1.88	462
YGAC084	446801	6877195	1.17	3.33	2.16	457
YGAC085	446702	6877199	0.16	1.16	1.00	326
YGAC102	447303	6877201	1.02	1.60	0.58	461
YGAC106	447405	6877000	1.00	1.22	0.22	269
			1.76	2.42	0.66	368

PERANBYE PROJECT (formerly Yalgoo South)

Tenements of the Peranbye Project were pegged following the identification of significant uranium anomalies in airborne radiometric data released in early 2012 by the WA Geological Survey.

An initial field investigation of several of these uranium anomalies was undertaken in April-May. The field investigation located highly anomalous concentrations of uranium mineralisation in calcareous clays and calcretes within lakes and palaeochannel systems.

Assaying of surface rockchip and soil samples has returned some values between 109ppm U and 504ppm U, which confirms that significant surficial uranium mineralisation exists in the tenements. These assays would appear to be the first reported occurrences of significant uranium mineralisation in the area. See Figures 4 and 6, and refer Table 7 for results of surface samples from the project area.

Reconnaissance sampling of untested areas and follow up and infill sampling of known anomalous areas will be undertaken as soon as field access is possible. This ground work will lead to the identification of targets for drill testing.

Twelve reconnaissance TEMPEST (airborne EM) lines were also flown over selected, representative areas of the tenement package to give first pass information on the depth of drainage. Results are expected in July, and together with the follow-up reconnaissance surveys, will be used to assist planning of exploration activities for the September Quarter.

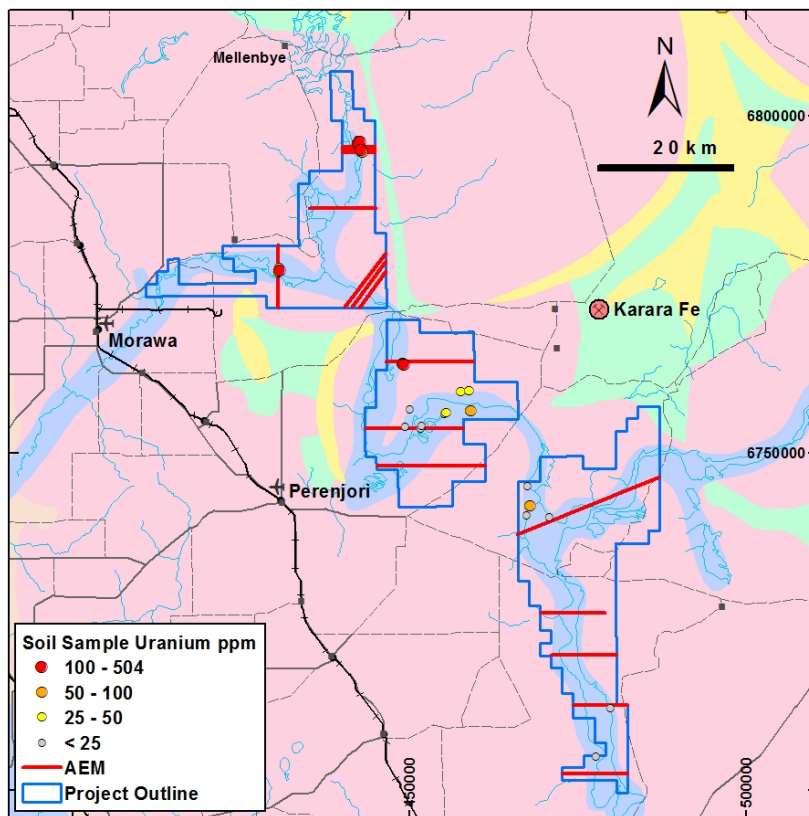


Figure 6: Peranbye Project, Tenement, Sample and Airborne EM Survey Location

Table 7: Peranbye Project, Surface Sample Results Following Up Airborne Uranium Anomalies

Sample ID	MGA94 East	MGA94 North	Cps	Comments	U (ppm)	V (ppm)
9401	430692	6777023	366	vegetated overbank clay & gypsum	102	85
9402	430484	6776708	337	saltbush claypan	43	73
9403	430611	6777418	323	overbank claypan	44	102
9404	442449	6795612	668	vegetated gilgai clay	140	96
9405	442473	6795714	708	gilgai clay	191	90
9406	442347	6795855	841	clay and abundant selenite	110	101
9407	442672	6796186	1,062	clay with calcrete nodules	158	77
9408	442615	6796202	1,512	calcrete scree	160	75
9409	442178	6796384	2,100	calcrete rubble and clay	15	32
9410	442933	6794531	403	lacustrine clay with halite crust	55	49
9411	442835	6794931	817	lacustrine clay with halite crust	504	74
9421	449010	6763285	694	hot gypsum in lake	203	99
9422	449123	6763178	863	hot gypsum in lake	118	75
9425	451626	6753639	710	lakeshore gyps sand + halite	17	25
9426	451753	6753985	796	lakeshore gyps sand + halite	12	22
9427	455153	6755817	390	silcrete	6	10
9428	455373	6755914	694	calcrete + clay gypsum/selenite	26	23
9429	450022	6756497	656	ferrug lag over rd-bn regolith	4	358
9430	449294	6753915	622	ferrug lag over rd-bn regolith	4	237
9431	458987	6756278	614	gypsum and clay vegetated pan	55	113
9432	457546	6759081	668	clay and gypsum vegetated pan	48	64
9433	458802	6759199	616	shoreline of clay-gypsum pan	36	43
9435	467490	6745088	502	claypan	20	65
9436	470652	6740522	609	shoreline of Mongers Lake	2	15

HARRIS LAKE PROJECT

A TEMPEST airborne EM survey was commissioned over the Harris Lake tenement (400m line spacing) targeting the lake and the surrounding drainage system for sand hosted uranium mineralisation. The survey will be flown in early July, and results will be available in late July. The Harris Lake Radiation Management Plan was submitted to the WA Radiological Council on 22 May.

BYRO PROJECT

During the Quarter, Enterprise engaged a specialist consultant to develop a “Radio Quiet Management Plan” (RQMP) to allow the Company to operate within the 70km restricted zone of the Square Kilometre Array (SKA) being developed on Boolardy Station, see Figure 7. The RQMP was submitted to the Department of Mines and Petroleum (DMP) and CSIRO for feedback and approval, which is expected early in the September Quarter. No on-ground exploration can commence until this RQMP is approved.

A TEMPEST airborne EM survey was flown over the Wooleen Lake area (E59/1617) in late June to identify deep sand hosted paleochannels with potential to carry high grade uranium mineralisation, see Figure 7. Six regional lines of TEMPEST were also flown over selected areas of the Murchison valley, to test for deep sand hosted paleochannels below previously identified calcrete hosted uranium anomalies. Results from the survey are expected in late July and will be used to design first pass aircore drilling programs.

The Byro Radiation Management Plan was submitted to the WA Radiological Council on the 22nd of May. Preliminary field reconnaissance is scheduled to commence after approval of the RQMP and RMP, in preparation for first pass drilling programs.

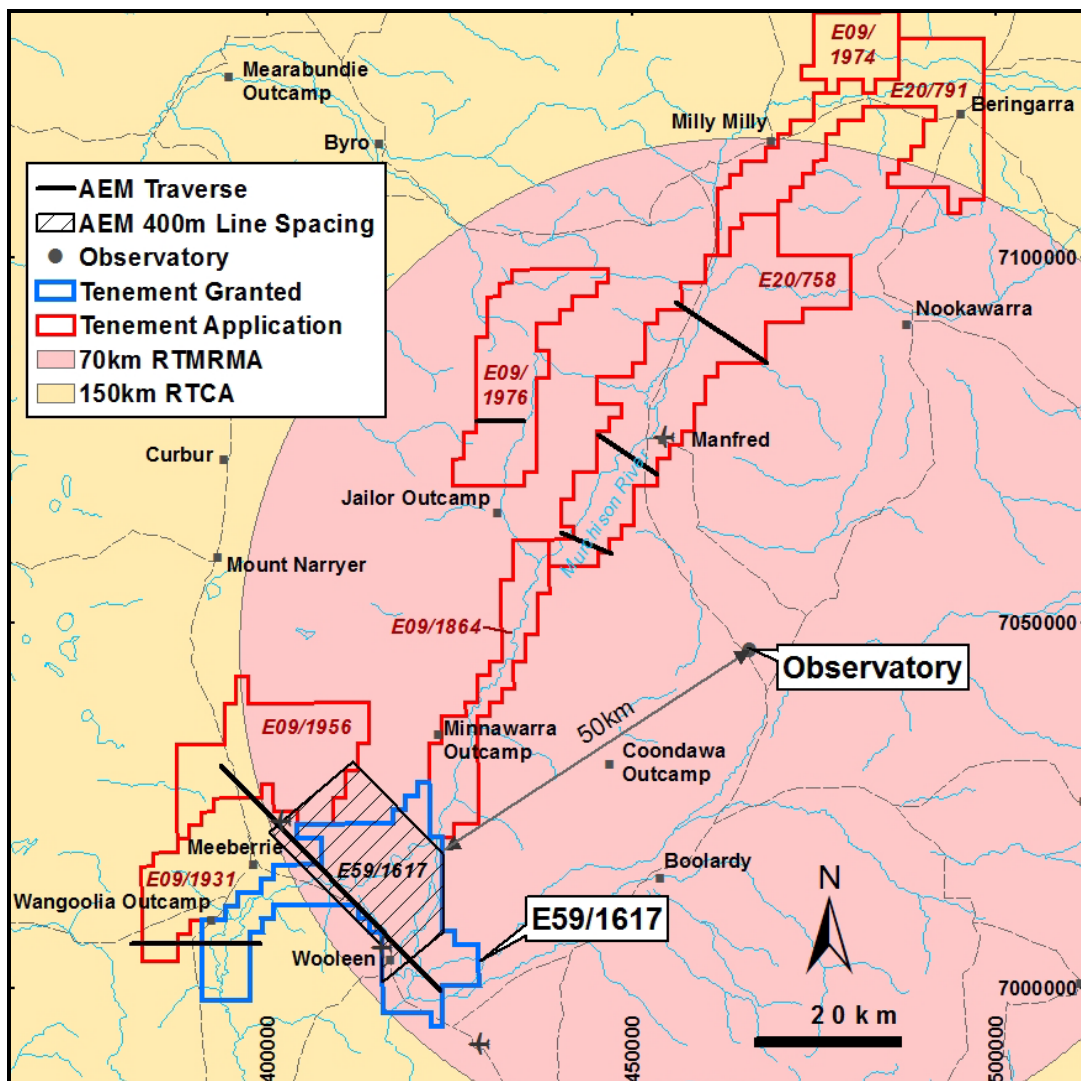


Figure 7: Byro Project, Tenement, SKA and Airborne EM Survey Location

PONTON PROJECT

A TEMPEST airborne EM survey was also commissioned over the Ponton Project area (1,000m line spacing) to assist in the identification of the deeper parts of the paleochannel, see Figure 8. Based on the nearby Double 8 Uranium Project of Manhattan Corporation NL (ASX: MHC), the deepest parts of the paleochannel have the best potential for significant sand hosted uranium mineralisation.

The Radiation Management Plan for Ponton is in preparation, and will be submitted when all Ponton tenements are granted, which is expected by late July.

Following receipt of the TEMPEST survey results, grant of the tenements, approval of the RMP and POW, and completion of heritage surveys, first pass drill testing of the paleochannel targets will commence.

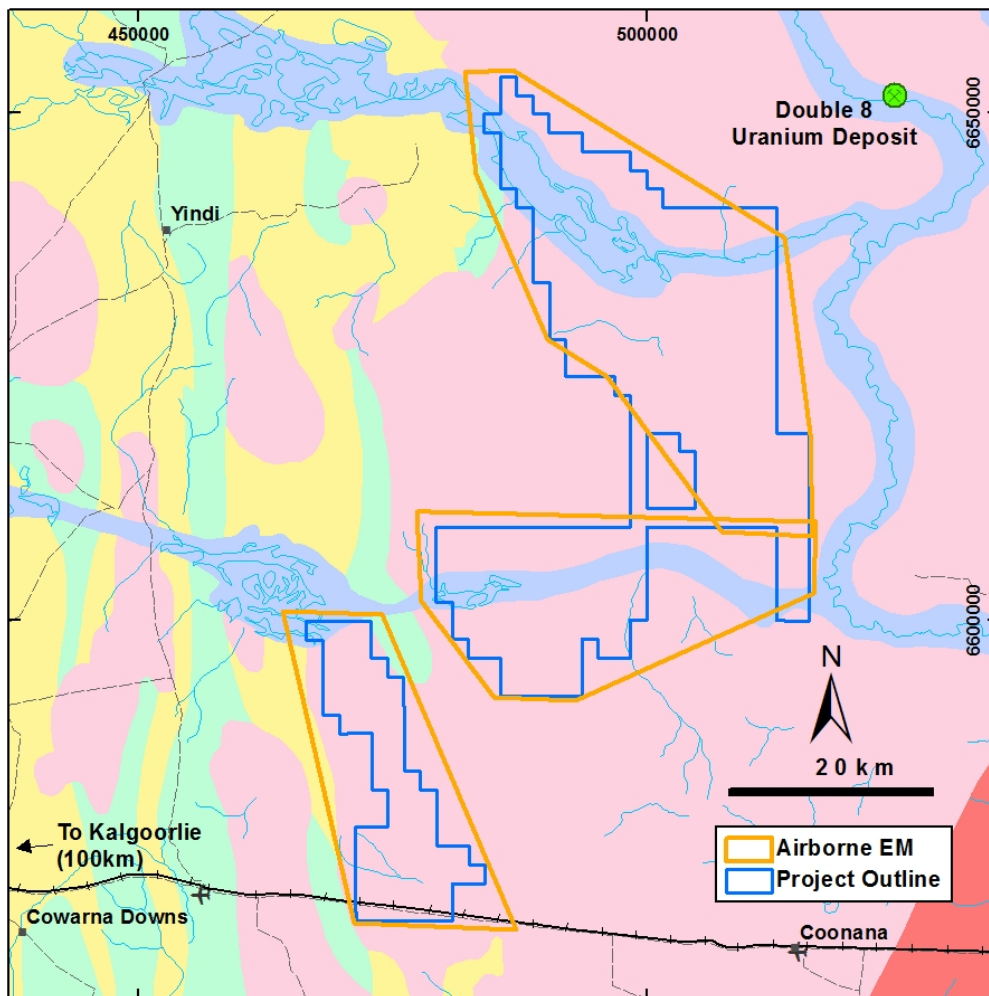


Figure 8: Ponton Project, Tenement and Airborne EM Survey Location

3. SUMMARY OF IRON ORE EXPLORATION ACTIVITIES

An RC drilling program comprising 30 holes (2,100m) over seven traverses commenced at the Booylgoo Project on the 1st of July. The drilling is targeting DSO hematite/goethite associated with BIF, identified during geological mapping and rockchip sampling programs.

4. CORPORATE

Board Changes

On 3rd April 2012, the Company announced the resignation of Mr Paul Larsen from his non-executive Director's role. Mr Larsen was the founding Chairman of Revere Mining Limited (now Enterprise) at IPO in 2007, and tendered his resignation in the best interests of the Company, so that the Board could add more geological experience to the team.

Contemporaneous with Mr Larsen's resignation, the Board appointed Dr Allan Trench as an independent non-executive Director of the Company. Dr Trench is a geologist/geophysicist, mineral economist and business management consultant with extensive minerals industry experience. He is currently Adjunct Professor (Spatial Sciences) at WA School of Mines, Curtin University, Research Professor, Progressive Risk & Value, Centre for Exploration Targeting, University of Western Australia and Professor, Department of Energy & Mineral Economics, Curtin University Graduate School of Business. He is also non-executive independent director of a number of emerging overseas and Australian-listed resources companies.

Cash Position

Cash held by the Company at 30 June 2012 was \$8.2 million.

Expiry of Options

On the 20th June 2012, 22,782,001 Options in the Company with an exercise price of 25 cents expired.

Post end of Quarter Events

The Company is pleased to advise major shareholder, Sinotech (Hong Kong) Corporation Limited has exercised 10 million 25 cent ENT Options on or before 12 July 2012, thereby raising \$2.5 million for the Company. As a result of the early exercise of these Options by SinoTech, and subject to the Subscription Agreement dated 21st May 2011 which was approved at a General Meeting of Shareholders on 30 June 2011, SinoTech will be issued with a further 11 million 25 cent ENT Options with an expiry date of 12 July 2014.

Following the exercise of the 10 million ENT Options, SinoTech's shareholding in the Company will increase from 62 million ordinary shares to 72 million ordinary shares, and SinoTech's interest in the Company will increase from 30.51% to 33.77%.



Dermot Ryan
Managing Director

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Derek Waterfield, a Member of the Australian Institute of Geoscientists and a full time employee of Enterprise Metals Limited. Mr Waterfield has sufficient relevant experience in the 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.

Contact:

Telephone: 08 9436 9200 Facsimile: 08 9436 9220 Email: admin@enterprisemetals.com.au

PROJECT LOCATIONS WESTERN AUSTRALIA 30 June 2012

