ENTERPRISE METALS LIMITED

ASX ANNOUNCEMENT **30 July 2012**

FRASER RANGE PROJECT UPDATE

SUMMARY

Enterprise Metals Limited ("Enterprise", "the Company", ASX: **"ENT"**) wishes to announce the gold results of its now completed calcrete sampling program within the Company's tenements in the southern Fraser Range area. The multi-element analytical results of bulk soil samples, collected at the same time as the calcrete samples, are still awaited.

BACKGROUND

Enterprise's Fraser Range Project is located between 60 - 100 km east of the gold mining centre of Norseman in Western Australia, and is comprised of four granted exploration licences covering 596 km^2. The westernmost tenements occupy a broadly similar tectono-stratigraphic position to the +5 million ounce Tropicana gold deposit, and the central and easternmost tenements lie within the Albany-Fraser Orogen which hosts Sirius Resources Ltd's recently announced Nova nickel discovery.

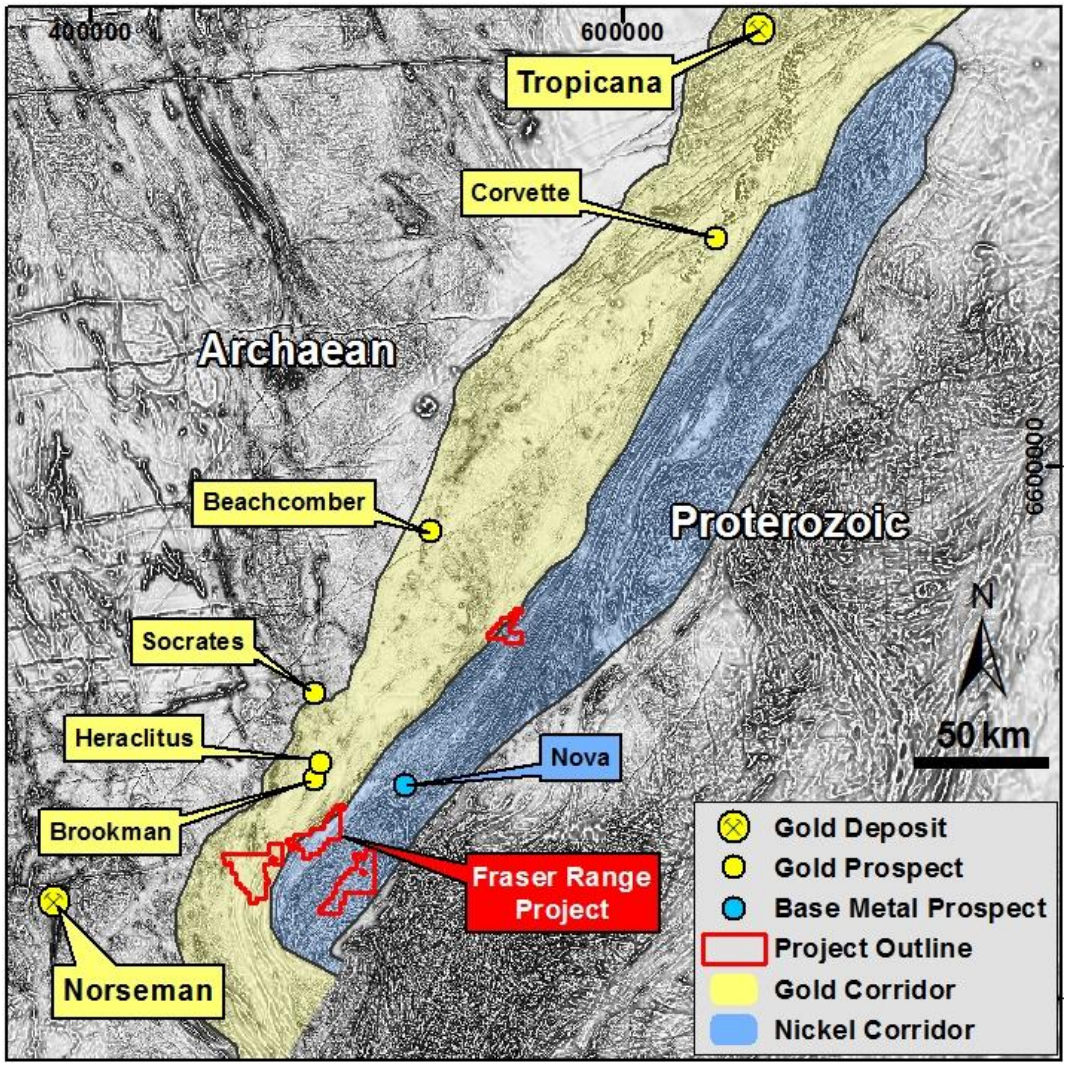

Figure 1: Fraser Range Project, Tenement Location Plan Over Magnetics

During the March Quarter, the Company completed reconnaissance surface sampling over the central and easternmost tenement, which covers the contact between the Archaean Yilgarn Craton and the Proterozoic Albany-Fraser Orogen, and rocks of the Albany-Fraser Orogen proper.

In June, the Company completed further calcrete and soil sampling over the westernmost tenement, which overlies rocks interpreted to be wholly within the Archaean Yilgarn Craton.

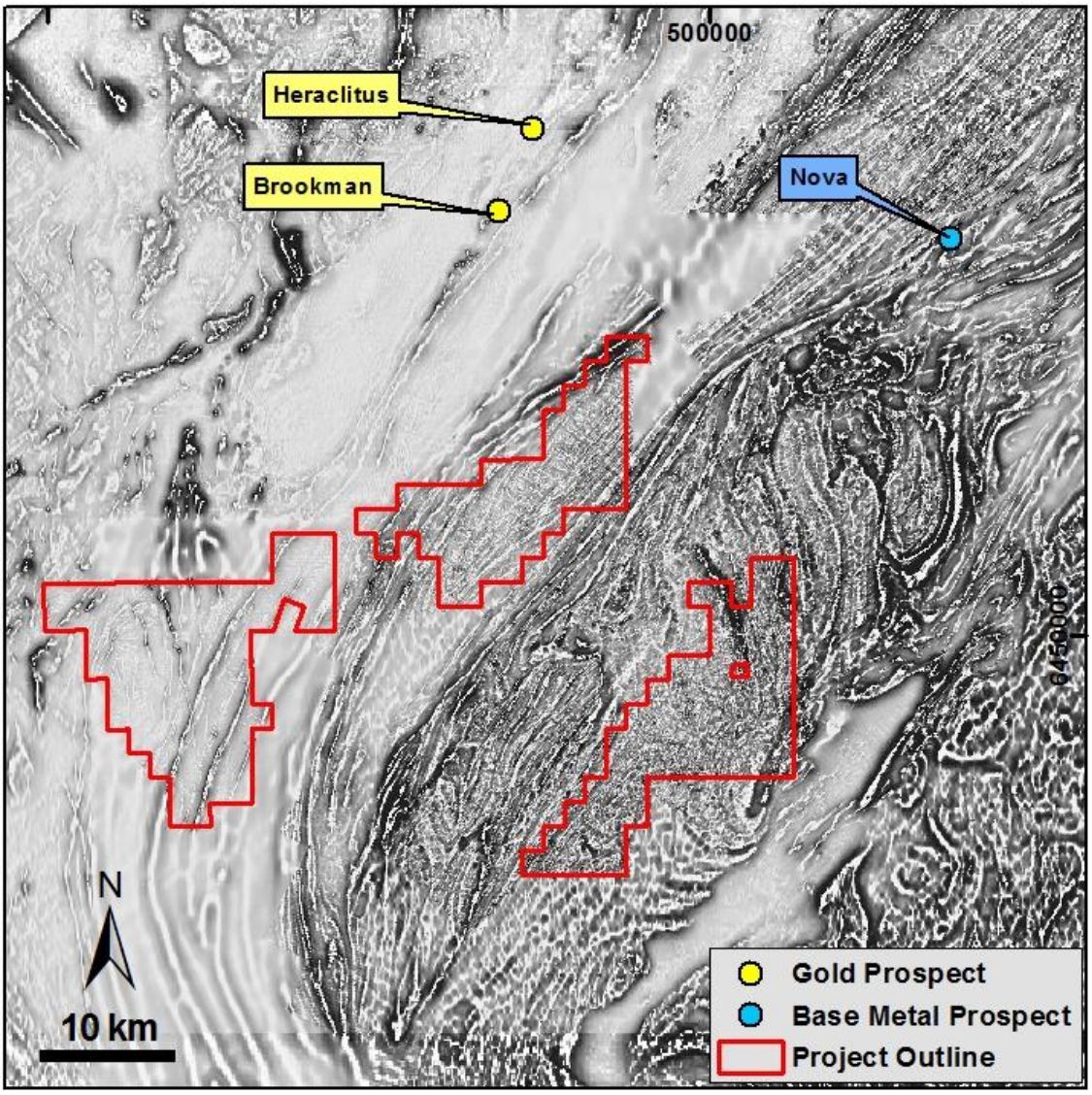

Figure 2: Detailed Tenement Location Plan

All of the gold assay results from the calcrete samples have now been received and assessed in conjunction with the Company's previously flown detailed airborne survey data. Several areas of gold anomalism, some associated with magnetic units in the bedrock, have now been identified for infill sampling.

In addition, bulk soil samples collected at the same time as the calcrete samples have been sent to the laboratory for multi-element analysis.

Based on the Company's previously flown detailed airborne survey, Exploration Licences 63/1448 and 63/1281 are interpreted to overlie highly tectonised (sheared) units of an Archaean greenstone belt. The Company interprets this area to lie on or very close to the contact between the Archaean Yilgarn Craton and the Proterozoic Albany-Fraser Orogen. This is a broadly similar tectono-stratigraphic position to the +5 million ounce Tropicana gold deposit, some 300km to the northeast.

The Company has collected 548 calcrete samples and 619 soil samples on a systematic grid based pattern, and all gold results for the calcrete samples have now been received.

Figure 3 below shows the location of the calcrete samples, with assayed gold values depicted by colour range. The maximum gold values (26-50ppb Au) are clustered over interpreted Archaean greenstone units. Other lower but still significant values (11-25ppb Au) are clustered over linear magnetic (mafic?) units of either Archaean or Proterozoic age.

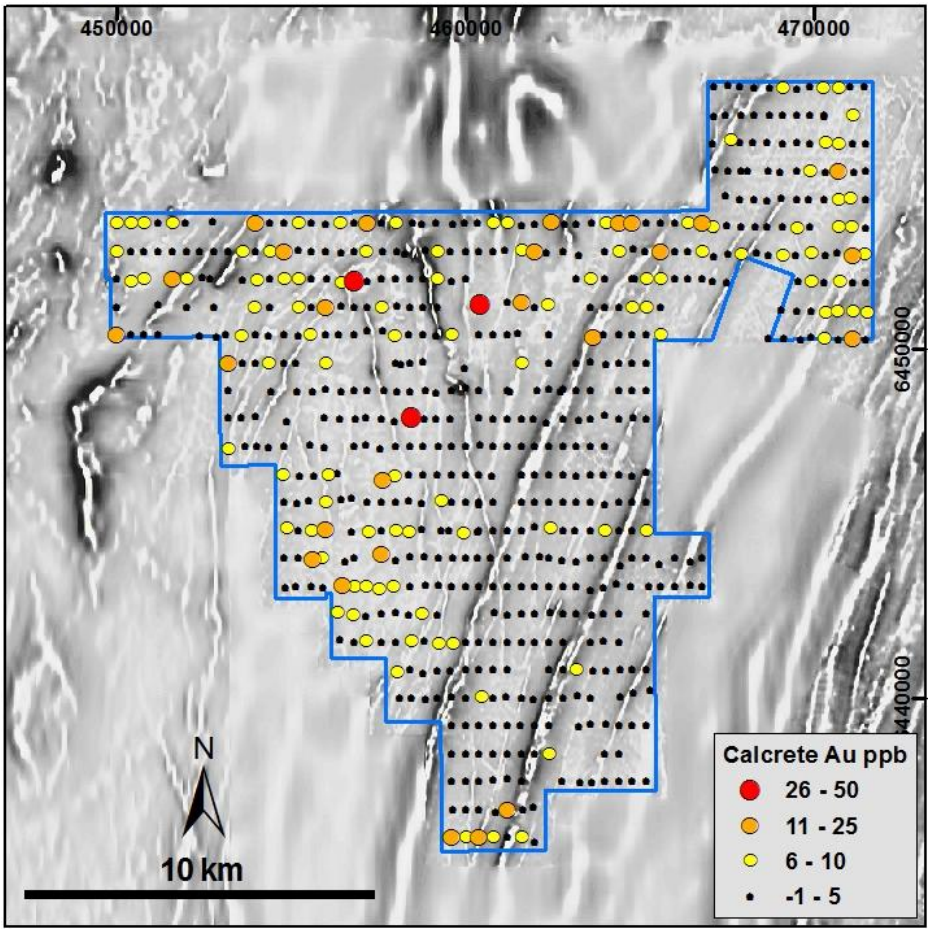

Figure 3: E63/1448 & E63/1281, Calcrete Gold Results over Magnetic Image

The Company has collected 1,196 calcrete samples and 1,234 soil samples over the central and easternmost tenements, Exploration Licences 63/1282 and 63/1283.

Exploration Licence 63/1282 is interpreted to cover highly metamorphosed rocks of the Proterozoic Albany-Fraser Orogen.

Figure 4 below shows the location of the calcrete samples within Exploration Licence 63/1282, with assayed gold values depicted by colour range. The maximum gold value (+26ppb Au) and moderate gold values (11-25ppb Au) lies over a series of northeast striking linear magnetic units of Proterozoic age, which are interpreted to be sheared mafic and/or ultramafic units.

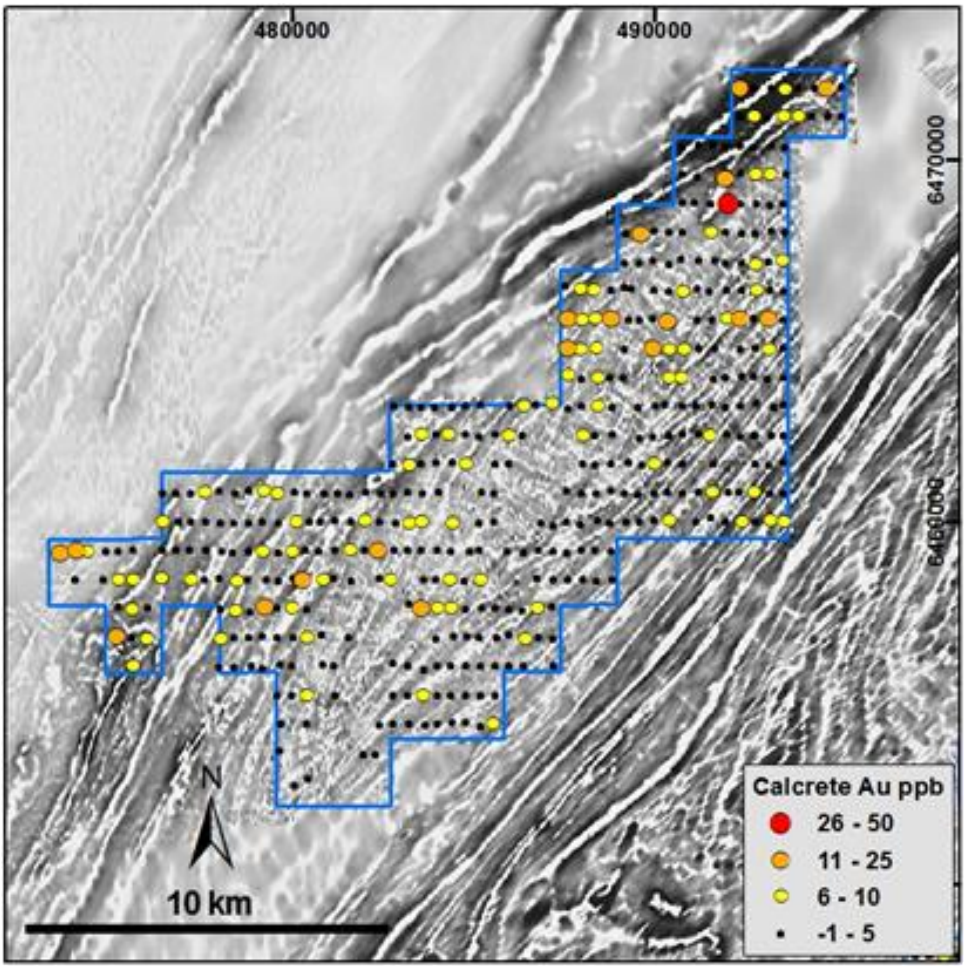

Figure 4: E63/1282, Calcrete Gold Results over Magnetic Image

Exploration Licence 63/1283 is also interpreted to cover highly metamorphosed rocks of the Proterozoic Albany-Fraser Orogen. Figure 5 overleaf shows the location of the calcrete samples, with assayed gold values depicted by colour range.

The maximum gold values (+26ppb Au) and moderate gold values (11-25ppb Au) appear to be clustered on the NE and SW margins of the tenement, where a series of subtle NW trending brittle (late stage) faults are evident in the magnetic image.

The strong NNW striking magnetic feature in the northwest corner of the tenement is the southerly continuation of a titano-magnetite unit known as “Titan Hills”. Other NNE striking linear magnetic units on the eastern margin of the tenement are interpreted to be sheared mafic and/or ultramafic units.

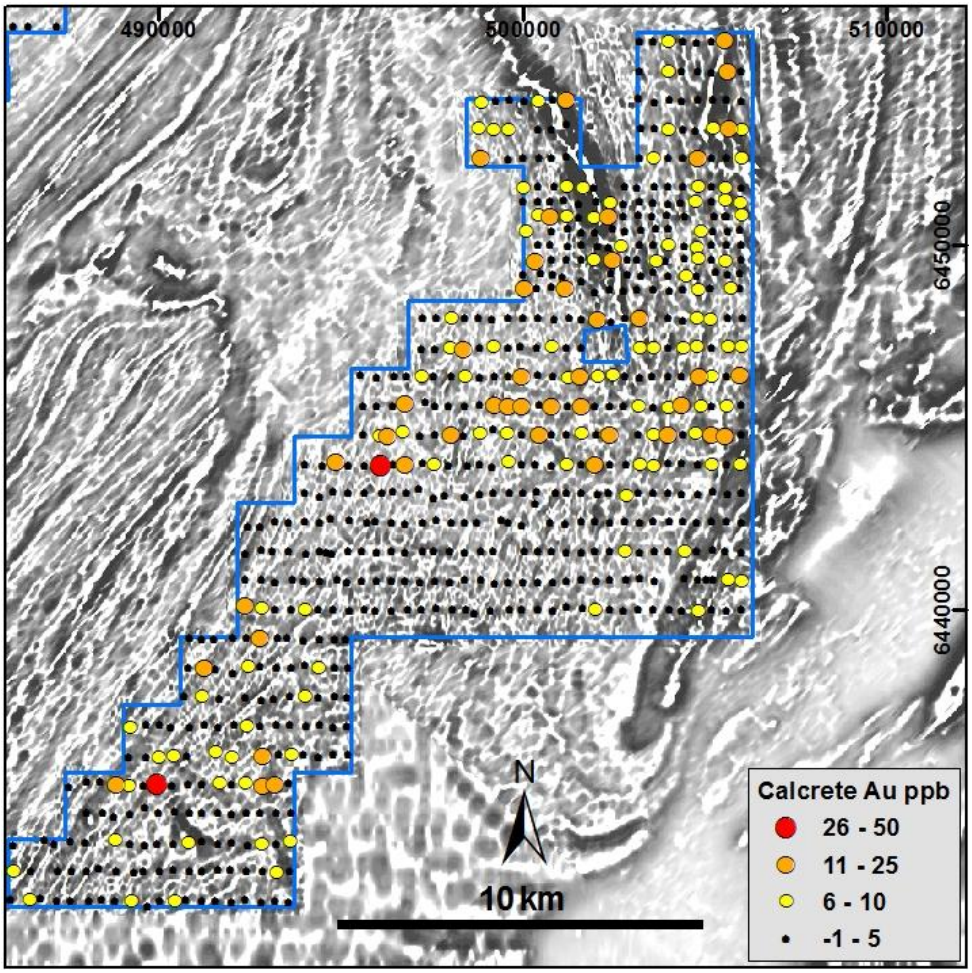

Figure 5: E63/1283, Calcrete Gold Results over Magnetic Image

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Competent Persons statement
The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Derek Waterfield, who is an employee of the Company. Mr Waterfield is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Waterfield consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Calcrete and soil samples were located by handheld GPS and collected by hand auger or pick and shovel, and calcrete samples were analysed for gold by Method Q-AR1-MS (Aqua regia digest, gold by Mass Spectrometry with 1ppb Au detection limit) at the Quantum Analytical Services laboratory.