ENTERPRISE METALS LIMITED

ASX ANNOUNCEMENT **17 September 2012**

New "Nova style" Soil Anomaly Identified at Plato in Fraser Range

- **Significant new "Plato" Nickel-Copper-Cobalt soil anomaly (800m x 2,500m) identified in southern Fraser Range, co-incident with magnetic anomaly.**
- **Four other co-incident Ni-Cu-Co anomalies also identified.**
- **Field crew being mobilised to commence infill soil sampling within a week. Planning for electrical geophysical surveys underway to define drill targets.**

SUMMARY

Enterprise Metals Limited ("Enterprise" or "the Company", ASX: **"ENT"**) is pleased to announce that further analysis of geochemical data from its Fraser Range (WA) soil sampling program has identified five areas with anomalous coincident Ni-Cu-Co geochemistry, which is similar to the metal association reported from Nova.

The most prominent coincident Ni-Cu-Co soil anomaly, **Plato**, (800m x 2,500m) with values up to **147 ppm Ni and 33 ppm Cu** was identified by the Company's recent 800 metre by 400 metre sampling program. Coincidentally, Sirius' Nova Prospect was also discovered by a similar spaced soil sampling program which identified a Ni-Cu-Co soil anomaly extending 800 m along strike with values up **to 165 ppm Ni and 58 ppm Cu** *(Sirius Resources NL, ASX - 16 November 2009.*

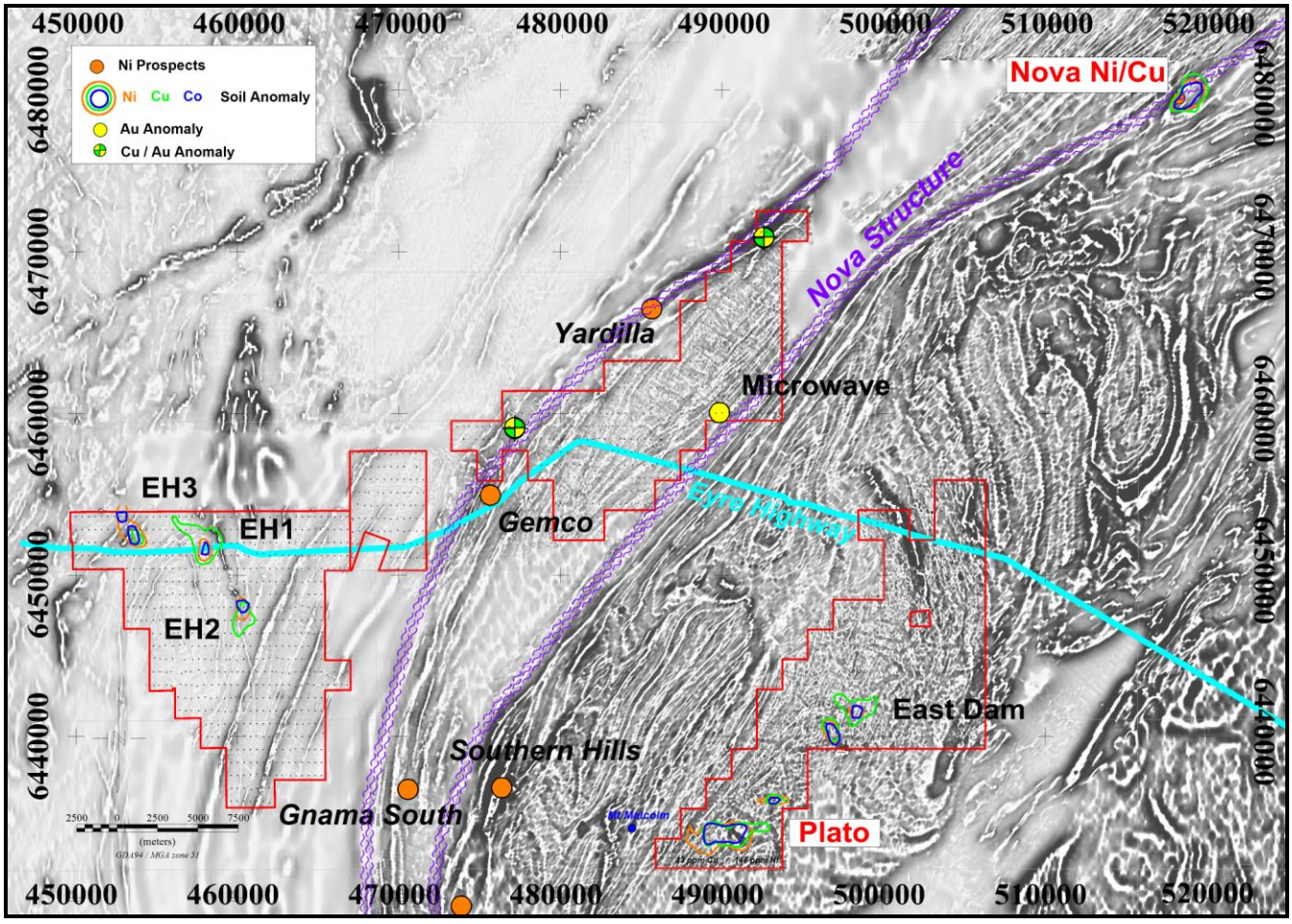

Figure 1: Fraser Range Ni-Cu-Co Soil Anomalies (with "*Nova-style*" Geochemical Signature)

Regional Soil Sample Survey

Enterprise completed first-pass regional calcrete (1,744 samples) and bulk soil sampling (1,853 samples) across its Fraser Range project area on a nominal 400m x 800m pattern. Preliminary analysis of the geochemical data based on statistical analysis identified a number of single base metal elements above the 90th percentile. (*ENT: ASX release 12th September 2012*). The Company has subsequently processed the geochemical data looking for "Ni-Cu-Co" ***patterns*** which might indicate the presence of nickel sulphide mineralisation below the soil profile. The **Plato anomaly** lies over a **prominent magnetic anomaly** and is considered to have the highest priority for follow up. (Figures 2 -4).

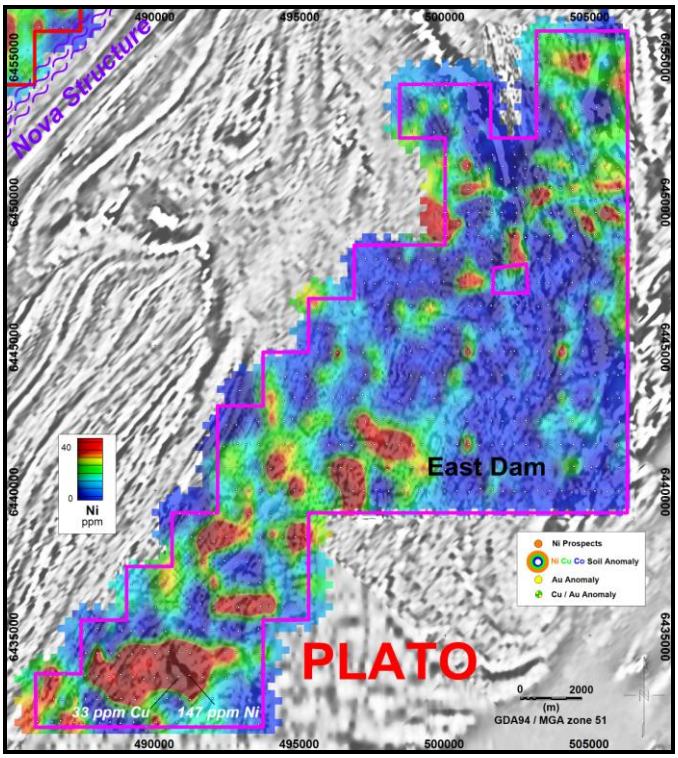

Figure 2: E63/1281, Nickel Soil Image on Magnetics

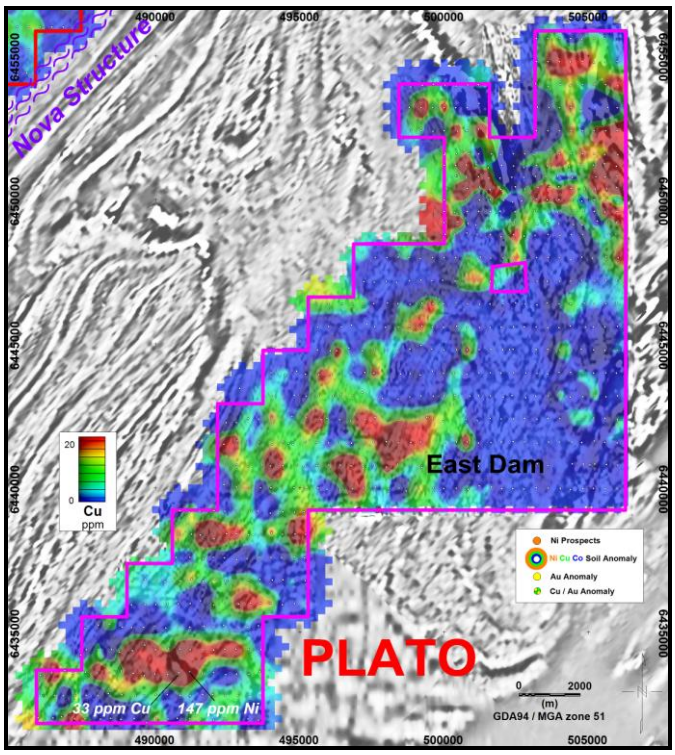

Figure 3: E63/1281: Copper Soil Image

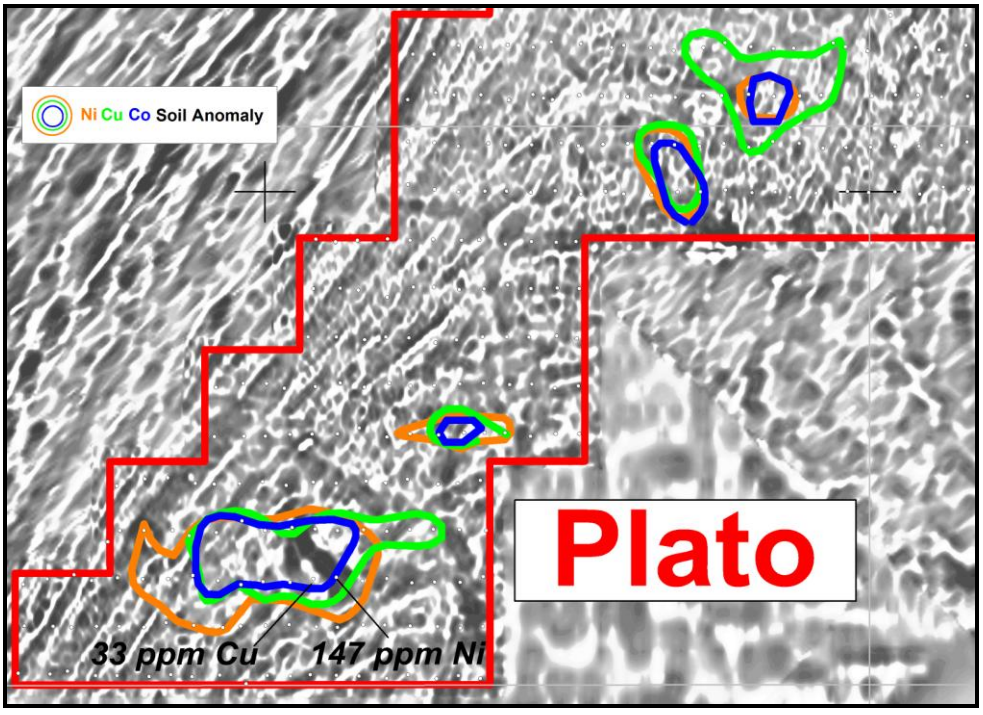

Figure 4: E63/1281, Plato Ni-Cu-Co Anomaly over Magnetic Image

Albany-Fraser Orogen

The Albany-Fraser Orogen is now considered to be broadly similar in geological setting, lithologies and age to the Meso-Proterozoic Nain Plutonic Suite in Canada, which is host to the Voisey's Bay nickel-copper-cobalt deposit. However, historically, the Albany-Fraser Orogen has received little attention from exploration companies due to the remoteness of the region, generally poor outcrop, and the lack of known mineralisation. Also, the high metamorphic grade of the basement rocks obscures the original rock types, thus making the prognosis of original rock types difficult.

Newmont Australia undertook the first regional exploration effort for nickel in the Fraser Range between 1965 and 1972 using a Canadian Thompson Fold Belt analogy, developed by Newmont geologist Dr G.W.H. (Hal) Norman and supported by Newmont CEO and geologist Plato Malozemoff.

Newmont focussed on their West Fraser Range area, along the interpreted contact between the Archaean and Proterozoic lithologies. They produced the first broad sub-divisions of the Albany-Fraser Orogen, and identified steeply dipping lenses of ultrabasic rocks within a garnet amphibolite suite of rocks. (eg at **Yardilla South**) They also identified, through soil sampling and later drilling, sulphides including pyrrhotite, pyrite, chalcopyrite and pentlandite within norite-peridotite intrusions such as those at **Gnama South, Talbot and Southern Hills.**

Sub-economic disseminated nickel-copper mineralisation was drilled at several prospects in ultramafic and noritic intrusives with best results of 0.81% Ni and 0.31% Cu over a 0.2m drill hole interval. Values up to 1.2% Ni were returned from the base of a laterite profile underlain by weakly sulphidic amphibolite at one prospect. Newmont's efforts in the Fraser Range were abandoned soon after the discovery of the Telfer gold deposit in 1971, and the pegging of the deposit by Newmont in 1972.

Newmont's Fraser Range work was of high quality, but they lacked access to modern detailed low level magnetic and radiometric data such as that flown by Enterprise , and lacked access to inexpensive multi-element geochemical analytical techniques with low level detection limits.

Soil sampling by Enterprise has identified a copper/gold anomaly NE of Newmont's Yardilla nickel propsect, a copper/gold anomaly north of Newmont's Gemco nickel prospect, and a gold anomaly at Microwave. In addition, several other "Ni-Cu-Co" anomalies which may indicate the presence of nickel sulphide mineralisation have been identified in the southern half of Enterprise's E63/1282. (Refer Figures 5 & 6)

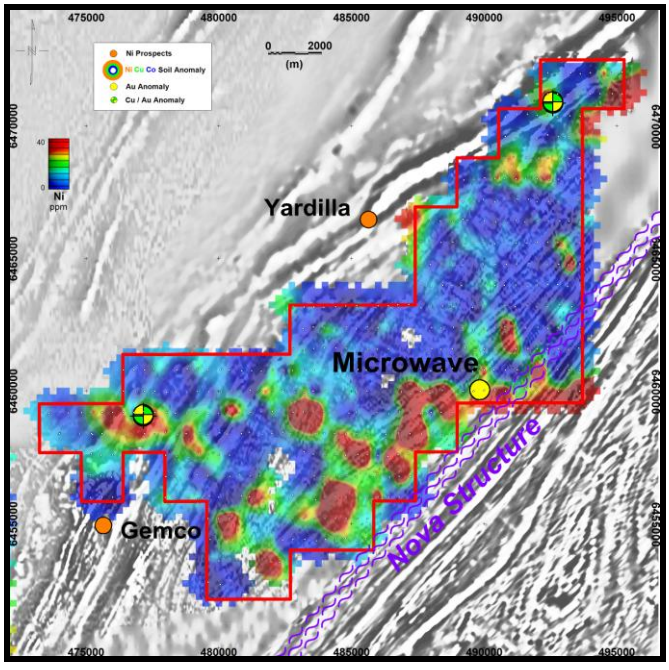

Figure 5: E63/1282, Nickel Soil Image on Magnetics

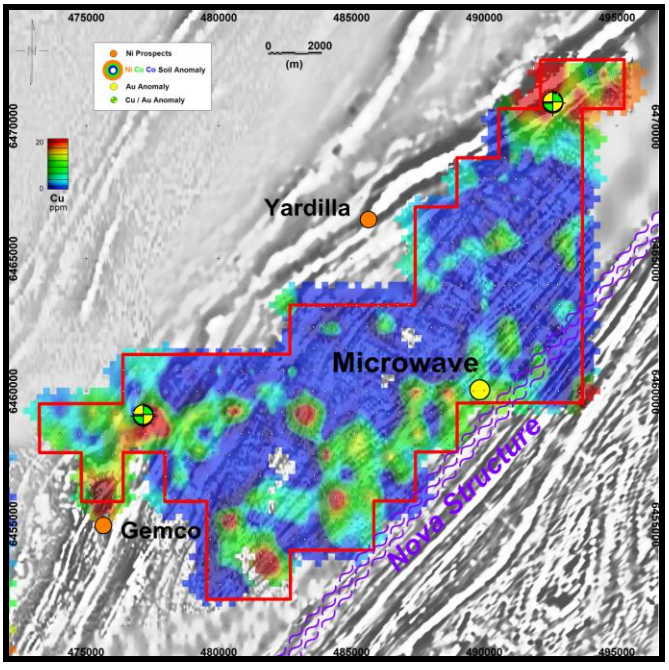

Figure 6: E63/1282: Copper Soil Image

Eyre Highway Targets

The Eyre Highway prospects straddle the Eyre highway approximately 100km east of Norseman, WA. Three "Ni-Cu-Co" ***patterns*** (EH1-3) which might indicate the presence of nickel sulphide mineralisation below the soil profile have been identified. The anomalous samples form clusters developed over high amplitude aeromagnetic features interpreted to represent Archaean mafic or ultramafic sills or dykes in close proximity to rocks of the highly metamorphosed Albany-Fraser Orogen.

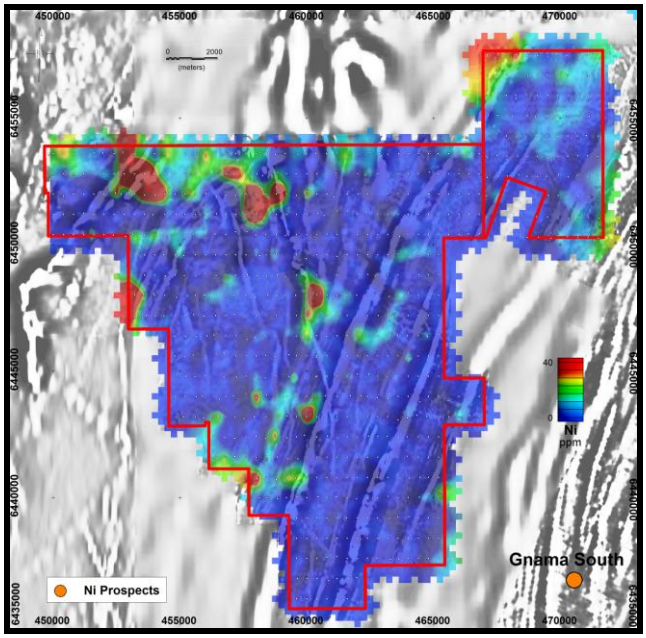

Figure 7: E63/1448, Nickel Soil Image on Magnetics

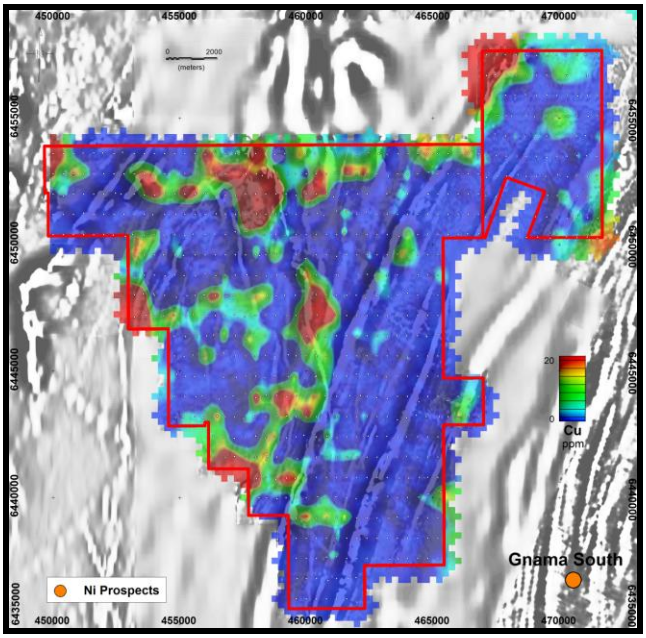

Figure 8: E63/1448: Copper Soil Image

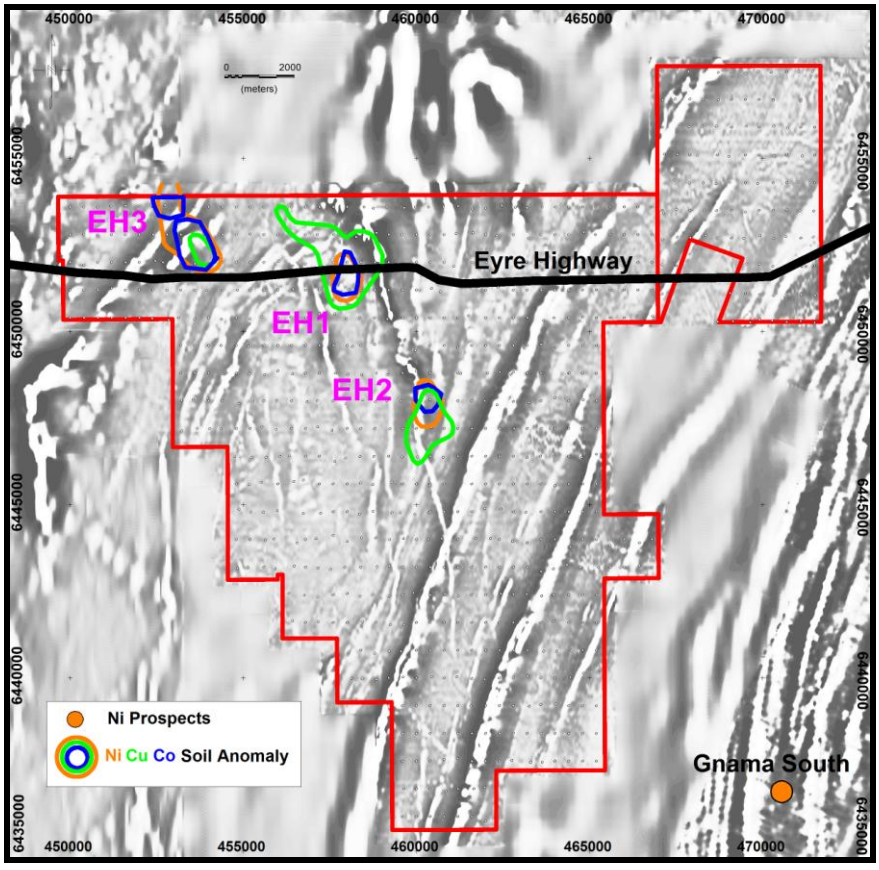

Figure 9: E63/1448 & E63/1283, Ni-Cu-Co Anomalies over Magnetic Image

Proposed Work

Second-pass infill soil sampling has been commissioned to further delineate the anomalies, and ground electrical geophysical surveys will be undertaken to define drill targets.

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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.

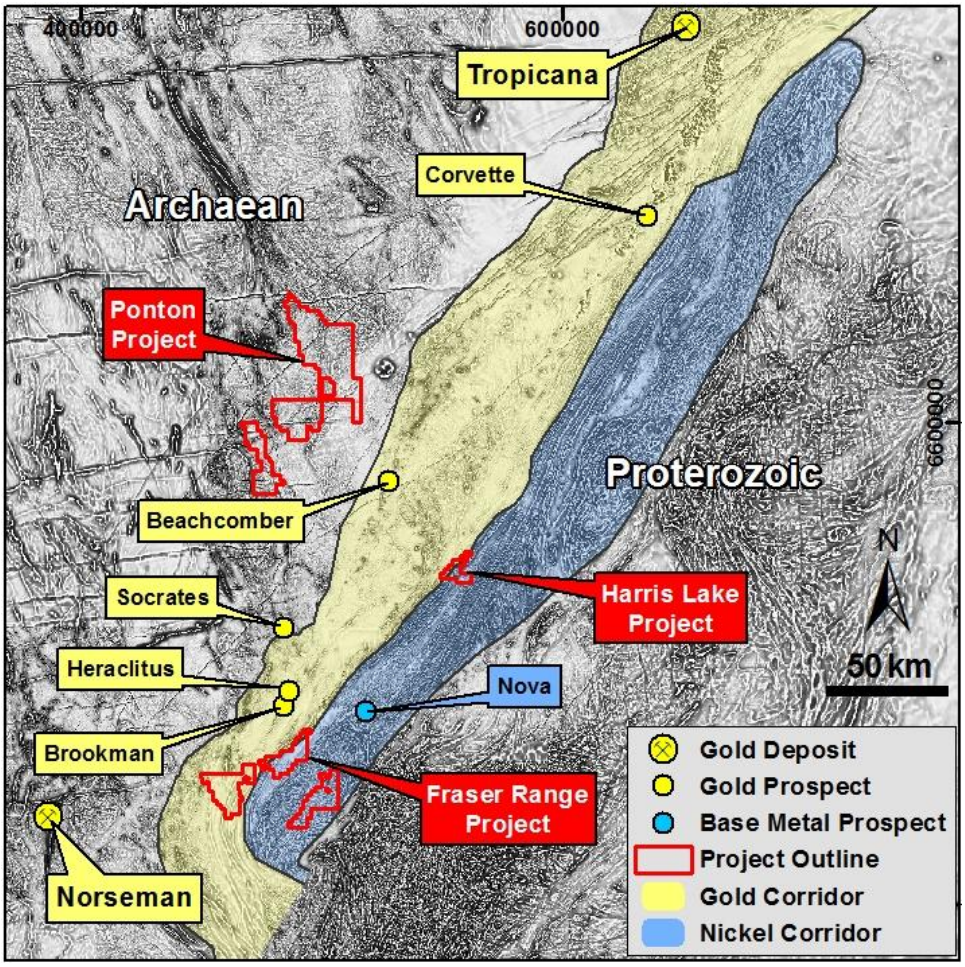

Figure 10: Fraser Range Project, Tenement Location Plan over Magnetics