



First Aircore Drill Results from Vulcan Prospect , Doolgunna

HIGHLIGHTS

- 245 hole aircore drilling program completed
- Assay results received from first 92 drillholes, returning:
 - DNAC165 12m @ 1.80 g/t Au from 8m
Incl. 4m @ 3.55 g/t Au from 8m
 - DNAC239 3m @ 2.80 g/t Au from 111m
Incl. 1m @ 7.54 g/t Au from 113m
- Soil sampling extends copper/gold and multi-element footprint

SUMMARY

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) is pleased to announce that it has received assays from the first 92 holes of the 245 aircore drillholes completed at its Vulcan Prospect, 130km northeast of Meekatharra. The results received to date cover the area adjacent to the gold bearing costean and confirm the presence of gold mineralisation associated with ferruginous zones and quartz veining within the oxidised profile.

Results from soil sampling over Vulcan East have extended the zone of anomalous copper to over 3km, as well as identifying a zone of multi-element (Cu-Bi-Co-As-Au) anomalism.

The Company’s Chairman, Dr Jingbin Wang, commented:

“These drill results are encouraging as they confirm and enlarge the anomalous oxide gold zone identified in the previous aircore drilling program, and we are still awaiting assays from 153 drill holes. The soil sampling program is also returning dividends, with a large copper/gold/multi-element geochemical footprint now defined. I remain confident that the aircore drilling and soil sampling will define targets in the primary zone worthy of RC drill testing”.

WORK COMPLETED

A total of 245 aircore drillholes for 14,785m have been completed over the Vulcan prospect and surrounding area focussing on previous gold intersections and multi-element geochemical anomalies. This program along with the drilling completed in June-July was designed to enhance Enterprise’s understanding of both the bedrock geology and the distribution of gold, copper and pathfinder elements in the regolith, with the ultimate aim of delineating VMS and gold mineralisation in the primary (fresh rock) zone.

Assay results have been received from the first 92 holes of the program, with 21 of these holes returning maximum downhole values +0.1g/t Au in 4m composite sampling, see Figure 1. Best results are shown overleaf, while all intervals +0.1 g/t Au are provided in Appendix 1.



- DNAC165 12m @ 1.80 g/t Au from 8m,
incl. 4m @ 3.55 g/t Au from 8m
- DNAC239 3m @ 2.80 g/t Au from 111m,
incl. 1m @ 7.54 g/t Au from 113m
- DNAC164 4m @ 0.94 g/t Au from 68m
- DNAC156 8m @ 0.54 g/t Au from 44m

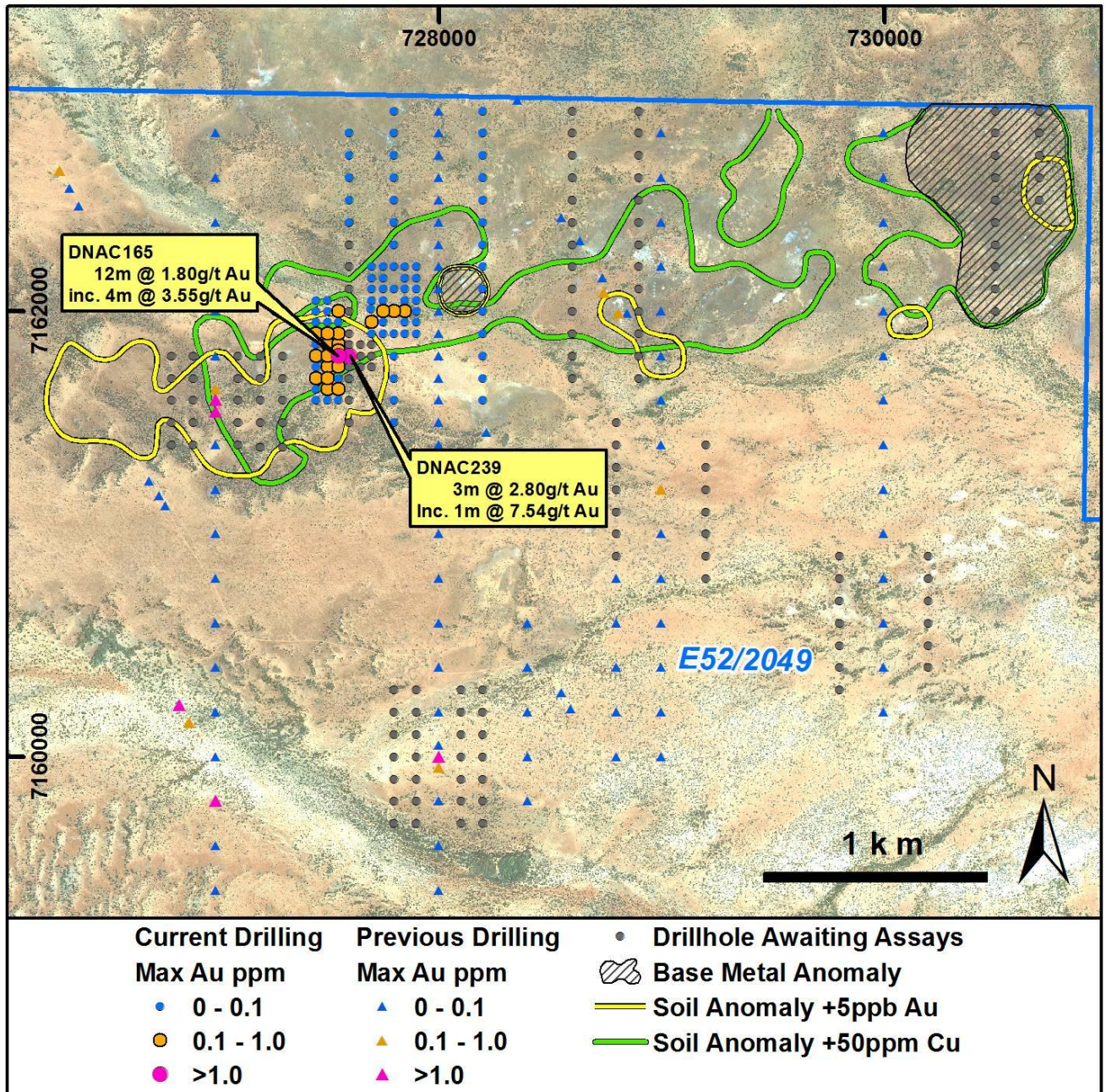


Figure 1: Vulcan Aircore Drilling and Soil Sample Copper and Gold Anomalies

A coherent 300m x 200m zone is defined by the +0.1g/t Au downhole contour, which is open to the west where further drill results are awaited. This western extension coincides with anomalous gold results in soil samples associated with ferruginous lateritic material, see Figure 1.



ENTERPRISE METALS LIMITED

Additional soil sample results from Vulcan East have extended the zone of anomalous copper from 1.5km to over 3km in length, displaying a northeast to easterly trend, see Figure 1. The strongest gold response covering 1,500m x 400m is coincident with the copper zone in the west, along with several small gold anomalies in the east.

The soil sampling has also identified a coherent multi-element association comprising copper, bismuth, cobalt, arsenic, gold, lead, and zinc in the northeastern portion of the Vulcan tenement. Fifteen drillholes were completed over this anomalous zone with all results pending.

Dermot Ryan
Managing Director

Contact:

Telephone: 08 9436 9200

Facsimile: 08 9436 9299

Email: admin@enterprisemetals.com.au

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.



ENTERPRISE METALS LIMITED

Appendix 1: Vulcan Aircore Drillhole Results +0.1 g/t Au

| Hole | East | North | From | To | Int | Au ppm |
|---------|--------|---------|------------|------------|-----------|-------------|
| DNAC142 | 727500 | 7161650 | 20 | 24 | 4 | 0.60 |
| DNAC143 | 727500 | 7161700 | 32 | 40 | 8 | 0.10 |
| DNAC144 | 727500 | 7161750 | 0 | 4 | 4 | 0.11 |
| | | | 36 | 40 | 4 | 0.24 |
| | | | 92 | 96 | 4 | 0.10 |
| | | | 108 | 116 | 8 | 0.20 |
| DNAC145 | 727500 | 7161800 | 0 | 4 | 4 | 0.84 |
| | | | 12 | 20 | 8 | 0.21 |
| DNAC146 | 727500 | 7161850 | 24 | 32 | 8 | 0.49 |
| DNAC147 | 727500 | 7161900 | 4 | 12 | 8 | 0.10 |
| DNAC154 | 727450 | 7161900 | 40 | 44 | 4 | 0.35 |
| DNAC156 | 727450 | 7161800 | 44 | 52 | 8 | 0.54 |
| DNAC158 | 727450 | 7161700 | 8 | 12 | 4 | 0.10 |
| | | | 76 | 80 | 4 | 0.39 |
| DNAC162 | 727550 | 7161650 | 24 | 28 | 4 | 0.27 |
| DNAC164 | 727550 | 7161750 | 0 | 8 | 8 | 0.35 |
| | | | 20 | 24 | 4 | 0.24 |
| | | | 68 | 72 | 4 | 0.94 |
| DNAC165 | 727550 | 7161800 | 8 | 20 | 12 | 1.80 |
| | | Incl. | 8 | 12 | 4 | 3.55 |
| DNAC166 | 727550 | 7161850 | 8 | 12 | 4 | 0.29 |
| DNAC167 | 727550 | 7161825 | 4 | 24 | 20 | 0.23 |
| | | | 52 | 56 | 4 | 0.11 |
| DNAC168 | 727550 | 7161900 | 12 | 20 | 8 | 0.11 |
| | | | 52 | 56 | 4 | 0.10 |
| DNAC170 | 727550 | 7162000 | 40 | 44 | 4 | 0.22 |
| DNAC173 | 727750 | 7162000 | 32 | 36 | 4 | 0.11 |
| DNAC196 | 727700 | 7161950 | 32 | 36 | 4 | 0.20 |
| DNAC217 | 727850 | 7162000 | 24 | 28 | 4 | 0.20 |
| | | | 40 | 44 | 4 | 0.21 |
| DNAC218 | 727800 | 7162000 | 32 | 44 | 12 | 0.32 |
| DNAC239 | 727600 | 7161800 | 68 | 72 | 4 | 0.17 |
| | | | 103 | 104 | 1 | 0.20 |
| | | | 111 | 114 | 3 | 2.80 |
| | | Incl. | 113 | 114 | 1 | 7.54 |
| | | | 117 | 123 | 6 | 0.21 |

Co-ordinates Map Grid of Australia, Zone 50, GDA 94

Au analyses: 50g aqua regia digest, ICP-MS. Method ARM155 by SGS Australia Pty Ltd.