ASX ANNOUNCEMENT ACN 123 567 073 10 October 2014

PLATO RC/DC DRILLING PROGRAM IN FRASER RANGE SET TO COMMENCE WEEK BEGINNING 20TH OCTOBER

FRASER RANGE DRILLING

Enterprise Metals Limited ("Enterprise"; "the Company", ASX: ENT) advises that approval for its Program of Work (PoW) for reverse circulation and diamond core (RC/DC) drilling at Plato in the southern Fraser Ranges was received from the Department of Mines and Petroleum on 9th October 2014. The Company has also let a contract for 3,000 metres of RC drilling. Diamond core holes will be drilled as required by the results of the RC drilling program.

The program is expected to commence in the week beginning 20th October following clearing of drill traverse lines as shown in Figure 1.

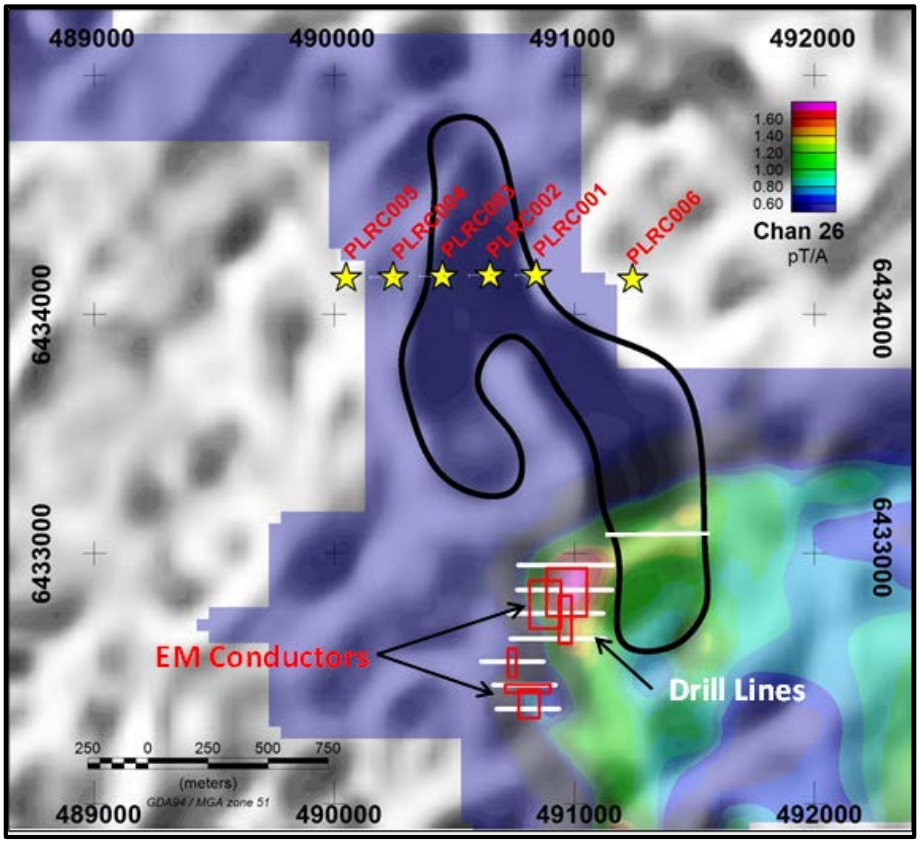

Figure 1. Plato Prospect: Existing RC holes and Proposed Drill Lines over FLEM Conductors

Vortex Geophysics undertook fixed loop electromagnetic (FLEM) surveys over the Plato (south) prospect during August 2014, (refer ASX Release 20th August 2014) and during September/October a further six prospects identified from soil geochemistry or detailed magnetic survey imagery were surveyed. Results from the latter six ground EM surveys are currently being interpreted and modelled.

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DOOLGUNNA PROJECT UPDATE

In early 2014, Enterprise undertook scout RC drilling on 6 prospects identified from Maglag geochemical surveys, ground EM and gravity surveys. The best results were from the **Borg Prospect** on E51/1304, where disseminated and semi-massive pyrite bands, with minor vein style pyrite, was intersected in carbonaceous sedimentary rocks. These intersections were associated with anomalous base metal pathfinder elements. (refer ASX Release 8th July & 11 August 2014)

The **Centre for Excellence in Ore Deposits** (CODES, University of Tasmania) used their Laser Ablation System coupled with ICP-MS to analyse the pyrites in two drill holes (BGRC004 &BGRC014) for the content of base metal pathfinder elements. CODES has developed a process where the assay results can be used to assess base metal fertility, and used as a vector to a potential ore-body. CODES identified two disseminated pyrite bands that stood out in terms of their chemistry. From the analysis of their chemistry they concluded:

"*These two bands have sedimentary pyrite enriched in Au (up to and over 1 ppm), Te, Ag, Se, Mo, Cu, Ni and Co. The band in BGRC004 has the higher sulfide content and better geochemistry. This zone in* ***BGRC004*** *has the characteristics of a high potential gold source rock that can be used as a sedimentary marker to define gold-copper targets. Most of the disseminated pyrite in BGRC004 has the chemistry of distal SEDEX Zn halo pyrite……. A potential SEDEX deposit could be 5 to 15 km along strike from BGRC004."*

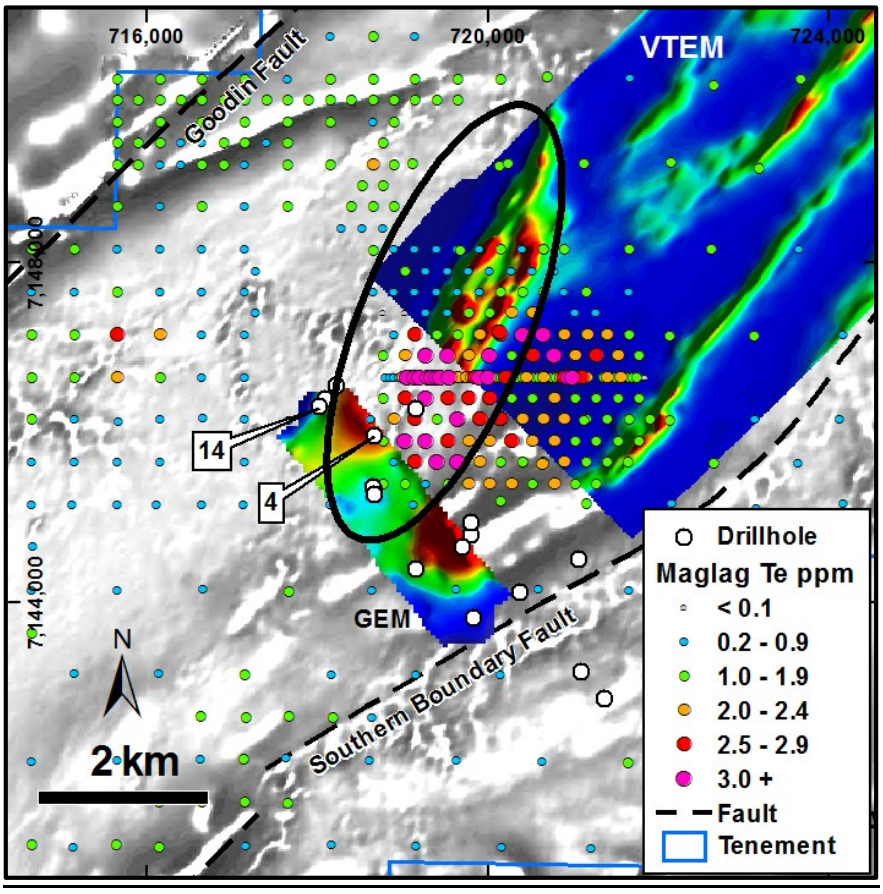

Figure 2. Borg Prospect: RC holes over Coloured Ground EM & VTEM Imagery with Te Maglag Geochem

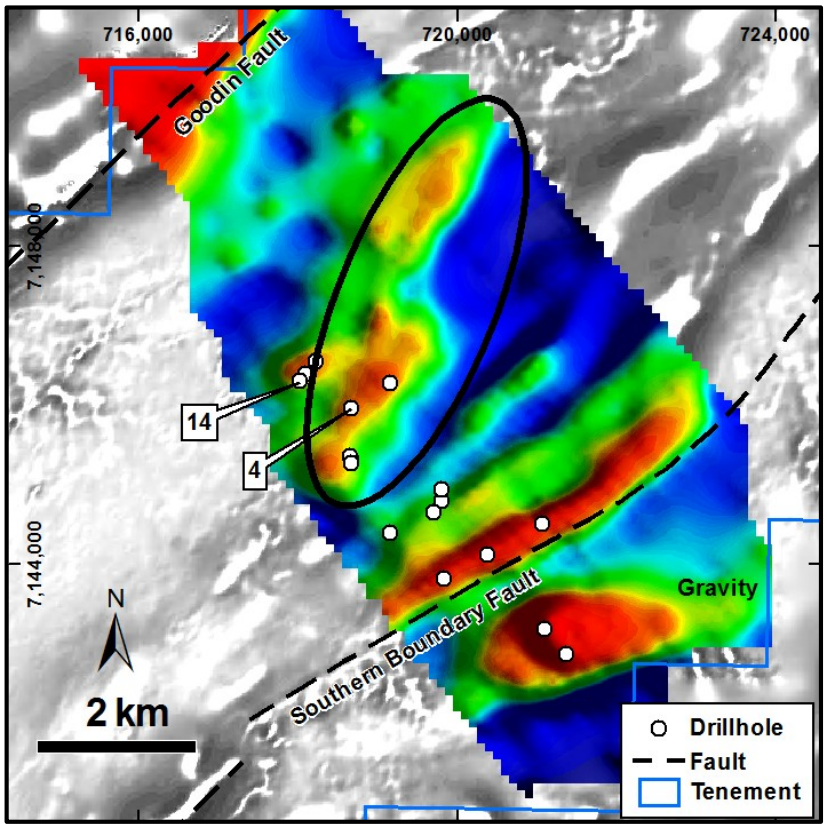

Figure 3. Borg Prospect E51/1304: RC drill holes over Coloured Gravity Imagery

The Company has prepared and lodged with the Department of Mines and Petroleum a Program of Work (PoW) to drill test the Borg SEDEX target with a series of RC drill holes. Subject to statutory approvals and weather, this work could commence either in late 2014 or early 2015.

CORPORATE

As foreshadowed in the Directors Report in the *Enterprise Metals Financial Report for the Year Ending 30 June 2014* (refer ASX release 30 September 2014), as well as continuing to explore its existing projects, the Company will consider the acquisition of other advanced projects if and when opportunities are identified or are offered to the Company. The Company is currently in discussions with a potential investor to raise equity finance to fund ENT's assessment of and possible acquisition of, suitable advanced Australian projects.

Dermot Ryan
Managing Director

Competent Persons statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Dermot Ryan, who is an employee of the Company. Mr Ryan is a Fellow of the Australasian Institute of Mining and Metallurgy and 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 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ryan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.