

INFILL MAGLAG AT DOOLGUNNA FURTHER REFINES BORG Cu/Zn TARGET

- **Maglag assay results define discrete multi-element base metals anomaly**
- **Drill target now narrowed to 2km long by 1,000 m wide**
- **Geochem anomaly co-incident with VTEM and ground EM anomalies, and eastern flank of gravity anomaly**
- **Gravity anomaly interpreted to be mafic volcanics possibly time equivalent to Narracoota Formation volcanics**

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: ENT) advises that it has received multi-element assay results from infill Maglag sampling over the Borg base metal target at Doolgunna Project in Western Australia. The infill Maglag assays have refined the drill target to an area of 2km long by 1,000m wide, which is open to the north and east under alluvial cover.

The multi-element geochemistry has broadly defined 3 zones within the target area:

- a western zone with elevated tellurium, arsenic, antimony, bismuth and molybdenum (*base metal pathfinders*),
- a central zone defined by anomalous zinc/scandium ratios, and
- an eastern zone defined by copper/scandium ratios.

2015- Maglag Sampling & Assaying

In May 2015, the Company collected an additional 80 infill Maglag samples at Borg in order to further refine the target prior to drilling. The sample density was increased from a 250m x 250m grid to a 250m x 125m grid spacing. The increased sample density has narrowed and enhanced the target area to a NNE striking zone approximately 2km in length and 1,000m wide. However, the target remains open to the north and east as recent alluvium has prevented the Maglag technique from being effective in these areas.

The prominent gravity anomaly defined by the Company’s previous detailed gravity survey is now interpreted to be mafic volcanics possibly time equivalent to the Narracoota Formation volcanics hosting the DeGrussa deposit. Figures 1- 12 overleaf show the locations of the regional and infill Maglag samples, along with assay results of selected base-metal “*pathfinder*” elements. Proposed RC drill traverses are shown in purple.

Planned Work

In December 2014, the Company announced that its application for co-funding for drilling at the Borg Prospect under the WA State Government Co-funded Exploration Drilling program had been approved. The WA State Government will match the Company’s expenditure on its planned drilling program (to a maximum of \$150,000) at Borg. (*Refer ASX Release 8th December 2014*)

The Company has now received approval from the Department of Mines and Petroleum for its Program of Work (PoW) to RC drill test the Borg SEDEX target with several RC drill traverses. Negotiations are underway with several drilling companies for a suitable drilling contract.

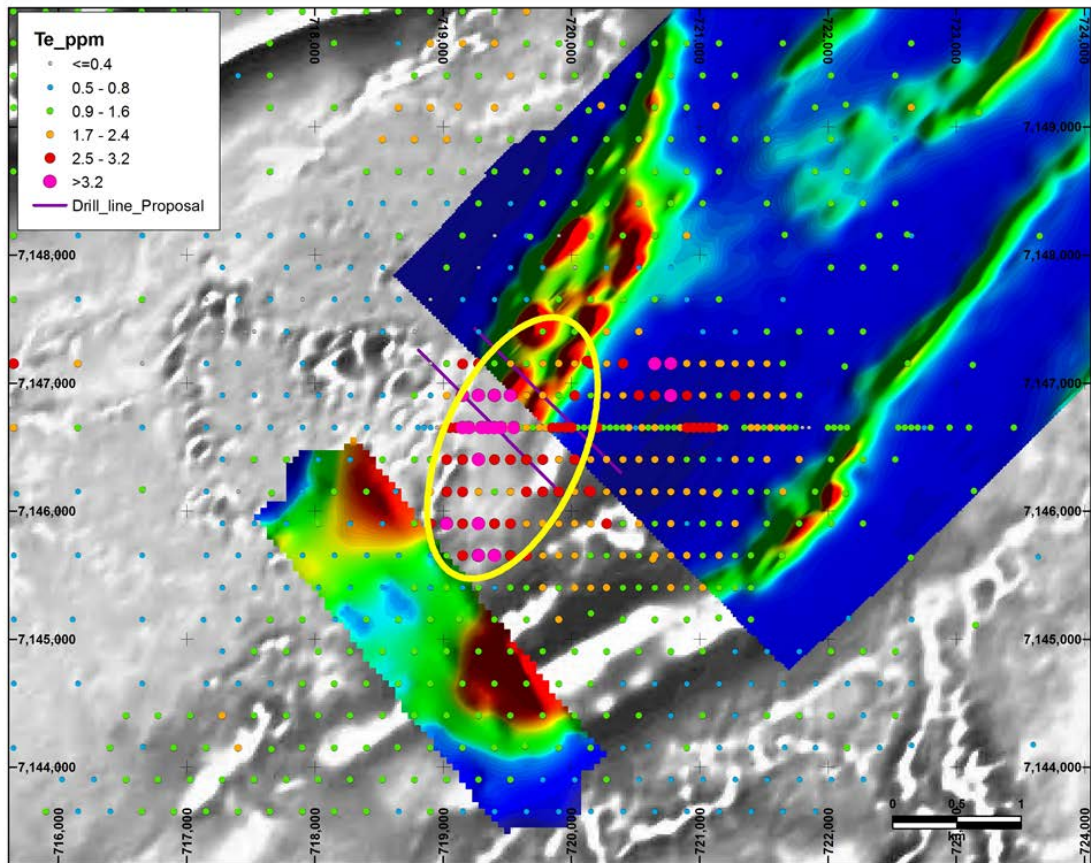


Figure 1. Tellurium Maglag Geochemistry over Coloured Ground EM & VTEM Imagery

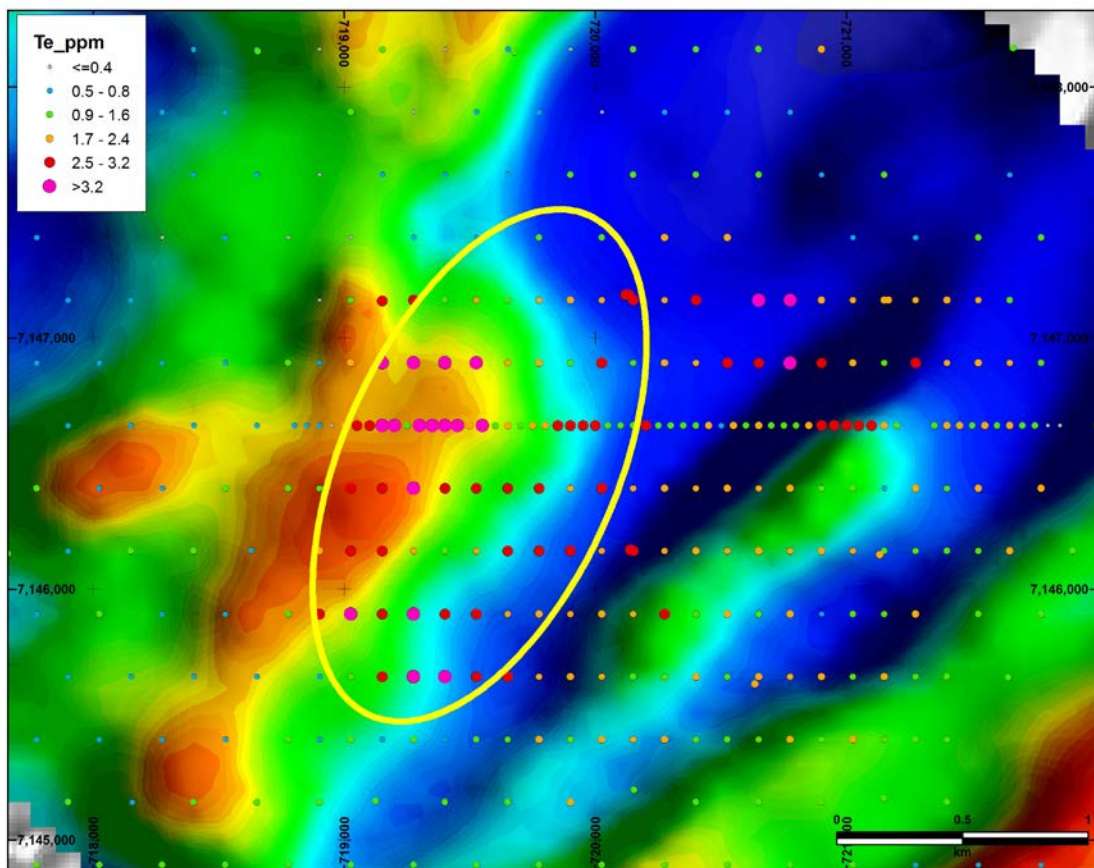


Figure 2. Enlargement: Tellurium Maglag Geochemistry over Coloured Gravity Imagery

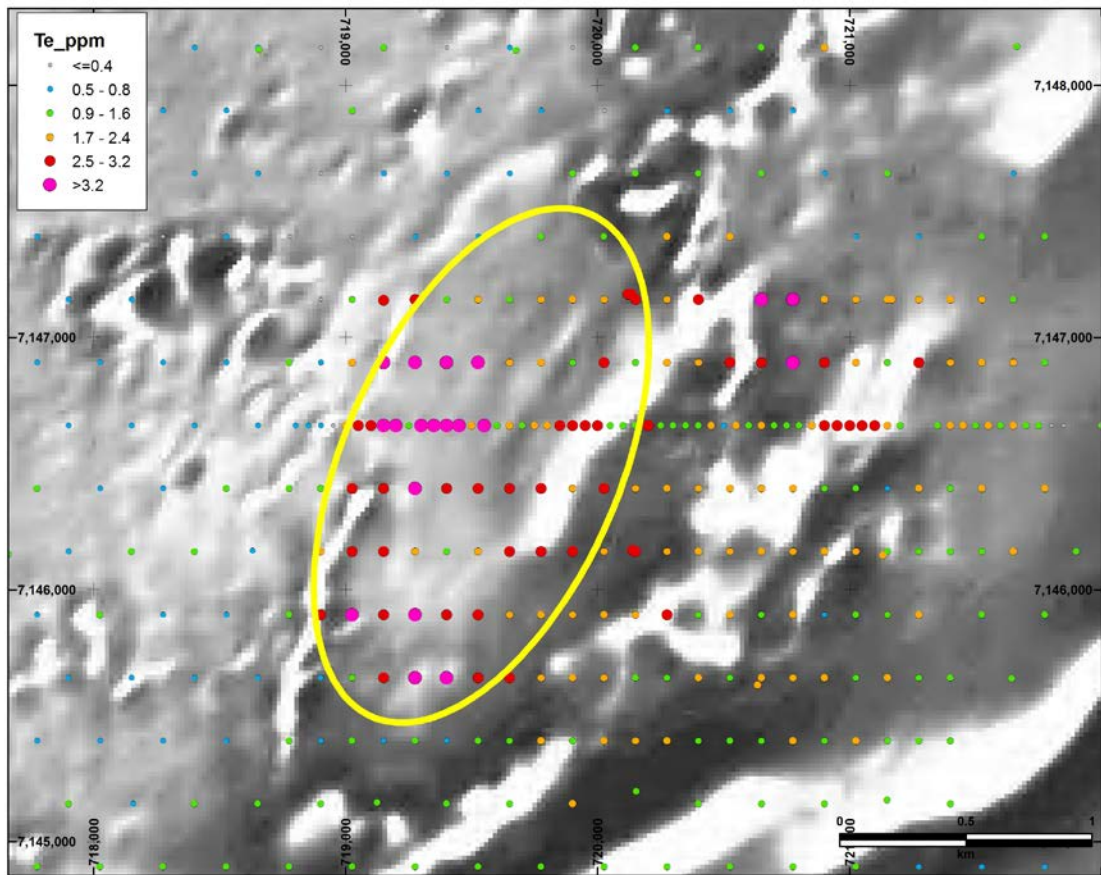


Figure 3. Tellurium Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

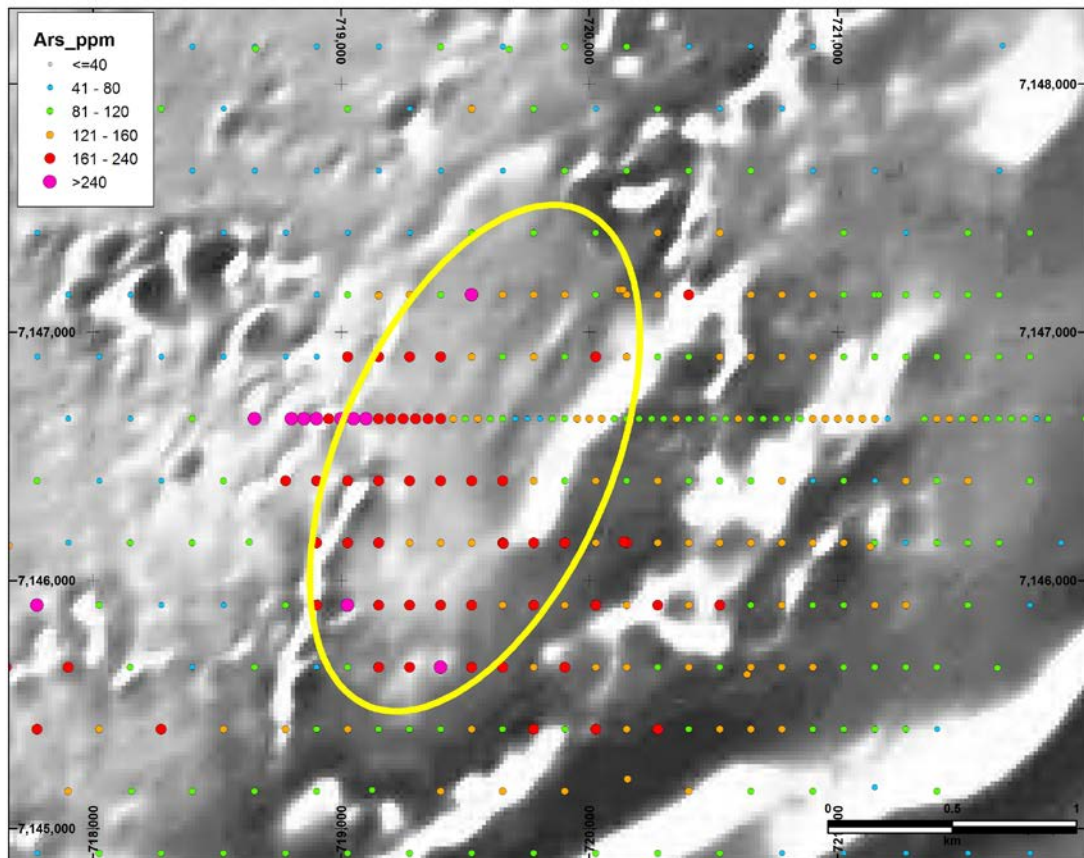


Figure 4. Arsenic Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

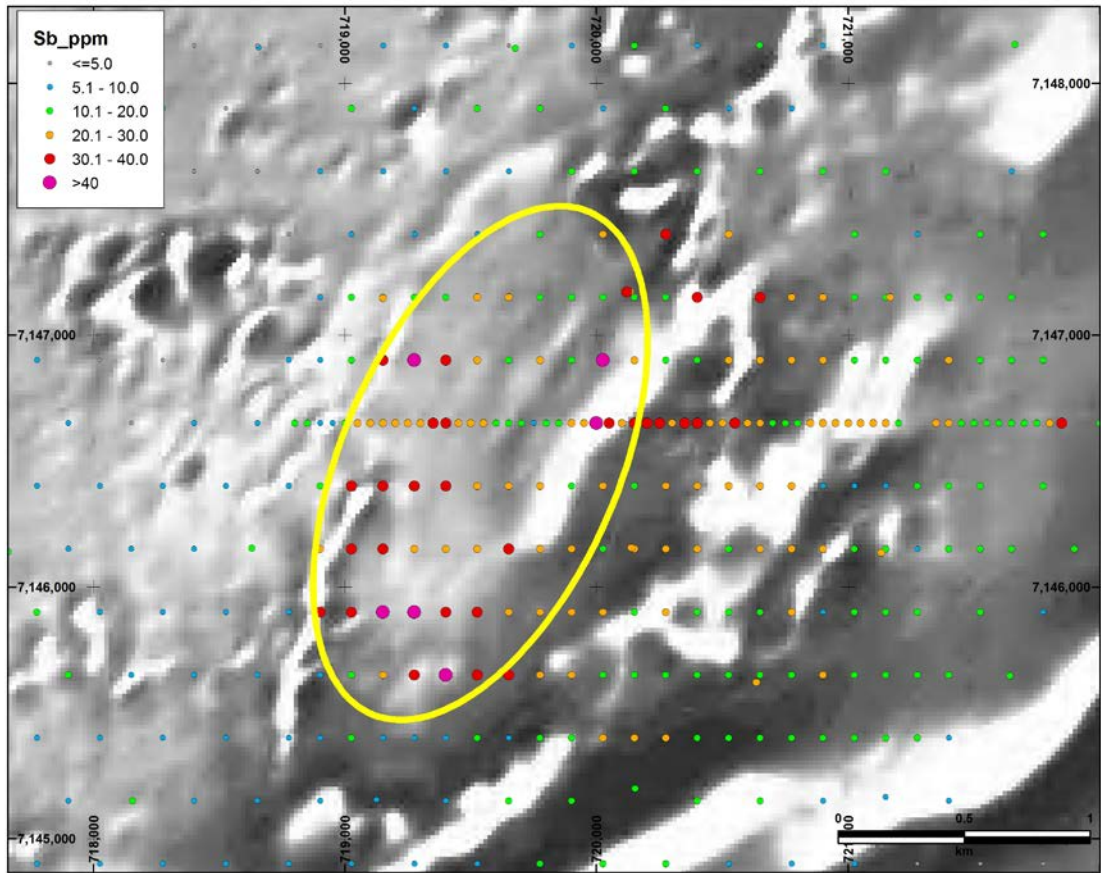


Figure 5. Antimony Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

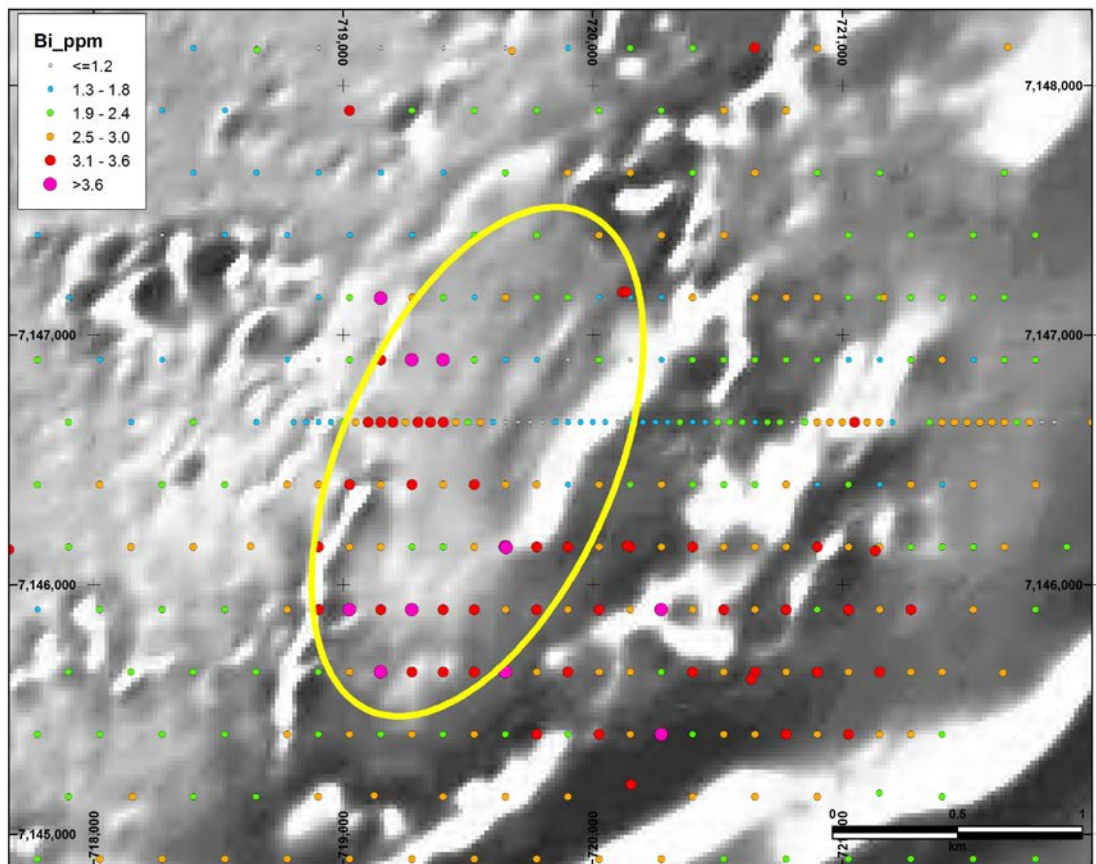


Figure 6. Bismuth Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

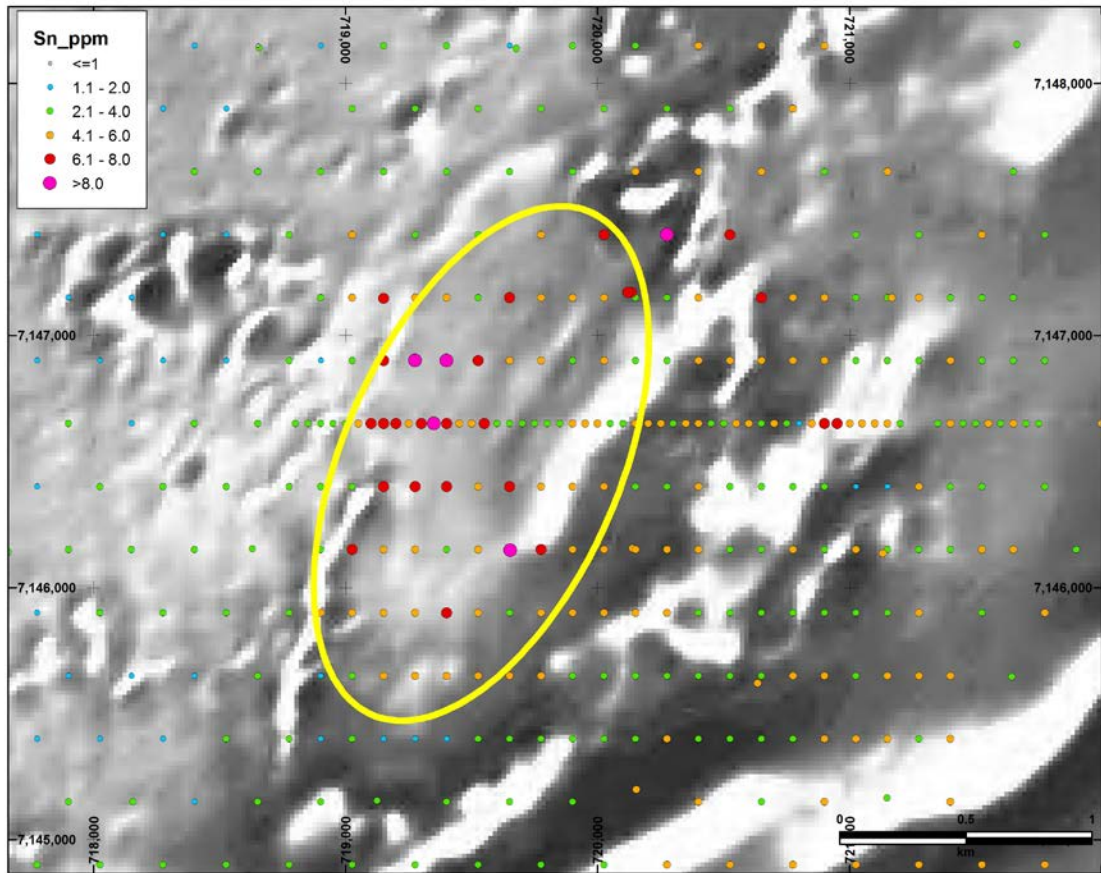


Figure 7. Tin Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

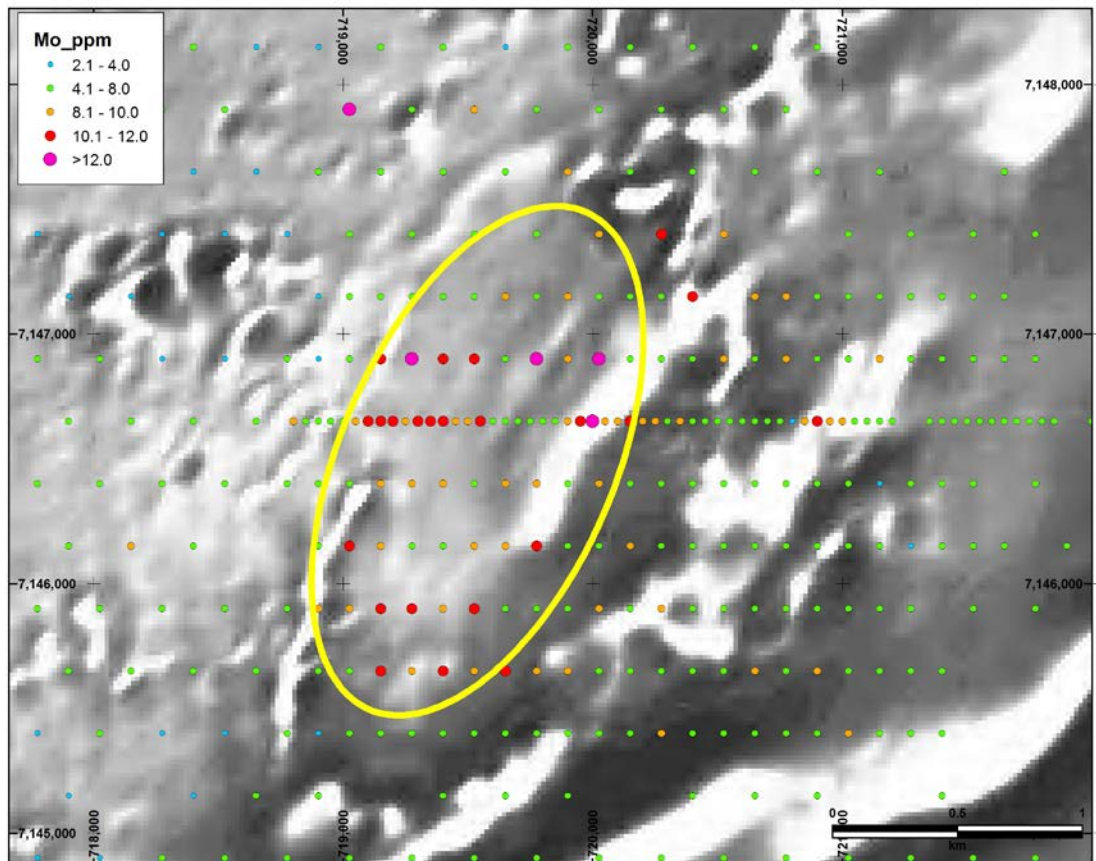


Figure 8. Molybdenum Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

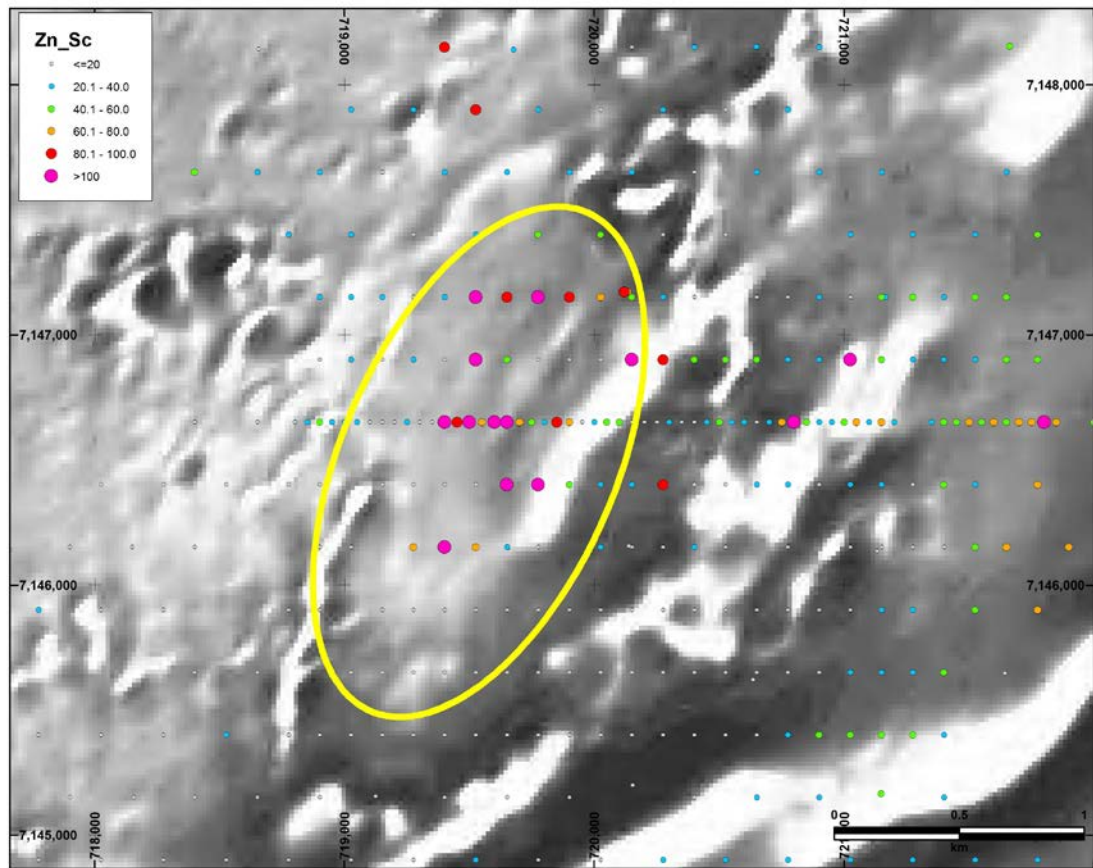


Figure 9. Zinc/Scandium Ratio: Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

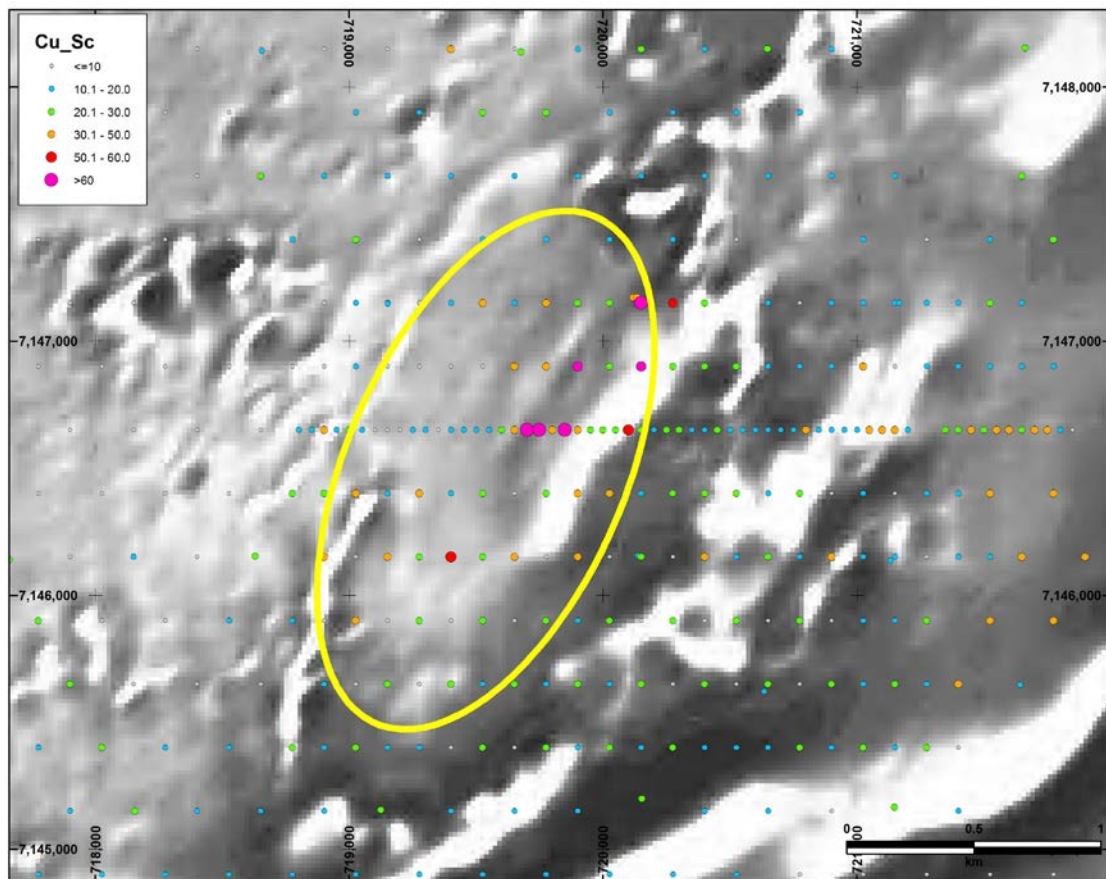


Figure 10. Copper/Scandium Ratio: Maglag Geochemistry over Grey Scale 1st VD Magnetic Imagery

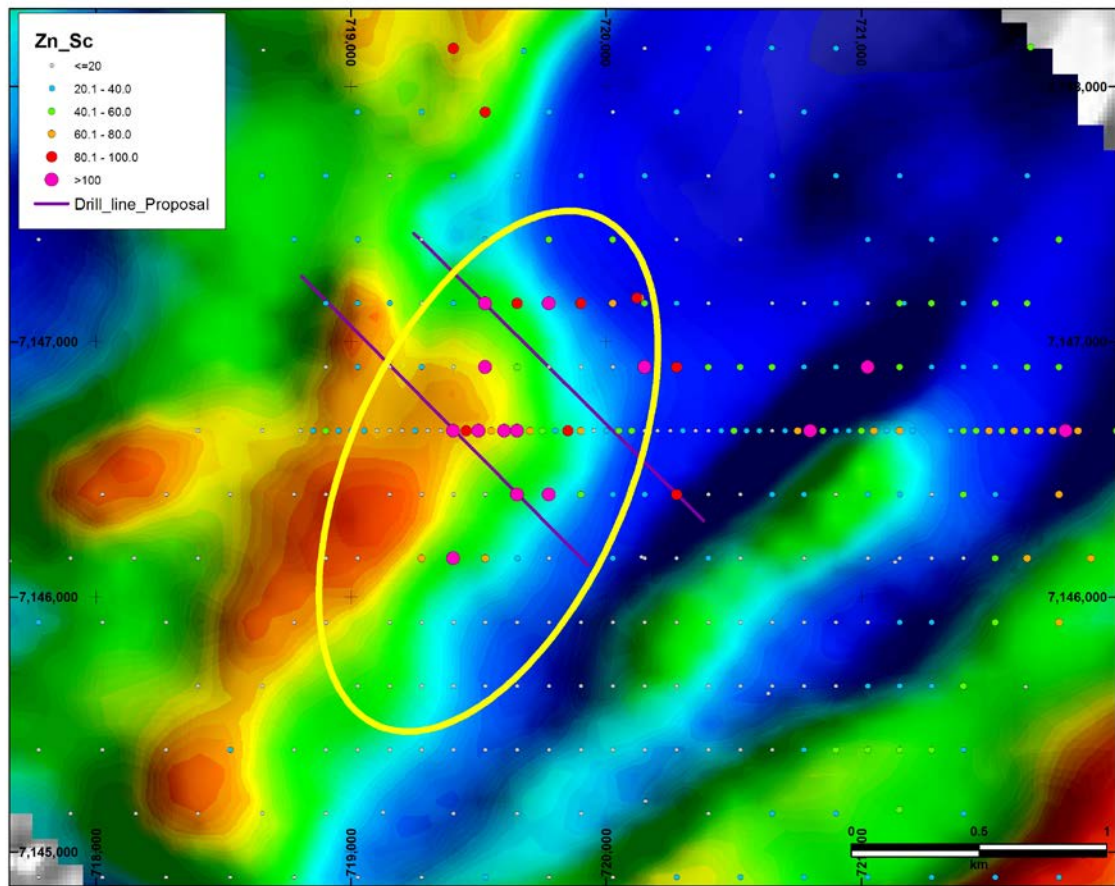


Figure 11. Zinc/Scandium Ratio: Maglag Geochemistry over Gravity Imagery

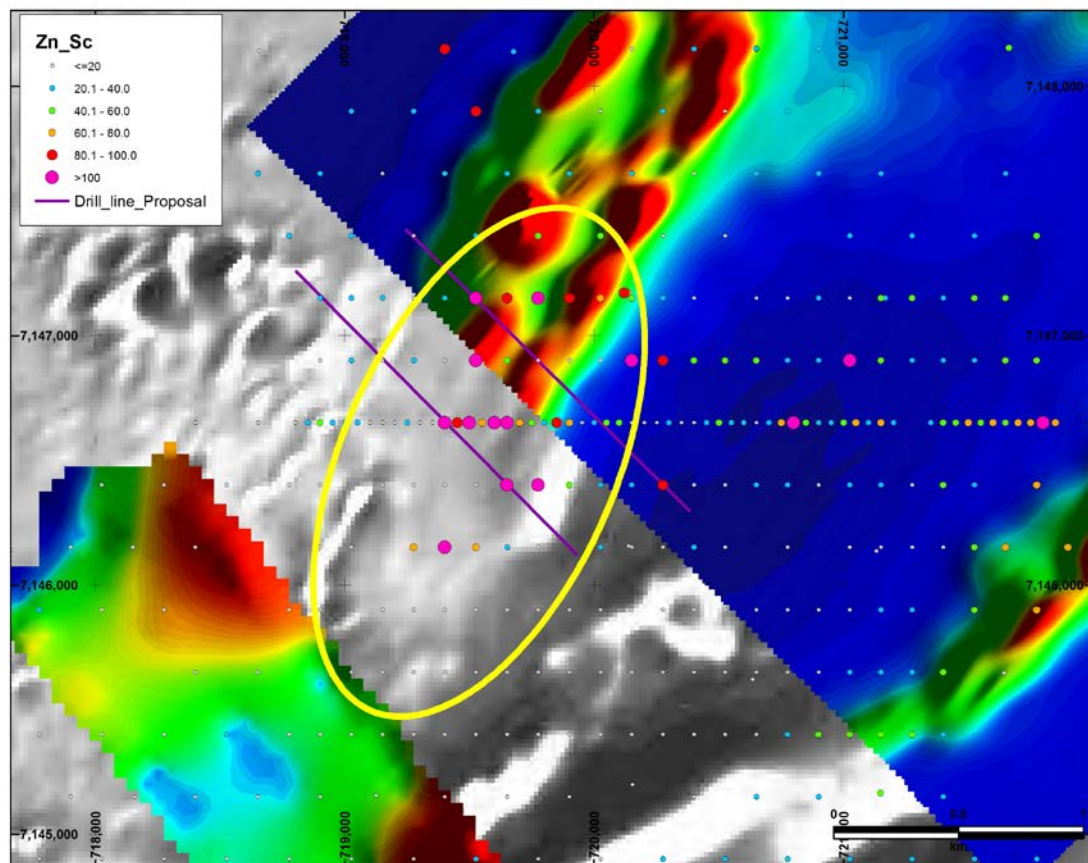


Figure 12. Zinc/Scandium Ratio: Maglag Geochemistry over Coloured Ground EM & VTEM Imagery

BACKGROUND

The Doolgunna project covers approximately 1,069km² and is located some 10km southwest of Sandfire Resources NL's DeGrussa copper-gold mine. The project is considered prospective for volcanic hosted massive sulphide (VHMS) deposits and contains the strike extent of the Narracoota Fm volcanic unit (host of DeGrussa VHMS mineralisation), and is prospective for sediment hosted base metals (SEDEX) deposits.

Previous gravity, soil geochemistry and electromagnetic surveys by Enterprise identified a large 4.5km long anomaly at the Borg Prospect, interpreted to be due to the introduction of base metals sulphides into the sedimentary sequence from a deep mafic source.

Scout RC drilling conducted by the Company in 2014 was too shallow, and was conducted along the western flank of the anomaly, which was not fully defined by the geophysics and geochemistry at the time the holes were drilled. (*Refer ASX Releases 29th January 2015 and 30th April 2015*)

A number of other prominent Maglag geochemical anomalies have been identified by the Company at Doolgunna, and these are also characterised by unusually high values of tellurium.

Tellurium is a non-metallic element and a member of the sulphur family and is quite rare. It is generally recovered as a by-product of electrolytic copper refining. The other common source of tellurium is in "gold-tellurides" or "calverite". Within the Golden Mile Dolerite at Kalgoorlie, 20% of the gold is contained within gold tellurides. It can be a useful pathfinder for both copper and gold deposits.



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 employed as the Managing Director of the Company through geological consultancy Xserv Pty Ltd. Mr Ryan is a Fellow of the Australasian Institute of Mining & Metallurgy, a Fellow 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.

Appendix 1: Geochemical Assays for 10 Selected Elements from Infill Maglag Samples, Borg Prospect, Doolgunna 2015

		Elements	As	Bi	Cu	Mo	Pb	Sb	Sn	Te	W	Zn
		Units	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
Lower	Detection		0.5	0.01	0.5	0.05	0.2	0.05	0.2	0.01	0.05	2
Upper	Detection		10000	10000	10000	10000	10000	10000	500	500	10000	10000
Sample No.	MGA North	MGA East	MA4031	MA4031	MA4031	MA4031	MA4031	MA4031	MA4031	MA4031	MA4031	MA4010
BMG001	7145400	718900	96.2	2.09	26.8	3.86	81.4	6.95	1.8	0.73	1.27	27
BMG002	7145400	719150	98.3	2.17	23.4	4.32	82.2	7.67	2	0.79	1.35	28
BMG003	7145400	719400	86.7	2.05	19.2	4.52	85.3	8.76	2	0.76	1.57	27
BMG004	7145400	719650	91	1.97	20.3	4.25	78.1	9.32	2.1	0.88	1.69	29
BMG005	7145400	719900	105.5	2.36	24.2	5.05	85.6	14.51	3	1.26	2.29	35
BMG006	7145400	720150	141	2.75	29.9	6.48	87.1	20.79	3.8	1.76	2.9	35
BMG007	7145400	720400	118.2	2.37	27.3	5.55	79.1	15.9	3.2	1.43	2.49	33
BMG008	7145400	720650	127.8	2.78	31.6	5.77	85.5	17.55	3.6	1.55	2.76	40
BMG009	7145400	720900	104	2.79	31	5.71	78.3	14.65	4.2	1.46	3.29	72
BMG010	7145400	721150	81.1	2.46	29.7	5.08	69	11.57	4.3	1.22	3.07	70
BMG011	7145400	721400	71.3	2.39	30.4	5.12	68.7	9.47	4.7	1.09	3.23	71
BMG013	7145650	721275	89.3	2.52	30.2	5.36	74.8	13.09	4.1	1.34	3.01	58
BMG014	7145650	721025	114.3	2.81	29.1	6.14	80.9	16.25	4	1.59	3.07	47
BMG015	7145650	720775	134.5	2.79	27	6.55	84.8	19.48	4.3	1.79	3.45	40
BMG016	7145650	720525	109.5	2.45	24.4	5.77	85.8	15.28	3.5	1.4	2.71	33
BMG017	7145650	720275	104.8	2.09	22.5	4.54	81.5	13.18	2.7	1.03	2.22	31
BMG018	7145650	720025	134.9	2.62	28.9	5.99	95.4	18.68	3.7	1.75	2.81	36
BMG019	7145650	719775	160	2.69	28.3	8.06	86.6	27.81	4.5	2.19	3.29	28
BMG020	7145650	719525	183.2	3.14	28.7	8.98	90	33.63	5.1	2.62	4.08	28

BMG021	7145650	719275	198.4	3.26	26.3	9.34	88.3	37.15	6	3.3	5.04	26
BMG022	7145650	719025	107.9	2.74	20.2	7.88	86.1	14.82	3	1.32	2.53	25
BMG023	7145900	718900	161.9	3.11	21.6	8.49	88.4	31.48	4.8	2.98	4.08	29
BMG024	7145900	719150	227.1	3.23	29.8	10.01	90.6	40.62	5.1	3.19	3.93	34
BMG025	7145900	719400	191.8	3.03	29.5	9.69	78.8	39.62	7.2	2.69	5.91	26
BMG026	7145900	719650	153.8	2.46	29.5	6.3	92.4	23.75	3.6	1.94	2.83	42
BMG027	7145900	719900	156.1	3	29.6	6.95	96.1	21.56	4.9	2.06	3.74	34
BMG028	7145900	720150	134.7	2.63	24.4	6.32	89.5	18.98	4.1	1.81	3.23	37
BMG029	7145900	720400	135.1	2.47	25.6	5.36	93.1	15.37	2.9	1.37	2.37	34
BMG030	7145900	720650	119.9	2.52	24.3	5.38	92.5	14.82	3.3	1.48	2.81	34
BMG031	7145900	720900	84.2	1.99	14.6	4.95	72.6	8.1	2.5	0.77	2.19	21
BMG032	7145900	721150	125.3	2.7	28.9	5.8	85.6	16.21	3.4	1.57	2.88	46
BMG035	7146150	721525	90.1	2.24	30.5	5.71	71.1	13.48	4.3	1.43	3.21	70
BMG036	7146150	721275	76.3	1.82	16.6	3.84	70.7	8.8	2.4	0.84	1.82	30
BMG037	7146150	721025	128.4	2.75	28.2	6.38	87.6	19	4.2	1.73	3.21	37
BMG038	7146150	720775	129.6	2.58	26.2	7	84.1	21.98	4.1	1.88	3.34	40
BMG039	7146150	720525	134.2	2.51	25	6.34	84.4	19.05	3.9	1.66	3.06	30
BMG040	7146150	720275	137.1	2.78	26.5	7.27	88.8	21.52	4.7	2.05	3.84	44
BMG041	7146150	720025	136.5	2.41	24.6	6.76	83.9	19.55	4.8	1.99	4.25	54
BMG042	7146150	719775	178	3.34	26	10.05	92.6	29.41	7	3.08	6.05	46
BMG043	7146150	719525	141.5	2.41	41.4	8.05	72.3	25.9	5.4	2.17	4.61	99
BMG044	7146150	719275	128.7	2.11	41.7	6.77	70.8	24.32	5.2	2.21	4.34	88
BMG045	7146150	719025	183.4	2.79	30.2	11.07	75.8	39.12	7.2	2.64	5.87	24
BMG046	7146400	718900	228.5	2.43	35.1	7.59	102.5	17.6	3.2	1.6	2.73	38
BMG047	7146400	719150	171.8	2.59	31.8	9.39	67.5	32.54	6.9	2.69	5.7	23
BMG048	7146400	719400	193.8	3	35.9	9.11	82.4	30.3	6.5	2.91	5.67	42
BMG049	7146400	719650	160.4	2.77	24.9	8.2	88.7	24.95	6.2	2.68	4.9	141
BMG050	7146400	719900	81.6	1.58	42	7.83	50.4	17.42	5.1	1.98	3.68	71
BMG051	7146400	720150	117.9	2.07	33	6.75	74.3	18.82	3.8	1.86	2.53	46

BMG052	7146400	720400	111.7	1.96	34.4	7.54	70.8	24.45	4.1	1.86	2.61	39
BMG053	7146400	720650	102.2	2.08	23.8	7.53	68.3	24.63	4	1.66	2.7	37
BMG054	7146400	720900	58.8	1.59	15.2	4.23	58.4	8.69	2.1	0.9	1.89	35
BMG055	7146400	721150	78.6	1.64	16.4	3.88	66.1	8.28	1.7	0.75	1.51	37
BMG056	7146400	721400	87.8	1.73	26.5	4.77	69.8	10.16	2.4	1.01	1.6	60
BMG058	7146900	721650	104.5	2.09	29.9	5.62	84.4	16.08	3.1	1.63	2.68	76
BMG059	7146900	721400	120	2.41	31.8	7.07	80.9	21.77	4.7	2.33	3.93	64
BMG060	7146900	721150	84	1.69	20.9	8.18	66.9	11.54	2.9	1.19	1.92	73
BMG061	7146900	720900	127.4	2.22	30	7.33	94.2	24.45	4.6	2.45	3.71	56
BMG062	7146900	720650	125	2.16	34.3	7.88	80.2	24.34	5.4	2.52	4.06	71
BMG063	7146900	720400	102.7	1.92	44.3	6.42	73.4	19.86	4.4	2.09	3.4	73
BMG064	7146900	720150	123.5	0.92	73.2	6.21	61.6	20.99	2.9	1.42	1.89	175
BMG065	7146900	719900	100.9	0.93	97	9.54	42.7	11.85	3.8	1.41	2.83	32
BMG066	7146900	719650	120	1.38	46.7	7.67	64.9	19.64	5.8	2.31	4.24	65
BMG067	7146900	719400	165.6	3.71	24.3	11.32	106	30.77	8.2	3.9	7.06	44
BMG068	7146900	719150	171.1	3.01	25.6	10.32	99.7	31.94	7.3	3.45	5.6	39
BMG069	7146900	718900	49.4	0.98	7.7	2.72	44.5	5.18	1.5	0.46	1.28	15
BMG070	7147150	719025	117.2	2.17	26.3	5.65	69.6	11.8	4.2	1.34	2.63	54
BMG071	7147150	719275	135.2	2.71	25.7	7.7	79.6	19.93	5.7	2.98	4.64	44
BMG072	7147150	719525	279.2	1.73	53.1	5.85	112.4	24.65	3.7	1.75	3.12	329
BMG073	7147150	719775	126.2	2.23	48.5	7.27	96	18.08	4.6	2.21	3.62	163
BMG074	7147150	720025	109.3	1.71	43	6.99	65	17.99	4.5	2.22	3.37	86
BMG075	7147150	720275	126.9	1.64	67.5	6.42	64.4	19.96	3.9	2.22	3.12	62
BMG077	7147150	720775	134.2	2.77	27.9	8.13	107.1	28.04	5.9	3.37	5.55	51
BMG078	7147150	721025	94.2	2.08	26.5	6	86	15.09	3.2	1.9	3.25	41
BMG079	7147150	721275	98	2.27	33	6.56	73.9	14.95	4.3	1.88	3.34	72
BMG080	7147150	721525	100.7	2.04	42.1	5.69	80	15.29	3.4	1.73	2.8	78

JORC Code, 2012 Edition – Table 1 report for ASX Release 15 June 2015

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary						
Sampling & assay techniques	<p>For “Maglag” sampling, lag was swept up with a plastic dust pan and brush over about a 5 m diameter area. (for ~ 2 kg sample). Coarse pebbles, sticks, etc (greater than 1 or 2 cm) were swept out on to a plastic sheet and any organic material was removed. A MAGSAM 300 “rare earth” magnetic sampler from Pathfinder Exploration was used to collect the magnetic fraction (between 50-100gms).</p> <p>Maglag samples were pulverised and subjected to a 4 acid digest and analysis by a low level detection method of 61 elements ICP-MS & ICP-OES Package (4A-ICPMS-MA40MS MA40-OES) at Minanalytical Laboratory Services Australia.</p>						
ICPMS- MA40MS Elements and Ranges (ppm)							
Ag	0.01-100	Ga	0.05-1000	Pb	0.2-1%	Te	0.01-500
As	0.5-1%	Gd	0.02-500	Pr	0.01-500	Th	0.1-1%
Ba	2-1000	Ge	0.05-1000	Rb	0.05-1%	Tl	0.02-1000
Be	0.05-1000	Hf	0.01-500	Re	0.001-100	Tm	0.01-500
Bi	0.01-1%	Ho	0.01-500	Sb	0.05-1%	U	0.02-1%
Cd	0.01-1000	In	0.005-500	Sc	0.1-1%	W	0.05-1%
Ce	0.02-500	La	0.1-1000	Se	0.5-1000	Y	0.05-1000
Co	0.1-1%	Li	0.1-1000	Sm	0.01-500	Yb	0.01-500
Cs	0.05-1000	Lu	0.01-500	Sn	0.2-500	Zr	0.5-500
Dy	0.01-500	Mo	0.05-1%	Sr	0.1-1%		
Er	0.01-500	Nb	0.05-1000	Ta	0.01-100		
Eu	0.01-500	Nd	0.01-500	Tb	0.01-500		
ICP-MA40 - OES Elements and Ranges (ppm)							
Ag	0.5-100	Co	1-1%	Mo	1-1%	Sr	1-1%
Al	0.01%-10%	Cr	1-1%	Na	0.01%-10%	Te	2-500
As	2-1%	Cu	1-1%	Ni	1-1%	Ti	0.01%-10%
Ba	5-1%	Fe	0.01%-50%	P	20-1%	Tl	10-1000
Be	0.5-1000	K	0.01%-10%	Pb	2-1%	V	2-1%
Bi	5-1%	La	20-1000	S	0.01%-5%	W	1-1%
Ca	0.01%-25%	Li	1-1000	Sb	2-1%	Zn	2-1%
Cd	1-1000	Mg	0.01%-20%	Sc	1-1%		
Ce	20-500	Mn	2-1%	Sn	5-1%		

Criteria	Commentary
Drilling techniques	Not relevant to this ASX release
Drill sample recovery	Not relevant to this ASX release
Logging	Not relevant to this ASX release
Sub-sampling techniques and sample preparation	Not relevant to this ASX release
Quality of assay data and laboratory tests	<p>Minanalytical Laboratories are NATA Certified for compliance with ISO/IEC17025:2005 for the scope below:</p> <ul style="list-style-type: none"> • Gold by fire assay with AAS (flame) finish • Gold (low level) by Aqua Regia with an ICP-MS finish • Gold (ultra low level) by Aqua Regia with an ICP-MS finish • Gold (low level), Platinum, Palladium by Fire Assay with an ICP-MS finish • Ore Grade Four Acid Digest with an ICP-AES finish • Standard Four Acid Digest with an ICP-MS and ICP-AES finish <p>All quality control data is reported and each batch includes certified reference materials, blanks and up to 10% replicates. The data produced by the laboratory is reviewed and compared with the certified values to measure accuracy and precision. Selected anomalous samples are re-digested and analysed to confirm results. If the reported result exceeds the upper detection limit for a specific element, MinAnalytical re-analyses the sample using a more appropriate technique and instrument finish.</p>
Verification of sampling and assaying	<p>The laboratory information was emailed to Enterprise's in-house database manager for validation and loading into a SQL database server.</p> <p>No adjustments or calibrations were made to any assay data used in this report.</p>
Location of data points	Maglag sample locations were surveyed by a modern hand held GPS unit with an accuracy of 5m which is sufficient accuracy for the purpose of compiling and interpreting the results. The grid system is MGA GDA94 Zone 50.
Data spacing and distribution	<p>Original Maglag sampling was undertaken on 1km x 1km grid, then infilled to 250m x 250m over Borg target in 2014.</p> <p>2015 Maglag sampling infilled 250m spaced east west lines at 125m along line spacing.</p>
Orientation of data in relation to geological structure	Maglag samples were collected on a rectangular/square east-west grid.
Sample security	Samples were secured in plastic bags and delivered to the Laboratory by a Company representative.
Audits or reviews	Regular internal reviews are occurring, but no external reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	<p>The Doolgunna Project consists of multiple contiguous exploration licences and covers approximately 1,036km² and is located 110km northeast of Meekatharra and some 10km southwest of Sandfire Resources NL's (Sandfire) 2009 DeGrussa copper-gold discovery.</p> <p>The Borg prospect is on granted tenement E51/1304 held 100% by either Enterprise Metals Limited. The tenement is in good standing. Expiry date 27 June 2015, but Extension of Term for 5 years to 27 June 2020 lodged with DMP on 28 May 2015 and extension of term is expected based on past expenditure and work completed.</p> <p>The Borg prospect lies on on former Doolgunna or Mooloogool pastoral leases, now administered by the WA Government Department of Parks and Wildlife (DPaW), There are no royalties attached to any of these tenements.</p> <p>The prospects are covered by the Yugunga-Nya [WAD6132/98] Native Title Claim Group. Native Title Agreements, administered by the Yamatji Marlpa Aboriginal Corporation are in place for the relevant tenements.</p>
Exploration done by other parties	<p>A summary of previous exploration activities was provided in the Company's 2013 and 2014 Annual Reports.</p> <p>There has been little exploration conducted by other parties in the areas of the Company's Borg prospect.</p>
Exploration done by Enterprise & its forebears	<p>During the period 2001 – 2003, Murchison Exploration Pty Ltd carried out regional 1km x 1km spaced "mag-lag sampling" over the project area. Limited infill sampling was subsequently undertaken in selected areas.</p> <p>Sample sites were planned on a square 1km x 1km grid, and then located with GPS receiver. The regolith landform setting was recorded. The proportions of the main lag types, Eg. highly ferruginous (including magnetic and non-magnetic); ferruginised lithic; lithic; quartz; calcrete; other, and grain size were recorded.</p> <p>Lag was swept up with a plastic dust pan and brush over about a 5 m diameter area. (for ~ 2 kg sample). Coarse pebbles, sticks, etc (greater than 1 or 2 cm) were swept out on to a plastic sheet and any organic material was removed. Two magnetic susceptibility readings were recorded. A hand held magnet inside a plastic bag was used to collect the magnetic fraction (between 50-100gms).</p> <p>Samples were submitted to Ultra Trace Pty Ltd of Canning Vale, W.A. and after sorting and drying, samples were pulverized and then exposed to concentrated hydrochloric acid to extract moderately bound elements (partial extraction methodology) and analysed for a limited range of elements by ICPMS and ICPOES methods. (Au, Ag, As, Pt, Ta, Ba, Cr, Cu, Fe, Zn, Hg).</p> <p>In 2007, Murchison Exploration Pty Ltd was acquired by Revere Mining Ltd, now called Enterprise Metals Ltd ("Enterprise").</p> <p>Revere (Enterprise) flew a detailed low level 100m line spaced airborne magnetic and radiometric survey over the majority of the project area.</p> <p>In 2008, Enterprise retrieved the available maglag sample pulps from storage and submitted</p>

Criteria	Commentary
	<p>them to Actlabs Pacific Pty Ltd, Redcliffe W.A. for analysis of an expanded suite of 61 elements. Samples were pulverized prior to a total digest (four-acid) and determination of the elements listed below using ICP-MS and ICP-OES methods. Analysed elements were: Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Ge, Hf, Hg, Ho, In, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pd, Pr, Pt, Rb, Re, S, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr.</p> <p>Between 2009 and 2012, the Company's exploration focus was for VMS style massive sulphide deposits in the Narracoota Fm volcanic sequence.</p> <p>During 2012, the Company commenced a program to test the potential of the Yerrida Basin sediments for sediment hosted (SEDEX style) copper deposits.</p> <p>In late 2012, the CSIRO flew a SPECTREM airborne EM survey at 5km line spacing in a south-south direction over the Doolgunna area, and generated a series of anomalies rated on a four part scale from A to D with A being 'excellent' and D being 'poor'. From this data, Enterprise selected six "A" rated EM anomalies along the SBF for follow up and ground EM surveying.</p> <p>The strongly conducting nature of the AEM anomalies suggested that they were either massive sulphide or highly graphitic bodies. Considering the anomalies are hosted in a sedimentary package, and the proximity to Sipa's Enigma copper deposit and Ventnor's Thaduna and Green Dragon Copper deposits, Enterprise considered that this area and these AEM targets had the potential for SEDEX style copper deposits.</p> <p>In mid-2013, the Company conducted ground EM (GEM) surveys to follow up the SPECTREM EM anomalies. Two high priority bedrock conductors (Azan & Borg) were seen to be adjacent to maglag samples considered to be anomalous in W, Sn, Mo, Bi, Sb & Te.</p>
Geology	<p>The Company considers the Yerrida Basin sediments to be prospective for sediment hosted (SEDEX style) copper deposits similar to those in the Central African Copperbelt.</p> <p>The Southern Boundary Fault (SBF) and associated cross structures are potential conduits for mineralising fluids into the sediments of the "Doolgunna Graben". The Yerrida Basin sediments are also host to the Thaduna massive sulphide copper deposit and Sipa Resources' Enigma Deposit to the northeast along strike of the SBF.</p> <p>The Borg anomaly is located within the Doolgunna Fm sediments (shales, siltstones, sandstones and dolomites) of the Moolgoolool Group sediments.</p> <p>Enterprise believes the "aeromagnetic redox feature" along the Southern Boundary Fault is a fluid outflow zone, so any ore would be (stratigraphically) below this zone, and probably in a trap site away from the immediate outflow zone. The target stratigraphy is more or less conformable reduced facies strata, and could be shales, carbonates and/or conglomerates.</p> <p>Along the Southern Boundary Fault, within the Moolgoolool Group sediments, there are areas of intense magnetism (probably magnetite but possibly pyrrhotite) broken by areas of magnetic lows which may represent total magnetite destruction. The magnetite destruction is potentially the result of outflow of reducing fluids, including copper.</p> <p>Although the area is covered by regolith, it is expected that the potentially mineralised zones</p>

Criteria	Commentary
	would manifest themselves as electromagnetic conductors and/or gravity anomalies.
<i>Drill hole Information</i>	Not relevant to this report
<i>Data aggregation methods</i>	Not applicable, as no metal equivalents used.
<i>Relationship between mineralisation widths and intercept lengths</i>	Not relevant to this report.
<i>Diagrams</i>	Plans of sample locations attached.
<i>Balanced reporting</i>	Relevant base metal elements reported in Appendix 1
<i>Other substantive exploration data</i>	Other substantive exploration data at Borg Prospect (ground EM, VTEM, gravity and Maglag sampling reported previously.
<i>Further work</i>	RC drilling at Borg