

EM Conductor Located at Vulcan Prospect - Doolgunna WA

Enterprise Metals Limited (“Enterprise” or “the Company”) (ASX: ENT) is pleased to advise that at just over half-way through the Moving Loop Electromagnetic (MLEM) survey over the Narracoota and Karalundi Formations at the Company’s Vulcan-Goodins prospect, the first basement conductor has been identified. Terra Resources Pty Ltd, the Company’s geophysical consultants, have reported that a “moderate to strong late time EM conductor has been located on Line 17,200E”.

The EM conductor on Line 17,200E (circled in RED) is prominent in late time **Channel 32** (Figure 1 below), but some scattered noise is also present. The EM Profile Plot [Z Component] of Line 17,200E is shown overleaf in Figure 2.

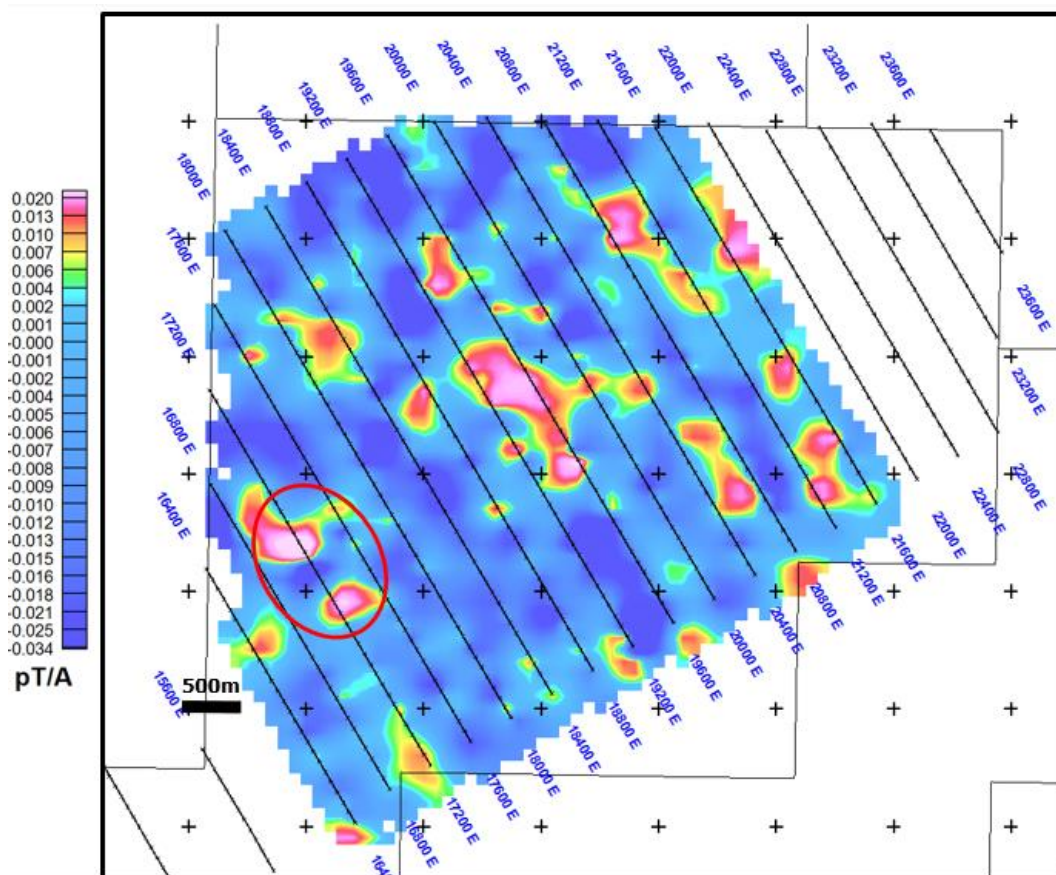


Figure 1. Late time Channel 32 (101.4 msec) gridded at 100m grid cell size

Preliminary modelling has characterised the conductive source as being ~400m in strike length with a down dip extent of 60m, striking NE, with a dip of 62 degrees toward the NW. The depth to the top of the conductor is ~195m. Conductance levels are high at +5600S indicating that there is good possibility that the geological source is sulphidic. Further EM lines (400m and 200m infill lines) are being surveyed.

Cautionary Note:

Whilst the Company interprets this conductor to be potentially representative of massive sulphide accumulations, further infill EM surveying and modelling is required to determine the exact nature and orientation of the causative body, prior to drill testing. In addition, only drilling and assaying will determine whether economic massive sulphides are present.

The EM conductor is discrete (non-stratigraphic) and interpreted to be hosted in bedrock (Narracoota/Karalundi Fm's). Decay curve analysis suggests that this moderate to strong anomaly has a well-defined exponential decay fit in late channel data (+150msec range), with a time constant (tau) estimate of +48msec.

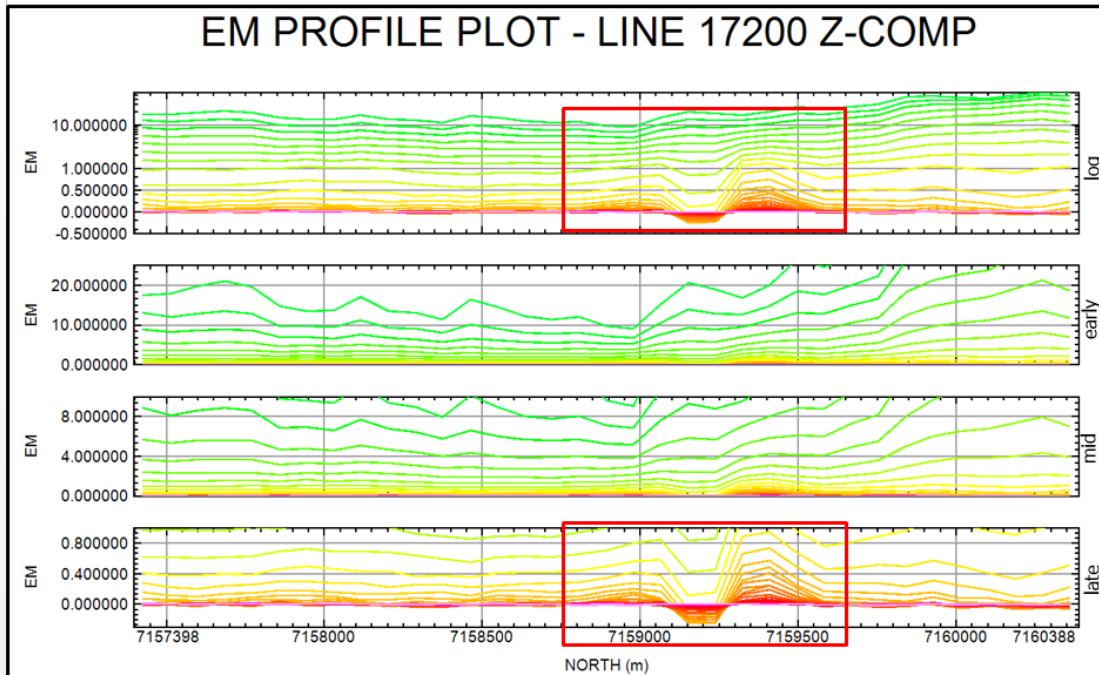


Figure 2. EM Profile Plot id cell sizesize00m grid c

The locations of this Priority 1 late time EM conductor, and 400m spaced EM lines completed to date, are shown in Figure 3 below.

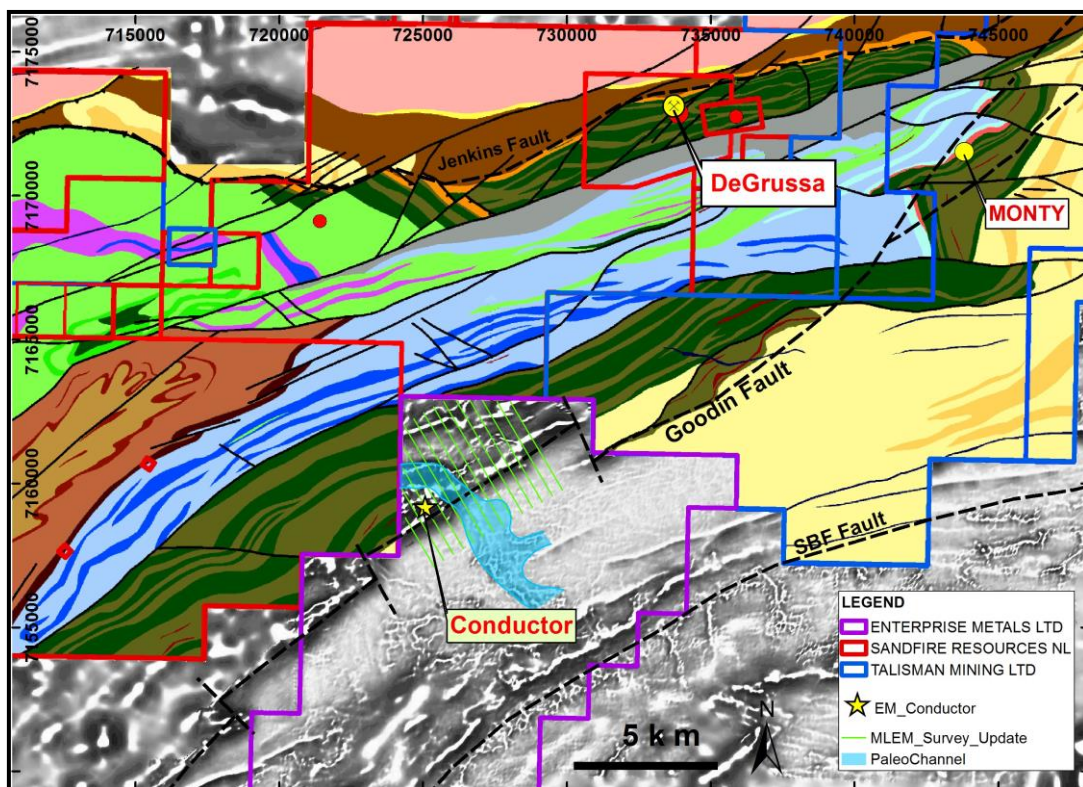


Figure 3. Location Plan, Conductor Location, on EM Line 17,200E, with Lines Completed and Geology Interpretation over Greyscale Magnetic Image

Note: Geology for non-Enterprise tenements sourced from Sandfire Resources NL and Talisman Mining Ltd public reports.

Survey Specifications

The specifications of the survey were changed early in the program from In-Loop configuration to Slingram configuration to reduce or eliminate IP effects seen in preliminary data. The transmitter frequency was also increased from 0.125 Hz to 0.5Hz.

Loop size:	200m x 200m
Line spacing:	400m
Station Spacing:	100m (50% overlap most moves)
Frequency:	0.5 Hz minimum
Transmitter:	VTX-100
Max Current/Voltage:	100 Amp/ 500 Volts
Receiver:	EMIT SMARTem24
Sensor:	EMIT Smart Fluxgate or Fluxgate
Line Lengths:	~4.8km
Total:	~30 lines (total ~109 line kilometres, includes infill)

Other

The MLEM survey has covered approximately 59% of the planned area, with 61.4 line km of total 102.9 line km completed. Data has been acquired at 594 of total 1,058 planned stations, with 464 stations remaining to be read.

The survey commenced on 15th September and continued until 29th September, when the geophysical crew took a field break. The survey recommenced on 10th October 2015 and the next scheduled break is for 22nd October to coincide with forecasted rain.

Based on the progress to date and an appraisal of the ease of access and density of vegetation for the remaining survey lines, the current schedule for the completion of the survey is around the second week in November, weather permitting.

Ongoing quality control is being monitored by the Company's geophysical consultants, Terra Resources Pty Ltd, to assess the level of external noise to the survey. Final survey data are anticipated to be delivered to the Company in mid November, with processing, results assessment, interpretation and reporting planned for late November.

Dermot Ryan
Managing Director

Competent Persons statements

The information in this report that relates to Geophysical Exploration Results is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and 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 Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears.

The information in this report and Table 1 (attached) that relates to non-geophysical Exploration Results is based on information compiled by Mr Dermot Ryan, who is an employee of Xserv Pty Ltd and a Director and security holder 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.

Exploration results relating to the Vulcan-Goodins Prospect areas prior to 2014 referred to in Table 1 of this report were previously reported to the ASX by the Company and Mr Ryan as the Competent Person under the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Refer ENT: ASX release 21 July 2015 which included a Table listing previous ASX releases relevant to the Vulcan-Goodins Prospect areas. Mr Ryan and Enterprise Metals Limited confirm that they are not aware of any new information or non-geophysical data that materially affects the information included in the relevant previous Enterprise Metals Limited market announcements.

JORC Code, 2012 Edition – Table 1 report for ASX Release 22 October 2015

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> Drilling at Vulcan and Goodins in 2012-2013 was initially sampled at 4m intervals with 3kg pulverised to give a 50g sample for aqua regia digest and ICP-MS and OES analysis. Anomalous intervals were re-sampled at 1m and subjected to 4 acid digest and 40g analysed. Elements assayed were Au, Ag, As, Bi, Cd, Co, Cu, Mn, Mo, Ni, Pb, Sb, Se, Sn, Tl, Te, W.
Drilling techniques	<ul style="list-style-type: none"> Drilling to date (2012-2013) has been a combination of Reverse Circulation(RC) and Aircore (AC) drilling.
Drill sample recovery	<ul style="list-style-type: none"> Sample recoveries not measured, poor samples commented on in logs. Samples were collected in polythene bags for RC drilling. For AC drilling, samples collected in buckets and laid on the ground with sufficient space to minimise cross contamination. Recovery was not measured. All wet samples have been logged and recorded in the database accordingly.
Logging	<ul style="list-style-type: none"> Geological logging of drill chip samples has been recorded for each drillhole including lithology, mineralisation, grainsize, texture, oxidation, weathering, colour and wetness. Logging is qualitative. For RC drilling every 1m interval was collected, sieved and a sample retained in a plastic chip tray. For AC drilling only the final metre interval was collected in this way. All drillholes were logged for the full extent of each hole.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> No core was sampled RC and AC samples were collected using a spear when dry and a scoop if wet from bulk drill samples. The sample preparation of drill chip samples follows industry best practice involving oven drying, coarse crush, sieve -80# sufficient for a 40 or 50g aqua regia/four acid digestion. QC procedures involve the review of laboratory supplied certified reference materials, field duplicates and appropriate standards inserted at irregular intervals. These quality control results are reported along with sample values in the final analysis report. Selected intervals are assayed at other laboratories for comparison at times. Sample sizes are considered to be appropriate to correctly represent the sought after mineralisation style.

<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • The analytical techniques used aqua regia digest multi element suite with ICP-MS finish suitable for reconnaissance as a first pass. Re-split samples were dissolved with a four acid digest for the same elements and gold was assayed by fire assay in these samples this method is a full digest. • No geophysical tools were used to determine any element concentrations at this stage. • Laboratory QC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house process.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • Primary data was collected using a set of standard Excel templates and re-entered into laptop computers. The information was sent to Enterprises' in-house database manager for validation and compilation into a SQL database server. • No adjustments or calibrations were made to any assay data used in this report.
<i>Location of data points</i>	<ul style="list-style-type: none"> • Sample sites 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. • Topographic control is by NASA Shuttle Radar Topography Mission (SRTM). • The grid system is MGA GDA94 Zone 50.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Aircore drill spacing was initially established to test soil geochemical anomalies and enable bedrock to be characterised. The spacing was progressively reduced to test resulting Cu and Au anomalism. • No additional sample compositing was used apart from the standard 4m composite sampling.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • AC drill lines 1,00m apart were oriented N-S to cut across the main Goodin Fault and sub-parallel zones. • RC drill hole orientation was determined by the optimal direction of intersection into the interpreted mineralisation.
<i>Sample security</i>	<ul style="list-style-type: none"> • Clear mark up and secure packaging to ensure safe arrival and accurate handling at assay facility. • Assay Pulps retained until final results have been evaluated.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • Regular internal reviews occurred, but no external reviews have been undertaken.

JORC Code, 2012 Edition – Table 1 report for ASX Release 22 October 2015

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	<ul style="list-style-type: none"> Vulcan is wholly within Enterprise's 100% owned, granted Exploration Licence 52/2049. The tenement is on the Department of Parks & Wildlife (DPaW) owned Doolgunna Pastoral Lease. The tenement sits within the Yugunga-Nya Native Title Claim. E52/2049 expires on 26 October 2018. The tenement is in good standing and there are no existing impediments to exploration or renewal at expiry date.
Exploration done by other parties	<ul style="list-style-type: none"> Prior exploration consisted of several shallow percussion drill holes at No. 2 Bore by WMC (1971).
Geology	<ul style="list-style-type: none"> E52/2049 covers an interval of the Goodin Fault, a major reactivated reverse fault that separates siliciclastic and mafic units of the Yerrida Group in the south, from mafic Narracoota Formation volcanics of the Bryah Group to the north. A second major fault zone; named the Southern Boundary Fault, parallels the Goodin Fault some 7km to its south, also partly within E52/2049. The principal exploration targets are Volcanic Hosted Massive Sulphides (VHMS) and structurally controlled base metal (copper) deposits with associated gold mineralisation.
Drill hole information	<ul style="list-style-type: none"> No drilling undertaken in 2014/2015, and hence no drilling results reported.
Data aggregation methods	<ul style="list-style-type: none"> No drilling undertaken in 2014/2015, and hence no drilling results reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> No drilling undertaken in 2014/2015, and hence no drilling results reported.
Diagrams	<ul style="list-style-type: none"> Appropriate maps with scale are included within the body of the report. No drilling reported.
Balanced reporting	<ul style="list-style-type: none"> The accompanying document is considered to be a balanced report with a suitable Cautionary Note.
Other substantive exploration data	<ul style="list-style-type: none"> Details of in-progress Moving Loop Electromagnetic Survey included in accompanying document. Survey specifications are: <ul style="list-style-type: none"> Loop size: 200m x 200m Line spacing: 400m Station Spacing: 100m (50% overlap most moves) Frequency: 0.5 Hz minimum Transmitter: VTX-100 Max Current/Voltage: 100 Amp/ 500 Volts Receiver: EMIT SMARTem24 Sensor: EMIT Smart Fluxgate or Fluxgate Line Lengths: ~4.8km
Further work	<ul style="list-style-type: none"> Moving Loop Electromagnetic Survey continuing with 400m spaced lines and 200m infill lines where appropriate. Modelling and interpretation of EM data will be undertaken by consultants. Follow up RC and/or diamond core drilling will be undertaken where appropriate.