

DHEM Survey Commissioned at Vulcan West Copper Prospect

Enterprise Metals Limited (“Enterprise” or “the Company”) (ASX: ENT) advises that it has commissioned a geophysical contractor to undertake a down hole electromagnetic (DHEM) survey at the Vulcan West Prospect to search for off-hole conductors which could represent economic massive sulphide accumulations.

Vortex Geophysics have advised that the survey will be completed within 2 weeks, pending weather and crew availability.

Massive sulphide bodies generally have complex and irregular shapes and can be easily missed by individual drill holes. DHEM in the Doolgunna area has proved itself to be a very effective technique in locating “off-hole conductors” which subsequently became copper/zinc/gold sulphide bodies such as Conductors 4 and 5 at DeGrussa and Monty.

Background

In December 2015, Enterprise completed a deep reverse circulation (RC) drill hole to test the Vulcan West moving loop electromagnetic (MLEM) target at Doolgunna in Western Australia. Vulcan West is a discrete basement conductor located within the volcano-sedimentary stratigraphy of the Narracoota/Karalundi Formations, and is considered to be in a similar stratigraphic position to Sandfire Resources NL's DeGrussa and Monty massive sulphide copper deposits. The results of the Vulcan West drill hole were reported in detail to the ASX on 29 January 2016. An extract from that report is reproduced below.

From 192m, RC hole VWRC001 intersected a 64m thick (downhole) zone of alteration consisting of interbedded green-grey shale and fine-grained dolerite, with red jasper occurring in or at the boundary with shale. Locally minor pyrite (~0.1-1%) and trace chalcopyrite (~0.1%) were associated with the red jasper. The dolerite showed weak-medium-strong chlorite-epidote alteration.

This zone from 192 to 256m containing red jasper alteration with associated sulphides (including trace chalcopyrite) is considered to be a potential ore horizon, and the DHEM survey on VWRC001 will search for off-hole conductors which could represent economic massive sulphide accumulations.

From 256-296m the hole encountered a 40m thick zone of finely laminated sulphide-rich (~5% - 20%) black shale and minor dolerite. The sulphides were dominantly pyrite and pyrrhotite. At the contact between the altered mafic zone and the sulphidic sediments, one 4m composite sample assayed 1,510ppm Cu (from 252 metres).



Dermot Ryan
Managing Director

The information in this report that relates to 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. Mr Ryan and Enterprise Metals Limited confirm that they are not aware of any new information or data that materially affects the information included in the relevant previous Enterprise Metals Limited market announcements relating to the Vulcan West Prospect.