

**31 October 2017****September 2017 Quarterly Activities Report****CORPORATE**

ASX Symbol: ENT  
ACN 123 567 073

At 30 September 2017  
Shares on issue: 318,769,728

**CONTACT DETAILS**

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**BOARD OF DIRECTORS**

Dr Allan Trench  
Non-Executive Chairman

Mr Dermot Ryan  
Managing Director

Dr Zhijun He  
Non-Executive Director

Mr Sam Middlemas  
Company Secretary/CFO

**PROJECTS**

Copper/Zinc/Gold  
Doolgunna

Nickel/Copper  
Fraser Range

Gold/Copper/Zinc  
Murchison  
Ballard  
Darlot  
Yalgoo

**Doolgunna Cu-Zn(Au) Project**

- Sandfire Resources NL (ASX: SFR) continued with intensive drilling programs and geophysical surveys.
- Since farm-in, SFR has completed 1,481 drill holes for 125,672m in Enterprise tenements.
- Project wide airborne E M survey commenced.
- Ground geophysical (MLEM) survey planned to cover the prospective Karalundi Formation.

**Fraser Range (Ni-Cu) Project**

- Ground gravity surveys identify two priority targets.
- Rock chip samples reporting up to 1,134 ppm Ni and 272 ppm Cu, adjacent to HeliTEM target.
- Ground EM surveys planned for next Quarter to advance the above targets to drilling stage.

**Murchison (Cu/Zn/Au) Project**

- Post end of Quarter, Enterprise acquired 100% of Calypso Minerals P/L which holds seven tenement applications north of Cue, over northern extensions of structures hosting the Cuddingwarra gold deposits and Cu-Zn mineralization at Emily Well and Wattagee.
- Total Murchison project landholding now 820km<sup>2</sup>, strategically located between several major gold deposits and existing production facilities.

**Corporate**

- ENT's cash at 30 September 2017 was \$177,000.
- Fair market value of ENT's 12M Alto Metals Ltd shares @ 9.1 cents/share was \$1.09M at 30 Sept 2017. ENT's total cash and liquid assets: \$1.269M.

**SUMMARY OF ACTIVITIES**

**DOOLGUNNA PROJECT** (Enterprise 100%, Sandfire Resources NL have right to earn 75%)

On 12 October 2016 Enterprise Metals Limited (“Enterprise” or “the Company”) announced that it had entered into an Agreement with Sandfire Resources NL (ASX: SFR) for a farm-in and joint venture over all of Enterprise’s Doolgunna Project tenements (Figure 1).

On 23 October 2017, Enterprise announced that Sandfire had undertaken intensive drilling and geophysical programs at Doolgunna, with exploration focused along the highly prospective VMS corridor southwest of the Monty deposit.

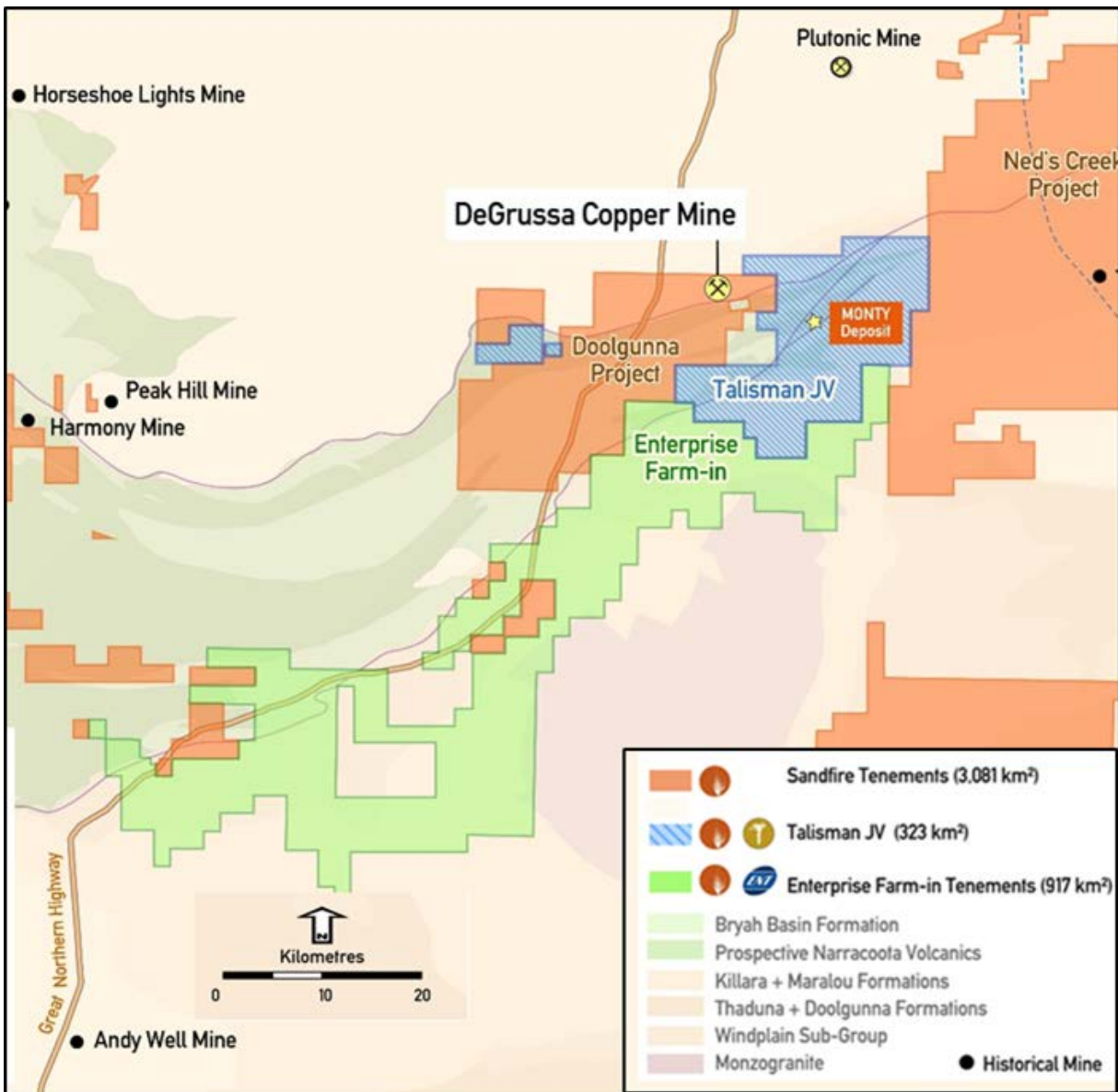


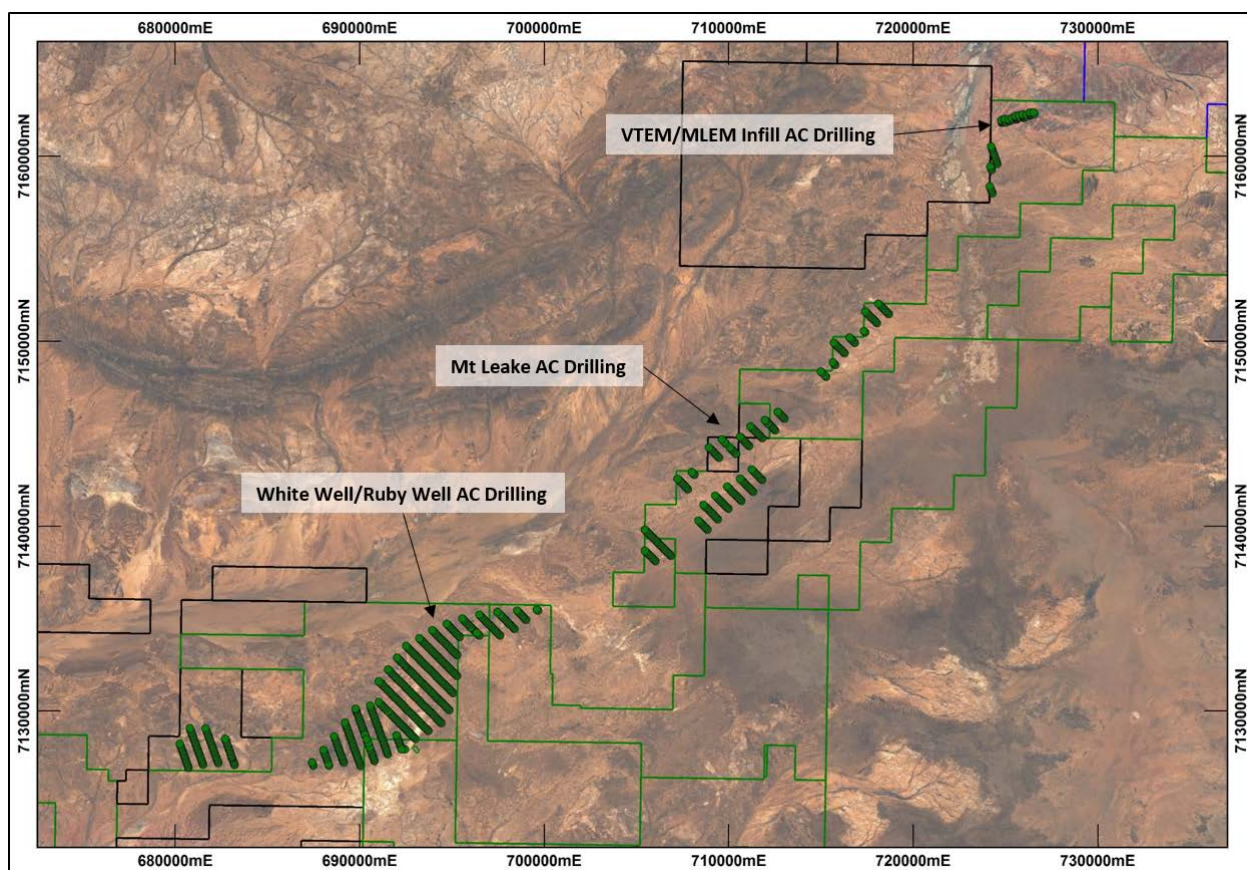
Figure 1. Sandfire’s Doolgunna Project Area with the Enterprise Farm-In Area Incorporated.

## **Doolgunna Project - Drilling**

To date, Sandfire has completed a total of 1,481 drill holes for a combined 125,672m including;

- Air-core (AC) drilling: 1,465 holes for 119,556m
- Reverse circulation(RC) drilling: 10 holes for 3,745m
- Diamond core (DC) drilling: 6 holes for 2,743m

AC drilling continued throughout the quarter across the Vulcan, White Well, Ruby Well and Mt Leake prospects (Figure 2). Drilling has provided significantly improved stratigraphic control, with a focus on tracing the intersections of magnetite and hematite-rich exhalative sediment horizons with disseminated pyrite that have been encountered particularly within the Vulcan area.



**Figure 2. Doolgunna, Sandfire Resources NL, location of Regional Air-core Drilling for Q3.**

Seven RC drill holes for 2,743m were completed during the Quarter to test anomalous air core geochemistry beneath the Vulcan Gold Anomaly, to test a VTEM anomaly, and to follow-up anomalous litho-geochemical results from first-pass air core drilling at the Vulcan West Prospect (Figure 3).

Further RC drilling is currently under review and is planned to continue, targeting anomalies generated from Sandfire's ongoing assessment of bottom-of-hole litho-geochemical samples from AC drilling.



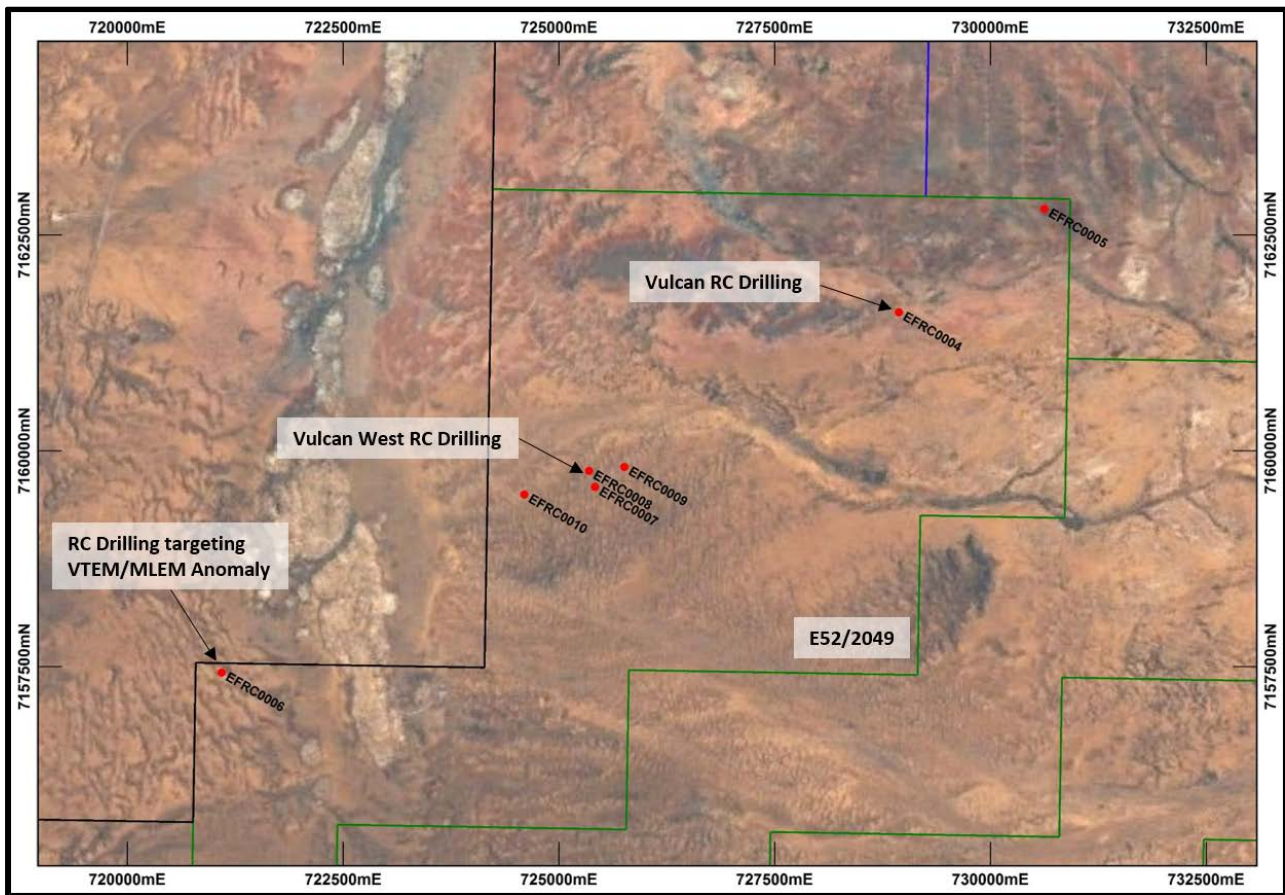


Figure 3. Doolgunna, Sandfire Resources NL, location of RC drill holes for Q3.

Since October 2016, six diamond core holes for a total 2,371m have been completed at the Vulcan Gold Anomaly, Vulcan West EM Anomaly and the Homestead EM Anomaly. Drilling at the Vulcan Gold Anomaly intersected significant geology however no significant assay results were reported and the source of the gold anomaly remains unexplained. Four diamond core holes were completed at the Vulcan West and Homestead Prospects with intersected geology able to explain the cause of the electromagnetic conductors.

**Doolgunna Project Geophysics**

In August 2017, Sandfire commenced an airborne electromagnetic survey over the Enterprise tenement package. The survey is being flown by UTS Geophysics and is expected to be completed in the next quarter.

Sandfire also advised that a moving loop electromagnetic (MLEM) survey will commence next Quarter over the prospective Karalundi Formation, which comprises sedimentary breccias and conglomerates, siltstone, sandstone, basalts and dolerites.

**FRASER RANGE PROJECT**

(Enterprise 30%, Apollo Minerals Limited 70%)

Enterprise’s Fraser Range Project is located within the Albany-Fraser Orogen approximately 100km east of Norseman (Figure 4). The Project is considered prospective for copper/nickel and gold mineralisation and covers the core of the Fraser Range gravity feature, which defines the prospective nickel-copper belt containing Independence Group NL’s (ASX: IGO) Nova deposit.

In mid-2014, the Company’s maiden drilling program at Plato intersected disseminated and “blebby” nickel-copper sulphide mineralisation over significant widths within rocks which were originally cumulate mafic rocks. Subsequently, in the latter half of 2014, 33 high powered fixed loop EM surveys were undertaken over various anomalous areas identified from the Company’s earlier geochemical, geological and geophysical work.

On 13 February 2015, Enterprise announced it had entered into a Sale and Joint Venture Agreement with Apollo Minerals Ltd (ASX: AON) over the Fraser Range tenements. Apollo purchased a 70% interest in the tenements and must carry Enterprise’s 30% interest to completion of a bankable feasibility stage (BFS) on any discovery.

On 26 October 2017, Enterprise announced that Apollo’s recent field exploration programs had defined two priority ground gravity targets, and anomalous rock chip samples over a recently identified HeliTEM target.

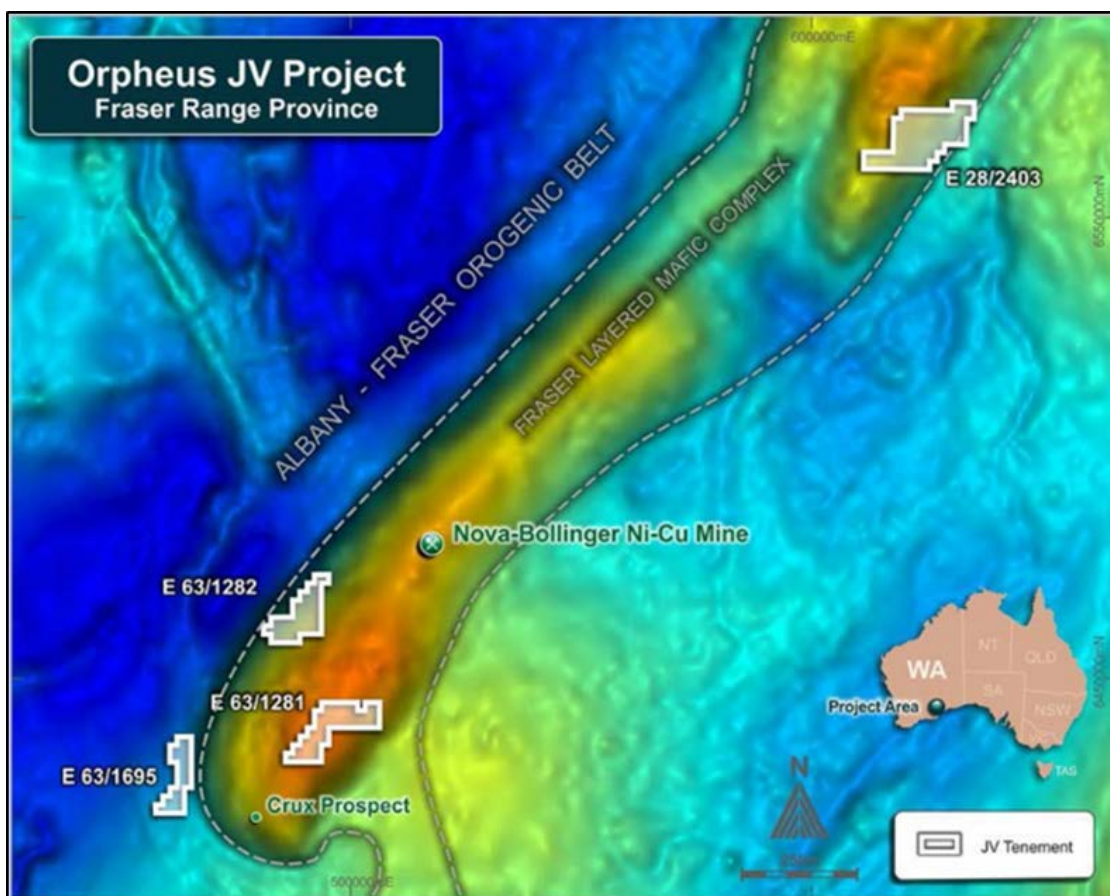


Figure 4. ENT-AON Fraser Range Orpheus JV Project Area, over Regional Gravity



### Fraser Range Project - Ground Gravity Surveys

During the Quarter Apollo completed a 400m by 400m ground gravity survey over conceptual magnetic targets within E28/2403, with an infill 200m by 200m gravity survey completed over two areas (Figure 5). The surveys defined two targets, designated A1 and A2, with gravity responses consistent with that expected for potentially nickel-copper sulphide mineralised ultramafic/mafic intrusives, similar to that hosting the Nova deposit.

The gravity targets are considered to represent deeper features, located below Tertiary and Cretaceous sedimentary cover potentially 50-100m thick. Apollo has indicated that ground-based electromagnetic (“EM”) surveys are planned over targets A1 and A2.

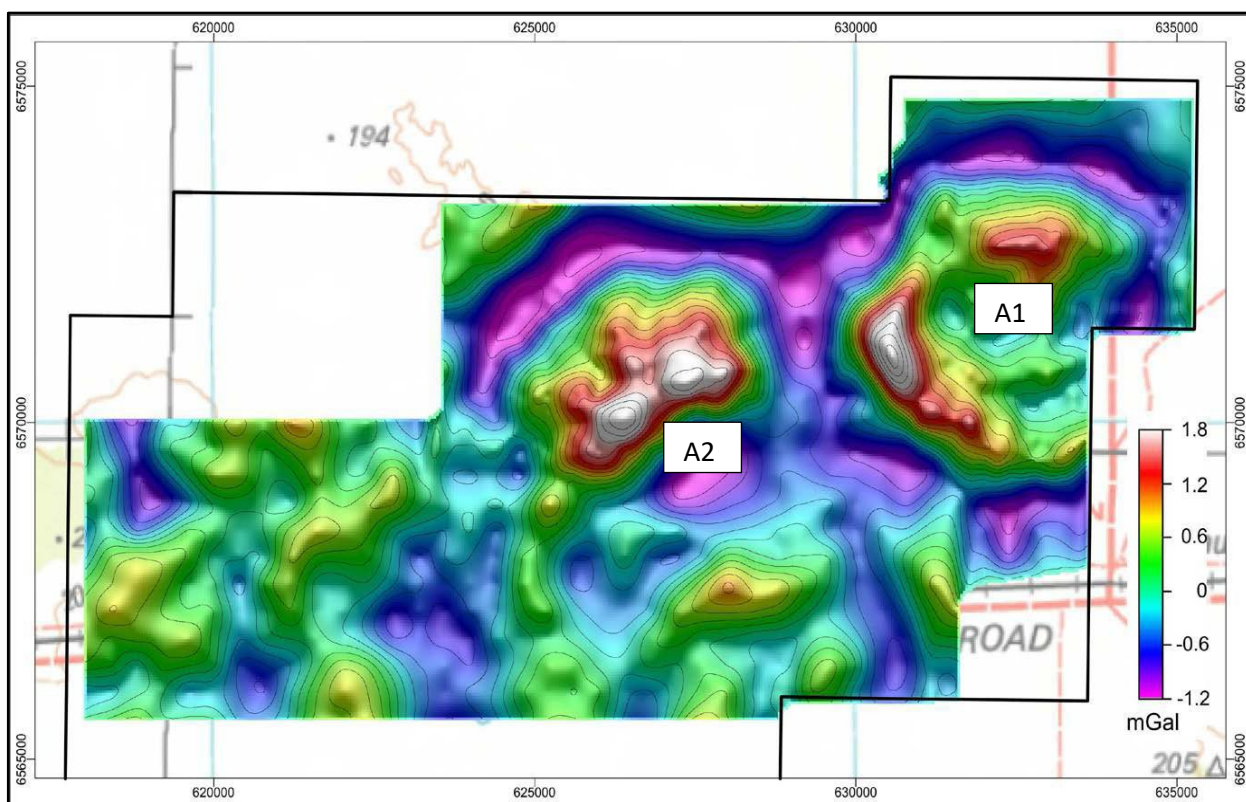


Figure 5. Tenement E28/2403, Residual Bouguer Anomaly map. Image is sun-shaded from the north and has a linear colour stretch. Contour interval is 0.2 mGal.

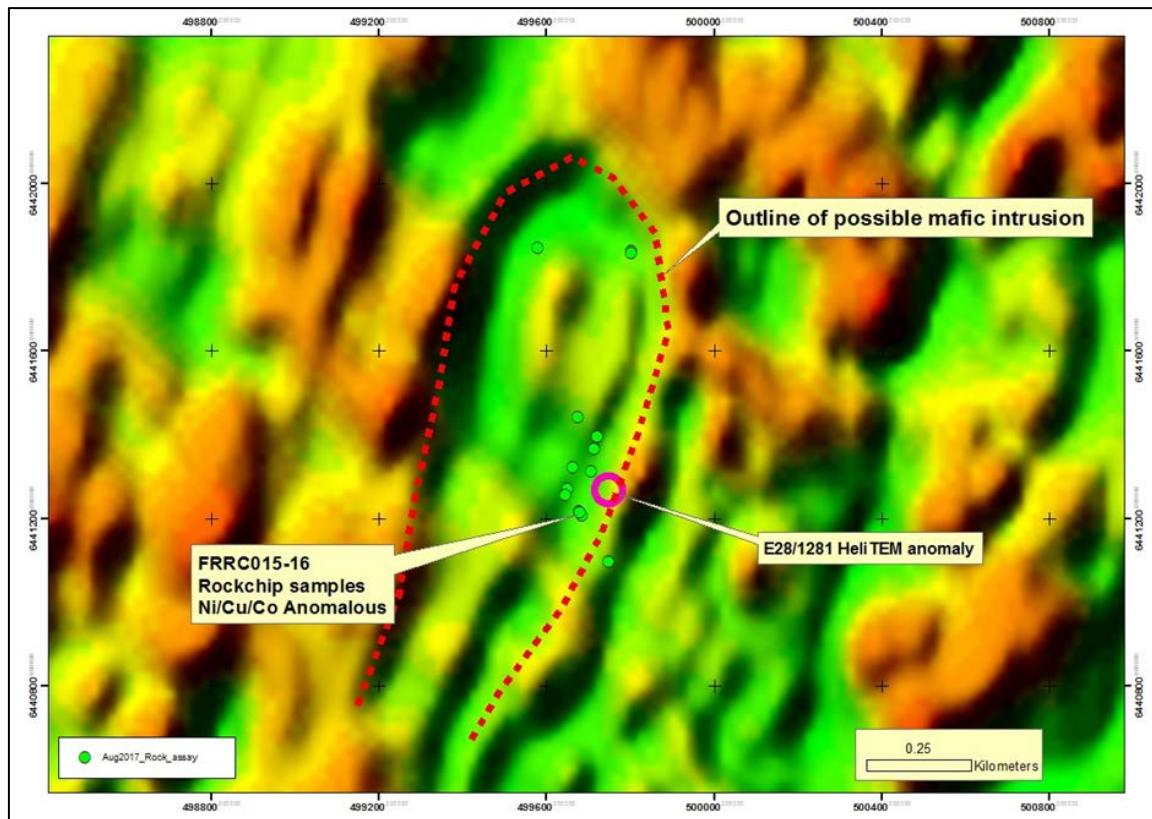
### Fraser Range Project - Field Assessment of HeliTEM Anomalies

Apollo also completed a field assessment of two airborne electromagnetic (“HeliTEM”) anomalies that were identified from Apollo’s comprehensive review of past exploration data.

Field geological mapping over target ‘1281-HeliTEM’, identified outcrops of meta-gabbro, quartzite, intermediate to felsic gneiss, ironstone and very leached sub-crop. Rock chip samples were collected with two rock chip samples reporting >1,000 ppm Ni (Table 1 and Figure 6).

**Table 1. Significant Rock Chip Results from sampling near ‘Target 1281\_HeliTEM’.**

Sample Number	Easting (m)	Northing (m)	Ni (ppm)	Cu (ppm)	Co (ppm)	Fe (%)
FRRC015	499677	6441216	1102	272	799	45.35
FRRC016	499680	6441214	1134	163	892	24.40



**Figure 6. Tenement E63/1281, HeliTEM anomaly ‘Target 1281\_HeliTEM’ and rock chip sample locations on TMI RTP magnetic image.**

A second HeliTEM anomaly ‘1282\_HeliTEM’, coincident with the intersection of the Fraser Range metamorphic complex and the Snowy Dam Formation, on E63/1282, was inspected and found to be entirely under cover. Ground based electromagnetic surveys are proposed over the two HeliTEM targets in the coming months.

**MURCHISON PROJECT** (Enterprise 100%)

Post 30 September 2017, Enterprise entered into an agreement to purchase 100% of the issued capital of Calypso Minerals Pty Ltd, the holder of seven “1<sup>st</sup> in time” Exploration Licence applications covering 733km<sup>2</sup> of greenstone belt in the Murchison Goldfields of Western Australia (Figure 7).

At Completion on 25 October 2017, Enterprise issued the vendor 6 million fully paid ordinary shares in Enterprise, valued at \$120,000 based on the 5 day VWAP prior to execution of the agreement. There is no royalty attached to the acquisition.

Enterprise’s new Murchison landholdings are centered 30km north of Cue and 35km north-east of the Big Bell Gold Mine, and form a contiguous block with the tenure recently acquired from Zelda Therapeutics Ltd. Enterprise’ landholdings near Cue now total approximately 820 km<sup>2</sup>.

The project covers the northern and north-eastern extensions of the same greenstone belts and shear zones that host the Big Bell and Cuddingwarra gold deposits and extensions of the Chieftain (or “Mt Magnet”) and Emily Well shear zones, which also host gold mineralization (Figure 8).

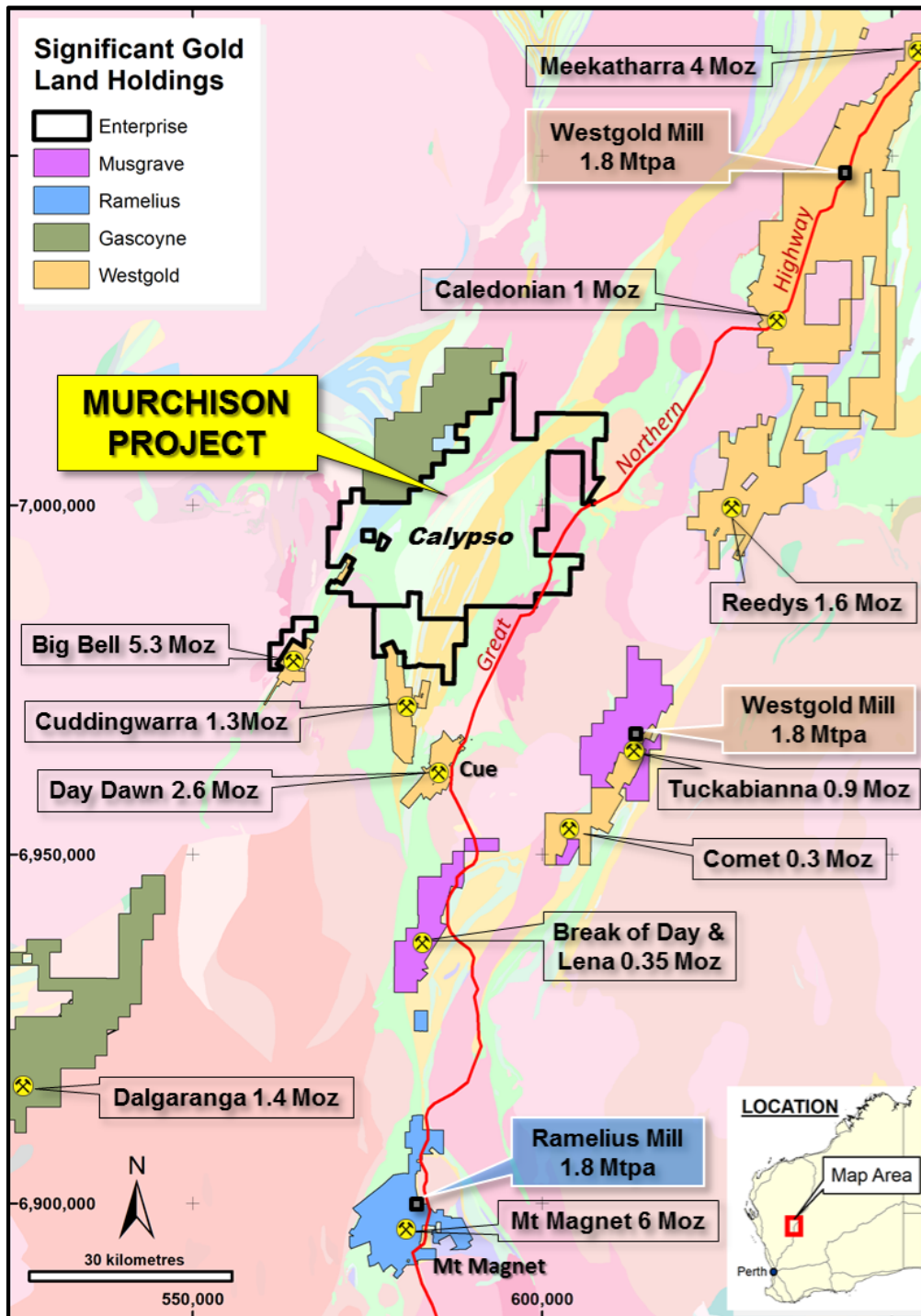


Figure 7. Enterprise Murchison Project over Interpreted Bedrock Geology and Competitor Landholdings Showing Gold Endowment (Moz produced + Moz current resource)



The Cue district contains several major gold mines, including Westgold’s Big Bell (2.8 Moz historical production, and 2.5 Moz resource), Day Dawn (Great Fingall and Golden Crown mines, 1.7 Moz historical production and 0.89 Moz resource) and Cuddingwarra camp gold mines (Cuddingwarra produced 0.8 Moz with current resources of 0.55 Moz). [Source: Westgold Resources Ltd, Diggers & Dealers presentation August 2017]

In addition to the gold potential, the new tenement package contains two stratigraphic horizons with VMS style mineralization identified by previous explorers. The tenements contain 21km of strike of the Wattagee horizon, containing the AM14, Wattagee Hill and Metals Ex gossans or prospects, and 16km of strike of the Emily Well horizon, with VMS mineralization and gossans located at or near Emily Well. Recent geochemical work by the GSWA indicates felsic volcanics in both the Wattagee horizon and the Emily Well horizon have geochemical characters consistent with VMS fertile packages across the Yilgarn and Canadian Abitibi Provinces.

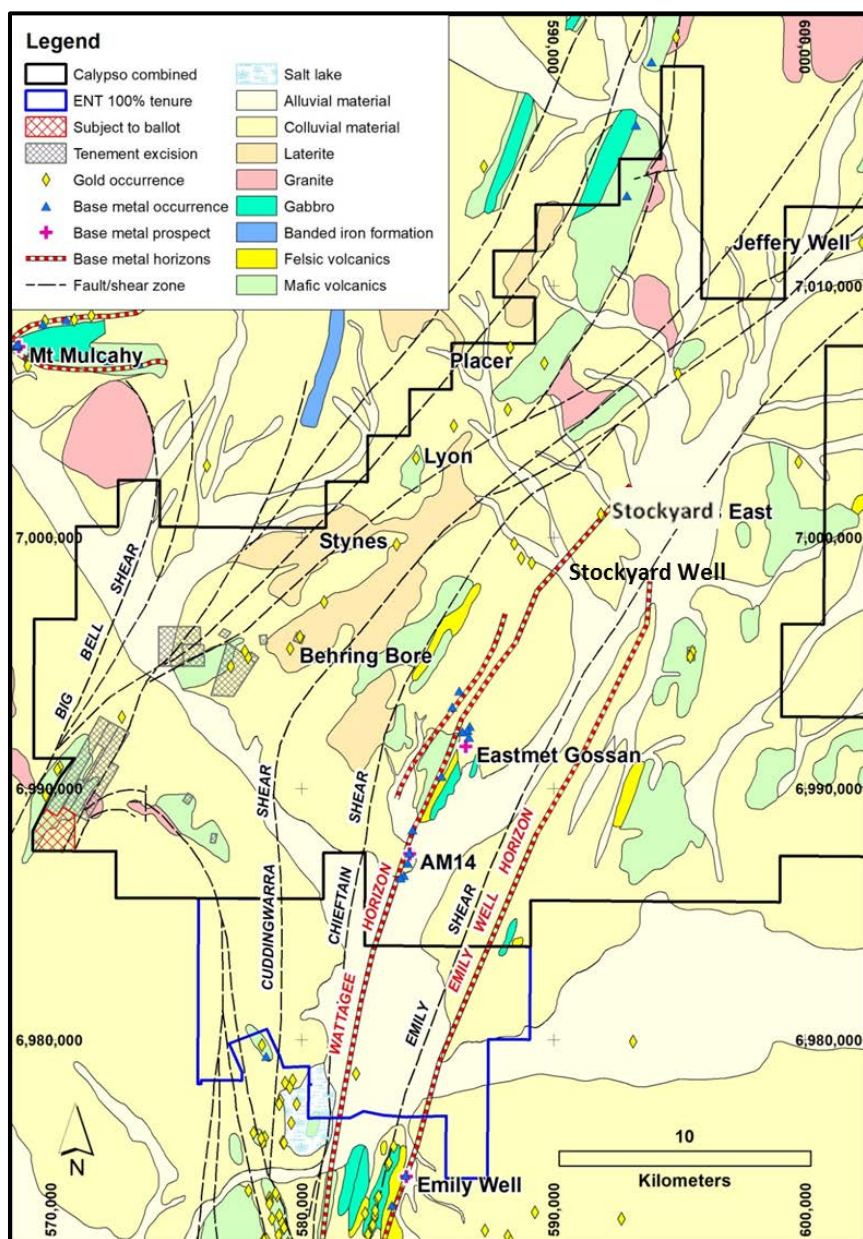


Figure 8. Enterprise Murchison Project Tenements over GSWA Surface Geology and trace of the Wattagee and Emily Well Cu-Zn VMS Horizons

**BALLARD PROJECT** (Enterprise 90%, Legendre 10%)

Enterprise announced on 29 September 2017, that it had entered into an agreement to acquire a 90% interest in the Ballard Project, comprising granted Exploration Licences 30/472 and 29/991, located 150km NNW of Kalgoorlie, and 60km north of Eastern Goldfields Limited’s (“EGF”) Davyhurst operation, in the Eastern Goldfields of Western Australia (Figure 9).

At Completion on 25 October 2017, Enterprise issued to Bruce Legendre 3 million fully paid ordinary shares in Enterprise (with a deemed value of \$60,000) for a 90% interest in the tenements. Enterprise will sole fund all activities on the tenements until the date when Enterprise delivers a Bankable Feasibility Study. There is no royalty attached to the acquisition.

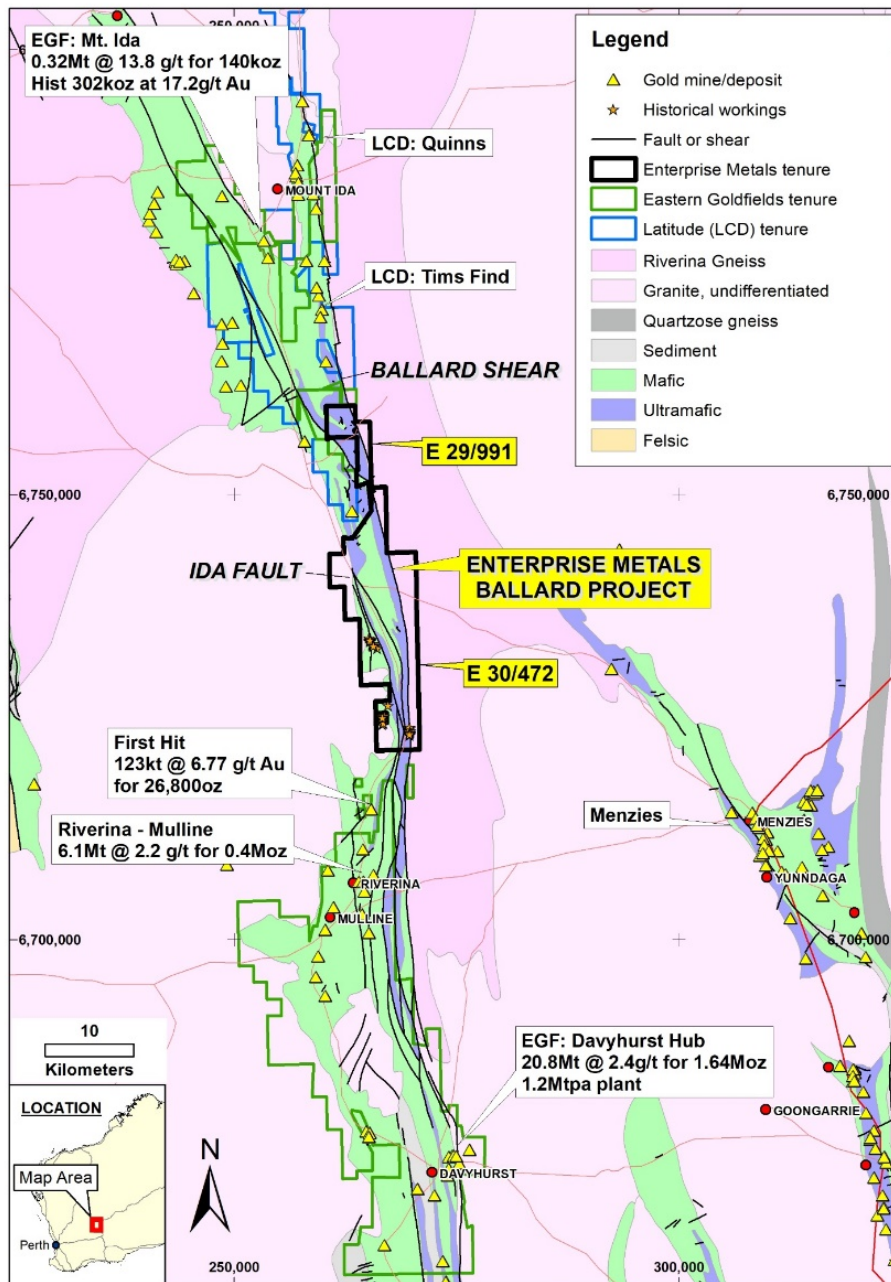


Figure 9. Location Plan – Ballard Project and nearby historical and current mines

The Ballard Project covers 190km<sup>2</sup> of Archaean greenstones prospective for orogenic gold and includes approximately 38km strike of greenstone sandwiched between the Ida Fault and Ballard Shear Zone, both first order structures with potential to focus gold mineralization into proximal subsidiary structures.

The Company's immediate focus will be to capture the historical soil sampling and drilling in digital form (the bulk of the historical work is presented as plans and sections in historical reports, and not in digital databases) and confirm the historical work, both in location and tenor of mineralization, before planning extension and/or infill sampling and RAB/aircore drilling.

## **OTHER PROJECTS**

### **DARLOT PROJECT**

Enterprise's Darlot Project is centered in the Archaean Yandal Greenstone Belt in Western Australia approximately 15km west of the Darlot gold mine. The Project is considered prospective for gold and copper-zinc mineralisation and lies at the boundary between mafic and felsic volcanic suites.

In late 2016 Enterprise completed two Induced Polarisation (IP) surveys at West Ockerburry Well and South Overland Well prospects to determine if sulphide mineralisation potentially exists in the fresh rock (primary zone) below a number of historical oxide gold drill intersections.

### **YALGOO PROJECT**

The Yalgoo Project includes granted Exploration Licence 59/2076, which covers the western half of the Archaean Yalgoo Greenstone Belt, immediately north of Yalgoo township. The tenement is prospective for gold and base metals, and komatiite hosted nickel sulphides and to a lesser extent pegmatite hosted lithium deposits.

Historical exploration has identified widespread gold, mostly associated with quartz veining in mafic units and banded iron formation. Five key target areas, including seventeen aeromagnetic targets, nine soil and/or rock chip anomalies have been identified for further investigation.

## **INVESTMENTS**

### **Alto Metals Limited**

Enterprise currently holds 12 million shares in Alto Metals Limited (ASX: AME, or "Alto"). Alto's main asset is the Sandstone Gold Project, which covers ~ 85% of the Sandstone Greenstone Belt in Western Australia. This greenstone belt has produced over 1.3 million ounces of gold.

At 30 September 2017, Enterprise's 12 million Alto shares had a fair market value of \$1.09M based on a share price of 9.1 cents/share.



**ISSUED CAPITAL AT 30 SEPTEMBER 2017**

Ordinary Fully Paid Shares on Issue: 318,769,728

**CASH POSITION AT 30 SEPTEMBER 2017**

Cash at bank:	\$177,000
Shares held in ASX Listed Companies, <u>Share value at 30 September 2017:</u>	<u>\$1,092,000</u>
Total Cash and liquid securities at the end of the Quarter:	\$1,269,000

**Further information, contact:**

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***Competent Persons statements***

*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.*

## TENEMENT SCHEDULES

### ENTERPRISE METALS LTD AND ITS 100% OWNED SUBSIDIARIES, ON A CONSOLIDATED BASIS

#### APPENDIX 1: ENT 100% Owned Tenements at 30<sup>th</sup> September 2017

Project	Lease	ENT Interest	State	Status
Doolgunna	E51/1168	100%*	WA	Granted
Doolgunna	E51/1301	100%*	WA	Granted
Doolgunna	E51/1303	100%*	WA	Granted
Doolgunna	E51/1304	100%*	WA	Granted
Doolgunna	E51/1539	100%*	WA	Granted
Doolgunna	E52/2049	100%*	WA	Granted
Doolgunna	E51/1683	100%*	WA	Granted
Doolgunna	E52/3347	100%*	WA	Granted
Darlot	E37/1031	100%	WA	Granted
Darlot	E36/778	100%	WA	Granted
Yalgoo	E59/2076	100%	WA	Granted
Murchison	P20/2302	100%	WA	Application
Murchison	P20/2303	100%	WA	Application
Murchison	E20/742	100%	WA	Granted
Murchison	P20/2095	100%	WA	Granted
Murchison	P20/2096	100%	WA	Granted

\* ENT registered holder of 100% interest, with Sandfire Resources NL managing and funding to earn a 75% in the Doolgunna Project tenements subject to discovery of a resource of 50,000t contained copper or equivalent.

#### APPENDIX 2: Darlot Joint Venture Tenements at 30<sup>th</sup> September 2017

Project	Lease	ENT Interest	Rudd-Gianni Interest	State	Status
Darlot	E37/859	80%**	20%	WA	Granted

\*\* ENT registered holder of 80% interest, with Allan Rudd & Peter Gianni jointly holding a 20% free carried interest to completion of any Bankable Feasibility Study.

#### APPENDIX 3: Fraser Range Joint Venture Tenements at 30<sup>th</sup> September 2017

Project	Lease	ENT Interest*	AON Interest	State	Status
Fraser Range	E63/1281	30%	70%	WA	Granted
Fraser Range	E63/1282	30%	70%	WA	Granted
Fraser Range	E63/1695	30%	70%	WA	Application
Fraser Range	E28/2403	30%	70%	WA	Granted

\* ENT registered holder of 30% interest, free carried to completion of any Bankable Feasibility Study.