
ENTERPRISE METALS LIMITED

ACN 123 567 073

NOTICE OF ANNUAL GENERAL MEETING

TIME: 3.00pm (WST)

DATE: Friday, 30 November 2018

PLACE: The Park Business Centre, 45 Ventnor Avenue, West Perth, WA 6005

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 8 6381 0392.

ENTERPRISE METALS LIMITED
ACN 123 567 073
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Enterprise Metals Limited ("Enterprise" or "the Company") will be held as follows:

TIME: 3.00pm (WST)

DATE: Friday, 30 November 2018

LOCATION: The Park Business Centre, 45 Ventnor Avenue , West Perth WA 6005

**This Notice of Annual General Meeting should be read in its entirety.
If Shareholders are in doubt as to how they should vote, they should seek advice from their
professional advisers without delay.**

**If you wish to discuss any aspects of this document with the Company, please contact
the Company Secretary on +61 8 9381 0392.**

Words and phrases used in the Resolutions are defined in Section 8 of the accompanying Explanatory Statement and these words and phrases have the same meaning in this Notice of Annual General Meeting as defined in the Explanatory Statement.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 including the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, to pass, the following resolution as a **non-binding** resolution:

"That, for the purpose of section 250R(2) of the Corporations Act, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018."

Note: Pursuant to section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described in subparagraphs (a) or (b) above; or
 - (b) the person is the chair of the Annual General Meeting voting an undirected proxy which expressly authorises the chair to vote the proxy on a resolution connected with the remuneration of a member of Key Management Personnel.
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Resolution 2 - Re-election of Director – Dr Zhijun He

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

"That Dr Zhijun He, a Director of the Company who was appointed on 12 October 2016 and last elected by Shareholders on 30 November 2016 and who retires by rotation in accordance with clause 13.2 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3 - Approval of Issue of Shares in Lieu of Director's Fees to Dr Zhijun He (or his nominees)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11, approval is given for the Company to issue Shares in lieu of director's fees for the period 1 January 2018 to 31 December 2018 to Dr Zhijun He (or his nominees) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Dr He or his nominees or their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on this Resolution by any member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

Resolution 4 - Approval of Issue of Shares in Lieu of Director's Fees to Dr Allan Trench (or his nominees)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11, approval is given for the Company to issue Shares in lieu of director's fees for the period 1 January 2018 to 31 December 2018 to Dr Allan Trench (or his nominees) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by Dr Trench or his nominees or any of their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on this Resolution by any member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

Resolution 5 – Ratification of issue of Placement Shares

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 28,005,556 Placement Shares on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
 - (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
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Resolution 6 – Approval of 10% Placement Capacity

To consider and, if thought fit, to pass the following as a special resolution:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
 - (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
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EXPLANATORY STATEMENT

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of Annual General Meeting for further explanation of the Resolutions.

PROXIES

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- Mail to: Automic C/- GPO Box 5193, Sydney NSW 2001
- By hand to: Automic C/- Level 5, 126 Phillip Street, Sydney NSW 2000

To be effective, a Proxy Form and, if the Proxy Form is signed by the shareholder's attorney, the authority under which the appointment is signed (or a certified copy of that authority) must be received by the Company not later than 48 hours before the time specified for the commencement of the Annual General Meeting.

CORPORATE REPRESENTATIVES

A body corporate that is a Shareholder, or which has been appointed as proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

DATE FOR DETERMINING HOLDERS OF SHARES

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have set a date to determine the identity of those entitled to attend and vote at the Annual General Meeting. For the purposes of determining voting entitlements at the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding at 3.00pm (WST) on 28 November 2018. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Dated this 24 October 2018

By order of the Board



Patrick Holywell
Company Secretary

ENTERPRISE METALS LIMITED
ACN 123 567 073

EXPLANATORY STATEMENT TO SHAREHOLDERS

1. ACTION TO BE TAKEN BY SHAREHOLDERS

This Explanatory Statement sets out information about the Resolutions to be considered by the Shareholders at the Annual General Meeting. Defined terms used in this Explanatory Statement are set out in Section 6. Accompanying this Explanatory Statement is the Notice of Annual General Meeting convening the Annual General Meeting and a Proxy Form.

Shareholders are encouraged to attend and vote on the Resolutions to be put to the Annual General Meeting. If a Shareholder is not able to attend and vote at the Annual General Meeting, the Shareholder may complete the Proxy Form and return it not later than 48 hours before the time specified for the commencement of the Annual General Meeting.

2. ANNUAL FINANCIAL REPORTS

The Corporations Act requires the Company's financial statements and reports of the Directors and of the auditor for the year ended 30 June 2018 to be laid before the Annual General Meeting. The financial statements and the reports of the Directors and of the auditor are contained in the Company's 2018 Annual Report, a copy of which is available on the Company's website at www.enterprisemetals.com.au.

Whilst no Resolution is required in relation to this item, Shareholders should consider the documents and raise any matters of interest with the Directors when this item is being considered.

A representative from the Company's auditors will be invited to the meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies and the independence of the auditor.

3. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Remuneration Report is required to be considered for adoption in accordance with section 250R of the Corporations Act. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2018.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the Annual General Meeting. Shareholders should note that the vote on this Resolution is advisory only and does not bind the Company or the Directors.

If at least 25% of the votes cast on the Resolution are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2019 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company ("Spill Resolution"). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("Spill Meeting") within 90 days of the Company's 2019 annual general meeting. All of the Directors who were in office when the Company's 2019 Directors' Report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The Company's Shareholders have approved the Remuneration Report at each previous annual general meeting.

A Spill Resolution will not be required at this Annual General Meeting as the votes against the Remuneration Report at the Company's 2017 annual general meeting were less than 25%.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Annual General Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

4. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DR ZHIJUN HE

Clause 13.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors, except the Managing Director, must retire from office provided that no Director may hold office without re-election past the third AGM following the Director's appointment or three years, whichever is longer. The Directors to retire at an annual general meeting are those who have been longest in office since their last appointment, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agreed amongst themselves) be determined by drawing lots. A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

ASX Listing Rule 14.4 also provides that a Director (excluding the Managing Director) must not hold office (without re-election) past the third annual general meeting following the Director's appointment, or three years, whichever is longer.

In accordance with clause 13.2 of the Constitution and ASX Listing Rule 14.4, Dr Zhijun He is required to retire and being eligible for election, offers himself for re-election.

Dr He holds a PhD degree in Petrology and Economic Geology from China University of Geosciences (Beijing) and is a member of AusIMM. He has over 20 years of experience in geological research, mineral exploration and geological services. Dr He is a Winner of the 11th Silver Hammer Prize in Geological Science awarded by the Geological Society of China and has won several provincial and ministerial Technology Awards for mineral exploration and scientific research, including two First Prizes of the Prospecting Achievement Award from China Nonferrous Metals Industry Association. He currently holds the position as director of East Africa Metals Inc. (TSXV:EAM) and Nickel North Exploration Corp.(TSXV:NNX).

Dr He is not considered by the Board to be an independent Director.

The Board (other than Dr He) unanimously supports the re-election of Dr He.

5. RESOLUTIONS 3 AND 4: APPROVAL OF ISSUE OF SHARES IN LIEU OF DIRECTORS' FEES TO DR ZHIJUN HE AND DR ALLAN TRENCH (OR THEIR NOMINEES)

5.1 Background

Resolutions 3 and 4 seek Shareholder approval in accordance with Listing Rule 10.11 for issue of Shares to Enterprise Directors Dr He and Dr Trench (or their nominees). This issue of Shares provides a means by which the Company can satisfy 100% of the Directors' fees for Dr He for the period 1 January 2018 to 31 December 2018, and 50% of the fees for Dr Trench for the period 1 January 2018 to 31 December 2018 (together, "**Director Fees**") thereby preserving the Company's cash resources for application in other areas.

5.2 Details of Shares to be issued

It is proposed under Resolutions 3 and 4 that Shares be issued to Dr He and Dr Trench (or their nominees) in lieu of Director Fees. The number of Shares proposed to be issued is such number of Shares which equates to the Director Fees divided by a deemed issue price per Share of 1.8 cents each. The deemed issue price represents the same price as the last capital raising completed in July 2018. The following table shows the Shares to be issued to each of Dr He and Dr Trench (or their nominees):

Name	Director Fees	Deemed issue price	Number of Shares
Zhijun He	\$25,000	\$0.018	1,388,889
Allan Trench	\$15,000	\$0.018	833,334

This issue of Shares will satisfy 100% of the Directors' fees owed to or to be accrued by Dr He for the period 1 January 2018 to 31 December 2018 and 50% of fees owed to Dr Trench for the period 1 January 2018 to 31 December 2018. In the case of Dr Trench, the remaining 50% of his fees has already been paid or will be paid to Dr Trench in cash.

5.3 Reason approval required

Shareholder approval is required under Listing Rule 10.11 because Dr He and Dr Trench are related parties of the Company by virtue of their positions as Directors.

Listing Rule 10.11 provides that a company must not issue Equity Securities to a related party without the prior approval of shareholders. Pursuant to Listing Rule 7.2 exception 14, where approval under Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will not be included in the Company's 15% limit.

5.4 Specific information required by Listing Rule 10.13

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolutions 3 and 4:

- (a) The Company will issue Shares to Dr He (or his nominees) and Dr Trench (or his nominees).
- (b) The maximum number of Shares proposed to be issued is to be calculated in accordance with the formula described in Section 5.2.
- (c) The issue of Shares under Resolutions 3 and 4 will occur no later than 1 month after approval of the Resolution.
- (d) The Shares will be issued at a deemed issue price equal to 1.8 cents each.
- (e) The Shares to be issued will rank equally in all respects with the existing Shares on issue. The Company will apply to ASX for official quotation of the Shares.
- (f) The Shares are being issued in lieu of a cash payment of director fees, and therefore no funds will be raised by their issue.
- (g) A voting exclusion statement for Resolutions 3 and 4 is included in the Notice of Annual General Meeting.

Other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by Shareholders to consider Resolutions 3 and 4.

Given Dr He and Dr Trench have an interest in Resolutions 3 and 4, they believe it is inappropriate to make a recommendation on these Resolutions. Managing Director, Dermot Ryan recommends shareholders vote in favour of Resolutions 3 and 4.

6. RESOLUTION 5 – RATIFICATION OF ISSUE OF PLACEMENT SHARES

On 20 July 2018, the Company announced that it had completed a capital raising by way of a placement to raise approximately \$0.5 million (before costs) comprising the issue of 28,005,556 Shares (**Placement Shares**) at an issue price of \$0.018 per Share to sophisticated and professional investors (**Placement**). The Company issued the Placement Shares without prior Shareholder approval out of its 15% annual placement capacity.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.4 for the ratification of the issue of the Placement Shares.

Resolution 5 is an ordinary resolution.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12-month period any Equity Securities, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where, pursuant to ASX Listing Rule 7.4, a company in general meeting ratifies the previous issue of securities made (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

By ratifying the issue of the Shares the subject of Resolution 5, the Company will retain the flexibility to issue equity securities in the future of up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the share issue, the subject of Resolution 5 in accordance with ASX Listing Rule 7.5:

- (a) 28,005,556 Shares were issued as Placement Shares;
- (b) The Placement Shares were issued and allotted on 20 July 2018;

- (c) the Placement Shares were issued at \$0.018 per Share;
- (d) the Placement Shares are fully paid ordinary shares in the capital of the Company, ranking equally in all respects with the Company's existing Shares on issue;
- (e) the Placement Shares were issued to sophisticated and professional investors who were not related parties of the Company with Somers and Partners Pty Ltd acting as broker;
- (f) the Company intends to use the funds raised from the Placement to fund evaluation and exploration at its Murchison Project, to assess new opportunities as well as for general working capital purposes; and
- (g) a voting exclusion statement is included in the Notice.

The Board recommends that Shareholders vote in favour of Resolution 5. None of the Directors have a material personal interest in the subject matter of Resolution 5. The Board believes that the ratification of the share issue, the subject of Resolution 5, is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 5 as it provides the Company with the flexibility to issue further securities representing up to 15% of the Company's share capital under Listing Rule 7.1 during the next 12-months without shareholder approval.

7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting at which a resolution for the purpose of Listing Rules 7.1A is passed by special resolution (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company has a market capitalisation of approximately \$6,000,000 as at 17 October 2018. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

The Company may use the 10% Placement Facility to continue its exploration activities at the Murchison Project, Western Australia and/or to acquire new resource assets or investments.

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 6.

7.2 Description of Listing Rule 7.1A

Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities being Ordinary Shares.

Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 383,657,991 Shares.

Subject to the approval of Resolution 5, the Company will be able to issue a total of:

- (i) 57,548,698 Equity Securities under Listing Rule 7.1; and
- (ii) 38,365,799 quoted Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2. That formula is:

$(A \times D) - E$

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- (a) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (b) plus the number of partly paid Shares that became fully paid in the 12 months;
 - (c) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without Shareholder approval;
 - (d) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

- D is 10%

- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (**10% Placement Period**).

Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

7.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (i) Equity Securities will be issued at an issue price of not less than 75% of the Volume Weighted Average Market Price for the Company's Equity Securities over the 15 Trading Days on which trades were recorded immediately before:
 - (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.
- (ii) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

- (b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (iii) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0075 50% decrease in Issue Price	\$0.015 Issue Price/Current Market Price	\$0.03 100% increase in Issue Price
Current 383,657,991 Shares	Number of shares	38,365,799	38,365,799	38,365,799
	Funds raised	\$287,743	\$575,487	\$1,150,974
50% increase 575,486,987 Shares	Number of shares	57,548,699	57,548,699	57,548,699
	Funds raised	\$431,615	\$863,230	\$1,726,461
100% increase 767,315,982 Shares	Number of shares	76,731,598	76,731,598	76,731,598
	Funds raised	\$575,487	\$1,150,974	\$2,301,948

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No convertible securities (including any convertible securities issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) Resolution 6 is passed and variable "A" in Listing Rule 7.1A.2 is 383,657,991.
 - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes convertible securities, it is assumed that those convertible securities are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (viii) The issue price is \$0.015, being the closing price of the Shares on ASX on 17 October 2018.
- (iv) The Company will only issue and allot the Equity Securities during the 10% Placement Period.
- (v) The Company may seek to issue the Equity Securities for the following purposes:
- (a) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (b) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration activities at the Sandstone Gold Project, Western Australia, the acquisition of new assets or investments (including expense associated with such acquisitions), feasibility study expenditure on the Company's current assets and/or general working capital.
 - (c) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (vi) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - the effect of the issue of the Equity Securities on the control of the Company;
 - the financial situation and solvency of the Company; and
 - advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (vii) The Company did not obtain Shareholder approval under Listing Rule 7.1A within the last 12 months.

(viii) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

7.4 Voting Exclusion

A voting exclusion statement for Resolution 6 is contained in the Notice of Meeting.

7.5 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

8. DEFINITIONS

In this Explanatory Statement:

Annual General Meeting means the meeting of the Shareholders convened for the purposes of considering the Resolutions contained in the Notice of Annual General Meeting.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

Board means the Board of Directors of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Enterprise Metals Limited, ACN 123 567 073.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Director means a director of the Company.

Enterprise means Enterprise Metals Limited, ACN 123 567 073.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice of Annual General Meeting.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of the ASX.

Notice of Annual General Meeting or Notice means the notice convening the Annual General Meeting accompanying this Explanatory Statement.

Proxy Form means the form of proxy accompanying this Notice of Annual General Meeting.

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2018.

Resolution means a resolution proposed to be passed at the Annual General Meeting and contained in the Notice of Annual General Meeting.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a person entered in the Company's register as a holder of a Share.

WST means Western Standard Time.

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

[ReplaceNoImages]

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Vote by Proxy: ENT

Your proxy voting instruction must be received by **3.00pm (WST) on Wednesday, 28th November 2018**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

Return your completed form



BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001



IN PERSON:
Automic
Level 5, 126 Phillip Street,
Sydney NSW 2000

Contact us – All enquiries to Automic



WEBCHAT: <https://automic.com.au/>



EMAIL: hello@automic.com.au



PHONE:
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

Complete and return this form as instructed only if you do not vote online

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Enterprise Metals Limited, to be held at 3.00 pm (WST) on Friday 30th November 2018 at The Park Business Centre, 45 Ventnor Avenue West Perth WA 6005 hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

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The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1, 3 & 4 (except where I/we have indicated a different voting intention below) even though Resolution 1, 3 & 4 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Resolutions	For	Against	Abstain
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of a Director – Dr Zhijun He	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of Issue of Shares in Lieu of Director's Fees to Dr Zhijun He (or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of Issue of Shares in Lieu of Director's Fees to Dr Allan Trench (or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY)

 / /

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).