

24 September 2020

ENTITLEMENTS ISSUE RAISES \$1.486 Million & SHORTFALL NOTIFICATION

Enterprise Metals Limited (ASX: ENT) ("Enterprise" or "the Company") wishes to advise that the recent non-renounceable pro-rata Entitlements Issue to eligible shareholders of ordinary fully paid shares in the Company at an issue price of \$0.022 per share, and on the basis of 1 New Share for every 4 shares held together with one Option for every two shares issued, closed on 22 September 2020.

The Board advises that shareholders subscribed for a total of 67,530,078 New shares (inclusive of additional shares applied for) and 33,765,039 attaching Options for a total of \$1,485,662. The Options will be exercisable at \$0.03 each on or before 31 August 2022.

The total New Shares to be issued is comprised of 30,4198,835 Entitlement Shares and 37,111,243 additionally subscribed shares. The maximum number of shares under the issue was 119,162,769, resulting in a shortfall of 51,632,691 shares. The quotation of New Shares and issue of Options is scheduled for 30 September 2020.

Given that the Company's largest shareholder, SinoTech Minerals holding 18.5% of shares prior to the entitlement issue (along with other overseas shareholders) were unable to participate in the Offer, the percentage uptake of the offer was approximately 70%.

In accordance with section 4.11 of the Offer Document dated 12 August 2020, the Company may, during the three month period following the Closing Date, place the Shortfall Shares.

Allocation of the Shortfall Shares will be at the discretion of the Board. In exercising this discretion, the Board will take into consideration a number of factors, including ensuring the Company has an appropriate and optimal shareholder base, which may be achieved through the introduction of new investors. The board will have particular regard to ensuring the improved liquidity of the Company's Shares. Each of the Shortfall Shares will be issued on the same terms and conditions as the New Shares being offered under the Entitlement Offer (including the issue price).

Enterprise Chairman Allan Trench said – *"We appreciate the support of all shareholders in the raising which allows for our continued exploration activity at Mandilla south of Kambalda and the ramp up of our exploration activities at the Bullfinch North Project in the Southern Cross Greenstone Belt of Western Australia"*.

This announcement has been authorised by the Board of Enterprise Metals Limited.

For and on behalf of the Board



Dr Allan Trench
Chairman