



BURRACOPPIN PROJECT UPDATE

- **Drill testing of iron ore targets awaiting Access Agreements & DMP approvals**
- **Orientation soil sampling identifies anomalous gold and palladium associated with large interpreted mafic/ultramafic body**
- **Aeromagnetic survey over Burracoppin North in progress**

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) wishes to provide an update on exploration activities at the Burracoppin Project, 280 km east of Perth.

IRON ORE EXPLORATION

Based on geological reconnaissance mapping and encouraging iron rock chip results (up to 62% Fe – *ASX Announcement 9 March 2011*) RC drillholes have been planned to test priority iron ore targets. The commencement of the drilling programme is contingent upon access agreements for private land being completed and final approval from the Department of Mines and Petroleum (“DMP”).

PRECIOUS AND BASE METAL EXPLORATION

An orientation soil sampling programme comprising 123 samples was completed over the Burgess South area, targeting gold hosted in sheared/metamorphosed sediments and mafic volcanics. The samples were taken at 50m intervals along lines 400m apart, with the -5mm +2mm fraction sampled to avoid fine windblown sand.

Anomalous gold results, including a maximum value of 97ppb Au, were returned from samples coincident with or on the margins of several N-S trending linear magnetic units. (refer Figure 1). Scattered historical shallow workings in the area support the gold prospectivity of these magnetic units.

The sampling also returned highly anomalous palladium (maximum 396 ppb* Pd, refer Figure 2) and elevated platinum (maximum 34 ppb Pt) values. These results occur in areas with a well developed lateritic profile and may be related to surficial concentration of these elements. Follow-up of these results is in progress as they may represent the presence of nickel-copper-platinum group element (“PGE”) mineralisation at depth.

These elevated gold, palladium and platinum values all occur in regolith overlying the eastern margin of a large aeromagnetic feature, interpreted to be Archaean greenstone. This interpreted greenstone body has a complex internal aeromagnetic signature and a strong magnetic margin, especially in the north.

Although there is no outcrop in the area, evidence for a **mafic/ultramafic** source for the magnetic response comes from previous explorers who recorded amphibolite, gabbro and peridotite in four shallow holes drilled in the 1990’s.

** (396 parts per billion = 0.396 parts per million or grams per tonne)*

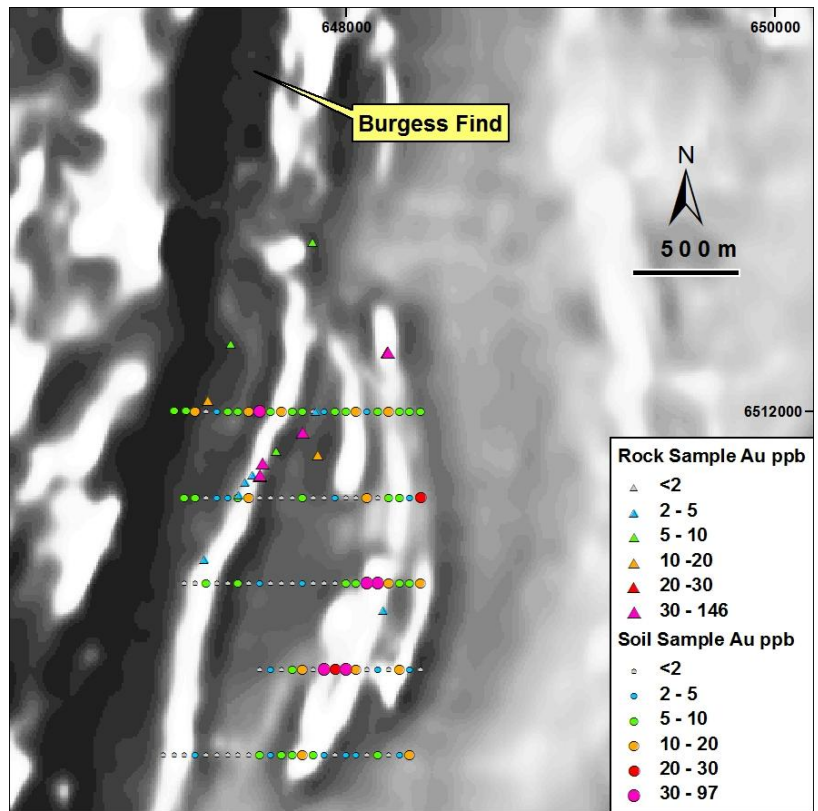


Figure 1. Burgess South - Gold results in soil samples, over Magnetic Image

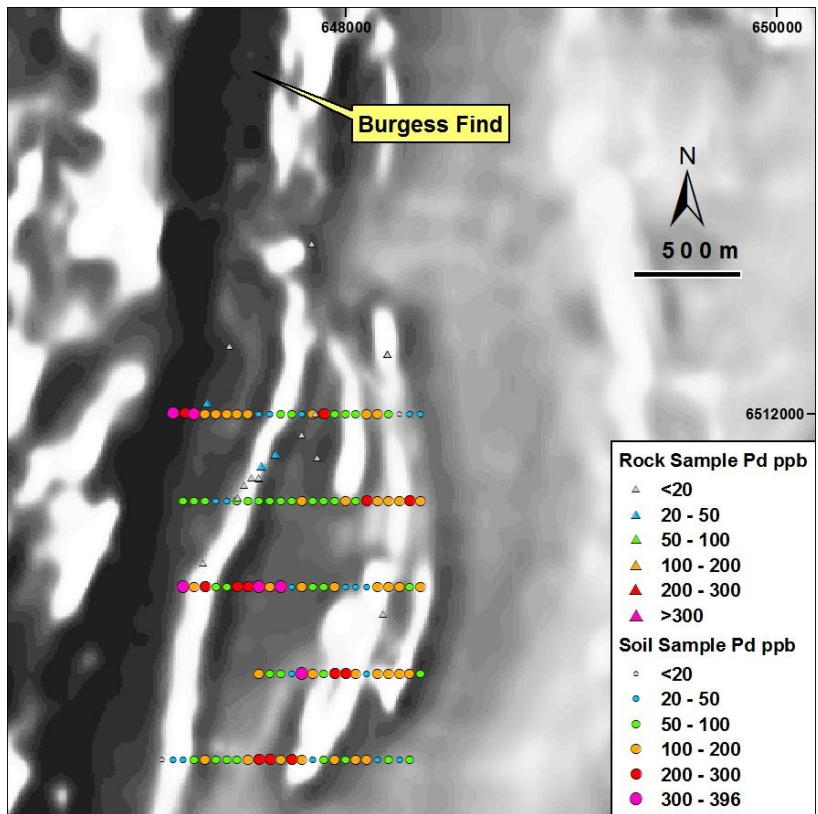


Figure 2. Burgess South - Palladium results in soil samples, over Magnetic Image

An extensive soil sampling programme is now underway to systematically test the eastern and western margins of the mafic/ultramafic unit. (refer Figure 3. The sampling programme is targeting typical Archaean shear and vein hosted gold mineralisation, as well as nickel-copper-PGE's.

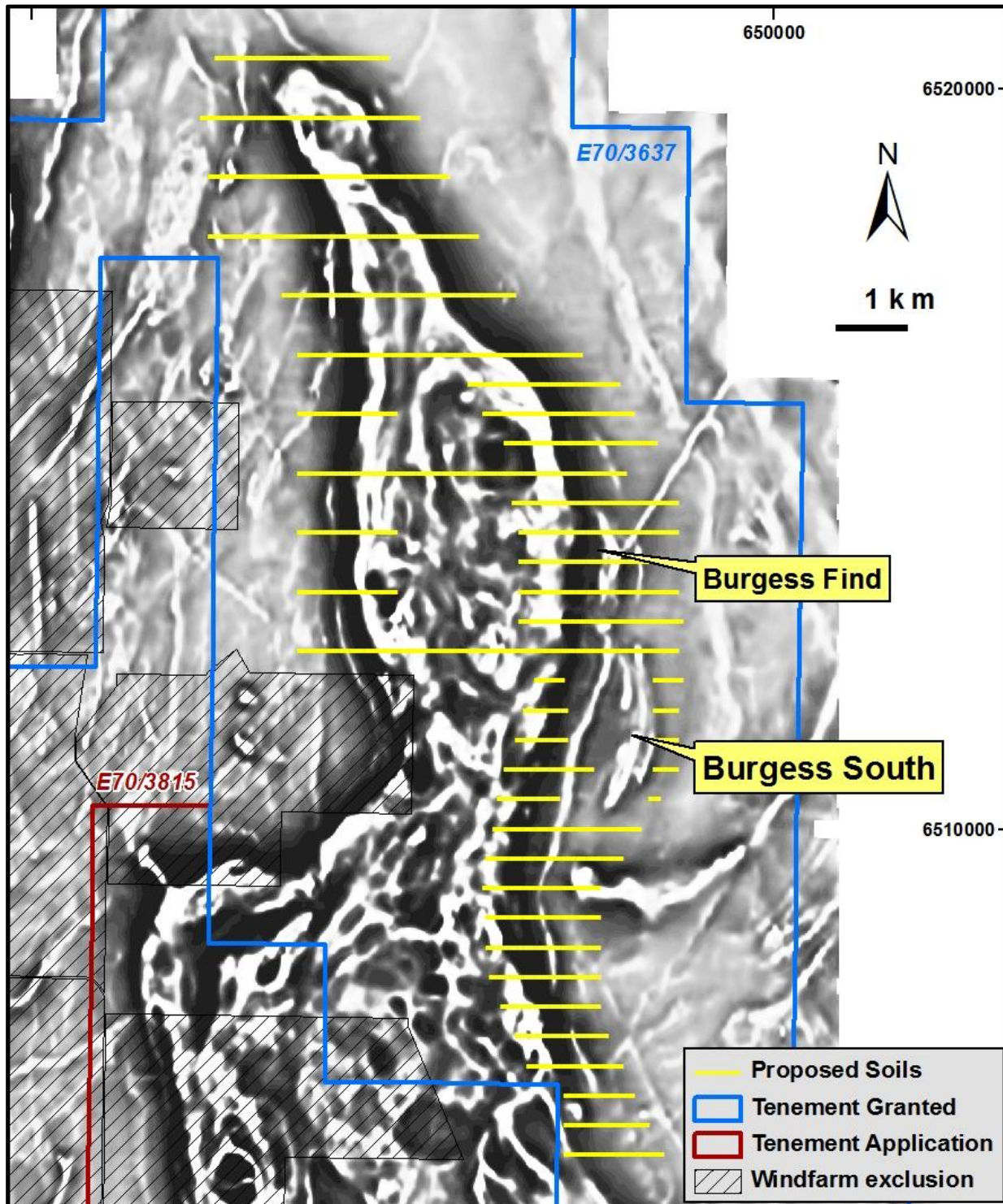


Figure 3. Burracoppin Project - Soil Sample Programme

AEROMAGNETIC SURVEY

An aeromagnetic survey covering approximately 290km² at 50m line spacing commenced on 16 March 2011 over the northern portion of the project area. (refer Figure 4). The survey is being flown to define the northwesterly continuation of the Westonia greenstone belt, which hosts the nearby Edna May Gold Mine. Previous explorers in the area have detected elevated gold and base metals in limited surface sampling and shallow RAB drilling, but the area has not been adequately explored.

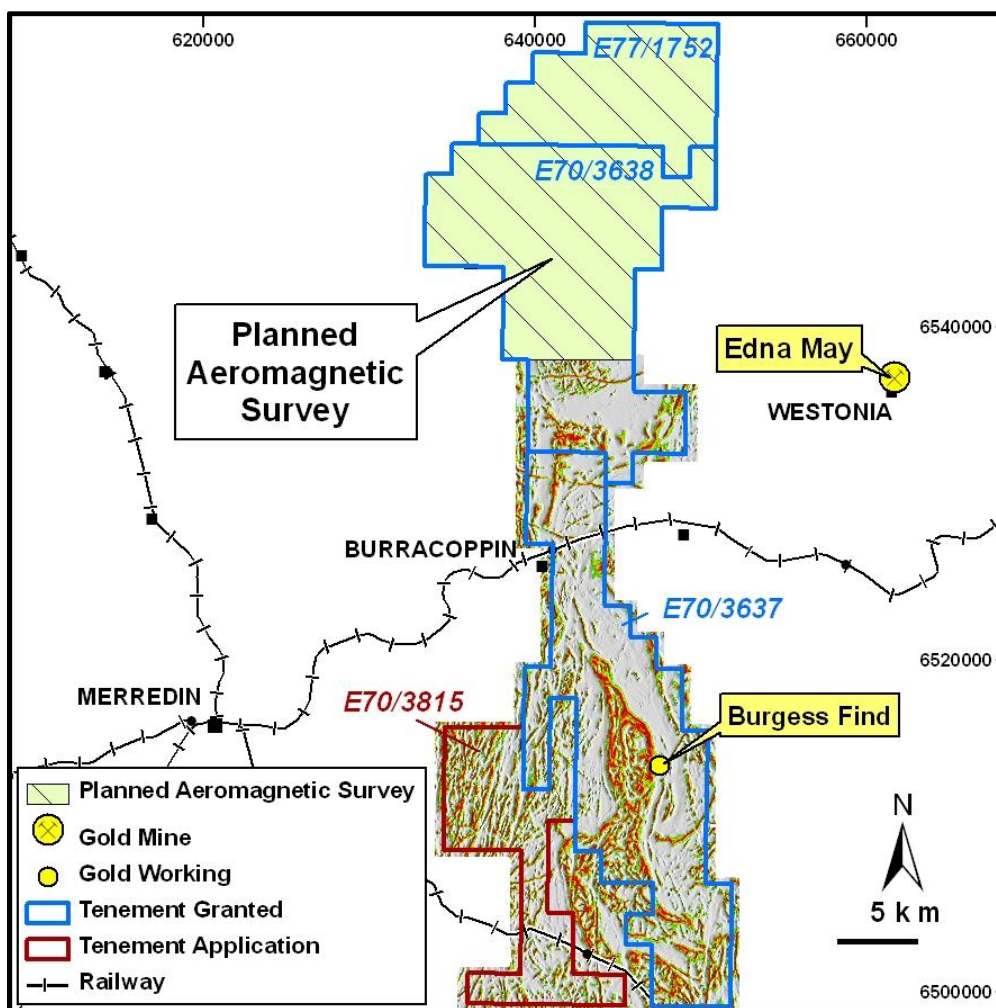


Figure 4. Burracoppin Project – Burracoppin North Aeromagnetic Survey



Dermot Ryan
Managing Director

Contact:

Telephone: 08 9436 9200

Facsimile: 08 9436 9299

Email: admin@enterprisemetals.com.au

The information in this announcement that relates to Exploration Results has been compiled by Mr Derek Waterfield, who is a Member of the Australian Institute of Geoscientists, and a full time employee of Enterprise Metals Ltd. Mr Waterfield has sufficient relevant experience in the techniques being reported and styles of mineralisation and types of deposit under consideration, and in the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code), and consents to the inclusion of the information in the form and context in which it appears.