



VULCAN GOLD PROSPECT IDENTIFIED AT DOOLGUNNA

- **Drilling at Vulcan returns: 24m @ 1.67g/t Au from 40m
Incl. 8m @ 2.77g/t Au from 40m**
- **Vulcan costean produces 47 ounces of coarse gold**
- **Drilling at Vulcan West returns: 4m @ 3.88 g/t Au from 84m**
- **Regional aircore drilling returns: 4m @ 12.30 g/t Au from 72m
4m @ 0.1% Cu from 52m**
- **Major 10,000m follow up aircore drilling program planned**

SUMMARY

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) is pleased to announce that exploration at its Doolgunna Project, 130km northeast of Meekatharra, has identified a 1,000 m long gold-in-soil anomaly, now called **Vulcan**. Work recently completed at Vulcan and its immediate environs includes preliminary aircore drill testing of the soil anomaly, excavation and sampling of a costean, the completion of 140 hole aircore drilling program, and regional soil and rockchip sampling.

Vulcan Prospect

Following the discovery of visible gold in a shallow pit NE of the Doolgunna homestead, Enterprise completed two vertical aircore holes (DNAC069-070) drilled 40m apart either side of the pit. DNAC069 returned encouraging gold intervals of 3m @ 2.03 g/t Au from 1m and 11m @ 0.58 g/t Au from 92m to end of hole, (ENT:ASX announcements: 7th and 18th June 2012).

Based on these results and the lack outcrop, Enterprise excavated a costean to provide sub-surface geological/structural information as well as the character and setting of the visible gold. An estimated 500 tonnes of material was excavated from the costean and a total of 47 ounces of coarse gold was recovered with a metal detector, implying an undiluted grade approaching 0.1 ounce per tonne. This figure applies to the coarse “detectable” gold portion only, and does not take into account the presence of any “fine” gold.

Four angled aircore drillholes (DNAC131-134) were completed targeting the down dip extension of a gossanous unit exposed in the costean. Due to hard ground and high water flows, hole DNAC132 failed to intersect the projected target zone but nonetheless intersected shallow mineralisation. (refer Figure 1 & Table 1 for hole locations) Anomalous results include:

| | | |
|-------------------------|---------------------|----------------------------|
| Vulcan Prospect: | Hole DNAC132 | 24m @ 0.19 g/t Au from 8m |
| | Incl. | 4m @ 0.62 g/t Au from 16m |
| | Hole DNAC133 | 24m @ 1.67 g/t Au from 16m |
| | Incl. | 8m @ 2.77 g/t Au from 40m |
| | Incl. | 12m @ 1.38 g/t Au from 52m |

Figure 1: Location of Vulcan Prospect, Aircore Drillholes and Costean, Over Magnetic Image

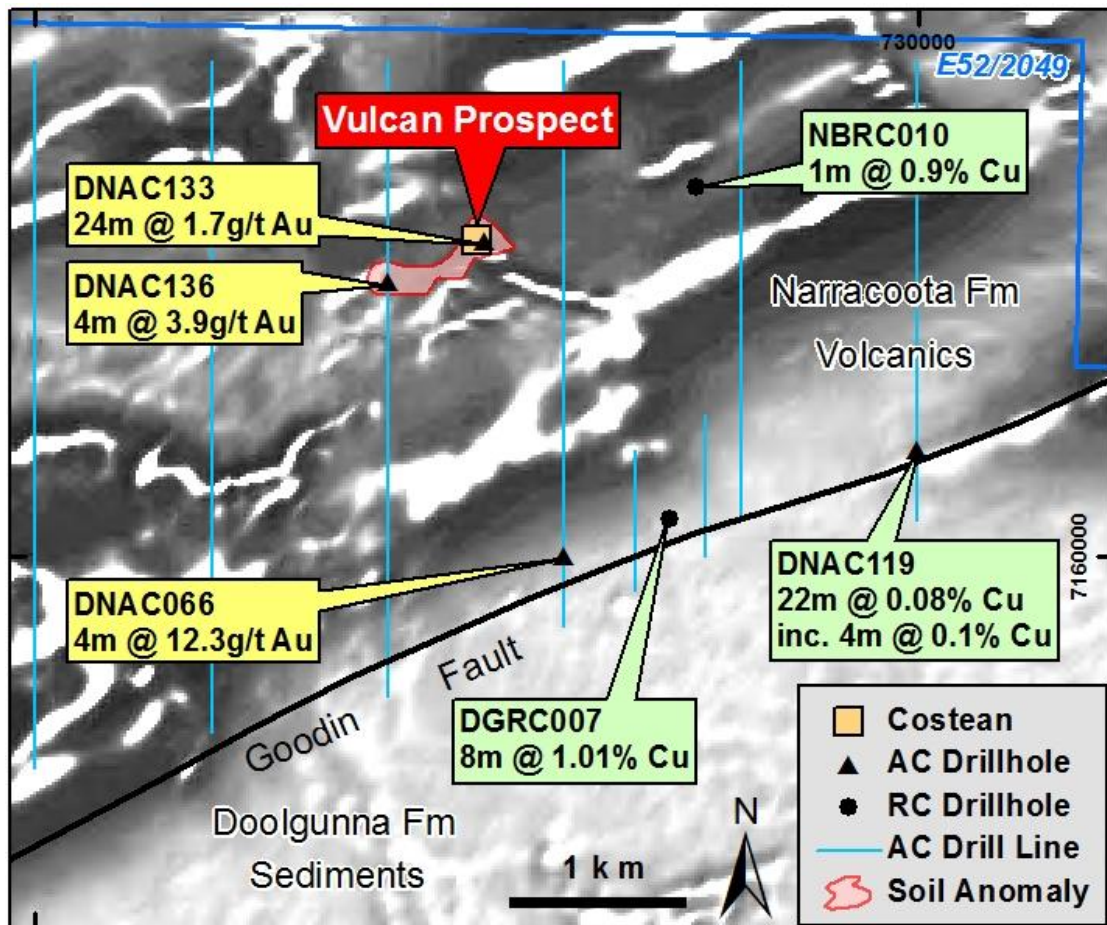


Table 1: Vulcan Prospect, Location of Aircore Drill Holes

| Hole | MGA94_Z50 East | MGA94_Z50 North | Depth (m) |
|---------|----------------|-----------------|----------------|
| DNAC131 | 727535 | 7161835 | 103 |
| DNAC132 | 727580 | 7161846 | 79 (abandoned) |
| DNAC133 | 727550 | 7161781 | 121 |
| DNAC134 | 727599 | 7161796 | 131 |

Regional Aircore Drilling Program

A regional aircore drilling program comprising 134 holes for 7,790m, with holes at 200m spacings along lines 1km apart, was completed at the Doolgunna, see Figure 1. The drilling was targeting a supergene copper-gold enrichment “blanket”, which may be developed below a “leached cap”, and above deeper primary sulphide copper-gold mineralisation within the Narracoota Formation volcanics. Anomalous results for gold were returned from the drilling as shown below.

Vulcan West Prospect: *Hole DNAC136* 4m @ 3.88 g/t Au from 48m
Goodin Fault Prospect: *Hole DNAC066* 4m @ 12.30 g/t Au from 72m



All anomalous gold and copper results are summarised in Tables 2 & 3. Interestingly, coincident high values for gold and copper do not occur in the same hole, suggesting varying mobilities within the regolith profile for the two elements.

Table 2: Doolgunna Project, Significant Gold Intersections

| Hole | MGA94_Z50 East | MGA94_Z50 North | From (m) | To (m) | Int (m) | Au (g/t) |
|---------|-------------------|--------------------|-------------|-----------|------------|--------------|
| DNAC016 | 725000 | 7159800 | 48 | 52 | 4 | 0.12 |
| DNAC050 | 727000 | 7161600 | 24 | 36 | 12 | 0.19 |
| DNAC059 | 727000 | 7159800 | 24 | 28 | 4 | 0.27 |
| DNAC060 | 727000 | 7159600 | 52 | 56 | 4 | 0.10 |
| DNAC066 | 728000 | 7160000 | 72 | 76 | 4 | 12.30 |
| DNAC100 | 729000 | 7161200 | 32 | 36 | 4 | 0.72 |
| DNAC136 | 727000 | 7161550 | 48 | 52 | 4 | 3.88 |
| DNAC136 | | | 52 | 56 | 4 | 0.46 |
| DNAC136 | | | 60 | 64 | 4 | 0.18 |
| DNAC137 | 728000 | 7159950 | 60 | 64 | 4 | 0.27 |
| DNAC139 | 728808 | 7161990 | 56 | 60 | 4 | 0.12 |

Table 3: Doolgunna Project, Significant Copper Intersections

| Hole | MGA94_Z50 East | MGA94_Z50 North | From (m) | To (m) | Int (m) | Cu (ppm) |
|---------|-------------------|--------------------|-------------|-----------|------------|-------------|
| DNAC007 | 725000 | 7161600 | 0 | 31 EOH | 31 | 469 |
| DNAC014 | 725000 | 7160200 | 84 | 102 EOH | 18 | 327 |
| DNAC032 | 726000 | 7161200 | 8 | 16 | 8 | 311 |
| DNAC047 | 727000 | 7162200 | 12 | 60 | 48 | 601 |
| DNAC051 | 727000 | 7161400 | 32 | 40 | 8 | 303 |
| DNAC084 | 728000 | 7162200 | 40 | 51 | 11 | 399 |
| DNAC085 | 728000 | 7162300 | 8 | 36 EOH | 28 | 452 |
| DNAC101 | 729000 | 7161000 | 16 | 24 | 8 | 302 |
| DNAC111 | 728400 | 7159800 | 52 | 60 | 8 | 394 |
| DNAC112 | 728800 | 7160000 | 52 | 56 | 4 | 406 |
| DNAC115 | 728800 | 7160800 | 72 | 76 | 4 | 346 |
| DNAC119 | 730000 | 7160600 | 0 | 8 | 8 | 478 |
| DNAC119 | | | 36 | 58 EOH | 22 | 798 |
| Incl. | | | 52 | 56 | 4 | 1010 |

Au and Cu analysed by 50g Aqua regia digest, ICP-MS. Method ARM155 by SGS Australia Pty Ltd.

Proposed Drilling Program

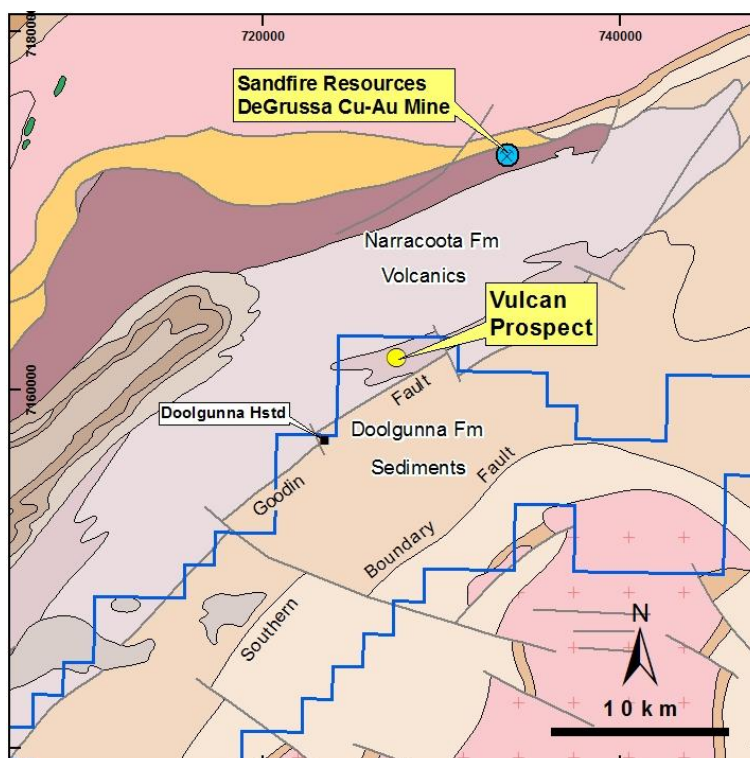
At Vulcan, additional aircore drilling is planned over a 1,000m x 400m ENE trending area of nodular lateritic cover in the vicinity of the costean testing for repeat structures/mineralisation supported by anomalous gold results in soil samples.



A regional infill aircore drilling program comprising 250 holes for 10,000m has been designed in the general area. This drilling will initially focus on the area surrounding the Vulcan costean and anomalous soil sample results to define geological/geochemical targets for follow-up RC drill testing.

Follow-up of all anomalous gold and copper intersections from the previous regional aircore program is planned, along with infill lines targeting geochemical/structural trends between the original 1km spaced lines

Figure 2: Doolgunna Project Location



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Competent Persons statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Derek Waterfield, who is an employee of the Company. Mr Waterfield is 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 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Waterfield consents to the inclusion in this report of the matters based on information in the form and context in which it appears.