

28 June 2019

ASX Release

Murchison Project Airborne Survey Completed and Image Processed for Drill Targeting

Enterprise Metals Limited (ASX: ENT) (“Enterprise” or the “Company”) is pleased to advise that the airborne magnetic and radiometric survey on the eastern one third of the Murchison Project area has been completed, and data received and imaged processed. This data, and all previous exploration data compiled by Enterprise has now been handed over to the Company’s earn in joint venture partner, Evolution Mining Limited (ASX: EVN) (“Evolution”) for interpretation and drill targeting.

The 7,200 line km detailed low level magnetic/radiometric survey flown at 50 metre line spacing and 30 metre sensor height complements previously flown surveys of similar specifications on the western and central portions of the project area. The data from these various surveys has been merged together, levelled and image processed to provide seamless magnetic and radiometric imagery for the whole project area.

The Murchison Project is largely covered by soil and transported alluvium, with very little outcrop or subcrop. These detailed geophysical datasets, when combined with other data sets such as gravity, metallogenic occurrences, historical drill hole and soil geochemical data provide valuable information about the basement rock sequences and subsequent ductile and brittle structures which may localise gold mineralisation. The radiometric data will assist in interpreting and differentiating residual soil covered areas from transported alluvium covered areas.

Figure 1 overleaf is an image of the 1st vertical derivative (1VD) of the magnetic data from the May airborne survey, and shows in detail geological units, major ductile shear zones and late brittle faults. This information is helpful in identifying favourable litho-structural sites for gold mineralisation. Figure 2 shows grey scale magnetic imagery draped over coloured gravity of the whole project area, along with metallogenic data. The reddish coloured zones of this image identify the more dense mafic (iron rich) rocks which are the favourable host rocks for orogenic gold deposits. These favourable host rocks, which have been under-explored to date due to alluvial cover, will be the focus of the future exploration program by Evolution.

Background

Murchison is a large, early-stage gold exploration project covering ~750km² in the Murchison region of central Western Australia, and is prospective for large Archaean orogenic gold deposits and volcanogenic base metal deposits. Figure 3 shows the location of the extensive mafic and felsic volcanic sequences which lie within the project area.

On 1st June 2019, the earn-in joint venture Agreement between Enterprise and Evolution formally commenced, with Evolution managing and funding and having the right to earn an 80% interest in the Project by spending A\$6 million on exploration over a four-year period. Evolution has now commenced the data interpretation and drill targeting phase, and will in future report any material results to the ASX and the market.

Dr Allan Trench
Chairman

Figure 1. 1st Vertical Derivative (1VD) Grey Scale Magnetic Image, E20/911 and E20/912, May-June 2019 Airborne Survey

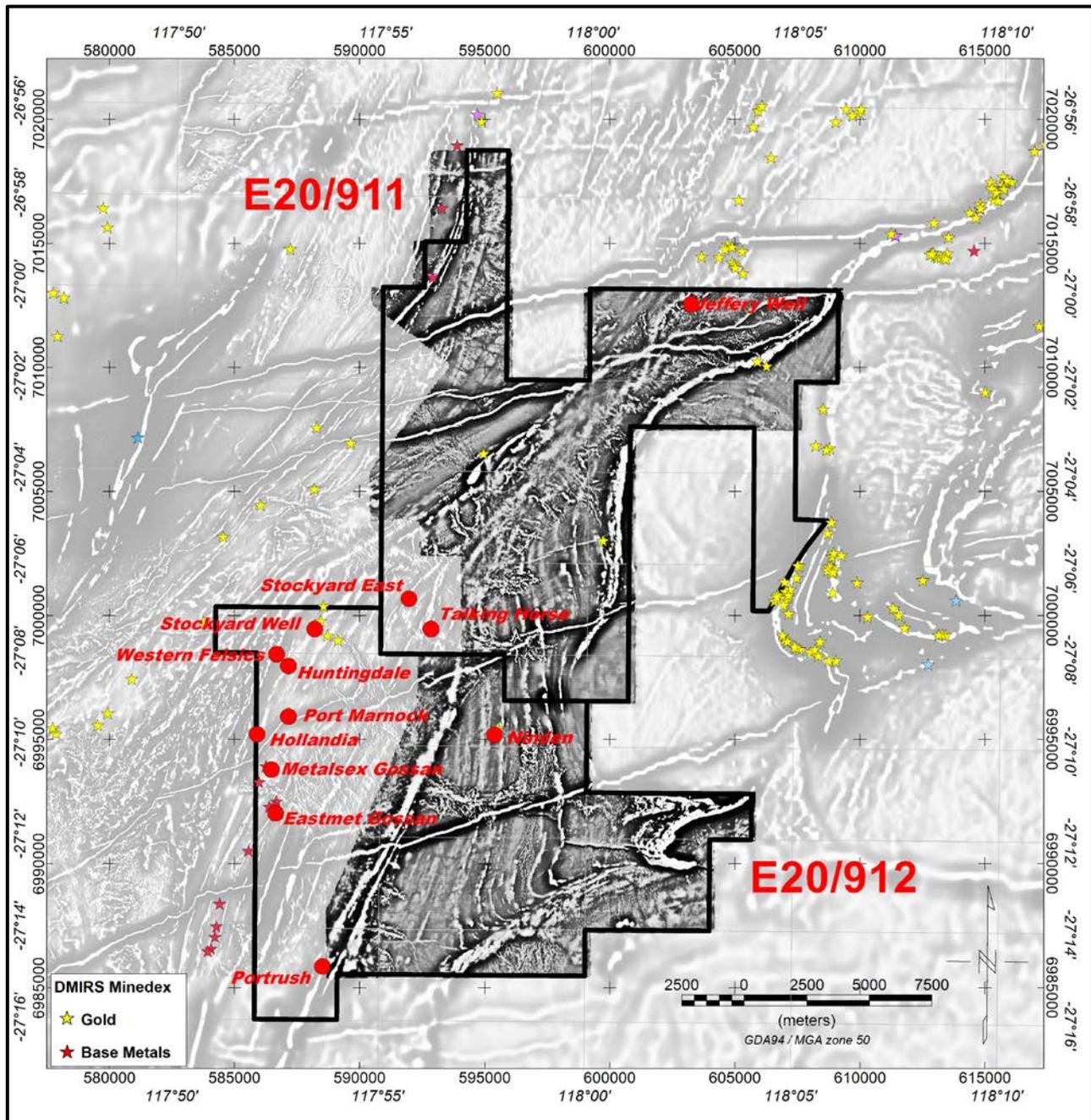


Figure 2. Murchison Project Area, Grey Scale 1st VD Magnetic Imagery over Coloured Gravity VD1 Imagery with Metallogenic Data.

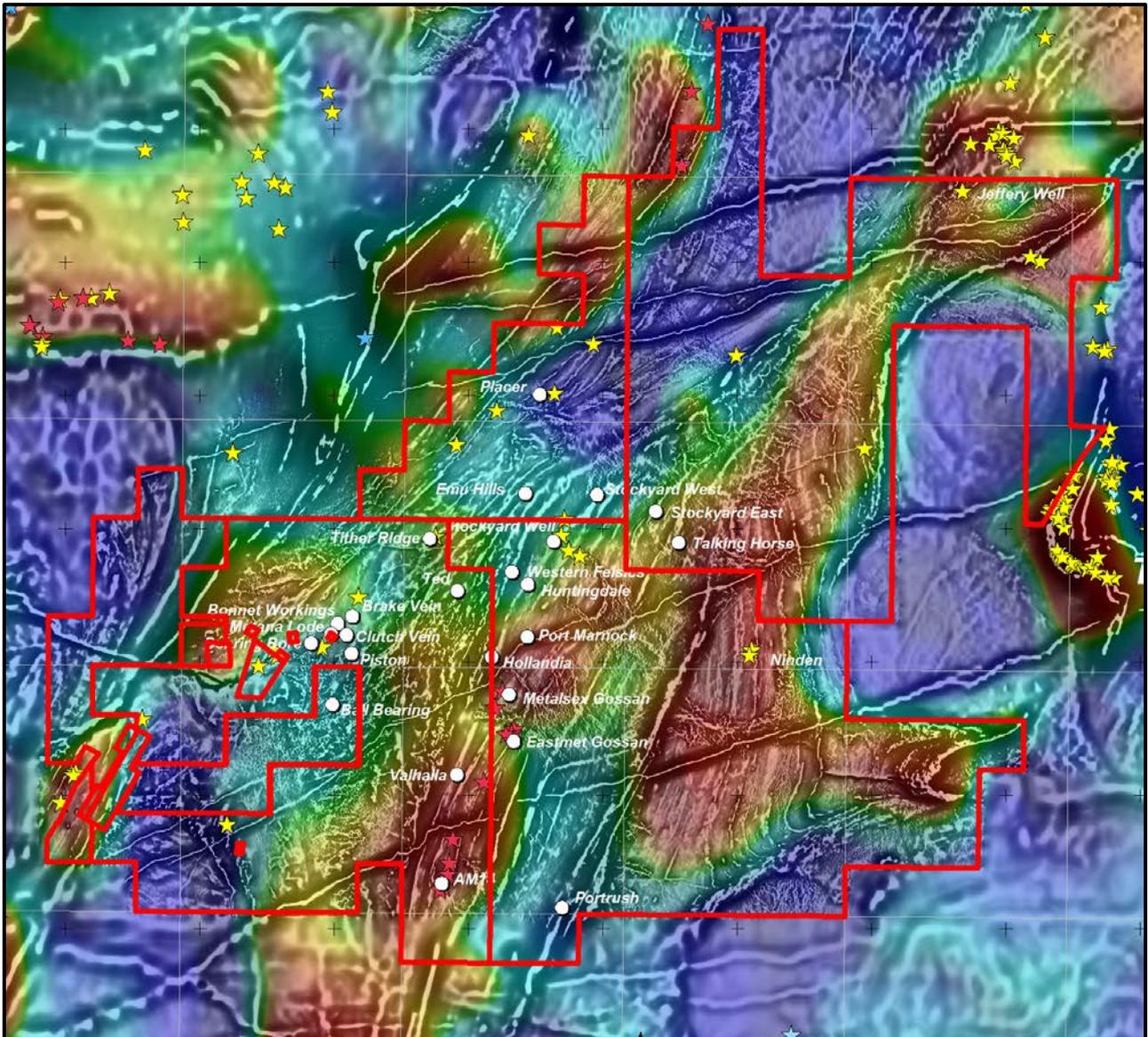
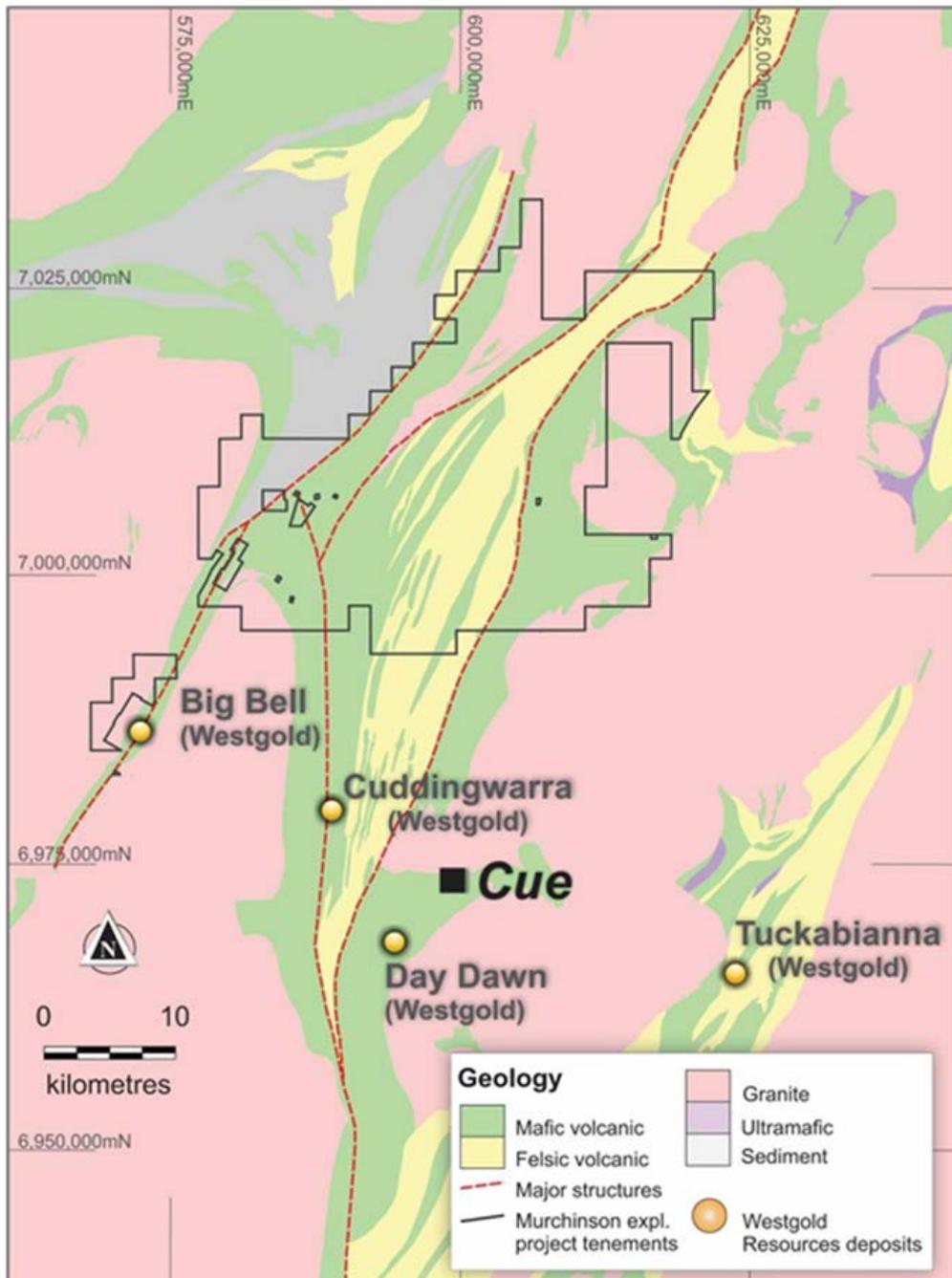


Figure 3. Location of Murchison Project Area over Simplified Geology



Competent Person Statement

The information in this Report that relates to Exploration Targets and 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 Fellow of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralization 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.