



Doolgunna, WA, Project Update

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) announces that it has received the assay results for an initial 6 scout RC holes (total 1,446m) drilled in late January to test the primary zone below and to the south-west of the Vulcan oxide gold/base metal target, and to provide holes for downhole electromagnetic (DHEM) surveying.

Three holes (VRC001, VRC002 and VRC006) intersected wide zones of argillic alteration at around 100m downhole after intersecting relatively fresh basalt and minor gabbro (Narracoota Fm volcanics). Disseminated sulphide (mainly pyrite) was intersected in all holes.

A zone of disseminated arsenopyrite/chalcopyrite in VRC003 returned 4m composite assays of:

8m @ 1.7g/t Au from 112m, *
20m @ 1.1g/t Au from 128m, *
Inc **4m @ 2.9g/t Au from 136m,**
and **8m @ 0.1% Cu, 0.1%Pb, 568ppm As, 729ppm Zn & 18ppm Cd from 140m.**

All holes were lined with PVC casing for DHEM surveying. The surveying was subsequently completed on holes VCR001, VCR003 and VRC006 but no significant off-hole conductors (indicating no nearby massive sulphides) were identified. It is concluded that, the previous gold and anomalous base metals intersections in the oxide zone (and now in the primary zone) over the 150m of strike at Vulcan tested by holes VRC001-005, are likely to be caused by relatively narrow veins of quartz-sulphide carrying gold and anomalous base metals. The 1,500m long anomalous zone within which Vulcan is centred still remains to be tested.

Hole VRC006, which was drilled to the SW of Vulcan, intersected 28m @298ppm Cu from 48m and 48m @ 3.4ppm W from 140m. The anomalous zone NE and SW of the Scotty prospect remains open and further aircore drilling is planned.

FURTHER AIRCORE DRILLING PLANNED

A 5,000m infill aircore drilling program to follow up Narracoota Fm hosted gold and base metal targets at Scotty, Sulu, McCoy, Nimoy and Goodin Fault is expected to start in March 2013.

A second regional aircore drilling program of approximately 4,000m is planned to commence late March. This program will selectively test magnetic, airborne EM and copper-in-soil anomalies associated with the Southern Boundary Fault (SBF), which forms the southern margin of the Doolgunna Graben and separates the Doolgunna Fm sediments from the Johnson Cairn Fm. (Refer Figure 1 overleaf).

The Company believes that the regional geological setting of the SBF and Doolgunna trough is analogous with many of the major sediment-hosted copper provinces such as Mount Isa in Queensland, Zambia in Africa and the Kupferschiefer in eastern Europe. These deposits occur in structurally prepared settings within **carbonaceous rich sediments such as shales, siltstones and dolomites**. The copper mineralisation is thought to have been emplaced by high temperature reduced fluids with associated silica alteration.

**cut-off 0.5g/t Au over 4m.*

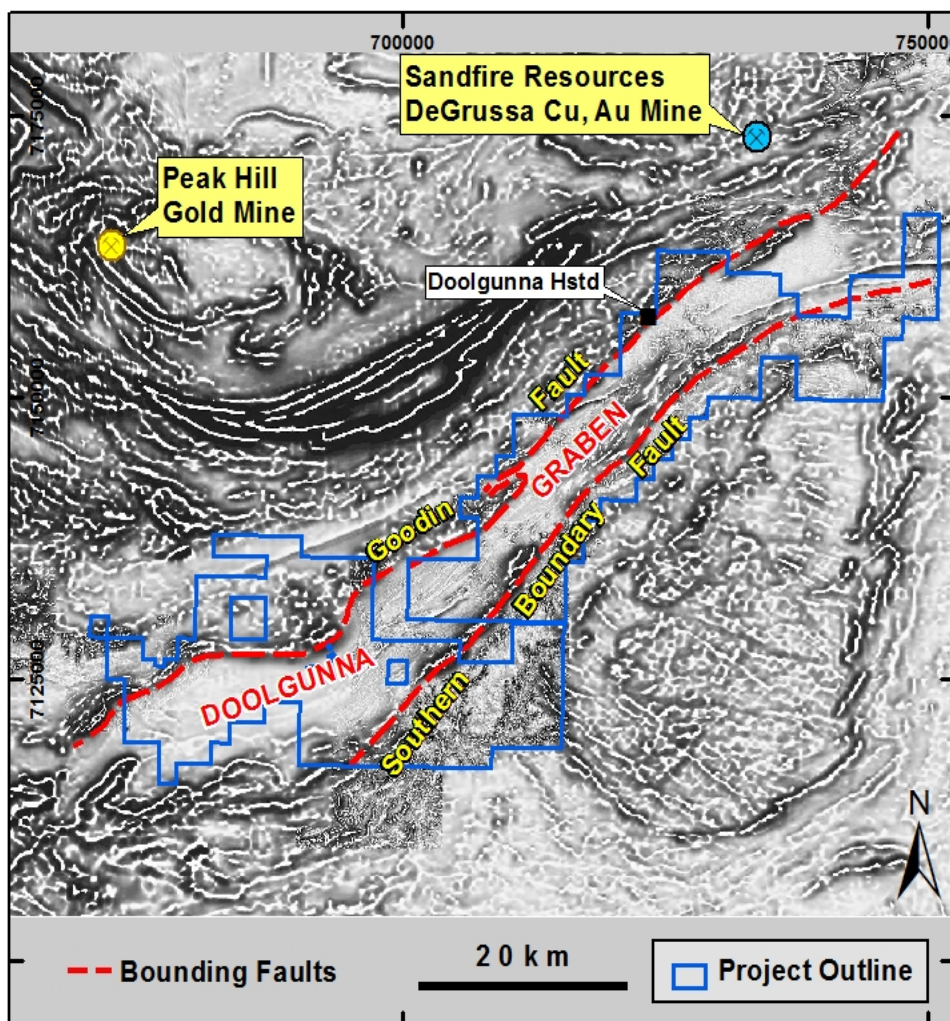


Figure 1: Doolgunna Project Tenement over Magnetic Image

LOCATION OF 2013 RC DRILL HOLES

The 2013 RC drill hole collar details are summarised below in Table 1.

Table 1: Doolgunna Project, Collar Details of 2013 RC Drill Holes

Hole No.	MGA94 East	MGA94 North	Depth (m)	Azimuth (Deg)	Dip (Deg)
VRC001	727568	7161676	235	348	-60
VRC002	727615	7161700	258	348	-60
VRC003	727611	7161733	282	348	-60
VRC004	727567	7161727	200	348	-60
VRC005	727672	7161698	273	348	-60
VRC006	727023	7161445	198	348	-60

Figure 2 overleaf shows the collar positions of the 2013 RC drill holes, and significant gold intersections from the 2012 aircore drill program.

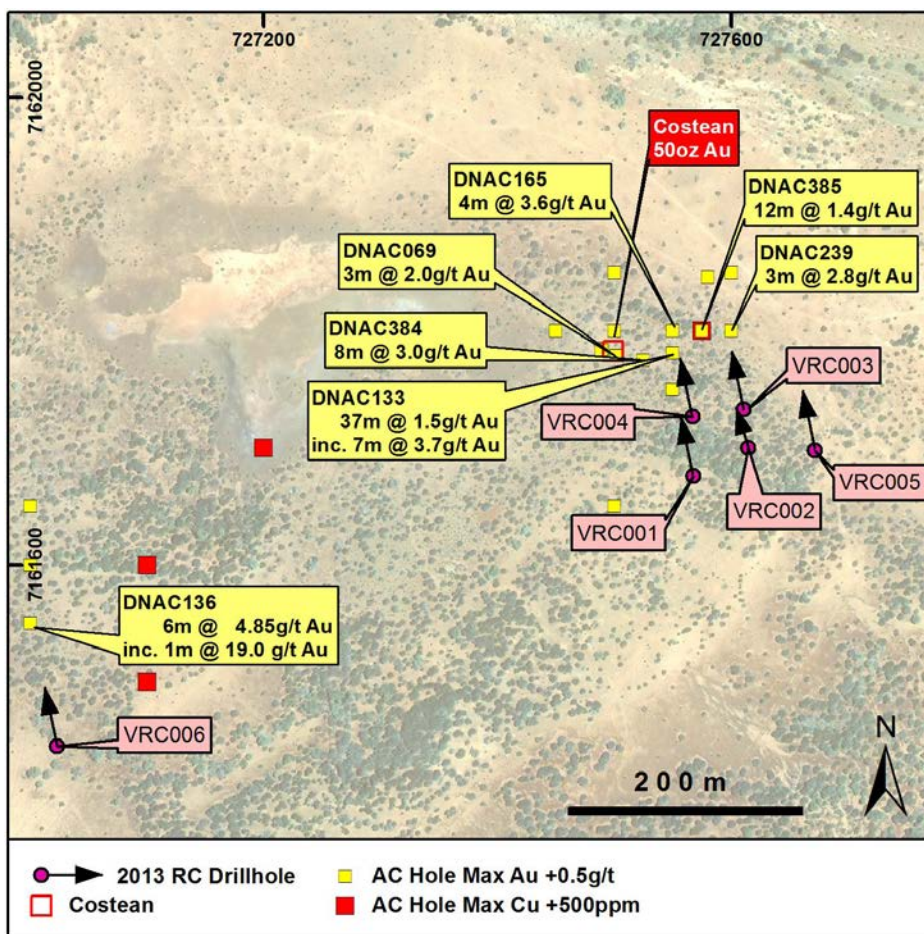


Figure 2: Vulcan Prospect, 2013 RC Drill Hole Locations

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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 Dermot Ryan, who is an employee of the Company. Mr Ryan is a Fellow of the Australasian Institute of Mining and Metallurgy and 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 Ryan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.