

## ACQUISITION OF 87KM<sup>2</sup> OF MURCHISON GREENSTONE BELT PROSPECTIVE FOR AU & CU/ZN NORTH OF CUE, WA

- Tenements acquired covering northern extensions of structures hosting Cuddingwarra gold deposit and Cu-Zn mineralization at Emily Well, 15km north of Cue in Western Australia
- Highly prospective stratigraphy hidden under cover and under-explored, ready for application of modern exploration techniques and drilling

### SUMMARY

Enterprise Metals Limited (“Enterprise”, ASX: ENT) is pleased to advise of the acquisition of Exploration Licence 20/742 and Prospecting Licences 20/2095 and 20/2096 from Zelda Therapeutics Ltd (“Zelda” ASX: ZLD). The tenements are located 15km north west of Cue, and 18km east north east of the Big Bell Gold Mine, in the Murchison Goldfields of Western Australia (Refer Figure 1).

The tenements cover 87km<sup>2</sup> of Archaean greenstones prospective for orogenic gold and volcanogenic massive sulphide (“VMS”) copper-zinc mineralization, and include over 11km of extensions of the Wattagee and Emily Well VMS mineralized horizons, and strike extensions of the gold mineralised Cuddingwarra, Mt Magnet and Emily Shear Zones (Figure 2).

Commenting on the acquisition, Enterprise’s managing director Dermot Ryan said:

***“Enterprise considers the area of the tenements to be highly prospective for both Au and Cu/Zn deposits, but under-explored due to alluvial cover. While historical exploration by others along strike from our acquisition has been successful at discovering outcropping gold deposits, Enterprise will be the first company to apply to this prospective greenstone sequence the many recent advances in geophysical and geochemical exploration, and our improved understanding of the regolith.”***

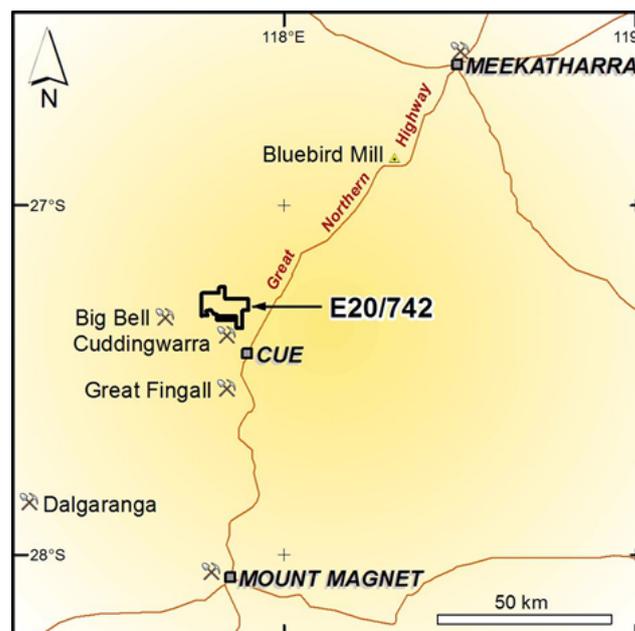


Figure 1. Location Plan - Murchison Project

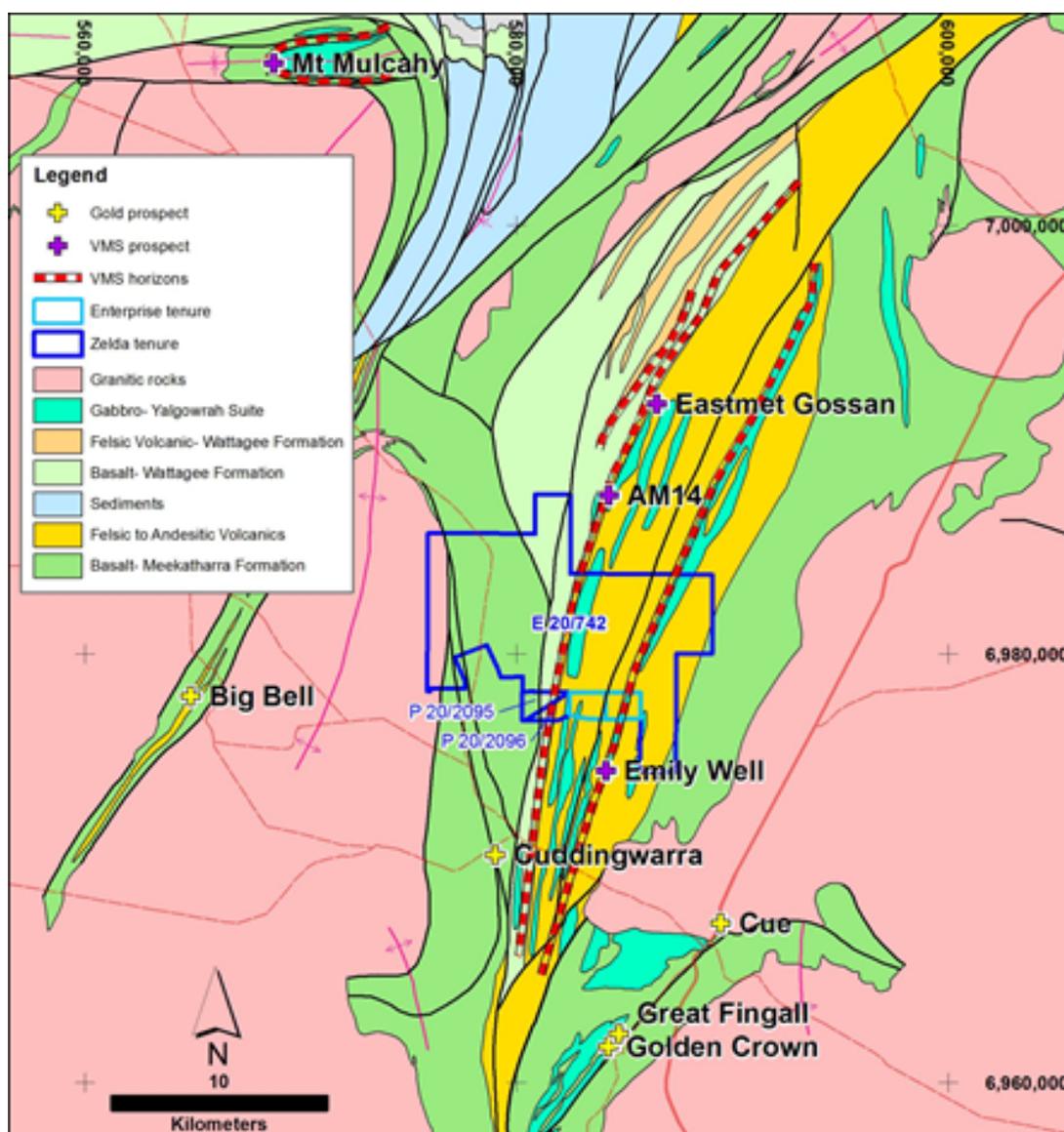
**Summary of Agreement Terms**

Zelda and Enterprise have entered into a sale and purchase agreement for Exploration Licence 20/742 and Prospecting Licences 20/2095 and 20/2096. The key terms include:

1. The Purchase comprises a 100% interest in the tenements. There are no royalties attached to the tenements;
2. The Purchase price is \$100,000, to be satisfied in shares in ENT at an issue price based on a 5 day VWAP prior to completion; and
3. Completion is subject to conditions standard in these agreements. It is anticipated these conditions will be met in the current Quarter.

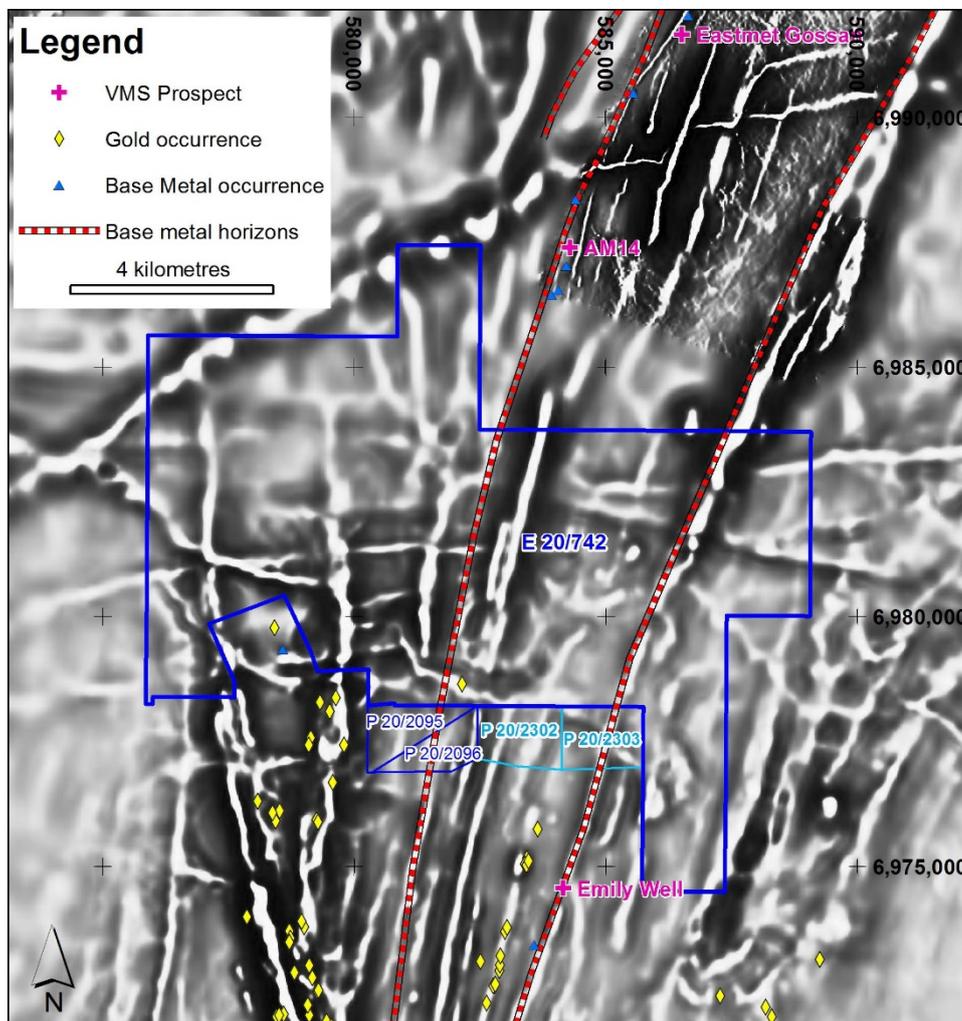
**Geological Setting**

The greenstone stratigraphy of the acquired tenements includes felsic volcanics of the Greensleeves Formation and sediments, felsic volcanics and komatiitic basalts of the overlying Ryansville and Wattagee Formations, which all belong to the Archaean Murchison Supergroup.



**Figure 2. E20/742and PL’s 20/2095 and 2096- Location over GSWA Regional Geology and trace of the Wattagee and Emily Well Cu-Zn VMS Horizons**

To the south of the acquired tenements, in areas of outcrop, numerous historic gold workings are known to exist, including Westgold’s Cuddingwarra gold mines, from which New Hampton mined approximately 5.7 Mt at 2.5g/t Au for 460,000oz. Figure 3 shows the location of historic gold workings over magnetic stratigraphy and the trace of the Wattagee and Emily Well VMS horizons.



**Figure 3. Enterprise’s Landholdings over 1<sup>st</sup> VD Magnetic Image, showing the trace of the Wattagee and Emily Well VMS horizons**

**Previous Exploration and Next Steps**

Historical copper-zinc exploration on the tenements was based around drilling of airborne electromagnetic anomalies, and no significant regional electromagnetic geophysics has been completed since the early to mid-1970’s.

Immediately to the north of Enterprise’s new landholdings, Esso and others in the 1970’s intersected significant downhole widths and grades of copper zinc sulphide mineralization at the AM14 and Eastmet Gossan prospects. Examples of intersections are shown below in Table 1. The locations of these prospects are shown in Figures 2 and 3.

The results above are significant, in that VMS style deposits can occur in clusters and along strike within distinct stratigraphic horizons, which extend through Enterprise’s landholdings.

**Table 1. Significant Cu-Zn intersections, Wattagee Hill area**

Prospect	Hole ID	Depth (m)	Interval (m)	Zn %	Cu %
AM14	WP138	228	3	7.5	0.42
"	WP135	164	3	4.7	0.7
Eastmet Gossan	WP15		9.14	1.3	0.28
"	WP14	117	5	1.7	0.3

**Note on Historical Results: The results above are historical results, and not located within Enterprise's landholdings. Refer References.**

The combination of favourable host rocks, large scale alteration systems, significant gold deposits and Cu-Zn intersections along strike and a complex of intersections, regional faults and shears make the tenements a highly prospective area for VMS Cu-Zn and gold exploration.

### Next Steps

Enterprise considers the tenements can be quickly and effectively tested using modern airborne geophysics, in combination with modern advanced geochemical tools utilizing historical drill spoil from predominantly broad spaced historical gold exploration programs.

Enterprise plans to:

- fly detailed airborne EM on 50-100m line spacings, looking for both:
  - bedrock conductors, indicative of VMS related massive sulphide; and
  - deep weathering indicative of possible weathering related oxidation of disseminated sulphides around possible VMS massive sulphide systems; and
- undertake drill spoil sampling from historical drilling, looking to identify large scale gold and VMS style alteration systems without having to undertake new grid based regolith drilling.

**Dermot Ryan Managing  
Director**

### Competent Persons statement

The information in this report that relates to 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 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 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.

**References**

WP14 and 15: Nunn, R.H., 1971. Annual Report, Mineral Claims 694- 697, 985- 988, 1029- 1033 and 1215- 1216. Unpublished Report for Eastmet Minerals N.L. WAMEX Open File Report a2771.

WP135: Harris, M.P., 1976. Wattagee- Project 667. Annual report for the period ending March, 1976. Unpublished Report for Esso exploration and Production Australia Inc. WAMEX Open File Report a6264.

WP138: Robinson, S.H., 1976. Wattagee- Project 667. Annual report for the period ending 31/12/1976. Unpublished Report for Esso exploration and Production Australia Inc. WAMEX Open File Report a6744

A summary of the historical VMS exploration is given in Wilhelmji, H.R., 1990. Evaluation of the Wattagee Hill Volcanogenic Massive Sulphide Deposits, North of Cue, Murchison of Western Australia. Unpublished Report for Outokumpu Exploration Australia Pty Ltd. WAMEX Open File Report a31198