

17 March 2020

CORPORATE

 ASX Symbol: ENT
 ACN 123 567 073

 Shares on issue: 446,618,957
 Options on Issue: 21,228,102*
 *Options exercisable @1.5 cents
 by 30 June 2021

CONTACT DETAILS

 Suite 9, 12-14 Thelma Street
 PO Box 1014
 WEST PERTH 6872
 Western Australia

Ph: +61 8 6381 0392

BOARD OF DIRECTORS

 Dr Allan Trench
 Non-Executive Chairman

 Mr Dermot Ryan
 Non-Executive Director

 Dr Zhijun He
 Non-Executive Director

 Mr Graeme Smith
 Company Secretary

 Mrs Daniella Scaffidi
 Chief Financial Officer

PROJECTS

 MURCHISON
 Gold (Zinc/Copper)
 Evolution Mining EJV

 DOOLGUNNA
 Copper/Zinc (Gold)
 Sandfire Resources EJV

 FRASER RANGE
 Nickel/Copper (gold)
 Constellation Resources JV

 PERENJORI
 Potash

 MANDILLA
 Gold

Enterprise Acquires Option over Mandilla Gold Prospect WA

Enterprise Metals Limited (ASX: ENT) (“Enterprise” or the “Company”) is pleased to advise that it has entered into an 18 months Option Agreement with Mrs Vera Allen to purchase her Mandilla Gold Prospect, located approximately 20 km south of Kambalda in WA.

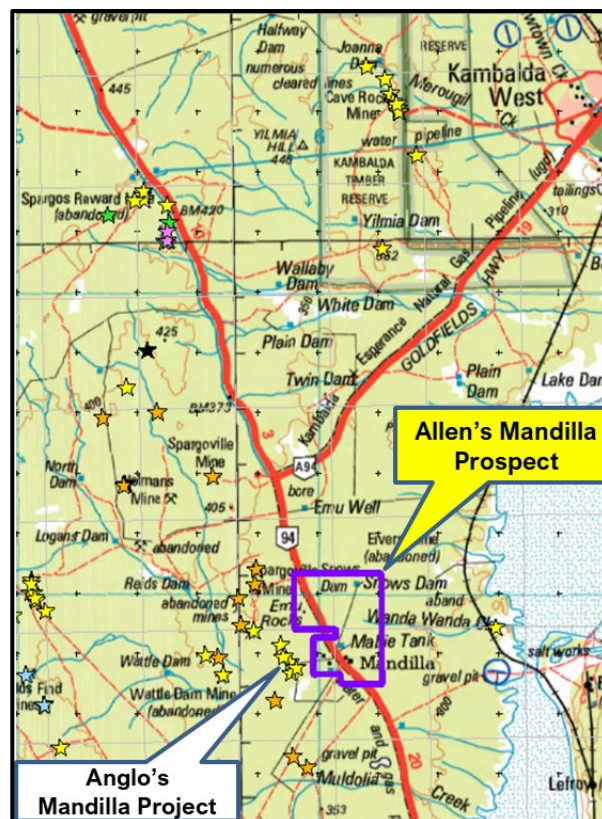
Mrs Allen’s Mandilla Gold Prospect occupies the eastern portion of the Mandilla Syenite, a gold mineralised porphyritic granitic intrusion.

Enterprise’s target at the Allen’s Mandilla Prospect is high grade primary gold mineralisation, similar to that already discovered on the western margin of the Mandilla Syenite by Anglo Australian Resources NL (“Anglo”, ASX: AAR) at its Mandilla Gold Project.

Between 2006-2007, Anglo produced ~23,000oz Au from an open cut palaeo-channel running along the western margin of the syenite, and in 2008 reported an Inferred resource at Mandilla East, also on the western margin of the Mandilla Syenite.

It is Enterprise’s intention to drill test the eastern portion of the Mandilla Syenite, utilising modern detailed airborne magnetic data to target structures and potential zones of alteration.

Figure 1. Location Plan – Mandilla Prospect



Mandilla Gold Prospect - Widgiemooltha WA

Vera Allen's Mandilla Gold Prospect consists of two granted tenements, Exploration Licence 15/1437 and Prospecting Licence 15/5885, which together cover 10.4km² of the Mandilla Syenite and its surroundings.

The Mandilla Prospect is located in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain, some 60 kilometres south of Kalgoorlie and 20 kilometres south west of Kambalda. Significant nickel and gold deposits are present in the belt, the nearest gold deposit being the high-grade Wattle Dam Mine located approximately 3 kilometres to the west of Mandilla.

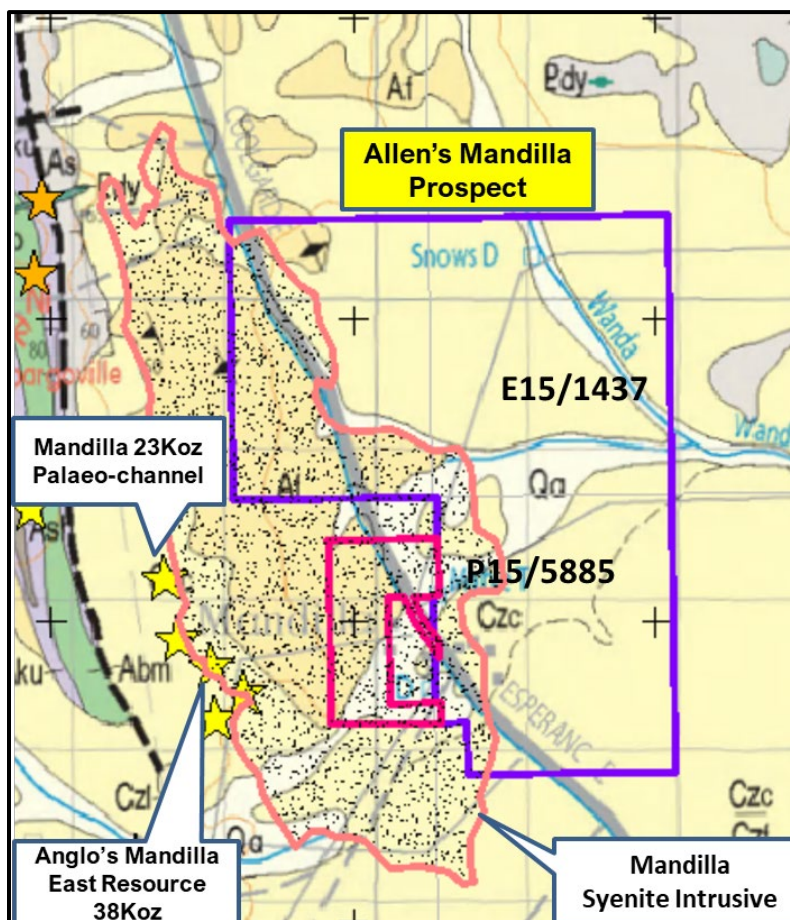
Local Geology

The Prospect lies on the margins of a porphyritic intrusion, the Mandilla Syenite. The syenite intrudes volcanoclastic sedimentary rocks in the area which form part of the Spargoville Group. Significant NW to WNW and NE trending structures along the western flank of the tenements are interpreted from regional aeromagnetic data to cut through the Mandilla Syenite and may be important in localising gold mineralisation within the Mandilla Syenite.

Summary of Enterprise's Mandilla Option Agreement with Vera Allen

- Tenements: E15/1437 & P15/5885. (10.4km²)
- Paid \$20,000 cash for 18 months Option to Purchase,
- Renewable for another 18 months period with another \$30,000 payment.
- Outright purchase: \$100,000 cash & \$100,000 of ENT script, &
- Vendor retains prospecting and alluvial rights to 6m depth below natural surface, &
- 1.5% Gross Royalty on hard rock gold production, capped at \$1million.

Figure 2. GSWA Geology Plan Showing Outline of Mandilla Syenite, Buried Below Cover



Background to the Mandilla Area

Between 2006 - 2007, Anglo Australian Resources NL produced ~23,000oz Au from an open cut SE trending palaeo-channel running along the SW margin of the Mandilla Syenite.

Following a substantial RC drilling program, Anglo later published in their 2008 Annual Report (26/09/2008) an Inferred Mineral Resource for Mandilla East, within the western margin of the Mandilla Syenite.

Anglo’s primary gold mineralisation at Mandilla East appears to be associated with a NW trending magnetic low, which may reflect alteration within structures in the syenite.

However, Anglo has recently reported (12/02/2020) infill RC drilling which has detected higher grade gold mineralisation potentially associated with cross cutting structures. On 11/03/2020, Anglo announced that it had raised \$5.5 million with the proceeds to underpin ...”A program of ~30,000m of RC and diamond drilling to in-fill and extend the known shallow high-grade mineralisation identified at Mandilla East”.

Figure 3. Detailed Magnetic Image Showing Magnetic Lows within Mandilla Syenite and Potential Targets on Eastern Margin of Syenite

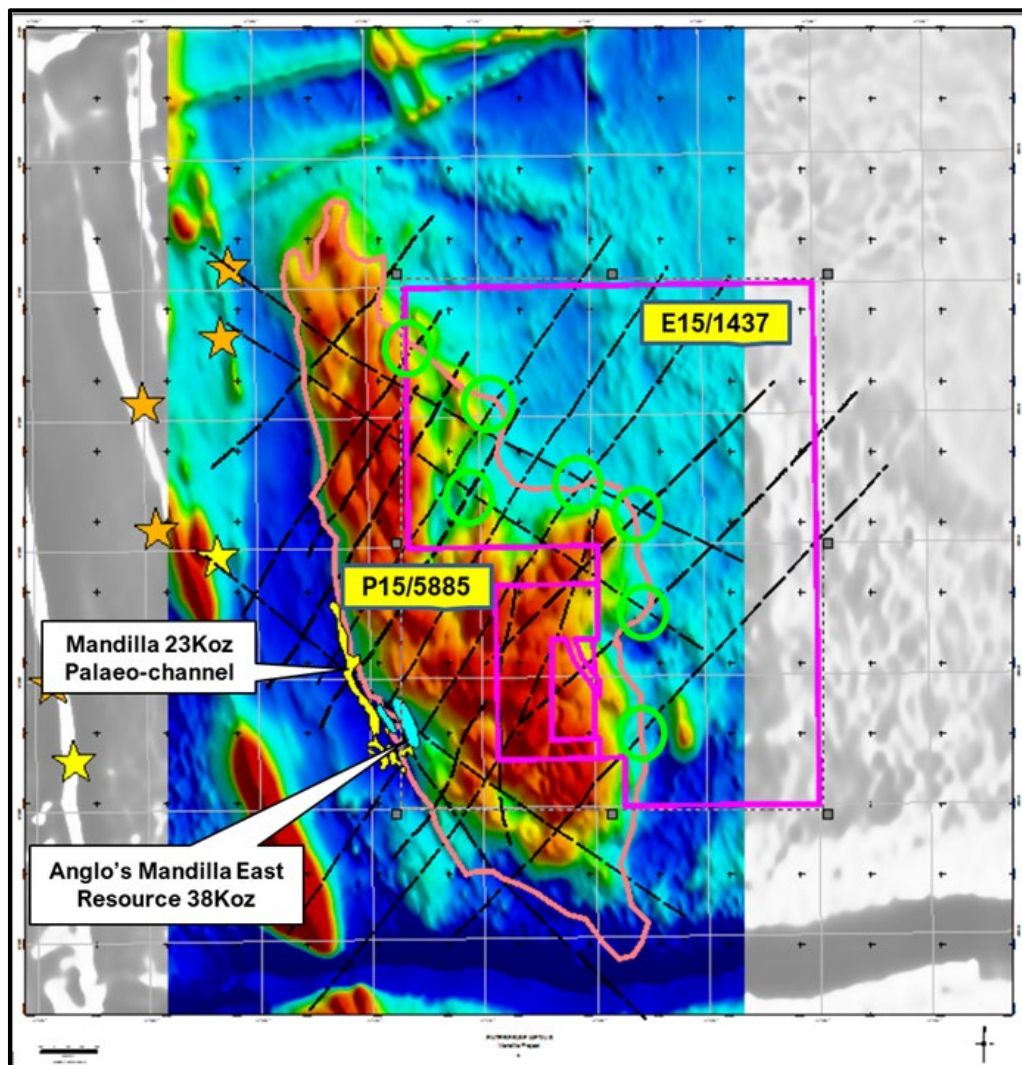
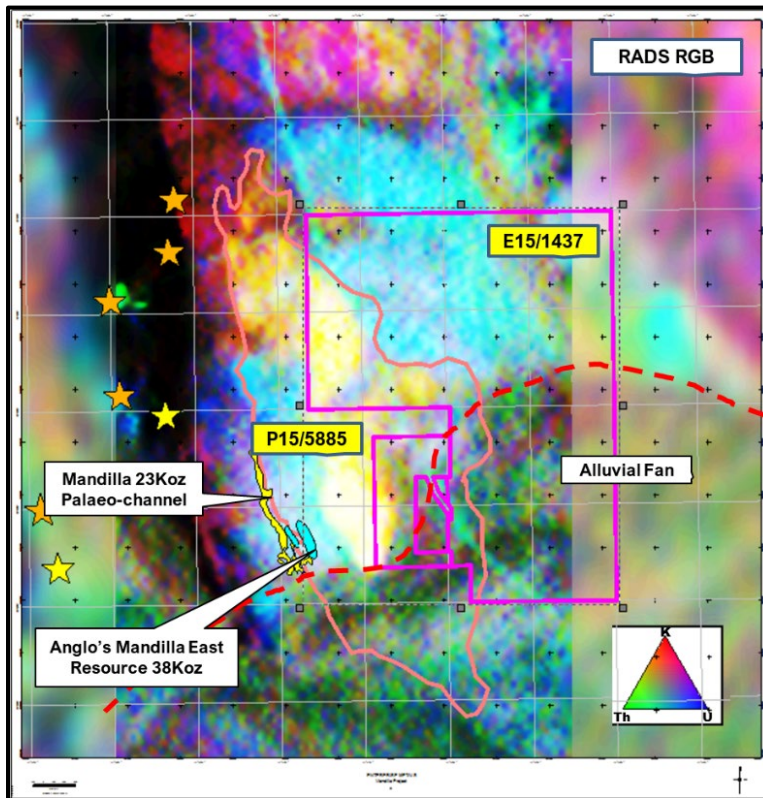


Image processed airborne “RGB” radiometric data suggests that the SW corner of the Allen’s Mandilla Prospect is covered by an alluvial fan or palaeo-channel material. This may explain the lack of exploration success by previous explorers who relied heavily on surficial techniques such as soil and/or shallow auger sampling.

Figure 4. Detailed Grey Scale Magnetic Image Overlain with RGB Radiometric Image



Note: R= Red= K: Potassium, G=Green=Th: Thorium, B=Blue=U: Uranium.
 White: = high values in each of K, Th & U

Conclusions

There has been extensive exploration activity including auger soil sampling, RAB and aircore drilling and RC drilling for gold over the western margin of the Mandilla Syenite (immediately to the east of E15/1437 and P15/5885) by WMC Resources Ltd and Anglo Australian Resources NL in the period 1987-2020.

This work has resulted in the delineation and mining of 23,000oz of gold in a palaeo-channel on the western margin of the Mandilla Syenite, and a further Inferred Mineral Resource at Mandilla East within de-magnetised portions of the syenite.

However, soil sampling over the eastern part of the syenite (within E15/1437 and P15/5885) has been largely ineffective due to transported overburden.

Had previous explorers known of the higher grade gold mineralisation within cross cutting structures in the western portion of the Mandilla Syenite, it is likely that there would have been more drill testing of similar structures on the eastern portion of the Mandilla Syenite.

It is concluded that the eastern portion of the Mandilla Syenite within E15/1437 and P15/5885 may be mineralised in a similar way to the western portion. Targeted aircore drilling of de-magnetised zones of syenite within E15/1437 is planned.

Dr Allan Trench
Chairman

This announcement has been authorised by the Board of Enterprise Metals Limited.

Competent Person Statement

The information in this report that relates to Exploration Activities and 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.

JORC Code, 2012 Edition – Table 1 report

Mandilla Gold Prospect WA

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Logging</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Location of data points</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Sample security</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> No drilling or sampling undertaken by Enterprise to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<p><i>Mineral tenement and land tenure status</i></p>	<ul style="list-style-type: none"> • The Mandilla Prospect is comprised of 1 granted Exploration Licence 15/1437 and 1 Prospecting Licence 15/5885 in the name of Vera Olive ALLEN. • Exploration Licence 15/1437 was granted on 18 March 2015 for 5 years, and an Extension of Term application is currently on file with the DMIRS. • Prospecting Licence 15/5885 was granted on 19 September 2014, and expires on 18 September 2022. • Enterprise Metals Limited entered into an Option to Purchase Agreement with Vera Olive Allen. Terms of the Agreement are: <ul style="list-style-type: none"> • Paid \$20,000 cash for 18 months Option to Purchase, • Renewable for same period with another \$30,000 payment. • Outright purchase: \$100,000 cash & \$100,000 of ENT script, & • Vendor retains Alluvial rights to 6m depth below natural surface, & • 1.5% Gross Smelter Royalty on hard rock gold production, capped at \$1million.
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> • From the late 1960's to about 1986, exploration in the Widgiemoolth area was focused on nickel exploration. • In 1987, WMC Resources Ltd entered into a JV with Camira Mines NL, to explore E15/116 centred about 25km north of Widgiemoolth. WMC collected 3,757 -10# soil samples from the 40km² tenement. The soil survey defined two gold soil anomalies adjacent to the granite-sediment contact in the Mandilla Homestead area. The southern anomaly was defined by a 20ppb Au contour, with peak values up to 150ppb Au, extending over 800m of strike. The northern anomaly was defined by a 10ppb Au contour extending over 600m. Some 117 of these soil samples were located on the current Mandilla E15/1437 & P15/5885. • Under the "Widgiemoolth Project" banner between 1990-1997, WMC held a very substantial block of tenements from ~30km south of Higginsville to ~20km north of Widgiemoolth. WMC was targeting both nickel and gold deposits. • Most of WMC's exploration occurred immediately to the west of the current tenements Allen's Mandilla Prospect tenements E15/1437 & P15/5885 (ie. within Anglo Australian Resources NL's current Mandilla Project tenements) but some of it overlapped into E15/1437. • In 1991-1992 WMC undertook extensive -6mm bulk soil sampling programs on a 400m x 100m grid and some aircore drilling. In June 1993, E15/116 was converted to Mining Lease 15/633. • Several programs of percussion, diamond, and aircore drilling programs were completed in the area between 1988 – 1994, with some narrow but quite spectacular aircore intersections in "granite" (within Anglo Australian Resources NL's current Mandilla Project tenements) • As part of this large AC program, WMC reported that 43 shallow aircore holes (647m) were drilled within M15/633 over a gold soil anomaly. (in what is now E15/1437). The drilling was undertaken on 4 east-west lines, 200m apart, with 40m hole spacing. (AC holes WID1908, WID1910 – WID1928 and WID1930 - WID1952). WMC reported the bottom 3m results of all holes as 0.02ppmAu.

<p><i>Exploration done by other parties (cont'd)</i></p>	<ul style="list-style-type: none"> • WMC had undertaken a partial surrender of E15/116 in 1990 which was picked up by AngloGold Australia Ltd as E15/660. AngloGold undertook an extensive soil auger drilling program (400m x400m, 766 holes/1,150m, average 1.5m depth) with RAB drilling (106 holes/3,922m) to follow up of soil geochemical anomalies. The eastern half of E15/1437 was covered by this soil auger drilling program. (128 samples) • Three of AngloGold's RAB holes (total 149m) were drilled within current tenement E15/1437. (LFRB102,103 & 105). LFRB105: 4m at 0.028 ppm Au from 52-56m. The peak assay from AngloGold's 106 RAB holes was recorded in a hole located in the NE corner of current E15/1437. LFRB105: 4m at 0.028 ppm Au from 52-56m. • In 2001 WMC sold its St Ives and Agnew gold assets to subsidiaries of Gold Fields Limited. The Mandilla tenements M15/96 and M15/633 were part of this package. • In 2004 Anglo Australian Resources NL ("AAR") purchased the gold rights of the Mandilla Project (M15/96 & M15/63) from Gold Fields. • Initial exploration by AAR in 2004 included a detailed aeromagnetic survey and the drilling of 5 aircore holes for 199m on M15/633 and 6 RC holes for 727m on M15/633 targeting palaeo-channel and bedrock targets. • In 2004, the whole of the Mandilla Project was covered by a low level airborne geophysical survey by UTS Geophysics. Total field magnetic data, radiometric data and digital terrain information was collected on 50m spaced east-west lines at a sensor height of 30m. The survey consisting of 963 line kilometres was part of a much larger multiclient survey. • Between 2005 - 2014, AAR undertook extensive aircore and RC drilling programs on their Mandilla tenements, and eventually surrendered the eastern portion of M15/633 (where they had drilled no holes) in March 2013. • In August 2014 William Royce Allen applied for the surrendered portion of M15/633 as Exploration Licence 15/1437, which was granted for 5 years on 18 March 2015. • From 2015 to 2019, William Allen and family metal detected and prospected on E15/1437 for gold nuggets. • Based on observations of panned samples from ~150 shallow auger holes drilled by Mr Allen on E15/1437, it was concluded that these nuggets had most likely weathered out of the syenite and had concentrated in the easterly draining channel that drains to Lake Lefroy some 10 kilometres to the east of Mandilla. • It is observed from the work by WMC and AngloGold and Anglo Australian Resources NL over the eastern part of the Mandilla Syenite, that the area of E15/1437 has been explored almost exclusively by soil sampling, which has been wholly ineffective. • In 2006-07 the deeper aircore and RC drilling on the western side of the Mandilla Syenite Anglo by Australian Resources NL produced ~23,000oz Au from an open cut palaeo-channel running along the western margin of the syenite and in 2008 Anglo published an Inferred resource at Mandilla East, which is still open.
<p><i>Geology</i></p>	<ul style="list-style-type: none"> • The Mandilla Prospect lies on the margins of a porphyritic granitic intrusion, the Mandilla Syenite. The granite intrudes volcanoclastic sedimentary rocks in the area which form part of the Spargoville Group. • Significant NW to WNW and NE trending structures along the western flank of the tenements are interpreted from regional aeromagnetic data to cut through the Mandilla Syenite and may be important in localising mineralisation within the Mandilla Syenite. • Interpreted geology is Archaean mafic sequence of rocks wrapped around younger intrusive Archaean granites, based on GSWA regional airborne magnetic surveys and previous GSWA geological mapping. • Note: there is very little exposed bedrock in most of the area as basement is obscured by alluvium and palaeo-channel material.

<i>Drill hole Information</i>	<ul style="list-style-type: none"> Enterprise has digitised the small amount of shallow drill hole collar information, which Enterprise deems to have been ineffective
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> No relevant drill hole data to aggregate.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> Not relevant at this stge. Cannot be determined due to lack of outcrop and no diamond core drilling.
<i>Diagrams</i>	<ul style="list-style-type: none"> Refer to figures in main body of this report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> All relevant exploration data has been assessed, and is considered inadequate due to the shallow, surficial nature of the historical soil sampling.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> No other material information available for prospect area at this stage.
<i>Further work</i>	<ul style="list-style-type: none"> Enterprise is planning an extensive aircore drilling program over magnetic lows and interpreted structural breaks on the eastern margin of the Mandilla Syenite
<i>Moisture</i>	<ul style="list-style-type: none"> Not relevant at this stage due to lack of drilling data.
<i>Cut-off parameters</i>	<ul style="list-style-type: none"> Not relevant at this stage due to lack of drilling data.
<i>Mining factors or assumptions</i>	<ul style="list-style-type: none"> No mining assumptions at this early stage.
<i>Metallurgical factors or assumptions</i>	<ul style="list-style-type: none"> Not relevant at this stage due to lack of drill samples.
<i>Environmental factors or assumptions</i>	<ul style="list-style-type: none"> It is assumed that no environmental factors exist that could prohibit any potential mining. The area between Kambalda and Widgiemooltha has a strong history of mining, and there is strong local support for mining in the area.
<i>Bulk density</i>	<ul style="list-style-type: none"> Not relevant at this stage due to lack of drill samples.
<i>Classification</i>	<ul style="list-style-type: none"> Not relevant at this stage due to lack of drilling data.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> Enterprise has reviewed and commenced compiling all historic drill hole and down hole geochemistry data.
<i>Discussion of relative accuracy/confidence</i>	<ul style="list-style-type: none"> Not relevant at this stage due to lack of drilling data.