

Vulcan Prospect, Doolgunna Drill Results Outline Primary Zone Au/Cu Target

HIGHLIGHTS

- Latest drillholes at Vulcan Prospect, Doolgunna outline laterite gold mineralisation within deep oxide zone, overlying elevated copper in transition zone.
 - DNAC384 8m @ 3.0 g/t Au from 44m
 - DNAC385 12m @ 1.4 g/t Au from 36m
 - and 12m @ 323ppm Cu, 875ppm As, 111ppm Pb, 127ppm Zn (End of Hole)
- Anomalous Au/Cu results in regolith suggest a plunging DeGrussa style shoot, of approx. dimensions 150m long x 20-30m wide, southerly dip ~70° & plunge ~60° to SE.
- Results from aircore drill holes at other prospects in the area are still awaited.

SUMMARY

Enterprise Metals Limited ("Enterprise" or "the Company", ASX: "ENT") announces the latest aircore drill results (Refer Figures 1 & 2) from its Vulcan Prospect within the Doolgunna Project (Refer Figure 3) located 130km northeast of Meekatharra in WA. The 2012 aircore drilling results have outlined a plunging pipe like zone of oxide gold mineralisation, which is interpreted to overlie primary sulphide mineralisation. Deeper RC drilling will be required in early 2013 to test this interpretation.

Commenting on these latest drill results, the Company's Chairman, Dr Jingbin Wang said:

"I am very encouraged by the infill aircore drill results because they have firmed up our model for the Vulcan area, and have outlined a primary zone RC drill target for early 2013, where we hope to discover economic copper/gold mineralisation. The Company also has other copper/gold soil and aircore drill hole anomalies to the northeast and southwest of Vulcan where further infill aircore drilling will be required in early 2013".

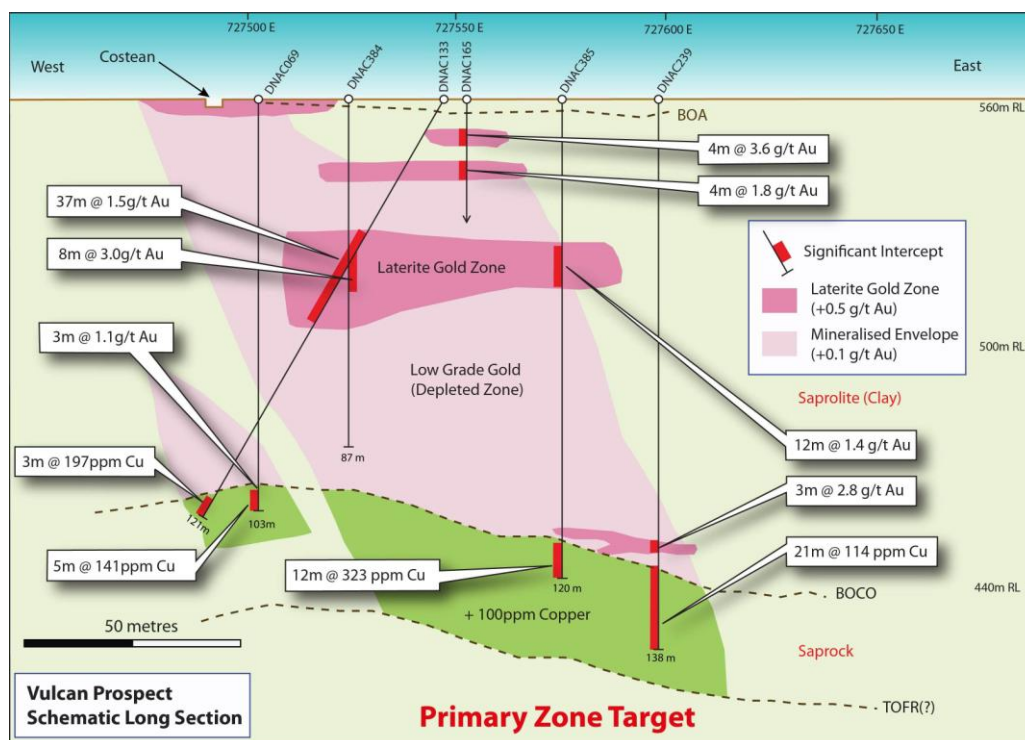


Figure 1: Vulcan Prospect, Schematic Long Section

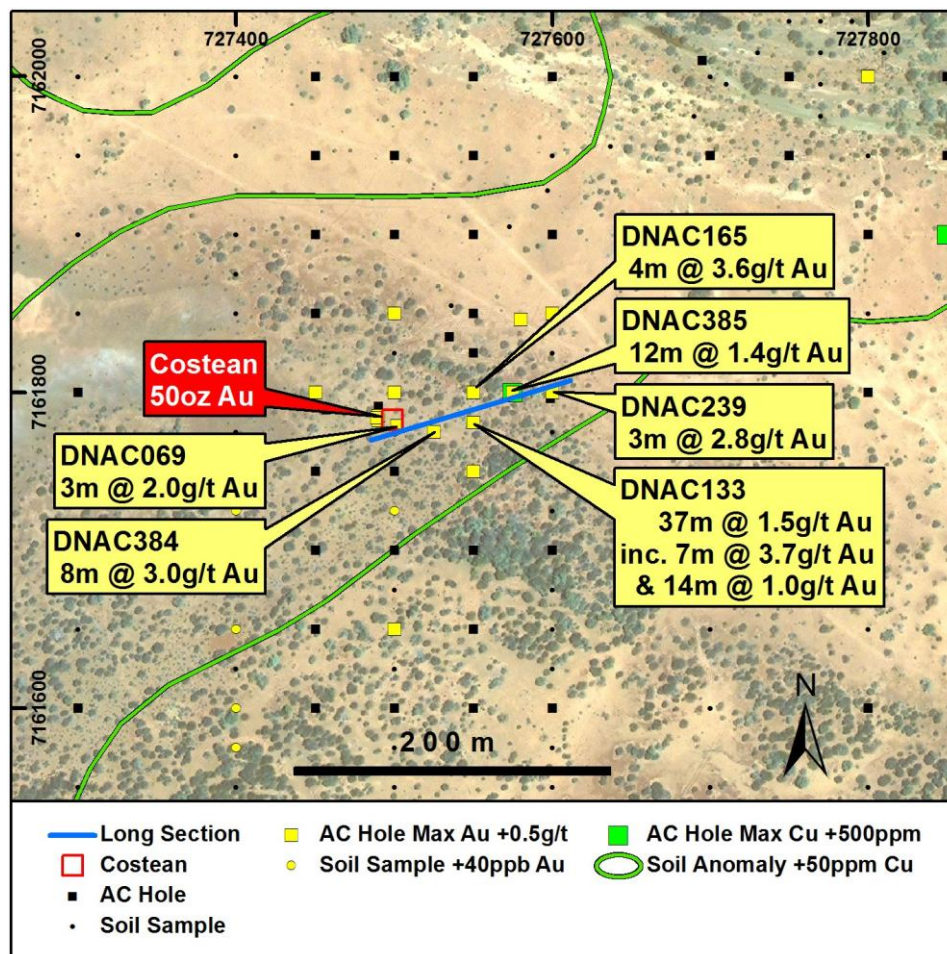


Figure 2: Vulcan Prospect, AC Drill Hole & Long Section Location over Google Image

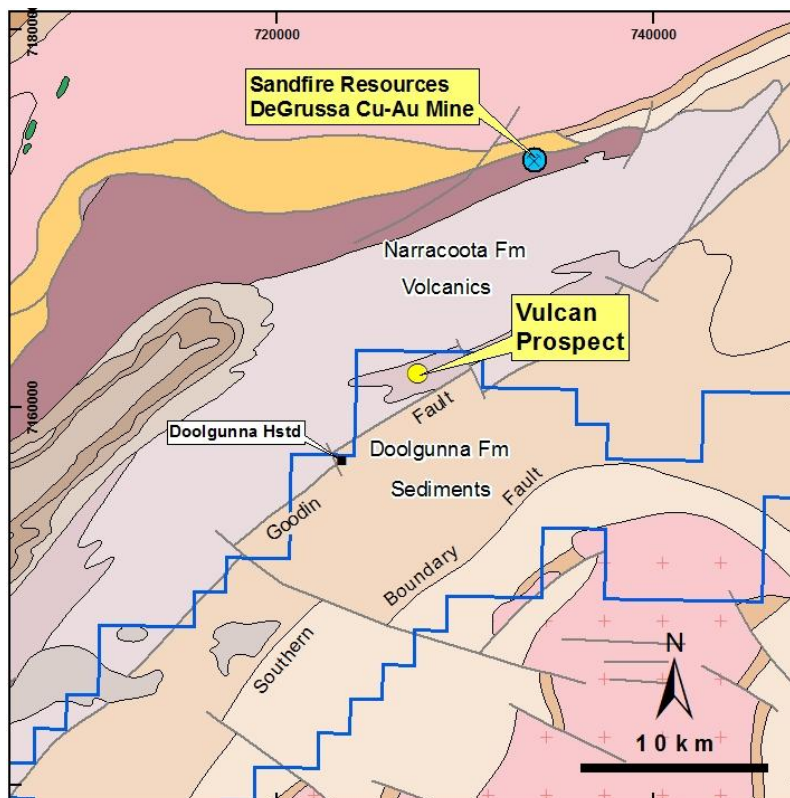


Figure 3: Vulcan Prospect, Geology and Location

BACKGROUND

A program of 245 vertical aircore drillholes (14,785m) with holes at various spacing ranging from 100m x 200m and 50m x 50m was completed in October 2012 to follow up encouraging drill and soil geochemical results identified by the Company at Doolgunna (*Refer ASX:ENT announcements 23 August, 17 September & 2 November 2012*). Six of these infill holes, DNAC379 - DNAC385, were drilled in the general area of the Vulcan soil anomaly.

The infill aircore drilling program was undertaken to outline zones of lateritic or oxide gold mineralisation (and deeper copper mineralisation) within the regolith. (Refer Figures 2 & 4 and Table 2 for drill hole locations) The concept is that remanent gold (and deeper copper) mineralisation in the regolith will assist in the location of sulphide targets for RC drill testing in the primary zone (fresh rock).

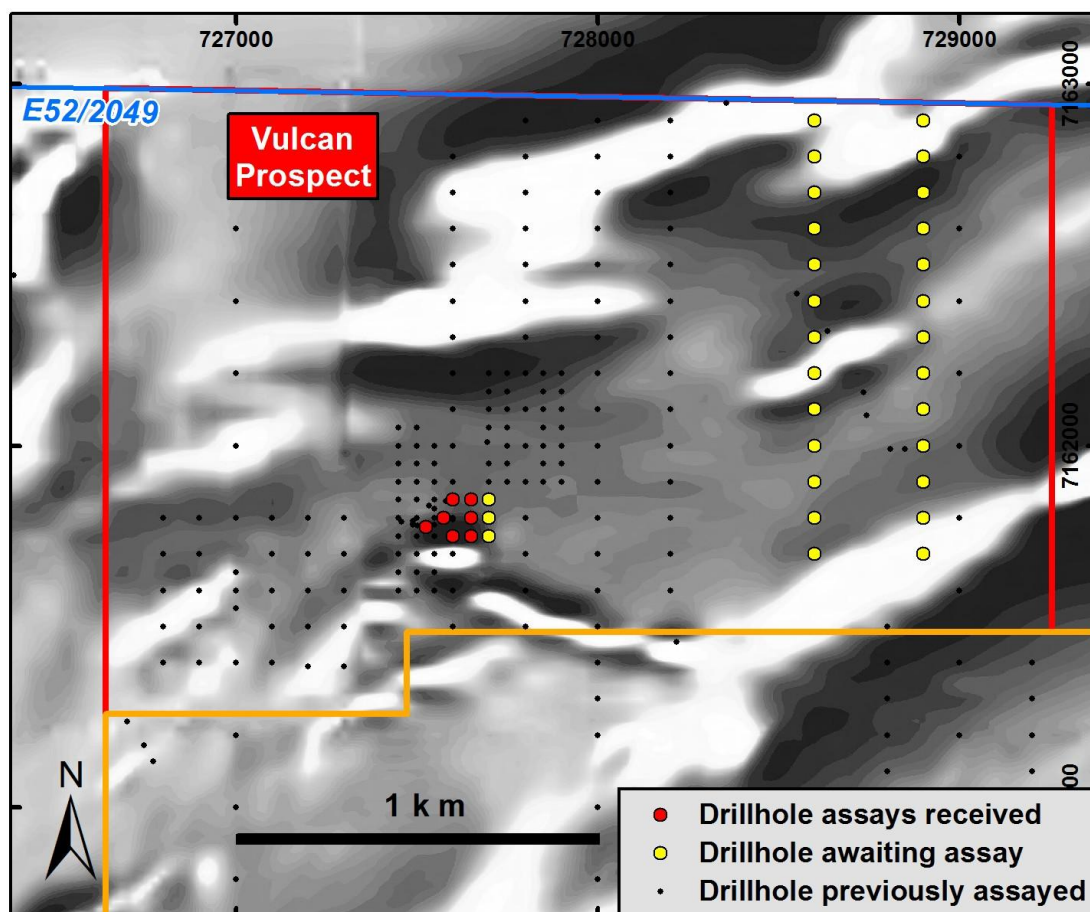


Figure 4: Vulcan Prospect, AC Drill Hole Collar Locations over Magnetic Image

The Vulcan “shoot” occurs within the 1,500m long copper/gold Vulcan soil anomaly, which has a VMS style multi-element association of Au-Ag-As-Pb-Zn-Mo-Sb-Cd. (*Refer ASX:ENT announcement 17 September 2012*)

The geochemistry of drill hole DNAC385 shows severe metal depletion from surface to 108m downhole (*Base of Complete Oxidation* or BOCO) and then a significant (10 to 20 fold) increase in metal content from 108m to end of hole at 120m, which is all in the partly oxidised or transition zone. The increasing geochemistry of drill hole DNAC385 with depth is shown in Table 1 overleaf.



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Table 1: Aircore Drill Hole DNAC385, Geochemistry by Zone

From (m)	To (m)	Zone	Av. Au (ppm)	Av. Cu (ppm)	Av. As (ppm)	Av. Co (ppm)	Av. Pb (ppm)	Av. Ni (ppm)
0	108	Oxide	0.2	17	28	10.5	2.6	8.4
108	120	Transition	0.07	323	875	43	43	53

It should also be noted that in hole DNAC385, sulphide mineralisation (arsenopyrite) was observed at 108m (0.7% As) and 112m (0.3% As) and maximum base metal levels in the transition zone were: 717ppm Cu (115m), 602ppm Pb (109m), 1.5ppm Cd (109m), 0.3ppm Bi (120m).

At Vulcan, *Top of Fresh Rock* (TOFR) lies somewhere below 120m from surface, and this zone will be the target for a concerted RC drilling program early in the new year.

Table 2: Vulcan Vertical Aircore Drill Hole Details

Hole No.	East MGA94	North MGA94	Depth (m)
DNAC379	727650	7161750	65
DNAC380	727650	7161800	120
DNAC381	727650	7161850	95
DNAC382	727600	7161850	111
DNAC383	727600	7161750	119
DNAC384	727525	7161775	87
DNAC385	727575	7161800	120
DNAC379	727650	7161750	65

All holes were vertical and samples were analysed SGS Australia Pty Ltd ("SGS") in Newburn WA. Samples were pulverised, and 50g splits were digested in Aqua Regia. Assays were by method ICP-MS finish for Au plus 13 elements (Ag, As, Bi, Cd, Co, Cu, Mn, Mo, Ni, Pb, Sb, Tl and Zn).

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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.