

ROCKCHIP SAMPLES RETURN +60% Fe AT BURRACOPPIN

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) wishes to announce that it has received assay results for the second batch of rockchip samples collected in the vicinity of aeromagnetic anomalies at Burracoppin, 280 km east of Perth. (Refer ASX release 25 January 2011).

The samples were obtained from scattered outcrops/subcrops of hematite, goethite, goethitic banded iron formation (“BIF”) and BIF proper. Overall, 25 of the 29 samples submitted for XRF analysis contained in excess of 30% Fe, as shown in table below and figure 1 overleaf.

Sample No.	GDA94 East	GDA94 North	Fe %	Al ₂ O ₃ %	SiO ₂ %	P %	LOI %
E013644	642463	6520234	62.0	4.1	4.0	0.03	1.3
E013657	642176	6520363	61.0	1.9	7.3	0.16	1.8
E013631	642336	6520157	58.5	4.4	8.2	0.03	0.9
E013628	642259	6520255	58.4	1.0	5.1	0.06	8.6
E013651	639662	6518601	57.8	1.5	4.4	0.10	9.1
E013650	642278	6520194	57.2	6.9	5.0	0.01	1.9
E013646	642214	6520172	56.5	1.9	4.5	0.06	10.6
E013630	642286	6520177	56.0	1.3	4.0	0.01	5.8
E013635	642297	6520208	55.5	3.7	6.3	0.02	6.4
E013655	642566	6520276	55.0	5.0	5.3	0.01	1.1
E013660	642186	6520359	54.5	1.9	9.7	0.11	8.4
E013641	642826	6522376	54.2	4.7	4.5	0.08	12.5
E013656	642363	6520215	54.1	2.7	5.1	0.04	11.5
E013612	642471	6523096	52.3	5.6	7.4	0.09	10.7
E013647	642293	6520197	51.3	5.6	8.5	0.02	9.1
E013632	642297	6520206	49.7	4.7	7.9	0.02	11.0
E013645	642295	6520188	48.5	4.1	6.1	0.02	13.8
E013663	648173	6511075	47.7	4.2	17.3	0.09	10.0
E013659	642229	6520282	46.9	3.9	18.5	0.05	8.5
E013642	642284	6520219	46.9	2.3	13.5	0.08	9.3
E013627	638616	6516239	42.4	5.8	25.6	0.09	7.2
E013654	639651	6518596	42.3	1.9	34.7	0.03	2.6
E013649	642569	6520304	41.2	2.8	34.8	0.05	3.8
E013639	639517	6519436	35.1	0.7	48.0	0.03	0.8
E013638	639190	6519100	31.3	16.9	28.7	0.01	9.4

Note: Fe, Al₂O₃, SiO₂, & P were determined by X-ray fluorescence spectroscopy (XRF) on pulverised samples fused with a lithium borate flux. Single point Loss on Ignition (LOI) was determined by the use of Thermo Gravimetric Analysis (TGA) at 1000°C. Detection limits for listed elements were 0.01% except for P (0.001%).

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Two samples of massive hematite returned assays +60% Fe, whilst 15 samples returned 48-60% Fe with Loss on Ignition ("LOI") varying between 1-13%, indicating massive goethite and/or strongly goethitised BIF. The remaining samples with 30-48% Fe were from BIF with 14-48% SiO₂.

Assuming that all LOI is attributed to waters of crystallization associated with hydrated iron oxides, any +50% Fe material would upgrade to 57-64% Fe after calcining. These results reinforce the Company's view that mineralising processes capable of upgrading BIF to ore grade goethite (and hematite) have been active at Burracoppin.

Planned Exploration

The Company is currently in the process of designing follow-up exploration programmes to fully evaluate the iron ore potential of the Project. This programme will involve:

- Continued geological mapping of "prioritised" aeromagnetic features to define their character and extent, aided by in-field geochemical analysis of iron utilising the Niton XRF analyser.
- Rockchip sampling of selected material for laboratory analysis.
- Trenching to assess the character and extent of iron rich units identified in mapping.
- Drill testing of priority iron targets.

All necessary government and statutory approvals for this work will be submitted within the week.

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The information in this announcement that relates to Exploration Results has been compiled by Mr Dermot Ryan, who is a Fellow of the Australian Institute of Geoscientists, and a full time employee of geological consultancy Xserv Pty Ltd. Mr Ryan has sufficient relevant experience in the techniques being reported and styles of mineralisation and types of deposit under consideration, and in the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code), and consents to the inclusion of the information in the form and context in which it appears.

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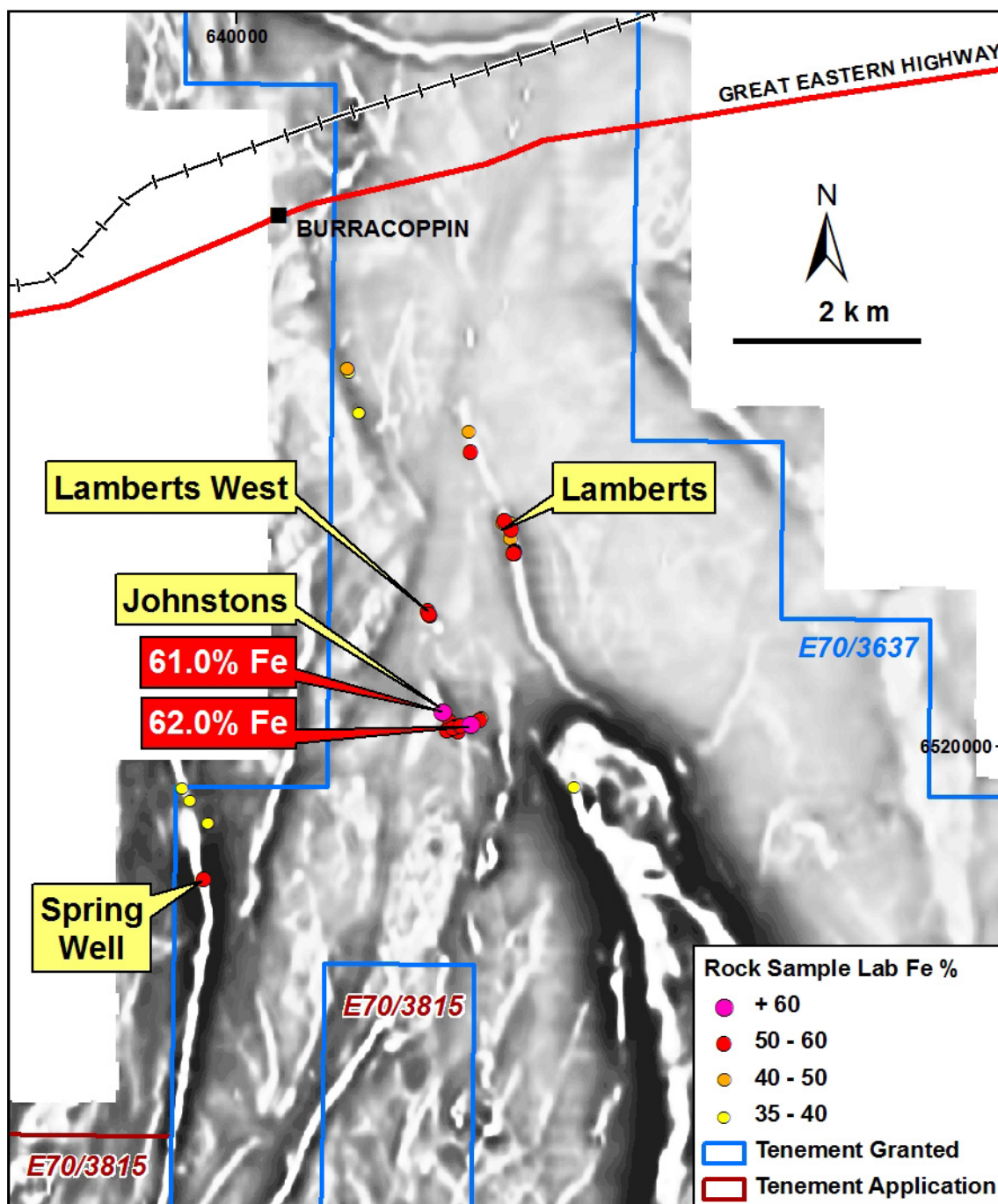


Figure 1. Burracoppin Magnetic Image with +35% Fe XRF Assays