

ENTERPRISE RAISES \$1M TO FUND HIGH IMPACT DRILLING AT FRASER RANGE AND DOOLGUNNA

- **Placement received strong demand from new and existing investors**
- **Enterprise is now fully funded for exploration at its Fraser Range and Doolgunna Projects**
- **Drilling will commence in January 2014**

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: ENT) is pleased to announce that it has resolved to raise up to approximately \$1.08 million through the placement of 26.9 million shares at 4 cents per share (with a 1:2 free attaching option exercisable at 8 cents on or before 30 November 2016) (“Placement”).

Placement

The majority of the Placement will settle in a first and unconditional tranche under the Company’s existing capacity pursuant to ASX Listing Rule 7.1. This first tranche will comprise 25.775 million shares to raise up to approximately \$1.03 million.

The major shareholder of Enterprise, SinoTech Minerals Exploration Co Ltd, will approximately maintain its interest in Enterprise through its participation in the Placement for \$330,000. The balance of \$746,000 of the Placement was subscribed for by professional and sophisticated investors under Section 708 of the Corporations Act, and therefore was an offer not requiring a disclosure document and its associated preparation costs.

Shareholder approval will be required for the second and conditional tranche, the issue of the balance of approximately 1.125 million shares (\$45,000 attributable to Directors of Enterprise), as well as all of the attaching options associated with the Placement (13.45 million in total).

A Notice of Meeting will be sent to all shareholders in due course. The General Meeting is anticipated to be held in early January 2014.

Use of Funds

Funds raised from the Placement will be primarily used to progress high impact exploration at Enterprise’s Fraser Range Project and Doolgunna Project, and for working capital. Enterprise intends to undertake approximately 2,000 to 3,000 metres of RC drilling at each of the Fraser Range and Doolgunna Projects commencing in January 2014, as well as undertaking further EM work at these Projects.

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Fraser Range Exploration Program

The Fraser Range Project is located between Sirius Resources NL's Nova and Crux prospects. Enterprise's drill targets are similar geologically to Nova and Crux. Enterprise's ground covers 594km² and is located approximately 100km east of Norseman. The Project is considered prospective for gold and copper/nickel/PGE mineralisation and covers the core of the Fraser Range gravity feature, which defines the prospective nickel-copper belt containing Sirius's Nova deposit.

The Company has identified four high priority targets at Plato, Heart, Highway and McPhersons using soil geochemistry and HeliTEM data, for drill testing in early 2014. Plato is defined by an area of coherent Ni-Cu-Co soil anomalism, with individual maximum values of up to 252ppm Ni, 46ppm Cu and 32ppm Co. The Plato prospect is interpreted to be an intrusive body similar to that associated with the Nova Ni deposit and Sirius's recently announced Crux anomaly. Plato lies approximately 20km NE along strike from Crux (see Figure 1).

The drilling program will commence at Plato, with 1,500 - 2,000m of RC, followed by down-hole EM to identify massive sulphides proximate to each hole. Similar programs are planned for Heart, Highway and McPhersons.

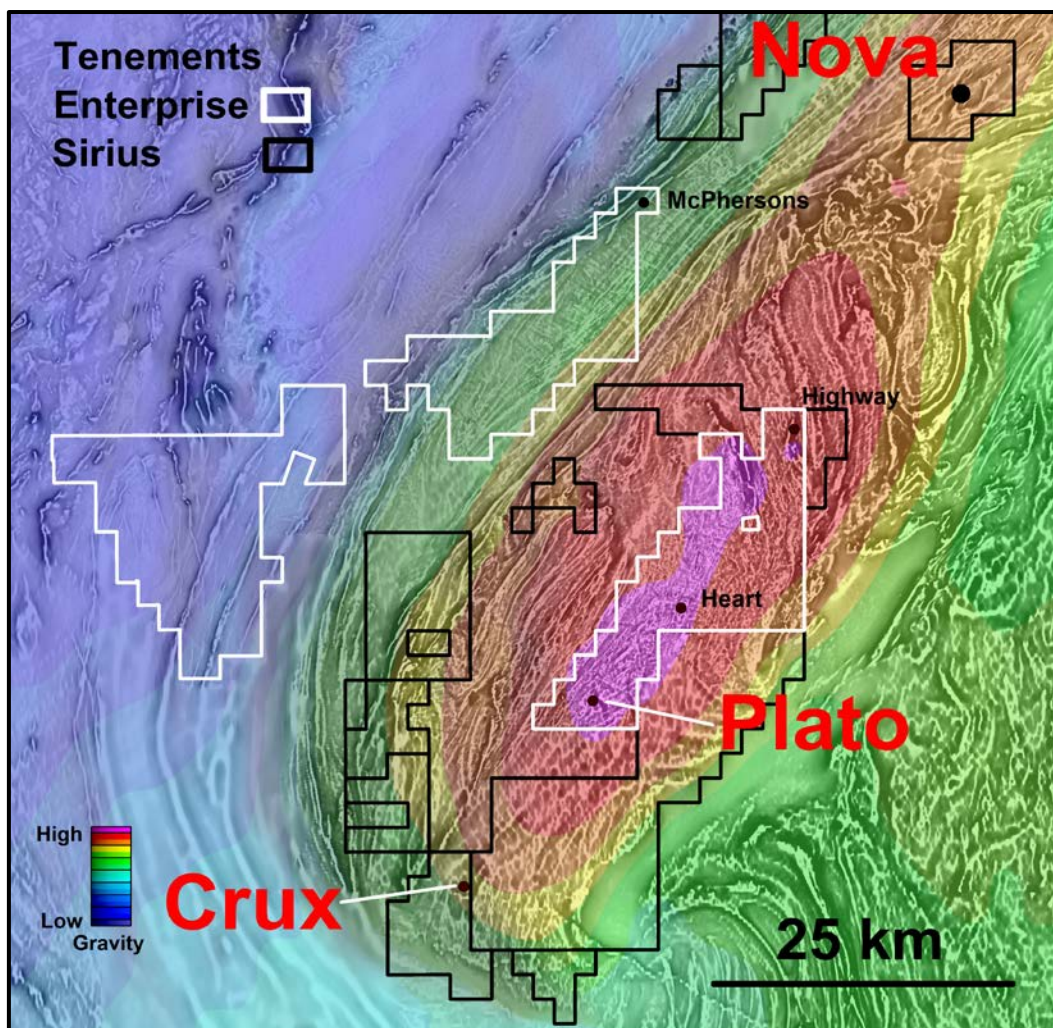


Figure 1. Fraser Range, Magnetic Image with Coloured Gravity Drape

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Doolgunna Exploration Program

The Doolgunna Project covers 1,036km² and is located 110km northeast of Meekatharra and some 10km southwest of Sandfire Resources NL's DeGrussa copper-gold mine. The project is considered prospective for volcanic hosted massive sulphide deposits (VMS) and sediment hosted base metals deposits (SEDEX copper). The giant orebodies of the Zambian Copperbelt are considered to be SEDEX-style copper deposits, formed at the arkose-shale interfaces within sedimentary sequences, adjacent to major fault structures.

The Doolgunna geological setting is similar in some respects to the Zambian Copperbelt, and the Company has identified a number of SEDEX style copper-gold targets along the Southern Boundary Fault, which marks the southern boundary of the sediment filled Doolgunna Graben. These targets, shown as A to F in Figure 2, were initially airborne EM targets, and are now supported by ground EM surveys and highly anomalous values of tellurium, bismuth, antimony and molybdenum in 'mag-lag' geochemistry. These metals are considered to be base metal pathfinders.

Gravity traverses have been planned for each of the drilling targets, in order to prioritise the target drilling sequence. Following the gravity traverses and ranking, a program of approximately 3,000m of RC drilling is planned, with follow up Downhole EM.

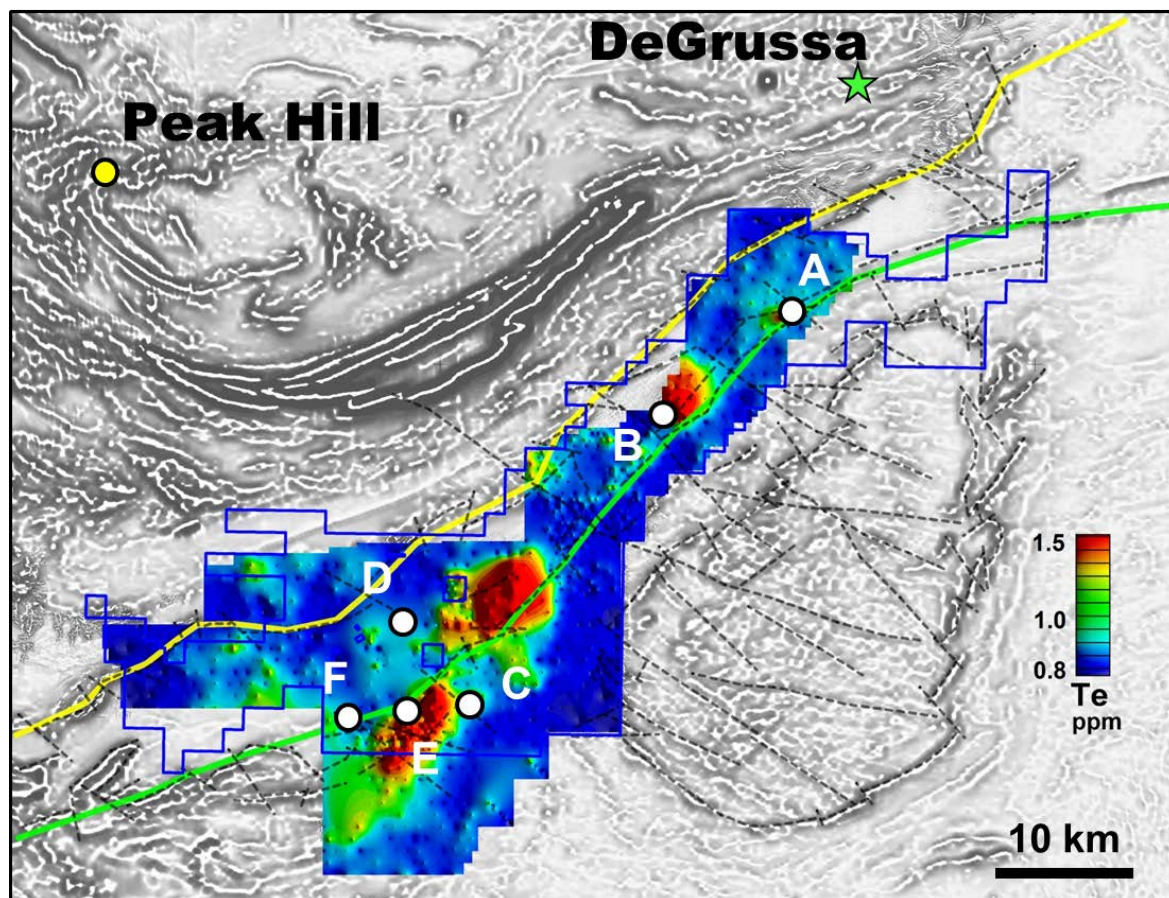


Figure 2. Doolgunna Project, Magnetic Image with Mag-Lag Tellurium Geochemistry and EM Targets

Commenting on the Placement, Enterprise's Managing Director, Dermot Ryan said:

"It is very encouraging to receive such strong support for the Placement in a difficult market for junior resources companies. This is a strong endorsement by major shareholders and others of the prospectivity of the Fraser Range Project in particular, as well as the Doolgunna Project. Following completion of the Placement we are fully funded for the high-impact exploration at each of these locations, which will commence in January 2014. The Enterprise team is excited at the prospect of drill testing the promising targets that have developed from our extensive preliminary exploration work."



Dermot Ryan
Managing Director

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.