

DIAMOND DRILLING COMMENCES AT PLATO NICKEL PROSPECT IN FRASER RANGE

- **Diamond drilling commenced this afternoon, deepening PLRC003**
- **RC drillhole PLRC006 (last precollar) in progress at 288m in gabbro**

Enterprise Metals Limited (“Enterprise”; “the Company”, ASX: ENT) advises that it has received notification of the commencement of a diamond core (“DC”) “tail” on reverse circulation (“RC”) pre-collar PLRC003 at Plato. It is intended to complete a total of four DC tails on four existing RC holes to test down to a depth of approximately 450m.

Drill Hole PLRC003

As reported to the ASX on 1st May 2014, RC drill hole PLRC003 intersected disseminated sulphide mineralisation including chalcopyrite and pyrrhotite from 204 metres to 264 metres downhole. One metre samples from this intersection, together with 4 metre composite samples from the remainder of the hole have been submitted for geochemical analysis, and results are awaited.

The Company received notification this afternoon that an NQ diamond core “tail” had commenced on PLRC003 at 270.2m.

The last RC pre-collar on this traverse, PLRC006, is reported to be at 288m in gabbro.

The locations of PLRC003 and PLRC006 are shown on schematic cross section in Figure 1 below.

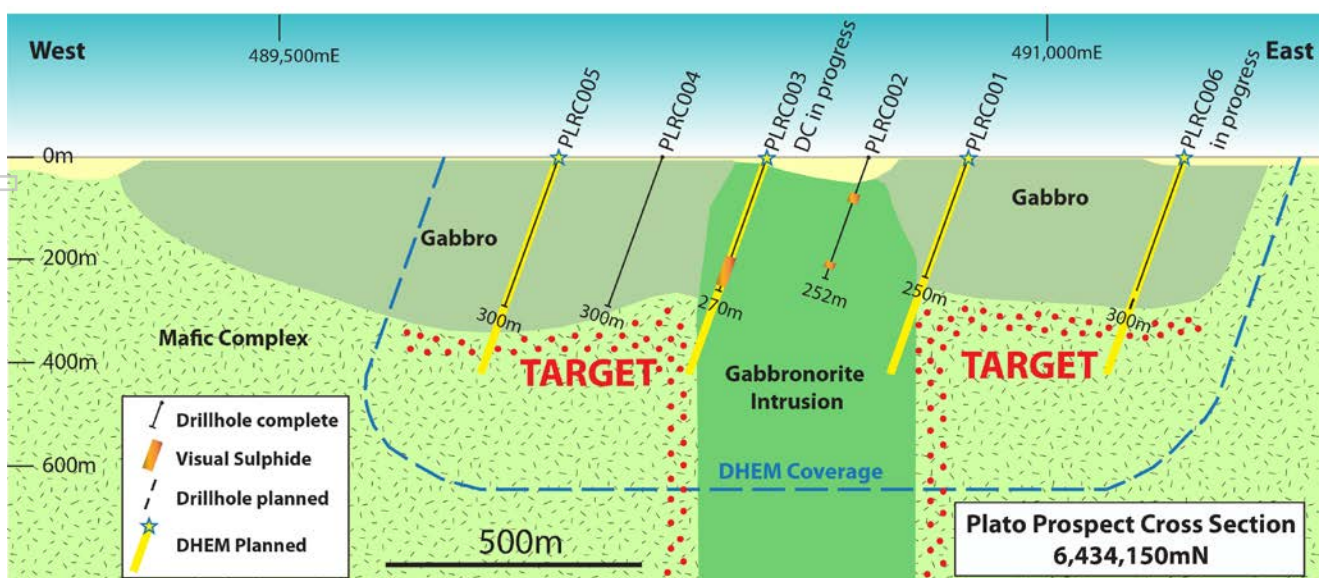


Figure 1. Plato Prospect, Schematic Cross Section Showing PLRC003 in progress and PLRC006

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The current RC scout drill traverse across Plato is a first pass drilling program designed to test a coincident soil geochemistry/magnetic feature with no outcrop. The intersection of disseminated sulphides in the lower part of PLRC003 and the upper part of hole PLRC002 are encouraging, and four DC tails have been planned at 400m spacing along Section 6,434,150mN to allow down hole EM surveys to be undertaken.

The area to the north and south of this section requires deep looking ground EM surveying to search for buried conductors indicative of massive sulphides. The image shows the boundary of the planned deep ground EM survey, and two other magnetic lows, at Plato East and Plato West, that have now been interpreted as being of interest.

Shown in Figure 2 below is a magnetic image of Plato and the near completed scout RC line of holes. Included in the lower left hand corner of Figure 2 is an **Inset** illustrating the plan projection of Sirius Resources Ltd's Nova/Bollinger massive Ni/Cu sulphide deposit, at the same scale as the Plato image. This is included to demonstrate the minimum size target the Company is seeking.

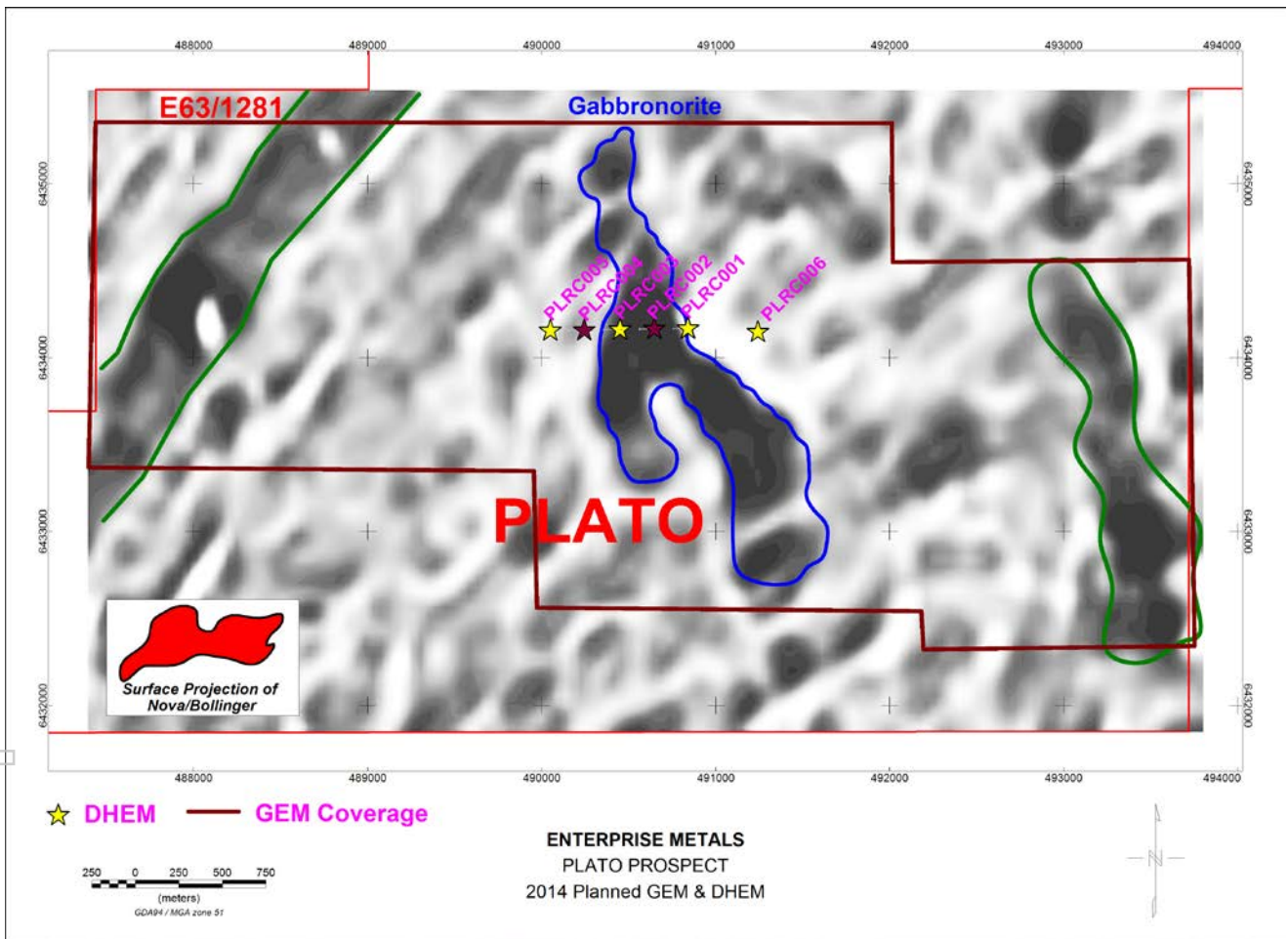


Figure 2. Plato Prospect, Magnetic Image Showing Locations of Drill Holes, and Inset with Nova/Bollinger Plan Projection for Scale

BACKGROUND

The Plato Igneous Complex is interpreted to be a Proterozoic-aged intrusion of similar type to intrusions that host significant nickel mines in Canada and also at Nova-Bollinger. Such intrusions display clear zonation in mineralogy and chemistry, with the zonation a clear vector for explorers to locate the most prospective areas.

Drilling results to date are summarised below. Refer schematic cross section, Figure 1, illustrating interpreted geology and actual and planned drilling.

PLRC001: Hole terminated at 250m in gabbro. (tight rods)

PLRC002: Hole terminated in gabbronorite at 252m. Extensive pyrrhotite mineralisation with trace visual sulphides. Disseminated sulphides associated with both ultramafic rocks and gabbro.

PLRC003: Hole terminated in gabbronorite at 270m. Iron sulphides (pyrrhotite) and trace copper sulphides (chalcopyrite) associated with gabbro. Assays awaited.

PLRC004: Hole terminated in unmineralised gabbro at 300m. Assays awaited.

PLRC005: Hole terminated in unmineralised gabbro at 300m. Assays awaited.

PLRC006: Hole in progress in gabbro at 288m.

COMMENTS

Preliminary results from exploration to date indicate that Plato is a late stage mafic/ultramafic intrusion into pre-existing gabbroic bodies. The early petrological observations suggest that there are olivine rich phases and pyroxene rich phases in this intrusive. The presence of disseminated and “blebby” copper and nickel sulphides has provided sufficient encouragement for the Company to undertake the current program of deep diamond core tails, downhole EM surveying and extensive ground EM surveying.



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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 employed as the Managing Director of the Company through geological consultancy Xserv Pty Ltd. Mr Ryan is a Fellow of the Australasian Institute of Mining & Metallurgy, a Fellow 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.

Table 1. RC Drill Collar Attributes

Hole Name	Easting	Northing	RL (m)	Dip (degrees)	Azimuth (degrees)	Depth (m)
PLRC001	490846	6434158	310	-70	270	250
PLRC002	490652	6434153	310	-70	270	252
PLRCD003	490454	6434150	312	-70	270	In progress at 270.2m
PLRC004	490249	6434146	312	-70	270	300
PLRC005	490052	6434157	312	-70	270	300
PLRC006	491246	6434158	312	-70	270	In progress at 288m

Grid system is GDA94(MGA), zone 51

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