



Enterprise Metals

Sep 17th 2012

Enterprise Metals hits more DeGrussa style copper heights at Vulcan

Enterprise Metals (ASX:ENT) has rung in more strong exploration results, this time from its Vulcan prospect - with one rock chip assaying 810g/t gold with associated high copper, silver and bismuth.

Vulcan is part of the Doolgunna Project, 130km northeast of Meekatharra, and was derived from a 1,000 metre long gold-in-soil anomaly.

In August, following the discovery of visible gold in a shallow pit NE of the Doolgunna homestead, Enterprise completed two vertical aircore holes at Vulcan which returned encouraging gold intervals.

Today's soil sampling results show the presence of a strong copper anomalous zone over 1,500 metres by 500 metres.

Fire assay results of 1m re-splits from the recently completed aircore drilling program have confirmed previous assays of 4 metres composite.

A rock chip sample with visible gold, located in the general vicinity of the Vulcan soil anomaly, returned 810g/t Au, 0.1% Cu, 18.3g/t Ag, 1.0% Bi, 132ppm Mo and 2.7ppm Sb, which supports the base metal prospectivity of the area.

Significantly, this gold/base metal association is similar to the VMS pathfinder elements reported from the DeGrussa deposit 13km to the north east. Both DeGrussa and Vulcan are hosted by the Narracoota Formation volcanics, adjacent to major regional faults.

In fact, the company's Chairman, Dr Jingbin Wang, said, "The recognition of coincident copper/gold anomalism over a significant area at Vulcan, coupled with a VMS multi-element soil anomaly on the eastern edge of Vulcan which is still open to the east, indicates potential for a base metal mineralised system at depth.

We are dealing with a very deep zone of oxidation, and before we drill deeply, we need to further define our target area with aircore drilling. An aircore drill program will commence in September to better define the Vulcan anomaly and test other nearby copper/gold anomalies in the oxide zone, in preparation for deep RC drill testing of these targets".

Re-split of aircore drill samples

All 4m composite samples with values >0.1g/t Au from the June-July aircore drilling program were re-sampled at 1m intervals and analysed by the fire assay method.

Re-splits of aircore samples have returned significant gold results from the Oxide Zone including:

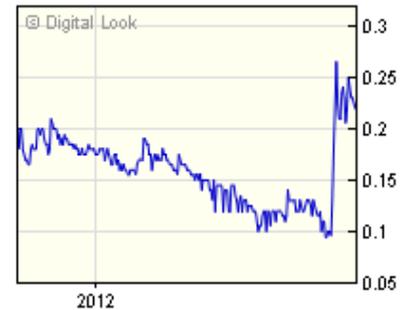
- DNAC133 15m at 2.03 g/t Au from 35m incl. 7m at 3.66 g/t Au from 42m & 14m at 1.01 g/t Au from 54m
- DNAC136 6m at 4.85 g/t Au from 49m incl. 1m at 19.0 g/t Au from 49m DNAC066 2m at 16.48 g/t Au from 72m incl. 1m at 30.6 g/t Au from 73m

New Vulcan Drilling Program to commence in September

Price: A\$0.22

Market Cap: A\$45.84M

1 Year Share Price Graph



Share Information

Code: ENT

Listing: ASX

Sector: General Mining

Website: www.enterprisemetals.com.au

Company Synopsis:

Enterprise Metals (ASX: ENT) is an exploration company with a portfolio of prospective gold, uranium and iron ore projects in Western Australia.

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A 260 hole aircore drilling program will commence late September at the Vulcan prospect and surrounding area testing previous gold intersections and multi-element geochemical anomalies.

This program is designed to enhance Enterprise's understanding of both the bedrock geology and the distribution of gold, copper and pathfinder elements in the regolith, with the ultimate aim of delineating VMS and gold mineralisation in the primary (fresh rock) zone.

Regional Drilling Program planned for October

A regional aircore drilling program comprising 250 holes for 10,000m along 12 traverses has also been designed and submitted for approval to the DMP. This drilling will focus on the copper/gold mineralisation associated with the Southern Boundary Fault and Doolgunna Formation.

Major 10,000m infill aircore drilling at Vulcan and surrounding anomalous drill targets to commence late September.

Spin off of uranium assets

Planning for de-merger of the Company's uranium assets into Enterprise Uranium (ASX: ENU) is well advanced, and subject to shareholder approval, will take place in mid-October, with ASX listing scheduled for early December.

ENT shareholders will also receive a 1 for 5 in-specie distribution of ENU shares for those on the register at record date.

Analysis

Latest results follow on the brace of strong exploration results announced by Enterprise in recent weeks. Today's copper results at Vulcan Prospect, Doolgunna support the presence of DeGrussa style mineralisation.

Enterprise has advanced exploration targets returning very strong results on tenements near to both the Sirius Resources (Nova nickel sulphide) and Sandfire Resources (DeGrussa copper-gold) discoveries in Western Australia. This provides strong newsflow and exploration upside for Enterprise shareholders, with early exploration results highlighting the promise.

With strong cash reserves of \$8.2 million at June 30, plus \$2.5 million from exercise of Options by SinoTech Minerals in July, current valuation of Enterprise is not demanding. We would expect more share price upside and increase in valuation for Enterprise from \$0.22.

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