



UPDATE ON EXPLORATION ACTIVITIES AND PRESENTATION TO INVESTORS

1. Darlot Project: IP Survey Commenced at Griffin Well Gold Prospect

Enterprise Metals Limited ("Enterprise" or "the Company", ASX: "ENT") is pleased to announce the commencement of an Induced Polarisation (IP) survey at the Griffin Well gold prospect, some 22 km north north west of the Darlot gold mine and some 35 km south east of the Bronzewing gold mine. The prospect occurs within the prospective greenstone sequences of the Yandal Greenstone Belt. The Company is targeting a zone of quartz veining, silica alteration and massive and disseminated pyrite which occurs beneath a number of the shallow holes drilled to date.

Background

Much of the early drilling at Griffin Well was done by Barrick (and their predecessors Dominion, Plutonic and Homestake.) Newmont also explored in the area. Work by Plutonic and others involved the identification of a series of parallel or en-echelon zones of low level (sub-gram) supergene gold anomalism over a strike length of seven kilometres. Bedrock gold mineralisation was considered to be associated with broad pyrite alteration zones (commonly within or adjacent to a dioritic intrusion) with some intercepts interpreted to be partially open along strike and down dip.

Plutonic's conclusion was that bedrock drilling had been largely restricted to testing directly beneath the peaks of shallow anomalies, whereas the results of drillholes, such as YLRC41 suggest that the peak supergene responses could be laterally displaced away from the strongest bedrock sources.

Significant high grade intersections from drilling carried out by Dominion include 3m at 21.7 g/t Au from 37.5m in diamond hole 94GWDH01, 2m at 9.2 g/t Au from 56m returned from an RC hole 94GWRC14, and an intersection of broad low-grade mineralisation of 19m at 1.7 g/t Au from 42m in RC hole 94GWRC02. Further significant RC and diamond core assay results from Griffin Well are shown in Table 1 overleaf.

Newmont drilled a deep diamond hole (GRFD1) into the diorite intrusion in the centre of the prospect that returned an average grade of 0.19 g/t Au over the entire length of the hole from surface to 337.72m. Newmont suggested that the mineralising event may be intrusion related. However in the footwall to the diorite intrusion, a zone of quartz veining, silica alteration and massive and disseminated pyrite over several metres was intersected, providing encouragement.



Table 1. Significant Assays from Historic Drilling at Griffin Well

Company	Hole Type	Hole Number	From (m)	To (m)	Width (m)	Au Grade (g/t)
Dominion	RC	94GWRC02	18	19	1	3.5
			42	61	19	1.7
Dominion	RC	94GWRC04	59	65	6	3.6
Dominion	RC	94GWRC09	31	35	4	1.9
			40	85	45	0.5
Dominion	RC	94GWRC13	43	45	2	5.5
			135	136	1	1.6
Dominion	RC	94GWRC14	56	58	2	9.2
			67	71	4	0.8
Dominion	DD	94GWDH01	37.5	40.5	3	21.7
			42.5	46.5	4	2.7
			49.5	52.5	3	1.2
Plutonic	RC	YLRC0021	23	24	1	6.84
			31	35	4	1.17
Plutonic	RC	YLRC0031	26	28	2	4.82
Homestake	RC	YLRC0041	96	104	8	1.64
Homestake	RC	YLRC0050	42	43	1	6.5
			120	126	6	3

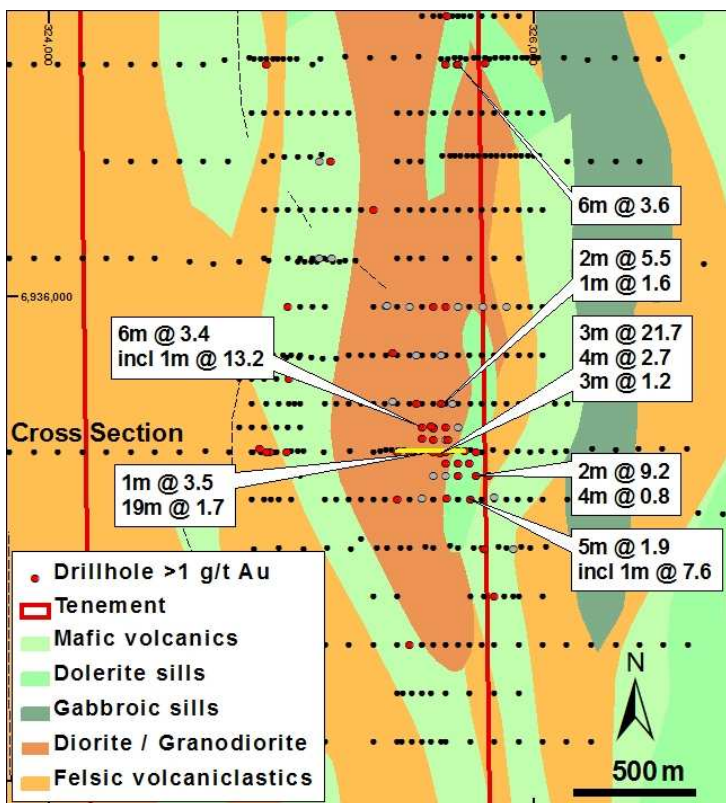


Figure 1. Griffin Well Gold Prospect, showing Geology and Drill Intersections

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2. Eucla Project: Commencement of Detailed Airborne Magnetic Survey

The Company is pleased to announce the commencement of a detailed airborne magnetic survey over its tenement in the vicinity of Balladonia, on the western margin of the Eucla Basin. The project area is immediately east of the Proterozoic Fraser Range Orogenic Complex, within the Nornalup Complex ("Balladonia Gneiss"), and the detailed survey is designed to identify future drilling targets.

The Balladonia gneiss is made up of intensely deformed, high grade migmatitic, ortho- and paragneisses, intruded by granite sheets. Magnetic data recently released by the Department of Mines and Petroleum suggests younger felsic and/or ultramafic bodies may intrude the area. A number of discrete, intense and large magnetic anomalies provide the evidence for these intrusives. Tertiary sedimentary units, generally less than 10 metres thick, cover most of the area.

Enterprise considers that these magnetic targets have the potential to contain or be associated with large world class deposits of iron oxide-copper-gold ("IOCG") concealed below thin cover. It is believed that the area's proximity to major fault breaks make the local geology particularly prospective for shear hosted gold deposits. These magnetic targets are depicted below in Figure 2.

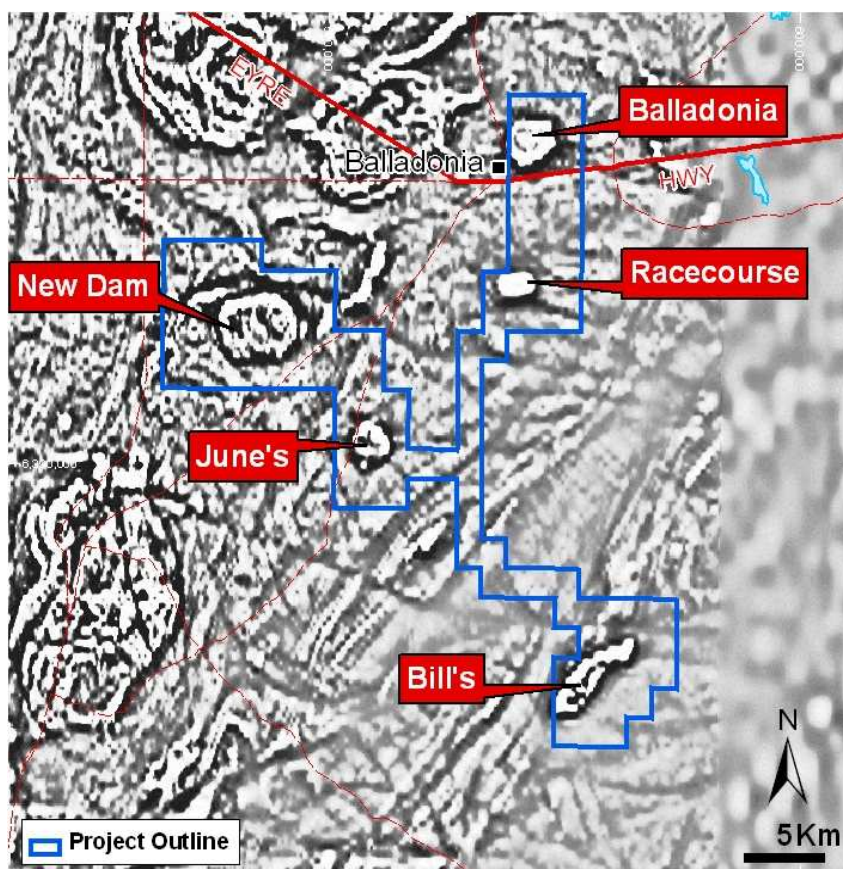


Figure 2. Eucla Project Tenement, First VD Magnetics and Magnetic Targets

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3. Presentation to Investors

Please also find attached a copy of a presentation to be given to investors in Perth by Managing Director Dermot Ryan.

Further information is available on the Company website at www.enterprisemetals.com.au

Jay Stephenson
Company Secretary

Contact: Telephone: 08 9436 9200 Facsimile: 08 9436 9299 Email: admin@enterprisemetals.com.au

The information in this announcement that relates to Exploration Results has been reviewed by Mr Dermot Ryan, who is a Fellow of the Australian Institute of Geoscientists, a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional and a full time employee of geological consultancy XServ Pty Ltd. Mr Ryan has sufficient relevant experience in the 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.