

29 April 2014

Mr Sebastian Bednarczyk
Senior Adviser, Listings
ASX compliance Pty Limited
2 The Esplanade
Perth WA 6000

Dear Sebastian

RESPONSE TO ASX PRICE QUERY

In response to your query of earlier today, we advise as follows:

1. *Is the Company aware of any information concerning it that has not been announced which, if known by some in the market, could explain the recent trading in its securities?*

No.

2. *If the answer to question 1 is "yes":*

- a) *Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?*

Not applicable.

- b) *Can an announcement be made immediately?*

Not applicable.

- c) *If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?*

Not applicable.

3. *If the answer to question 1 is "no", is there any other explanation that the Company may have for the recent trading in its securities*

As announced on 14th April 2014, Enterprise Metals Limited (the **Company**) is currently in the process of conducting an RC drilling program at its Plato prospect in the Fraser Range of Western Australia. The drilling program is incomplete, and as of Saturday 26th April 2014 the Company had only completed 2 RC holes of the minimum 8 hole program at Plato due to rig breakdowns and weather. Drilling has now been suspended due to rain and lack of access to the drill rig.

Samples of drill chips from all of the first RC hole and part of the second RC hole were dispatched to a commercial laboratory for geochemical analysis on 25th April 2014. The remainder of the samples from the second RC hole were dispatched to the laboratory on 28th April 2014 and assays are not expected for approximately 2 weeks.

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The Company also announced the completion of its drilling program at the Doolgunna Project in Western Australia on 17th April 2014 and set out that further 4 metre composite and 1 metre sample assay results were outstanding.

The Company intends to make an announcement to the market when it is able to do so in compliance with JORC 2012 and the Listing Rules.

4. *Please confirm that the Company is in compliance with the Listing Rules and in particular, listing rule 3.1.*

The Company confirms that it is in compliance with the Listing Rules, and, in particular, Listing Rule 3.1.

Yours sincerely



Damian Delaney
Company Secretary

Contact:

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28 April 2014

Dermot Ryan
Managing Director
Enterprise Metals Limited
640 Murray Street
WEST PERTH WA 6005

Dear Mr Ryan

Enterprise Metals Limited (the "Entity"): ASX price query

We have noted a change in the price of the Entity's securities from a close of \$0.047 on 27 April 2014 to a high of \$0.07 today. We have also noted an increase in the volume of trading in the Entity's securities over this period.

In light of the price change and increase in volume, ASX asks you to respond separately to each of the following questions:

1. Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Entity's securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 12.30 p.m. WST on 28 April 2014. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

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You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail or by facsimile to (08) 9381 1322. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Sebastian Bednarczyk
Senior Adviser, Listings (Perth)