

Drilling Commencing at Vulcan West Electromagnetic Copper Target, Doolgunna

Enterprise Metals Limited (“Enterprise” or “the Company”) (ASX: ENT) is pleased to advise that drill testing of the Vulcan West EM target at Doolgunna in Western Australia is planned to commence on 10th December 2015. The target will be tested with two reverse circulation (RC) drill holes (280m and 350m depth) although the contracted drill rig has sufficient drill rods and available air capacity to drill to 500m.

Subject to weather, the planned drilling is expected to be completed over a 3 to 4 day period. The holes will be cased to allow for subsequent downhole EM surveying (DHEM) to confirm that the EM conductor has been intersected, and to search for any “off-hole” or additional conductors which may not have been evident from the surface EM survey.

The Vulcan West EM target is a discrete basement conductor located in the Narracoota Fm volcano-sedimentary stratigraphy, which hosts Sandfire Resources NL’s DeGrussa and Monty massive sulphide copper deposits. Enterprise believes that this high priority geophysical target potentially represents copper sulphide mineralisation analogous to Sandfire’s DeGrussa and Monty massive sulphide deposits.

Vulcan West EM Plate Modelling

The modelled rotated plate which matches the EM data has a strike length of approximately 340m, strikes north-east (32°), dips 64° towards northwest (327°) and has a dip extent of approximately 300m. The depth to top of the shallowest point of the modelled plate is approximately 135m, and the plate conductance is approximately 3030 S. The conductance of a thin plate-like conductor is proportional to the conductivity multiplied by thickness. For example at 20m thickness of 151.5 S/m, mineralisation will be equivalent to 10m of 303 S/m; both have a conductance of 3030 S. Two drill holes have been planned to intersect the target at ~210m and ~280m respectively. (Figure 1)

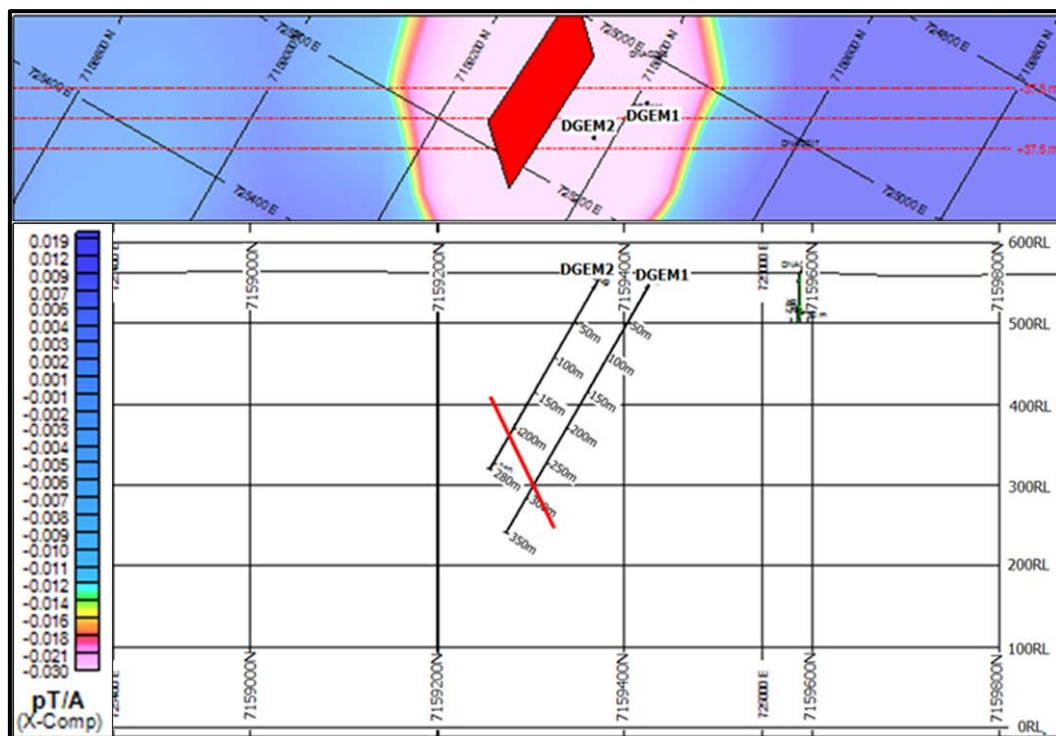


Figure 1. Vulcan West, Modelled Plate Projected to Surface over Channel 32 B-Field Component with Cross Section Showing Proposed RC Drill Holes

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Background

Between 17th September and 9th November 2015, geophysical contractor Vortex Pty Ltd acquired MLEM data at 965 stations over a total of 93.4 line kilometres. (Refer ENT ASX release 10th November for survey specifications) The survey covered approximately 13 strike kilometres of the Narracoota Fm volcano-sedimentary stratigraphy, which hosts Sandfire Resources NL's DeGrussa and Monty massive sulphide deposits. The location of the survey and Vulcan West conductor is shown in Figure 2 below.

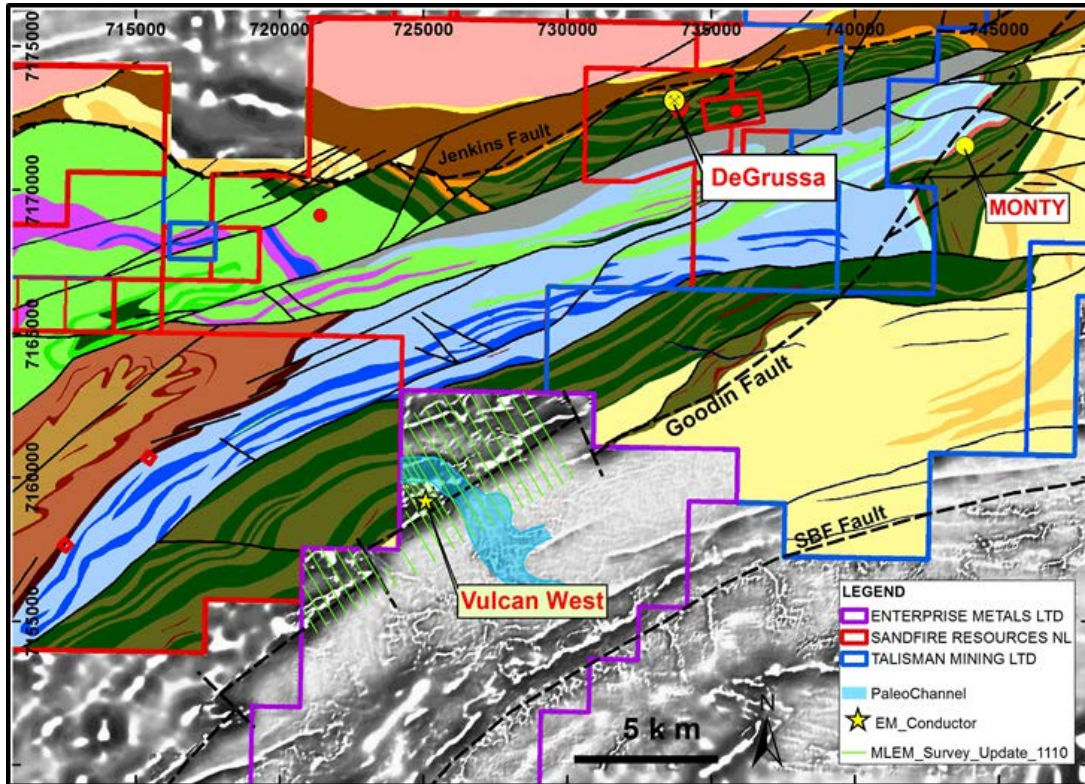


Figure 2. Location & Geology Plan showing Vulcan-West EM Target

Vulcan West Target

Enterprise has previously reported that geophysical contractor Vortex Pty Ltd located a moderate to strong late time MLEM conductor on Line 17,200E, and on 11th October reported that 200m spaced infill EM lines had located a similar anomaly on Line 17,400E. (ASX releases 22 October & 10 November 2015). Processing and modelling undertaken by Enterprise's geophysical consultants Terra Resources Pty Ltd shows the Vulcan West EM conductor to be prominent in late time Channels.

Decay curve analysis suggests that this moderate to strong anomaly has a well-defined exponential decay fit in late channel data (+150msec range), with a time constant (tau) estimate of +48msec.

Dermot Ryan
Managing Director

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The information in this report that relates to Geophysical Exploration Results is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and 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 Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears.

The information in this report that relates to non-geophysical Exploration Results is based on information compiled by Mr Dermot Ryan, who is an employee of Xserv Pty Ltd and a Director and security holder 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 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. Mr Ryan and Enterprise Metals Limited confirm that other than the Geophysical Exploration Results presented in this Report, they are not aware of any new information or data that materially affects the information included in the relevant previous Enterprise Metals Limited market announcements relating to the Vulcan Prospect.

For a summary of previous work at the Vulcan Prospect, refer Table 1 of ENT ASX release 22 October 2015. See link: <http://enterprisemetals.com.au/wp-content/sharelink/20151022-em-conductor-located-at-vulcan-prospect---doolgunna-wa-77588433359985422.pdf>