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## Doolgunna Project WA, Exploration Update

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Sandfire Resources NL (ASX: SFR; "Sandfire") are exploring Enterprise Metals Ltd's (ASX: ENT; "Enterprise") 100% owned Doolgunna Project tenements under a Farm-in and joint venture agreement, and will earn a 75% interest upon discovery of a minimum of 50,000 tonnes contained copper (or equivalent).

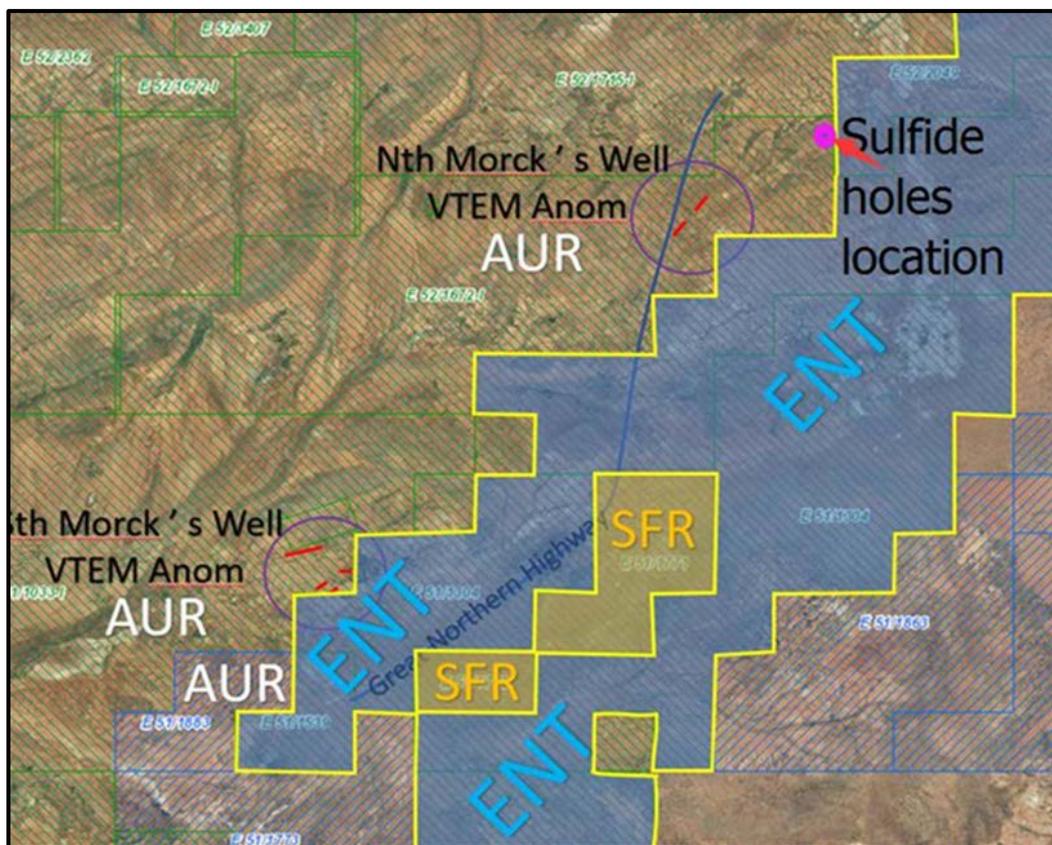
On 15 May 2018, Sandfire announced that Aircore (AC) drilling at the East Morck's Well Project, part of its Farm-in with Auris Minerals Limited (ASX: AUR; "Auris") and Fe Limited (ASX: FEL; "Fe Limited") had intersected narrow zones of sulfide and supergene copper mineralisation approximately 22km south-west of its 100%-owned DeGrussa Copper Mine in Western Australia.

Enterprise notes that the aircore drill holes referred to in Sandfire's release to the ASX containing the zones of sulfide and supergene copper mineralisation are adjacent to the Enterprise - Sandfire Farm-in tenements.

Figure 1 below shows the general location of Sandfire's anomalous aircore drill holes with respect to the Enterprise - Sandfire Farm-in tenements, and the location of VTEM anomalies reported by Auris on the 17 April 2018 ("*Sandfire Identify Preliminary VTEM Anomalies Within the Morck's Well East JV Project*").

Figure 2 overleaf shows in detail the location of the anomalous aircore holes reported by Sandfire.

**Figure 1. Location of SFR Aircore Drill Holes Containing Copper Oxides and Sulfides**

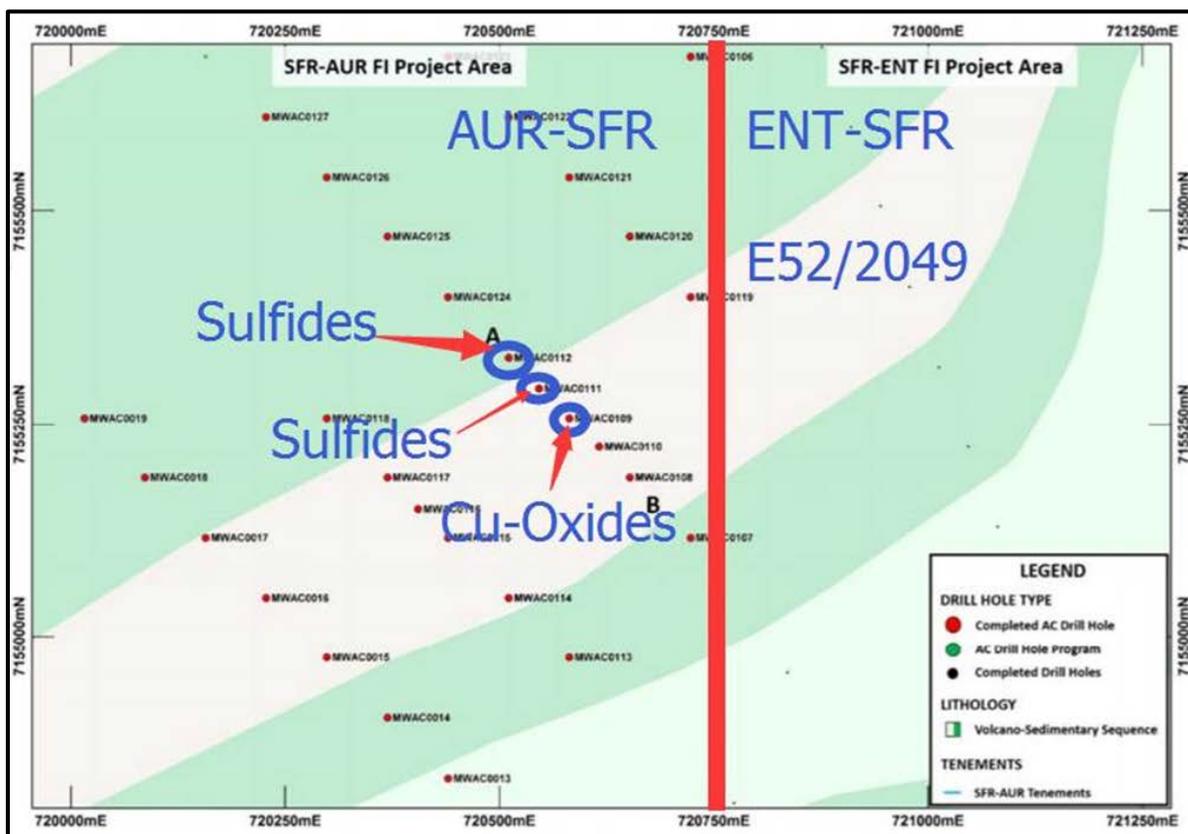


Sandfire have reported that they are “highly encouraged by the results of this early initial drilling, which represents the first accumulation of massive sulphides to be intersected within the Auris Farm-in tenements. Follow-up RC and diamond drilling will be undertaken as a priority once all relevant permitting and approvals have been received.”

Sandfire have also reported “Aircore drilling will continue on the Morck’s Well Project and **along strike into the Enterprise Metals Limited Farm-In area**”.

Figure 2 below shows in detail the location of Sandfire’s copper mineralized aircore drill holes MWA0109 and MWA0111-MWA0112, which are approximately 200m west of the ENT-SFR Farm-in tenement boundary.

**Figure 2. Detailed Location of SFR Aircore Drill Holes Containing Copper Oxides and Sulfides**



**ABOUT THE DOOLGUNNA PROJECT**

Enterprise’s 100% owned Doolgunna Project is centred approximately 120km northeast of Meekatharra in Western Australia, and covers over 60km of strike of the southern boundary of the Bryah Basin and the northern part of the Yerrida Basin.

The southern Bryah Basin contains the Narracoota/Karalundi Formations which host the high-grade DeGrussa and Monty copper/gold deposits. Enterprise considers the Doolgunna project to be prospective for both volcanic hosted massive sulphide (VHMS) deposits and sediment hosted (SEDEX) base metals deposits.

In late 2015 Enterprise completed an extensive high-powered ground moving loop electromagnetic (MLEM) survey over the Vulcan Prospect. The EM survey identified a moderate to strong late time conductor at **Vulcan West** which was tested by Enterprise with one 230m RC hole, VWRC001.

A 40m thick zone of sulphide rich (~5% - 20%) sediment and minor dolerite was intersected in this hole and a 5 metre zone from 251 to 256 metres averaged 0.17% Cu, 2.2ppm Mo and 0.87ppm Te, with a 1 metre result from 254 to 255 metres of 0.5% Cu, 8.4ppm Mo and 2.7ppm Te. Although these values were not economic, the element association is typical of the DeGrussa and Monty VHMS style deposits and Enterprise considered this zone to be prospective for massive sulphide.

### **SANDFIRE FARM-IN AGREEMENT**

On 12 October 2016, Sandfire and Enterprise entered into a farm-in agreement over Enterprise's entire Doolgunna Project. Sandfire was required to spend a minimum of \$1.5M over 2 years, and this stage has been completed. Sandfire now has the option to sole fund exploration and earn a 75% interest in the project by discovering and defining Mineral Resources of at least 50,000 tonnes Cu metal or equivalent. Following this discovery, Enterprise and Sandfire will form a joint venture and fund their respective interests.

### **ABOUT ENTERPRISE METALS LTD**

Apart from the Doolgunna Project, Enterprise has two other major gold and/or base metal projects in Western Australia. The Fraser Range Ni-Cu-Co Project, in which Enterprise holds a 30% interest free carried to bankable feasibility stage, is managed and operated by Constellation Resources Limited, which holds a 70% interest and is currently planning to raise \$7million and list on the ASX via an Initial Public Offering (IPO).

Enterprise's wholly owned Murchison Au-Cu-Zn Project covers ~820km<sup>2</sup> and is centered 30km north of Cue and 35km north-east of the Big Bell Gold Mine. The project covers the northern and north-eastern extensions of the same greenstone belts and shear zones that host the Big Bell and Cuddingwarra gold deposits and extensions of the Chieftain (or "Mt Magnet") and Emily Well shear zones, which also host gold mineralization.

Enterprise also owns 12 million shares in **Alto Metals Limited** (ASX: AME; "Alto"). Alto holds a 100% interest in Sandstone Exploration Pty Ltd, the holder of tenements covering the ~820km<sup>2</sup> and the majority of the Archaean Sandstone Greenstone Belt, which has produced over 1.3 million ounces of gold. Enterprise's 12 million Alto shares have a current fair market value of ~\$0.96M based on the AME share price of 7.9 cents/share at market close on 15 May 2018.

### **Further Information**

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### ***Competent Persons statement***

*The information in this report that relates to 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 Fellow of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralization 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.*