

ASX : ENR

23 September 2009

Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
Sydney NSW 2000

Share placement to accelerate exploration activities

The directors of Encounter Resources Ltd are pleased to announce that the Company has arranged a private placement to raise approximately A\$3.5 million before costs through the issue of 10,289,535 ordinary fully paid shares in the Company at a price of A\$0.34 per share.

The funds will allow the Company to accelerate its exciting copper exploration programs in the Paterson Province of WA, advance its uranium exploration portfolio and provide additional working capital.

The A\$0.34 issue price represents a 3.8% discount to the 30-day VWAP of Encounter shares prior to the trading halt announced on 21 September 2009. The placement was arranged by Blackwood Capital Limited to Australian and overseas institutions and high net worth investors.

The share placement to be made to sophisticated or professional investors is within the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

For further information please contact:

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