

Strongly supported \$6m Placement to fund copper and gold exploration

- Well supported Placement priced at \$0.19 a share has raised ~\$6 million (before costs)
- Strong endorsement of project generator model and potential of upcoming exploration programs
- Transformational placement to fast-track 100% owned gold and copper exploration and accelerate project generation activities

The directors of Encounter Resources Ltd (“Encounter” or “the Company”) are pleased to announce the Company has received firm commitments for a placement to raise approximately \$6 million (before costs), priced at \$0.19 per share, a 7.3% discount to the last closing price (the “Placement”).

Commenting on the Placement, Encounter Managing Director Will Robinson said:

“The strongly supported Placement lays the foundation for a major exploration drive. We have multiple active exploration programs in world-class minerals belts in Australia. The additional funding will allow us to progress and build our extensive project portfolio of joint ventures and partnerships with leading mid-tier and major producers, while also accelerating sole funded exploration programs”.

The Company has received firm commitments from professional and sophisticated investors for approximately 33.2 million shares at \$0.19 a share. Upon completion, the Placement will raise a total of approximately \$6.3 million (before costs) and the Company will be well funded to accelerate project generation and exploration activities. The funds raised will primarily be used to advance:

- Copper-gold exploration in the Paterson Province of Western Australia (“WA”);
- Copper exploration in the Northern Territory (“NT”); and
- Accelerate gold and base metal project generation activities and provide working capital.

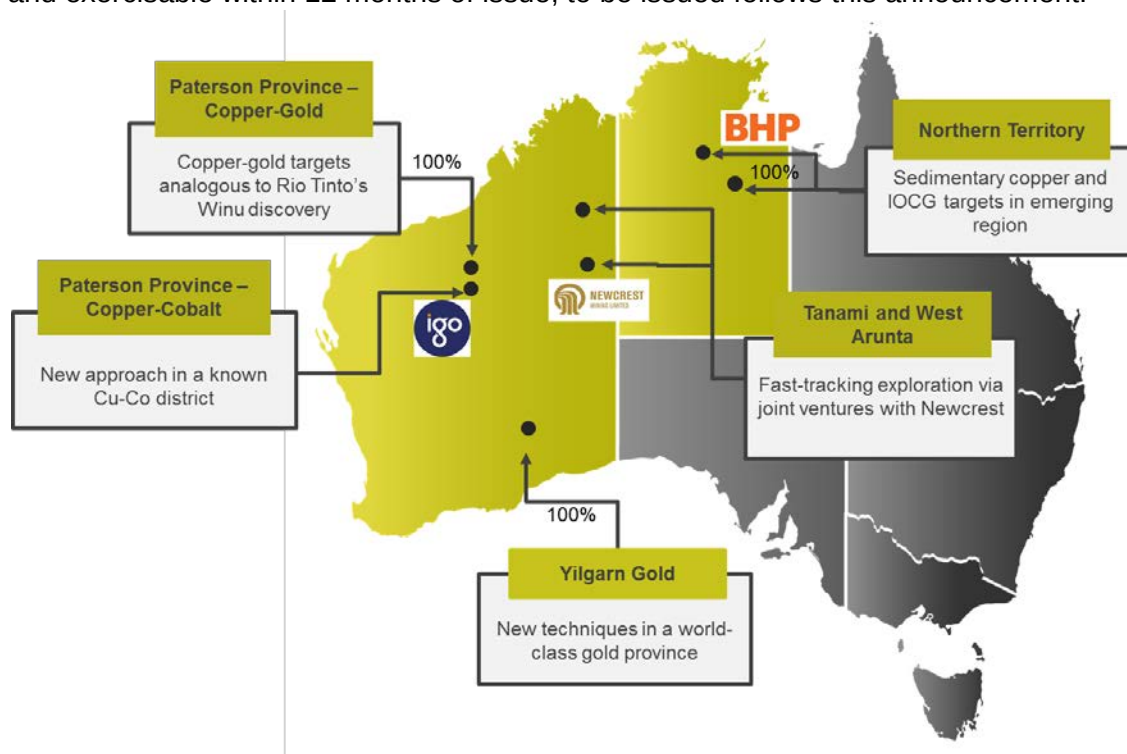
Encounter shareholders also have significant leverage to multiple, well-funded, partner exploration programs via:

- A series of gold-focussed joint ventures with Newcrest Mining Limited (ASX:NCM) in the Tanami and West Arunta regions of WA;
- An earn-in and joint venture agreement with IGO Limited (ASX:IGO) covering the Yeneena copper-cobalt project in the Paterson Province of WA; and
- An option agreement with BHP Limited (ASX:BHP) to enter an earn-in and joint venture to advance the Elliott copper project in the NT.

The Placement will be completed pursuant to the Company’s 15% placement capacity under ASX Listing Rule 7.1 (approximately 31.6 million shares), with the balance (of approximately 1.6 million shares) to be issued subject to shareholder approval. The Company will seek approval at a general meeting of shareholders to allow Directors and related parties to participate in the Placement in the amount of \$300,000. The date of the proposed shareholder meeting will be advised in due course.

Euroz Hartleys acted as Lead Manager and Chieftain Securities Co-Manager to the Placement.

An Appendix 3B reflecting the new shares and 1.5 million broker fee options, exercisable at \$0.228 per option and exercisable within 12 months of issue, to be issued follows this announcement.



About Encounter

Encounter Resources Limited is one of the most productive project generation and active mineral exploration companies listed on the Australian Securities Exchange. Encounter's primary focus is on discovering major gold deposits in Western Australia's most prospective gold districts: the Tanami, the Paterson Province and the Yilgarn.

The Company is advancing a highly prospective suite of projects in the Tanami and West Arunta regions via joint ventures with Australia's largest gold miner, Newcrest Mining Limited (ASX:NCM).

Complementing its expansive gold portfolio, Encounter controls a major ground position in the emerging Proterozoic Paterson Province where it is exploring for copper-cobalt deposits with highly successful mining and exploration company IGO Limited (ASX:IGO), and intrusive related copper-gold deposits at its 100% owned Lamil Project.

In addition, project generation activities in the Northern Territory utilising new Geoscience Australia datasets has resulted in Encounter securing the first mover Elliott and Jessica copper projects. Elliott is being advanced in partnership with BHP via an option agreement to enter an earn-in and joint venture.

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This announcement has been authorised for release by the Board of Encounter Resources Limited.