

POLICY AND PROCEDURE FOR SELECTION AND APPOINTMENT OF NEW DIRECTORS

ENCOUNTER RESOURCES LIMITED ("COMPANY")

Candidates for the Board are considered and selected by reference to a number of factors which include, but are not limited to, their relevant experience and achievements, compatibility with other Board members, credibility within the Company's scope of activities, and intellectual and physical ability to undertake Board duties and responsibilities. Directors are initially appointed by the full Board, subject to election by shareholders at the next general meeting.

Board Skills Matrix

The Company's Board periodically reviews the composition of the Board and the management team to satisfy itself that the pool of skills provided by its current composition is appropriate.

With the Company's activities currently in the form of mineral exploration, the Board considers that the key desired skillsets are geological and scientific technical expertise and corporate management.

The Board is of the opinion that the current skills, qualifications and experience of its members is appropriate and sufficient for those members to discharge their responsibilities.

Pre-Appointment Procedures

Prior to the appointment of a new member to the Board (or senior executive), the Company will undertake appropriate checks. Checks include, but are not limited to:

- Character;
- Experience;
- Education;
- Criminal record; and
- Bankruptcy history.

Director Appointment – Written Agreements

All appointments to the Board or to a senior executive position are subject to written agreements setting out the terms of the respective appointment.

Executive Directors are appointed periodically and are subject to formal executive services agreements which contain the information recommended as per the 3rd Edition of the Corporate Governance Council Principles and Recommendations. A summary of the material terms of executive service agreements are disclosed in the Company's Annual Report.

Non-Executive Directors are appointed subject to letter agreements which contain the information recommended as per the 3rd Edition of the Corporate Governance Council Principles and Recommendations.

Induction Procedures and Professional Development

Upon appointment new directors will be subject to relevant induction procedures to provide the incoming individual with sufficient knowledge of the entity and its operating environment to enable them to fulfil their role effectively.

Skill gaps identified in new, or existing, directors' knowledge bases are addressed by implementing appropriate training and development procedures.