

EIS Drilling Grant for Lamil Copper-Gold Project in WA

- Encounter awarded a co-funded drilling grant up to \$220,000 under the WA Government’s Exploration Incentive Scheme (“EIS”) for the Lamil Copper-Gold Project (“Lamil”) in the Paterson Province in WA
- Expansive copper-gold system >1km of strike located 25km from the Telfer mine
- A seven hole diamond drill program completed in September 2021 contained:
 - multiple, stacked, narrow copper-gold reefs (grading 1-2 g/t Au & 1-2% Cu) in a mineralised prospective host package that is >200m thick from 134m depth
 - high grade, chalcocite dominant copper mineralisation (1.5m @ 19.1% Cu from 409.1m)¹
 - mineralised horizons open in all directions, with strengthening copper grades and higher vein frequency providing potential vectors to high grade mineralisation
- Gravity survey to commence in May 2022 with diamond drilling to follow

The directors of Encounter Resources Ltd (“Encounter”) are pleased to announce that Encounter has been awarded a co-funded EIS drilling grant at the Lamil Copper-Gold Project in the Paterson Province of WA.

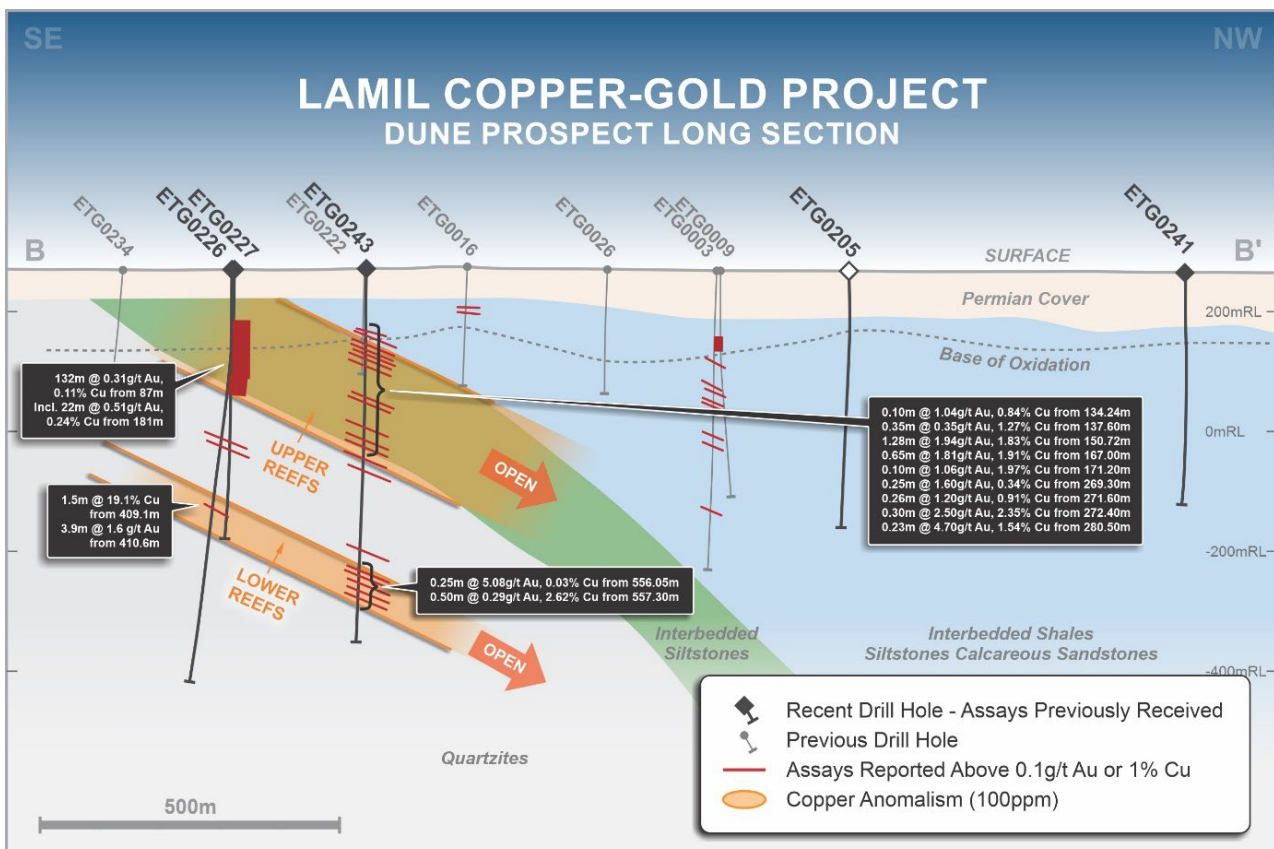


Figure 1 - Schematic long section of the Dune prospect at Lamil showing the interbedded siltstone unit dipping below previous drilling at Dune. This leaves the prospective unit untested down plunge of the Lamil Dome away from ETG0243 where drilling has intersected an increase in frequency of Cu-Au reefs (see Figure 2).¹

Background

Lamil covers an area of ~61km² and is located 25km northwest of the major gold-copper mine at Telfer, owned by Newcrest Mining Ltd (ASX:NCM). Lamil is adjacent to a major regional gravity lineament which marks the location of an interpreted significant crustal scale structure that would have acted as a pathway for ore forming fluids during the formation of the Proterozoic aged deposits. The mineralisation at Lamil is hosted in metasedimentary rocks of the Proterozoic Lamil group which also host the Telfer, Havieron and Winu Au-Cu deposits.

Seven diamond holes were completed at the Dune prospect at Lamil in September 2021. Copper-gold mineralisation was intersected in two diamond drill sections spaced 200m apart (Figure 2).

The intersection of multiple, stacked, narrow copper-gold reefs in ETG0243 within a thick prospective package analogous to Telfer's Upper Malu formation was an important step forward for the project.

The increased frequency of mineralised 'reef style' intervals containing strengthening copper grades and frequent +1g/t Au grades within ETG0243 infers a strengthening of the mineralised system to the north-west where the system remains open on section and down plunge.

Upcoming Activity

A detailed gravity survey will commence at Lamil in May 2022. This survey aims to identify structures and map changes in stratigraphy where the prospective horizons plunge beneath the current drilling. The results of this survey along with further interpretation of litho-geochemistry results will guide plans for a drilling campaign which is scheduled to commence in June/July 2022.

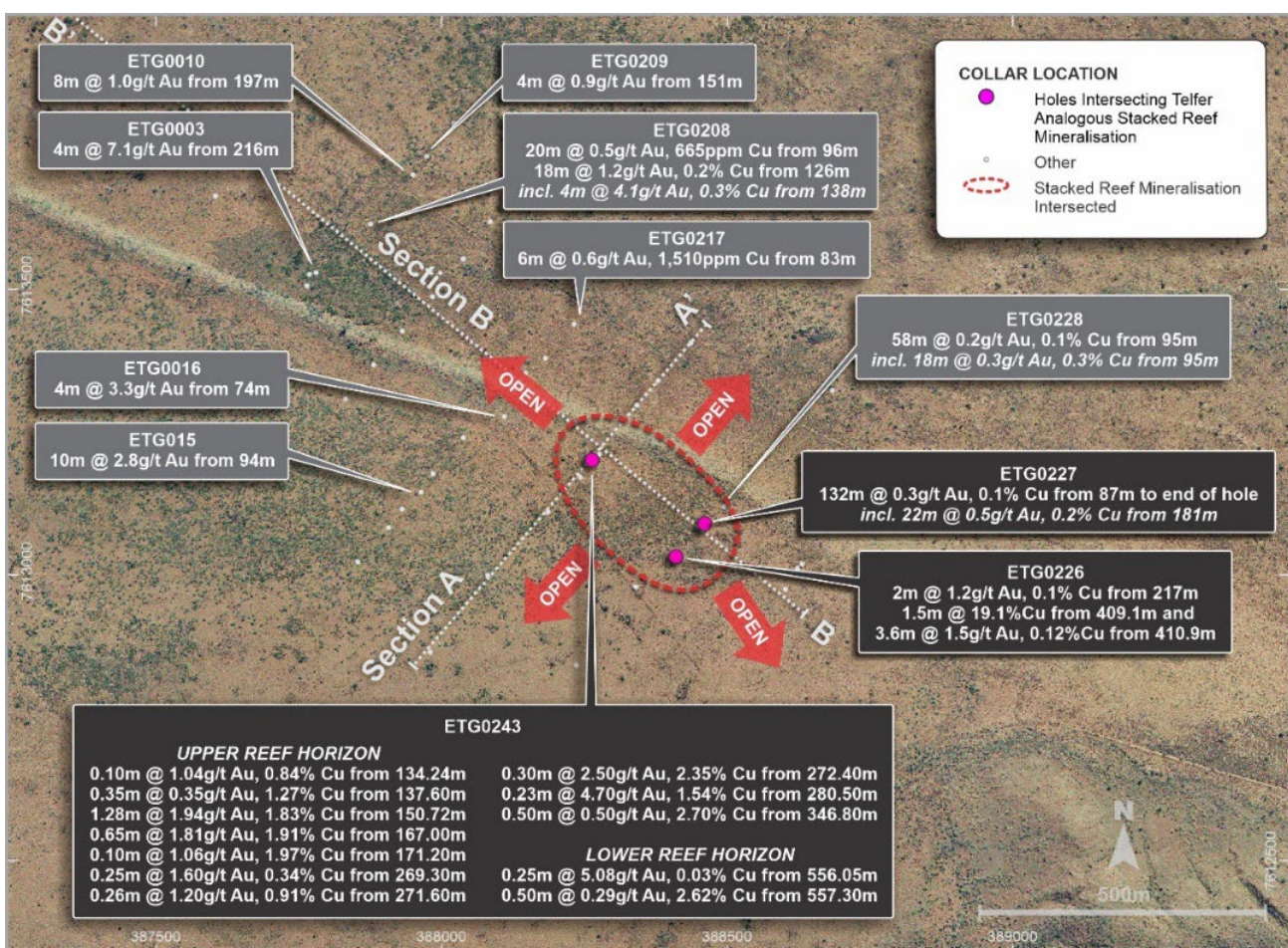
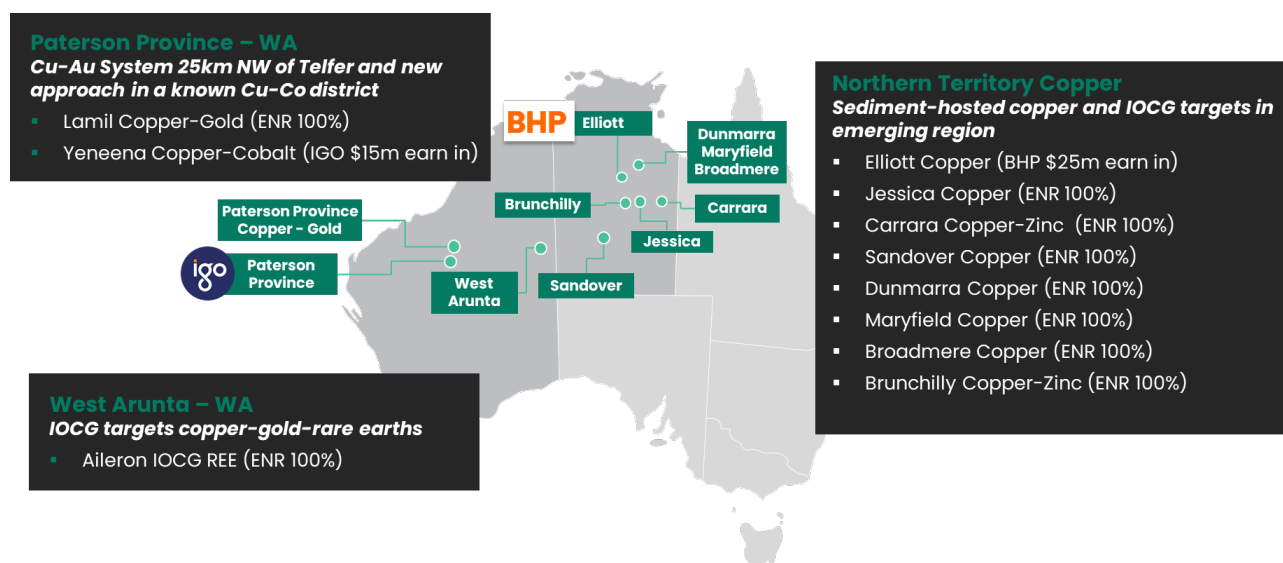


Figure 2 – Dune prospect plan showing only holes that have tested the Telfer analogous stratigraphic package and the outline of the stacked reef mineralisation intersected in drilling to date.¹

About Encounter



Encounter is one of Australia’s leading mineral exploration companies listed on the ASX. Encounter’s primary focus is on discovering major copper dominant deposits in Australia. Encounter’s assets include:

- A large project portfolio in the Paterson Province of WA where it is exploring for copper-gold deposits at its 100% owned Lamil Project and for copper-cobalt deposits at the Yeneena project with IGO Limited (ASX:IGO);
- A series of camp scale, first mover copper opportunities in the Northern Territory. This includes the Elliott copper project which is being advanced in partnership with BHP via a \$25m earn-in and joint venture; and
- The Aileron IOCG / REE project in the West Arunta region of WA.

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¹ For further details regarding the exploration results at the Lamil Copper-Gold Project, please refer to the following ASX announcements:

- ASX release 26 April 2017
- ASX release 19 January 2017
- ASX release 18 December 2020
- ASX release 21 April 2021
- ASX release 6 September 2021
- ASX release 16 November 2021

The information in this report that relates to Exploration Results is based on information compiled by Mr. Mark Brodie who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Brodie holds shares and options in and is a full time employee of Encounter Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Brodie consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements. This announcement has been approved for release by the Board of Encounter Resources Limited.