

## Placement to Accelerate Copper, Lithium & Rare Earths Exploration

- **Well supported Placement has raised \$4 million (before costs) priced at \$0.12 a share**
- **Strong endorsement of the upcoming exploration programs at Encounter's 100% owned copper, lithium and rare earths projects located in the Northern Territory and Western Australia**
- **Encounter's self-funded exploration activity is complemented by substantial exploration programs by partners via farm-in agreements with world leading resources companies BHP, South32 and IGO**

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 \$4 million (before costs), priced at \$0.12 per share (the "**Placement**").

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

*"The strongly supported Placement will allow us to accelerate exploration at our extensive portfolio of 100% owned exploration projects. The Company will focus primarily on copper and lithium exploration activities at Sandover in NT, advancing the IOCG and rare earths potential at Aileron in the West Arunta region of WA and the Lamil copper-gold project in the Paterson Province of WA".*

The Company has received firm commitments from sophisticated, professional, and experienced investors for approximately 33.3 million shares at \$0.12 a share. Upon completion, the Placement will raise a total of approximately \$4 million (before costs) and the Company will be well funded to accelerate exploration activities. The funds raised will primarily be used to advance exploration at Encounter's extensive 100% owned project portfolio including:

- Sandover Copper-Lithium project in the Northern Territory;
- Aileron IOCG-Rare Earths project in the West Arunta in WA;
- Lamil Copper-Gold project in the Paterson Province; and
- Other NT copper projects and working capital.

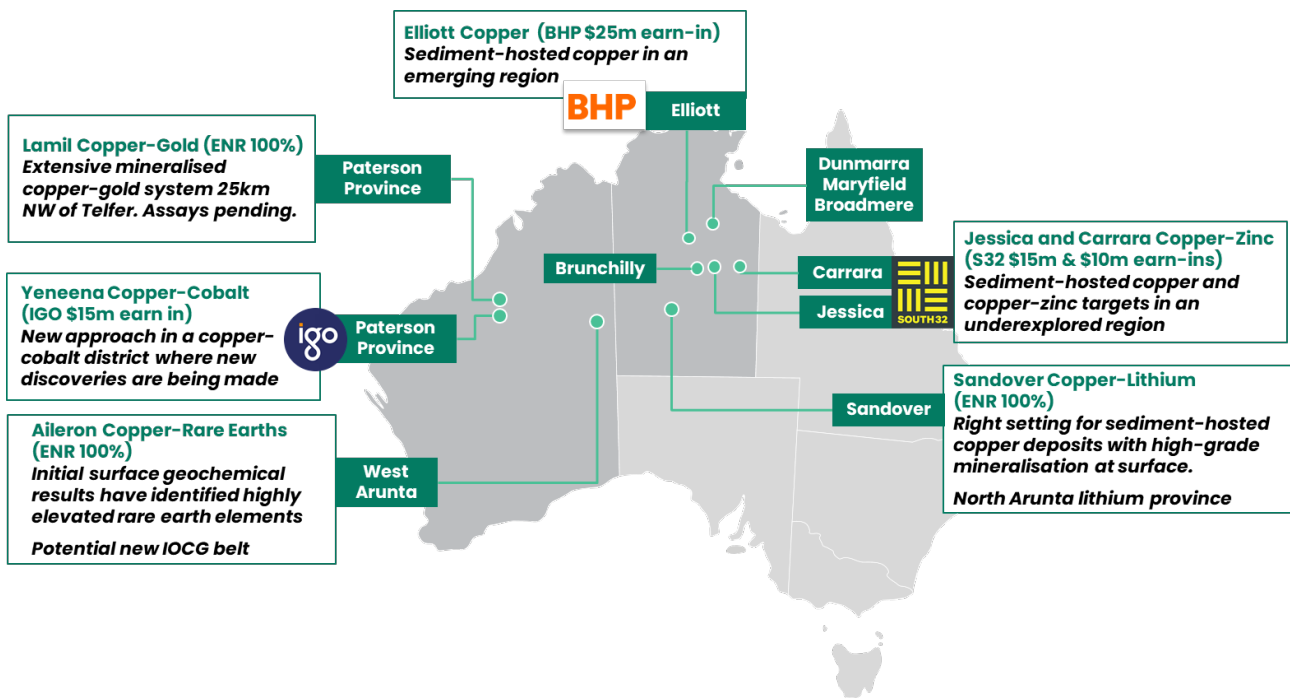
In addition, Encounter shareholders have significant leverage to multiple, well-funded, partner exploration programs via farm-in agreements with world leading resources companies to provide up to \$65m in initial exploration funding.

The Placement to unrelated parties will be completed pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 (33,333,334 ordinary fully paid shares).

In addition to the Placement, Directors of Encounter have made commitments to subscribe for \$300,000 (2,500,000 new shares) at an issue price of \$0.12 (the same price as investors in the Placement) ("**Director Placement**"). The Director Placement is subject to shareholder approval, which is intended to be sought at the Company's Annual General Meeting on 29 November 2022.

Canaccord Genuity (Australia) Limited and Chieftain Securities (WA) Pty Ltd acted as Joint Lead Managers to the Placement. Encounter will issue a total of 2 million options to the Joint Lead Managers (or their nominees) exercisable 36 months from the date of issue (1 million exercisable at \$0.20 each and 1 million exercisable at \$0.30 each).

An Appendix 3B reflecting the new shares and options to be issued follows this announcement.

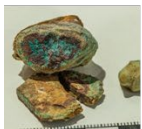


## About Encounter

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 partners with leading mid-tier and major producers to advance its extensive project pipeline with more than \$25m of project funding contributed by partners over the past decade. Currently, Encounter has farm-in agreements in place with world leading resources companies to provide up to \$65m in initial exploration funding. Encounter’s assets include:

### 100% ENR projects



#### Sandover Copper-Lithium Project - NT

- Key geological units and processes for sediment-hosted copper
- Bornite identified in historical drill core
- Lithium strategic review in progress



#### Aileron Copper-Rare Earths Project - WA

- IOCG style copper-gold-REE in drilling
- High grade REE in surface sampling
- Olympic Dam age mineralisation events



#### Lamil Copper Project - Paterson Province WA

- High grade copper intersected in Sep 21
- Diamond drilling completed Sep 22
- Downhole EM survey

### Farm-in partners



#### Elliott Copper Project - NT

(up to \$25m farm-in funding)

- Diamond drill program scheduled to commence in Sep 22



#### Jessica and Carrara Projects - NT

(up to \$25m farm-in funding)

- Two farm-in agreements completed Jun 22
- \$1.3m first year program commenced



#### Yeneena Project - Paterson Province WA

(up to \$15m farm-in funding)

- 4,500m diamond & 1,900m aircore drilling
- Commenced July 2022

### For further information, please contact:

Will Robinson  
Managing Director  
+61 8 9486 9455  
[contact@enr.com.au](mailto:contact@enr.com.au)

Michael Vaughan  
Fivemark Partners  
+61 422 602 720  
[michael.vaughan@fivemark.com.au](mailto:michael.vaughan@fivemark.com.au)