

**ASX : ENR**

13 August 2010

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

## Share Placement

Encounter Resources Limited ("Encounter" or "the Company") is pleased to advise that it has received firm placement commitments from professional and sophisticated investors to raise up to \$3.2 million before costs, at a price of A\$0.27 per share. The manager for the placement was Blackwood Capital Limited.

The funds will be used by the Company to extend its exploration programs in the Paterson Province of WA and provide working capital.

Drilling has recently commenced at the exciting BM1 copper prospect where 10,000m of aircore and RC drilling has been planned to the test to the north, south and east of the +3km long, +0.2% copper regolith anomaly as well as to test for extensions to the high grade copper mineralisation discovered in the June 2010 drill program.

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

Yours faithfully,  
ENCOUNTER RESOURCES LIMITED



**KEVIN HART**  
COMPANY SECRETARY