

ASX : ENR

27 April 2011

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

\$5M Copper Exploration Program Commences

The directors of Encounter Resources Ltd (“Encounter”) are pleased to announce the commencement of a \$5M copper exploration program at the Yeneena project in Western Australia.

An initial 5,000m diamond drilling program has commenced that will test a number of copper sulphide targets below the extensive zone of high grade copper oxide mineralisation discovered at BM1 in 2010. Other programs to be completed this field season include:

1. Aircore drilling to test for the northern and southern extents of the BM1 regolith anomaly.
2. RC drilling of the high grade Northern Zone mineralisation at BM1 to provide metallurgical samples.
3. Aircore and RC drilling of the BM2 copper anomaly to define vectors to high grade copper mineralisation.
4. VTEM airborne survey over the BM1 and T4 regions.
5. Diamond drilling of the T4 prospect within interpreted Palaeo-Proterozoic basement rocks (WA Government EIS co-funded).
6. Ground geophysical and geochemical surveys over regional targets.
7. Initial aircore reconnaissance drilling of regional targets.

The 2011 exploration program at the Yeneena project is a major escalation of activity at this exciting greenfields copper exploration project. First assay results are expected to be received in the first half of June 2011.

Project Background & Location Plan

The Yeneena project covers 1300km² of the Paterson Province in Western Australia and is located 40km SE of the Nifty copper mine and 30km NW of the Kintyre uranium deposit. The copper targets identified are located adjacent to major regional faults and have been identified through electromagnetics, geochemistry and structural targeting. The copper targets are hosted within sediments of the Broadhurst Formation in a similar geological setting to the Nifty copper deposit (total resource of 148.3mt @ 1.3% Cu – Straits Resources Ltd, 2001).

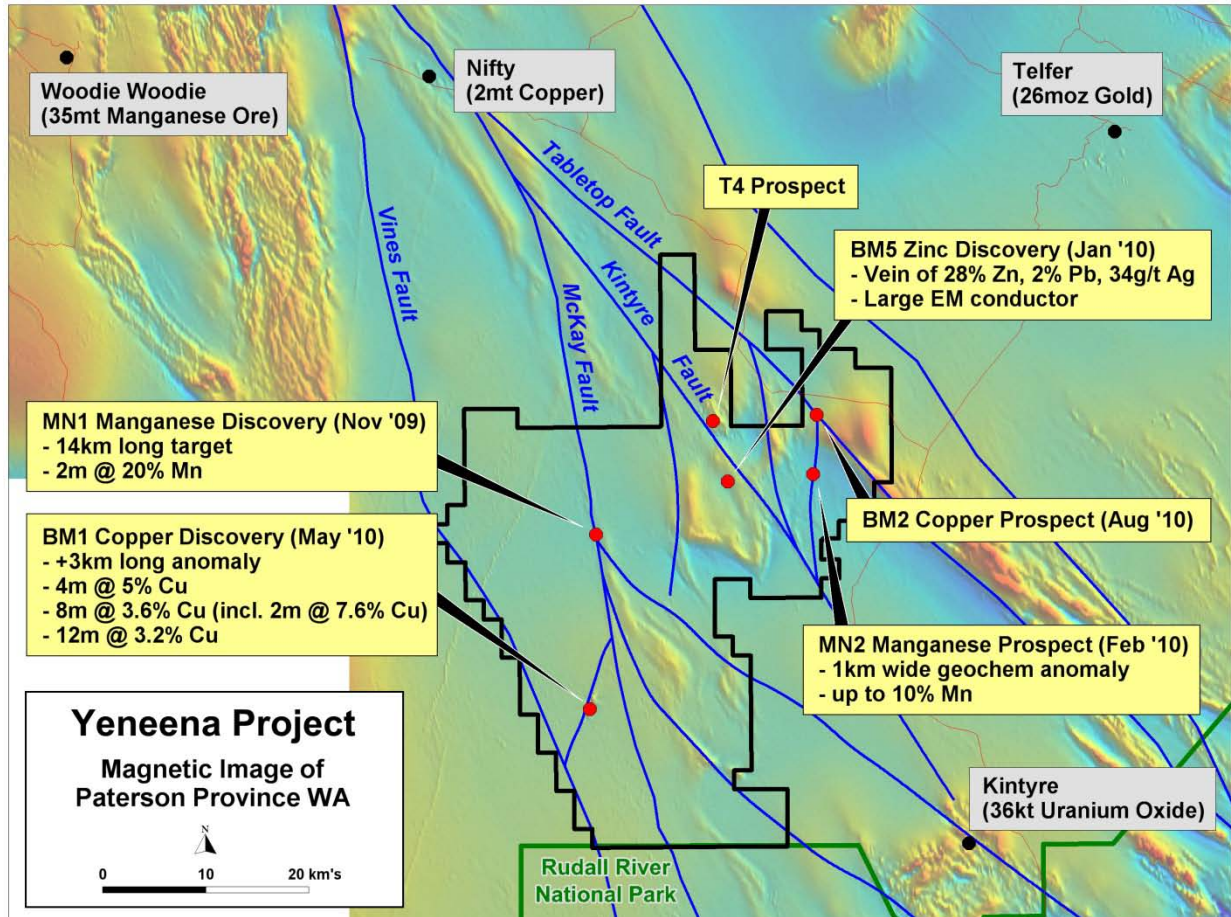


Figure 1. Yeneena Project leasing and targets areas on regional TMI magnetics

For further information please contact:

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The information in this report that relates to Exploration Results is based on information compiled by Mr. Peter Bewick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bewick 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 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewick 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.