

19 October 2015

ASX : ENR

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

\$1.4 million raised in SPP and Private Placement

The directors of Encounter Resources Limited (“Encounter” or “the Company”) are pleased to advise that the Share Purchase Plan (“SPP”) announced on 24 September 2015 closed on 16 October 2015 and raised a total of approximately A\$340,000. In addition, Encounter is pleased to advise that it has received a firm placement commitment from private equity fund Resource Capital Funds (“RCF”) to raise an additional A\$1,064,000. Accordingly, the Company has raised a total of approximately A\$1.4 million through the SPP and a private placement at A\$0.14 per share.

The Company is pleased by the response to the SPP from our shareholders and is delighted to welcome leading global resources fund RCF to our register.

Encounter is underpinned by a strong cash position, as well as a A\$2m earn-in agreement with Hampton Hill Mining NL (Millennium zinc project) and a US\$6m earn-in agreement with Antofagasta (Lookout Rocks copper project) and is keenly focused on unlocking the large scale potential at Yeneena.

Two drill rigs (RC and diamond) are currently operating at Yeneena. Drill programs will be completed at the Millennium zinc project, the Lookout Rocks copper project, the Aria IOGC prospect and the BM1-BM7 copper project in October/November 2015.

Proceeds from the SPP and private placement will be used to advance exploration at Encounter’s highly prospective Yeneena project and for general working capital purposes. The placement will be completed under ASX Listing Rule 7.1A.

As previously advised, the directors also took up their full entitlement in the SPP. The directors would like to thank participating shareholders for their ongoing support of the Company.

About RCF

Resource Capital Funds (“RCF”) is a group of commonly managed private equity funds, established in 1998 with a mining sector specific investment mandate spanning all hard mineral commodities and geographic regions. Since inception, RCF has supported 137 mining companies, with projects located in 44 countries and across 29 commodities. The sixth fund, Resource Capital Fund VI L.P. (“RCF VI”) with committed capital of \$2.04 billion, is now being invested. Further information about RCF can be found on its website (www.resourcecapitalfunds.com).