

**ASX : ENR**

3 September 2015

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

## **Near Surface IOCG Target – Antofagasta Earn-In**

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The directors of Encounter Resources Ltd (“**Encounter**”) are pleased to announce the identification of a compelling IOCG target (“**Aria Prospect**”) within the Lookout Rocks copper project (“**Lookout Rocks**”) in Western Australia. Lookout Rocks includes four tenements (~450km<sup>2</sup>) of highly prospective, untested exploration ground located in the north-west of Encounter’s Yeneena Project.

Exploration at Lookout Rocks is being conducted as part of the new US\$6m earn-in agreement with a wholly owned subsidiary of Antofagasta plc (“**Antofagasta**”). For additional details please see ASX announcement 30 July 2015.

### **Background**

A single diamond drill hole (PADD002A) was completed at the Aria Prospect by a previous explorer under the WA Government EIS program. This drill hole was located to test a discrete magnetic anomaly within the GSWA regional magnetic dataset. The drill hole intersected a package of hematite altered, polymictic breccia (see Photos 1 and 2) from the start of diamond core at 84.7m to EOH (650.1m). Approximately 15% of the core drilled in PADD002A was previously submitted for chemical analysis, including only 31 metres of the first 400 metres of drill core.

Zones of light disseminations and occasional visible blebs of chalcopyrite, chalcocite and bornite (copper sulphide minerals) have been identified in the drill core from approximately 120m and occur sporadically to the end of the hole. A number of these zones containing visible mineralisation were not chemically assayed.

In 2014, Encounter completed a helicopter based VTEM survey which also collected detailed magnetic data over the Aria prospect. The historical drill hole (PADD002A) was recently re-examined at the WA Government Carlyle Core Library. A number of technical specialists with significant experience in IOCG exploration have inspected the core and identified key characteristics of the IOCG model within the hole.

### **Exploration Plan**

1. The entire (PADD002A) hole is being cut and will be submitted for chemical analysis.
2. A heritage survey will be completed at Aria (Sep/Oct 2015) to facilitate an on-ground geophysical survey and follow up drilling program.
3. The 2014 detailed magnetic data will be modelled and a detailed ground gravity survey will be completed in the coming weeks to refine the planned drill program (Sep 2015)
4. Drilling, RC or diamond, at the Aria Prospect of priority targets (Oct/Nov 2015).

“This is a style of mineralisation not previously identified in Western Australia. The exploration path forward from this point is well established from South Australia experience and the work is funded by Antofagasta under the Lookout Rocks earn-in agreement.” said Managing Director, Will Robinson.

The track mounted aircore and slim-line RC program (see ASX Announcement 12 August 2015) currently in progress under the Lookout Rocks earn-in agreement is expected be completed this week. This program is providing initial subsurface geochemistry at key structural locations identified at Lookout Rocks.

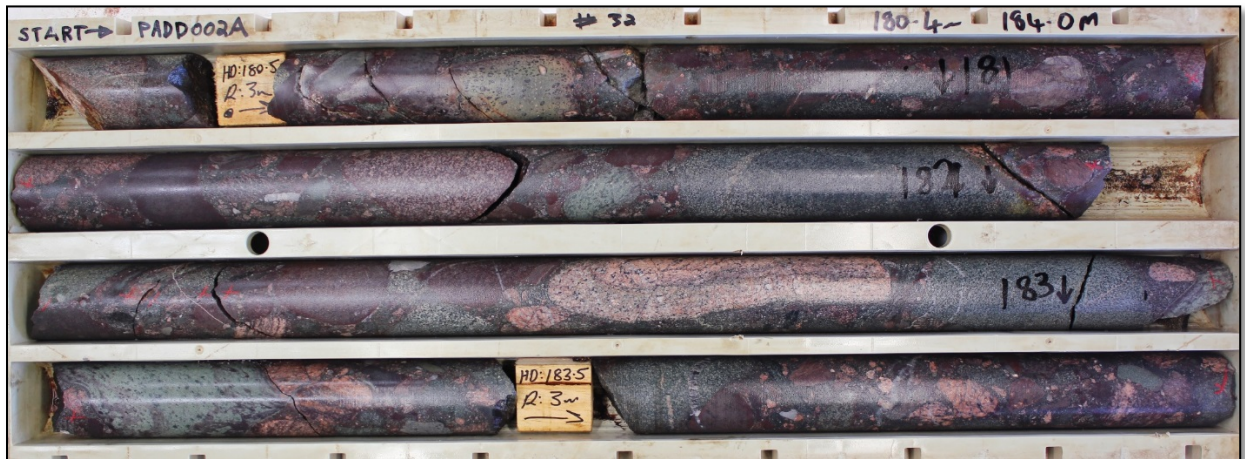


Photo 1: PADD002A 180.4m to 184.0m - Hematite altered, polymictic breccia containing clasts of felsic porphyry, gneissic and mafic igneous rocks

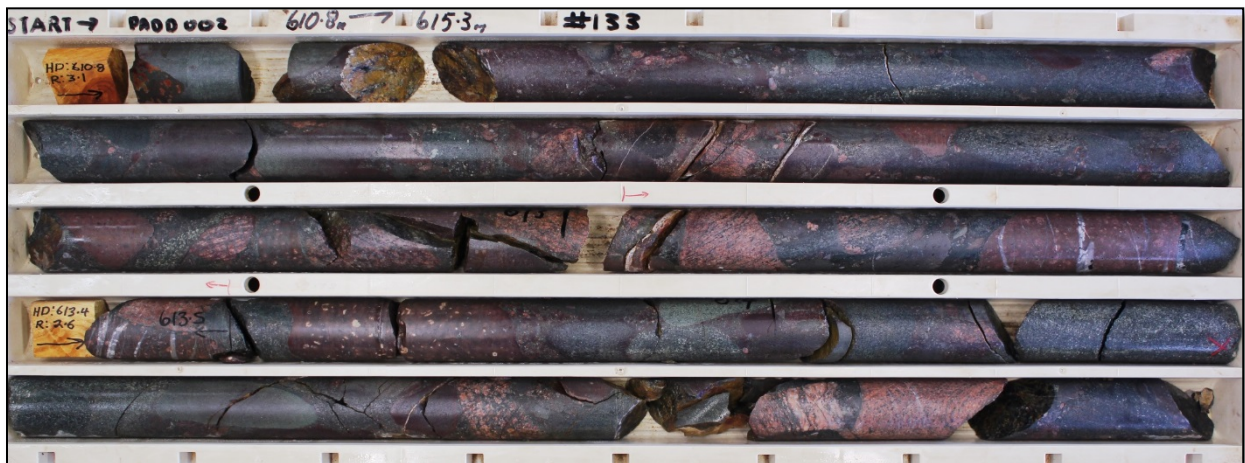
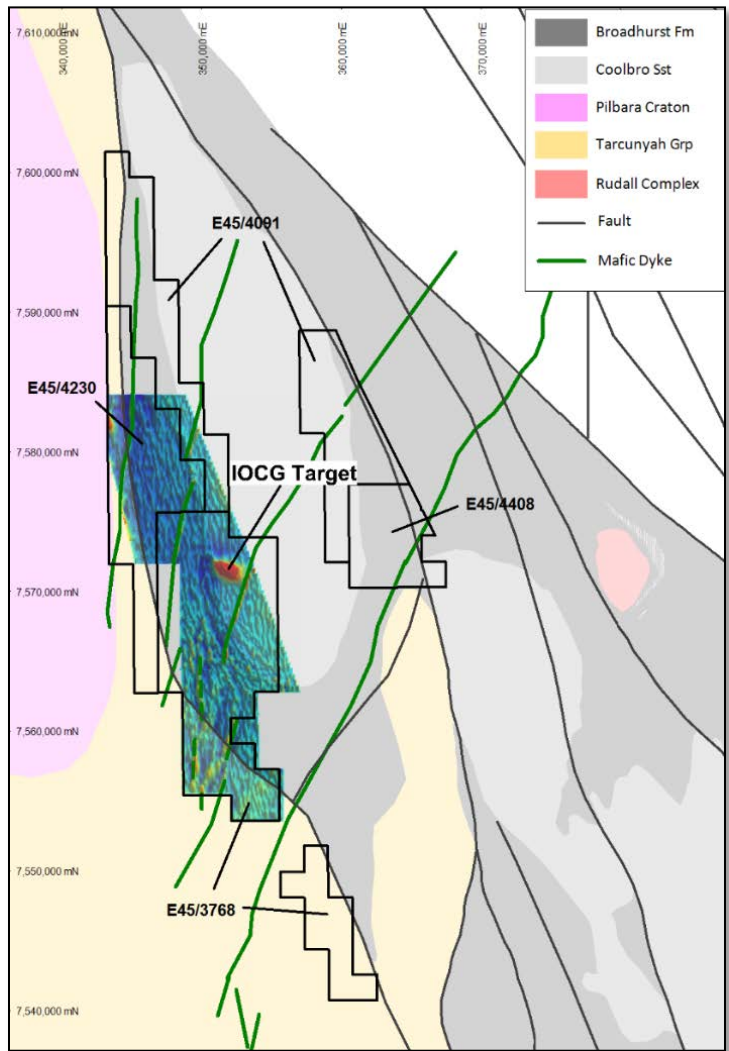
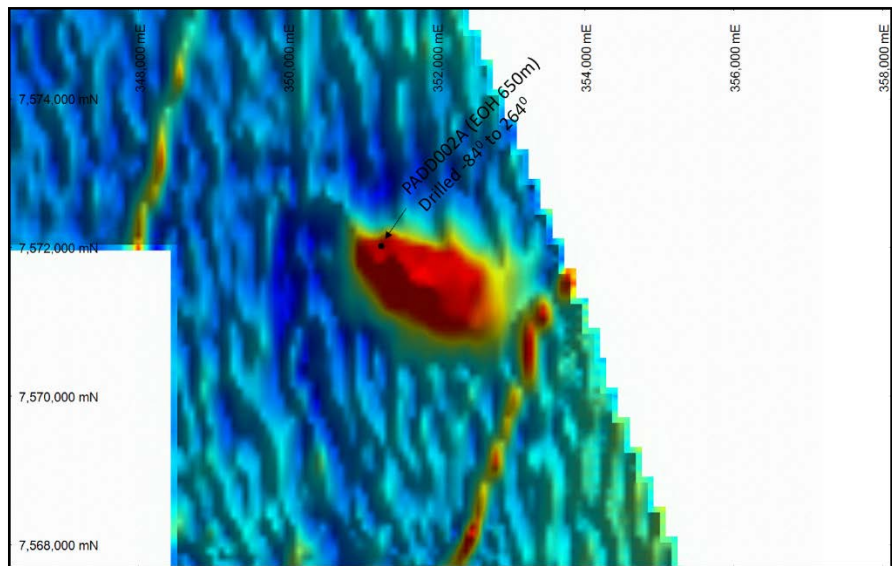


Photo 2: PADD002A 610.84m to 615.3m - Hematite altered, polymictic breccia containing clasts of felsic porphyry, gneissic and mafic igneous rocks



**Figure 1: Lookout Rocks Project leasing over Magnetics (1VDRTP pseudocolour image - NE sun angle); Background image of Lookout Rocks Interpreted bedrock geology**



**Figure 2: Aria IOCG Magnetic anomaly (1VDRTP pseudocolour image - NE sun angle) showing location of PADD002A (NB - no other drilling completed over target area)**



## Location Plan

The Yeneena Project covers 1,800km<sup>2</sup> of the Paterson Province in Western Australia and is located 40km SE of the Nifty copper mine and 30km SW of the Telfer gold/copper deposit (Figure 3). The targets identified are located adjacent to major regional faults and have been identified through electromagnetics, geochemistry and structural targeting.

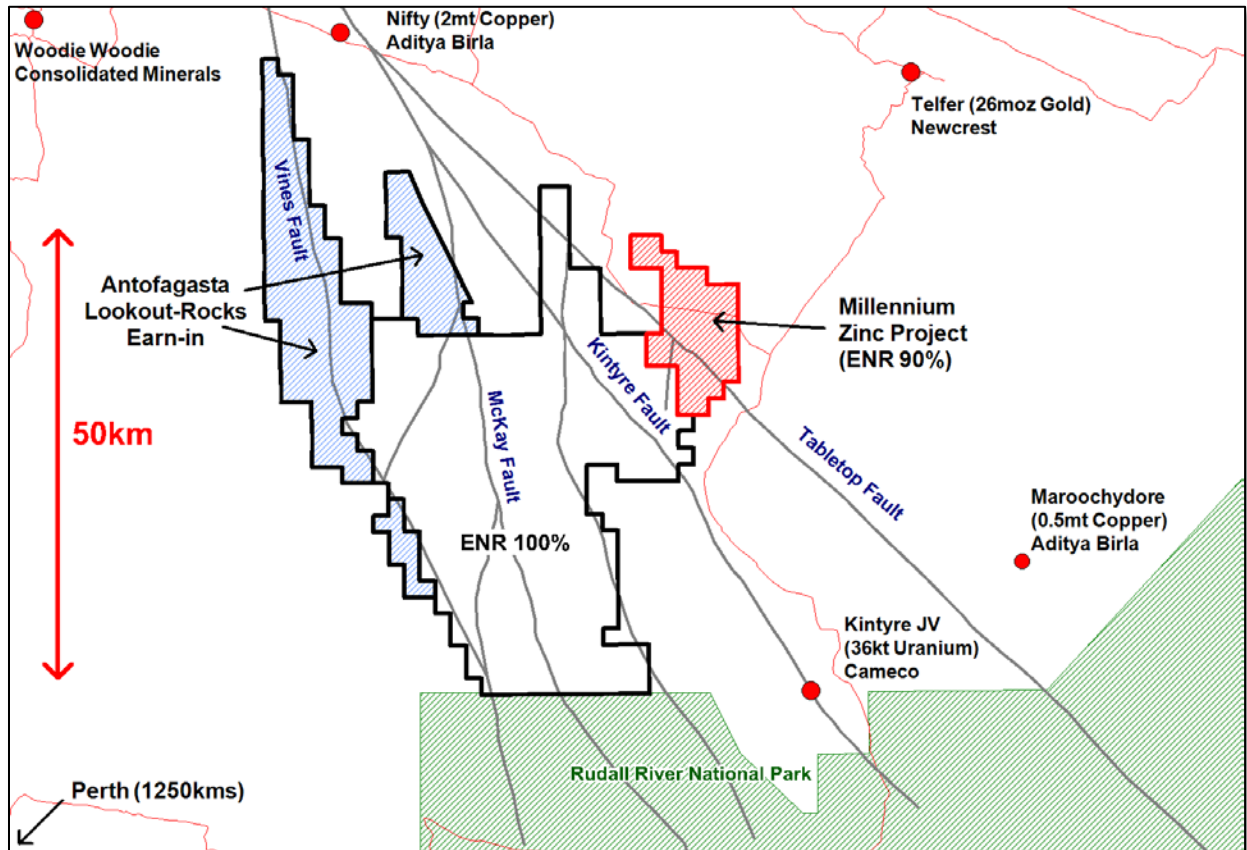


Figure 3: Yeneena Project leasing and targets areas

*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 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 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.*

*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.*