

Newcrest Tanami Joint Venture - Drilling Update

- The first phase of RC drilling at Hutch's Find in the Tanami region of WA, held in joint venture with Newcrest Mining Ltd ("Newcrest", ASX:NCM), has been completed
- A total of 17 RC drill holes for 4,930m of drilling was completed at Hutch's Find with assay results expected in November 2019
- The Newcrest-funded drilling program has now moved to the Afghan prospect where the down dip extension of a broad (>4km long), near surface gold anomaly (>0.1g/t) is being targeted
- Initially 12 RC holes, drilling to a nominal depth of 300m, are proposed to test the extent of the anomalous footprint at Afghan
- Assay results from Afghan are expected in December 2019

The directors of Encounter Resources Ltd ("Encounter / the Company") are pleased to provide an update on RC drilling programs at the Hutch's Find and Afghan prospects in the Tanami region of Western Australia (WA), held in joint venture with Newcrest.

Commenting on the progress of drilling in the Tanami, Encounter Managing Director Will Robinson said: "The Newcrest operated RC drill program in the Tanami has started well with the first phase of drilling successfully completed at Hutch's Find. The rig has now moved to the Afghan prospect to complete a planned 12 hole program of 300 metre deep RC holes. The program is targeting down dip and plunge extensions of known mineralisation within a broad anomalous gold halo defined in previous shallow drilling."

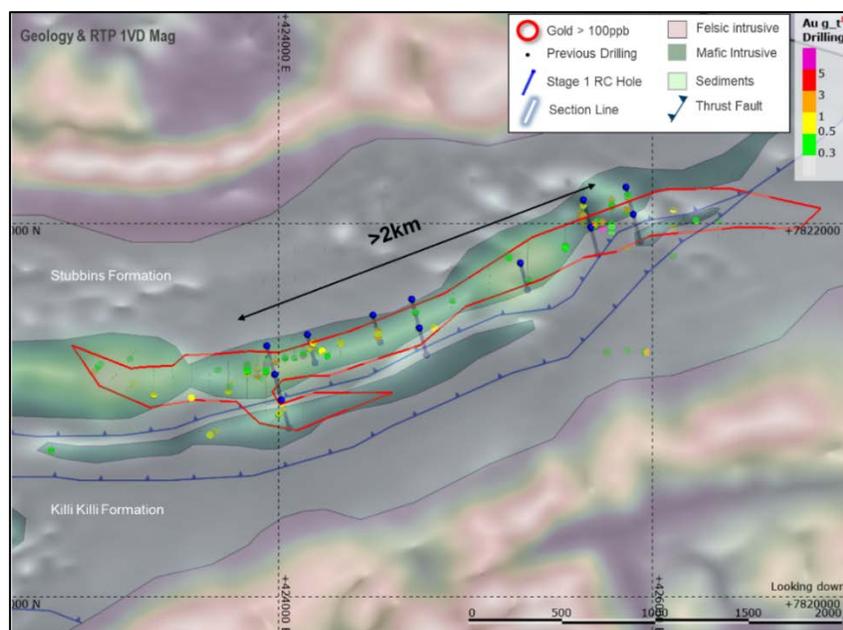


Figure 1 – Afghan prospect including proposed 12 hole RC drill program

Background

Newcrest is sole funding exploration activities across a series of joint ventures with Encounter in the Tanami and West Arunta regions of WA. Three of these joint ventures (Watts, Selby and Lewis) cover over 100km of strike along the major structural corridor (Trans-Tanami Structure) that extends through the Tanami region in Western Australia (WA).

Watts contains Hutch’s Find where a total of 17 RC drill holes for 4,930m of drilling has been completed with assay results expected in November 2019.

Selby, where drilling is now underway, includes a number of regional scale geochemical anomalies defined in shallow drilling, discrete geophysical targets and historical high grade gold intersections in limited deeper drilling. Current high priority prospects at Selby include the Afghan, Mojave and Camel prospects.

Drilling at Afghan is targeting a series of dolerite units along an interpreted thrust margin between the Stubbins Formation (equivalent unit to the host of the +14Moz Callie gold deposit) and the Killi Killi Formation. Previous drilling at Afghan has outlined a broad near surface gold anomaly (>0.1g/t Au) that extends over 4km of strike. Exploration at Afghan is targeting down dip and plunge extensions of known mineralisation along the interpreted thrust position.

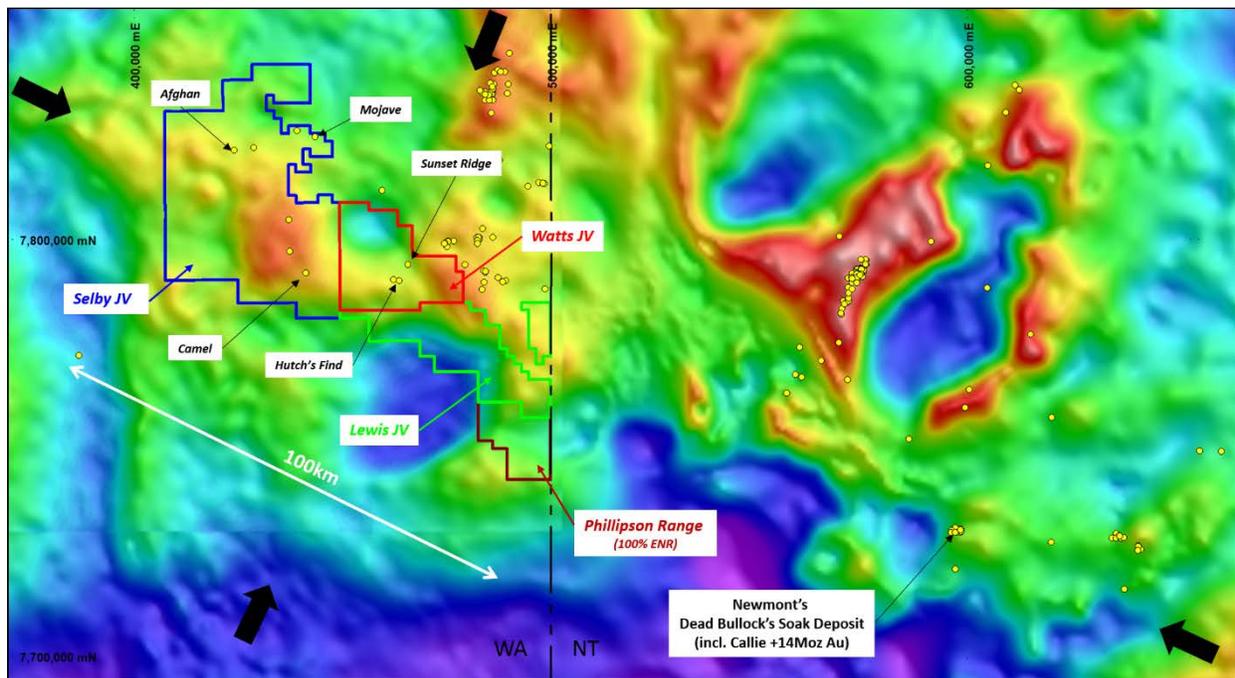


Figure 2 – Tanami Joint Venture areas with gold occurrences over regional gravity data

Upcoming Activity

Newcrest-funded exploration activity in the Tanami is testing initial targets at the Watts and Selby joint ventures during the period from September to November 2019. These programs are targeting large scale gold deposits. The RC drill program at Afghan will complete up to 12 holes to a planned depth of 300m in November 2019. The rig is then scheduled to move to the Mojave prospect also within the Selby joint venture. Results from the Afghan drilling are expected in December 2019.

Tanami and West Arunta

Fast-tracking exploration via joint ventures with Newcrest

Paterson Province – Copper-Cobalt

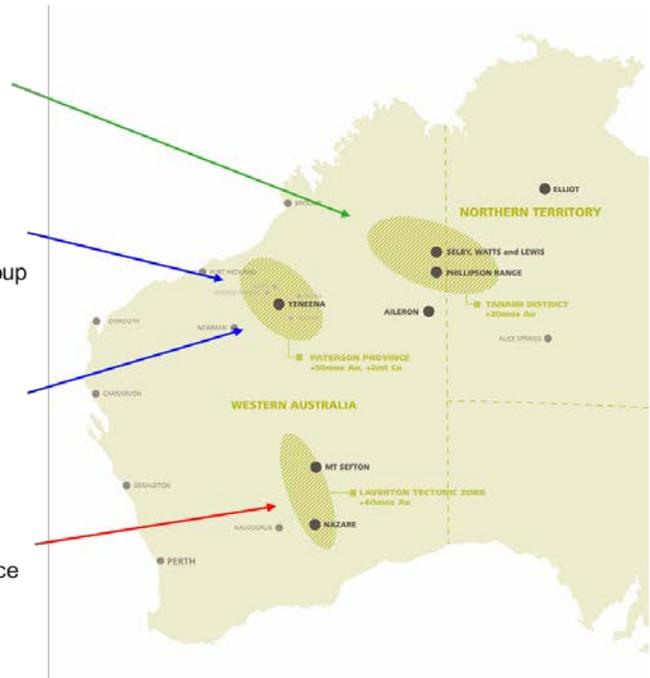
New approach in a known Cu-Co district with Independence Group

Paterson Province – Copper-Gold

Copper-Gold targets analogous to Rio Tinto's Winu discovery

Laverton Tectonic Zone

Innovative new generative program in a world class gold province



About Encounter

Encounter Resources Limited is one of the most productive project generation and active mineral exploration companies listed on the Australian Securities Exchange. Encounter's primary focus is on discovering major gold deposits in Western Australia's most prospective gold districts: the Tanami, the Paterson Province and the Laverton Tectonic Belt.

The Company is advancing a highly prospective suite of projects in the Tanami and West Arunta regions via joint ventures with Australia's largest gold miner, Newcrest Mining Limited (ASX:NCM).

Encounter also 100% controls an extensive, underexplored project position covering the southern extension of the +40Moz Laverton Tectonic Zone.

Complementing its expansive gold portfolio, Encounter controls a major ground position in the emerging Proterozoic Paterson Province where it is exploring for copper-cobalt deposits with highly successful mining and exploration company Independence Group NL (ASX:IGO), and intrusive related copper-gold deposits at its 100% owned Lamil Project.

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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 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.