Yeneena Project Copper Discoveries

Investor Update
November 2010

Corporate Information

Board	Paul Chapman - Chairman Will Robinson - Managing Director Peter Bewick - Exploration Director Jon Hronsky - Non-Executive Director Kevin Hart / Dan Travers - Company Sec.
Issued Capital:	91.5m Ordinary Shares 1.9m Employee Options
Market Cap:	$101m @ $1.10/share
Cash (30/09/10):	$4.2m (*placement $6m Dec Qtr)

Company Snapshot – Diversified Explorer

Copper

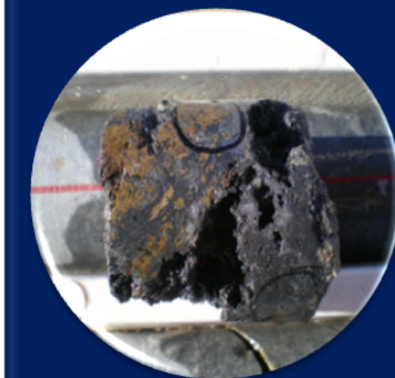
High grade discovery at BM1

Potential new copper province

Manganese

Near surface +20% Mn

Multiple targets



Zinc

Assays up to 28% Zn, 2.3% Pb, 34g/t Ag

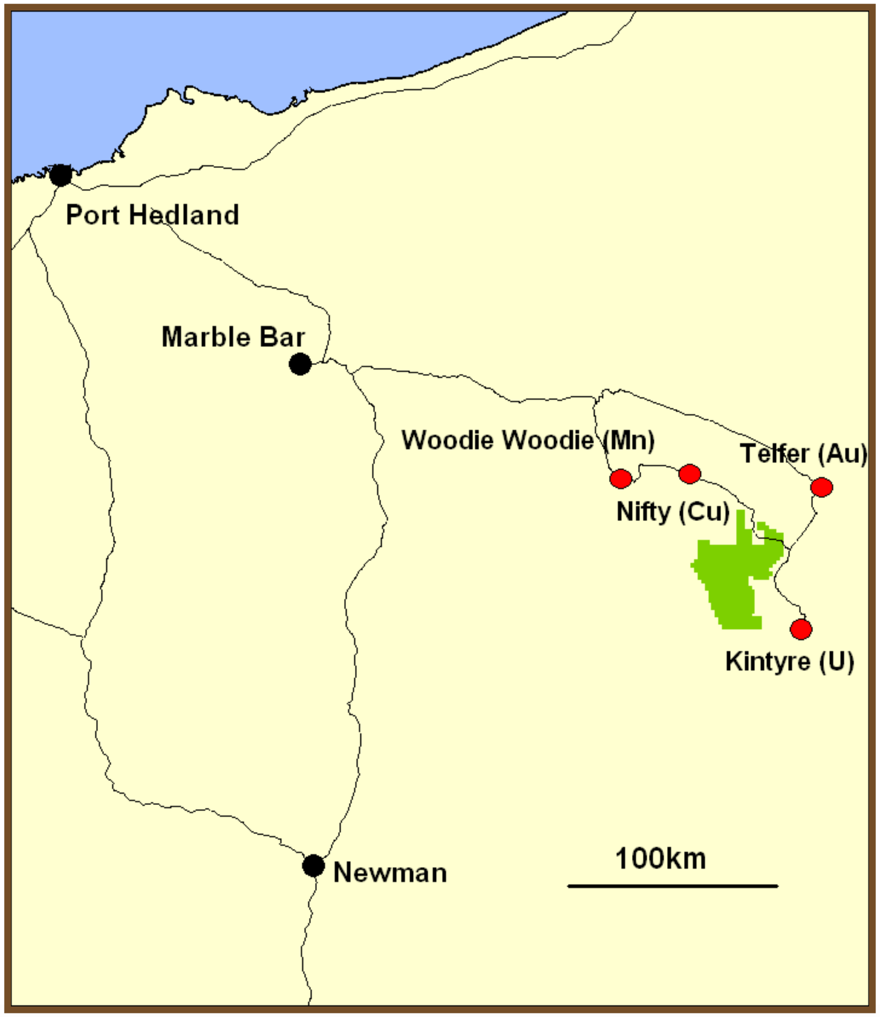
Uranium

11 million lbs near surface U_3O_8 inferred resource

- **Exploring for "Major New Mineral Discoveries"**
- **Experienced, dedicated and professional team**

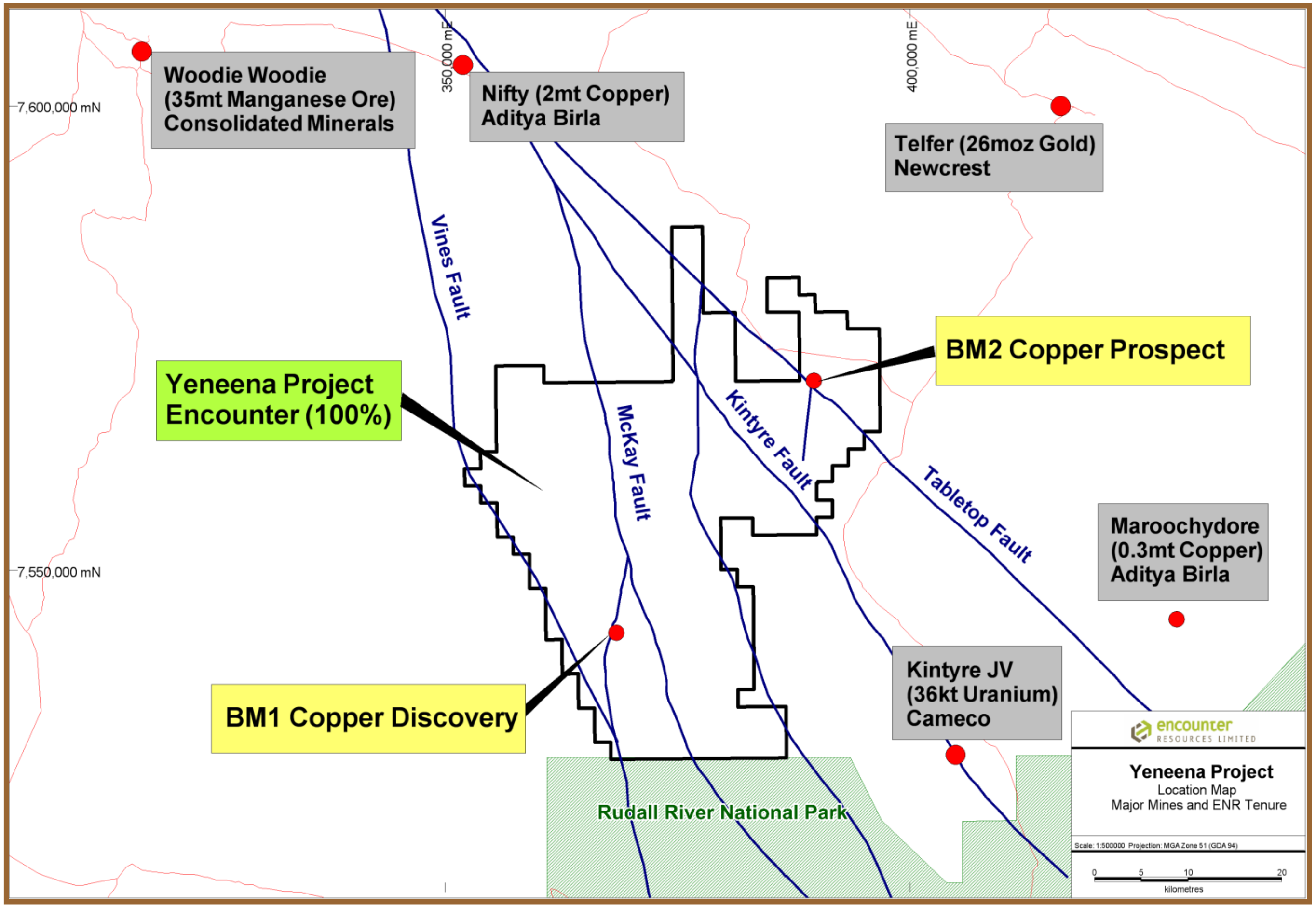
Yeneena Project – Paterson Province (WA)

- Major land position in highly endowed mineral belt, now 100% owned (1300 km^2)
- Multiple commodity targets
- Good infrastructure
- Potential new copper province
- RC/diamond drill program in progress at BM1 prospect



100% Encounter

Major land position amongst giant mineral deposits

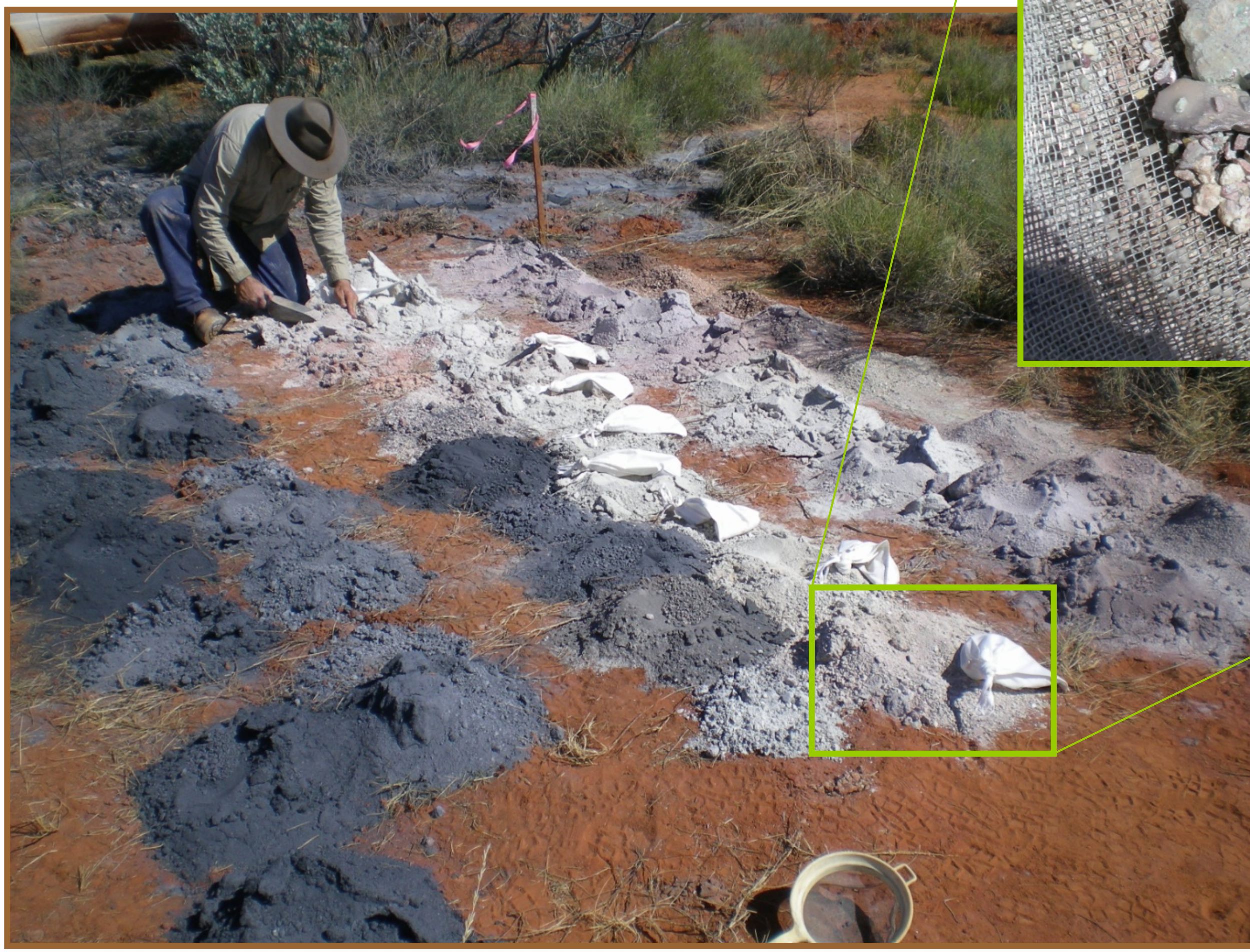


…potential for multiple copper deposits under sand cover

Yeneena Project – Road to BM1

BM1 Discovery Hole

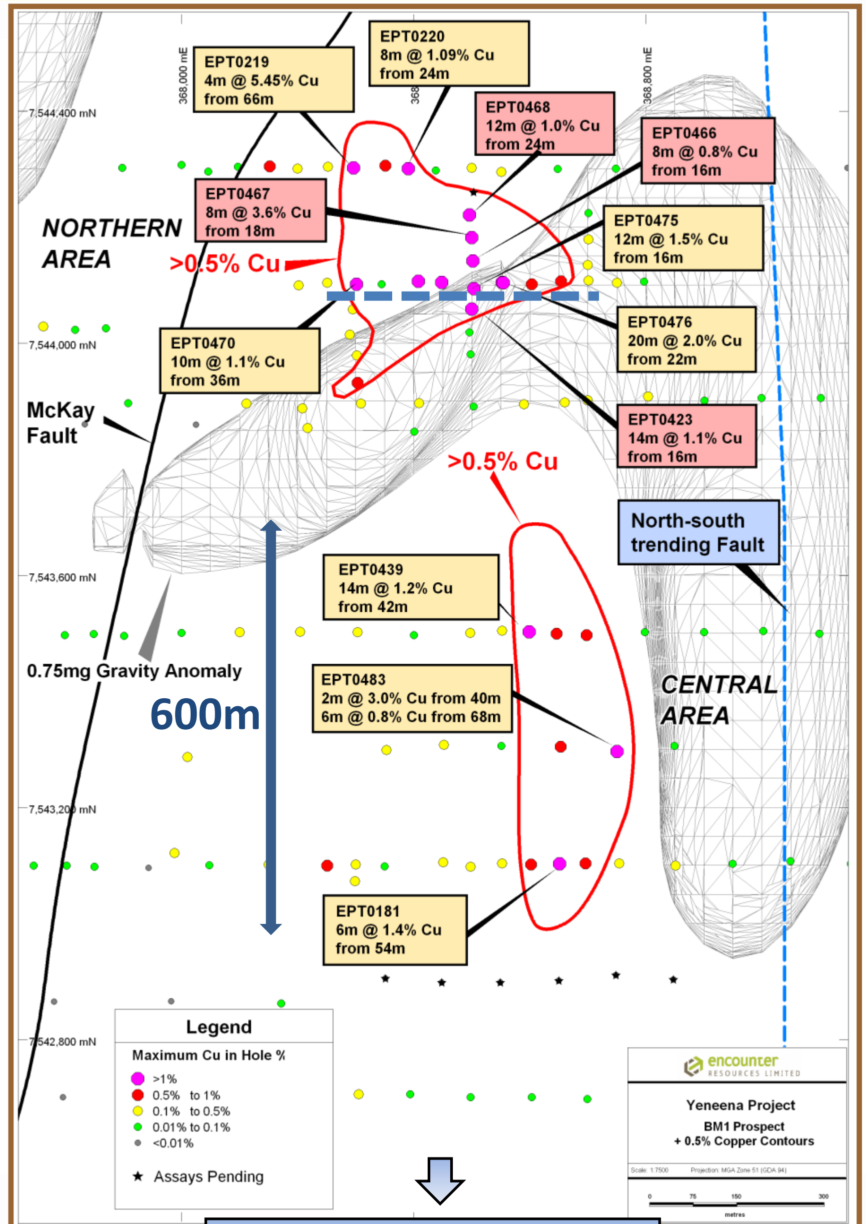
EPT 220 8m @ 1.1% copper from 24m



EPT 220 29-30m
2.8% copper

BM1 Copper Discovery

- Multiple thick, near surface intersections grading over 1% copper
- Coherent copper mineralisation over an extensive area
  - **20m @ 2.0% Cu from 22m (incl. 12m @ 3.2% Cu)**
  - **12m @ 1.5% Cu from 16m (incl. 2m @ 2.7% Cu)**
  - **10m @ 1.1% Cu from 36m (incl. 2m @ 2.5% Cu)**
  - **8m @ 3.6% Cu from 18m (incl. 2m @ 7.6% Cu)**
  - **4m @ 5.5% Cu from 66m**
- Highly anomalous cobalt - **(14m @ 0.5% Co)**
- Gravity anomaly adjacent to the high grade copper zone
- Second zone of near surface copper mineralisation discovered in Central Area



Regolith copper anomaly extends over 3km

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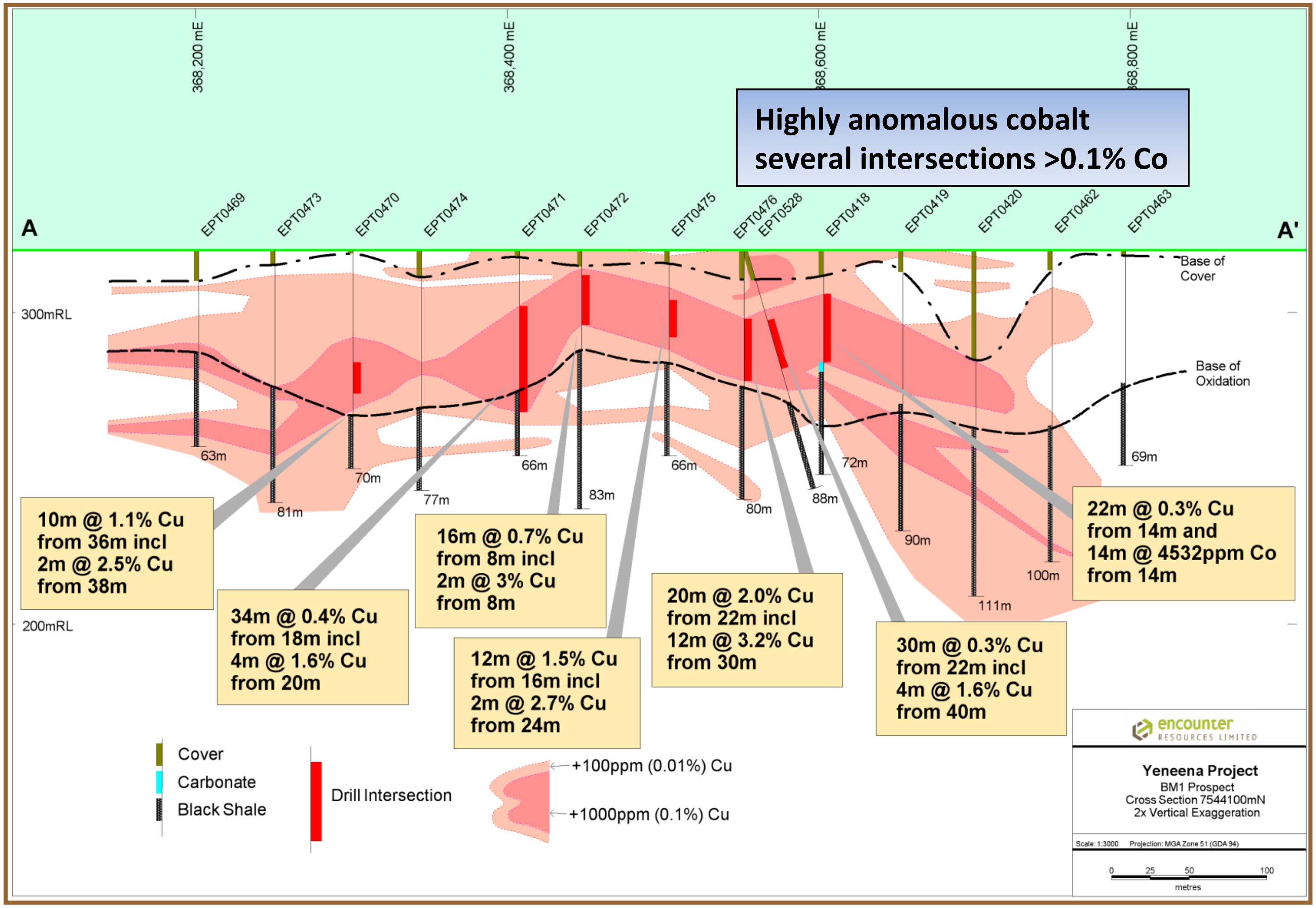
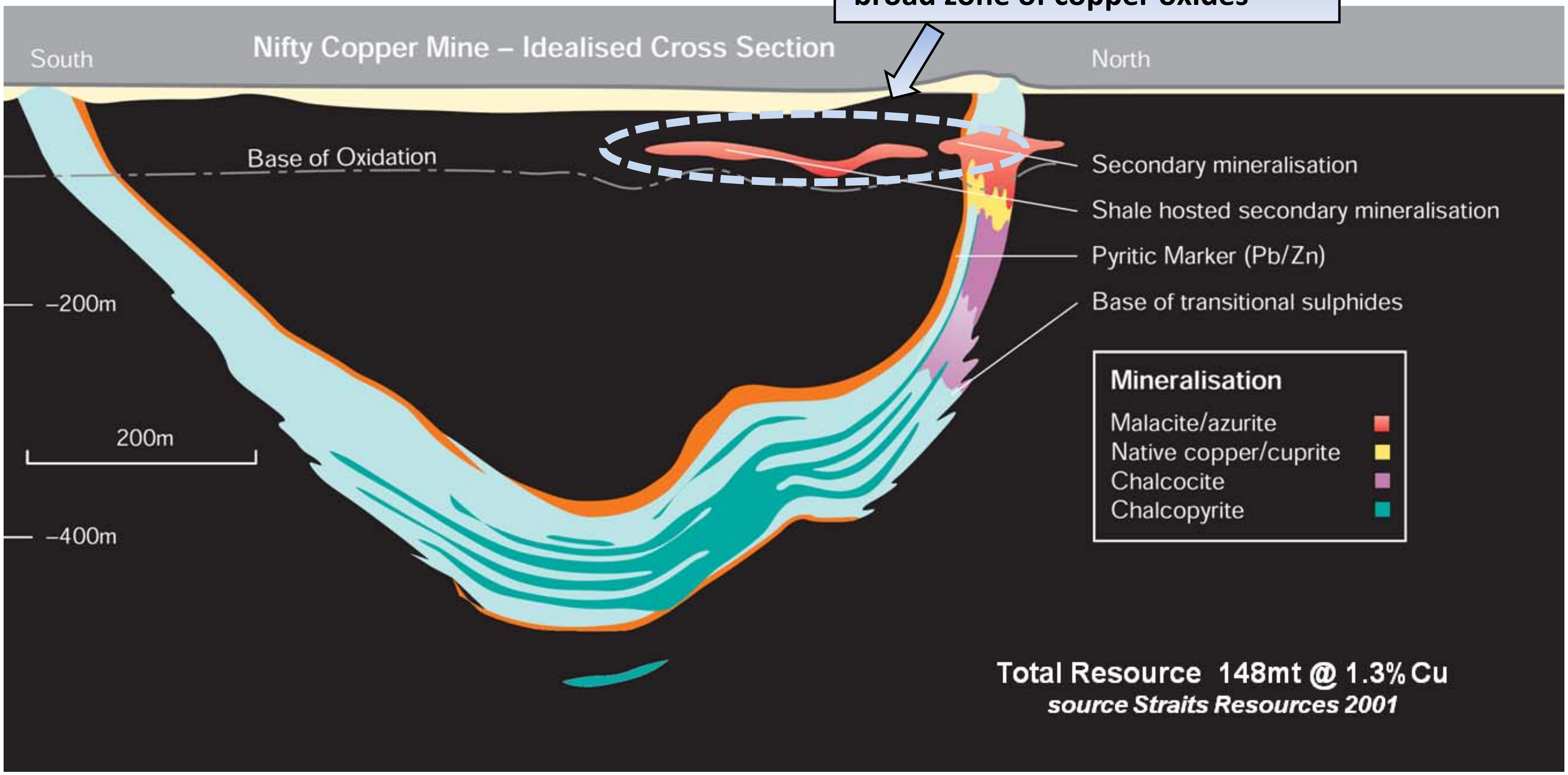
BM1 Northern Area - Section A – A’



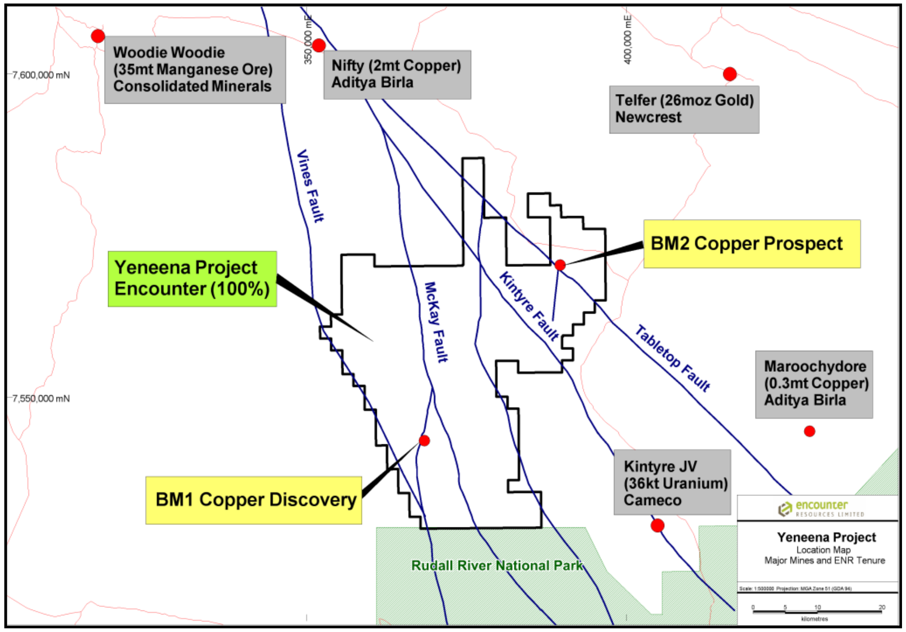
Nifty Copper Deposit

Shallow aircore drilling identified broad zone of copper oxides



BM2 – Second Copper System

- Shallow drilling has confirmed a mineralised copper system at BM2
- Extensive copper regolith enrichment continuous over a large area
- Several of the shallow holes terminated in anomalous copper
  - 30m @ 0.14% Cu from 42m to **<u>end of hole</u>** including **2m @ 0.88% Cu**
  - 28m @ 0.18% Cu from 54m including **4m @ 0.48% Cu & 2m @ 0.41% Cu**
  - 36m @ 0.17% Cu from 76m to **<u>end of hole</u>** including **6m @ 0.37% Cu**
  - 20m @ 0.27% Cu from 62m including **4m @ 0.57% Cu**
- Detailed gravity survey completed



The grade and continuity of the initial results at BM2 are similar to the early results obtained at BM1

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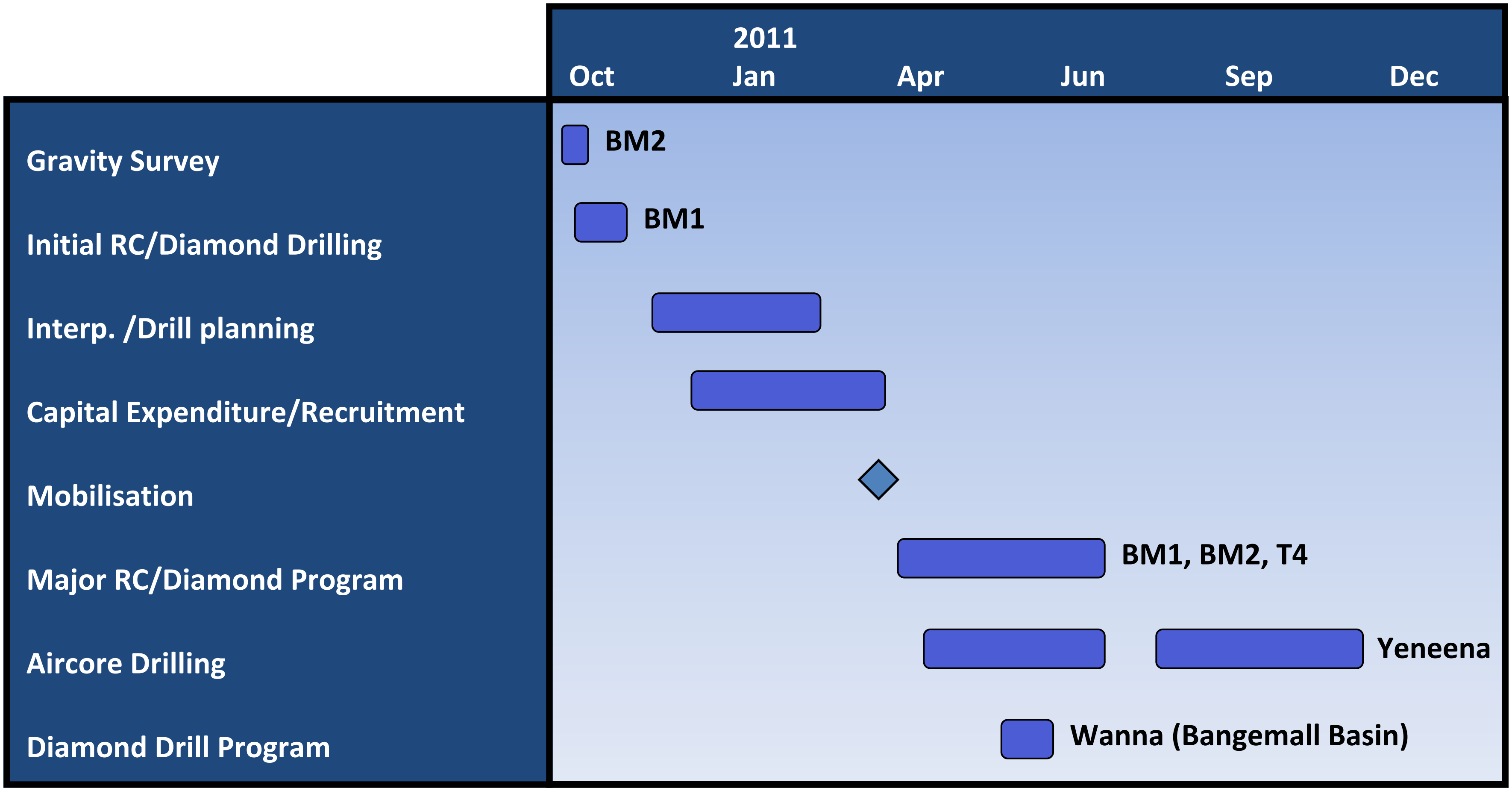
The Next Steps

- Aircore assays pending from southern drill lines from BM1
- Gravity modeling at BM2
- Diamond drilling in progress
    - ➢Three hole program to depths that will maximize the geological understanding of the copper system at depth
- Scaling up operations for major 2011 regional drill campaign and expanded program at the BM1 copper discovery

Major 2011 Exploration Campaign



The 2011 exploration program to be significantly expanded at the BM1 copper discovery and other prospects at the Yeneena 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 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 presentation of the matters based on his information in the form and context in which it appears.