

Retraction and Amendment - Completion of Diamond Drilling at Lamil

Please see attached an amended version of the announcement released on 12 September 2022 titled "Completion of Diamond Drilling at Lamil – Paterson Province", retracting all references made in the original announcement to observed sulphide mineralisation and multiple veins intersected in drill holes ETG0244 and ETG0245.

The information is being retracted as the detailed logging of the hole is not yet complete, and as such the Company is not in a position to provide a table of the estimated sulphide abundance.

Investors should not rely on the information that has been retracted from the original announcement made by the Company on 12 September 2022.

This announcement has been authorised for release by the Managing Director of Encounter Resources Limited

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Completion of Diamond Drilling at Lamil – Paterson Province

- Two diamond drill holes have been completed at the Dune Prospect (“Dune”) part of the 100% owned Lamil copper-gold project (“Lamil”), located 25km from the Telfer copper-gold mine
- The two holes (ETG0244 & ETG0245) were designed to test for lateral and down plunge extensions of the prospective package intersected in ETG0243 that contained stacked, copper-gold reefs (see ASX release 16 November 2021)
- Initial observations confirm the geological model with the prospective package intersected in both holes
- In addition, a new steep set of structures striking sub-parallel to drilling was observed in ETG0244 which may represent a new untested target
- The drill holes are being cased for downhole EM to test for off-hole conductive features that could be concentrations associated with Cu-Au mineralisation at Dune
- Initial assay results are expected in November/December 2022

The directors of Encounter Resources Ltd (“Encounter” / “the Company”) are pleased to advise that diamond drilling has been completed at Lamil in the Paterson Province of WA.

Commenting on diamond drilling at Lamil, Managing Director Will Robinson said:

“Initial observations indicate that the EIS co-funded diamond drill program at Dune has extended the target package of interbedded siltstones analogous to Telfer’s Upper Malu formation. Drillhole ETG0244 intersected this thick prospective package from ~355m depth. The hole also contained a new steep set of structures which may represent a new untested target at Dune.

The drill holes are being cased for a downhole EM survey to test for off-hole conductive features which may represent concentrations associated with copper-gold mineralisation at Dune.”

Background

Lamil covers an area of ~61km² and is located 25km northwest of the major copper-gold mine at Telfer, owned by Newcrest Mining Ltd (ASX:NCM). Lamil is adjacent to a major regional gravity lineament which marks the location of an interpreted significant crustal scale structure that would have acted as a pathway for mineralising fluids during the formation of the Proterozoic aged deposits.

The Dune prospect is located in the northwest of the Lamil project and consists of a laterally extensive copper-gold system, outlined by broad spaced RC drilling over 1km of strike (Figure 1).

The mineralisation at Dune is hosted in metasedimentary rocks of the Proterozoic Lamil group which also host the Telfer, Havieron and Winu copper-gold deposits. Dune is situated close to the intersection of the prospective Upper Malu formation and the interpreted fold axis in the north western part of the Lamil Dome.

Diamond Drilling at Dune & Elsa

Prior drilling at Dune intersected multiple, stacked, copper-gold reefs in drill hole ETG0243 within a thick prospective package of interbedded siltstones analogous to Telfer’s Upper Malu formation (see ASX release 16 November 2021).

The two holes (ETG0244 & ETG0245) that were completed in the current program were designed to test for lateral and down plunge extensions of the prospective package intersected in ETG0243.

Initial observations confirm the geological model with both holes intersecting the target package..

Drillhole ETG0244 intersected the prospective package of altered interbedded siltstones and sandstones from 355m to 474m downhole. In addition, a new steep set of structures orientated sub-parallel to drilling was observed in the hole which may represent a new untested target.

ETG0245 confirmed the dip of the north eastern flank of the Lamil Dome and intersected the prospective package at 159m. The package again contained altered siltstones and sandstones. The hole ended in quartzite at 355m.

Diamond drilling was also completed to test a discrete gravity anomaly at the Elsa prospect also part of Lamil. This hole (ETG0246) intersected a folded sequence of metasediments and was completed to 301.1m.

Logging and sampling of the three diamond drill holes is in progress prior to submission for chemical analysis.

The diamond drill program at Lamil is co-funded, up to \$220,000, under the WA Government’s Exploration Incentive Scheme (“EIS”).

Next Steps

ETG0244 and ETG0245 are being cased for downhole EM to assess the proximal area for conductive features that could represent accumulations often associated with copper-gold mineralisation at Dune.

Assay results from this program are expected in November/December 2022.

<i>Hole_ID</i>	<i>Hole_Type</i>	<i>MGA_Grid_ID</i>	<i>MGA_East</i>	<i>MGA_North</i>	<i>MGA_RL</i>	<i>Azimuth</i>	<i>Dip</i>	<i>EOH Depth</i>
ETG0244	Diamond	MGA94_51	388001	7613188	270	40	-65	672.8
ETG0245	Diamond	MGA94_51	388466	7613445	270	220	-75	355.1
ETG0246	Diamond	MGA94_51	392772	7609387	270	180	-75	301.1

Table 1: Collar locations and drill hole information of completed diamond holes at Lamil

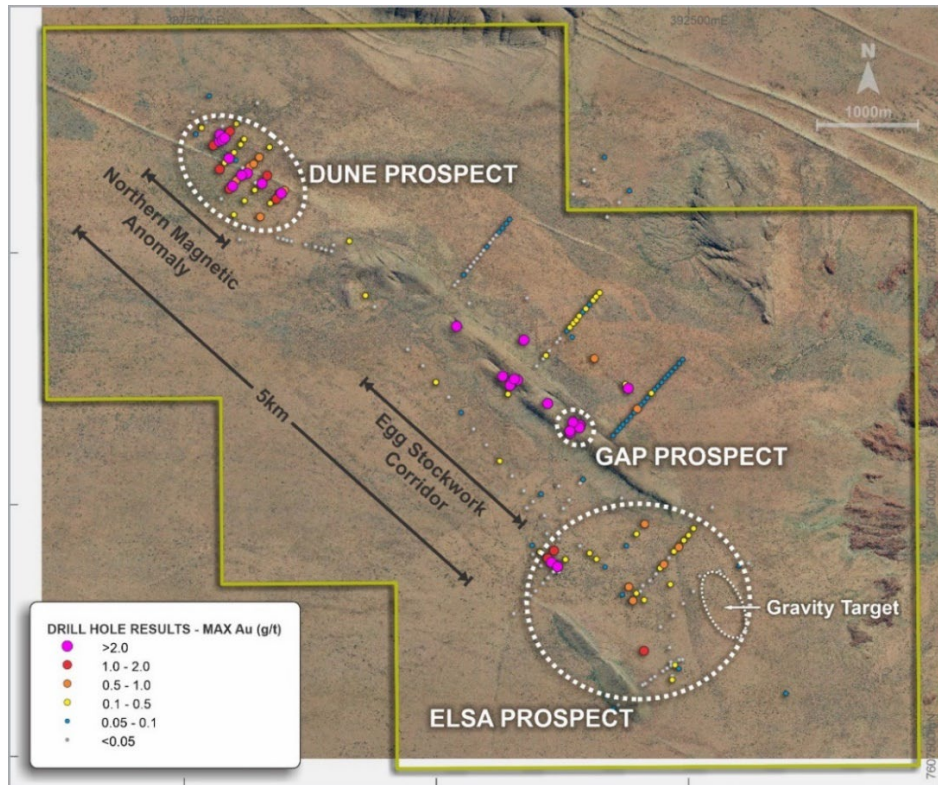


Figure 1 – Image showing the prospect locations at Lamil including Dune in the NW of the Lamil dome and the location of the Elsa gravity target in the SE of the Dome. Drill hole collars displaying max Au g/t are also shown.

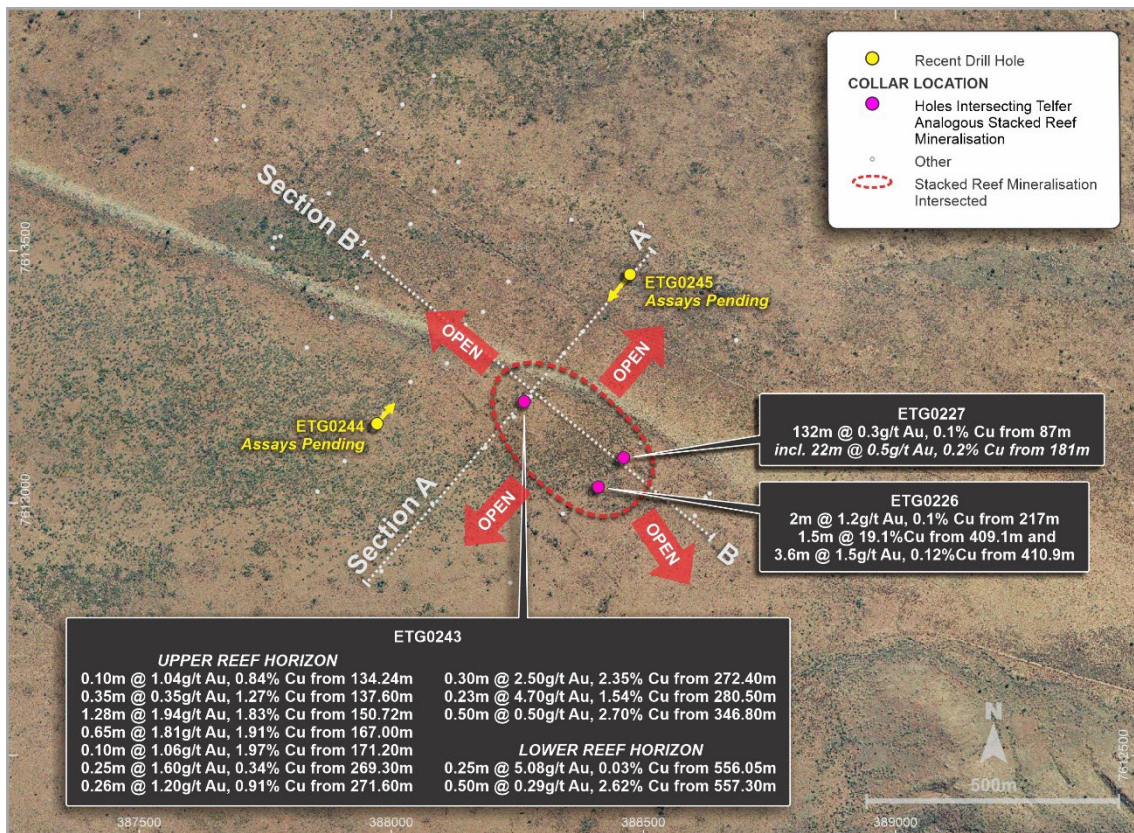


Figure 2 – Dune prospect plan showing the three previous holes that intersected stacked reef mineralisation in the Telfer analogous stratigraphic package. The locations of the two recent diamond drill holes (ETG0244 & ETG0245) down dip (cross section A-A', ETG0244) and down plunge (long section B-B' (ETG0245)).¹

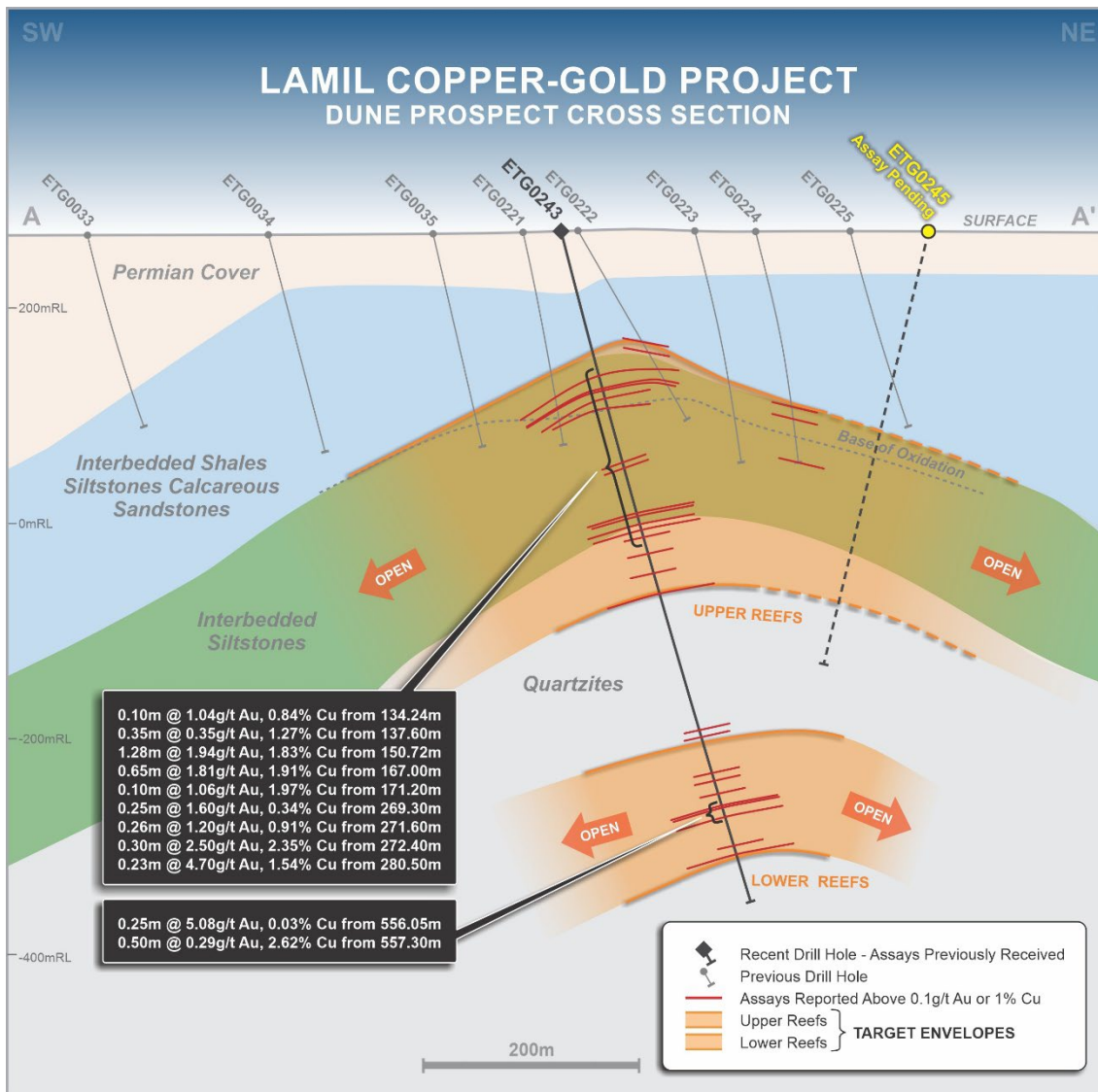


Figure 3- Schematic Dune cross section with completed drill hole ETG0245. The Telfer analogous stratigraphy including upper and lower reef horizons intersected in ETG0243 contain multiple Cu-Au reefs which are generally sub-parallel to stratigraphy. ETG0245 was completed to test for lateral continuity and increased widths of the upper reefs down dip ¹

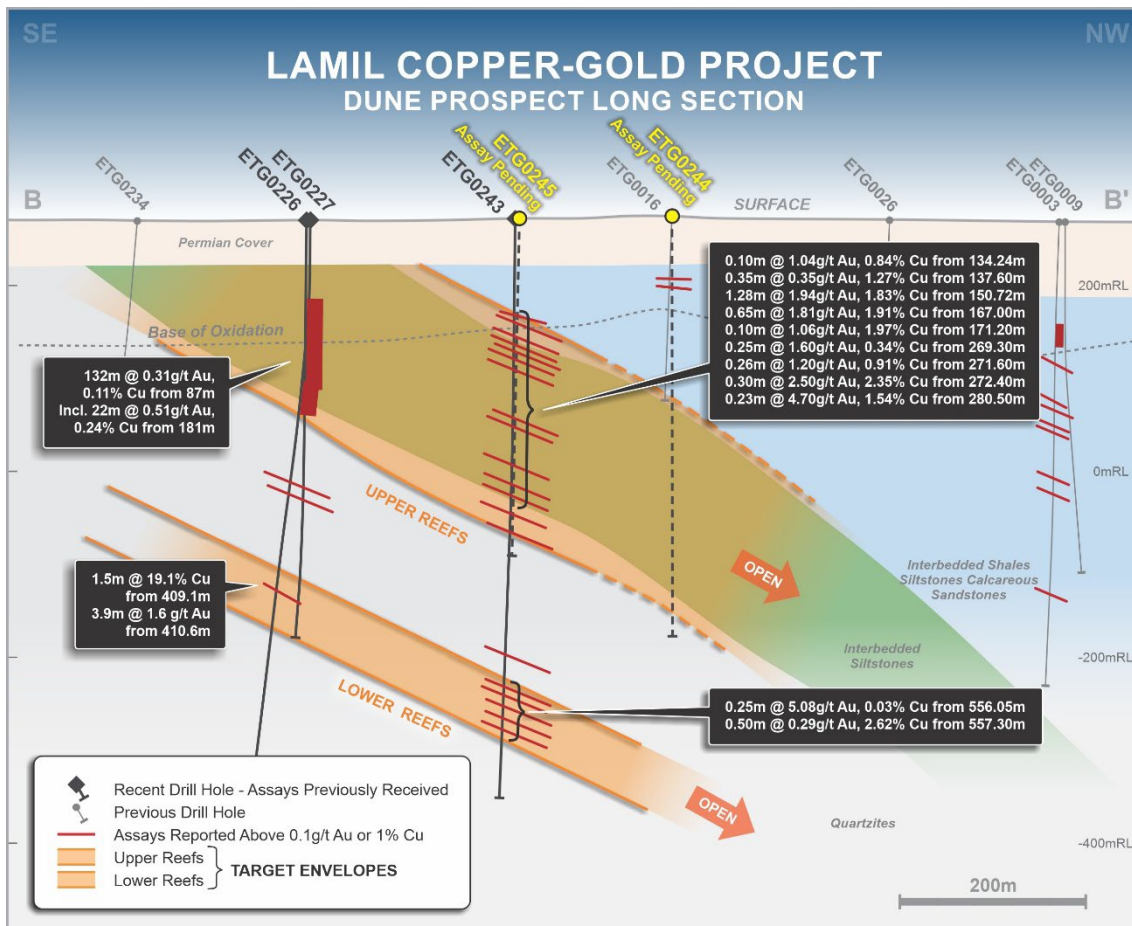
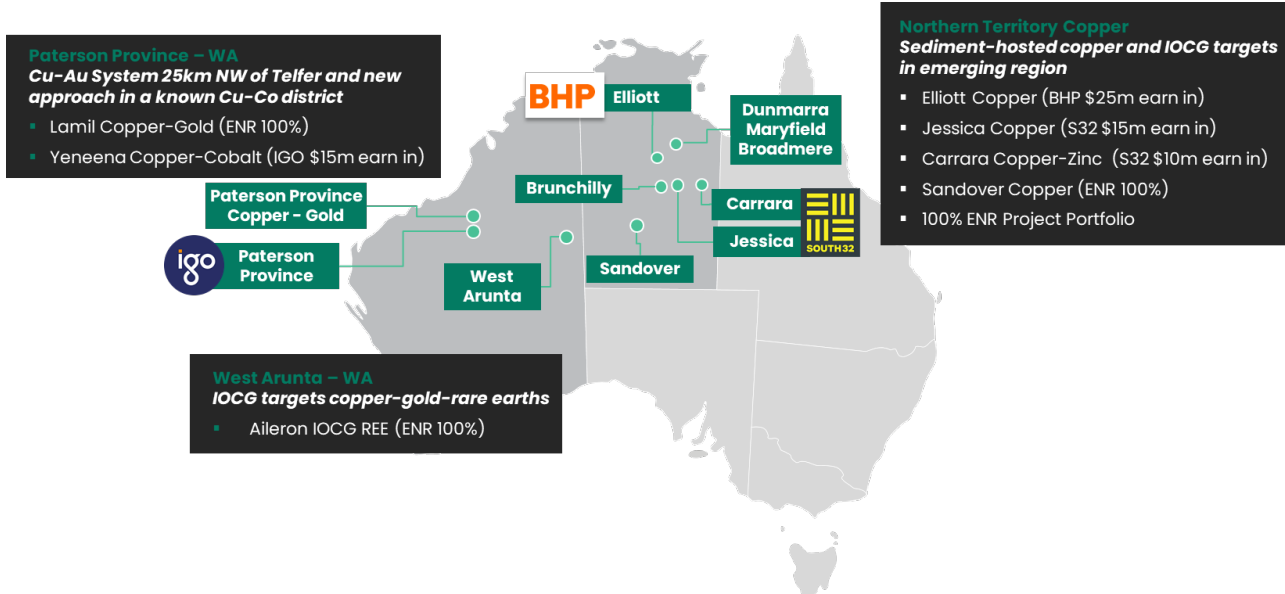


Figure 4- Schematic long section of Dune showing the interbedded siltstone unit dipping below previous drilling and recently completed drill holes, ETG0244 and ETG0245.¹

¹ For further details regarding the exploration results at the Lamil Copper-Gold Project, please refer to the following ASX announcements:

- ASX release 26 April 2017
- ASX release 19 January 2017
- ASX release 18 December 2020
- ASX release 21 April 2021
- ASX release 6 September 2021
- ASX release 16 November 2021

About Encounter



Encounter is one of Australia’s leading mineral exploration companies listed on the ASX. Encounter’s primary focus is on discovering major copper dominant deposits in Australia.

Encounter partners with leading mid-tier and major producers to advance its extensive project pipeline with more than \$25m of project funding contributed by partners over the past decade. Currently, Encounter has farm-in agreements in place with world leading resources companies to provide up to \$65m in initial exploration funding.

Encounter’s assets include:

- A large project portfolio in the Paterson Province of WA where it is exploring for copper-gold deposits at its 100% owned Lamil Project and for copper-cobalt deposits at the Yeneena project with IGO Limited (ASX:IGO);
- A series of camp scale sediment hosted copper opportunities in the Northern Territory. This includes the Elliott copper project which is being advanced via a \$25m earn-in and joint venture in partnership with BHP (ASX:BHP) and farm-in agreements with South32 (ASX:S32) at the Jessica and Carrara projects; and
- The 100% owned Aileron IOCG / REE project in the West Arunta region of WA.

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The information in this report that relates to Exploration Results is based on information compiled by Mr Mark Brodie who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Brodie 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 Brodie 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. This announcement has been authorised for release by the Board of Encounter Resources Limited.