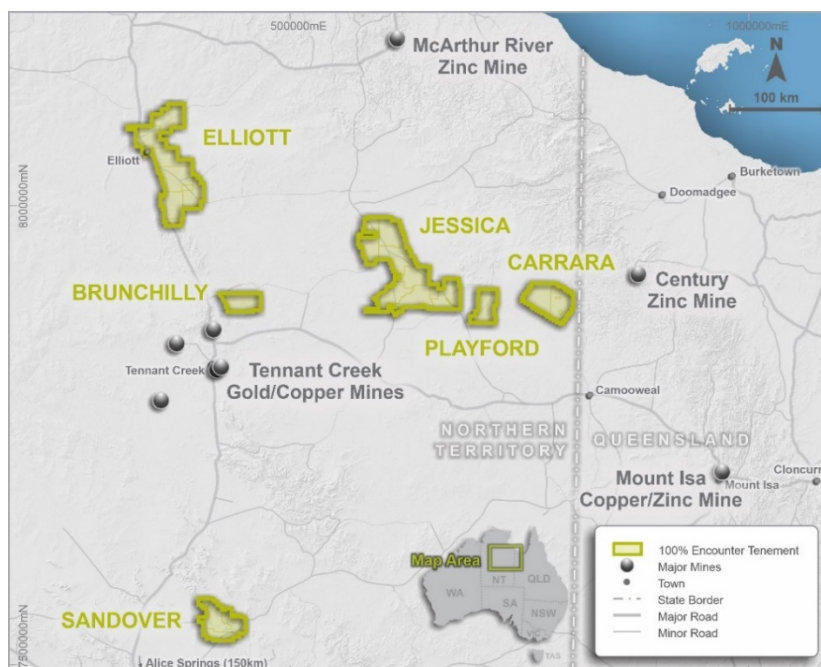


## First Mover Camp Scale Copper Projects in the NT

- Six new project areas covering 14,800km<sup>2</sup> pegged in the Northern Territory based on their potential to contain large, sedimentary-hosted and IOCG style copper deposits
- The areas lie in a highly prospective but vastly underexplored region under shallow cover located between the major copper-gold producing districts of Mt Isa and Tennant Creek
- Systematic investigation of rock chips generated from water bore sampling at the Jessica project has identified the existence of near surface copper oxide (malachite) mineralisation (Photo 1)
- Standout 50km-long copper in groundwater anomaly which is supported by surface geochemical sampling at the Elliott project (Figure 1)
- Projects were first identified by analysing new datasets generated by Geoscience Australia, as part of the Federal Government's Exploring for the Future Program
- Data compilation is continuing across all project areas and the first aircore drill program at Jessica will begin once drilling approvals have been received
- Consistent with our project generation business model Encounter will consider opportunities to advance the projects through the next phase alone or in conjunction with an earn-in partner



### Commenting on the new copper projects, Encounter Managing Director Will Robinson said:

“Copper sourced from sedimentary-hosted deposits is one of the largest sources of copper metal in the world today. The potential for sedimentary-hosted copper deposits to be found under thin cover in the Northern Territory is being opened up through the interrogation of new government datasets. Encounter moved early and aggressively to secure a series of camp scale, first mover opportunities in this new frontier. Early exploration has yielded exciting results which we will now seek to build on.”

The directors of Encounter Resources Ltd (“Encounter”) are pleased to provide an update on project generation activities in the Northern Territory.

## **Background**

New datasets provided by Geoscience Australia (“GA”), as part of the Federal Government’s Exploring for the Future Program, resulted in the application for new exploration licences comprising the Elliott and Jessica copper projects in the Northern Territory.

### **Elliott Copper Project (“Elliott”) – EL32156, EL32157, EL32158, EL32159, ELA32226, ELA32329 and ELA32437**

Elliott was the first project secured by Encounter in the Northern Territory. The project comprises seven tenements covering more than 4,500km<sup>2</sup>. Four of the tenements covering over 3,000km<sup>2</sup> were granted in March 2020. The project is located on the Stuart Highway which runs along the western margin of the project.

Elliott is located at a major structural intersection on the southwestern margin of the Beetaloo Basin targeting sedimentary hosted copper. The Beetaloo Basin is part of the Greater McArthur Superbasin that hosts the giant sediment hosted base metal deposit at McArthur River. The basin contains thick, petroleum bearing, reduced sediments which is an ideal trap sequence and structural setting for major sediment hosted base metal deposits.

Historical exploration within adjacent properties has confirmed the presence of red beds and evaporites within the sedimentary sequence which is an important ingredient in sedimentary copper deposit models.

The project encompasses key conceptual criteria for the formation of sedimentary copper and the target sequence is undercover and untested.

New GA datasets released in 2019 and 2020 have supported the conceptual and structural targeting model at Elliott. The standout, copper in groundwater anomaly (order of magnitude above background) in the extensive GA sampling program is located at Elliott. This copper in groundwater anomaly is supported by a copper soil anomaly also collected by GA.

Elliott represents a compelling first mover copper opportunity in a high quality jurisdiction. Data compilation and a validation program is progressing and is scheduled to be completed in 2020 to allow for on ground exploration to commence in 2021.

### **Jessica Copper Project (“Jessica”) – EL32273, ELA32317, ELA32338, ELA32339, ELA32386, ELA32387 and ELA32388**

Jessica was the second project secured by Encounter in the Northern Territory. Jessica covers approximately 5,500km<sup>2</sup> along key structural corridors east of Tennant Creek and is prospective for sedimentary-hosted copper and IOCG style deposits. Access to the project is via the sealed Tablelands Highway that traverses the western side of Jessica.

Systematic assessment of drill chips from water bores at Jessica has been conducted by Encounter and previous explorer Natural Resources Australia (“NRE”) utilising handheld XRF machines. Areas of copper anomalism were selected by NRE for chemical analysis. Assay results from the interval 0-3m sample in RN28419 (No. 39 water bore) returned 1.5% copper. Visual inspection of this interval by Encounter geologists confirmed the presence of abundant copper carbonate in the form of malachite (Photo 1).

The first tenement at Jessica, which covers the RN28419 (No. 39 water bore), was granted in August 2020. Preparations have commenced for an aircore drill program to confirm the copper mineralisation identified in the water bore cuttings and determine the lateral extent of the near surface copper mineralisation. This program is scheduled for October 2020, pending approvals.



Photo 1 – Copper Carbonate (Malachite) mineralisation at Jessica: 0-3m from RN28419 – chemical assay 1.5% Cu



Photo 2 – Barkly Tablelands – Northern Territory (Photo: Geoscience Australia)

### **Sandover Copper Project (“Sandover”) – ELA32374 and ELA32421**

Sandover covers an intersection of major structural corridors on the southern margin of the Georgina basin, 200km north of Alice Springs. Historical exploration at Sandover has mapped copper oxides at surface in a stratiform position extending over 20km of strike. Exploration will focus on the down dip continuation of this horizon and identifying where this mineralised horizon extends under cover.

### **Carrara Copper/Zinc Project (“Carrara”) – ELA32476 and ELA32477**

Carrara was secured following the release of the South Nicholson Seismic Survey, a foundational dataset acquired as part of the GA Exploring for the Future Program. A key finding of this study is the correlation of prospective stratigraphic units from the Isa Super basin into the Carrara Sub-basin that extended the Mount Isa Province to the west. The Carrara project is located at an interpreted structural offset of the western margin of the Carrara Sub-basin where the prospective Isa Super basin has been modelled closer to surface.

### **Brunchilly Copper/Zinc Project (“Brunchilly”) – ELA32478**

Brunchilly contains a zinc in groundwater anomaly (top 1% of results) in the GA sampling program and is located on a major north-east trending regional structure north of Tennant Creek. This anomalous sample is supported by elevated anomalism in pathfinder elements that are considered prospective for sedimentary-hosted base metals deposits.

### **Playford Copper Project (“Playford”) – ELA32493**

Playford is located in a region of copper regolith anomalism identified through handheld XRF analysis of water bore drill chips. The bore is located on the margin of an interpreted felsic intrusion identified in a seismic survey completed by GA in the Exploring for the Future Program.

### **Conclusion**

Encounter has secured a large and highly prospective project portfolio in the Northern Territory focused on the discovery of base metal deposits under shallow cover. The new datasets provided by GA as part of the Exploring for the Future Program provide crucial new data to open up and facilitate exploration in this covered, highly prospective and underexplored region of Australia (Photo 2).

The compilation, interpretation and modeling of the data packages at Elliott will continue through to the end of 2020. At Jessica, preparations have commenced, and an aircore rig has been tentatively booked for a drill program to be completed in October 2020, pending approvals. Data compilation and validation will continue at Jessica with remaining tenements expected to be granted in early 2021.

Encounter will continue to progress access agreements and complete data validation at the Brunchilly, Carrara, Playford and Sandover projects in the lead up to the grant of these tenements which is expected early in 2021.

Consistent with our project generation business model Encounter will consider opportunities to advance this project through the next phase alone or in conjunction with an earn-in partner.

Hole_ID	Hole_Type	Grid_ID	North	East	RL	Azimuth	Dip	EOH Depth
RN28419	RAB	AGD66_z53	7905840	645925	180	vertical	-90	108.5

**Table 1: Water bore RN28419 (#39) collar location and drill hole information. RAB = Rotary Air Blast**

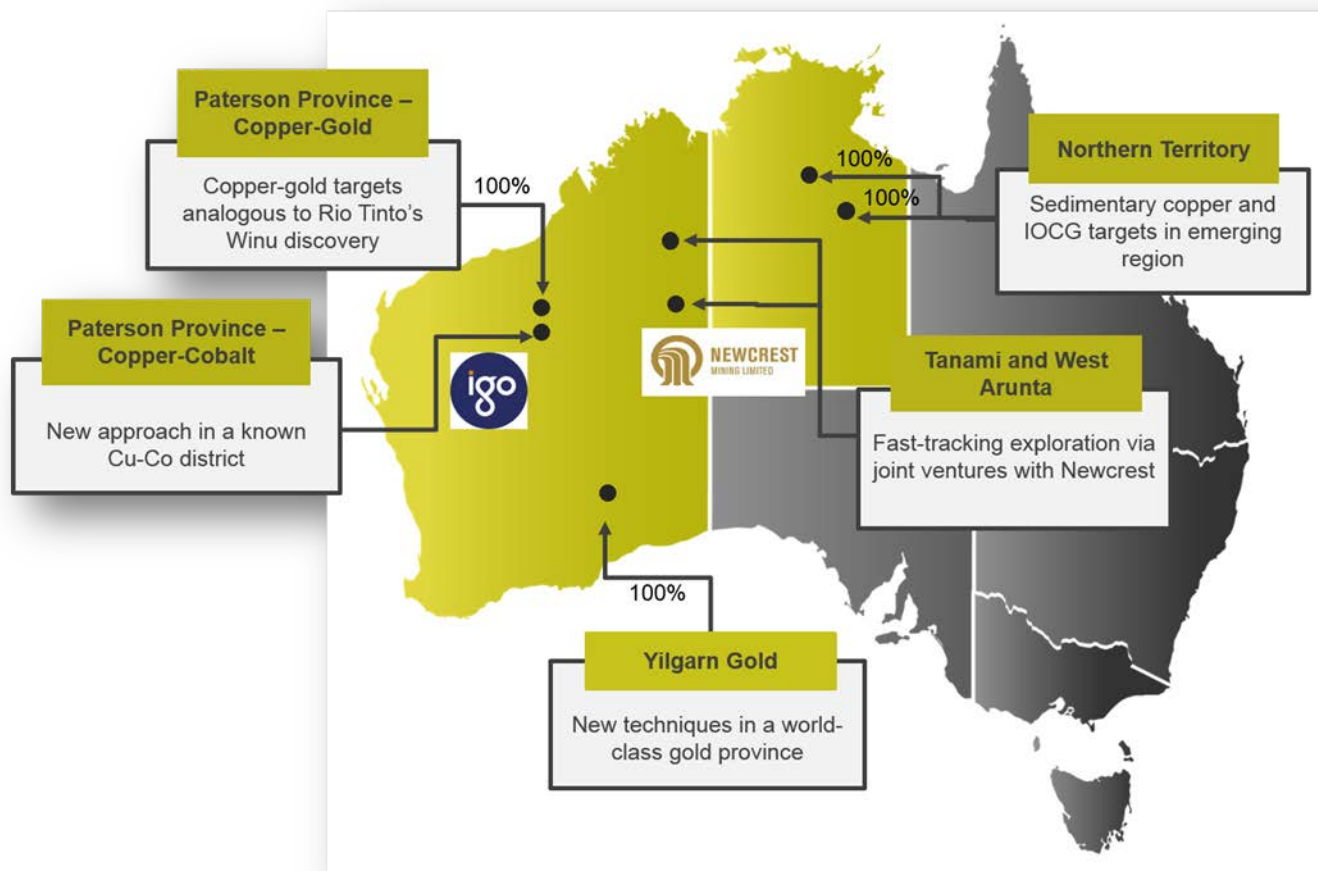
Hole ID	From (m)	To (m)	Length (m)	Copper (%)
RN28419	0	3	3	1.50

**Table 2: Copper assays from RN28419 drilled at Bore #39 (no other chemical assays reported from this hole)**

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. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

This announcement has been authorised for release by the Board of Encounter Resources Limited.



## 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 Yilgarn.

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).

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 IGO Limited (ASX:IGO), and intrusive related copper-gold deposits at its 100% owned Lamil Project.

In addition, project generation activities in the Northern Territory utilising new Geoscience Australia datasets has resulted in Encounter securing the first mover Elliott and Jessica copper projects.

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## SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sounds, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	A small sample of drill chips from each 3m interval was collected from RN28419 and stored by the Northern Territory Geological Survey at the Darwin Core Facility. The single hole RN28419 completed at the #39 water bore was drilled as a replacement to the original failed bore.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	Drill hole collar locations were recorded by handheld GPS and are considered to be an approximation.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i>	Rotary air blast (RAB) drilling was used to collect drill chips at 3m intervals down hole and small (~100gm) sub samples from these intervals were stored by the NTGS. A previous explorer, Natural Resources Australia ("NRE") used handheld XRF units to identify intervals of anomalous geochemistry. The interval from 0-3m in RN28419 was then selected by NRE for chemical analysis. Material from this interval was sent to ALS laboratories for Aqua Regia ICP-AES analysis. Encounter geologists have inspected the RN28419 sample stored at the Darwin Core Facility and have confirmed the presence of copper carbonate mineralization through visual inspection and use of a handheld XRF
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Results reported in this announcement from RN28419 refer to samples from rotary air blast drilling.
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	Historical documents on which this report is based does not detail this information.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	Historical documents on which this report is based does not detail this information.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Historical documents on which this report is based does not detail this information.

Criteria	JORC Code explanation	Commentary
<b>Logging</b>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	A basic geological log of the hole was completed at the time of drilling and noted simplified lithological information.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Historical documents on which this report is based does not detail this information.
	<i>The total length and percentage of the relevant intersections logged</i>	All drill holes logged were detailed at 3m intervals for the length of the hole.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Samples submitted were chips from RAB drilling
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Historical documents on which this report is based does not detail this information.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Sample preparation was completed at ALS Laboratories. Samples were dried, crushed, pulverised (90% passing at a $\leq 75\mu\text{M}$ size fraction) and split into a sub – sample that was analysed using ICP – AES analysis.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	The sub sample collected from the 3m sample interval is small at ~100gms. No information is available to determine how representative the sub sample is of the original interval.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Historical documents on which this report is based does not detail this information.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Historical documents on which this report is based does not detail this information.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The sample(s) for ICP analysis have been digested using Aqua Regia methodology. This digest methodology produces variable digestion of various elements due to the variable refractory nature of minerals. Samples were analyzed for 35 elements by ICP – AES method (Cu, Fe, Ga, Hg, K, La, Mg, Mn, Ni, P, S, Sc, Ti, Zn, Ag, Al, As, Ba, B, Be, Bi, Ca, Cd, Cr, Co, Mo, Na, Pb, Sb, Sr, Ti, U, V, W and Au).
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Handheld XRF device used was a Thermo Niton XL3t 500 although these results are not reported and were only used to determine which intervals were sent for wet chemistry analysis.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Historical documents on which this report is based does not detail this information.



<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The intersections included in this report have been verified by Sarah James (Senior Exploration Geologist).
	<i>The use of twinned holes.</i>	No twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Historical documents on which this report is based does not detail this information.
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to the assay data
<b>Location of data points</b>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill hole collar locations are determined using a handheld GPS and are considered to be an approximation.
	<i>Specification of the grid system used.</i>	The grid system used in the original water bore drilling program was AGD66, UTM zone 53.
	<i>Quality and adequacy of topographic control.</i>	Estimated RLs were recorded on the handheld GPS and are considered to be an approximation.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	The report water bore hole is a single drill hole with the next drilled and sampled hole approximately 10km from this bore site.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	This report relates to a single drill hole. The mineralisation identified has not yet demonstrated to be sufficient in both geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been completed on these results.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	N/A – this is early stage drilling and the orientation of sampling to the mineralisation is not known.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	This is early stage drilling and the orientation of sampling to the mineralisation is not known.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Historical documents on which this report is based does not detail this information.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Historical documents on which this report is based does not detail this information.

## SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>The Jessica project is located within the exploration tenement EL32273 which is 100% held by Baudin Resources Pty Ltd, a wholly owned subsidiary of Encounter Resources Ltd.</p> <p>The tenement is located on the Brunette Downs and Aloy Downs Pastoral Stations where non-exclusive native title has been determined.</p> <p>No historical or environmentally sensitive sites have been identified in the area of work.</p>
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Natural Resources Australia (“NRE”) explored the Barkly region in the period 2011-2013 in the search for phosphate, uranium and diamonds. NRE applied for 13 exploration licences covering a total of 2,291 km<sup>2</sup>. NRE completed a review of historical exploration, they completed two reconnaissance helicopter assisted field trips and extensive surface geochemical surveys. NRE also conducted a program of XRF analysis of water bore cuttings stored by the NTGS and occasional wet chemical analysis of these cuttings.</p> <p>Prior to NRE activities the Barkly region had seen numerous phases of phosphate exploration and occasional diamond exploration. This activity is summarised the NRE report GR167-2011.</p> <p>No exploration activities specific to EL32273 have been found other than the handheld XRF and analytical work completed by NRE in 2011.</p>
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation</i>	<p>The Jessica project is situated within the Georgina basin within the Greater McArthur Superbasin. The vast majority of the area is under cover with minimal geological outcrop. The interpreted geology of the region is generated from the processing of geophysical data and validated through the logging of occasional oil &amp; gas exploration holes.</p> <p>The Jessica project is being explored for Sediment Hosted Copper mineralization and for IOCG deposits.</p>
<b>Drill hole information</b>	<i>A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>• <i>Easting and northing of the drill hole collar</i></li> <li>• <i>Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</i></li> <li>• <i>Dip and azimuth of the hole</i></li> <li>• <i>Down hole length and interception depth</i></li> <li>• <i>Hole length</i></li> </ul>	<p>Refer to tabulations in the body of this announcement.</p>

<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Data aggregation methods</b>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	No weighting or cut-offs have been applied to the results
	<i>Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No aggregation of results has been applied to the results
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalents have been reported in this announcement.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>These relationships are particularly important in the reporting of exploration results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	The geometry of the mineralisation is not yet known due to insufficient drilling in the targeted area.
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views.</i>	The reported result is a single sample from a single hole and therefore plans or sections are considered inappropriate at this time.
<b>Balanced Reporting</b>	<i>Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	The reported result is a single sample from a single hole with no other wet chemical analysis completed on the samples from this hole.
<b>Other substantive exploration data</b>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.
<b>Further Work</b>	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	A program of shallow aircore drilling is being designed to confirm the copper oxide mineralization seen on RN28419 and to test for the extent of this mineralization.