



## Announcement Summary

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**Entity name**

ENCOUNTER RESOURCES LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Friday October 23, 2020

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Unlisted options exercisable at \$0.228 per Option expiring 30 October 2021.	1,500,000
ENR	ORDINARY FULLY PAID	33,157,878

**Proposed +issue date**

Friday October 30, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

ENCOUNTER RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

47109815796

**1.3 ASX issuer code**

ENR

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Friday October 23, 2020

**1.6 The Proposed issue is:**

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Friday December 4, 2020	<input checked="" type="checkbox"/> Estimated	No

**Comments**

Shareholder approval required for director participation in the share placement, amounting to 1,578,948 shares on the same terms as the unrelated parties

Part 7B - Issue details

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ASX +security code and description**

ENR : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

33,157,878

**Offer price details**



**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.19000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

New class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

**Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?**

No

**Will the entity be seeking quotation of the 'new' class of +securities on ASX?**

No

**ASX +security code**

New class-code to be confirmed

**+Security description**

Unlisted options exercisable at \$0.228 per Option expiring 30 October 2021.

**+Security type**

Options

**Number of +securities proposed to be issued**

1,500,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Option fee payable to the Lead Manager for services provided in relation to the capital raising (Refer 7E.1b for further details).



**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

107,934.000000

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

Options details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 0.2280

**Expiry date**

Saturday October 30, 2021

**Details of the type of +security that will be issued if the option is exercised**

ENR : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

1,500,000

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Terms and conditions of unlisted options included in notice of meeting referred to in 7A1.a

Part 7C - Timetable

**7C.1 Proposed +issue date**

Friday October 30, 2020

Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

31,578,930 ordinary fully paid shares; and  
1,500,000 unlisted options.



**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

No

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

Yes

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

## Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

Yes

**7E.1a Who is the lead manager/broker?**

Euroz Hartleys Securities Limited (AFSL 243302)

**7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

Placement fees amount to:

- i) a management fee, in cash, equal to 1.0% of the total gross dollar amount raised under the Placement (Management Fee);
- ii) an equity raising fee, in cash, equal to 4.0% of the total gross dollar amount raised under the Placement (Equity Raising Fee) with the exception of funds raised from Company Board and Management, which attract a nil Equity Raising Fee; and
- iii) an option fee, whereby the Company will issue Euroz Hartleys 1,500,000 options to acquire fully paid ordinary shares in the Company at an exercise price equivalent to a 20% premium to the placement price, with an expiry date of 12 months from the date of issue (Option Fee).

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

None

## Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

- Gold-copper exploration in the Paterson Province of Western Australia;
- Copper exploration in the Northern Territory;
- Accelerating gold and base metal project generation activities; and
- General working capital purposes and costs of the offer.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

None