

Regain 100% of West Tanami Gold Project – Activity to Accelerate

- Encounter Resources Ltd (“Encounter”) has regained 100% control of the 3,400km² West Tanami Gold Project (“West Tanami”)
- Newcrest Mining Ltd. (“Newcrest”) has advised of its decision to withdraw from the Selby, Watts and Lewis joint ventures. Newcrest will hold no residual interest in West Tanami.
- Aileron joint venture with Newcrest located in the West Arunta region of WA continues with assay results from the initial diamond drill program expected in January 2021
- Over the last 24 months Newcrest have completed a 18,400km line airborne magnetic survey, extensive heritage clearances and one program of broad spaced RC drilling
- West Tanami is a rare, belt-scale, under explored gold project that covers over 100km of strike of the major Trans-Tanami structural corridor that hosts Newmont Goldcorp’s giant Callie gold deposit in the Northern Territory. It is expected that there will be strong interest from other parties to advance West Tanami in partnership with Encounter.
- Priority prospects for follow up in 2021 include:
 - Afghan Prospect:
 - +7.5km long gold anomaly in shallow RAB drilling
 - Eight hole RC drill program in 2019 confirmed gold mineralisation over a 2km zone including AFG002 - 10m @ 1.6g/t Au from 4m incl. 6m @ 2.5g/t Au from 6m ¹
 - Mojave Prospect:
 - +7km long gold-arsenic anomaly that includes thick mineralised drill intersections strengthening at bottom of hole
 - Camel Prospect:
 - 7.2m @ 3.1g/t Au from 95m in last drilling completed in 2010 ²
 - Hutch’s Find Prospect:
 - Significant zone of gold/arsenic anomalism in colluvium over 5km of strike
 - Limited drilling has returned 19m @ 2.3g/t Au from 98m and 10m @ 5.4g/t Au from 123m ²
 - Bandicoot Prospect:
 - Large, untested magnetic anomaly coincident with gold-arsenic geochemical anomaly

Commenting on the Tanami opportunity, Encounter Managing Director Will Robinson said:

“We are delighted to be back in control of this major prospective land position, in a strong gold market, with immediate high quality drill targets for follow up in 2021. The project contains open, high-grade gold intersections under shallow cover and large untested geophysical anomalies with supporting geochemistry. We anticipate strong partner interest in the West Tanami Gold Project, which represents a rare belt scale gold project in a Tier 1 jurisdiction.”

The directors of Encounter Resources Ltd (“Encounter / the Company”) are pleased to announce that Encounter will regain 100% control of the 100km long West Tanami Gold Project in WA.

Background

West Tanami is a belt scale gold project that covers over 100km of strike along the major structural corridor (Trans-Tanami Structure) that extends through the Tanami region of WA.

West Tanami has been subject to sporadic and fragmented exploration in the past. The attraction of the project area was enhanced by new datasets provided by the Geological Survey of WA and material new near mine gold discoveries at Newmont Mining’s +14Moz Callie gold mine.³

Encounter consolidated ground holdings in 2017 acquiring 3,400km² of a well mineralised, emerging gold province that is significantly underexplored. As part of Encounter’s and Newcrest’s project generation alliance, the companies entered into three separate unincorporated joint ventures: Selby, Watts and Lewis. Following withdrawal, Newcrest will hold no residual interest in West Tanami.

Apart from the sheer scale and quality of the project, there is also an extensive drill hole database, new datasets including a 18,400 line km airborne magnetic survey and extensive heritage clearance.

Mojave Prospect

Mojave is located within a 7km NW trending corridor of arsenic anomalism (As >100ppm). Two discrete zones of known gold anomalism (>0.1g/t Au) sit within this regionally significant anomaly. Historical drilling at Mojave defined a discrete near surface gold anomaly that remains open along strike and down plunge. Anomalism at Mojave is located on an interpreted fold hinge at the transition between the Stubbins Formation (equivalent unit to the host of the +14Moz Callie gold deposit) and Killi Killi Formation.

One drill traverse was completed by Newcrest at Mojave in 2019. Results from the three holes drilled on this section have confirmed strong bedrock gold anomalism within a folded dolerite unit, confirming the interpreted geological model. The two steeply dipping mineralised structures are associated with minor quartz sulphide veining along the limbs of an interpreted antiform and these remain open along strike and at depth (Figure 1).

Drill holes MOJ002 and MOJ004 intersected multiple zones of gold mineralisation within the dolerite host:

- **MOJ004:**
 - **16m @ 0.27g/t Au from 36m**
 - **4m @ 0.25g/t Au from 56m**
 - **6m @ 0.47g/t Au from 66m**
 - **8m @ 0.30g/t Au from 76m**
 - **10m @ 0.69g/t Au from 228m**
 - **10m @ 0.38g/t Au from 256m**
- **MOJ002:**
 - **4m @ 0.70 g/t Au from 20m**
 - **4m @ 0.28 g/t Au from 124m**
 - **6m @ 0.53g/t Au from 174m**
 - **4m @ 0.38g/t Au from 196m**
 - **10m @ 0.34g/t Au from 210m**

(refer ASX release 23 January 2020)

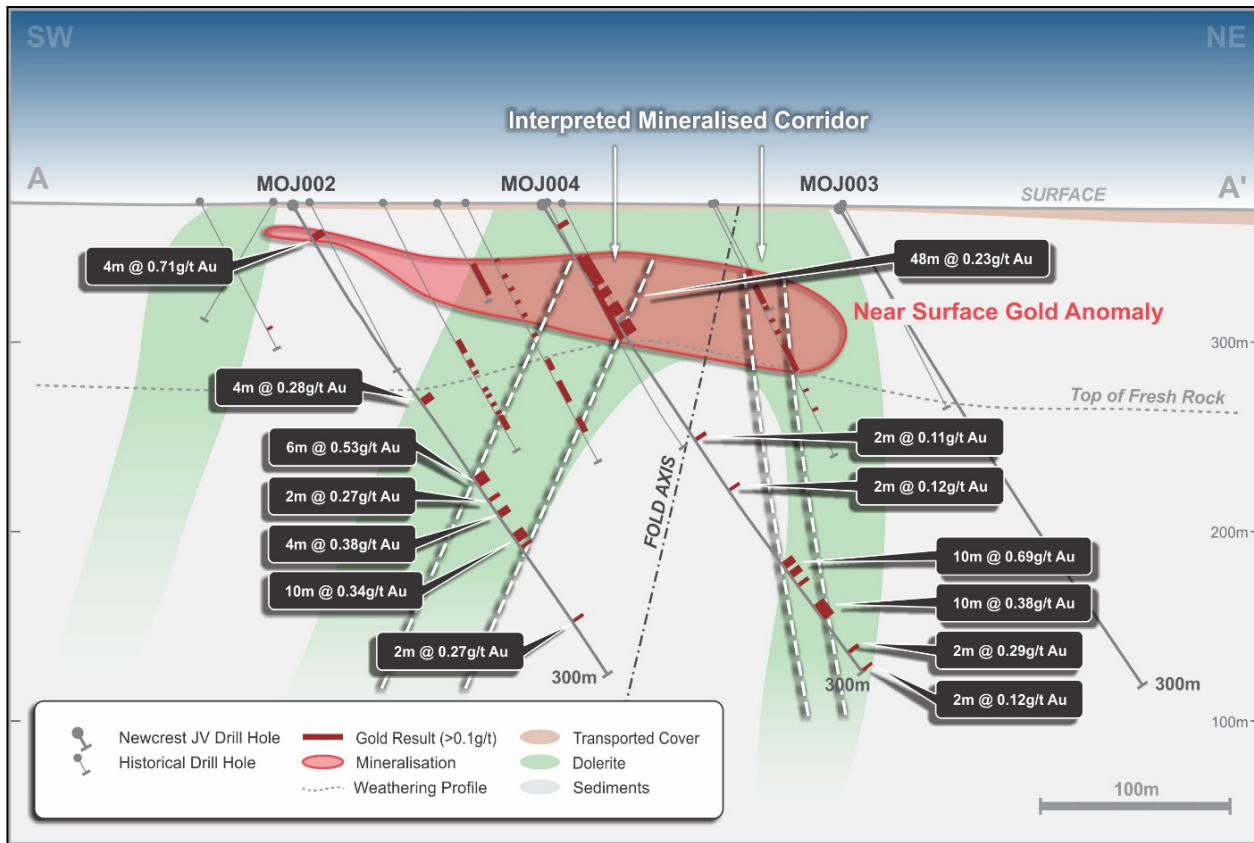


Figure 1 – Mojave prospect cross section showing steeply dipping mineralised structures along the limbs of an interpreted antiform

The hinge zone of the folded dolerite unit at Mojave is untested to the south-east where it is interpreted to intersect a regional scale east-north-east trending cross cutting fault (see Figure 2). This down plunge structural target exhibits a number of key targeting elements for orogenic gold systems and this untested position represents a high quality target for future drilling.

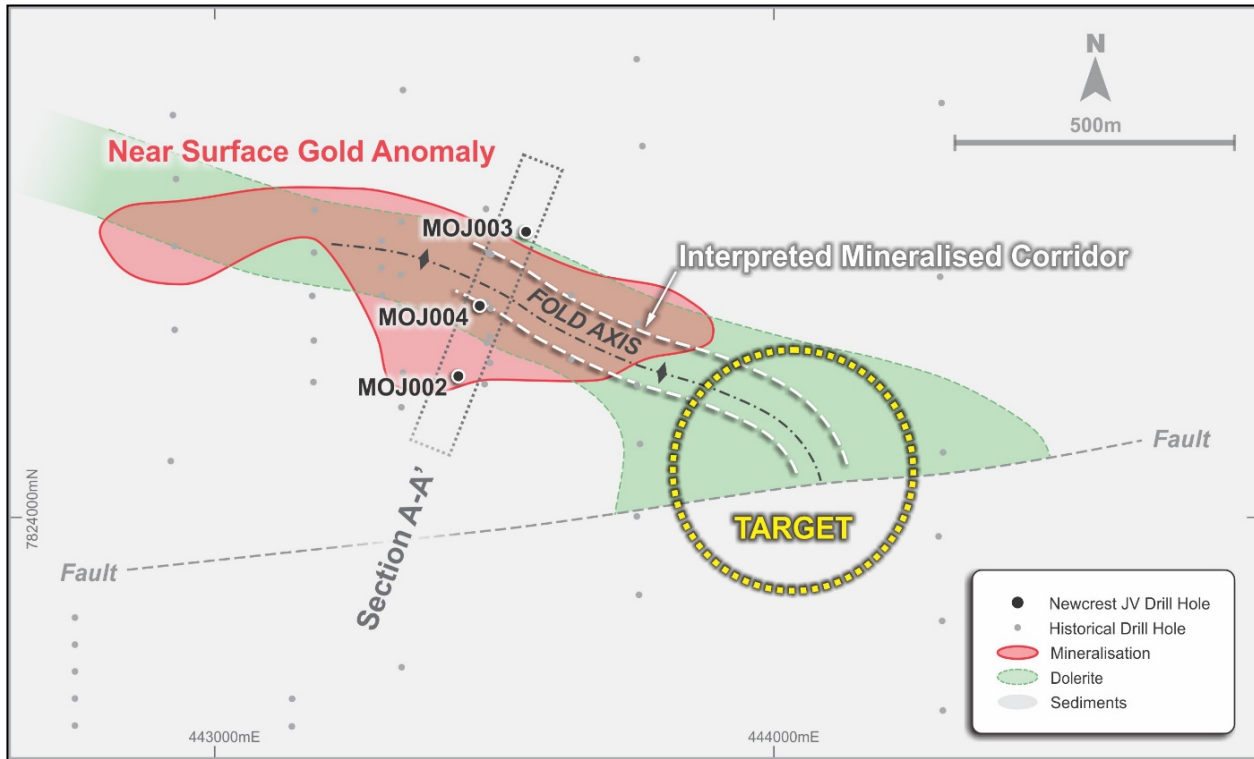


Figure 2 – Mojave prospect drilling with interpreted geology showing high quality orogenic gold target

Afghan Prospect

RC drilling at Afghan targeted the down dip and plunge extensions of a 4km long supergene gold anomaly identified by previous explorers. A total of eight RC holes for 2,292m across five broad spaced sections were completed by Newcrest along a 2km section at Afghan in 2019.

Results from this program confirmed the presence of near surface supergene gold mineralisation including:

- AFG002 - 10m @ 1.6g/t Au from 4m incl. 6m @ 2.5g/t Au from 6m

The drill program provided the first deep drilling at Afghan and intersected bedrock gold anomalism within a folded dolerite unit including:

- AFG005 - 2m @ 2.0g/t Au from 40m & 2m @ 3.5g/t Au from 136m; and
- AFG008 - 24m @ 0.32g/t Au from 102m

(refer ASX release 23 January 2020)

RC hole AFG008 was a single hole drilled on the most eastern section of Afghan and mineralisation in this hole remains open on section and to the east.

Hutch's Find Prospect

The four drill sections completed by Newcrest at Hutch's Find in October 2019 were designed at a spacing of 400m to 600m with hole spacing along the drill lines at 250m.

The majority of holes were drilled at a dip of -60° towards 240° orientation with three holes on the northern section drilled at -60° to the south. The program was designed to provide the first systematic deep drilling of the large scale Hutch's Find gold-arsenic anomaly. Prior to this RC drill program, only two holes had been drilled deeper than 200m along the geochemical anomaly defined in shallow drilling.

The assay results from this first phase of RC drilling at Hutch's Find have outlined a 2km long, east-west trending zone of bedrock gold anomalism that remains open both east and west (Figures 3 and 4). The orientation of RC drilling is at a high angle to the gold trend identified.

The drilling has successfully defined an extensive and open mineralised corridor in the first systematic deep drilling at Hutch's Find. The multi-element geochemistry will be integrated with a detailed structural interpretation along the defined trend to identify potential for high-grade shoots for the next round of drilling.

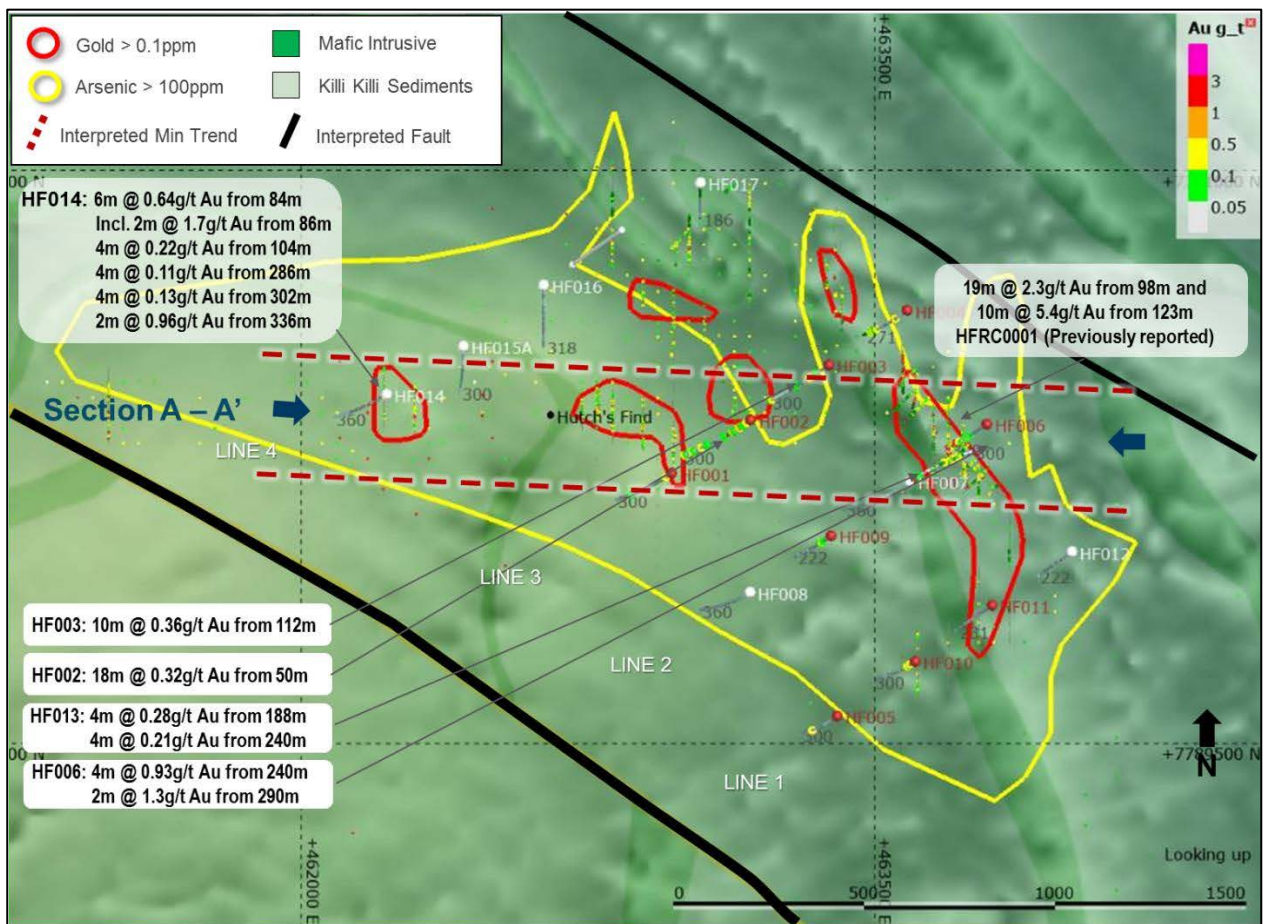


Figure 3 – Hutch's Find RC drill collar locations (refer ASX release 22 November 2019)

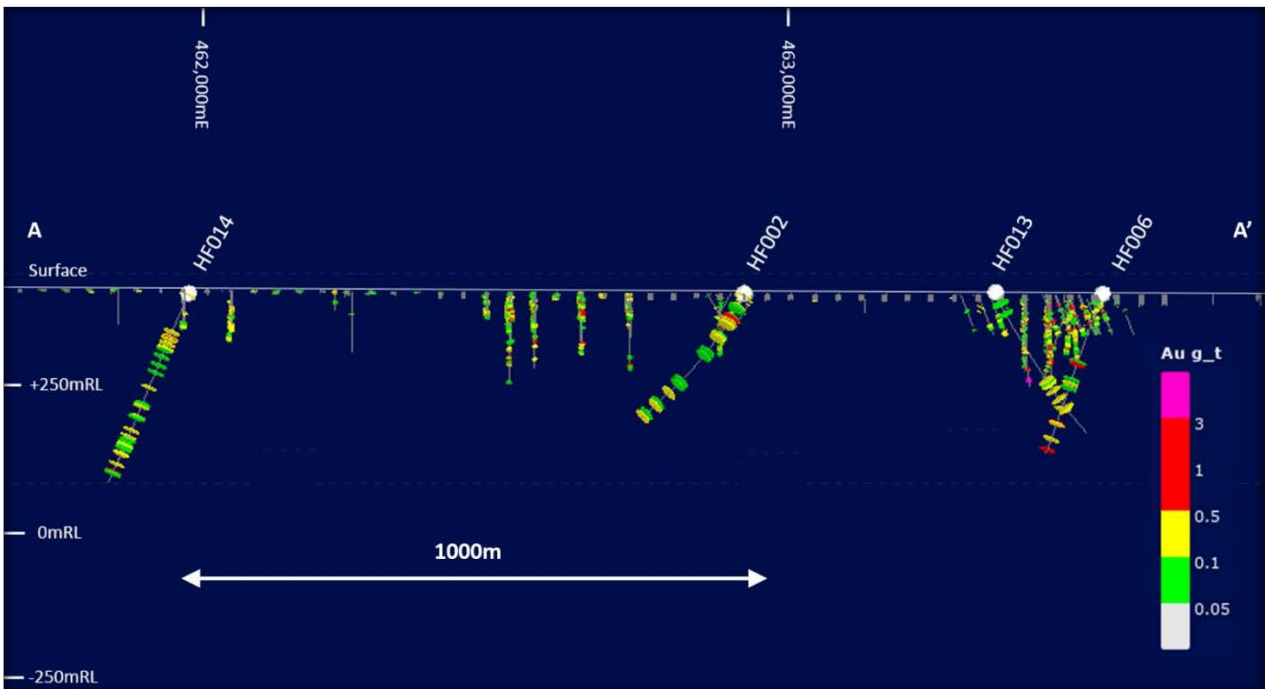


Figure 4 – Hutch’s Find long section A-A’

Upcoming Activity

- Interpretation of new geophysical datasets including the 18,400 line km magnetic survey completed in 2019
- Integration of existing geochemical datasets with 2019 drilling and geophysics to prioritise prospects for drilling in 2021
- Evaluation of new undercover geochemical methods developed and applied in the Paterson Province for possible application in the Tanami
- Preparations for field activities to commence in 2021
- Discussions with potential partners to escalate and accelerate belt scale gold exploration activity and rapid drill testing of identified targets

¹ Refer to ASX Release 23 January 2020

² Refer to ASX Release 3 May 2018

³ Refer to Newmont Tanami Operations AGES Paper 20 March 2018

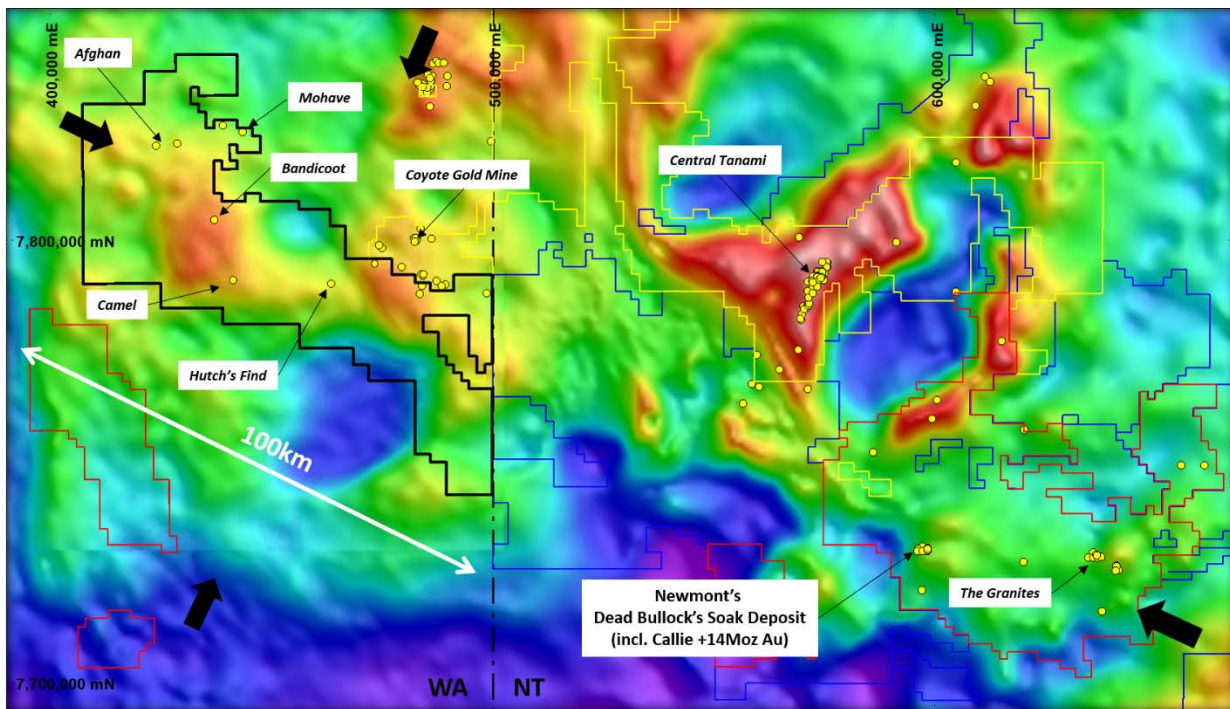
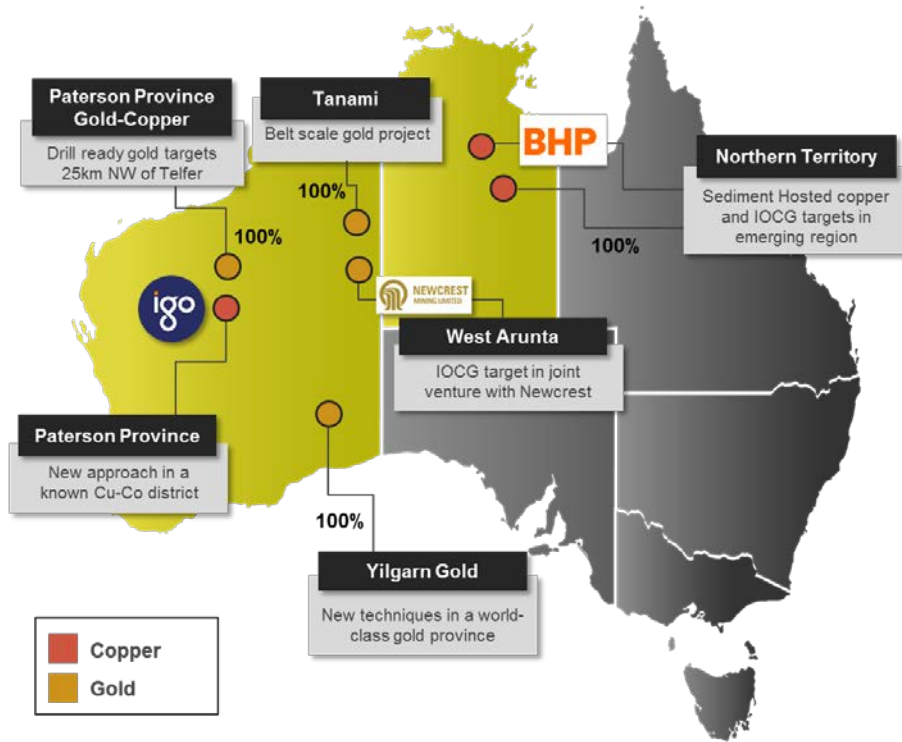


Figure 5 – Tanami regional leasing summary (Encounter = Black, Northern Star = Yellow, Newmont = Red, Prodigy = Blue) with gold occurrences over regional gravity data

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.



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 and copper deposits in Australia.

Encounter controls a major land position the Tanami region of WA covering over 100km of strike along a major structural corridor. The company is advancing the Aileron project in the West Arunta via joint venture 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 Paterson Province where it is exploring for copper-cobalt deposits with highly successful mining and exploration company IGO Limited (ASX:IGO) and for copper-gold deposits at its 100% owned Lamil Project.

In addition, utilising new Geoscience Australia datasets, Encounter moved early and aggressively to secure a series of camp scale, first mover opportunities in the Northern Territory ("NT") based on their potential to contain large, sedimentary-hosted and IOCG style copper deposits. This includes the Elliott copper project which is being advanced in partnership with BHP via an option agreement to enter an earn-in and joint venture.

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