

Major Copper Opportunities Emerging in the NT

- Encounter now controls eight large projects covering ~21,000km² in the Northern Territory (“NT”) targeted for sedimentary-hosted and IOCG style copper deposits.
- Projects are primarily located in the highly prospective but vastly underexplored Greater McArthur Superbasin located between the major copper-gold producing districts of Mt Isa and Tennant Creek.
- Interpretation and interrogation of new government datasets (Geoscience Australia “GA”, Northern Territory Geological Survey, “NTGS”) and systematic pXRF analysis of historical drilling has resulted in exciting recent developments including:
 - Jessica – Aircore/auger drill program scheduled for June 2021 to determine the lateral extent of the near surface high grade copper mineralisation identified in water bore cuttings;
 - Sandover – Copper anomalism identified by handheld XRF analysis in multiple water bore cuttings and consequently the project area has been significantly expanded;
 - Carrara – Copper and zinc sulphide mineralisation observed in the NDI Carrara1 stratigraphic diamond drill hole completed in the National Drilling Initiative (“NDI”) (Photo 2);
 - The Oval – New project covering an interpreted domal structure located on the western margin of the standout 50km long copper in groundwater anomaly adjacent to the Elliott Copper Project; and
 - The Edge – New project on the eastern margin of the Beetaloo Basin secured following interpretation of the Geoscience Australia seismic line released in March 2021.
- Encounter’s NT copper portfolio has attracted the attention of a number of major companies. The Company will continue to consider opportunities to advance projects through the next phase alone or in conjunction with an earn-in partner.
- BHP (ASX:BHP) and Encounter are parties to an Option Agreement that provides BHP with the right to enter an earn-in and joint venture agreement to earn up to 75% interest in the Elliott Copper Project by spending up to \$22 million over 10 years. The BHP election on an earn-in and joint venture agreement is expected in May 2021.

Commenting on the developments in the NT, Encounter Managing Director Will Robinson said:

“With each energy transition comes a need for new materials and the current standout beneficiary is copper. The Proterozoic basins of the NT exhibit the key ingredients for the formation of major sediment hosted copper deposits. A transformational investment in pre-competitive data by Geoscience Australia and the Northern Territory Geological Survey continues to shine a light on the copper potential of this region. Our strategy to use these datasets to move quickly and build a commanding position in this exciting new province is becoming increasingly more valuable.

This year we have seen copper sulphides intersected in multiple Geoscience Australia funded stratigraphic holes, copper oxide mineralisation identified in historical water bore cuttings and new copper oxide occurrences mapped at surface. It is remarkable how many of the datasets collected in recent times support the potential for copper in the NT.”

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

Background

Utilising new government datasets (GA, NTGS) Encounter moved early and aggressively to secure a leading copper project portfolio that currently covers ~21,000km².

Encounter now controls eight large projects in the Northern Territory targeted for major sedimentary-hosted and IOCG style copper deposits. The projects are primarily located in the highly prospective but vastly underexplored Greater McArthur Superbasin and located between the major copper-gold producing districts of Mt Isa and Tennant Creek



Figure 1 – Project Location Plan

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

Elliott comprises seven tenements covering more than 4,500km². The project is located 200km north of Tennant Creek directly to the east of the Stuart Highway.

Elliott is located at a major structural intersection on the southern margin of the Beetaloo Basin. The Beetaloo Basin is part of the Greater McArthur Superbasin that hosts the giant sediment hosted base metal deposit at McArthur River. The project encompasses key conceptual criteria for the formation of sedimentary copper and the target sequence is undercover and untested.

GA and NTGS 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.

In September 2020, Encounter entered into an Option Agreement with BHP in relation to Elliott (refer ASX announcement 24 September 2020). The Option Agreement provides BHP with the right to enter an earn-in and joint venture agreement to earn up to 75% interest the project by spending up to \$22 million over 10 years. A program of compilation, interpretation and modelling of the data packages at Elliott was completed in January 2021. The BHP election on an earn-in and joint venture agreement is expected in May 2021.

Jessica Copper Project (“Jessica”) – EL32273, ELA32317, ELA32338, ELA32339, ELA32386, ELA32387 and ELA32388 – 100% ENR

Jessica covers ~5,500km² along key structural corridors east of Tennant Creek and is prospective for sediment-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 a previous explorer utilising handheld XRF machines. Areas of copper anomalism were selected for chemical analysis and for the sample interval 0-3m in RN28419 (No. 39 water bore) which returned 1.5% copper (refer ASX release 19 August 2020). Visual inspection of this interval by Encounter 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 are progressing for an aircore/auger drill program, scheduled to commence in June 2021, to confirm the copper mineralisation identified in the water bore cuttings and determine the lateral extent of the near surface copper mineralisation.

In addition, Encounter is planning to complete infill gravity surveys over a series of high priority magnetic targets at Jessica in conjunction with an extensive regional gravity survey being completed by the NTGS in the coming months.



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

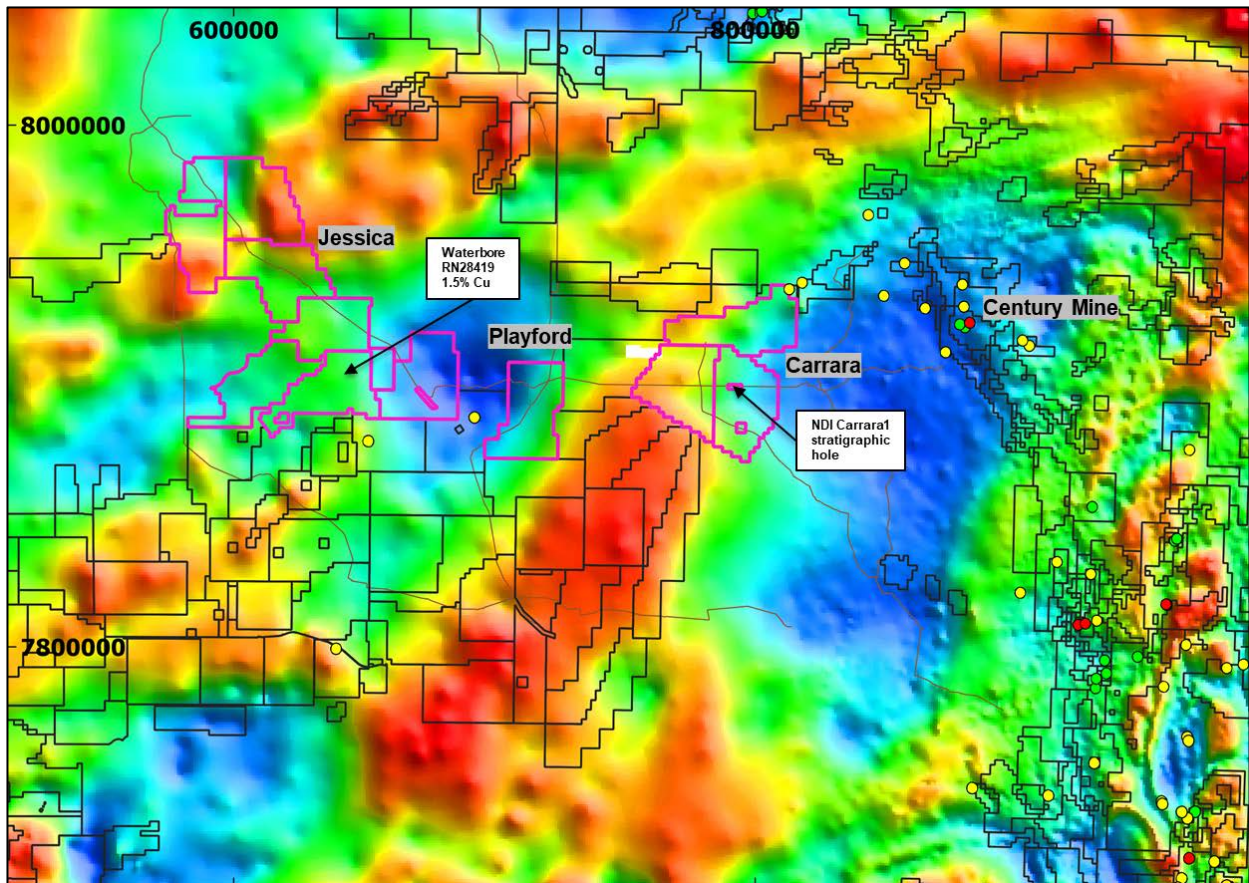


Figure 2 – Jessica, Playford, Carrara - Project Location Plan over gravity

Carrara Copper/Zinc Project (“Carrara”) – ELA32476, ELA32477 and ELA32701 – 100% ENR

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 Superbasin into the Carrara Sub-basin that extend the Mount Isa Province to the west. Carrara is located at an interpreted structural offset of the western margin of the Carrara Sub-basin where the prospective Isa Superbasin has been modelled closer to surface.

Late in 2020 a 1,751m deep stratigraphic hole (NDI Carrara-1) was completed as part of the National Drilling Initiative funded by the Minex CRC. This hole was designed to validate the interpretation of the South Nicholson Seismic Survey. This drill hole was located on a small exploration tenement held by the Minex CRC located within Encounter’s large Carrara project.

At the AGES Geological Conference held in Alice Springs in April 2021, the drill hole data from NDI Carrara1 was released and small sections of drill core were on display. An initial inspection of the drill core and assessment of the portable XRF data has been highly encouraging and informative.

The NDI Carrara1 stratigraphic drill hole supports the interpretation that the geology of the Isa Superbasin extends throughout the Carrara Sub-basin. The presence of copper and zinc sulphide mineralisation (Photo 2) demonstrates that sediment hosted copper and zinc mineralising processes occur within the prospective host unit.

The reprocessing of the GA seismic line that extends through Carrara will be completed to provide greater detail of the geology and structure in the upper 1,000m along the western margin of the sub-basin.

The NTGS will complete an additional gravity survey over Carrara in 2021 to reduce the station spacing to 2km x 2km. Encounter is planning to infill that survey to 1km x 1km over the priority structural targets at Carrara.

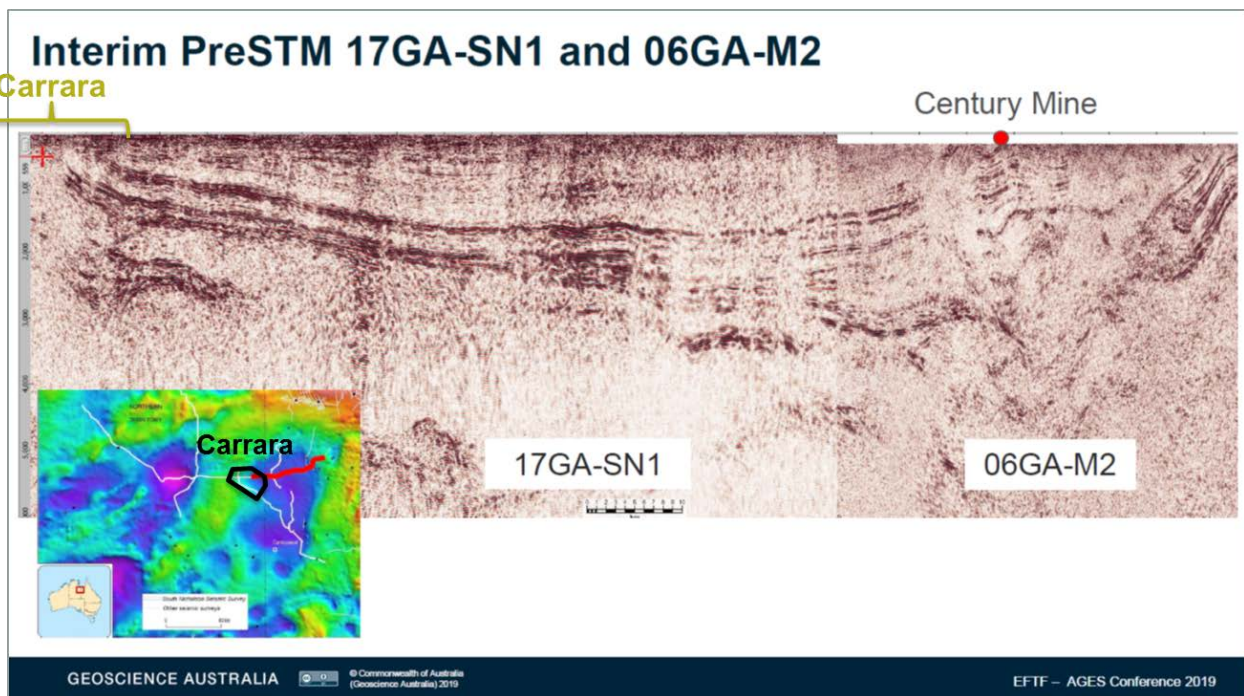


Figure 3 – South Nicholson Seismic Survey, a foundational dataset acquired as part of the Geoscience Australia Exploring for the Future Program



Photo 2 –Chalcopyrite contained in a calcareous shale unit within NDI Carrara1 ~1,617m
**THE CORE IN THIS PICTURE IS FROM GOVERNMENT DRILL HOLE NDI Carrara1.
 IT IS NOT THE PROPERTY OF THE COMPANY.**

Hole_ID	Hole_Type	Grid_ID	North	East	RL	Azimuth	Dip	EOH Depth
Carrara-1	RC / Dia	GDA94_z53	7899815	793257	262	vertical	-90	1750.85m

Sandover Copper Project (“Sandover”) – ELA32374 and ELA32421 – 100% ENR

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. During the March 2021 quarter drill cuttings from government drilled water bores were analysed utilising a handheld XRF unit. Copper anomalism was identified in multiple water bore cuttings and consequently the project area has been significantly expanded.

The copper occurrence at Sandover is interpreted to be a leakage anomaly hosted within an uplifted block of the lower red bed sequences to the east of the main basin. Exploration will focus on identifying potential trap sites within the targeted host unit and their intersection with the basin margin faults.

Brunchilly Copper/Zinc Project (“Brunchilly”) – ELA32478 – 100% ENR

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.

The tenement is expected to be granted later in 2021 with first field activities planned for 2022.

Playford Copper Project (“Playford”) – ELA32493 – 100% ENR

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.

Reprocessing of the seismic line that extends through Carrara and Playford will be completed in the coming months.

The Oval Copper Project (“The Oval”) – ELA32581 – 100% ENR

The Oval is a new project covering an interpreted domal feature located on the western margin of the standout 50km-long copper in groundwater anomaly located adjacent to Elliott.

The project contains a number of water bores with anomalous copper and an intriguing magnetic feature that may be an uplifted horst block. Deposits in the Central African copper belt are often found adjacent to basement highs as structures associated with these uplifted blocks are often exploited by ore forming fluids during the mineralising event.

Additional handheld XRF geochemistry was collected at The Oval in March 2021. The interpretation and integration of this new data has commenced.

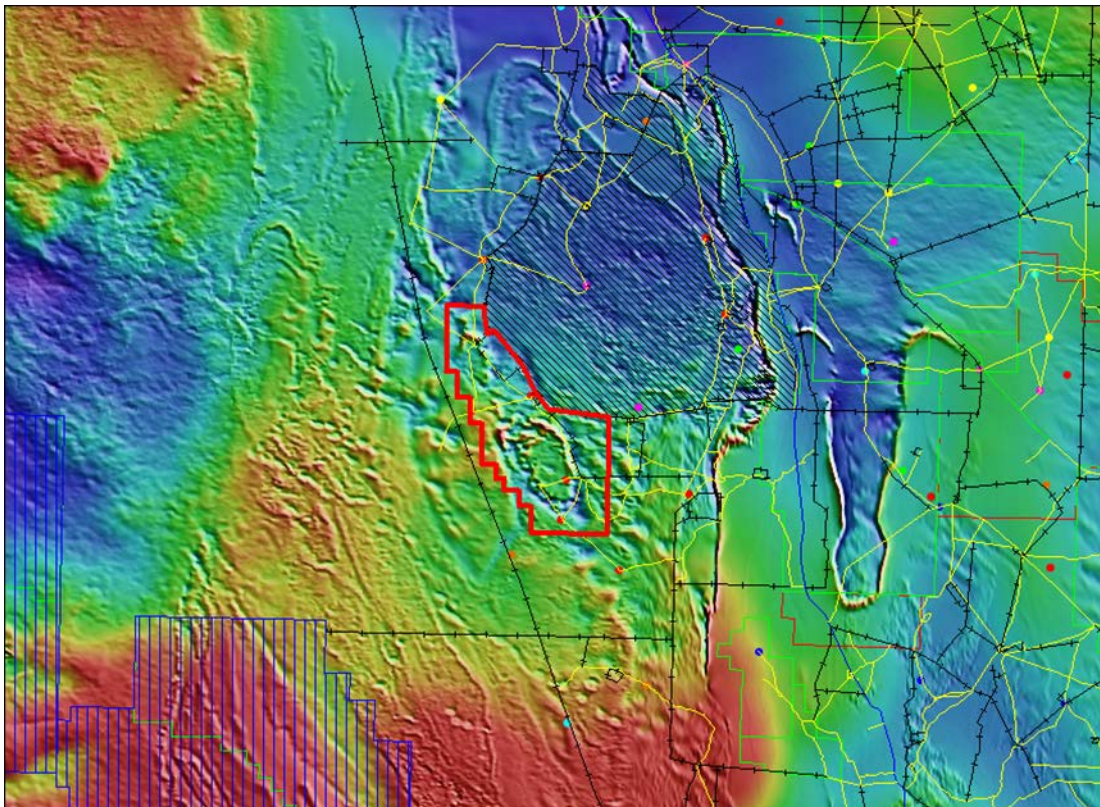


Figure 4 – The Oval Project Location Plan over Magnetics (TMI)

The Edge Copper Project (“The Edge”) – ELA32686 and ELA32687 – 100% ENR

The Edge is also a new project on the south-eastern margin of the Beetaloo Basin secured following interpretation of the GA seismic line released in March 2021.

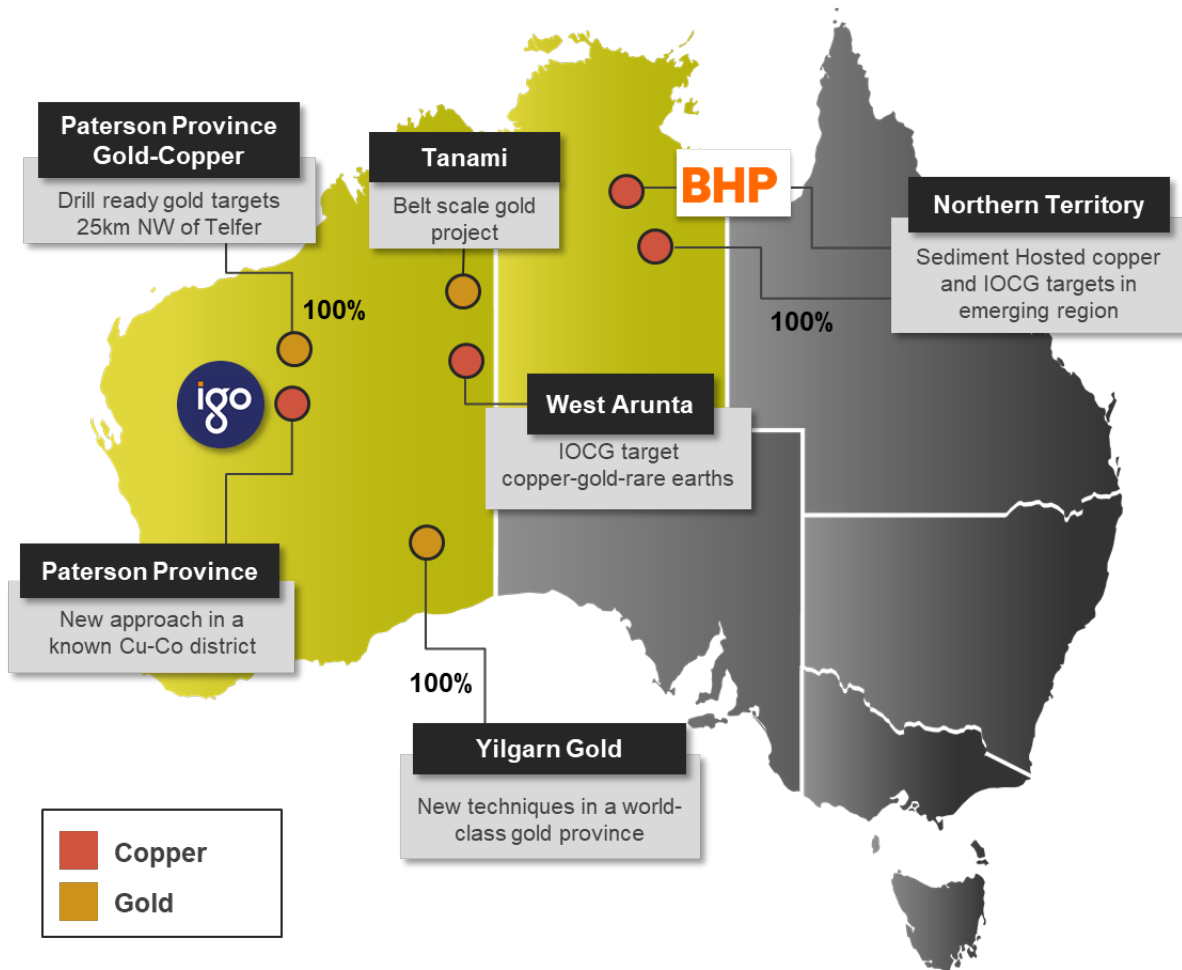
Initial interpretation of the GA seismic line indicates that prospective Kyalla and Velkerri units model closer to surface on the south eastern margin of the basin. This coincides with the intersection of a regionally significant north-west trending structure and the basin margin. Additional modelling of the seismic traverse is planned.

Upcoming Activities

- Elliott
 - The BHP election on an earn-in and joint venture agreement is expected in May 2021
- Jessica
 - Preparations for an aircore/auger drill program scheduled to commence in June 2021
 - NTGS to complete additional gravity survey to reduce the station spacing to 2km x 2km
 - Encounter to completed infill gravity surveys over priority magnetic targets
 - Following the gravity surveys and interpretation, if warranted, complete drill testing of magnetic anomaly located 5km south east of water bore RN28419
- Carrara
 - Interpretation and modelling of the Carrara1 stratigraphic drill hole
 - Reprocessing of the top 1,000m of GA seismic line
 - NTGS to complete additional gravity survey to reduce the station spacing to 2km x 2km
 - Encounter to complete infill to 1km x 1km over the priority structural targets
- Sandover
 - Interpretation of the water bores cuttings by handheld XRF collected in March 2021
 - Surface mapping of the copper oxide mineralised horizon identified by previous explorers
- Playford
 - Reprocessing of the top 1,000m of GA seismic line
 - NTGS to complete additional gravity survey in 2021 to reduce the station spacing to 2km x 2km
- The Oval
 - Additional modelling of the detailed magnetics
 - Interpretation of the water bores cuttings by handheld XRF collected in March 2021
- The Edge
 - Reprocessing of the top 1,000m of GA seismic line
- Consistent with our project generation business model, Encounter will consider opportunities to advance the above projects through the next phase alone or in conjunction with an earn-in partner.

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. 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 and copper deposits in Australia.

Encounter holds a major ground position in the emerging Paterson Province where it is exploring for copper-gold deposits at its 100% owned Lamil Project and for copper-cobalt deposits at the Yeneena project with highly successful mining and exploration company IGO Limited (ASX:IGO).

Encounter controls a major land position the Tanami region covering over 100km of strike along a major structural corridor and the Aileron copper-gold-rare earths IOCG project in the West Arunta in WA.

In addition, 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.

For further information, please contact:

Will Robinson
Managing Director
+61 8 9486 9455
contact@enrl.com.au

Michael Vaughan
Fivemark Partners
+61 422 602 720
michael.vaughan@fivemark.com.au

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<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>	This announcement includes initial observations from stratigraphic hole NDI Carrara-1 recently released by Geoscience Australia (“GA”). The company advises that NDI Carrara-1 does not fall within company’s tenure but it is located nearby and the results from this hole are considered important when assessing the perspectivity of the company’s tenure. Results presented in this announcement refer to visual logging completed by GA and no assaying of the hole has been completed yet.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	No sampling has been completed to date
	<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>	The NDI Carrara 1 hole was RC pre-collared to a depth of 283.9m and then cored to end of hole (1750.85m). No sampling has been reported by GA from the NDI Carrara-1 hole.
Drilling techniques	<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>	The NDI Carrara 1 hole was RC pre-collared to a depth of 283.9m and then SQ and PQ core drilled to end of hole.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	Information on core recovery is documented on core markers at the end of every core run. Minimal core loss is noted.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	No sampling of the drill core has been completed to date
	<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>	No sampling of the drill core has been completed to date

Criteria	JORC Code explanation	Commentary
Logging	<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 summary stratigraphic and Lithological log has been provided via the MinEx CRC Data Portal
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Core logging is qualitative and full detailed core photography is provided via the MinEx CRC Data Portal
	<i>The total length and percentage of the relevant intersections logged</i>	No sampling of the drill core has been completed to date
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No sampling of the drill core has been completed to date
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	No sampling of the drill core has been completed to date
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	No sampling of the drill core has been completed to date
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	No sampling of the drill core has been completed to date
	<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>	No sampling of the drill core has been completed to date
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	No sampling of the drill core has been completed to date
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	No sampling of the drill core has been completed to date
	<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>	Routine pXRF analysis has been completed down hole but this information does not form part of this report.
	<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>	No sampling of the drill core has been completed to date

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No sampling of the drill core has been completed to date
	<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>	Information relating to the NDI Carrara-1 hole has been sourced from the MinEx CRC Data Portal
	<i>Discuss any adjustment to assay data.</i>	No sampling of the drill core has been completed to date
Location of data points	<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 DGPS.
	<i>Specification of the grid system used.</i>	The grid system used in the original water bore drilling program was MGA94, UTM zone 53.
	<i>Quality and adequacy of topographic control.</i>	RL is considered to be an approximation.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The report relates to a single hole
	<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>	No sampling of the drill core has been completed to date
	<i>Whether sample compositing has been applied.</i>	No sampling of the drill core has been completed to date
Orientation of data in relation to geological structure	<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 the hole 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.
Sample security	<i>The measures taken to ensure sample security.</i>	No sampling of the drill core has been completed to date
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No sampling of the drill core has been completed to date

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<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>	The NDI Carrara-1 hole was drilled on EL32366 which is held 100% by MinEx CRC.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	No previous mineral exploration has been completed within the immediate vicinity of the NDI Carrara-1 drill hole.
Geology	<i>Deposit type, geological setting and style of mineralisation</i>	<p>The NDI Carrara-1 drill hole was drilled in the interpreted Carrara sub-basin, within the Greater McArthur Superbasin.</p> <p>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.</p> <p>The area surrounding the NDI Carrara-1 hole is being explored for Sediment Hosted base metal mineralisation.</p>
Drill hole information	<p><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></p> <ul style="list-style-type: none"> • <i>Easting and northing of the drill hole collar</i> • <i>Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</i> • <i>Dip and azimuth of the hole</i> • <i>Down hole length and interception depth</i> • <i>Hole length</i> 	Refer to tabulation in the body of this announcement.
Criteria	JORC Code explanation	Commentary
Data aggregation methods	<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 sampling of the drill core has been completed to date
	<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 sampling of the drill core has been completed to date
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No sampling of the drill core has been completed to date
Relationship between mineralisation widths and intercept lengths	<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>	No sampling of the drill core has been completed to date

Diagrams	<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>	No sampling of the drill core has been completed to date
Balanced Reporting	<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>	No sampling of the drill core has been completed to date
Other substantive exploration data	<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 information relating to this hole is available via the MinEx CRC Data Portal
Further Work	<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>	The NDI Carrara-1 drill hole has not yet been released for public viewing. Analysis of core for age dating and litho geochemistry is currently being collected with resulted to be released later in 2021.