

## BHP Commencing Diamond Drilling at the Elliott Project

- **The first diamond drill rig has arrived on site to commence drilling at the Elliott Copper Project in the Northern Territory (“NT”)**
- **Exploration at the Elliott Copper Project is operated and funded by BHP (ASX:BHP) under a \$25M exploration earn-in agreement and includes planned deep diamond drilling and seismic surveys**
- **The 2022 exploration program is designed to advance the understanding of basin architecture and prospective deposition locations for large, sediment-hosted copper deposits**
- **Two diamond drill rigs have been engaged to complete the program before the end of November 2022**

The directors of Encounter Resources Ltd (“Encounter” / “the Company”) are pleased to advise that the first diamond drill rig has arrived on site at the Elliott Copper Project under the earn-in and joint venture agreement with BHP in the Northern Territory.

**Commenting on copper exploration at the Elliott Project, Managing Director Will Robinson said:**

“This is an important milestone for Encounter, with the world’s largest resources company commencing the first diamond drilling at our Elliott Copper Project.

The Northern Territory is fast emerging as one of the most significant global opportunities for the discovery of new, large sediment-hosted copper. Encounter is excited to be working in partnership with BHP to progress the Elliott Project.

The current diamond program of ~2,000m is designed to advance the understanding of basin architecture and prospective deposition locations for sediment-hosted copper deposits.

Before the end of November our project partners will complete diamond drill programs at two Encounter projects:

- ~2,000m program at the Elliott Project in the Northern Territory (BHP funded); and
- ~4,500m program at the Yeneena Project in the Paterson Province in WA (IGO funded).”

### Background

The Elliott Project was the first project secured by Encounter in the NT and now extends over more than 7,200km<sup>2</sup>. The project is readily accessible being located 200km north of Tennant Creek on the Stuart Highway which runs along the western margin of the Elliott Project area.

The project is being explored together with BHP where BHP has the right to earn up to a 75% interest in the Elliott Project by sole funding up to \$25 million of expenditure within 10 years.

The Elliott Copper Project area is located at a major structural intersection on the southwestern margin of the Beetaloo Basin which is part of the Greater McArthur Superbasin that hosts the giant sediment-hosted base metal deposit at McArthur River.

The Superbasin contains thick, petroleum bearing, reduced sediments which are an ideal trap sequence and the major structures bounding the Superbasin are considered ideal structural fluid pathways for major sediment-hosted copper deposits. The project encompasses key conceptual criteria for the formation of sediment-hosted copper and the target sequence is undercover and untested.

New sampling datasets released in 2019 and 2020 have supported the conceptual and structural targeting model for the Elliott Project. The standout, copper-in-groundwater anomaly (an order of magnitude above background) in the extensive dataset, is located at the Elliott Project.

### Diamond Drill Program

The approved 2022 diamond drilling program at the Elliott Project is designed to advance the understanding of basin architecture and prospective deposition locations for sediment-hosted copper deposits.

The drilling component of the program includes an estimated 2,000m of diamond drilling. The drill program is scheduled to be completed before the end of the dry season in November 2022.

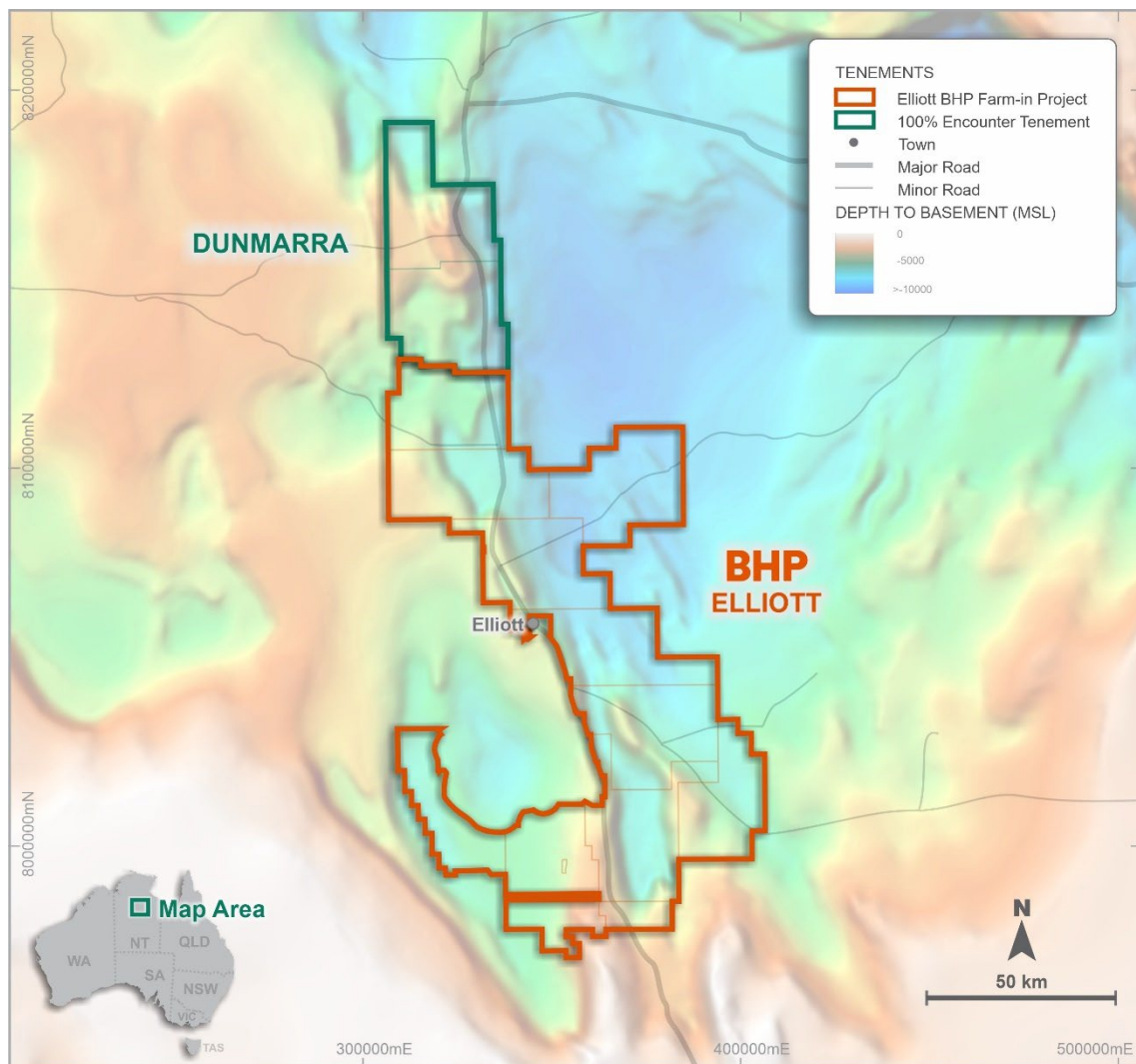
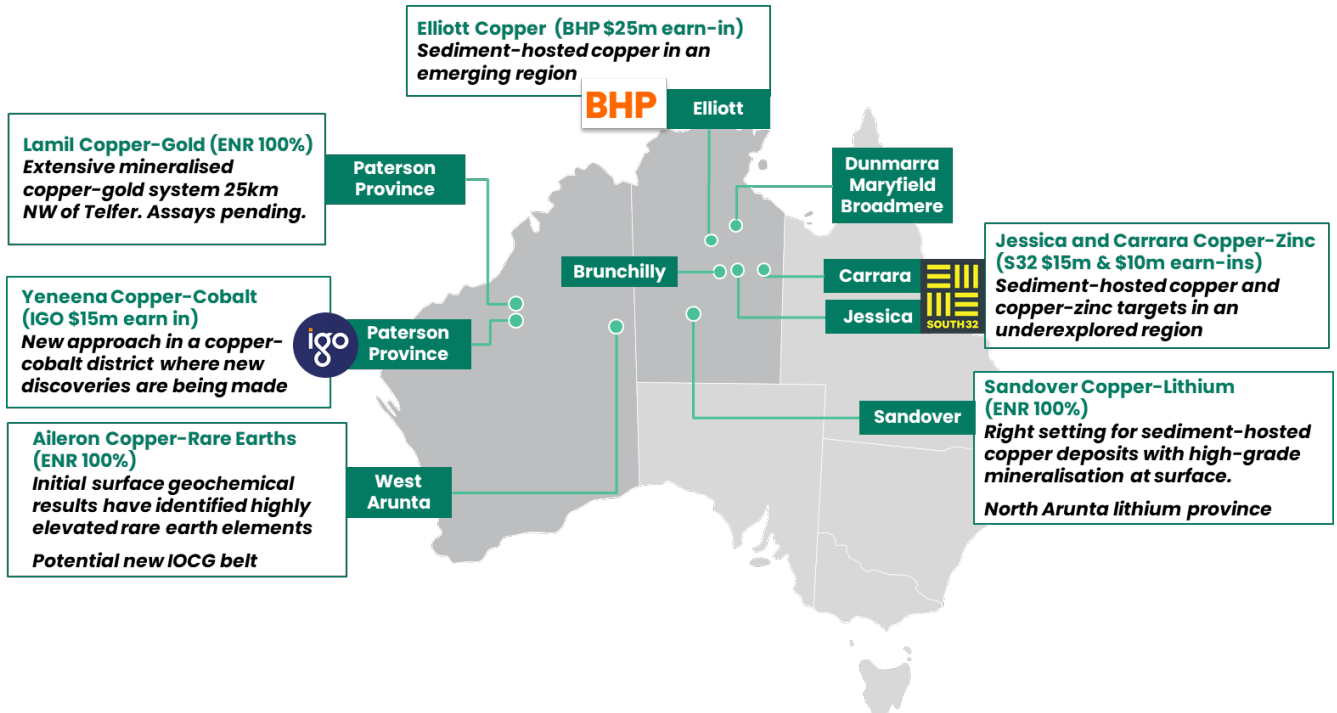


Figure 1 – Elliott Project location plan

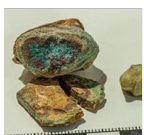
## About Encounter



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.

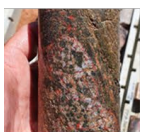
Encounter partners with leading mid-tier and major producers to advance its extensive project pipeline with more than \$25m of project funding contributed by partners over the past decade. Currently, Encounter has farm-in agreements in place with world leading resources companies to provide up to \$65m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

### 100% ENR projects



#### Sandover Copper-Lithium Project - NT

- Key geological units and processes for sediment-hosted copper
- Bornite identified in historical drill core
- Lithium strategic review in progress



#### Aileron Copper-Rare Earths Project -WA

- IOCG style copper-gold-REE in drilling
- High grade REE in surface sampling
- Olympic Dam age mineralisation events



#### Lamil Copper Project - Paterson Province WA

- High grade copper intersected in Sep 21
- Diamond drilling completed Sep 22
- Downhole EM survey

### Farm-in partners



#### Elliott Copper Project - NT

(up to \$25m farm-in funding)

- Diamond drill program Oct-Nov 2022



#### Jessica and Carrara Projects - NT

(up to \$25m farm-in funding)

- Two farm-in agreements completed Jun 22
- \$1.3m first year program commenced



#### Yeneena Project - Paterson Province WA

(up to \$15m farm-in funding)

- 4,500m diamond & 1,900m aircore drilling
- Commenced July 2022

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*The information in this report that relates to Exploration Results is based on information compiled by Mrs Sarah James who is a Member of the Australasian Institute of Mining and Metallurgy. Mrs James 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'. Mrs James consents to the inclusion in the report of the matters based on the information compiled by her, 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.*