



**Copper Discovery
July 2010**



encounter

RESOURCES LIMITED

ABN 47 109 815 796

ASX : ENR

Corporate Information

Board

Paul Chapman - Chairman
Will Robinson - Managing Director
Peter Bewick - Exploration Director
Jon Hronsky - Non-Executive Director
Kevin Hart / Dan Travers - Company Sec.

Issued Capital:

79.2m Ordinary Shares (Top 20 - 71%)
2.8m Employee Options

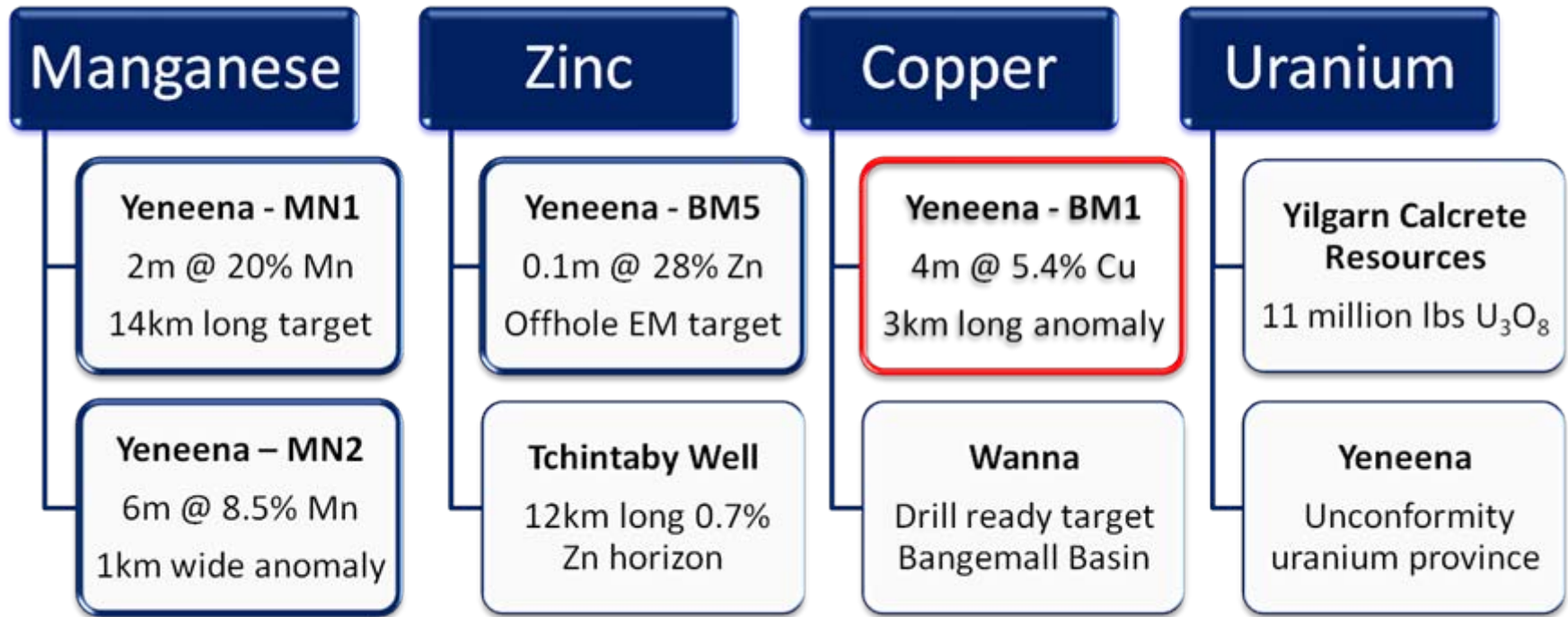
Market Cap:

\$22m @ \$0.28/share

Cash (30/06/10):

~\$2.4m

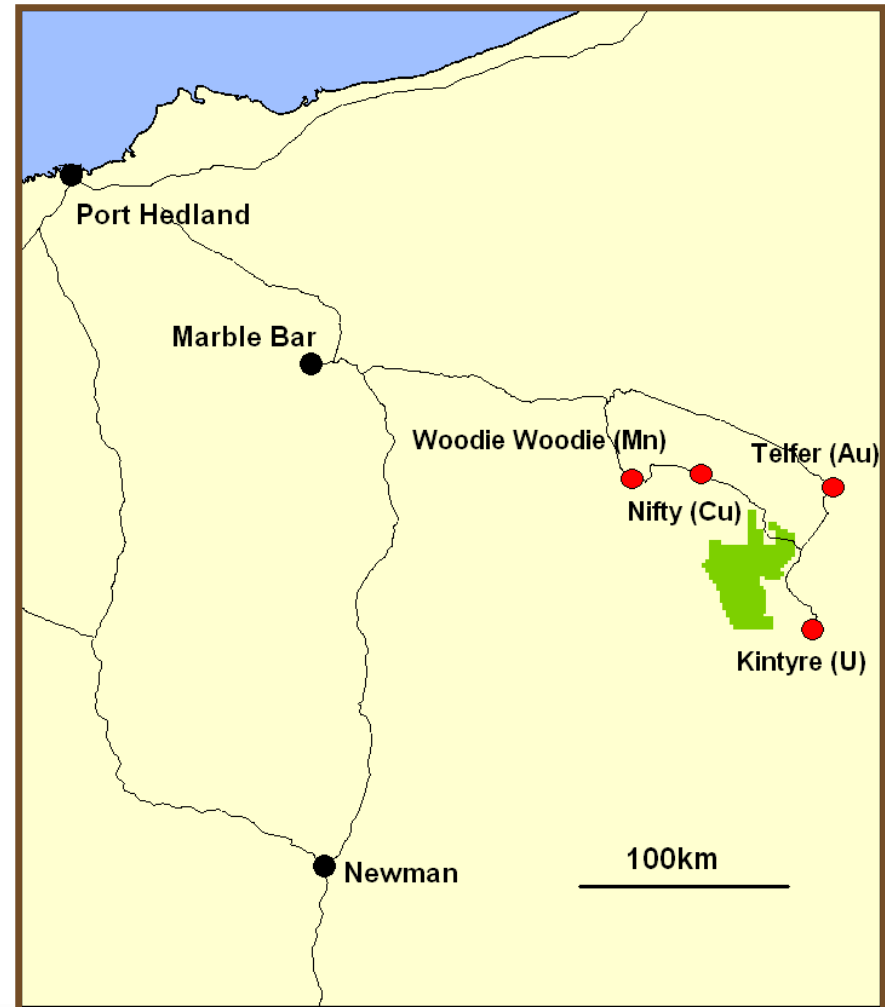
Company Snapshot – Diversified Explorer



- Drilling for “Major New Discoveries”
- Experienced & dedicated management

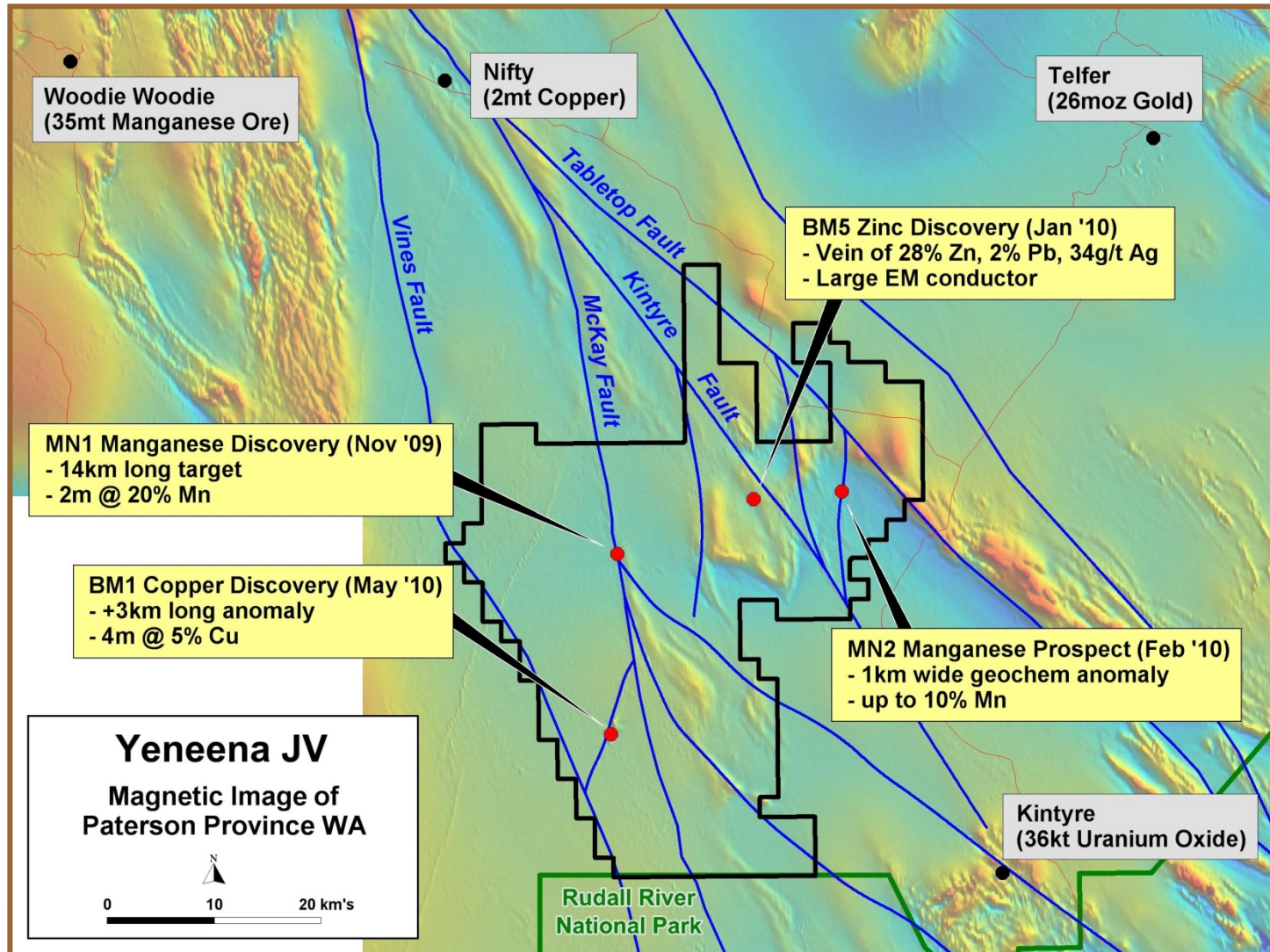
Yeneena Project – Paterson Province (WA)

- Major land position in highly endowed mineral belt, now 100% owned (1300 km²)
- Multiple commodity targets
- Good infrastructure
- Potential new copper province
- High grade zinc & manganese drill intersections
- Major aircore and RC drill program to commence in August



100% Encounter

Major land position amongst giant mineral deposits



BM1 Copper Discovery Timeline

- **2007/08** – Identified regional significance of the McKay Fault which extends to the Nifty copper mine 60km north
- **June 2009** - Three broad spaced aircore drill traverses intersected highly anomalous copper
- **Oct 2009** - Diamond program identified a major hydrothermal alteration system (see photo)
- **May 2010** – Aircore drilling discovers high grade copper

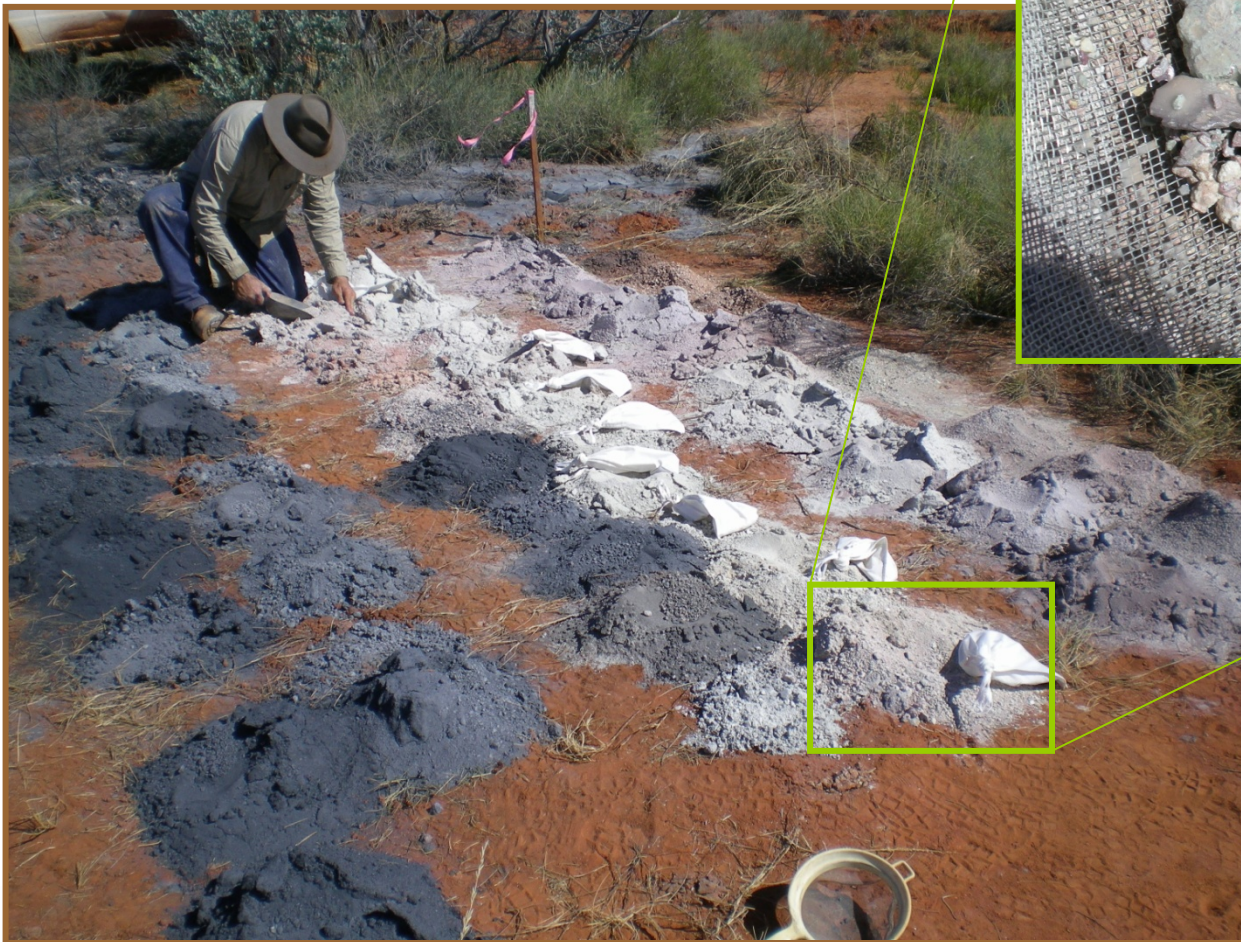


Intense hematite alteration of brecciated dolomite

The diamond program was co-funded by the WA Government under the Exploration Incentive Scheme

BM1 Discovery Hole

EPT 220 - 8m @ 1.09% copper from 24m



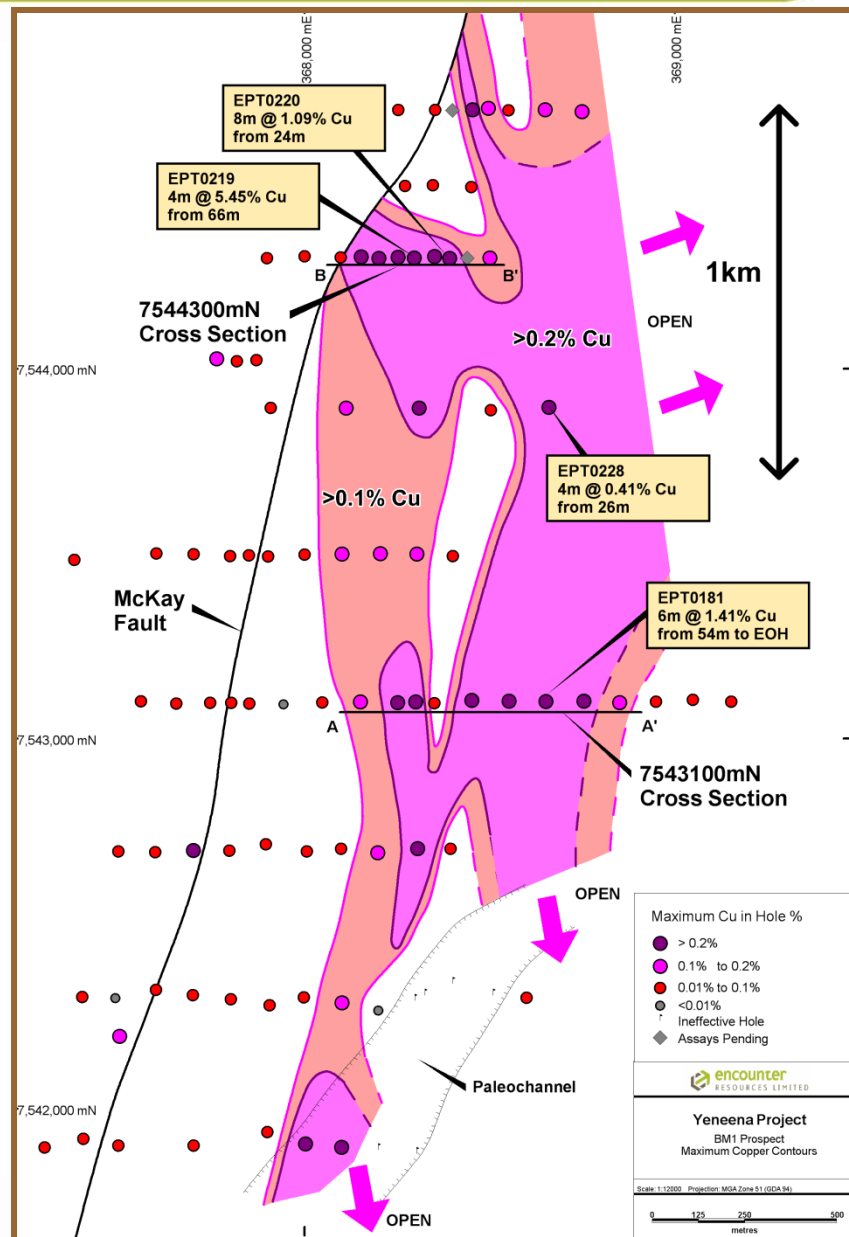
EPT 220 : 29-30m
2.8% copper



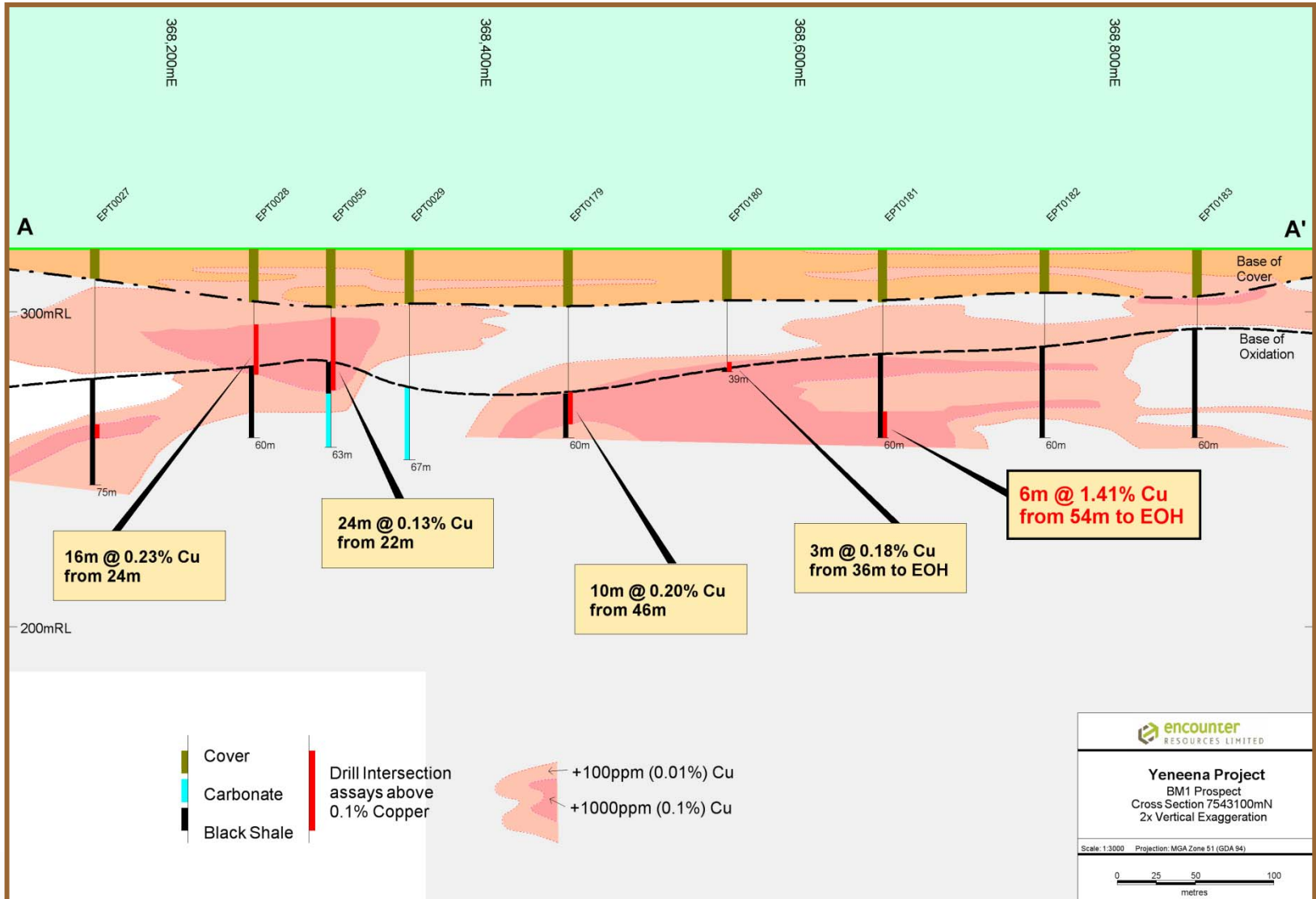
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BM1 Copper Discovery

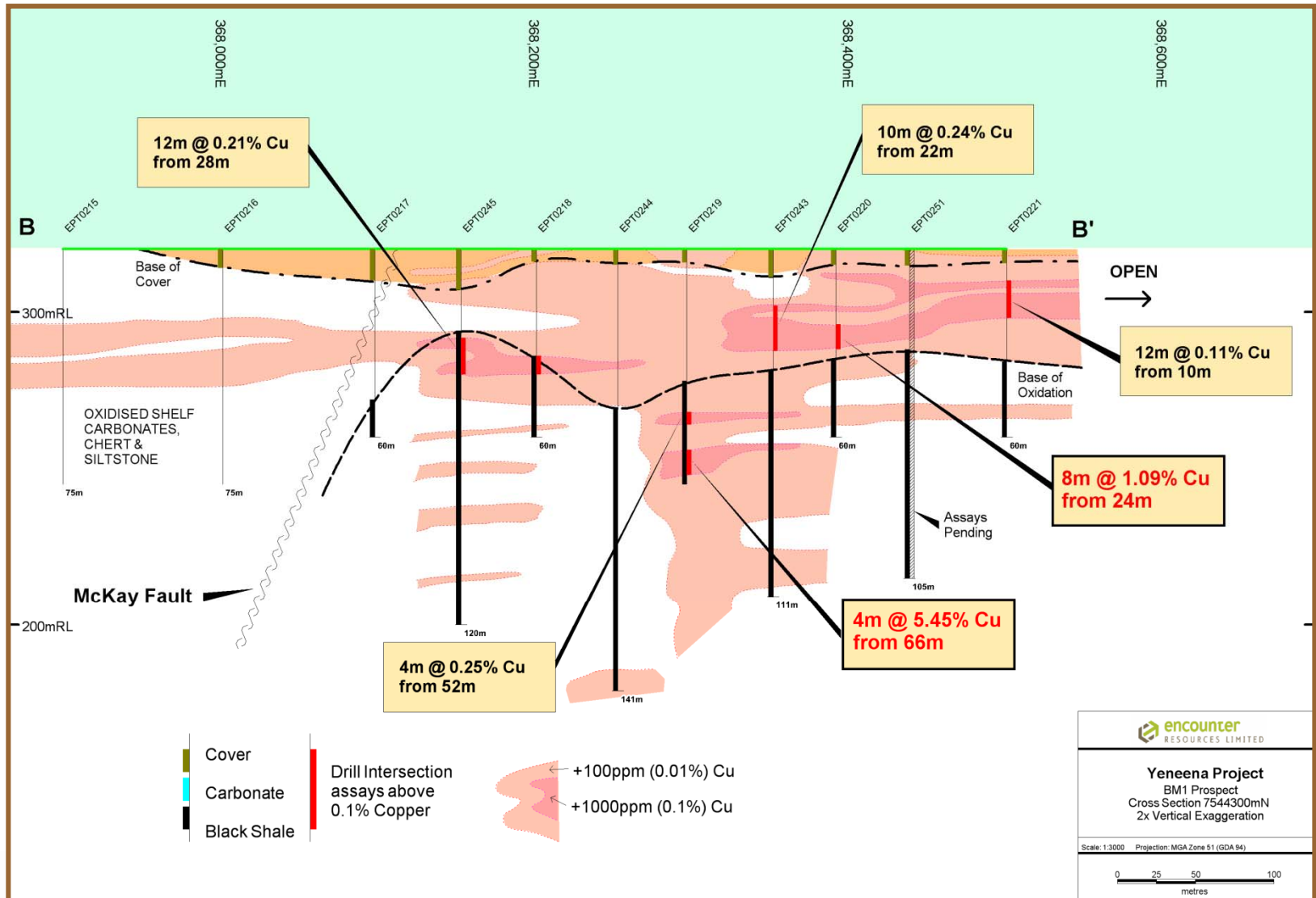
- Aircore drilling discovered high grade, shallow copper mineralisation
 - 4m @ 5.45% copper from 66m
 - 8m @ 1.09% copper from 24m
 - 6m @ 1.41% copper from 54m to EOH
- Copper regolith anomaly extends over 3km
- Mineralisation remains open to the north, south, east and at depth
- 10,000 metre follow up drill program planned for August



BM1 Section A – A'

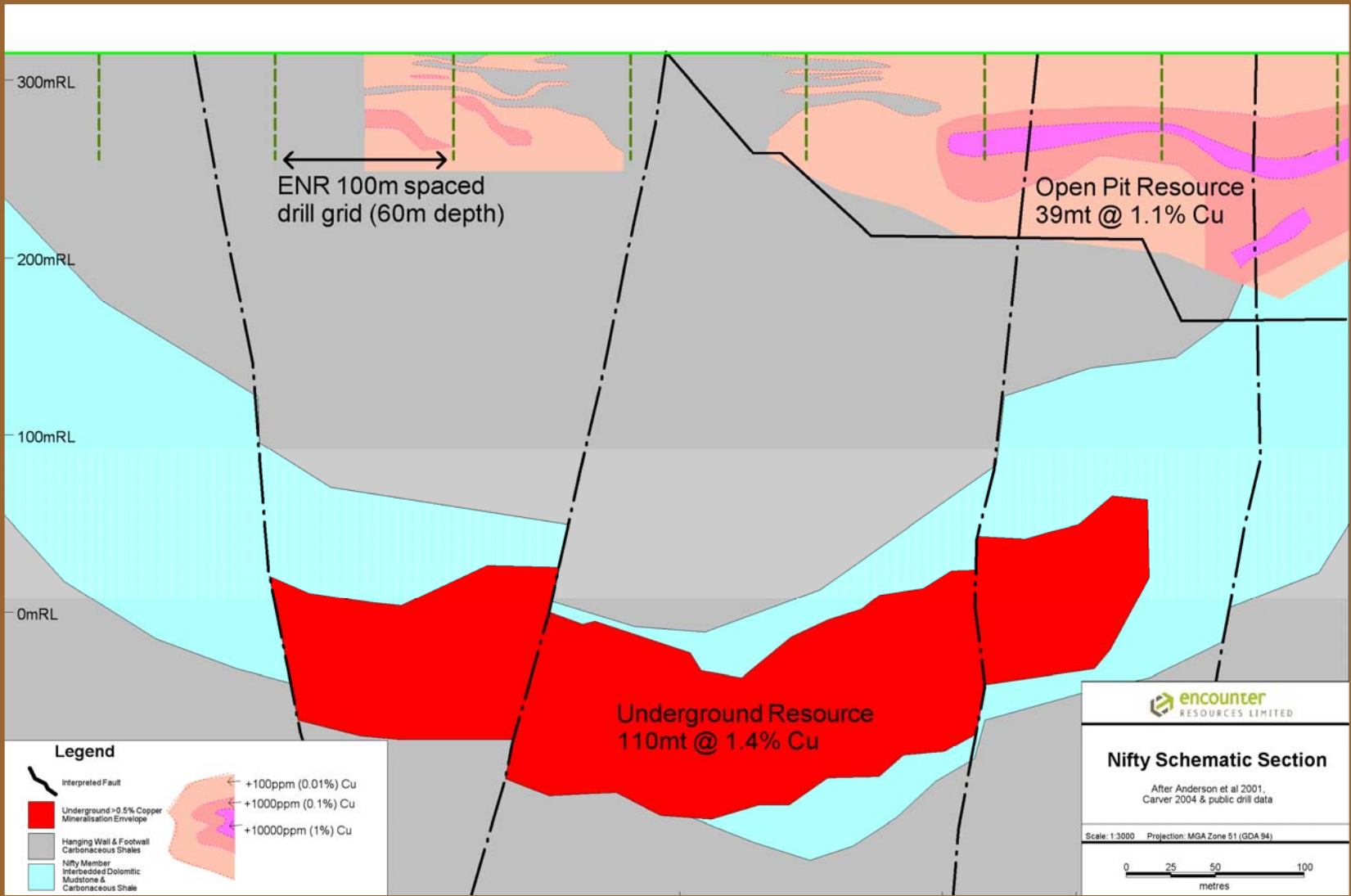


BM1 Section B – B'

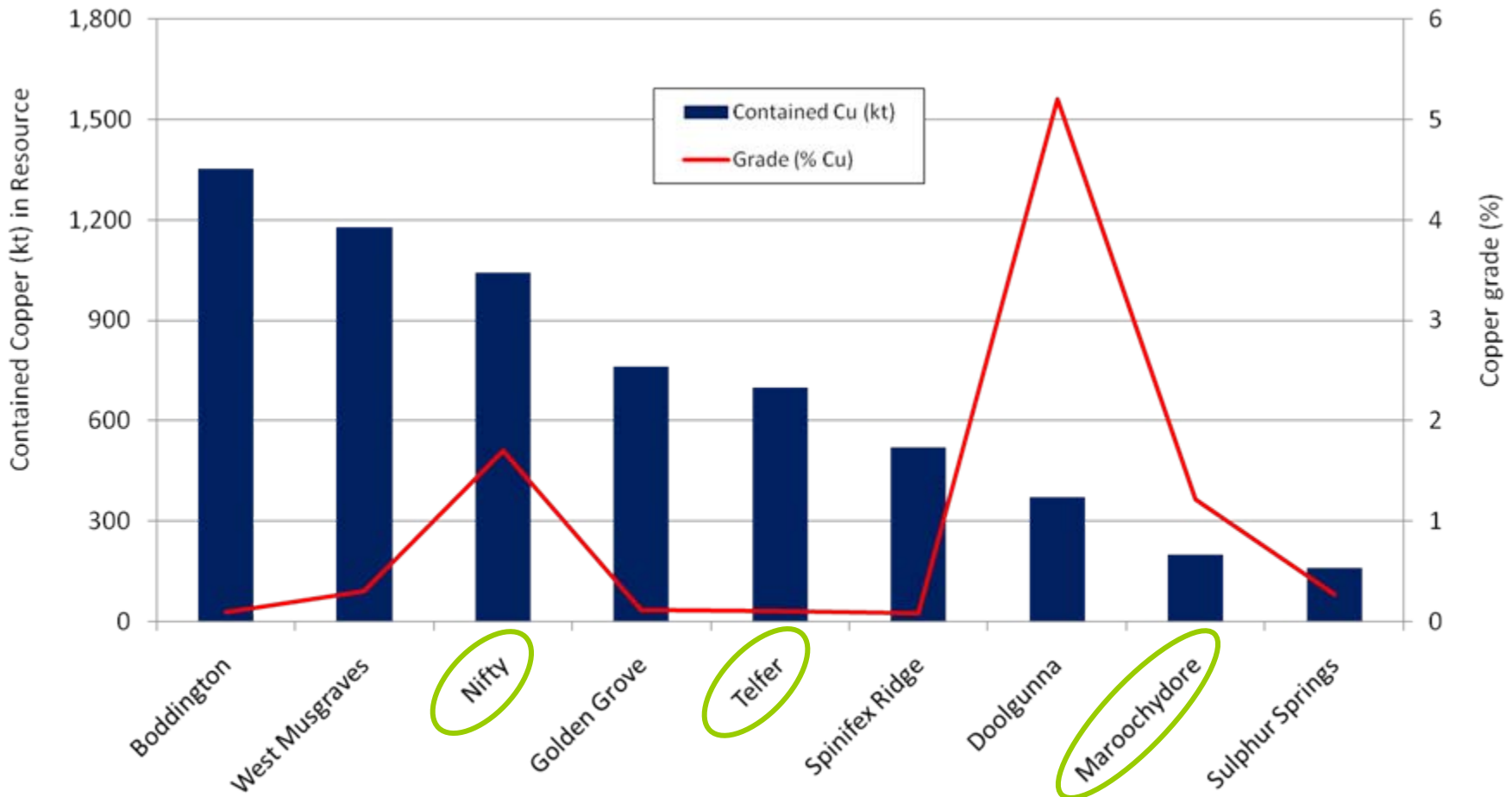


Nifty Copper Deposit

Pre-mined resource figures



Copper Resources in WA



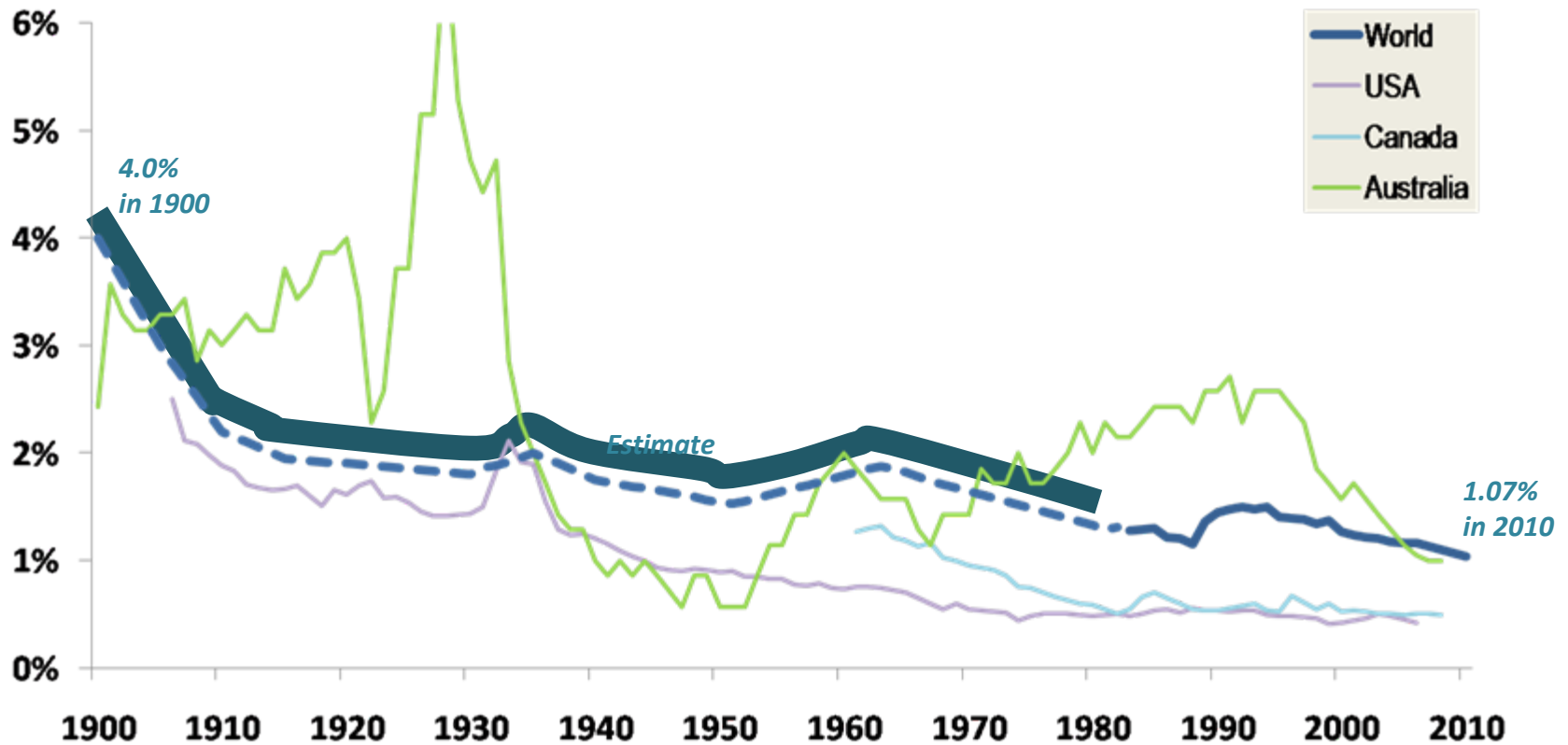
Sources: GSWA 2008 resource data and company resource statements

Contained copper remaining in resource



Global copper resource grade

Copper Grade (%)



Note: Rise in ore grade in Australia from 1972 onwards is due to startup of the high-grade Olympic Dam mine

Sources: USGS, Mudd (2009)
Brook Hunt, UBS

Richard Schodde (2010)
MinEx Consulting



Yeneena Project - The Immediate Focus

Cu

- +3km regolith anomaly
- 4m @ 5.45% Cu, 6m @ 1.41% Cu
- How big?

Mn

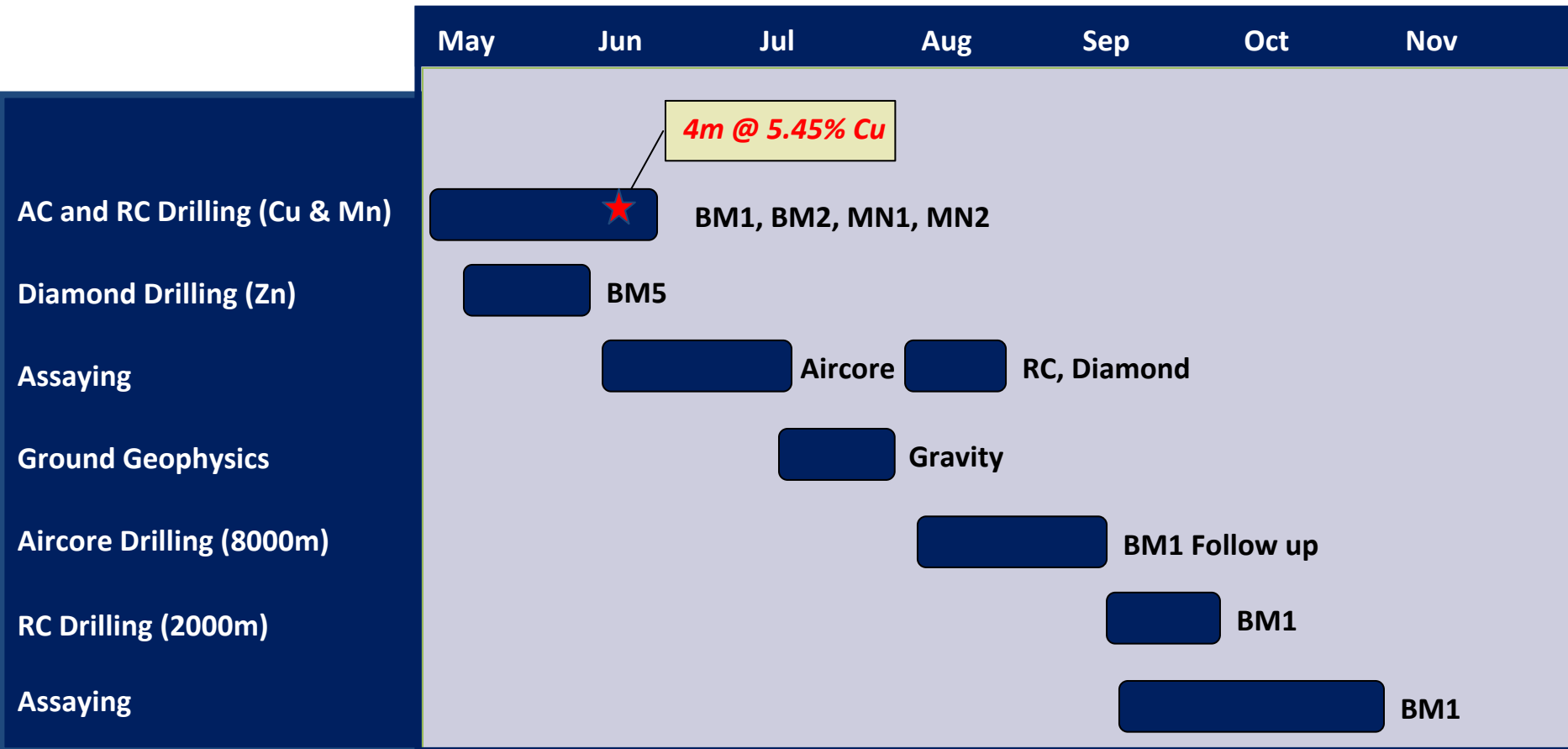
- Multiple high grade intersections
- Highly prospective , large target area

Zn

- Massive sulphide discovery - 28% Zn
- Targeting up dip, shallow areas



The Next 6 Months - Yeneena Project



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