



**encounter**  
RESOURCES LIMITED

# Investor Update

January 2014

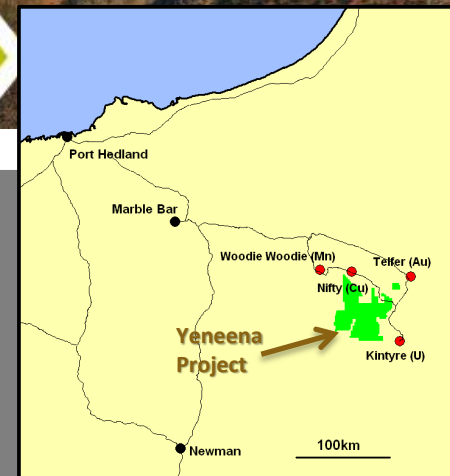
ASX : ENR

# INVESTMENT SUMMARY



## Greenfields Copper Discovery - BM7

- Large scale Cu system >14km long and growing
- \$20m farm-in with Antofagasta plc (2 tenements)
- Key ground position secured (>1900km<sup>2</sup>)



## Massive Zinc Sulphides - BM2

- High grade zinc/silver in first diamond hole into key geological contact – Nov 2013
- 0.7m @ 36.5% zinc and 37g/t silver



## Well Funded and Active

- Antofagasta earn-in –US\$4m in year 2 to maintain earn-in
- \$3.9m cash - 31/12/13
- EIS 2014 co-funding grants \$275,000





# CORPORATE INFORMATION

## Board



### *Experienced team - former WMC*

Paul Chapman - Chairman

Will Robinson - Managing Director

Peter Bewick - Exploration Director

Jon Hronsky - Non-Executive Director

Kevin Hart / Dan Travers - Company Sec.

## Issued Capital

132.5m Ordinary Shares

9.5m Employee Options

## Market Cap.

A\$26.5m @ A\$0.20/share

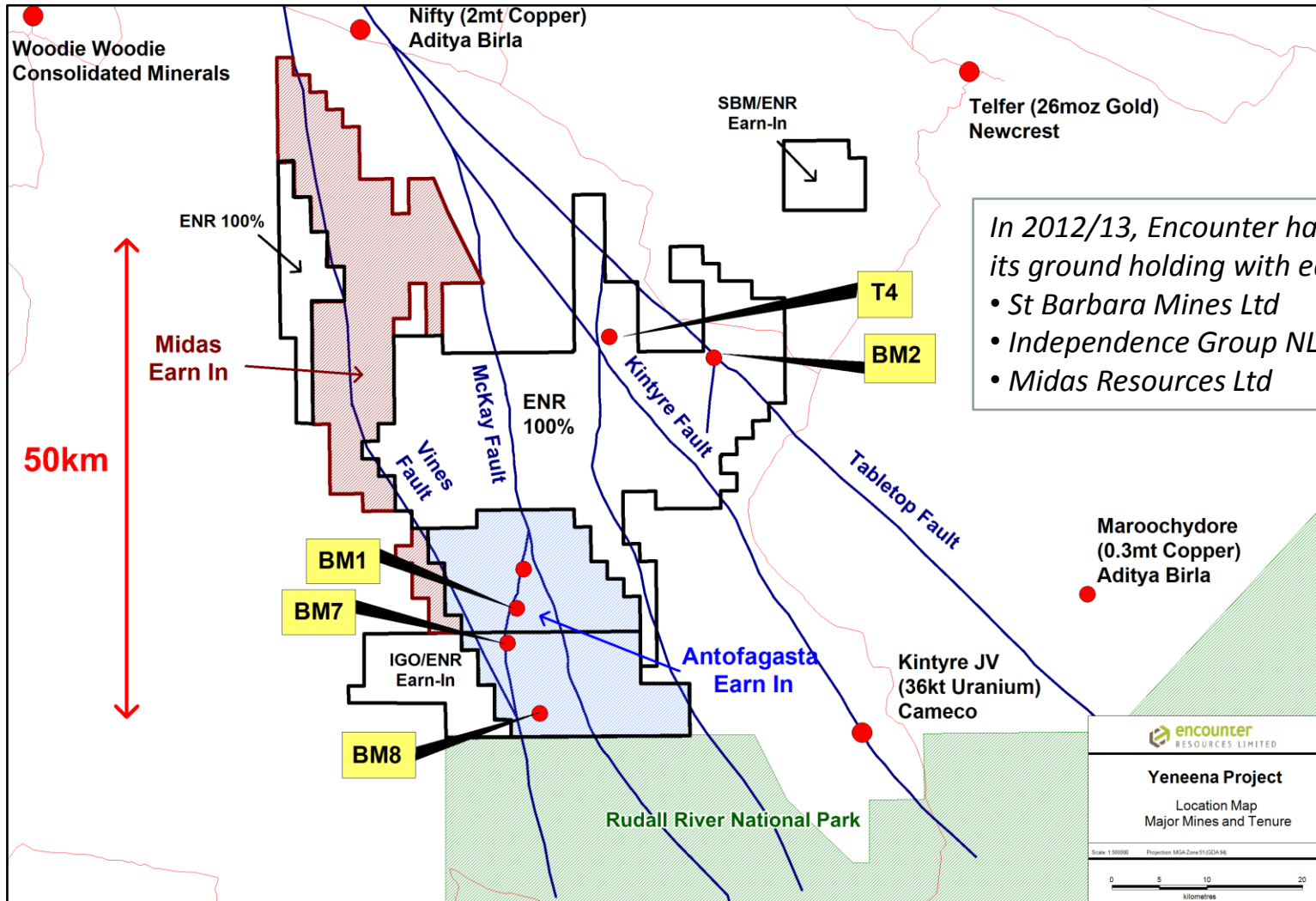
## Cash

A\$3.9m (31 Dec 2013)



# YENEENA PROJECT

## Major land position amongst giant mineral deposits



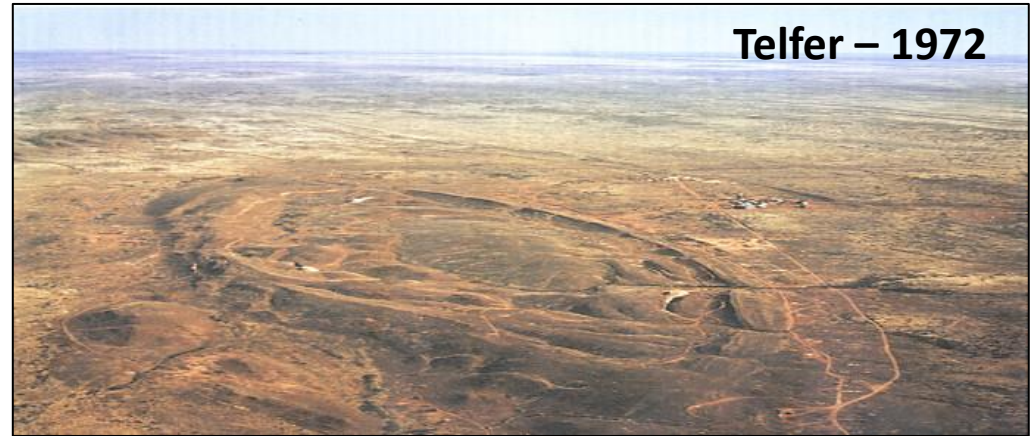
In 2012/13, Encounter has expanded its ground holding with earn-ins:

- St Barbara Mines Ltd
- Independence Group NL
- Midas Resources Ltd





# HISTORICAL DISCOVERIES





# YENEENA PROJECT

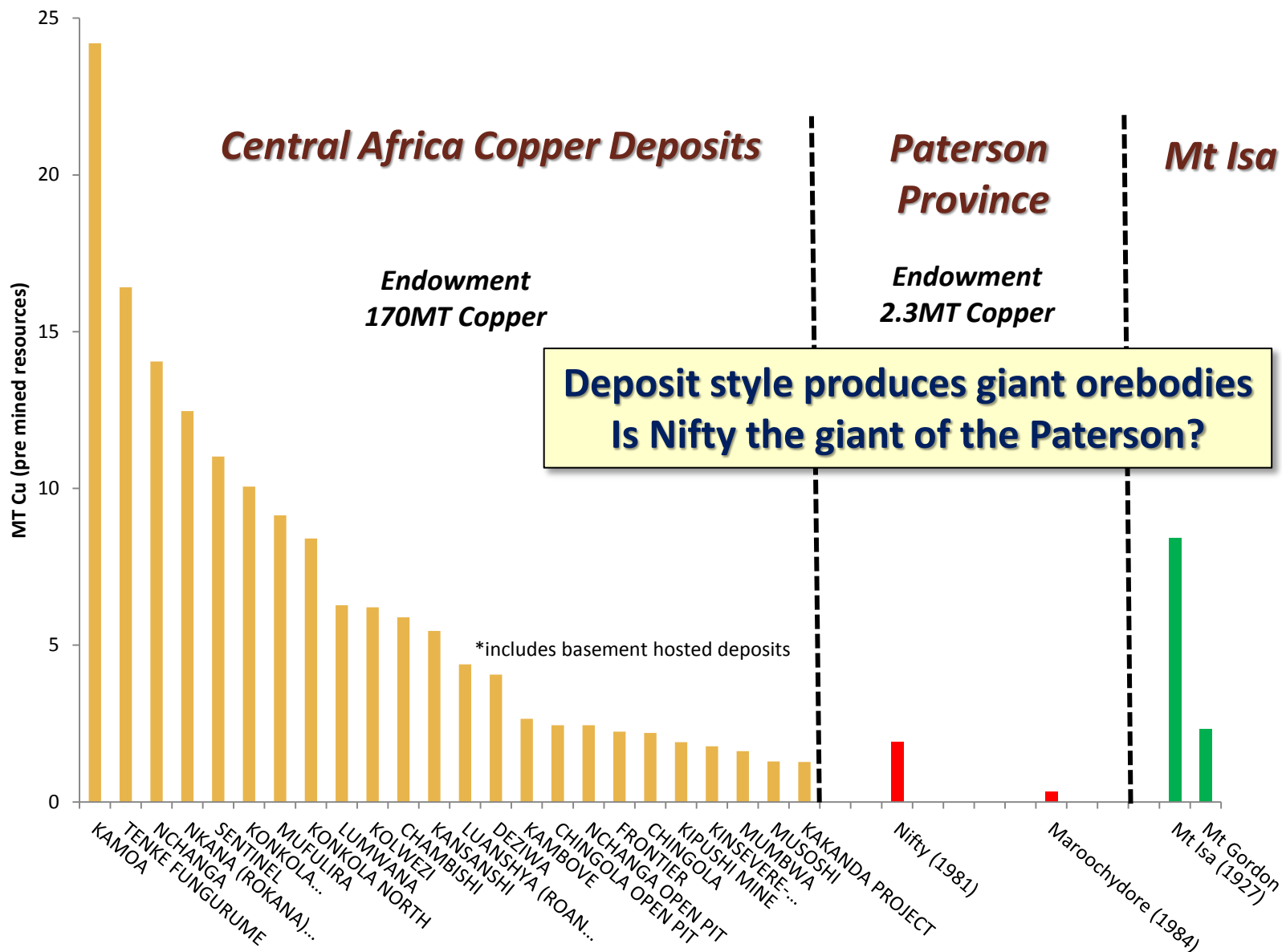


**Under cover exploration— a new search space**



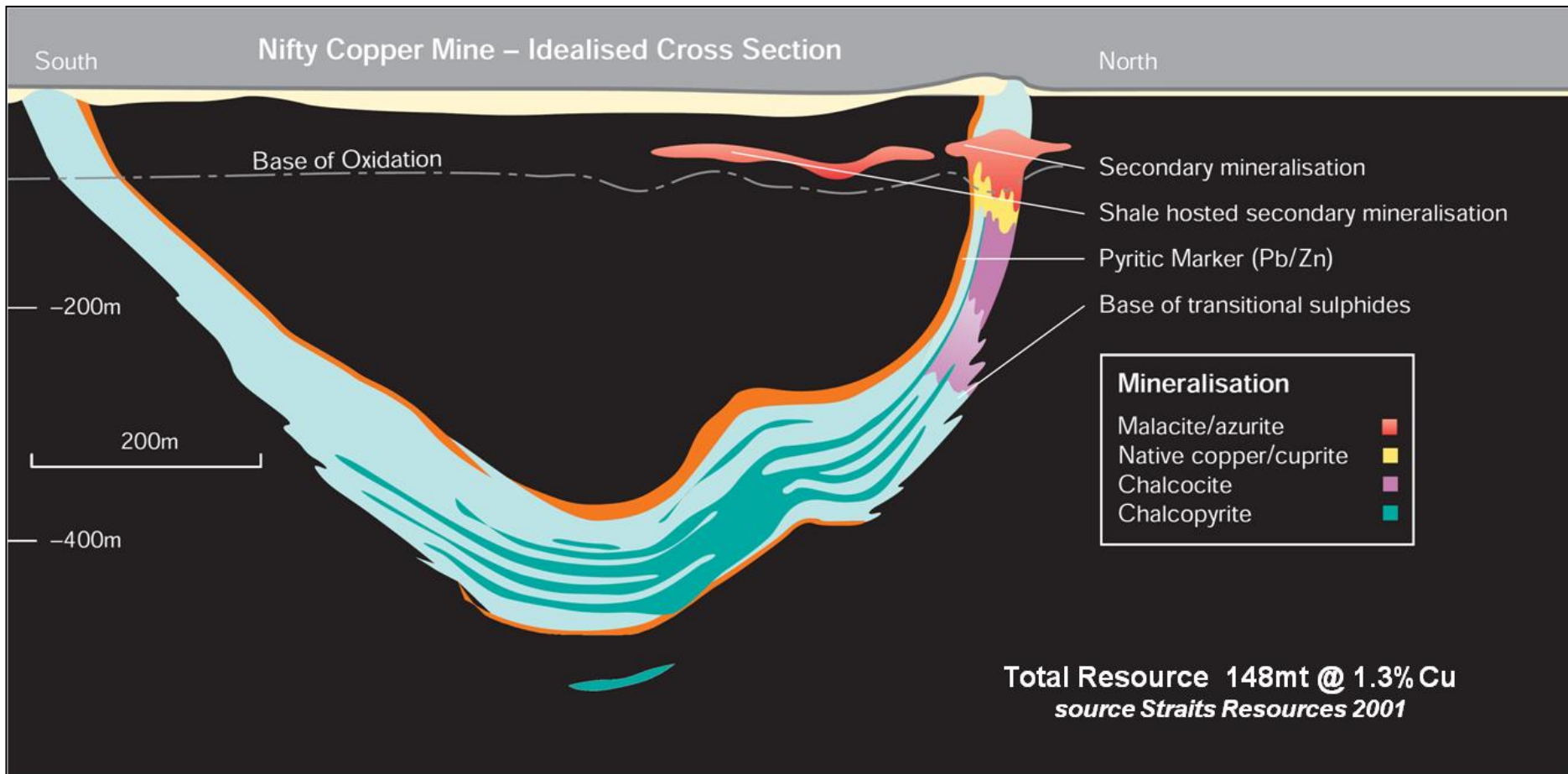


# SEDIMENT HOSTED COPPER



# NIFTY COPPER DEPOSIT

***Nifty copper sulphide mineralisation is a shallow plunging body with the strongest mineralisation located at the keel of a synform***





# BM1 - BM7 PROSPECTS

## Copper mineral system 14km long and growing

### BM1

Coherent zone of near surface copper oxide mineralisation

10m @ 6.8% Cu from 32m

8m @ 3.6% Cu from 18m

20m @ 2.0% Cu from 22m

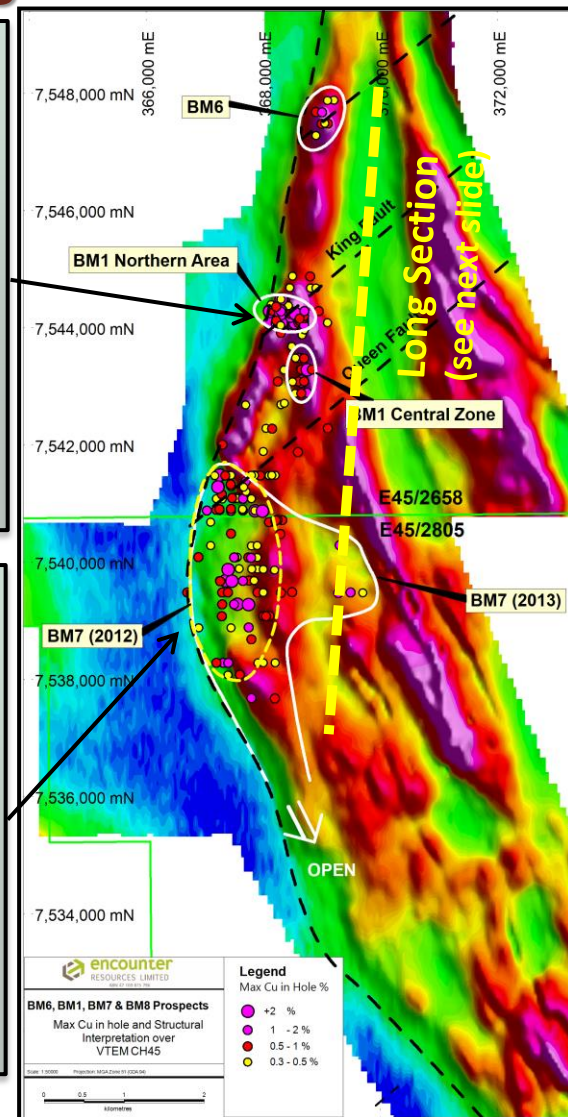


### BM7

6 x 3km copper system still growing

First joint diamond drill program intersects high grade Cu sulphide

5m @ 2.5% Cu incl. 0.7m @ 11% Cu



*Antofagasta farming-in*

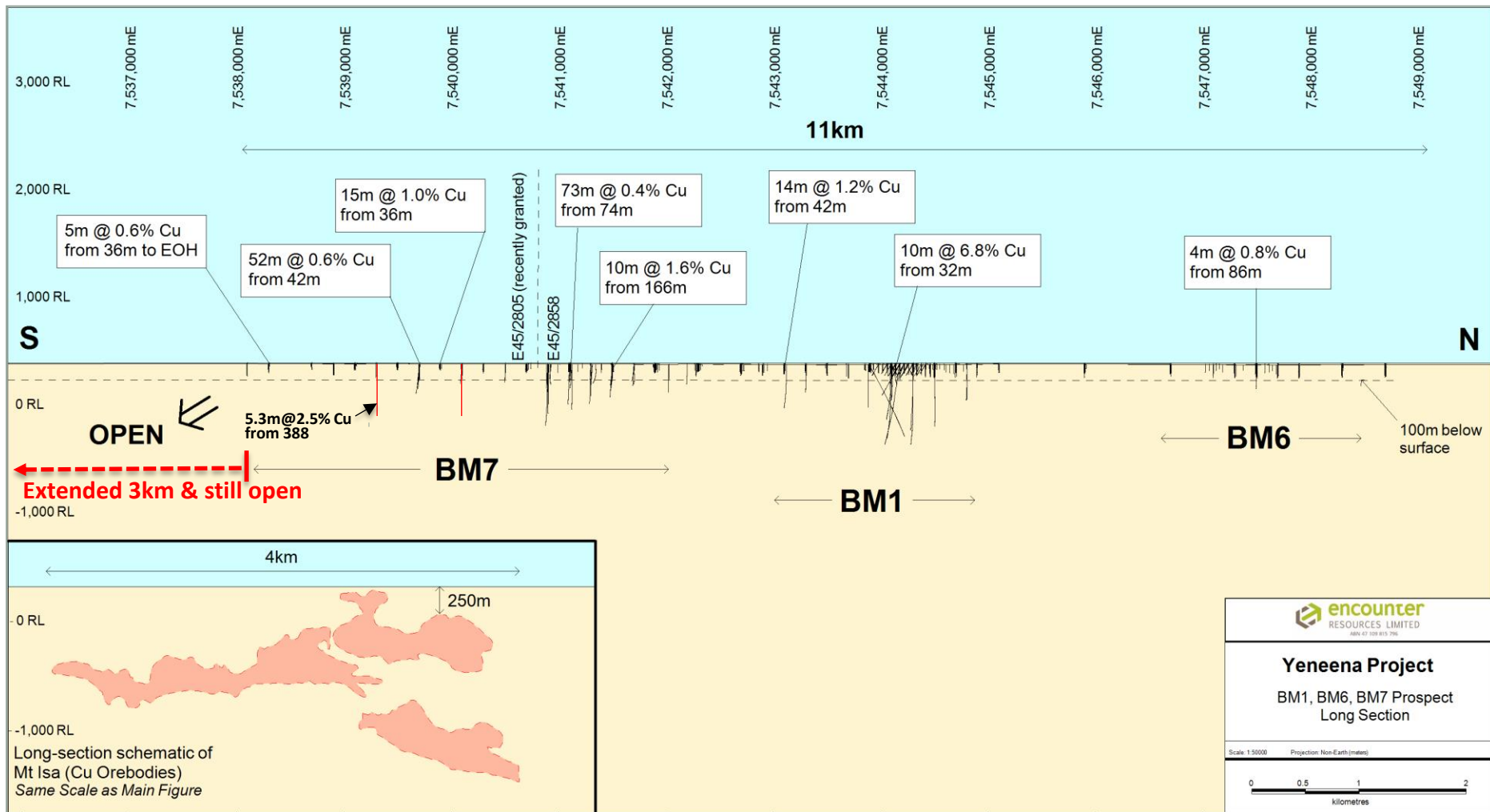


exploring... discovering... [www.enrl.com.au](http://www.enrl.com.au)

# LONG SECTION BM1-BM7



## Shallow drilling defines major new Copper-Cobalt mineral system



**Antofagasta farming-in**

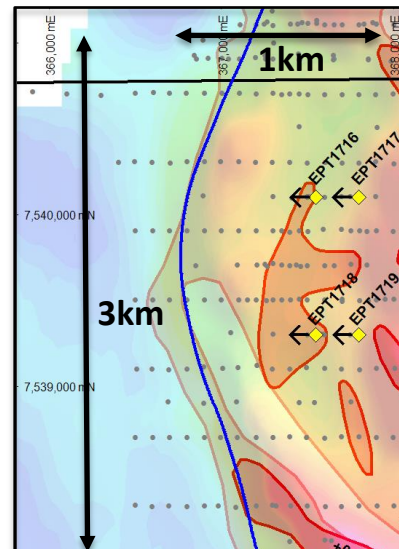




# BM7 COPPER OUTLINE JAN 13

*At the start of 2013 we had evidence of a large mineral system at BM7*

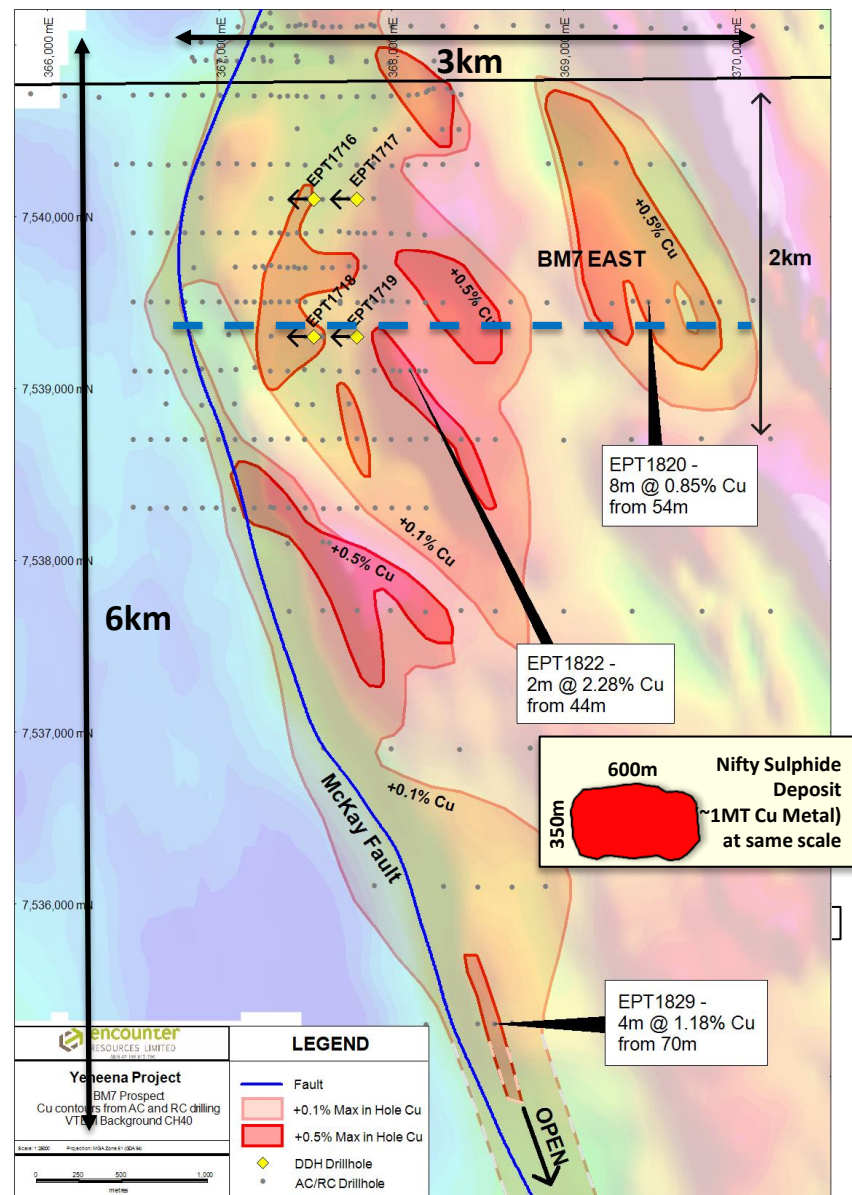
- 3km x 1km near surface copper footprint
- Attracted copper major Antofagasta plc to the project
- Six months of activity completed under the earn-in agreement ...



# BM7 DRILLING 2013 SUMMARY

## *BM7 mineral system significantly extended south and east*

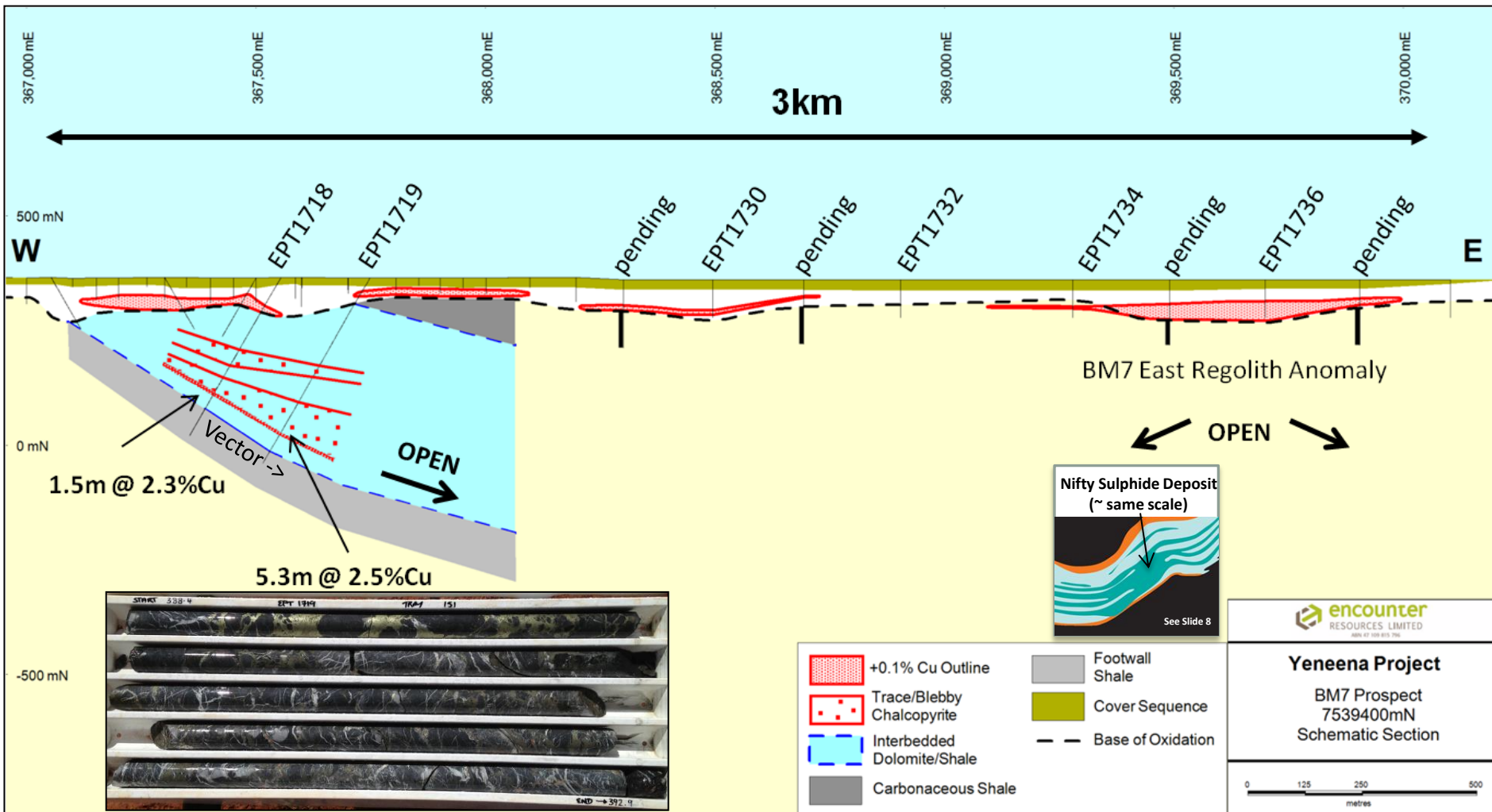
- Tripled the size of the surface copper footprint
- Over 6km in strike and up to 3km in width
- Generated specific new primary copper sulphide targets
- Extraordinary copper oxide footprint with high grade copper in the primary zone
- System remains open to the south and south east





# BM7 SCHEMATIC SECTION A-A'

*Diamond drill program has confirmed depth extensive copper sulphide mineralisation and established the high grade potential of BM7 system*



# BM7 – 2013 MILESTONES

- ✓ **Tenement granted in August 2012**
- ✓ **Initial exploration confirmed large scale copper potential**
- ✓ **Attracted quality partner - copper major Antofagasta plc**
- ✓ **Shallow drilling outlined 6km x 3km copper system - still growing**
- ✓ **First joint diamond drilling produced high grade copper sulphides**

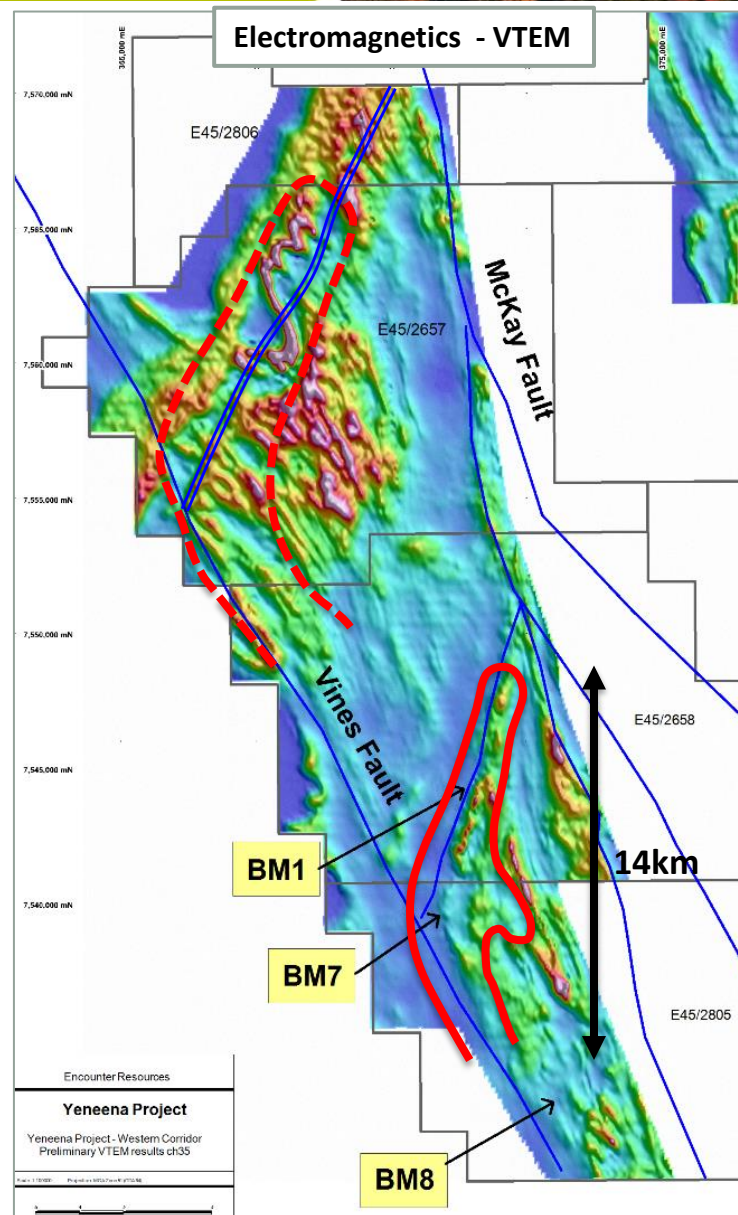




# REGIONAL TARGETS - NORTH

## *Untested targets north of BM1-BM7*

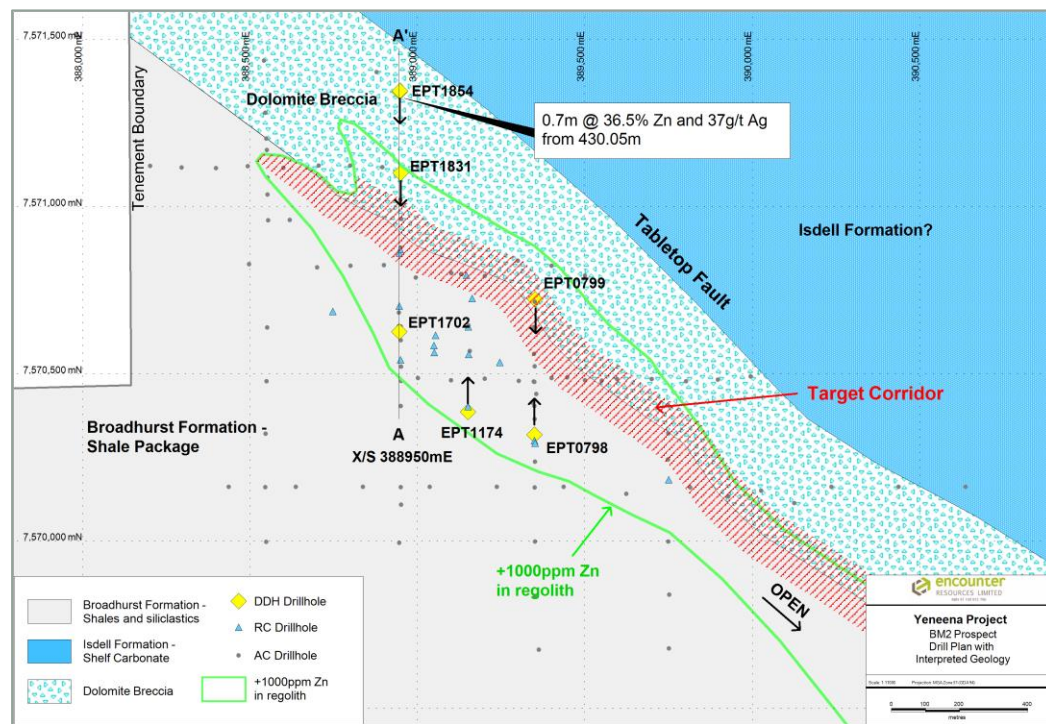
- 100% Encounter held ground
- VTEM Survey completed June 2013
- Significant north-east trending structure that mirrors the BM1-BM7 copper system
- Shallow sand cover
- Minimal previous exploration – a handful of RAB holes
- 10 hole RC drill program October 2013 identified copper anomalism



# BM2 – ZINC PROSPECT

## Large Scale Zinc Mineral System – EIS co-funded drilling in 2013

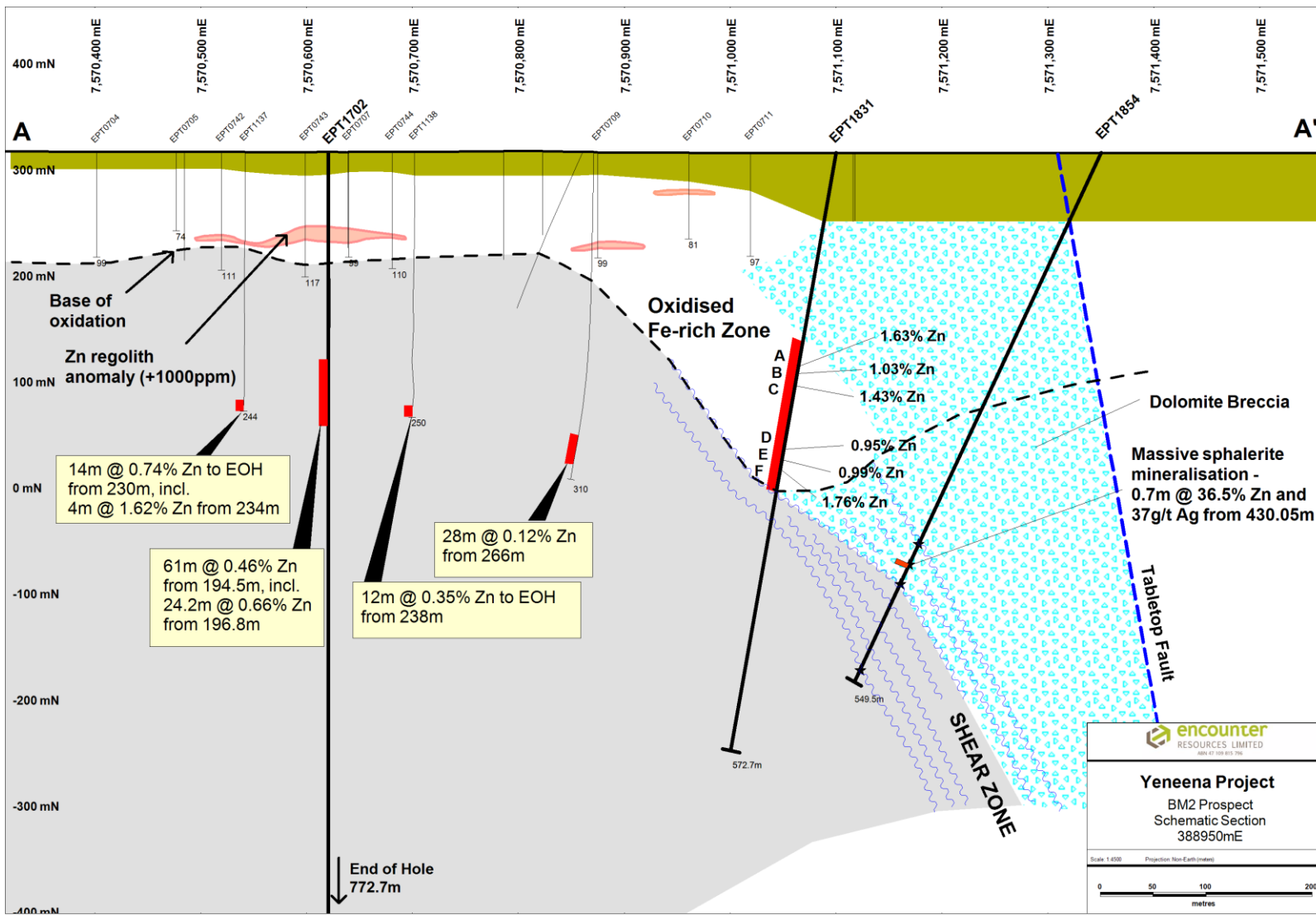
- High grade zinc/silver intersected in the first diamond hole into a key geological contact
- 0.7m @ 36.5% zinc and 37g/t silver
- Zinc regolith anomalism along this target contact extends over 2km
- Up dip weathered gossan zone (grading ~1% zinc) > 140m in downhole thickness
- Zinc sulphide mineralisation remains open in all directions
- 100% owned





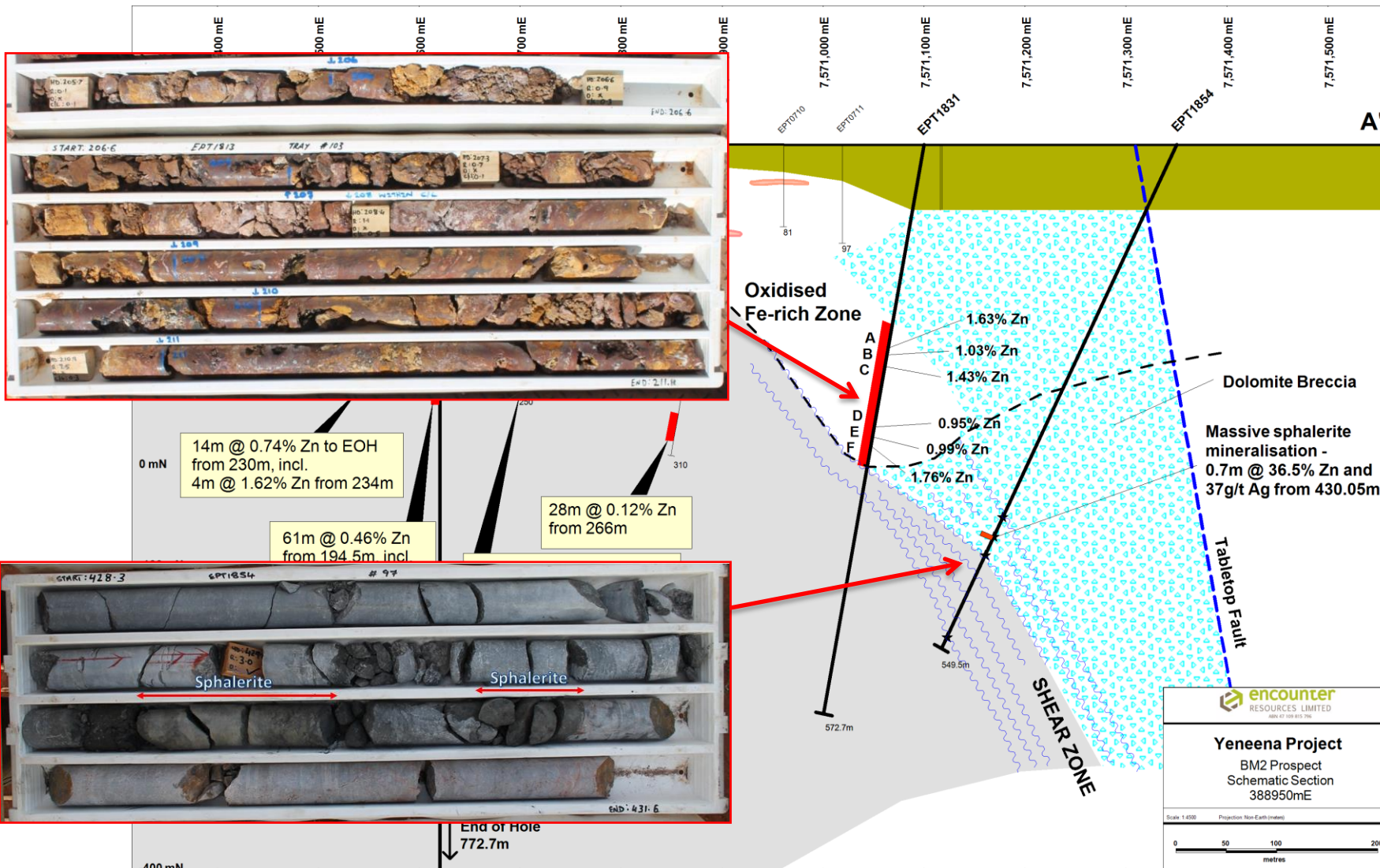
# BM2 PROSPECT

## EIS drilling intersects massive zinc sulphide mineralisation



# BM2 PROSPECT

## EIS drilling intersects massive zinc sulphide mineralisation





# DISCOVERY TIMELINE



**2008-09**

Airborne EM  
Regional geochem  
Target generation

**2010**

Greenfields copper  
oxide discoveries at  
BM1

**2011**

Discovery of copper  
sulphides at BM1

New copper oxide  
discoveries at BM6 & BM7

First BM7 copper sulphides

**2012**

Large scale, copper  
discovery at BM7

Regional copper  
targets defined

**2013 Objectives**

High grade copper  
sulphides at BM7

Test targets south  
and east of BM7

Test Regional Targets  
(100% ENR)



# NEXT 6 MONTHS

2014	Mar	Apr	May	Jun	Jul
Site Mobilisation					
<b>BM7 Cu (Anto earn-in)</b> Diamond drilling					
Aircore/RC					
<b>BM2 Zn (100%)</b> Diamond drilling					
<b>Fishhook (100%)</b> Aircore/RC (EIS)					
<b>NW Regional (ENR earn-in)</b> VTEM Survey					
<b>Stirling (ENR earn-in)</b> Aircore/RC (EIS)					





## ***Yeneena – Australia's Next Great Mineral District?***

- ***Large scale Cu system over 14km long and growing***
- ***Massive zinc sulphides at 100% owned BM2***
- ***Key ground position secured (>1900km<sup>2</sup>)***
- ***Major mining company funding through Antofagasta farm-in***
- ***Well funded & highly active greenfields explorer***

***The final drill holes for the 2013 drill season delivered massive zinc sulphides at BM2 and the highest grade primary copper intersection to date at BM7. Drilling to recommence March/April 2014***

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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 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 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Bewick consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

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