



**encounter**  
RESOURCES LIMITED

# AMEC Convention

Perth - June 2016



# Company Snapshot

## 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

155.6m Ordinary Shares (Top 40 shareholders hold 68%)  
12m Options

## Market Cap.

A\$21.8m @ A\$0.14/share (7 June 2016)

## Cash

~A\$4.0m (31 Mar 2016)

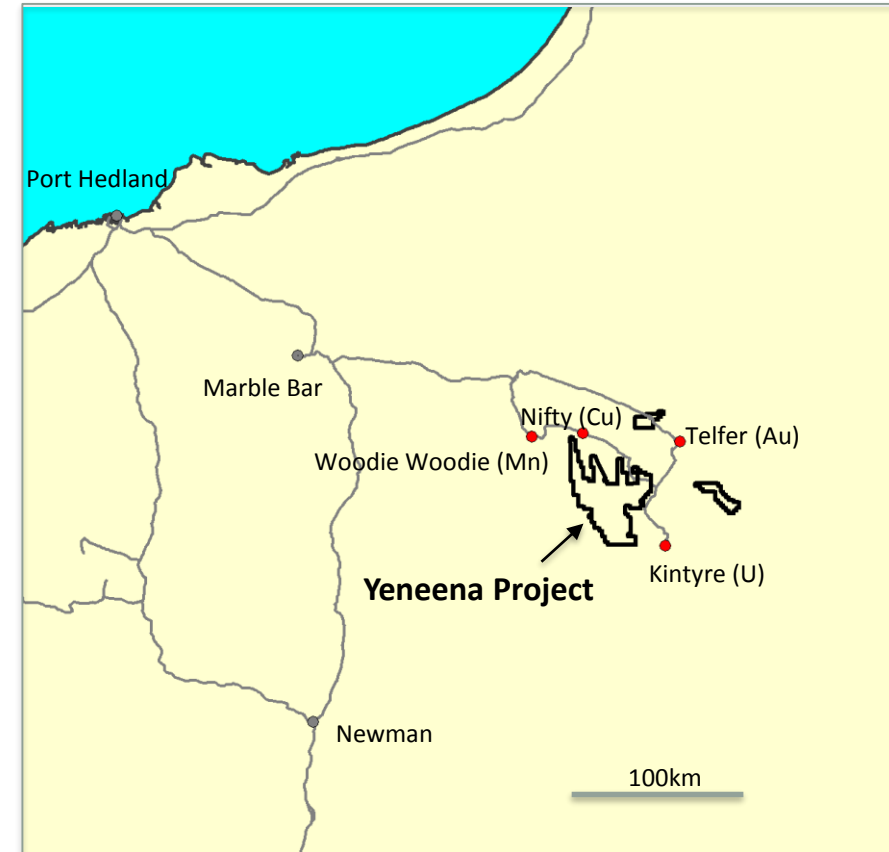
## Investments

~A\$0.6m (31 Mar 2016)

## Farm-in Funding

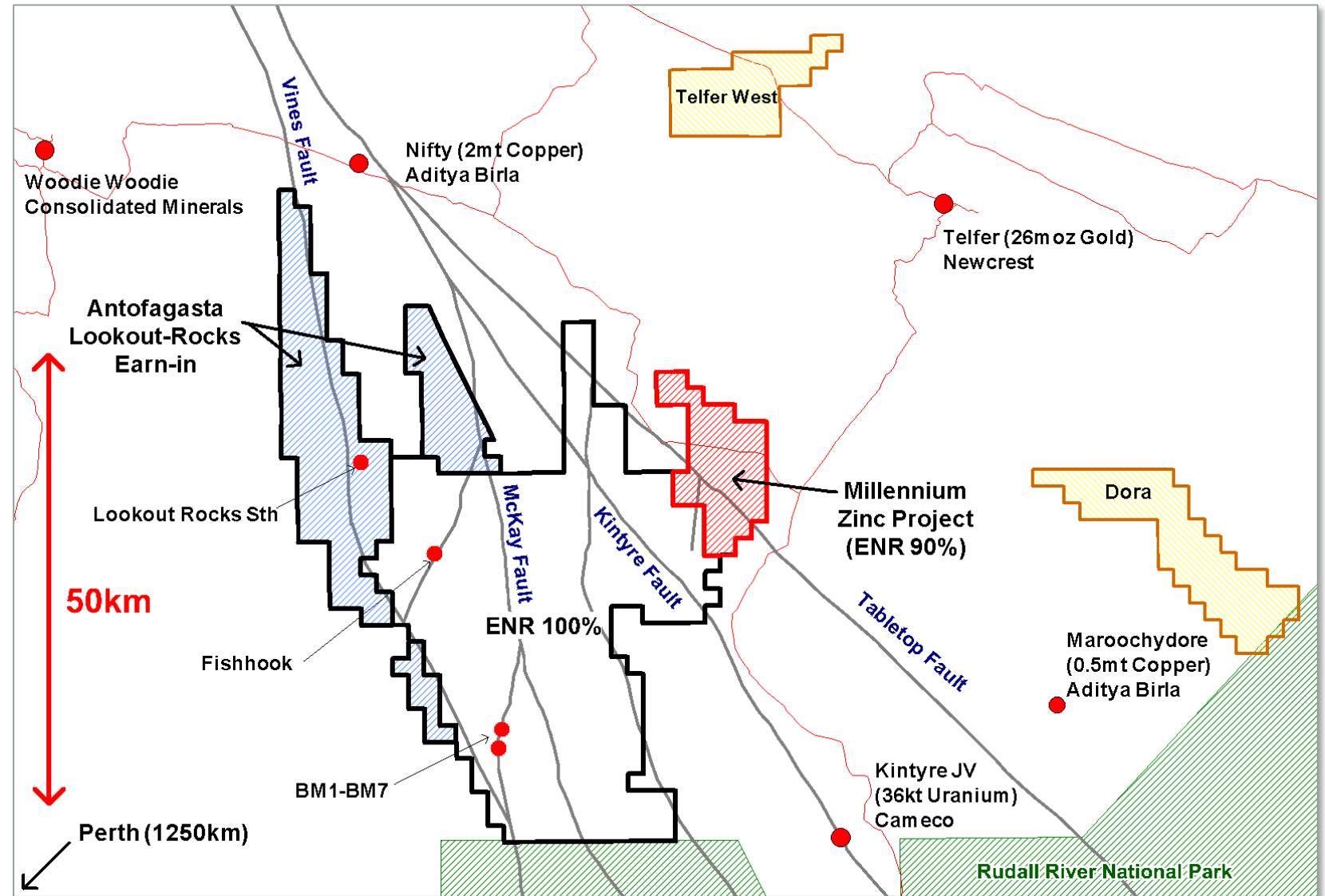
Up to US\$6m Antofagasta - Lookout Rocks Prospect  
Up to A\$2m Hampton Hill – Millennium Prospect

## Main Project – Yeneena (Cu, Zn)



# Creating Value Through Greenfield Exploration...

- ❖ Major land holding in proven Proterozoic Paterson Province
- ❖ Sharing risk at appropriate points to maximise exploration upside
- ❖ New copper and zinc discoveries made by ENR
- ❖ Telfer region gold prospects advancing





# ...in a New Search Space...

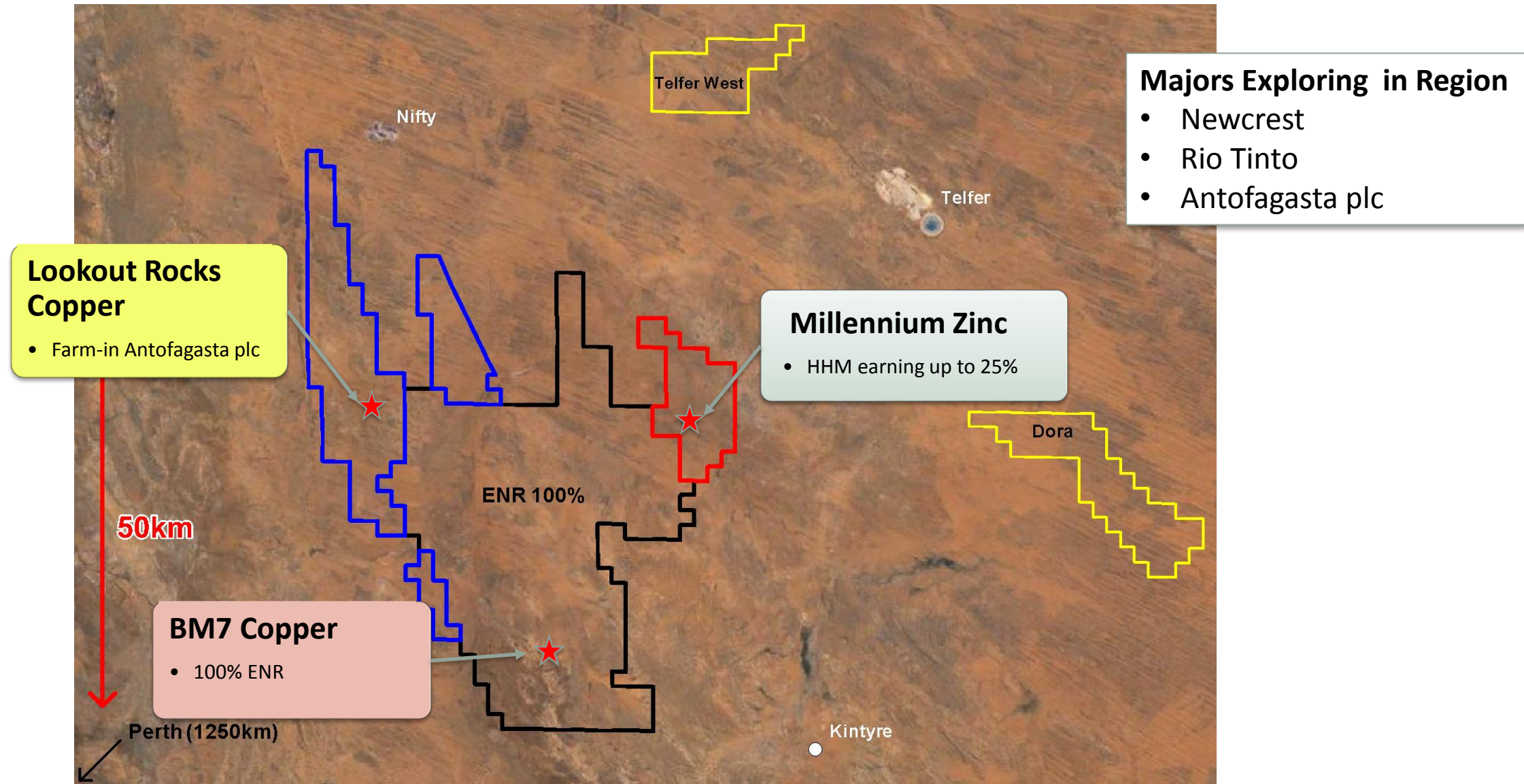
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- ❖ Sand covered mineral belt with proven fertility
- ❖ Outcropping discoveries made in 1970-80s (Nifty, Telfer, Kintyre)
- ❖ Minimal subsurface exploration activity up to 2005
- ❖ Encounter has discovered two new mineral systems so far:
  - ❖ BM1-BM7 Copper
  - ❖ Millennium Zinc





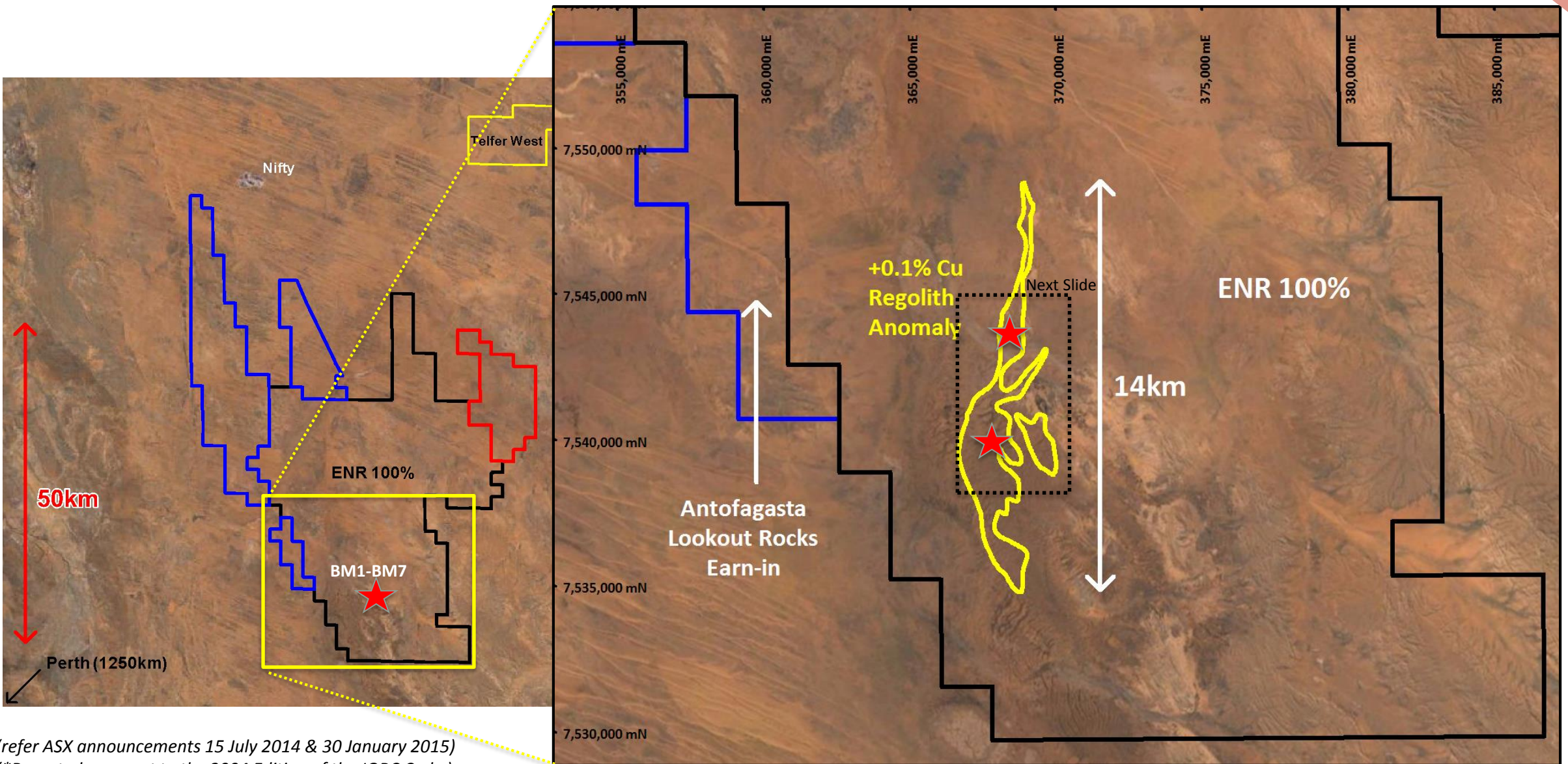
# ...in a Region that Produces Big Deposits...





# BM7 Project – 14km long Copper System

BM7 Copper



(refer ASX announcements 15 July 2014 & 30 January 2015)  
(\*Reported pursuant to the 2004 Edition of the JORC Code)

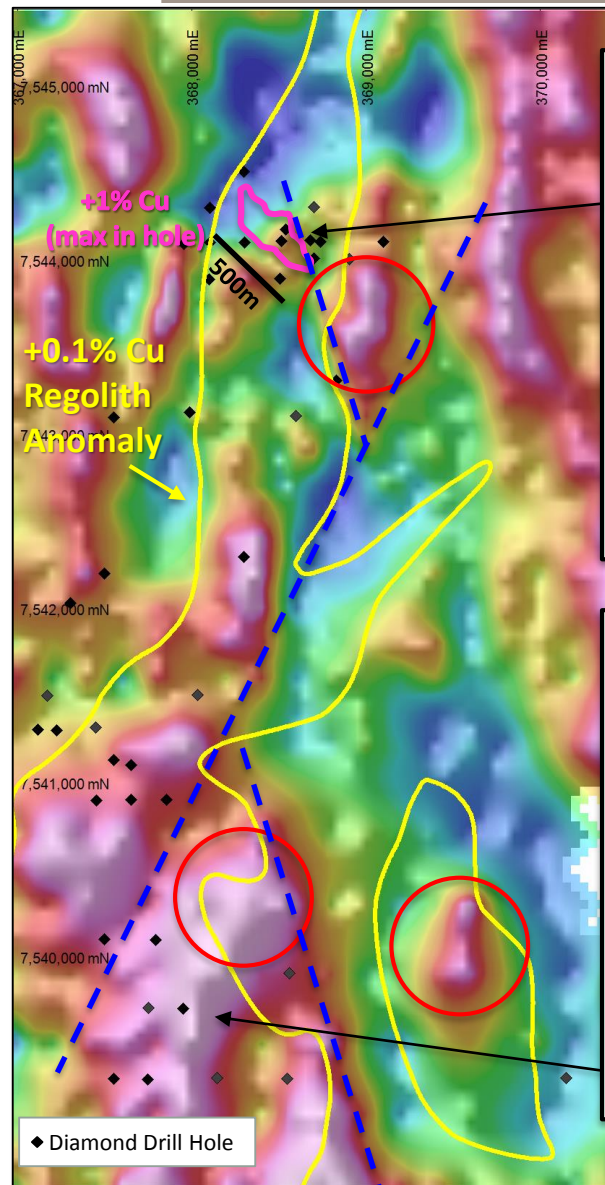




# Gravity interpretation highlights three high priority targets

BM7 Copper

- ❖ Additional gravity survey completed in Oct 2015
- ❖ Innovative technique developed to generate cover & oxidation corrected gravity model
- ❖ Three new untested gravity targets adjacent to high grade copper mineralisation
- ❖ EIS co funded drill testing in May-June 2016



Cover corrected Gravity Image  
(residual filter applied)

## BM1

Coherent zone of near surface Cu oxide mineralisation

- 10m @ 6.8% Cu from 32m\*
- 20m @ 2.0% Cu from 22m\*
- 8m @ 3.6% Cu from 18m\*
- 16m @ 3.2% Cu from 26m
- 50m @ 1.1% Cu from 12m



## BM7

Large mineral system containing high grade Cu sulphide

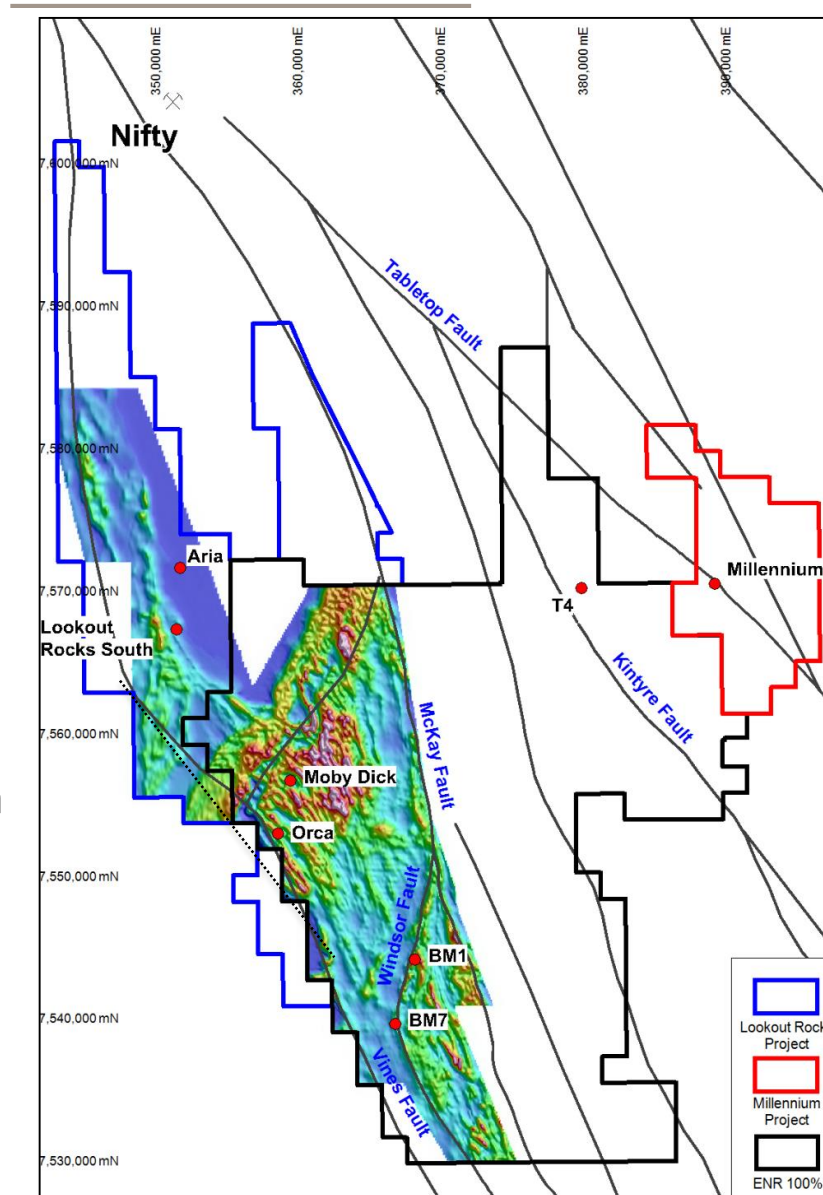
- 5m @ 2.5% Cu from 388m\*
- 52m @ 0.6% Cu from 42m\*
- 9m @ 1.5% Cu from 42m\*
- 74m @ 0.4% Cu from 74m\*
- 140m @ 0.2% Cu from 144m



(refer ASX announcements 15 July 2014 & 30 January 2015)  
(\*Reported pursuant to the 2004 Edition of the JORC Code )

# Lookout Rocks – New copper prospect south of Nifty

- ❖ VTEM surveys completed 2013 & 2014
- ❖ Over 30 strike kms of interpreted Broadhurst Formation sediments (Nifty host) in highly prospective structural setting
- ❖ Shallow sand cover with minimal previous exploration activity
- ❖ Lookout Rocks – US\$6 million farm in with Antofagasta plc commenced in July 2015
- ❖ First Aircore/RC program Oct 2015

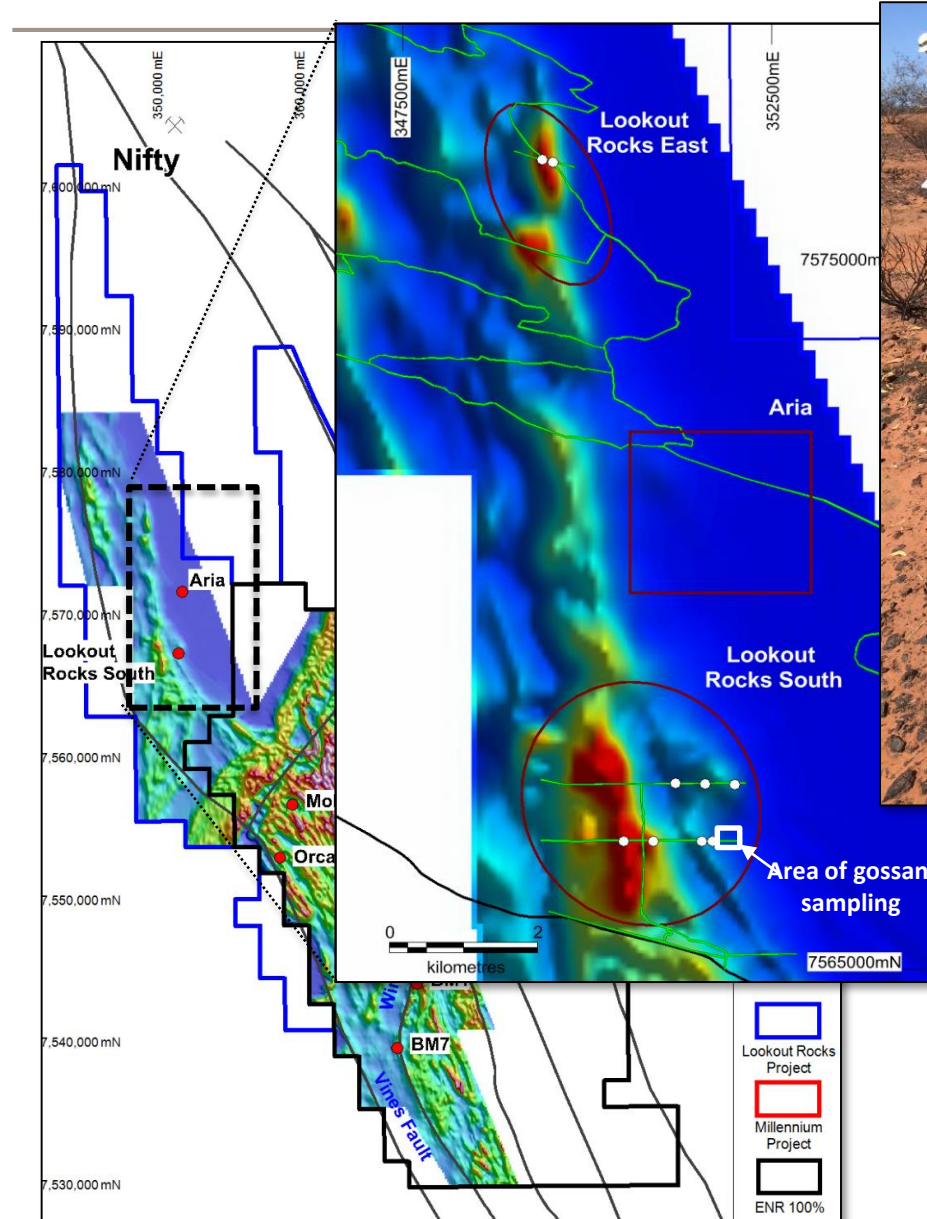




# Lookout Rocks – New copper prospect south of Nifty

Lookout Rocks Cu

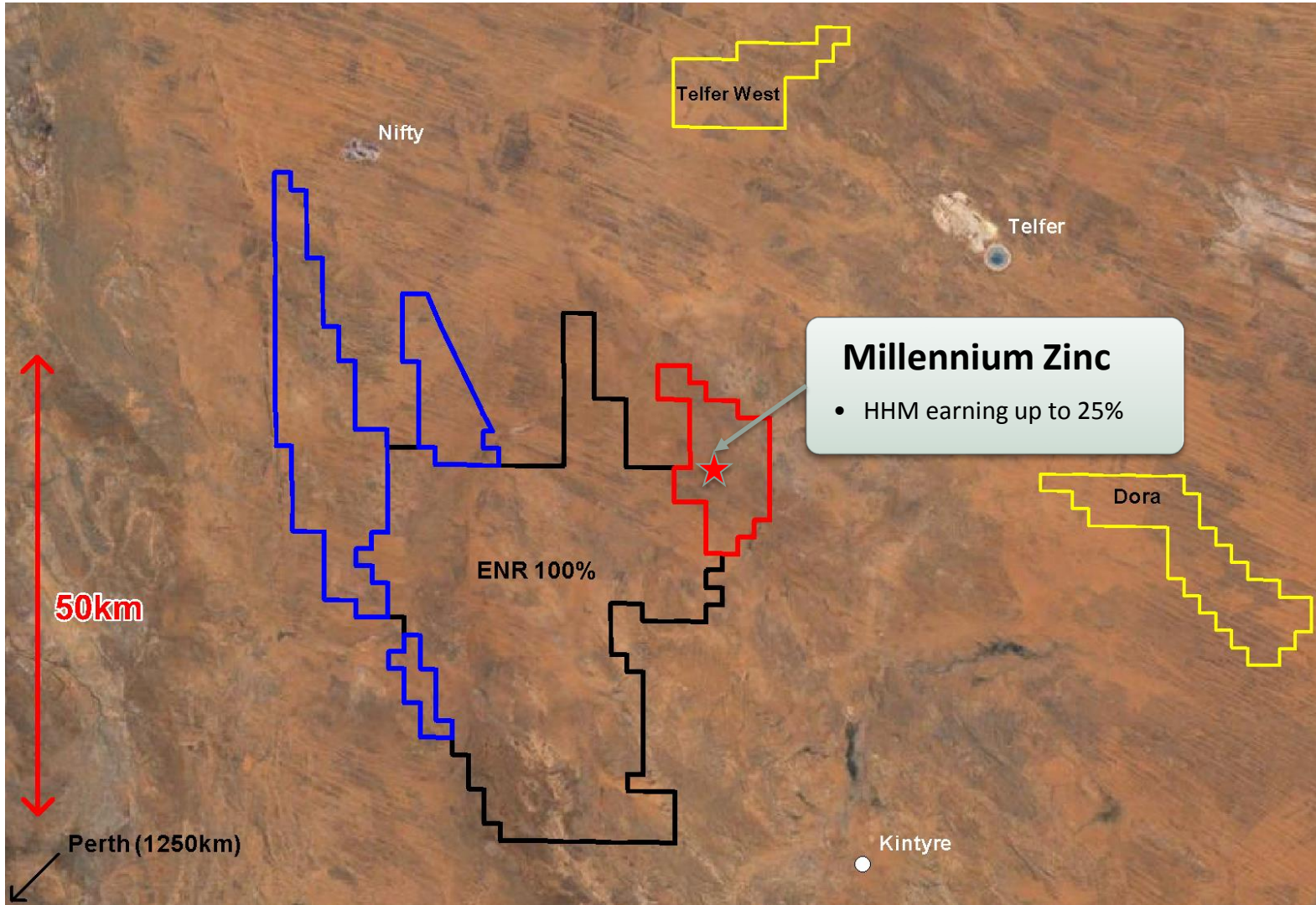
- ❖ 7 shallow AC/RC holes over a structural target
- ❖ Drilling confirmed Broadhurst Formation (Nifty host) stratigraphy
- ❖ Broad intervals of copper and lead anomalism strengthening to the east and towards the bottom of hole
- ❖ Surface gossan discovered with ex-sulphide boxwork textures - up to 0.2% Cu
- ❖ Diamond drilling commenced June 2016



(refer ASX announcement 17 December 2015)



# Greenfield Zinc Discovery at Millennium...



- ❖ Large +3km long zinc system
- ❖ First order structural address at intersection of major NE and basin forming NW structures
- ❖ High grade mineralisation in early drilling
- ❖ Hampton Hill Mining (HHM) earning up to 25% by providing up to A\$2 million



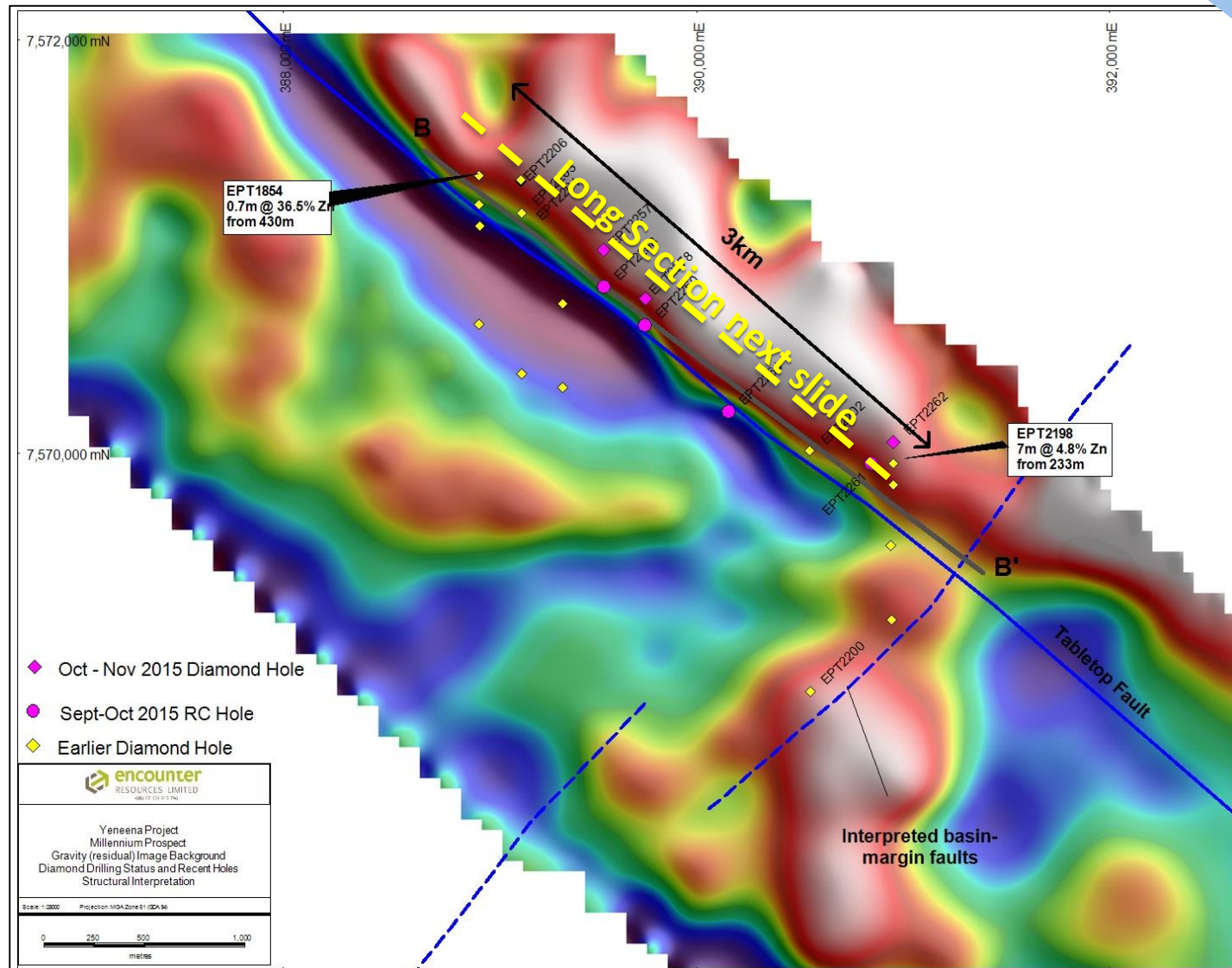


# Large zinc system with high grade Zn sulphide...

Massive zinc sulphide 0.7m @ 36.5%



Thick gossan intersections - 70m @ 2.3%

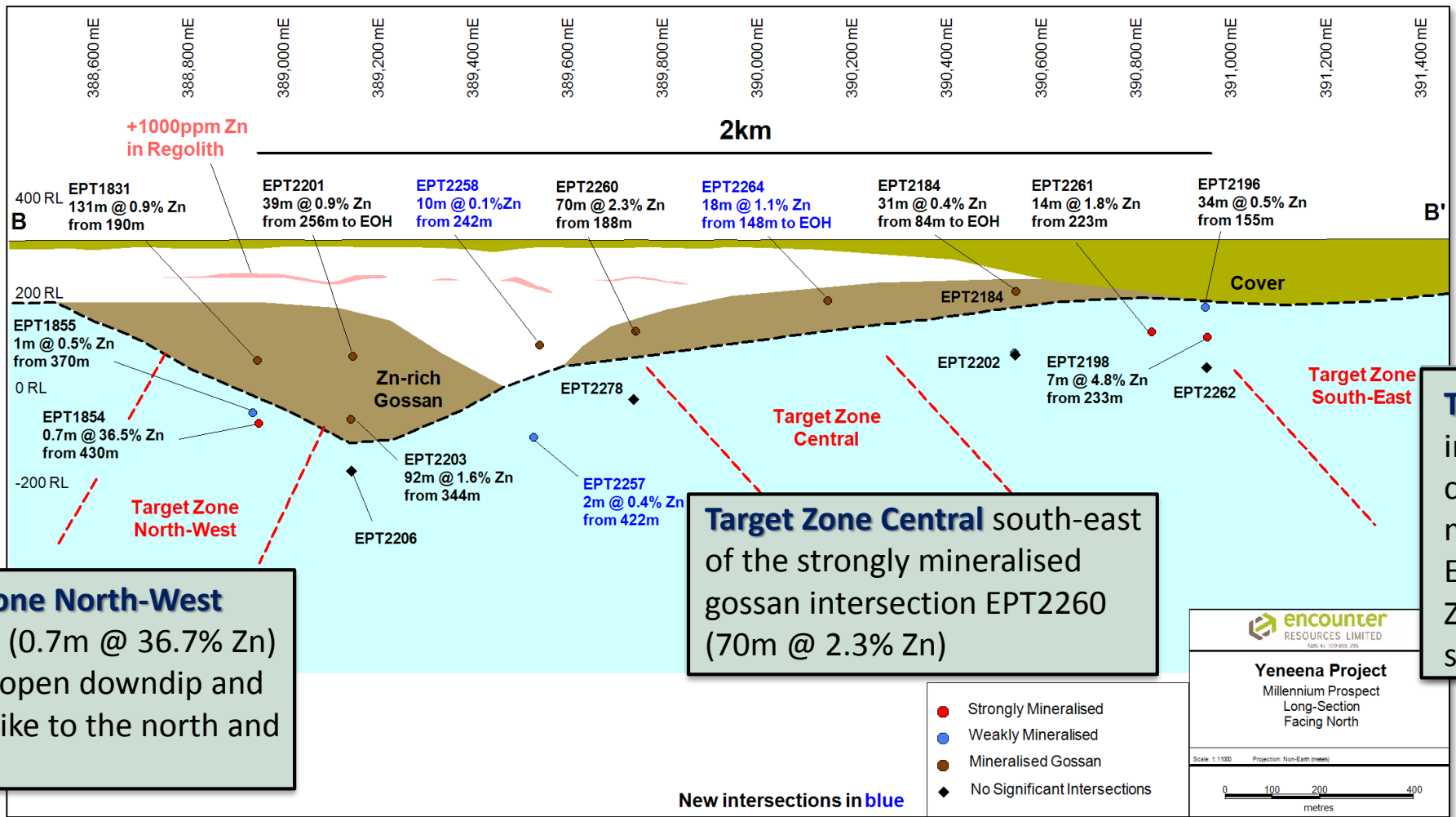


(refer ASX announcements 14 December 2013, 12 January 2015, 17 June 2015, 29 October 2015)





# Three high priority target zones to be drilled in 2016...



**Target Zone North-West**  
 EPT1854 (0.7m @ 36.7% Zn) remains open downdip and along strike to the north and west.

**Target Zone Central** south-east of the strongly mineralised gossan intersection EPT2260 (70m @ 2.3% Zn)

**Target Zone South-East** interpreted zone of coherent zinc sulphide mineralisation including EPT2198 (7m @ 4.8% Zn) open and strengthening SE

(refer ASX announcement 28 January 2016)



# Upcoming Field Activities

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	May	Jun	Jul	Aug	Sep
<b>BM1 / BM7 Copper drill test new gravity targets (EIS co funded)</b>					
<b>Millennium diamond/RC program (HHM co funded)</b>					
<b>Lookout Rocks Copper first diamond drilling (Antofagasta funded)</b>					
<b>Telfer region gold detailed airborne magnetic survey &amp; initial field recon.</b>					





# The Investment Case

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- **Under-cover frontier exploration to create enduring value**
- **Exposure to large scale copper and zinc exploration upside**
- **Large land position in district with proven fertility and active majors (>1850km<sup>2</sup>)**
- **Risk sharing at appropriate points to maximise return for ENR shareholders**
- **Leading global resources funds on register (Spratt, RCF, Thorney, Eye Investment Fund)**
- **Sound cash position supplemented by Antofagasta & Hampton Hill farm-ins**
- **Drilling in progress testing advanced exploration targets**





# Disclaimer & Compliance Statement

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Certain exploration drilling results for BM1, BM2 and BM7 are first disclosed under JORC code 2004. It has not been updated since to comply with the JORC code 2012 on the basis that the information has not materially changed.

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.

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.

