



encounter
RESOURCES LIMITED

Diggers & Dealers

Kalgoorlie - August 2016

ASX : ENR

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\$23.3m @ A\$0.15/share (29 July 2016)

Cash

~A\$3.7m (30 June 2016)

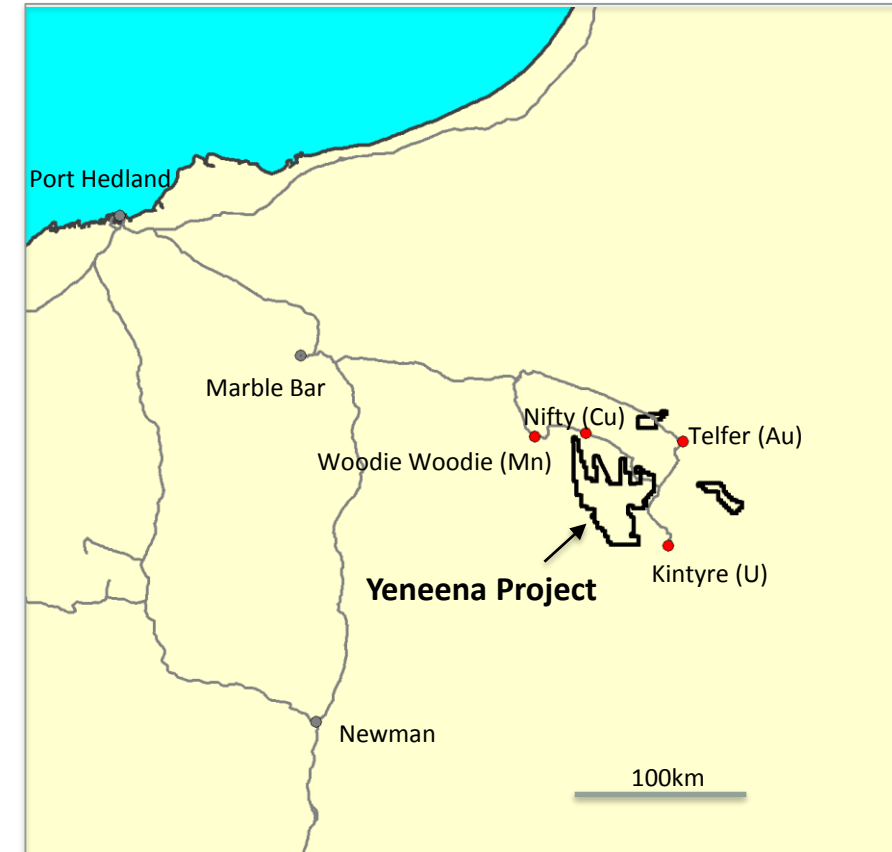
Investments

~A\$0.9m (29 July 2016)

Farm-in Funding

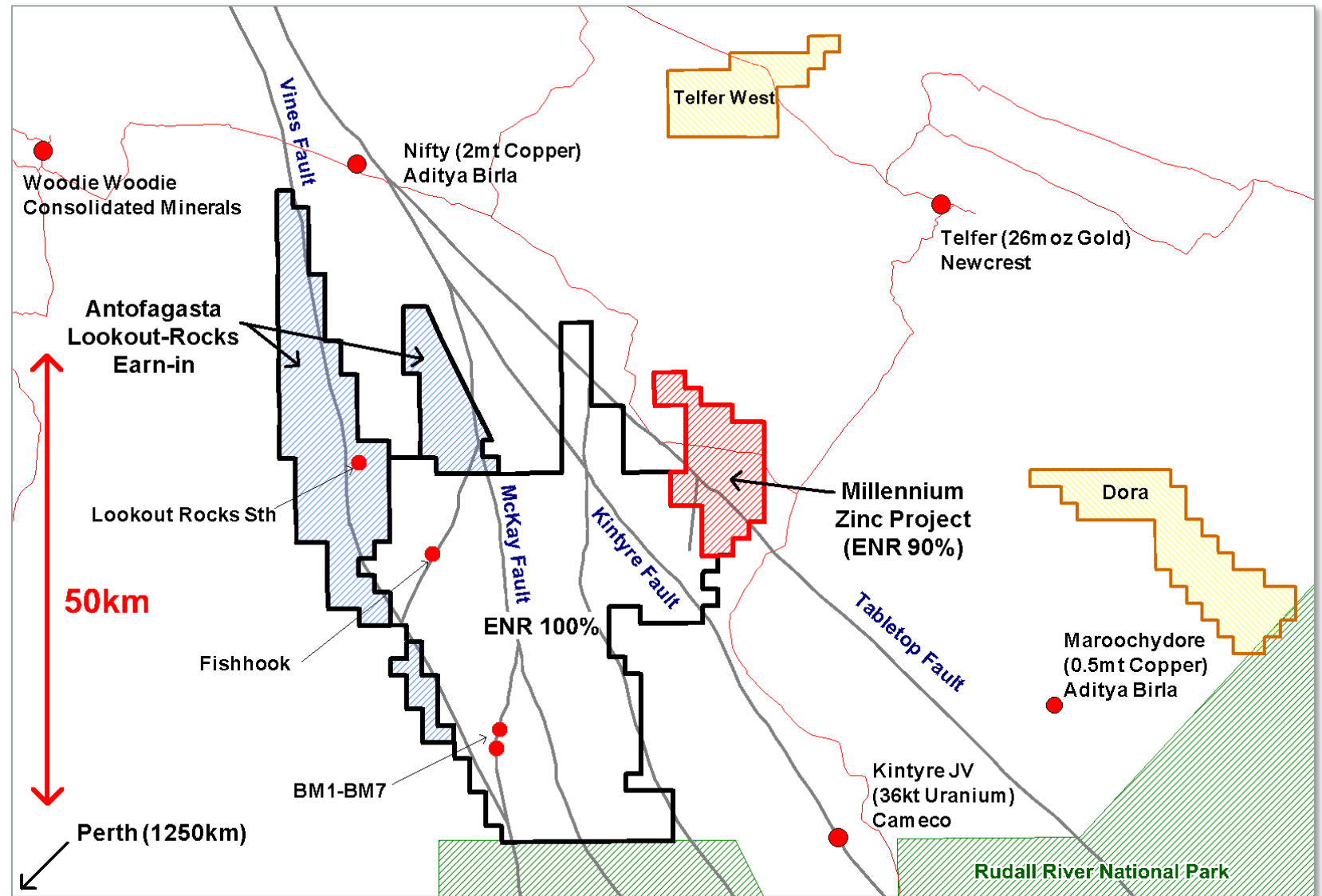
Up to US\$6m Antofagasta - Lookout Rocks Prospect
Up to A\$2m Hampton Hill – Millennium Prospect

Main Project – Yeneena (Cu, Zn, Au)



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

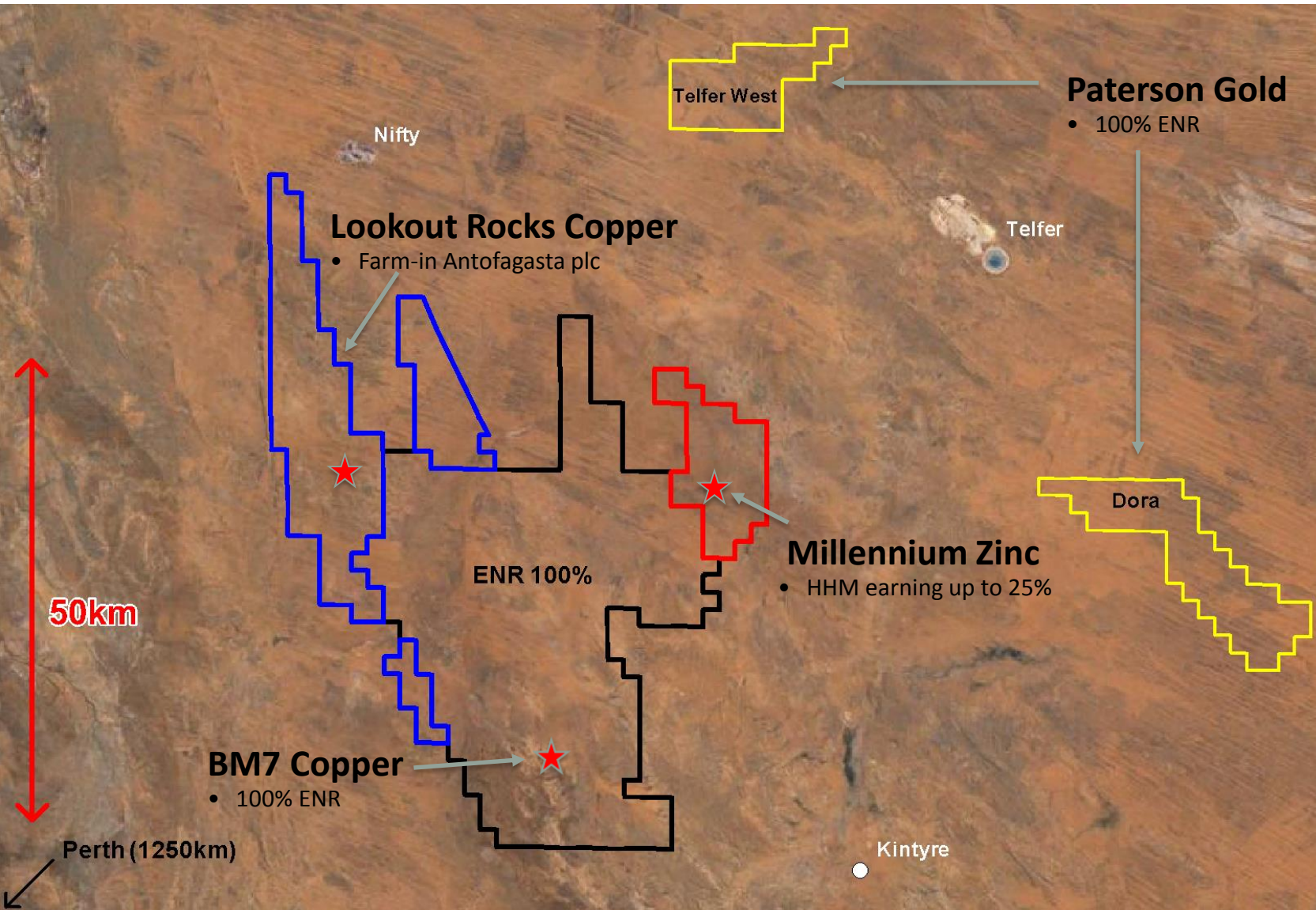


...in a New Search Space...

- ❖ 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...



Majors exploring in the Paterson Province

ANTOFAGASTA  PLC

RioTinto

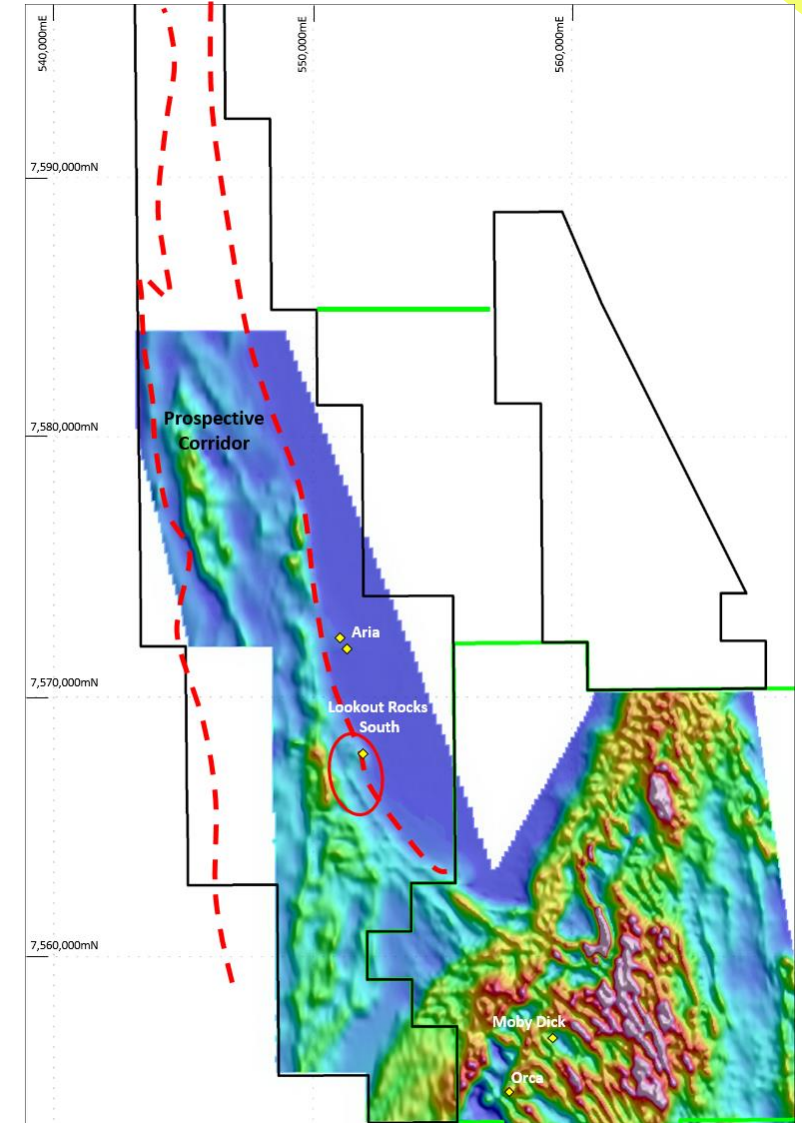
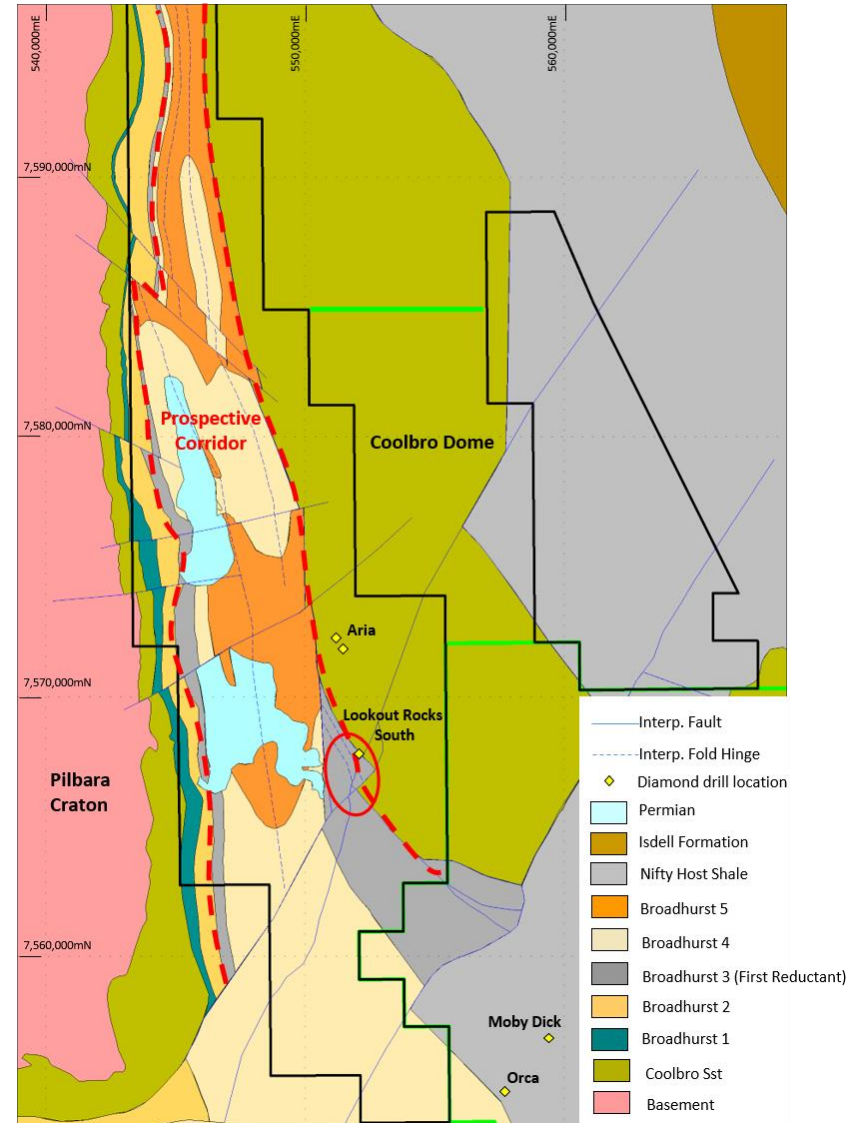
 **NEWCREST**
MINING LIMITED



Lookout Rocks – Zambian style copper prospect in WA

Lookout Rocks Cu

- ❖ VTEM surveys completed 2013 & 2014
- ❖ Over 30 strike kms of interpreted Broadhurst Formation sediments 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



Lookout Rocks – First diamond hole intersects copper

Lookout Rocks Cu

- ❖ First diamond drill hole successfully intersected zones of disseminated copper sulphide mineralisation, up to 1% Cu
- ❖ Mineralisation is hosted by black, reduced carbonaceous sediments, located directly above an oxidised “red bed” stratigraphic unit
- ❖ Zambian copper-belt analogous
- ❖ Stratigraphic contact focusing the copper-cobalt mineralisation is relatively flat and extends laterally
- ❖ Important regional exploration implications



Photo 1: Disseminated chalcopyrite in carbonaceous shale
EPT 2282 ~259.2m downhole (1.0%Cu)
core width ~60mm



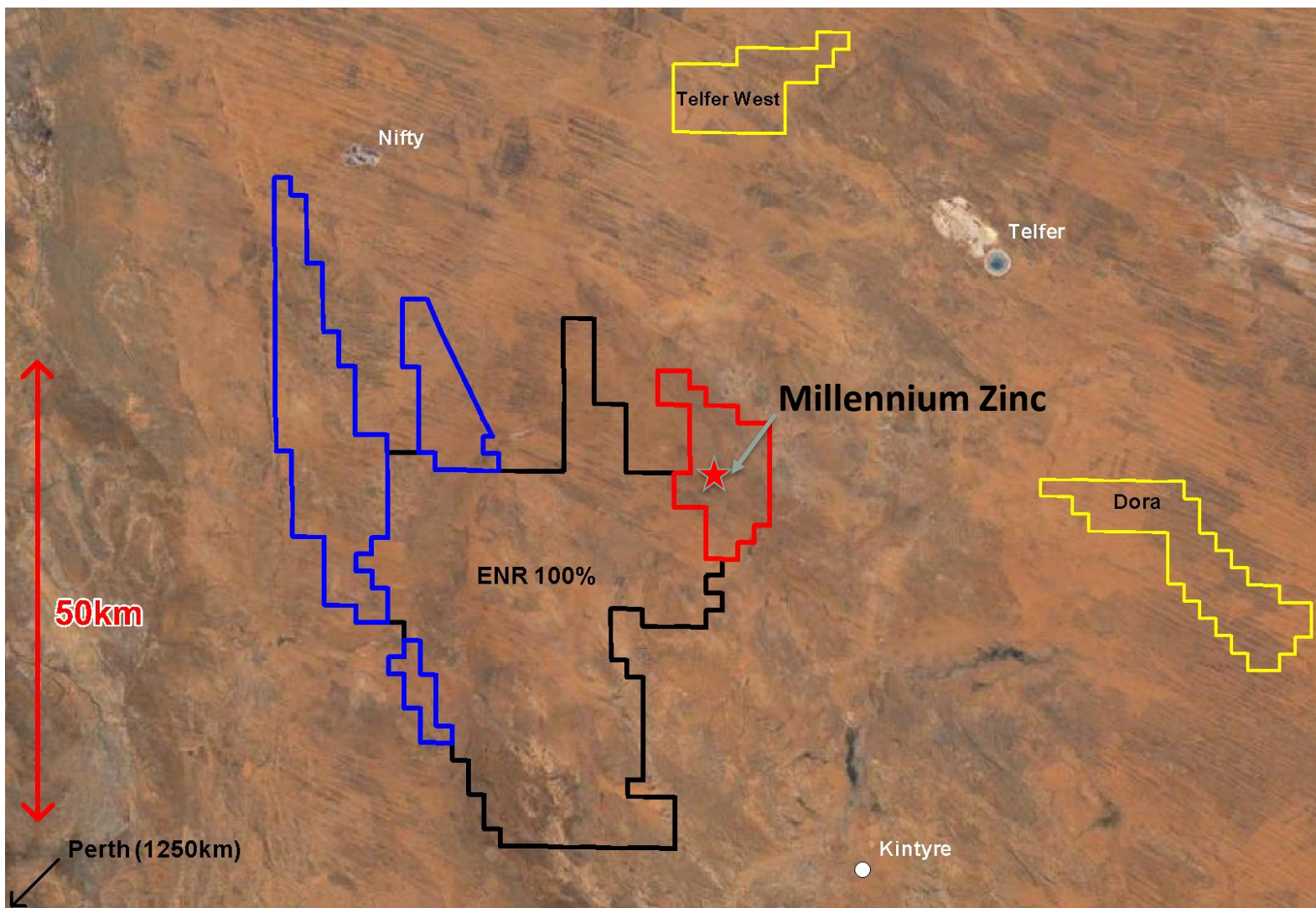
Photo 2: Example of “Red Bed” oxidized sediments
EPT2282 ~320m downhole
core width ~60mm

(refer ASX announcement 28 July 2016)



Greenfield Zinc Discovery at Millennium...

Millennium Zn



- ❖ 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 (HBM) earning up to 25% by providing up to A\$2 million



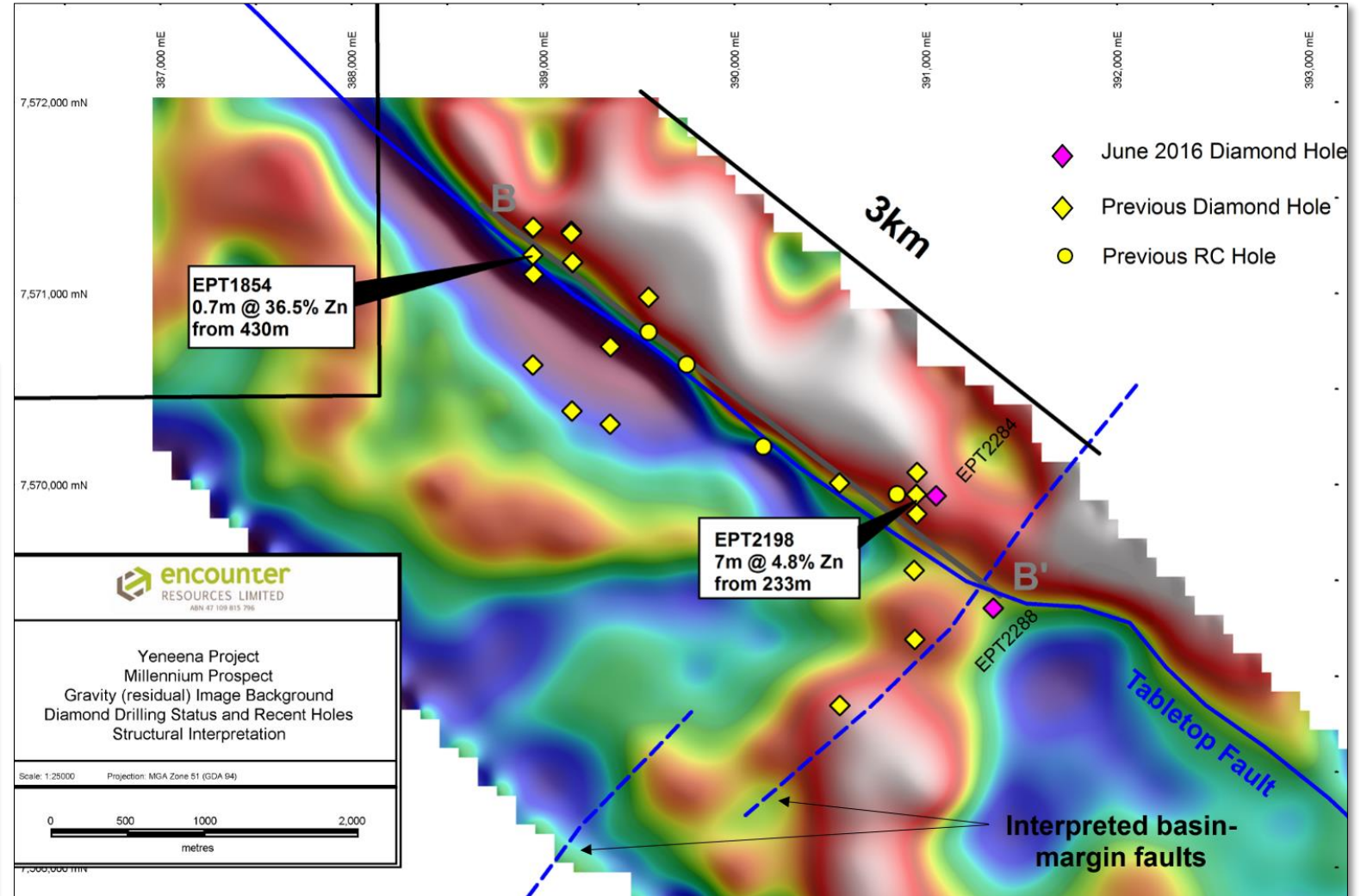
Large zinc system with high grade Zn sulphide...

Millennium Zn

Massive zinc sulphide 0.7m @ 36.5%



Thick gossan intersections - 70m @ 2.3%

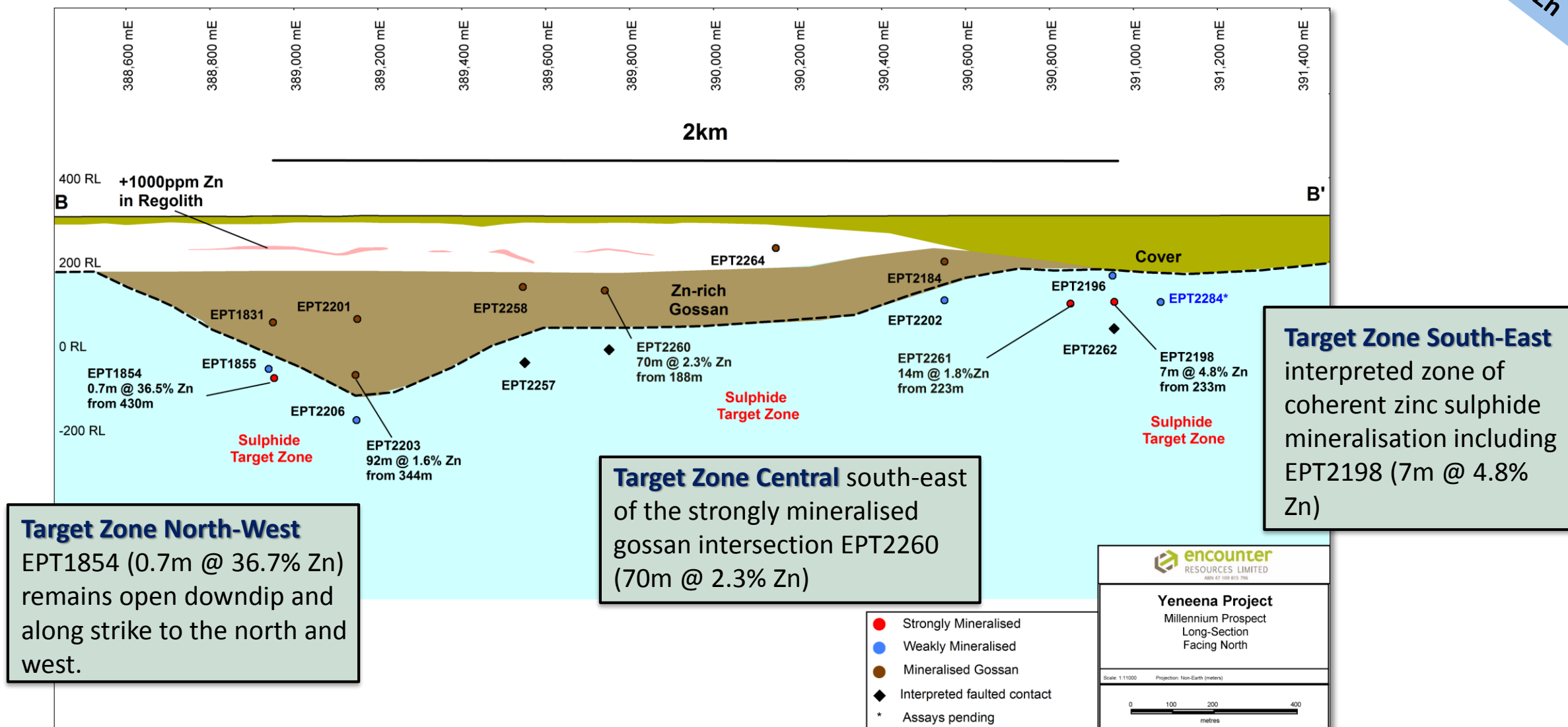


(refer ASX announcements 14 December 2013, 12 January 2015, 17 June 2015, 29 October 2015)



exploring... discovering... www.enrl.com.au

Three high priority target zones...

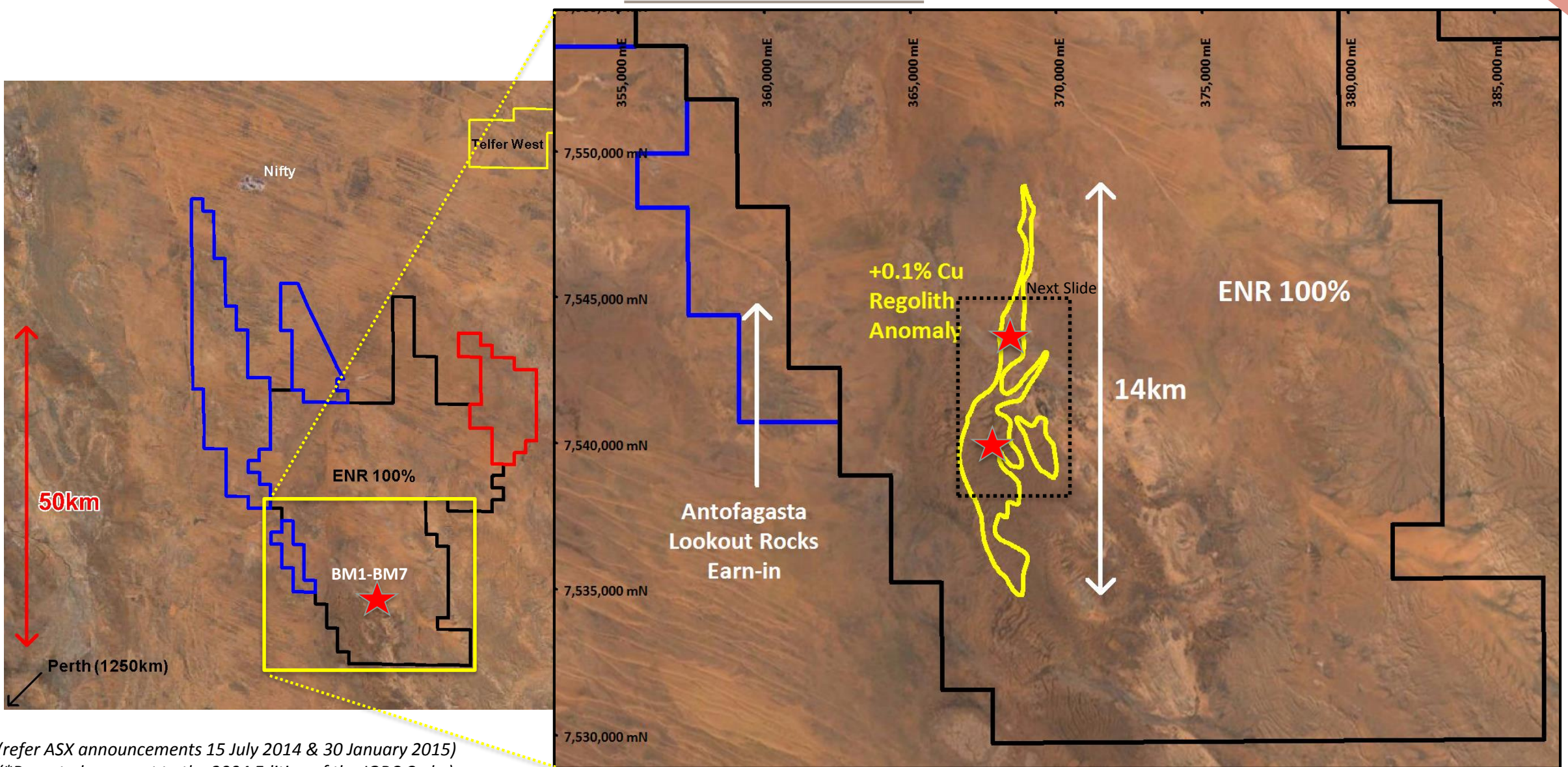


(refer ASX announcement 28 January 2016)

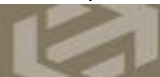


BM7 Project – 14km long Copper System

BM7 Copper

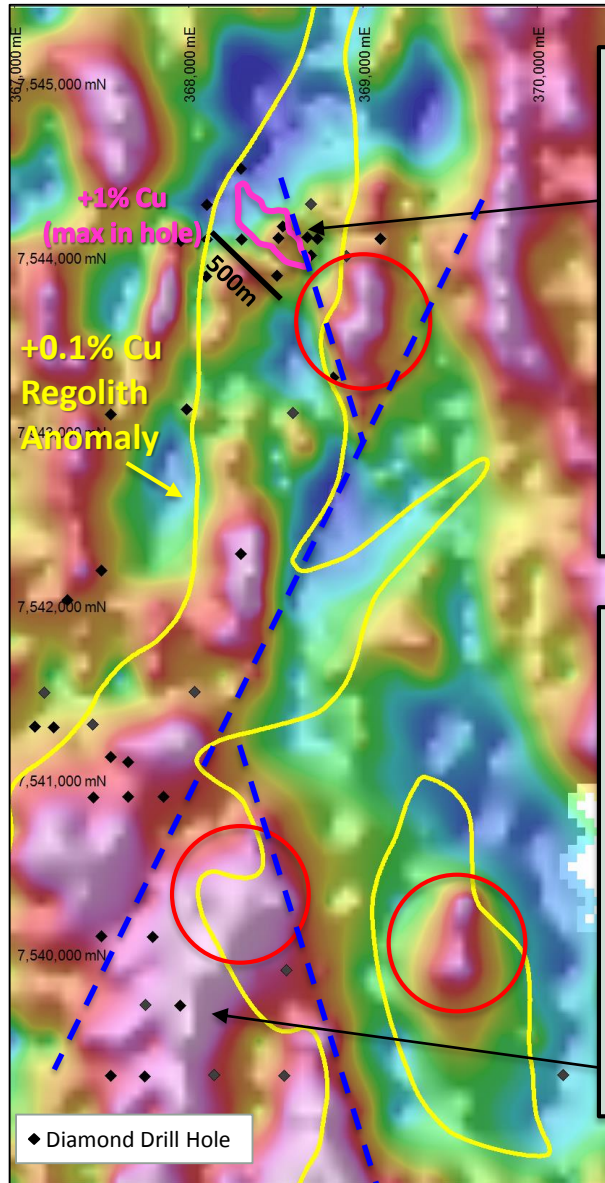


(refer ASX announcements 15 July 2014 & 30 January 2015)
(*Reported pursuant to the 2004 Edition of the JORC Code)



BM7 Project – 14km long Copper System

BM7 Copper



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 & 1.0% Co from 42m to EOH*
74m @ 0.4% Cu from 74m*
140m @ 0.2% Cu from 144m



Cover corrected Gravity Image
(residual filter applied)

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



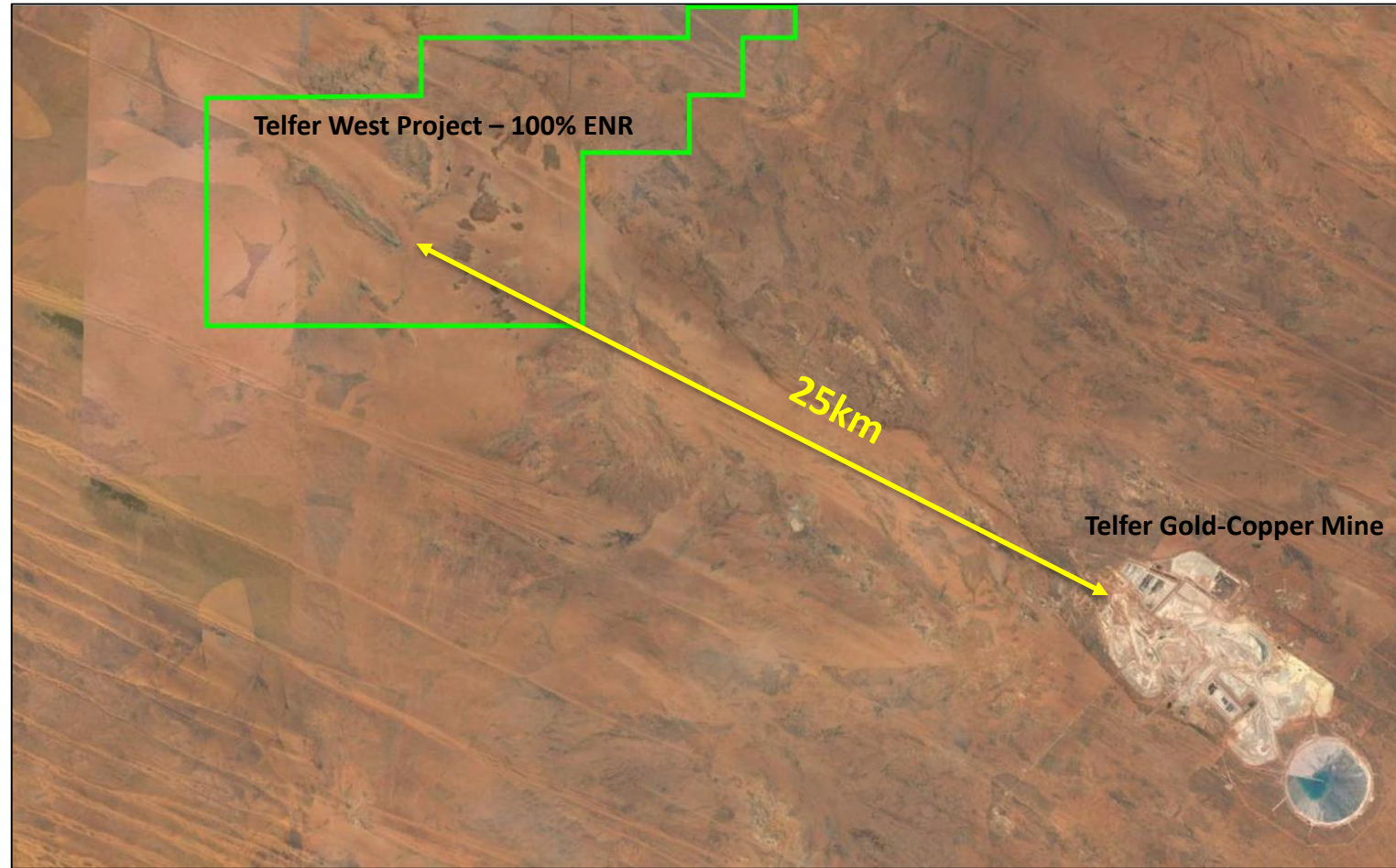
Paterson Gold Projects

Telfer West Project

- ❖ Last on-ground exploration completed in 1993 where limited shallow drilling intersected gold mineralisation over a 4km long trend.
- ❖ Airborne magnetic survey completed in July 2016
- ❖ Surface geochemical sampling program Aug/Sep 2016.
- ❖ The first drilling is scheduled to commence in Oct 2016.

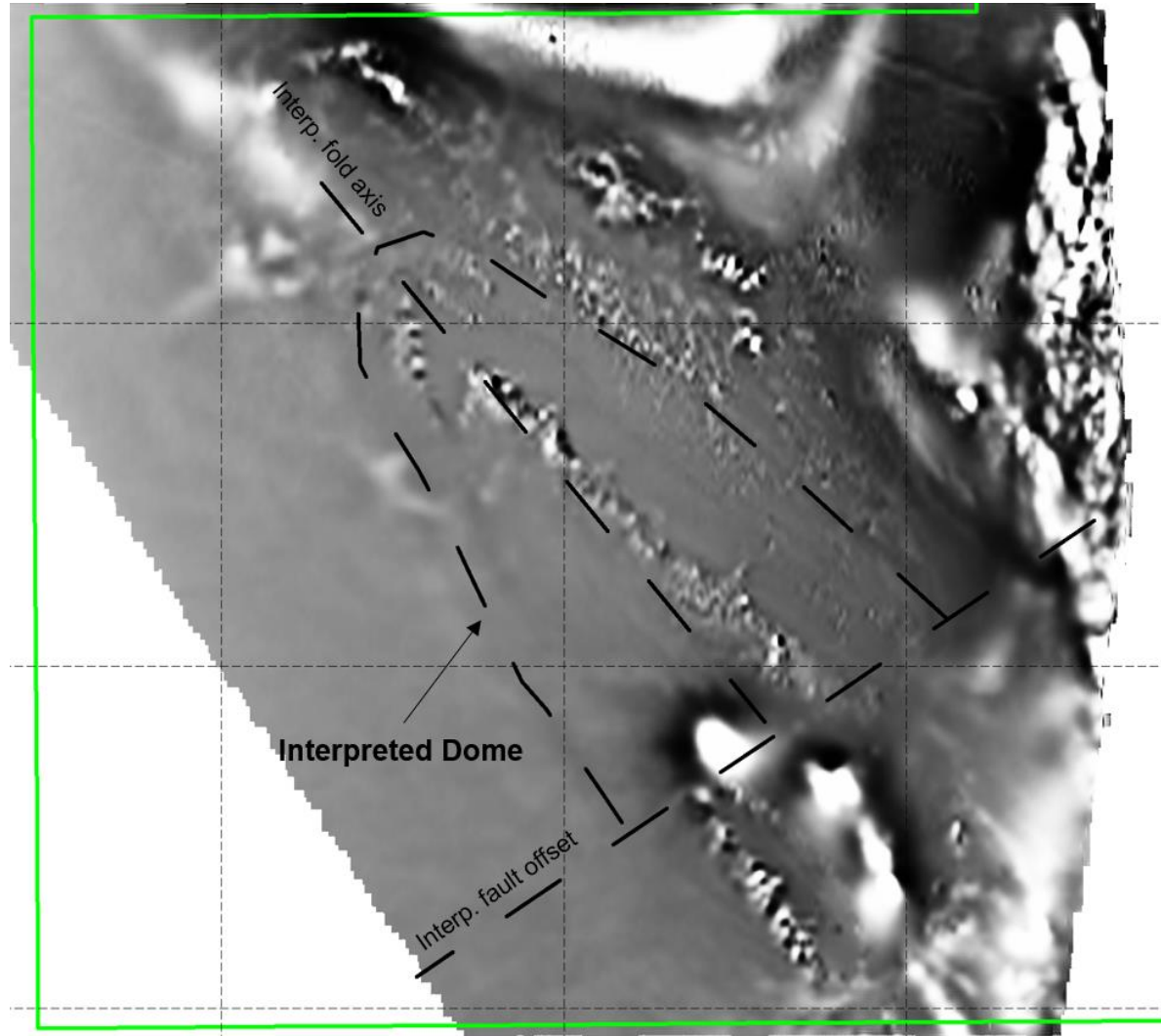
Dora Project

- ❖ Project located ~40km SE of the Telfer gold operation
- ❖ Successful application for WA Govt. EIS co-funding (up to A\$150,000)

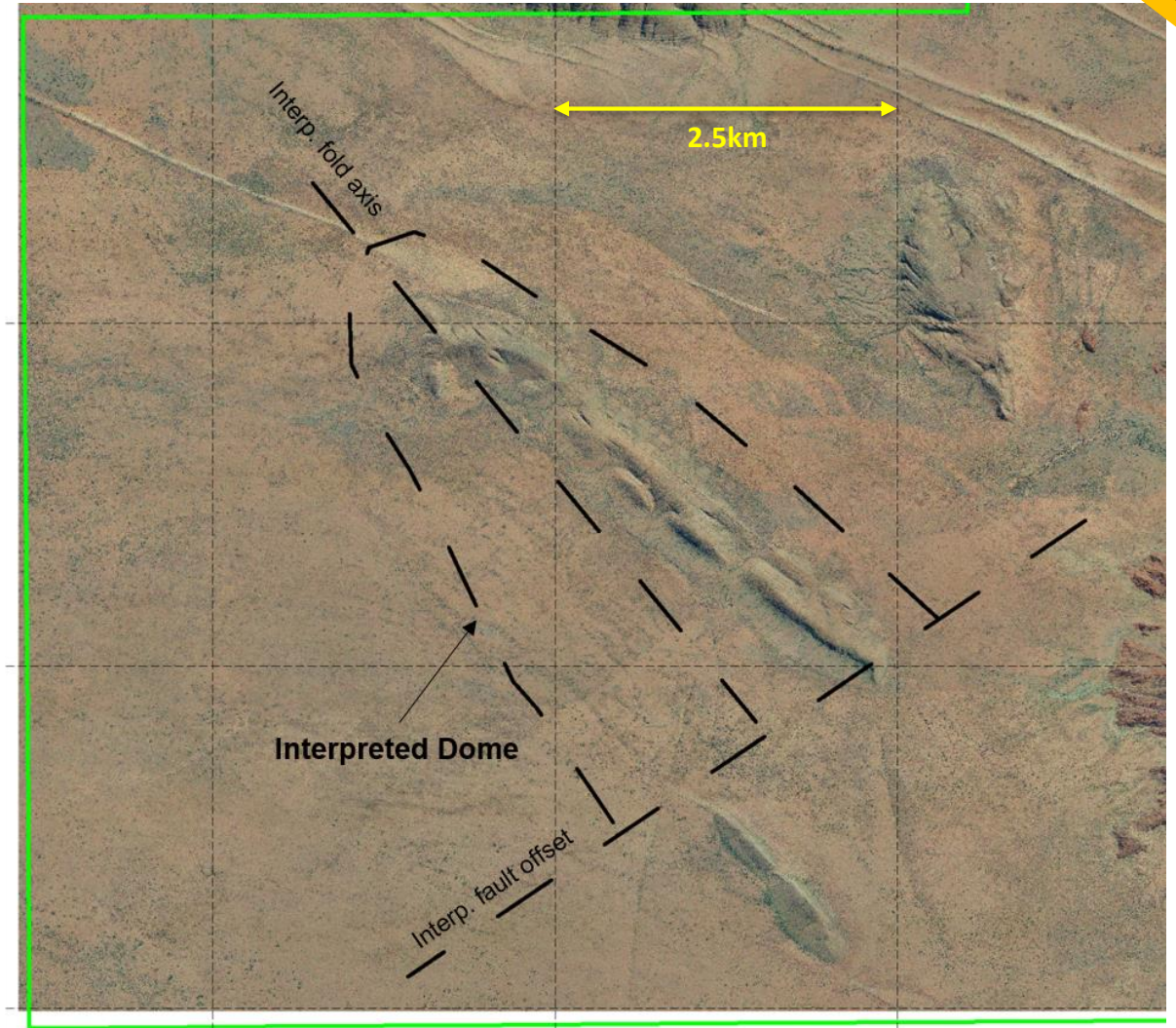


Telfer West Gold/Copper Project

Paterson Gold



Magnetics - TMI 1VD Grey Scale



Air photo



Upcoming Field Activities 2016

	Aug	Sep	Oct	Nov
Millennium diamond drilling (EIS and HHM co funded)				
Lookout Rocks Copper diamond drilling (subject to Antofagasta funding)				
BM7 Copper-Cobalt RC drill program (100% ENR)				
Telfer West gold surface geochemistry				
Telfer West – RC/diamond drilling (100% ENR)				



The Investment Case

- **Under-cover frontier exploration to create enduring value**
- **Exposure to large scale copper, zinc and gold exploration upside**
- **Large land position in district with proven fertility and active majors (>1850km²)**
- **Risk sharing at appropriate points to maximise return for ENR shareholders**
- **Leading global resources funds on register (Sprott, RCF, Thorney, Eye Investment Fund)**
- **Sound cash position supplemented by Antofagasta & Hampton Hill farm-ins**
- **Drilling to test advanced exploration targets**



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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.

