

IGO Commences Diamond Drilling at Yeneena

- Substantial exploration program, that includes diamond drilling, has commenced at the Yeneena Copper-Cobalt Project (“Yeneena”) in the Paterson Province of WA
- Exploration at Yeneena is operated and funded by IGO Limited (“IGO”, ASX:IGO) under a \$15M exploration earn-in agreement
- The 2022 exploration program at Yeneena is designed to test high-priority targets identified by IGO after two years of target refinement and is currently planned to include:
 - 4,500m of diamond drilling
 - 1,900m of aircore drilling
 - 1,200 line km of Heli TEM surveying covering two target areas
- Diamond drilling will continue for several months

The directors of Encounter Resources Ltd (“Encounter” / “the Company”) are pleased to advise that diamond drilling has commenced at Yeneena under the earn-in and joint venture agreement with IGO in the Paterson Province of WA.

Commenting on upcoming exploration at Yeneena, Managing Director Will Robinson said:

“We are pleased to be partnering with IGO towards unlocking the considerable copper potential of the Paterson Province of WA, demonstrated by the recent discoveries in the region at Winu and Havieron.

The planned 2022 activities represent a significant program of high impact drilling targeting sediment hosted copper. A number of new and innovative exploration techniques have been applied to generate these high priority drill targets.

The planned six-hole program of deep diamond drilling by IGO is a substantial investment in copper exploration at Yeneena.

This drilling, coupled with the upcoming diamond drilling at our 100%-owned Lamil prospect in the Paterson Province and by BHP at the Elliott copper project in the Northern Territory, means that the second half of 2022 is shaping as one of the most eventful drilling periods in Encounter’s history.”

Background

Yeneena comprises a major land position covering >1,450km² in the highly prospective Paterson Province, targeting copper-cobalt mineralisation. IGO can sole fund \$15 million in exploration expenditure over a maximum of seven years to earn a 70% interest in Yeneena.

Exploration at Yeneena is focused on discovering high-value sediment-hosted copper deposits. The strategy implemented by IGO involves the collection of belt-scale high-quality primary datasets, with cutting-edge techniques used to acquire geological, geochemical and geophysical data. In recent months, the 2021 aircore drilling assays were incorporated into a regional 3D model, which has been created through the integration of historical and modern datasets.

Regional target areas have been identified from the model, defining sub-basins that could contain similar rocks to those found at Nifty copper mine. Diamond drill testing of these targets will be completed during the 2022 field season.

2022 Exploration Program

The Yeneena 2022 exploration program, to be operated and funded by IGO, is currently planned to comprise the following activities:

- 1,900m aircore drill program to test high-priority targets
- 4,500m diamond core drill program to test high-priority targets
- 1,200 line km of Heli TEM surveying covering two target areas
- Detailed geological mapping of the Lookout Rocks and Aria prospects
- Hydro-geochemistry orientation program on cased 2021 aircore drillholes

Diamond Drilling

Diamond drilling has commenced and is focused on two high priority regional targets (see Figure 1):

- **EB01a:** Regional 3D modelling has identified an area of high prospectivity to focus copper bearing fluid. High permeability fluid pathways and their intersection with favourable stratigraphy forms the basis of the primary targets in this area. Three diamond drill holes are planned to test the targets.
- **ET01c:** A new regional 3D model, as well as field mapping, has led to a better understanding of the BM1-BM7 prospect and of the paleo-basin architecture. Several opportunities for favourable traps for copper bearing brines have been identified. These targets will be tested by three planned diamond drill holes.

Aircore Drilling

ET01: Regional aircore drilling is being utilised to gain end of hole and litho-geochemical data in areas that are higher priority and will be used to facilitate the 3D model in data poor areas (see Figure 1). Collars will be cased with PVC to allow for hydrogeochemical testing.

Further aircore drilling may be added following the hydrogeochemical orientation program.

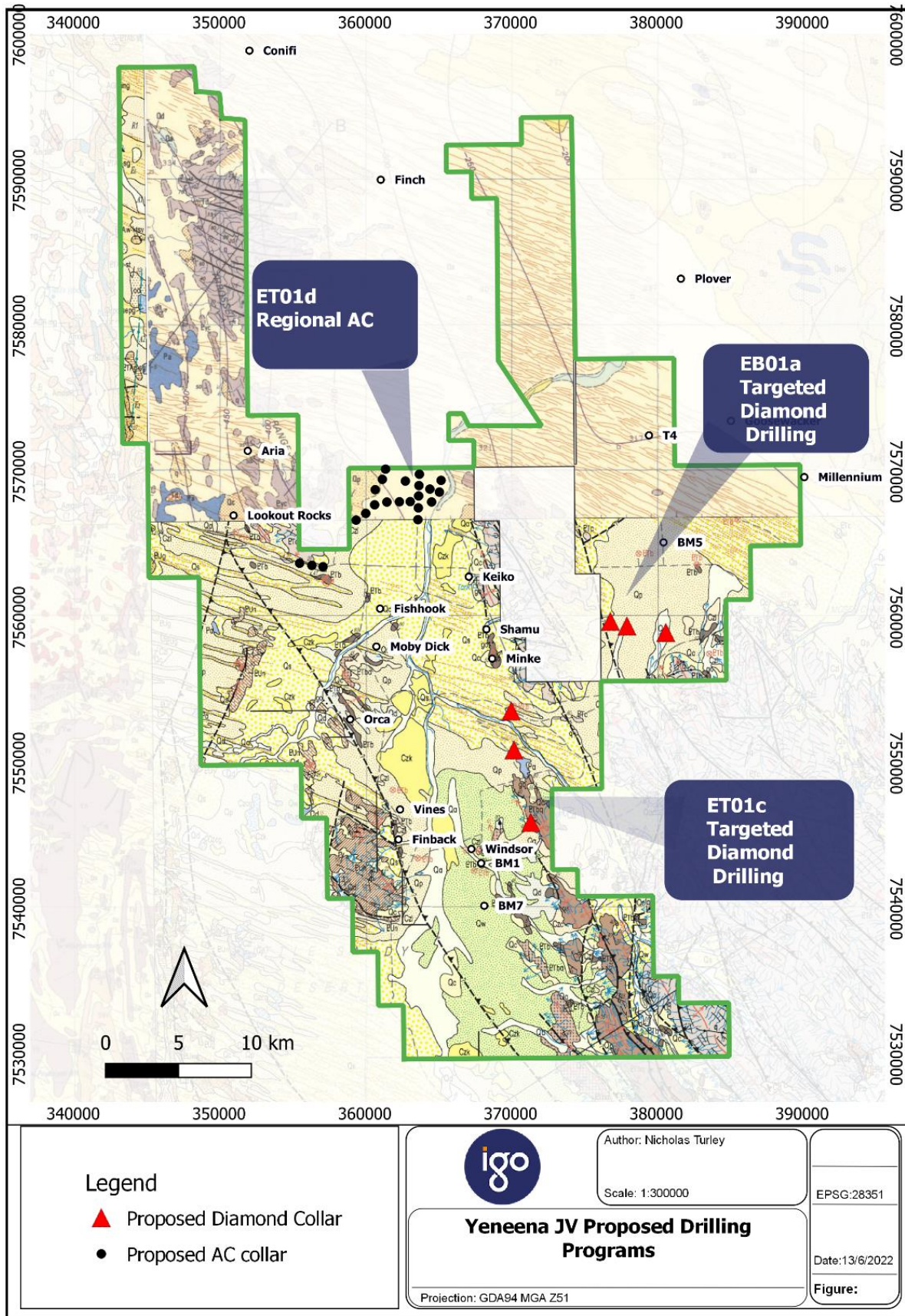
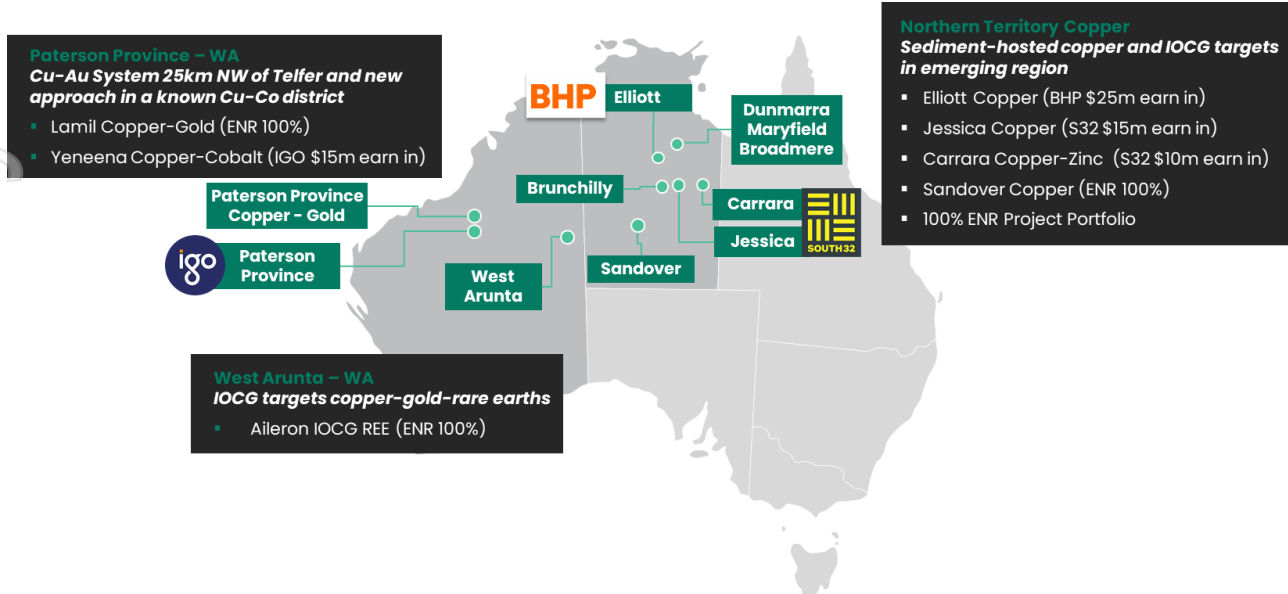


Figure 1 – Yeneena 2022 proposed drilling programs

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 clean energy metals companies to provide up to \$65m in initial exploration funding.

Encounter's assets include:

- A large project portfolio in the Paterson Province of WA where it is exploring for copper-gold deposits at its 100% owned Lamil Project and for copper-cobalt deposits at the Yeneena project with IGO Limited (ASX:IGO);
- A series of camp scale sediment hosted copper opportunities in the Northern Territory. This includes the Elliott copper project which is being advanced via a \$25m earn-in and joint venture in partnership with BHP (ASX:BHP) and farm-in agreements with South32 (ASX:S32) at the Jessica and Carrara projects; and
- The Aileron IOCG / REE project in the West Arunta region of WA.

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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.