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**ASX : ENR**

Company Announcements Office  
Australian Securities Exchange  
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Sydney NSW 2000

## **Highly prospective Tanami land package secured**

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The directors of Encounter Resources Ltd (“Encounter” or “the Company”) are pleased to announce that the Company has secured a major new tenement position in the Tanami region of Western Australia. These tenements are currently being assessed under the project generation alliance with Newcrest Mining Limited (ASX: NCM) and, if approved, will enter a 50:50 joint venture under the terms of the Newcrest-Encounter project generation alliance (refer ASX release 21 July 2017).

**Commenting on the project acquisition, Encounter Managing Director Will Robinson said:** “The Tanami Gold Province hosts Newmont Mining Corporation’s Callie Gold mine. This is one of the world’s lowest cost gold mines where recent near mine exploration success has added new high grade gold resources of significant scale. This district scale opportunity, with limited prior and modern exploration, covers the prospective Tanami structural corridor as it extends into Western Australia. The limited exploration to date has returned high grade gold intersections and numerous gold anomalies. We believe the application of modern exploration techniques can unearth the potential of this district scale opportunity”

### **Tanami tenement acquisition**

The tenement acquisition covers an area of over 4,200km<sup>2</sup> and 100km of strike along the major structural corridor that extends through the Tanami region from the Northern Territory into Western Australia (see Figure 1). This corridor’s mineral potential has been well established, however, significantly underexplored. The corridor is clearly outlined as a distinct ridge in the regional gravity data that is interpreted as a fundamental controlling structure for gold mineralisation in the region (see Figure 2). The significance of the Tanami Gold Province is becoming more evident with material new near mine gold discoveries at the +13Moz, high grade/low cost Callie gold mine controlled by Newmont and increased focus by Northern Star Resources Ltd at the Tanami and Coyote gold projects.

The major new land position acquired by Encounter has been subject to sporadic and fragmented exploration in the past. The historical exploration has, however, produced highly encouraging high grade, near surface drill intersections that confirms the potential of the area to produce high grade gold. Some of the most recent drilling in the region was completed by Tanami Gold NL in 2010 that returned intersections from the Hutch’s Find and Camel prospects including:

Hutch’s Find – (HFDD4 - hole depth 184m)  
19m @ 2.3g/t Au from 98m and  
10m @ 5.4 g/t Au from 123m and  
0.5m @ 17.2g/t Au from 164.3m

Camel – (CMDD2 hole depth 149.6m)  
7.2m @ 3.1g/t Au from 95m  
(source Tanami Gold NL Quarterly Report September 2010)

Although follow up drilling of these targets was recommended, little or no exploration has been completed at either of these prospects since late 2010.

In 2012, the Centre for Exploration Targeting at the University of Western Australia and Curtin University of Technology completed a prospectivity analysis over the area that highlighted a series of high priority targets for further exploration on the tenement package. It appears from initial review that no work has been done to follow up on the targets defined.

A new airborne gravity survey has also recently been completed in the area by the Geological Survey of WA ("GSWA") that is due to be released later in December 2017. The GSWA survey is expected to both refine existing targets and potentially generate new areas of interest.

### **Phillipson Range tenement applications**

As a part of the larger tenement acquisition, Encounter has lodged applications at the Phillipson Range prospect south of the Tanami corridor. This area was the subject of a regional scale geochemical soil survey completed by the GSWA that outlined a peak gold soil anomaly of 63ppb Au in a 5km by 5km auger sampling survey. This is a significant and standout gold anomaly in the regional geochemical survey and occurs in an area of no previous exploration. The Phillipson Range tenements are also being assessed under the project generation alliance with Newcrest.

### **Newcrest-Encounter project generation alliance summary terms**

The Encounter tenements in the Tanami and Phillipson Range are being assessed under the project generation alliance with Newcrest, and if approved will enter a 50:50 Joint Venture.

The key terms of the Newcrest-Encounter project generation alliance include:

- The companies will enter into a 50:50 joint venture over any project(s) approved for further exploration by both parties to the alliance.
- Encounter will have the option to maintain its 50% contributing interest in approved projects by co-funding its attributable share of exploration expenditure.
- Should Encounter elect not to contribute on a 50:50 basis, Newcrest may increase its interest to 80% by sole funding further exploration activities and by delivering a JORC compliant resource of greater than one million ounces of gold or gold equivalent.
- If Newcrest does not elect to increase and maintain its interest to 80% on the terms outlined above, then the joint venture over the identified project will terminate and Newcrest's interest will revert back to Encounter, such that Encounter will hold a 100% interest in the project.
- Should the alliance elect not to proceed with a proposed project then that project will revert back to Encounter on a 100% basis.

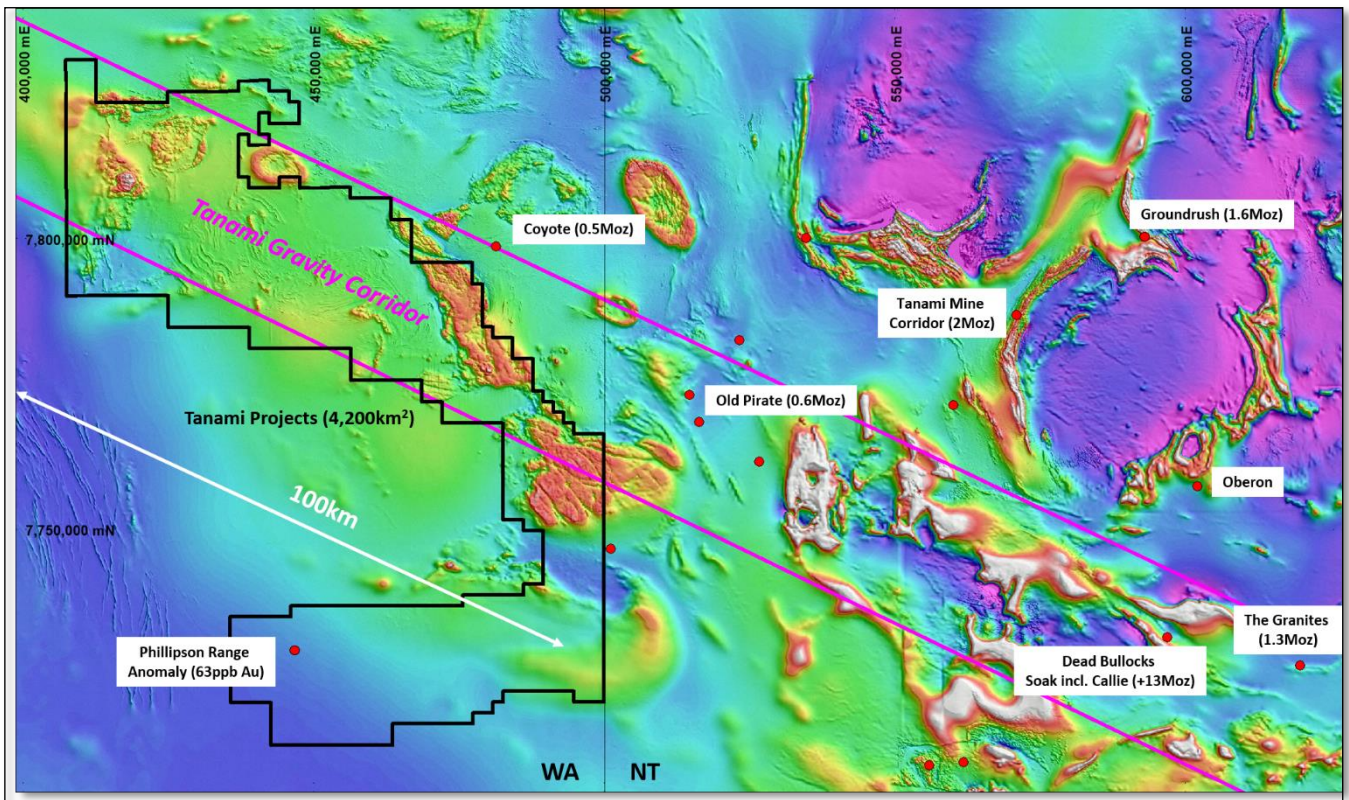


Figure 1 – Project Location Plan (black outline) on Total Magnetic Intensity (TMI) background

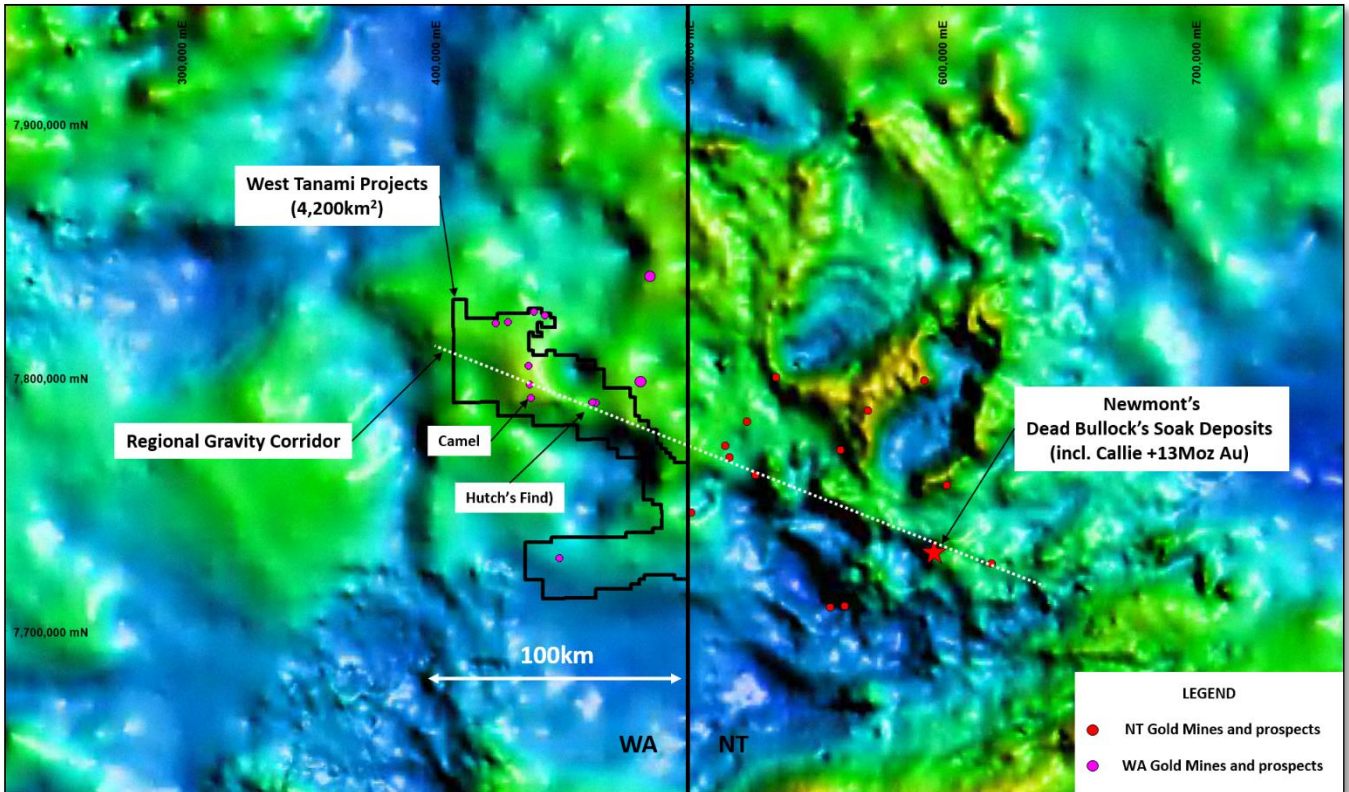
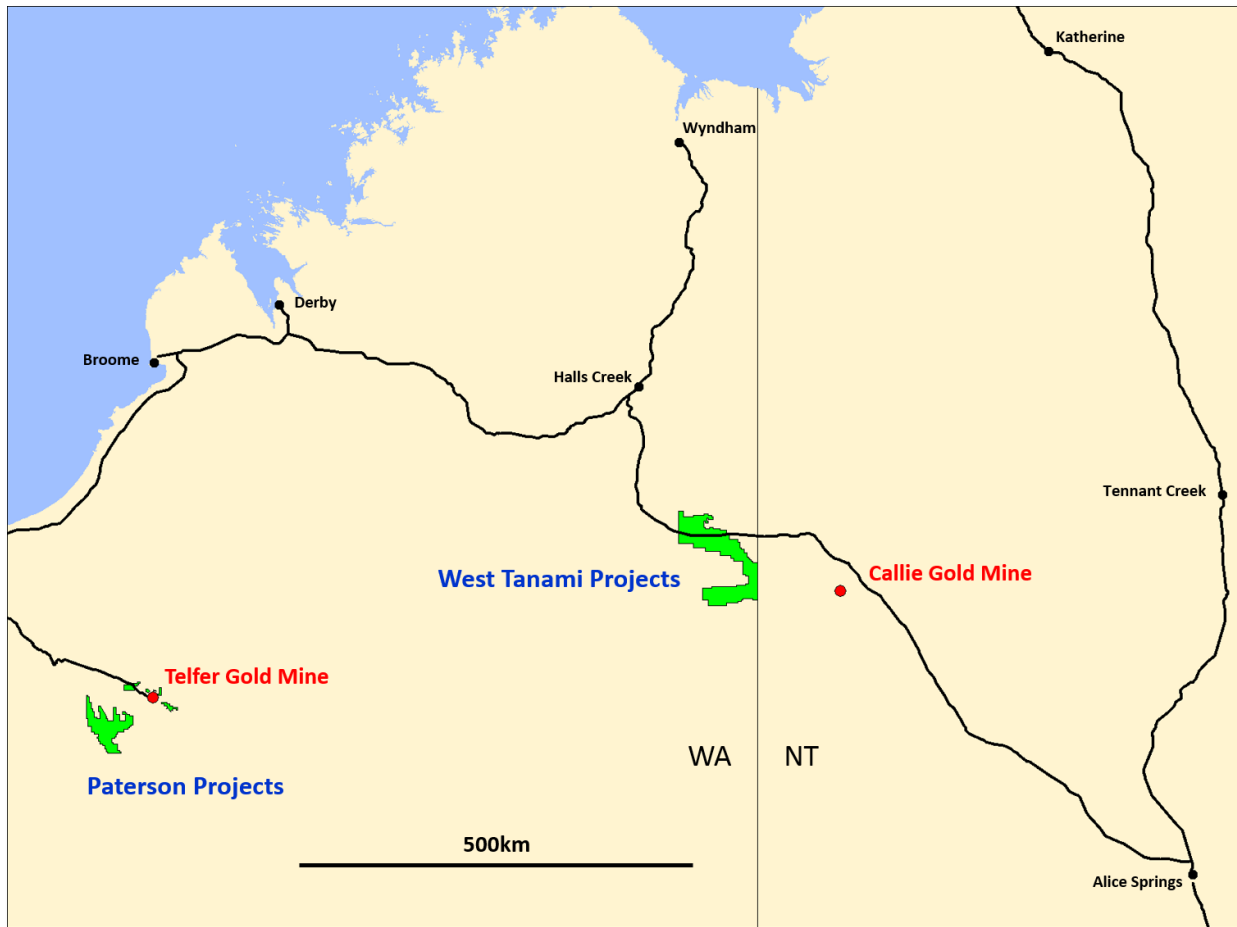


Figure 2 – Project Location Plan (black outline) on Gravity background (note higher resolution data in NT with new gravity survey of WA area to be released in December 2017)



**Figure 3 – Regional Location Plan**

**About Encounter**

Encounter holds exploration tenure over 2,000km<sup>2</sup> of the Paterson Province in Western Australia (WA), that hosts the Telfer gold-copper mine and the Nifty copper mine. Encounter is actively exploring for gold-copper deposits in the Telfer region as well as copper-cobalt and zinc-lead deposits at the Yeneena.

The Company’s gold portfolio includes the Telfer West, a recent shallow, high grade gold discovery and East Thomson’s Dome that includes a large scale gold soil anomaly identified adjacent to high grade outcropping gold reefs.

The copper-cobalt and zinc-lead prospects identified in the Yeneena are located adjacent to major regional faults and have been identified through electromagnetics, geochemistry and structural targeting.

Encounter also controls exploration tenure of 4,200km<sup>2</sup> in the Tanami region in WA. The West Tanami tenements are currently being assessed under the project generation alliance with Newcrest Mining Limited (ASX: NCM) and, if approved, will enter a 50:50 joint venture under the terms of the Newcrest-Encounter alliance.

For further information, please contact:

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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 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'. Mr Bewick consents to the inclusion in the report of the matters based on the information compiled by him, 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.*