

21 August 2018

ASX: ENR

Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
Sydney NSW 2000

Drilling Commenced at East Thomson's Dome & Telfer West

- **RC/Diamond drill program at East Thomson's Dome and Telfer West is underway**
 - **The drill program will include:**
 - **Diamond and RC drilling at the N31 Reef at East Thomson's Dome where recent aircore drill hole ETG0151 returned:**
 - **3m @ 39g/t Au from 9m including 1m at 109g/t from 9m**
 - **Two diamond drill holes testing the Telfer West IP anomaly for a potential high grade shoot**
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The directors of Encounter Resources Ltd ("Encounter / the Company") are pleased to announce that the planned RC/diamond drill program at East Thomson's Dome and Telfer West has commenced.

East Thomson's Dome (100% Encounter)

East Thomson's Dome is a high quality opportunity located just 5km from the major gold-copper mine at Telfer (Figure 1). In July 2018, high grade near surface gold was intersected at the N31 Reef at East Thomson's Dome in a geological setting similar to that of the high grade reefs at Telfer.

The intersection in ETG0151 (3m @ 39g/t Au from 9m including 1m at 109g/t from 9m) (refer ASX release 2 August 2018) (see Photo 1) is poorly constrained both along strike and down dip. A second phase of shallow drilling has commenced and will be completed in the coming weeks. This initial single diamond hole and eight RC hole program will test for further extensions of the high grade gold mineralisation and is designed to confirm the interpreted strike of the reef system. Drilling will be completed to an average depth of 40m.

Telfer West (100% Encounter)

Telfer West (E45/4613) covers an area of approximately 121km² and is located 25km north west of Telfer (see Figure 4). Integration of all available geological and geophysical data in 3D suggests that the surface geochemical anomaly targeted by RC hole ETG0094 and an IP anomaly located beneath ETG0002 might represent a single, steep north-plunging high grade shoot (see Figure 5).

Two diamond holes are planned to test this target. A single 550m deep hole (see Figure 6) will be drilled from the footwall of the stockwork zone below a broad zone of stockwork style veining and associated sulphide mineralisation intersected in ETG0002 (including 39m @ 1g/t Au from 333m and 36m @ 0.6g/t from 396m) (refer ASX release 19 January 2017). A second hole is planned to extend RC hole ETG0094 another 150m to test the north plunging shoot trend (Figure 5).

The drilling programs at East Thomson's Dome and Telfer West are co-funded under the WA Government EIS program.



Photo 1 – Gold panned from drill spoil pile 9-10m in ETG0151 at the N31 Reef at East Thomson's Dome

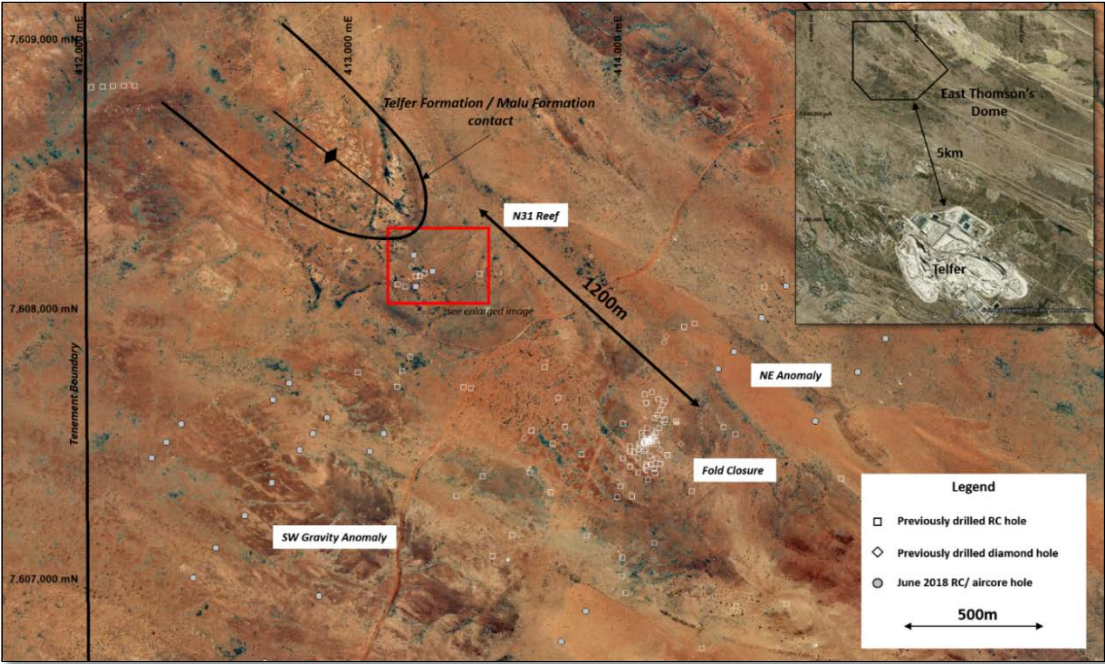


Figure 1 – East Thomson's Dome Summary Plan

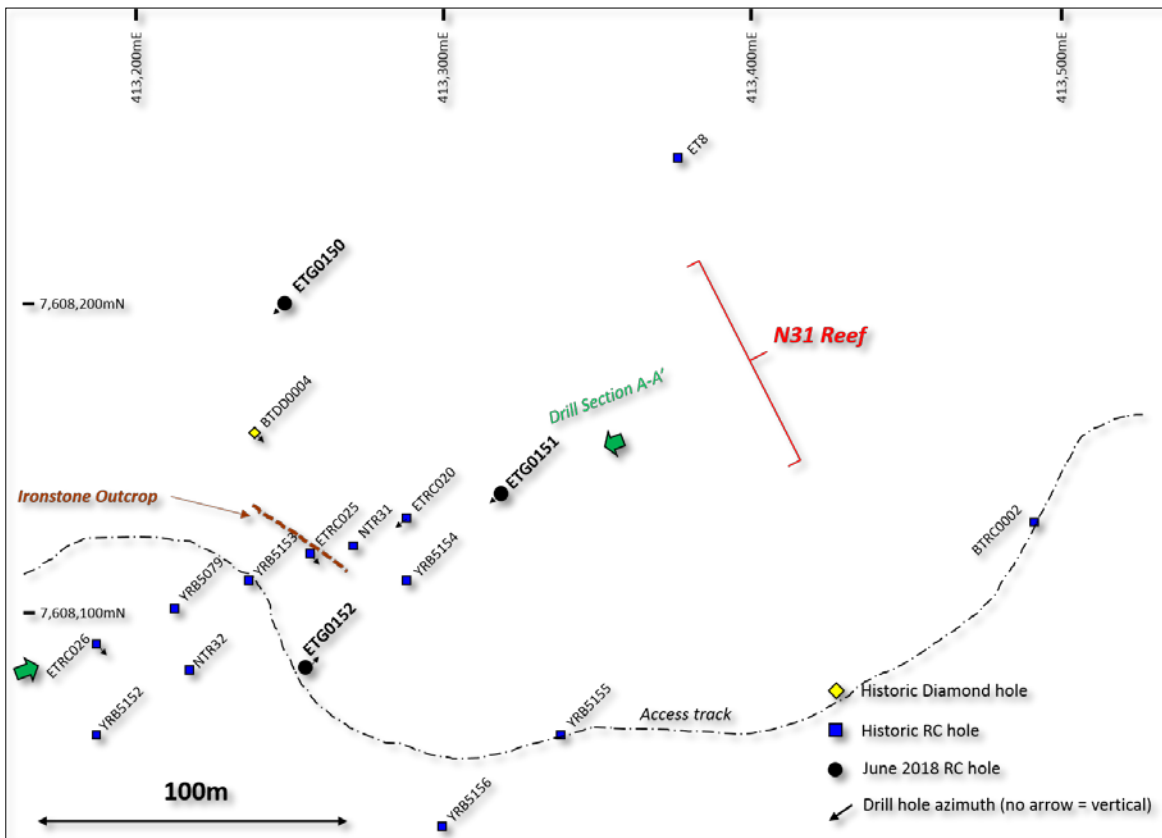


Figure 2 – East Thomson's Dome – N31 Drill Status Plan

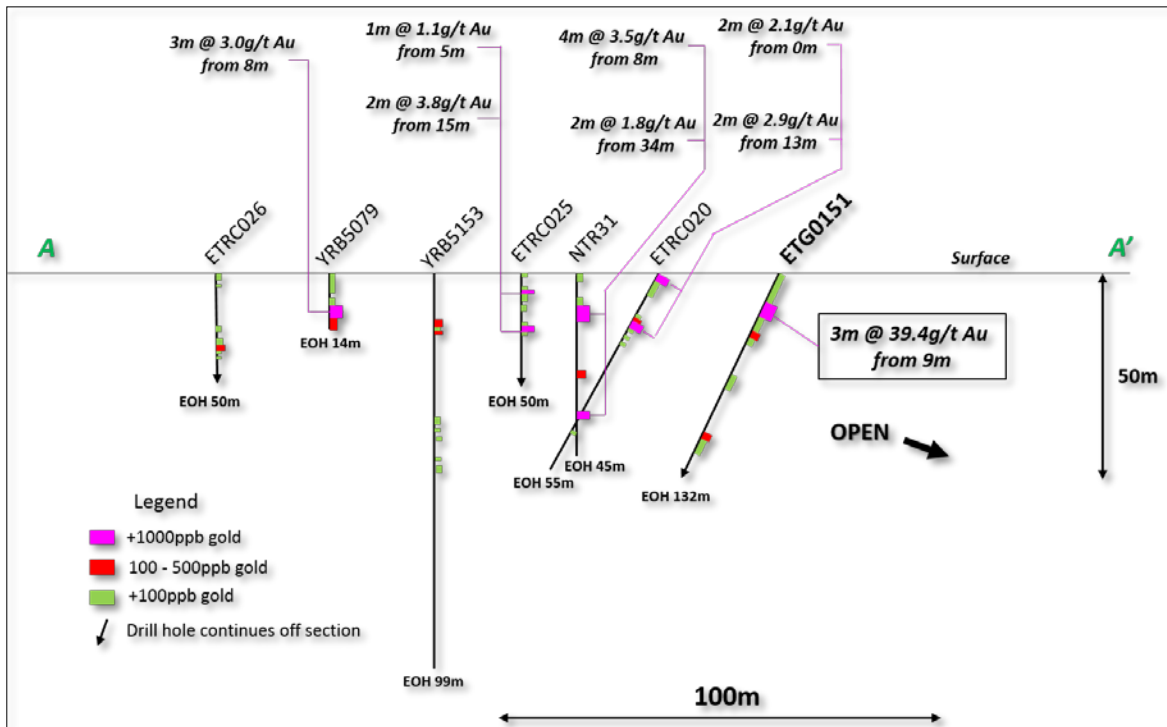


Figure 3 – East Thomson's Dome – N31 Drill Section A-A'

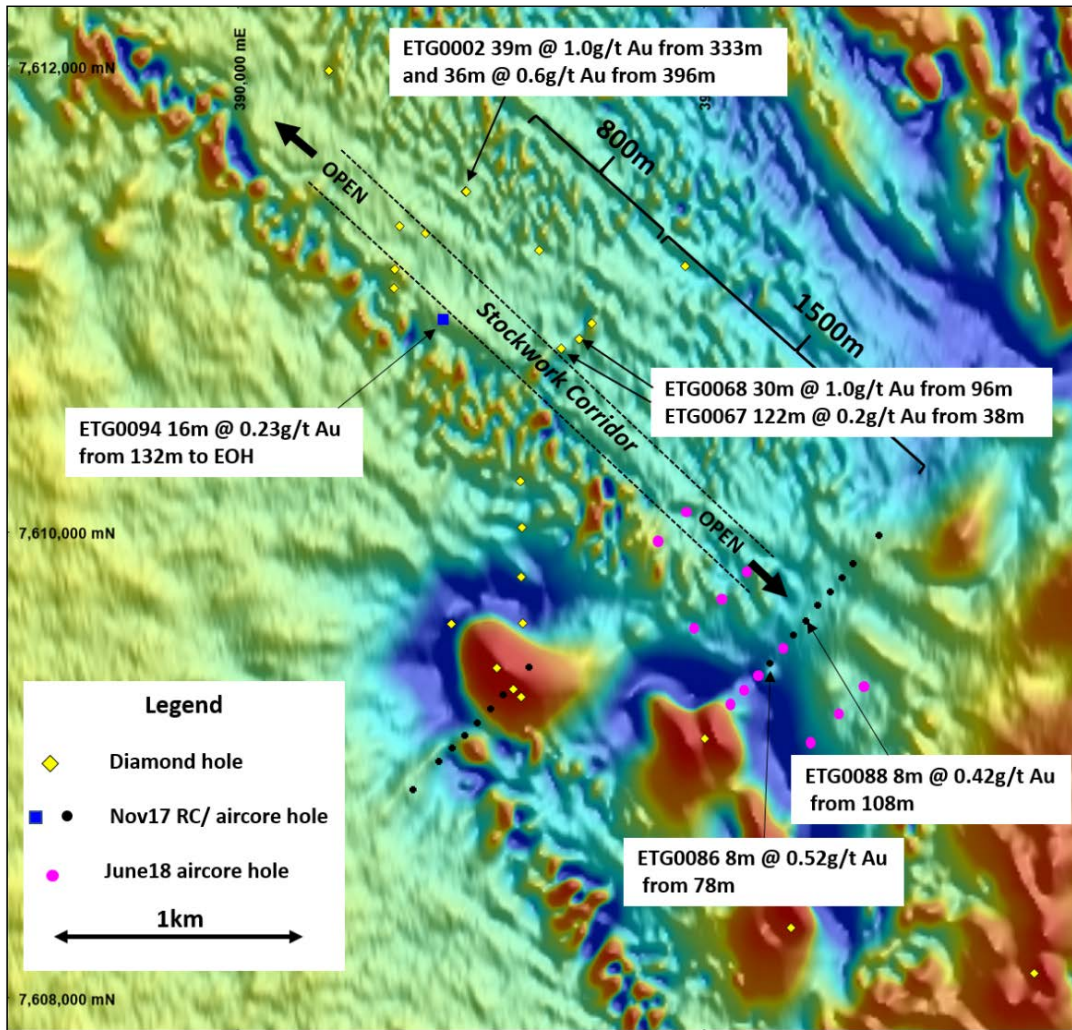


Figure 4 – Telfer West Stockwork Corridor

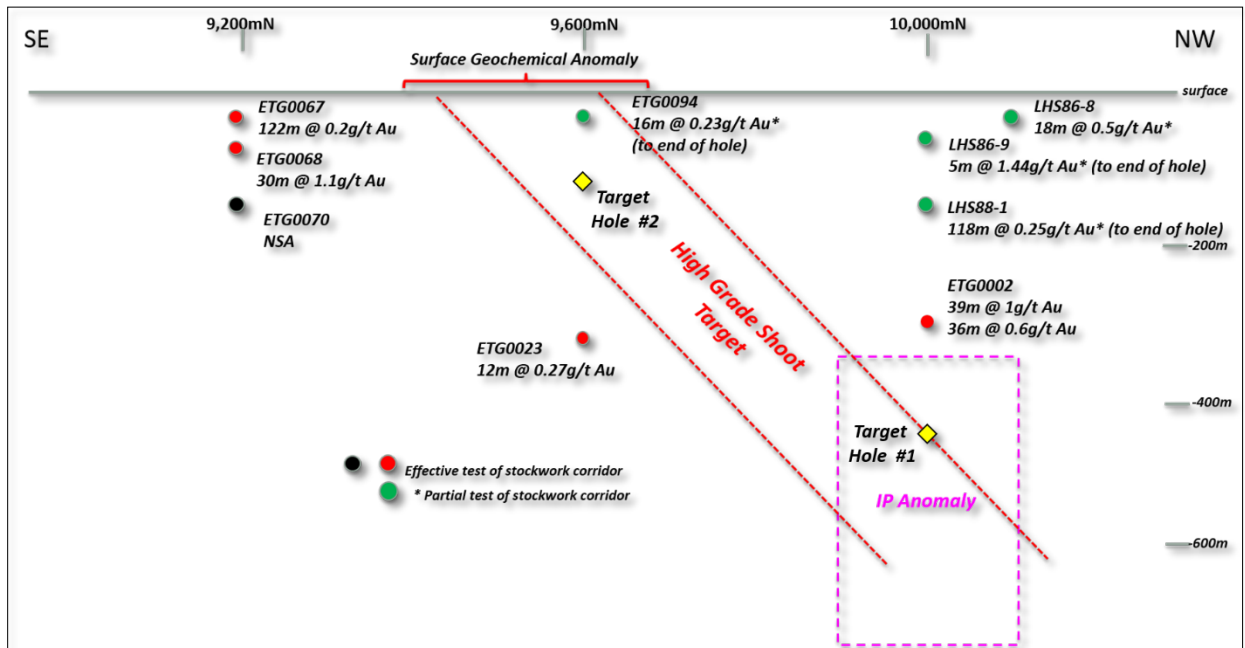


Figure 5 – Telfer West Egg Stockwork Corridor – Long Section looking towards the south west

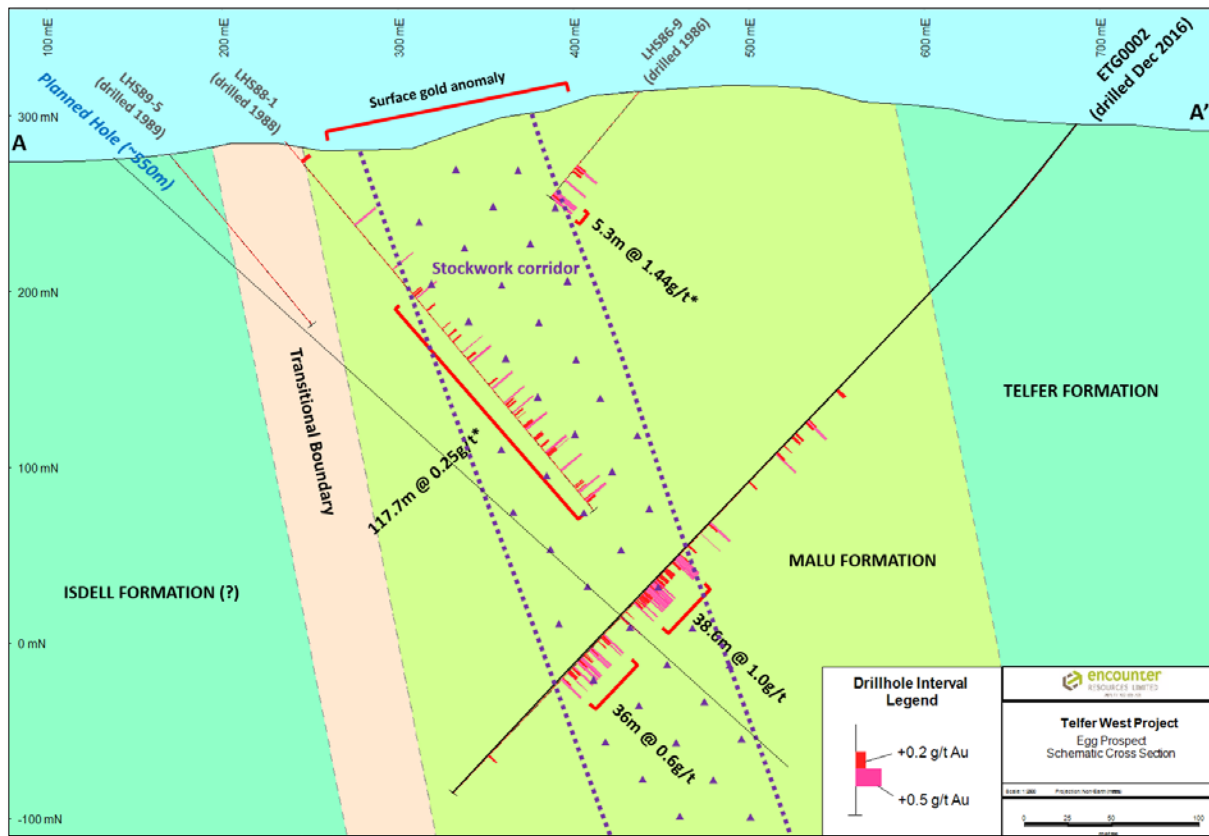


Figure 6 – Telfer West Egg Stockwork Corridor.

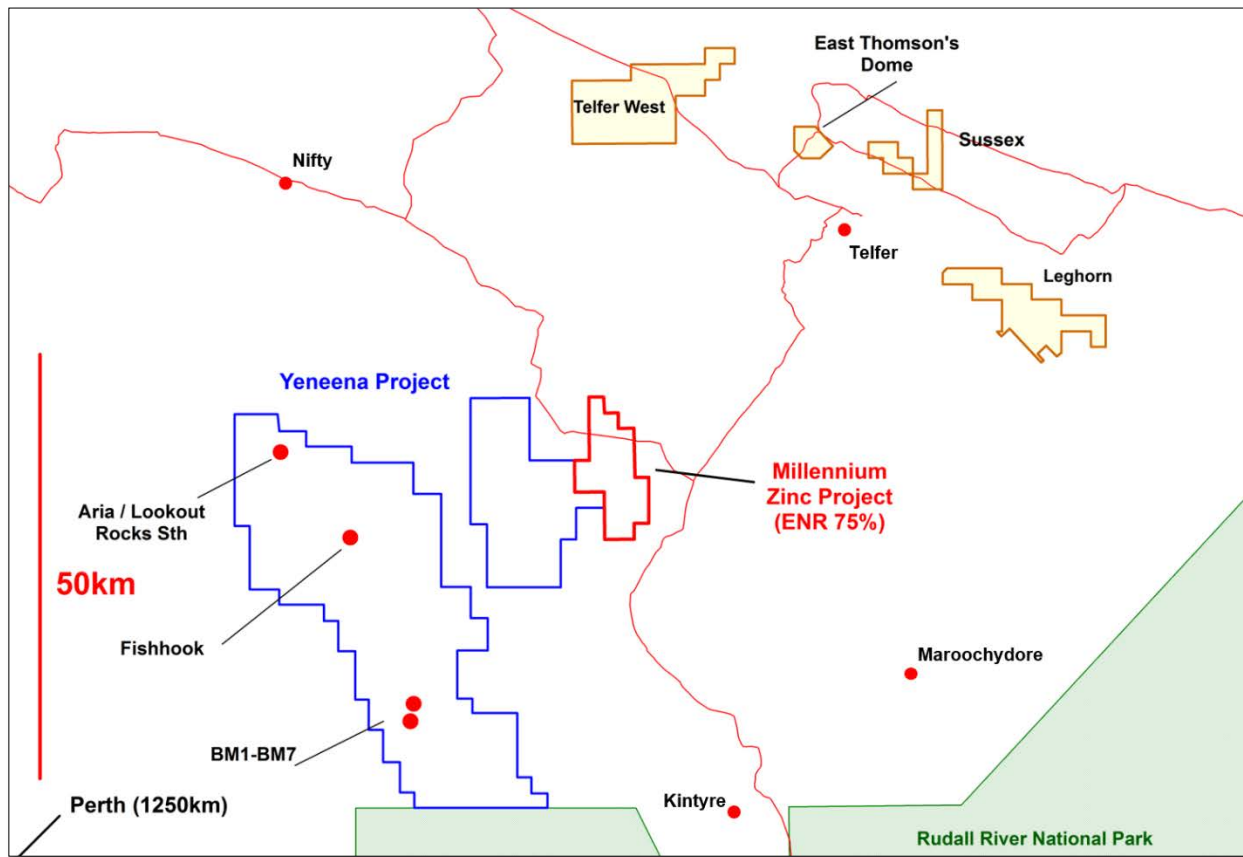


Figure 7: Yeneena and Telfer region tenements

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About Encounter

Encounter Resources Limited is a Western Australian (“WA”) based project generation, exploration and resource development company listed on the Australian Stock Exchange.

Encounter is one of the most active greenfield exploration companies in Australia. The Company is focused on discovering major gold deposits in Western Australia’s most prospective gold districts: the Tanami, the Paterson Province and the Laverton Tectonic Belt.

Encounter controls a major ground position in the Paterson Province of WA exploring for gold-copper deposits in the Telfer region and a highly prospective land package in the Tanami region to be explored via five Joint Ventures with Newcrest Mining Limited (ASX:NCM).

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.