

ASX : ENR

26th April 2007

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

Uranium mineralisation identified at Stone Tank

The directors of Encounter Resources Ltd are pleased to announce that visible uranium mineralisation has been identified at surface at the company's Stone Tank Project (E09/1296 - 80% Encounter, 20% Avoca Resources Ltd).

The Stone Tank Project, which was granted in February 2007, is located on the northern margin of the Gascoyne Province approximately 265km east of Carnarvon. The project tenement was pegged to cover a 7km long uranium channel airborne radiometric anomaly with coincident mapped calcrete.

During the initial field reconnaissance visit to the project surface uranium mineralisation, in the form of carnotite, was identified at two sample locations 2.5kms apart (see Figure 1). In addition, it was noted that the calcrete outcrop extends outside the area mapped and appears to extend along the length of the radiometric anomaly.

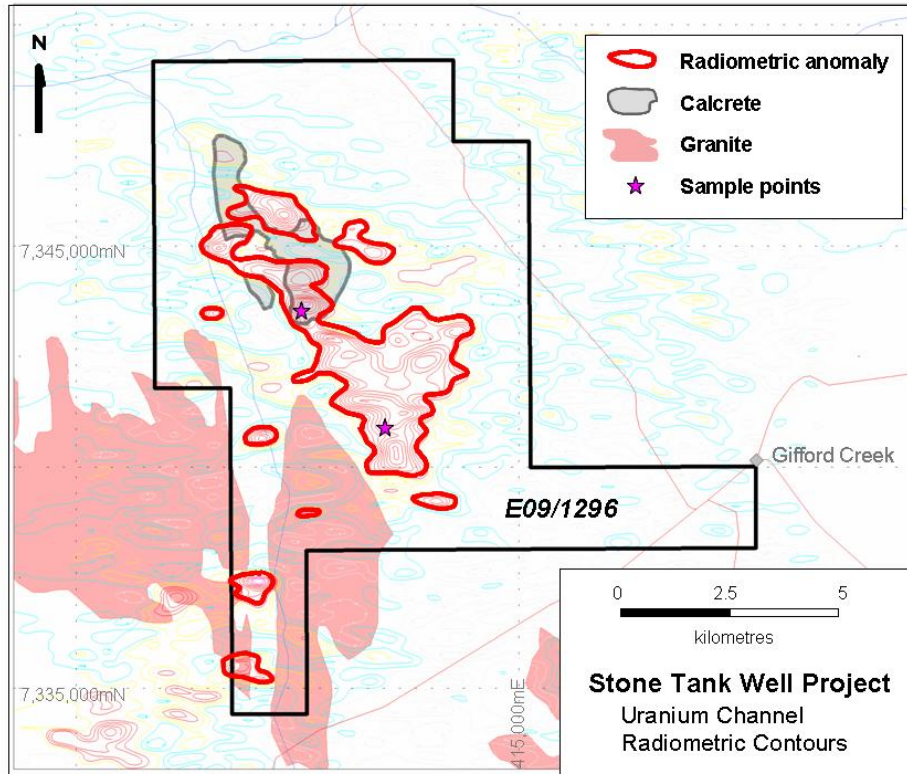
The company is very encouraged by the initial field work. The company now will complete a heritage survey of the area and then progress with a drill test of the anomaly.

For further information please contact:

Mr Will Robinson
Managing Director
Encounter Resources Ltd
Tel: 08 9486 9455

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 report of the matters based on his information in the form and context in which it appears.

Figure 1



Encounter Resources Background

Encounter was established in 2004 to assemble a portfolio of strategically located, high quality, uranium projects in Western Australia. Project targeting involved a deliberate, commodity specific program at a time when there was minimal competition in Western Australia.

As a result of this extensive preliminary planning, in conjunction with joint venture partners Avoca Resources Ltd, Encounter now controls a portfolio comprising over 6,000 square kilometres of strategically located and highly prospective uranium projects. The portfolio includes nineteen calcrete style uranium projects located in the Yilgarn and the Officer Basin and six projects targeting unconformity style deposits in the Bangemall Basin.

To complement this extensive portfolio the company has assembled an experienced management team with proven corporate and exploration track records.