

20 October 2016

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

High grade gold surface sampling at Telfer West

- **Surface rock chip program at the Egg Prospect has confirmed historical geochemistry returning up to 61.4g/t gold.**
- **Historical drilling at the Egg Prospect identified several areas of high grade gold mineralisation within a substantial volume of stockwork style gold mineralisation (see ASX release 25 August 2016).**
- **Heritage survey completed in October 2016.**
- **IP survey scheduled to commence in early November 2016.**
- **Drilling scheduled to commence in November 2016.**
- **A new gold project has been acquired at East Thomson's Dome. The project contains historical near surface gold occurrences in a favourable geological setting located 10km from the Telfer gold-copper mine**

The directors of Encounter Resources Ltd ("**Encounter**" or "**the Company**") are pleased to provide an update on activity at the Telfer West gold project ("**Telfer West**") and report the acquisition of an additional gold project in the Telfer region at East Thomson's Dome.

Background - Telfer West

Telfer West is located 25km north-west of Newcrest's major gold-copper operation at Telfer (Figure 1). Historical drilling completed by WMC and Newmont in the 1980s to early 1990s focused mostly on the outcropping, north-eastern limb of the Telfer West dome. This limb of upper Malu Formation forms a predominant north-west trending ridge within the project area (Figure 3). This historical drilling was primarily shallow surface geochemical drilling with only 4 holes drilled deeper than 150m over the 8 km long trend of the dome.

At the Egg Prospect, located on the north-eastern limb of the dome at Telfer West, four diamond holes were drilled in the period 1986 to 1989 with three of these diamond holes drilled on a single section (Figure 4). Two of the three drill holes are of particular interest:

- Drill hole LHS86-9 was drilled in a south-west direction, perpendicular to interpreted stratigraphy. This hole was abandoned at 78.3m due to mechanical failure but ended in **5.3m at 1.44g/t** gold from 73m to EOH.
- A follow up hole (LHS88-1) was drilled in a north-east direction and as such is interpreted to be drilled down the stratigraphy. However, this hole intersected a broad zone of low grade stockwork mineralisation of **117.7m @ 0.25g/t** gold from 156m to EOH and included several narrow zones of high grade gold mineralisation:

- 0.7m @ 4.92g/t gold from 61.5m
- 0.13m @ 12.5g/t gold from 95.07m
- 0.3m @ 10.7g/t gold from 156.6m
- 0.8m @ 7.91g/t gold from 163.7m incl. 0.2m @ 21.7g/t gold from 163.7m and
- 0.2m @ 7.23g/t gold from 183.8m

The fourth hole (LHS86-8) was drilled approximately 100m to the north-west and parallel to LHS 86-9. This 140m deep hole was not extensively sampled but did return an intersection of **5m @ 1.57g/t gold** from 81m including 1m @ 5.63g/t from 81m (refer ASX release 25 August 2016).

It is interpreted that the historical drilling at the Egg Prospect identified a substantial volume of stockwork style gold mineralisation within the Malu Formation. This mineralisation remains open and untested in all directions and at depth.

Activity - Telfer West

A rock chipping program has been completed in the area adjacent to historical drilling at the Egg Prospect. A total of 11 samples were collected.

Sample ID	Northing	Easting	As (ppm)	Au (g/t)	Bi (ppm)	Cu (ppm)	Fe (%)	Sn (ppm)	Sb (ppm)	Te (ppm)	W (ppm)
EX212823	7611151	390833	1440	0.383	2.78	21	1.14	0.6	1.26	0.12	3.2
EX212824	7611148	390839	560	18.2	84.8	18	0.87	2.3	2.08	0.2	10.5
EX212825	7611210	390819	12.2	0.068	0.98	3	0.97	0.7	0.18	0.02	0.5
EX212826	7611164	390693	1400	12.2	30.5	23	3.93	7.3	2.5	0.6	5
EX212827	7611163	390690	1680	0.321	0.96	8	2.87	0.5	0.56	0.08	0.2
EX212851	7610447	391592	6.6	0.003	0.54	2	0.4	0.4	0.08	-0.02	0.3
EX212852	7610481	391503	43.8	0.009	11.3	4	0.63	0.5	0.36	0.08	7.8
EX212853	7611108	390835	864	61.4	99.9	49	2.68	41.3	4.78	0.56	10.5
EX212854	7611103	390837	46.4	0.109	4	1	1.95	1.2	0.6	0.02	3.6
EX212855	7611117	390843	6750	6.82	43.8	10	4.41	3.4	2.62	0.38	6.9
EX212856	7611120	390851	31200	39.3	386	24	4.06	12.5	10.5	3.28	4.6

Table 1: Rock chip assay results from the Egg Prospect, Telfer West

These surface rock chip samples confirm historical geochemical results that focused the prior drilling at the Egg Prospect. Importantly, the surface which was sampled appears to be heavily weathered and potentially may have been leached of mineralisation. The variability of the results also indicates that the potential for multiple lenses of high grade gold quartz veining within a broader stockwork system.

A heritage survey was recently completed to facilitate upcoming on-ground activity. An IP (induced polarisation) survey is scheduled to commence in November 2016. Diamond drilling is also scheduled to commence at Telfer West during November 2016. This diamond drilling will initially focus on continuing the prior drill testing at the Egg Prospect and the north-west magnetic anomaly adjacent to LHS89-6 (see Figure 3).

East Thomson's Dome Project

Encounter has recently acquired an additional gold project in the Telfer region at East Thomson's Dome. Consideration for the acquisition was 250,000 ordinary shares in Encounter and \$15,000 in cash. East Thomson's Dome is located approximately 10km north west of the Telfer gold-copper mine and contains historical, near surface gold occurrences identified in shallow drilling at the fold closure of the dome.

The most recent substantive exploration at East Thomson's Dome was completed by Barrick Gold of Australia during 2004-2005. Historical exploration results from the project are currently being compiled, verified and interpreted.

On ground exploration activity at East Thomson's Dome, that may include IP surveying, aircore/RC/diamond drilling, is scheduled to commence in early 2017.

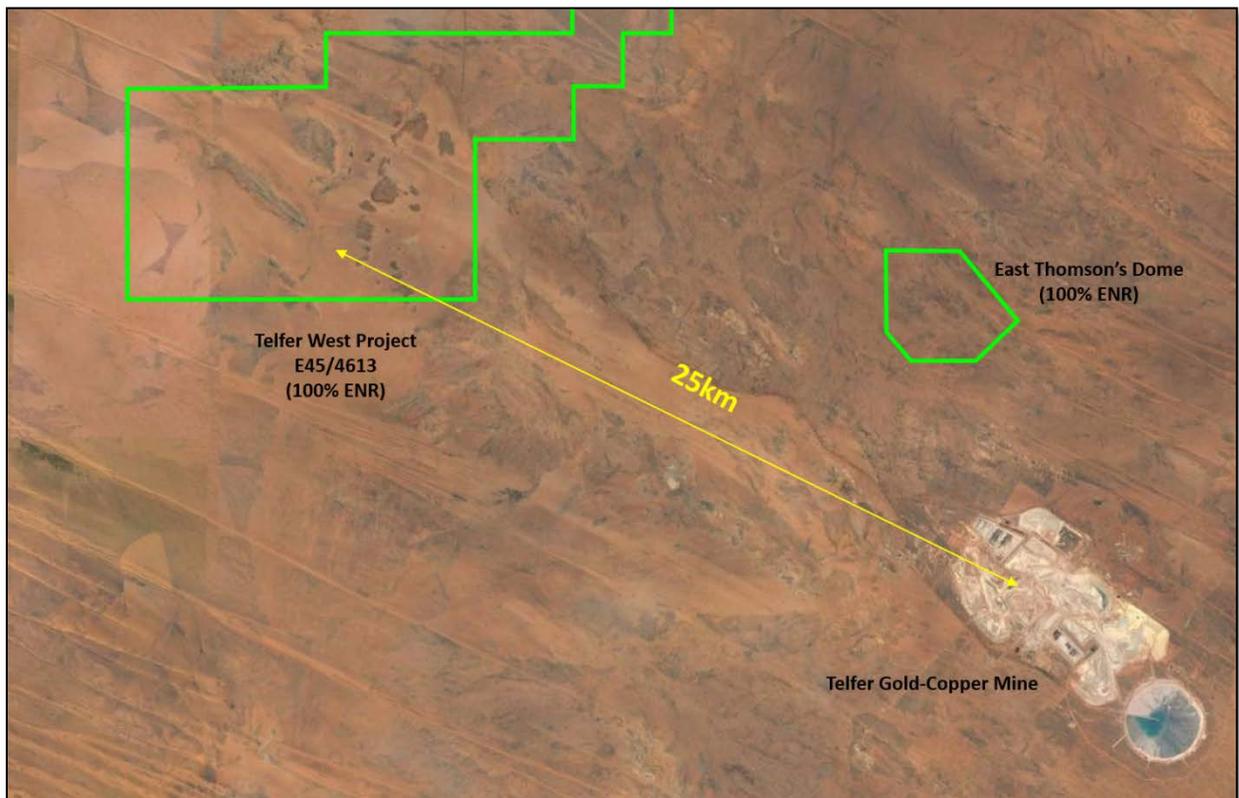


Figure 1: Telfer West location map – Google Earth background

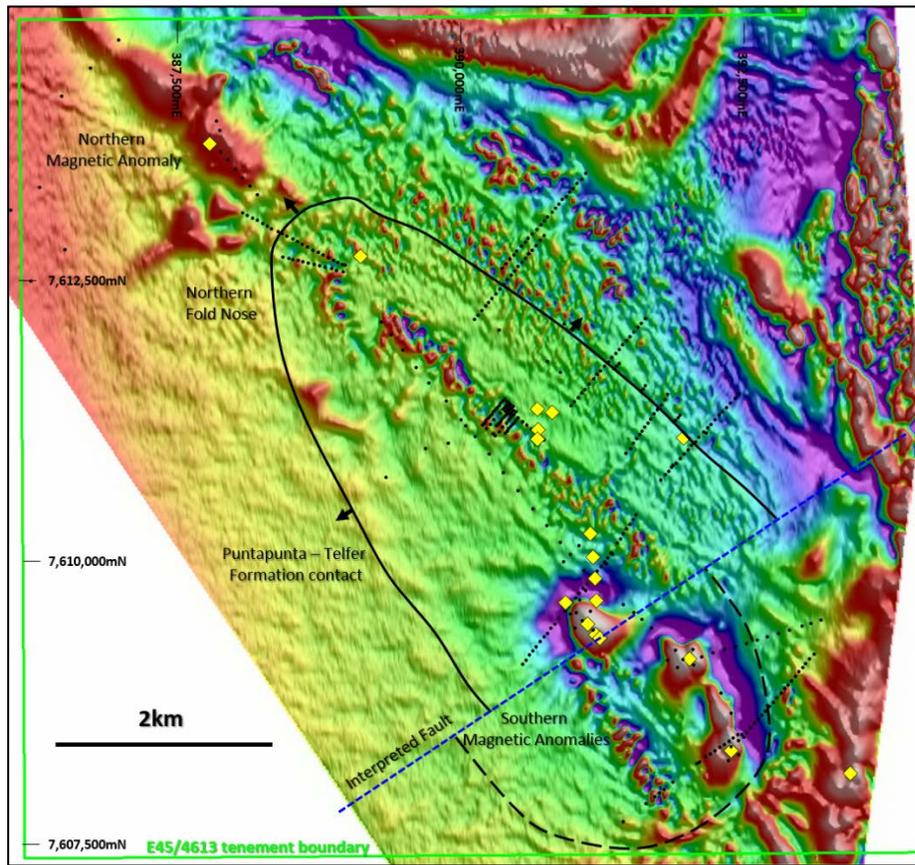


Figure 2: Telfer West historical drilling and interpreted geology. Historical diamond holes (yellow diamonds), all other holes (black dots). Detailed aeromagnetic background (TMI 1VD pseudo colour image)

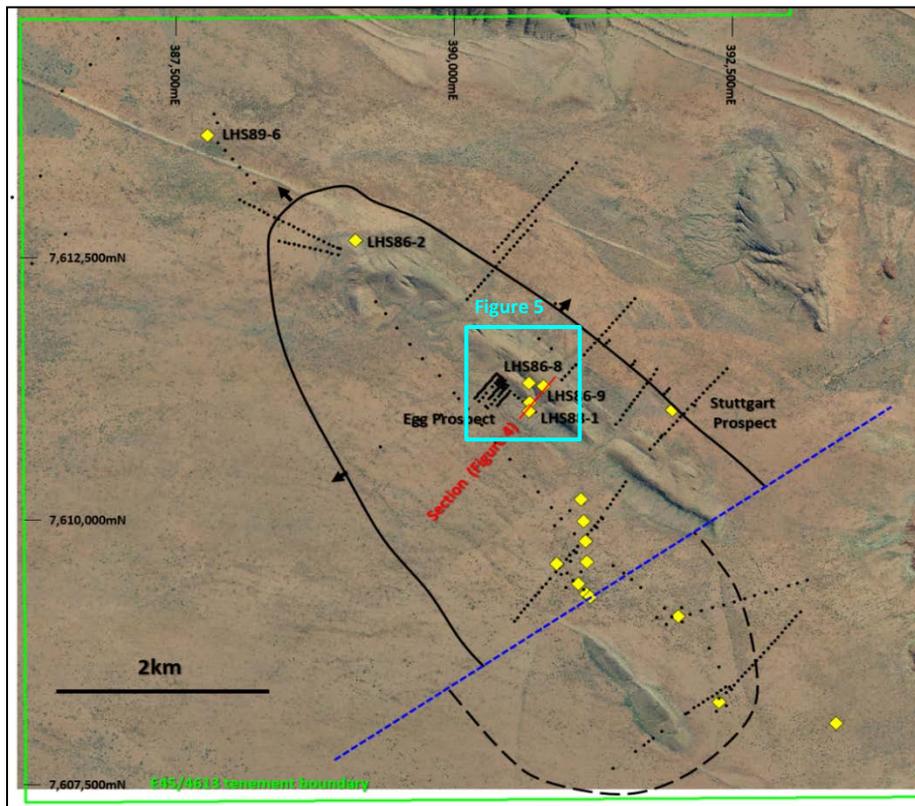


Figure 3: Telfer West airphoto – Historical diamond holes (yellow diamonds), all other holes (black dots)

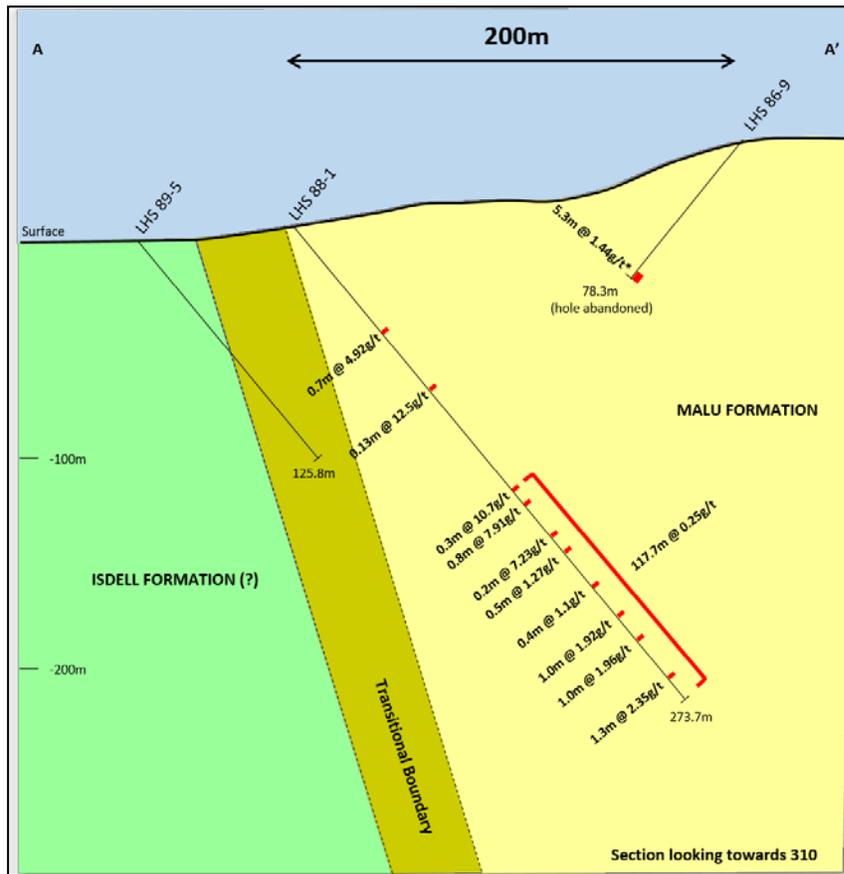


Figure 4: Telfer West, Egg Prospect cross section from historical report

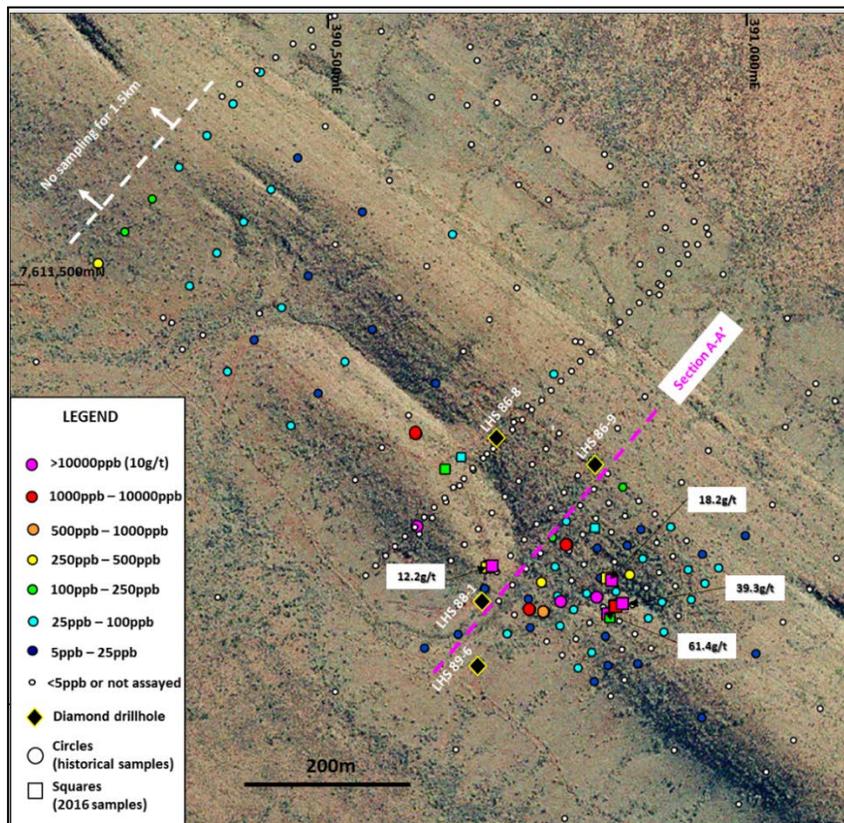


Figure 5: Telfer West, Egg Prospect surface geochemistry

Location Plan

The Yeneena region projects cover 1,800km² of the Paterson Province in Western Australia that hosts the Nifty copper mine and the Telfer gold-copper deposit. The targets identified are located adjacent to major regional faults and have been identified through electromagnetics, geochemistry and structural targeting.

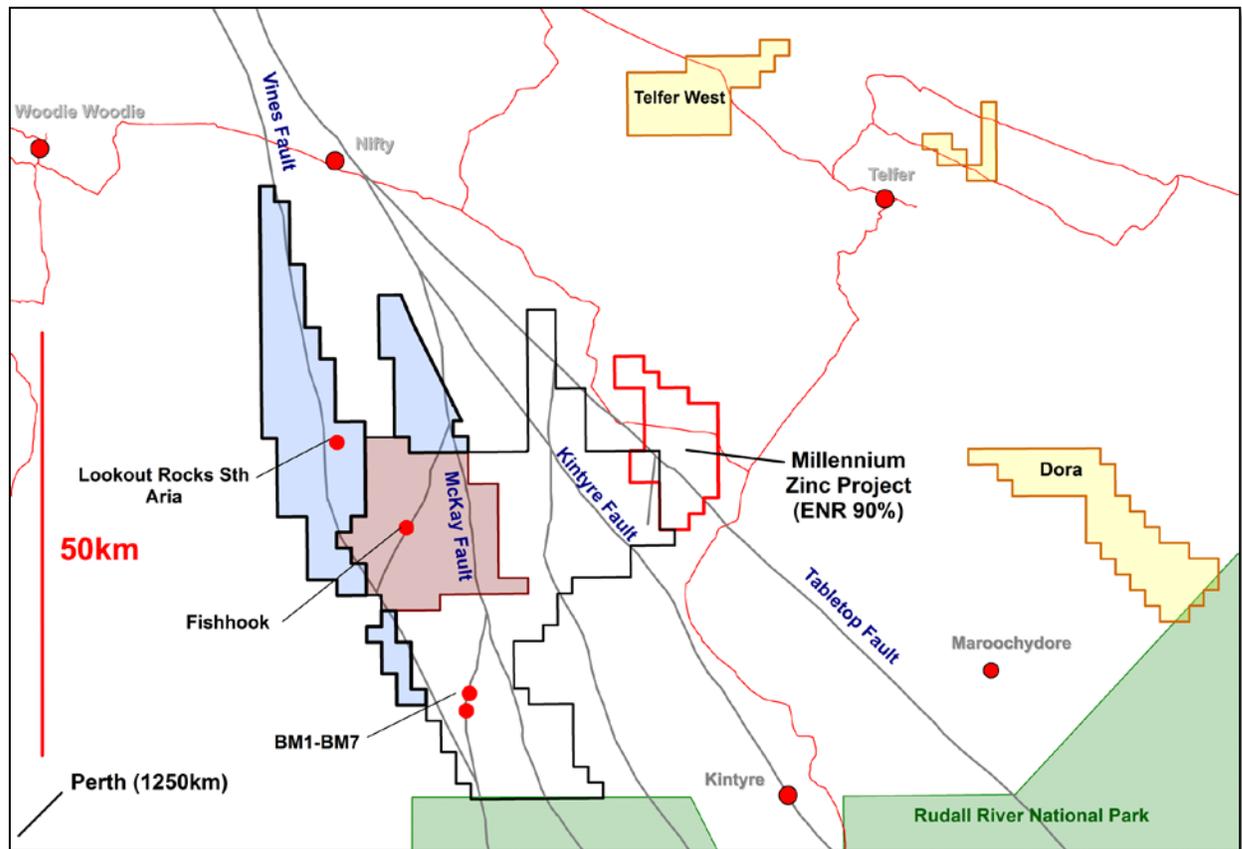


Figure 6: Yeneena region leasing and targets areas

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.

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Rock chip samples from the Egg prospect were selected from an area that contains historical high grade gold rock chip results.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	The samples are not considered to be representative of the area sampled.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i>	Rock chip samples are approximately 0.2kg to 0.5kg in weight.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Not applicable – no new drilling results reported
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	Not applicable – no drilling results reported
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	Not applicable – no drilling results reported
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Not applicable – no drilling results reported

Criteria	JORC Code explanation	Commentary
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Not applicable – no drilling results reported
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Not applicable – no drilling results reported
	<i>The total length and percentage of the relevant intersections logged</i>	Not applicable – no drilling results reported
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not applicable
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were dried, crushed and pulverised at the laboratory for analysis
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Not applicable
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Surface sampling is not considered to be representative of the area sampled.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Not applicable
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Rock chips were analysed at a commercial laboratory in Perth using industry standard methods.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No Geophysical tools used
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Laboratory QA/QC samples and sample duplicated were assayed by the laboratory with all results within expected error range. Samples were assayed by Bureau Veritas in Perth.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The assay results included in this report have been verified by Sarah James (Senior Geologist)
	<i>The use of twinned holes.</i>	Not applicable
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary data for rock chip samples at the Telfer West project was collected in a notebook then transferred to an Excel file. This file was uploaded and is stored on the company Acquire database.
	<i>Discuss any adjustment to assay data.</i>	No adjustments or calibrations are made to any assay data from Telfer West.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Rock chip sample locations were recorded by Encounter personnel using a handheld GPS (+/- 5m).
	<i>Specification of the grid system used.</i>	The grid system used is MGA_GDA94, zone 51.
	<i>Quality and adequacy of topographic control.</i>	Not applicable
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The high grade rock chip samples were taken within an area of approximately 150m by 50m and were not systematic.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Not applicable
	<i>Whether sample compositing has been applied.</i>	Not applicable
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Not applicable
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Not applicable
Sample security	<i>The measures taken to ensure sample security.</i>	The chain of custody is managed by Encounter. Samples were delivered by Encounter personnel to Newcrest's Telfer Mine site and transported to the assay laboratory via McMahon's Haulage. Tracking protocols have been implemented to monitor the progress of all samples batches.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling techniques and procedures are regularly reviewed internally, as is data. To date, no external audits have been completed on the Telfer West data.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p>	<p>The Telfer West project is located within the tenement E45/4613 which is 100% held by Encounter. The prospect area is subject to a production royalty of A\$1 per dry metric tonne of ore mined.</p> <p>This tenement is contained completely within land where the Martu People have been determined to hold native title rights.</p> <p>No historical or environmentally sensitive sites have been identified in the area of work.</p>
Exploration done by other parties	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>A regional LAG sampling program in the early 1980s conducted by WMC Resources identified a copper / arsenic anomaly over the area of the Telfer West project. Detailed mapping and ~2km spaced, shallow bedrock drilling by WMC was completed to produce a interpreted geology map of the area. Anomalous values of 150-520ppm As with no gold and low tenor copper values were recorded.</p> <p>In 1983 Newmont Holdings Pty Ltd (later Newmont Australia Ltd) entered into a joint venture with WMC over the Telfer West area.</p> <p>In 1984 Newmont and BHP entered an agreement with WMC to continue the joint venture with Newmont as operator. Newmont completed a regional aeromagnetic and radiometric survey in 1984 and colour photography survey. 144 rock chip samples and a bulk stream sediment sampling was also completed prior to a 15 hole RC drill program (total of 756m, LSR series) targeting the Upper Malu/ Puntapunta contact. RC Holes were drilled on four 400m spaced sections at ~40m spacing on the north-east side of the interpreted dome. No mineralized reef positions were identified in this program.</p> <p>In 1985, Newmont completed 4 diamond holes (LSPC 1-4) for a total of 391m in the south of the dome testing separate magnetic anomalies. Drilling returned encouraging results with Au-Cu-W 'skarn style' mineralization hosted in the Isdell Formation.</p> <p>In 1986, RAB drilling at the Egg prospect totaled 63 holes for 1175m over an area approx. 400m by 400m (ERG series). Sampling was limited to two samples per hole, one at the base of cover and one at the bottom of the hole. Four diamond holes (LHS86 series) for 677m were drilled across the project testing the Egg, Southern Magnetic anomaly and the northern Malu fold nose</p> <p>In 1987, the JV partners completed 13 (LSR 1-13) RAB holes for 379m along a single 1200m long east-west line in the south of the project. RC drilling (LSR 87 series) of 16 holes for 1383 were drilled in the vicinity of the southern magnetic anomalies. It is unclear at this stage if this drilling effectively tested the magnetic features.</p> <p>In 1988, Newmont completed 4 diamond holes (LHS 88-1, 4, 4a and 7) with drilling completed at the Egg, Stuttgart and Magnetic anomaly 1.</p>

In the following year, 1989, Newmont drilled a further 6 diamond holes (LHS 89 1-6) for a total of 563m targeting the Northern Magnetic anomaly, the Egg prospect and the Central Shear Zone. In 1990/91, 30 RAB holes (LHB series) were drilled on the Northern and Southern Magnetic anomalies and along the interpreted fold axis for a total of 1734m. Drilling was hampered by ground water resulting in the program being largely ineffective. No additional drilling was completed at the project and most recent on ground activities occurred in 1993. The final tenement surrenders occurred in 1997 and it is assumed the joint venture terminated at the same time. No exploration work has been conducted over the Telfer West project since the termination of the WMC / Newmont / BHP joint venture.

Geology

Deposit type, geological setting and style of mineralisation

The Telfer West project is situated in the Proterozoic Paterson Province of Western Australia. A simplified geological interpretation shows a domal feature with Isdell Formation in the core of the fold being overlain by Malu Formation and the Puntapunta Formation forming the uppermost unit. The Telfer West project is considered prospective for sediment – hosted ‘Telfer style’ gold-copper mineralisation and skarn style mineralisation.

Drill hole information

A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:

- *Easting and northing of the drill hole collar*
- *Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar*
- *Dip and azimuth of the hole*
- *Down hole length and interception depth*
- *Hole length*

Refer to Table 1 in the body of this announcement for the details of the rock chip samples taken within this program at the project.

Data aggregation methods

In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.

All reported assays are raw analytical results and no upper cuts-offs have been applied.

Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.

Not applicable

No metal equivalents have been reported in this announcement.

The assumptions used for any reporting of metal equivalent values should be clearly stated.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of exploration results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	The geometry of the mineralisation is not yet known due to insufficient drilling in the targeted area.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views.</i>	Refer to body of this announcement.
Balanced Reporting	<i>Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All samples taken within this program were reported in Table 1.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.
Further Work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	The immediate planned program includes a series of ground geophysical lines (IP) and diamond drilling of the Egg and Northern Magnetic Anomaly targets.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Encounter Resources Limited

ABN

47 109 815 796

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 250,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	Yes
	<p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	8.5 cents per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Shares issued to acquire 100% interest in the East Thompson Dome exploration and prospecting licences.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	27 November 2015
6c	Number of +securities issued without security holder approval under rule 7.1	250,000
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of securities issued under an exception in rule 7.2	N/a	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/a	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Yes	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	19 October 2016	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number 155,894,044	+Class Ordinary fully paid shares (ENR)

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	1,450,000	Exercisable at \$0.30 each expiring 30 November 2016
	550,000	Exercisable at \$0.21 each expiring 31 May 2017
	750,000	Exercisable at \$0.39 each expiring 30 November 2017
	200,000	Exercisable at \$0.31 each expiring 31 January 2018
	595,000	Exercisable at \$0.22 each expiring 31 May 2018
	1,250,000	Exercisable at \$0.23 each expiring 27 November 2018
	750,000	Exercisable at \$0.31 each expiring 27 November 2019
	700,000	Exercisable at \$0.16 each expiring 31 January 2019
	5,441,429	Exercisable at \$0.21 each expiring 30 September 2018
	600,000	Exercisable at \$0.14 each expiring 28 February 2020
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/a	

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/a
12	Is the issue renounceable or non-renounceable?	N/a
13	Ratio in which the +securities will be offered	N/a
14	+Class of +securities to which the offer relates	N/a
15	+Record date to determine entitlements	N/a
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/a
17	Policy for deciding entitlements in relation to fractions	N/a
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/a
19	Closing date for receipt of acceptances or renunciations	N/a
20	Names of any underwriters	N/a
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	N/a
23	Fee or commission payable to the broker to the issue	N/a

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/a
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/a
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/a
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/a
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/a
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/a
33	+Despatch date	N/a

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.

+ See chapter 19 for defined terms.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company secretary

Date: 20 October 2016

Print name:

Kevin Hart

====

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	145,426,208
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	2,617,836 shares issued pursuant to a Share Purchase Plan which closed on 16 October 2015 (issued 21 October 2015)
<i>Subtract</i> the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	148,044,044

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	22,206,606
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	250,000 shares issued to acquire East Thompson Dome exploration licences (issued 19 October 2016)
“C”	250,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	22,206,606
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	250,000
Total [“A” x 0.15] – “C”	21,956,606 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	148,044,044
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	14,804,404
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	7,600,000 shares issued pursuant to a share placement (LR7.1A) issued 21 October 2015.
“E”	7,600,000

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	14,804,044
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	7,600,000
Total [“A” x 0.10] – “E”	7,204,044 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

20 October 2016

ASX : ENR

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam

**ENCOUNTER RESOURCES LIMITED
SECONDARY TRADING NOTICE – NOTIFICATION PURSUANT
TO PARAGRAPH 708A(5)(e) OF THE CORPORATIONS ACT 2001**

This notice is given by Encounter Resources Limited (ACN 107 815 796) (“Encounter”) under section 708A(5)(e) of the Corporations Act 2001 (Cth) (“the Act”).

On 19 October 2016 Encounter issued 250,000 ordinary fully paid shares without disclosure under Part 6D.2 of the Corporations Act.

Encounter gives notice under section 708A(5)(e) of the Act that:

- (a) as a disclosing entity, Encounter is subject to regular reporting and disclosure obligations;
- (b) as at the date of this notice, Encounter has complied with the provisions of Chapter 2M as they apply to Encounter and section 674 of the Act; and
- (c) as at the date of this notice, there is no information that is ‘excluded information’ within the meaning of section 708A(7) and 708A(8) of the Act which is required to be disclosed by Encounter under section 708A(6)(e) of the Act.



Kevin Hart
Company Secretary