

HIGHLIGHTS

- **Drone survey at East Thomson's Dome identifies new reef potential in an area untested by previous drilling proving effective in identifying:**
 - Extensions to known gold-bearing reefs; and
 - New sub-cropping reefs in areas of thin sand cover
- **Aircore/RC drilling to be completed at the East Thomson's Dome, Telfer West gold projects and Lookout Rocks copper-cobalt project in the June quarter 2018**
- **Encounter has secured five large projects covering a total of 4,400km² of the Tanami Gold Province and West Arunta in Western Australia. The projects represent a major new exploration portfolio assembled in one of the world's most prospective gold regions**
 - **Three projects cover 100km of strike along the Trans-Tanami Structure (Selby, Watts, Lewis)**
 - **Selby Project (1,534km²) including:**
 - Bandicoot prospect – discrete 2km long magnetic anomaly with coincident gold/arsenic geochemical anomaly
 - Camel prospect – 7.2m @ 3.1g/t Au from 95m in last drill program (2010)
 - **Watts Project (552km²) including:**
 - Hutch's Find – significant zone of gold/arsenic anomalism in colluvium over 5km of strike (19m @ 2.3g/t Au from 98m and 10m @ 5.4 g/t Au from 123m in limited deep drilling)
 - Sunset Ridge – 8km long arsenic anomaly defined in shallow drilling
 - **Lewis Project (548km²) including:**
 - 20 strike km of untested Trans-Tanami Structure
 - **Phillipson Project (1,570km²) – Large scale gold target in unexplored Neoproterozoic corridor in the southern Tanami**
 - **Aileron Project (187km²) covering an IOCG-style target located in the West Arunta region**
 - **Compilation and interpretation of historical exploration is well advanced and ongoing along with target prioritisation. Tenement applications are expected to be granted over the next few months with field exploration activities to commence shortly thereafter**
 - **Projects being considered for potential joint venture by Newcrest Mining Ltd (ASX:NCM)**
- **Encounter successful in its application for the Federal Government Junior Mineral Exploration Incentive (JMEI) up to of \$750,000 of 2017/18 company tax losses that may be distributed to incoming shareholders in a future capital raising**

Encounter controls a major ground position in the Paterson Province in WA exploring for gold-copper deposits in the Telfer region and a highly prospective land package in the Tanami.

ASX Code
ENR

Market Cap (30/04/18)
~A\$12.9m (\$0.067/share)

Issued Capital (31/03/18)
192 million ordinary shares
12.4 million options

Cash (31/03/18)
~A\$0.6M

Cash & Listed Investments (31/03/18)
~A\$1.9M

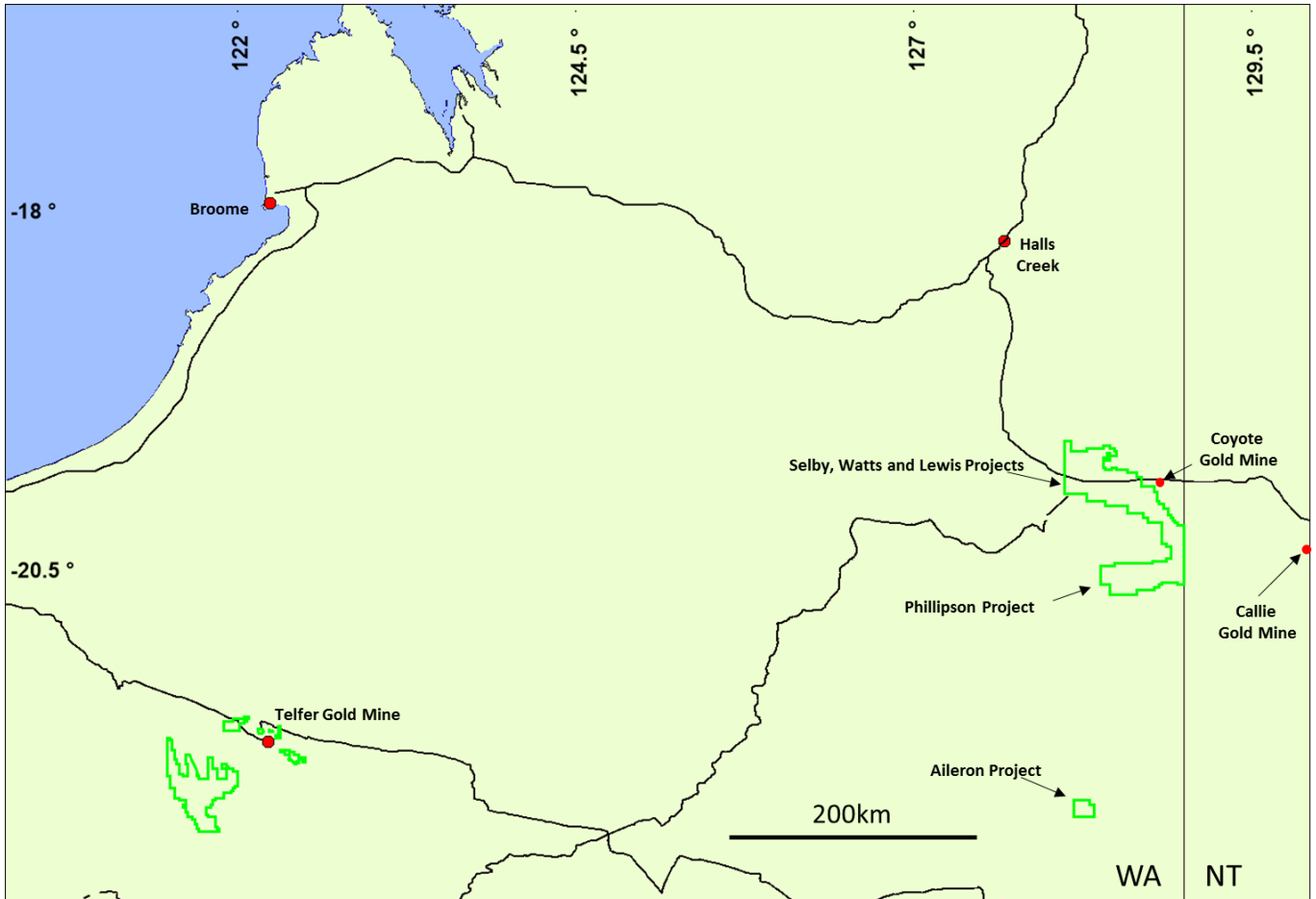


Figure 1: Encounter Projects - Location Plan

PATERSON PROJECTS

YENEENA & TELFER REGION PROJECTS

- Paterson Gold projects: 100% Encounter - E45/4613, E45/3446, P45/2750 to P45/2752, P45/3032, E45/4757, E45/4758 and E45/4899
- Yeneena Copper-Cobalt Project: 100% Encounter - E45/2500, E45/2502, E45/2503, E45/2657, E45/2658, E45/2805, E45/2806 and E45/3768
- Millennium Zinc Project: 75% Encounter / 25% Hampton Hill Mining ("HHM") - E45/2501, E45/2561 and the four eastern sub-blocks of E45/2500

Encounter holds exploration tenure over 1,600km² 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 Yeneena (Figure 2).

The Company's gold portfolio includes Telfer West, a recently identified large scale gold system, and East Thomson's Dome where widespread coarse gold has been identified adjacent to high grade outcropping gold reefs.

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

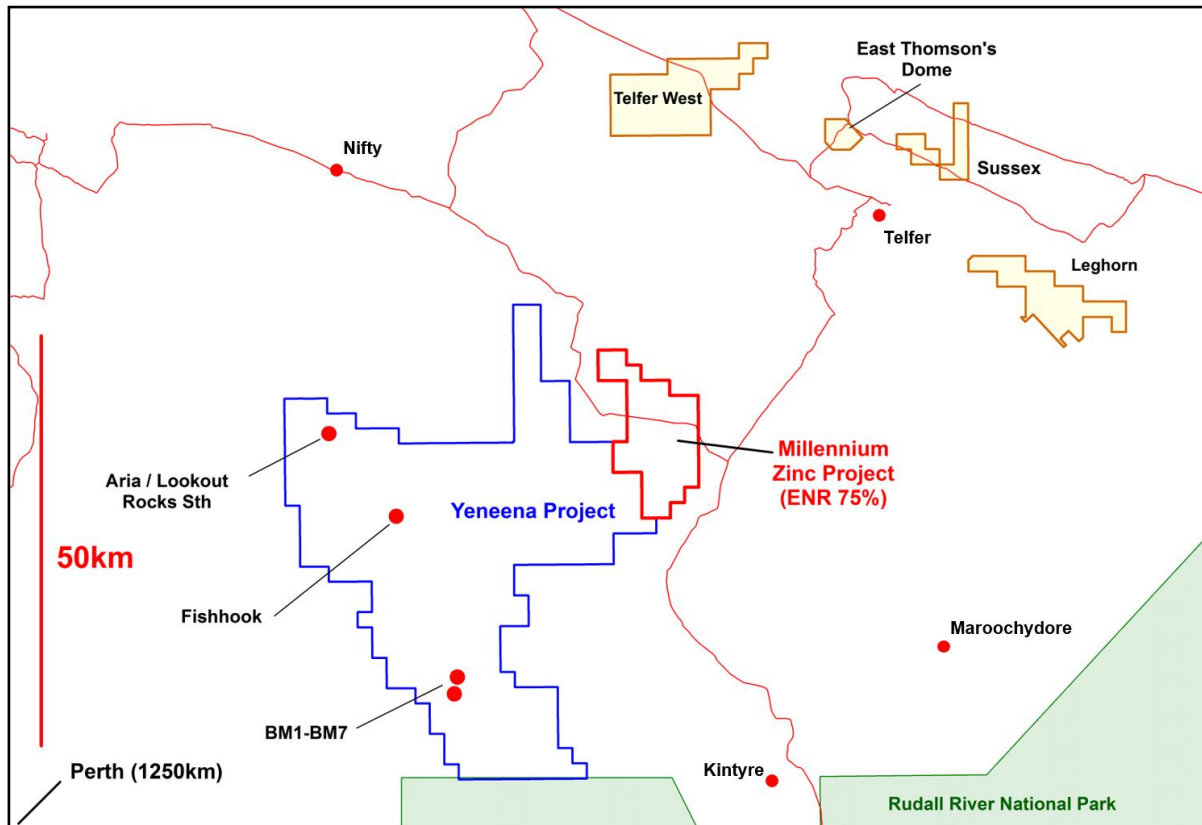


Figure 2: Yeneena and Telfer region tenements

PATERSON GOLD PROJECTS

Encounter holds a highly prospective and strategic ground holding in the Paterson Province that hosts Newcrest's major gold-copper operation at Telfer.

East Thomson's Dome Project (100% Encounter)

Background

East Thomson's Dome is a high quality opportunity located just 5km from the major gold-copper mine at Telfer (Figure 3A). The domal structure at East Thomson's has a core of Malu Formation with the fold axis trending WNW. The majority of surface gold and reef style mineralisation has been discovered in the overlying Telfer Formation sediments. This geological setting is similar to the setting of the high grade reefs at Telfer.

Fold Closure Prospect

A 15 hole program of RC drilling was completed at the Fold Closure prospect in early November 2017. New zones of reef-style mineralisation have been identified across the 200m by 200m drill area. Near surface intersections include (refer ASX release 21 December 2017):

- 6m @ 2.7g/t Au from 39m in ETG0125
- 4m @ 4.3g/t Au from surface in ETG0109
- 4m @ 3.5g/t Au from 17m in ETG0110
- 2m @ 5.4g/t Au from 46m in ETG0106

The reefs at the Fold Closure prospect remain open to the north-west and south-east and further drilling will be completed north of the prospect in the June quarter 2018.

NE Soil Anomaly

A three hole aircore program was completed in an area ~250m north-east of the Fold Closure prospect to provide an initial drill test of an area of gold soil geochemical anomalism in late 2017. Aircore hole ETG114 contained a 38m intersection grading 0.3g/t Au from 44m (refer ASX release 30 November 2017). The thick and shallow intersection in this drill hole opens up the north-western area and a systematic drill test of this area will be completed in the June quarter 2018.

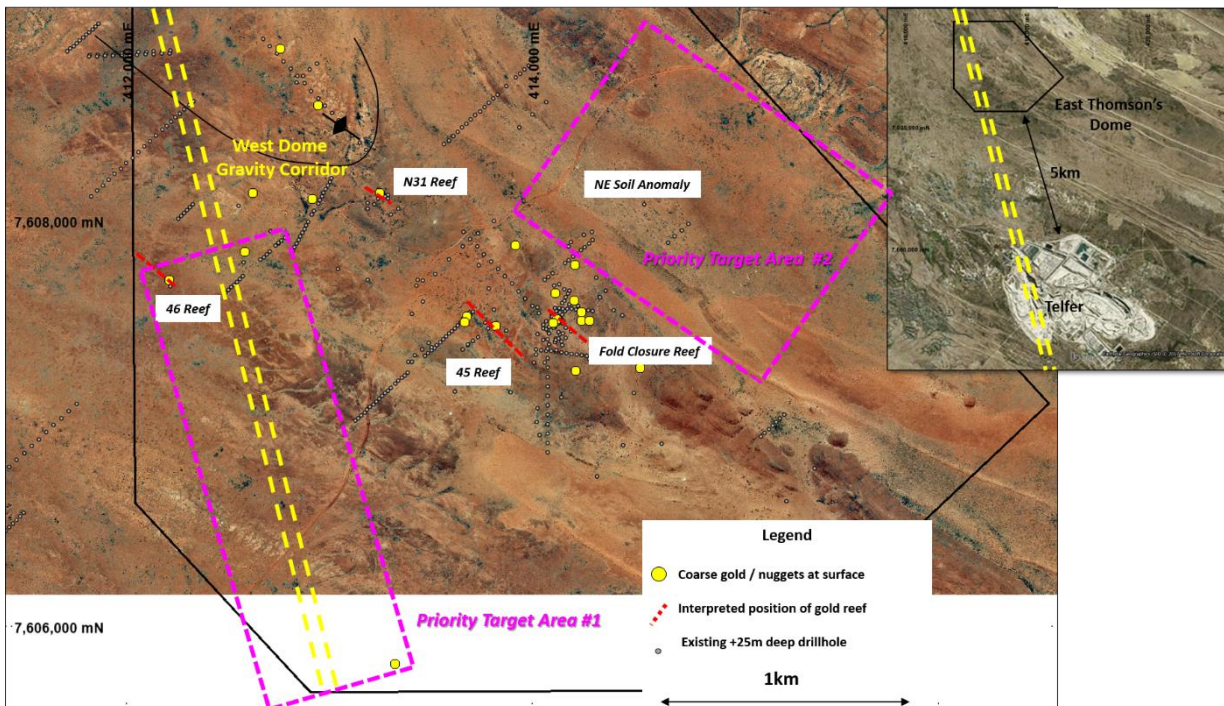


Figure 3 – East Thomson's Dome coarse gold locations on airphoto background (Inset) Figure 3A – Location Map

The majority of prior exploration at East Thomson' Dome has focused on the outcropping fold axis of the dome where gold reefs have been drilled in an area that extends over 2km of strike. The discovery of significant coarse gold in a thinly covered, unexplored area to the south west of the fold axis in late 2017 has opened up a much larger search space.

In addition, as demonstrated by the initial under cover drilling at the NE Soil Anomaly including 38m @ 0.3g/t Au from 44m in ETG0114 (refer ASX Announcement 30 November 2017), large areas of thin or patchy sand cover have not been effectively tested by previous explorers. Shallow aircore drilling has the potential to extend known anomalies and discover new significant regolith anomalies that will provide focus for follow up drilling of primary gold targets. High quality regolith anomalies are likely to represent the surface expression of sub-vertical gold systems. The targeting of these positions where they intersect favourable reactive stratigraphy will be the focus of a WA Government 2018 co-funded EIS diamond drilling program.

A trial of drone technology to assist in the identification of extensions to known gold-bearing reefs and new sub-cropping reefs under thin sand cover was completed in a targeted area at East Thomson's Dome in December 2017. This initial work proved highly effective and the drone survey was expanded across the wider 12km² East Thomson's Dome project during the March quarter 2018.



Photo 1 – Ultra-detailed Aerial Mapping program in progress - East Thomson's Dome

The resolution of the drone photography is a step change from the prior aerial photography of East Thomson's Dome (see Figure 4) and several new reef positions have been identified. The photography has also allowed the interpretation of potential reef positions in areas of thin cover by defining linear quartz float trends (see Figure 5).

An example of this is a strata-parallel, but strike extensive, linear quartz float position that has been identified adjacent to the 46 Reef area. This potential reef position is located adjacent to a major north-north-west gravity lineament that transects the project and has been untested by drilling. This lineament, that extends south through the West Dome pit at the Telfer mine, is interpreted to be an important structural feature controlling the gold mineralisation event (see Figures 3 and 3A).

A 3oz nugget was recovered in late 2017 along this structural corridor and additional coarse gold was previously recovered by prospectors 2km further to the south-south-east on the same structural trend. This corridor has had little or no prior exploration (see Figure 3).

This untested, undercover structural position that contains significant coarse gold will be one of the priority areas of focus of exploration in 2018.

Upcoming Activity

The drone photography is being collected at sufficient detail to identify extensions to known gold bearing reefs as well as identifying new sub-cropping reefs in areas of thin sand cover. The soil sampling, mapping and rock chip sampling of areas of interest identified is currently in progress. Results from this program will be incorporated into the design of the next phase of drilling at East Thomson's Dome scheduled to commence in the June quarter 2018.

The priority areas to be drill tested will focus on the untested structural corridor along the 46 Reef area and the area to the north of the Fold Closure prospect including the NE soil anomaly.

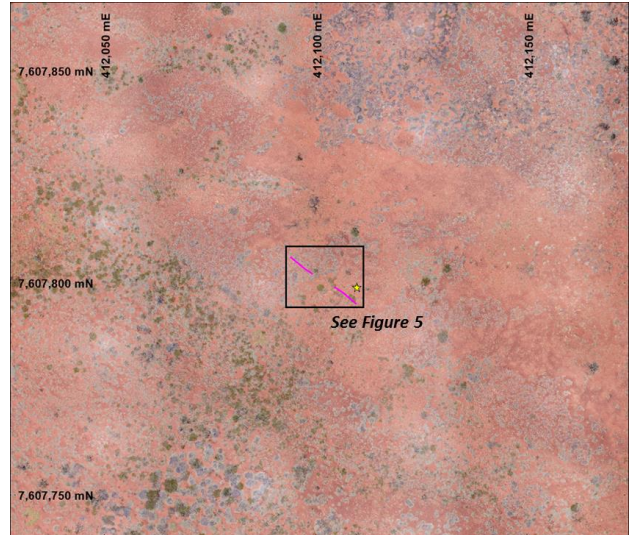
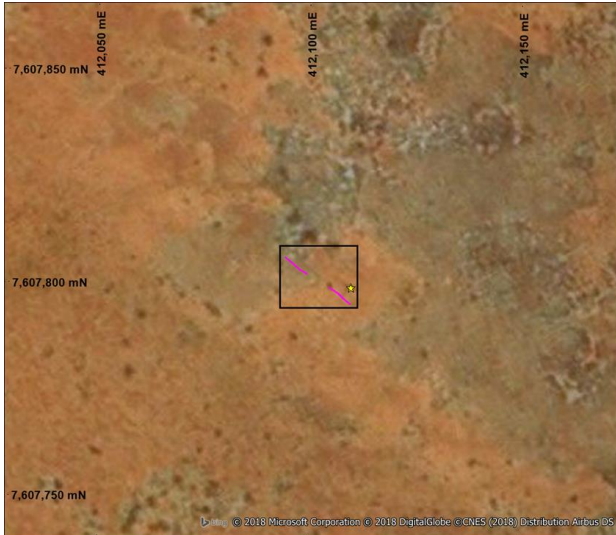


Figure 4 – 46 Reef area – Aerial Photography (Left) and Drone Photo (Right) (~150m by 150m area)

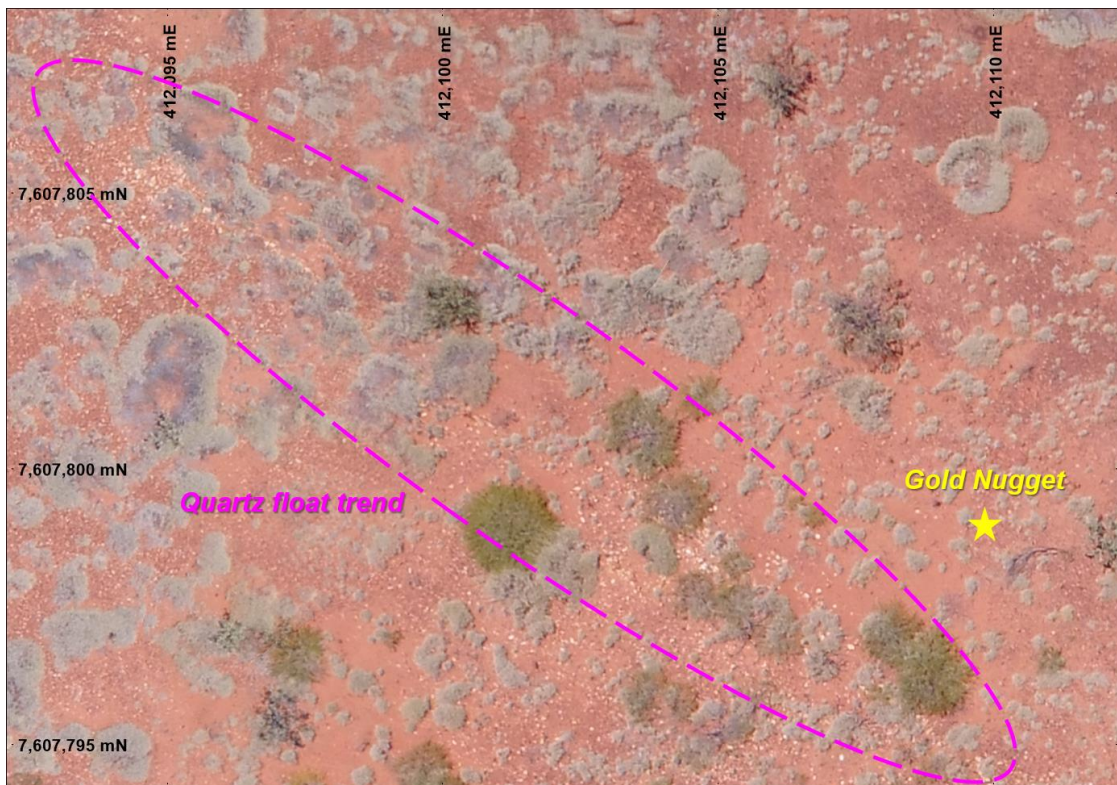


Figure 5 – Example of mapping quartz float trends in drone image adjacent to the 46 Reef area (~15m by 20m area)

Telfer West (100% Encounter)

Background

Telfer West (E45/4613) covers an area of approximately 121km² and is located 25km north west of Newcrest's Telfer operation (see Figure 2). Limited historical exploration at Telfer West was conducted by WMC and Newmont from 1983-1993 targeting gold mineralisation in a similar geological setting to Telfer.

Telfer West covers an 8km by 5km domal formation of Proterozoic sediments bounded to the north-west and south-east by late stage granitic intrusions. The domal structure has a core of Isdell Formation overlain by the Malu Formation, Telfer Formation and sediments of the Puntapunta Formation. These geological units are the main hosts of gold-copper mineralisation at Telfer. A linear belt of subtle magnetic anomalism forms part of a broad structural corridor that defines the fold axis of the Telfer West dome (see Figure 7). Gold mineralisation intersected to date is contained within this structural corridor, with stronger accumulations in areas of greater structural complexity.

The first two holes (ETG0002 and ETG0003) drilled by Encounter in December 2016, 4km apart, both confirmed the presence of high grade gold mineralisation.

Egg Stockwork Corridor

Southern Stockwork Extension

Two lines of aircore drilling were completed at Telfer West to test an interpreted structural offset of the main stockwork corridor during the December 2017 quarter (see Figure 6).

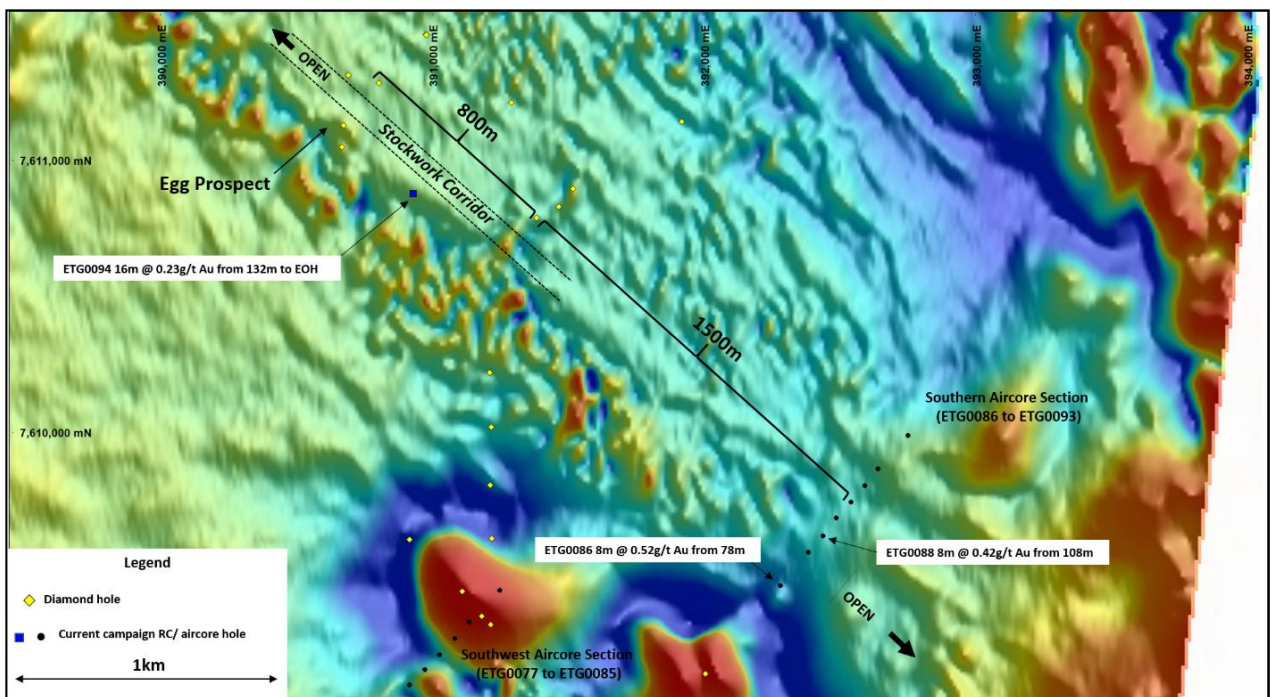


Figure 6 – Telfer West Stockwork Corridor.

The southern section of eight aircore holes (ETG0086-ETG0093) successfully outlined a zone of significant supergene gold anomalism that has extended the stockwork gold corridor by 1.5km to the southeast (see Figure 6). Aircore results from this single line of drilling highlight a broad zone of gold anomalism and include (refer ASX release 21 December 2017):

- 8m @ 0.52g/t Au from 78m and 13m @ 0.09g/t Au from 98m to EOH in ETG0086
- 8m @ 0.42g/t Au from 108m and 2m @ 0.31g/t Au from 124m in ETG0088

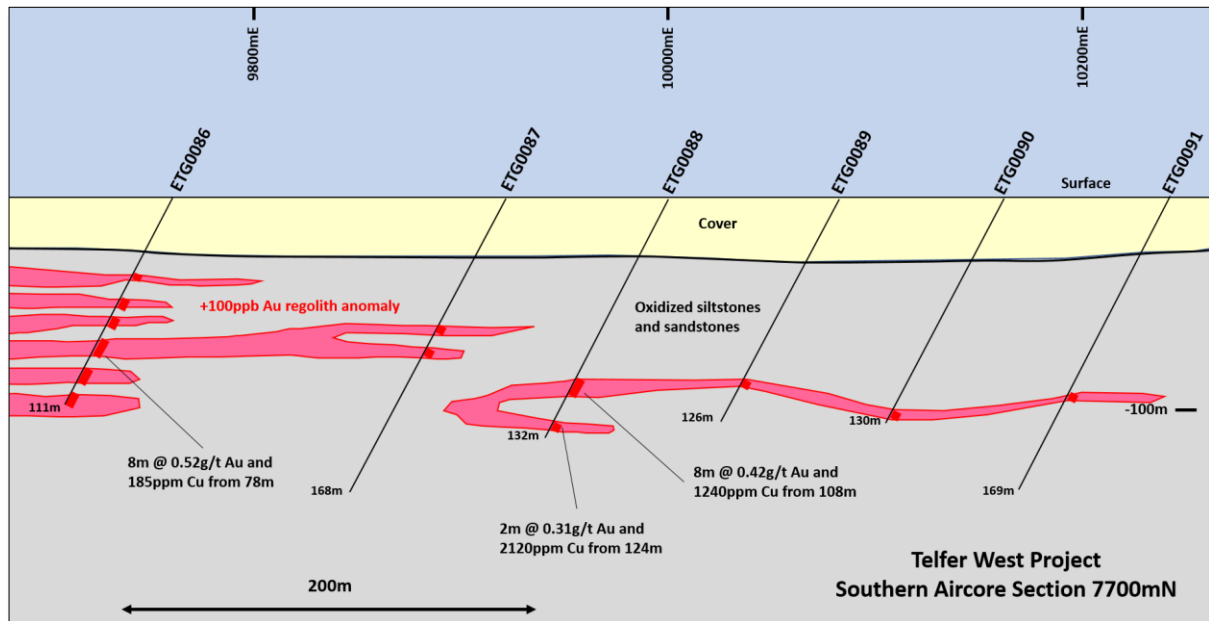


Figure 7 – Telfer West Stockwork Corridor - Southern Aircore Section

Main Stockwork Zone

Diamond drilling over the central section of the Egg prospect intersected strong stockwork style veining and associated sulphide mineralization in ETG0002 (including 39m @ 1 g/t Au). Increased grade of gold mineralization within the stockwork is strongly correlated to the abundance of sulphide developed within the stockwork.

Recent re-assessment of a single line of ground IP previously completed over the section containing ETG0002 has highlighted a strong untested chargeability anomaly, located immediately below the ETG0002 gold intersection. This anomaly may plausibly represent an increase in sulphide concentration, and possibly gold mineralisation, below hole ETG0002.

In late 2017 a single RC hole, ETG0094, was drilled 400m south east of the Egg prospect to test a +200m long surface gold geochemical anomaly (see Figure 6). The anomaly is situated along the now 5km long stockwork corridor and is located between two 800m spaced drill lines. This hole returned an encouraging result of 16m @ 0.23g/t Au from 132m to the end of the hole.

Integration of all these data in 3D, using Leapfrog software, suggests that the surface geochemical anomaly tested by ETG0094 and the IP anomaly located beneath ETG0002 might represent a single, steep north-plunging high grade-shoot (see Figure 8). If this is correct, then ETG0094, although intersecting encouraging gold anomalism, was not drilled deep enough to test this position. It is however well-located as a pre-collar for a hole to test the interpreted up-plunge position of this target. A successful result with this test would confirm this hypothesis and require further systematic down-plunge follow-up drilling.

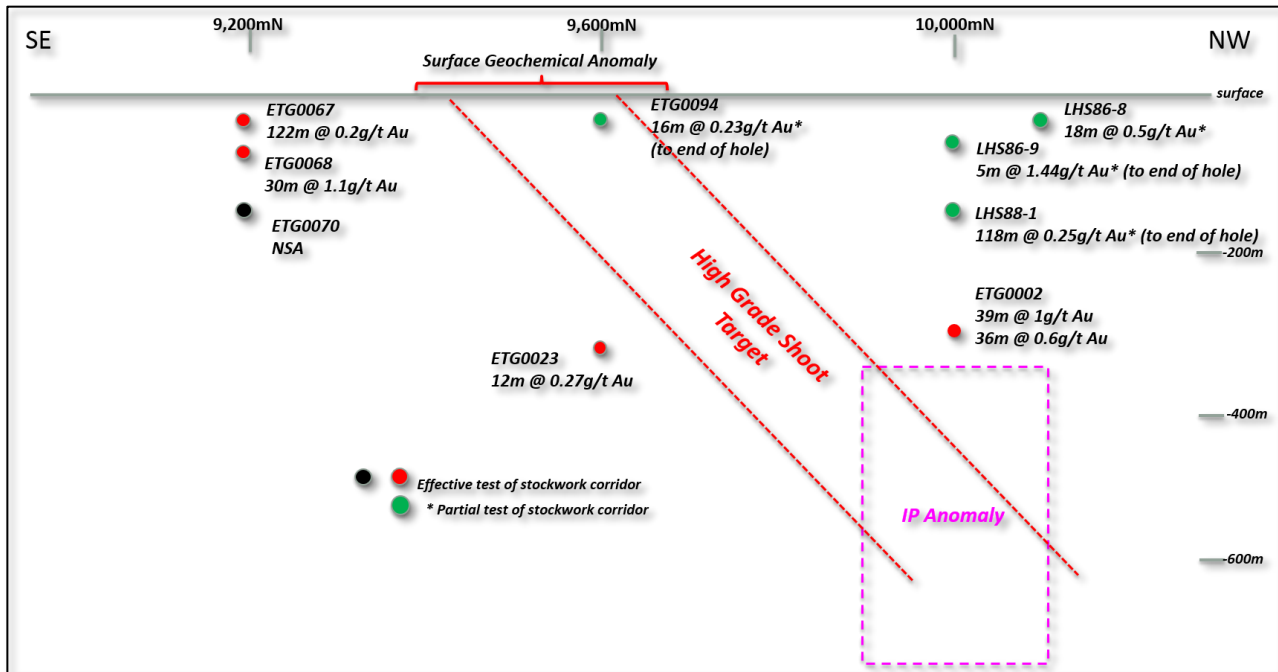


Figure 8 – Telfer West Egg Stockwork Corridor – Long Section looking towards the south west

Upcoming Activity

Further aircore drilling will be completed at this newly identified southern supergene gold anomaly to provide a primary target for deeper drilling. This drilling will be designed to test to the north, south and west of section 7700N and is planned to be completed in the June quarter 2018.

It is also proposed that RC hole ETG0094 will be utilised as a diamond pre-collar and extended to transect the entire width of the Egg stockwork corridor, with the objective of testing for a higher grade shoot (thought to be represented by the IP anomaly on the ETG002 section).

This diamond tail and other tests of potential high grade shoots within the stockwork corridor will be the focus of a WA Government 2018 co-funded EIS diamond drilling program.

YENEENA COPPER-COBALT PROJECTS

BM1–BM7 (100% Encounter)

BM1-BM7 is a 14km long copper system, discovered and wholly owned by Encounter, that contains high grade copper-cobalt sulphide mineralisation and a coherent zone of near surface copper oxide mineralisation.

Considering the improving market outlook for both copper and cobalt, Encounter is assessing the potential within the large mineral system at BM7 for near-term, high grade copper-cobalt development or partnership opportunities.

Lookout Rocks/Fishhook Copper Project (100% Encounter)

The Lookout Rocks/Fishhook Copper Project is located in the north-west of Yeneena.

The Central African Copperbelt is the world’s largest source of cobalt and one of the world’s largest sources of copper. These Proterozoic aged, sediment hosted deposits are of a similar age and geological setting to the Yeneena basin.

The first drill hole at Lookout Rocks (diamond hole EPT2282) was completed in June 2016. EPT2282 successfully intersected narrow zones of disseminated copper sulphide mineralization, up to 1% Cu, at the targeted “first reductant” position. This copper-cobalt mineralisation is hosted by black, reduced carbonaceous sediments, located directly above an oxidised “red bed” stratigraphic unit, a stratigraphic position similar to that of many major copper deposits of the Zambian Copperbelt.

EPT2282 confirmed the targeted mineralisation model at Lookout Rocks, focused at a stratigraphic contact “first reductant” interface (see photos 2 and 3). Surface mapping indicates that this stratigraphic contact, which is the focus of the copper-cobalt mineralisation, is relatively flat and extends laterally over a large part of Lookout Rocks. Lookout Rocks/Fishhook contain an interpreted 50km of strike of the stratigraphic contact that hosts the “first reductant” copper sulphide mineralisation intersected at Lookout Rocks (refer ASX release 28 July 2016).

Upcoming Activity

An in-situ gossan (grading up to 0.19% cobalt and 0.22% copper) identified approximately 800m south-west of EPT2282 has provided an immediate target for the next phase of drilling at Lookout Rocks. This gossan is approximately 80m long and runs discordant to geology. This gossan will be drill tested in the June quarter 2018. The process of identifying a suitable partner to advance the exploration at Lookout Rocks also continues.



Photo 2: Disseminated chalcopyrite in carbonaceous shale
 EPT 2282 ~259.5m downhole (1.0%Cu)
 Core width ~60mm



Photo 3: Example of “Red Bed” oxidized sediments
 EPT2282 ~320m downhole
 Core width ~60m

TANAMI AND WEST ARUNTA PROJECTS

Encounter has assembled five projects covering a total of 4,400km² of the Tanami Gold Province and West Arunta in Western Australia. The projects represent a major new exploration portfolio assembled in one of the world's most prospective gold regions.

Tanami Corridor Projects

The three projects (Selby, Watts and Lewis) cover in total, 100km of strike along the major structural corridor (Trans Tanami Structure) that extends through the Tanami region from the Northern Territory into Western Australia (see Figure 9).

The three project areas have been subject to sporadic and fragmented exploration in the past. Encounter has consolidated ground holdings that total ~2,600km². The limited surficial historical exploration has produced highly encouraging results identifying a series of large scale gold/arsenic regolith anomalies. Although only limited deeper drilling has been completed across these regional scale geochemical anomalies, a number of high grade, near surface drill intersections confirm the potential of the area to produce high grade gold. Encounter has acquired a 100km long section of a well mineralised, emerging gold province that is significantly underexplored, particularly on the WA side of the border.

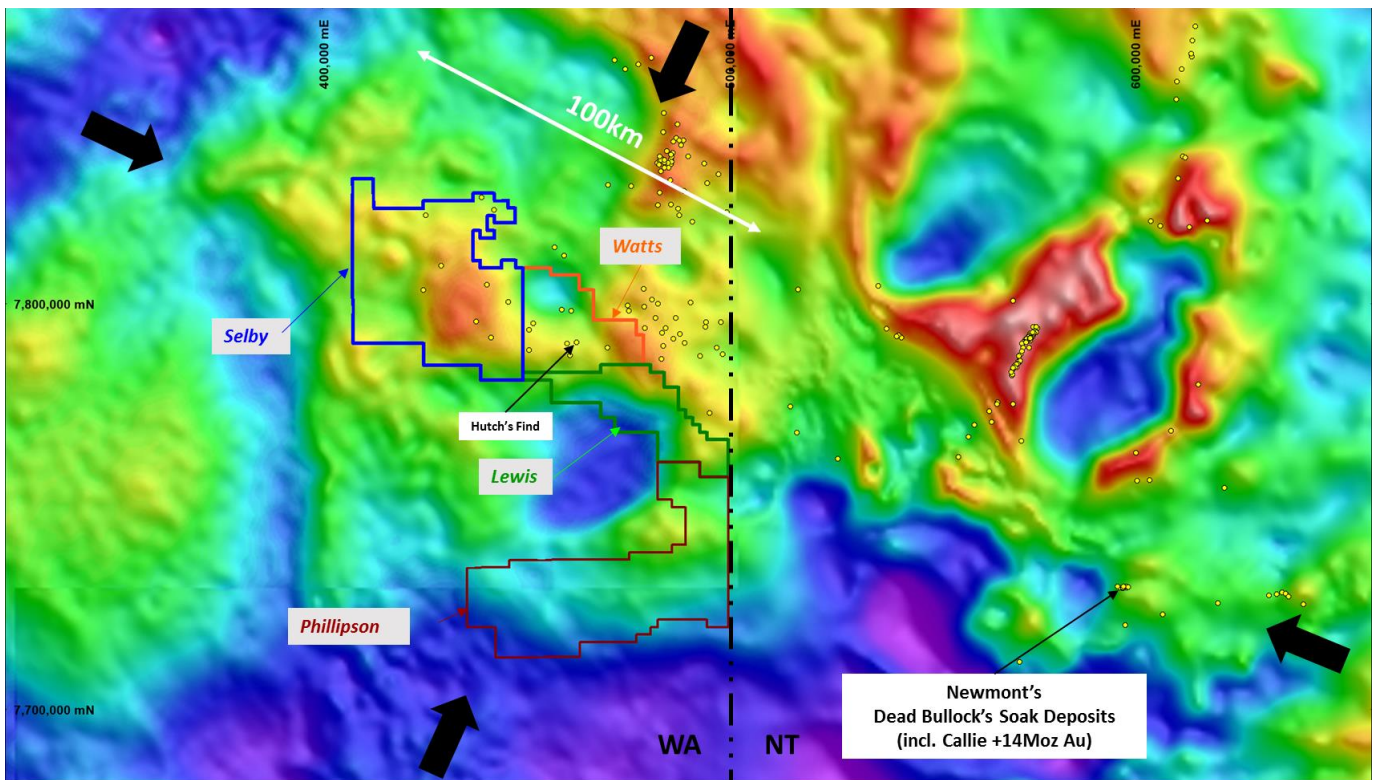


Figure 9 – Tanami project areas with gold occurrences over regional gravity data

1. Selby Project

The Selby project covers the most western end of the West Tanami project area. Selby includes a number of regional scale geochemical anomalies defined in shallow drilling, discrete geophysical targets and historical high grade gold intersections in limited deeper drilling. While target generation and prioritisation is ongoing, prospects at Selby include:

- Bandicoot – discrete 2km magnetic anomaly with coincident gold/arsenic geochemical anomaly
- Camel – 7.2m @ 3.1g/t Au from 95m in last drill program (2010)
(source *Tanami Gold NL Quarterly Report September 2010*)

2. Watts Project

The Watts project covers the central corridor of targets where a regional scale north-north-east structure defined in the January 2018 Geological Survey of Western Australia (“GSWA”) gravity survey intersects the Trans Tamami Structure. Watts includes the Hutch’s Find and Sunset Ridge prospects as well as a number of untested anomalies in historical geochemical drilling:

- Hutch’s Find – significant zone of gold/arsenic anomalism over 5km of strike (Figures 10a and 10b). Max-in-hole geochemical plans cover an area of ~120km² and include 3,615 holes of which 95% are RAB, aircore or vacuum geochemical holes with an average depth of 11m. The limited RC and diamond drilling that has occurred is well mineralised and contains high grade gold intersections that remain open down plunge and along strike including:
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
 (source *Tanami Gold NL Quarterly Report September 2010*)
- Sunset Ridge – 8km long arsenic anomaly defined in shallow drilling

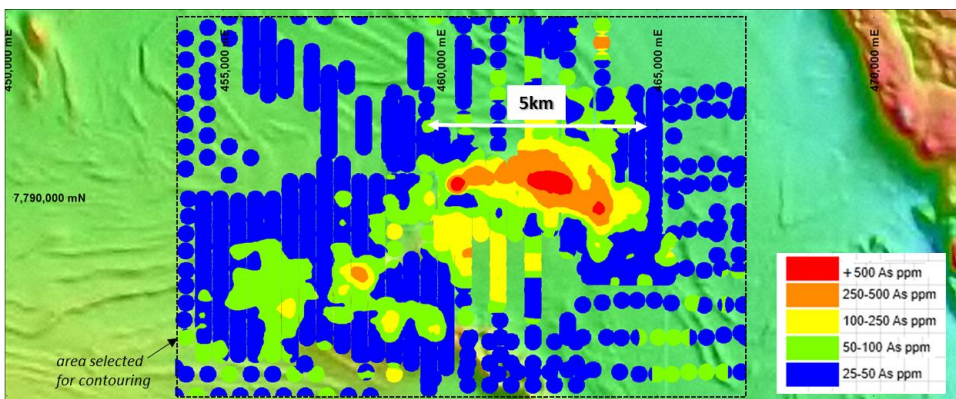


Figure 10a – Hutch’s Find prospect. Maximum arsenic (As) in hole over tmi magnetics

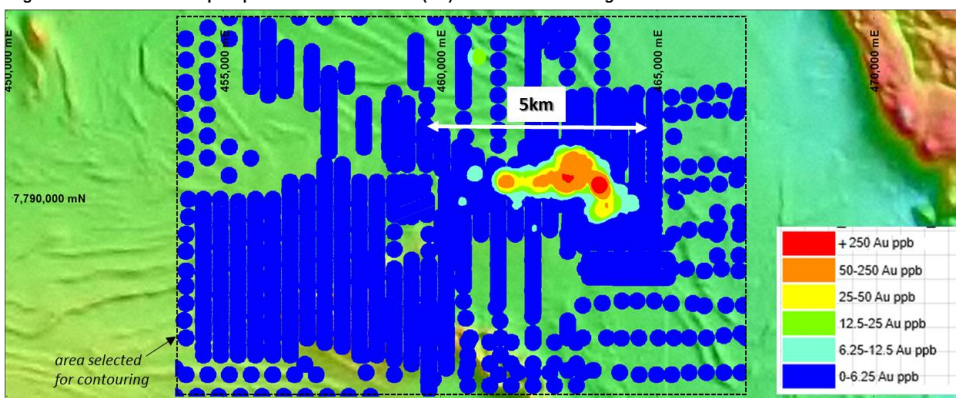


Figure 10b – Hutch’s Find prospect. Maximum gold (Au) in hole over tmi magnetics

3. Lewis Project

The Lewis project covers over 20km of strike over untested Trans Tanami Structure. This Structure has been enhanced and defined in the GSWA gravity survey released in January 2018. Vast areas along this highly prospective structure have never seen a soil sample or a drill hole. This is a first mover opportunity into a newly defined area on a prolific regional structure.

Phillipson Project (Southern Tanami)

The Phillipson Project consists of three large tenement applications spanning ~1,570km². The western end of this area was the subject of a regional scale pre-competitive geochemical soil survey completed by the GSWA* that outlined a peak gold soil anomaly up to 63ppb Au in a 5km x 5km helicopter-supported auger sampling survey. This is a significant and standout gold anomaly in the regional geochemical survey and occurs in an area with absolutely no previous exploration.

** Regolith and spinifex chemistry from the Ngurrupa area, northeastern Western Australia by PA Morris*

The Phillipson anomaly is also supported by the next sample taken 5km north that returned up to 7ppb Au and remains open to the south. The anomaly is more than 5km long with supporting multi-element anomalism in the area in arsenic, bismuth and cobalt (As up to 90ppm, Bi up to 2.9ppm and Co up to 13ppm) indicating a possible magmatic origin to the mineralising fluid.

GSWA geochemical sampling has been integral in a number of important recent mineral discoveries in WA. The GSWA geochemical mapping of the Fraser Range collected the highly anomalous Ni-Cu-Co sample proximal to the Nova-Bollinger Nickel-Copper Deposit now owned by Independence Group (ASX:IGO). A gold anomaly of similar amplitude anomaly to that at Phillipson Range, obtained in a broad regional geochemical program was also integral to the Tropicana gold discovery.

A GSWA airborne gravity survey released in January 2018 indicates that the Phillipson anomaly is located on a major regional north-north-east structure and also on a structure sub-parallel to the main Trans-Tanami structural corridor to the north. This potentially provides important structural context for the anomaly (see Figure 9).

Encounter anticipates that the main Phillipson tenement could be granted as early as July 2018. Following grant, a heritage assessment will be completed and further geochemical sampling undertaken to refine the geochemical anomaly.

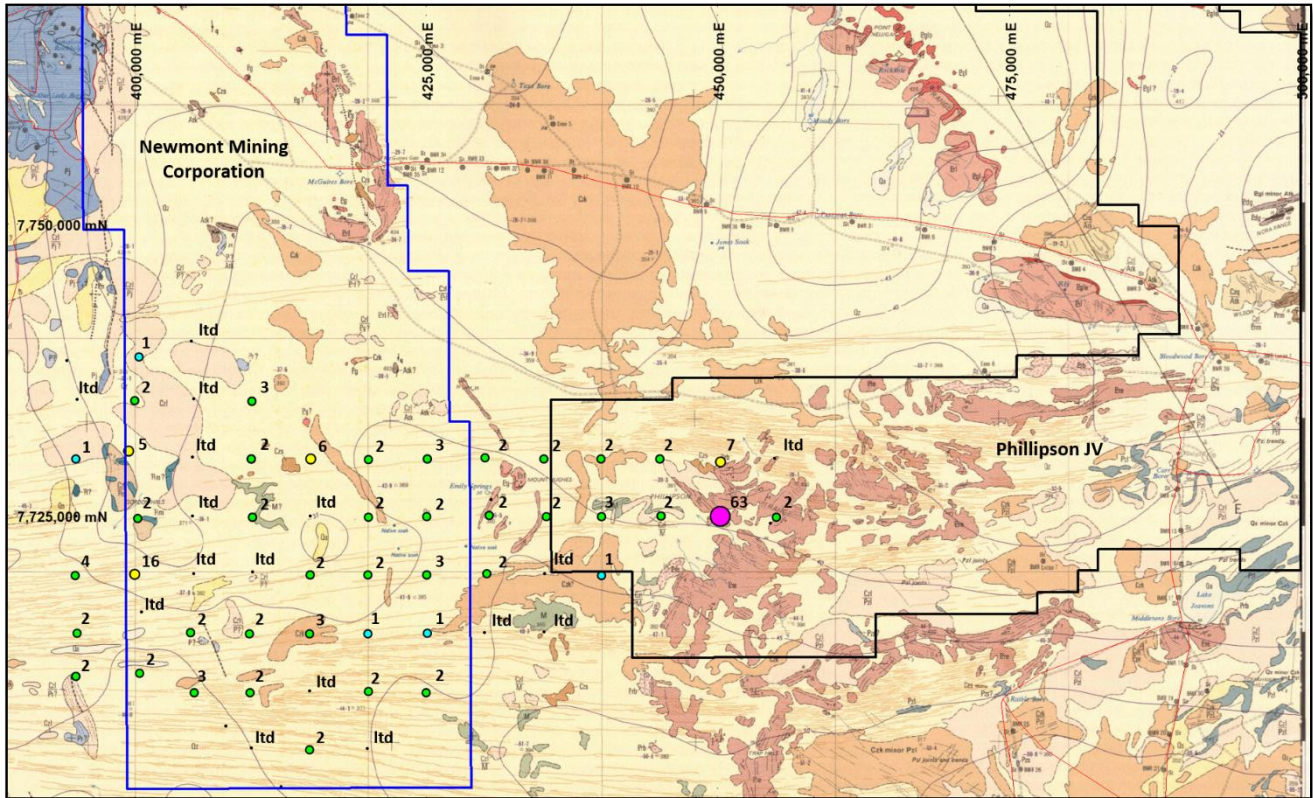


Figure 11 – Phillipson Project – GSWA 250K Geology and regional soil sampling program (Au ppb)
(ltd = less than detection)

Aileron (West Arunta)

The Aileron project is located in the Arunta district of WA, ~600km west of Alice Springs. There has been no previous mineral exploration on the tenement although gold/copper mineralisation has been identified within the region. The project contains a discrete magnetic anomaly consistent with the scale of an Ernest Henry or Carrapateena style system.

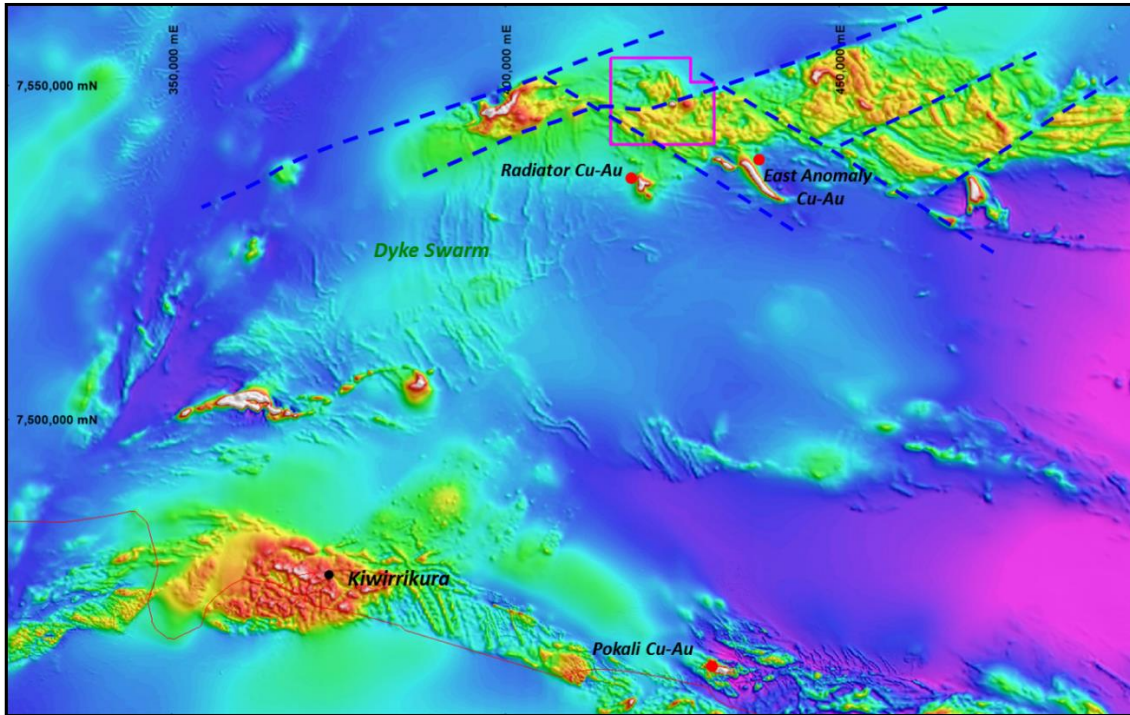


Figure 12 – Aileron Project Location Plan (tenement shown in magenta outline) on TMI background

The anomaly has been modelled as a steeply dipping magnetic body and is approximately 400m in diameter, starting from approximately 150m below surface and plunging to 1km. The interpreted structural architecture adjacent to the magnetic anomaly is conducive to major fluid flow.

Following the grant of the tenement, a heritage survey will be completed to prepare for potential diamond drilling to test the anomaly.

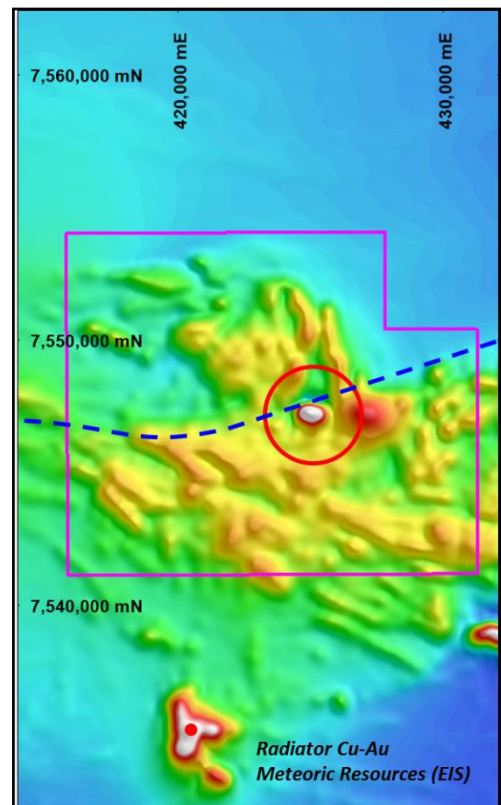


Figure 13 – Aileron magnetic anomaly (TMI)

Next Steps

Compilation and interpretation of historical exploration is well advanced and ongoing along with target prioritisation. Tenement applications are expected to be granted over the next few months with field exploration activities to commence shortly thereafter.

The Tanami Gold Province and West Arunta projects are being considered for potential joint venture by Newcrest Mining Ltd (ASX:NCM).

CORPORATE

Encounter held cash reserves of approximately \$0.6 million at 31 March 2018 and holds listed investments (HHM shares) currently valued at approximately \$1.3 million.

Encounter was successful in its application for the Federal Government Junior Mineral Exploration Incentive (JMEI) up to of \$750,000 of 2017/18 company tax losses that may be distributed to incoming shareholders in a future capital raising

In addition, East Thomson's Dome and Telfer West were recognized by WA Government through co-funded drilling grants of up to \$150,000 at each project under the 2018 Exploration Incentive Scheme.

NEXT QUARTER HIGHLIGHTS

Activities planned for the June 2018 quarter include:

Paterson Gold Projects (100% Encounter)

- The soil sampling, mapping and rock chip sampling of areas of interest identified in the drone aerial ultra detailed photography survey
- RC/aircore drilling to recommence at East Thomson's Dome and Telfer West Gold Projects
- Priority areas to be drill tested at East Thomson's Dome will be the untested structural corridor along the 46 Reef area, northern extensions of the Fold Closure prospect and the NE soil anomaly
- Aircore drilling at the newly identified southern supergene gold anomaly at Telfer West to provide a primary target for deeper drilling to be completed in May/June 2018.

Lookout Rocks Copper-Cobalt Project (100% Encounter)

- Complete heritage survey in May 2018
- Drill test of Lookout Rocks Cu-Co gossan in May-June 2018

Selby, Watts, Lewis, Phillipson and Aileron Projects (100% Encounter)

- Compilation and interpretation of historical exploration along with target prioritisation.
- Tenement applications are expected to be granted over the next few months with field exploration activities to commence shortly thereafter.

Newcrest/Encounter - Project Generation Alliance

- Target generation activities to continue.

TENEMENT INFORMATION (granted tenure)

Lease	Location	Project Name	Area km ²	Interest at start of quarter (01/01/2018)	Interest at end of quarter (31/03/2018)
E28/2709	147km ENE of Kalgoorlie	Rebecca	97.7	0%	100%
E45/2500	266km NE of Newman	Millennium – Hampton Earning-in*	163.4	75-100%	75-100%
E45/2501	277km NE of Newman	Millennium – Hampton Earning-in	41.4	75%	75%
E45/2502	261km NE of Newman	Paterson	200.5	100%	100%
E45/2561	276km NE of Newman	Millennium – Hampton Earning-in	86.0	75%	75%
E45/2657	246km NE of Newman	Paterson	222.8	100%	100%
E45/2658	245km NE of Newman	Paterson	171.1	100%	100%
E45/2805	242km NE of Newman	Paterson	171.6	100%	100%
E45/2806	251km NE of Newman	Paterson	63.7	100%	100%
E45/4230	246km NE of Newman	Lookout Rocks	92.4	100%	0%
E45/3768	241km NE of Newman	Lookout Rocks / Fishhook	187.8	100%	100%
E45/4091	253km NE of Newman	Lookout Rocks	257.7	100%	0%
E45/4408	262km NE of Newman	Throssell Range	41.7	100%	0%
E45/4899	315km NE of Newman	Leghorn	75.4	0%	100%
E45/4613	300km NE of Newman	Telfer West	121.0	100%	100%
E45/3446	315km NE of Newman	East Thomson's Dome	6.0	100%	100%
P45/2750	315km NE of Newman	East Thomson's Dome	198ha	100%	100%
P45/2751	315km NE of Newman	East Thomson's Dome	171ha	100%	100%
P45/2752	315km NE of Newman	East Thomson's Dome	199ha	100%	100%
P45/3032	315km NE of Newman	East Thomson's Dome	114ha	0%	100%
E45/4757	325km NE of Newman	Sussex	1.9	100%	100%
E45/4758	325km NE of Newman	Sussex	19.2	100%	100%

* Hampton earning into the four eastern block of E45/2500



Will Robinson
Managing Director

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. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Encounter Resources Limited	
ABN	Quarter ended ("current quarter")
47 109 815 796	31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(692)	(3,648)
(b) development	-	-
(c) production	-	-
(d) staff costs	(32)	(197)
(e) administration and corporate costs	(90)	(373)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	128
1.8 Other – EIS Co-funded drilling grant	58	339
1.9 Net cash from / (used in) operating activities	(753)	(3,732)

+ See chapter 19 for defined terms.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(2)	(5)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	6
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Farm-in and project generation alliance contributions received	-	491
2.6	Net cash from / (used in) investing activities	(2)	492
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	179
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(5)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

+ See chapter 19 for defined terms.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	174

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,320	3,631
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(753)	(3,732)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	492
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	174
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	565	565

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	491	1,246
5.2	Call deposits	74	74
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	565	1,320

+ See chapter 19 for defined terms.

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	138
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Remuneration of Directors.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/a

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/a

+ See chapter 19 for defined terms.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	120
9.2 Development	-
9.3 Production	-
9.4 Staff costs	30
9.5 Administration and corporate costs	90
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	240

The Company is cognisant that additional funding will be required to finance exploration programs and is considering various capital raising and project partnership opportunities.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E45/4091	Surrendered	100%	0%
	E45/4230	Surrendered	100%	0%
	E45/4408	Surrendered	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E28/2709	Granted	0%	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
Company secretary

Date: 30 April 2018

Print name: Kevin Hart

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

+ See chapter 19 for defined terms.