

22 May 2017

ASX : ENR

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

Strongly Supported Share Placement Raises \$2.9m

Encounter Resources Limited (“Encounter” or “the Company”) is pleased to announce that firm placement commitments have been received from professional and sophisticated investors to raise approximately A\$2.9 million before costs.

The share placement was strongly supported by the Company’s existing institutional shareholders. In addition, the Company is delighted to welcome Acorn Capital, a leading global resources fund, as a significant new shareholder, providing further endorsement of the Company’s project portfolio and exploration approach.

The placement of approximately 29 million ordinary fully paid shares at A\$0.10 will be completed pursuant to the Company’s 15% placement capacity under ASX Listing Rule 7.1 and additional 10% placement capacity under Listing Rule 7.1A.

The Company will seek approval at a general meeting of shareholders to allow director and related parties to participate in the placement in the amount of approximately A\$280,000. The date of the proposed shareholder meeting will be advised in due course.

Proceeds from the placement will be primarily used to advance exploration at Encounter’s Telfer West and East Thomson’s Dome gold projects and for general working capital purposes.

A diamond drill rig is due to arrive at Telfer West this week and an RC rig is scheduled to commence drilling at Telfer West and East Thomson’s Dome in mid-June 2017.

Share Purchase Plan (“SPP”)

The opportunity will be provided to existing Encounter shareholders to subscribe for additional shares in Encounter A\$0.10 per share. The amount to be raised under the SPP will be capped at A\$500,000. The record date for the SPP is 5pm (WST) on 19 May 2017. Details of the SPP will be provided in a subsequent announcement.