Collaborating with high quality partners to make new discoveries

Paterson Province – Copper/Gold – 100% Encounter

- **Program of four diamond drill holes (1,807m) completed at the 100% owned Lamil Copper-Gold Project ("Lamil") located in the Paterson Province of Western Australia**
- **First drilling targeting modelled IP anomalies intersected thick zones of strongly altered and brecciated sediments containing sulphides at the targeted depth**
- **Drill hole ETG0201 which targeted an open, broad zone of copper-gold mineralisation at the Gap prospect intersected a 15m wide zone of limonite-goethite altered quartz veining from 40m depth**
- **Assays from priority zones expected in early May 2020**

Tanami and West Arunta – Gold – Joint Ventures with Newcrest Mining Limited (ASX:NCM)

- **Exploration plans for 2020 for the Tanami and West Arunta joint ventures, funded by Newcrest, have been developed and include aircore drilling at the Lewis JV, RC drilling at the Selby JV and diamond drilling at the Aileron JV**
- **On-ground exploration activity is scheduled to recommence in the second half of 2020, however the timing remains subject to meeting COVID-19 related access requirements to enter the regions whilst ensuring the safety of employees and local communities**

Paterson Province – Copper/Cobalt – Earn in and JV agreement with IGO Limited (ASX:IGO)

- **In March 2020, IGO entered into an earn-in and joint venture agreement covering the Yeneena Copper-Cobalt Project ("Yeneena")**
- **Yeneena comprises a major land position covering more than 1,400km^2 in the highly prospective Paterson Province targeting copper-cobalt mineralisation**
- **IGO to sole fund up to $15 million in exploration expenditure over a maximum 7 years to earn a 70% interest in Yeneena**
- **The advanced geophysical and geochemical exploration methods applied at Yeneena during 2019 have defined a suite of new, large scale targets**
- **Planning for the 2020 field program is well advanced, with fine-fraction soil sampling, a magneto-telluric survey, a moving loop electromagnetic survey, and several drilling programs planned**
- **On-ground exploration activity is scheduled to recommence in July 2020, however this timing is subject to the Government-mandated access restrictions across the East Pilbara region related to COVID-19 and the ability to access the region safely**

ASX Code
ENR

Market Cap (23/04/20)
~A$35m ($0.125/share)

Issued Capital (31/03/20)
281 million ordinary shares
14 million options

Cash (31/03/20)
~$2.1M

Cash & Listed Investments (31/03/20)
~$2.9M

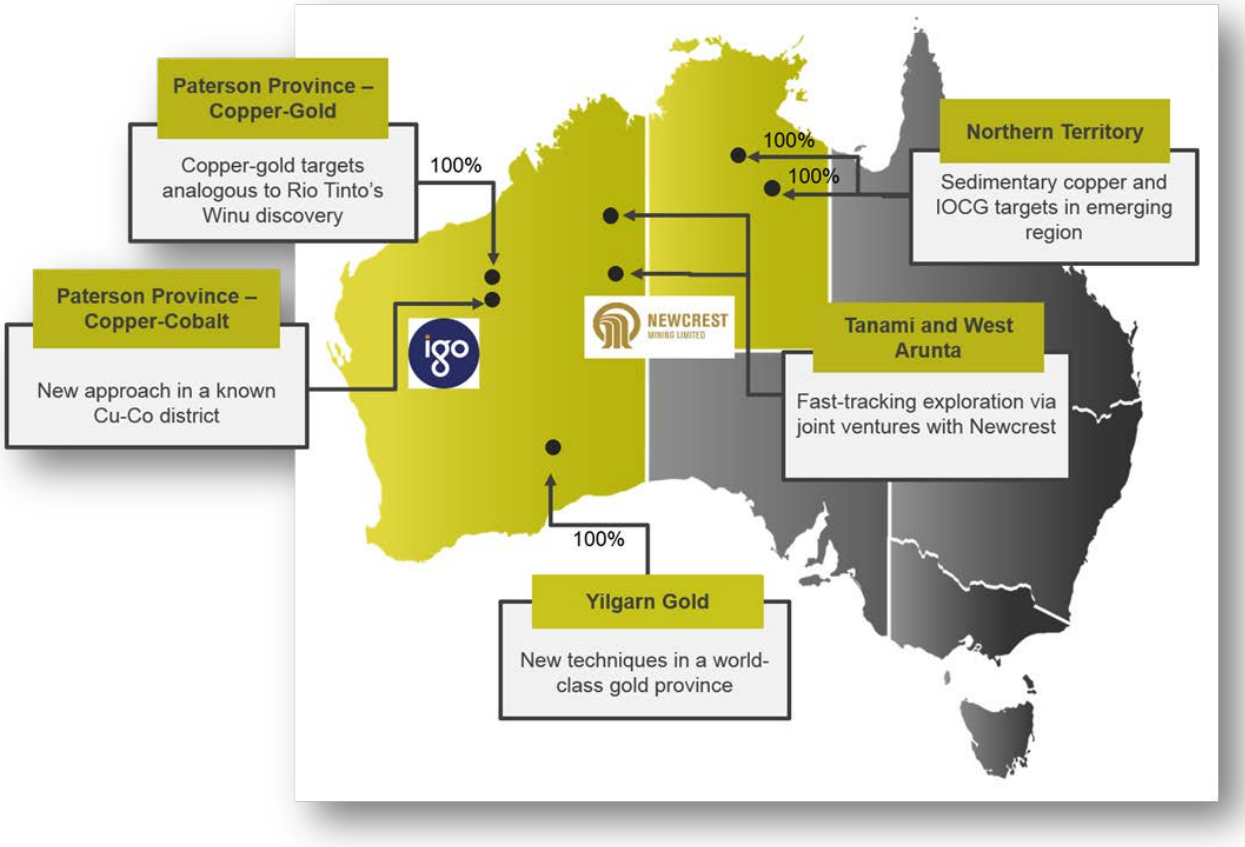

Figure 1: Encounter Projects – Location Plan

PATERSON PROVINCE COPPER-GOLD

100% Encounter – E45/4613

Lamil Project

Lamil covers an area of ~61km^2 and is located 25km northwest of the major gold-copper mine at Telfer, owned by Newcrest. Lamil is adjacent to a major regional gravity lineament which marks the location of a significant structure and deformation zone that would have acted as a major pathway for ore forming fluids during the formation of the Proterozoic aged deposits. This is a regionally similar structural context to the setting of Rio Tinto Ltd's Winu copper-gold deposit (Figure 4).

Shallow drilling completed in the 1980s by Newmont, which was targeting a series of magnetic anomalies, intersected thick zones of strong copper-gold anomalism. The level of metal anomalism in the historical drilling is considered significant given the recent learnings from Rio Tinto's Winu discovery and the Havieron gold-copper project operated by Newcrest and Greatland Gold.

Airborne EM and IP surveys were completed at Lamil in the second half of 2019 (refer ASX release 5 August 2019). These geophysical surveys significantly enhanced the geological and structural interpretation of the project and highlighted the compelling targets that were tested in the recent diamond drill program.

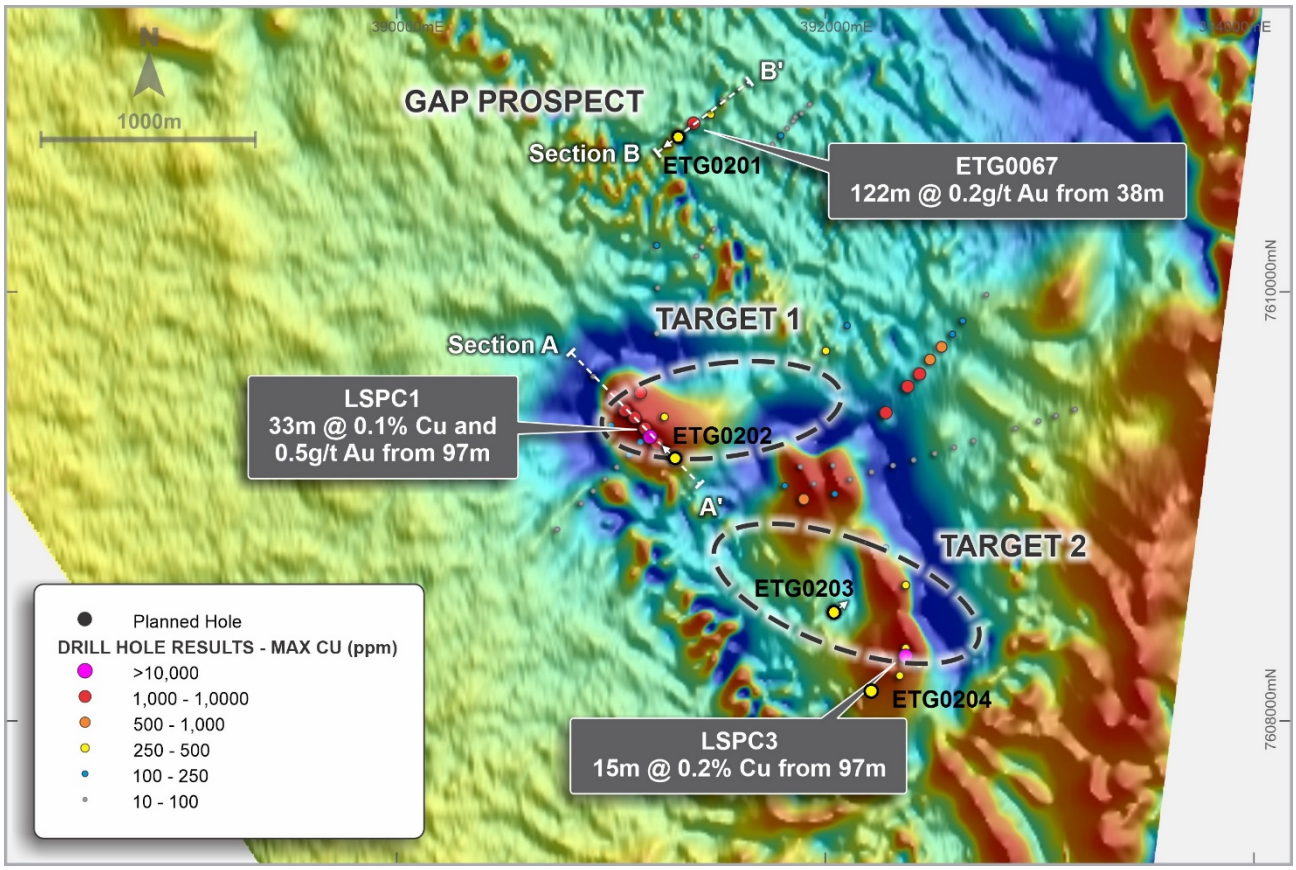

Figure 2 – Drill hole locations on aeromagnetic background (refer ASX release 27 May 2019):

Target 1 – IP chargeability anomaly below thick zones of copper-gold anomalism

A single diamond drill hole (ETG0202) was completed at Target 1 to a depth of 637m to test a semi-coincident magnetic and chargeability anomaly below zones of copper-gold anomalism intersected in shallow historical drilling. Visual observations of the drill core from ETG0202 indicate that the drilling intersected a broad interval of weakly fractured interbedded siltstones and wackes with associated fine disseminated sulphides at around the depth of the modelled IP target.

Target 2 – IP chargeability anomaly coincident with magnetic low

Chargeability anomalies have been identified across the three southern IP lines adjacent to a corridor of magnetic anomalism (Figure 2). These anomalies outline an 800m WNW trending corridor that is discordant to stratigraphy.

Two diamond drill holes (ETG0203 and ETG0204) were completed at Target 2 for a total of 868m. Both holes targeted modelled IP anomalies and intersected 60-80m wide zones of brecciated, fractured and veined intercalated metasediments with associated intense alteration (see Photos 1 & 2). Through these zones, sulphide content from trace levels up to 10% sulphide where noted in association with the stronger brecciation and alteration (sulphides dominantly pyrite and pyrrhotite and lesser arsenopyrite and chalcopyrite).

Photos 1&2 ETG0203. Photo 1 (~185-190m) Brecciated and altered sediments containing disseminated and blebby sulphides. Photo 2 (~187m) Coarse euhedral pyrite and fine pyrite alteration within silicified and brecciated sediment

Target 3 – Gap prospect – Open broad zone of gold-copper mineralisation

The Gap prospect is a structural target with a strong copper-gold-bismuth geochemical vector to the south-east identified in drilling completed in 2017 (Figure 3). This target was tested by a 100m step out diamond hole (ETG0201) drilled to a depth of 302m. ETG0201 intersected a 15m wide zone of limonite-goethite altered quartz veining from ~40m within a fractured and silicified sandstone. Other veined and altered zones where identified at 95m and 150m downhole.

Upcoming Activity

Drill core and samples from the four diamond drill holes has been transported to Perth. Priority zones have been sampled with first assays expected in May 2020.

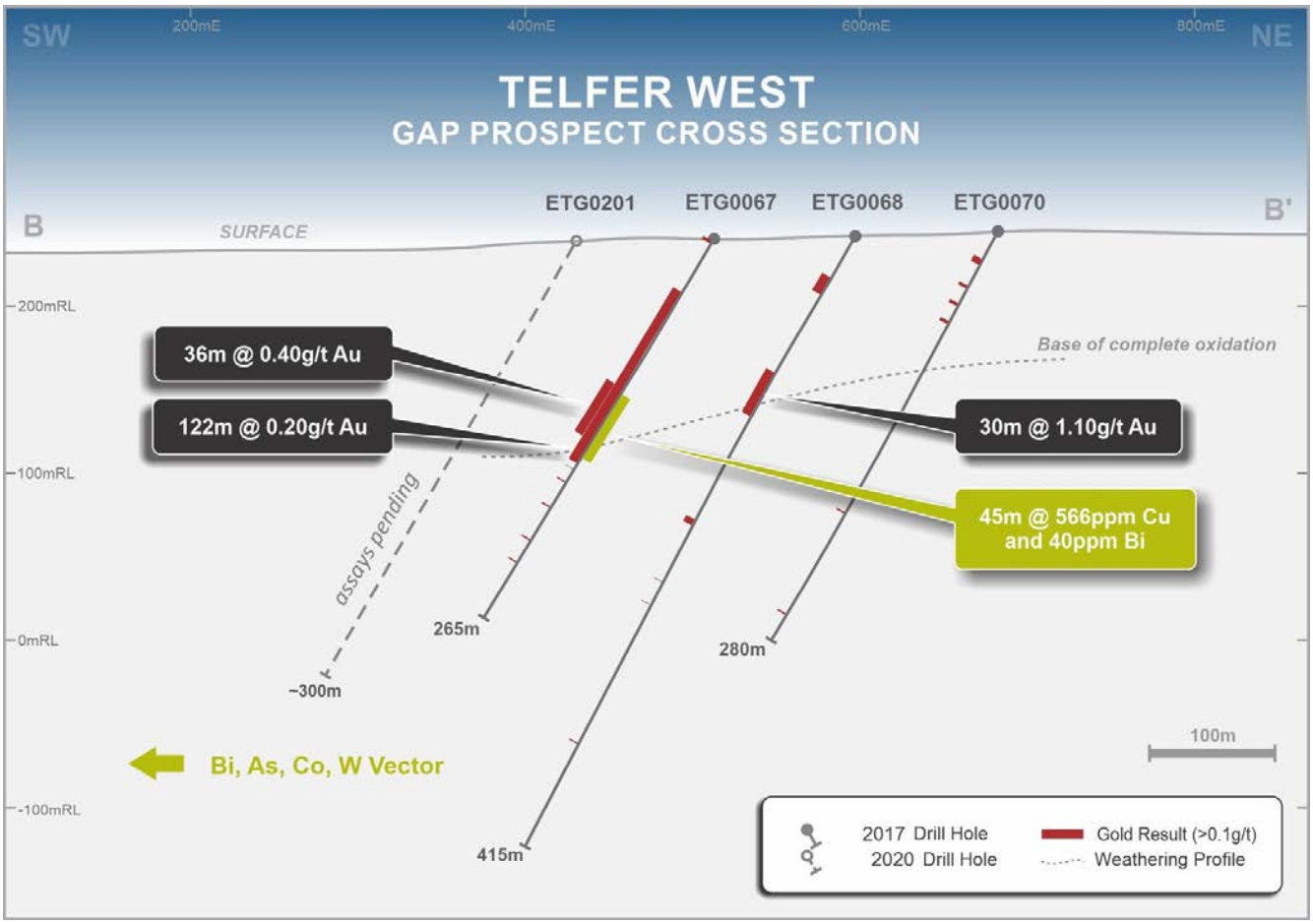

Figure 3 (Section B on Figure 2) – Gap prospect (see ASX release 31 July 2017)

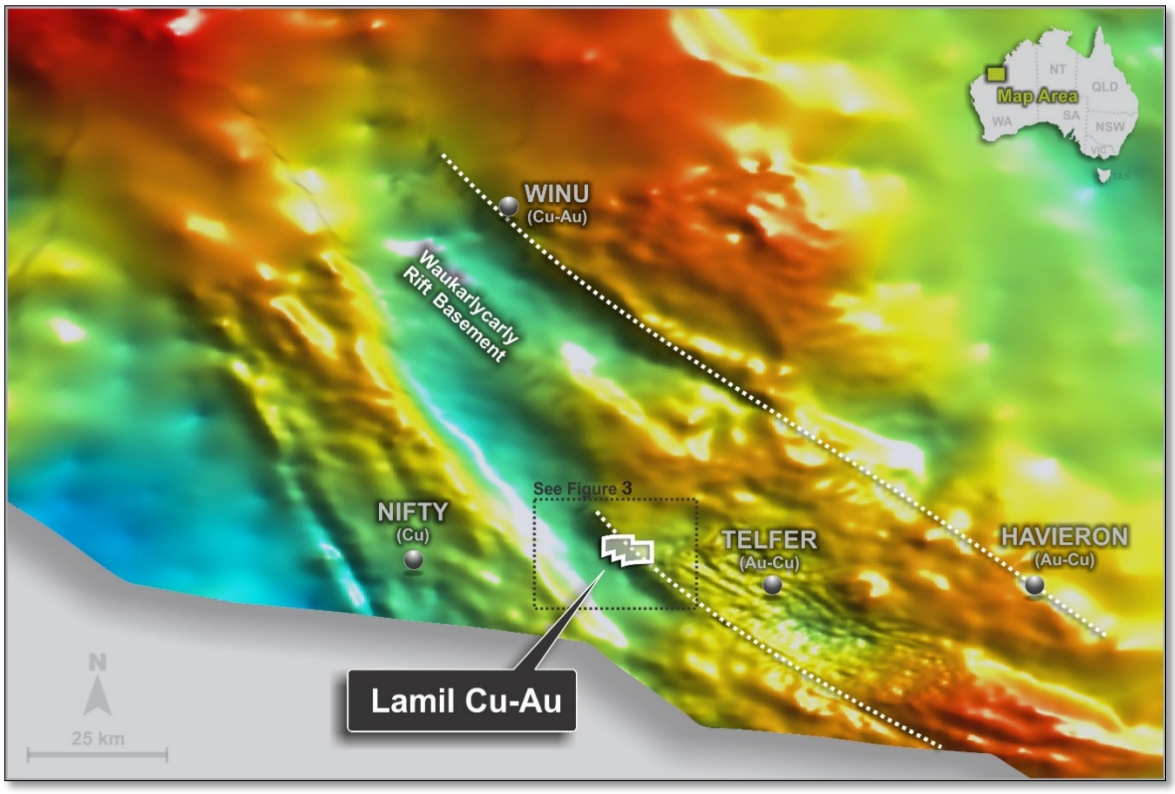

Figure 4 – Regional gravity over Seebase depth to Proterozoic basement image (red = shallow, blue = deep)

TANAMI AND WEST ARUNTA GOLD

50:50 JV Encounter/Newcrest – E80/5132, E80/5137, E80/5145, E80/5146, E80/5147, E80/5169, E80/5186, E80/5323, ELA80/5469, ELA 80/5470

Newcrest is sole funding exploration activities across a series of joint ventures in the Tanami and West Arunta Provinces. Three of these joint ventures (Watts, Selby and Lewis) cover over 100km of strike along the major structural corridor (Trans-Tanami Structure) that extends through the Tanami region in WA. In addition, the Aileron joint venture in the West Arunta district of WA contains a number of structural targets identified through aerial magnetic surveying, including a discrete magnetic anomaly consistent with the scale of an Ernest Henry or Carrapateena style system.

1. **Watts JV (Tanami)**
   The Watts joint venture covers the central corridor of targets where a regional scale north-northeast trending structure intersects the Trans-Tanami Structure including the Hutch's Find and Sunset Ridge prospects.

2. **Selby JV (Tanami)**
   The Selby joint venture 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. Current high priority prospects at Selby include the Afghan, Mojave and the Bandicoot to Camel corridor prospects.

3. **Lewis JV (Tanami)**
   The Lewis joint venture covers over 20km of strike of untested Trans-Tanami Structure. Vast areas along this highly prospective structure have never seen a soil sample or a drill hole. Lewis represents a first mover opportunity into a newly defined area where on ground exploration will commence in 2020.

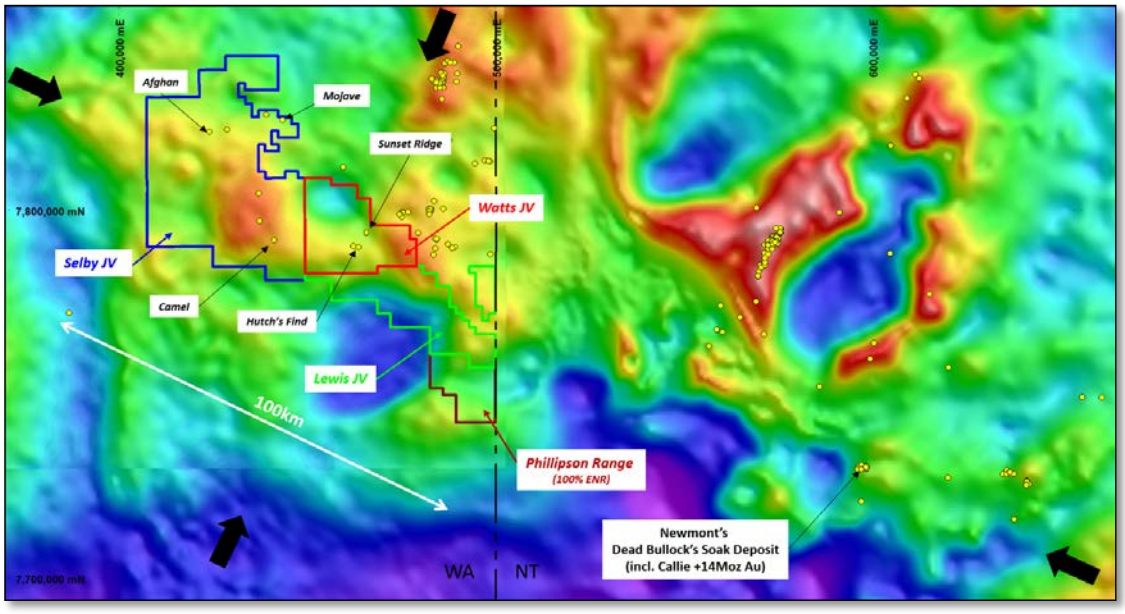

Figure 5 – Tanami Joint Venture areas with gold occurrences over regional gravity data

4. Aileron JV (West Arunta)

The Aileron joint venture is located in the West Arunta district of WA, ~600km west of Alice Springs. There has been no previous drilling within this undercover project, although gold/copper anomalism has been identified within the region. The project contains a number of structural targets identified through aerial magnetic surveying, including a discrete magnetic anomaly in the west of the project that is consistent with the scale of an Ernest Henry or Carrapateena IOCG style system (Figure 6).

A heritage survey was also completed at the Aileron joint venture in July 2019. Subsequently, access tracks were established and diamond drill sites prepared ready for drilling to commence.

Aileron JV has been recognised by the WA Government through a co-funded drilling grant of up to $150,000 under the Exploration Incentive Scheme.

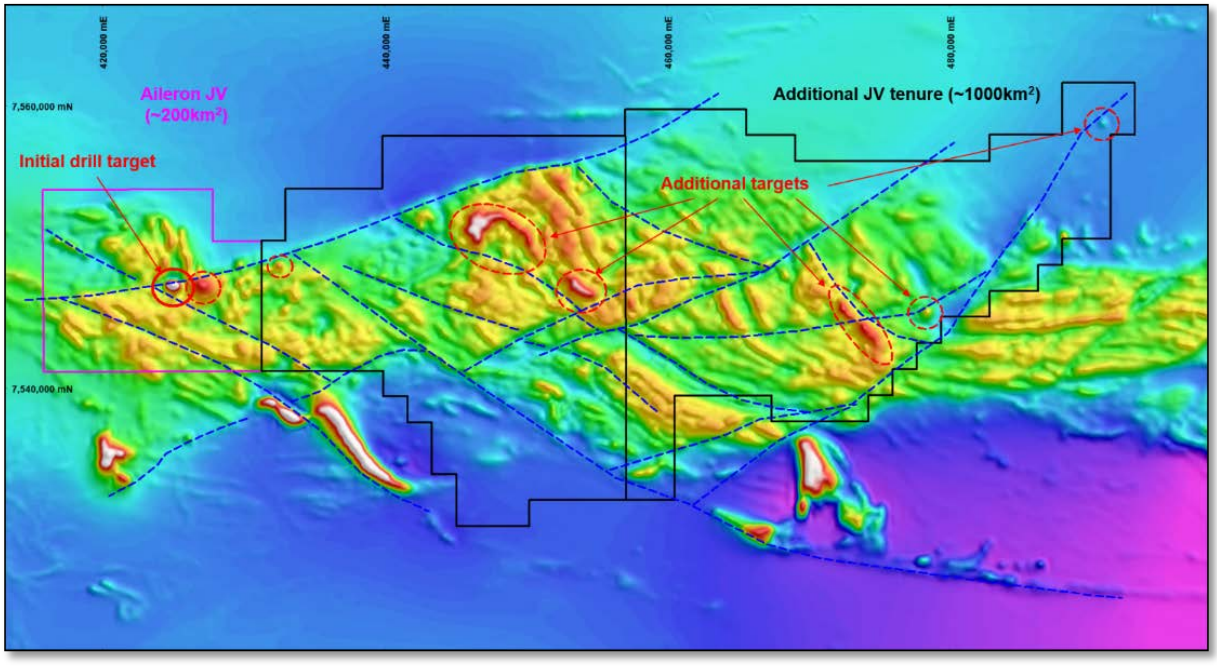

Figure 6 – Aileron joint venture interpreted structures and targets on TMI background

Upcoming Activity

Exploration plans for 2020 for the Tanami and West Arunta joint ventures, funded by Newcrest, have been developed and include aircore drilling at the Lewis JV, RC drilling at the Selby JV and diamond drilling at the Aileron JV.

On-ground exploration activity is scheduled to recommence in the second half of 2020, however the timing remains subject to meeting COVID-19 related access requirements to enter the regions whilst ensuring the safety of employees and local communities.

Phillipson Range (Tanami) (100% ENR)

The Phillipson Range project covers untested Trans-Tanami Structure south-west of the Lewis JV. The future work program at Philipson Range will focus on the eastern end of the project along the Trans-Tanami Structure with initial reconnaissance and geochemistry planned for 2020.

PATERSON PROVINCE – COPPER-COBALT

E45/2500, E45/2502, E45/2657, E45/2658, E45/2805, E45/2806, E45/3768, E45/4861, E45/5333, E45/5334 and ELA45/5686 – IGO Limited (ASX:IGO) Earn-in and JV Agreement

During the quarter, IGO elected to enter an earn-in and joint venture agreement to sole fund up to $15 million in exploration expenditure over a maximum 7 year period at the Yeneena copper-cobalt project to earn a 70% interest in the project. This decision follows the collaborative deployment of a suite of new exploration technologies at Yeneena during 2019 which successfully defined new large scale copper-cobalt targets.

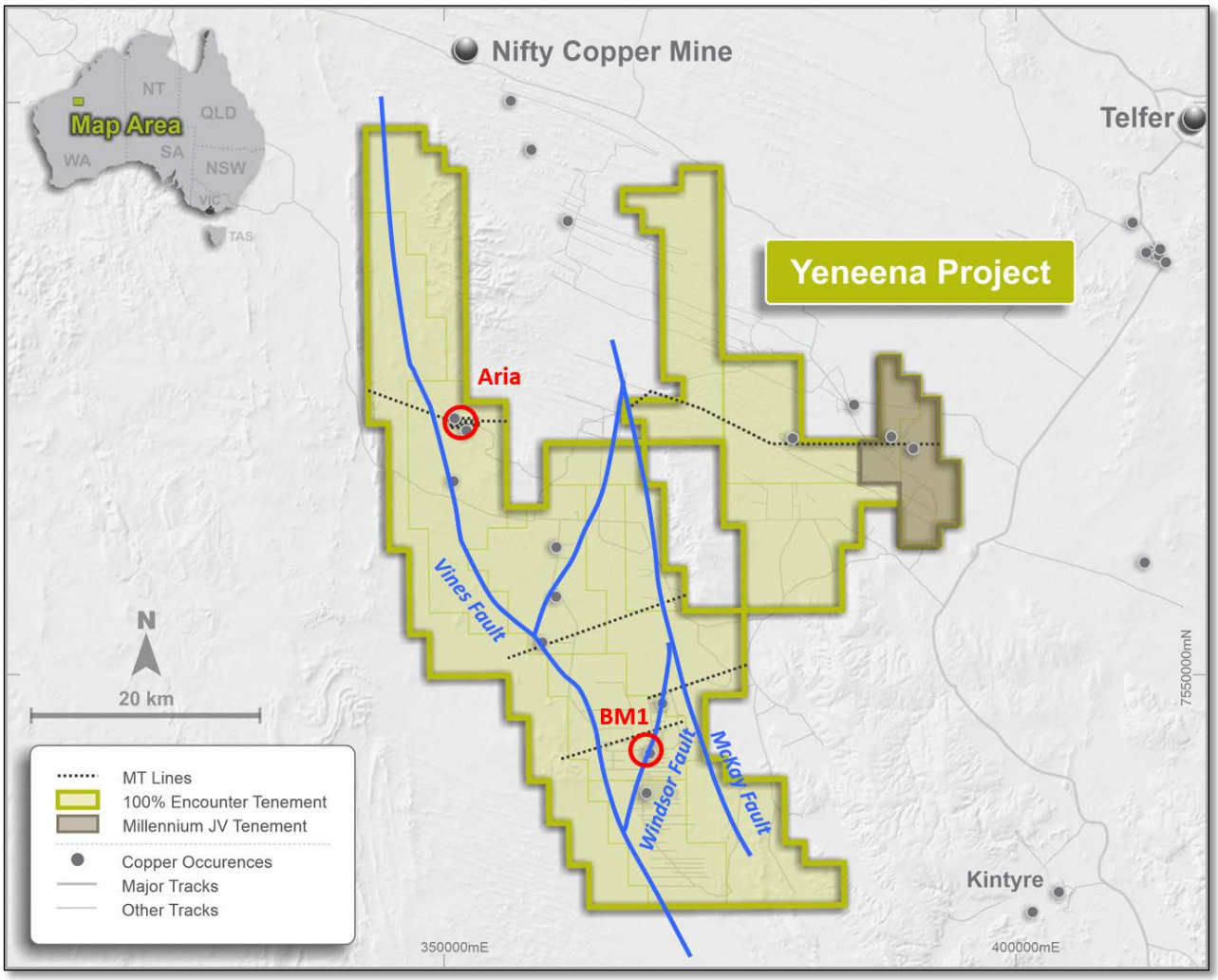

Figure 7. Yeneena - MT lines, key structures and leasing summary

Background

Yeneena comprises a major land position covering more than 1,400km^2 in the highly prospective Paterson Province targeting copper-cobalt mineralisation (Figure 7). In November 2018, IGO entered into an option agreement whereby it had the right to enter into a $15m earn-in and joint venture agreement any time before 1 March 2020 (refer ASX release 12 November 2018). This option has now been exercised by IGO following an extensive program of advanced geophysics and geochemistry completed in 2019. Key terms of the earn-in and joint venture agreement are included later in this announcement.

During 2019, a large exploration program conducted at Yeneena effectively deployed several new technologies, including a large-scale magneto-telluric (MT) survey (~100 line-km) to better define the basin architecture and to further advance 3D targets as follows (refer ASX release 28 November 2019):

- A line of MT was completed in the southwest of the project, crossing the Vines Fault in the west through to the Windsor Fault to the east, 2km north of the BM1 Prospect. BM1 is a zone of near surface copper oxide and cobalt mineralisation discovered by Encounter in 2010. The mineralisation is hosted within conductive sediments of the Broadhurst Formation and is interpreted to be the weathered product of an in-situ sulphide system adjacent to the Windsor Fault. The MT has mapped conductivity anomalies to the west and east of the Windsor Fault that are interpreted to be Broadhurst Formation. The shallower, but covered, eastern anomaly is in the equivalent position to BM1. Prior drilling in this area is limited, so the MT has highlighted the potential for a northern extension to the BM1 system.

- A deeper anomaly immediately to the west of the Windsor Fault is interpreted to represent the western fault offset of the (potentially mineralised) Broadhurst Formation. Exploration here will focus on locating primary sulphide mineralisation. Applying a high-powered ground EM method is being considered to further define the above two conceptually compelling targets ("Windsor Targets") (Figure 8).

- The MT survey also outlined a potential sub-basin of more conductive Broadhurst sediments 5km west of BM1, adjacent to the major regional Vines Fault. Soil samples were collected in this area as a precursor to a potential drill program to test the conductive target in this area ("Vines Targets") (Figure 8).

In addition to the MT/AMT surveys, several broad, orientation surface sampling programs were completed at the project in areas where traditional geochemistry was considered ineffective. The innovative interpretation of these data has provided a potential breakthrough that may be applied to vast areas of prospective geology at Yeneena.

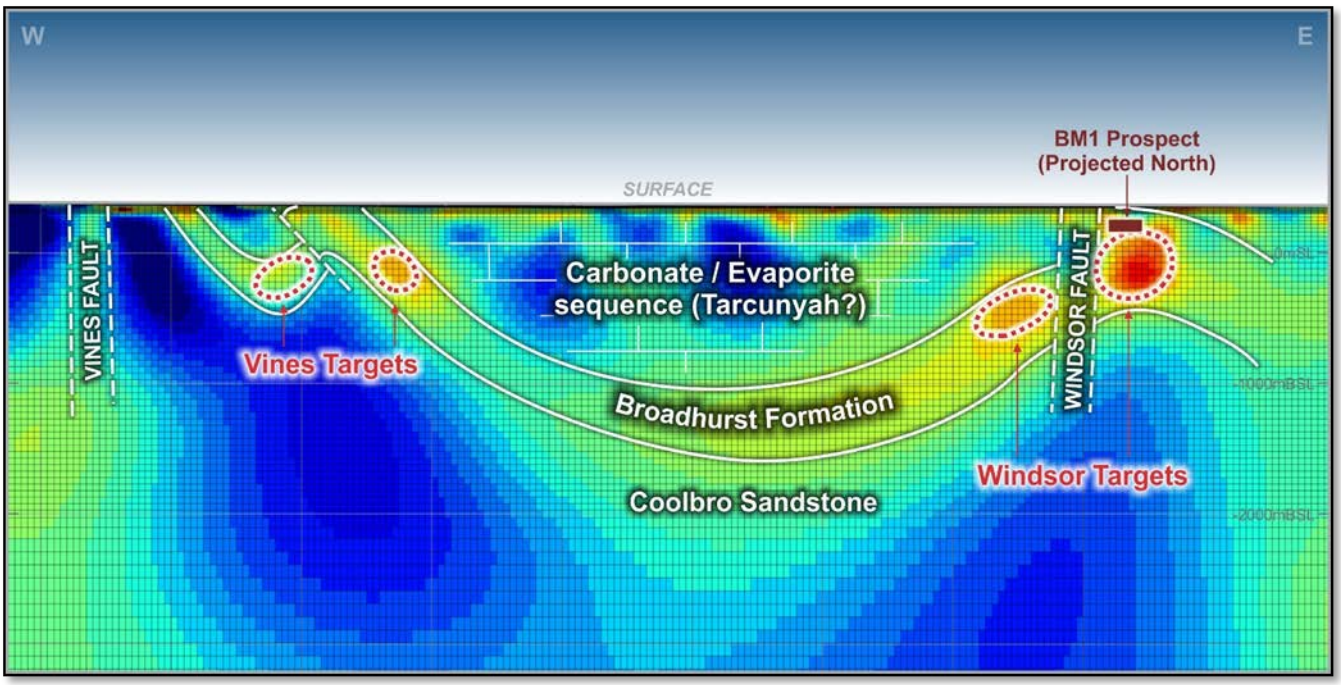

Figure 8. MT section – Vines Fault to BM1. Showing interpreted geology and the Vines and Windsor Targets

Aria Prospect

The Aria Prospect is a regionally significant, 1.5km long, oval-shaped magnetic anomaly located on a major crustal-scale fault. Localised copper mineralisation (~1% Cu) has been intersected in the two diamond holes drilled to date, but the partially coincident magnetic and gravity anomalies remain unexplained. The geology at Aria consists of a hematite-altered polymictic breccia of probable IOCG style, e.g. Carrapateena.

A detailed 3D audio-magnetotelluric (AMT) survey and inversion modelling over Aria has been completed in order to identify conductive zones that may be associated with accumulations of copper sulphide mineralisation. This modelling has highlighted a conductive feature within the interpreted breccia pipe which is untested by prior drilling. The closest previous drill hole is located 0.5km to the west of the target (see Figures 9, 10 & Photo 3).

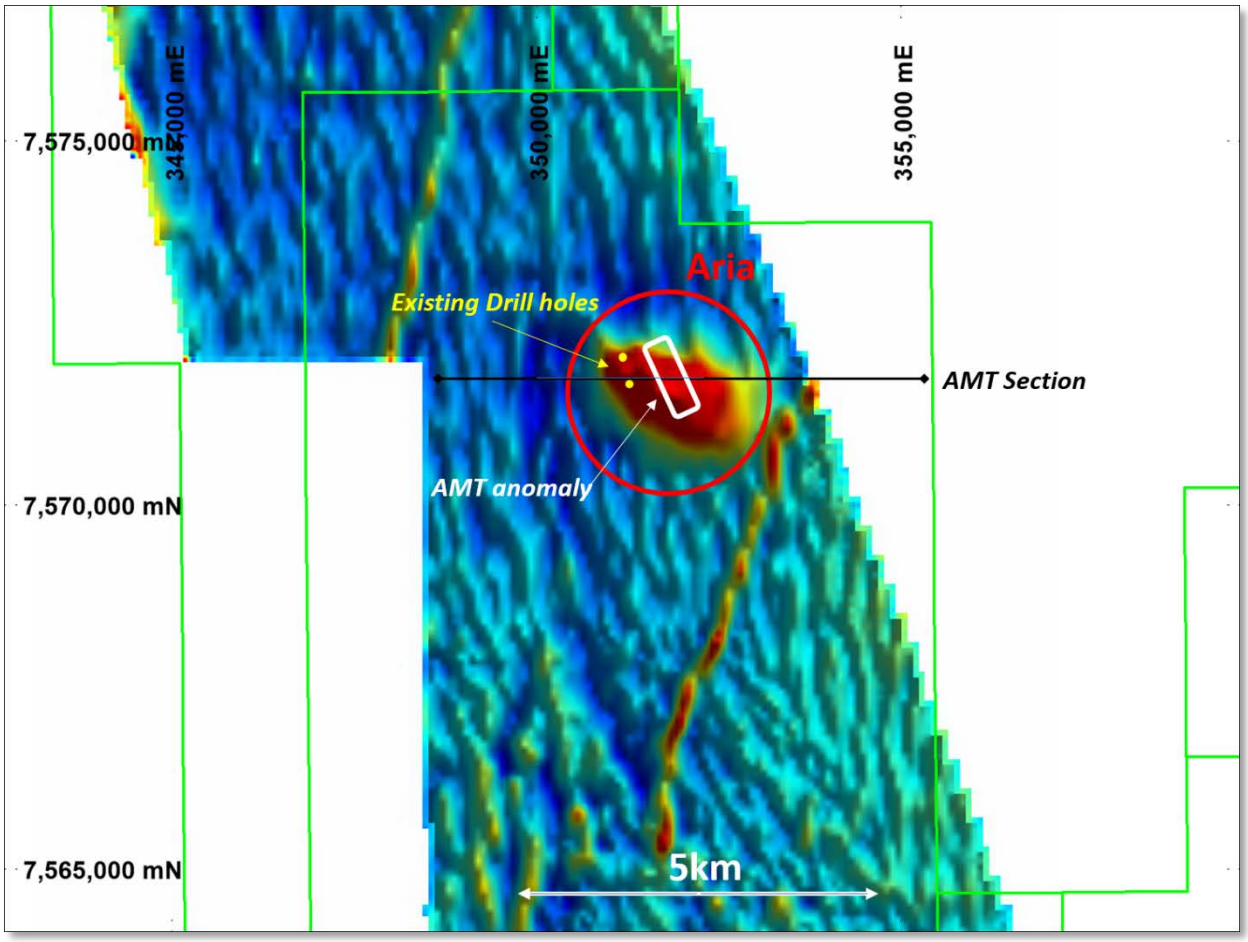

Figure 9. Detailed magnetics 1VD TMI over Aria highlighting a regionally significant, 1.5km long, oval-shaped magnetic anomaly and coincident AMT anomaly

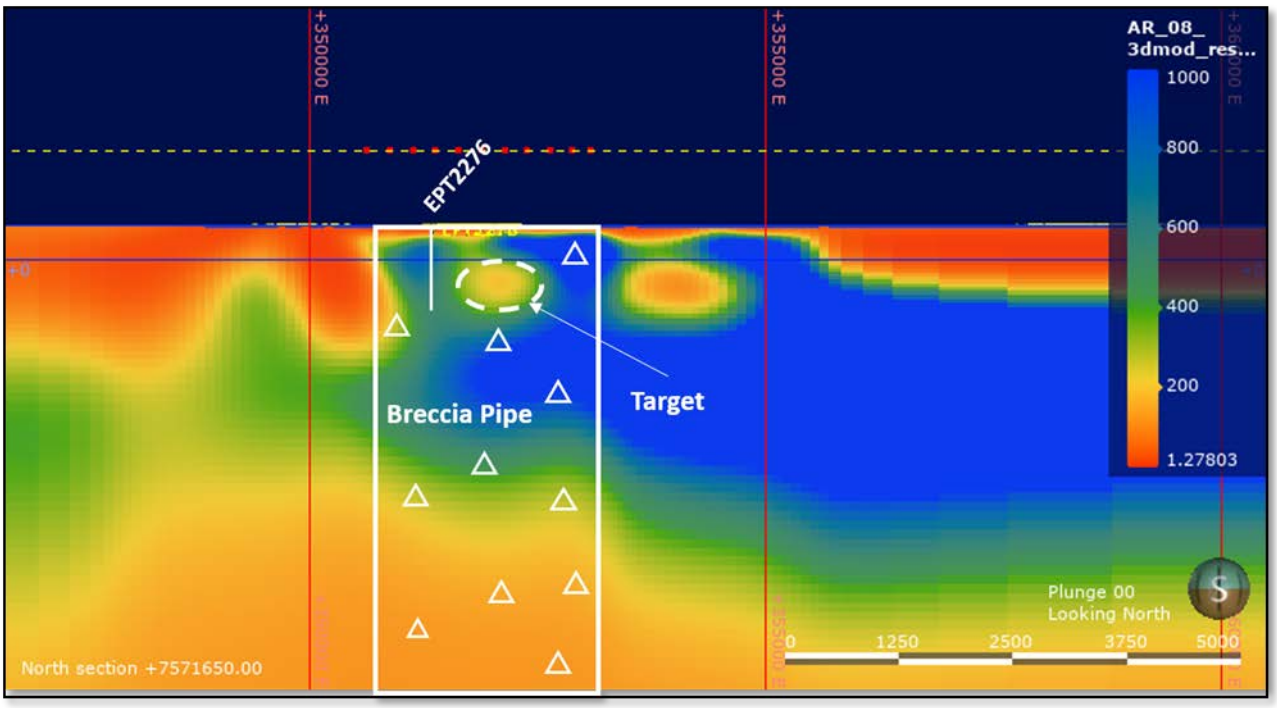

Figure 10. MT section at Aria highlighting a conductive feature within the interpreted breccia pipe

Photo 3. Polymictic breccia with vein hosted blebby chalcopyrite in EPT2276 at Aria

Earn-in and Joint Venture Agreement

The key terms of the earn-in and joint venture agreement are as follows:

- IGO may earn a 70% interest in the project by sole funding $15m of expenditure over a maximum of seven years;
- During the earn-in, IGO shall have the right to be the Manager of the project;
- Upon IGO completing the earn-in a 70:30 joint venture will be formed, and the parties must contribute funds based on their percentage interest to maintain their respective interests; and
- Standard dilution clauses will apply to the parties' interests. Should a party's interest dilute to below 10% it shall automatically convert to a net smelter returns royalty.

Next Steps

Planning for the 2020 field program is well advanced, with fine-fraction soil sampling, a magneto-telluric survey, a moving loop electromagnetic survey, and several drilling programs planned.

On-ground exploration activity is scheduled to recommence in July 2020, however this timing is subject to the Government-mandated access restrictions across the East Pilbara region related to COVID-19 and the ability to access the region safely.

PATERSON PROVINCE - GOLD

100% Encounter –E45/3446, P45/2750 to P45/2752 and P45/3032

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

East Thomson's Dome is located 5km from Telfer. The domal structure at East Thomson's Dome has a core of Malu Formation with the fold axis trending WNW. The majority of surface gold and reef style mineralisation at East Thomson's Dome has been discovered in the overlying Telfer Formation sediments. This geological setting is similar to that of the high grade reefs at Telfer.

Zones of reef-style mineralisation have been identified by Encounter across the 200m by 200m drill area at the Fold Closure prospect. 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.

A new surface gold occurrence that may represent a bedding parallel reef position has been identified by prospecting activities in an area of thin sand cover. Two costeans are planned along the defined trend to map this potential reef position and assess potential drill sites at East Thomson's Dome.

NORTHERN TERRITORY - COPPER

100% Encounter

Project generation activities in the Northern Territory utilising new precompetitive datasets provided by Geoscience Australia, as part of the Federal Government Exploring for the Future Program, resulted in application for exploration licences comprising the Elliott and Jessica copper projects. The process for obtaining access agreements to conduct exploration at these first mover copper projects continued through the March 2020 quarter.

Elliott Copper Project

The first tenements covering over 3,000km^2 at the Elliott copper project were granted in March 2020. An initial visit to the project was conducted during the quarter to validate a hyperspectral anomaly and assess access conditions.

Jessica Copper Project

A review of open file data was conducted during the quarter and resulted in a significant expansion of the project. Three additional exploration licence applications were made extending the project to the north covering 1,500km^2. The Jessica project totals approximately 3,000km^2 along key structural corridors east of Tennant Creek and is prospective for sedimentary hosted copper and IOCG style deposits.

Areas of copper anomalism have been identified in the open file data at Jessica and will be validated in the June 2020 quarter subject to gaining necessary approvals for the safe movement of employees and ensuring the safety of local communities.

CORPORATE

Encounter held cash reserves of ~$2.1 million at 31 March 2020 and listed investments valued at ~$0.75 million.

The listed investment is ordinary shares in Hampton Hill Mining NL (ASX:HHM), valued on ASX last traded price. The trading of HHM shares was suspended by the ASX on 18 February 2020.

Payments to related parties of the entity and their associates (refer section 6 of Appendix 5B below):

Included at section 6.1
Comprises: Remuneration of directors ($48,000)

Included at section 6.2
Comprises: Remuneration of directors ($110,000)

NEXT QUARTER HIGHLIGHTS

Activities planned for the June 2020 quarter include:

Paterson Province Copper-Gold Project (100% ENR)

- Assay results from the four hole diamond drill program at Lamil
- Commencement of follow up drill program at Lamil if justified by assay results

Tanami and West Arunta Projects (50:50 Encounter-Newcrest JV)

- 2020 exploration plans for the Tanami and West Arunta JVs to be updated and finalised in conjunction with Newcrest
- Preparations for commencement of exploration activities in the second half of 2020 subject to meeting necessary COVID-19 related access requirements

Paterson Province Copper-Cobalt Projects (IGO Earn in and Joint Venture Agreement)

- Planning and preparations for the commencement of the proposed soil sampling, magneto-telluric survey and moving loop electromagnetic survey programs
- On-ground exploration activity is scheduled to recommence in July 2020, however this timing is subject to COVID-19 related access procedures

Northern Territory Project Generation - Copper (100% ENR)

- Complete access agreements for the Jessica and Elliott copper projects
- Areas of copper anomalism identified at Jessica to be validated subject to gaining necessary approvals
- Continue evaluation of new datasets provided by Geoscience Australia – Exploring for the Future Program

TENEMENT INFORMATION (granted tenure)

Lease	Location	Project Name	Area km²	Interest at start of quarter (01/1/2020)	Interest at end of quarter (31/03/2020)
E28/2709	147km ENE of Kalgoorlie	Nazare	97.7	100%	0%
E28/2762	141km ENE of Kalgoorlie	Nazare	206.8	100%	0%
E28/2763	155km ENE of Kalgoorlie	Nazare	206.9	100%	0%
E28/2878	148km ENE of Kalgoorlie	Nazare	100.7	100%	0%
E45/2500	266km NE of Newman	Millennium – Hampton JV	107.3	75-100%	75-100%
E45/2501	277km NE of Newman	Millennium – Hampton JV	19.12	75%	75%
E45/2502	261km NE of Newman	Paterson IGO Earn-In	117.8	100%	100%
E45/2561	276km NE of Newman	Millennium – Hampton JV	50.95	75%	75%
E45/2657	246km NE of Newman	Paterson IGO Earn-In	156	100%	100%
E45/2658	245km NE of Newman	Paterson IGO Earn-In	95.4	100%	100%
E45/2805	242km NE of Newman	Paterson IGO Earn-In	85.8	100%	100%
E45/2806	251km NE of Newman	Paterson IGO Earn-In	35	100%	100%
E45/3768	241km NE of Newman	Paterson IGO Earn-In	149.7	100%	100%
E45/4861	260km NE of Newman	Paterson IGO Earn-In	140.4	0%	100%
E45/5333	239km NE of Newman	Paterson IGO Earn-In	127.2	0%	100%
E45/5334	242km NE of Newman	Paterson IGO Earn-In	102.1	0%	100%
E45/4613	300km NE of Newman	Telfer West	60.7	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	100%	100%
E45/4757	325km NE of Newman	Sussex	1.9	100%	0%
E45/4758	325km NE of Newman	Sussex	19.2	100%	0%
E80/5132	Tanami	Selby – Newcrest JV	646	50%	50%
E80/5137	Tanami	Selby – Newcrest JV	613	50%	50%
E80/5145	Tanami	Watts – Newcrest JV	552	50%	50%
E80/5146	Tanami	Lewis – Newcrest JV	548	50%	50%
E80/5147	Tanami	Selby – Newcrest JV	275	50%	50%
E80/5152	Tanami	Phillipson Range	238.3	100%	100%
E80/5169	Tanami	Aileron – Newcrest JV	187.6	50%	50%
E80/5186	Tanami	Lewis – Newcrest JV	71.0	50%	50%
E80/5323	Tanami	Selby – Newcrest JV	30	50%	50%
EL32156	Northern Territory	Elliot	807.3	0%	100%
EL32157	Northern Territory	Elliot	696.3	0%	100%
EL32158	Northern Territory	Elliot	793.9	0%	100%
EL32159	Northern Territory	Elliot	723.9	0%	100%

* *Hampton earning into the four eastern block of E45/2500 remaining area of the tenement is in IGO Earn-In*

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.

This announcement has been approved for release by the Board of Encounter Resources Limited.

+Rule 5.5

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Encounter Resources Limited	
ABN	**Quarter ended ("current quarter")**
47 109 815 796	31 March 2020

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 (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(41)	(203)
	(e) administration and corporate costs	(93)	(397)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	29
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	4
1.9	**Net cash from / (used in) operating activities**	**(123)**	**(567)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(85)
	(d) exploration & evaluation (if capitalised)	(324)	(1,459)
	(e) investments	-	-

+ See chapter 19 for defined terms.

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	60	60
	(c) property, plant and equipment	-	20
	(d) investments	-	-
	(e) 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	-	278
2.6	**Net cash from / (used in) investing activities**	**(264)**	**(1,186)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,384
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(21)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**(1,363)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,477	2,480
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(123)	(567)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(264)	(1,186)

+ See chapter 19 for defined terms.

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,363
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,090**	**2,090**

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	717	904
5.2	Call deposits	1,373	1,573
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)**	**2,090**	**2,477**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	48
6.2	Aggregate amount of payments to related parties and their associates included in item 2	110

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

+ See chapter 19 for defined terms.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	123
8.2	Capitalised exploration & evaluation (Item 2.1(d))	324
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	447
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,090
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	2,090
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	4.7

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:
N/a

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:
N/a

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:
N/a

+ See chapter 19 for defined terms.

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.

Date: 23 April 2020

Authorised by: The Board of Encounter Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow 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 cash flow 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.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

+ See chapter 19 for defined terms.