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**ASX : ENR**

Company Announcements Office  
Australian Securities Exchange  
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Sydney NSW 2000

## **Diamond Drilling Commenced at Telfer West Gold Project**

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The directors of Encounter Resources Ltd ("Encounter" or "the Company") are pleased to announce that drilling has re-commenced at the Telfer West gold project ("Telfer West").

In the coming months, this diamond rig will complete planned drill programs at Telfer West, the East Thomson's Dome Gold Project as well as completing an EIS co-funded drill program at the Fishhook Copper-Cobalt prospect. This program will total approximately 3,000 metres of drilling.

The diamond rig commenced at the Egg prospect at Telfer West where drill hole ETG0002, drilled in December 2016, intersected an 80m wide, depth extensive zone of stockwork style gold mineralisation that included intersections of:

- 38.6m @ 1.0g/t Au from 333m (including 4.2m @ 3.2g/t Au from 333.5m) and 36m @ 0.6g/t Au from 396m (including 3.2m @ 3.3g/t Au from 415.2m) (see ASX release 19 January 2017).

The first two planned diamond holes at Telfer West will test along strike of the stockwork style gold mineralisation intersected in ETG0002 with a hole planned 400m south-east and a hole 800m north-west. The step out hole to the NW will also test a coincident resistivity and conductivity anomaly identified in the 2016 ground IP survey.

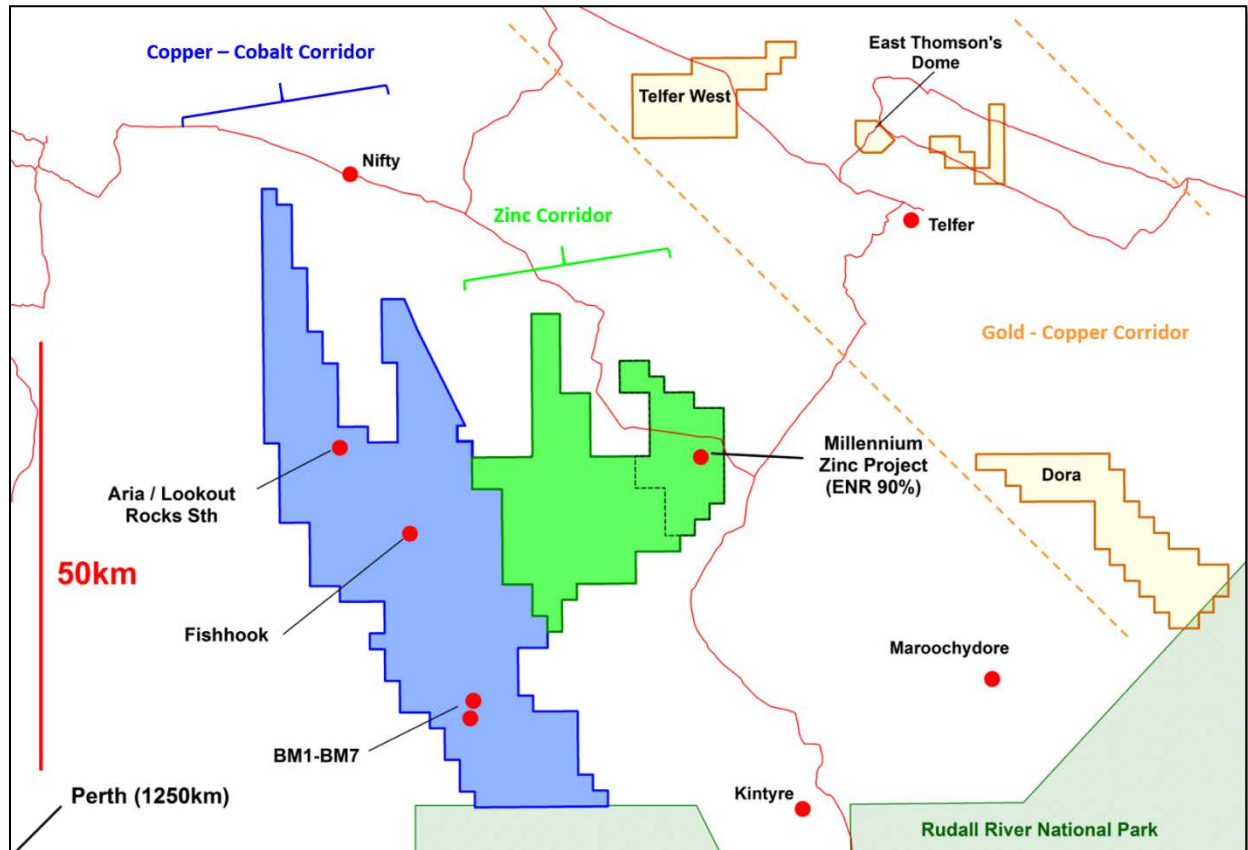
In addition to the diamond rig, an RC drill rig is due on site in mid-June 2017 to complete a 5,000m program at Telfer West and East Thomson's Dome. The program at Telfer West will follow up the gold discovery made adjacent to the Northern Magnetic Anomaly in April 2017. that intersected high grade, near surface gold mineralisation including:

- 20m @ 1.8g/t Au and 502ppm Cu from 94m including 10m @ 2.8g/t Au and 812ppm Cu from 94m in ETG0015
- 14m @ 1.2g/t Au and 1179ppm Cu from 66m including 4m @ 3.3g/t Au and 1400ppm Cu from 74m in ETG0016 (see ASX release 26 April 2017).

The first assay results from the diamond and RC drill programs are expected to be received in July 2017.

## Location Plan

Encounter holds exploration tenure over 2,000km<sup>2</sup> of the Paterson Province in Western Australia, with the main Yeneena project located 35km SE of the Nifty copper mine and 40km SW of the Telfer gold-copper mine (Figure 1). The targets identified in the Paterson are located adjacent to major regional faults and have been identified through electromagnetics, geochemistry and structural targeting. Encounter is actively exploring for copper-cobalt and zinc-lead deposits at the Yeneena as well as gold-copper deposits in the Telfer region.



**Figure 1: 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.*