

Quarterly Report

For period ended 31 March 2022

29 April 2022

Foundations established for major copper exploration drive

Lamil Copper-Gold Project – Paterson Province WA (100% ENR)

- Expansive copper-gold system >1km of strike located 25km from the Telfer mine containing multiple, stacked, narrow copper-gold reefs in a mineralised prospective host package that is over 200m thick
- Gravity survey to commence in May 2022 with EIS co-funded diamond drilling to follow

Sandover Copper Project – NT (100% ENR)

- Surface sampling at Sandover in late 2021 confirmed high grade copper mineralisation at four separate areas over 6km of strike
- Additional surface sampling and field reconnaissance completed in April 2022 including further areas containing surface copper oxide mineralisation
- Historical drill holes (drilled in 1966, 1971 & 1994) reviewed at the Alice Springs Core Library
 - Key geological units and processes for the formation of sediment hosted copper confirmed
 - Copper sulphide minerals, including bornite, identified in historical drill core

Aileron Copper-Gold-REE Project– West Arunta WA (100% ENR)

- Gravity surveying and geochemical sampling has upgraded the IOCG targets and established rare earth element (“REE”) potential in the region
- Highly elevated total rare earth oxides up to 0.5% TREO, (including 0.1% neodymium-praseodymium, $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$) were identified
- Petrology and age dating of the diamond drill core is in progress to establish the timing of the potential mineralising events at Aileron

Elliott Copper Project - NT (BHP farm-in)

- Preparations for the exploration program, including seismic surveys and diamond drilling continue
- Field mapping and sampling to be completed in the June quarter to refine the future drilling plan

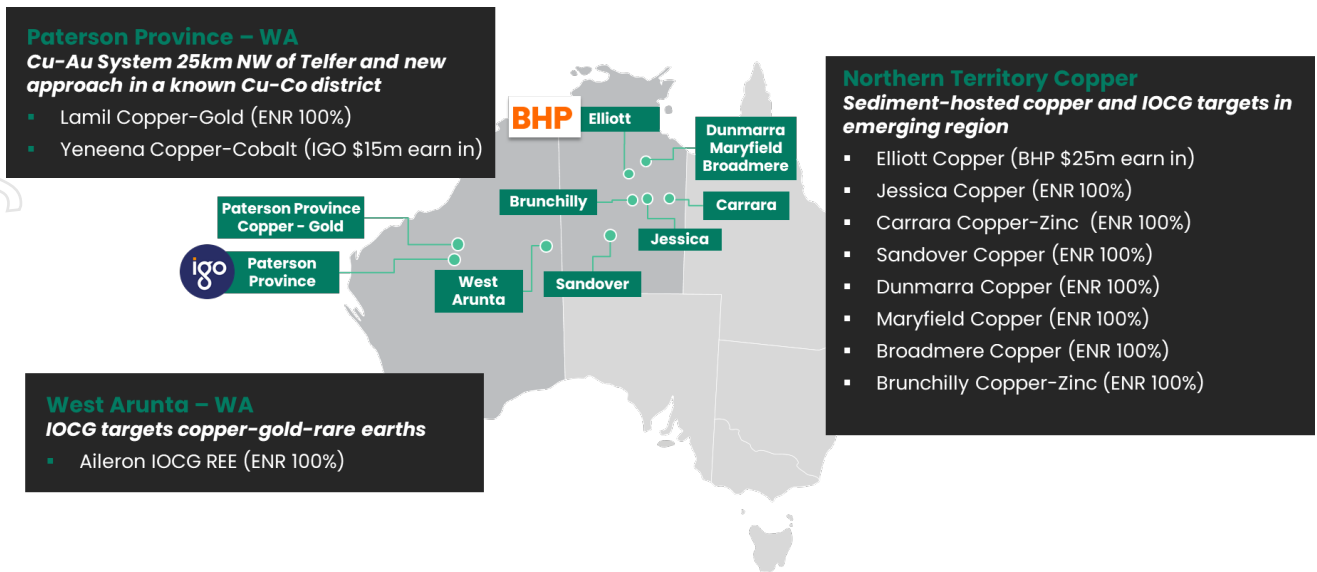
Yeneena Copper Project – Paterson Province WA (IGO farm-in)

- Diamond drilling is scheduled to commence in July 2022 to test for interpreted horizons capable of hosting copper mineralisation

NT Copper Project Pipeline - (100% ENR)

- Jessica Copper Project - Infill gravity surveys commenced over a series of priority magnetic targets in conjunction with an extensive regional gravity survey by NTGS
- Carrara Copper-Zinc Project - NTGS 2km x 2km gravity survey in progress
- Dunmarra, Broadmere and Maryfield Copper Projects - These projects encompass key targets identified on the margin of the Beetaloo Basin that were generated through fluid flow modelling of previous oil and gas drilling and seismic surveys. Tenements expected to be granted in May 2022.

ASX Code:	Cash (31/3/2022)	Market Cap. (28/3/2022)	Issued shares (31/3/2022)	Issued options (31/3/2022)
ENR	\$2.7m	\$51m	317m	18m



Lamil Copper-Gold Project - Paterson Province - WA

Background

Lamil covers an area of ~61km² and is located 25km northwest of the major gold-copper mine at Telfer, owned by Newcrest Mining Ltd (ASX:NCM). Lamil is adjacent to a major regional gravity lineament which marks the location of an interpreted significant crustal scale structure that would have acted as a pathway for ore forming fluids during the formation of the Proterozoic aged deposits.

The Dune prospect is located in the northwest of Lamil and consists of a laterally-extensive gold-copper system, outlined by broad spaced RC drilling over 1km of strike (Figure 1). The mineralisation at Dune is hosted in metasedimentary rocks of the Proterozoic Lamil group which also host the Telfer, Havieron and Winu Au-Cu deposits. Dune is situated close to the interpreted fold axis in the northern part of the Lamil Dome.

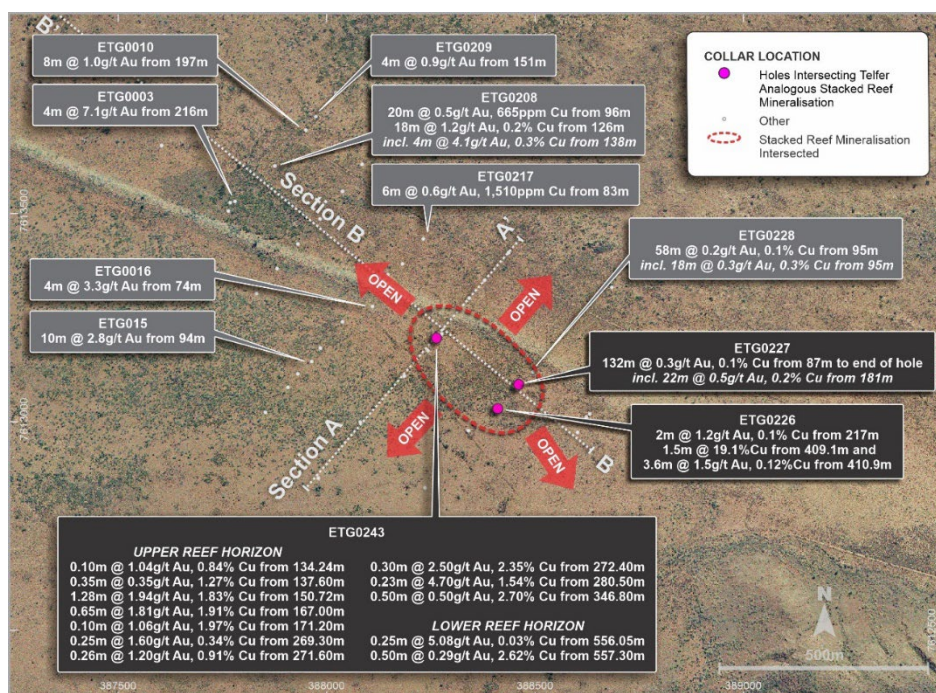


Figure 1 – Dune prospect plan showing only holes that have tested the Telfer analogous stratigraphic package and the outline of the stacked reef mineralisation intersected in drilling to date.¹

Seven diamond holes were completed at Dune in September 2021. Copper-gold mineralisation was intersected in two diamond drill sections spaced 200m apart (Figure 1).

The intersection of multiple, stacked, narrow copper-gold reefs in ETG0243 within a thick prospective package analogous to Telfer's Upper Malu formation is an important step forward for the project.

The increased frequency of mineralised 'reef style' intervals containing strengthening copper grades and frequent +1g/t Au grades within ETG0243 infers a strengthening of the mineralised system to the north-west where the system remains open on section and down plunge.

The intersection of high-grade copper contained in chalcocite and additional copper-gold reefs in the Middle to Lower Malu quartzite package in ETG0226, ETG0227 and ETG0243 provides further evidence of a depth extensive mineral system at Dune.

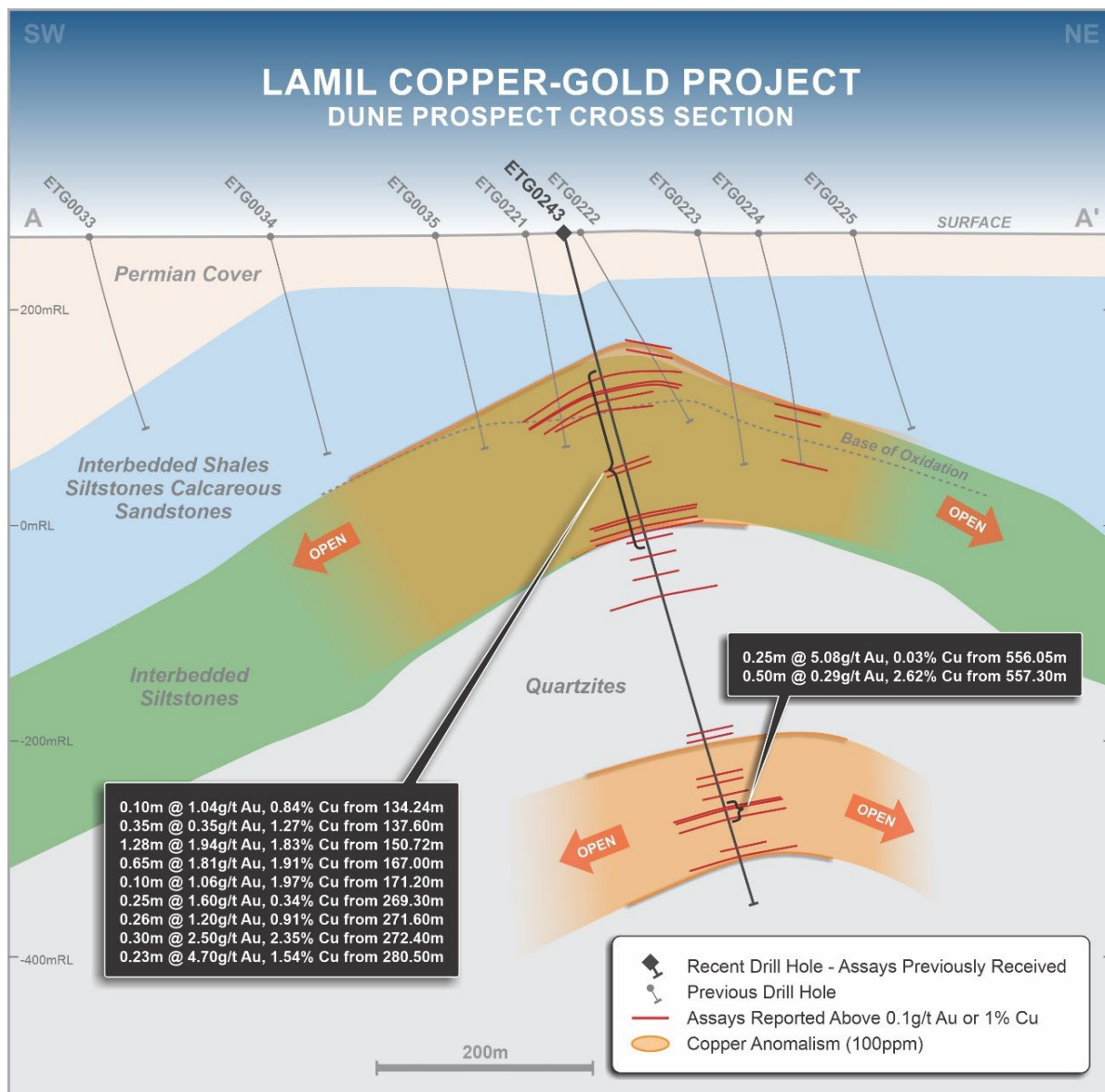


Figure 2- Schematic Dune cross section for ETG0243. The Telfer analogous stratigraphy and Upper and Lower Reef horizons are shown with multiple narrow Cu-Au reefs which are generally sub parallel to stratigraphy.¹

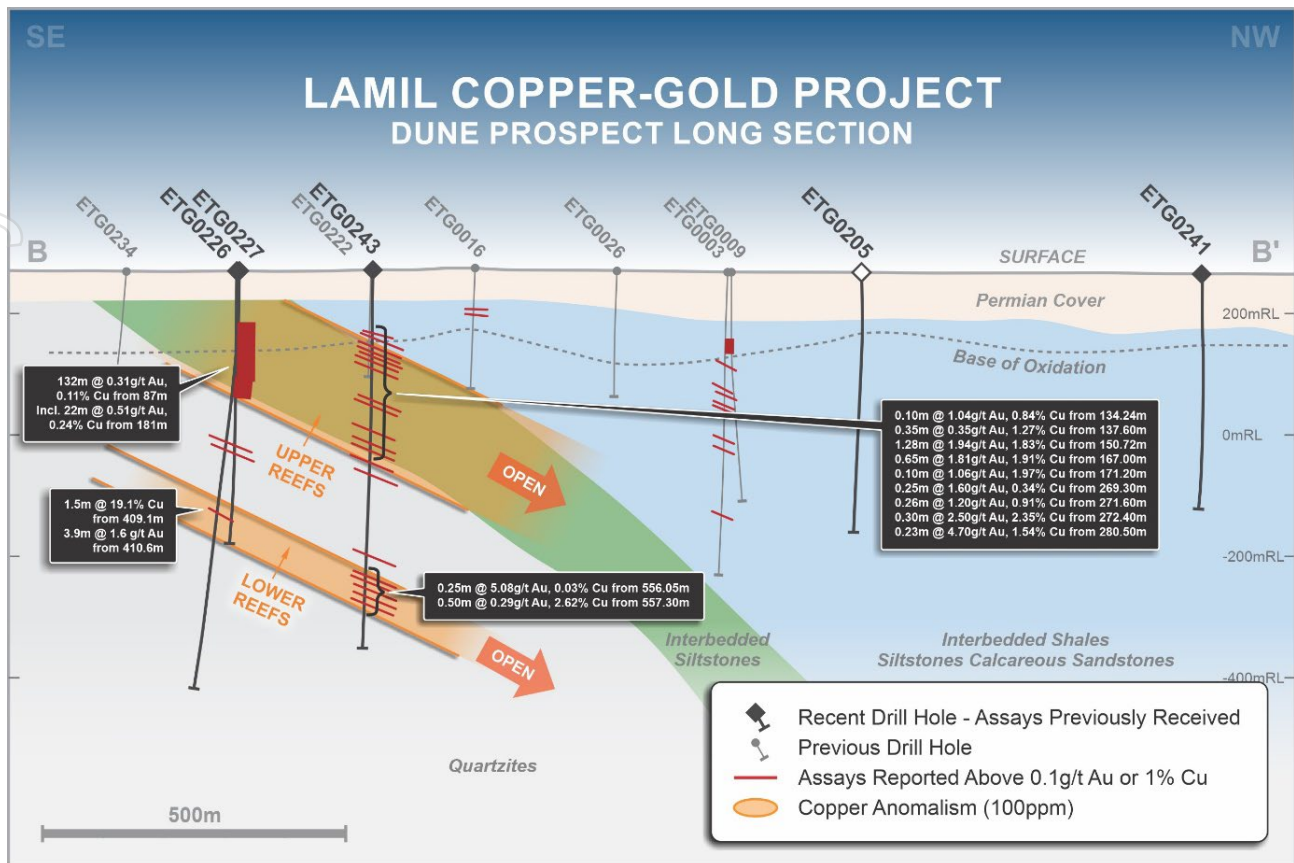


Figure 3- Schematic long section of Dune showing the interbedded siltstone unit dipping below previous drilling at Dune. This leaves the prospective unit untested down plunge of the Lamil Dome away from ETG0243 where drilling has intersected an increase in frequency of Cu-Au reefs.¹

Next Steps

A detailed gravity survey will commence at Lamil in May 2022. This survey aims to identify structures and map changes in stratigraphy where the prospective horizons plunge beneath the current drilling. The results of this survey along with further interpretation of lithogeochemistry results will guide plans for a drilling campaign at Lamil which is scheduled to commence in June/July 2022.

¹ For further details regarding the exploration results at the Lamil Copper-Gold Project, please refer to the following ASX announcements:

ASX release 26 April 2017
ASX release 19 January 2017
ASX release 18 December 2020
ASX release 21 April 2021
ASX release 6 September 2021
ASX release 16 November 2021

Aileron IOCG (Cu, Au, REE) Project – West Arunta - WA

Background

Aileron is located in the West Arunta region of WA ~600km west of Alice Springs. The project contains a number of geophysical and structural targets identified through aerial magnetic and ground gravity surveys.

To date, one diamond hole, EAL001, has been drilled targeting a discrete magnetic anomaly. EAL001 was partially completed to a depth of 158m in October 2020 and intersected hydrothermal hematite-altered mafic intrusions and granite with a distinctive IOCG geochemical signature under shallow cover. The hole ended prior to designed depth due to a mechanical failure.

Assays from EAL001 include zones of anomalism in copper (up to 0.1% Cu), gold (up to 48ppb Au), molybdenum (up to 155ppm Mo) and highly elevated rare earth elements (up to 0.8% TREO) consistent with the targeted IOCG deposit model (*refer ASX announcement 28 January 2021*).

The metal anomalism in the hole is associated with the most intense hematite altered zones (up to 15% Fe). IOCG mineralisation often has a strong density contrast to background and may be identifiable through the application of gravity surveys.

In November 2021, a helicopter-supported ground gravity survey and geological reconnaissance activities, including a surface sampling trial were completed at Aileron.

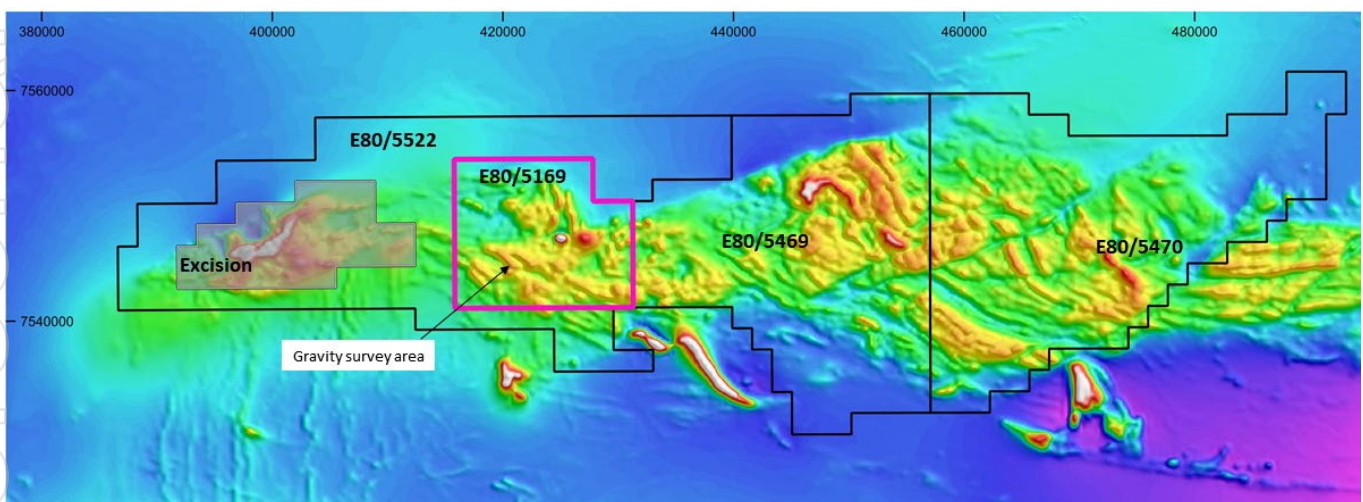


Figure 4 – Aileron IOCG project – August-November 2021 gravity survey location plan on TMI magnetics background

Geological and Surface Sampling Reconnaissance

The geological reconnaissance was conducted in areas of interest including at newly defined gravity anomalies (Figure 5). A limited surface sampling program was completed to assess surface geology, regolith conditions and amenability of target areas to surface sampling. Rock chips were collected from isolated weathered granite and quartzite *outcrops* (*refer ASX announcement 14 February 2022*).

An area of pervasive iron alteration within a 2km long outcropping quartzite was identified from the air. A single rock chip, EG116398B (Photo 1), was taken from a ferruginous quartz vein within this altered quartzite and returned 0.5% TREO (including 0.1% $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$).

The presence of highly anomalous REE is encouraging for future exploration at Aileron suggesting an alkaline magmatic hydrothermal system has been active in the region. Alkaline magmatic systems are known to play an important role in the formation of both IOCG and REE deposits.



Photo 1. Rock chip sample EG116398B containing 0.5% TREO (including 0.1% $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$). This sample was taken from an area of outcropping iron altered quartzite north of gravity Anomaly 5.

Samples were taken to trial the effectiveness of soil geochemistry (1-2mm size fraction) from an area of interest identified in radiometric and ASTER data 1.6km to the south-east drillhole EAL0001.

Assay results demonstrated amenable contrast to background in Au ppb values and included anomalism up to 20ppb Au in EG116407. These results provide further encouragement that regolith conditions are amenable to systematic surface sampling but also indicate the presence of notable surface Au anomalism. It is expected that systematic surface sampling will provide an effective and economic means of exploration at Aileron.

Gravity Survey Targets

Newly acquired gravity data has successfully defined new target areas of interest within the survey area and gravity anomalies were visited during the geological reconnaissance (Figure 5).

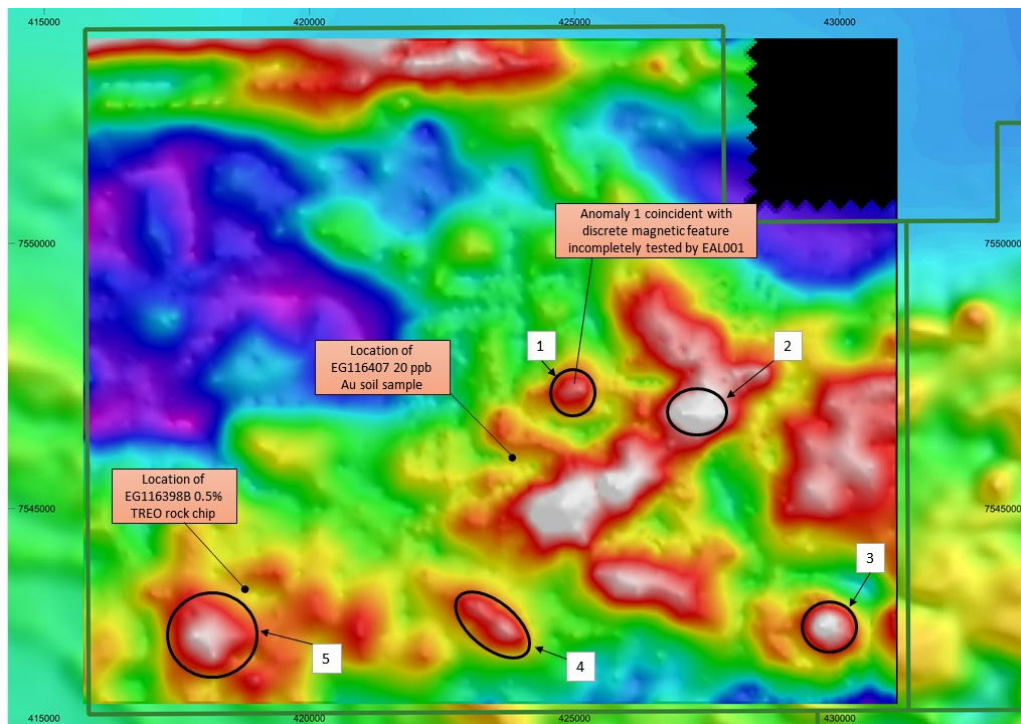


Figure 5 – Aileron project – residual gravity image with location of REE and IOCG anomalies visited during geological reconnaissance in November 2021

To date, five priority anomalies have been identified as summarised below:

Anomaly 1: A gravity anomaly has been identified coincident with the discrete magnetic feature that was incompletely tested with drillhole EAL001 in October 2020. The hole was terminated at 158m above the target due to drill rig breakdown. New gravity data has defined a discrete sub-vertical gravity anomaly that has been modelled from a depth of ~200m below surface (Figure 6).

Anomaly 2: is a strong semi-coincident gravity and magnetic anomaly 1.8km to the east of Anomaly 1. Geological reconnaissance determined the area consisted of patchy silcrete and minor aeolian sand over interpreted residual regolith.

Anomaly 3: is a discrete gravity high with a coincident moderate magnetic anomaly. Geological reconnaissance noted that the gravity high was covered by aeolian sand and was surrounded by a semi-circular series of low lying ferruginous duricrust hills. This environment would be amenable to a systematic surface geochemistry survey.

Anomaly 4: is a moderate amplitude gravity feature which is located at the intersection of a major interpreted NE-SW and NW-SE striking structures. Geological reconnaissance noted no outcrop or sub-crop in the area.

Anomaly 5: is a moderate amplitude gravity anomaly over which no outcrop was identified during geological reconnaissance. To the north of Anomaly 5 there is a large low lying quartzite outcrop, containing the area of iron alteration and REE anomalous quartz vein sample EG116398B.

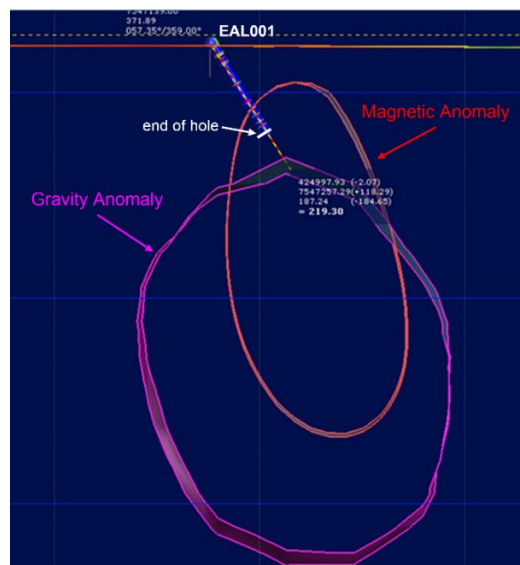


Figure 6 – Anomaly 1 cross section with coincident gravity anomaly (+0.1cc/g above background) and magnetic shell and incomplete diamond drillhole EAL001

Next Steps.

Additional sampling of drill core from EAL001 was completed during the quarter. Petrology and age dating of the diamond drill core is in progress in conjunction with the GSWA and Curtin University. This will establish the mineralogy and age of the host lithologies as well as the timing of metamorphism and potential mineralising events at Aileron. In particular this program aims to determine if the age of metamorphism and any subsequent mineralising events can be correlated with other known periods of IOCG mineralisation on the Australian continent such as in the Gawler Craton which hosts a number of IOCG deposits including Olympic Dam.

Future work will include additional surface sampling over the REE anomaly identified near Anomaly 5 and gravity anomalies. In addition, a detailed magnetic survey to improve the magnetics resolution to aid in targeting and diamond drilling is planned.

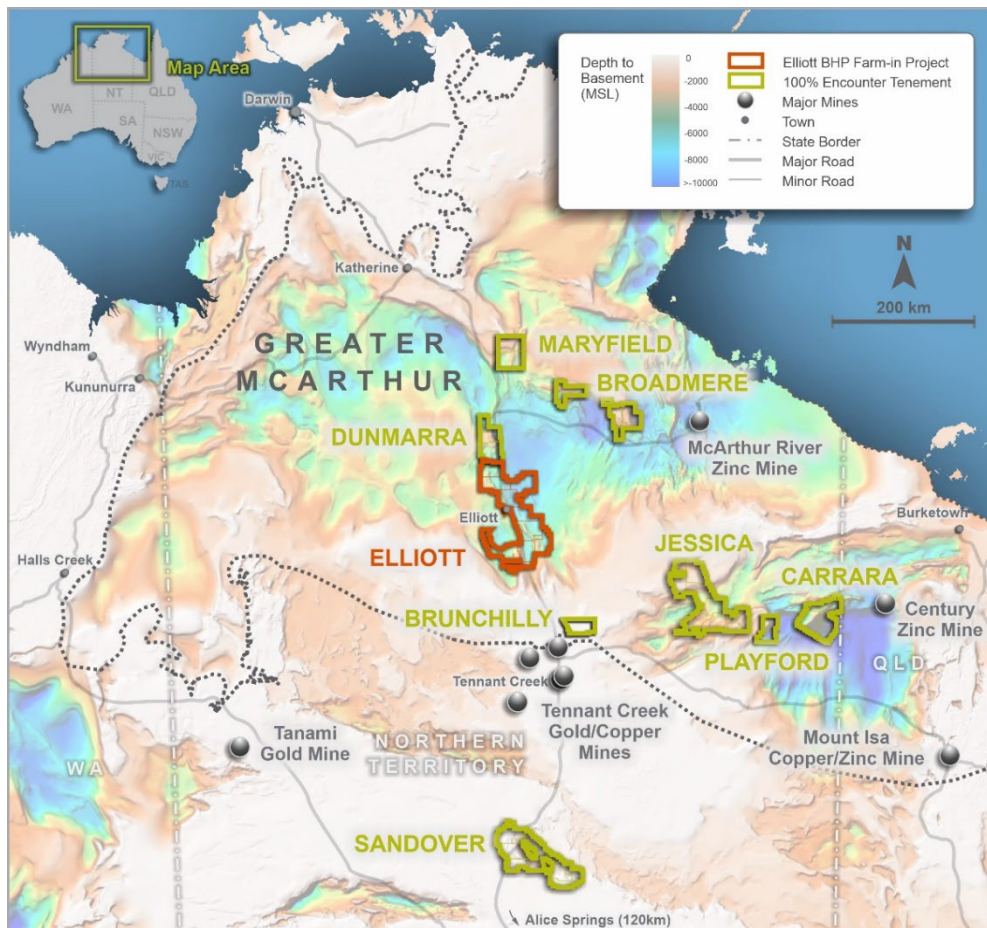


Figure 7 – Encounter copper projects in the Northern Territory - Project Location Plan

Elliott Copper Project – Northern Territory

Elliott was the first project secured by Encounter in the NT and now comprises eleven tenements covering more than 7,200km². The project is readily accessible being located 200km north of Tennant Creek on the Stuart Highway which runs along the western margin of the project.

The project is being explored in partnership with BHP where BHP has the right to earn up to a 75% interest in Elliott by sole funding up to A\$25 million of expenditure within 10 years.

Elliott is located at a major structural intersection on the southwestern margin of the Beetaloo Basin which is part of the Greater McArthur Superbasin that hosts the giant sediment-hosted base metal deposit at McArthur River. The Superbasin contains thick, petroleum bearing, reduced sediments which are an ideal trap sequence and the major structures bounding the Superbasin are considered ideal structural fluid pathways for major sediment-hosted copper deposits. The project encompasses key conceptual criteria for the formation of sediment-hosted copper and the target sequence is undercover and untested.

New sampling datasets released in 2019 and 2020 have supported the conceptual and structural targeting model at Elliott. The standout, copper-in-groundwater anomaly (order of magnitude above background) in the extensive dataset is located at Elliott.

During the quarter, an updated 3D geological model was generated after the work completed in 2021. Hydro-geochemistry has been re-assessed and a plan for field mapping is in progress. The field mapping aims to add a layer of alteration and mineralisation to the existing publicly available litho-structural geological maps.

Next steps

During the June 2022 quarter, field mapping and sampling will be completed to improve the confidence of the geological understanding and help to define the future drilling plan for the project. Work with key stakeholders has commenced, recognizing the various interests in the region.

The exploration program planned at Elliott includes seismic surveys and deep diamond drilling. The program is designed to rapidly advance the understanding of basin architecture and prospective deposition locations for sediment-hosted copper deposits.

Sandover Copper Project

Background

Sandover is located 170km north of Alice Springs and covers a major structural corridor on the southern margin of the Georgina Basin. Access is excellent with the Stuart Highway and Ghan railway extending through the western margin of the project.

Sampling in October 2021 was conducted in four field areas located up to 6km apart (Figure 8). Each area confirmed the presence of an outcropping red-bed sandstone sequence with multiple, narrow but strike extensive, grey shale units containing copper oxide mineralisation (malachite). Sampling of copper mineralisation at surface returned assays up to 20.9% Cu and a suite of highly anomalous pathfinder elements (Zn, Ag, As, Bi, Mo and Pb) (*refer ASX announcement 16 December 2021*).

Exploration activities at Sandover are focused on identifying reduced units within the basin. There will be a particular emphasis on where these units intersect long-lived basin forming structures which are areas with the potential to host major mineral deposits.

During the quarter all available geophysical datasets were compiled, integrated and evaluated. As a result of this exercise, 1x1km spaced gravity data has been identified as a key dataset to be collected. Preparations have commenced for a gravity survey to be completed at Sandover in June/July 2022.

Inspection of historical drill core from Sandover available in the Alice Springs core library was completed in April 2022. A number of historical drill holes (drilled in 1966, 1971 & 1994) were reviewed and confirmed that the key geological units and processes to enable the formation of sediment hosted copper deposits are present at Sandover. In addition, narrow zones of copper sulphide minerals, including bornite, were identified in historical drill core.

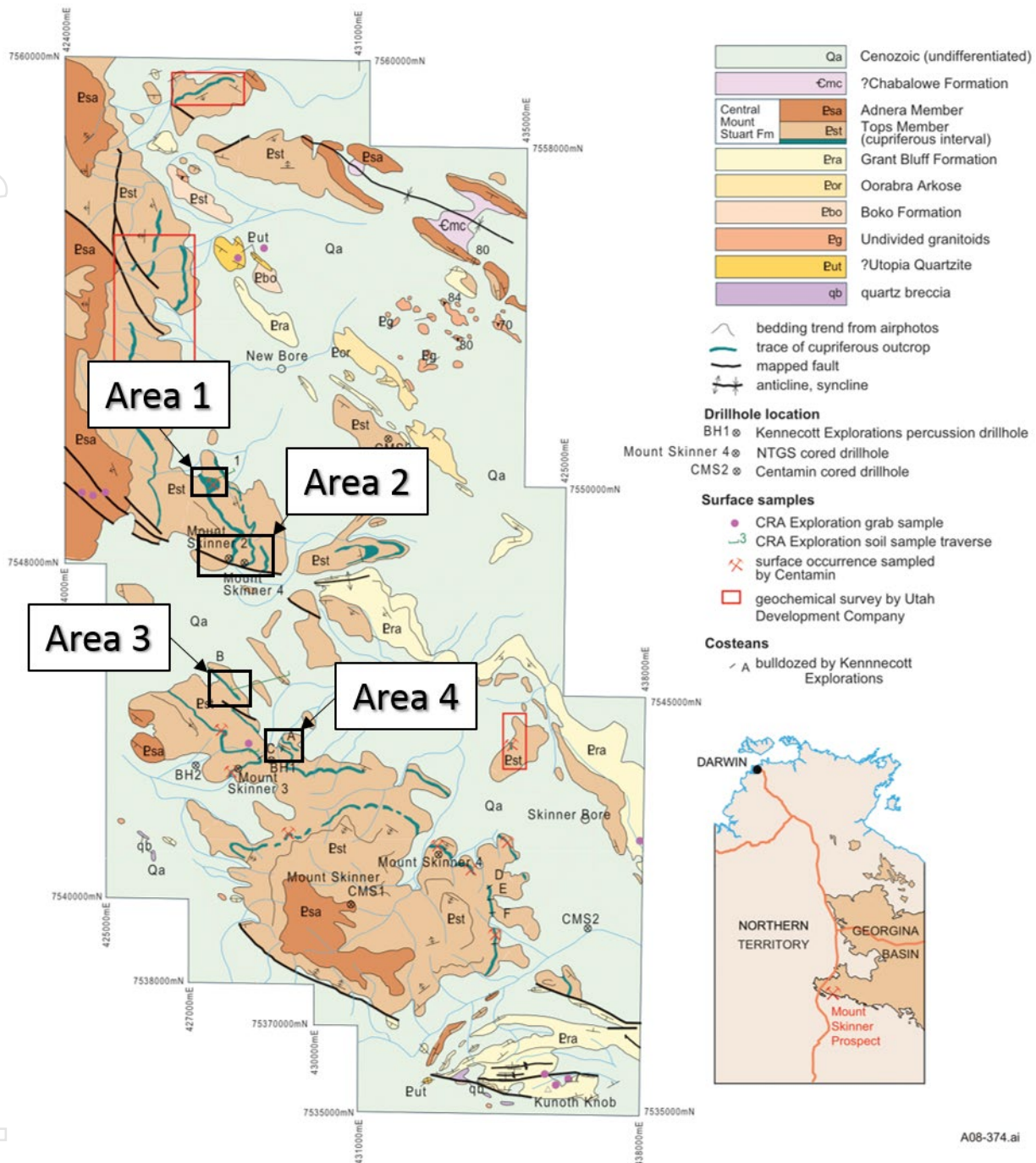
Additional surface sampling and field reconnaissance was also completed in April 2022. This program confirmed additional mapped areas containing surface copper oxide mineralisation. Samples were collected from various outcropping stratigraphic horizons for chemical analysis and stratigraphic correlation.

Next Steps

The development of a basin wide stratigraphic model has commenced. More detailed gravity data is planned and a gravity survey is scheduled to commence in June/July 2022.

During the June 2022 quarter assay results from surface sampling and field reconnaissance will be received and these will also be integrated into the model development.

Sandover also includes known pegmatite occurrences with potential for lithium and other critical metals which will continue to be investigated in conjunction with the copper exploration activities.



A08-374.ai

Figure 8 – Geological map showing cupriferous outcrop, drillhole locations and surface sampling (compiled from company reports and Haines 2004) Source: NTGS Geology and Mineral Resources of the Northern Territory. Special Publication 5. Compiled by Ahmad, M. and Munson, T.J., June 2013.

Additional locations annotated are the four areas Encounter sampled at Sandover in October 2021.

Jessica Copper Project

Jessica covers ~5,500km² along key structural corridors east of Tennant Creek and is prospective for sediment-hosted copper and IOCG style deposits.

Systematic assessment of drill chips from water bores at Jessica has been conducted by Encounter and a previous explorer utilising handheld XRF machines. Areas of copper anomalism were selected for chemical analysis and for the sample interval 0-3m in RN28419 (No. 39 water bore) which returned 1.5% copper (*refer ASX announcement 19 August 2020*).

Infill gravity surveys commenced in the quarter covering a series of high priority magnetic targets at Jessica in conjunction with an extensive regional gravity survey being undertaken by the NTGS.

Carrara Copper-Zinc Project

Carrara was secured following the release of the South Nicholson Seismic Survey, a foundational dataset acquired as part of the GA Exploring for the Future Program. A key finding of this Survey is the correlation of prospective stratigraphic units from the Isa Superbasin into the Carrara Sub-basin that extend the Mount Isa Province to the west. Carrara is located at an interpreted structural offset of the western margin of the Carrara Sub-basin where the prospective Isa Superbasin has been modelled closer to surface.

In 2020 a 1,751m deep stratigraphic hole (NDI Carrara-1) was completed as part of the National Drilling Initiative funded by the Minex CRC. The NDI Carrara1 stratigraphic drill hole supports the interpretation that the geology of the Isa Superbasin extends throughout the Carrara Sub-basin.

The presence of copper and zinc sulphide mineralisation demonstrates that sediment-hosted copper and zinc mineralising processes occur within the prospective host unit (*refer ASX announcement 28 April 2021*).

NTGS commenced a gravity survey over Carrara to reduce the station spacing to 2km x 2km. Initial preliminary gravity data covering the eastern part of the project was released by NTGS during the quarter. This survey is scheduled to be completed in the June 2022 quarter and will enable integration and interpretation in conjunction with other datasets.

Dunmarra, Maryfield and Broadmere Copper Projects

The Dunmarra, Maryfield and Broadmere projects encompass key targets identified on the margin of the Beetaloo Basin that were generated through fluid flow modelling of previous oil and gas drilling and seismic surveys. The targets were generated utilising oil and gas developed methodology that was refined to target the sediment hosted copper model.

One of the two tenements covering the Dunmarra project is due to be granted in May 2022. Both Maryfield tenements and one of the three tenements covering the Broadmere target are also expected to be granted in May 2022.

Exploration activities will commence following the grant of the tenements with compilation of historical exploration, additional sampling of oil and gas wells in the basin adjacent to the targets and field reconnaissance.

Yeneena Copper Project – Paterson Province WA

Yeneena comprises a major land position covering >1,450km² in the highly prospective Paterson Province, targeting copper-cobalt mineralisation. IGO (ASX:IGO) can sole fund \$15 million in exploration expenditure over a maximum of seven years to earn a 70% interest in Yeneena.

Exploration at Yeneena is focused on discovering high-value sediment-hosted copper deposits. The strategy of collecting belt-scale high-quality primary datasets continued, with cutting-edge techniques used to acquire geological, geochemical and geophysical data. Interpretations of recent aircore drilling assays were incorporated into a regional 3D model, created from the integration of historic and modern datasets throughout the quarter.

Regional target areas have been identified from the model, defining sub-basins that could contain similar rocks to those found at Nifty Cu mine. Diamond drill testing of these targets is planned during the 2022 field season to test for interpreted lithostratigraphic horizons capable of hosting copper mineralisation.

The diamond drill program at Yeneena is scheduled to commence in July 2022.

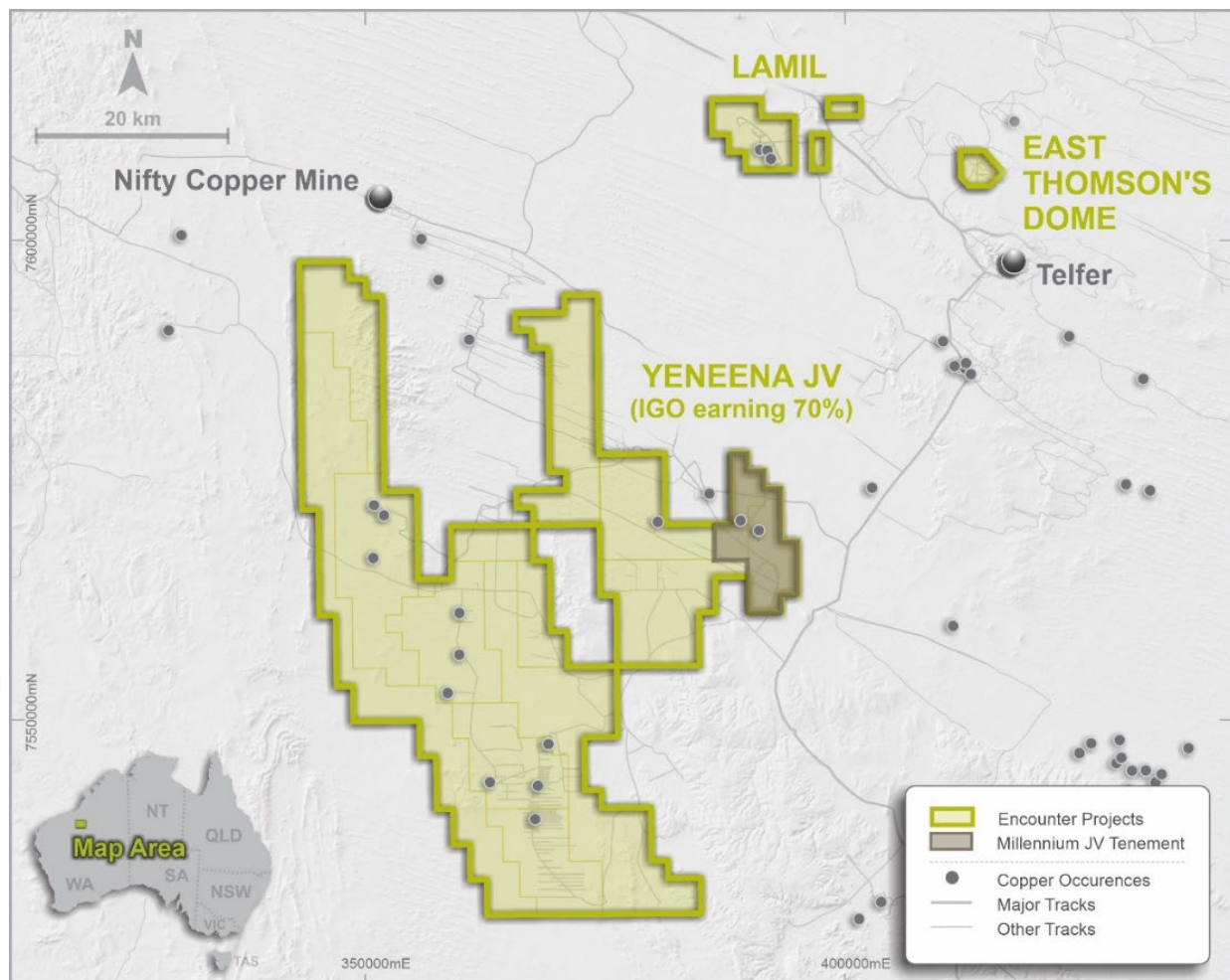


Figure 9 – Encounter's Paterson Province project location plan

Corporate

Encounter held cash of ~\$2.7 million at 31 March 2022 and an investment in ordinary issued capital in Hampton Hill Mining NL valued at ~\$0.2 million, based on the net assets of HHM at 31 December 2021.

Related party transactions

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 (\$43,000)

Included at section 6.2 - Comprises: Remuneration of directors (\$69,000)

In accordance with ASX Listing Rule 5.3.1, the Company confirms that there have been no material developments or changes to its exploration activities, and provides the following information:

- Approximately \$0.31 million was incurred by the Company in respect of exploration activity for the quarter ended 31 March 2022, primarily on:
 - Project generation and geological reconnaissance activities in the Northern Territory; and
 - Preparation for the commencement of exploration programs in Western Australia.
- A summary of the specific exploration activities undertaken in each project area (which included drilling and geochemical and geophysical programs), is provided in the relevant sections of this activity report.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

Next Quarter Highlights

Activities planned for the June 2022 quarter include:

Lamil Copper-Gold Project - Paterson Province (100% ENR)

- Complete a detailed gravity survey over the Dune and Elsa prospects in May 2022.
- Prepare for diamond drilling currently scheduled for June/July 2022

Aileron IOCG Project - West Arunta (100% ENR)

- Results from petrology and initial age dating of the diamond drill core May/June 2022

Sandover Copper Project – NT – (100% ENR)

- Gravity survey at Sandover scheduled to commence June/July 2022
- Assay results from surface sampling and field reconnaissance that were completed in April 2022

Jessica Copper Project – NT – (100% ENR)

- Data available from infill gravity surveys over a series of high priority magnetic targets

Carrara Copper-Zinc Project – NT – (100% ENR)

- Results released by NTGS of a 2km x 2km gravity survey

Elliott Copper Project NT (BHP farm-in)

- Field mapping and sampling
- Preparations for the planned exploration program, including seismic surveys and diamond drilling

Yeneena Copper-Cobalt Project (IGO farm-in)

- Preparations for the diamond drill program at Yeneena scheduled to commence in July 2022

Ongoing potential project partnership discussions to accelerate exploration activities

Tenement Information (granted tenure)

Lease	Location	Project Name	Area km ²	Interest at start of quarter (01/1/2022)	Interest at end of quarter (31/3/2022)
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	100%	100%
E45/5333	239km NE of Newman	Paterson IGO Earn-In	127.2	100%	100%
E45/5334	242km NE of Newman	Paterson IGO Earn-In	102.1	100%	100%
E45/4613	300km NE of Newman	Lamil	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%
E80/5169	West Arunta	Aileron	187.6	100%	100%
E80/5469	West Arunta	Aileron	534.3	100%	100%
E80/5470	West Arunta	Aileron	613.9	100%	100%

E80/5522	West Arunta	Aileron	429.2	100%	100%
EL32156	Northern Territory	Elliott – BHP farm-in	807.3	100%	100%
EL32157	Northern Territory	Elliott – BHP farm-in	696.3	100%	100%
EL32158	Northern Territory	Elliott – BHP farm-in	793.9	100%	100%
EL32159	Northern Territory	Elliott – BHP farm-in	723.9	100%	100%
EL32226	Northern Territory	Elliott – BHP farm-in	813.56	100%	100%
EL32329	Northern Territory	Elliott – BHP farm-in	137.0	100%	100%
EL32437	Northern Territory	Elliott – BHP farm-in	601.1	100%	100%
EL32273	Northern Territory	Jessica	750.5	100%	100%
EL32317	Northern Territory	Jessica	738.6	100%	100%
EL32338	Northern Territory	Jessica	783.5	100%	100%
EL32339	Northern Territory	Jessica	791.4	100%	100%
EL32386	Northern Territory	Jessica	814.5	100%	100%
EL32387	Northern Territory	Jessica	814.9	100%	100%
EL32388	Northern Territory	Jessica	813.8	100%	100%
EL32374	Northern Territory	Sandover	795.4	100%	100%
EL32421	Northern Territory	Sandover	792.7	100%	100%
EL32694	Northern Territory	Sandover	792.7	100%	100%
EL32695	Northern Territory	Sandover	787.4	100%	100%
EL32696	Northern Territory	Sandover	763.6	100%	100%
EL32476	Northern Territory	Carrara	805.4	100%	100%
EL32477	Northern Territory	Carrara	805.2	100%	100%
EL32701	Northern Territory	Carrara	801.7	100%	100%

EL32813	Northern Territory	Carrara	22.7	0%	100%
EL32478	Northern Territory	Brunchilly	798.5	100%	100%
EL32493	Northern Territory	Playford	811.6	100%	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. Mark Brodie who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Brodie 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 Brodie 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.

Appendix 5B

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

Name of entity

Encounter Resources Limited

ABN

47 109 815 796

Quarter ended ("current quarter")

31 March 2022

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	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(80)	(233)
	(e) administration and corporate costs	(75)	(447)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	14	14
1.8	Other (provide details if material)	33	36
1.9	Net cash from / (used in) operating activities	(107)	(622)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1)	(2)
	(d) exploration & evaluation	(309)	(2,546)
	(e) investments	-	-
	(f) other non-current assets – bonds and security deposits	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(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 joint venture contributions	23	170
	Other – exploration incentive grants	32	152
	Other – subsidiary IPO and demerger expenses incurred	24	(420)
	Other – repayments of IPO and demerger costs received	-	313
	Other – subsidiary IPO funds received	-	7,478
	Other – cash derecognised on demerger	-	(7,478)
2.6	Net cash from / (used in) investing activities	(231)	(2,333)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	52
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(2)
3.5	Proceeds from borrowings	-	33
3.6	Repayment of borrowings – lease payments	(18)	(54)
	- loan payments	(33)	(33)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – subsidiary IPO expenses	-	-
3.10	Net cash from / (used in) financing activities	(51)	(4)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,117	5,687
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(107)	(622)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(231)	(2,333)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(51)	(4)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,728	2,728

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	728	1,117
5.2	Call deposits	2,000	2,000
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)	2,728	3,117

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	43
6.2	Aggregate amount of payments to related parties and their associates included in item 2	69

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.

7. Financing facilities <i>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.</i>	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)	107
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	309
8.3 Total relevant outgoings (item 8.1 + item 8.2)	416
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,728
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,728
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
<p>A significant component of the Company's exploration activities are funded by the Company's joint venture and farm-in partners, for which cash in-flows are reported at 2.5 above.</p> <p>The exploration project cash flows incurred by the Company on behalf of the funding partners are reported at 2.1(d) and accordingly at 8.2 in the table above.</p>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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	

8.8.2 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

8.8.3 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

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 29 April 2022

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.