Assays confirm lithium and other critical minerals at Junction

- **Highly anomalous rock chip assay results received for lithium and other critical minerals from the pegmatites sampled at Junction in December 2022**
- **Assay results confirm LCT (lithium-caesium-tantalum) pegmatites at Junction, comparable to the host pegmatites of the Finnis lithium deposits in the Pine Creek region**
- **Critical metal results include maximum assays: lithium (0.2% Li_2O); rubidium (0.57% Rb); tin (500ppm Sn*); caesium (498ppm), tantalum (51ppm) and tungsten (740 ppm)**
- **Outcropping pegmatite trend covers at least 4km of strike and potentially extends under shallow cover**
- **Soil sampling program will be completed to define targets for drilling**

The directors of Encounter Resources Ltd ("Encounter" / "the Company") are pleased to advise that assays have confirmed lithium and other critical minerals bearing LCT pegmatites at the Crawford target part of the Junction Lithium Project ("Junction") in the Northern Territory ("NT").

Commenting on the confirmation of lithium and critical minerals at Junction, Managing Director Will Robinson said:

"The first on-ground activities completed have identified a trend of lithium and critical minerals bearing LCT pegmatites. Crawford is a new critical minerals occurrence in the North Arunta and is located ~5km east of Core Lithium's Ringing Rocks prospect which further serves to highlight the potential of the broader Junction region.

To have such strong and consistent results across a range of critical minerals at an early stage is highly encouraging. A systematic soil sampling program will be completed as soon as possible in order to define targets for drilling."

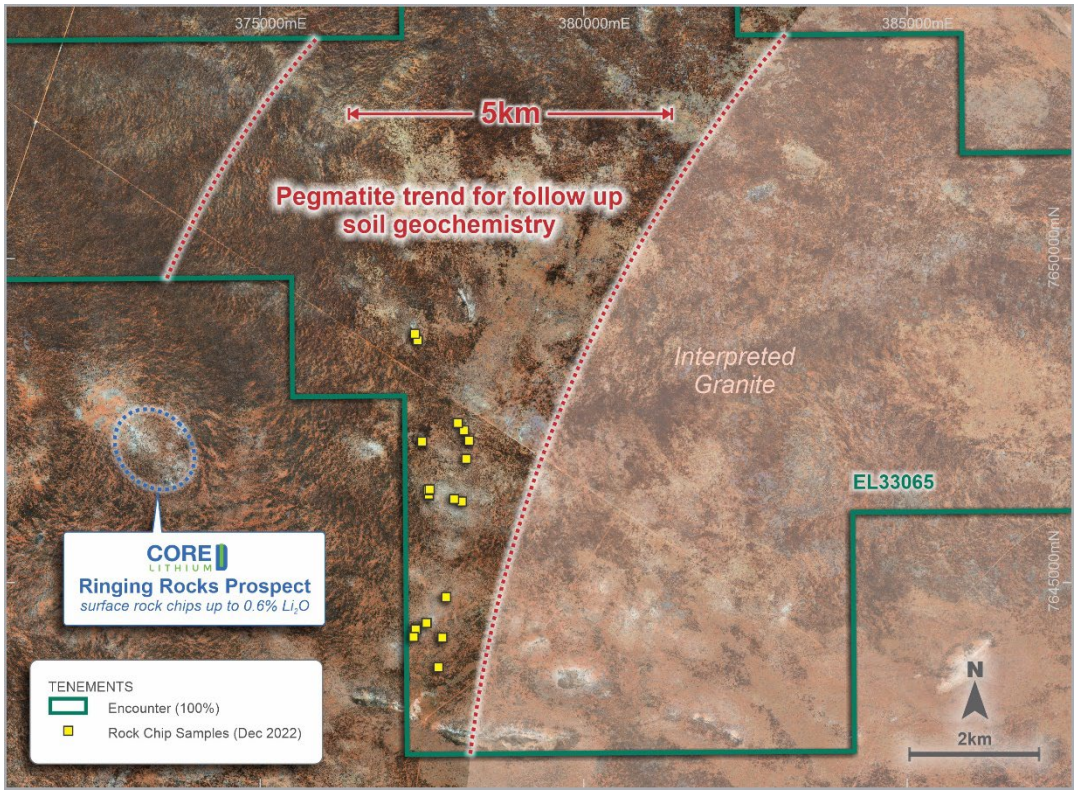

Figure 1 – Junction Project – location of the new LCT pegmatite trend identified at Crawford

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Background

Junction sits within the North Arunta Pegmatite Province which was first identified in a report by the Northern Territory Geological Survey ("NTGS") in 2005. The NTGS interprets that the pegmatites in the region are LCT pegmatites similar to the host pegmatites of the lithium deposits at Greenbushes in WA and the Finnis deposit in the Pine Creek pegmatite province in the NT. [1]

The NTGS interpretation has now been validated at Crawford with significant implications for the broader Junction area.

The Crawford target at Junction is defined by the intersection of two important LCT-controlling structures, the Barrow Creek and Neutral Junction Fault Zones (Figure 2).

Core Lithium Ltd's (ASX:CXO) Ringing Rocks prospect is located ~5km west of Crawford. Ringing Rocks is a lithium-in-soils anomaly coincident with the outcrop position of two large pegmatite bodies and surface rock chips assaying up to 0.6% Li_2O.[2] This further demonstrates the potential of the broader Junction area.

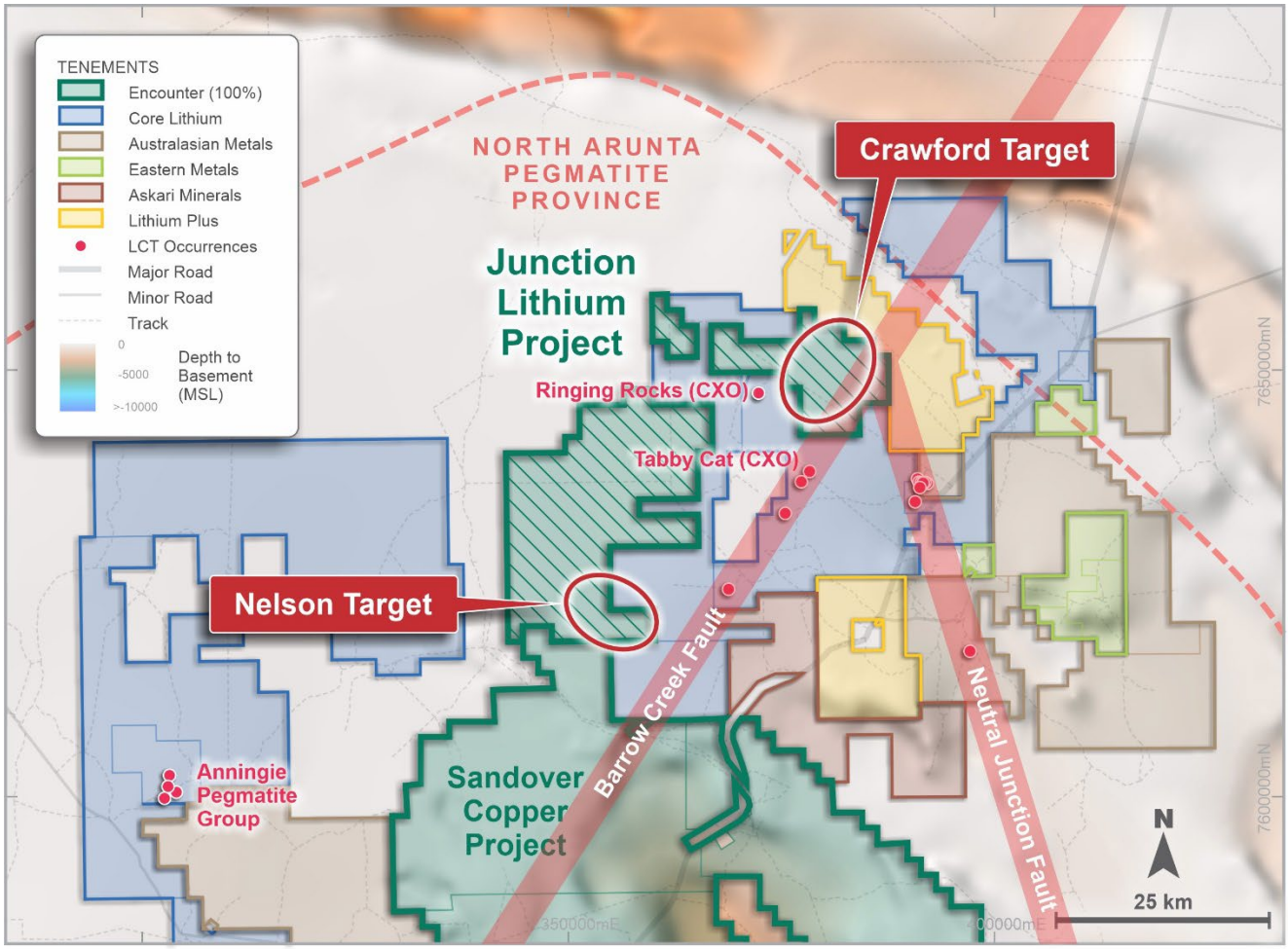

Figure 2 – North Arunta Pegmatite Province – Junction Lithium Project location highlighting ENR's Crawford and Nelson targets. Also shown are nearby LCT pegmatite occurrences sourced from company reports and NTGS Report 16 *Tin-tantalum pegmatite mineralisation of the Northern Territory* (Frater 2005).

[1] NTGS Report 16: *Tin-tantalum pegmatite mineralisation of the Northern Territory* (Frater, 2005)
[2] CXO ASX Announcement - 28 September 2017
[3] CXO Annual Report - 27 September 2022

Assay results - Sampling of pegmatites at Crawford

In December 2022, initial field reconnaissance was completed at Crawford to investigate a series of outcropping and sub-cropping pegmatites. The outcrops were rock chip sampled over 4km of strike proximal to the margin of a large, interpreted granite body.

Several outcropping pegmatites and fractionated granites were sampled along the 4km trend which returned highly anomalous lithium and other critical mineral assay results (see Table 1). Accordingly, Crawford is a new critical minerals occurrence in the North Arunta region.

The results confirm LCT pegmatites at Crawford, comparable to the host pegmatites of the Core Lithium Finnis lithium deposits in the Pine Creek region of the NT (JORC Resources of 15Mt @ 1.3% Li_20).[3]

Sample ID	Northing m	Easting m	Be ppm	Bi ppm	Cs ppm	Li ppm	Rb ppm	Sn ppm	Ta ppm	W ppm
EX245553	7647349	378153	1	0	32	15	1200	5	0	1
EX245554	7647190	378230	0	0	0	3	4	0	0	0
EX245555	7646908	378189	1	0	9	23	150	24	1	4
EX245557A	7646249	378119	2	1	28	51	298	43	30	15
EX245557B	7646249	378119	1	1	15	8	335	1	0	1
EX245558	7646290	378000	2	0	12	5	506	16	0	2
EX245559	7646346	377612	0	0	2	5	15	2	0	1
EX245560	7646358	377608	1	2	88	5	1,510	3	0	0
EX245561	7646425	377595	0	0	0	9	2	0	0	0
EX245562	7646438	377622	0	0	0	9	1	1	0	0
EX245564	7647175	377496	1	0	3	82	66	2	0	1
EX245565	7647176	377505	1	0	1	87	26	0	0	1
EX245566A	7647463	378059	1	6	5	9	49	4	3	740
EX245566B	7647463	378059	2	0	25	7	1,165	4	0	8
EX245566C	7647463	378059	2	1	22	8	614	5	0	3
EX245567	7648739	377436	0	0	1	53	33	1	0	2
EX245569	7648841	377394	0	0	2	52	53	1	0	1
EX245570B	7644325	379405	5	6	59	80	525	30	4	9
EX245571	7644776	377877	0	0	1	13	2	0	0	0
EX245572A	7644142	377814	1	14	4	4	53	4	2	1
EX245572B	7644142	377814	4	2	12	44	370	20	3	1
EX245573	7644288	377417	0	0	0	4	2	0	0	1
EX245574	7644279	377418	0	0	0	5	2	0	0	2
EX245575	7644277	377412	4	0	98	7	3,040	4	0	0
EX245576	7644276	377410	13	3390	468	647	4,830	>500*	51	640
EX245577	7644148	377818	3	37	22	28	462	22	5	16
EX245578A	7644376	377574	4	3	56	66	817	40	4	107
EX245578B	7644376	377574	3	63	70	20	1,550	11	1	31
EX245579A	7644274	377406	18	1	498	905	5,720	>500*	40	115
EX245579B	7644274	377406	0	1	2	10	16	2	0	1
EX245579C	7644274	377406	3	3	75	10	2,580	3	0	2
EX245581	7644159	377374	0	1	2	7	20	2	0	1
EX245590	7643692	377758	0	1	2	11	7	1	0	0

Table 1: Location and assay results from surface rock chip sampling from Junction. *500ppm upper detection limit for Sn via ME_MS61L analysis. These two samples have been submitted for ME-MS85 (lithium borate fusion and ICP-MS) with results pending.

Rock chips are random, subject to bias and often unrepresentative for the typical widths required for economic consideration.

Next Steps

Systematic soil geochemical sampling of the LCT pegmatite prospective corridor will be completed in early 2023 (Figure 1). The geochemical sampling will test for a range of critical minerals including Li, Cs, Ta, Sn, Be, W and Rb. Following this soil sampling program, RC drilling of defined targets is planned.

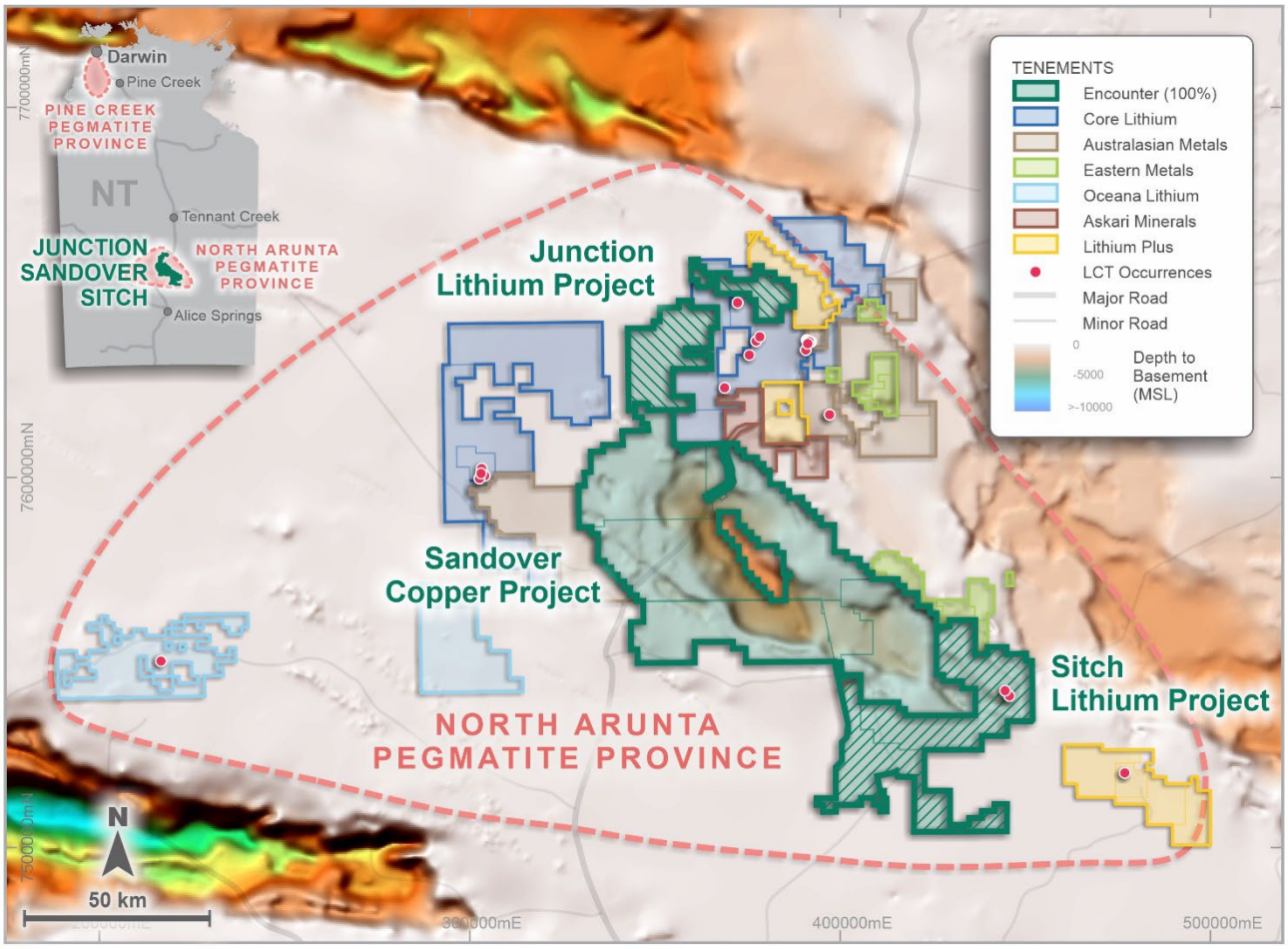

Figure 3 – North Arunta Pegmatite Province – Junction and Sitch Lithium Project Location Plan LCT pegmatite occurrences sourced from NTGS Report 16 *Tin-tantalum pegmatite mineralisation of the Northern Territory* (Frater 2005).

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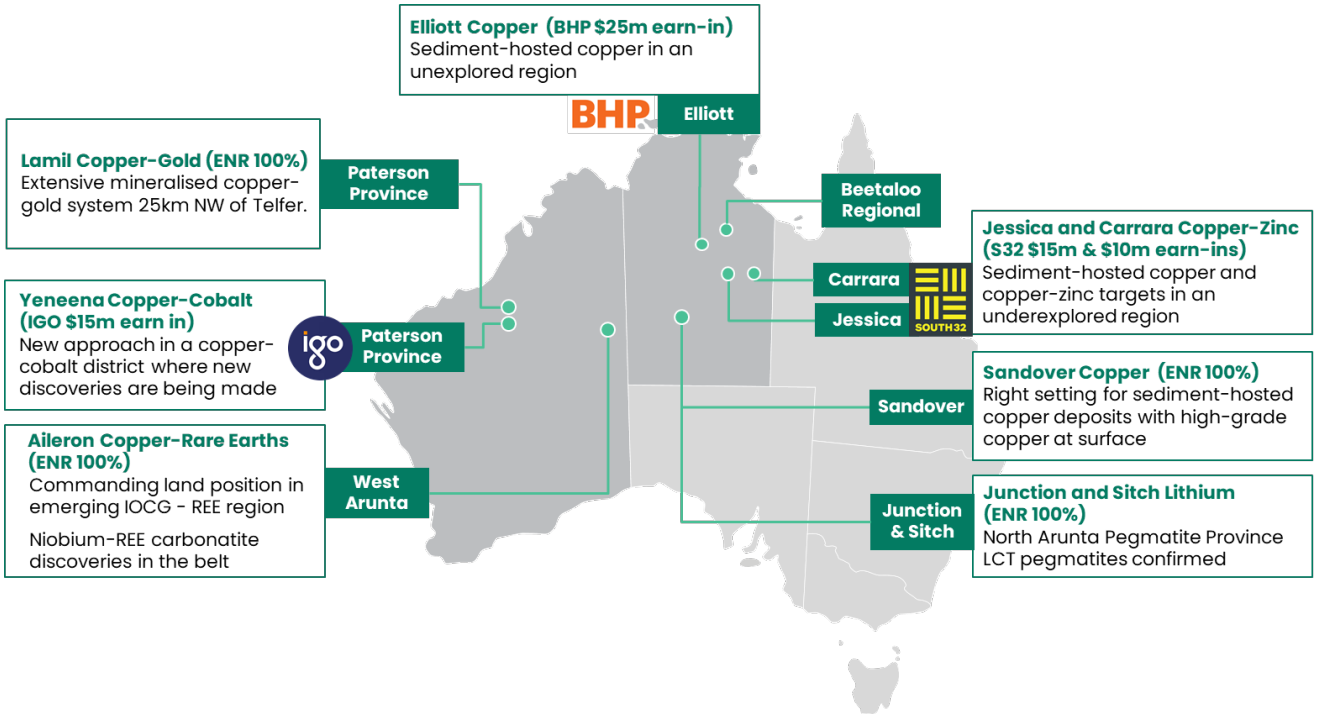
The information in this report that relates to Exploration Results is based on information compiled by Mrs Sarah James who is a Member of the Australasian Institute of Mining and Metallurgy. Mrs James holds shares and options in and is a full time employee of Encounter Resources Ltd and has sufficient 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'. Mrs James consents to the inclusion in the report of the matters based on the information compiled by them, 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. This announcement has been authorised for release by the Board of Encounter Resources Limited.

About Encounter



Encounter is one of Australia's leading mineral exploration companies listed on the ASX. Encounter's primary focus is on discovering major copper dominant deposits in Australia.

Encounter controls a large portfolio of 100% owned projects in Australia's most exciting mineral provinces that are prospective for copper, rare earths and lithium. Complementing this, Encounter has numerous large scale copper projects being advanced in partnership and funded through farm-in agreements with leading miners: BHP, South32 and IGO. Encounter's assets include:

100% ENR Projects

Aileron Copper-Rare Earths Project –WA

- Targeting IOCG style copper and carbonatite-hosted REE mineralisation
- Falcon airborne gravity survey May 2023
- Diamond drilling commencing April-June 2023

Junction Lithium Project - NT

- Highly anomalous lithium & critical minerals
- Confirmed LCT pegmatites

Sandover Copper Project - NT

- Outcropping shale units that contain copper mapped for >20km
- Major gravity survey completed at Sandover, planning for 2023 drilling

Lamil Copper-Gold Project - Paterson Province WA

- High-grade copper-gold reefs, up to 6.5% copper and 21.5g/t gold, intersected in Sep 2022

Copper Farm-in Partners

$7m invested by partners on ENR projects in 2022

BHP

Elliott Copper Project - NT

(up to $25m farm-in funding)

- 2 diamond drill holes (1,655m) Nov 2022
- Awaiting geochemical and petrophysical results for both holes

SOUTH32

Jessica and Carrara Projects – NT

(up to $25m farm-in funding)

- Diamond drilling commencing May 2023
  - 4 holes (3,500m) at Jessica
  - 3 holes (3,000m) at Carrara

igo

Yeneena Project – Paterson Province WA

(up to $15m farm-in funding)

- 2022 diamond drill program included:
  - 6 diamond holes (3,988m)
  - Seismic survey and airborne geophysics

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sounds, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Surface rock samples were taken at the Crawford prospect by Encounter staff in December 2022. 34 surface rock chip samples were taken and sent for analysis from outcropping and subcropping rocks of pegmatite and granite. Rock chips are random, subject to bias and often unrepresentative for the typical widths required for economic consideration.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Sample locations were recorded by handheld GPS, which has an estimated accuracy of +/- 5m.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	Rock chip samples were sent to ALS Laboratories in Perth, where they were crushed, pulverised and split to produce a sub – sample for Super-Trace Four-Acid Digestion with ICP MS and ICP-AES (ALS Method ME-MS61L).
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	No drilling undertaken
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	No drilling undertaken
	Measures taken to maximise sample recovery and ensure representative nature of the samples	No drilling undertaken
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling undertaken

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of*	A geological description was recorded and photograph taken of each sample prior to submission to the lab for analysis.

	detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Geological logging is qualitative in nature and records interpreted lithology, alteration, mineralisation, structure, veining and other features of the samples.
	The total length and percentage of the relevant intersections logged	All sampled have been logged by Encounter geologists
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No drilling undertaken
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No drilling undertaken
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation was completed at ALS Laboratories in Perth. Samples were dried, crushed, pulverized (a 750g split to better than 85% passing minus 75 micron) and a 4-Acid digest on 0.25g sample analyzed via ICP-MS and ICP-AES (ALS Method ME-MS61L).
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Rock chips are random, subject to bias and often unrepresentative for the typical widths required for economic consideration.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No duplicate samples were taken. Rock chips are random, subject to bias and often unrepresentative for the typical widths required for economic consideration.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered appropriate to give an accurate indication of the rock types at Crawford.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	A prepared sample (0.25 g) is digested with perchloric, nitric, hydrofluoric, and hydrochloric acids. The residue is leached with dilute hydrochloric acid and diluted to volume. The resulting solution is analysed by a combination of inductively coupled plasma-atomic emission spectrometry (ICP-AES) and inductively coupled plasma-mass spectrometry with results corrected for spectral or isotopic interferences. Four acid digestions can dissolve most minerals; however, although the term “near-total” is often used to describe a four acid digestion, depending on the sample matrix, not all elements are quantitatively extracted.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No use of geophysical tools
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material and blanks as part of in-house procedures.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The assay results included in this report have been verified by Sarah James (Exploration Manager)
	The use of twinned holes.	No twinned holes have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary location data was collected on field ipad and GPS. Data collected including assays are sent offsite to Encounter's Database (Datashed software), which is backed up daily.
	Discuss any adjustment to assay data.	No adjustments have been made to the assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	No drilling undertaken
	Specification of the grid system used.	The grid system used is MGA_GDA94, zone 53.
	Quality and adequacy of topographic control.	Estimated RLs have been assigned to be corrected at a later stage using a more detailed DTM.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Rock chips at the Crawford prospect have been collected over a 5km corridor of outcrop and subcrop.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Mineralisation has not yet demonstrated to be sufficient in both geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.
	Whether sample compositing has been applied.	No sample compositing
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Rock chips at the Crawford prospect have been collected over a 5km corridor of outcrop and subcrop. Rock chips are random, subject to bias and often unrepresentative for the typical widths required for economic consideration.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No drilling undertaken
Sample security	*The measures taken to ensure sample security.*	The chain of custody is managed by Encounter. Samples were delivered by Encounter personnel to the assay laboratory.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Sampling techniques and procedures are regularly reviewed internally, as is data. To date, no external audits have been completed on Crawford data.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The areas sampled at the Crawford prospect are located within the tenement EL32065 which is 100% held by Encounter. The sampling areas are wholly contained within the Neutral Junction Pastoral Lease.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	There is no known historical drilling or surface exploration activity at Crawford. Core Exploration Ltd (ASX: CXO) has completed regional reconnaissance mapping and geochemical surface sampling to the west and to the south on neighboring tenure EL31058 including at their Ringing Rocks prospect located ~5km west of Crawford.
Geology	*Deposit type, geological setting and style of mineralisation*	The Crawford prospect sits within the North Arunta Pegmatite Province which was first identified in a report by the Northern Territory Geological Survey ("NTGS") in 2005. The NTGS interprets that the pegmatites in the region are LCT pegmatites similar to the host pegmatites of the lithium deposits at Greenbushes in WA and the Finnis deposit in the Pine Creek pegmatite province in the NT.
Drill hole information	*A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:* • *Easting and northing of the drill hole collar* • *Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* • *Dip and azimuth of the hole* • *Down hole length and interception depth* • *Hole length*	Refer to tabulation in the body of this announcement.

Criteria	*JORC Code explanation*	Commentary
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	No data aggregation undertaken
	Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No data aggregation undertaken
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents have been reported in this announcement.
Relationship between	*These relationships are particularly important in the reporting of exploration results.*	The geometry of the mineralisation is not yet known due to insufficient drilling in the targeted area.

mineralisation widths and intercept lengths	*If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views.*	Refer to body of this announcement
Balanced Reporting	*Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All meaningful and material information has been included in the body of the text.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.
Further Work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The next phase of work will include systematic soil geochemical sampling of the prospective corridor.