

Diamond drilling commences at Aileron – West Arunta

- ~2,000m diamond drill program has commenced at the Aileron project
- First hole will test a discrete, high amplitude (~6 mGal) density anomaly at Perce which is prospective for IOCG mineralisation or an alkaline/carbonatite intrusion
- The diamond drill rig will then be utilised to test targets generated from the 20,000m aircore drill program in progress at Aileron
- A total of 70 aircore holes (~6,400m) have been completed to date and the first batch of priority aircore samples from Crean has left site for analysis

Encounter Resources Ltd (“Encounter”) is pleased to announce that diamond drilling has commenced at the Aileron project (100% ENR) in the West Arunta region of WA.

Commenting on the diamond drilling campaign, Managing Director Will Robinson said:

“The project wide Falcon gravity survey that we completed provided fundamental new data to target IOCG and carbonatite-hosted niobium-REE deposits in the West Arunta region.

The survey defined key regional structures that transect the West Arunta including the NNE trending Weddell Fault that bounds a number of the high priority prospects in the region. It highlighted significant gravity anomalies in the eastern part of Aileron including the discrete, high amplitude density anomaly at Perce, which is the first target to be tested.

The initial diamond program at Perce is EIS co-funded and is the first phase of the systematic testing of major geophysical targets defined in the eastern part of this emerging new mineral belt.”

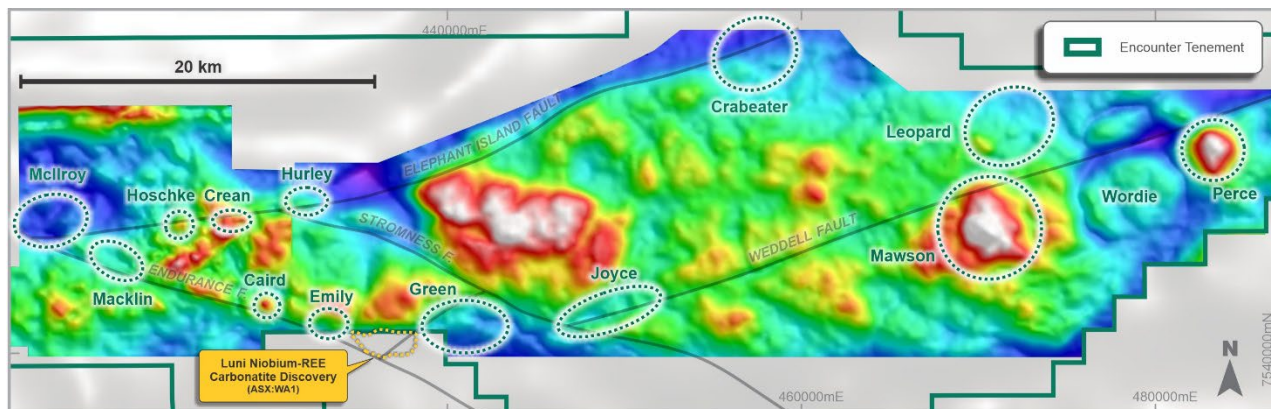


Figure 1 –Eastern Targets (Perce, Mawson, Wordie) were highlighted in regional Falcon gravity survey ¹

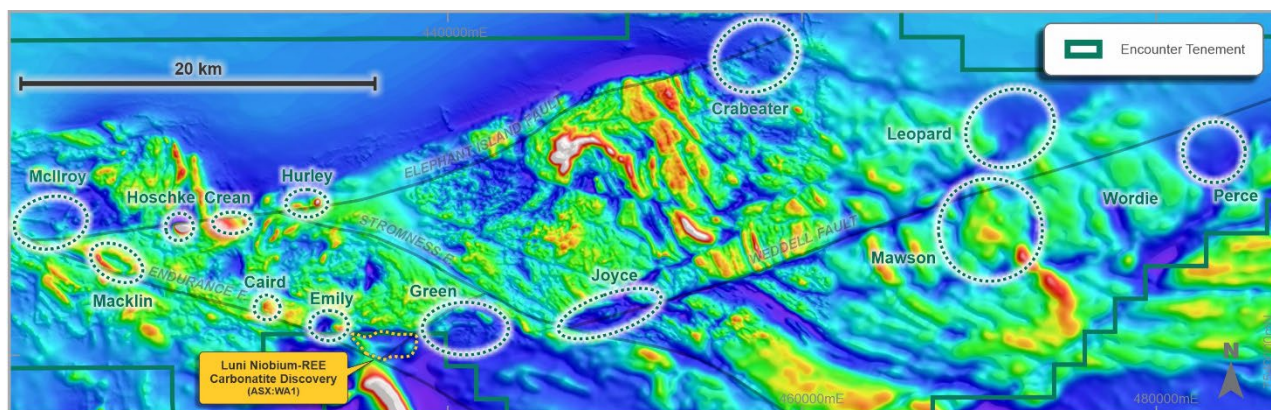


Figure 2 – Aileron project – Magnetics (RTP) - Multiple compelling targets to be tested in 2024 ²

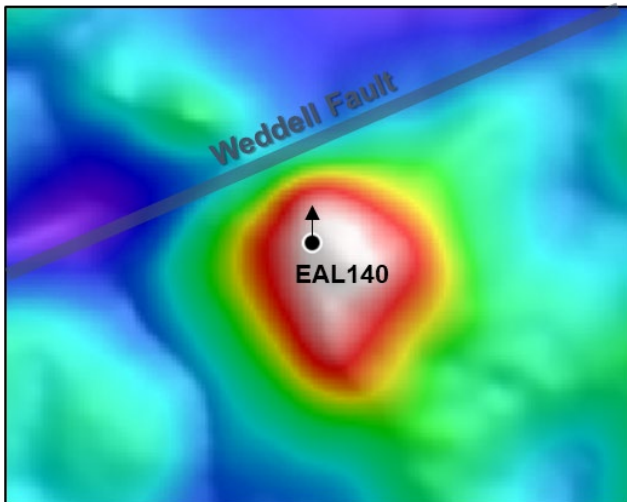


Figure 3 – Perce residual gravity image with location of the first diamond drill hole (EAL140)

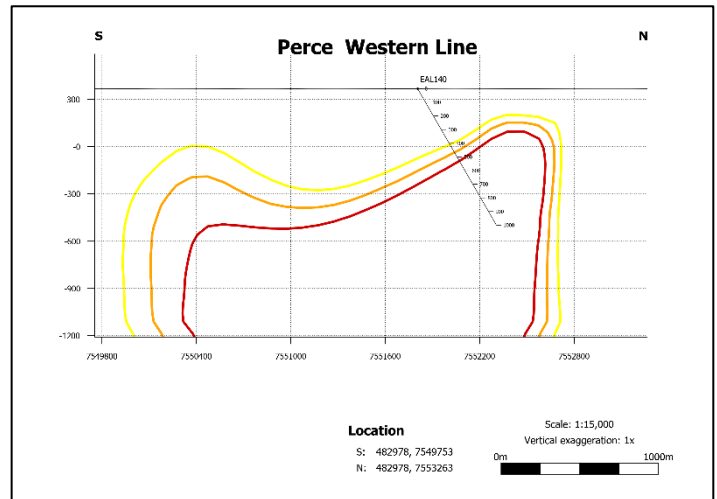


Figure 4 – North-south section through modelled gravity shell with location of diamond drillhole EAL140

Diamond drilling

The Perce target is located at the eastern extent of Aileron where no previous drilling has been completed (Figures 1 & 2). Perce is a high priority geophysical target that is a discrete, high amplitude (~6 mGal) density anomaly located at a key structural intersection.

The first hole has been designed to test the most intense part of the gravity feature. The hole will be drilled to the north towards the major regional Weddell Fault that bounds the northern margin of Perce.

The regionally significant NNE trending Weddell Fault is adjacent to a number of the high priority prospects in the region including Green, Joyce and Perce and also the Luni carbonatite complex owned by WA1 Resources Ltd.

It is interpreted that the Perce gravity anomaly may represent zones of hematite alteration considered prospective for IOCG mineralisation or an alkaline/carbonatite intrusion.

Reconnaissance aircore drilling is planned at the Mawson and Wordie targets in the east of Aileron to determine bedrock geology and establish depth of cover prior to deeper RC/diamond drilling.

Guided by initial observations from the aircore drill program and the first diamond hole at Perce, additional RC/diamond drilling of the eastern targets is planned.

First assay results from the diamond drilling are expected in July 2024.

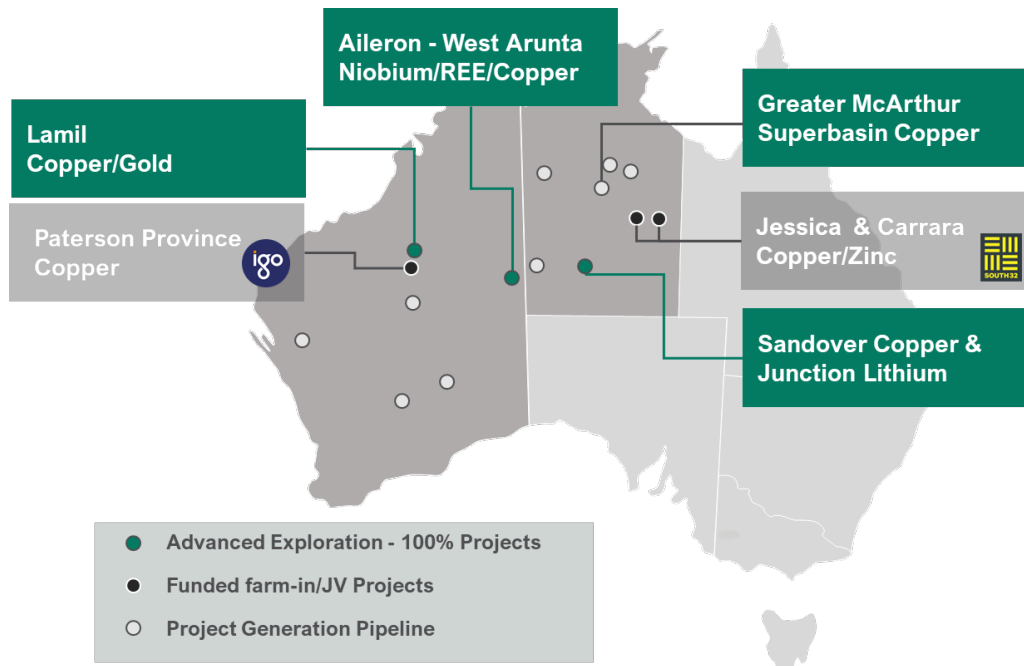
¹ ASX announcement 12 May 2023

² ASX announcement 8 December 2022

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 and niobium/REE deposits in Australia.

Encounter controls a large portfolio of 100% owned projects in Australia's most exciting mineral provinces that are prospective for copper and critical minerals including the Aileron project in the West Arunta region of WA. Complementing this, Encounter has numerous large scale copper projects being advanced in partnership and funded through farm-in agreements with leading miners: South32 and IGO.



For further information, please contact:

Will Robinson
 Managing Director
 +61 8 9486 9455
contact@enrl.com.au

Michael Vaughan
 Fivemark Partners
 +61 422 602 720
michael.vaughan@fivemark.com.au

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.