

18 June 2025

Rapid Drilling of New Carbonatite Targets Commences

Encounter Resources (ASX: ENR) ('Encounter' or 'the Company') is pleased to announce that aircore drilling at the Aileron project in the West Arunta region has commenced. This rapid, cost-effective drilling has already proven highly successful in identifying shallow, high-grade niobium-REE mineralisation and is a key driver of the Company's ongoing discovery strategy.

Key Highlights:

- **Two rigs (RC & aircore) deployed to accelerate discovery and resource growth**
 - Aircore drilling begins on shallow, high-priority targets defined from geophysical datasets
- **Proven method for new discoveries**
 - Fast, low-cost aircore drilling was behind 2024 discoveries at Green, Emily and Crean
- **Building on an initial resource**
 - RC drilling to define and extend high-grade zones within the 19.2Mt @ 1.74% Nb₂O₅ Inferred MRE¹
- **Assays incoming from July**
 - First results expected from July 2025 – steady flow anticipated all year

Executive Chairman, Will Robinson, comments:

"A second drill rig is now in action at Aileron, providing rapid, high-impact drilling across a suite of untested targets. Our exploration team has proven their ability to deliver, uncovering the Green, Emily, and Crean carbonatites in 2024 through fast, efficient exploration."

Our systematic regional aircore drilling campaign has the potential to replicate, or exceed, last year's success. In parallel, our infill RC program aims to define the high-grade zones within our existing resource base. With two rigs turning and multiple targets in play, we're entering one of the most exciting exploration phases in the project's history."

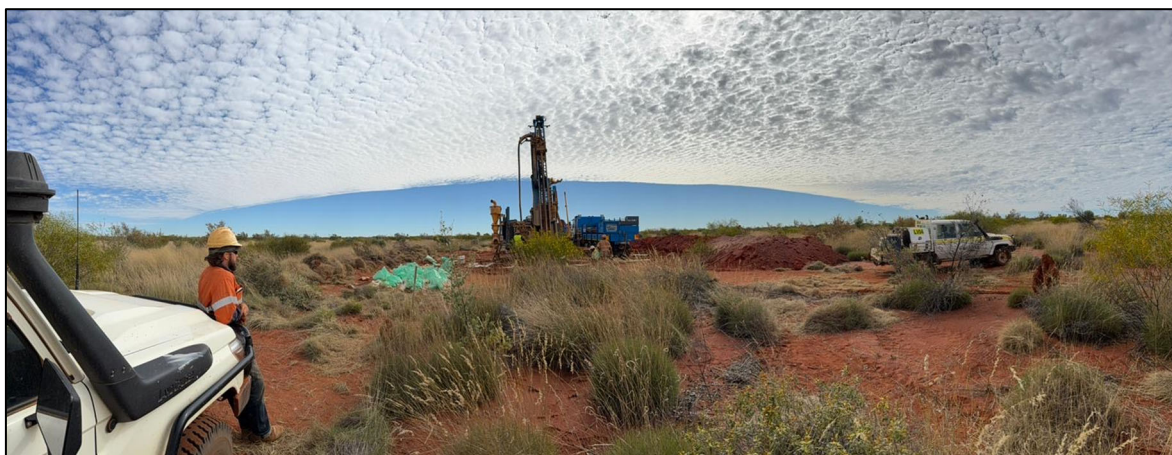


Photo 1 – RC resource definition drilling is advancing at Green, as aircore drilling of new targets gets underway

Unlocking a District-Scale Opportunity in the West Arunta

Encounter made four carbonatite discoveries in 2024 - Crean, Emily, Green, and Joyce – with three now advanced to resource status. In 2025, the Company is building on this momentum with a systematic exploration campaign aimed at unlocking the broader mineral potential of the West Arunta Province.

With a commanding land position in one of WA's most prospective critical minerals frontiers, Encounter has demonstrated that major fault systems act as deep, mantle-tapping conduits, bringing mineralised carbonatite magmas to surface. High-grade zones consistently form at structural intersections and flexures along major faults, targeted in the company's aircore regional drilling program.

Exploration has already revealed two key mineralised corridors. Along the northern Elephant Island Fault, Encounter has mapped an 8km mineralised strike, including the shallow, high-grade niobium deposit at Crean. In the south, the Weddell Fault hosts a ~10km system extending through Emily, Luni, and Green, with mineralisation remaining open to the east and west. Late in 2024, two lines of reconnaissance aircore drilling conducted approximately 8km further east of Green at Joyce, intersected carbonatite, confirming potential extensions of the mineralised complex.

The structural controls on mineralisation are clearly defined by geophysical datasets which highlight the major faults (Figure 1). Encounter is leveraging a significant investment in magnetics and gravity data to identify additional targets in favourable structural positions, building a robust pipeline of drill-ready prospects.

These targets will be initially tested using rapid, low-cost aircore drilling. Where carbonatite-hosted niobium-REE mineralisation is intersected, ground gravity and passive seismic surveys will be deployed to map areas of deeper weathering, which may indicate zones of metal enrichment.

Beyond niobium-REE exploration, Encounter's 2025 exploration program will test copper-gold targets using aircore drilling and geochemical sampling. An airborne EM survey is scheduled for July 2025 to identify conductive basement features and unlock additional targets.

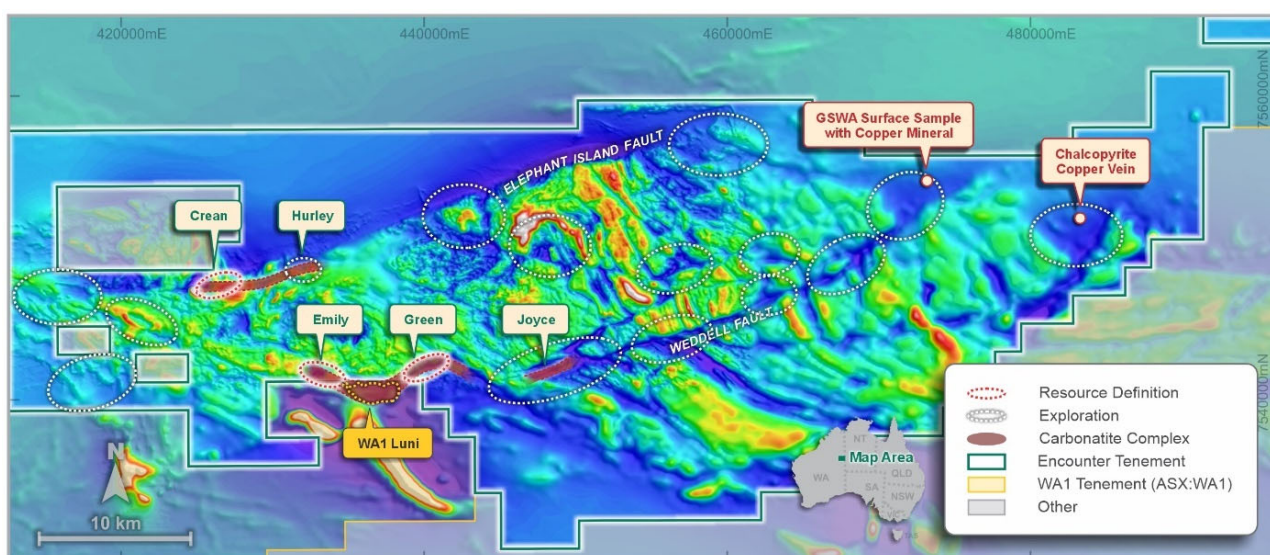


Figure 1 – Aileron Project Magnetics (RTP) – showing identified carbonatite complexes with targeted areas for resource infill drilling, regional exploration and the major controlling ENE trending faults (Elephant Island and Weddell Faults)²

¹ ENR ASX announcement 15 May 2025

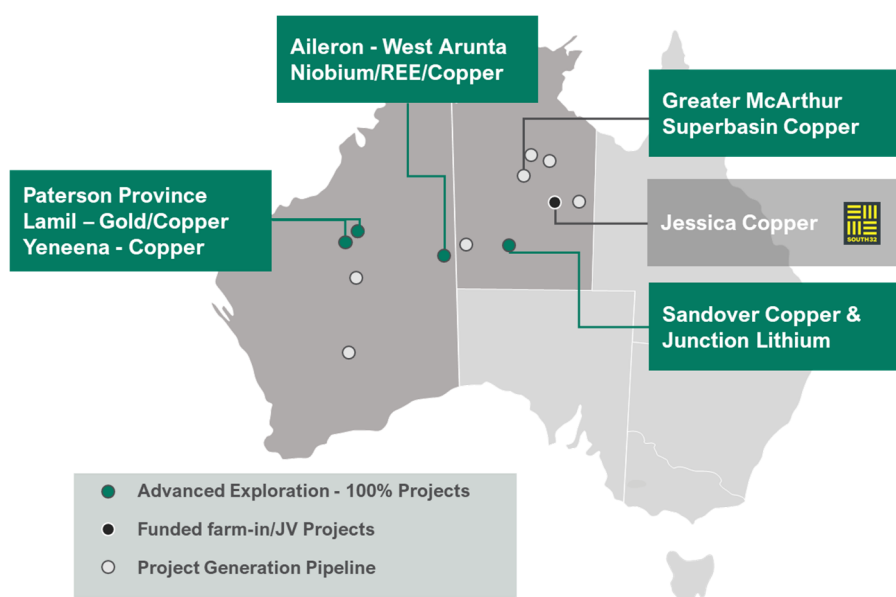
² ENR ASX announcement 14 October 2024

About Encounter

Encounter Resources (ASX:ENR) is a leading Australian mineral exploration company focused on the discovery of major copper and niobium/rare earth element (REE) deposits.

The Company holds a commanding portfolio of 100%-owned projects located in some of Australia's most prospective mineral belts, targeting copper and critical minerals. Key among these is the Aileron Project in the highly endowed West Arunta region of Western Australia—emerging as a significant frontier for critical mineral exploration.

Encounter's strategy is centred on high-impact discovery in Tier 1 jurisdictions, leveraging strong technical capability and a proven track record of attracting leading industry partners.



Deposit	1.0% Nb ₂ O ₅ cut-off (subset of 0.25% Nb ₂ O ₅ cut-off)		0.25% Nb ₂ O ₅ cut-off	
	Tonnage (Mt)	Grade (% Nb ₂ O ₅)	Tonnage (Mt)	Grade (% Nb ₂ O ₅)
Green	12.1	1.63	48.0	0.81
Emily	3.7	1.94	13.9	0.93
Crean	3.5	1.92	5.7	1.38
Total	19.2	1.74	67.6	0.88

Table 1 – Aileron Project Inferred Mineral Resource Estimate ¹

Notes:

- The resource is constrained within optimised pit shells based on a price of US\$45 per kilogram Nb (US\$30/kg FeNb) and is reported above a 0.25% Nb₂O₅ cut-off grade.
- The resource reported above a 1% Nb₂O₅ cut-off grade is a subset of the 0.25% Nb₂O₅ cut-off grade.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

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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 confirms that it is not aware of any new data or information that materially affects the information disclosed in this announcement and previously released by the Company in relation to mineral resource estimates. All material assumptions and technical parameters underpinning the mineral resource estimates in the relevant market announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Person's 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.