

A\$10.5m placement to advance West Arunta exploration

- A\$10.5 million placement at A\$0.22 per share to accelerate and expand upcoming drill program at Aileron Project in the West Arunta region of Western Australia
- Major drill programs scheduled to commence in April/May 2024:
 - Multiple regional scale carbonatite targets will be systematically tested by ~20,000m of aircore drilling
 - Building on the discovery of both shallow, high-grade niobium-REE mineralisation and larger scale primary niobium-REE mineralisation in first-pass drilling at Aileron in 2023
 - Diamond drilling to test a discrete, high amplitude (~6 mGal) density anomaly at Perce in the east of the project
- Encounter is well-funded with a cash position of ~ A\$16m on completion of the Placement

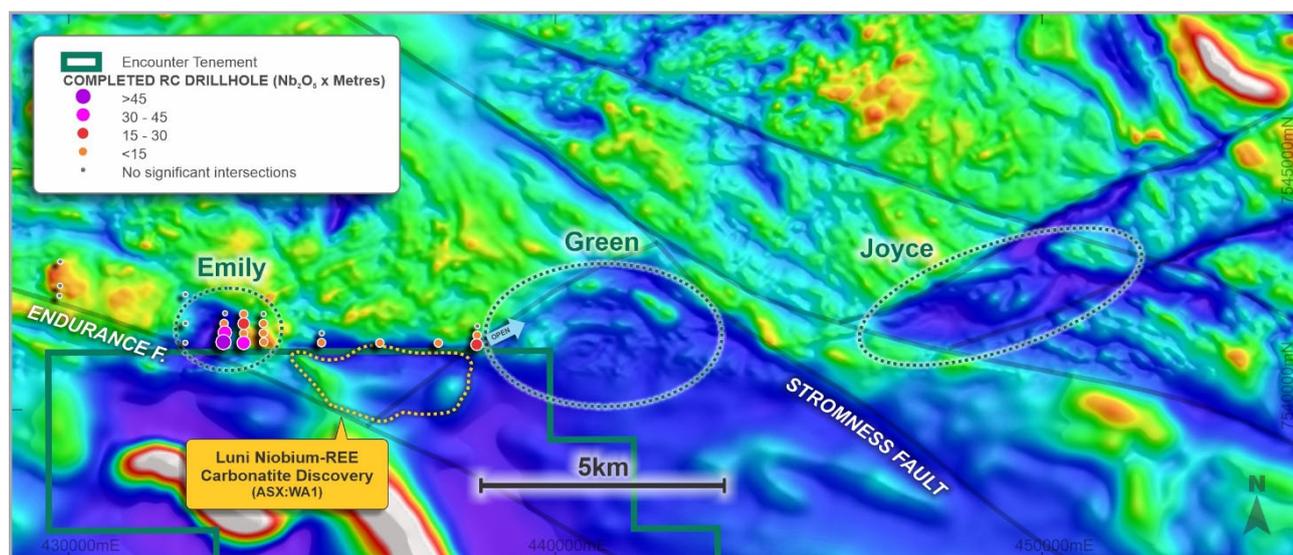


Figure 1 – Southern Targets - RTP magnetics with Emily, Green and Joyce targets defined by low magnetic, circular interpreted intrusive features at intersections of major regional structures ¹

Encounter Resources Limited (“**Encounter**” or the “**Company**”) is pleased to announce the Company has received firm commitments from new and existing institutional, sophisticated, corporate and professional investors for a placement to raise A\$10.5 million (before costs), priced at A\$0.22 per share (the “**Placement**”). The issue price represents a 7.5% discount to the 5 day VWAP of A\$0.238.

Commenting on the Placement, Encounter Managing Director Will Robinson said:

“It’s a pivotal few months coming up at Aileron as we complete our first pattern-testing of numerous compelling targets in this highly fertile, new mineral belt. The additional funding will allow us to expand our drilling programs at Aileron.

Drilling at Emily and Crean is planned to establish the extent of the shallow, high-grade niobium-REE mineralisation intersected in wide-spaced drilling last year.

We are particularly excited to complete the first drilling at the large, interpreted intrusions at Green and Joyce located directly east of the Luni discovery made by WA1 Resources.

And the first drill hole into the intense gravity feature identified at Perce will be fascinating”.

Major drill programs commencing at the 100% owned Aileron Project in the West Arunta

- The results and modelling from the 2023 exploration campaign confirmed:
 - The presence of shallow, high-grade niobium-REE mineralised carbonatites at several prospects including Emily (EAL098 - 12m @ 2.3% Nb₂O₅ & 0.85% TREO from 54m) ¹ and Crean (EAL008 - 4m @ 3.8% Nb₂O₅ & 1.9% TREO from 56m) ²
 - Discovery of large-scale primary niobium-REE carbonatite-hosted mineralisation within a 5km corridor stretching from Crean (EAL007 - 282m @ 0.54% Nb₂O₅ & 0.17% TREO from 64m to EOH) ² to Hurley (EAL034 - 74m @ 0.53% Nb₂O₅ and 0.19% TREO from 64m) ³
 - Exciting untested carbonatite targets adjacent to the Luni discovery including priority targets Green and Joyce
 - Untested potentially large-scale IOCG or carbonatite systems in the east of the project
- Heritage survey is scheduled for April 2024 to facilitate drilling at Green and Joyce
- Multiple regional scale targets will be systematically tested by ~20,000m of aircore drilling commencing in May 2024
- Diamond drilling (EIS co-funded) is scheduled to commence in April 2024 to test a discrete, high amplitude (~6 mGal) density anomaly at Perce in the east of the project

Aircore drilling

The initial focus of the aircore drilling in 2024 is to rapidly identify near surface anomalism/mineralisation at the Southern Targets along the Luni corridor (Emily, Green, Joyce) and the Northern Targets (McIlroy, Macklin, Crean-Hoschke and Hurley).

The aircore rig will also complete reconnaissance drilling at the Mawson and Wordie targets to determine bedrock geology and establish cover conditions prior to deeper RC/diamond drilling.

Diamond drilling

Diamond drilling (EIS co-funded by the WA Government) is also scheduled to commence at Perce in April 2024. Guided by initial observations from the aircore drill program, additional RC/diamond is planned to assist in establishing the dimensions of the mineralised carbonatites at Aileron and provide additional samples for mineralogical and metallurgical testing.

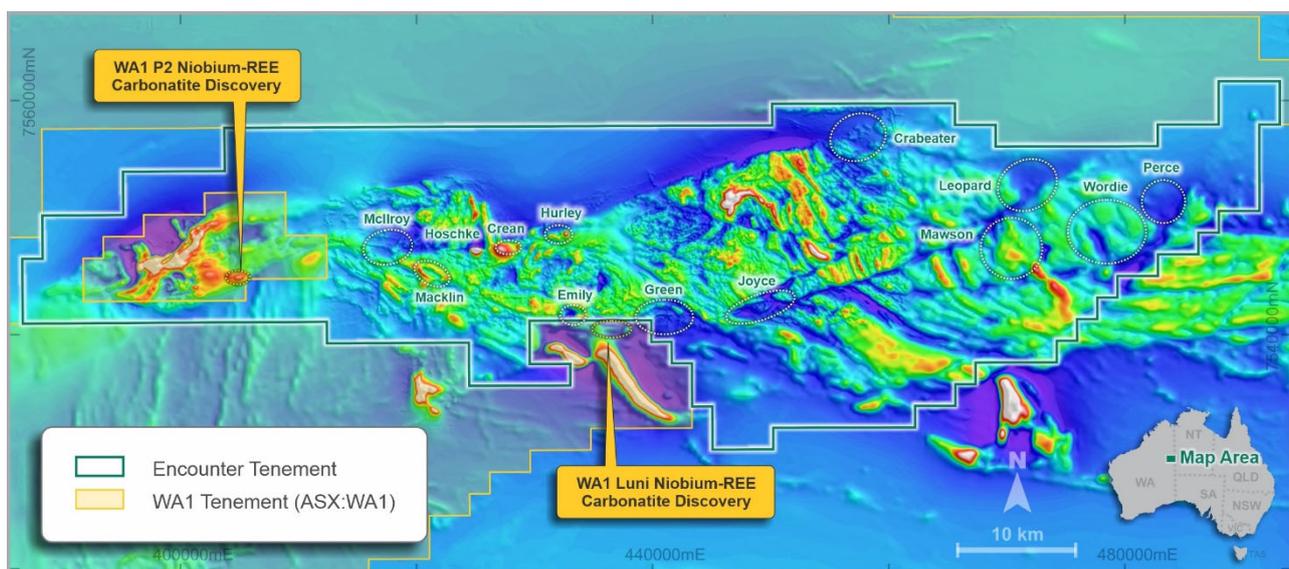


Figure 2 – Aileron project – Magnetics (RTP) - Multiple compelling targets to be tested in 2024

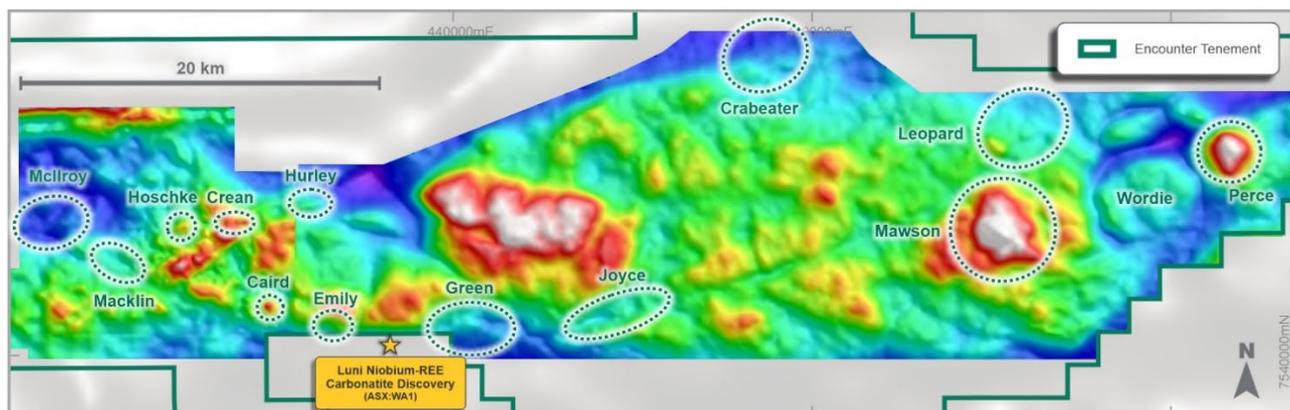


Figure 3 – Eastern Targets (Perce, Mawson, Wordie) were highlighted in regional Falcon gravity survey ⁴

The Placement

The Company has received firm commitments from new and existing institutional, sophisticated, corporate and professional investors to raise A\$10.5 million (before costs) via the issue of ~47.7 million shares at A\$0.22 per share. Proceeds will be used to fund the following:

- Further RC and diamond drilling to determine the scale of mineralised carbonatites at the Aileron Project;
- Expanded aircore drill program to test additional targets at Aileron;
- Ground geophysics at Aileron;
- Initial metallurgical assessment of mineralised carbonatites at Aileron;
- Copper exploration in the Northern Territory and Western Australia; and
- General working capital and costs of the offer.

The Placement to unrelated parties will be completed pursuant to the Company’s 15% placement capacity under ASX Listing Rule 7.1 (7,502,195 ordinary fully paid shares) and additional 10% placement capacity under ASX Listing Rule 7.1A (40,225,078 ordinary fully paid shares). Settlement of the Placement is expected to occur on 10 April 2024.

Canaccord Genuity (Australia) Limited and Chieftain Securities (WA) Pty Ltd acted as Joint Lead Managers to the Placement.

An Appendix 3B reflecting the new shares to be issued follows this announcement.

Pro-forma Capital Structure

	Shares	Options
Securities currently on issue	402,250,781	18,920,000
Shares to be issued pursuant to the Placement*	47,727,273	-
Pro forma securities on issue following Placement	449,978,054	18,920,000

* Settlement of the Placement is expected to occur on 10 April 2024.

¹ ASX announcement 30 January 2024

² ASX announcement 29 January 2024

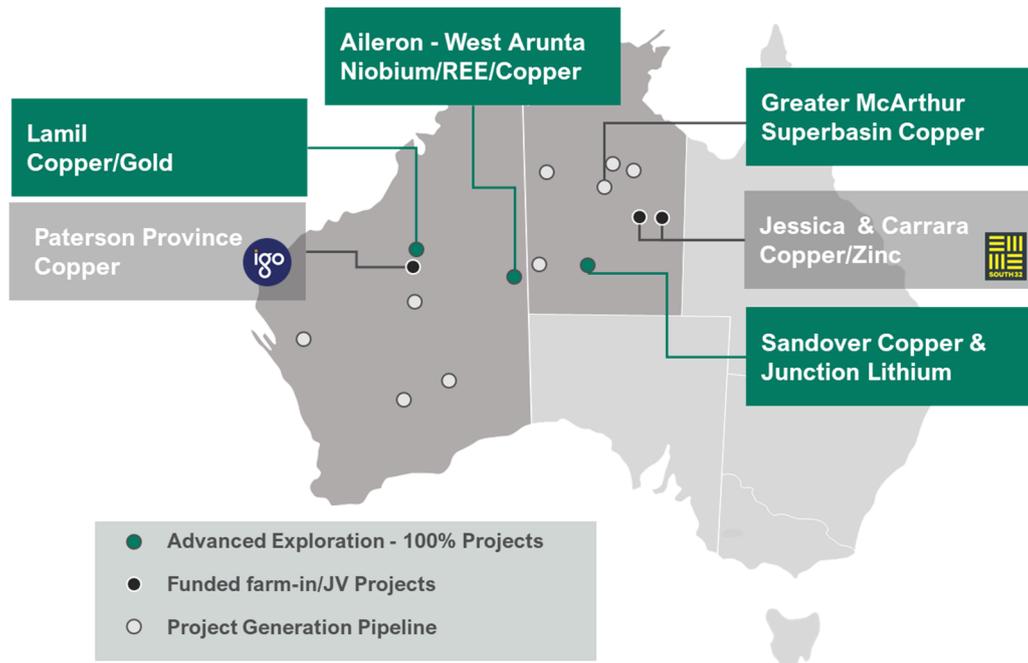
³ ASX announcement 6 September 2023

⁴ ASX announcement 12 May 2023

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.



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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.