

ASX: ENR



Investor Update

June 2023

***Leading copper & critical minerals
exploration in Australia***



Diamond drilling at Aileron in the West Arunta in May 2023

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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 the form and context of the announcement has 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.

Encounter at a glance

Creating value through project generation and discovery

Capital structure

ASX ticker	ENR
Share price (6/6/2023)	\$0.305
Shares on issue	396M
Options	23M
Market capitalisation	~\$121M
Cash (31/5/2023)	~\$13M
Enterprise value	~\$108M

Major shareholders

Board and Management	~13.5%
IGO	~7.2%
Silver Lake Resources	~5.3%

Board of Directors



Mr Paul Chapman
Non-Executive Chairman
*B.Comm, ACA, Grad.
Dip. Tax, MAICD,
MAusIMM*



Mr Will Robinson
Managing Director
B.Comm, MAusIMM



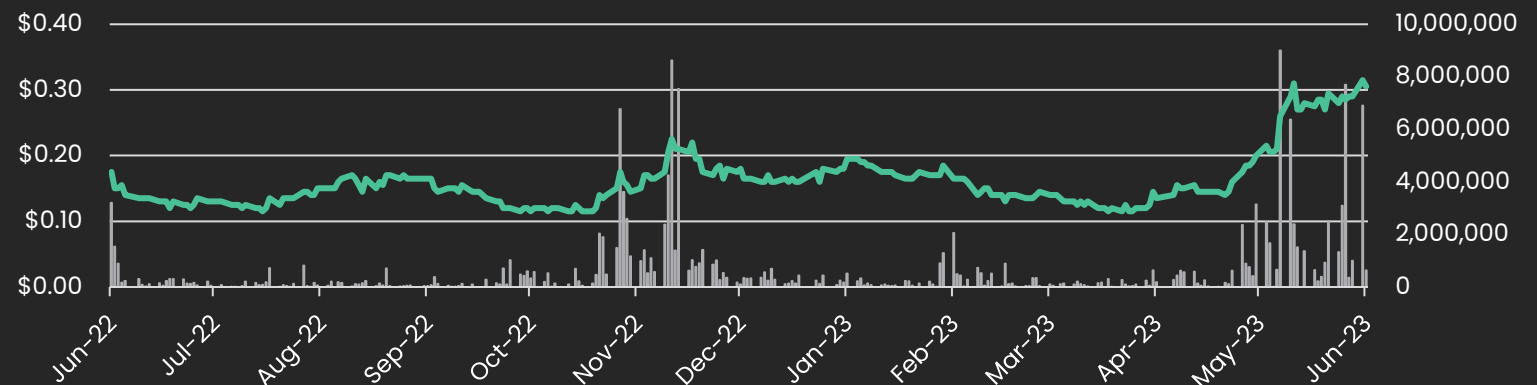
Dr Jon Hronsky OAM
Non-Executive Director
*BAppSci, PhD,
MAusIMM, FSEG*



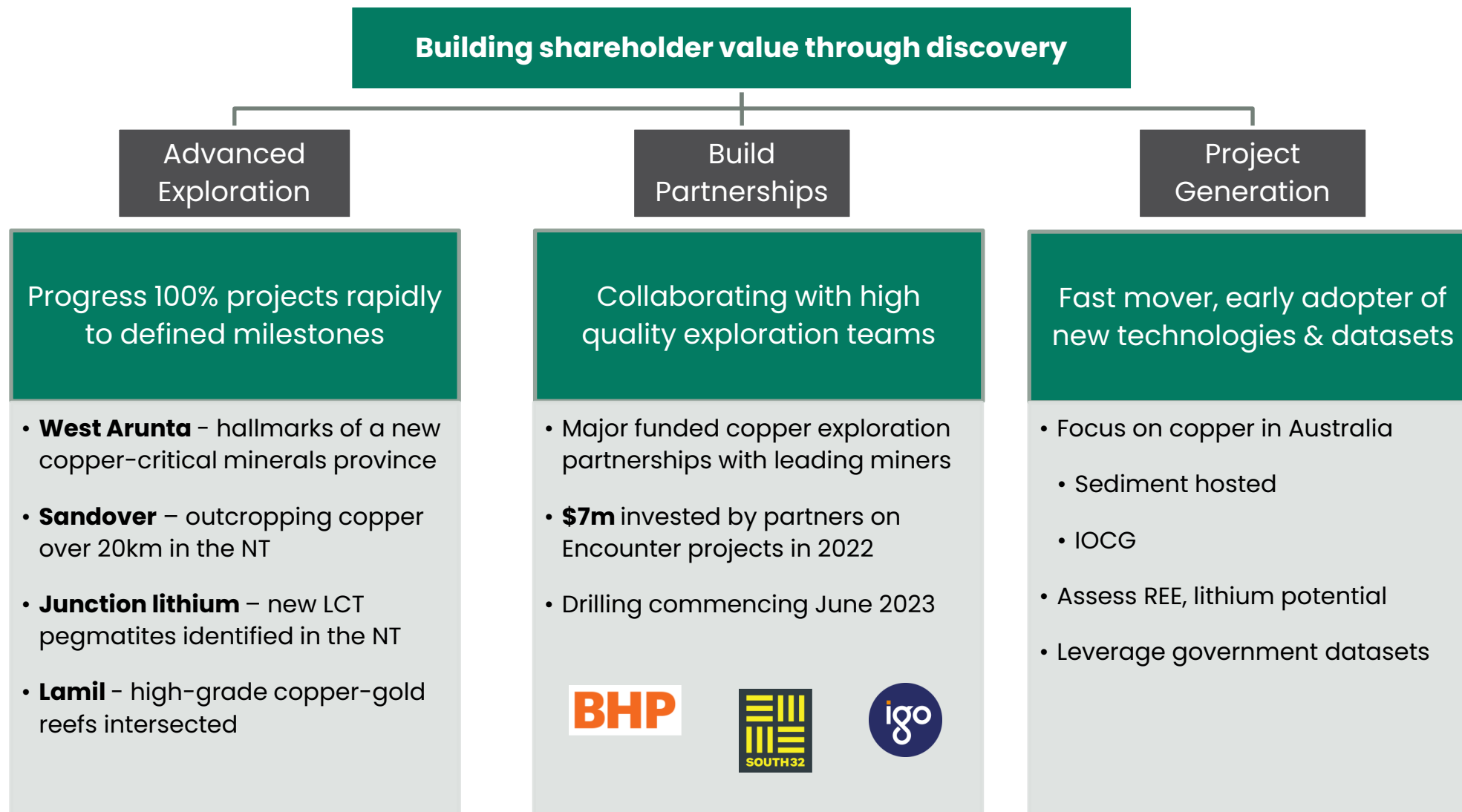
Mr Peter Bewick
Non-Executive Director
*B.Eng (Hons),
MAusIMM*



Mr Philip Crutchfield
Non-Executive Director
*B.Comm., LL.B (Hons),
LL.M LSE*



Large and consistent in-ground exploration investment



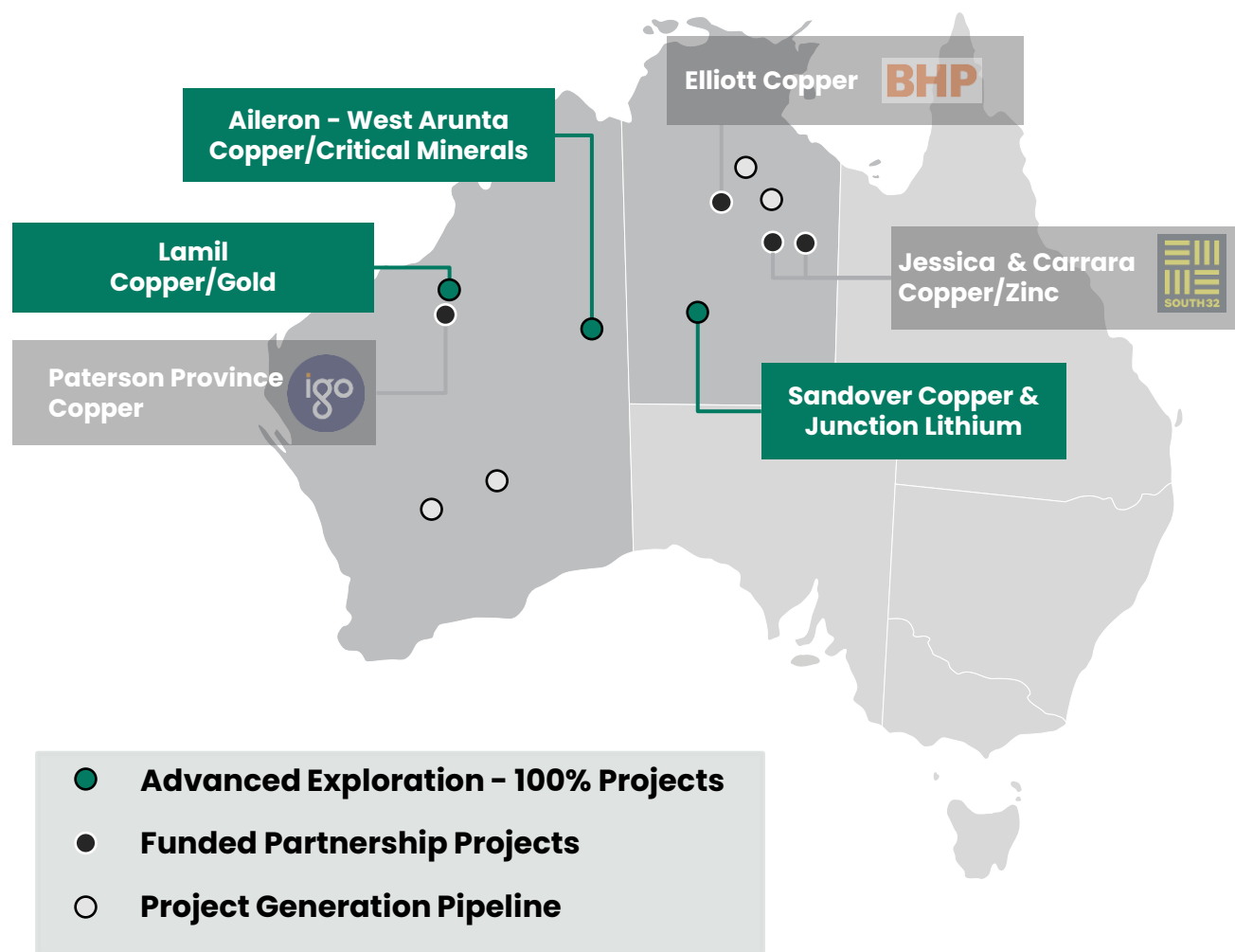
100% owned projects

Leading edge copper and critical minerals exploration in Australia



A premier exploration portfolio

Early mover positions in world-class minerals belts attracting Tier 1 partners



Aileron Project – West Arunta – WA

Targeting IOCG style copper-gold and carbonatite hosted critical minerals

- Diamond drilling underway

Sandover Copper Project – NT

Outcropping shale units that contain copper mapped for >20km

- Gravity survey completed, preparing for diamond drilling

Junction Lithium Project – NT

Highly anomalous lithium & critical minerals

- Confirmed LCT pegmatites

Lamil Project – Paterson Province – WA

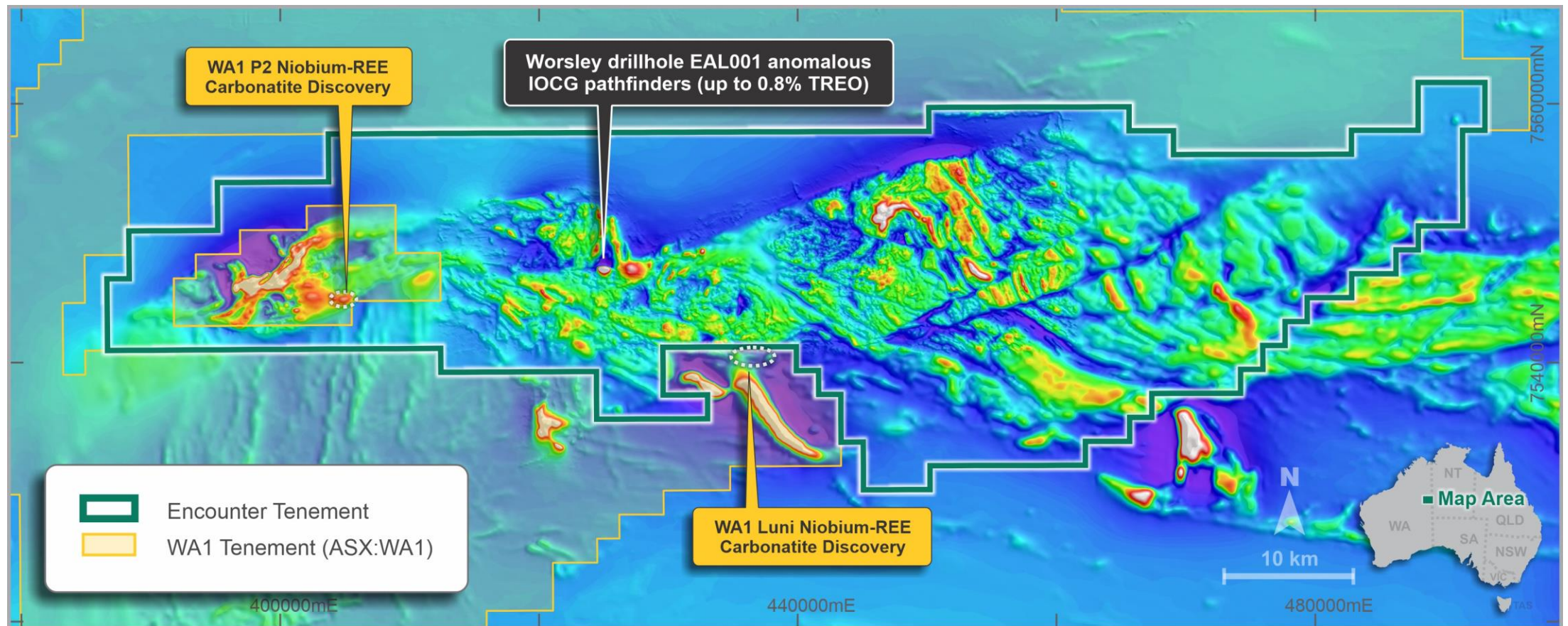
High-grade copper-gold reefs intersected

- Potential for project partnership to accelerate exploration

Aileron Project – West Arunta (100% ENR)

Targeting IOCG and carbonatite hosted critical minerals

- Commanding land position in the underexplored West Arunta with +100km long Aileron project
- High grade niobium-REE discovery at Luni by WA1 Resources (ASX:WA1, Market Cap ~A\$290m) is located adjacent to the southern boundary of Aileron



Aileron Cu-REE project – Magnetics (RTP) ¹

¹ refer to ASX announcement 8 December 2022

Aileron Project – West Arunta (100%)

Modern geophysics is revealing exceptional new critical mineral targets

2019 – 2020

Identified the West Arunta opportunity, secured tenure, introduced Newcrest Mining as farm-in partner



First hole intersects IOCG-style signature at an easily explorable depth in an area of no previous mineral exploration

2021

Newcrest withdraws from the farm-in and returns 100% control of Aileron to Encounter



Gravity survey defines initial drill targets at Caird, Crean & Worsley

2022

Geochronology confirms Olympic Dam age mineralising events at Aileron



Airborne magnetic-radiometric survey completed

2023

Falcon gravity survey reveals extraordinary new targets



EIS co-funded four hole diamond drill program at Caird, Crean & Worsley
First assay results June–July



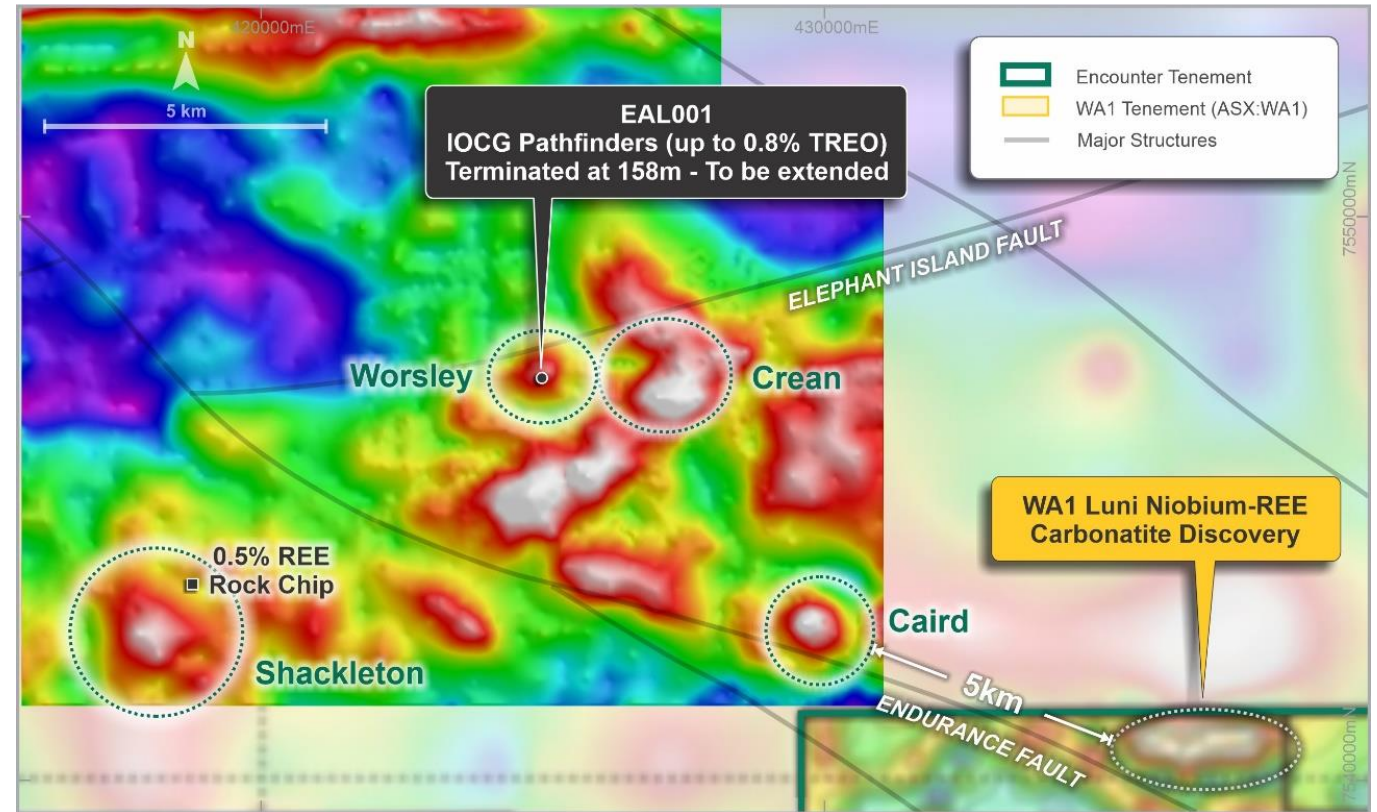
RC drilling planned to test multiple targets in H2 2023

Aileron field camp

Aileron Project – West Arunta (100% ENR)

Initial ground gravity survey defined compelling drill targets

- **Caird** – ‘bullseye’ coincident magnetic and density anomaly 5km north-west of the Luni mineralised carbonatite discovery (ASX:WA1)
- **Crean** – regional scale magnetic anomaly with an offset gravity anomaly similar to the Prominent Hill IOCG deposit
- **Worsley** – the region’s standout magnetic and coincident gravity anomaly with anomalous Cu, Au, Mo, Nb and REE (up to 0.8%) in prior incomplete drillhole EAL0001
- 2,000m EIS co-funded diamond drill program in progress with **first results expected in June–July**



Residual gravity image with interpreted structures and targets to be drilled commencing May 2023 in the western part of >100km wide Aileron project ^{1,2,3}

¹ refer ASX release 28 January 2021

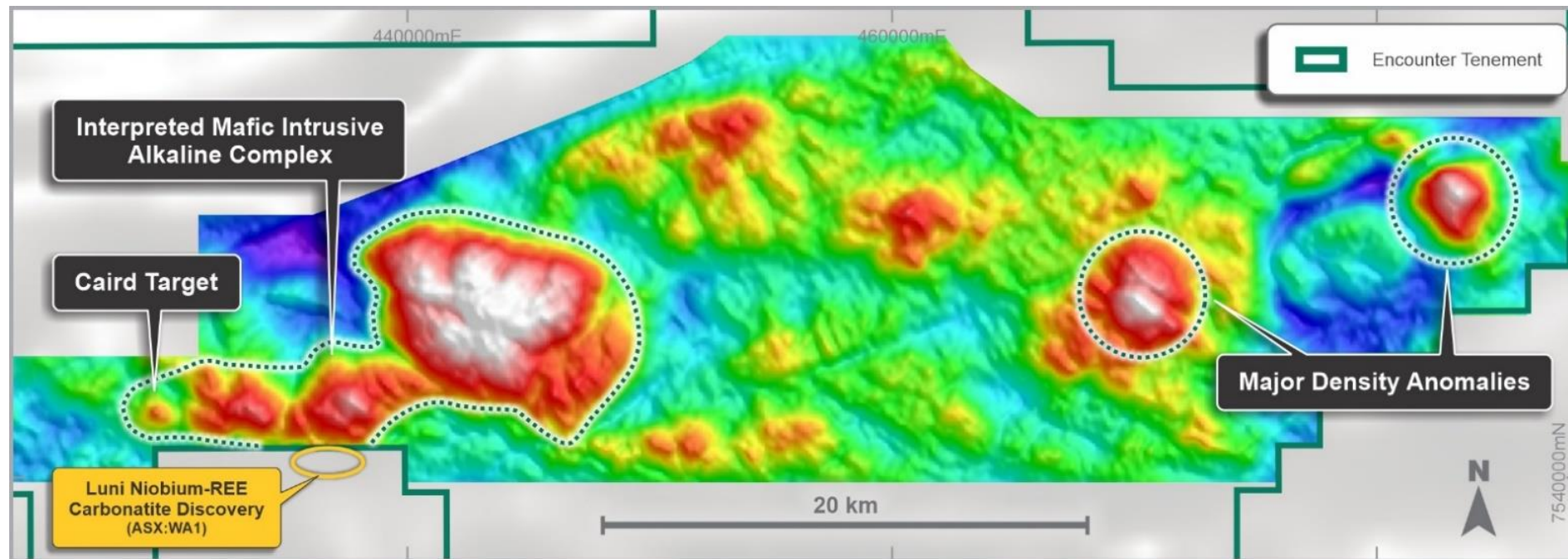
² refer ASX release 14 February 2022

³ refer ASX release by WA1 – 16 November 2022

Aileron Project – West Arunta (100% ENR)

Falcon airborne gravity survey defines a suite of new targets

- Large, high amplitude gravity anomaly encompassing Encounter's Caird target and the adjacent Luni discovery by WA1 Resources
- Interpreted as a major alkaline intrusive complex prospective for carbonatite hosted critical minerals and base metals
- Two intense and discrete density anomalies in the eastern part of Aileron, interpreted as potential intrusive bodies or alteration signatures prospective for IOCG mineralisation
- Interpretation and integration of the new data in progress



Preliminary Falcon gravity survey containing high amplitude gravity anomalies (dotted lines)

Refer to ASX announcement 12 May 2023

Aileron Project – West Arunta (100% ENR)

2023 exploration program

Falcon gravity survey

2,000m diamond drill program: Crean, Worsley, Caird

New gravity/magnetics/drill data to prioritise targets

Heritage survey

Surface geochemistry

Geophysics

RC drill program

Complete

May – Jun

May – Aug

Jul – Aug

Aug – Sep

Aug – Sep

Aug – Oct

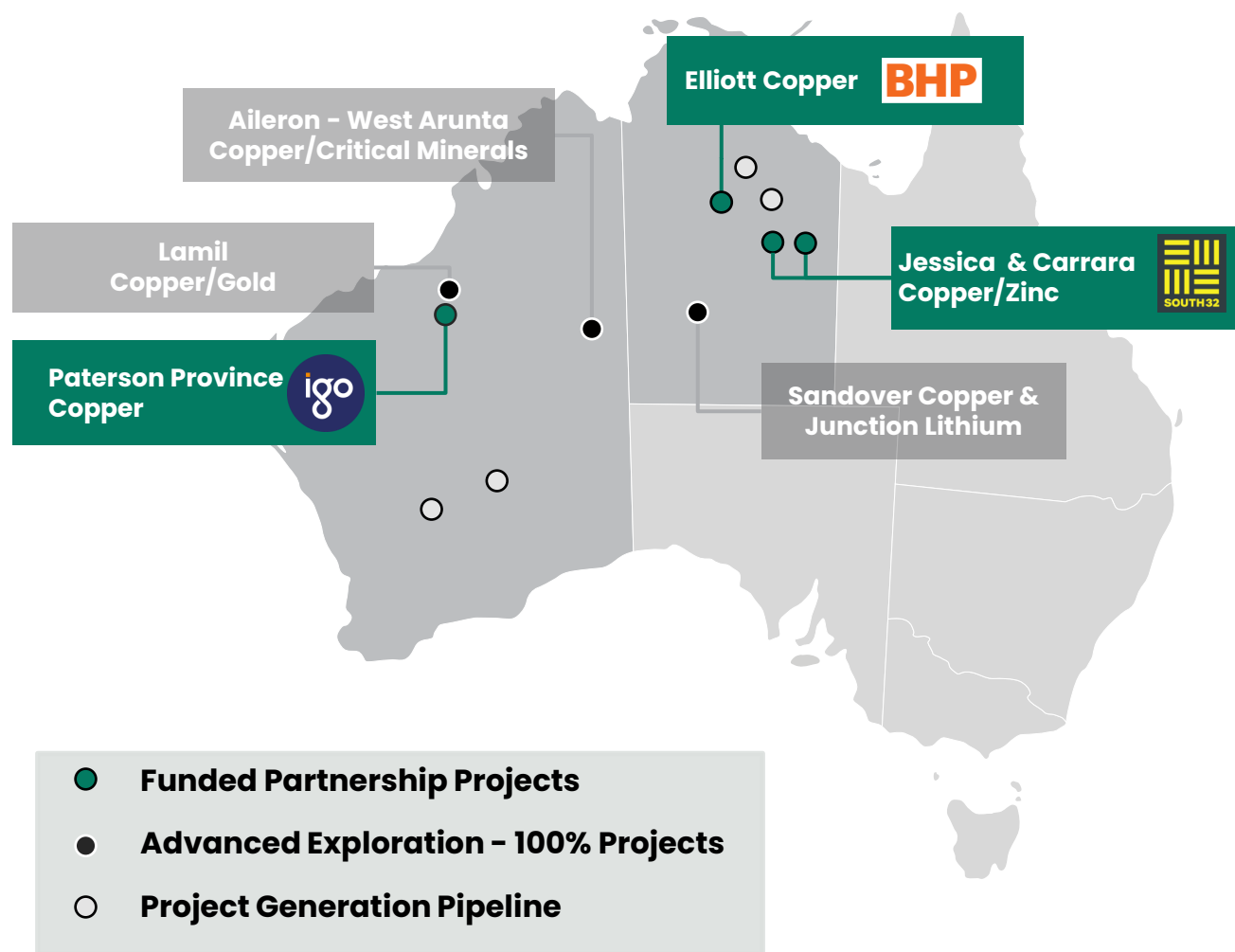
Farm-in projects

Working with the world's leading miners to find the next generation of copper deposits



A premier exploration portfolio

Early mover positions in world-class minerals belts attracting Tier 1 partners



Copper Farm-in Partners

Elliott Copper Project - NT

(BHP - up to \$25m farm-in funding)

- Diamond drilling intersected a potential "first reductant" horizon in 2022

Jessica and Carrara Projects - NT

(South32 - ENR carried to Scoping Study)

- 6,500m diamond drill program commencing June-July 2023

Yeneena Project - Paterson Province WA

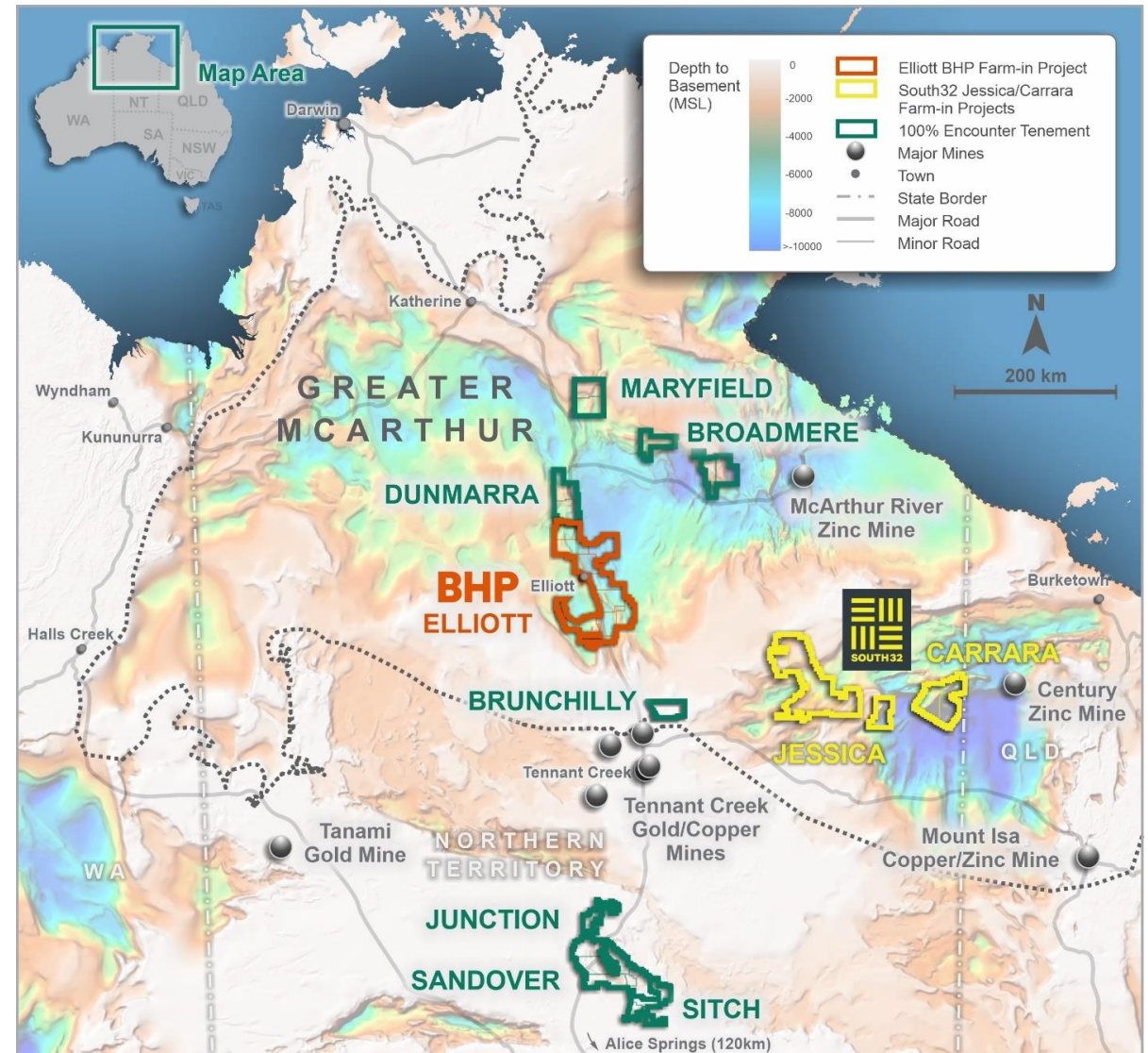
(IGO - up to \$15m farm-in funding)

- 2,000m diamond drill program June 2023

Northern Territory: globally significant opportunity for copper

Major exploration programs targeting Tier 1 discoveries in new areas

- New investment in pre-competitive Government data has transformed the exploration potential of the NT
- These new datasets are providing crucial early insights into areas prospective for sedimentary hosted copper deposits
- Highly prospective, vastly underexplored regions under shallow cover
- Located between the major copper-gold producing districts of Mt Isa and Tennant Creek
- Encounter has a portfolio of fast mover copper opportunities
- Majors acquiring new copper/base metal projects in the NT include: **BHP, South32, Rio Tinto, Fortescue** and **Teck**

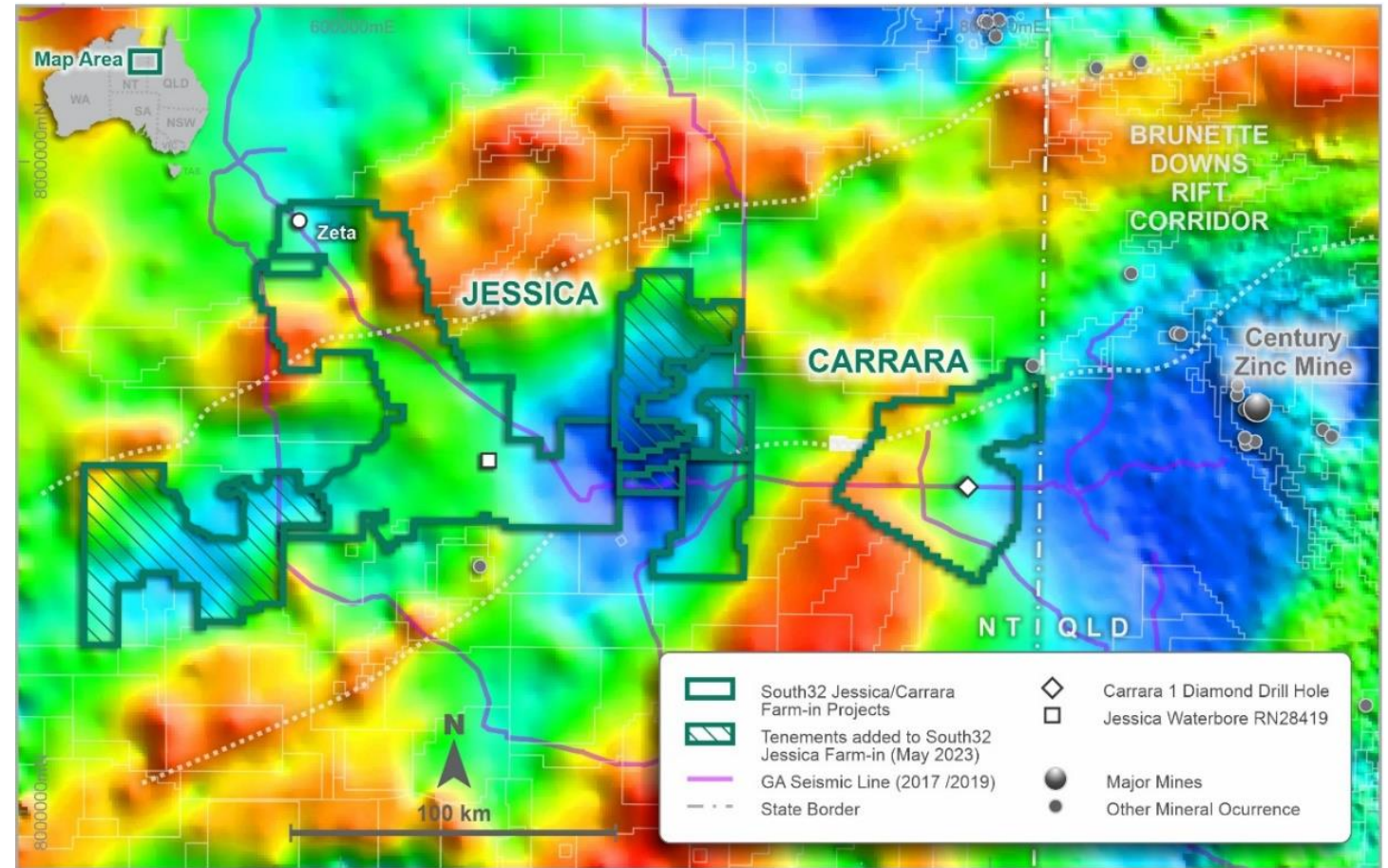


Jessica Copper and Carrara Copper-Zinc Projects

South32 two farm-in agreements (ENR carried to Scoping Study)



- Stratigraphic drill hole (NDI Carrara-1) completed by the Minex CRC established the presence of zinc, lead and copper
- Near surface copper oxide (malachite) in rock chips from water bore drilling at Jessica
- Reprocessing of seismic lines has defined a number of ground-breaking, new drill targets at Jessica and Carrara
- 6,500m diamond drill program to be completed June to Nov 2023
 - 4 holes (3,500m) at Jessica
 - 3 holes (3,000m) at Carrara

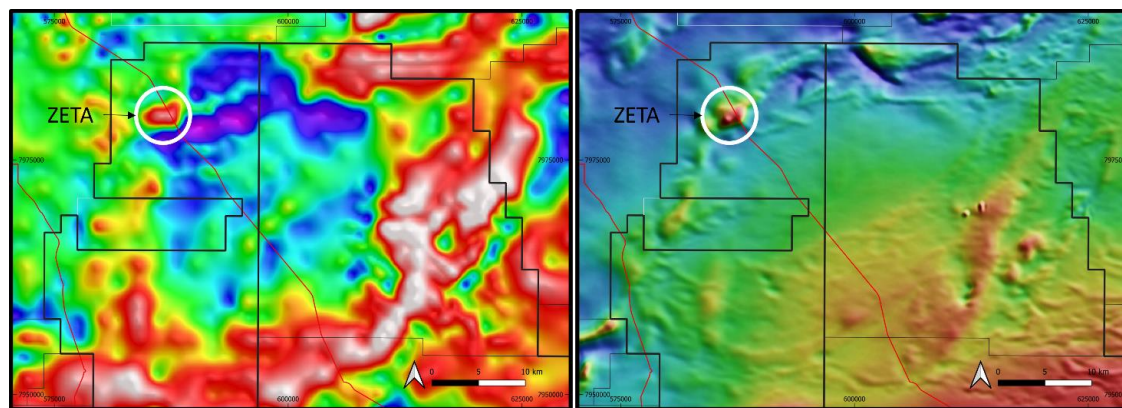


Jessica Copper Project

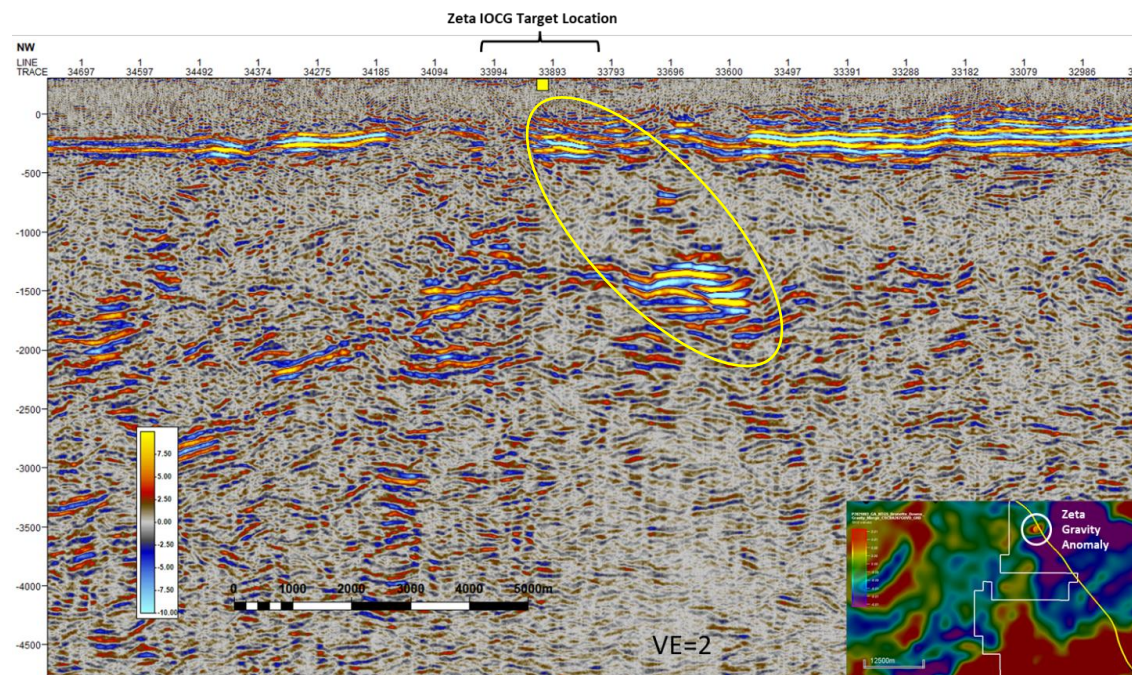
Zeta IOCG Target



- Coincident magnetic-gravity anomaly
- Discrete seismic reflector
- Adjacent to a regionally significant deep feeder structure
- Confluence of geophysical anomalism (gravity, magnetics and seismic) together with the structural context make Zeta a priority target
- Drilling commencing June-July 2023



Gravity (1VD) (left) and Magnetics (RTP) (right), location of GA seismic lines shown in red



Zeta IOCG Target – Seismic cross section

Large projects in emerging copper-critical mineral regions

100% ENR Projects

Aileron Copper-Rare Earths Project –WA

- Targeting IOCG copper-gold and carbonatite hosted critical minerals
- Falcon airborne gravity survey May 2023
- Diamond drilling May –June 2023

Sandover Copper Project – NT

- Outcropping shale units that contain copper mapped for >20km
- Gravity survey completed, diamond drilling program planned

Junction Lithium Project – NT

- Highly anomalous lithium & critical minerals
- Confirmed LCT pegmatites

Lamil Copper-Gold Project – Paterson Province WA

- High-grade copper-gold reefs intersected

Copper Farm-in Partners

\$7m invested by partners on ENR projects in 2022

BHP

Elliott Copper Project – NT

(up to \$25m farm-in funding)

- Diamond drilling intersected a potential “first reductant” horizon in 2022
- Key target for sediment-hosted copper deposits



Jessica and Carrara Projects – NT

(ENR carried to Scoping Study)

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

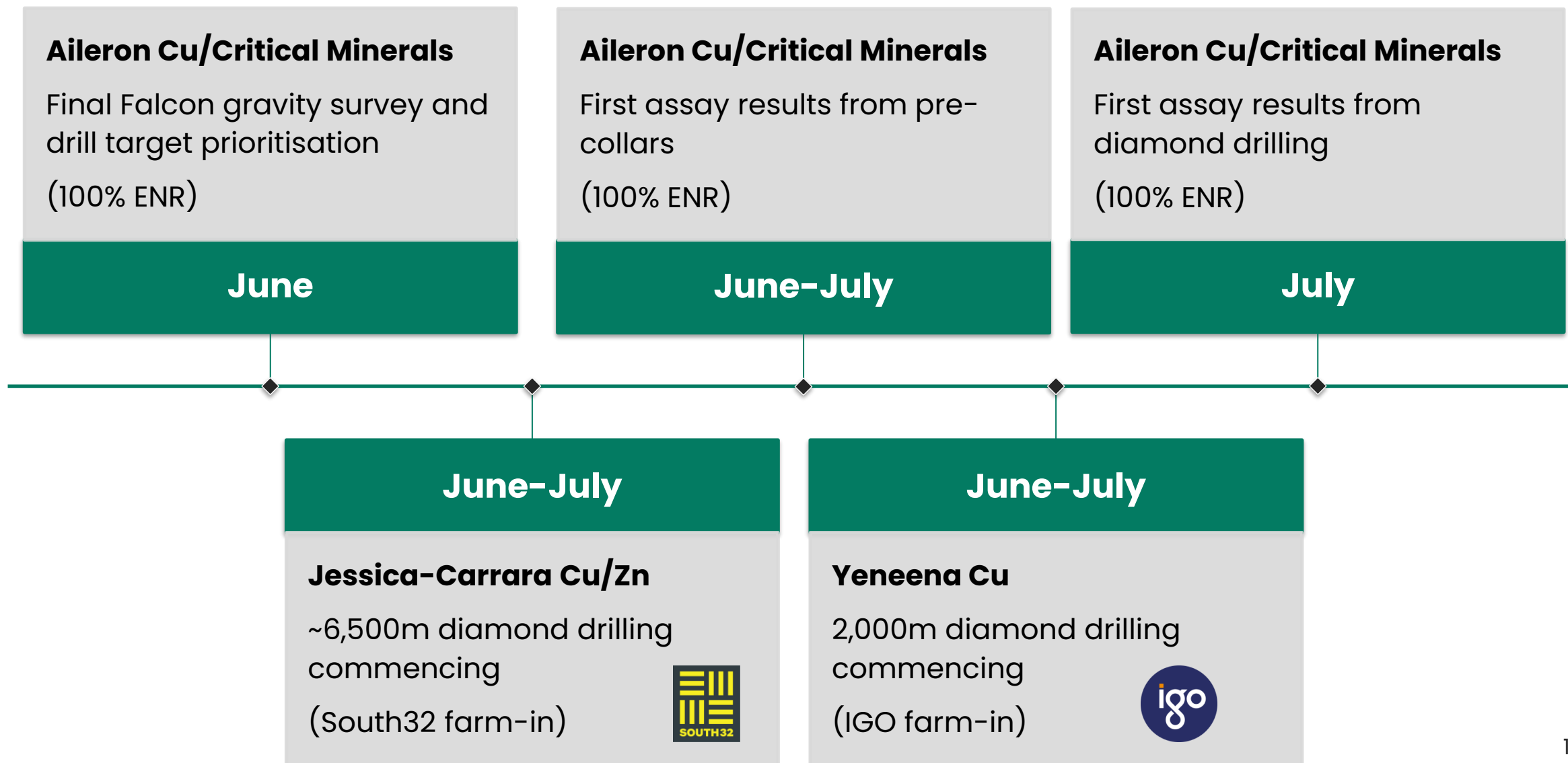


Yeneena Project – Paterson Province WA

(up to \$15m farm-in funding)

- Diamond drilling commencing June 2023
- 3 holes (2,000m) targeting high-value sediment-hosted copper

Drilling multiple discovery targets





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