

# Quarterly Report

For period ended 30 September 2024

29 October 2024

## Highlights

### Aileron Niobium-REE-Copper Project - West Arunta - WA (100% ENR)

- >45,000m of drilling completed so far in 2024 (39,000m aircore, 4,500m RC & 2,500m diamond)
- Drilling continued to improve strike and lateral extent of high-grade, near surface niobium-REE mineralisation at multiple carbonatites:

Prospect	Best Select Intersections	Current Status	Next Steps
Green	<ul style="list-style-type: none"><li>10m @ 4.2% Nb<sub>2</sub>O<sub>5</sub> from 57m (EAL489)</li><li>16m @ 3.0% Nb<sub>2</sub>O<sub>5</sub> from 47m (EAL500)</li><li>18m @ 2.7% Nb<sub>2</sub>O<sub>5</sub> from 44m (EAL515)</li></ul>	<ul style="list-style-type: none"><li>Aircore drilling has outlined a large footprint of +2% Nb<sub>2</sub>O<sub>5</sub></li><li>Numerous holes <u>end in mineralisation</u></li></ul>	<ul style="list-style-type: none"><li>RC drilling to delineate zones of high-grade mineralisation</li><li>Mineral resource definition</li></ul>
Crean	<ul style="list-style-type: none"><li>52m @ 3.0% Nb<sub>2</sub>O<sub>5</sub> from 81m (EAL256)</li><li>46m @ 3.1% Nb<sub>2</sub>O<sub>5</sub> from 60m (EAL239)</li><li>32m @ 2.5% Nb<sub>2</sub>O<sub>5</sub> from 67m (EAL155)</li></ul>	<ul style="list-style-type: none"><li>Coherent high-grade mineralisation over 1.2km</li><li>Numerous holes <u>end in mineralisation</u></li></ul>	<ul style="list-style-type: none"><li>RC drilling to delineate zones of high-grade mineralisation</li><li>Mineral resource definition</li></ul>
Emily	<ul style="list-style-type: none"><li>23m @ 4.2% Nb<sub>2</sub>O<sub>5</sub> from 40m (EAL259)</li><li>20m @ 2.7% Nb<sub>2</sub>O<sub>5</sub> from 41m (EAL225)</li><li>16m @ 2.7% Nb<sub>2</sub>O<sub>5</sub> from 50m (EAL260)</li></ul>	<ul style="list-style-type: none"><li>Aircore drilling completed to test for western extensions</li><li>Numerous holes <u>end in mineralisation</u></li></ul>	Further aircore drilling to define high-grade zones
Hurley	<ul style="list-style-type: none"><li>24m @ 0.9% Nb<sub>2</sub>O<sub>5</sub> from 66m (EAL034)</li><li>28m @ 0.7% Nb<sub>2</sub>O<sub>5</sub> from 210m (EAL115)</li></ul>	Diamond drilling intersected depth extensive primary carbonatite	Explore north and east for enriched oxide mineralisation
Joyce	First assays pending (Nov-Dec 2024)	First aircore drilling confirmed another carbonatite complex	Systematically explore Joyce with aircore drilling in 2025

- RC drilling is ongoing at Green and Crean, establishing continuity of high-grade niobium mineralisation along strike and at depth
- Further assay results from the RC drilling at Green and Crean, through the better mineralised parts of these systems, are expected back in batches through until February 2025
- Diamond drilling at Perce (located 40km from any prior drilling) revealed shallow cover and intersected anomalous rare earth elements and a narrow vein of high-grade copper
- Encounter was awarded a co-funded drilling grant of up to \$220,000 under the WA Government's Exploration Incentive Scheme ("EIS") for diamond drilling at Aileron in 2025

### Major copper exploration drive funded through farm-ins with leading miners

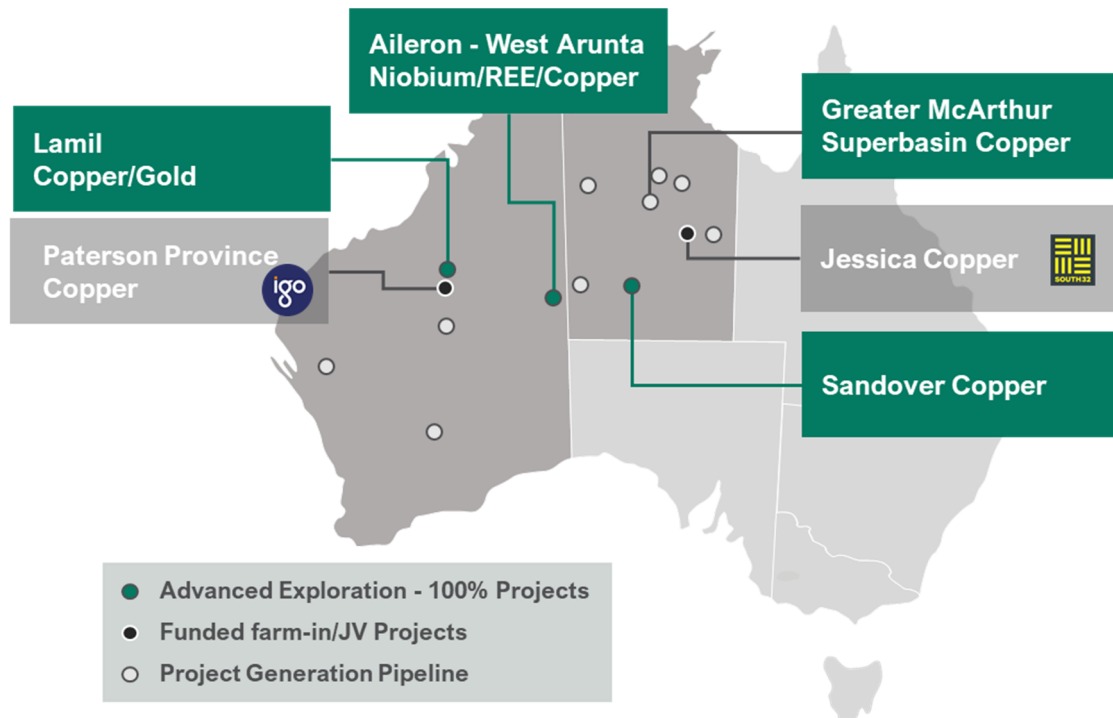
#### Jessica Copper Project – NT (South32 \$15m)

- A program of RC/Diamond drilling (2,500m) commenced at Jessica in October 2024.

#### Yeneena Copper Project – Paterson Province - WA (IGO \$15m farm-in)

- Two diamond drill holes (1,268m) and 39 aircore holes (4,917m) were completed by IGO at Yeneena during the quarter. Results are expected in the December 2024 quarter.

ASX Code:	Cash (30/9/2024)	Market Cap. (28/10/2024)	Issued shares (30/9/2024)	Issued options (30/9/2024)
ENR	~\$10m	\$176m	452m	17m



## 100% owned projects in Australia's most exciting provinces

### Aileron Copper-Niobium-REE Project – West Arunta, WA (100% ENR)

The 100% owned Aileron project covers 1,765km<sup>2</sup> and is located in the West Arunta region of WA, ~600km west of Alice Springs. The West Arunta is an emerging critical minerals province with significant niobium and REE discoveries made during 2023 and 2024.

Encounter completed large regional gravity, magnetic and radiometric surveys at Aileron and has used these baseline datasets to define initial drill targets within the project.

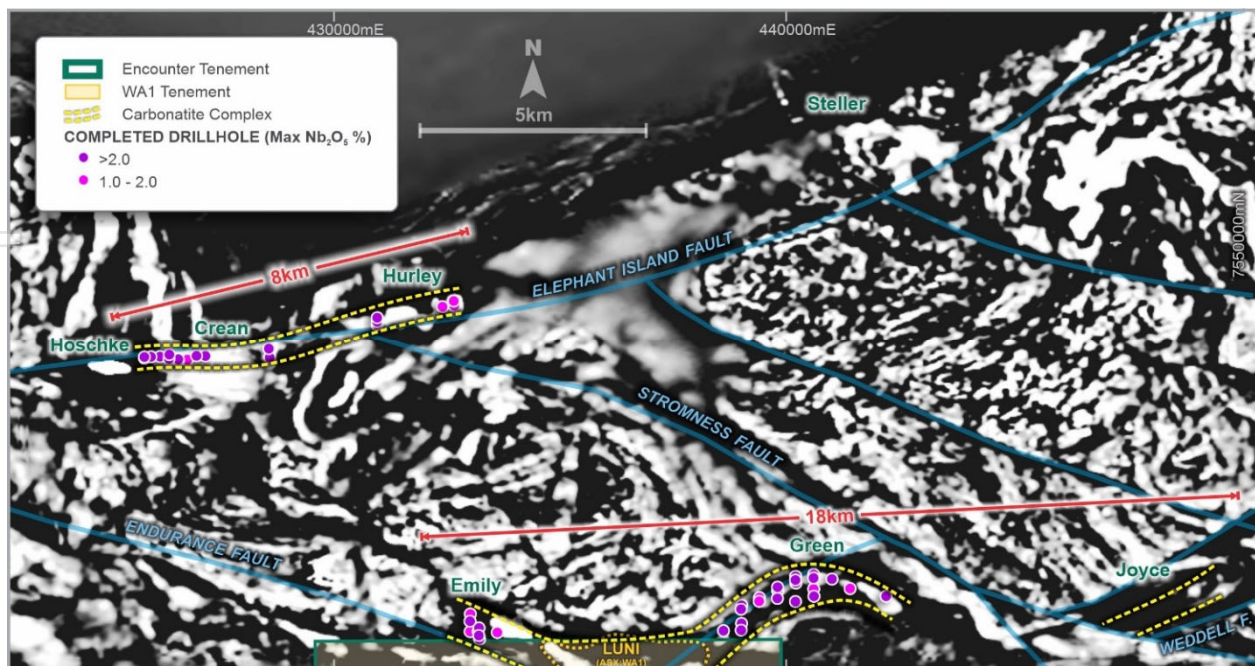


Figure 1 – High grade niobium intercepts follow structural corridors defined in geophysics (Magnetics TMI 1vd)

2,3,4,5,6,7,8,9,10,12

## Green

Reconnaissance aircore drilling completed at Green through 2024 has mapped a large, laterally mineralised zone containing frequent high-grade niobium intercepts over 2% Nb<sub>2</sub>O<sub>5</sub> (Figure 2), often ending in mineralisation. Assay results released during the quarter from the Green carbonatite complex include:

- 10m @ 4.2% Nb<sub>2</sub>O<sub>5</sub> from 57m part of 38m @ 1.5% Nb<sub>2</sub>O<sub>5</sub> from 51m (EAL489)
- 10m @ 4.3% Nb<sub>2</sub>O<sub>5</sub> from 51m part of 16m @ 3.0% Nb<sub>2</sub>O<sub>5</sub> from 47m to EOH (EAL500)
- 18m @ 2.7% Nb<sub>2</sub>O<sub>5</sub> from 44m part of 72m @ 1.0% Nb<sub>2</sub>O<sub>5</sub> from 40m (EAL515)
- 10m @ 3.5% Nb<sub>2</sub>O<sub>5</sub> from 47m part of 47m @ 1.0% Nb<sub>2</sub>O<sub>5</sub> from 43m to EOH (EAL534)<sup>10</sup>

RC drilling is now being deployed to delineate coherent high-grade zones, with mineable dimensions, within the large, mineralised carbonatite complex at Green.

The first RC holes completed have confirmed that the weathering (regolith) profile and niobium oxide mineralisation extend beyond the depth of the first pass aircore drilling<sup>1</sup>.

First assays from RC drilling are expected in November 2024.

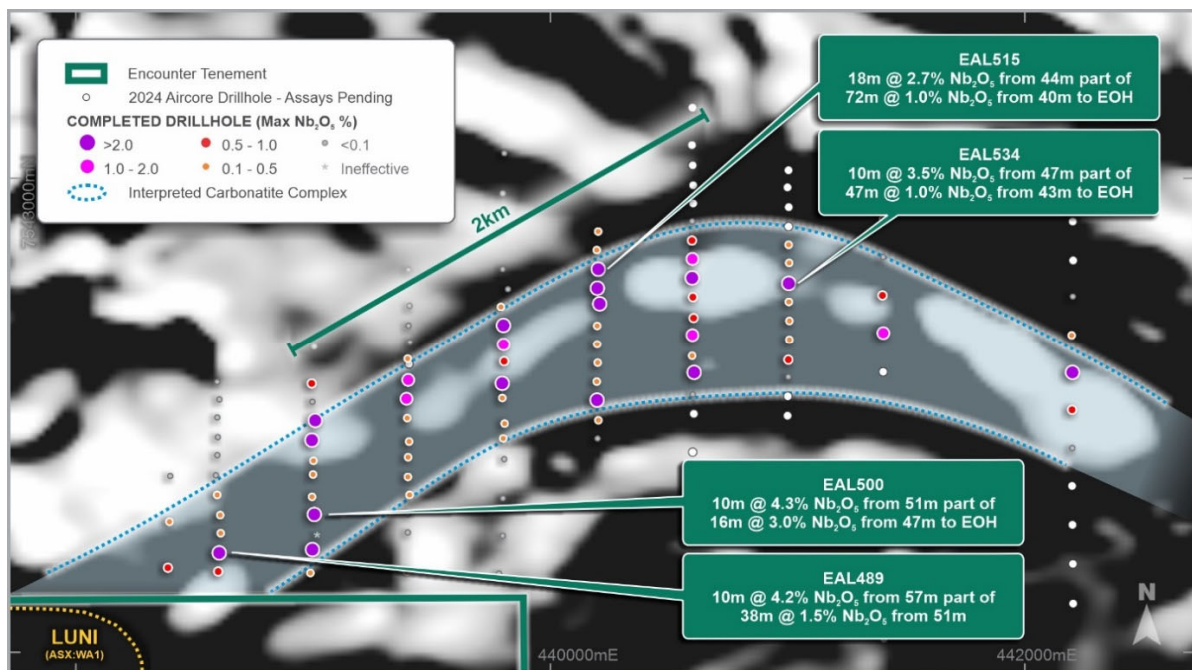


Figure 2 – Green Drill Plan (Magnetics TMI 1vd) – Large footprint of near surface +2% Nb<sub>2</sub>O<sub>5</sub> intercepts<sup>7,8,10</sup>

## Crean Target

Broad spaced diamond and RC drilling completed in 2023 intersected a multi-kilometre long trend of niobium-REE mineralised carbonatites along the Elephant Island Fault. This trend was first intersected at Hoschke in EAL001, with further drilling intersecting zones of both shallow-enriched and primary niobium-REE carbonatite-hosted mineralisation at Crean and Hurley (located >7km east of EAL001).

Crean is a coherent body of high-grade, near-surface niobium mineralisation running parallel to the Elephant Island Fault. The Elephant Island Fault corridor is a significant regional scale control for the emplacement of mineralised carbonatites in the West Arunta.

Aircore drilling has determined the high-grade oxide Crean orebody has a strike extent of over 1.2km. Intercepts include <sup>3,4,6,10</sup>:

- 18m @ 3.2% Nb<sub>2</sub>O<sub>5</sub> from 76m incl. 2m @ 17.0% Nb<sub>2</sub>O<sub>5</sub> (EAL238)
- 52m @ 3.0% Nb<sub>2</sub>O<sub>5</sub> from 81m to EOH incl. 16m @ 6.0% Nb<sub>2</sub>O<sub>5</sub> (EAL256)
- 32m @ 2.5% Nb<sub>2</sub>O<sub>5</sub> from 67m to EOH incl. 12m @ 3.3% Nb<sub>2</sub>O<sub>5</sub> (EAL155)
- 43m @ 1.6% Nb<sub>2</sub>O<sub>5</sub> from 79m to EOH incl. 24m @ 2.1% Nb<sub>2</sub>O<sub>5</sub> from 81m (EAL449)
- 49m @ 1.7% Nb<sub>2</sub>O<sub>5</sub> from 86m to EOH incl. 10m @ 4.9% Nb<sub>2</sub>O<sub>5</sub> from 98m (EAL439)

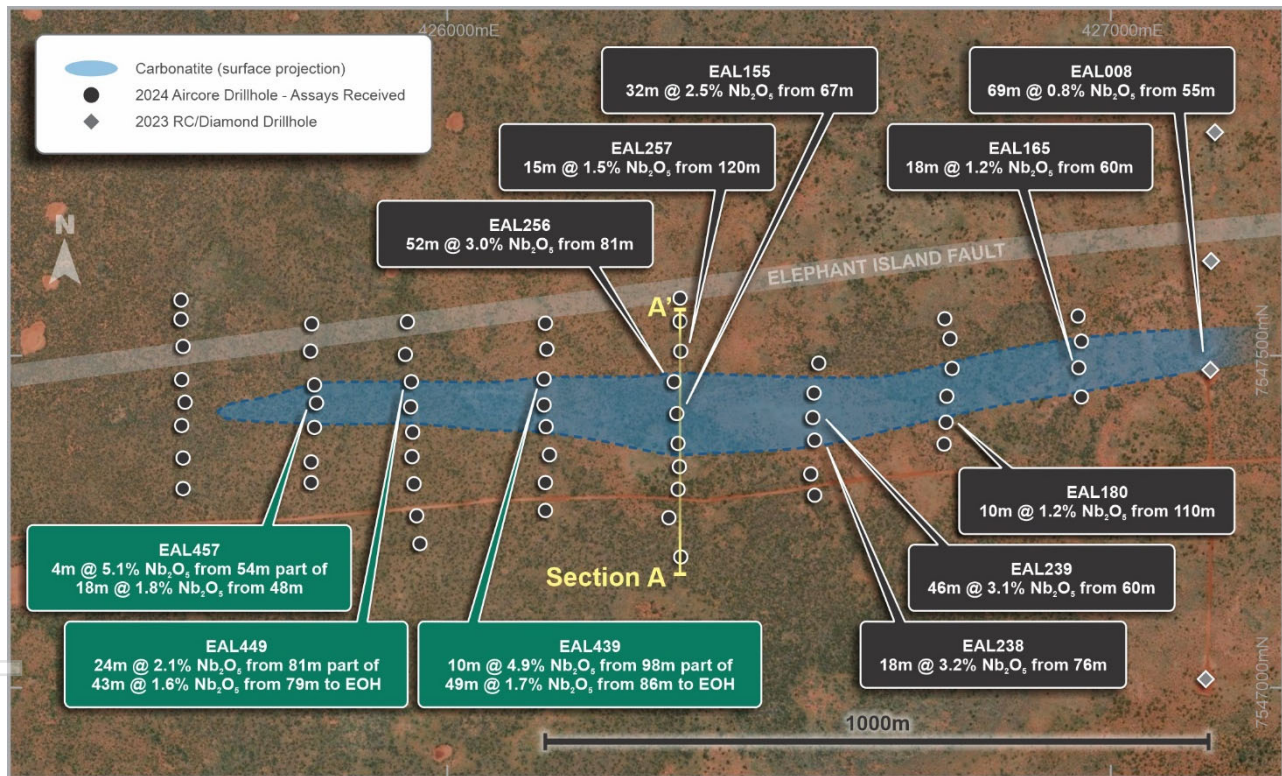


Figure 3 – Crean Drill Status Plan - High-grade mineralisation extended to over 1.2km in strike <sup>3,4,6,10</sup>

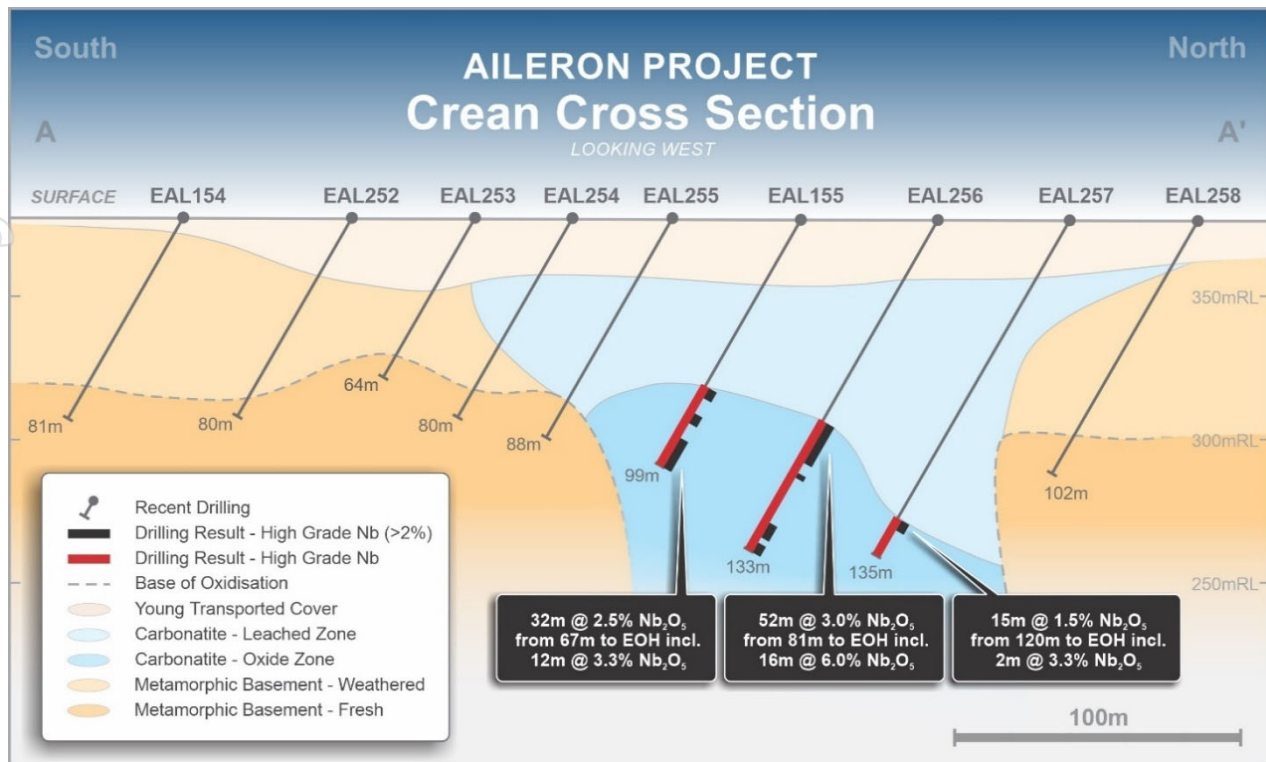


Figure 4 – Crean Target – Aircore drilling cross section A – A'<sup>5</sup>

## Emily Target

Emily is located on a north-west structural trend adjacent to WA1 Resources' Luni deposit (200Mt @ 1.0% Nb<sub>2</sub>O<sub>5</sub>)<sup>13</sup>. The first phase of aircore drilling at Emily was completed in June 2024 to test the north-south extent of mineralisation intersected in EAL098 (12m @ 2.3% Nb<sub>2</sub>O<sub>5</sub> from 54m)<sup>2</sup>. Assays returned shallow, high-grade niobium-REE mineralisation north and south of previously reported EAL098:

- **16m @ 2.7% Nb<sub>2</sub>O<sub>5</sub> from 50m to EOH (EAL260)**
- **20m @ 2.7% Nb<sub>2</sub>O<sub>5</sub> from 41m to EOH (EAL225)<sup>6</sup>**

Additional aircore drilling at Emily was completed in July and August 2024 to establish strike extent and continuity of the high-grade mineralisation previously identified.

First assays from this round of aircore drilling returned the best niobium intercept achieved to date at Emily, and one of the highest grade niobium intersections in the West Arunta district so far:

- **23m @ 4.2% Nb<sub>2</sub>O<sub>5</sub> from 40m to EOH (EAL259)<sup>12</sup>**

Further assays from aircore drilling completed west of this high-grade mineralisation are expected in November-December 2024.

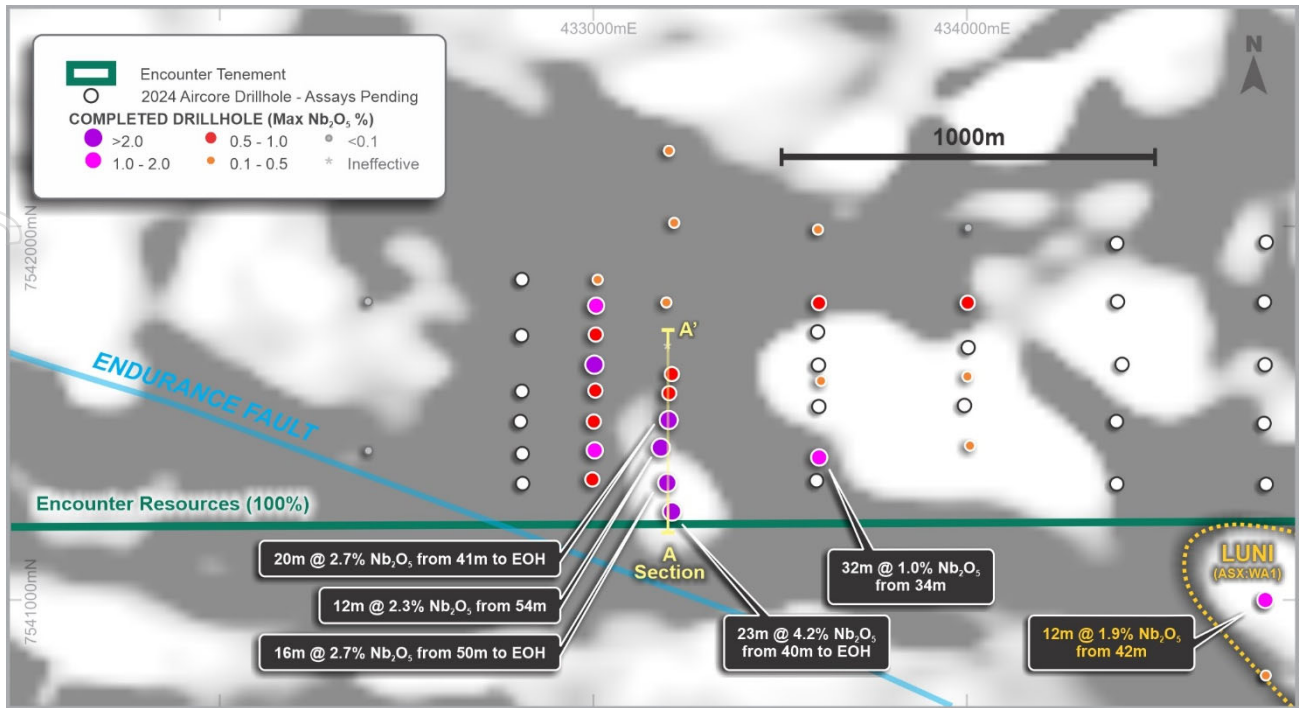


Figure 5 – Emily Target – Aircore/RC drill status plan<sup>12</sup>

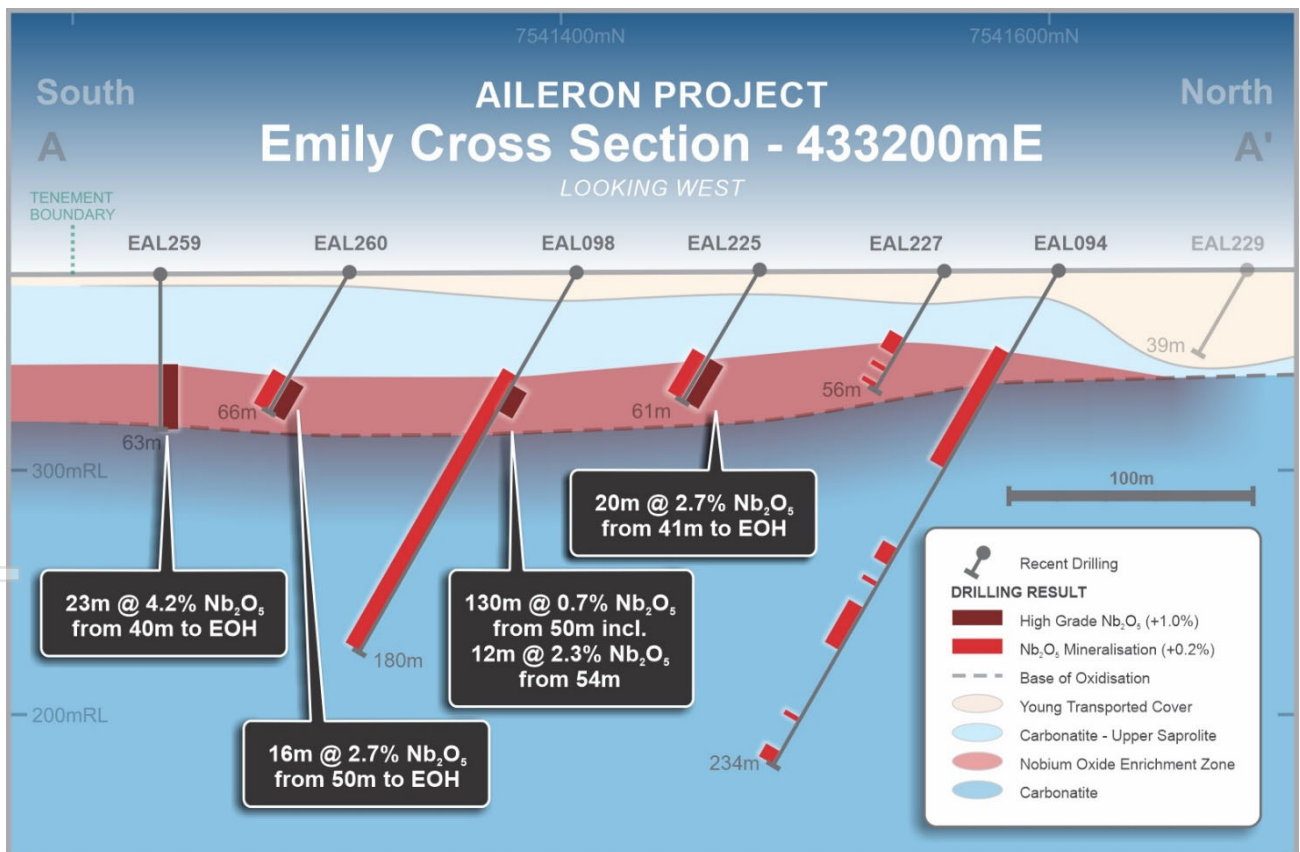


Figure 6 – Emily Target – Aircore/RC drilling cross section A – A' <sup>12</sup>

## Joyce Target

Two initial lines of aircore drilling 1.6km apart at the Joyce target (located 5km east of Green, see Figure 1) have both intersected a carbonatite complex that is anomalous in niobium and rare earth elements (REE) via handheld pXRF field analysis.<sup>1</sup>

The Joyce carbonatite complex is interpreted to extend broadly parallel with the regionally significant north-east trending Weddell Fault. Joyce will be initially explored with low cost aircore drilling to map out the mineralised footprint along the regionally extensive Weddell Fault.

Follow-up aircore drilling at Joyce will be completed in 2025, in order to focus near-term resources on the RC definition of the thick high-grade mineralisation at Green and Crean. First assays from aircore drilling at Joyce are expected in November-December 2024.

## Hurley Target

Two diamond drill holes were completed in July 2024 at the intersection of the Elephant Island and Stromness Faults (between the Crean and Hurley targets), where numerous aircore holes did not penetrate cover. These diamond holes intersected depth extensive carbonatite under Permian cover which supports an interpretation that Crean and Hurley are part of a strike extensive carbonatite complex. As such, the Elephant Island corridor has the potential to host variably mineralised carbonatite over a strike length of several kilometres.

Assays from the diamond drilling confirmed that the primary carbonatite contains anomalous niobium-REE to end of hole and includes several narrow high-grade intervals.

The next steps at Hurley will include further drilling north and east of previous drilling to test for changes in the regolith profile that could contain enriched high-grade oxide mineralisation. This is planned to occur in 2025.

## Perce and Mawson

Diamond drilling (EIS co-funded by the WA Government) was completed at the Perce and Mawson geophysical targets at the eastern side of the Aileron project, approximately 40km east of the majority of known mineralisation at Aileron, and where no previous drilling has been completed.

These drill holes confirmed that the cover sequence is significantly shallower than expected in the eastern part of Aileron, with crystalline basement intersected at 19m. This has significantly increased the explorability of the eastern part of the project and accordingly this area can be tested with lower cost aircore/RC drilling and parts may be amenable to low-cost surface geochemical sampling.

At Perce, diamond drilling intersected an uplifted block of dense metamorphosed mafic geology beneath shallow cover, which is interpreted to be the source of the modelled gravity anomaly. The first hole contained lamprophyres (which are often associated with the carbonatites in the West Arunta), rare earth element anomalism (up to 0.2% TREO) and a narrow vein of high-grade copper.

The structural margins of this uplifted block are considered prospective for intrusive related copper-gold mineralisation and carbonatites and will be targeted in future exploration. Follow up aircore/RC drilling will target favourable structural locations adjacent to the gravity anomaly and the Weddell Fault.

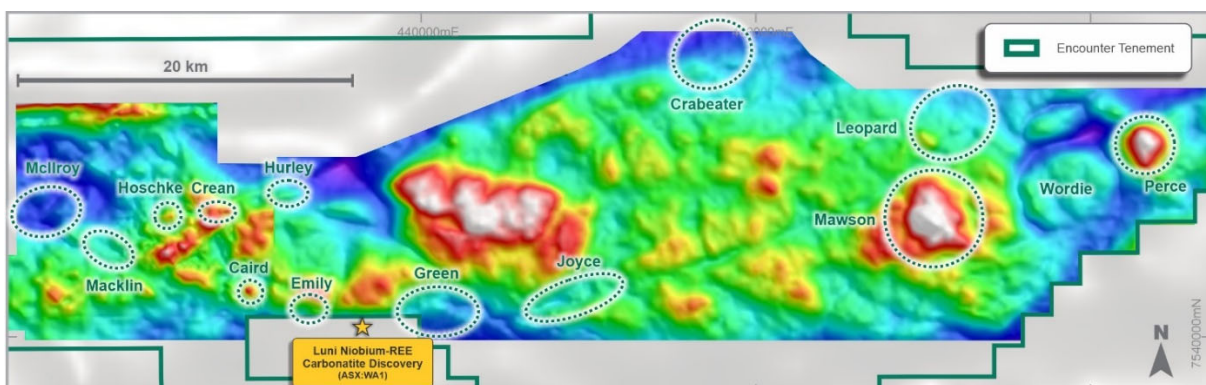
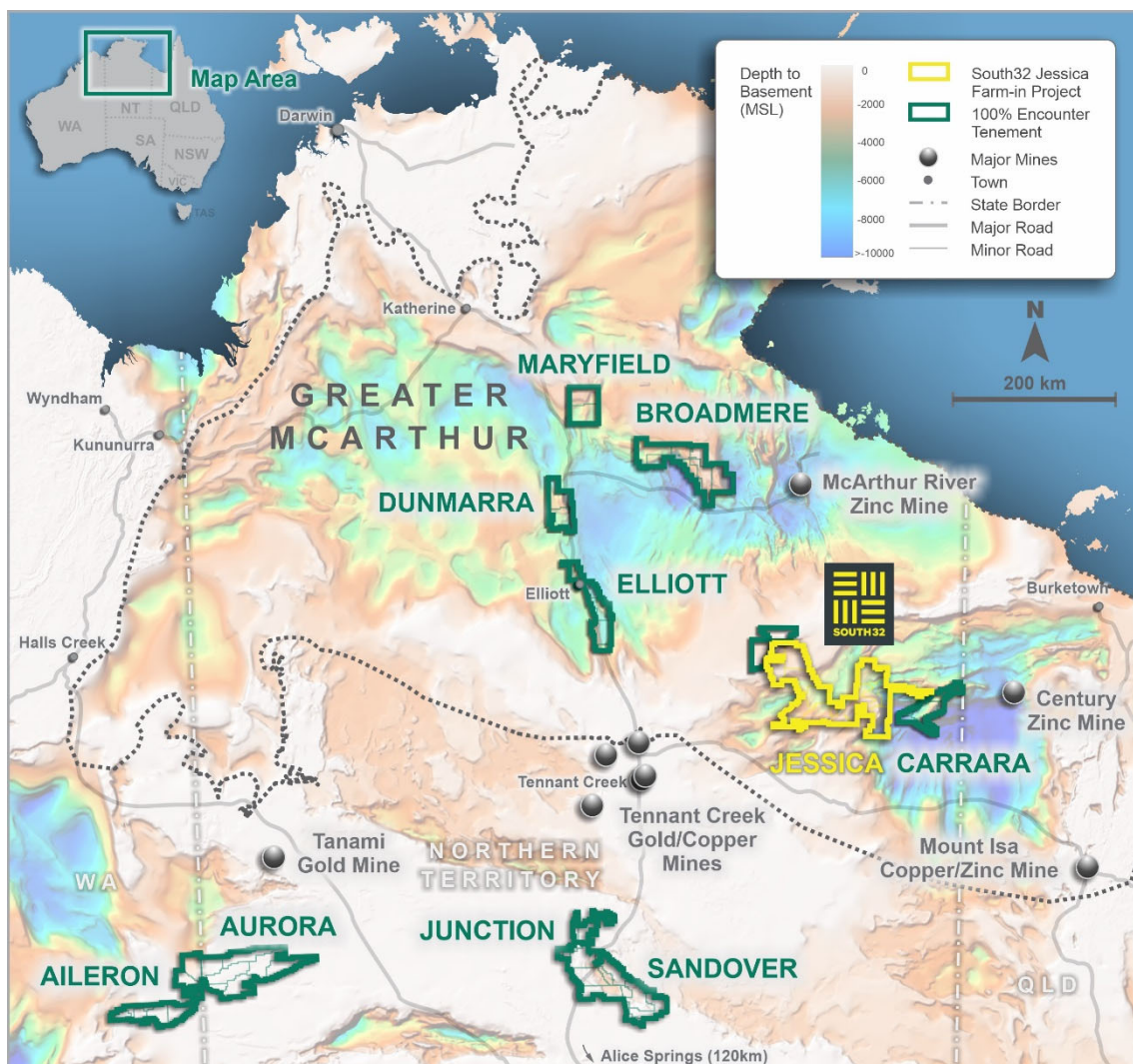


Figure 7 – Eastern Targets (Perce, Mawson, Wordie) were highlighted in regional Falcon gravity survey <sup>5</sup>



**Figure 8 – Encounter copper projects in the Northern Territory – Project Location Plan**

## **Sandover Copper Project – NT (100% ENR)**

### **Background**

Sandover is located 170km north of Alice Springs and covers a major structural corridor and Neoproterozoic depocenter on the southern margin of the Georgina Basin.

Field mapping and surface sampling in the south-east of Sandover confirmed the presence of an outcropping red-bed sandstone sequence with multiple narrow but strike extensive grey shale units containing copper oxide mineralisation<sup>15</sup>.

Inspection of historical drill holes (drilled in 1968 and 1971) confirmed key geological units and processes to enable the formation of sediment-hosted copper deposits. Significantly, narrow zones of copper sulphide minerals, including bornite, have been identified in historical drill core<sup>16</sup>.

The remainder of the Sandover basin is essentially unexplored. Diamond drilling was conducted by CRA in 1994, when two diamond drill holes (DD94MG001 & 002) were completed, 50km apart, along the northern margin of the basin (Figure 9).

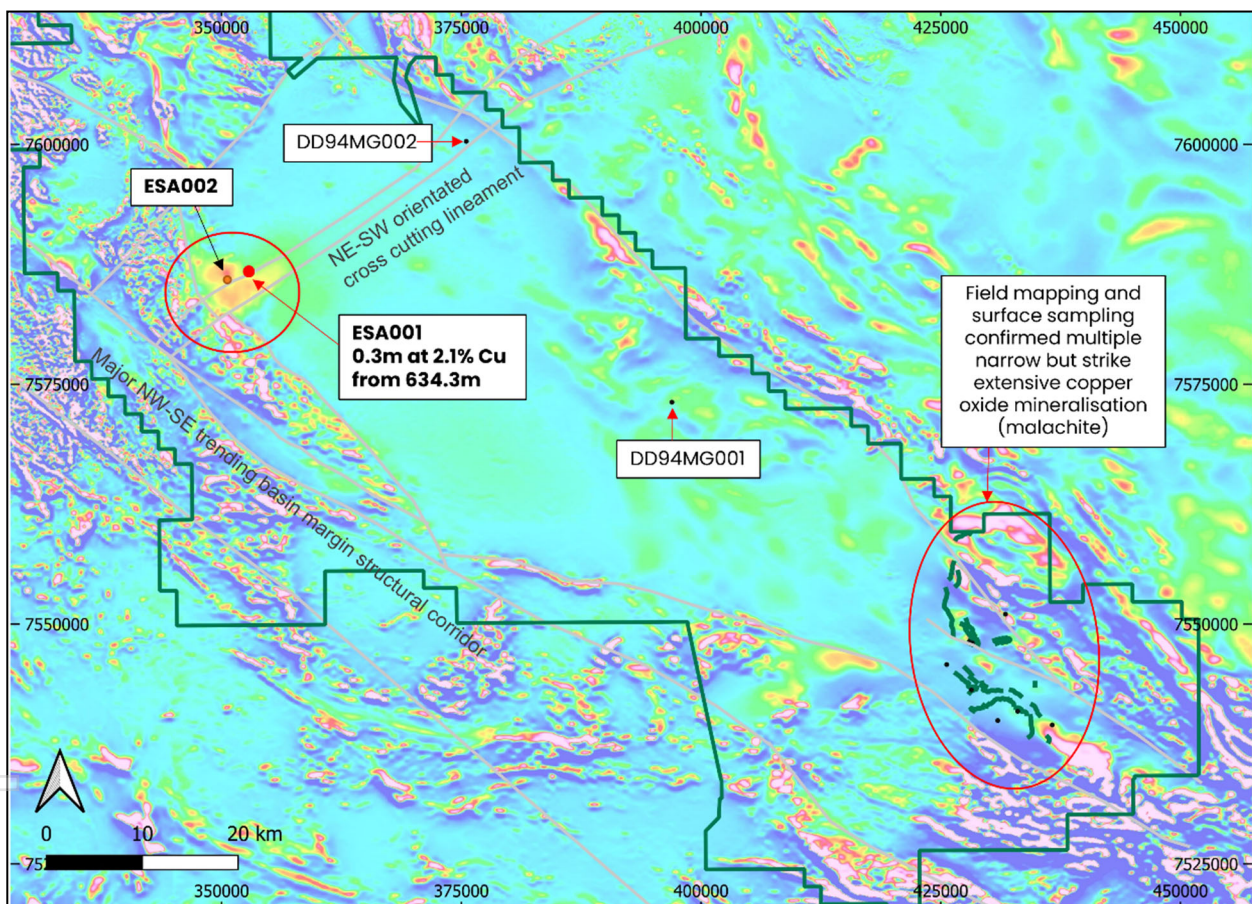
An NTGS co-funded gravity survey was completed by Encounter at Sandover. The integration of this gravity data with magnetic data defined a key structural location on the western margin of the basin, named the Ginger prospect ("Ginger").

## Diamond drill program

A targeted stratigraphic diamond drill hole was completed at Ginger in late 2023 designed to test for a first reductant unit within the basin sequence at a key structural location. High grade copper (2.1% Cu) was returned between 634.3-634.6m where hydrothermal sulphide (chalcopyrite) alteration was present at the basin-basement unconformity.<sup>14</sup>

A detailed (100m spaced) magnetic survey was completed at Sandover in June 2024 and resolved an area of magnetic anomalism 2.5km west of ESA001, proximal to basin margin structures. Geophysical depth inversion modelling showed the anomaly is consistent with a gently dipping magnetic body at or near the expected unconformity position.

A diamond drill hole (ESA002) was completed during the September quarter to test the basal unconformity and modelled magnetic anomaly. ESA002 contained narrow zones of copper anomalism in the grey bed basin sediments but did not contain similar copper mineralisation on the basal unconformity as intersected in ESA001. ESA002 intersected magnetite rich basement rocks beneath the unconformity.



**Figure 9 - Sandover - Magnetics (TMI 1VD image) with location of diamond drillholes and mapped outcropping copper horizon<sup>14,15</sup>**

## Next Steps

Diamond drill holes ESA001 and ESA002, located almost 100km from known historical copper mineralisation, have demonstrated basin-wide migration of copper-rich mineralising fluids. Drilling has demonstrated the large-scale presence of copper anomalism in grey beds and returned a high-grade copper interval at the basin-basement interface.

The Company is evaluating the acquisition of additional geophysical datasets to allow for the modelling of the sub-basin structural architecture to predict an area of focus for mineralising fluid into a copper trap.

## Beetaloo Basin Copper Projects – NT

Encounter controls four projects (Elliott, Dunmarra, Maryfield and Broadmere) centred on key structural locations on the margins of the Beetaloo Basin which is a sub basin of the Greater McArthur Superbasin.

The Greater McArthur Superbasin hosts numerous sediment-hosted base metal deposits including the giant McArthur River zinc-lead mine. Encounter's projects encompass key conceptual criteria for the formation of sediment-hosted base metal deposits with the target sequences undercover and untested. New precompetitive datasets are providing crucial early insights into areas prospective for sedimentary hosted copper deposits.

The Maryfield project is located at the intersection of major structures in the north-west of the Beetaloo Basin. Historical RC drilling, completed by Normandy in 1999, intersected wide zones of copper anomalism (to end of hole) in black shale. In addition, evidence of fluid flow, strong silica and accompanying hematite alteration, have been mapped along the Strangways Fault.

Historical diamond drill holes from the Maryfield project area have been reviewed and relogged to confirm the stratigraphic context for the copper anomalism. A 1x1km gravity survey was completed at Maryfield in 2024 which has defined target areas (Figure 10). Field reconnaissance and surface sampling will be completed prior to RC/diamond drilling planned for 2025.

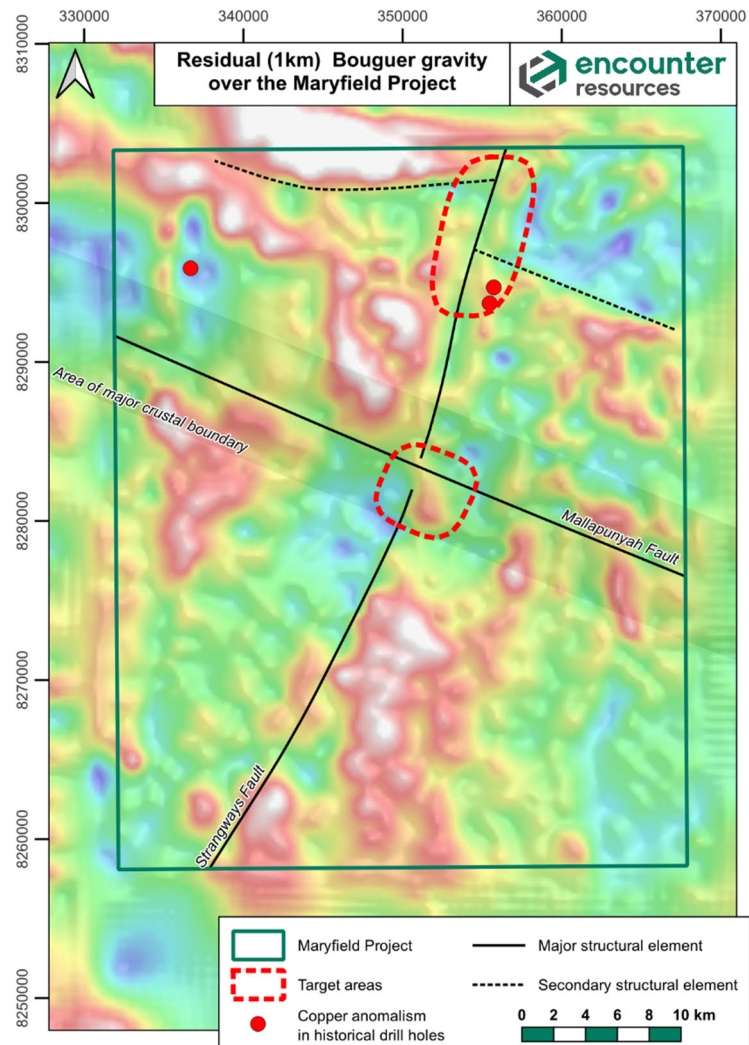


Figure 10 – Maryfield – Residual (1km) Bouguer gravity

## Lamil Copper-Gold Project – Paterson Province, WA (100% ENR)

The 100%-owned Lamil Project covers an area of ~61km<sup>2</sup> and is located 25km northwest of the major copper-gold mine at Telfer, owned by Newmont Mining Ltd (ASX:NEM). The Paterson Province also contains multiple large-scale copper-gold deposits such as Greatland Gold's (LSE:GGP) Havieron (7.0Moz Au, 275kt Cu)<sup>17</sup>, Rio Tinto's (ASX:RIO) Winu deposit (7.9Moz Au, 288kt Cu)<sup>18</sup>, and Antipa Minerals (ASX:AZY) Minyari Dome (2.3Moz Au, 84kt Cu)<sup>19</sup> deposit.

During the September 2024 quarter, multiple transactions involving companies operating in the Paterson Province were announced, including the US\$475m acquisition of Telfer by Greatland Gold<sup>20</sup> and the \$17m acquisition by Rio Tinto of Antipa Minerals minority interest in the Citadel Project (2.8Moz Au, 173kt Cu)<sup>21</sup>.

Encounter has been exploring across three prospect areas at the Lamil Project (Dune, Gap and Elsa) (Figure 11), with previous drilling returning highly mineralised intersections including:

- **10m @ 2.8g/t Au from 94m** (Dune prospect)
- **132m @ 0.3g/t Au, 0.1% Cu from 87m** (Dune prospect)
- **1.5m @ 19.1% Cu from 409.1m** (Dune prospect)
- **30m @ 1.1 g/t Au from 96m** (Gap prospect)
- **33m @ 0.5g/t Au, 0.1% Cu from 97m** (Elsa prospect)

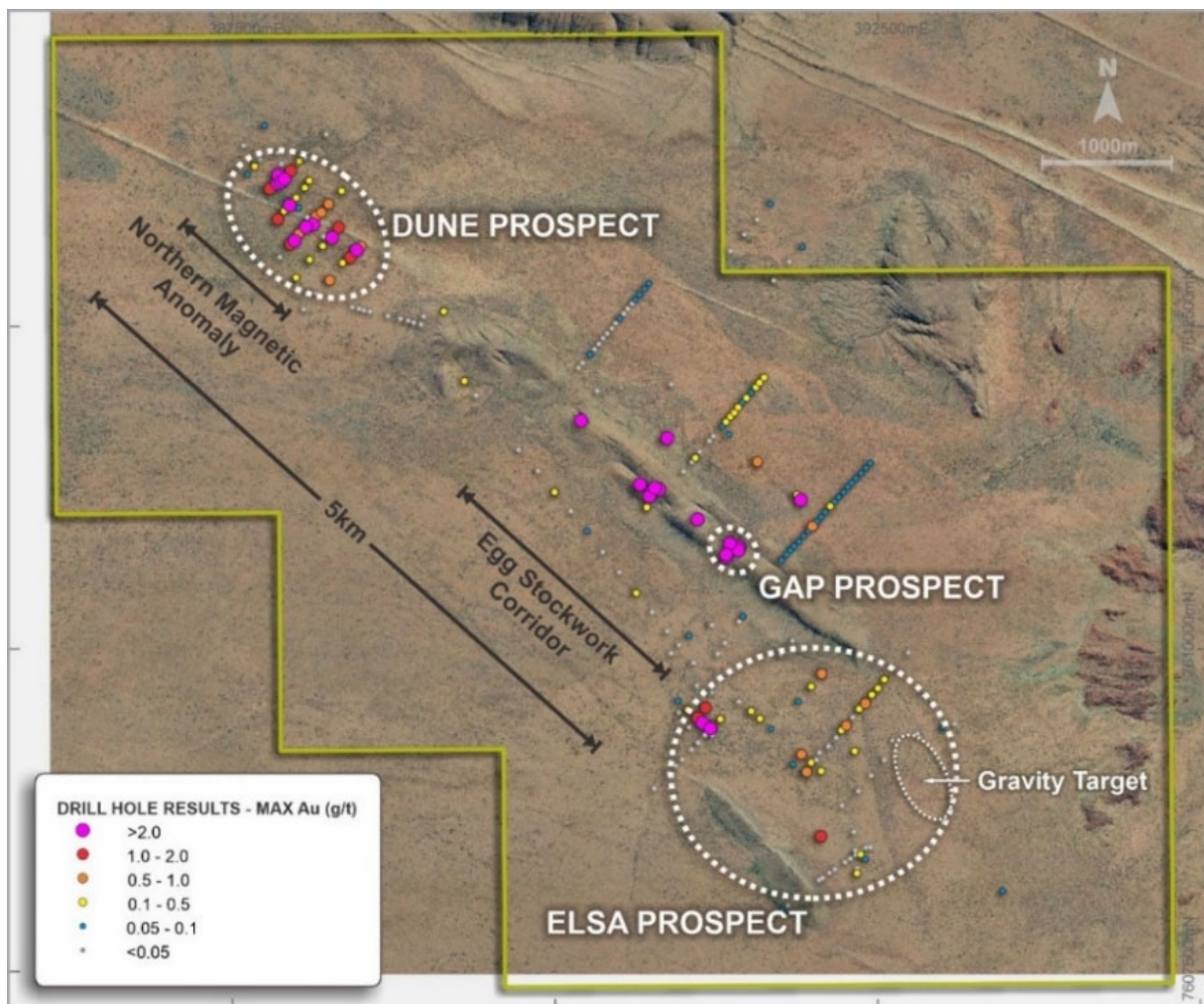


Figure 11 – Image showing the prospect locations at Lamil including Dune in the NW of the Lamil dome and the location of the Elsa gravity target in the SE of the Dome. Drill hole collars displaying max Au g/t are shown.

Drilling at the Dune prospect has demonstrated an expansive copper-gold system over 1km of strike containing multiple stacked, narrow copper-gold reefs within a thick prospective package of interbedded siltstones and quartzites (Figure 12). The mineralisation is hosted in metasedimentary rocks of the Proterozoic Lamil group which also host the Telfer, Havieron and Winu copper-gold deposits. In addition, drilling completed at Lamil in 2022 also intersected a new style of mineralisation, an epithermal copper-silver bearing vein (0.75m @ 268g/t Ag, 2.5% Cu from 616.65m).

The Elsa prospect represents a Havieron-style target adjacent to a depth-extensive breccia zone. The prospect was identified through historical drilling demonstrating copper and gold anomalism coincident with magnetic and IP anomalies.

The Company has identified numerous compelling targets at the Lamil Project and is assessing its options for progressing the Project given the increased corporate activity in the Paterson Province, and the strong gold price environment.

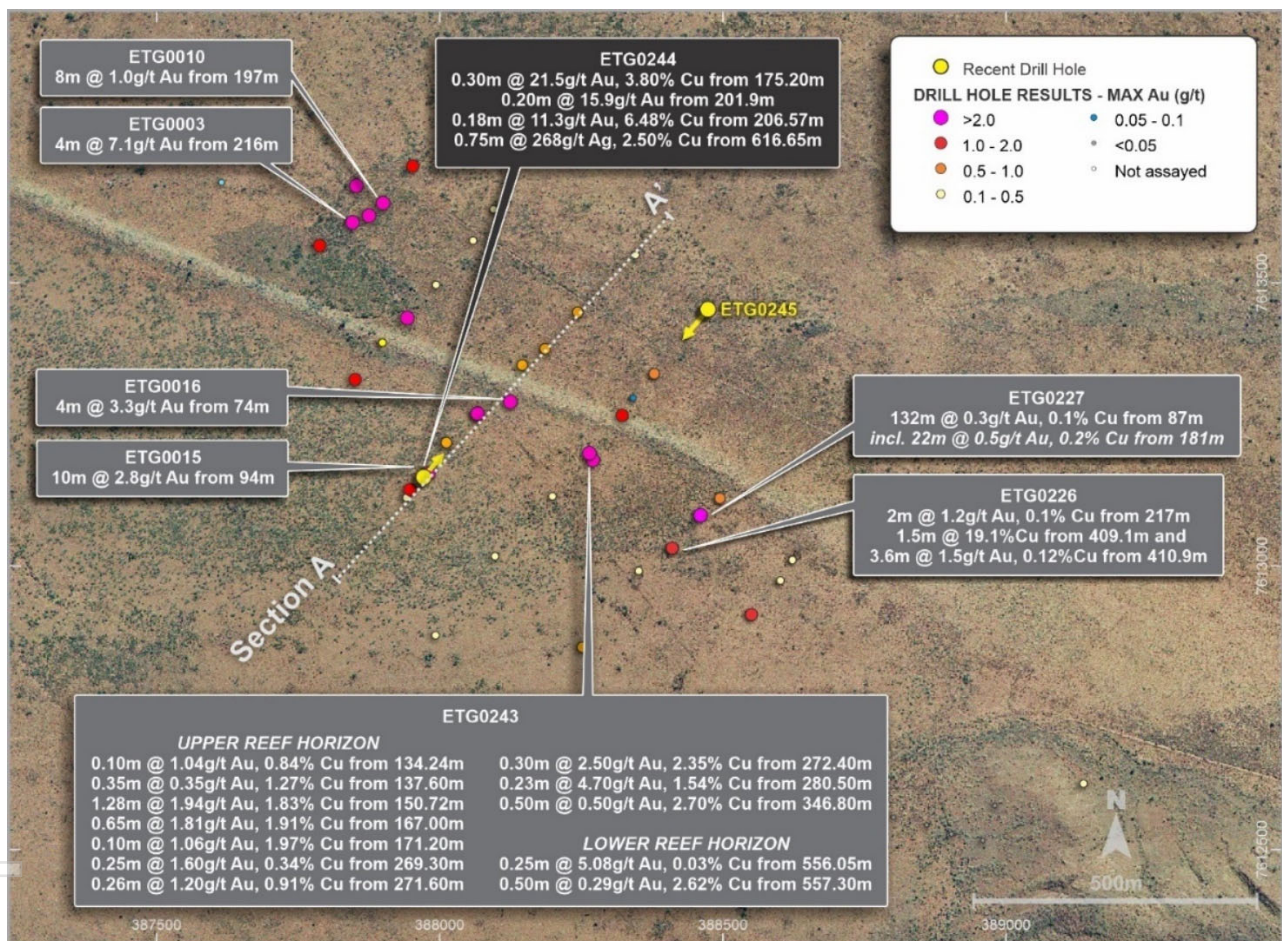


Figure 12 – Dune prospect plan showing copper-gold mineralisation extending over 1km of strike<sup>22</sup>

## Major copper exploration drive funded through farm-ins

### Jessica Copper Project – NT (South32 \$15m Farm-in)

During the quarter South32 made the decision to prioritise exploration towards the Jessica copper project, and as a result, South32 withdrew from the Carrara Farm-in Agreement and Encounter regained 100% control of the Carrara copper-zinc project in the NT.

Jessica covers ~8,700km<sup>2</sup> along key structural corridors east of Tennant Creek and is prospective for sediment-hosted copper and IOCG style deposits (Figure 13).

Reprocessing of seismic data that extends through Jessica was completed by HiSeis, to provide greater detail of the geology and structure in the upper 1,000m. A 2km spaced gravity survey was also completed with 1km spaced gravity infill data collected over a series of high priority magnetic targets.

Seismic reprocessing and gravity data identified a series of targets for drilling including the Zeta IOCG target ("Zeta"). Zeta is a significant and discrete gravity feature coincident with a prominent magnetic feature on the margin of a large interpreted intrusive body.

Two diamond drill holes were completed at the Zeta target (Z23DD001 & Z23DD002) in 2023. These holes contained zones of hematite alteration and quartz carbonate veining containing chalcopyrite and bornite.<sup>23</sup>

Additional seismic re-processing and interpretation, including the integration of 2023 diamond drilling data, has generated new targets for testing at Jessica.

#### Next Steps

A 2,500m (three hole) RC/diamond drill program commenced at Jessica in October 2024. Drilling is planned to test targets identified through seismic reprocessing and interpretations from 2023 diamond drilling.

A deep seeking MIMDAS geophysical survey at Zeta is scheduled to be completed in May 2025.

Diamond drilling completed by South32 in 2023 at Carrara intersected prospective geology which contains encouraging base metal anomalism. With Encounter regaining 100% control of Carrara, we will evaluate the implications of the initial drilling and the potential for further drilling in this prospective basin.

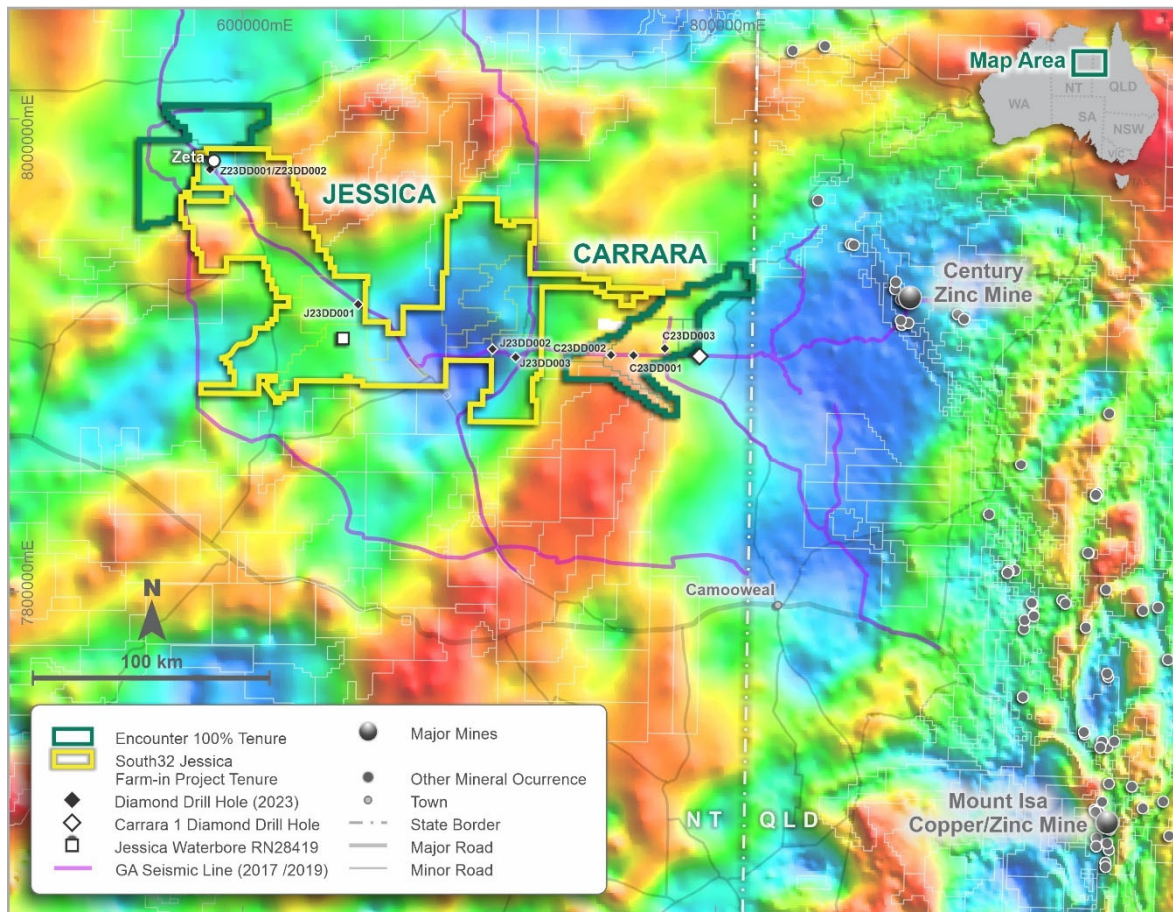


Figure 13 – Jessica project location plan over bouguer gravity

### Yeneena Copper Project – Paterson Province WA (IGO \$15m Farm-in)

Yeneena comprises a major land position covering >1,450km<sup>2</sup> in the highly prospective Paterson Province, targeting copper-cobalt mineralisation. IGO can sole fund \$15m in exploration expenditure over a maximum of seven years to earn a 70% interest in Yeneena.

Nine aircore holes were completed west of the historical drilling at BM5 in September 2023 as part of a 16 hole regional reconnaissance aircore drill program targeting the upflow source of an identified hydrochemical anomaly.

2023 aircore drilling returned anomalous copper, silver and base metal values in 400m spaced holes to the west of a major regional fault. The anomalous assays occur within an iron-manganese horizon above a carbonate unit. Highly anomalous copper assays occur at the weathering interface and are interpreted to be hydromorphic dispersion up the fault from nearby primary copper mineralisation.

Results feature copper, silver and palladium anomalism including:

- **15m @ 0.17% Cu and 21.8g/t Ag from 69m to EOH (23PTAC0109)**
  - including 10m @ 0.23% Cu from 73m
- **9m @ 432ppm Cu and 4.7g/t Ag from 65m (23PTAC0108)**
  - including 7m @ 24.7ppb Pd from 67m<sup>24</sup>

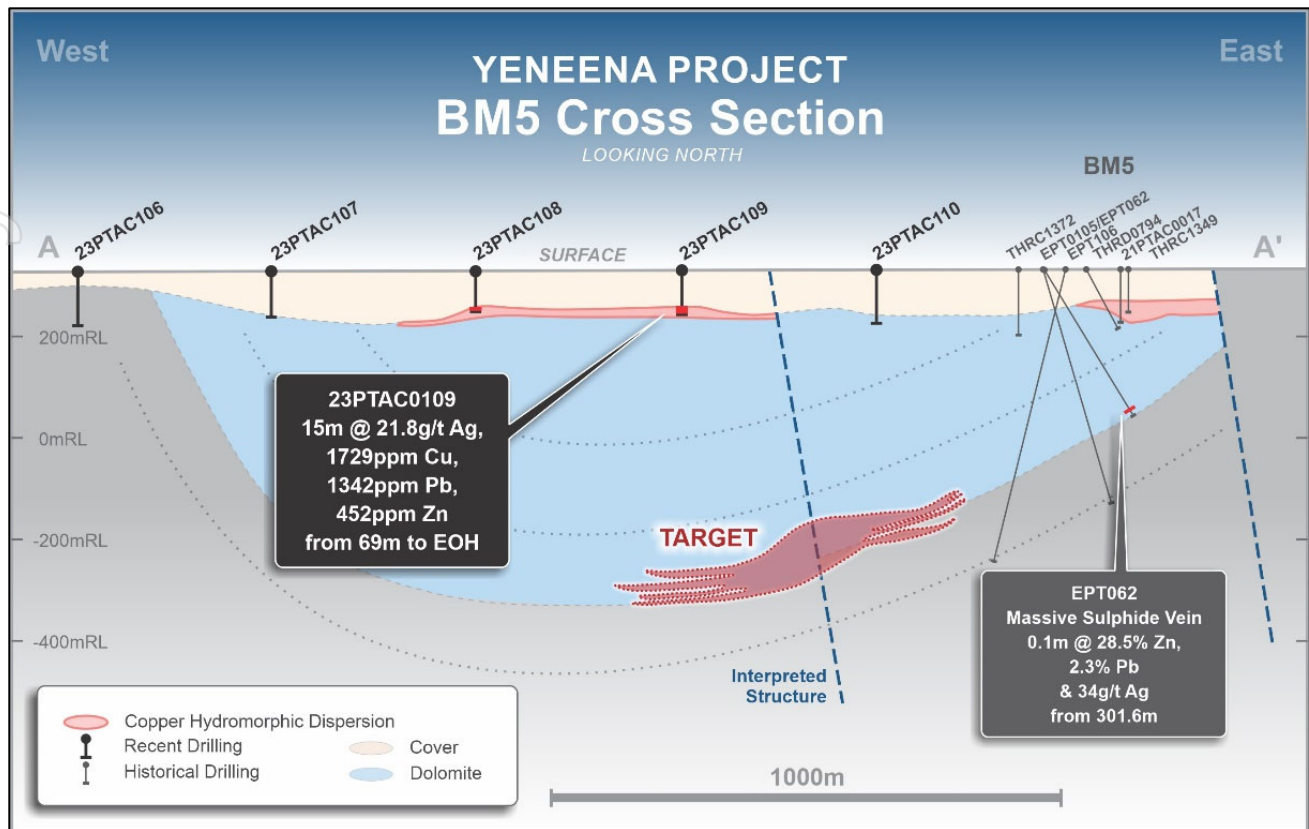


Figure 14: Cross section and drilling target at BM5 <sup>24,25</sup>

### Next Steps

Two diamond drill holes (1,268m) and 39 aircore holes (4,917m) were completed at Yeneena during the quarter.

Aircore drilling was completed on sections north and south of the 2023 drilling at BM5 to determine the extent of the copper-silver-palladium anomaly.

Diamond drilling was completed at Fishhook to test interpreted first reductant trap sites for copper mineralisation. This program was augmented by additional aircore drilling at three other nearby copper targets where interpreted first reductant trap sites are located near fold hinges.

Results from the drill programs are expected to be reported in the December 2024 quarter.

## Next Quarter Highlights

Activities planned for the December 2024 quarter include:

### Aileron Copper-Niobium-REE Project - West Arunta - WA (100% ENR)

- RC drilling to define and test depth extent of mineralisation discovered at Green and Crean
- Diamond drilling to collect further metallurgical samples and validate aircore/RC drilling
- Assay results from aircore drilling at Emily and Joyce, and assays from RC drilling at Green and Crean

### Jessica Copper Project – NT – (South32 farm-in)

- A 2,500m RC/diamond drilling program to be completed at Jessica in October 2024 to test targets identified through seismic re-processing and interpretations from 2023 diamond drilling

### Yeneena Copper-Cobalt Project - WA (IGO farm-in)

- Results from two diamond drill holes (1,268m) and 39 aircore holes (4,917m) will be returned through the December 2024 quarter

### Ongoing potential project partnership discussions to accelerate exploration activities

## Corporate

Encounter held cash of ~\$10.1m at 30 September 2024.

During the September 2024 quarter the Company issued a total of 1,000,000 shares on the exercise of unlisted options.

During the quarter the Company issued a total of 100,000 unlisted options to employees pursuant to the terms and conditions of the Company's Employee Share and Options Plan last approved by shareholders on 24 November 2023.

There were no other changes to shares or options on issue during the quarter.

### Related party transactions

Payments to related parties of the entity and their associates (refer section 6 of Appendix 5B below):

Included at section 6.1 - Comprises: Remuneration of directors (\$68,000)

Included at section 6.2 - Comprises: Remuneration of directors (\$71,000)

In accordance with ASX Listing Rule 5.3.1, the Company confirms that there have been no material developments or changes to its exploration activities, and provides the following information:

- Approximately \$3.7 million was incurred by the Company in respect of exploration activity for the quarter ended 30 September 2024, primarily on:
  - Exploration activities at Aileron critical minerals project in Western Australia
  - Copper exploration in the Northern Territory
- A summary of the specific exploration activities undertaken in each project area (which included drilling and geochemical and geophysical programs), is provided in the relevant sections of this activity report.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

<sup>1</sup> **Cautionary Statement** - The references to the presence of anomalism recorded in pXRF are not considered to be a proxy or substitute for laboratory analyses. Determination of mineralisation has been based on geological logging, visual observation and confirmation using a pXRF machine. No pXRF results are reported however the tool was used to verify the mineralisation. pXRF readings may not be representative of the average concentrations of the elements of interest. As such, pXRF results are used as a logging/sampling verification tool only. Laboratory analysis will be required to determine the level of mineralisation contained in the carbonatite complexes.

Visual estimates of mineral abundance or anomalism recorded on pXRF should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

<sup>2</sup> ASX announcement 30 January 2024

<sup>3</sup> ASX announcement 29 January 2024

<sup>4</sup> ASX announcement 6 September 2023

<sup>5</sup> ASX announcement 24 June 2024

<sup>6</sup> ASX announcement 8 July 2024

<sup>7</sup> ASX announcement 16 July 2024

<sup>8</sup> ASX announcement 31 July 2024

<sup>9</sup> ASX announcement 5 August 2024

<sup>10</sup> ASX announcement 16 September 2024

<sup>11</sup> ASX announcement 27 September 2024

<sup>12</sup> ASX announcement 14 October 2024

<sup>13</sup> WA1 Resources Ltd (ASX:WA1) announcement 30 June 2024

<sup>14</sup> ASX announcement 17 May 2024

<sup>15</sup> ASX announcement 25 November 2021

<sup>16</sup> ASX announcement 9 June 2022

<sup>17</sup> Greatland Gold, Havieron Mineral Resource 2023

<sup>18</sup> Rio Tinto, Annual Report 2023

<sup>19</sup> Antipa Minerals, Minyari Dome September 2024 Mineral Resource Statement

<sup>20</sup> Newmont, Newmont Announces Agreement to Divest Telfer and Havieron for Up to \$475m, 10 September 2024

<sup>21</sup> Antipa Minerals, A\$17 Million Cash Sale of Antipa's Citadel Joint Venture Interest, 13 September 2024

<sup>22</sup> For further details regarding the exploration results at the Lamil Copper-Gold Project, please refer to the following ASX announcements:

ASX announcement 26 April 2017

ASX announcement 19 January 2017

ASX announcement 18 December 2020

ASX announcement 21 April 2021

ASX announcement 6 September 2021

ASX announcement 16 November 2021

ASX announcement 28 December 2022

<sup>23</sup> ASX announcement 10 April 2024

<sup>24</sup> ASX announcement 5 March 2024

<sup>25</sup> ASX announcement 28 January 2010

## Tenement Information (granted tenure)

Lease	Location	Project Name	Area km <sup>2</sup>	Interest at start of quarter (1/7/2024)	Interest at end of quarter (30/9/2024)
E45/2500	266km NE of Newman	Paterson IGO Earn-In	107.3	100%	100%
E45/2502	261km NE of Newman	Paterson IGO Earn-In	117.8	100%	100%
E45/2657	246km NE of Newman	Paterson IGO Earn-In	156	100%	100%
E45/2658	245km NE of Newman	Paterson IGO Earn-In	95.4	100%	100%
E45/2805	242km NE of Newman	Paterson IGO Earn-In	85.8	100%	100%
E45/2806	251km NE of Newman	Paterson IGO Earn-In	35	100%	100%
E45/3768	241km NE of Newman	Paterson IGO Earn-In	149.7	100%	100%
E45/4861	260km NE of Newman	Paterson IGO Earn-In	140.4	100%	100%
E45/5333	239km NE of Newman	Paterson IGO Earn-In	127.2	100%	100%
E45/5334	242km NE of Newman	Paterson IGO Earn-In	102.1	100%	100%
E45/4613	300km NE of Newman	Lamil	60.7	100%	100%
E80/5169	West Arunta	Aileron	187.6	100%	100%
E80/5469	West Arunta	Aileron	534.3	100%	100%
E80/5470	West Arunta	Aileron	613.9	100%	100%
E80/5522	West Arunta	Aileron	429.2	100%	100%
E37/1518	Yilgarn	Irwin	212.1	100%	0%
E37/3794	Yilgarn	Irwin	211.8	100%	0%
E37/3811	Yilgarn	Irwin	211.6	100%	0%
E37/1522	Yilgarn	Irwin	21.2	100%	0%
EL32156	Northern Territory	Elliott	807.3	100%	100%
EL32157	Northern Territory	Elliott	696.3	100%	100%

EL32158	Northern Territory	Elliott	793.9	100%	100%
EL32159	Northern Territory	Elliott	723.9	100%	100%
EL32226	Northern Territory	Elliott	813.56	100%	0%
EL32329	Northern Territory	Elliott	137.0	100%	100%
EL32437	Northern Territory	Elliott	601.1	100%	0%
EL32581	Northern Territory	Elliott	493.6	100%	0%
EL32273	Northern Territory	Jessica – South32 farm-in	750.5	100%	100%
EL32317	Northern Territory	Jessica – South32 farm-in	738.6	100%	100%
EL32338	Northern Territory	Jessica – South32 farm-in	783.5	100%	100%
EL32339	Northern Territory	Jessica – South32 farm-in	791.4	100%	100%
EL32386	Northern Territory	Jessica – South32 farm-in	814.5	100%	100%
EL32387	Northern Territory	Jessica – South32 farm-in	814.9	100%	100%
EL32388	Northern Territory	Jessica – South32 farm-in	813.8	100%	100%
EL32493	Northern Territory	Jessica – South32 farm-in	811.6	100%	100%
EL33331	Northern Territory	Jessica North	802.1	100%	100%
EL32374	Northern Territory	Sandover	795.4	100%	100%
EL32421	Northern Territory	Sandover	792.7	100%	100%
EL32694	Northern Territory	Sandover	792.7	100%	100%
EL32695	Northern Territory	Sandover	787.4	100%	100%
EL32696	Northern Territory	Sandover	763.6	100%	100%
EL33060	Northern Territory	Sandover	665.3	100%	100%
EL33065	Northern Territory	Junction	740.1	100%	100%
EL32476	Northern Territory	Carrara	805.4	100%	100%

EL32477	Northern Territory	Carrara	805.2	100%	100%
EL32701	Northern Territory	Carrara	801.7	100%	100%
EL32813	Northern Territory	Carrara	22.7	100%	100%
EL32721	Northern Territory	Broadmere	816.7	100%	100%
EL32723	Northern Territory	Dunmarra	823.1	100%	100%
EL32727	Northern Territory	Maryfield	795.7	100%	100%
EL32728	Northern Territory	Maryfield	826.9	100%	100%
EL33626	Northern Territory	Baines	820.0	0%	100%
EL33627	Northern Territory	Baines	821.9	0%	100%

*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 they/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. 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.*

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Encounter Resources Limited

ABN

47 109 815 796

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(176)	(176)
	(e) administration and corporate costs	(246)	(246)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	76	76
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – recharged costs	10	10
	Other – option fees received	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(336)</b>	<b>(336)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(125)	(125)
	(d) exploration & evaluation	(3,727)	(3,727)
	(e) investments	-	-
	(f) other non-current assets – bonds and security deposits	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – farm-in and joint venture contributions	-	-
	Other – exploration incentive grants	-	-
	Other – R&D refund (exploration activities)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(3,852)</b>	<b>(3,852)</b>
<b>3. Cash flows from financing activities</b>			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	268	268
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(3)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings – lease payments	(21)	(21)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – subsidiary IPO expenses	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>244</b>	<b>244</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>			
4.1	Cash and cash equivalents at beginning of period	14,051	14,051
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(336)	(336)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,852)	(3,852)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	244	244
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>10,107</b>	<b>10,107</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	807	1,751
5.2	Call deposits	9,300	12,300
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>10,107</b>	<b>14,051</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	68
6.2	Aggregate amount of payments to related parties and their associates included in item 2	71

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(336)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,852)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,188)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,107
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	10,107
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.4
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
Answer: N/A		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/a		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/a		

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/a

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2024

Authorised by: The Board of Encounter Resources Limited

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.