

ASX : ENR

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Company Announcements Office
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Extension to McPherson's Bore Uranium Mineralisation

- Assay results extend near surface mineralisation a further 500m north
- Uranium mineralisation extended to a total strike length of 1.7kms
- Mineralisation remains open to the north
- Additional drilling planned

The directors of Encounter Resources Ltd are pleased to announce the remaining assays have been received from the initial aircore drill program at the McPherson's Bore project (E29/587 - Encounter 80%, Avoca Resources Ltd 20%).

Final assay results have extended the area of near surface uranium mineralisation a further 500m north with the total strike length of the Northern Anomaly now exceeding 1.7kms (see Figure 1). The recent results confirm that the mineralisation remains open to the north. Results include:

Table 1. McPherson's Bore Northern Anomaly

Hole #	Northing	Easting	From	To	Width	U ₃ O ₈ ppm
EMB 098	6,809,900	216,100	0	1	1	142
EMB 099	6,809,900	216,200	0	1	1	271
EMB 116	6,809,000	216,100	0	1	1	147
EMB 026	6,808,200	215,600	0	1	1	136
EMB 006*	6,809,400	216,200	0	1	1	206
EMB 008*	6,809,400	216,400	0	1	1	242
EMB 009*	6,809,400	216,500	0	1	1	271
EMB 115*	6,809,000	216,000	0	1	1	236
EMB 117*	6,809,000	216,200	0	1	1	448
EMB 028*	6,808,200	215,800	0	1	1	254
EMB 029*	6,808,200	215,900	0	1	1	283

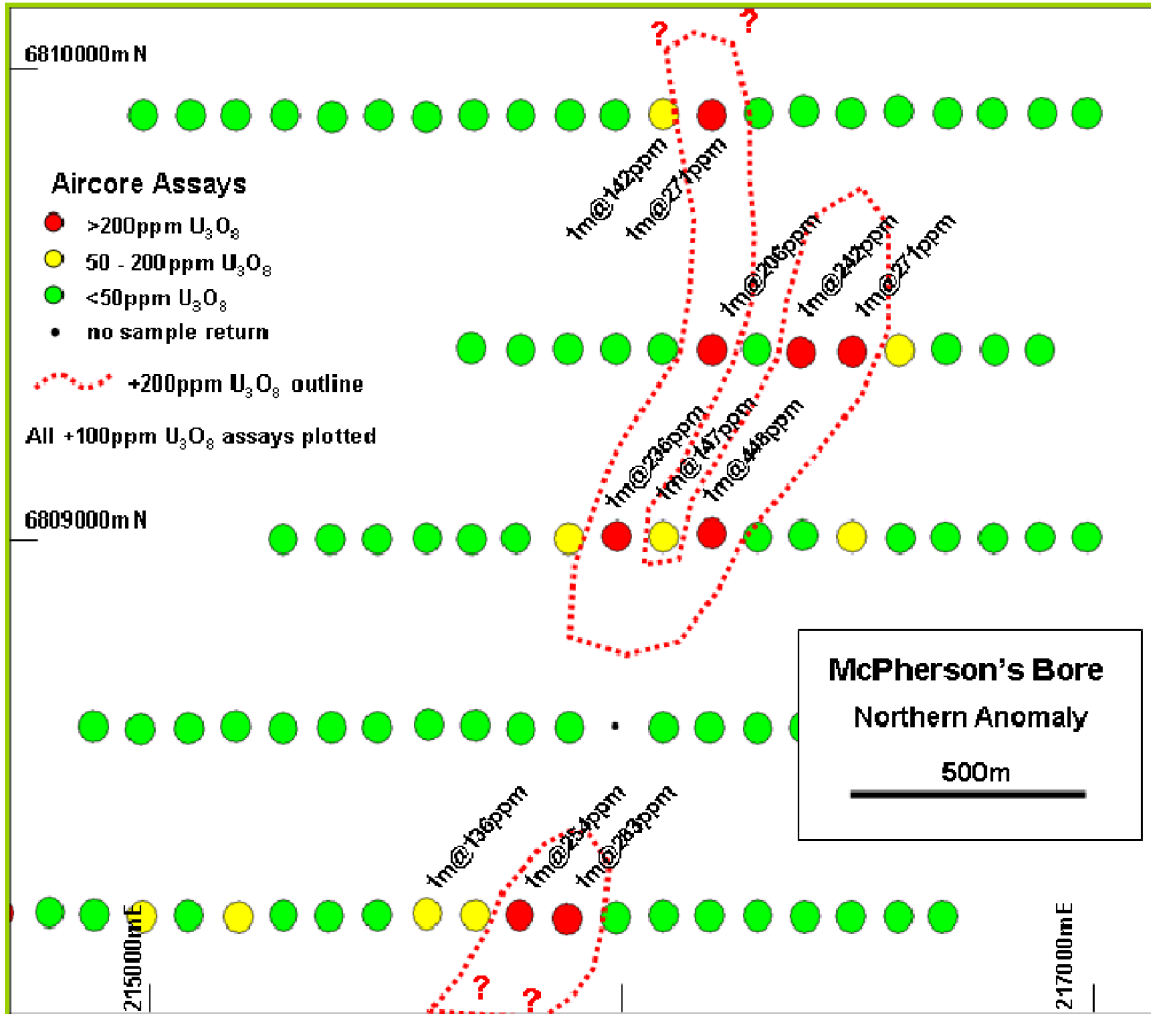
* results reported previously (see AXS announcement 16/8/07)

Drilling results from the Northern Anomaly have shown significant uranium concentrations within 1m from the surface over an extensive area. It is interpreted that this mineralisation potentially represents a uranium leakage anomaly from a nearby buried source area.

Based on these results, the following activities are now planned:

- complete a series of sample pits to confirm the continuity of the Northern Anomaly and to allow in-situ sampling of the mineralised horizon;
- drilling to determine the extent of mineralisation to the north, and
- drilling to locate the potential source of the Northern Anomaly.

Figure 1. McPherson's Bore – Northern Anomaly



For further information please contact:

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The information in this report that relates to Exploration Results is based on information compiled by Mr. Peter Bewick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bewick 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 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Bewick consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.