

**ASX : ENR**

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Company Announcements Office  
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4th Floor, 20 Bridge Street  
Sydney NSW 2000

## **Aircore drilling to commence at McPherson's Bore**

The directors of Encounter Resources Ltd are pleased to announce that an aircore drill program is scheduled to commence on 19 June 2007 at the McPherson's Bore project (E29/587 - Encounter 80%, Avoca Resources Ltd 20%).

A 260 hole program has been designed to test a large scale uranium geochemical anomaly identified in a May 2007 reconnaissance auger drill program. The first phase of the drilling will be completed at 1km line spacing. Pending the initial down hole survey results, all clearances required have been received to complete infill drilling to a 400 metre line spacing.

The zone of uranium anomalism identified is 4km long, up to 1km wide, remains open to the north and south (see Figure 1) and is associated with a buried zone of calcrete and calcareous sediments. The project is located in a favourable geological setting 120km west of Leonora.

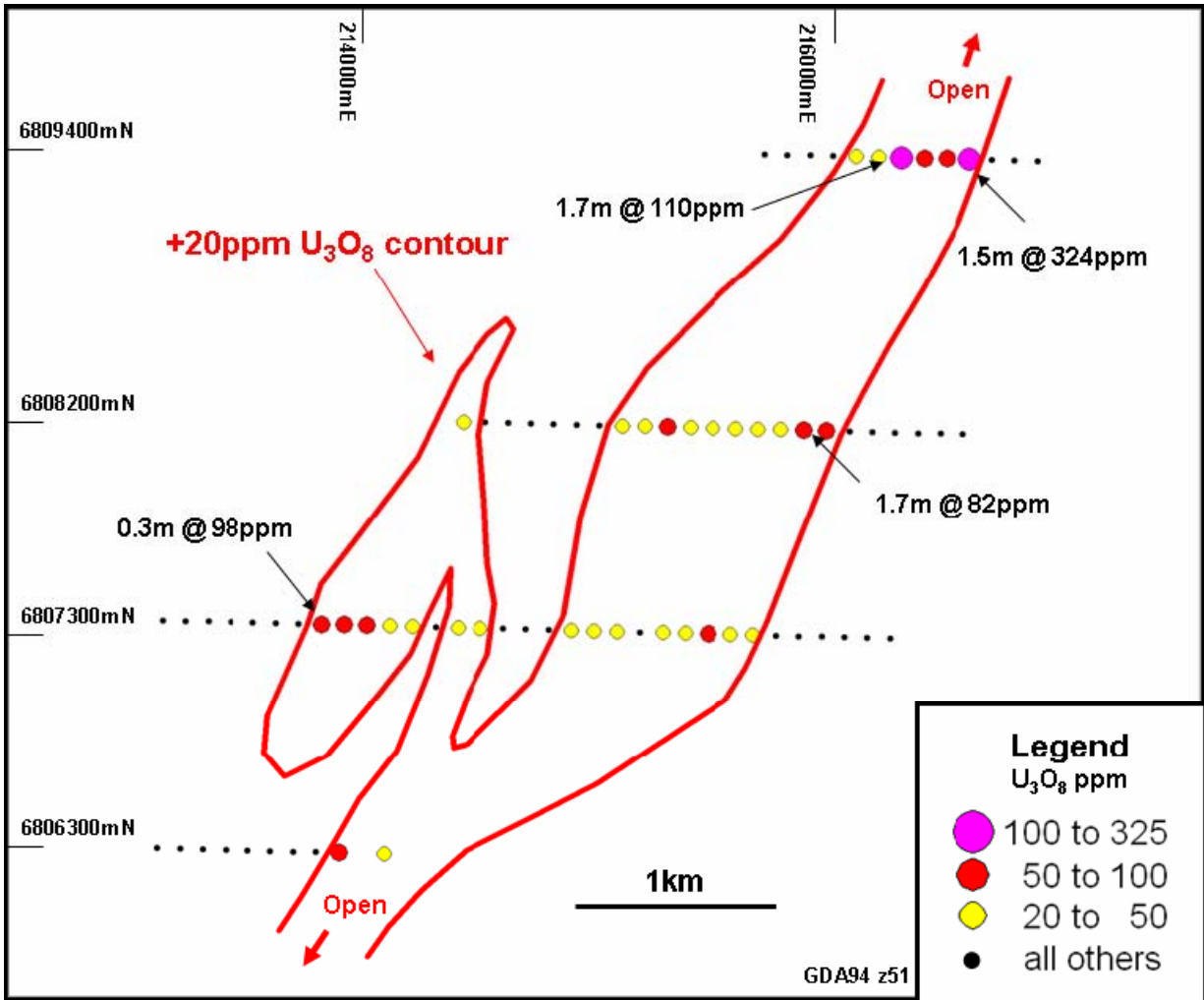
The reconnaissance auger drill holes completed in May ranged from 0.3 to 4.7 metres deep with holes terminating at the top of the hard calcrete horizon. A significant number of the anomalous holes did not exceed 1m as the auger rig could not penetrate the calcrete horizon. Assays over 50ppm were recorded on each drill line with the highest grades recorded on the most northern line with grades to 324ppm U<sub>3</sub>O<sub>8</sub> over 1.5 metres at end of hole in EMB0010.

The aircore rig that has been secured is capable of penetrating the calcrete horizon to test the primary target zone at the water table, which is expected to be within 10m of the surface.

For further information please contact:

Mr Will Robinson  
Managing Director  
Encounter Resources Ltd  
Tel: 08 9486 9455

**Figure 1. McPherson's Bore reconnaissance auger drilling program  
(best in hole – ppm  $U_3O_8$ )**



*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.*