

EMMERSON AND TCMG EXPAND TENNANT CREEK JOINT VENTURE TO SOUTHERN PROJECT AREA TO DRIVE AGGRESSIVE GOLD EXPLORATION, PRODUCTION & ROYALTY STREAMS

Highlights

- The Southern and Northern Project Joint Ventures with TCMG will now result in a minimum **\$10.5m spend on exploration** over five years, plus drive advanced studies ahead of mining and processing that are sole funded by TCMG
- This new Strategic Alliance with TCMG includes:
 - Exploration Earn-In and Joint Venture Agreements (managed by Emmerson) whereby TCMG provides \$5.0m of funding to earn a 75% interest in the Southern Project Area (SPA)
 - A Small Mines Joint Venture covering the SPA with Emmerson to receive:
 - Free carried, 6% gold production royalty from all Small Mines
 - A guaranteed 6% of a minimum 30,000oz gold production royalty or cash payment of any shortfall
 - A Major Mines JV from projects with the discovery of >250,000oz gold with Emmerson to receive an immediate 40% contributing share
- TCMG feasibility studies and plans for a central mill in Tennant Creek to be finalised before year end
- Emmerson retains 100% ownership of the Edna Beryl and Jasper Hills Project Areas

Emmerson Managing Director Mr Rob Bills commented:

"This new Joint Venture over the Southern Project Area with the Tennant Consolidated Mining Group (TCMG) is a logical extension and consolidation of our alliance on the Northern Project Area. TCMG have demonstrated a track record of meeting their JV commitments and continue to be a valued partner that are working with Emmerson to rapidly recommence gold production and development of the Tennant Creek Mineral Field.

TCMG bring access to capital, mining and production expertise which compliments Emmerson's strong exploration and discovery track record.

This new exploration and mining JV over the SPA has clear hurdles, including a minimum production of 30,000oz of gold, in addition to that required under the Northern Project Area Agreement. Such that both require a minimum of 60,000ozs within their respective five-year periods. The Exploration Earn-in and Joint Venture will combine Emmerson's experience and technical expertise with significant funding to discover new deposits and extend existing deposits.

The inclusion of the Major Mines JV and broadening the reach of our partnership to a 20,000km² Area of Mutual Interest aligns both parties to the longer-term future of this strategic alliance.

In parallel, TCMG has consolidated several other projects in the Tennant Creek region and intends to unlock value through building a large, central, modern processing facility. The location and size of this new facility is the subject of current studies. Emmerson is encouraged by the diligent, long-term approach being taken by TCMG to realising full value from one of Australia's premier goldfields."

Tennant Consolidated Mining Group Managing Director Mr Peter Main commented:

“TCMG’s advisory group TransAsia Private Capital is best known for its private debt solutions including short tenor trade finance through mid to longer term and project loans.

Emmerson has a strategic land package in the Tennant Creek Mineral Field with clear production potential which aligns with our consolidation strategy and establishing a modern processing facility to unlock these stranded assets.

TCMG is working with Emmerson to establish a pipeline of mining projects ready for production”.

New Earn-in and Mines Joint Venture with TCMG

Emmerson advises that it has entered into a new Joint Venture with Strategic Alliance partner, Tennant Consolidated Mining Group (TCMG), a subsidiary of TA Private Capital Security Agent Ltd advised by TransAsia Private Capital (TA). The agreements cover the following:

- Exploration Earn-in and JV (EEJV) in the Southern Project Area (SPA) of Tennant Creek
- Delineation of an approximate 20,000km² Area of Mutual Interest centred on Tennant Creek aimed at future exploration or acquisitions
- A Small Mines JV (SMJV) with a free carried 6% gold production royalty from Small Mines (<250,000oz)
- A Major Mines JV (MMJV) whereby Emmerson retains up to a 40% interest in any Major Discovery (>250,000oz gold equivalent)

This Strategic Alliance establishes a funded pathway for the development of Emmerson’s high-grade gold projects and provides substantial funding to continue expansion of the exploration pipeline.

TCMG was specifically established for the purposes of investments such as these and is managed by several senior mining industry executives and a highly capable on-site team in Tennant Creek.

As previously announced to the ASX on 9 November 2020, Emmerson terminated the Exploration Earn-in and Joint Venture Agreement (EEJV) with Territory Resources Limited (TRL) over the Southern Project Area (SPA). TRL have issued legal proceedings claiming damages for termination of the EEJV which Emmerson is vigorously defending.

Exploration Earn-in and JV – extending and advancing gold projects

TCMG has entered an Exploration and Earn-In Joint Venture (EEJV) over Emmerson’s SPA (figure 1). The SPA is highly prospective for high-grade gold deposits with historical production of over 2.7moz that is heavily skewed to the eastern portion of the SPA, where outcrop or shallow cover has enabled relatively effective exploration and discovery. In contrast, the mostly undercover western portion has produced only 153,000ozs, despite similar geology. The advent of new exploration tools and techniques that can better see-through areas of cover, such as the western portion of the SPA are being pioneered by Emmerson (Figure 2). Including a new, Ultra High Resolution (UHR) drone magnetic survey that is collecting detailed magnetic data to assist in pinpointing magnetic ironstones – the host to the high grade gold mineralisation (Photo 1, figure 2).

Under the terms of the SPA Earn-In, TCMG will contribute A\$5.0m of exploration expenditure within five years to earn a 75% equity interest. The full \$5.0m expenditure must be contributed to fulfil the terms of both the Mining and Exploration agreements and before any direct interest in the tenements is achieved.

After the Earn-In phase, a Joint Venture can be formed where Emmerson can elect to either maintain its equity position in the SPA by contributing 25% to the exploration programs or not contribute and dilute its interest.

During the Earn-In period, Emmerson will remain Operator and Manager, and apply its systematic, science-based approach to exploration which has been successful in discovering a new generation of gold and gold-copper deposits in the Tennant Creek Mineral Field. Emmerson will be paid a management fee by TCMG for this service. Both parties will work collaboratively under Exploration and Mining Management Committees to make discoveries that are advanced to mines.

Mining JV – to accelerate development of further mines and gold production

As part of the Strategic Alliance, TCMG has also entered into two Mining Joint Ventures over the SPA at Tennant Creek that are aimed to fast-track production from the existing high-grade gold projects and new mines.

The Mining Joint Venture includes Small Mines (defined as hosting <250,000oz gold) and Major Mines (hosting >250,000oz gold) with a minimum production hurdle of 30,000oz of gold within 5 years – which combined with a similar hurdle for the NPA, entitles Emmerson to royalties from 60,000oz (minimum) across the two Joint Venture areas or the shortfall to be paid in cash.

Under the SMJV, Emmerson is entitled to a free carry, 6% non-diluting production royalty where TCMG is responsible for the management, any advanced studies and cost of the development, mining and processing of ore.

Currently there are three projects in the SMJV category that are being sole funded by TCMG and are undergoing various studies and permitting ahead of mining. These are Chariot (in the SPA) and Mauretania (in the NPA) - in advanced resource estimates, flora and fauna surveys and optimisation studies. Black Snake, by virtue of the recent encouraging high-grade gold drill results, will also undergo similar studies (ASX: 25 May 2021).

Any discovery of a Major Mine entitles Emmerson to a 40% equity interest or at its election, a 20% free carried interest until completion of a definitive feasibility study and thereafter, contributing.

These agreements, with funding and mining expertise from TCMG provide a low-risk pathway for Emmerson to monetise known high-grade gold assets in Tennant Creek. It allows Emmerson to focus on exploration and discovery both at Tennant Creek and NSW without deployment of dilutive capital.

Next Steps

Emmerson and TCMG are planning an increasingly drill intensive program over the five year earn-in period. Projects currently planned or underway include:

- Drilling at Mauretania with the first diamond drill hole completed. This drill program is aimed to test for extensions to both the oxide (shallow) and deeper primary gold mineralisation, plus complete geotechnical drill holes for mining studies
- Drilling at West Gibbet – to follow up historical intersection of 13m at 66.9g/t gold from 74m (drill hole WGBRC024 ASX 26 May 2008)
- Ultra-High Resolution drone magnetic survey (underway) – to pinpoint new ironstones (the typical host to high grade gold mineralisation in the field)
- JORC resource estimates at Chariot, Mauretania and Black Snake projects
- Feasibility studies by TCMG on establishing the central mill in Tennant Creek in 2022

Outside of this, Emmerson have retained 100% ownership of the historic Jasper Hills, high-grade copper-gold and cobalt project and are working with the Traditional Owner Joint Venture partner to unlock this for exploration.

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About Emmerson Resources, Tennant Creek and New South Wales

Emmerson has a commanding land position and is exploring the Tennant Creek Mineral Field (TCMF), one of Australia's highest-grade gold and copper fields that has produced over 5.5Moz of gold and 470,000t of copper from deposits including Warrego, White Devil, Orlando, Gecko, Chariot, and Golden Forty. These high-grade deposits are highly valuable exploration targets, and to date, discoveries include high-grade gold at Edna Beryl and Mauretania, plus copper-gold at Goanna and Monitor. These discoveries were found utilising new technology and concepts and are the first discoveries in the TCMF for over two decades.

A recent rush of new tenement applications by major and junior explorers in the Tennant Creek district, not only highlights the prospectivity of the region for copper and gold but also Emmerson's strategic 1,800km² land holding.

In addition, Emmerson is fast tracking exploration across five early-stage gold-copper projects in NSW, identified (with our strategic alliance partner Kenex/Duke Exploration) from the application of 2D and 3D predictive targeting models – aimed at increasing the probability of discovery. Duke can earn up to 10% (to pre BFS) of any project generated providing certain success milestones are met.

The highly prospective Macquarie Arc in NSW hosts >80Moz gold and >13Mt copper with these resources heavily weighted to areas of outcrop or limited cover. Emmerson's five exploration projects contain many attributes of the known deposits within the Macquarie Arc but remain underexplored due to historical impediments, including overlying cover (farmlands and younger rocks) and a lack of effective exploration.

About Tennant Consolidated Mining Group (TCMG)

TCMG is a subsidiary of TransAsia Private Capital Security Agent Ltd, a Hong Kong headquartered assets management firm, best known for its private debt solutions spanning trade finance through mid-tenor supply chain financing to mid to longer tenor term project loans. TransAsia has a diverse portfolio of capital deployed globally including within the Australian mining sector.

TCMG's focus is to rationalise assets in the Tennant Creek area, with the objective of undertaking detailed studies with the ultimate goal of developing a centralised processing facility commercialising known mill feed sources in and around Tennant Creek.

Regulatory Information

The Company does not suggest that economic mineralisation is contained in the untested areas, the information contained relating to historical drilling records have been compiled, reviewed and verified as best as the Company was able. As outlined in this announcement the Company is planning further drilling programs to understand the geology, structure and potential of the untested areas. The Company cautions investors against using this announcement solely as a basis for investment decisions without regard for this disclaimer.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Emmerson Resources Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Emmerson believes that its expectations reflected in these forward- looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.

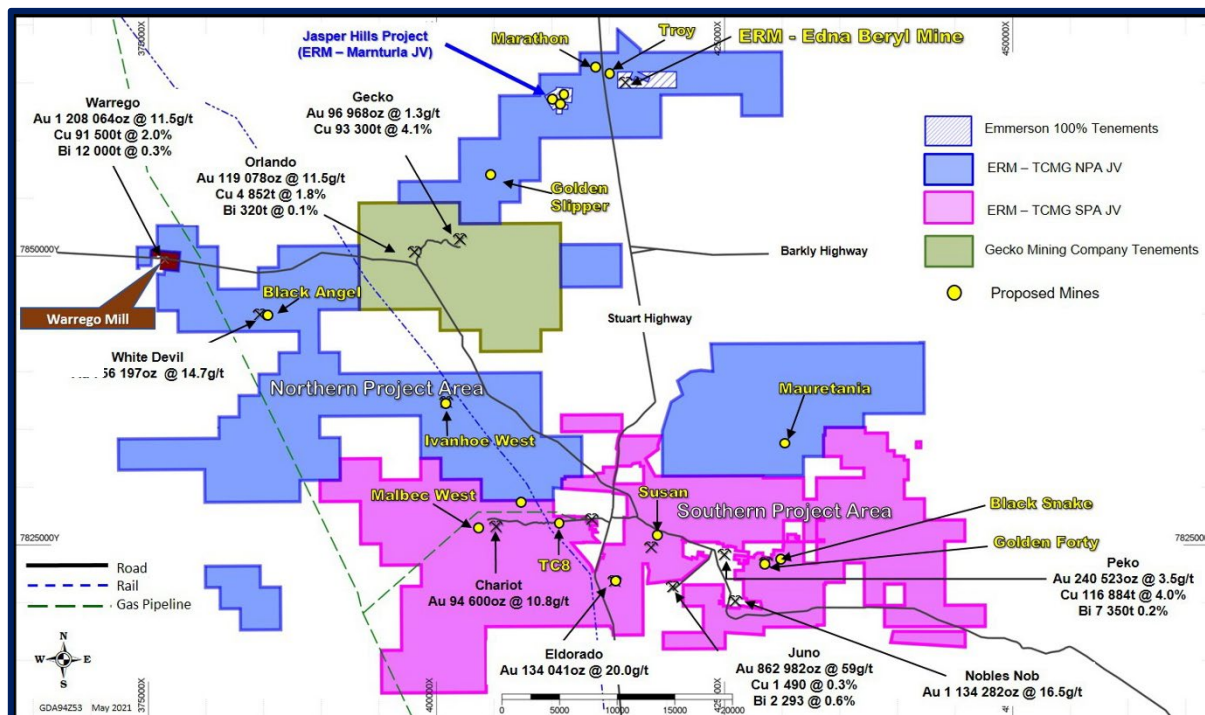


Figure 1. Map showing the various areas of Joint Venture with TCMG. Noting that Emmerson has retained the Jasper Hills and Edna Beryl Mine.

Note: quoted resources from historical deposits from Ahmad, M., Wygralak, A.S. and Ferenczi, P.A. (1999). Gold deposits of the Northern Territory 2nd ed. Darwin: Northern Territory Geological Survey, p.60



Photo 1. Very High Resolution Drone aeromagnetic survey underway over the so called Wine Line that is host to the Chariot and Malbec West deposits. This survey is aimed at pinpointing and better defining magnetite hosted gold mineralisation which will be the subject of future drilling

Historic undercover exploration has been less successful!

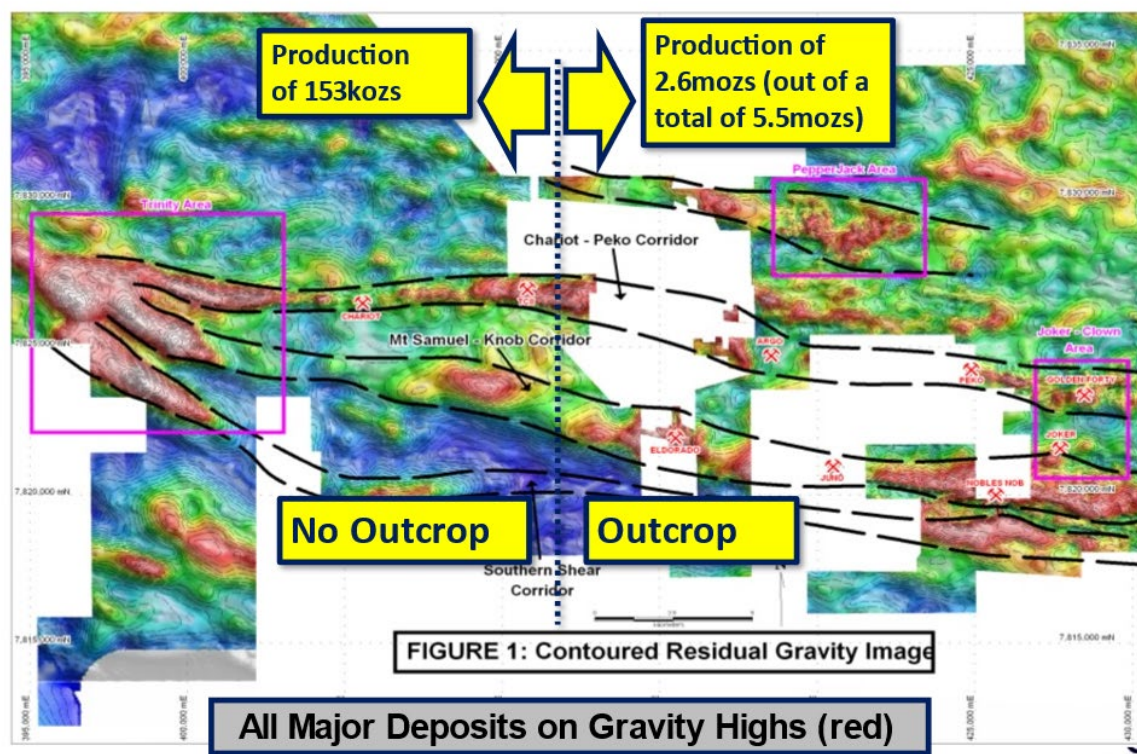


Figure 2. Map showing the limit of effective historical exploration (outcrop) that coincides with the majority of the gold production from the Tennant Creek Mineral Field. Also showing the potential opportunity (western area) from the application of new technologies and techniques that can see through the overlying cover sequence (No outcrop).