

Emmerson Resources Ltd

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Emmerson Resources Ltd's Rob Bills talks bonanza gold in Proactive Q&A Sessions™



Emmerson Resources Ltd ([ASX:ERM](#)) recently outlined the best drill result in the history of the company's drilling at Tennant Creek, where it has partnered with mid-tier gold miner **Evolution Mining Ltd** ([ASX:EVN](#)).

The Tennant Creek Mineral Field (TCMF) is one of Australia's highest grade gold and copper fields producing over 5.5 million ounces of gold and 470,000 tonnes of copper.

To tell us more, Rob Bills, managing director, exclusively joins Proactive Q&A Sessions™.

PROACTIVE INVESTORS: Welcome Rob.

First of all, how have the latest results impacted the potential of the Edna Beryl project at Tennant Creek?

Rob Bills: These extremely high grade intercepts, the best of which is 8 metres at 157g/t gold gives us great confidence that the Edna Beryl project has the grade potential to match many of the renowned historic and hugely profitable mines of the Tennant Creek Mineral Field – many of them company makers, for example the previous owner, Normandy Mining.

Perhaps the closest analogy to Edna Beryl is the Nobles Nob mine which produced over 1.1 million ounces at over 17g/t gold – this was a shallow supergene gold deposit with similar “bonanza grade” zones.

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How far has the 6,500 metre drilling program progressed, and when are the next assays expected to be released?

Rob Bills: The total drill meters will be in excess of 8,000 metres, with ~6,500 metres at Edna Beryl and the remainder spread between two new projects called Susan and Retsina.

Next assay results will likely come from Edna Beryl....the recent ASX (31 October, 2016) announced visible gold in our first diamond drill hole at this project, so we have now logged and cut this core for dispatch to the lab for assaying.

Results should be within 2-3 weeks.

When will an updated JORC Resource be prepared?

Rob Bills: We currently have 900,000 ounces gold equivalent (includes copper) in JORC of which 246,000 is gold only – Edna Beryl will add to this but it is still too early to make any definitive resource calculation.

We are still in the process of defining the volume of mineralisation (strike, plunge of the ironstones) at Edna Beryl.

Particularly as the recent bonanza grades have come from an entirely new ironstone - one that we intersected to the north of the Edna Beryl main mineralisation and illustrates just how this system has the potential to grow with further drilling.

What are the keys to the joint venture with Evolution, and what are Emmerson's financial commitments?

Rob Bills: So the joint venture with Evolution consists of a \$15 million earn-in phase which when completed, will give EVN 65% of the entire Tennant Creek Project.

They then have an option of spending a further \$10 million to earn a further 10%.

Life to date expenditure from EVN is currently around \$10.5 million, but importantly EVN do not get any equity in the project unless they spend the full \$15 million.

During the earn-in phase, Emmerson remains the manager and operator.

Emmerson holds an extensive footprint in the TCMF. What per cent has the company explored, and are you in additional joint venture discussions?

Rob Bills: Yes we hold around 2,500 square kilometres of tenements that constitute our Tennant Creek Project.

It is a highly strategic and valuable asset which we are systematically exploring utilising some new geological exploration models and new technology.

Tennant Creek is one of Australia's highest grade gold fields and this is the first time it has been consolidated under one company and systematically explored with modern exploration techniques.

To date we have made three discoveries; Goanna in 2013 which is high grade copper with great potential for more (and gold below), Mauretania in 2015 and now Edna Beryl.

So from this you can see that we are getting some "runs on the board" and given the size of our land position, have many more projects to drill test.

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At this stage I cannot comment on additional joint ventures.

Finally, why should an investor consider adding [Emmerson Resources](#) to their portfolio?

Rob Bills: Emmerson stands by its track record in terms of delivering discoveries and value to its shareholders through exploration in the Tennant Creek Field.

We are not alone in this assessment given we have attracted two high calibre JV partners.

We cannot pre-ordain what will be discovered, however we continue to prosecute our three fold strategy of:

- 1) Discovery of gold and copper utilising new technology and ideas, which adds to our resource base ahead of refurbishing our Warrego Mill;
- 2) Small Mines initiative which is aimed at monetising a number of small high grade mines within our Tennant Creek project. This is via a Tribute Agreement with a private company; and
- 3) Leveraging these new technologies and ideas outside of our Tennant Creek Project to some recently granted gold-copper projects in NSW. These projects are not part of the joint venture with Evolution, but are with our alliance partner Kenex Limited – where we are using proprietary predictive or project identification processes to pinpoint the next big discovery in NSW.

Thus you can see we are working across a number of strategic and time horizons and strongly leveraged to exploration success.

PROACTIVE INVESTORS: Thank-you Rob.

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