

Emmerson Resources

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Emmerson Resources talks Government support of Tennant Creek in Proactive Q&A Sessions™



Rob Bills, managing director, Emmerson Resources

Emmerson Resources (ASX:ERM) maintains a strategy of discovering a new generation of large, high grade gold deposits in Tennant Creek.

The company plans to monetise a number of small but very high grade gold resources through deployment of a specialised Tribute Miner.

As part of the new Northern Territory Labour Governments initiative of making Tennant Creek the mining centre of the state, the Government is undertaking a feasibility study into a central modular milling facility.

To tell us more we are joined by Rob Bills, managing director for Emmerson, in Proactive Q&A Sessions™.

PROACTIVE INVESTORS: Welcome Rob.

First of all can you take investors through Emmerson strategy and the impact of this announcement by the Northern Territory Government?

Rob Bills: Emmerson has a threefold strategy of:

- 1) The application of new technology/ideas to make new discoveries in Tennant Creek. To date we have discovered the Goanna Copper, Mauretania gold and most recently and most exciting, the bonanza high grade gold at Edna Beryl.
- 2) Small mines – this is aimed at monetising a pipeline of small high grade gold deposits within our Tennant Creek project – the first of these is the Edna Beryl Mine and is under development. This will likely be the highest grade mine in Australia.

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- 3) Leveraging our discovery track record utilising new technology and ideas to new projects. We have recently picked up five new projects in the prolific Macquarie Arc in New South Wales – these are gold and copper-gold projects.

So this announcement will mostly impact our “small mines” strategy in providing a low cost path to production.

This is a huge plus for extracting maximum value from these Emmerson owned, high grade gold deposits.

We have identified around 15 such small mines within our tenements.

Do you consider that the changes will help bring more companies and investment to the region?

Rob Bills: Yes – this initiative will lower the cost and barriers to production.

It will not only stimulate development of further mines within the Tennant Creek district but also attract investment in exploration.

Additionally, there will be downstream benefits for the local community including the Traditional Owners (such as training, jobs, construction etc).

Focussing now on Emmerson, how could the proposed “common user mill” advance Emmerson’s plans?

Rob Bills: It is envisaged that this will be a modular mill that has the capability to toll and batch treat gold ores. There is also the potential for copper down the track.

For Emmerson (and shareholders) this is great news in that it will lower the cost of development and production from our small mines and provide a clear path to cash.

This distinguishes Emmerson from your typical junior explorer.

Other secondary benefits include an ability to drill from underground during the development phase of our small mines - thus reducing drill costs and increasing the probability of a small mine turning into a large mine.

Historically - this has been the path to the discovery of the famous 1 million ounce White Devil Mine within our tenements.



High-grade gold from Emmerson’s tenements

If the mill goes ahead, could Emmerson look to add to its portfolio of small mines through acquisition?

Rob Bills: This is a possibility as Emmerson is by far the largest explorer in the Tennant Creek Mineral Field – holding a commanding 2500 square kilometres of highly prospective ground.

In addition, we have just executed a deal with Adelaide Resources (now Andromeda Metals) to earn-into their Rover project, some 65 kilometres south of Tennant Creek.

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The Rover Field is geologically very similar to Tennant Creek yet because of thick cover, has not been explored to nearly the same extent.

We expect that with further exploration in the Rover Field, it should yield a similar metal/deposit endowment to Tennant Creek.



Rob Bills and team on-site

Finally, what is the key news flow for investors to look out for from Emmerson in the near-term?

Rob Bills: This year is shaping up to be a cracker.

We will again be drilling for extensions to our high grade gold discovery at Edna Beryl.

In addition we have just completed an ultra-high resolution gravity survey over Edna Beryl which has revealed possible extensions to the known ironstones (that host the gold) and perhaps most excitingly, a new untested gravity anomaly some 5 kilometres to the north.

We will be undertaking further geophysical surveys both at our Tennant Creek and also Rover projects – these are fully funded by our JV with Evolution Mining (ASX:EVN).

In addition, next month we will be drilling on the first of our New South Wales projects.

PROACTIVE INVESTORS: Thank-you Rob.

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