

Drilling to target high-grade gold at Tennant Creek

Highlights

- Two drill rigs are scheduled to commence a 5000m program at Emmerson's Tennant Creek project in the Northern Territory.
- The first rig will focus on targets in Emmerson's 100% owned Northern Project Area (NPA) and is aimed at advancing several high-grade gold projects plus test new targets generated from the recent airborne geophysical survey.
- The second rig will focus on testing extensions to a portfolio of small mines in the Southern Project Area (SPA), assisting with mine planning ahead of potential production.
- Drilling within the SPA will be funded by Territory Resources (TTY) under the Exploration Earn-in and Joint Venture.
- Importantly Emmerson now has a path to fast-track development of small mines through the new central processing facility being constructed by TTY at the Warrego Mill site.

Emmerson's Managing Director Mr Rob Bills commented:

"The recently announced Strategic Alliance with Territory Resources (TTY) provides a clear path to development and production for both new and existing gold resources. TTY's mining capability plus their recent purchase of the Warrego Mill provides a unique opportunity to now monetise any assets in the Tennant Creek Mineral Field.

In the Northern Project Area(NPA), Emmerson funds the exploration whilst retaining complete control over the future of any new or existing discoveries. However, upon negotiating favourable commercial terms, any discovery can be added to the Mining JV with Territory Resources.

Exploration in the Southern Project Area(SPA) whilst managed and operated by Emmerson, is funded by TTY as part of their \$5m earn-in under the Exploration JV.

Both JV's provide Emmerson shareholders with a low-risk pathway to commercial production and importantly, will generate funding for ongoing exploration programs in the Northern Territory and New South Wales.

This Strategic Alliance will see the re-establishment of Tennant Creek as a fully integrated exploration, mining and processing hub – thus realising Emmerson's long-held vision and that of the NT Government. Construction work on this important regional facility has commenced with first production scheduled for early 2019, subject to government approvals."

Northern Project Area Drilling (100% owned by Emmerson)

Approximately 14 holes for 2,100m of Reverse Circulation (RC) drilling is scheduled to commence in mid-November. This drilling is aimed to test for extensions of the shallow, high-grade gold in the oxide zone at both Edna Beryl and Mauretania (figure 1). It will also test for extensions to the recently discovered, deeper high-grade gold zone at Mauretania (ASX 21 June 2018: **10m at 7.6g/t gold, 2.4g/t silver, 0.19% copper and 0.14% bismuth**). These elevated bismuth results from this new gold zone are highly encouraging in suggesting there is likely further gold in the vicinity.

In addition, the drilling will also test several green-field targets generated from the recent airborne electromagnetic geophysical survey.

At this stage, further work on the Jasper Hills project has been postponed due to heritage access issues.

Southern Project Area (part of the Exploration and Mining JV with TTY)

The second drill rig (blast hole rig) has been conducting shallow sterilisation and grade control drilling over projects for TTY outside of Emmerson's tenure. Within the next week it will move onto the Earn-in and JV area within the SPA and commence testing for shallow oxide gold at Golden Kangaroo East, Black Snake, Susan and Three Thirty (figure 2). Approximately 62 drill holes for 3,000m of drilling is currently planned.

About Emmerson Resources, Tennant Creek and New South Wales

Emmerson recently commenced exploration on new gold-copper projects in NSW, identified (with our strategic alliance partner Kenex Limited) from the application of 2D and 3D predictive targeting models – aimed at increasing the probability of discovery. 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 (plus farmlands) and a lack of exploration focus. Kadungle is a JV with Aurelia Metals covering 43km² adjacent to Emmerson's Fifield project.

In addition, Emmerson is exploring the Tennant Creek Mineral Field (TCMF), one of Australia's highest-grade gold and copper fields producing over 5.5Moz of gold and 470,000 tonnes 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 are the first discoveries in the TCMF for over a decade.

Emmerson recently announced a strategic alliance with Territory Resources to build a central processing hub in Tennant Creek to support the milling and processing from Emmerson's small gold mines and other third-party feed. This alliance now extends to separate Mining and Exploration Joint Ventures with Territory Resources over Emmerson's southern tenements.

Emmerson is led by a board and management group of experienced Australian mining executives including former MIM and WMC mining executive Andrew McIlwain as non-executive chairman, and former senior BHP Billiton and WMC executive Rob Bills as Managing Director and CEO.

About Territory Resources

Territory Resources Limited (TTY) explores, mines, rails iron ore and exports out of the Darwin Port in Northern Territory Australia. The company primarily holds an interest in the Frances Creek mine, located to the south of Darwin, Northern Territory. The Company also has interests in the Mt Bunday project and the Yarram project both located in Northern Territory. The Company was incorporated in 2002 and is based in West Perth, Australia. As of February 28, 2018, TTY operates as a subsidiary of Gold Valley Holdings Pty Ltd. TTY is currently expanding its operations into gold projects in the NT, including advancing the +300koz gold project at Nobles Nob and Juno mines in Tennant Creek. More recently, TTY purchased the Black Jack gold processing facility in Charters Towers.

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.

Competency Statement

The information in this report which relates to Tennant Creek Exploration Results is based on information compiled by Mr Steve Russell BSc, Applied Geology (Hons), MAIG, MSEG. Mr Russell is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition and the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Russell is a full-time employee of the Company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Cautionary Statement

The Exploration Targets described in the 'Mining & Processing' section are conceptual in nature. It must be noted that, that there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

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.

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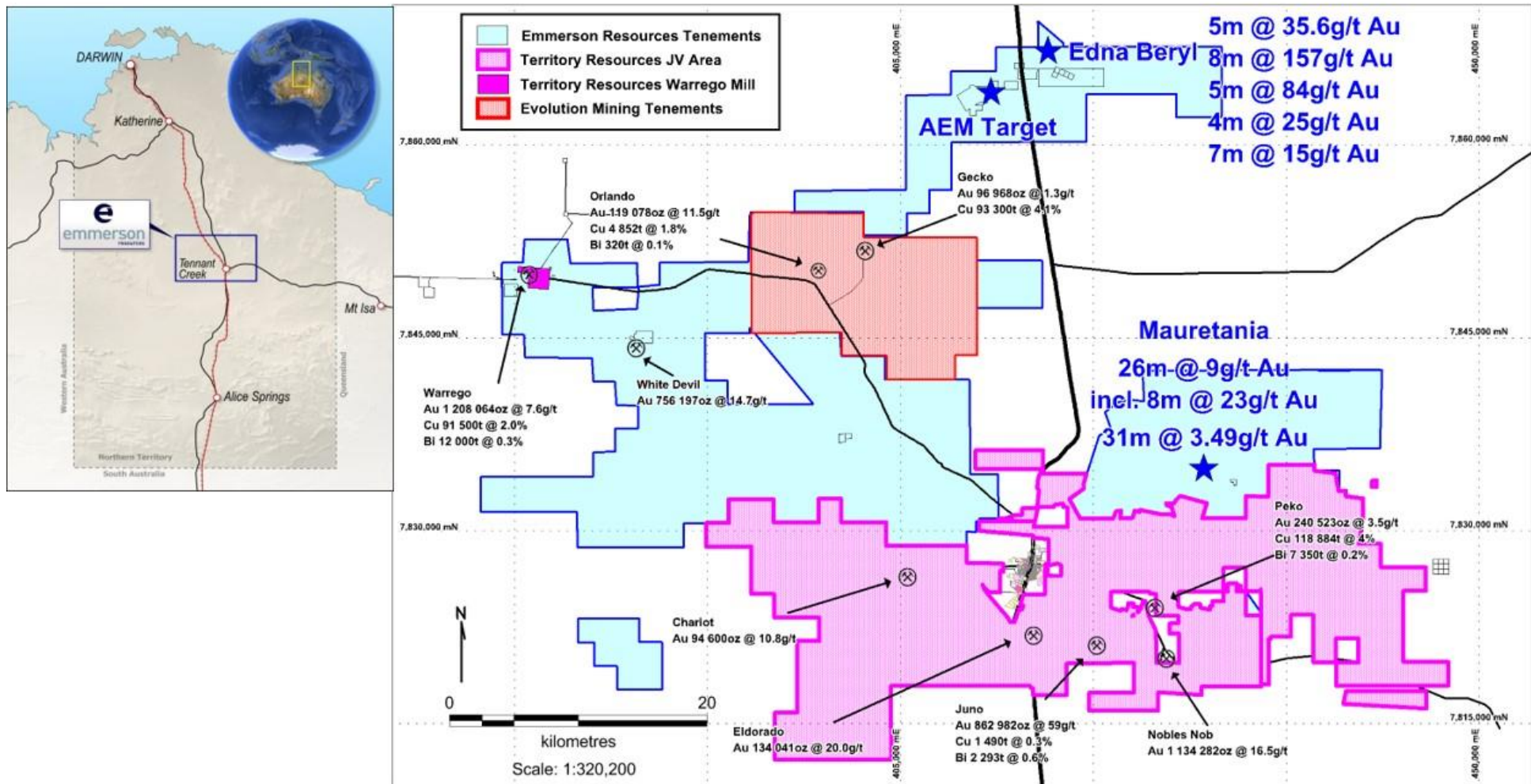


Figure 1: Emmerson Resources 100% owned Tennant Creek project (blue), Centralised Processing Facility (Warrego Mill), area of the Exploration JV with Territory Resources (pink). Also note the Evolution Mining tenements (red).

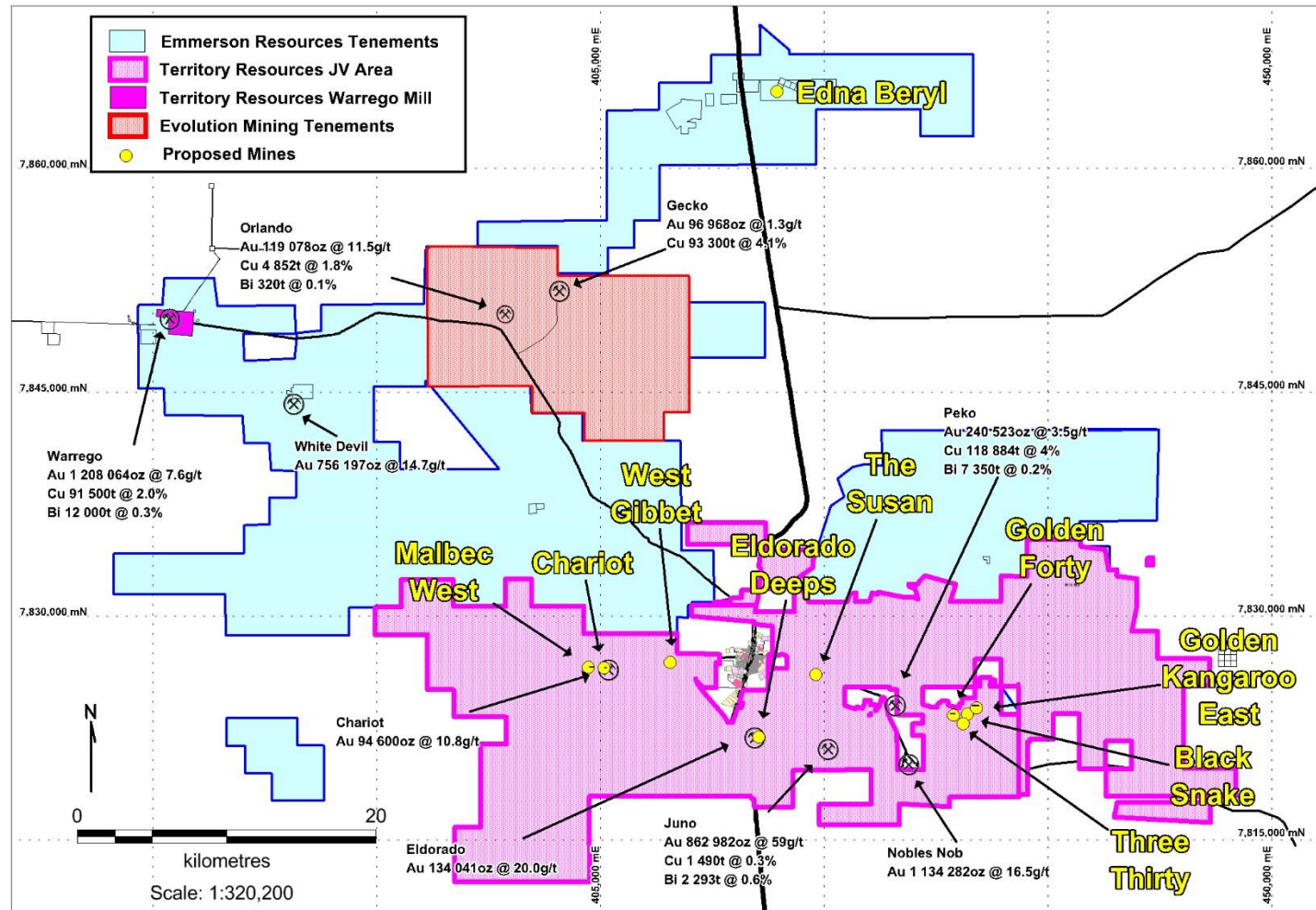


Figure 2: Emmerson Resources 100% owned Tennant Creek project (blue), Centralised Processing Facility (Warrego Mill), area of the Exploration JV with Territory Resources (pink) and mines in the current Mining JV (yellow dots).