

12 June 2020

Corporate Update Tennant Creek

- NT Bullion's funding package delayed due to COVID constraints at their Francis Creek Iron-ore project in the NT
- Emmerson agree to the short delay requested by NT Bullion in completing the \$2m placement in ERM in July
- Penalty clauses now apply with strike price of placement shares to NT Bullion 10% higher at 15.4c
- Non-refundable deposit of \$200k forfeited by NT Bullion and retained by Emmerson
- \$1.0m prepayment of the first year of the \$5m Exploration Earn-in by NT Bullion to coincide with completion of the placement
- Exploration to commence on the high-grade Mauretania gold project immediately following closure

Emmerson Managing Director Mr Rob Bills commented:

"The funding delay incurred by NT Bullion, will not impact their overall strategy of establishing an integrated exploration, mining and processing hub in Tennant Creek. According to NT Bullion, components for the Elmore portable mill are currently being sourced ahead of transportation to their Peko Tails project."

NT Bullion advise that complying with the COVID protocols at their Francis Creek Iron-ore mine has delayed finalising due diligence associated with their off-take and forward sales agreements, thus impacting their ability to meet the terms of the Agreement with Emmerson Resources (ASX: 28 April 2020).

As a consequence, the penalty clauses for late payment now apply with the full \$2m placement to NT Bullion at 15.4c per share, being 10% higher than the 14c as previously announced. Further, the non-refundable deposit of \$200k from NT Bullion is forfeited.

All other aspects of the deal remain the same and include:

- Formation of an Exploration Earn-in and Joint Venture whereby NT Bullion funds the next \$5m of exploration over the Northern Project Area(NPA), including an advanced payment of \$1m, which includes the refund of exploration costs of approximately \$0.4m pertaining to the last drill program at Mauretania.
- A mining Joint Venture covering the NPA (excluding Edna Beryl) with Emmerson to receive:
 - a 12% gross revenue gold royalty from the Mauretania and Jasper Hills Projects, plus 25% profit share of associated cobalt and copper.
 - a 25% profit share from any other mine developed within the NPA in exchange for NT Bullion undertaking the development, mining and processing.

NT Bullion, through an associate ICA Mining Services Pty Ltd, has an agreement with Elmore Ltd (ASX:ELE) to establish a portable modular mill at their Peko Tailings site (figure 1). This will provide a further option outside of the construction of the Territory owned Warrego Mill. Noting that both these mills are scheduled for operation in late 2020 but currently held up due to strict NT COVID work restrictions.

For and on behalf of the Board of Emmerson Resources Limited

Rob Bills

Managing Director & CEO

For further information, please contact:

Rob Bills

Managing Director and CEO

E: rbills@emmersonresources.com.au

T: +61 8 9381 7838

Media enquiries

Michael Vaughan, Fivemark Partners

E: michael.vaughan@fivemark.com.au

T: +61 422 602 720

About Emmerson Resources, Tennant Creek and New South Wales

Emmerson is fast tracking exploration across five exciting 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 >80Mozs 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 exploration.

In addition, Emmerson has a commanding land holding position and is exploring the Tennant Creek Mineral Field (TCMF), one of Australia's highest-grade gold and copper fields producing over 5.5 Moz of gold and 470,000 tonnes of copper from deposits including Warrego, White Devil, Orlando, Gecko, Chariot, and Golden Forty. Emmerson's 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 two decades.

Emmerson announced the formation of a strategic alliance with Territory Resources in 2018 and a further strategic alliance with NT Bullion in 2020. Both companies plan to build mills/processing facilities in Tennant Creek to support the mining and processing from Emmerson's small gold mines. Both alliances also extend to two earn-in and joint venture agreements whereby Territory Resources and NT Bullion are obligated to spend \$5m over 5 years to earn a 75% interest. In addition, there are two Mining Joint Ventures over a portfolio of Emmerson's small mines whereby Emmerson receive varying royalties of 12% and 6% gold production royalty or 25% profit share.

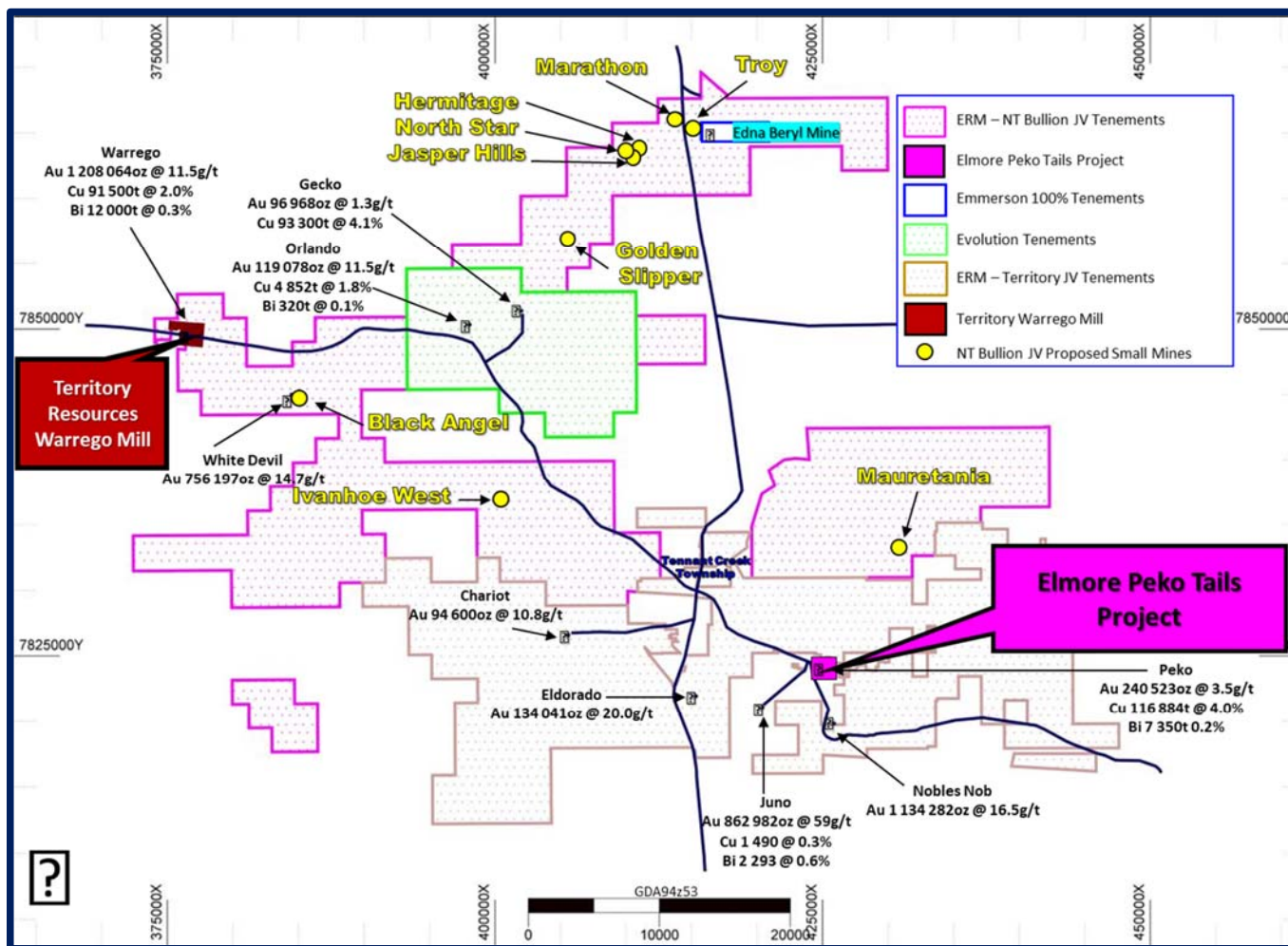


Figure 1. Map of Emmerson's Tennant Creek project, Joint Venture areas and construction of the JV owned and operated mills. Note the pink outline shows the Northern Project Area (JV with NT Bullion), while the brown outline shows the Southern Project Area (JV with Territory Resources)