

8 September 2016

Major Drill Campaign underway at the Edna Beryl High-Grade Gold project

- **8,000m drill campaign now underway at Emmerson Resources Tennant Creek Project**
- **The majority of the drilling is directed at the Edna Beryl project to test for extensions to the previously announced high-grade gold**
- **Drilling and exploration fully funded under the \$15m earn-in agreement with Evolution Mining**
- **Remainder of drilling to begin testing a pipeline of new projects that share similarities to Edna Beryl – and include the Susan and Retsina prospects**
- **Successful grant of the Exploration Mine Management Plan at Edna Beryl East allows for development of the first small mine**

Emmerson Resources Limited (“Emmerson”, ASX: ERM) is pleased to announce the approval of the next round of drilling within the 100% owned Emmerson Tennant Creek project in the Northern Territory (figure 1). This is the third and largest drill campaign for 2016 and follows the highly successful delineation of high-grade gold zones within the Edna Beryl project (Fig 2 and ASX: 2 August 2016). The drilling will be apportioned mostly to Edna Beryl (~6,300m of RC and diamond drill holes) with the remaining ~1700m of drilling going to the Susan and Retsina prospects.

This extensional drill campaign at Edna Beryl aims to extend the shallow high-grade gold within the Edna Beryl Main and South ironstones plus test the depth potential of the recently intersected, Edna Beryl Deeps ironstone. Based on the previous drilling, a new geological interpretation suggests thickening and coalescing of the shallow ironstones with depth. This opens up the potential for deeper primary gold mineralisation associated with hematite ironstone and adds to the shallow, high-grade gold mineralisation at Edna Beryl South, Main and also within the “small mines” Tribute Agreement (fig 2).

Note the Edna Beryl East “small mines” Tribute Agreement (ASX: 11 August 2015) relates to a tightly defined 3D rock volume around the immediate historical drill holes and mine area (figure 2: Yellow Panel 5). Anything discovered outside of this envelope remains 100% Emmerson, and is at the discretion of ERM and EVN as to whether it becomes part of the “small mines” agreement. Pleasingly, the Exploration Mine

Management Plan for Edna Beryl East has now been approved by the NT Department of Mines, allowing development to proceed and if required, the establishment of underground drill platforms.

A new geological interpretation and remodeling of the magnetic geophysics at Susan suggest untested potential. Both for high-grade gold in the oxide zone below the historical Susan Mine and also for primary gold associated with magnetite ironstones, some 200m deeper within the Susan syncline – this deeper target will be tested with a diamond drill hole.

In contrast, Retsina is a new regional green fields target in a similar structural setting to Edna Beryl but with very limited outcrop. Of interest is the presence of brecciated hematite ironstone at surface which returned a “near ore” geochemical signature. While it is early days in terms of testing the efficacy of this proprietary discriminant analysis, the data so far indicates the potential to distinguish barren from gold fertile hematite ironstones. If successful, this technique will greatly increase our success rate in discovering a new generation of hematite hosted gold deposits.

Emmerson Managing Director, Mr Rob Bills commented, *“our recent Joint Venture meeting with Evolution in Tennant Creek has approved a very aggressive drill program at Edna Beryl in recognition of the significance of the previous high-grade drill intercepts. A revised geological interpretation based on this drilling indicates both potential for further bonanza gold grades in the oxide zone within individual ore shoots, and also the likelihood that these shallow ore zones coalesce into a larger primary gold zone associated with hematite ironstone at depth.*

In addition, this program will test a further two projects. One called Susan which has excellent potential for both gold in the oxide and primary zones down plunge from historic drill holes SSRB04 (which intersected 9m at 9.12g/t gold), SSRB05 (11m at 19.5g/t gold) and SSRB07(10m at 14.3g/t gold). The other drill target is at Retsina where limited surface outcrop suggests some similarities to the geological setting at Edna Beryl.

This exploration is fully funded by our partner, Evolution Mining and constitutes part of the \$15m earn-in phase of the Joint Venture.”

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About Tennant Creek and Emmerson Resources

The Tennant Creek Mineral Field (TCMF) is one of Australia’s highest grade gold and copper fields producing over 5.5 Mozs of gold and 470,000 tonnes of copper from a variety of deposits including Gecko, Orlando, Warrego, White Devil, Chariot and Golden Forty, all of which are within Emmerson Resources (ASX: ERM) exploration and joint venture portfolio. These deposits are considered to be highly valuable exploration targets and, utilising modern exploration techniques, Emmerson has been successful in discovering copper and gold mineralisation at Goanna and Monitor in late 2011, the first discoveries in the TCMF for over a decade. To date, Emmerson has only covered 5.5% of the total tenement package (in area) with these innovative exploration techniques and is confident that, with further exploration, more such discoveries will be made.

Emmerson holds 2,500km² of ground in the TCMF, owns the only gold mill in the region and holds a substantial geological database plus extensive infrastructure and equipment. Emmerson has consolidated 95% of the highly prospective TCMF where only 8% of the historical drilling has penetrated below 150m.

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.

Pursuant to the Farm-in agreement entered into with Evolution Mining Limited (Evolution) on 11 June 2014, Evolution is continuing to sole fund exploration expenditure of \$15 million over three years to earn a 65% interest (Stage 1 Farm-in) in Emmerson's tenement holdings in the TCMF. An option to spend a further \$10 million minimum, solely funded by Evolution over two years following the Stage 1 Farm-in, would enable Evolution to earn an additional 10% (Stage 2 Farm-in) of the tenement holdings. Emmerson is acting as manager during the Stage 1 Farm-in and is receiving a management fee during this period. Exploration expenditure attributable to the Stage 1 Farm-in to date is approximately \$9.9m.

About Evolution Mining

Evolution Mining is a leading, growth-focussed Australian gold miner. Post the sale of Pajingo in September 2016, Evolution operates six wholly-owned mines – Cowal in New South Wales, Mt Carlton, Mt Rawdon, and Cracow in Queensland, and Mungari and Edna May in Western Australia. Evolution is also acquiring an economic interest in the Ernest Henry copper-gold operations in Queensland. In FY16 Evolution produced 803,476 ounces of gold at an AISC of A\$1,014 per ounce. Assuming completion of the acquisition of an economic interest in Ernest Henry, Evolution has revised FY17 Group gold production guidance to 800,000 – 860,000 ounces at an AISC of A\$900 – A\$960 per ounce.

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 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.

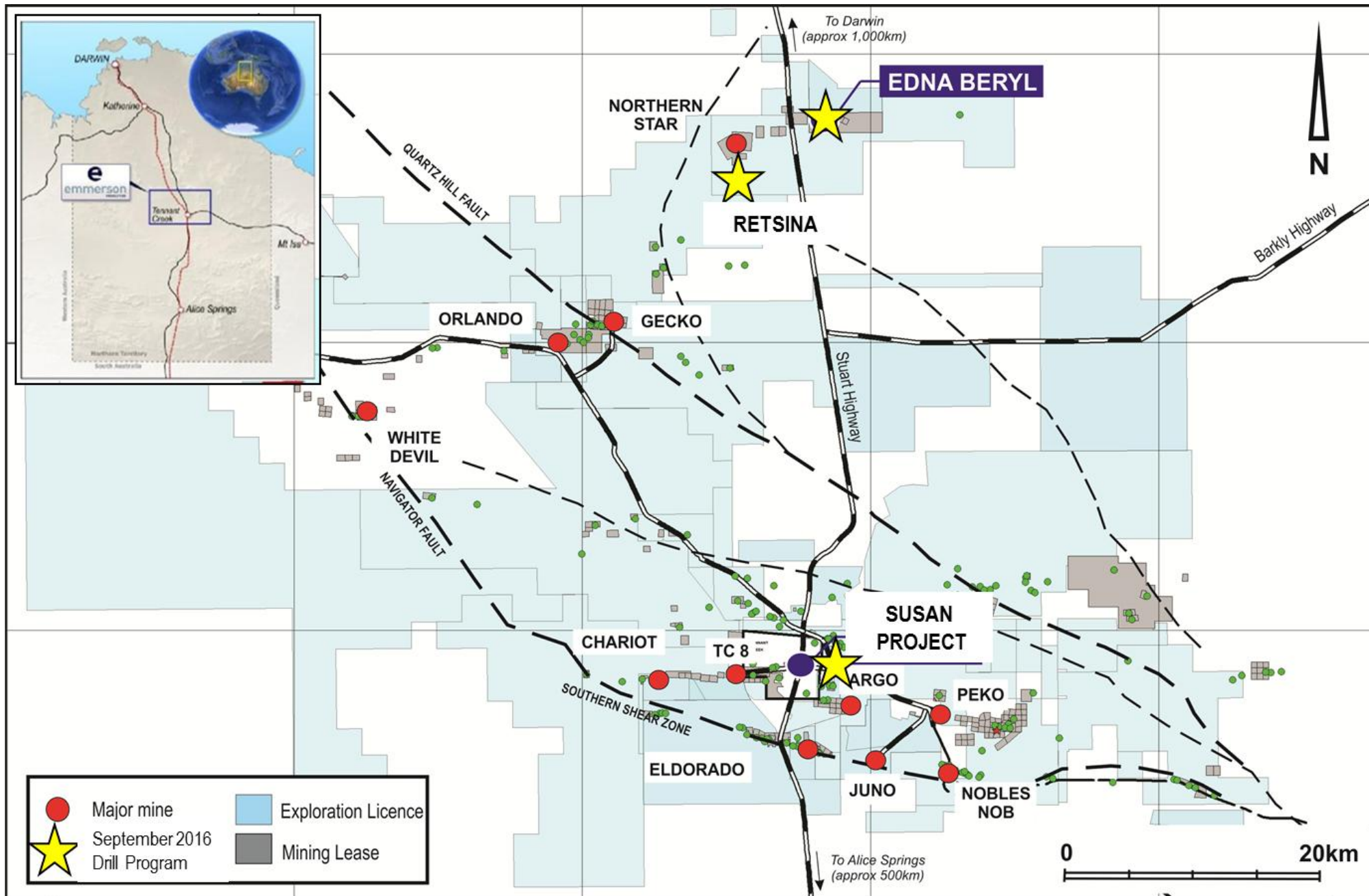


Figure 1. Location of the Emmerson Resources tenements and location of projects.

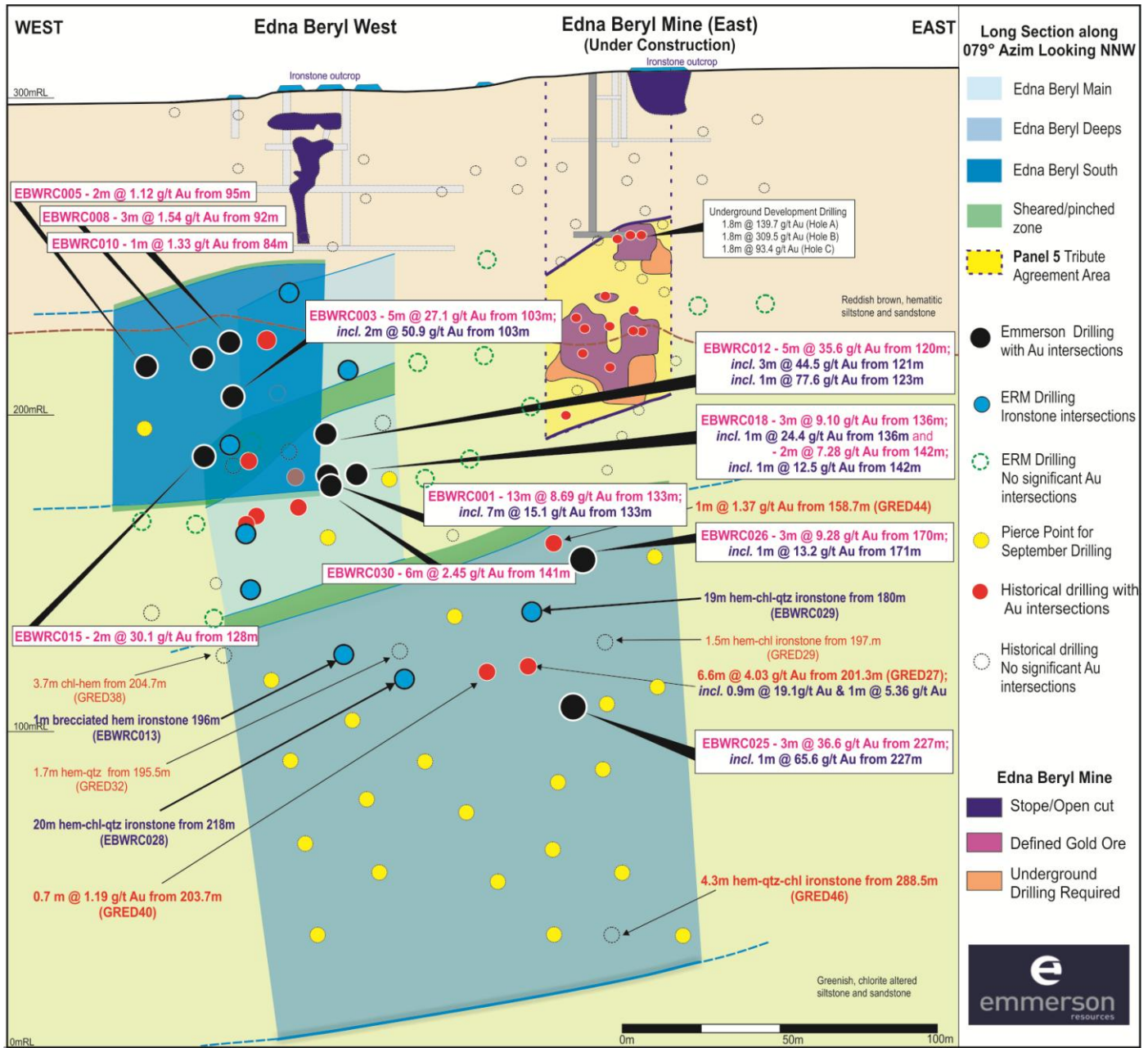


Figure 2. Long Section of Edna Beryl with previously announced intercepts (call out boxes) and planned drill holes (yellow dots). Also “small mine” development at Edna Beryl East (currently in progress).