

EMMERSON RESOURCES LIMITED
ACN 117 086 745

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) Share for every four (4) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.025 per Share to raise up to \$1,638,150 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer is partially underwritten by an entity controlled by Tim Kestell (a Director of the Company), to the extent of \$1,000,000. Refer to section 10.5 for details regarding the terms of the Underwriting Agreement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Andrew McIlwain
(Non-Executive Chairman)

Robert Bills
(Managing Director and Chief Executive Officer)

Simon Andrew
(Non-Executive Director)

Tim Kestell
(Non-Executive Director)

Company Secretary

Trevor Verran

Share Registry*

Computershare Investor Services Pty
Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth WA 6000

Telephone: +61 1300 787 272
Facsimile: +61 8 9323 2033

Registered Office

3 Kimberley Street
West Leederville WA 6007

Telephone: + 61 8 9381 7838
Facsimile: +61 8 9381 5375

Email: admin@emmersonresources.com.au
Website: www.emmersonresources.com.au

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Underwriter

Old Blood and Guts Pty Ltd
232 Broome Street
Cottesloe WA 6011

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	24 February 2014
Lodgement of Prospectus & Appendix 3B with ASX	24 February 2014
Notice sent to Shareholders	26 February 2014
Ex date	27 February 2014
Record Date for determining Entitlements	5 March 2014
Prospectus sent out to Shareholders & Company announces this has been completed	12 March 2014
Closing Date*	26 March 2014
Shares quoted on a deferred settlement basis	27 March 2014
ASX notified of under subscriptions	31 March 2014
Issue date/Shares entered into Shareholders' security holdings	3 April 2014
Quotation of Shares issued under the Offer*	4 April 2014

*The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. CHAIRMAN'S LETTER

Dear Fellow Shareholder,

On behalf of the Board, I am pleased to invite you to participate in this Entitlement Issue. This Entitlement Issue provides you with the opportunity to maintain your equity interest in the Company, and to further participate in the growth of Emmerson.

In the Company's 2013 Annual Report, I reflected that the past year had witnessed a continued decline in market sentiment, particularly in the small resources and exploration sector, and the early indications are that in 2014 this situation will remain largely unchanged. Notwithstanding, we remain focused on advancing the development of the Tennant Creek Mineral Field, are soundly managed and have access to a pre-eminent technical team. I am convinced that we will recover strongly with improving markets and exploration success.

As you would be aware, in light of the current market conditions, we have implemented a number of initiatives to reduce costs while maintaining work on "the next big discovery". Robert Bills and his team have continued to build our resource position. With ownership and access to 100% of the field returned from our joint venture partners, we have commenced a high level evaluation of further brown field opportunities that offer real potential to increase our existing JORC resources.

The key objective is to deliver the potential of the Tennant Creek Mineral Field that your Board has an unwavering belief in. To do so, means that we need to secure the necessary finance to support a substantial exploration program in the Tennant Creek Mineral Field. To this end, we are currently engaged in advanced discussions with a number of parties, who having followed our story for some time are keen to participate as cornerstone investors.

Under the Entitlement Issue, Shareholders will be entitled to apply for one (1) Share for every four (4) Shares held on the Record Date of 5 March 2014 at an issue price of \$0.025 per Share, to raise up to \$1,638,150 (before costs).

We are fortunate to see the significant support offered by one of my fellow founding Directors, Mr Tim Kestell, in the form of an Underwriting Agreement in relation to the Offer. An entity controlled by Tim Kestell has agreed to underwrite any Shortfall under the Offer up to a maximum of \$1,000,000. Please refer to section 10.5 of this Prospectus for further details of the Underwriting Agreement.

In order to encourage maximum participation, Shareholders will also be able to subscribe for Shares in addition to their full Entitlement under the Shortfall Offer.

The Closing Date for acceptances is 26 March 2014. Application for Official Quotation of the Shares will be made in accordance with the timetable set out at the commencement of this Prospectus.

As the Chairman of the Company and fellow Shareholder, I intend to take up my Entitlement.

The proceeds from the Offer will be primarily used to fund the continued exploration of the Tennant Creek Mineral Field and provide additional working capital, particularly to support the ongoing discussions with of potential cornerstone investors.

Details of the Entitlement Issue are set out in this Prospectus and I encourage you to read the Prospectus in its entirety before making your investment decision. A summary of risk factors that you should consider in applying for Shares is set out in Section 9 of this Prospectus.

On behalf of your Board and management, I thank you for your support as we continue to strive for success of the Company and encourage you to take up your Entitlements under the Entitlement Issue.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Andrew McIlwain", is written over a light grey rectangular background.

Andrew McIlwain
Chairman
Emmerson Resources Limited

4. IMPORTANT NOTES

This Prospectus is dated 24 February 2014 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

4.1 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 9 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

4.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements

contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 9 of this Prospectus.

4.3 Diagrams

Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

5. INVESTMENT HIGHLIGHTS

5.1 Tennant Creek Mineral Field

Emmerson (ASX:ERM) is one of the first companies to apply new proprietary exploration techniques within the highly prospective Tennant Creek Mineral Field (TCMF) following the consolidation of a dominant tenement position covering approximately 2,500km².

The TCMF is one of Australia's highest grade gold fields, with some of the historic deposits averaging grades of 15-20g/t gold and 2-4% copper. Examples include the classic Juno and Nobles Knob deposits with grades in excess of 50-60g/t gold.

These deposits are considered to be highly valuable exploration targets and now 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's twofold strategy is being pursued in parallel and consists of:

- (a) building quality gold and copper resources through near mine and brownfield exploration, ahead of commencing production from the Company's 100% owned CIP mill (the Warrego Mill); and
- (b) discovering new deposits utilising the Company's proprietary exploration approach. There remains excellent potential to continue and accelerate Emmerson's discovery track record as only 8% of historic drilling has penetrated below 150m, with only a small portion of the Company's tenements systematically explored.

Strategy 1 has so far delivered the recently announced (28 November 2013) resource of 900,000 JORC compliant gold equivalent ozs (inferred and indicated categories as set out in table 1 below). In addition, Emmerson is confident that further near mine and brownfields exploration will continue to add to this already substantial JORC resource.

The success of strategy 2 has so far delivered two discoveries of Goanna and Monitor (refer to figure 1 below). These discoveries were the product of innovative exploration in the brownfields environment around the historic Gecko mine. To date, the Monitor - Gecko - Goanna mineralisation is copper dominant, which is an anomaly for the predominantly gold rich TCMF. The historic copper to gold ratios within TCMF and results from some of our deeper drilling indicate excellent potential to define further gold at depth, particularly as this is one of the largest mineralised systems of the entire TCMF.

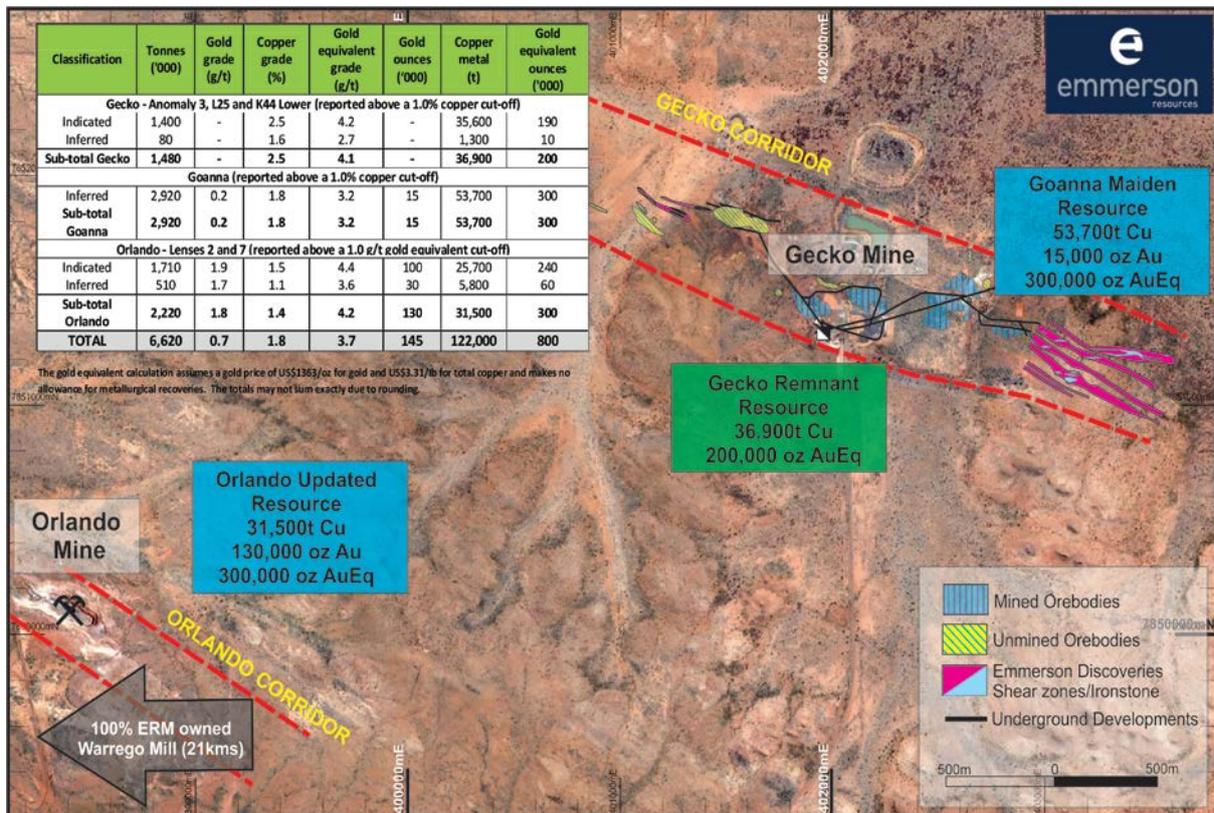
The funds from the Offer will largely be used to continue exploration in the TCMF and initially undertake an RC (reverse circulation) drill program around the high grade Chariot deposit, where success has the potential to rapidly expand the existing Chariot gold resource (refer to Table 1 and ASX release reported on 28 November 2013). In addition, the Company's recent HeliTEM geophysical survey over the Chariot corridor has identified some exciting brownfields targets around Mondeuse, Analytic and West Gibbet.

Table 1 - Emerson Mineral Resources Inventory November 2013

Classification	Tonnes	Gold grade (g/t)	Copper grade (%)	Gold equivalent grade (g/t)	Gold ounces	Copper metal (t)	Gold equivalent ounces
Gecko - Anomaly 3, L25 and K44 Lower (reported above a 1% copper cut-off)							
Indicated	1,400,000	-	2.5	4.2	-	35,600	190,000
Inferred	80,000	-	1.6	2.7	-	1,300	10,000
Sub-total Gecko	1,480,000	-	2.5	4.1	-	36,900	200,000
Orlando – (Lenses 2 & 7, below open pit & 'the gap' - reported above a 1.0 g/t gold equivalent cut-off)							
Indicated	1,710,000	1.9	1.5	4.4	100,000	25,700	240,000
Inferred	510,000	1.7	1.1	3.6	30,000	5,800	60,000
Sub-total Orlando	2,220,000	1.8	1.4	4.2	130,000	31,500	300,000
Goanna (reported above a 1.0 % Cu cut-off)							
Indicated							
Inferred	2,918,000	0.16	1.84	3.2	15,000	53,700	300,000
Sub-total Goanna	2,918,000	0.16	1.84	3.2	15,000	53,700	300,000
Chariot – Open Pittable & Remnant Underground (reported above a 1.0 g/t gold equivalent cut-off)							
Indicated	60,000	15.9	-	15.9	32,000	-	32,000
Inferred	110,000	18.8	-	18.8	67,000	-	67,000
Sub-total Chariot	170,000	17.4	-	17.4	99,000	-	99,000
TOTAL	6,790,000	1.1	1.8	3.6	246,000	122,100	900,000

Note: The gold equivalent calculation assumes a gold price of US\$1363/oz for gold and US\$3.31/lb for total copper and makes no allowance for metallurgical recoveries. The totals may not sum exactly due to rounding.

Figure 1 - JORC Compliant Mineral Resource Estimations and Proximity to Infrastructure within the Gecko Mineralised Corridor



The information that refers to Exploration Results and Mineral Resources in this Prospectus was prepared and first disclosed under the 2004 Edition of the JORC Code. It has not been updated since to comply with the 2012 Edition of the JORC Code on the basis that the information has not materially changed since last reported.

5.2 Corporate update

As reported in the Company's most recent quarterly report, a recent trade and investment trip to China, South Korea and Japan has attracted strong interest with the signing of over 10 confidentiality agreements, allowing access to the Company's data room. Interested parties are now undertaking technical due diligence, with some engaged in non-binding commercial discussion.

6. DETAILS OF THE OFFER

6.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of one (1) Share for every four (4) Shares held by Shareholders registered at the Record Date at an issue price of \$0.025 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 65,525,991 Shares will be issued pursuant to this Offer to raise up to \$1,638,150.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 8.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in section 7.1 of this Prospectus.

6.2 Minimum subscription

The minimum subscription in respect of the Offer is \$1,000,000. No Shares will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

6.3 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.025 per Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

6.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Emmerson Resources Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm AEDT (2:00 pm WST) on the Closing Date.

6.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00 pm AEDT (2:00 pm WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

6.6 Underwriting

The Offer is partially underwritten by the Underwriter to the extent of \$1,000,000. Refer to section 10.5 of this Prospectus for details of the terms of the underwriting.

The Underwriter is a related party of the Company, by virtue of being an entity associated with Mr Tim Kestell, who is a Director of the Company. The Company has been advised that the Underwriter has sufficient cash reserves to undertake the underwriting in accordance with the Underwriting Agreement.

6.7 Effect on control of the Company

The Company has entered into an underwriting agreement with the Underwriter under which the Underwriter has agreed to partially underwrite the Offer to the extent of \$1,000,000. A summary of the material terms of the Underwriting Agreement is set out in Section 10.5 of this Prospectus.

The Directors of the Company consider, having regard to all available options, that entering into the Underwriting Agreement with the Underwriter provides the Company with the highest degree of certainty in the time available that the Offer will be successful.

The Underwriter is a related party of the Company for the purpose of the Corporations Act by virtue of the fact that it is controlled by Timothy Kestell, a Director. Notwithstanding this relationship between the Company and the Underwriter, the Board (other than Timothy Kestell) considered prior Shareholder approval to the entry into the Underwriting Agreement (which is deemed under the Corporations Act to be the giving of a financial benefit to the Underwriter) was not required on the basis that the terms of the agreement are considered to be 'arm's length'.

The Underwriter presently is not a Shareholder of the Company, however Timothy Kestell (an associate of the Underwriter) is presently a Shareholder of the Company (through another controlled entity) and the extent to which Shares are issued pursuant to the underwriting will increase the Underwriter and its associates' voting power in the Company.

The Underwriter's present relevant interest and changes under several scenarios are set out in the table below and are based on the assumption that he takes up his full entitlement of 3,151,054 Shares under each scenario.

Event	Relevant interest held by the Underwriter and its associates	Voting power Underwriter and its associates
Date of Prospectus	12,604,213	4.81%
Completion of Entitlement Issue		
<ul style="list-style-type: none"> Fully subscribed 	15,755,267	4.81%
<ul style="list-style-type: none"> 75% subscribed 	32,136,765	9.81%
<ul style="list-style-type: none"> 50% subscribed 	48,518,263	14.81%
<ul style="list-style-type: none"> 4.81% subscribed (being the Underwriter's Entitlement) 	55,755,267	17.02%

The number of Shares held by the Underwriter and its voting power in the table above shows the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up any Entitlements under the Offer. In addition, the Underwriter may enter into sub-underwriting commitments with third parties to sub-underwrite the Offer. No individual sub-underwriter will have a voting power of more than 20% on completion of the Offer, even assuming there is no take up of the Offer by Shareholders. The underwriting obligation and therefore voting power of the Underwriters will reduce by a corresponding amount for the amount of Entitlements under the Offer taken up by the other Shareholders.

6.8 Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 20% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	3.82%	2,500,000	10,000,000	3.05%
Shareholder 2	5,000,000	1.91%	1,250,000	5,000,000	1.53%
Shareholder 3	1,500,000	0.57%	375,000	1,500,000	0.46%
Shareholder 4	400,000	0.15%	100,000	400,000	0.12%
Shareholder 5	50,000	0.019%	12,500	50,000	0.015%
Total Shares on issue		262,103,963			327,629,954

Note:

- The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

6.9 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.025 being the price at which Shares have been offered under the Offer.

Eligible Shareholders may, in addition to their Entitlement, apply under the Shortfall Offer, regardless of the size of their present holding. Eligible Shareholders who wish to apply for Shortfall Shares above their Entitlement can complete the appropriate boxes on the Entitlement and Acceptance Form accompanying this Prospectus and return it together with a cheque for the value of those Shortfall Shares (at \$0.025 per Share) to the share registry.

Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. In allocating the Shortfall Shares, the Directors will first issue Shortfall Shares to the Underwriter in accordance with the terms of the Underwriting Agreement. Following the issue of Shortfall Shares to Underwriter, the Directors intend to issue the remaining Shortfall Shares (if any) to Shareholders who subscribe for Shortfall Shares in excess of their Entitlement. The Directors reserve the right to issue Shortfall Shares at their absolute discretion or to issue a lesser number of Shortfall Shares than applied for or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shortfall Shares issued is less than the number applied for in an Entitlement and Acceptance Form or Shortfall Application Form, surplus application monies will be refunded in full as soon as practicable after the closing date of the Shortfall Offer. Interest will not be paid on application monies refunded.

6.10 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months

after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

6.11 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

6.12 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013.

6.13 Nominees, Trustees and Custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

6.14 New Zealand Shareholders

The Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

In accordance with the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand), a person who, on the Record Date was registered as a holder of Shares with a New Zealand address but who, as at the time of this Offer no longer holds Shares is not eligible to participate in this Offer.

6.15 Enquiries

Any questions concerning the Offer should be directed to Trevor Verran, Company Secretary, on +61 8 9381 7838.

7. PURPOSE AND EFFECT OF THE OFFER

7.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$1,638,150.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$) ¹	%
1.	Exploration and development of the Tennant Creek Mineral Field including geophysical surveys and drilling	1,200,000	73.3
2.	Expenses of the Offer ²	35,573	2.2
3.	Working capital	402,577	24.5
	Total	1,638,150	100%

Note:

1. In the event that the Company raises less than the full subscription, the allocation of the proceeds of the Offer will be reduced on a pro rata basis from Items 1 and 3.
2. Refer to section 10.10 of this Prospectus for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believe the Company will have sufficient working capital to meet these objectives.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and other circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

7.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted, will be to:

- (a) increase the cash reserves by \$1,602,577 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 262,103,963 as at the date of this Prospectus to 327,629,954 Shares following completion of the Offer.

7.3 Pro-forma balance sheet

The unaudited balance sheet as at 31 December 2013 and the unaudited pro-forma balance sheet as at 31 December 2013 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are

accepted and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 December 2013	PROFORMA 31 December 2013
CURRENT ASSETS		
Cash and cash equivalents	1,200,319	2,802,896
Trade and other receivables	124,878	124,878
Other financial assets	810,000	810,000
TOTAL CURRENT ASSETS	2,135,197	3,737,774
NON-CURRENT ASSETS		
Property, plant and equipment	5,820,885	5,820,885
Exploration and evaluation assets	20,278,154	20,278,154
TOTAL NON-CURRENT ASSETS	26,099,039	26,099,039
TOTAL ASSETS	28,234,236	29,836,813
CURRENT LIABILITIES		
Trade and other payables	690,458	690,458
Provisions	85,993	85,993
TOTAL CURRENT LIABILITIES	776,451	776,451
NON-CURRENT LIABILITIES		
Provisions	109,226	109,226
TOTAL NON-CURRENT LIABILITIES	109,226	109,226
TOTAL LIABILITIES	885,677	885,677
NET ASSETS	27,348,559	28,951,136
EQUITY		
Issued capital	40,398,347	42,000,924
Share-based payments reserve	2,693,970	2,693,970
Accumulated losses	(15,743,758)	(15,743,758)
TOTAL EQUITY	27,348,559	28,951,136

7.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares

	Number
Shares currently on issue	262,103,963
Shares offered pursuant to the Offer	65,525,991
Total Shares on issue after completion of the Offer	327,629,954

Performance Rights

	Number
Performance Rights currently on issue	2,681,250
Performance Rights offered pursuant to Offer	Nil
Total Performance Rights on issue after completion of the Offer	2,681,250

The capital structure on a fully diluted basis as at the date of this Prospectus would be 262,103,963 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Performance Rights vest) would be 327,629,954 Shares.

7.5 Details of substantial holders

Based on publicly available information as at 24 February 2014, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
HSBC Custody Nominees (Australia) Limited – A/C 3	69,569,188	26.55%
Inova Resources Limited	22,610,000	8.63%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

8. RIGHTS AND LIABILITIES ATTACHING TO SHARES

8.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

9. RISK FACTORS

9.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

9.2 Company specific

(a) Potential for significant dilution

Upon implementation of the Offer, assuming all Entitlements are accepted, the number of Shares in the Company will increase from 262,103,963 currently on issue to 327,629,954. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.047 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Additional requirements for capital

The funds raised under the Offer are required to meet short term exploration and evaluation objectives of the Company. Additional funding may be required to effectively implement the Company's business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional financing will be required.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(c) **Exploration success**

The Company's tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the tenements, or any other licenses that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the case reserves of the Company and possible relinquishment of the Tenements.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

9.3 Industry specific

(a) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(b) **Resource estimates**

Any resource that is delineated on the Company's tenements is an estimate only. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(c) **Tenure and access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

Tenements are subject to the applicable mining acts and regulations. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.

The Directors closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

(d) **Environmental**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and

licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(e) **Fluctuation in commodity prices**

International factors such as inflation, exchange rates, supply and demand and political and economic events, amongst other things, impact on base metal and gold prices, particularly in the current global economic market. As the Company is currently not in production, future revenue that may come from the sale of these mineral products and the Company's future profits are related to and influenced by the market price of the base metals.

If the price of base metals and gold seriously declines in the future, this will materially impact on the Company's ability to continue with its projects and the Company may be forced to discontinue some or all of its operations.

The Company gives no assurance that the fluctuations in the commodity prices will not affect timing and viability of the projects.

9.4 General risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the Northern Territory may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

9.5 **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
06/02/2014	Boardroom Radio Broadcast
30/01/2014	Quarterly Activities and Cashflow Report
13/01/2014	Change of Director's Interest Notice
13/01/2014	Section 708A Notice
13/01/2014	Appendix 3B
29/11/2013	Boardroom Radio Broadcast
28/11/2013	Section 708A Notice
28/11/2013	Appendix 3B - Employee Rights
28/11/2013	High Grade Chariot Gold Resource
26/11/2013	Results of Annual General Meeting
26/11/2013	Chairman's Address to the 2013 AGM
04/11/2013	Shareholder Newsletter
01/11/2013	Ceasing to be a substantial holder
29/10/2013	Quarterly Activities and Cashflow Report
24/10/2013	Notice of Annual General Meeting/Proxy Form
23/10/2013	Investor Presentation
18/10/2013	Boardroom Radio Broadcast
18/10/2013	New High Grade Drill Results & Upgrade to Resource Inventory
03/10/2013	Boardroom Radio Broadcast
02/10/2013	Emmerson Resources reclaims 100% of Tennant Creek assets

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.emmersonresources.com.au.

10.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	\$0.054	19 February 2014
Lowest	\$0.038	20 & 21 January 2014
Last	\$0.047	24 February 2014

10.4 Material contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

10.5 Underwriting Agreement

By an agreement between Old Blood And Guts Pty Ltd (ACN 122 608 360) (**Underwriter**) and the Company dated 24 February 2014 (**Underwriting Agreement**), the Underwriter agreed to partially underwrite the Offer for up to a maximum of \$1,000,000 worth of Shortfall Shares (**Underwritten Shares**).

The Company will not pay the Underwriter an underwriting fee.

The Underwriter may at any time, in its absolute discretion, appoint sub-underwriters to sub-underwrite the Offer. The Underwriter must pay all fees and commissions due to sub-underwriters of the Offer.

In allocating the Shortfall Shares, the Company has agreed that the Underwriter will have priority over any Shareholders who subscribe for Shortfall Shares beyond their Entitlement. Following the allocation of Shortfall Shares to Underwriter, the Directors may determine who is to receive, and the allocation of, the remaining Shortfall Shares (if any).

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **Prospectus:** the Company does not lodge the Prospectus in accordance with the timetable set out in the Prospectus or the Prospectus or the Entitlement Issue is withdrawn by the Company;
- (b) **Supplementary Prospectus:** the Underwriter reasonably forms the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter or the Company lodges a supplementary prospectus without the prior written agreement of the Underwriter;

- (c) **Non-compliance with disclosure requirements:** it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
- (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Shares;
- (d) **Misleading Prospectus:** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (e) **Proceedings:** ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Entitlement Issue or the Prospectus, or publicly foreshadows that it may do so;
- (f) **Unable to Issue Securities:** the Company is prevented from issuing the Shares within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (g) **Withdrawal of consent to Prospectus:** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (h) **No Quotation Approval:** the Company fails to lodge an Appendix 3B in relation to the Shares by the time required under the Corporations Act, the ASX Listing Rules or any other regulation;
- (i) **ASIC application:** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus and that application has not been dismissed or withdrawn;
- (j) **ASIC hearing:** ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act;
- (k) **Takeovers Panel:** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a material adverse effect;

- (l) **Hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America or the Peoples Republic of China, or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by 10%;
- (m) **Default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement;
- (n) **Contravention of constitution or Act:** a material contravention by the Company, or any subsidiary of the Company, of any provision of its constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (o) **Adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a subsidiary of the Company (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a subsidiary of the Company);
- (p) **Misleading information:** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Entitlement Issue or the affairs of the Company, or any subsidiary of the Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (q) **Index changes:** the S&P / ASX All Ordinaries Index (ASX Code: XAO) or S&P / ASX Small Resources Index (ASX Code: XSR) falls more than 10% from the date of the Underwriting Agreement for a period of 3 continuous Business Days;
- (r) **Prescribed occurrence:** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in this Prospectus or to ASX;
- (s) **Event of insolvency:** an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of the Company, or any subsidiary of the Company;
- (t) **Force Majeure:** a Force Majeure (as defined in the Underwriting Agreement) affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (u) **Certain resolutions passed:** the Company, or any subsidiary of the Company, passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter; or
- (v) **Capital Structure:** the Company, or any subsidiary of the Company, alters its capital structure in any manner not contemplated by this Prospectus excluding the issue of any Shares upon exercise of options,

such options having been disclosed to the ASX as at the date of the Underwriting Agreement.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

10.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Performance Rights	Entitlement	\$
Andrew McIlwain	1,067,941	Nil	266,986	6,675
Robert Bills	2,801,600	1,500,000	700,400	17,510
Simon Andrew	5,181,484	Nil	1,295,371	32,384
Tim Kestell	12,604,213	Nil	3,151,054	78,776

Note

1. Each Performance Right vests into one Share upon satisfaction of certain milestones on or before 4 December 2017.

The Board recommends all Shareholders take up their Entitlement and advises that Andrew McIlwain, Robert Bills and Tim Kestell intend to take up their respective Entitlements.

The Directors (other than Tim Kestell by virtue of controlling the Underwriter) are unable to participate in Shortfall Offer.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2013/2014	2012/2013	2011/2012
Andrew McIlwain	\$69,345	\$77,235	\$76,654
Robert Bills	\$397,676	\$457,370	\$599,334
Simon Andrew	\$37,242	\$40,821	\$40,894
Tim Kestell	\$37,242	\$40,821	\$40,894

Shareholders should be note that the non-executive Directors have each agreed to forgo 10% of their remuneration for the period from 1 May 2013 to 31 August 2013 and to forgo all of their remuneration from 1 September 2013 until it is deemed that the Company has secured ongoing funding for its activities.

Additionally, Mr Bills, as Managing Director, voluntarily reduced his remuneration by 10% from 1 May 2013.

It is not anticipated that the funds raised by this Entitlement issue constitute a sufficient level of funding to re-instate payment of the Directors' fees.

10.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or

- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (d) the formation or promotion of the Company; or
- (e) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services.

10.8 Consents

Each of the parties referred to in Section 10.8:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Old Blood and Guts Pty Ltd has given its written consent to being named as Underwriter to the Offer in this Prospectus, in the form and context in which it is named. Old Blood and Guts Pty Ltd is not currently a Shareholder of the Company, however Old Blood and Guts Pty Ltd has a relevant interest in 12,604,213 Shares held by Timothy Kestell (through another controlled entity). Timothy Kestell has indicated that it is his intention to subscribe for his full Entitlement under the Offer in respect of all of the Shares in which it has a relevant interest.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

10.9 Competent Person's Statement

The information in this Prospectus 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 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 Prospectus of the matters based on his information in the form and context in which it appears. Mr Russell holds an interest in the following securities in the Company: 350,000 Shares and 262,500 Performance Rights.

The information in Section 5 of the this Prospectus which relates to Mineral Resources is based upon information compiled by Mr Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Ian Glacken is an employee of Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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. Ian Glacken consents to the inclusion in this Prospectus of a summary based upon his information in the form and context in which it appears.

10.10 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$35,573 (excluding GST) and are expected to be applied towards the items set out in the table below:

Description	\$
ASIC fees	2,225
ASX fees	6,348
Legal fees	15,000
Printing and distribution	5,000
Miscellaneous	7,000
Total	35,573

10.11 Electronic prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9381 7838 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.emmersonresources.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

10.12 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

10.13 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

10.14 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Robert Bills
Managing Director and Chief Executive Officer
For and on behalf of
Emmerson Resources Limited

12. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

2013 Annual Report means the Company's annual financial report for the period ended 30 June 2013.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company or **Emmerson** means Emmerson Resources Limited (ACN 117 086 745).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Offer or **Entitlement Issue** means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in section 6.9 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

TCMF means the Tennant Creek Mineral Field.

WST means Western Standard Time as observed in Perth, Western Australia.