

## ASX Announcement & Media Release

28 April 2020

### Fast Facts

ASX Code: EMR  
Shares on issue: 498,766,677  
Market Cap: ~\$234 million  
Cash: A\$73.8 million (at 31 March 2020)

### Board & Management

Simon Lee AO, Non-Executive Chairman  
Morgan Hart, Managing Director  
Mick Evans, Executive Director  
Ross Stanley, Non-Executive Director  
Ross Williams, Non-Executive Director  
Mark Clements, Company Secretary  
Brett Dunnachie, Chief Financial Officer

### Company Highlights

- First mover in an emerging gold province in Cambodia;
- Mineral Investment Agreement and Industrial Mining Licence granted over the Okvau Gold Project (100% owned) allowing for the development of the Okvau Deposit;
- Okvau Deposit: Indicated and Inferred Mineral Resource Estimate of 1.14Moz at 2.0g/t Au;
- DFS completed and demonstrates high grade, low cost, compelling development economics:
  - Ore Reserve of 14.3Mt & 2.0g/t Au for 0.9Mozs in a single open pit with waste:ore ratio of 5.8:1;
  - LOM average annual production of 106,000ozs pa;
  - AISC US\$754/oz over LOM;
  - Using US\$1.450/oz Au gold price:
    - NPV<sub>(5%)</sub> US\$337M pre-tax and US\$238M post-tax;
    - IRR 69% pa pre-tax and 57% post-tax;
    - Payback ~1.4 years pre-tax and 1.7 years post-tax.
- Highly credentialed gold project development team;
- Significant resource growth potential.

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# Quarterly Report for the period ended 31 March 2020

## Highlights

### Cambodian Activities – Okvau Gold Project

#### Project Finance

- **Successful share placement of A\$75M completed in two tranches;**
- **Signed US\$60M Project Facility with Sprott Private Resource Lending II L.P. (“Sprott”) for development of the Okvau Gold Project;**
- **Sprott has subscribed for an additional US\$3.5M equity placement to offset adverse currency movements.**

#### Development Activities

- **Development activities advancing as scheduled at the Okvau Gold Project;**
- **Outotec to supply a major mineral processing equipment package;**
- **MACA Mining (“MACA”) to supply earthmoving equipment and conduct contract mining services;**
- **In excess of US\$23M of engineering and procurement contracts executed;**
- **Commencement of works on Okvau electrical substation;**
- **Stage 1 Oxide Grade Control completed.**

#### Exploration - New licences

- **Grant of Preak Khlong and O’Khtung licences which display similar mineralisation characteristics to Emerald’s 1.1Moz Okvau Gold Deposit;**
- **Several high priority targets provide potential for early exploration success.**

#### Corporate Activities

- **Share register strengthened via the A\$75M two tranche placement from existing and new global institutional shareholders;**
- **Consolidation of capital completed.**

#### COVID-19

- **The Company continues to monitor this fluid situation and remains focussed on the health and wellbeing of staff, contractors and stakeholders through the implementation of suitable protocols to minimise the potential transmission of COVID-19 and strict adherence to Government directives;**

#### Development Timeline

- **Despite COVID-19 restrictions, camp-based staff have progressed development activities and the Company maintains its Q2 2021 guidance for plant commissioning and first gold production from the Okvau Gold Project.**

## Activities during the Quarter

### Okvau Gold Project

#### Project Finance

During the quarter, the Company successfully completed an equity placement to raise A\$75 million through the support of existing shareholders and the addition of globally recognised institutional shareholders to the share register with demand to participate in the placement well in excess of the shares available.

The Placement provides funding to be used towards:-

- Advancing development activities at the Okvau Project;
- Regional exploration programme on Emerald's 1,426km<sup>2</sup> Cambodian exploration footprint; and
- Ongoing working capital requirements and costs of the Placement.

The Placement was conducted in two tranches via the issue of 1,875,000,000 fully paid ordinary pre-consolidation shares at a fixed price of A\$0.04 per New Share (pre-consolidation), representing an 9.1% discount to the closing price of A\$0.044 per share on 20 January 2020, an 8.7% discount to the 5 day VWAP of A\$0.0438 per share and an 6.2% discount to the 10 day VWAP of A\$0.0428 per share up to 20 January 2020. The completion of the second tranche of the Placement was subject to shareholder approval which was obtained at a general meeting held on 13 March 2020.

Euroz Securities Limited acted as the Lead Manager and Bookrunner to the Placement and Sprott Capital Partners LP acted as Co-Lead Manager.

The funds raised under the Placement provided for the continuation of development activities pending finalisation of the Sprott US\$60 million Project finance facility (refer ASX announcement 26 June 2019) which will combine the strong development credentials of the Emerald team with the financial strength of the respected Sprott group and results in the Company being fully funded for the development of the Okvau Gold Project.

In March 2020, the Company announced it had signed the Credit Agreement with Sprott Private Resource Lending II (Collector), LP for the US\$60 million Project finance facility. The signing of the Credit Agreement is a significant milestone for the development of the Okvau Gold Project and follows the completion of an extensive due diligence process and preparation of all facility related documentation. Financial close and first draw down has now been completed following execution of all facility documentation and perfection of security (refer ASX announcement 28 April 2020).

In addition and as a further measure of support, Sprott has subscribed for US\$3.5 million in Emerald shares at the same issue price as the Placement (on a post-consolidation basis) as a contingency to protect against any adverse currency movements in relation to the minimum equity requirement under their proposed Facility. The subscription was subject to shareholder approval which was obtained at the general meeting held 13 March 2020 and to successful completion and closure of the Sprott Project finance facility which has now been finalised (refer ASX announcement 28 April 2020).

The Okvau Project finance facility has also provided access to a US\$100 million Acquisition and Development Facility to fund future development and acquisition opportunities as previously announced on 26 June 2019. Emerald is excited to work with Sprott with the aim to grow the Company through the procurement of value adding assets for subsequent developments to create a multi asset gold producing company.

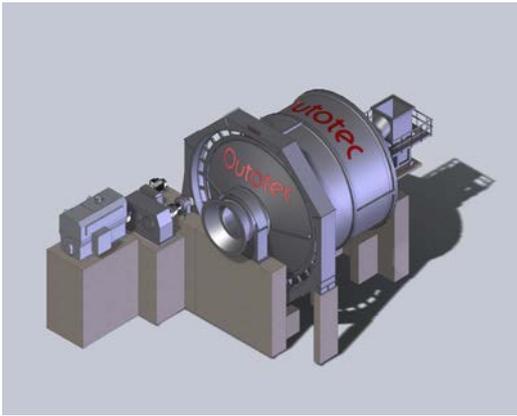
#### Development Activities

##### Long Lead Capital Equipment and Contracts for Okvau Gold Project

In February 2020, the Company announced the first key construction and infrastructure contract in relation to the development of the Okvau Gold Project. The contract for the supply of major mineral processing equipment long lead items was awarded to the multinational technology and service company, Outotec Pty Ltd.

Major equipment included in the contract is an 8.5m diameter by 6.1m Effective Grinding Length 8,000Kw SAG Mill (refer Figure 1), 1,800Kw HIG Mill, Flotation Circuit and High Rate Thickeners ("Outotec Mineral Processing Equipment Package") (refer Figure 2).

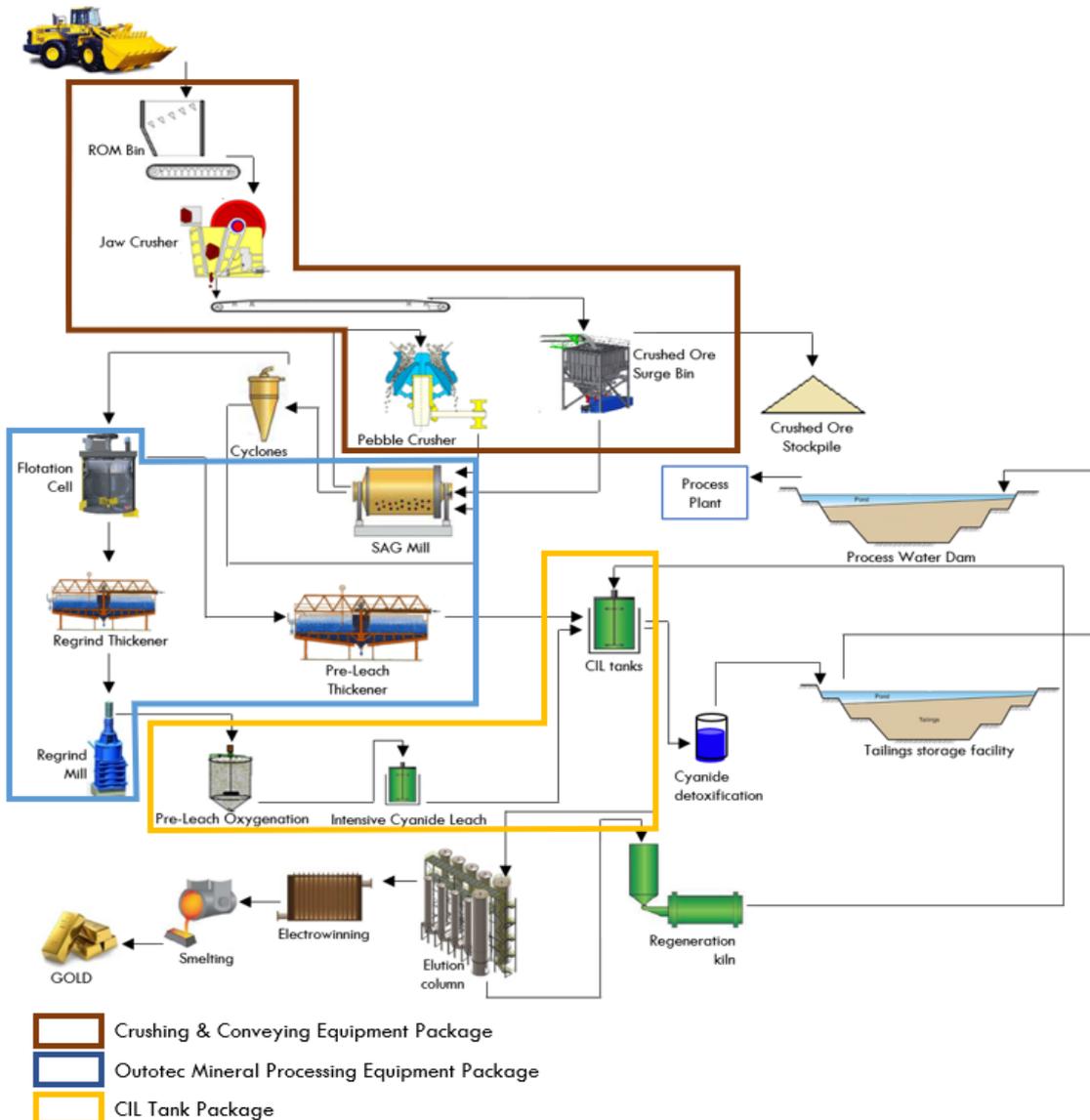
Figure 1 | 3-D Model of SAG Mill



Other major contracts executed in the quarter include (~US\$19 million):

- Design, supply and installation of the high voltage substation by Pestech (Cambodia) Plc;
- Supply of crushing and conveying circuit by Vanguard Mining;
- Supply of CIL tanks by CST Industries;
- Accommodation camp contract by On Site Support Services;
- Site concrete works by V.B. Construction;
- Detailed engineering works by Mintrex and ECG Engineering;

Figure 2 | Process Flow Sheet



## MACA Contract

In March 2020 the Company announced it had signed the Mining Contract with MACA Limited (ASX:MLD) (“MACA”) to supply earthmoving equipment and conduct contract mining services at the Okvau Gold Project.

The key terms of the contract are as follows;

- **Contract amount to be US\$230 million over 7 years;**
- **Mobilisation activities expected to commence in August 2020 ahead of pre-production mining in October 2020;**
- **Scope of works includes site preparation, drill and blast, load and haul and maintenance works.**

The signing of the Mining Contract follows extensive work with MACA around scheduling of pre-production and production mining. It represents a positive step in the development of the Okvau Gold Project by adding a high level of confidence in the execution of the mining schedule with the highly experienced MACA earthmoving team.

The contract provides for the use of new fit for purpose earthmoving equipment with an onsite expatriate management team experienced in similar international operations. The Board and Management of Emerald have worked closely with the team at MACA over the past 20 years in a multitude of different operations and are very pleased to continue the relationship on the Okvau Gold Project development.

## Access Road

During the Quarter, the site access road from Saen Monourom to Okvau that is part of the long-term National Roads Programme was completed by Mondulkiri Provincial Department of Rural Development and funded by Emerald. The Okvau Gold Project is now accessible via a significantly improved 42km stretch of unsealed road from Saen Monourom leading to a 35 tonne concrete bridge across the Prek Te River and 14km of new road to the fenced Okvau Gold Project access gate (refer Figures 3 and 4).

**Figure 3 | Okvau Access Road complete which includes substantial upgrades to the existing 50km road and construction of 14km of new road through to site**



**Figure 4 | Prek Te River Bridge**





## Grid Power

During the Quarter, the 230kVA transmission line was completed to the location of the Okvau Gold Project substation which will enable the supply of power to the Okvau Gold Project. The design and construction specifications for the 230/11kV transmission substation were finalised and Pestech (Cambodia) Plc was awarded the construction contract. Civil works commenced in preparation for the construction of the substation which is expected to be completed by Q1 2021 (refer Figures 5 and 6).

**Figure 5 | Substation Civil Works**



**Figure 6 | Substation Civil Works Aerial view**



## Okvau Accommodation Village

During the Quarter the contracts for concrete works and supply and installation of the Okvau Gold Project village were awarded and by the end of the Quarter, civil works, including concrete placement, were well progressed and the administration facilities section of the village along with early construction accommodation had been constructed (refer Figure 7).

**Figure 7 | Village Construction Works**



During the Quarter site clearance and earthworks commenced in the process plant area (refer Figure 11). A contract for the supply place and finish of concrete works was also awarded and the concrete contractor mobilised to site (refer Figure 8). Plant site drainage management commenced with the construction of a sediment dam (refer Figure 10).

**Figure 8 | Concrete batching plant**



**Figure 9 | Construction fuel storage facility installed**



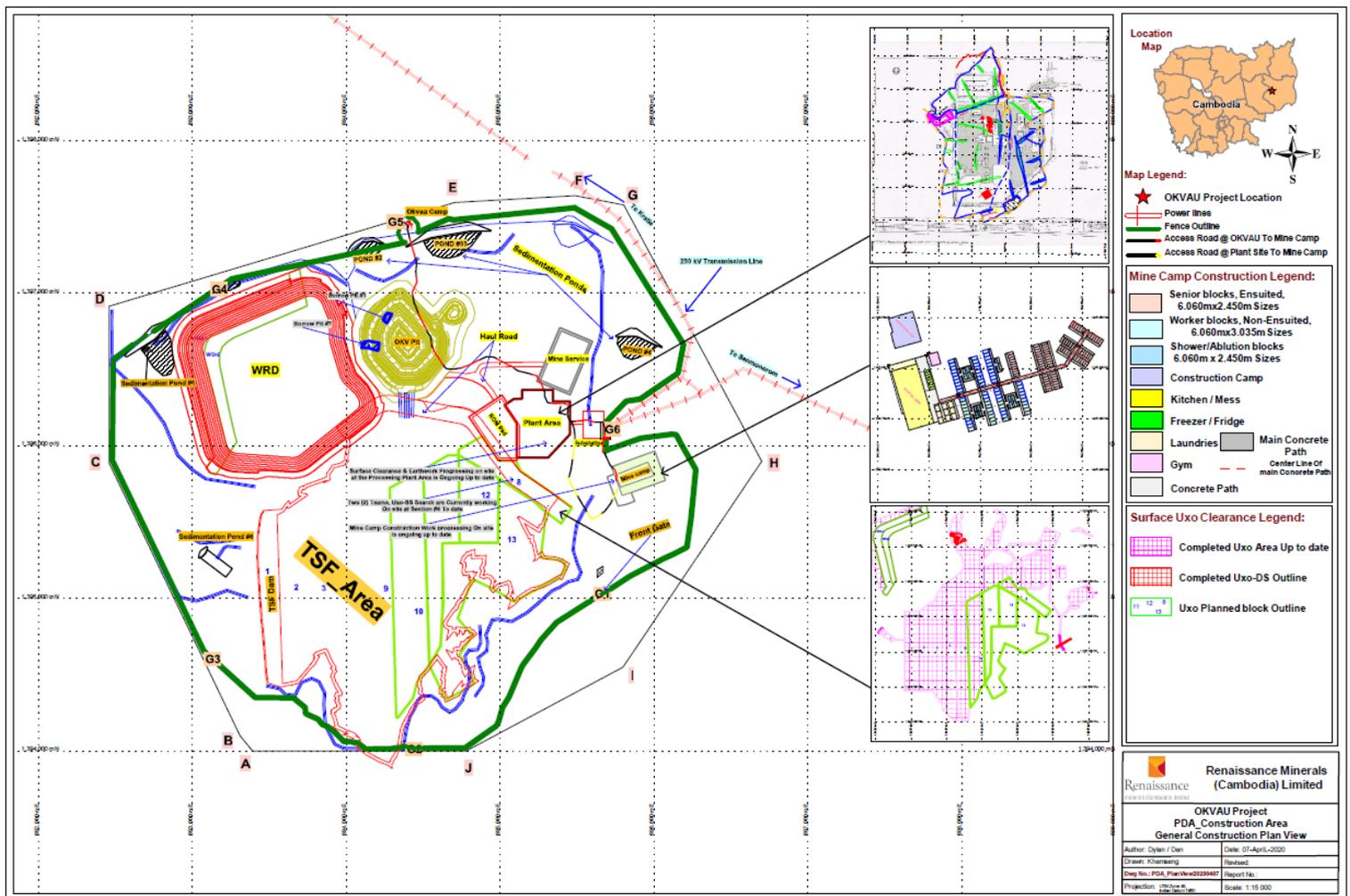
Figure 10 | Process Plant Sediment Pond



Figure 11 | Plant site cleared and topsoil pushed up following completion of geotechnical stability assessment



Figure 12 | Site infrastructure plan as at 31 March 2020



### Pre-Production Grade Control Drilling Programme

Emerald has continued to progress through the final phase of grade control drilling to define the mineralised domain in the stage 1 pit design. The programme is designed to infill previous drilling to a 5m by 5m spacing (refer Figure 13) and delineate the mineralisation in the oxide portion of the Okvau Gold Project (refer Figures 14 and 15).

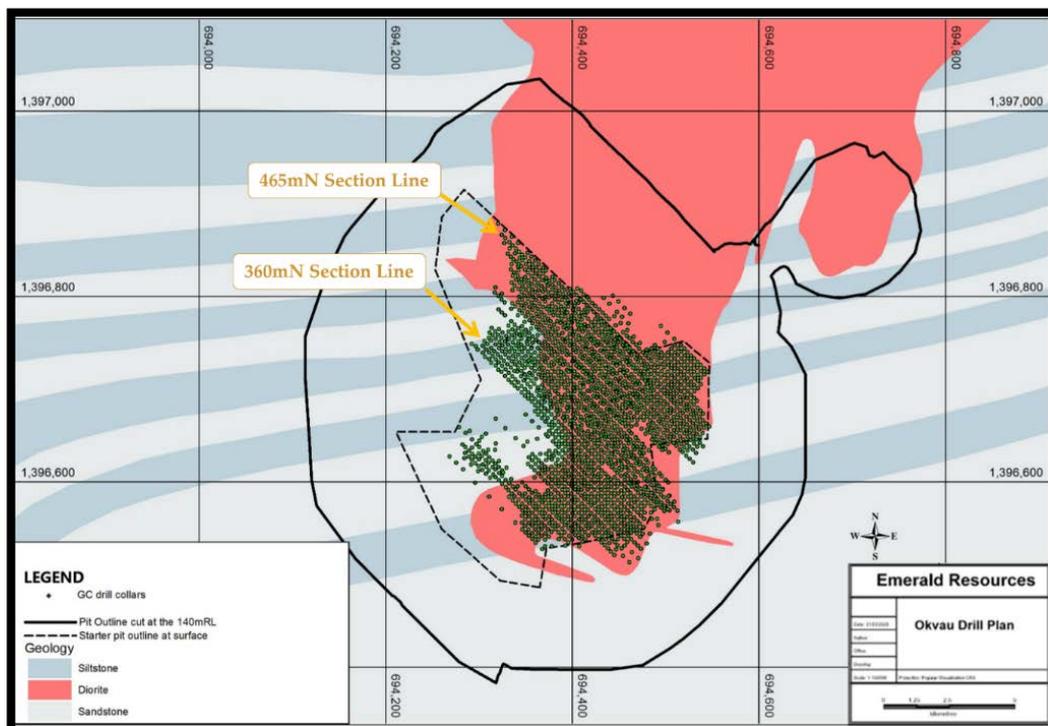
The drill programme initially planned 1,200 shallow holes (~10m) but due to additional ore being defined it has been expanded to 1,824 drill collars (14,611m). Select results (+20gm) from these holes include:-

- 2m @ 42.78g/t from 8m (G52003) (EOH);
- 10m @ 5.49g/t from 0m (G24027) (EOH)
- 5m @ 9.26g/t from 5m (G53001) (EOH)\*;
- 9m @ 4.82g/t from 0m (G47009) (EOH)\*;
- 5m @ 7.57g/t from 0m (G24049);
- 9m @ 4.20g/t from 0m (G32020) (EOH);
- 9m @ 4.06g/t from 0m (G47011) (EOH)\*;
- 10m @ 3.65g/t from 0m (G50008) (EOH);
- 7m @ 4.96g/t from 3m (G43062)\*;
- 16m @ 2.17g/t from 0m (G28010);
- 4m @ 8.40g/t from 2m (G45029);
- 9m @ 3.70g/t from 0m (G47010) (EOH)\*;
- 9m @ 3.70g/t from 0m (G36017) (EOH);
- 9m @ 3.53g/t from 0m (G45030) (EOH)\*;
- 7m @ 4.40g/t from 0m (G41045)\*;
- 0.5m @ 59.50g/t from 6m (G35008) (EOH)\*;
- 2m @ 14.48g/t from 7m (G20004) (EOH);
- 7m @ 4.02g/t from 0m (G35017) (EOH);
- 2m @ 13.78g/t from 0m (G39030)\*;
- 10m @ 2.75g/t from 0m (G39032) (EOH)\*;
- 10m @ 2.62g/t from 0m (G41021)\*;
- 10m @ 2.52g/t from 0m (G49010) (EOH)\*;
- 7m @ 3.57g/t from 0m (G36015) (EOH);
- 3m @ 8.27g/t from 5m (G44041) (EOH);
- 8m @ 3.01g/t from 0m (G34017) (EOH);
- 7m @ 3.43g/t from 2m (G18022) (EOH);
- 14m @ 1.72g/t from 3m (G28011);
- 9m @ 2.65g/t from 0m (G45018) (EOH)\*;
- 8m @ 2.90g/t from 0m (G42028);
- 4m @ 5.77g/t from 4m (G44036);
- 7m @ 3.29g/t from 0m (G36016) (EOH);
- 8m @ 2.78g/t from 0m (G43043)\*;
- 3m @ 7.35g/t from 0m (G03004)\*;
- 8m @ 2.73g/t from 0m (G10022);
- 7.5m @ 2.81g/t from 0m (G37015) (EOH)\*;
- 10m @ 2.09g/t from 0m (G46008) (EOH);
- 9m @ 2.25g/t from 0m (G42012) (EOH)\*;
- 6m @ 3.37g/t from 0m (G37020)\*;

\* Previously announced intersections (Refer ASX Announcements dated 13 January 2020),

The results from the previously announced Phase 1 and Phase 2 simulated grade control drill programmes (refer ASX announcements dated 27 December 2017, 10 January 2018, 3 October 2018 and 24 October 2018) will be incorporated with the results from this current drill programme to produce the final production ore blocks.

**Figure 13 | Drill Hole Plan**



The results to date indicate additional mineralisation outside the current reserve blocks in the near surface oxide material (refer Figures 14 and 15). This has likely been caused by a combination of natural processes such as supergene enrichment and the flattening of mineralised structures during the oxidation processes and the relocation of surface material by historical, artisanal mining activities.

Figure 14 | Drill Cross Sections of 360mN with significant intercepts

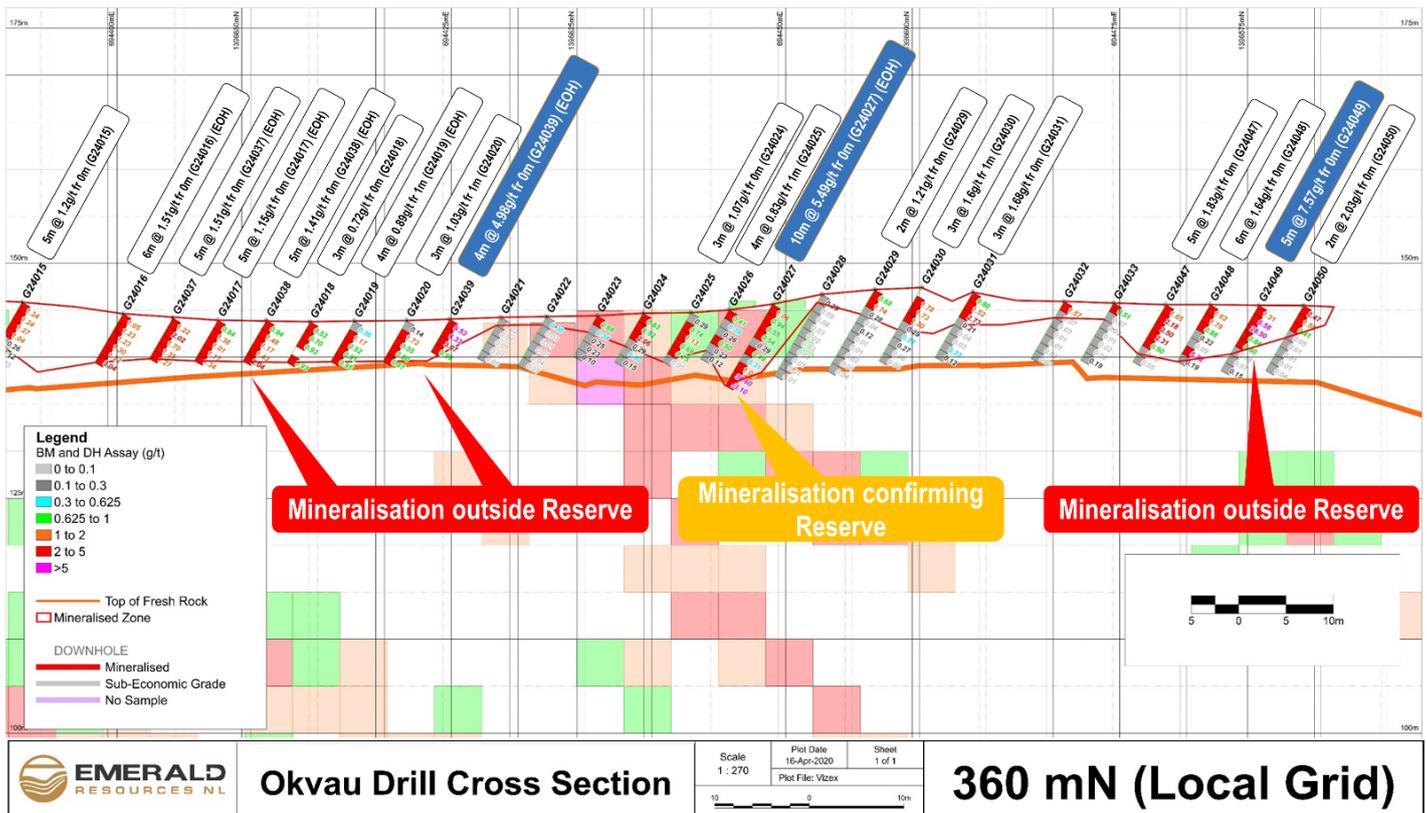
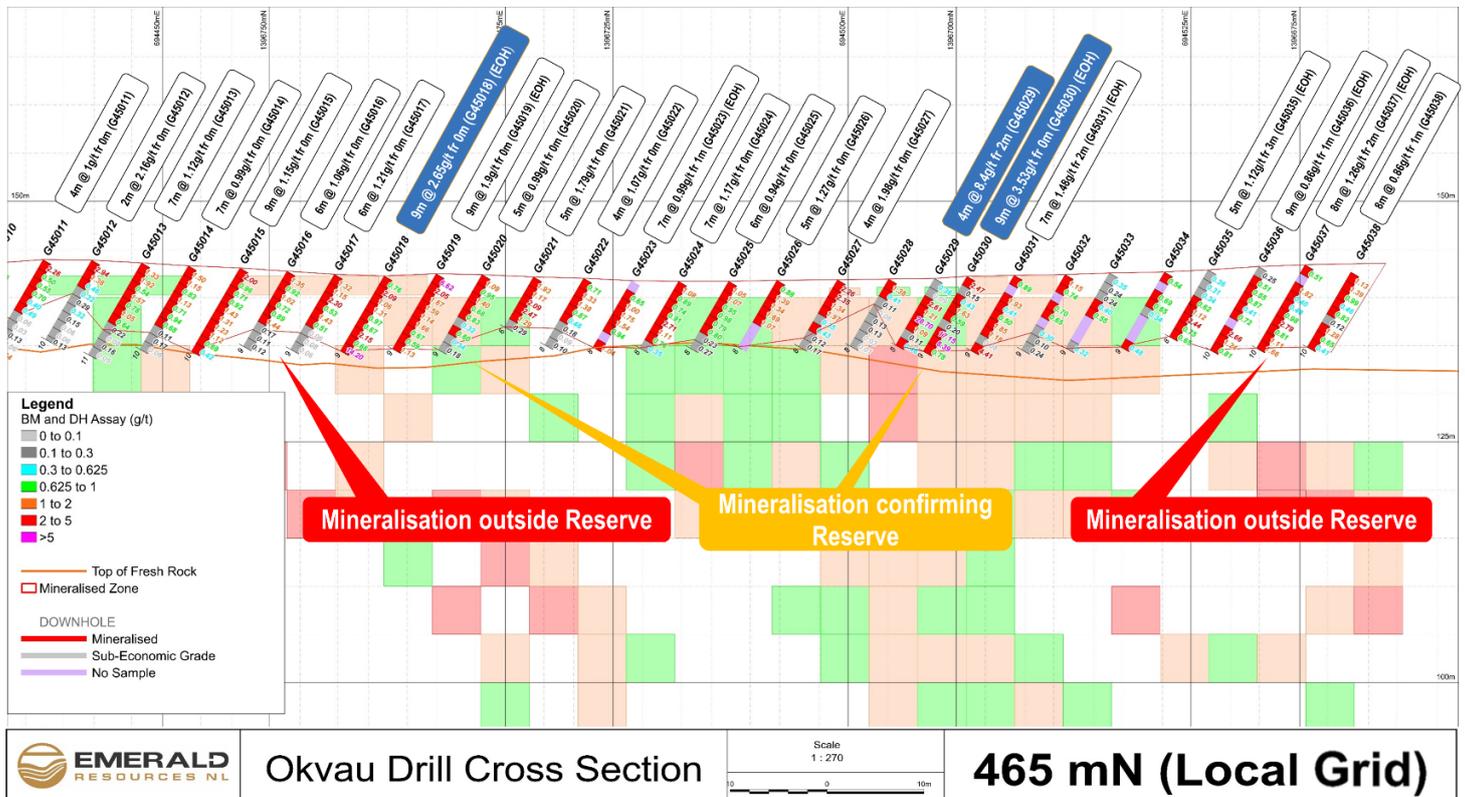


Figure 15 | Drill Cross Sections of 465mN with significant intercepts



### Resource Growth

During the Quarter the Company continued to interpret the significance of the potential eastern feeder zone to the Okvau Deposit and its potential to improve the Okvau Gold Project economics. The drilling programme undertaken in 2019 was focussed upon growing the resource delineated by the DFS which only considered an open pit mining operation.

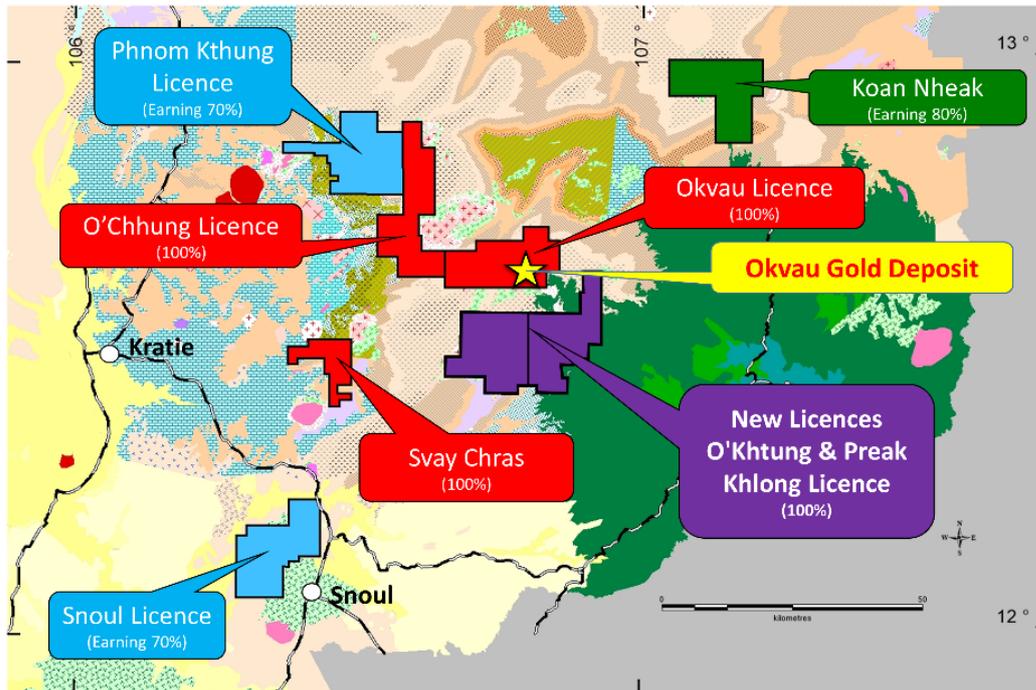
Results included drill hole RC19OKV390 which returned a high grade intersection of **15m @ 11.92g/t from 143m** and drill hole RC19OKV397 returned a high grade intersection of **8m @ 19.98g/t from 172m** indicating the potential discovery of an eastern feeder zone to the flat lying intrusive related gold mineralization of the Okvau gold reserve.

## Regional Exploration

### Award of significant new land package, O’Khtung and Preak Khlong Exploration Licences (392km<sup>2</sup>)

On 1 April 2020, the Company announced that it had been notified by the Cambodian Ministry of Mines & Energy (“MME”) that its application for 392km<sup>2</sup> of highly prospective land located 15 kilometres to the south of the Okvau Gold Project, has been successful.

Figure 16 | Cambodian Gold Project | Exploration Licence Areas



### Overview of the Projects

The exploration licences are considered highly prospective for gold mineralisation.

Systematic wide spaced shallow soil sampling has been completed on 64% of the exploration licences (by previous operators), principally over mapped and interpreted intrusives and associated alteration haloes with the aim of identifying near surface gold and base metal mineralisation.

The work completed to date has highlighted several mineralised systems. Future planned exploration includes regional shallow soil sampling programmes testing the unsampled portions of both licences to ensure that all potential gold in soil anomalies are identified.

Within the eastern part of the Preak Khlong licence airborne magnetics have identified two areas of interpreted intrusive with hornfels alteration haloes (refer Figure 17). The two prospect areas identified for follow up drilling are the ‘Preak Khlong NW Prospect’ and the ‘Gossan Prospect’.

At the Preak Khlong NW Prospect, a 100 metre wide alteration zone hosts a consistent gold mineralised corridor with a thickness of 10 to 30 metres. A total of 7 RC holes and 6 diamond holes have been drilled at the Preak Khlong Prospect which returned highly encouraging results. Auger soil sampling over the identified soil anomalies and follow up drill holes are being planned to comprehensively delineate the prospective mineralisation on this prospect.

Significant results (+10 gram metre) included (refer ASX announcement dated 13 July 2017):

- **1m @ 16.16g/t gold from 74m (RC09-PKL-001)**
- **3m @ 8.92g/t gold from 73m (DD10-PKL-002)**
- **4m @ 10.25g/t gold from 56m (DD11-PKL-006)**

Artisanal workings at the Gossan Prospect contain quartz-galena-pyrite veins. Sections of the area have a well-formed laterite cover which was previously mapped as gossanous material, hence the name of the prospect. A total of 17 diamond holes have been drilled at the Gossan Prospect. Auger soil sampling and follow up drill programmes are planned to confirm the existing drill intersections and to test the full extent of potential mineralisation.

Significant results (+10 gram metre) included (refer ASX announcement dated 13 July 2017):-

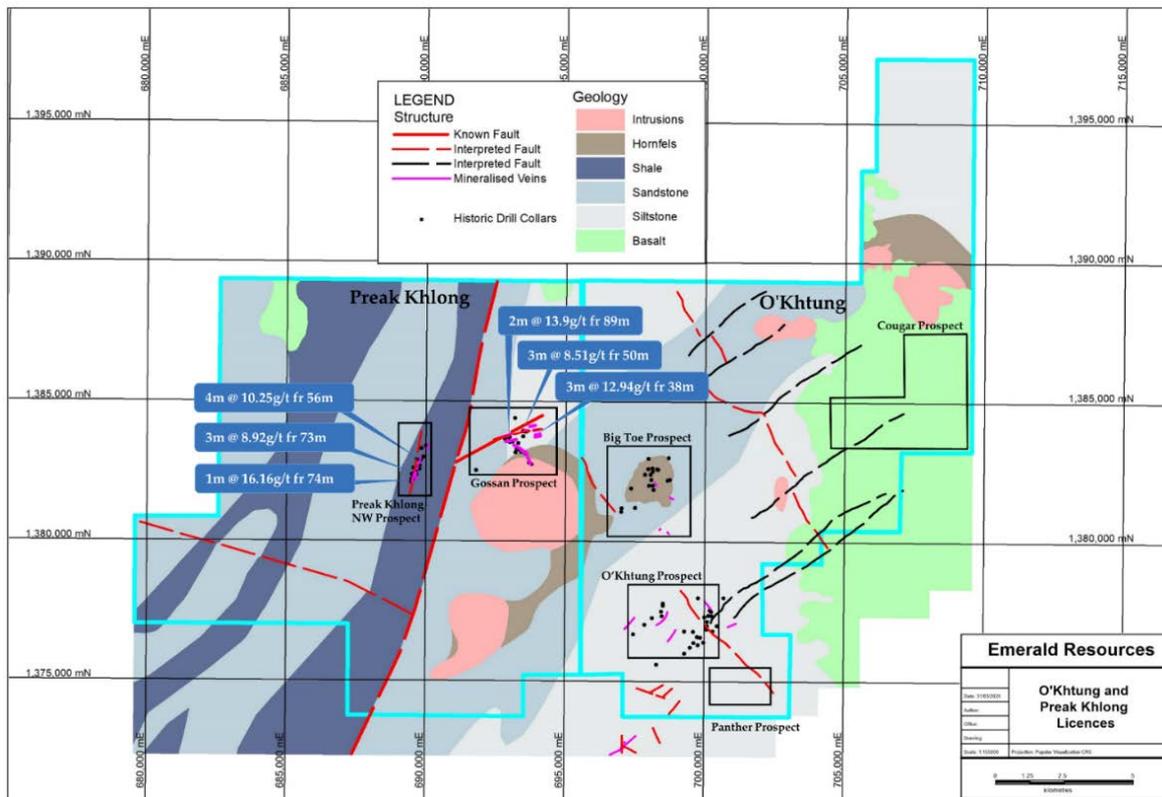
- **3m @ 12.94g/t gold from 38m (DD10GSN003A);**
- **3m @ 8.51g/t gold from 58m (DD11GSN009);**
- **2m @ 13.49g/t gold from 89m (DD11GSN015).**

Within the western part of the O’Khtung licence, soil sampling has identified several north east trending zones with anomalous gold plus silver, copper, lead, zinc and arsenic (refer Figure 17).

A gold-in-soil anomaly delineated at the ‘O’Khtung Prospect’ extends for an area of 800 metres x 100 metres. A gold-in-soil anomaly at the ‘Big Toe Prospect’ extends for an area of 950 metres x 300 metres. A total of 19 diamond holes and 3 RC holes have been drilled in these areas which returned anomalous but not significant gold results. This drilling was based almost solely on soil geochemistry rather than geological structural mapping and interpretation. In addition, a high priority gold anomaly has been detected at the ‘Panther Prospect’ which remains ‘open’. No drilling has been undertaken on this prospect.

All of the identified gold in soil anomalies will have infill auger soil sampling programmes completed on them to better delineate and expand on the historical anomalism and assist with targeting of future drill programmes.

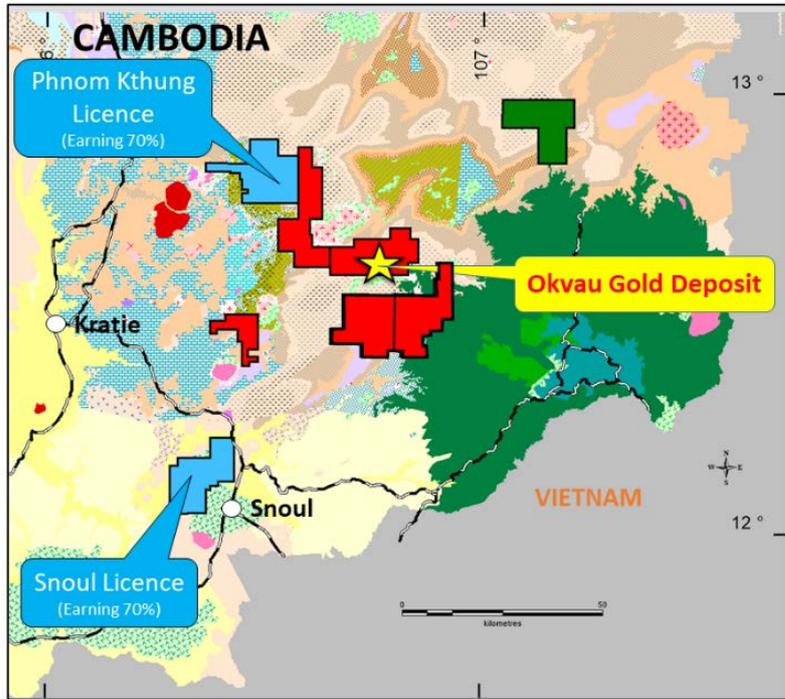
**Figure 17 | Preak Khlong and O’Khtung Project Geology**



### Mekong Minerals Ltd | Joint Venture (Emerald Earning 70% Interest)

The Snoul and Phnom Khtong Projects cover 411km<sup>2</sup> of highly prospective tenure with historical drilling demonstrating significant gold discovery potential in close proximity to the Okvau Gold Project.

Figure 18 | Cambodian Gold Project - Exploration Licence Areas



During this Quarter, Emerald received 101 results from a recently completed auger soil geochemical programme at the Snoul Project designed to follow up on previously announced auger programme and historical drill results. Historical drilling consisted of a total of 10 RC holes and 37 diamond holes and was targeted partly on a gold anomaly defined by shallow soil samples.

These recent results have infilled the Anchor anomaly down to a nominal 100 x 50m spacing and returned peak values of 917, 607 and 416ppb. These results will assist with the planning of a proposed drill programme to infill the significant results referred to below.

Figure 19 | Auger Soil Sampling Results on the Anchor Prospect, Snoul Project

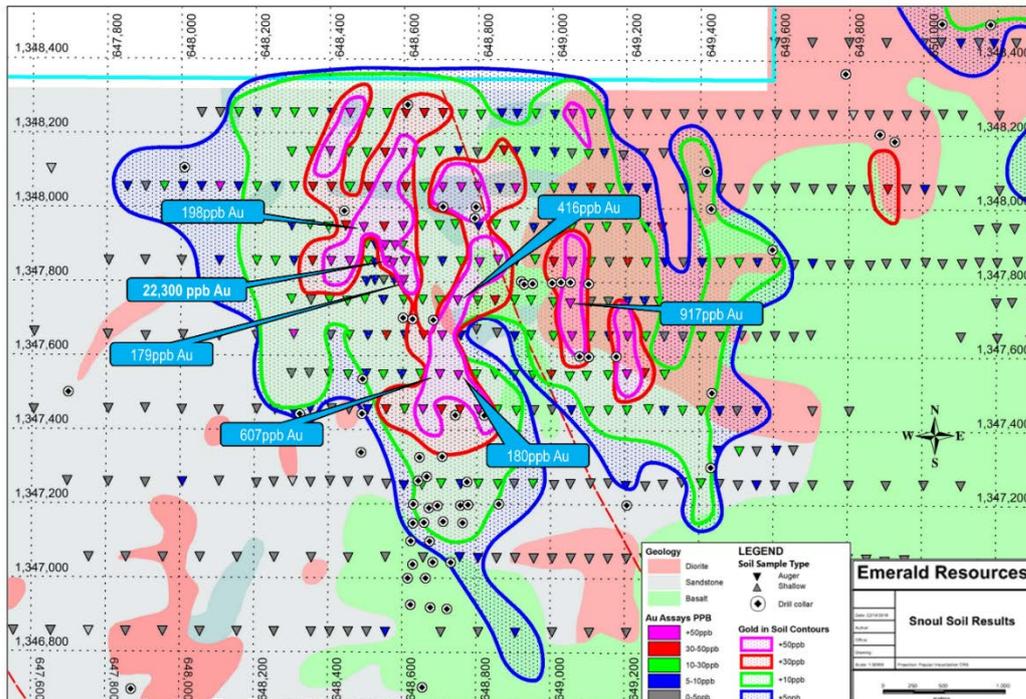
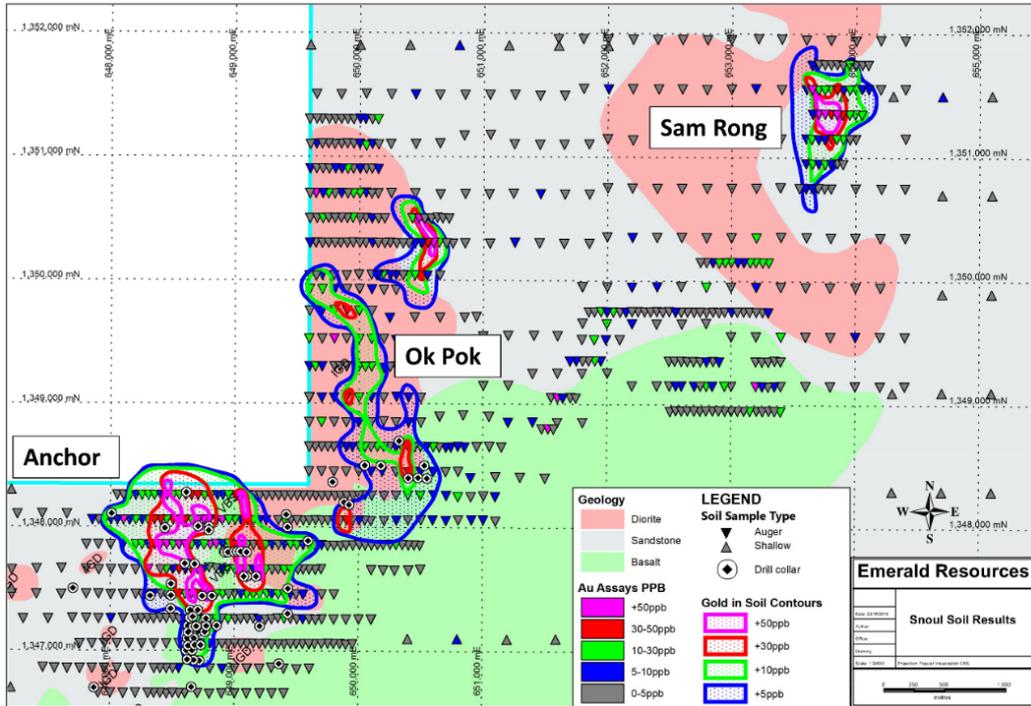


Figure 20 | Snoul Project Regional Sampling Results Compilation Map

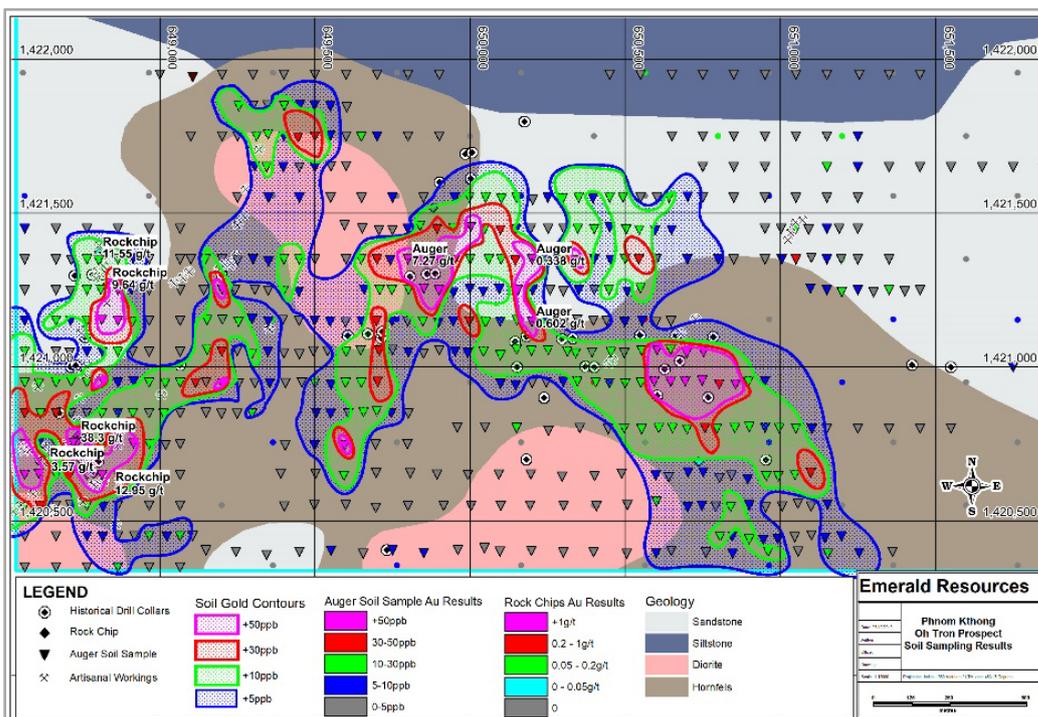


Significant results (+10 gram metre) from historical drilling included (refer to ASX Announcement dated 13 July 2017 for complete results):-

- 4m @ 11.94g/t gold from 4m (SNRC002);
- 16m @ 2.93g/t gold form 4m (SNRC009);
- 12m @ 1.01g/t gold from 12m (SNRC010);
- 1m @ 11.36g/t gold from 66m (DD09ANC13);
- 4.3m @ 4.76g/t gold from 147.2m (DD10ANC025).

Drilling has been planned to follow-up existing significant historical drill results and to drill test the Anchor, Ok Pok and Sam Rong gold in soil anomalies on the Snoul Project (refer Figure 20).

Figure 21 | Phnom Khtong Project Regional Sampling Results Compilation Map



Emerald has previously undertaken both shallow and Auger soil sampling programmes within the Phnom Khtong exploration licence focusing in and around the Oh Tron Prospect (refer Figure 21). These programmes included previously announced (refer to ASX Announcement dated 28 November 2018) auger soil sampling values of 7,270, 1,570, 602 and 338 ppb Au, and peak rock chip values 38.30, 12.95, 11.55, 9.64, 3.57 g/t Au. Drilling has been planned to drill test the Oh Tron prospect.

## Corporate

### Share Consolidation

During the quarter the Company also obtained shareholder approval for a consolidation of the issued capital of the Company through the conversion of every ten (10) existing shares into one (1) share (Consolidation).

The Board considered that the Consolidation provides a more appropriate and effective capital structure for the Company and a share price that is more attractive to a wider range of investors, particularly overseas and institutional investors.

The effect of the Consolidation on the capital structure of the Company was summarised in the ASX announcement of 27 March 2020.

### Cash Position

Emerald's consolidated cash at 31 March 2020 was approximately A\$73.8 million.

Expenditure during the Quarter mainly related to development costs including procurement and engineering, the access road, costs associated with development financing and exploration programmes. Corporate costs included directors fees, salaries and superannuation which were paid to staff and related parties in the ordinary course of business and rental payments which were paid to a director related entity for the Company's premises.

Major development expenditure related to contracts entered into during the Quarter (totalling circa US\$31 million) including the following:

- Outotec Mineral Processing Equipment Package;
- Design, supply and installation of the high voltage substation;
- Supply of crushing and conveying circuit;
- Supply of CIL tank;
- Accommodation camp;
- Site concrete works; and
- Detailed engineering works.

## COVID-19 Update

In this rapidly evolving environment, the health and wellbeing of the Company's staff, contractors and stakeholders is the Board's focus and the Company has implemented suitable protocols to minimise the potential transmission of COVID-19.

In summary the current situation in Cambodia and the impact of the global COVID-19 lockdown measures on the Okvau Gold Project development are as follows;

- **World Health Organisation (WHO) classifies Cambodia's COVID-19 incidence rate as a 'Sporadic Case'. The number of reported COVID-19 cases in Cambodia is 122 (119 recovered) with no deaths to date (27 April 2020)**
- **International travel to Cambodia allowed with business visa and valid reason;**
- **Development of Okvau Gold Project deemed a valid reason;**
- **International travel to and from Australia very restrictive;**
- **International borders with Vietnam, Lao and Thailand remain open but heavily restricted to essential "business related travel" and trafficked goods.**

Emerald expect to be able to ship goods to Cambodia during this restricted period. However the above circumstances have restricted movement of expatriate management currently on roster at site. The subcontractor fabricating the Outotec SAG mill shell in Northern Italy halted all works in mid-March due to COVID-19 restrictions. However these works recommenced on 6 April 2020. The Company has also seen positive early indications that the global COVID-19 lockdown may result in opportunities to reduce some product delivery times and potential to negotiate on pricing due to significant under-utilised supplier capacity.

The Company has implemented suitable protocols on its construction and exploration sites to minimise the potential transmission of COVID-19 including establishing quarantine measures and daily health screening including temperature checks, blood oxygen level testing and COVID-19 symptom screening (refer Figure 22). The Okvau Gold Project is isolated by a security fence which restricts site access to controlled gated access points only (refer Figure 23).

The Company is continuing to monitor this fluid situation and the operational challenges the Company may face in terms of access to human resources as well as to the Company's project development supply chains. The Company maintains its forecast for commissioning of and the first gold production from the Okvau Gold Project in Q2 2021. The Company will provide further updates accordingly.

**Figure 22 | Daily Temperature Screening at Okvau Project**



**Figure 23 | Security Gate at Okvau Project**



There were no serious incidents or injuries during the Quarter and the Lost Time Injury frequency rate remains at Nil.

This ASX release was authorised on behalf of the Emerald Board by: Morgan Hart, Managing Director.

For further information please contact  
Emerald Resources NL

**Morgan Hart**  
**Managing Director**

## Cambodian Gold Project

### Summary

Emerald’s main focus is the exploration and development of its Cambodian Gold Projects which comprise of a combination of 100% owned granted licences, applications and earn-in & joint venture agreements covering a combined area of 1,426 km<sup>2</sup>. The 100% owned Okvau Gold Project (‘Okvau Gold Project’) is the Company’s most advanced project which is located approximately 275 kilometres north-east of Cambodia’s capital city of Phnom Penh in the province of Mondul Kiri (refer Figures 24 and 25). The town of Kratie is located on the Mekong River approximately 90 kilometres to the west and the capital of Mondul Kiri, Saen Monourom is located approximately 60 kilometres to the south-east. In May 2017, Emerald completed a Definitive Feasibility Study (‘DFS’) on the development of the Okvau Gold Project which demonstrated a robust project producing approximately 106,000 ounces of gold per annum on average over 7 years from a single open pit.

In July 2018, the Company was granted the Industrial Mining Licence covering 11.5 km<sup>2</sup> which allows for the development of the Okvau Gold Project. The Mining Licence has an initial 15-year period with the right to two renewals of up to 10-years for each renewal in accordance with Cambodian laws. The grant of the Mining Licence followed approval of the Okvau Gold Project by the Office of Council Ministers for both the rezoning of the project area to ‘Sustainable Use’ within the Phnom Prich Wildlife Sanctuary (‘PPWS’) and the granting of the Mining Licence. The rezoning of the Mining Licence area to ‘Sustainable Use’ lawfully permits commercial development under Cambodian law and follows the successful negotiation and approval by the Minister of Environment (‘MoE’) of the environmental contract (the ‘Environmental Contract’) and environmental licence (‘Environmental Licence’) in December 2017.

The Company has successfully completed the resettlement of 62 local families and site works to remove abandoned structures away from the Okvau Mining Licence area. Emerald has completed the installation of a security fence around the Project Development Area (‘PDA’) to ensure the safety of personnel, visitors and wildlife. Construction of a 35 tonne bridge across the Prek Te River has now been completed with substantial completion of upgrades to the existing 50km of dirt roads and current finalisation of the construction of 14km of new road to site which will allow for all year continuous access to the Okvau site.

Topography of the tenure area is relatively flat with low relief of 80 metres to 200 metres above sea level. The Okvau Deposit and other gold occurrences within the tenure are directly associated with diorite and granodiorite intrusions and are best classed as Intrusive Related Gold mineralisation. Exploration to date has demonstrated the potential for large scale gold deposits with the geology and geochemistry analogous to other world class Intrusive Related Gold districts, in particular the Tintina Gold Belt in Alaska (Donlin Creek 38Moz, Pogo 6Moz, Fort Knox 10Moz, Livengood 20Moz).

In December 2019 the Mineral Investment Agreement (‘MIA’) was signed which provides certainty and stability of the fiscal regime for the development and operations of the Okvau Gold Project. Following confirmation of the key fiscal incentives of the MIA, the key assumptions and inputs of the DFS were reviewed resulting in a significant improvement in the NPV and IRR of the Project.

Figure 24 | Cambodian Gold Project | Location

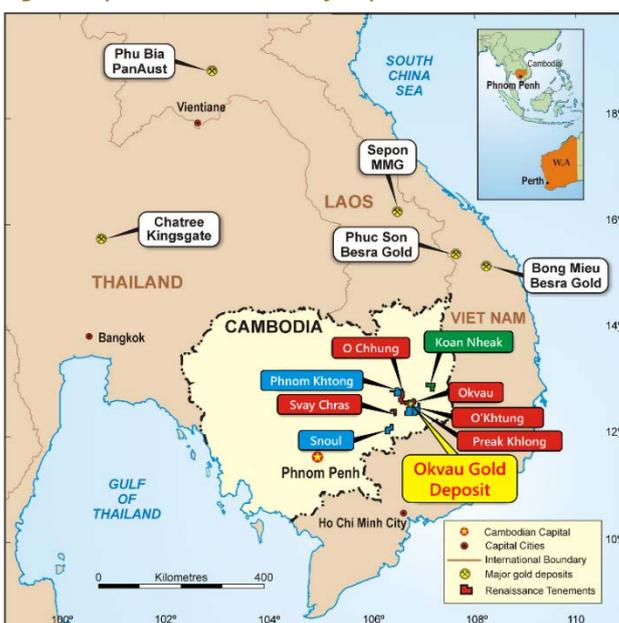
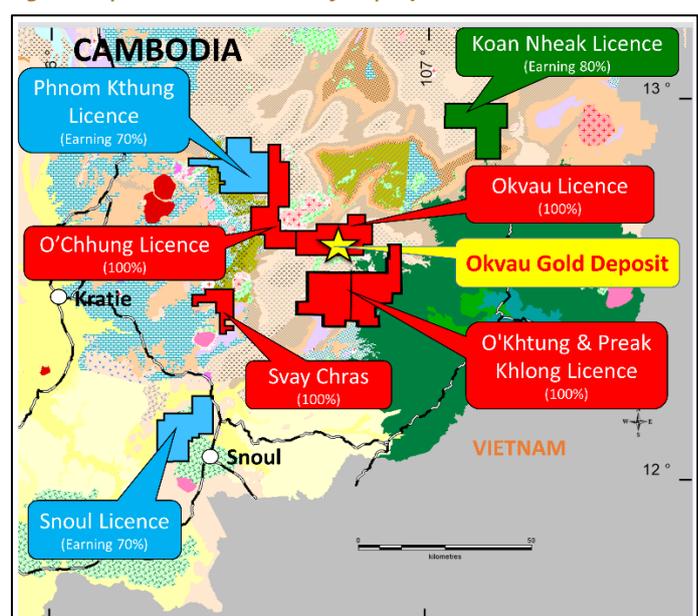


Figure 25 | Cambodian Gold Project | Exploration Licence Areas



### **Forward Looking Statement**

This document contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about the industry in which Emerald Resources operates, and beliefs and assumptions regarding the Company's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known or unknown risks, uncertainties and other factors, some of which are beyond the control of the Company, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, which reflect the view of Emerald Resources only as of the date of this announcement. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Emerald Resources will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

This document has been prepared in compliance with the current JORC Code 2012 Edition and the ASX listing Rules.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets and financial estimates, based on the information contained in this announcement. Reference is made to ASX Announcement dated 1 May 2017. All material assumptions underpinning the production target or the forecast financial information continue to apply and have not materially changed.

100% of the production target referred to in this announcement is based on Probable Ore Reserves.

Emerald has a highly experienced management team, undoubtedly one of the best credentialed gold development teams in Australia with a proven history of developing projects successfully, quickly and cost effectively. They are a team of highly competent mining engineers and geologists who have overseen the successful development of gold projects in developing countries such as the Bonikro Gold Project in Cote d'Ivoire for Equigold NL and more recently, Regis Resources Ltd.

The Company believes it has a reasonable basis to expect to be able to fund and develop the Okvau Gold Project for the reason set out above and in this document. However, there is no certainty that the Company can raise funding when required.

### **Competent Persons Statements**

The information in this report that relates to Exploration and Drill Results is based on information compiled by Mr Keith King, who is an employee to the Company and who is a Member of The Australasian Institute of Mining & Metallurgy. Mr Keith King has sufficient experience which is relevant to the style of mineralisation and type 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 Keith King has reviewed the contents of this release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Okvau Gold Deposit was prepared by EGRM Consulting Pty Ltd, Mr Brett Gossage, who is a consultant to the Company, who is a Member of the Australasian Institute of Mining & Metallurgy (AIG), and has sufficient experience 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 by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Gossage has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

Information in this announcement that relates to Ore Reserves for the Okvau Gold Deposit is based on, and fairly represents, information and supporting documentation prepared by Mr Glenn Williamson, an independent specialist mining consultant. Mr Williamson is a Fellow of the Australasian Institute of Mining & Metallurgy. Mr Williamson 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 (or 'CP') as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williamson has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

### **No New Information**

To the extent that announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## Appendix One| Tenements

### Mining and exploration tenements held at the end of March 2020 Quarter

Project	Location	Tenement	Interest at 31 March 2020
Okvau	Cambodia	Okvau Industrial Mining Licence	100%
Okvau	Cambodia	Okvau Exploration Licence <sup>A</sup>	100%
O'Chhung	Cambodia	O'Chhung Exploration Licence <sup>A</sup>	100%
Svay Chras	Cambodia	Svay Chras Exploration Licence	100%
Preak Khlong	Cambodia	Preak Khlong Exploration Licence	100%
O'Khtung	Cambodia	O'Khtung Exploration Licence	100%

### Mining and exploration tenements and licenses acquired and disposed during the March 2020 Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
<b>Tenements Disposed</b>				
Nil				
<b>Tenements Acquired</b>				
Preak Khlong	Cambodia	Preak Khlong Exploration Licence	0%	100%
O'Khtung	Cambodia	O'Khtung Khlong Exploration Licence	0%	100%

### Quarter Beneficial percentage interests in joint venture and earn-in agreements at the end of the March 2020 Quarter

Project	Location	Tenement	Interest at end of Quarter
Koan Nheak	Cambodia	Koan Nheak Exploration Licence	0% <sup>A</sup>
Phnom Khtong	Cambodia	Phnom Khtong Exploration Licence	0% <sup>B</sup>
Snoul	Cambodia	Snoul Exploration Licence	0% <sup>B</sup>
A	Emerald Resources NL is earning up to an 80% interest from Angkor Gold Corp.		
B	Emerald Resources NL is earning up to a 70% interest from Mekong Minerals.		

### Beneficial percentage interests in joint venture and earn-in agreements acquired or disposed of during the March 2020 Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
<b>Joint Venture Interests Disposed</b>				
Nil				
<b>Joint Venture Interests Acquired</b>				
Nil				

### Interests in royalties

The Company has a 5% overriding royalty interest in all gas production from various oil and gas interests located in Magoffin County, Kentucky. During the Quarter, there was no product recovered and sold from the Leases and the royalty received for the period was Nil.