emmerson resources

ABN 53 117 086 745

ANNUAL REPORT

2015

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CORPORATE DIRECTORY

DIRECTORS

Andrew McIlwain, Non-executive Chairman
Rob Bills, Chief Executive Officer
Allan Trench, Non-executive Director

COMPANY SECRETARY

Trevor Verran

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Ward Keller
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Darwin NT 0807

BANKERS

National Australia Bank
Level 1, 1238 Hay Street
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LETTER FROM THE CHAIRMAN AND MANAGING DIRECTOR

Dear Fellow Shareholders,

In last year's annual report we noted that market sentiment, particularly in the small resources and exploration sector had continued to decline. Whilst 2015 has seen a continuation of this malaise, Emmerson, in conjunction with our farm-in partner Evolution Mining Limited (Evolution), have remained focused on advancing the development of the Tennant Creek Mineral Field (TCMF). We are in an enviable position amongst our exploration peers - being well financed with ~$6m in cash and investments and driving a fully funded comprehensive exploration program.

Andrew McIlwain

Rob Bills

Well managed and with access to a pre-eminent technical team, we are convinced that strongly improving markets and exploration success will see Emmerson stand out.

This year was mainly focussed on the early stage generative end of the project pipeline, setting up next year for an aggressive drilling program across both greenfield and near-mine/brownfields targets. The greenfields targets have been spawned from utilising a new-age predictive targeting model where key geological, geochemical and geophysical attributes of the known big deposits in Tennant Creek are used to prioritise new areas. Field verification of these has highlighted some outstanding targets, including the Mauretania area where prospectors have recently discovered gold nuggets.

In the past year Emmerson successfully secured landmark co-funding from the Northern Territory Government for two initiatives:

- Deep diamond drilling to test for gold potential beneath the historic Gecko copper mine.
- A 60km line of regional 2D seismic reflection to better refine the underlying geology and controls to mineralisation within the TCMF.

The deep diamond drilling - testing geological and structural targets derived from the 2D seismic survey below the Gecko mine – has returned copper sulphides and new zones of copper, pyrite and bismuth mineralisation, providing early validation of this technique.

Emmerson remains firmly committed to the TCMF as we are on the cusp of unlocking further discoveries based on our proprietary exploration concepts and application of new technology.

Our strong financial position - with cash and listed investments maintained at a healthy ~$6m - and the fully funded exploration programs under the $15m farm-in from our partner Evolution, put Emmerson "ahead of the pack". Exploration activity will draw upon Evolution's development and exploration expertise, but will always be managed and operated by Emmerson. Our deal with Evolution provides shareholders with financial security, technical expertise and a high level of exploration activity that lends itself to a potentially accelerated timeline to production.

With the significant exploration program in the TCMF fully funded by Evolution, Emmerson has commenced identification of the next opportunity to turn its exploration team's capability and focus to. Market conditions mean that numerous opportunities will arise as funding challenges drive other companies to rationalise their portfolios. Emmerson is well positioned to take advantage of the current market conditions – and as the old saying goes -"buy straw hats in winter".

We welcome Dr Allan Trench to the Board following the resignation of Simon Andrew in March 2015 as a non-executive director. As a founding director Mr Andrew had the vision originally to capture the TCMF and form Emmerson and we thank him for his support over the years.

Finally we would like to thank all shareholders for their support over the past year and our fellow directors, management and staff for their dedication and hard work during the year. The Company is well positioned to realise our strategic objective and fast-track exploration and development of the TCMF through the farm-in by Evolution.

REVIEW OF OPERATIONS

About Tennant Creek and Emmerson Resources

The Tennant Creek Mineral Field (TCMF) is one of Australia's highest grade gold and copper fields producing over 5.5 Mozs of gold and 470,000 tonnes of copper from a variety of deposits including Gecko, Orlando, Warrego, White Devil, Chariot and Golden Forty, all of which are within Emmerson Resources portfolio.

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

The TCMF is situated approximately 500km north of Alice Springs on the Stuart Highway and boasts excellent infrastructure (main highway, rail, gas, water, township and airport).

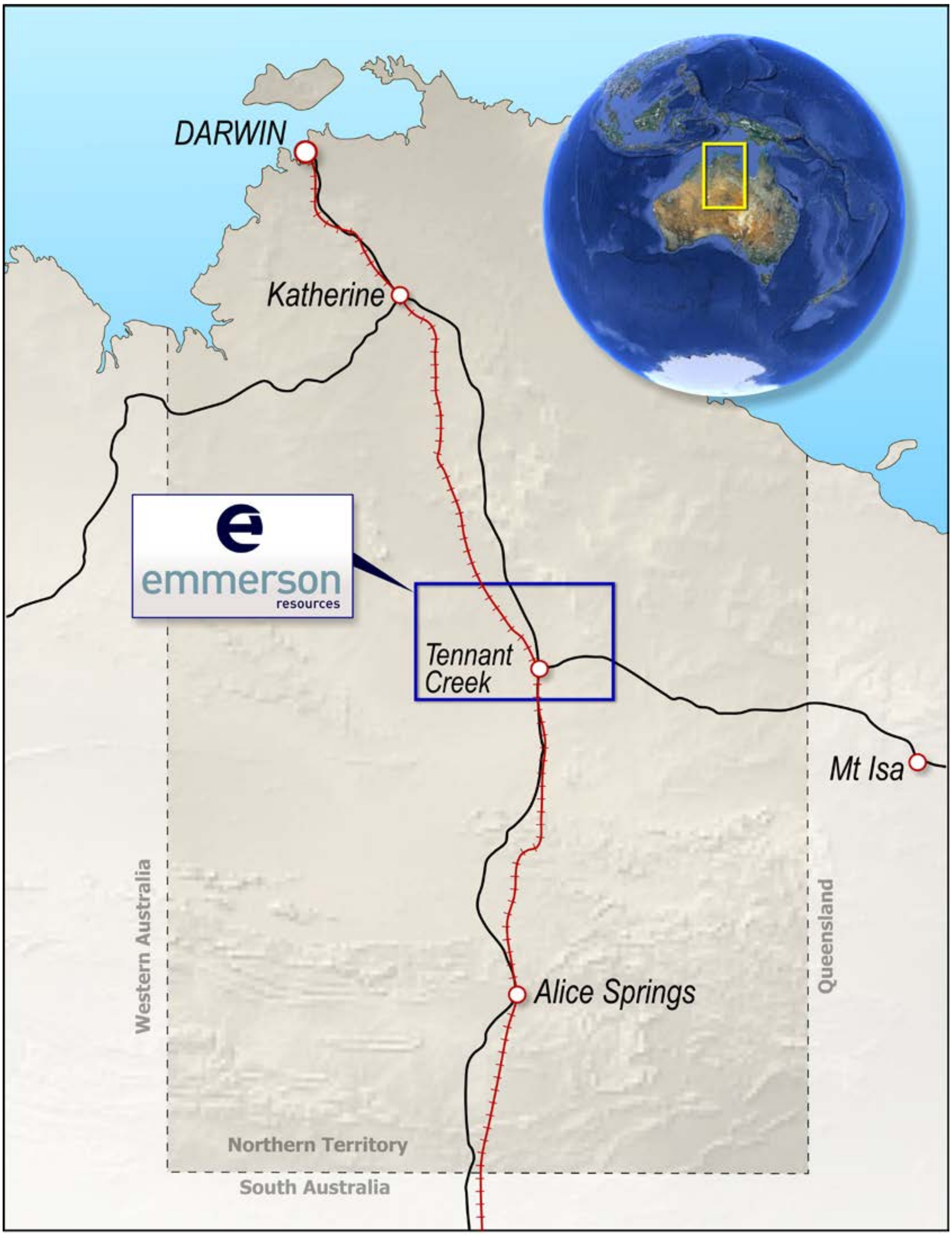

Figure 1: Tennant Creek Location

REVIEW OF OPERATIONS

New Technology

Emmerson is using modern exploration techniques to explore the TCMF and 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.

Farm-in Agreement

Pursuant to the Farm-in agreement entered into with Evolution Mining Limited (Evolution) on 11 June 2014, Evolution is continuing to sole fund exploration expenditure of $15 million over three years to earn a 65% interest (Stage 1 Farm-in) in Emmerson's tenement holdings in the TCMF. An option to spend a further $10 million minimum, sole funded by Evolution over two years following the Stage 1 Farm-in, would enable Evolution to earn an additional 10% (Stage 2 Farm-in) of the tenement holdings. Evolution must spend a minimum of $7.5 million on exploration, or pay Emmerson the balance in cash, before it can terminate the Farm-in agreement. Emmerson is acting as manager during the Stage 1 Farm-in and is receiving a management fee during this period.

Exploration Activities

During the financial year, Emmerson (on behalf of the Farm-in agreement with Evolution) conducted 37,188m drilling consisting of 30,350m of RAB (Rotary Air Blast), 4,499m of RC (Reverse Circulation, including pre collars) and 2.339m of diamond drilling. Exploration expenditure attributable to the Stage 1 Farm-in to 30 June 2015 is $4,999,241 which has been fully reimbursed by Evolution.

Operations during the year have provided new data and insights into the formation of high grade gold deposits within the TCMF. These results will feed into the 2016 financial year exploration program with the two-fold strategy consisting of near mine/brownfields exploration aimed at rapidly expanding existing resources ahead of an eventual return to production and, longer timeframe regional exploration focused on utilising new concepts and technology to discover a whole new generation of gold-copper deposits.

Chariot and Eldorado

Brownfields exploration conducted within the year consisted of testing for extensions around the high grade gold mines at Chariot and Eldorado. The Chariot resource was last updated in 2013 and stands at 170,000t at 17.4g/t gold. Eldorado was one of the more significant historical producers (producing some 122,000 ounces at 17.9g/t gold), closing before the deeper, fault offset mineralisation (Eldorado Deeps) was fully explored.

Drilling at Chariot East confirm the high grade nature of the gold, copper and bismuth mineralisation within the Chariot East Zone.

Diamond drilling at Eldorado (drill hole ELDD046) intersected a new shallow zone of copper mineralisation which assayed 4m at 1.24% copper including 1m at 2.99% copper from a down-hole depth of 160m) and RC drill holes such as ELDRC049 and ELDRC050 intersected 3m at 1.78g/t gold and 6m at 0.3g/t gold respectively providing additional geological data to better interpret the plunge to the high grade Eldorado Deeps mineralization as released to the ASX in the September and December 2014 quarterly activities reports.

The intersection of favourable ironstone with chlorite alteration (the host to the majority of the TCMF mineralisation) in most drill holes provides encouragement for undertaking further work, particularly given many of the holes are significant "step outs" from the previously defined JORC resource.

REVIEW OF OPERATIONS

Eastern Project Area

The Eastern Project Area (EPA) is approximately 500km^2 in area and is mostly covered by sand apart from isolated outcropping ironstones (Figure 2). This combined with the fact that the EPA did not fit the conventional Tennant Creek “magnetite ironstone model” resulted in little historic exploration attention.

4,200 line kilometres of high resolution magnetics and radiometrics was completed within the EPA, providing an excellent framework for assessing the undercover geology and pinpointing new, weakly magnetic ironstones, interpreted to represent primary magnetite ironstones altered to hematite-jasper.

In parallel, a regional RAB drilling program along 1.7km spaced lines was conducted in the first half of the year over the Billy Boy prospect in the northeast of the EPA where gold-jasper nuggets were previously detected by local prospectors. This was followed up by a second campaign of RAB drilling in the second half of the year aimed at better defining the best gold-bismuth bedrock anomalies identified during the first RAB program, with 5 additional diamond holes completed to provide a better understanding of the underlying geology.

The RAB drilling completed at Billy Boy successfully identified a large zone of iron, bismuth and sporadic gold anomalism centred on the Blue Moon prospect area. Further work on this area will include a reassessment of the historic Blue Moon gold mine. In addition, the 5 diamond drill holes (766.8m) successfully verified the underlying geology within the Billy Boy project area, in particular the presence of the “hematite shale” horizon which is associated with high-grade gold mineralisation at most major deposits within the TCMF.

Project generation activities within the larger EPA have identified a number of new high calibre targets that will be advanced in the 2016 financial year. These projects were generated from a new predictive targeting model where key geological, geochemical and geophysical attributes that are strongly correlated with the known big deposits in TCMF are used to prioritise areas for field verification. Priority targets including Mauretania, Black Cat, Sunrise and Mulga will be tested in the 2016 financial year by a combination of RAB, RC and diamond drilling (Figure 2).

Northern Project Area

During the year, Emmerson successfully secured landmark co-funding from the Northern Territory Government. The funding, which has been provided through the Creating Opportunities for Resource Exploration (CORE), will be for two initiatives:

- Deep diamond drilling to test for gold potential beneath the historic Gecko copper mine.
- A 60km line of regional 2D seismic reflection to better refine the underlying geology and controls to mineralisation within the TCMF.

The deep drilling under Gecko commenced subsequent to the end of the financial year and is guided by a new structural interpretation based on detailed 2D seismic reflection geophysics. The Gecko mine including the recently discovered Goanna and Monitor mineralisation stretches over a strike extent of 2.7km and represents the largest mineralising system in the mineral field. Yet, to date the mineralisation constitutes mostly copper sulphides and based on many of the other historical deposits in the field, should also contain gold beneath the copper dominant zone. The RC pre-collar to this hole (GODD032) intersected multiple zones of copper sulphide mineralisation associated with quartz - chlorite veins, analogous to the recently discovered Goanna mineralisation some 800m to the east. Further infill drilling will be required to confirm this as it has important economic implications with regard to adding additional copper resources close to the existing mine development.

Regional

Four lines of seismic reflection were completed over Gecko (AN1, K44), Goanna and the Chariot deposits. These locations were selected as “orientation” sites where there is good control on the geology, ironstones, and mineralisation. Interpretation of this survey is underway and if successful, may provide a new and innovative tool to map the major faults that control the mineralisation at these prospects and in the best case, directly map the ironstones (which typically host the gold and copper).

REVIEW OF OPERATIONS

As part of the CORE initiative, a single 60km line of regional 2D seismic reflection was completed across the TCMF in June 2015. The line traversed the Stuart Highway with a minor bypass around the Tennant Creek town site. Preliminary depth migrated data has been received and will be used to characterise the regional structural architecture and major fluid bearing structures within the TCMF.

Collaboration with 3D modelling experts Kenex Ltd and findings from an Emmerson supported PhD on the Tennant Creek mineralisation has led to a very comprehensive understanding on the key controls and fingerprints of some of the high grade deposits that the TCMF is renowned. In addition, this work has identified a number of new target areas that contain all the attributes of the known TCMF deposits, yet appear to have been overlooked by previous explorers. Whilst further work is required, it is anticipated that these targets will form part of the brownfields and greenfields pipeline of drill targets for the 2016 financial year.

2015-16 Financial Year Activities

An aggressive 28,000m drilling program has been approved for the first half of the 2015-16 financial year involving the drill testing of a variety of high calibre gold targets including:

- 12,000m of regional geochemical RAB drilling over a number of targets within the EPA. This program will assist in developing drill targets along a newly discovered shear zone at Mauretania, Black Cat and Sunrise prospects (see Figure 2). Interestingly local prospectors using metal detectors have found gold nuggets in the vicinity of this shear zone at Mauretania;

- 12,000m of RC drilling spread across a newly identified buried ironstone at Mauretania and priority targets at Arizona and Zinfandel plus further drilling at Chariot East and;

- 4,000m of diamond drilling to test a range of deeper targets at the Mulga prospect and potential new ore shoots identified from "off hole" magnetics at the historic high grade Chariot mine.

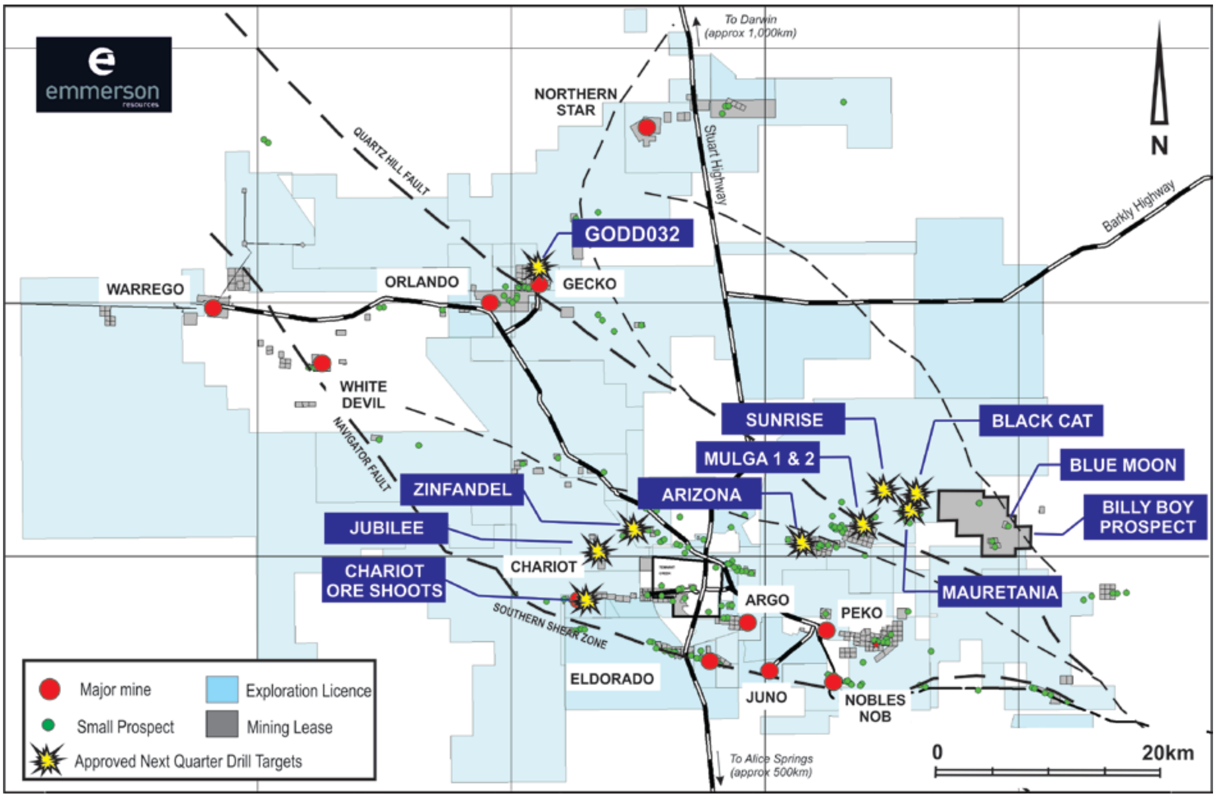

Figure 2: Emmerson's Tennant Creek project area, including the Eastern Project Area

REVIEW OF OPERATIONS

Seismic Survey

Mineral Resources

The Company's current Mineral Resource inventory as summarised in the table below and released to the ASX on 28 November 2013 is 6.79mt at 3.6g/t gold equivalent or 900,000 gold equivalent ounces.

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**

<u>Gold Equivalent Calculation</u>
*Gold equivalent results are calculated using a gold price of US$1,363/oz and a copper price of US$7,297/t. Copper-rich ore would be processed using a conventional crush, grind and flotation route to a copper concentrate which would then be sold. Benchmarking of this processing route suggests that a copper recovery of 90-92% would be appropriate. Gold would be recovered by an industry standard carbon-in-pulp process leading to the generation of gold bars. No unconventional processing such as roasting or biological leaching is contemplated, therefore typical recoveries for such gold processing plants is in the range of 90-94%. Given the relative recoveries of both gold and copper are essentially identical, the equivalence formula has not been adjusted for recovery. The gold equivalent calculation used is AuEq (g/t) = Au (g/t) +((Cu(%)*7297)/43.82), i.e. 1.0%Cu = 1.67g/t Au. The totals may not sum exactly due to rounding.*

REVIEW OF OPERATIONS

Our People

The success of Emmerson is very dependent on getting the "right people" doing the right tasks. Emmerson has attracted and retained great people through offering flexible employment contracts and providing challenging work which rewards innovation and sound science. In the past financial year Emmerson has maintained a very stable but small corporate office in Perth together with specialised, geoscientific consultants.

The main exploration base is situated in the town of Tennant Creek, Northern Territory, and is capably managed by our Exploration Manager, Steve Russell. He is supported by a highly competent and dedicated team, many of whom are residents in Tennant Creek.

The Emmerson Resources Team

Competency Statement

The information in this report which relates to Exploration Results is based on information compiled by Mr Steve Russell BSc, Applied Geology (Hons), MAIG, MSEG. Mr Russell is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition and the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Russell is a full time employee of the Company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell holds an interest in the following securities in the Company: 500,000 Shares and 112,500 Performance Rights.

The information in this report 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 report of a summary based upon his information in the form and context in which it appears.

HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY (HSEC)

Health and Safety

Emmerson Resources continues its commitment to the highest standards of workplace safety. A comprehensive Occupational Health and Safety Program is in place to ensure the health and safety of our employees, contractors, visitors and the public. A culture of taking personal responsibility for practical, risk-based safety management has been adopted by our team.

Supporting systems include a Health and Safety Committee, weekly staff safety meetings, workplace inspections, hazard and incident reporting, regular training modules, and regular fitness for work monitoring. Individuals demonstrating proactive safety are recognised with quarterly safety awards.

An audit was conducted during the year by an external consultant on our safety management system concluding that Emmerson has been found to conform to the requirements of AS/NZS 4801:2001 Occupational Health and Safety Management Systems.

Emmerson achieved the outstanding record of 2,080 days without a lost time injury (LTI) as at 30 June 2015 - a credit to the commitment of the entire team.

Summary of Key Safety Statistics:	**2012**	**2013**	**2014**	**2015**
Total Company Man Hours Worked	59,310	42,593	16,770	30,532
Lost Time Injuries (LTIs)	0	0	0	0
Medical Treated Injuries (MTIs)	0	0	0	2
Lost Time Injury Frequency Rates (LTIFR)	0	0	0	0
Total Recordable Injury Frequency Rate (TRIFR)	0	0	0	0
Incidents Reported	3	3	0	8

Environment

Emmerson cares for the environment and is committed to the efficient use of resources, minimisation of waste and pollution and reducing the environmental impact of our operations. We strive towards the implementation and maintenance of management systems for sustainable development that drive continual improvement.

The Company has adequate systems in place for the management of its environmental responsibilities and it is pleasing to report that there were no environmental incidents or breaches of the regulations during the past year – continuing our unblemished record and one that our people are proud of and committed to maintaining. A recent environmental audit from the NT Department of Resources, which inspected many former drill sites, confirmed Emmerson’s environmental obligations are being met.

Community

Emmerson aspires to support our community with the goal to provide lasting social and economic benefits to society. We strive to be a valued corporate citizen in our communities and respect the values and cultural heritage of local people and their social and economic needs. We also strive towards the implementation and maintenance of management systems for sustainable development that drive continual improvement. Key commitments to our community include contributing to making the communities in which we operate better places to live and do business, and we support ethical trade in our purchasing practices.

Emmerson continues to support community and sporting organisations in the Tennant Creek area and employees continued their voluntary involvement in organisations such as the Tennant Creek Bush Fire Brigade, St. John Ambulance, NT and the NT Fire and Rescue service.

Emmerson is a proud supporter of the Clontarf Foundation in Tennant Creek and the Company’s partnership with the Clontarf Foundation and it’s academy at Barkly College continues to prosper with several Clontarf students participating in our after school work program and spending time in the field during their school vacation.

Emmerson received the 2012 Community Care Golden Heart Award for the Tennant Creek and Barkly Region recognising the valuable contribution the Company has made to the town and region.

SHAREHOLDER INFORMATION AS AT 31 AUGUST 2015

ORDINARY SHARES	Number of holders	Number of units held	% of issued
Distribution of ordinary shares			
1 – 1,000	32	5,054	0.00%
1,001 – 5,000	177	629,964	0.17%
5,001 – 10,000	184	1,514,660	0.40%
10,001 – 100,000	763	32,717,814	8.66%
100,001 and over	343	342,768,962	90.77%
Total	1,499	377,636,454	100.00%
Holdings less than a marketable parcel of shares	519	3,822,257	1.01%

Twenty largest ordinary shareholders

National Nominees Limited	65,765,465	17.42%
Evolution Mining Limited	49,144,000	13.01%
Chinova Resources Pty Ltd	22,610,000	5.99%
J P Morgan Nominees Australia Limited	20,400,288	5.40%
HSBC Custody Nominees (Australia) Limited	10,950,702	2.89%
Whittingham Securities Pty Limited	10,000,000	2.65%
Mr Bruce Graham	5,300,000	1.40%
Kurraba Investments Pty Ltd	5,000,000	1.32%
Shorlane Pty Ltd <Jolma Super Fund A/C>	4,687,500	1.24%
Equity Trustees Limited <Lowell Resources Fund A/C>	3,875,000	1.03%
Mr Robert Trevor Bills	2,723,125	0.72%
Metech Super Pty Ltd <The Metech No 2 Super A/C>	2,650,000	0.70%
Khe Sanh Pty Ltd	2,621,000	0.69%
Mandolin Nominees Pty Ltd <Mandolin S/F A/C>	2,591,414	0.69%
BNP Paribas Noms (NZ) Ltd <Drp>	2,519,069	0.67%
ESM Limited	2,500,000	0.66%
Mr Ian Parker + Mrs Catriona Parker <Parker Super Fund A/C>	2,500,000	0.66%
Willstreet Pty Ltd	2,475,000	0.66%
Croftbank Pty Ltd <Watts Family Super Fund A/C>	2,379,544	0.63%
Civil & General Distributors Pty Ltd <Quirk Family A/C>	2,220,000	0.59%
	222,912,107	59.03%

Substantial shareholders

National Nominees Limited	65,765,465	17.42%
Evolution Mining Limited	49,144,000	13.01%
Chinova Resources Pty Ltd	22,610,000	5.99%
J P Morgan Nominees Australia Limited	20,400,288	5.40%
	157,919,753	41.82%

There is no current on market buy back.

UNQUOTED OPTIONS OVER ORDINARY SHARES

Exercise price of $0.0485 expiring 31/12/2017	2	7,000,000	100.00%

UNQUOTED RIGHTS OVER ORDINARY SHARES

Exercise price of nil vesting on 25/11/15	5	175,000	13.53%
Exercise price of nil vesting on 04/12/15	1	500,000	38.65%
Exercise price of nil vesting on 25/11/16	4	118,750	9.18%
Exercise price of nil vesting on 04/12/16	1	500,000	38.65%
	11	1,293,750	100.00%

DIRECTORS' REPORT

The Directors of Emmerson Resources Limited ("Company" or "Emmerson" or "consolidated entity") submit their report for the year ended 30 June 2015.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Andrew McIlwain B.Eng (Mining) – Non-executive Chairman

Andrew McIlwain is a qualified mining engineer with over 25 years' experience in the mining industry and has held operational, technical, senior management and executive roles within Mt. Isa Mines Limited, Central Norseman Gold Corporation, WMC Resources Limited and Lafayette Mining Limited. Mr McIlwain has also served as a member of the Company's Audit and Risk Management Committee since 11 June 2014.

Mr McIlwain has been a Director of Emmerson since April 2007 and during the past three years has also served as a director of the following listed companies:

- Unity Mining Limited (Managing Director & CEO since December 2011)
- Kidman Resources Limited (Director from October 2011 to 28 October 2014)
- Almonty Industries Inc. (Director from October 2011 to March 2013)

Robert Bills B.Sc, M.Sc - Managing Director and Chief Executive Officer

Rob Bills is a geologist and holds a Bachelor of Science Degree from Monash University and a Master of Science Degree from James Cook University. Prior to joining Emmerson Resources Mr. Bills had a 25 year career with Western Mining Corporation, then BHP Billiton where he held the position of global commodity specialist.

Mr Bills has been a Director of Emmerson since September, 2007 and during the past three years has not served as a director of any other listed company.

Dr Allan Trench B.Sc (Hons), Ph.D, M.Sc (Min. Econ), MBA (Oxon), ARSM, AWASM, MAusIMM, FAICD **-** Non-executive Director (Appointed 3 March 2015)

Dr Allan Trench is a geologist/geophysicist and business management consultant with over 24 years experience across a broad range of commodities. His minerals sector experience spans strategy formulation, exploration, project development and mining operations. Dr Trench holds degrees in geology, a doctorate in geophysics, a Masters degree in Mineral Economics and a Masters degree in Business Administration. Dr Trench has previously worked with McKinsey & Company as a management consultant, with Woodside Petroleum in strategy development and with WMC both as a geophysicist and exploration manager. He is an Associate Consultant with international metals and mining advisory firm CRU Group and has contributed to the development of that company's uranium practice having previously managed the CRU Group global copper research team. Dr Trench maintains academic links as Professor of Mineral & Energy Economics at the Curtin Graduate School of Business and as Research Professor (Value & Risk) to the Centre for Exploration Targeting, a Curtin-UWA joint initiative. Dr Trench also serves as a member of the Company's Audit and Risk Management Committee.

Dr Trench has been a Director of Emmerson since 3 April 2015 and during the past three years has also served as a director of the following listed companies:

- Pioneer Resources Ltd (Director since 5 September 2003)
- Hot Chili Ltd (Director since 19 July 2010)
- Enterprise Metals Ltd (Director since 3 April 2012)
- Trafford Resources Ltd (Director from 7 May 2012 to 6 May 2015)
- Navigator Resources Ltd (Director from 14 November 2005 to 31 December 2013)
- Venturex Resources Limited (Director from 12 November 2008 to 17 April 2013)
- Anova Metals Limited (Director from to 2 December 2010 to 7 February 2013)

DIRECTORS' REPORT

Simon Andrew B.Sc (Honours) - Non-executive Director (Resigned 3 March 2015)

Simon Andrew has significant experience in the Australian and Asian financial markets including equity research covering the Asian refining and petrochemical sector for a leading European investment bank. He also has extensive experience in corporate financing transactions involving both equity and hybrid equity instruments. Recent experience includes a senior executive role in the equity derivatives division of a United States investment bank. Mr Andrew also served as a member of the Company's Audit and Risk Management Committee until his resignation as a Director.

Mr Andrew resigned as a Director of Emmerson on 3 March 2015 and during the past three years has not served as a director of any other listed company.

COMPANY SECRETARY

Trevor Verran B Comm., CPA

Trevor Verran holds a Bachelor of Commerce degree from University of Western Australia and is a Certified Practicing Accountant with extensive experience in both the accounting profession and the mining industry. Prior to 2000, he held a senior position in an international firm of accountants. More recently Trevor's experience has included the provision of accounting, financial management and company secretarial services for a number of public mining companies, including Aurora Gold Limited (2000 to 2003), Polaris Metals NL (CFO and company secretary from 2004 to 2011) and Northern Uranium Limited.

Mr Verran has been the CFO and Company Secretary of Emmerson since December 2011.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Directors' Meetings		Audit and Risk Management Committee Meetings	
	Held whilst a director	**Attended**	**Held whilst a member**	**Attended**
Andrew McIlwain	4	4	2	2
Robert Bills	4	4	-	-
Allan Trench (appointed 3/3/15)	2	2	-	-
Simon Andrew (resigned 3/3/15)	2	2	1	1

All directors were eligible to attend all meetings held whilst a director.

DIRECTORS' INTERESTS

Interests in shares, options and rights of the Company and related bodies corporate at the date of this report:

	Ordinary shares	Unlisted options	Unlisted rights
Andrew McIlwain	2,334,927	2,000,000	-
Robert Bills	3,746,225	5,000,000	1,000,000
Allan Trench	-	-	-

DIVIDENDS

No dividends were paid or declared by the Company since the end of the previous financial year.

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the course of the financial year was exploration and evaluation of mineral interests.

There were no significant changes in the nature of activities during the year.

OPERATING AND FINANCIAL REVIEW

Overview

Emmerson was incorporated in November, 2005 and acquired a suite of exploration and mining tenements covering some 2,500 kms^2 of the Tennant Creek Mineral Field (TCMF), the 300,000 tonne per annum Warrego gold plant (located approximately 50km to the northwest of Tennant Creek) and associated exploration and support infrastructure in the township of Tennant Creek, Northern Territory, Australia. Emmerson has consolidated 95% of the highly prospective TCMF where only 8% of the historical drilling has penetrated below 150m. The Company listed on the Australian Securities Exchange (ASX) on 17 December 2007; ASX code: ERM.

Emmerson is exploring the TCMF in the Northern Territory, one of Australia's most prolific gold-copper districts producing over 5.5 Mozs of gold and 470,000 tonnes of copper from a variety of deposits including Gecko, Orlando, Warrego, White Devil, Chariot and Golden Forty, all of which are within Emmerson's exploration portfolio. Utilising modern exploration techniques, Emmerson has discovered 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 its innovative exploration techniques and is confident that, with further exploration, more such discoveries will be made.

The Company is exploring the TCMF with Evolution Mining Limited (Evolution) pursuant to a Farm-in agreement whereby Evolution will sole fund exploration expenditure of $15 million over three years to earn a 65% interest (Stage 1 Farm-in) in Emmerson's tenement holdings in the TCMF. A further $10 million minimum, sole funded by Evolution over two years following the Stage 1 Farm-in, will allow Evolution to earn an additional 10% (Stage 2 Farm-in) of the tenement holdings. Evolution must spend a minimum of $7.5 million on exploration before it can terminate the Farm-in agreement. Emmerson will act as manager during the Stage 1 Farm-in and be entitled to receive a management fee during this period. Exploration expenditure attributable to the Stage 1 Farm-in to the end of the financial year was approximately $5 million.

Operating Results for the Year

The loss for the year ended 30 June 2015 was $837,620 compared to the previous year loss of $4,495,664.

Total revenue and other income for the year was $800,056 (2014: $327,361) with:

- increased management fees from a full years management of the farm-in by Evolution which commenced in June 2014;
- dividends received of $348,687 (2014: nil) from the Company's investment in listed equity securities that were issued on 7 July 2014 as initial consideration under the Evolution farm-in agreement; and
- increased interest revenue from proceeds of shares issued to Evolution on 7 July 2014 invested in term deposits.

Expenses were significantly reduced from $4,823,025 in 2014 to $1,637,676 in 2015 predominately due to impairment of plant and equipment of $3,000,000 in the previous year and employee benefits expense reduced with lower salaries and wages in the current year.

DIRECTORS' REPORT

Financial Position

Net assets and total equity increased by $1,990,757 during the year predominantly due to an increase in cash and an increase in the fair value of available-for-sale financial assets.

During the year Evolution Mining Limited (Evolution) subscribed for 49,144,000 shares in the Company under a subscription agreement at a price of $0.0381 per share for cash consideration of $1,872,386 resulting in Evolution holding 13% of the Company's issued capital.

The increase in cash for the year was $1,621,599 and cash in the bank at the end of the year was $3,250,541. The increase in cash was largely due to proceeds from the issue of shares to Evolution on 7 July 2014 partially offset by administration and corporate expenses.

The fair value of available-for-sale financial assets increased by $880,040 due the increase in market value determined directly by reference to published price quotations in an active market.

Exploration and evaluation assets decreased by $328,732 during the year predominantly due to an impairment of exploration expenditure and the balance of exploration and evaluation assets carried forward at the end of the year was $17,875,598 (2014: $18,204,330).

Net assets and total equity at 30 June 2015 was $27,217,124 (2014: $25,226,367).

Cash and assets utilised by the Company for the year are consistent with the Company's business objectives and the Directors believe the Company is in a position to continue its exploration endeavours.

Risk and Risk Management

Sufficient liquidity to ensure financial obligations are being met as they fall due is the Company's significant business risk. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in short term bank deposits. The decision on how the Company will raise future capital will depend on market conditions existing at that time.

Exploration Activities

A detailed review of the Company's exploration activities is contained in the Review of Operations section of this Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in assets during the year were an increase in cash and cash equivalents of $1,621,599 predominately due to an issue of 49,144,000 shares under cash placement on 7 July 2014 increasing the Company's contributed equity by the cash consideration of $1,872,386.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matter or circumstance has arisen since the end of the year that has significantly affected or may significantly affect the Company's operations, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company will continue its exploration and development activities in Tennant Creek Mineral Field in the Northern Territory with the object of identifying commercial resources. Exploration and development activities will be conducted under the Farm-in agreement with Evolution Mining Limited (Evolution) whereby Evolution will sole fund exploration expenditure of $15 million over three years to earn a 65% interest (Stage 1 Farm-in) in Emmerson's tenement holdings. A further $10 million minimum, sole funded by Evolution over two years following the Stage 1 Farm-in, will allow Evolution to earn an additional 10% (Stage 2 Farm-in) of the tenement holdings. Emmerson will act as manager during the Stage 1 Farm-in and be entitled to receive a management fee during this period.

ENVIRONMENTAL REGULATION

The exploration activities of the consolidated entity are subject to environmental regulations imposed by various regulatory authorities, particularly those relating to ground disturbance and the protection of rare and endangered flora and fauna.

Santexco Pty Ltd (Santexco), a wholly owned subsidiary of the Company, entered into a Rehabilitation Agreement (dated 6 November, 2001) with the Northern Territory (NT) Government, whereby Santexco is obliged to perform rehabilitation obligations to the value of $750,000 per annum for 6 years (a total obligation of $4,500,000) on various mineral tenements, or pay the difference between the actual rehabilitation performed per year on the tenements and $750,000 into a deposit account held by the NT Government at each of the 6 anniversary dates of the agreement. To date Santexco has performed actual rehabilitation obligations of $333,041 and lodged a bank guarantee to the value of $416,958 with the NT Government. There are 5 anniversary dates for the agreement outstanding.

The consolidated entity is party to a binding agreement with the NT Government (Department of Regional Development, Primary Industry, Fisheries and Mines) dated 31 July, 2006 whereby the NT Government has agreed that the rehabilitation obligations described in the Rehabilitation Agreement are suspended (on "standstill") until 45 days of cumulative commercial production from the consolidated entity's tenements.

Given the permanent standstill arrangement in place with the NT Government and that any recommencement of commercial production is at the complete discretion of the consolidated entity, there is currently no requirement for the consolidated entity to perform any rehabilitation obligations on any tenements, except to the extent that the rehabilitation relates to the exploration activities of the consolidated entity since August, 2006.

The consolidated entity has complied with all material environmental requirements up to the date of this report. The directors believe that the Company has adequate systems in place for the management of its environmental responsibilities and are not aware of any breaches of the regulations during the period covered by this report.

SHARE OPTIONS AND RIGHTS

Options over ordinary shares:

As at the date of this report and the reporting date, there were 7,000,000 unissued ordinary shares under options at an exercise price of $0.0485 expiring 31/12/2017. There were no unissued ordinary shares under options at 30 June 2014.

9,000,000 options at an exercise price of $0.0485 expiring 31/12/2017 were issued during the financial year of which 2,000,000 lapsed unexercised due to the resignation of a director during the financial year.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme.

No shares were issued during or since the end of the year as a result of the exercise of an option.

Rights over ordinary shares:

As at the date of this report and the reporting date there were 1,293,750 unissued ordinary shares under performance rights not yet vested at an exercise price of nil.

No performance rights were issued during the financial year or since the end of the year. Each performance right when exercised entitles the holder to one fully paid ordinary share in the Company (without any amount being payable for the exercise of the performance right and receipt of the share).

862,500 shares were issued on vesting and exercise of performance rights at an exercise price nil during the financial year. 525,000 performance rights at an exercise price of nil were lapsed unexercised during the financial year due to cessation of employment of the holders of the rights. No shares were issued since the end of the year as a result of the exercise of performance rights.

REMUNERATION REPORT (audited)

This Remuneration Report for the year ended 30 June 2015 outlines the director and executive remuneration arrangements of the Company and the consolidated entity in accordance with the requirements of the *Corporations Act 2001 (*the *Act)* and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the parent Company.

For the purposes of this report the term 'executive' encompasses the Managing Director and Chief Executive Officer, the Chief Financial Officer and Company Secretary, and the Exploration Manager – Tennant Creek.

The remuneration report is presented under the following sections:

1. Individual key management personnel disclosures
2. Remuneration at a glance
3. Board oversight of remuneration
4. Non-executive director remuneration arrangements
5. Executive remuneration arrangements
6. Company performance and link to remuneration
7. Employment contracts of key management personnel
8. Details of remuneration
9. Equity instruments disclosures

1. Individual key management personnel disclosures

Details of key management personnel in the Company and the consolidated entity are set out below:

Non-executive Directors:	
Andrew McIlwain	Chairman (Non-executive)
Allan Trench (appointed 3/3/15)	Director (Non-executive)
Simon Andrew (resigned 3/3/15)	Director (Non-executive)
Executive Director:	
Robert Bills	Managing Director and Chief Executive Officer
Other Executives:	
Trevor Verran	Chief Financial Officer and Company Secretary
Steve Russell	Exploration Manager – Tennant Creek

There have been no changes to key management personnel after the reporting date and before the date the financial report was authorised for issue.

2. Remuneration at a glance

Executive Remuneration

Emmerson Resources Limited's remuneration strategy is designed to attract, motivate and retain employees and non-executive directors by identifying and rewarding high performers and recognise the contribution of each employee to the exploration success and growth of the consolidated entity.

The remuneration policy is to bench-mark total remuneration for individual employee's and directors against peer-group organisations to ensure a competitive offering.

REMUNERATION REPORT (audited) (continued)

There have been no material changes to the short-term incentive bonus plan for the 2015 financial year. For the performance period covered by this report 50% of the short-term incentive payment is based on the increase in the market capitalisation of the Company based on a 20 day moving average of market capitalisation, 30% is based on "discovery success" and 20% is based on the attainment of individual key performance indicators. No short-term incentive bonus was earned by the Company KMPs during the financial year.

Long-term incentive awards consist of share options under the Company's Incentive Option Scheme or share rights under the Company's Performance Rights Plan which vest based on the attainment of service mile-stones. The objectives of these long-term incentive awards are to provide the Company with a remuneration mechanism, through share ownership, to motivate, retain and reward the performance of executives.

3. Board oversight of remuneration

Remuneration Committee

The Company does not have a Remuneration Committee hence the full board is responsible for determining the remuneration arrangements for all members of the board and executives.

The board assesses the appropriateness of the nature and amount of remuneration of the non-executive directors and executives on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high performing director and executive team. In determining the level and composition of executive remuneration, the board bench marks remuneration against the external market.

Remuneration approval process

The board approves the remuneration arrangements of the Chief Executive Officer, executives and all awards made under the long term incentive plans. The board also sets the aggregate remuneration of non-executive directors which is then subject to shareholders approval.

The board also approves, having regard to the recommendations made by the Chief Executive Officer and Managing Director, all payments awarded to executives and employees under the Company's short term incentive plan.

Remuneration strategy

Emmerson Resources Limited's remuneration strategy is designed to attract, motivate and retain employees and non-executive directors by identifying and rewarding high performers and recognising the contribution of each employee to the success of the consolidated entity.

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

To this end, key objectives of the Company's reward framework are to ensure that remuneration practices:

- Are aligned to the Company's business strategy;
- Offer competitive remuneration benchmarked against the external market;
- Provide strong linkage between individual and Company performance and rewards; and
- Align the interests of executives with shareholders.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

REMUNERATION REPORT (audited) (continued)

4. Non-executive Director remuneration arrangements

Remuneration Policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to non-executive directors of comparable companies. The Board considers advice from external sources (for example remuneration surveys) when undertaking the annual review process.

The Company's constitution and the Australian Securities Exchange (ASX) listing rules specify that the non-executive director fee pool shall be determined from time to time by shareholders in general meeting. The latest determination by shareholders was at the 2009 annual general meeting (AGM) held on 25 November, 2009 when shareholders approved an aggregate fee pool of $250,000 per year.

The board will not seek any increase for the non-executive director pool at the 2015 AGM.

Structure

Following a 10% cut in May 2013, Non-executive directors' fees are presently $35,478 per annum and the Chairman $73,912 per annum.

Variable remuneration – long term incentive (LTI)

LTI awards are made periodically to non-executive directors subject to the approval of shareholders as is required by ASX listing rule 10.14 in order to reward directors in a manner that aligns remuneration with the creation of shareholder wealth and provides a market linked incentive as part of their respective roles as non-executive directors and for the future performance by each of them in their respective roles.

LTI – share options

LTI share options are made under the Company Incentive Option Scheme at the determination of the Board, subject to shareholder approval. Each option entitles the holder to one fully paid ordinary share of the Company and the number of options issued is determined by the Board for approval by shareholders. Options are typically awarded to non-executive directors with an exercise price at a significant premium to the prevailing Company share price at the time of issue, consequently there are no vesting and performance conditions attached to the options, with the recipient typically having a three year period to exercise the options before lapse. The Board feels that the expiry date and exercise price of options currently on issue to the directors is sufficient to align the goals of the directors and executives with that of the shareholders to maximise shareholder wealth.

Directors are prohibited from entering into any hedging arrangements over unvested options under the Incentive Option Scheme and *Corporations Act 2001*.

4,000,000 options at an exercise price of $0.0485 expiring 31/12/2017 were granted to non-executive directors during the financial year following approval at the 2014 annual general meeting of which 2,000,000 lapsed unexercised due to the resignation of a director during the financial year.

REMUNERATION REPORT (audited) (continued)

5. Executive remuneration arrangements

Remuneration levels and mix

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and aligned with market practice. The remuneration policy is to bench-mark total remuneration for executives against peer-group organisations to ensure a competitive offering; bench-marking is conducted annually. All Key Management Personnel's cash remuneration mix comprises 75% fixed remuneration and 25% short term incentive.

Structure

Executive remuneration framework consists of the following components:

Remuneration component	Vehicle	Purpose	Link to performance
Fixed Remuneration	▪ Comprises base salary, superannuation and other benefits ▪ Paid in cash	▪ Set with reference to role, market and experience	▪ No link to performance
Short Term Incentive component	▪ Paid in cash	▪ Rewards contribution to achievement of Company outcomes, as well as key performance indicators (KPI's)	▪ 20 day moving average market capitalisation ▪ Internal measures such as discovery success
Long Term Incentive component	▪ Awards are made in the form of share options or share rights	▪ Rewards contribution to the creation of shareholder value over the longer term	▪ Vesting of awards is dependent on continuity of employment

Fixed Remuneration

Executive contracts of employment do not include any guaranteed base pay increases. Total employment cost is reviewed annually by the Board. The process consists of a review of Company and individual performance, relevant comparative remuneration internally and externally and, where appropriate, external information independent of the board.

Variable remuneration – short term incentive (STI)

The Company operates an annual STI program that is available to all executives and awards a cash bonus subject to the attainment of clearly defined Company, business and individual measures.

The total potential STI available to individual executives is set at a level so as to provide sufficient incentive to executives to achieve their targets and such that the cost to the Company is reasonable in the circumstances.

Actual STI payments awarded to each executive depend on the extent to which specific targets set at the beginning of the year are met. The targets consist of a number of key performance indicators covering financial, non-financial, corporate and individual measures of performance.

Performance measures	Proportion of STI award measure applies to
Financial measure ▪ Market capitalisation of the Company, measured on a 20 day moving average	50%
Non-financial measures ▪ Discovery success ▪ Individual key performance indicators	 30% 20%

REMUNERATION REPORT (audited) (continued)

The measures were chosen as they represent the key drivers for the short term success of the business and provide a framework for delivering long-term value.

The aggregate of the annual STI payments available for executives across the Company is subject to the approval of the Board. On an annual basis, after consideration of performance against KPI's, the Board, in line with their responsibilities, determine the amount if any, of the short-term incentive to be paid to each executive and in the case of all executives except the Managing Director and Chief Executive Officer, the Board gives due consideration to the recommendations of the Managing Director and Chief Executive Officer in this regard. This process usually occurs within three months after the end of each year and payments made are delivered as a cash bonus.

No STI bonuses were earned by executives for the 2015 financial year.

Variable remuneration – long term incentive (LTI)

LTI awards are made periodically to executives in order to align remuneration with the creation of shareholder value over the long-term.

LTI – share options

LTI share options are made under the Company's Incentive Option Scheme at the determination of the Board. Each option entitles the holder to one fully paid ordinary share of the Company and the number of options issued is determined by the Board. Options are typically awarded to executives with an exercise price at a significant premium to the prevailing Company share price at the time of issue, consequently there are no vesting and performance conditions attached to the options, with the recipient typically having a three year period to exercise the options before lapse. The Board feels that the expiry date and exercise price of options currently on issue to executives is sufficient to align the goals of the executives with that of the shareholders to maximise shareholder wealth.

5,000,000 options at an exercise price of $0.0485 expiring 31/12/2017 were granted to Robert Bills under this scheme during the financial year following approval at the 2014 annual general meeting.

Executives are prohibited from entering into any hedging arrangements over unvested options under the Incentive Option Scheme and *Corporations Act 2001*.

LTI – share purchase rights

LTI share purchase rights are made under the Company Performance Rights Plan (approved by shareholders at the Company annual general meeting held on 27 November, 2012) at the determination of the Board. Each share purchase right entitles the holder to one fully paid ordinary share of the Company and the number of rights issued is determined by the board. Rights may be awarded to executives on an annual basis with vesting conditions set by the board. The share purchase rights typically vest from two to four years from issue date and there are no performance measures attached to vesting, the rights are issued primarily as a retention initiative. No cash consideration is required to be paid to exercise rights, with the executive able to exercise the rights after vesting but not later than five years after issue and are generally forfeited if service conditions have not been satisfied.

Executives are prohibited from entering into any hedging arrangements over unvested rights under the Performance Rights Plan and *Corporations Act 2001*.

No performance rights were awarded under this plan during the financial year or since the end of the year.

REMUNERATION REPORT (audited) (continued)

6. Company performance and the link to remuneration

The STI variable components of the executives' remuneration is indirectly linked to the performance of the Company, given the exploration stage of the entity other remuneration elements are not linked to company performance. The Company's performance is summarised for the five years to 30 June 2015 as follows:

	2015	2014	2013	2012	2011
Loss for the year ($)	(837,620)	(4,495,664)	(4,792,616)	(1,650,395)	(1,686,802)
Basic loss per share (cents)	(0.22)	(1.62)	(1.68)	(0.62)	(0.69)
Closing share price (cents)	2.8	3.8	3.5	12.0	12.0

7. Employment contracts of key management personnel

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of director. Remuneration and other terms of employment for the Managing Director and Chief Executive Officer and the other key management personnel are formalised in service agreements that provide for the provision of performance-related cash bonuses (STI) and participation in the LTI.

Key terms of agreements for current key management personnel are as follows:

	Commence-ment date	Term	Notice period	Base salary/fee	Variable remuneration
Non-executive directors:					
Andrew McIlwain	26/04/07	No fixed term	1 month	$73,912	LTI
Allan Trench	03/03/15	No fixed term	1 month	$35,478	LTI
Executive director:					
Robert Bills	11/09/07	No fixed term	12 months	$360,000	STI/LTI
Other executives:					
Trevor Verran	02/12/12	No fixed term	3 months	$180,000	STI/LTI
Steve Russell	10/12/07	No fixed term	1 month	$170,000	STI/LTI

8. Details of remuneration

	Short-term				Post Employ-ment	Share-based payments	Total	Perfor-mance related
	Salary & fees	Cash bonus	Non-monetary benefits[3]	Other benefits[3]	Superann-uation benefits	Options & rights		
	$		$	$	$	$	$	%
2015								
Non-executive directors:								
Andrew McIlwain[1]	73,912	-	-	2,270	-	23,200	99,382	-
Allan Trench[2] (appointed 3/3/15)	11,826	-	-	757	-	-	12,583	-
Simon Andrew (resigned 3/3/15)	21,866	-	-	1,513	2,077	23,200	48,656	-
Executive director:								
Robert Bills	363,610	-	-	4,801	26,664	97,583	492,658	-
Other executives:								
Trevor Verran	140,576	-	21,524	-	35,000	1,631	198,731	-
Steve Russell	149,629	-	-	8,309	29,317	6,238	193,493	-
	761,419	-	21,524	17,650	93,058	151,852	1,045,503	

REMUNERATION REPORT (audited) (continued)

	Short-term				Post Employ-ment	Share-based payments	Total	Perfor-mance related
	Salary & fees	Cash bonus	Non-monetary benefits[3]	Other benefits[3]	Superann-uation benefits	Options & rights		
	$		$	$	$	$	$	%
2014								
Non-executive directors:								
Andrew McIlwain[1]	71,453	-	-	1,845	-	-	73,298	-
Tim Kestell (resigned 11/6/14)	30,672	-	-	1,845	2,900	-	35,417	-
Simon Andrew	32,400	-	-	1,845	2,997	-	37,242	-
Executive director:								
Robert Bills	360,000	50,000	1,905	4,376	33,300	75,000	524,581	9.53%
Other executives:								
Trevor Verran	171,650	-	-	-	25,000	2,894	199,544	-
Grant Osborne (ceased 10/6/14)	206,827	-	-	-	23,924	16,068	246,819	-
Steve Russell	161,351	-	33,366	-	14,804	16,068	225,589	-
	1,034,353	50,000	35,271	9,911	102,925	110,030	1,342,490	

Note 1 - Fees paid to Andrew McIlwain and Associates Pty Ltd for services as a director of the Company
Note 2 - Fees paid to Judicial Holdings Pty Ltd for services as a director of the Company
Note 3 - Non- monetary and other benefits include fringe benefits, personal insurance premiums, remote area allowances and living away from home allowances.

There were no termination benefits during the 2014 or 2015 financial years.

9. Equity instrument disclosures

a) Option holdings of key management personnel

2015	**Held at 1 July 2014**	**Granted as compens-ation**	**Lapsed**	**Held at 30 June 2015**	**Vested and exercis-able at 30 June 2015**
Directors:					
Andrew McIlwain	-	2,000,000	-	2,000,000	2,000,000
Robert Bills	-	5,000,000	-	5,000,000	5,000,000
Simon Andrew (resigned (3/3/15)	-	2,000,000	(2,000,000)	-	-
Total	-	9,000,000	(2,000,000)	7,000,000	7,000,000

There were no option holdings by key management personnel during 2014.

REMUNERATION REPORT (audited) (continued)

b) Rights holdings of key management personnel

2015	Held at 1 July 2014	Granted as compens-ation	Exercise of rights	Held at 30 June 2015	Vested and exercis-able at 30 June 2015
Directors:					
Robert Bills	1,500,000	-	(500,000)	1,000,000	-
Other executives:					
Trevor Verran	100,000	-	(50,000)	50,000	-
Steve Russell	262,500	-	(150,000)	112,500	-
Total	1,862,500	-	(700,000)	1,162,500	-

2014	Held at 1 July 2013	Granted as compens-ation	Exercise of rights	Held at 30 June 2014	Vested and exercis-able at 30 June 2014
Directors:					
Robert Bills	2,000,000	-	(500,000)	1,500,000	-
Other executives:					
Trevor Verran	100,000	-	-	100,000	-
Steve Russell	412,500	-	(150,000)	262,500	-
Grant Osborne (ceased 10/6/14)	412,500	-	(150,000)	262,500[1]	-
Total	2,925,000	-	(800,000)	2,125,000	-

Note 1 – Lapsed in September 2014

c) Shareholdings of key management personnel

2015	Held at 1 July 2014	Granted as compens-ation	Exercise of rights	Net Purchases (sales)	*Held at 30 June 2015
Directors:					
Andrew McIlwain	1,334,927	-	-	1,000,000	2,334,927
Robert Bills	3,246,225	-	500,000	-	3,746,225
*Simon Andrew (resigned 3/3/15)	5,181,484	-	-	-	5,181,484
Other executives:					
Trevor Verran	-	-	50,000	-	50,000
Steve Russell	350,000	-	150,000	-	500,000
Total	10,112,636	-	700,000	1,000,000	11,812,636

* The closing balance for Simon Andrew represents the shareholding on his termination date.

REMUNERATION REPORT (audited) (continued)

c) Shareholdings of key management personnel (continued)

2014	Held at 1 July 2013	Granted as compens-ation	Exercise of rights	Net Purchases (sales)	*Held at 30 June 2014
Directors:					
Andrew McIlwain	1,067,941	-	-	266,986	1,334,927
Robert Bills	2,301,600	-	500,000	444,625	3,246,225
*Tim Kestell (resigned 11/6/14)	12,604,213	-	-	33,151,054	45,755,267
Simon Andrew	5,181,484	-	-	-	5,181,484
Other executives:					
Steve Russell	200,000	-	150,000		350,000
*Grant Osborne (ceased 10/6/14)	287,500	-	150,000		437,500
Total	21,642,738	-	800,000	33,862,665	56,305,403

* The closing balance for Tim Kestell and Grant Osborne represents the shareholding on their respective termination dates.

d) KMP options and rights granted, exercised and lapsed for the 2015 financial year

	Grant & vest date	Number granted	Grant date value	Exercise price	Expiry date	Number vested	Number lapsed	% Vested
Options:								
Andrew McIlwain	5/12/14	2,000,000	$0.0116	$0.0485	31/12/17	2,000,000	-	100%
Robert Bills	5/12/14	5,000,000	$0.0116	$0.0485	31/12/17	5,000,000	-	100%
Simon Andrew	5/12/14	2,000,000	$0.0116	$0.0485	31/12/17	2,000,000	2,000,000	100%

	Value granted	Value exercised	No. of shares issued on exercise	Paid per share on exercise	Value lapsed	Remuner-ation consisting of options & rights
Options:						
Andrew McIlwain	$23,200	-	-	-	-	23.3%
Robert Bills	$58,000	-	-	-	-	11.8%
Simon Andrew (resigned (3/3/15)	$23,200	-	-	-	($23,200)	-
Rights:						
Robert Bills	-	$15,000	500,000	-	-	-
Trevor Verran	-	$1,600	50,000	-	-	-
Steve Russell	-	$5,213	150,000	-	-	-

There were no other transactions with KMP or their related parties during the year.

The 2014 remuneration report was adopted at the company's 2014 Annual General Meeting (AGM) where over 95% of proxies received were in favour of the remuneration report for the 2014 financial year. The company received no questions at the 2014 AGM in relation to its remuneration report.

END OF REMUNERATION REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS

The Company has entered into a Deed of Indemnity with each of the Directors to indemnify them to the maximum extent permitted by law against liabilities and legal expenses incurred in, or arising out of the conduct of the business of the Company or the discharge of the duties as a director.

Also pursuant to the Deed, the Company has paid premiums to insure the Directors against liabilities incurred in the conduct of the business of the Company. In accordance with common commercial practice, the insurance policy prohibits disclosure of the amount of the premium and the nature of the liability insured against. The amount of the premium is included as part of the directors remuneration in the Remuneration Report.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Emmerson Resources support and have adhered to the principles of corporate governance. The Company's corporate governance statement is contained in the following section of this annual report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* is set out on page 64 and forms part of the Director's Report for the year ended 30 June 2015.

NON-AUDIT SERVICES

The auditor independence requirements of the *Corporations Act 2001* were not compromised during the year since there were no non-audit services provided by the Company's auditor, Ernst & Young.

Signed in accordance with a resolution of the Directors.

RT Bills

Rob Bills
Managing Director & Chief Executive Officer
15 September 2015

CORPORATE GOVERNANCE STATEMENT

This statement reports on Emmerson Resources Limited ("Company" or "Emmerson" or "consolidated entity") corporate governance framework, principles and practices as at the date of this report and has been approved by the Board. These principles and practices are reviewed regularly and revised as appropriate to reflect changes in law and best practice in corporate governance.

ASX Listing Rule 4.10.3 requires ASX listed companies to report on the extent to which they have followed the recommendations set by the ASX Corporate Governance Council ("CGC") during the reporting period. A description of the Company's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place for the entire year.

The Board aims to comply with the recommendations to the extent they are practical and applicable to the Company. It is noted that the recommendations are not compulsory for listed companies and where the Company has not complied with a recommendation, reasons for not following the recommendation and what (if any) alternative governance practices have been adopted in lieu of the recommendation have been provided. As the Company's activities expand in size, nature and scope, the implementation of additional corporate governance structures will be given further consideration.

The table below summarises the Company's compliance with the CGC's recommendations.

Recommendation	Comply Yes/No
Principle 1 - Lay solid foundations for management and oversight	
1.1 A listed entity should disclose:	
(a) the respective roles and responsibilities of its board and management; and	Yes
(b) those matters expressly reserved to the board and those delegated to management.	Yes
1.2 A listed entity should:	
(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and	Yes
(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes
1.5 A listed entity should:	
(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;	No
(b) disclose that policy or a summary of it; and	No
(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:	No
(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or	
(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	
1.6 A listed entity should:	
(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and	Yes
(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
1.7 A listed entity should:	
(a) have and disclose a process for periodically evaluating the performance of its senior executives; and	Yes
(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes

CORPORATE GOVERNANCE STATEMENT

Recommendation		Comply Yes/No
Principle 2 - Structure the board to add value		
2.1	The board of a listed entity should:	
	(a) have a nomination committee which:	
	(1) has at least three members, a majority of whom are independent directors; and	No
	(2) is chaired by an independent director, and disclose:	No
	(3) the charter of the committee;	No
	(4) the members of the committee; and	No
	(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	No
	(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Yes
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	No
2.3	A listed entity should disclose:	
	(a) the names of the directors considered by the board to be independent directors;	Yes
	(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and	Yes
	(c) the length of service of each director.	Yes
2.4	A majority of the board of a listed entity should be independent directors.	Yes
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Yes
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes
Principle 3 – Act ethically and responsibly		
3.1	A listed entity should:	
	(a) have a code of conduct for its directors, senior executives and employees; and	Yes
	(b) disclose that code or a summary of it.	Yes
Principle 4 - Safeguard integrity in corporate reporting		
4.1	The board of a listed entity should:	
	(a) have an audit committee which:	
	(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and	No
	(2) is chaired by an independent director, who is not the chair of the board, and disclose:	No
	(3) the charter of the committee;	Yes
	(4) the relevant qualifications & experience of the members of the committee; and	Yes
	(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	Yes
	(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	n/a

CORPORATE GOVERNANCE STATEMENT

Recommendation				Comply Yes/No
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.			Yes
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.			Yes

Principle 5 - Make timely and balanced disclosure

5.1	A listed entity should:			
	(a)	have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and		Yes
	(b)	disclose that policy or a summary of it.		Yes

Principle 6 - Respect the rights of security holders

6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes

Principle 7 - Recognise and manage risk

7.1	The board of a listed entity should:			
	(a)	have a committee or committees to oversee risk, each of which:		
		(1)	has at least three members, a majority of whom are independent directors; and	No
		(2)	is chaired by an independent director, and disclose:	Yes
		(3)	the charter of the committee;	Yes
		(4)	the members of the committee; and	Yes
		(5)	as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	Yes
	(b)	if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		n/a
7.2	The board or a committee of the board should:			
	(a)	review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and		Yes
	(b)	disclose, in relation to each reporting period, whether such a review has taken place.		Yes
7.3	A listed entity should disclose:			
	(a)	if it has an internal audit function, how the function is structured and what role it performs; or		n/a
	(b)	if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.		Yes
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.			Yes

CORPORATE GOVERNANCE STATEMENT

Recommendation	Comply Yes/No
Principle 8 - Remunerate fairly and responsibly	
8.1 The board of a listed entity should:	
(a) have a remuneration committee which:	
(1) has at least three members, a majority of whom are independent directors; and	No
(2) is chaired by an independent director, and disclose:	No
(3) the charter of the committee;	No
(4) the members of the committee; and	No
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	No
(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Yes
8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes
8.3 A listed entity which has an equity-based remuneration scheme should:	
(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and	Yes
(b) disclose that policy or a summary of it.	Yes

Copies of all of the Company's Corporate Governance policies are available on the Company's website: www.emmersonresources.com.au

PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

1.1 Roles and responsibilities of the board and management:
The board is ultimately responsibility for all matters relating to the running of the Company, however the board's role is to govern the Company rather than manage it. The operation and day to day management of the Company is delegated by the board to the Managing Director and Chief Executive Officer and the executive management team.

A copy of the Company's board Charter is available on the Company's web site and contained within this charter is a statement of matters reserved for the board. The Company also has a Delegation of Authority policy which further details matters that specifically require the approval of the board and those matters reserved for management.

Whilst at all times the board retains full responsibility for guiding and monitoring the Company, in discharging its stewardship it makes use of sub-committees. Specialist sub-committees are able to focus on a particular responsibility and provide informed feedback to the board. To this end the board has established and Audit and Risk Management Committee. The role and responsibilities of this committee is discussed in Principle 4 of this Corporate Governance Statement.

1.2 Appointing new board members:
In appointing new members to the board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company. The board will as much as is practical comprise of directors with a mix of qualifications, experience and expertise which will assist the board in fulfilling its responsibilities. Prior to the appointment of a person, or putting forward to shareholders a candidate for election, as a director, the Company undertakes checks to verify a directors character, qualifications, skills and experience. The Company will ensure that all material information in its possession relevant to a shareholders decision to elect or re-elect a director is provided to shareholders.

CORPORATE GOVERNANCE STATEMENT

1.3 Terms of appointment:
The terms of appointment for directors and executives in accordance with their written agreements is set out in the Remuneration Report contained within the Directors' Report of this Annual Report and is audited by the Company's external auditors.

1.4 Company secretary:
The company secretary is accountable to the board, through the Chairman, on all matters to do with the proper functioning of the board.

1.5 Diversity:
The Company has adopted an equal opportunity and anti-discrimination policy whereby to the extent possible permitted by the laws of the jurisdictions in which we operate, Emmerson is committed to providing diversity of employment opportunities for, but not limited to, gender, age, ethnicity and cultural background for all Company roles and to providing a workplace where differences are respected and accepted and anti-discriminatory behaviour of any kind is strictly prohibited.

The Company has not set measurable objectives for achieving gender diversity as the board does not believe that any benefit would be obtained due to the relatively small staff level at present. The Company relies on the requirement of "most suitable person for roles" as the overarching selection criteria for personnel.

While not setting measurable objectives for achieving gender diversity, the consolidated entity:

- Does not discriminate for or against the appointment of women to roles at any level.
- Does not discriminate in terms of making training and career development opportunities available to all employees, irrespective of gender.
- Does not discriminate on the basis of gender in setting salary levels. Salaries are set on the basis of the level of responsibility of the position, technical skills and qualifications required to perform the role and have no bearing on the employee's gender.
- Does to the extent practically possible, taking into account the nature of work performed by employees, provide flexible work arrangements.

As at the balance date, 20% of employees of the Company were women. There are currently no women in senior executive positions and no women serving on the Company's board.

1.6 Board performance evaluation:
Due to the size of the board and the nature of its business, it has not been deemed necessary to institute a formal documented performance evaluation program of the board, its committees and individual board members. During the reporting period the Chairman conducted the Company's annual informal evaluation process whereby he discusses with individual directors their attitude, performance and approach to a variety of key performance areas including:

- Attendance at scheduled board and committee meetings.
- Behavior and contribution at meetings.
- Interaction with peers.
- Engagement with management.
- Timeliness of attending to tasks.

As the Company's activities expand in size, nature and scope, the implementation of a more formalised board performance review process will be given further consideration.

1.7 Senior executive performance evaluation:
The board ensures that the executive management team is appropriately qualified and experienced to discharge their responsibilities and the board has in place procedures to assess the performance of the Managing Director and Chief Executive Officer and all other members of the executive; specifically the board provides regular feedback to executive management on their performance during the year and conducts a formal annual review of the performance of the Chief Executive Officer. During the year the board conducted a formal review of the performance of the Chief Executive Officer against Key Performance Indicators and Critical Tasks and the Chief Executive Officer conducted a similar review of the executive management team.

PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE

2.1 Nomination Committee:
Given the size of the board and the Company a nomination committee has not been formed as it is the view of the board that the functions and responsibilities that would normally be the dealt with by this committee can be adequately addressed by the board in its entirety as specific agenda items at scheduled board meetings including when necessary, selecting candidates for the position of director. When the board convenes as the Nomination Committee it carries out those functions which are delegated in the Company's Nomination Committee Charter. The board deals with any conflicts of interest that may occur when convening in the capacity of Nomination Committee by ensuring the director with conflicting interests is not party to the relevant discussions.

When a vacancy occurs, for whatever reason, or where it is considered that the board would benefit from the services of a new director with particular skills, the board will select appropriate candidates with relevant qualifications, skills and experience. When deemed appropriate the board engages independent consultants to assist in such a process. The board will then appoint the most suitable candidate who must stand for election at the next general meeting of shareholders.

Retirement and rotation of directors are governed by the Corporations Act 2001 and the constitution of the Company. Each year one third of the directors (excluding the CEO) must retire and may offer themselves for re- election.

2.2 Skills:
The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors Report of this Annual Report. As the composition of the board currently comprises a variety of skills and experience across the financial, commercial, exploration and resource industries it has not been deemed necessary to create a formal document outlining the particular skills matrix of the existing board. The board reviews its composition on an annual basis to ensure that it has an appropriate mix of expertise and experience.

2.3 and 2.4 Independence of directors and length of service:
An independent director is a non-executive director who is not a member of management and who is free from any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the independent exercise of their judgment. Based on this definition the majority of the board's directors (2 out of 3) are considered independent. The independent directors of the board are Andrew McIlwain who is the independent Chair of the board and Allan Trench who is a non-executive director. Rob Bills is not considered to be an independent director due to his role as Managing Director and Chief Executive Officer of the Company.

The term of office held by each director in office at the date of this report is as follows:

Andrew McIlwain	8 years and 5 months
Allan Trench	6 months
Rob Bills	8 years

2.5 Chairman and CEO:
The chairman is responsible for leading the board, ensuring directors are properly briefed in all matters relevant to their role and responsibilities, facilitating board discussions and managing the board's relationship with the Company's senior executives. The Managing Director and Chief Executive Officer is responsible for implementing strategies and policies. The Chairman of the board, Andrew McIlwain is an independent director and the board charter specifies that the Chairman cannot be the Chief Executive Officer of the Company.

2.6 Director induction and continuing education:
The letter of appointment for all new directors sets out their duties, rights and responsibilities and new directors are provided with an induction programme with information that will enable them to carry out their duties in the best interests of the Company including briefings by management and a site visit.

The board encourages directors to attend industry seminars and training courses by various professional bodies to ensure that they are refreshed and equipped to perform their role in the highest standards and performance possible.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 3 - ACT ETHICALLY AND RESPONSIBLY

3.1 Code of conduct:
The Company has established a code of conduct in accordance with Australian Standard 8002-2003 'Organisational Code of Conduct'. The code provides a framework for decisions and actions in relation to ethical conduct, fair dealing and a duty of care for those engaged by the Company. The code applies to all directors, officers and employees of the Company and all consultants and contractors are made aware of the expectations contained within the code. The code of conduct policy is available on the Company's website.

PRINCIPLE 4 - SAFEGUARD INTEGRITY IN CORPORATE REPORTING

4.1 Committee:
The board has established an Audit and Risk Management Committee which operates under a charter approved by the board. It is the board's responsibility to ensure that an effective internal control framework exists and that proper oversight of material business risks exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information as well as non-financial considerations such as the integrity of exploration data and information, the processes for the identification and management of business risks and the benchmarking of operational key performance indicators. The board has delegated responsibility for establishing and maintaining a framework of internal control, ethical standards and risk management to the Audit and Risk Management Committee. A copy of the Audit and Risk Management Committee charter is available on the Company's web site and contains details of the procedure for the selection and appointment of the external auditor. Ernst and Young were appointed as the external auditors in 2008 and it is Ernst and Young policy to rotate audit engagement partners on listed companies at least every five years.

Details of the qualifications and expertise of members of the Audit and Risk Management Committee is included in the Director's Report of this Annual Report. All members of the committee are financially literate and have an appropriate understanding of the mining and exploration industry. The members of the committee and meetings held during the year were:

Name		**Meetings held whilst a member**	**Meetings attended**
Andrew McIlwain	Non-executive	2	2
Simon Andrew (resigned 3/3/15)	Non-executive	1	1
Allan Trench (appointed 3/3/15)	Non-executive	-	-

The committee currently comprises only two members and having regard to the size of the consolidated entity and the present composition of the board, the board is satisfied that the size of the committee is not detrimental to the discharge of its functions and responsibilities.

Following the resignation of Simon Andrew on 3 March 2015 the Audit and Risk Management Committee has been chaired by Andrew McIlwain who is also chair of the board. Having regard to the size of the consolidated entity and the present composition of the board, the board is satisfied that although Mr McIlwain is also chair of the board that this is not inhibiting the effectiveness of the committee in the discharge of its functions and responsibilities and that Mr McIlwain possesses the necessary skills and experience required chairing this committee.

4.2 CEO and CFO declaration:
The CEO and CFO provide a declaration to the board prior to approval of the annual and half-yearly financial statements that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.3 External auditor meeting attendance:
The Company's external auditor, Ernst and Young, attend the committee meetings at least twice a year, attends its AGM and is available to answer questions from security holders relevant to the audit.

PRINCIPLE 5 - MAKE TIMELY AND BALANCED DISCLOSURE

The Company has policies and procedures and accountability for compliance on information disclosure that focus on continuous disclosure of any information concerning the Company and its controlled entities that a reasonable person would expect to have a material effect on the price of the Company's securities. Such policies and procedures include mechanisms for ensuring relevant matters are communicated and that the information is released in a timely and balanced manner.

A copy of the written policy on timely and balanced continuous disclosure is available on the Company's web site.

PRINCIPLE 6 - RESPECT THE RIGHTS OF SECURITY HOLDERS

The Company provides information about itself and its governance via its website including:

- Names, photographs and biographical information of directors and senior executives;
- Corporate governance policies;
- Quarterly, half-yearly and annual reports;
- ASX releases;
- An overview of exploration projects; and
- Share price information.

The board has adopted a shareholder communications strategy which aims to ensure that all shareholders are informed about all material developments in the management and operation of the Company and its business, in a manner which is timely and readily accessible to all shareholders.

Relevant information is communicated to shareholders via a number of methods including:

- The Annual Report containing annual information about the Company's general and financial performance together with information on the future prospects for the Company.
- Notices of meetings and explanatory material.
- The Annual General Meeting where shareholders will receive information about the activities in the past year, the proposed activities in the forthcoming year, notification of any significant issues, and have an opportunity to ask questions of the board.
- All stock exchange announcements and financial reports are posted to the Company's website as soon as possible after they have been disclosed to the ASX.
- Periodical newsletters.
- Media and investor enquiry contact details are disclosed on ASX releases.

Shareholders are encouraged to attend and participate in meetings of the Company. The external auditors attend the annual general meeting and are available to answer any shareholder questions about the conduct of the audit and the preparation and content of the audit report.

The Company's registrar, Computershare Investor Services, provides the option for shareholders to receive and send communications electronically. In addition the Company maintains an electronic mailing list to send communications to shareholders. Shareholders and interested investors are also encouraged to subscribe to the Company's email updates whereby they are made aware of news releases as soon as possible after such releases have been issued to the ASX. Hard copies of financial reports and news releases are made available on request. The Company's website contains a "Contact" tab enabling messages to be submitted.

The shareholder communications strategy policy is available on the Company's web site.

PRINCIPLE 7 - RECOGNISE AND MANAGE RISK

7.1 Committee:
The board determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. The board has established an Audit and Risk Management Committee (refer to Principal 4 above) which operates under a charter approved by the board to aid it in the discharge of this responsibility.

The members of the Audit and Risk Management Committee and meetings held during the year are set out in Principal 4 above.

The committee is chaired by an independent director, however as disclosed in Principal 4 above the committee currently comprises only two members. Having regard to the size of the consolidated entity and the present composition of the board, the board is satisfied that the size of the committee is not detrimental to the discharge of its functions and responsibilities.

The Company's process of risk management and internal compliance and control includes:

- establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives;
- continuously identifying and measuring risks that might impact upon the achievement of the Company's goals and objective, and monitoring the environment for emerging factors and trends that affect these risks;
- formulating risk management strategies to manage and identify risks and designing and implementing appropriate risk management policies and internal controls; and
- monitoring the performance of and continuously improving the effectiveness of risk management systems and internal compliance and controls, including an annual assessment of the effectiveness of risk management and internal compliance and control.

Comprehensive practices are in place that is directed towards achieving the following objectives:

- effective and efficient use of Company resources;
- compliance with all applicable laws and regulations; and
- preparation of reliable published financial and geological information.

A copy of the Audit and Risk Management Committee charter is available on the Company's web site.

7.2 Annual review:
The board (via the Audit and Risk Management Committee) oversees an annual assessment of the effectiveness of risk management and internal compliance and control. The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required by the committee to assess risk management and associated internal compliance and control procedures and report back on its efficiency and effectiveness.

The Audit and Risk Management Committee has received a report from management on the risk management and internal control systems of the Company, including an opinion as to whether the Company's material business risks are being managed effectively.

The CFO and CEO have provided a written statement to the board that:

- their view provided on the Company's financial report is founded on a sound system of risk management and internal compliance and control which implements the financial policies adopted by the board; and
- that the Company's risk management and internal compliance and control system is operating effectively in all material respects.

7.3 Internal audit:
The Company does not have a formal internal audit function.

Procedures for evaluating and continually improving the effectiveness of risk management and internal control processes include:

- Audit and Risk Management Committee assessments, reviews and reporting;
- Monthly management reporting of financial position, financial performance, cash flow forecasts and key performance indicators;
- Periodical internal review of financial systems and processes undertaken by CFO and where systems are considered to require improvement these systems are developed; and
- External audit reviews.

7.4 Economic, environmental and social sustainability risks:
The Company undertakes mineral exploration activities and as such faces inherent risks to its business, including economic, environmental and social sustainability risks which may materially impact the Company's ability to create or preserve value for shareholders over the short, medium or long term. The board is regularly briefed by management as well as keeping itself abreast of possible material exposure to risks that the Company may face.

Of core importance to the Company is safety, which it considers a priority not only in respect to its employees and contractors but also to the community and environment in which it operates. The Company believes that if these matters are priorities then they will act as drivers for value to shareholders.

The Company has suitable risk management processes incorporated into all aspects of business planning, operations management and employee relations to help manage these risks including:

- risk management education and training for staff;
- a culture of transparency for identifying and addressing risks;
- structured discussions on risk control and improvements within the Company's operations;
- formal reporting to the board of material business risks;
- the establishment and maintenance of physical controls such as security systems and fire protection measure; and
- legal review of contractual arrangements which include standard indemnities, insurances etc.

PRINCIPLE 8 - REMUNERATE FAIRLY AND RESPONSIBLY

8.1 Remuneration committee:
Given the size of the board and the Company a remuneration committee has not been formed as it is the view of the board that the functions and responsibilities that would normally be the dealt with by this committee can be adequately addressed by the full board as specific agenda items at scheduled board meetings. When deemed appropriate the board engages independent consultants to assist it in fulfilling such functions.

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality board and executive team and the remuneration of directors and key executives fairly and appropriately with reference to prevailing employment market conditions is a key component of attaining this objective.

The board is responsible for determining and reviewing compensation arrangements for the directors themselves, the Managing Director and Chief Executive Officer and the executive team.

8.2 Remuneration policies and practices:
Details of the non-executive directors, executive directors and other senior executives remuneration are set out in the Remuneration Report contained within the Directors' Report of this Annual Report and is audited by the Company's external auditors.

The remuneration of non-executive directors consists of directors' fees (fixed remuneration) and non-executive directors do not receive retirement benefits.

8.3 Equity-based remuneration schemes:
The Company operates an Incentive Option Scheme and a Performance Rights Plan. Directors and employees are prohibited from short-term trading of the Company's securities and prohibited from entering into any hedging arrangements over unvested options or unvested rights under the Incentive Option Scheme and the Performance Rights Plan.

Directors and employees are required to notify the Company of the key terms of arrangements pertaining to any financing of securities of the Company which they have an interest in where it is reasonable to expect that the terms and conditions of such financing may result in the unilateral selling of the securities.

Directors and Executives require approval prior to trading in the Company's securities.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 $	2014 $
REVENUE			
Management and consulting fees		304,708	178,094
Dividends received		348,687	-
Interest revenue		124,141	80,924
TOTAL REVENUE		777,536	259,018
OTHER INCOME			
Gain on disposal of property, plant and equipment		-	15,989
Rent received		14,430	2,860
Research & development tax incentive		-	36,409
Vehicle and equipment hire		8,090	13,085
TOTAL REVENUE AND OTHER INCOME		800,056	327,361
EXPENSES			
Compliance and regulatory expenses		91,160	88,327
Consulting and legal expenses		158,169	118,751
Depreciation expense		9,445	13,206
Employee benefits expense		795,598	1,140,200
Impairment of exploration expenditure		348,853	182,556
Impairment of plant and equipment		-	3,000,000
Insurance expense		23,289	52,971
Occupancy expense		102,907	107,099
General and administration expenses		108,255	119,915
TOTAL EXPENSES		1,637,676	4,823,025
LOSS BEFORE INCOME TAX		(837,620)	(4,495,664)
Income tax	4	-	-
LOSS FOR THE YEAR		(837,620)	(4,495,664)
OTHER COMPREHENSIVE INCOME			
Amounts that may be recycled to profit and loss:			
Net change in fair value of available-for-sale financial assets		880,040	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR YEAR		42,420	(4,495,664)
Basic loss per share - cents per share	5	(0.22)	(1.62)
Diluted loss per share - cents per share	5	(0.22)	(1.62)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Notes	2015 $	2014 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	3,250,541	1,628,942
Trade and other receivables	7	529,547	473,273
Total Current Assets		3,780,088	2,102,215
Non-current Assets			
Other financial assets	8	3,711,220	2,810,000
Property, plant and equipment	9	2,730,015	2,767,592
Exploration and evaluation assets	10	17,875,598	18,204,330
Total Non-current Assets		24,316,833	23,781,922
TOTAL ASSETS		28,096,921	25,884,137
LIABILITIES			
Current Liabilities			
Trade and other payables	11	728,243	503,432
Provisions	12	44,977	60,978
Total Current Liabilities		773,220	564,410
Non-current Liabilities			
Provisions	12	106,577	93,360
Total Non-current Liabilities		106,577	93,360
TOTAL LIABILITIES		879,797	657,770
NET ASSETS		27,217,124	25,226,367
EQUITY			
Contributed equity	13	43,986,502	42,036,824
Other reserves	14	3,572,633	2,693,934
Accumulated losses	15	(20,342,011)	(19,504,391)
TOTAL EQUITY		27,217,124	25,226,367

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Contributed Equity $	Other Reserves $	Accumulated Losses $	Total Equity $
Balance at 1 July 2013	40,282,497	2,723,800	(15,008,727)	27,997,570
Loss for the year	-	-	(4,495,664)	(4,495,664)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(4,495,664)	(4,495,664)
Transactions with owners in their capacity as owners:				
Shares issued during the year	1,638,150	-	-	1,638,150
Share issue costs	(54,323)	-	-	(54,323)
Share-based payments	170,500	(29,866)	-	140,634
Balance at 30 June 2014	42,036,824	2,693,934	(19,504,391)	25,226,367
Balance at 1 July 2014	42,036,824	2,693,934	(19,504,391)	25,226,367
Loss for the year	-	-	(837,620)	(837,620)
Increase in fair value of available-for-sale financial assets		880,040		880,040
Total comprehensive income/(loss)	-	880,040	(837,620)	42,420
Transactions with owners in their capacity as owners:				
Shares issued during the year	1,872,386	-	-	1,872,386
Share issue costs	(10,365)	-	-	(10,365)
Share-based payments	87,657	(1,341)	-	86,316
Balance at 30 June 2015	43,986,502	3,572,633	(20,342,011)	27,217,124

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Management and consulting fees received		345,628	148,331
Payments to suppliers and employees		(1,379,569)	(1,270,529)
Dividends received		348,687	-
Interest received		130,105	74,949
Research & development tax incentive		36,409	-
Other		24,461	14,004
NET CASH FLOWS USED IN OPERATING ACTIVITIES	16(a)	(494,279)	(1,033,245)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		-	18,447
Environmental security deposit		(21,180)	-
Purchase of property, plant and equipment		(36,643)	(362)
Payments for exploration		(3,829,133)	(1,721,557)
Exploration costs reimbursed by farmee		4,140,812	359,913
NET CASH FLOWS PROVIDED BY/(USED IN) IN INVESTING ACTIVITIES		253,856	(1,343,559)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		1,872,386	1,638,150
Payment of share issue costs		(10,364)	(54,323)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		1,862,022	1,583,827
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,621,599	(792,977)
Cash and cash equivalents at beginning of period		1,628,942	2,421,919
CASH AND CASH EQUIVALENTS AT END OF PERIOD	16(b)	3,250,541	1,628,942

The accompanying notes form part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The financial report of Emmerson Resources Limited (the Company, consolidated entity or Emmerson) for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 15 September 2015.

Emmerson Resources Limited is a for-profit public company incorporated in Australia and listed on the Australian Securities Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The report has been prepared on a historical cost basis except for available-for-sale financial assets which are measured at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars which is the Company's functional currency.

(b) Compliance with IFRS

The financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Use of judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgments made by management in the application of accounting policies that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Management has made the following significant estimates and assumptions. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the consolidated entity decides to exploit the related leases itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligation) and changes to commodity prices. The extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made. An impairment loss of $348,853 (2014: $182,556) was recognised in the current year in respect of exploration expenditure. The impairment loss is directly attributable to mining tenements for which the consolidated entity no longer holds title and mining tenements where title is still held but where an assessment was made that no future exploration is planned or budgeted due to a lack of exploration potential.

Impairment of property, plant and equipment

Property, plant and equipment is reviewed for impairment if there is any indication that the carrying amount may not be recoverable. Where a review for impairment is conducted, the recoverable amount is assessed by reference to the higher of “value in use” (being the net present value of expected future cash flows of the relevant cash generating unit) and “fair value less cost to sell”.

In determining value in use, future cash flows are based on:

- estimates of the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
- future production levels;
- future commodity prices; and
- future cash costs of production and capital expenditure.

Variations to the expected future cash flows, and the timing thereof, could result in significant changes to any impairment losses recognised, if any, which could in turn impact future financial results.

An impairment loss of $3,000,000 was recognised in 2014 (2015: nil) in respect of property, plant and equipment following an independent valuation of the Warrego mill and processing plant that assessed the fair value of the plant as $2,500,000.

Share Based Payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the most appropriate valuation model, which is dependent upon the terms and conditions of the grant. The estimate also requires the assessment of the most appropriate inputs to the valuation model including the life of the related right or option, volatility and dividend yield. The assumptions and models used for assessing the fair value of share based payment transactions are disclosed in Note 20.

(d) Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The loss of the Company for the year ended 30 June 2015 amounted to $837,620 and net cash outflows from operating activities was $494,279. The cash balance at 30 June 2015 was $3,250,541 and net assets as at 30 June 2015 were $27,217,124.

Notwithstanding the above, the Directors have reviewed the business outlook, assets and liabilities of the consolidated entity and are confident that additional funds can be raised if required. The Directors have concluded that the going concern basis is the appropriate basis for preparing the financial statements since Evolution will fund all exploration in the Tennant Creek Mineral Field for the next two years under a farm-in agreement, and thus the Company will be free-carried during this period and the majority of its cash commitments will relate only to corporate and administrative costs.

The Directors therefore believe there are sufficient funds to meet the consolidated entity’s working capital requirements, and as at the date of this report the directors believe they can meet all liabilities as and when they fall due.

(e) Adoption of new revised or amending accounting standards and interpretations

New accounting standards adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period including the following.

- *Annual Improvements to IFRSs 2010-2012 Cycle* and *Annual Improvements to IFRSs 2011-2013 Cycle*.
- AASB 2012-3 *Amendments to Australian Accounting Standard - Offsetting Financial Assets and Financial Liabilities*.
- AASB 2013-3 Amendments to AASB 136 - *Recoverable Amount Disclosures for Non-Financial Assets*.
- AASB 1031 *Materiality.*
- AASB 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments.*

There is no material impact in the financial statements as a result of the adoption of these standards.

New accounting standards not yet adopted

The following standards that have been issued but not yet effective which may impact the consolidated entity in the period of initial application have not been early adopted in preparing this financial report.

- AASB 9 *Financial Instruments.* In December 2014 the AASB issued a revised AASB 9 *Financial Instruments*. It is effective for accounting periods on or after 1 January 2018. This amends the requirements for classification and measurement of financial assets.
- AASB 15 *Revenue from Contracts with Customers* (issued December 2014 – effective after 1 January 2018). This standard requires an entity to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.
- AASB 2014-4 *Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138).*
- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle.*
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101.*
- AASB 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality.*

The consolidated entity is still in the process of determining the impact of these standards. There are no other standards that are not yet effective and that are expected to have a material impact on the consolidated entity in future reporting periods and on foreseeable future transactions.

(f) Basis of consolidation

The consolidated financial statements comprise the financial statements of Emmerson Resources Limited and its subsidiaries (“the consolidated entity”). The financial statements of subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. All intercompany balances and transactions, including unrealised profits, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are consolidated from the date on which control is transferred to the consolidated entity and cease to be consolidated from the date on which control is transferred out of the consolidated entity. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent Company has control. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition.

(g) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segments and assess its performance and for which discrete financial information is available. This includes startup operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team.

(h) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consists of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included with interest-bearing liabilities in current liabilities on the consolidated statement of financial position.

(i) Other financial assets

Classification
The consolidated entity classifies it financial assets either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held-for trading unless they are designated as hedges.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Available-for-sale financial assets
Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

After initial recognition available-for-sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

Impairment of financial assets
The consolidated entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss.

(j) Trade and other receivables

Current receivables, which generally have 30-60 day terms, are recognised initially at fair value, with an allowance made for impairment as deemed appropriate.

Collectability of all receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the consolidated entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(k) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairments losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss.

Land and buildings are stated at historical cost less accumulated depreciation on buildings and any accumulated impairments losses.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment, including leased equipment, over its estimated useful life as follows:

Land	Not depreciated
Buildings	20 years
Plant, equipment, furniture, vehicles and software	3 - 15 years
Mill and processing plant	Life of mine

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(l) Leases

Finance leases where the consolidated entity as lessee has substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

Leased assets are depreciated over the asset's useful life or the shorter of the asset's useful life and the lease term if there is no certainty that the consolidated entity will obtain ownership at the end of the lease term. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

(m) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred in respect of each identifiable area of interest is capitalised and recognised as an exploration and evaluation asset. These costs are only carried forward as an exploration and evaluation asset to the extent that the consolidated entity's rights of tenure to that area of interest are current and that the costs are expected to be recouped through sale or the successful development and exploitation of the area, or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Development costs related to an area of interest are carried forward to the extent that they are expected to be recouped either through sale or successful exploitation of the area of interest.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future. Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(n) Impairment of assets

At each reporting date, the consolidated entity assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the consolidated entity makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(o) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial period that are unpaid and arise when the consolidated entity becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Provisions

Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the consolidated entity expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability, plus related on-costs. The increase in the provision resulting from the passage of time is recognised in finance costs.

(q) Employee benefits

Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liabilities are settled. Employee benefits payable later than one year are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash flows.

(r) Share-based payment transactions

The consolidated entity provides benefits to its employees in the form of share based payments through an Incentive Option Scheme and a Performance Rights Plan, whereby, at the discretion of the Board, employees are from time to time issued with share purchase options as part of their total remuneration package and/or render services in exchange for rights over shares.

The cost of these share-based payments is measured by reference to the fair value of the equity instruments at the date at which they are granted using a Black-Scholes pricing model. The equity instruments are generally subject to performance and/or service vesting conditions and their fair value is recognised as an expense, together with a corresponding increase in other reserve equity over the vesting period, ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(s) Contributed equity

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(t) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the consolidated entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Rendering of exploration services
Revenue from services rendered for management of exploration activities or the provision of exploration consulting services is recognised in the consolidated statement of comprehensive income by reference to the works completed at the reporting date and the corresponding management or consulting fee payable to the consolidated entity for the completed services.

(ii) Interest revenue
Revenue is recognised as interest accrues using the effective interest method. This method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(u) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantially enacted at balance sheet date. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences arising from the recognition of an asset or liability.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise those temporary differences and losses.

Tax consolidation legislation
Emmerson Resources Limited and its wholly-owned subsidiaries have formed an income tax consolidated group under tax consolidation legislation.

(v) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the GST incurred is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(w) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options.

3. SEGMENT INFORMATION

The Company has identified its operating segments based on the internal management reports that are reviewed and used by the board of directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Company has one segment, namely mineral exploration in Australia. The revenues and results of this segment are those of the Company as a whole and are set out in the consolidated statement of comprehensive income.

4. INCOME TAX

a) Reconciliation of income tax to loss before income tax

	2015 $	2014 $
Loss before income tax	(837,620)	(4,495,664)
Tax benefit calculated at 30% on loss before tax	(251,286)	(1,348,699)
Add/(less) tax effect of:		
Share-based payments not deductible	25,895	42,190
Research & development tax offset	-	(10,923)
Other	538	24,541
Tax losses and temporary differences not recognised	224,853	1,292,891
Income tax benefit	-	-

b) Unrecognised tax assets and liabilities

	2015 $	2014 $
Deferred tax assets		
Unused tax losses	9,466,643	9,303,612
Deductible temporary differences:		
Impairment of property, plant and equipment	900,000	900,000
Accrued expenses	8,400	11,644
Provision for employee entitlements	45,466	44,681
Provision for rehabilitation	-	1,620
Undeducted share issue costs	43,033	74,393
	10,463,542	10,335,950
Deferred tax liabilities		
Assessable temporary differences:		
Interest income receivable	(2,623)	(4,296)
Exploration and evaluation assets capitalised	(4,819,302)	(4,917,922)
	(4,821,925)	(4,922,218)
Net unrecognised tax balances	5,641,617	5,413,732

The net deferred tax assets are not recognised since it is not probable that future taxable profits will be available to utilise deductible temporary differences and losses.

5. LOSS PER SHARE

	2015 $	2014 $
Loss for the year	(837,620)	(4,495,664)
Loss used in calculating basic and diluted loss per share	(837,620)	(4,495,664)

	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	376,338,504	277,437,147

As the company has incurred a loss, the diluted loss per share is disclosed as the same as basic loss per share. There is no impact from 7,000,000 options and 1,293,750 rights outstanding at 30 June 2015 (30 June 2014: 2,681,250 rights) on loss per share however the currently anti-dilutive options and rights could potentially dilute earnings per share in the future.

		2015 $	2014 $
6. CASH AND CASH EQUIVALENTS			
Cash at bank and in hand		90,177	22,825
Bank deposits at call		590,364	251,117
Bank short term deposits		2,570,000	1,355,000
		3,250,541	1,628,942
7. TRADE AND OTHER RECEIVABLES			
Trade receivables		489,836	380,711
Interest receivable		8,743	14,321
Research & development tax incentive refundable		-	36,409
Other receivables and prepayments		30,968	41,832
		529,547	473,273

Trade and other receivables are non-interest bearing and normally received within 30 days. Due to the short term nature of these receivables, their carrying amount approximates fair value. No receivables are past due or impaired.

8. OTHER FINANCIAL ASSETS

		2015 $	2014 $
Bank term deposits	(a)	831,180	810,000
Available-for-sale financial assets:			
- Australian listed equity securities	(b)	2,880,040	2,000,000
		3,711,220	2,810,000

(a) These bank term deposits are held as security for bank guarantee performance bonds in favour of the Northern Territory government for potential environmental rehabilitation obligations in relation to exploration activities. As such the term deposits are not accessible to the Company.

(b) On 11 June 2014 the Company entered into the Tennant Creek Mineral Field Farm-in with Evolution Mining Limited (Evolution). Under this agreement, initial consideration of 2,504,383 Evolution shares at an issue price of $0.7986 per share (value $2 million) was receivable within 5 working days of the Commencement Date of 30 June 2014. The shares were physically transferred within this timeframe on 7 July 2014. The fair value has been determined directly by reference to published price quotations in an active market (Level 1). The net increase in fair value of available-for-sale financial assets of $880,040 for the year ended 30 June 2015 has been recognised directly in equity and disclosed in other comprehensive income.

9. PROPERTY, PLANT AND EQUIPMENT

	2015 $	2014 $
Land and buildings		
Gross carrying amount at beginning of year	146,215	146,215
Gross carrying amount at end of year	146,215	146,215
Accumulated depreciation at beginning of year	44,907	33,665
Depreciation expense	10,117	11,242
Accumulated depreciation at end of year	55,024	44,907
Carrying amount at beginning of year	101,308	112,550
Carrying amount at end of year	91,191	101,308
Motor vehicles		
Gross carrying amount at beginning of year	327,372	372,550
Additions	426	-
Disposals	-	(45,178)
Gross carrying amount at end of year	327,798	327,372
Accumulated depreciation at beginning of year	311,095	341,876
Depreciation expense	6,708	12,204
Disposals	-	(42,985)
Accumulated depreciation at end of year	317,803	311,095
Carrying amount at beginning of year	16,277	30,674
Carrying amount at end of year	9,995	16,277
Computer software & hardware		
Gross carrying amount at beginning of year	462,429	468,760
Additions	23,384	-
Disposals	-	(6,331)
Gross carrying amount at end of year	485,813	462,429
Accumulated depreciation at beginning of year	431,970	403,829
Depreciation expense	22,569	34,206
Disposals	-	(6,065)
Accumulated depreciation at end of year	454,539	431,970
Carrying amount at beginning of year	30,459	64,931
Carrying amount at end of year	31,274	30,459

		2015 $	2014 $
9. PROPERTY, PLANT AND EQUIPMENT (continued)			
Plant and equipment			
Gross carrying amount at beginning of year		6,166,682	6,166,682
Additions		5,134	-
Gross carrying amount at end of year		6,171,816	6,166,682
Accumulated depreciation & impairment at beginning of year		3,556,805	516,761
Depreciation expense		28,999	40,044
Impairment	(a)	-	3,000,000
Accumulated depreciation & impairment at end of year		3,585,804	3,556,805
Carrying amount at beginning of year		2,609,877	5,649,921
Carrying amount at end of year		2,586,012	2,609,877
Office equipment, furniture & fittings			
Gross carrying amount at beginning of year		92,704	92,341
Additions		7,699	363
Disposals		(11,800)	-
Gross carrying amount at end of year		88,603	92,704
Accumulated depreciation at beginning of year		83,033	77,512
Depreciation expense		5,827	5,521
Disposals		(11,800)	-
Accumulated depreciation at end of year		77,060	83,033
Carrying amount at beginning of year		9,671	14,829
Carrying amount at end of year		11,543	9,671
Total property plant and equipment			
Gross carrying amount at beginning of year		7,195,402	7,246,548
Additions		36,643	363
Disposals		(11,800)	(51,509)
Gross carrying amount at end of year		7,220,245	7,195,402
Accumulated depreciation & impairment at beginning of year		4,427,810	1,373,643
Depreciation expense		74,220	103,217
Impairment	(a)	-	3,000,000
Disposals		(11,800)	(49,050)
Accumulated depreciation at end of year		4,490,230	4,427,810
Carrying amount at beginning of year		2,767,592	5,872,905
Carrying amount at end of year		2,730,015	2,767,592

(a) Plant and equipment includes the Warrego mill and processing plant with a carrying value of $2,500,000 (2014: $2,500,000). An impairment charge of $3,000,000 was credited against the carrying value of the Warrego mill and processing plant in the 2014 financial year after the asset being idle for a number of years, following an independent valuation assessing the fair value less costs to sell of the plant at $2,500,000. A similar assessment was made by management during the year and concluded that no further impairment was required for the 2015 financial year.

10. EXPLORATION AND EVALUATION ASSETS

		2015 $	2014 $
Costs carried forward in respect of areas of interest in pre-production exploration and evaluation phases			
Carrying amount at beginning of period		18,204,330	19,630,149
Additions		20,121	756,737
Disposals (consideration received from farmee)	(b)	-	(2,000,000)
Impairment	(a)	(348,853)	(182,556)
Carrying amount at end of period		17,875,598	18,204,330

(a) The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the continuance of the consolidated entity's rights to tenure of the interest, the results of future exploration, and the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. For those areas of interest impaired during the year, exploration results indicated that subsequent successful development and commercial exploitation may be unlikely and the decision was made to discontinue activities in these areas. As such, these areas of interest were fully written off.

(b) The $2,000,000 disposal in 2014 is a deemed disposal of the exploration and evaluation assets as a result of the initial share consideration received from Evolution Mining Limited as part of the Farm-In agreement entered into on 11 June 2014. For further details on the share consideration, refer to Note 8.

11. TRADE AND OTHER PAYABLES

	2015 $	2014 $
Trade payables	578,712	129,220
Non-trade payables and accrued expenses	149,531	374,212
	728,243	503,432

Trade and other payables are non-interest bearing and are normally settled on 30 day terms. Due to the short term nature of these payables, their carrying amount approximates fair value.

12. PROVISIONS

Current:

	2015 $	2014 $
Employee benefits provision for annual leave	44,977	55,578
Exploration rehabilitation provision	-	5,400
	44,977	60,978

Non-current:

	2015 $	2014 $
Employee benefits provision for long service leave	106,577	93,360

13. CONTRIBUTED EQUITY

(a) Fully paid ordinary shares

	2015 $	2014 $
Balance at beginning of year:		
327,629,954 (2014: 261,053,963) shares	42,036,824	40,282,497
49,144,000 (2014: nil) shares issued for cash under cash placement	1,872,386	-
862,500 (2014: 1,050,000) shares issued to employees under performance rights plan	87,657	170,500
Nil (2014: 65,525,991) shares issued for cash under non-renounceable entitlements issue	-	1,638,150
Share issue costs	(10,365)	(54,323)
Balance at end of year:		
377,636,454 (2014: 327,629,954) shares	43,986,502	42,036,824

The Company does not have authorised capital or par value in respect of its issued shares.

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(b) Options over ordinary shares

	2015 Number of options	2014 Number of options
Unissued ordinary shares for which options are outstanding:		
Exercise price of $0.0485 expiring 31/12/2017	7,000,000	-

(c) Rights over ordinary shares

	2015 Number of rights	2014 Number of rights
Unissued ordinary shares for which employee performance rights are outstanding:		
Exercise price of nil vesting on 01/09/14	-	156,250
Exercise price of nil vesting on 25/11/14	-	512,500
Exercise price of nil vesting on 04/12/14	-	500,000
Exercise price of nil vesting on 25/11/15	175,000	318,750
Exercise price of nil vesting on 04/12/15	500,000	500,000
Exercise price of nil vesting on 25/11/16	118,750	193,750
Exercise price of nil vesting on 04/12/16	500,000	500,000
	1,293,750	2,681,250

14. OTHER RESERVES

		2015 $	2014 $
Share based payments reserve	(a)	2,692,593	2,693,934
Equity revaluation reserve	(b)	880,040	-
		3,572,633	2,693,934

(a) Share based payments reserve

Balance at beginning of year	2,693,934	2,723,800
Recognition of share-based payment expense	86,316	140,634
Transfer to issued capital on exercise of rights	(87,657)	(170,500)
Balance at end of year	2,692,593	2,693,934

Share based payments reserve is used to recognise the fair value of options and rights provided to employees as part of their remuneration.

(b) Equity revaluation reserve

Balance at beginning of year	-	-
Increase in fair value of available-for-sale financial assets	880,040	-
Balance at end of year	880,040	-

Equity revaluation reserve records movements in the fair value of available-for-sale financial assets.

15. ACCUMULATED LOSSES

Balance at beginning of year	(19,504,391)	(15,008,727)
Loss for year	(837,620)	(4,495,664)
Balance at end of year	(20,342,011)	(19,504,391)

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of net loss to cash flows used in operating activities

Net loss	(837,620)	(4,495,664)
Add/(Less) non-cash items:		
Gain on disposal of property, plant and equipment	-	(15,989)
Depreciation expense	9,445	13,206
Impairment of exploration expenditure	348,853	182,556
Impairment of property, plant and equipment	-	3,000,000
Share-based payment	86,316	140,634
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	85,975	(73,521)
Increase/(decrease) in trade and other payables	(187,647)	204,527
Increase/(decrease) in provisions	399	11,006
Net cash flows used in operating activities	(494,279)	(1,033,245)

	2015 $	2014 $

16. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(b) Reconciliation of cash

	2015 $	2014 $
Cash balance comprises:		
Cash and cash equivalents	3,250,541	1,628,942

(c) Financing facilities available

At reporting date, the following credit card facility had been negotiated and was available:

	2015 $	2014 $
Total facility	40,000	45,000
Facility used at reporting date	18,128	15,390
Facility unused at reporting date	21,872	29,610

17. EXPENDITURE COMMITMENTS

a) Operating lease commitments

The Company leases office premises at 3 Kimberley Street, West Leederville under an operating lease for a term of 3 years commencing 1 April 2015 and expiring 31 March 2018. The annual rent payable is $90,470 including outgoings. During the financial year ended 30 June 2015, $98,461 was recognised as an expense in the income statement in respect of operating leases (2014: $102,253).

Non-cancellable operating lease rentals not provided for in the financial report are payable as follows:

	2015 $	2014 $
Not later than one year	90,470	76,690
Later than one year and not later than five years	158,323	-
	248,793	76,690

b) Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Company and the consolidated entity are required to perform minimum exploration work to meet the minimum expenditure covenants specified by the Northern Territory Government. These obligations can be reduced by selective relinquishment of exploration tenure or renegotiation. Due to the nature of the Company's operations in exploring and evaluating areas of interest, exploration expenditure commitments beyond twelve months cannot be reliably determined. It is anticipated that expenditure commitments in subsequent years will be similar to that for the forthcoming twelve months. These obligations are not provided for in the financial report and are payable:

	2015 $	2014 $
Not later than one year	3,500,000	774,500

c) Remuneration commitments

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognized as liabilities, payable:

	2015 $	2014 $
Not later than one year	467,203	464,247

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of directors and executives referred to in the remuneration report of the directors' report that are not recognised as liabilities and are not included in the compensation of KMP.

18. REHABILITATION COMMITMENTS

a) Santexco Pty Ltd (Santexco) a wholly owned subsidiary of the Company entered into a Rehabilitation Agreement dated 6 November 2001 with the Northern Territory (NT) Government, whereby Santexco is obliged to perform rehabilitation obligations to the value of $750,000 per annum for 6 years totalling obligation of $4,500,000 on various mineral tenements, or pay the difference between the actual rehabilitation performed per year on the tenements and $750,000 into a deposit account held by the NT Government each of the 6 anniversary dates of the agreement. To date Santexo has performed actual rehabilitation obligations of $333,041 and lodged a bank guarantee to the value of $416,959 with the NT Government. There are 5 anniversary dates for the agreement outstanding.

b). The consolidated entity is party to a binding agreement with the NT Government (Department of Primary Industry, Fisheries and Mines) dated 31 July 2006 whereby the NT Government has agreed that the rehabilitation obligations described in the Rehabilitation Agreement are suspended (on "standstill") until 45 days of cumulative commercial production from the consolidated entity's tenements. Given the permanent standstill arrangement in place with the NT Government and that any recommencement of commercial production is at the complete discretion of the consolidated entity, there is currently no requirement for the consolidated entity to perform any rehabilitation obligations on any tenements, except to the extent that the rehabilitation relates to the exploration activities of the consolidated entity since August, 2006.

19. FARM-IN AGREEMENTS

The Company entered into the Tennant Creek Mineral Field Farm-In Agreement dated 24 August, 2009 as amended by Amendment Deed 1 dated 26 November 2012 with Inova Resources Limited (Inova) for an exploration Farm-In covering the majority of the Company's extensive tenement holdings in the Tennant Creek Mineral Field. In the previous financial year Inova earned a 51% interest in these tenement holdings by satisfying its obligation to sole fund exploration expenditure of $18 million over three years.

During the previous financial year Inova withdrew from the Tennant Creek Mineral Field Farm-In Agreement with effect from 28 October 2013 and forfeited its 51% interest in the mineral titles subject of the agreement and Emmerson accordingly regained 100% ownership of the mineral titles.

On 11 June 2014 the Company entered into the Tennant Creek Mineral Field Farm-in with Evolution Mining Limited (Evolution). Under the terms of the Farm-in, Evolution will sole fund exploration expenditure of $15 million over three years to earn a 65% interest (Stage 1 Farm-in) in Emmerson's tenement holdings in the Tennant Creek Mineral Field. A further $10 million minimum, sole funded by Evolution over two years following the Stage 1 Farm-in, will allow Evolution to earn an additional 10% (Stage 2 Farm-in) of the tenement holdings. Evolution must spend a minimum of $7.5 million on exploration before it can terminate the Farm-in. Exploration expenditure attributable to the Stage 1 Farm-in to 30 June 2015 is approximately $5 million.

Emmerson will act as manager during the Stage 1 Farm-in and be entitled to receive a management fee during this period.

Initial Consideration of 2,504,383 Evolution shares at an issue price of $0.7986 per share (value $2 million) was required to be transferred within five working days from the farm-in commencement date of 30 June 2014. The share transfer physically took place on 7 July 2014.

During the financial year on 7 July 2014, Evolution subscribed for 49,144,000 shares in the Company under a subscription agreement at a price of $0.0381 per share for cash consideration of $1.872 million resulting in Evolution holding 13% of the Company's issued capital.

Under the terms of the subscription agreement Evolution has a right to participate in every new issue of shares or other equity securities by the Company for a period of 3 years (other than issues under Emmerson's incentive options plan or performance rights plan) pro rata to the Evolution's ownership interest in the Company. Any securities issued under this right must be on terms no less favourable to Evolution than the most favourable terms offered to any other subscriber for the new issue.

20. SHARE-BASED PAYMENTS

a) Incentive Option Scheme

The consolidated entity has an Incentive Option Scheme approved by shareholders at the 2014 annual general meeting to provide share-based payment benefits, whereby options to acquire ordinary shares are issued as an incentive to improve employee and shareholder goal congruence and provide a retention incentive for participants.

The following Incentive Option Scheme arrangements were in existence during the year:

Granted	Exercise price	Vesting date	Expiry date	2015 Number of options	2014 Number of options
05/12/14	$0.0485	05/12/14	31/12/17	9,000,000	-
Lapsed unexercised during the year				(2,000,000)	-
Outstanding at end of year				7,000,000	-

The number and weighted average exercise prices of options granted as share based payments are as follows:

	2015 Number of options	2015 Weighted average exercise price	2014 Number of options	2014 Weighted average exercise price
Outstanding at beginning of year	-	-	-	-
Granted during the year	9,000,000	$0.0485	-	-
Lapsed unexercised during year	(2,000,000)	$0.0485	-	-
Outstanding at end of year	7,000,000	$0.0485	-	-
Exercisable and vested at end of year	7,000,000	$0.0485	-	-

No share-based payment options were exercised in the current financial year or the previous year.

The range of exercise prices for options outstanding at the end of the year was $0.0485 (2014: No options outstanding) and a weighted average remaining contractual life of 2.5 years (2014: No options outstanding).

The weighted average fair value of $0.0116 for options granted during 2015 was calculated using a Black and Scholes option pricing model inputting a weighted average share price of $0.03, a weighted average exercise price of $0.0485, a weighted average risk free interest rate of 2.5%, a weighted average expected life of 3.07 years, a volatility factor of 75% based on historical volatility and expected changes to future volatility. No other features such as a market condition were incorporated into the measurement of fair value.

The fair value of options is recognised as an expense over the period from grant to vesting date. The amount recognised as part of employee benefits expense during the year was $81,200 (2014: Nil).

b) Performance Rights Plan

The consolidated entity has a Performance Rights Plan approved by shareholders at the 2012 annual general meeting to provide share-based payment benefits, whereby rights to acquire ordinary shares are issued as an incentive to improve employee and shareholder goal congruence and provide a retention incentive for participants. No cash consideration is required to be paid to exercise rights, with employees able to exercise the rights after vesting before the rights lapse and is generally forfeited if service conditions have not been satisfied.

20. SHARE-BASED PAYMENTS (continued)

The following Performance Rights Plan arrangements were in existence during the year:

	2015 Number of rights	2014 Number of rights
Granted 25/11/09 vesting on 25/11/13	-	143,750
Granted 01/09/10 vesting on 01/09/13	-	156,250
Granted 01/09/10 vesting on 01/09/14	156,250	156,250
Granted 25/11/11 vesting on 25/11/13	-	250,000
Granted 25/11/11 vesting on 25/11/14	125,000	125,000
Granted 25/11/11 vesting on 25/11/15	125,000	125,000
Granted 04/12/12 vesting on 04/12/13	-	500,000
Granted 04/12/12 vesting on 04/12/14	500,000	500,000
Granted 04/12/12 vesting on 04/12/15	500,000	500,000
Granted 04/12/12 vesting on 04/12/16	500,000	500,000
Granted 23/04/13 vesting on 25/11/14	387,500	387,500
Granted 23/04/13 vesting on 25/11/15	193,750	193,750
Granted 23/04/13 vesting on 25/11/16	193,750	193,750
Vested and exercised during the year	(862,500)	(1,050,000)
Lapsed during the year	(525,000)	-
Outstanding at end of year	1,293,750	2,681,250

The number of rights granted as share based payments are as follows:

	2015 Number of rights	2014 Number of rights
Outstanding at beginning of year	2,681,250	3,731,250
Issued during the year	-	-
Vested and exercised during the year	(862,500)	(1,050,000)
Lapsed during the year	(525,000)	-
Outstanding at end of year	1,293,750	2,681,250
Exercisable and vested at end of the year	-	-

The weighted average exercise price of all the above rights granted as share based payments is nil.

The weighted average share price at the date of exercise of rights exercised during the year was $0.031 (2014: $0.047).

All rights outstanding at the end of the year have an exercise price of nil (2014: nil) and a weighted average remaining contractual life of 2.38 years (2014: 3.19 years).

No rights were granted during the current financial year or the previous year.

The fair value of the rights is recognised as an expense over the period from grant to vesting date. The amount recognised as part of employee benefits expense during the year was $5,116 (2014: $140,634).

21. RELATED PARTY DISCLOSURES

a) Subsidiaries

The consolidated financial statements include the financial statements of Emmerson Resources Limited and its following wholly owned subsidiaries which were incorporated in Australia. Emmerson Resources Limited is the parent entity within the consolidated entity.

	2015 % Interest	2014 % Interest
Giants Reef Exploration Pty Ltd	100%	100%
Santexco Pty Ltd	100%	100%
TC8 Pty Ltd	100%	100%

b) Compensation of key management personnel

	2015 $	2014 $
Short-term employee benefits	800,593	1,129,535
Post-employment benefits	93,058	102,925
Share-based payments	151,852	110,030
Total compensation	1,045,503	1,342,490

Details of remuneration, share, rights and option holdings of directors and key management personnel are disclosed in the remuneration report.

c) Transactions with key management personnel

Andrew McIlwain services as a director of the Company were paid to Andrew McIlwain and Associates Pty Ltd, a company of which Mr McIlwain has a relevant interest. The amount recognised as an expense during the year was $73,912 (2014: $71,453). The amount outstanding and included in the trade and other payables liability at year end is nil (2014: $61,453).

Allan Trench services as a director of the Company were paid to Judicial Holdings Pty Ltd, a company of which Mr Trench has a relevant interest. The amount recognised as an expense during the year was $11,826 (2014: nil). The amount outstanding and included in the trade and other payables liability at year end is $2,956 (2014: nil).

d) Options and rights over ordinary shares held by key management personnel

	2015 Number outstanding	2014 Number outstanding
Unissued ordinary shares for which options are outstanding:		
Exercise price of $0.0485 expiring 31/12/2017	7,000,000	-
Unissued ordinary shares for which rights are outstanding:		
Exercise price of nil expiring 01/09/15	-	37,500
Exercise price of nil expiring 25/11/16	37,500	75,000
Exercise price of nil expiring 25/11/17	125,000	250,000
Exercise price of nil expiring 04/12/17	1,000,000	1,500,000
	1,162,500	1,862,500

Refer to Note 20 for further details of the Incentive Option Scheme and Performance Rights Plan.

	2015 $	2014 $
22. AUDITORS REMUNERATION		
Amounts paid to Ernst & Young for audit and review of financial reports	47,380	47,380

23. PARENT ENTITY INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	2015 $	2014 $
Current assets	3,780,088	2,102,215
Non-current assets	24,631,220	24,089,062
Total assets	28,411,308	26,191,277
Current liabilities	(773,220)	(564,410)
Non-current liabilities	(420,964)	(400,500)
Total liabilities	(1,194,184)	(964,910)
Net assets	27,217,124	25,226,367
Contributed equity	43,986,502	42,036,824
Other reserves	3,572,633	2,693,934
Accumulated losses	(20,342,011)	(19,504,391)
Total equity	27,217,124	25,226,367
Loss for the year	(837,620)	(4,495,664)
Total comprehensive income/(loss) for the year	42,420	(4,495,664)

The parent entity had no contingent liabilities as at 30 June 2015 and 30 June 2014.

The parent entity had no capital commitments for property, plant and equipment at as 30 June 2015 and 30 June 2014.

24. FINANCIAL RISK MANAGEMENT

The consolidated entity's principal financial instruments comprise cash, short-term deposits, receivables, available-for-sale financial assets and payables.

The main purpose of these financial instruments is to fund the consolidated entity's operations.

The main risks arising from the consolidated entity's financial instruments are credit risk, liquidity risk, equity price risk and interest rate risk. To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Company has established comprehensive risk reporting. The consolidated entity uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates and liquidity risk is monitored through future rolling cash flow forecasts.

The carrying amounts of all financial assets and liabilities (including liabilities contractual maturities) at balance date are as follows:

		2015 $	2014 $
24. FINANCIAL RISK MANAGEMENT (continued)			
Financial assets			
Cash and cash equivalents	6	3,250,541	1,628,942
Trade and other receivables	7	529,547	473,273
Other financial assets (bank security deposits)	8	831,180	810,000
Available-for-sale financial assets	8	2,880,040	2,000,000
Total financial assets		7,491,308	4,912,215
Financial liabilities			
Trade and other payables:	11		
- 6 months or less		728,243	503,432
Total financial liabilities		728,243	503,432

Available-for-sale financial assets are measured at quoted market prices at the relevant reporting date. The carrying amounts of all other financial assets and liabilities approximate their fair value due to their short term nature.

Credit risk

Credit risk arises from the financial assets of the consolidated entity, which comprise cash and cash equivalents, other receivables and other financial assets. Receivable balances are monitored on an ongoing basis with the result that the consolidated entity's exposure to bad debts is not significant. The consolidated entity has adopted the policy of only dealing with recognised credit worthy counterparties. Cash term deposits are placed only with Australian banks and where possible spread across more than one bank.

The consolidated entity's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The significant concentration of risk is in relation to cash balances.

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due.

The consolidated entity currently does not have major funding in place and trade and other payables are due for payment within 6 months.

The consolidated entity manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in short term bank deposits. The decision on how the Company will raise future capital will depend on market conditions existing at that time.

Equity risk

The consolidated entity's investment in the listed equity security that is classified as an available-for-sale financial asset is susceptible to market price risk arising from uncertainties about future values of the investment securities. At the reporting date, exposure to listed equity securities at fair value was $2,880,040.

	2015	2014
Impact on equity to:		
50% increase in equity price	1,440,020	1,000,000
50% decrease in equity price*	(1,440,020)	(1,000,000)

** If a significant or prolonged period of decline impact is on profit and loss*

24. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

The consolidated entity's exposure to the risk of changes in market interest rates relates primarily to cash assets and variable interest rates.

At balance date the consolidated entity had the following financial assets exposed to Australian variable interest rate risk:

		2015 $	2014 $
Cash and cash equivalents	6	3,250,541	1,628,942
Other financial assets	8	831,180	810,000
		4,081,721	2,438,942

Cash term deposits are generally placed on term deposit for periods of between 30 days and 90 days and are therefore exposed to movements in term deposit interest rates. The Company regularly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, and the mix of fixed and variable interest rates and term deposits terms.

The following sensitivity analysis shows the effect on loss after tax to a 1.0% change in interest rates with other variables held constant on the interest rate exposures in existence at balance date (there would be no effect on other equity to a change in the interest rates).

	2015 $	2014 $
Impact on loss after tax to:		
1.0% increase in interest rates (reduce loss)	45,978	23,355
1.0% decrease in interest rates (increase loss)	(45,978)	(23,355)

Capital management risk

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company manages its capital to ensure it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of its capital structure comprising equity and cash.

The capital structure of the Company consists of cash and cash equivalents and equity, comprising issued capital, reserves and accumulated losses as disclosed in Notes 13, 14 and 15 respectively. Capital management predominantly takes the form of managing of the Company's cash reserves, taking into account forecast operating and capital expenditure requirements of the consolidated entity.

The Company had no long-term debt at 30 June 2015.

During 2014 and 2015 the Company has maintained the capital base through a clear cash management strategy and when required the issue of equity instruments.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

25. EVENTS SUBSEQUENT TO REPORTING DATE

There have not been any material events subsequent to the end of the reporting date and the date of this financial report that have not been recognised in this financial report.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Emmerson Resources Limited, I state that:

(1) In the opinion of the directors:

(a) the financial statements and notes of Emmerson Resources Limited for the financial year ended 30 June 2015 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of its financial position as at 30 June 2015, and performance for the year ended on that date; and

(ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(2) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2015.

On behalf of the Board

Rob Bills
Managing Director & Chief Executive Officer

15 September 2015

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

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Auditor's Independence Declaration to the Directors of Emmerson Resources Limited

In relation to our audit of the financial report of Emmerson Resources Limited for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

V L Hoang
Partner
15 September 2015

MLH:JT:EMMERSON:005

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Independent auditor's report to the members of Emmerson Resources Limited

Report on the financial report

We have audited the accompanying financial report of Emmerson Resources Limited which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

MLH:JT:EMMERSON:004

Opinion

In our opinion:

a. the financial report of Emmerson Resources Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Emmerson Resources Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

V L Hoang
Partner
Perth
15 September 2015

TENEMENT SCHEDULE

All tenements are held in Northern Territory, Australia

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
EL10114	McDougall	100%	ELA30584	Battery Hill	100%	HLDC78	Wiso Basin	100%
EL10124	Speedway	100%	ELA30614	Franc	100%	HLDC79	Wiso Basin	100%
EL10313	Kodiak	100%	ELA30746	Mule	100%	HLDC80	Wiso Basin	100%
EL10406	Montana	100%	ELA30747	Power of Wealth	100%	HLDC81	Wiso Basin	100%
EL23285	Corridor 2	100%	ELA30748	Battery Hill	100%	HLDC82	Wiso Basin	100%
EL23286	Corridor 3	100%	ELA30749	Mary Anne	100%	HLDC83	Wiso Basin	100%
EL23905	Jackie	100%	ELA7809	Mt Samuel	100%	HLDC84	Wiso Basin	100%
EL26594	Bills	100%	HLDC100	Sally No Name	100%	HLDC85	Wiso Basin	100%
EL26595	Russell	100%	HLDC101	Sally No Name	100%	HLDC86	Wiso Basin	100%
EL26787	Rising Ridge	100%	HLDC37	Warrego, No 1	100%	HLDC87	Wiso Basin	100%
EL27011	Snappy Gum	100%	HLDC39	Warrego Min,	100%	HLDC88	Wiso Basin	100%
EL27136	Reservoir	100%	HLDC40	Warrego, No 2	100%	HLDC89	Wiso Basin	100%
EL27164	Hawk	100%	HLDC41	Warrego, No 3	100%	HLDC90	Wiso Basin	100%
EL27408	Grizzly	100%	HLDC42	Warrego, S7	100%	HLDC91	Wiso Basin	100%
EL27537	Chappell	100%	HLDC43	Warrego , S8	100%	HLDC92	Wiso Basin	100%
EL27538	Mercury	100%	HLDC44	Warrego, No.2	100%	HLDC93	Wiso Basin	100%
EL28601	Malbec	100%	HLDC45	Warrego, No.1	100%	HLDC94	Warrego, No.4	100%
EL28602	Red Bluff	100%	HLDC46	Warrego, No.1	100%	HLDC95	Warrego, No.3	100%
EL28603	White Devil	100%	HLDC47	Wiso Basin	100%	HLDC96	Wiso Basin	100%
EL28618	Comstock	100%	HLDC48	Wiso Basin	100%	HLDC97	Wiso Basin	100%
EL28760	Delta	100%	HLDC49	Wiso Basin	100%	HLDC98	Wiso Basin	100%
EL28761	Quartz Hill	100%	HLDC50	Wiso Basin	100%	HLDC99	Wiso, No.3 pipe	100%
EL28775	Trinity	100%	HLDC51	Wiso Basin	100%	MA23236	Udall Road	100%
EL28776	Whippet	100%	HLDC52	Wiso Basin	100%	MA27163	Eagle	100%
EL28777	Bishops Creek	100%	HLDC53	Wiso Basin	100%	MA30798	Little Ben	100%
EL28913	Amstel	100%	HLDC54	Wiso Basin	100%	MCC1032	Metallic Hill	100%
EL29012	Tetley	100%	HLDC55	Warrego, No.4	100%	MCC1033	Metallic Hill	100%
EL29488	Rocky	100%	HLDC56	Warrego, No.5	100%	MCC1034	EXP195	100%
EL30167	Dolomite	100%	HLDC58	Wiso Line, No.6	100%	MCC1038	Rocky Range	100%
EL30168	Caroline	100%	HLDC59	Warrego, No.6	100%	MCC1039	Rocky Range	100%
EL30301	Grey Bluff East	100%	HLDC69	Wiso Basin	100%	MCC1065	Marathon	100%
EL30488	Colombard	100%	HLDC70	Wiso Basin	100%	MCC1077	Gecko	100%
EL9403	Jess	100%	HLDC71	Wiso Basin	100%	MCC1078	Gecko	100%
EL9958	Running Bear	100%	HLDC72	Wiso Basin	100%	MCC1079	Gecko	100%
ELA27539	Telegraph	100%	HLDC73	Wiso Basin	100%	MCC1080	Gecko	100%
ELA27902	Lynx	100%	HLDC74	Wiso Basin	100%	MCC1081	Gecko	100%
ELA30123	Mosquito Creek	100%	HLDC75	Wiso Basin	100%	MCC1082	Gecko	100%
ELA30505	Golden East	100%	HLDC76	Wiso Basin	100%	MCC1083	Gecko	100%
ELA30516	Barkly Highway	100%	HLDC77	Wiso Basin	100%	MCC1315	Warrego East	100%

TENEMENT SCHEDULE

All tenements are held in Northern Territory, Australia

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
MCC1316	Warrego East	100%	MCC793	Sauvignon	100%	ML29917	Havelock	100%
MCC1317	Warrego East	100%	MCC794	Durif	100%	ML29919	Orlando	100%
MCC1318	Warrego East	100%	MCC795	Durif	100%	ML30176	Queen of Sheeba	100%
MCC1319	Warrego East	100%	MCC796	Durif	100%	ML30177	North Star	100%
MCC1320	Warrego East	100%	MCC797	EXP 80	100%	ML30322	Verdot	100%
MCC1321	Warrego East	100%	MCC798	Ivanhoe	100%	ML30620	Kia Ora	100%
MCC1322	Warrego East	100%	MCC799	Wolseley	100%	ML30623	Pinnacles South	100%
MCC1323	Warrego East	100%	MCC800	Wolseley	100%	ML30636	Jacqueline the	100%
MCC1348	Archimedes	100%	MCC801	Gris	100%	ML30712	Battery Hill	100%
MCC1349	Archimedes	100%	MCC802	Zinfandel	100%	ML30713	The Pup	100%
MCC174	Mt Samuel	100%	MCC804	EXP212	100%	ML30714	Pedro	100%
MCC203	Galway	100%	MCC805	Jubilee	100%	ML30715	Red Bluff North	100%
MCC211	Shamrock	100%	MCC806	Jubilee	100%	ML30716	Comstock	100%
MCC212	Mt Samuel	85%	MCC807	Merlot	100%	ML30742	Black Cat	100%
MCC239	West Peko	100%	MCC808	Merlot	100%	ML30743	True Blue	100%
MCC240	West Peko	100%	MCC809	The Extension	100%	ML30744	Scheurber	100%
MCC287	Mt Samuel	100%	MCC810	Colombard	100%	ML30745	Bomber	100%
MCC288	Mt Samuel	100%	MCC811	Colombard	100%	ML30781	Smelter	100%
MCC308	Mt Samuel	85%	MCC813	Grenache	100%	ML30782	Dark	100%
MCC316	The Trump	100%	MCC9	Eldorado	100%	ML30783	Semillon	100%
MCC317	The Trump	100%	MCC907	Troy	100%	ML30784	Noir	100%
MCC334	Estralita Group	100%	MCC908	Troy	100%	ML30815	Blue Moon	100%
MCC340	The Trump	100%	MCC909	Troy	100%	ML30864	Verdelho	100%
MCC341	The Trump	100%	MCC910	Troy	100%	ML30865	Dong Dui	100%
MCC344	Mt Samuel	100%	MCC912	Troy	100%	ML30867	Thurgau	100%
MCC364	Estralita	100%	MCC913	Troy	100%	MLA29526	Blue Moon	100%
MCC365	Estralita	100%	MCC914	Rising Star	100%	MLA29527	Wiso	100%
MCC366	Estralita	100%	MCC915	Rising Star	100%	MLA29528	Wiso	100%
MCC461	Gibbet	100%	MCC925	Brolga	100%	MLA29529	Wiso	100%
MCC522	Gibbet	100%	MCC926	Brolga	100%	MLA29530	Wiso	100%
MCC523	Gibbet	100%	MCC969	Pinot	100%	MLA29531	Wiso	100%
MCC524	Gibbet	100%	MCC970	Pinot	100%	MLA29532	Wiso	100%
MCC55	Mondeuse	100%	MCC971	Pinot	100%	MLA30096	Malbec	100%
MCC56	Shiraz	100%	MCC972	Pinot	100%	MLC100	Warrego	100%
MCC57	Mondeuse	100%	MCC981	Franc	100%	MLC101	Warrego	100%
MCC66	Golden Forty	100%	MCC982	Franc	100%	MLC102	Warrego	100%
MCC67	Golden Forty	100%	ML22284	Billy Boy	100%	MLC107	Warrego	100%
MCC791	Marsanne	100%	ML23216	Chariot	100%	MLC108	Warrego	100%
MCC792	Marsanne	100%	ML23969	Gecko Headframe	100%	MLC120	Cabernet / Nav 7	100%

TENEMENT SCHEDULE

All tenements are held in Northern Territory, Australia

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
MLC121	Cabernet/Nav 7	100%	MLC184	Riesling	100%	MLC349	Brolga	100%
MLC122	Cabernet/Nav 7	100%	MLC204	Argo West	100%	MLC35	Golden Forty	100%
MLC123	Cabernet/Nav 7	100%	MLC205	Argo West	100%	MLC350	Brolga	100%
MLC127	Peko East Ext 4	100%	MLC206	Argo West	100%	MLC351	Brolga	100%
MLC129	Peko Sth- East	100%	MLC207	Argo West	100%	MLC352	Golden Forty	100%
MLC130	Golden Forty	100%	MLC208	Argo West	100%	MLC353	Golden Forty	100%
MLC131	Golden Forty	100%	MLC209	Argo West	100%	MLC354	Golden Forty	100%
MLC132	Golden Forty	100%	MLC21	Gecko	100%	MLC355	Golden Forty	100%
MLC133	Golden Forty	100%	MLC217	Perserverance	30%	MLC36	Golden Forty	100%
MLC134	Golden Forty	100%	MLC218	Perserverance	30%	MLC362	Lone Star	100%
MLC135	Golden Forty	100%	MLC219	Perserverance	30%	MLC363	Lone Star	100%
MLC136	Golden Forty	100%	MLC22	Warrego	100%	MLC364	Lone Star	100%
MLC137	Golden Forty	100%	MLC220	Perserverance	30%	MLC365	Lone Star	100%
MLC138	Golden Forty	100%	MLC221	Perserverance	30%	MLC366	Lone Star	100%
MLC139	Golden Forty	100%	MLC222	Perserverance	30%	MLC367	Lone Star	100%
MLC140	Golden Forty	100%	MLC223	Perserverance	30%	MLC368	Lone Star	100%
MLC141	Golden Forty	100%	MLC224	Perserverance	30%	MLC369	Lone Star	100%
MLC142	Golden Forty	100%	MLC253	Mulga 1	100%	MLC37	Golden Forty	100%
MLC143	Golden Forty	100%	MLC254	Mulga 1	100%	MLC370	Lone Star	100%
MLC144	Golden Forty	100%	MLC255	Mulga 1	100%	MLC371	Lone Star	100%
MLC146	Golden Forty	100%	MLC256	Mulga 2	100%	MLC372	Lone Star	100%
MLC147	Golden Forty	100%	MLC257	Mulga 2	100%	MLC373	Lone Star	100%
MLC148	Golden Forty	100%	MLC258	Mulga 2	100%	MLC374	Lone Star	100%
MLC149	Golden Forty	100%	MLC259	Mulga 2	100%	MLC375	Lone Star	100%
MLC15	Eldorado 4	100%	MLC260	Mulga 2	100%	MLC376	Mulga 1	100%
MLC158	Warrego gravel	100%	MLC261	Mulga 2	100%	MLC377	Mulga 1	100%
MLC159	Warrego gravel	100%	MLC32	Golden Forty	100%	MLC378	Mulga 1	100%
MLC16	Eldorado 5	100%	MLC323	Gecko	100%	MLC379	Mulga 1	100%
MLC160	Warrego gravel	100%	MLC324	Gecko	100%	MLC38	Memsahib East	100%
MLC161	Warrego gravel	100%	MLC325	Gecko	100%	MLC380	Mulga 1	100%
MLC162	Warrego gravel	100%	MLC326	Gecko	100%	MLC381	Mulga 1	100%
MLC163	Warrego gravel	100%	MLC327	Gecko	100%	MLC382	Mulga 1	100%
MLC164	Warrego gravel	100%	MLC342	Tinto	100%	MLC383	Mulga 1	100%
MLC165	Warrego gravel	100%	MLC343	Rocky Range	100%	MLC384	Mulga 2	100%
MLC176	Chariot	100%	MLC344	Rocky Range	100%	MLC385	Mulga 2	100%
MLC177	Chariot	100%	MLC345	Rocky Range	100%	MLC386	Mulga 2	100%
MLC18	West Gibbet	100%	MLC346	Rocky Range	100%	MLC387	Mulga 2	100%
MLC182	Riesling	100%	MLC347	Tinto	100%	MLC39	Short Range 5	100%
MLC183	Riesling	100%	MLC348	Brolga	100%	MLC4	Peko Extended	100%

TENEMENT SCHEDULE

All tenements are held in Northern Territory, Australia

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
MLC40	Short Range 5	100%	MLC559	White Devil	100%	MLC626	Caroline	100%
MLC406	Comet	100%	MLC56	Golden Forty	100%	MLC644	Enterprise	100%
MLC407	Comet	100%	MLC560	White Devil	100%	MLC645	Estralita	100%
MLC408	Comet	100%	MLC57	Perserverence	30%	MLC654	TC8 Lease	100%
MLC409	Comet	100%	MLC576	Golden Forty	100%	MLC66	Traminer	100%
MLC41	Short Range 5	100%	MLC577	Golden Forty	100%	MLC67	Traminer	100%
MLC432	Mulga 1	100%	MLC581	Eldorado ABC	100%	MLC675	Black Angel	100%
MLC48	Tinto	100%	MLC582	Eldorado ABC	100%	MLC676	Black Angel	100%
MLC49	Mt Samual	100%	MLC583	Eldorado ABC	100%	MLC683	Eldorado	100%
MLC498	Eldorado	100%	MLC584	Golden Forty	100%	MLC69	Gecko	100%
MLC499	Eldorado	100%	MLC585	Golden Forty	100%	MLC692	Warrego Mine	100%
MLC5	Peko Extended	100%	MLC586	Golden Forty	100%	MLC70	Gecko	100%
MLC50	Eldorado Anom	100%	MLC591	TC8 Lease	100%	MLC700	White Devil	100%
MLC500	Eldorado	100%	MLC592	TC8 Lease	100%	MLC702	0	100%
MLC501	Eldorado	100%	MLC593	TC8 Lease	100%	MLC705	Apollo 1	100%
MLC502	Eldorado	100%	MLC594	TC8 Lease	100%	MLC71	Warrego	100%
MLC503	Eldorado	100%	MLC595	TC8 Lease	100%	MLC72	Warrego	100%
MLC504	Eldorado	100%	MLC596	TC8 Lease	100%	MLC73	Warrego	100%
MLC505	Eldorado	100%	MLC597	TC8 Lease	100%	MLC74	Warrego	100%
MLC506	Marion Ross	100%	MLC598	Golden Forty	100%	MLC75	Warrego	100%
MLC51	Eldorado Anom	100%	MLC599	Mt Samuel	85%	MLC76	Warrego	100%
MLC518	Ellen, Eldorado	100%	MLC601	TC8 Lease	100%	MLC78	Gecko	100%
MLC52	Muscadel	100%	MLC602	TC8 Lease	100%	MLC83	Warrego	100%
MLC520	Great Northern	100%	MLC603	TC8 Lease	100%	MLC84	Warrego	100%
MLC522	Aga Khan	100%	MLC604	TC8 Lease	100%	MLC85	Gecko	100%
MLC523	Eldorado	100%	MLC605	TC8 Lease	100%	MLC86	Gecko	100%
MLC524	Susan	100%	MLC606	Lone Star	100%	MLC87	Gecko	100%
MLC527	Mt Samual	100%	MLC607	Lone Star	100%	MLC88	Gecko	100%
MLC528	Dingo, Eldorado	100%	MLC608	Lone Star	100%	MLC89	Gecko	100%
MLC529	Cats Whiskers	100%	MLC609	Lone Star	100%	MLC90	Gecko	100%
MLC53	Golden Forty	100%	MLC610	Lone Star	100%	MLC91	Carraman/Klond	100%
MLC530	Lone Star	100%	MLC611	Lone Star	100%	MLC92	Carraman/Klond	100%
MLC535	Eldorado No 5	100%	MLC612	Lone Star	100%	MLC93	Carraman/Klond	100%
MLC54	Golden Forty	100%	MLC613	Lone Star	100%	MLC94	Carraman/Klond	100%
MLC546	The Mount	100%	MLC614	Lone Star	100%	MLC95	Carraman/Klond	100%
MLC55	Golden Forty	100%	MLC615	Lone Star	100%	MLC96	Osprey	100%
MLC554	White Devil	100%	MLC616	Lone Star	100%	MLC97	Osprey	100%
MLC557	White Devil	100%	MLC617	Mt Samuel	50%	MLC98	Warrego	100%
MLC558	New Hope	100%	MLC619	True Blue	85%	MLC99	Warrego	100%