

9 March 2018

# Emmerson to commence first drill program in Tennant Creek following the restructure with Evolution Mining

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- **New targets of gold, copper and cobalt identified in Emmerson's 100% owned, 2600km<sup>2</sup> Tennant Creek Project**
- **2,100m drill program to commence in April (weather permitting), aimed at extending high grade gold**
- **Proposed restructure of the Tennant Creek project provides Emmerson with 100% of new high-grade gold projects and revenue from the small mines**

**Emmerson's Managing Director, Mr Rob Bills commented:** *"Whilst the proposed restructure of the Tennant Creek JV with Evolution Mining (ASX 19 February 2018) is now being assessed by the regulators, Emmerson is wasting no time in capitalising on some very compelling gold, copper and cobalt opportunities that were previously not of priority under the terms of the previous JV.*

*Now that Emmerson has 100% of the gold assets and revenue from the small mines, plus most of the tenements (constituting some 94% of the previous area under JV with Evolution), our focus has turned to expanding the previously identified high grade gold projects that can feed into a revenue stream from our small mines.*

*Given our track record of innovation and discovery in the Tennant Creek Field, we continue to build on this through looking for new styles of mineralisation, which can unlock further value. Apart from the hematite hosted, high grade gold discoveries made at Edna Beryl, Mauretania and Goanna (copper-gold), Emmerson is progressing a new style of hematite-cobalt-copper mineralisation, which although intersected in historical drilling has yet to be exploited or explored.....but further news on this later.*

*We also continue to make great progress in NSW where we are currently working across five large gold-copper projects. This is early stage exploration except for the Kadungle project, where we have recently notified Aurelia Metals that Emmerson has now earned an 80% interest from funding the recent drilling at Mt Leadley and Trig. All assay results have now been received, with those from Trig returning highly anomalous gold. We remain highly encouraged by the scale and extent of the alteration and mineralisation and believe this drilling confirms we are on the periphery of a large gold-copper deposit. Further work is now underway to vector into the higher-grade core of the mineralisation.*

Emmerson Resources Limited (“Emmerson” ASX: ERM) is pleased to announce that our first drill program for the 2018 season will commence in April (weather permitting) (Figure 1). This high impact program consists of:

- 8 RC drill holes in the Edna Beryl district aimed at delineating extensions outside of the Edna Beryl Mine area. Previous drilling and gravity geophysics completed in 2017 provided indications of new mineralised hematite ironstones.

Some of the highlights of this drilling (which were not followed up) include: EBWRC083 some 200m to the west of the Edna Beryl mine which intersected a thick shear zone containing chlorite-hematite ironstone and quartz veining that assayed 7m at 1.33g/t gold from 171m including 2m at 4.31g/t gold and 1m at 6.60g/t gold (ASX: 18 September 2017).

Further mineralisation immediately to the north of the Edna Beryl mine was intersected in drill holes EBWRC061 (assaying 12m at 0.59% copper with 0.07g/t gold from 90m) and; EBWRC062 (assaying 15m at 0.25% copper and 0.03g/t gold from 210m). This intersection included some higher grades of 1m at 2.80% copper and anomalous gold (ASX: 18 September 2017).

- 5 RC drill holes to test for extensions and continuity at a promising new discovery called Mauretania. The discovery drill hole, MTRC006 intersected a hematite-chlorite ironstone, assaying 31m at 3.64g/t gold including 19m at 5.51g/t gold from 63m (ASX: 12 October 2015)
- The remainder of the drill program is spread across potential small mines projects and aimed at providing further geological and grade information for future planning purposes.

## **Small Mines**

First production from a portion of the Edna Beryl Mine (the Tribute Area) was announced in December 2017. Since then, plans have progressed for the commercial production from the Tribute Area which includes full scale mining and processing. As previously announced, Emmerson receives a “risk free” income stream via a royalty agreement with the specialist small scale miner, the Edna Beryl Mining Company. The restructure of the Tennant Creek project will now see Emmerson retain full control of the small mines and receive 100% of the revenue stream from the royalty (proportional to the amount of gold produced).

Emmerson firmly believes there is excellent exploration upside at Edna Beryl, but like many of the historical mines in the field, will require higher density drilling that is best achieved from underground.

Additionally, Emmerson is accelerating the permitting and development of the remainder of the small mines, with the Black Snake project the most advanced, and the largest being Chariot – with a JORC resource of ~100,000ozs of gold at a grade of 17.4g/t (ASX: 28 November 2013). The other small mines can be considered exploration targets, adding a further 160,000 – 180,000ozs of high grade gold (at 15-20g/t as indicated from the historical reports).

## **Conditions Precedent to the Proposed Restructure of the Tennant Creek JV**

The restructure of the Tennant Creek Project is conditional on Emmerson obtaining a written opinion from the ASX that the transaction is not subject to Listing Rule 10.1 or, if required, Emmerson obtaining shareholder approval for the Proposed Restructure. The documentation supporting this restructure has been submitted to the ASX and we anticipate a response within the next few weeks.

## **About Tennant Creek and Emmerson Resources**

The Tennant Creek Mineral Field (TCMF) is one of Australia's highest-grade gold and copper fields producing over 5.5 Mozs of gold and 470,000 tonnes of copper from a variety of deposits including Gecko, Orlando, Warrego, White Devil, Chariot and Golden Forty. All of which are within Emmerson Resources (ASX: ERM) 2,800km<sup>2</sup> exploration and joint venture portfolio. These deposits are highly valuable exploration targets and, utilising modern exploration techniques, Emmerson has been successful in discovering copper and gold mineralisation at Goanna, Monitor and more recently Edna Beryl, the first discoveries in the TCMF for over a decade.

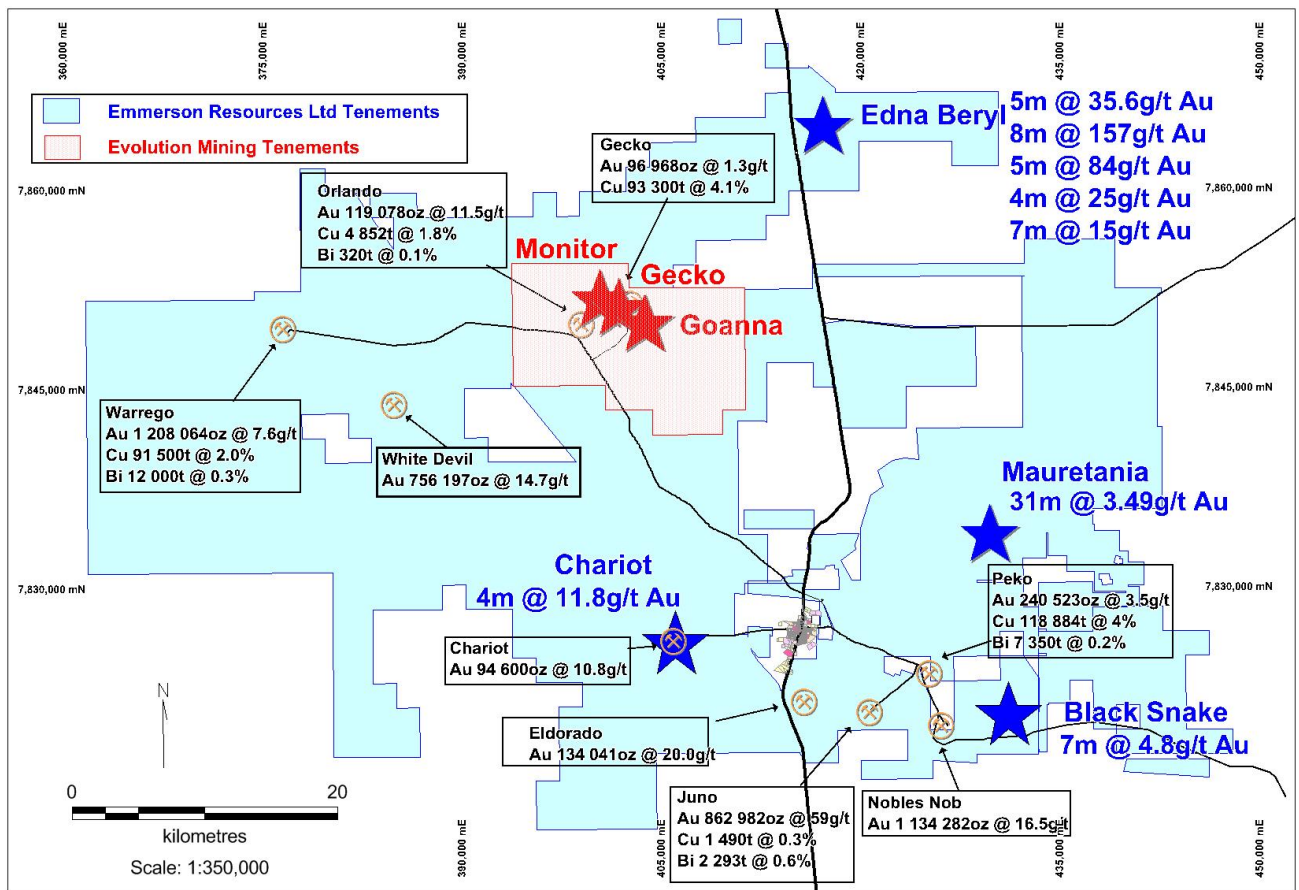
Emmerson is led by a board and management group of experienced Australian mining executives including former MIM and WMC mining executive Andrew McIlwain as non-executive chairman, and former senior BHP Billiton and WMC executive Rob Bills as Managing Director and CEO.

Pursuant to the Farm-in agreement entered with Evolution Mining Limited (Evolution) on 11 June 2014, Evolution has met the Stage 1 Earn-in obligation of \$15 million to earn a 65% interest.

Emmerson has recently commenced exploration on new gold-copper projects in NSW, identified (with our strategic alliance partner Kenex Limited) from the application of 2 and 3D predictive targeting models – aimed at increasing the probability of discovery. The highly prospective Macquarie Arc hosts >80Mozs gold and >13Mt copper but with these resources heavily weighted to areas of outcrop or limited cover. Emmerson's five exploration projects contain many attributes of the known deposits within the Macquarie Arc but remain under explored due to historical impediments, including overlying cover (plus farm lands) and a lack of exploration focus. Kadungle is a JV with Aurelia Metals covering 43km<sup>2</sup> adjacent to Emmerson's Fifield project.

### **Competency Statement**

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



**Figure 1:** Proposed location of Emmerson’s 100% Tennant Creek project area (light blue) and the 100% Evolution owned, Gecko-Goanna and Orlando Area (red stipple). Note some of the significant intersections reported during the term of the JV (see various ASX Announcements)