

Diamond drilling underway at Kiola gold-copper project in NSW

Highlights

- Minimum 2,000m of diamond drilling has commenced to test targets within the 15km² Kiola Geochemical Zone – an area of highly anomalous gold-copper and historic workings
- No previous deep drilling despite strong indications of gold-copper mineralisation from surface
- Kiola lies within the highly ranked Molong Belt which hosts Alkane Resources' Boda copper-gold discovery and Newcrest's world class Cadia-Ridgeway deposits
- Cutting-edge techniques combined with traditional exploration has outlined several porphyry and related, vein-style gold-copper targets at relatively shallow depths



Picture 1: Right Hand Creek Mine Shaft



Picture 2: Right Hand Creek Mine - High Grade Copper from Dump Samples

Emmerson Managing Director Mr Rob Bills commented:

"We are pleased to commence drilling at Kiola after implementing a number of measures to mitigate COVID-19 health risks in accordance with state and national protocols. We remain committed to protecting our employees, contractors and surrounding communities and look forward to drill-testing a variety of gold and copper targets across the project area.

"Stage 1 drilling at Kiola will test priority targets within the Kiola Geochemical Zone, a ~15km² area of elevated gold and copper geochemistry, historic copper workings, and skarns that contain gold, copper and zinc. There has been no deeper drilling within the zone to test for the source of the gold and copper mineralisation."

Kiola Project (Figure 1) – Positive indications from geochemistry, geology and geophysics

In 2017 Emmerson and its strategic alliance partner, Kenex Limited (now Duke Exploration Limited), deployed machine learning data analytics across the Macquarie Arc to improve the success rate of discovery. This approach offered greater insight into the critical formational factors for porphyry gold-copper mineralisation in the Macquarie Arc and provided a ranked portfolio of potential opportunities. Since then, Emmerson has undertaken systematic exploration across its NSW projects utilising traditional exploration methods and new research from the University of Tasmania Arc Linkage project.

Emmerson's Kiola project is one of the highest ranked, early stage gold-copper projects in the portfolio and is centred on the 15km² Kiola Geochemical Zone (KGZ). It encompasses favourable Ordovician age rocks that display anomalously high gold and copper geochemistry plus historic workings. Recent work has confirmed that the KGZ contains many of the attributes of world class porphyry gold-copper mineralisation and is divided into a northern area centred on the Nasdaq skarn, and a southern area around the South Pole, Kiola and Right Hand Creek mine (Figure 2).

Some 15-line km of Induced Polarisation (IP) geophysics collected in late 2019 reinforced the depth potential of the target areas, particularly when combined with the geochemistry, age dates, intrusion fertility plots and geology and taking into account the limited exposure of the Ordovician stratigraphy due to soil cover.

The current diamond drill program of 5 holes for a minimum 2,000 metres is expected to be completed in late June 2020 with assay results in August 2020. The program will in part be co-funded by the \$100,000 New Frontiers Cooperative Drilling grant from the NSW Government.

Nasdaq Skarn (Figure 2 – northern area) – Shallow drilling encouraging

Shallow historic drilling in this area has intersected copper, gold and base metals within calc-silicates (i.e. skarn mineralisation) (Figure 3). Some of the better results include:

- 8m at 2.52g/t gold and 0.19% copper including 3m at 6.43g/t gold from 32m (drill hole CWC002);
- 13m at 0.26g/t gold from 44m (CWC022);
- 17m at 0.19g/t gold and 0.17% copper from the surface (CWC016); and
- 13m at 0.17g/t gold from the surface (CWC017).

Emmerson's field program has included additional soil and rock chip geochemistry, with rock chip samples returning up to 19.6g/t gold and 2.16% copper. Recent age dating of a nearby monzonite intrusion places this project in a similar, fertile age bracket to other world class deposits in the belt including Newcrest's Cadia-Ridgeway deposits. Furthermore, the aeromagnetics (Figure 2 – background image) suggests these late Ordovician monzonite intrusives occur not only at Nasdaq, but also Dollys North and South Pole.

Three drill holes to be completed on the IP line 6217785N (prop 1, 2 & 5) are designed to test different targets including mineralisation associated with skarn-pyrite alteration and interpreted underlying porphyry style gold-copper. Noting that skarns have been instrumental to the discovery of many porphyry deposits in the world including the Cadia-Ridgeway deposits.

South Pole, Kiola, Right Hand Creek (Figure 2 – southern area) – Multiple high-grade occurrences

This southern area features highly anomalous geochemistry (up to 19% copper and 4.5g/t gold in rock chips), several historic mines, extensive geophysical anomalies (both chargeable and resistive) across consecutive lines of IP geophysics, plus favourable geology and alteration.

Strong zones of shearing outside of the large magnetic anomaly at South Pole plus the associated calc-silicate skarn to the north (Figure 2), suggests some similarities to the Nasdaq area but also potential for structurally controlled, vein style copper-gold mineralisation peripheral to a porphyry system.

A single drill hole (prop 4) will test a zone of highly elevated copper and gold geochemistry, nearby historic copper workings at the Right Hand Creek Mine (photo), plus a target at 400m derived from the application of chlorite or green rock proximity indicators. This technique utilises the trace element signature from the alteration minerals to determine a likely radius or vector to the heat source. Thus, this drill hole tests for shear or vein style mineralisation peripheral to an interpreted Ordovician intrusive complex (Figure 4).

A further hole (prop 3, Figure 5) will test a highly chargeable IP geophysical anomaly, interpreted to be coincident with sulphides that are present across all three IP lines and are close to an interpreted Ordovician intrusive complex (Figure 2).

Depending on the visual results from Stage 1 drilling, these planned drill holes may be extended to provide additional information at depth.

For and on behalf of the Board of Emmerson Resources Limited

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About Emmerson Resources, Tennant Creek and New South Wales

Emmerson is fast tracking exploration across five exciting early-stage gold-copper projects in NSW, identified (with our strategic alliance partner Kenex/Duke Exploration) from the application of 2D and 3D predictive targeting models – aimed at increasing the probability of discovery. Duke can earn up to 10% (to pre BFS) of any project generated providing certain success milestones are met.

The highly prospective Macquarie Arc in NSW hosts >80Mozs gold and >13Mt copper 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 underexplored due to historical impediments, including overlying cover (farmlands and younger rocks) and a lack of exploration. Kadungle is a JV with Aurelia Metals covering 43km² adjacent to Emmerson's Fifield project.

In addition, Emmerson has a commanding land holding position and is exploring the Tennant Creek Mineral Field (TCMF), one of Australia's highest-grade gold and copper fields producing over 5.5 Moz of gold and 470,000 tonnes of copper from deposits including Warrego, White Devil, Orlando, Gecko, Chariot, and Golden Forty. These high-grade deposits are highly valuable exploration targets, and to date, discoveries include high-grade gold at Edna Beryl and Mauretania, plus copper-gold at Goanna and Monitor. These are the first discoveries in the TCMF for over two decades.

Emmerson announced the formation of a strategic alliance with Territory Resources in 2018 and a further strategic alliance with NT Bullion in 2020. Both companies plan to build mills/processing facilities in Tennant Creek to support the mining and processing from Emmerson's small gold mines. Both alliances also extend to two earn-in and joint venture agreements whereby by Territory Resources and NT Bullion are obligated to spend \$5m over 5 years to earn a 75% interest. In addition, there are two Mining Joint Ventures over a portfolio of Emmerson's small mines whereby Emmerson receive a 12% and 6% gold production royalty or profit share.

Competency Statement

The information in this report which relates to NSW Projects Exploration Results is based on information compiled by Dr Ana Liza Cuison, MAIG, MSEG. Dr Cuison 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 she 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. Dr Cuison is a full-time employee of the Company and consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

Note all results in this ASX have been previously reported in ASX 12 March 2020

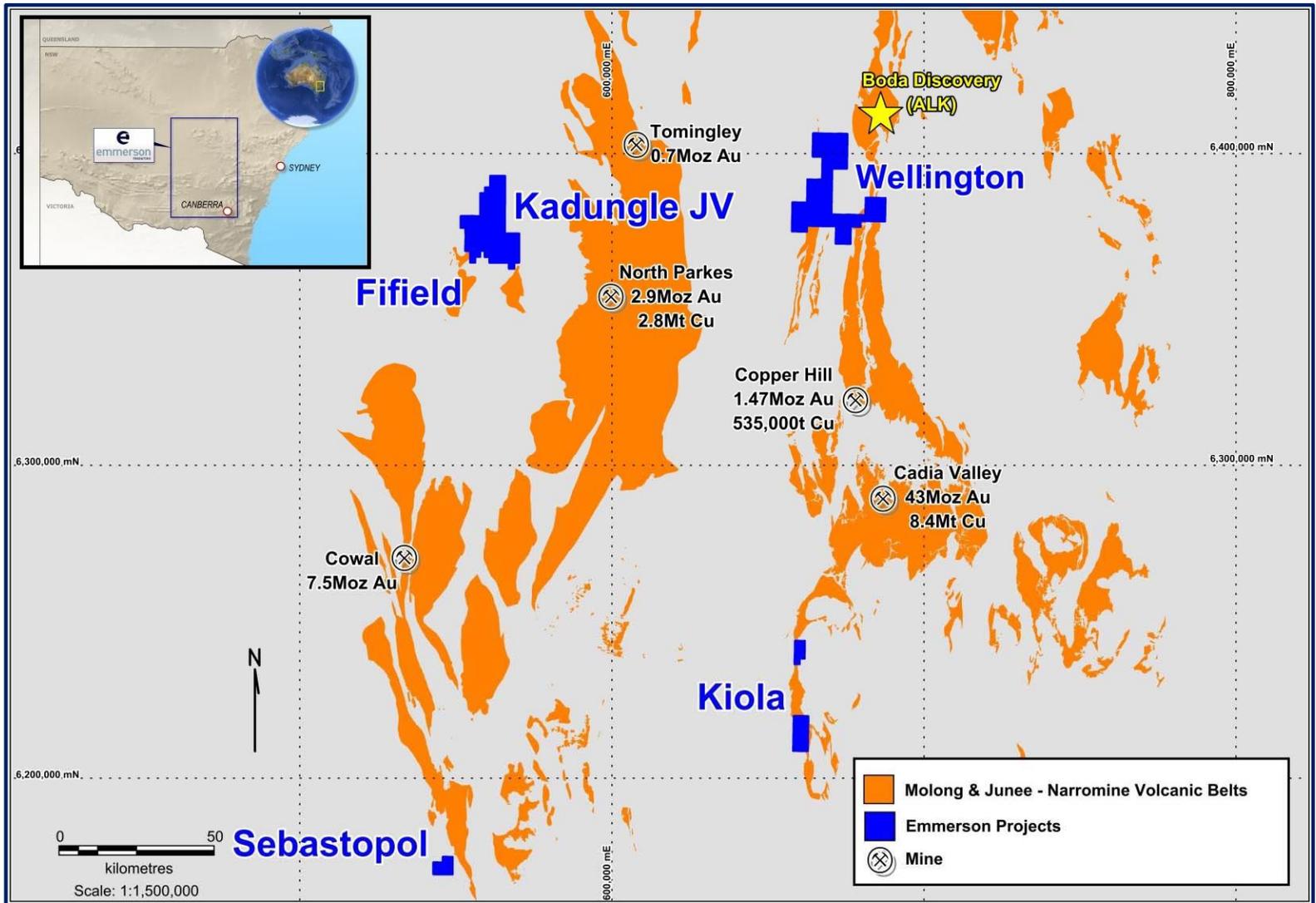


Figure 1. Location of Emmerson's NSW Projects (Lachlan Resources). The background is the regional magnetic image, with orange indicating the various segments of the Macquarie Arc.

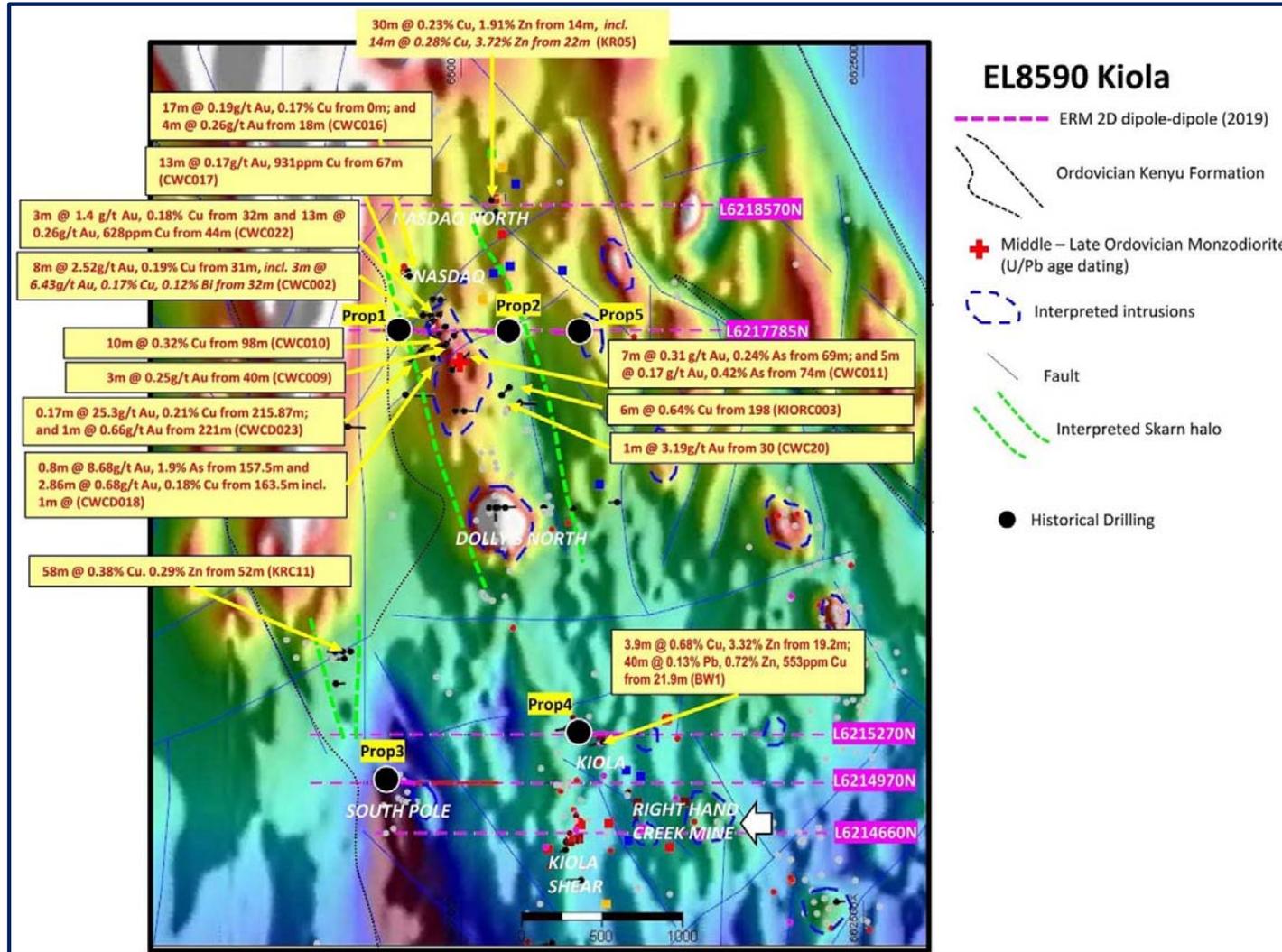


Figure 2: Plan view of the Kiola Geochemical Zone (KGZ) showing historic drill results at the Nasdaq skarn, and the southern South Pole, Kiola, Right Hand Creek Mine. Note the background image is the Reduced to Pole Magnetics, with red-white colour outlining interpreted Ordovician age intrusives

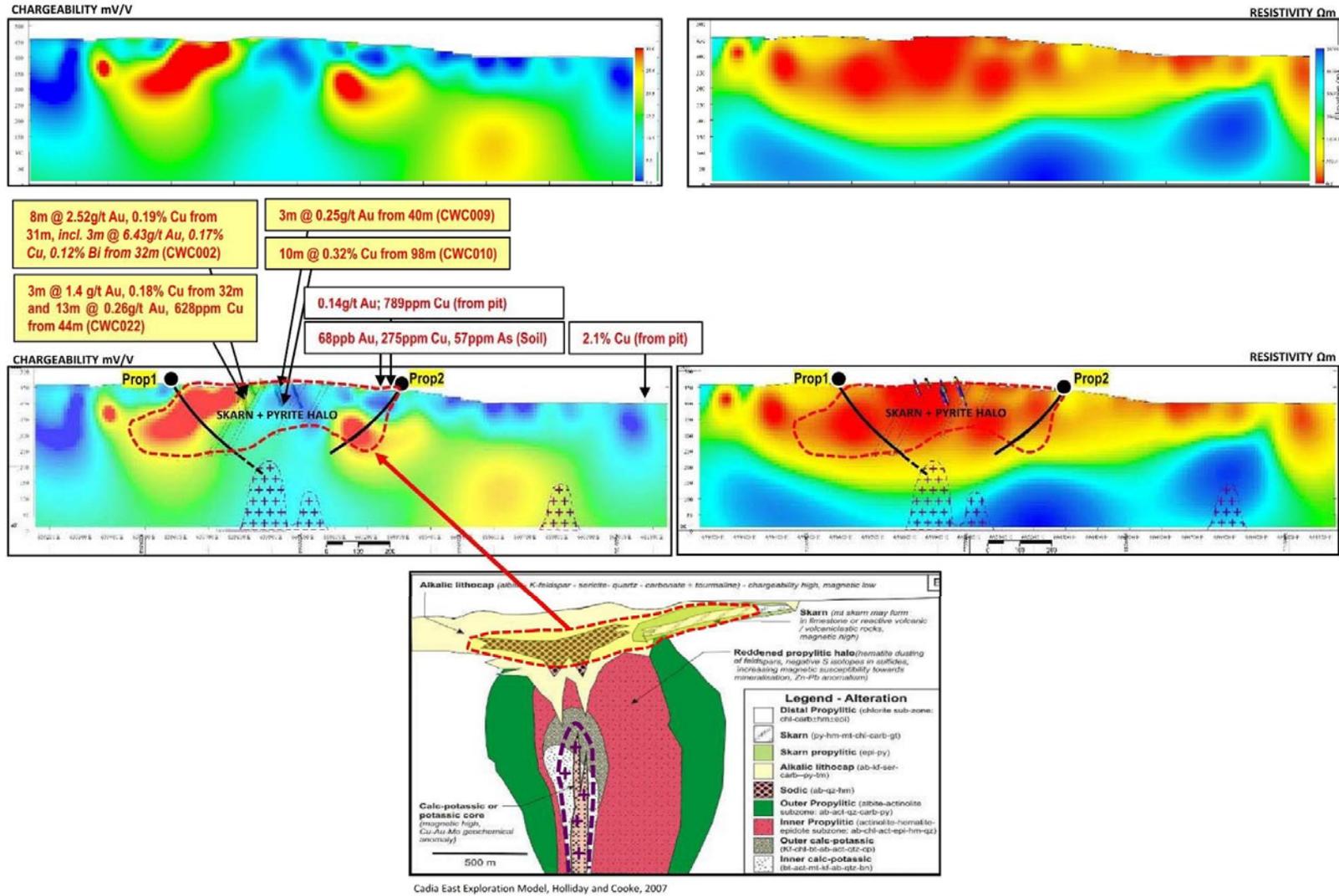


Figure 3: Cross sections of the IP geophysics (chargeable and resistive anomalies), with the outline of the Nasdaq skarn and historic shallow drill results (call out boxes). Note the link to the schematic Exploration Model based on Newcrest's Cadia East deposit. Prop 1 & 2 are the planned ERM drill holes.

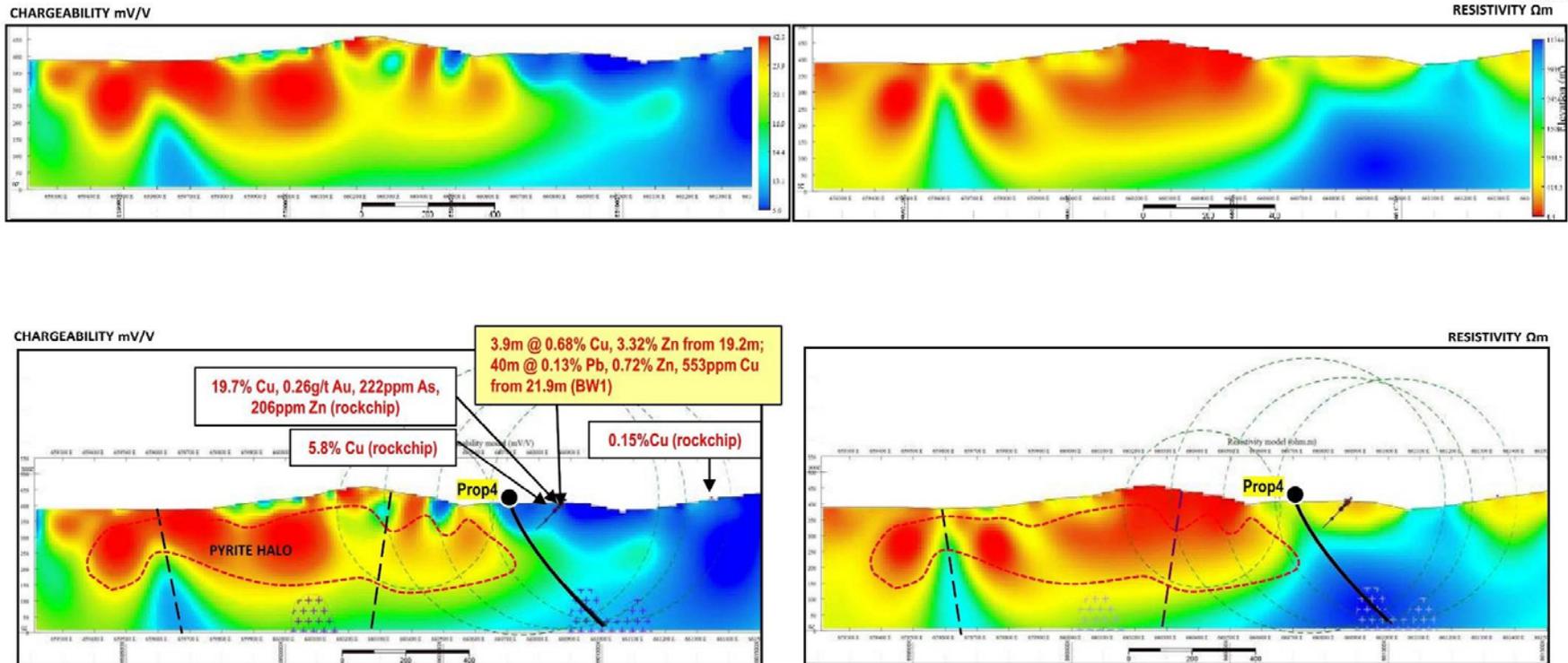


Figure 4: Cross sections of the IP geophysics (chargeable and resistive anomalies), with the outline of high chargeability that may correspond to the pyrite halo immediately adjacent to the porphyry gold-copper mineralisation. Planned drill hole Prop 4 tests a combination of highly anomalous copper geochemistry within a shear zone plus an interpreted heat source from the chlorite proximity indicators (green circles).

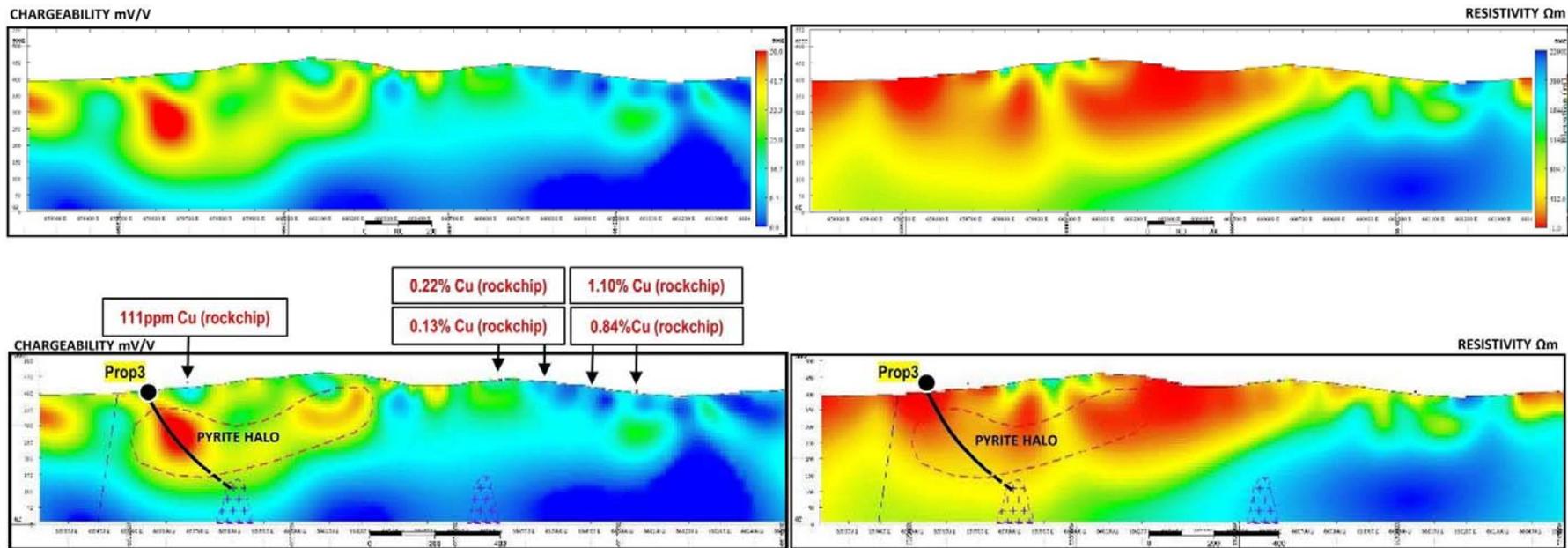


Figure 5: Cross sections of the IP geophysics (chargeable and resistive anomalies), with the outline of high chargeability that may correspond to the pyrite halo immediately adjacent to the porphyry gold-copper mineralisation. Planned drill hole Prop 3 tests a combination of highly anomalous gold & copper geochemistry plus an interpreted Ordovician intrusive at depth.