

Fast Facts

ASX Code: EMR
Capital Structure
Shares on issue: 3,042 million
Market Cap: ~A\$115 million
Cash: A\$24.5 million (31 Dec 2018)
Listed Investments: A\$0.2 million (31 Dec 2018)

Board & Management

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

Company Highlights

- First mover in an emerging gold province in Cambodia
- Industrial Mining Licence granted over the Okvau Gold Project (100% owned) allowing for the development of the Okvau Deposit
- Okvau Deposit: Indicated and Inferred Mineral Resource Estimate of 1.14Moz at 2.0g/t Au (Refer Table 1)
- DFS completed and demonstrates high grade, low cost, compelling development economics:
 - Ore Reserve of 14.3Mt & 2.0g/t Au for 0.9Mozs in a single open pit with waste:ore ratio of 5.8:1
 - LOM average annual production of 106,000ozs pa
 - AISC US\$731/oz over LOM
 - Using US\$1.250/oz Au gold price:
 - NPV_(5%) US\$223M pre-tax and US\$160M post-tax
 - IRR 48% pa pre-tax and 40% post-tax
 - Payback ~2.2 years pre-tax and 2.5 years post-tax
- Highly credentialed gold project development team
- Significant resource growth potential

Registered Office

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Project Update

HIGHLIGHTS

- Power line to supply grid power to the Okvau Gold Project significantly advanced
- Road access and bridge construction negotiations nearing completion
- MoU signed with MACA Ltd to provide earthmoving works and equipment
- Resettlement successfully completed with 62 local families relocated from the Okvau Mining Licence area
- Emerald currently in discussions with a number of potential financiers for funding for the Okvau Gold Project

Emerald Resources NL (ASX: EMR) (“Emerald”) is pleased to provide an update on a number of aspects as Emerald continues on the path to develop the Okvau Gold Project.

Grid Power

The power line to supply grid power to the Okvau Gold Project is well advanced with the execution of an MoU imminent to confirm power availability from December 2019. Works completed and in progress to date include:

- Route survey completed;
- Power line corridor clearing completed to site;
- Concrete foundations – 54% complete;
- Transmission towers erected - 36% complete; and
- Stringing of power lines - 12% complete.

The power line contractor continues to advise works are scheduled for completion prior to end of 2019. The provision of grid power is a critical step to production and it is an extremely positive outcome that grid power availability is expected upon commissioning of the operations.

Access Road

Negotiations for the construction of the access road are nearing completion which include the construction of a 35 tonne bridge across the Prek Te River. Independent to Emerald, a third party has commenced work to improve road access. Further, as part of the road access negotiations, Emerald will have the use of a temporary 20 tonne bridge to cross the Prek Te River to allow continuous access to the Okvau site throughout the May – September wet season.

Mining Contract

An MoU has been signed with MACA Limited (“MACA”) to supply earthmoving equipment and conduct contract mining services at the Okvau Gold Project. The MoU is subject to a final investment decision to develop the project by the Emerald Board of Directors and commits Emerald and MACA to collectively develop the Okvau Gold Project in a traditional principal contractor relationship. The MoU acknowledges that both parties are in agreement on the terms, conditions, schedule and schedule of earthmoving rates contained in a mutually negotiated mining services contract (to be signed and actioned on a final investment decision on the project by the Emerald Board of Directors). Emerald views the signing of the MoU with MACA as a very positive step in the development of the Okvau Gold Project adding a high level of confidence in the execution of the mining schedule with the highly experienced MACA earthmoving team. The contract provides for the use of new fit for purpose earthmoving equipment with an onsite expatriate management team experienced in similar international operations. The Board and Management of Emerald have worked closely with the team at MACA over the past 20 years in a multitude of different operations and are very pleased to continue the relationship on the Okvau Gold Mine Development.

Resettlement

The resettlement of a total of 62 local families has been agreed and successfully compensated to relocate away from the Okvau Mining Licence area. The relocation of the families clears a path for Emerald to commence site works on the project area as the schedule requires. The relocation process was governed by a committee of relevant stakeholders, and was conducted in a manner consistent with the IFC guidelines as set out in its approved Resettlement Action Plan (RAP).

Financing

Emerald are currently in discussions with a number of potential financiers for the development of the Okvau Gold Project. Funds that were raised under the recent Placement and Share Purchase Plan have allowed the Company to commence development activities as noted above, whilst these discussions are currently taking place. Completion of financing will be subject to lender due diligence, formal documentation and credit approval, typical for a transaction of this nature. However, significant progress has been made to date on the due diligence, particularly in respect to the technical independent expert report, which has been completed following the recently completed infill drilling programme which added confidence to the resource model. The technical report has been provided to prospective financiers to aid in the bidding process.

Detailed information on all aspects of Emeralds' projects can be found on the Company's website;
www.emeraldresources.com.au.

For further information please contact;
 Emerald Resources NL
 Morgan Hart
 Managing Director

Table 1 | Okvau Mineral Resource Estimate

Okvau Mineral Resource Estimate									
Cut-off (Au g/t)	Indicated Resource			Inferred Resource			Total Resource		
	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)
0.70	15.11	2.08	1,008	2.57	1.61	133	17.68	2.01	1,141

Table 2 | Okvau Ore Reserve Estimate

Okvau Ore Reserve Estimate			
	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)
Probable Ore Reserve	14.26Mt	1.98g/t Au	907koz

Forward Looking Statement

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

This announcement has been prepared in compliance with the current JORC Code 2012 Edition and the ASX listing Rules. All material assumptions on which the forecast financial information is based have been included in this announcement.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets and financial estimates, based on the information contained in this announcement. Reference is made to the Company's ASX release dated 1 May 2017 titled Okvau DFS Delivers Ore Reserve of 907,000oz. All material assumptions underpinning the production target or the forecast financial information continue to apply and have not materially changed.

100% of the production target referred to in the 1 May 2017 announcement is based on Probable Ore Reserves.

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

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

Competent Persons Statements

The information in this report that relates to Exploration and Grade Control Results is based on information compiled by Mr Keith King, who is an employee to the Company and who is a Member of The Australasian Institute of Mining & Metallurgy. Mr Keith King has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Keith King has reviewed the contents of this release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

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

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