
EMERALD RESOURCES NL

ACN 009 795 046

NOTICE OF GENERAL MEETING

TIME: 10:00am (WST)

DATE: 31 March 2016

PLACE: WA Chinese Chamber of Commerce
1304 Hay Street, West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 1300 729 543.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10:00am on 31 March 2016 at:

WA Chinese Chamber of Commerce, 1304 Hay Street, West Perth WA 6005

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 29 March 2016.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES - ACQUISITION OF AN INTEREST IN THE CAMBODIAN GOLD PROJECT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, subject to and conditional upon the passing of Resolution 2, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change in the nature and scale of its activities resulting from the Company earning up to a 51% interest in Renaissance Minerals Limited's Cambodian gold project (**Project**) as described in the Explanatory Statement accompanying this Notice.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of Resolution 1, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 33,334 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board

Mark Clements
Company Secretary

24 February 2016

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

All Resolutions must be passed for the Joint Venture to be formed and the contemplated transaction to proceed.

1. BACKGROUND TO THE PROPOSED ACQUISITION OF A 51% INTEREST IN THE CAMBODIAN GOLD PROJECT

1.1 General Background

Since late August 2014, the Company has been evaluating alternative corporate opportunities, both in Australia and overseas, which have the potential to deliver future growth for shareholders.

The Company currently has a 5% overriding royalty interest in all gas production from various oil and gas interests located in Magoffin County, Kentucky. Details of the Company's most recent activities are set out in its Quarterly Activities and Cash Flow Reports lodged with ASX on 30 October 2015 and 29 January 2016.

On 3 February 2016, the Company announced that it had entered into a binding memorandum of agreement (**MoA**) with Renaissance Minerals Limited (ACN 141 196 545) (**Renaissance**) pursuant to which Renaissance has granted Emerald the conditional right to earn up to a 51% interest in Renaissance's Cambodian gold project (**Project**) and form a joint venture with Renaissance to develop and extract value from the Project.

Renaissance has granted the Company the right to earn up to a 51% interest in Renaissance's Cambodian gold project by sole funding completion of a definitive feasibility study (**DFS**) on the Project, an Environmental and Social Impact Assessment (**ESIA**) for the development of the Okvau deposit and up to US\$3 million on exploration expenditure, all within a two year period. The implementation of the MoA and commencement of the farm-in rights of the Company are subject to a number of conditions, including the approval of the Shareholders under Resolution 1.

The Company will be the manager of the DFS and ESIA process. The Company and Renaissance will be joint managers of the exploration program until such time that the Company has earned its 51% interest, upon which Renaissance and the Company will form a joint venture to govern and regulate their relationship in respect of the further development of the Project (the **Joint Venture**).

A summary of the material terms of the MoA and the Joint Venture is set out in Section 1.8 below.

The Company's pursuit of exploration activities in Cambodia demonstrates its renewed focus on mineral exploration and diversifying its existing portfolio of assets. The Board considers that the formation of and participation in the Joint Venture fit within the Board's intention to identify high quality exploration projects that have the potential to deliver growth for Shareholders.

This Notice of Meeting sets out the Resolutions necessary to proceed with the formation of and participation in the Joint Venture. Each Resolution is

conditional upon the approval by Shareholders of the other Resolution. If either of the Resolutions is not approved by Shareholders, all of the Resolutions will fail and Emerald will not proceed with the Joint Venture. A summary of the Resolutions is as follows:

- (a) as the Company is currently an oil and gas exploration company, participation in the Joint Venture will represent a significant change in the nature or scale of the Company's operations to a gold exploration and development company, for which Shareholder approval is required under ASX Listing Rule 11.1.2 (Resolution 1); and
- (b) the Company is undertaking a capital raising by issuing 33,334 Shares at 3 cents per Share to raise \$1,000 via a prospectus (**Capital Raising**) (Resolution 2). The Capital Raising is for a nominal amount only as the Company has sufficient working capital for its current intentions, but must undertake the Capital Raising to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

1.2 Directors' recommendation and voting intention

All of the Directors are of the opinion that the Joint Venture is in the best interests of Shareholders and, accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions. The Directors' recommendations are based on the reasons outlined in sections 1.13 below.

Each of the Directors intends to vote all of their Shares in favour of each of the Resolutions.

1.3 Overview of Renaissance and Cambodia

(a) Renaissance

Renaissance was incorporated on 18 December 2009 and admitted to the official list of the ASX in June 2010 (ASX: RNS). Renaissance is based in Perth and is focused on growing and advancing its gold projects located in the eastern region of Cambodia.

It is proposed that the Company will earn up to a 51% interest in Renaissance Cambodia Pty Ltd, a wholly owned subsidiary of Renaissance (**RNS Cambodia**) which has rights to the Project. Therefore, upon all conditions precedent to the MoA being satisfied or waived, Emerald will have the right to earn up to a 51% interest in the Project and form the Joint Venture with Renaissance to develop and extract future value.

(b) Cambodia

Cambodia is a constitutional monarchy with a constitution providing for a multi-party democracy. The population of Cambodia is approximately 14 million. The Royal Government of Cambodia, formed on the basis of elections internationally recognised as free and fair, was established in 1993. Cambodia has a relatively open trading regime and joined the World Trade Organisation in 2004. The government's adherence to the global market, freedom from exchange controls and unrestricted capital movement makes Cambodia one of the most business friendly countries in the region.

The Cambodian Government has implemented a strategy to create an appropriate investment environment to attract foreign companies, particularly in the mining industry, Cambodia has a modern and transparent mining code and the government is supportive of foreign investment particularly in mining and exploration to help realise the value of its potential mineral value.

1.4 The Cambodian Gold Project

(a) Location and infrastructure

The Project is located approximately 265km north-east of Cambodia's capital, Phnom Penh. The Okvau and adjoining O'Chhung licences cover approximately 400km² and are located within the core of a prospective Intrusive Related Gold province in Cambodia's eastern plains.

A revised independent JORC Indicated and Inferred Resource estimate of 15.8Mt at 2.2g/t for 1.13Moz of gold was completed for the Okvau deposit in July 2015. Approximately 85% of the resource estimate is in the Indicated category. The resource estimate comprises 13.2Mt at 2.3g/t gold for 0.96Moz of gold in the Indicated resource category plus 2.7Mt at 2.0g/t gold for 0.17Moz of gold in the Inferred resource category¹.

The mineralised vein system of the Okvau deposit has a current strike extent of 500 metres across a width of 400 metres. The depth and geometry of the resource make it amenable to open pit mining with 73%, or 830,000 ounces of the total resource estimate within the single open pit mine design.

The Okvau deposit remains open. There is significant potential to define additional ounces from both shallow extensions along strike to the north-east and at depth. The current resource estimate is underpinned by 132 drill holes for 33,351 metres, of which 100 holes or 30,046 metres is diamond core drilling with the remainder being reverse circulation drilling. Drill hole spacing is nominally 30 metres by 30 metres.

There are numerous high priority exploration prospects based upon anomalous geochemistry, geology and geophysics which remain untested with drilling. These targets are all located within close proximity to the Okvau deposit.

(b) Pre-Feasibility Study

On 27 July 2015, Renaissance announced that it had completed a Pre-Feasibility Study (**PFS**) for the development of a 1.5Mtpa operation based only on the Okvau deposit via an open pit mining operation. The PFS was completed to a +/- 20% level of accuracy.

The PFS demonstrates the potential for a robust, low cost development with an initial Life of Mine of 8 years, producing on average 91,500 ounces of gold per annum via conventional open pit mining methods from a single pit to be mined in three stages¹.

¹ Refer to the Renaissance ASX announcement of 27 July 2015

1.5 Re-compliance with Chapters 1 and 2 of the Listing Rules

ASX has advised the Company that, given that the Company is proposing to make a change in its current activities to gold exploration and development, it has exercised its discretion to require the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules prior to the Company participating in the Joint Venture.

For this purpose, the Company will be required to re-comply with the conditions to listing on ASX set out in Chapters 1 and 2 of the ASX Listing Rules in order to proceed with the Joint Venture and be re-instated to trading on ASX.

ASX Listing Rule 2.1 Condition 2 provides that it is a condition of quotation of the main class of a company's securities of an entity seeking admission to ASX that the issue price of the securities for which the company seeks quotation must be at least 20 cents in cash. In addition, ASX Listing Rule 1.1 Condition 11 provides that for an entity to be admitted to the official list, the exercise price for any options on issue must be at least 20 cents in cash.

On 19 February 2016, ASX granted the Company a waiver from the requirements outlined above to enable the Company to issue securities for the purpose of satisfying ASX Listing Rule 2.1, Condition 2 at 3 cents per Share, with all Options issued or to be issued having an exercise price of not less than 2.5 cents per Share. This waiver is subject to Shareholders approving the Company undertaking the Capital Raising at 3 cents per Share.

1.6 Capital Raising

For the purposes of the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to undertake the Capital Raising through the issue of 33,334 Shares at 3 cents per Share to raise \$1,000.

Funds raised under the Capital Raising are intended to be used in the manner set out in section 1.7 below.

The Company expects to lodge a prospectus for the Capital Raising with ASIC before the date of the General Meeting. The Capital Raising is intended to be completed in accordance with the timetable set out in section 1.10 below.

The formation of the Joint Venture and performance by Emerald of its obligations under the MoA do not presently contemplate or require the Company to issue new Shares. The Capital Raising will impact the Company's capital structure as follows:

	Shares	Options
Current	1,306,594,114	20,000,000
Capital Raising	33,334	-
TOTAL	1,306,627,448	20,000,000¹

Notes

1. Comprising 20,000,000 unlisted Options exercisable for \$0.025 on or before 21 January 2020.

1.7 Use of funds

The Company expects to use its existing cash reserves as follows:

Funds available	Capital Raising (\$)	Percentage of Funds (%)
Existing cash reserves of the Company	\$15,143,201	100%
TOTAL	\$15,143,201	100%
Definitive Feasibility Study	\$4,500,000	30%
Exploration costs	\$4,207,574	28%
Expenses associated with the transaction	\$200,000	1%
Corporate costs ¹	\$1,000,000	6%
General working capital ²	\$5,235,627	35%
TOTAL	\$15,143,201	100%

Notes

1. Includes costs to maintain the registered office and corporate overheads.
2. General working capital includes funds for future possible development of the Project and assessment of potential opportunities.

The above tables are statements of current intentions as of the date of this Notice of Meeting. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

1.8 Summary of the MoA

The material terms of the MoA are as follows:

- (a) **Conditions Precedent:** The implementation of the MoA is subject to satisfaction of certain conditions precedent, including:
- (i) approval by the shareholders of Renaissance;
 - (ii) approval by the shareholders of the Company in order to change the nature and scale of the Company's operations;
 - (iii) ASX granting the Company conditional approval for the securities in the Company to be re-instated to trading on the ASX following re-compliance with Chapters 1 and 2 of the ASX Listing Rules; and
 - (iv) the Company and Renaissance obtaining the necessary approvals and consents from the government of Cambodia,
- (together the **Conditions**).

- (b) **Earn-in right:** Following satisfaction of the Conditions, the Company may earn up to a 51% interest in the Project by:
- (i) sole funding exploration on the Project of a minimum of US\$3 million;
 - (ii) completing the DFS of the Project; and
 - (iii) completing the ESIA of the Project,

within a two year period of the commencement of the JV Agreement.

The Company's interest in the Project will be earned progressively based on a combination of exploration expenditure and DFS completion as follows:

Exploration Spend (non DFS costs)	DFS and ESIA Status	Time	Emerald Interest
US\$0.5 million	N/A	9 months	5%
US\$2.5 million	N/A	24 months	30%
US\$3.0 million	Completed	24 months	51%

- (c) **Joint Venture:** Upon earning an interest in the Project, the Company and Renaissance will form the Joint Venture for the purpose of further developing and extracting value from the Project.
- (d) **Management:** the Company will manage the DFS and ESIA. The Company and Renaissance will jointly manage the exploration program on the Project until such time that the Company has earned its 51% interest. All decisions of the Joint Venture regarding development commitments and expenditure will be subject to a 75% voting approval.
- (e) **Withdrawal rights:**
- (i) The Company may only withdraw from the MoA after six months and minimum expenditure of US\$0.5 million. If the Company elects to withdraw prior to completion of the DFS and ESIA, it will relinquish any interest in the Project which it may have earned.
 - (ii) If, at the time of withdrawal, the Company has earned a 30% interest and has not completed the DFS, Renaissance may dilute the Company to a 10% interest by spending a further US\$2 million on exploration and/or development of the Project.
 - (iii) If either party dilutes to a 10% interest, the other party may elect to convert that party's interest to a 2% royalty.

1.9 Pro forma balance sheet

Set out in Schedule 1 is a pro-forma balance sheet of the Company assuming that all Resolutions have been passed and showing the Capital Raising which is proposed to be \$1,000. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required

by the Australian Accounting Standards applicable to annual financial statements.

1.10 Indicative timetable

An indicative timetable for the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules is set out below:

Event	Date
Lodgement of Prospectus with the ASIC	23 March 2016
General Meeting held to approve the transaction	31 March 2016
Closing Date of the Capital Raising	1 April 2016
Despatch of holding statements	6 April 2016
Re-quotations of Shares	8 April 2016

Please note this timetable is indicative only and the Directors reserve the right to amend the timetable as required.

1.11 Board Intentions upon Reinstatement

It is currently proposed that the funds raised from the Capital Raising, together with the Company's and Renaissance's existing cash reserves will be used to:

- (a) focus on the development economics of the Okvau deposit by optimisation of capital and operating costs through process design and mining efficiencies;
- (b) update the pre-feasibility study on the Okvau deposit which was completed by Renaissance in July 2015 to a DFS; and
- (c) undertake drilling tests in respect of the exploration prospects located on the Project (within a close proximity to the Okvau deposit).

1.12 Composition of the Board of Directors

The current Board of Emerald is not anticipated to change upon reinstatement, the Board will be comprised of:

- (a) Mr Simon Lee AO (*Non-Executive Chairman*);
- (b) Mr Morgan Hart (*Managing Director*);
- (c) Mr Ross Stanley (*Non-Executive Director*); and
- (d) Mr Ross Williams (*Non-Executive Director*),

(Directors).

1.13 Advantages of the Proposal

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Resolutions:

- (a) the formation of and participation in the Joint Venture represents an attractive and immediate opportunity for the Company to change its business focus to that of a gold exploration and development company;
- (b) the Project includes the Okvau deposit with a defined JORC Indicated and Inferred Resource estimate of 15.8Mt @ 2.2g/t for 1.13Moz of gold¹. The Project represents an advanced exploration opportunity and the surrounding areas have significant exploration potential; and
- (c) the Company has a highly credible and experienced team to progress exploration and accelerate potential development of the Project.

1.14 Disadvantages of the Proposal

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Resolutions:

- (a) the Company will be changing the nature and scale of its activities to primarily a gold exploration and development company, which may not be consistent with the objectives of all Shareholders;
- (b) future outlays of funds from the Company may be required for the operations of the Joint Venture;
- (c) there is no certainty that the Company will earn in the entire 51% interest of the Project or that the DFS will support a decision to commence mining operations for the Project; and
- (d) there are additional risk factors associated with the change in nature of the Company's activities resulting from the Company's proposed participation in the Joint Venture and the conduct of future exploration and development activities in Cambodia. Whilst the Company has undertaken the necessary due diligence investigations in respect of the Project including a review of the necessary legal, political and economic frameworks in operation, there is no assurance that changes to existing policy, political and legislative regime will not occur. Any such changes may affect the Company's ability to carry out its stated objectives and proposed Joint Venture operations.

1.15 Plans for the Company if the Resolutions are not passed

If the Resolutions are not passed and Emerald does not proceed with the Joint Venture, the Company will continue look for potential business acquisitions to take the Company forward.

1.16 Conditionality of Resolutions

Each of the Resolutions in this Notice of Meeting is conditional upon the approval by Shareholders of the other Resolution. Should any of the Resolutions not be approved, the Company will not proceed with the transaction. The Company would then immediately request that ASX remove the suspension order and allow the Company to resume trading on the ASX in its current form.

1.17 Competent Person Statement

The information in this Notice of Meeting that relates to exploration results is based on information compiled by Mr Craig Johnson, who is a consultant to Renaissance and who is a Member of The Australasian Institute of Geoscientists. Mr Craig Johnson 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 Craig Johnson consents to the inclusion of the matters based on his information in the form and context in which it appears.

The information in this Notice of Meeting that relates to the Mineral Resources for the Okvau deposit was prepared by International Resource Solutions Pty Ltd (Brian Wolfe), a consultant to Renaissance, who is a Member of the Australian Institute of Geoscientists (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 Wolfe consents to the inclusion of the matters based on his information in the form and context in which it appears.

Reference is made to Renaissance's ASX release dated 27 July 2015. All material assumptions underpinning the production target and financial information continue to apply and have not materially changed.

2. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES – ACQUISITION OF AN INTEREST IN THE CAMBODIAN GOLD PROJECT

2.1 General

Resolution 1 seeks approval from Shareholders for the formation of and participation in the Joint Venture.

A summary of the terms and conditions of the MoA is set out in Section 1.8 above and a detailed description of Renaissance and its business is outlined in Section 1.3 above.

2.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the entity were applying for admission to the official list of ASX.

ASX has indicated to the Company that the change in the nature and scale of the Company's activities as a result of the formation of and participation in the

Joint Venture requires the Company in accordance with ASX Listing Rule 11.1.2 to obtain Shareholder approval.

2.3 Suspension until re-compliance with Chapters 1 and 2 of the ASX Listing Rules

ASX has also indicated to the Company that the change in the nature and scale of the Company's activities is a back-door listing of an interest in the Project which consequently requires the Company to (in accordance with ASX Listing Rule 11.1.3) re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules (including any ASX requirement to treat the Company's securities as restricted securities). Accordingly, it is anticipated that the Company's securities will be subjected to a suspension and thereby cease trading on ASX's Official List prior to market open on the day of the Meeting. If the Resolutions are approved at the Meeting, it is expected that the Company's Shares will be suspended from quotation until the Company has re-complied with Chapters 1 and 2 of the Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

If the Resolutions are not approved at the Meeting, the Company will apply to have its Shares reinstated to quotation on ASX's Official List after the Company announces the results of the Meeting in accordance with the Listing Rules and Corporations Act.

3. RESOLUTION 2 – CAPITAL RAISING

3.1 General

Resolution 2 seeks Shareholder approval for the issue of up to 33,334 Shares at an issue price of 3 cents per Share to raise \$1,000 under the Capital Raising.

ASX has granted the Company a waiver to enable the Company to undertake the Capital Raising at no less than 3 cents per Share and to have Options on issue with an exercise price less than 20 cents. The waiver is conditional upon Shareholders approving the issue price of Shares under the Capital Raising at a price of 3 cents per Share.

The Capital Raising will be undertaken via the issue of a prospectus (**Prospectus**) to assist in complying with Chapters 1 and 2 of the ASX Listing Rules which is required to obtain re-instatement of its Shares to trading on the Official List of ASX.

As noted in Section 1.8(a), formation of the Joint Venture is conditional upon the Company receiving conditional approval from the ASX for its Shares to be re-instated to trading on the ASX following re-compliance with Chapters 1 and 2 of the ASX Listing Rules. As part of the re-compliance process, the Company is issuing the Prospectus for a nominal capital raising only to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules. It is noted the Shares the subject of the Capital Raising will only be issued if Shareholders pass all of the Resolutions.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Company to issue the Shares pursuant to the Capital Raising during the period of 3 months after the Meeting

(or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) the maximum number of Shares to be issued is 33,334;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be 3 cents per Share;
- (d) the Shares will be issued to a member or members of the public at the Board's discretion pursuant to a public offer by Prospectus. No related party of the Company will participate in the Capital Raising;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) a nominal amount will be raised under the Capital Raising. Section 1.7 of this Explanatory Statement provides for the information regarding utilisation of the Company's existing cash reserves.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Emerald Resources NL (ACN 009 795 046).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Joint Venture has the meaning set out in Section 1.1.

JV Agreement means the proposed farm-in and joint venture agreement between the Company and Emerald in accordance with the MoA, as summarised in Section 1.8.

MoA has the meaning set out in Section 1.1.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Project has the meaning set out in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Renaissance means Renaissance Minerals Limited (ACN 141 196 545)

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – UNAUDITED CONSOLIDATED PRO FORMA BALANCE SHEET AS AT 31 DECEMBER 2015

	CONSOLIDATED (Unaudited) \$'000	PROFORMA (Unaudited) \$'000
Assets		
Current Assets		
Cash and cash equivalent	16,885	14,963
Receivables	92	92
Investments in Listed Securities	900	2,623
Total Current Assets	17,877	17,678
Non-current Assets		
Property, plant and equipment	8	8
Total non-current Assets	8	8
Total Assets	17,885	17,686
Liabilities		
Current Liabilities		
Payables	(148)	(148)
Total Current Liabilities	(148)	(148)
Total Liabilities	(148)	(148)
Net Assets	17,737	17,538
Equity		
Contributed equity	51,057	51,057
Options reserves	1,925	1,925
Retained earnings	(35,245)	(35,444)
Total Equity	17,737	17,538

Notes:

Notes:

- Set out above is the Consolidated Pro-Forma Balance Sheet as at 31 December 2015 (unaudited).
- The Balance Sheet is presented in abbreviated form insofar as it does not include all the disclosures that are present in annual financial reports as required by Australian Accounting Standards. The significant accounting policies that underpin the Statement is the same policies as those outlined in the Company's Annual Report.
- The Balance Sheet has been prepared on the basis that there are no material movements in the assets and liabilities of the Company between 31 December 2015 and the completion of the Acquisition except for;

- a. the 10% equity investment in Renaissance of \$1,723,333 as announced on 3 February 2016;
 - b. the issue of 33,334 Shares at 3 cents per Share (at full subscription); and
 - c. estimated costs of the transaction of \$200,000.
4. No allowance has been made for expenditure incurred in the normal course of business since 31 December 2015.

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EMERALD RESOURCES NL

REGISTERED OFFICE:

1110 HAY STREET
WEST PERTH WA 6008

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ACN: 009 795 046

«EFT_REFERENCE_NUMBER»

«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

SHARE REGISTRY:

Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535, APPLECROSS WA 6953
AUSTRALIA
770 Canning Highway, APPLECROSS WA 6153
AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

EMR

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the General Meeting of the Company to be held at 10:00am WST on Thursday 31 March 2016 at the WA Chinese Chamber of Commerce, 1304 Hay Street, West Perth WA 6005 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. CHANGE TO NATURE AND SCALE OF ACTIVITIES - ACQUISITION OF AN INTEREST IN THE CAMBODIAN GOLD PROJECT
2. CAPITAL RAISING

For

Against

Abstain*

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Proxies must be received by Security Transfer Registrars Pty Ltd no later than 10:00am WST on Tuesday 29 March 2016.

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EMR

EMRPX2310316

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My/Our contact details in case of enquiries are:

Name:

Number:

()

1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Registrars Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 535
Applecross WA 6953 AUSTRALIA

Street Address Alexandria House
Suite 1, 770 Canning Highway
Applecross WA 6153 AUSTRALIA

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

