

#### Fast Facts

ASX Code: EMR  
Capital Structure (Pre Placement)  
Shares on issue: 2,111 million  
Market Cap: ~A\$72 million  
Cash: A\$1.3 million (30 Sep 2018)  
Listed Investments: A\$0.3 million (30 Sep 2018)

#### Board & Management

Simon Lee AO, Non-Exec Chairman  
Morgan Hart, Managing Director  
Mick Evans, Executive Director  
Ross Stanley, Non-Exec Director  
Ross Williams, Non-Exec Director  
Mark Clements, Co. 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
- 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<sub>(5%)</sub> 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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## Successful A\$27 million Share Placement to Commence Development Activities at the Okvau Gold Project

### HIGHLIGHTS

- Fully subscribed share placement of A\$27 million to be completed in two tranches
- Allows development activities to commence at the Okvau Gold Project
- Strong support from existing and new institutional shareholders
- Share Purchase Plan ("SPP") of up to A\$3 million for all Eligible Shareholders

**Emerald Resources NL (ASX: EMR)** ("Emerald") is pleased to announce a successful placement to raise A\$27 million as announced on 30 October 2018 ("Placement") as follows:

- Tranche 1 – unconditional placement of approximately 416.7 million New Shares to raise approximately \$12.5 million under the Company's 25% Placement capacity, pursuant to ASX Listing Rules 7.1 and 7.1A;
- Tranche 2 - conditional placement of approximately 483.3 million New Shares to raise approximately \$14.5 million (including \$12.2 million to the Directors of Emerald), which is subject to shareholder approval to be sought at a general meeting to be held on or around 14 December 2018.

The New Shares to be issued under the Placement will rank pari passu with existing Emerald shares.

The Placement (together with the previously announced SPP to raise up to A\$3 million) provides funding to be used towards:

- commence development activities at the Okvau Project;
- regional exploration program on Emerald's 1,442km<sup>2</sup> Cambodian exploration footprint;
- repayment of unsecured loans; and
- ongoing working capital requirements and costs of the Placement.

Funds raised under the Placement will allow for the commencement of development activities whilst the Company advances discussions with multiple parties on debt finance. 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 is nearing completion following positive in fill drill results.

Managing Director, Morgan Hart commented *"Despite the challenging short-term market environment, we are delighted with the support received from our current and new institutional shareholders. The support demonstrates the robust nature of the Okvau Gold Project and the support for the Company's strategy of becoming the first modern large-scale Cambodian gold producer."*

Mr Hart added *"We are also happy to provide our existing loyal shareholders the opportunity to participate in the share purchase plan on the same terms as the placement. The funds raised from the placement and share purchase plan allow Emerald to commence development activities at the Okvau Gold Project, a significant step on the path to production, and a really exciting time for the Company."*

The Placement was conducted at a fixed price of A\$0.03 per New Share, representing an 11.8% discount to the closing price of A\$0.034 per share on 29 October 2018 and an 11.2% discount to the 5 day VWAP of A\$0.034 per share up to 29 October 2018.

Further details can be found in the investor presentation lodged with ASX on 30 October 2018.

Settlement of Tranche 1 Placement shares is expected to occur on Friday 9 November 2018 with 316,687,880 to be issued pursuant to ASX Listing Rule 7.1 and a further 99,978,788 shares pursuant to ASX Listing Rule 7.1A. Settlement of Tranche 2 Placement shares is expected to occur on Tuesday 18 December 2018.

Euroz acted as the Lead Manager and Bookrunner to the Placement, Tectonic Advisory Partners LLC acted as Co-Manager.

As previously announced, Emerald will initiate a SPP, open to all eligible shareholders as at 7.00pm (Sydney time) on the record date of 29 October 2018, and whose registered address is in Australia or New Zealand (Eligible Holders). Eligible Holders will be invited to invest up to a maximum of A\$15,000 per shareholder in the SPP, subject to an overall cap of A\$3 million.

The issue price under the SPP will be the same as the Placement price of A\$0.03 per share. No brokerage will be payable by subscribing shareholders. Further details on the SPP will be distributed to Eligible Holders shortly and released on the ASX.

This announcement effectively lifts the trading halt that the Company requested Tuesday 30 October 2018. The Company is not aware of any reason why the ASX would not allow trading to recommence immediately.

For further information please contact;

Emerald Resources NL  
Morgan Hart  
Managing Director

## 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. 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.