

ASX Announcement & Media Release

11 March 2020

Fast Facts

ASX Code: EMR
Shares on issue: 3,801 million
Market Cap: ~\$148 million
Cash: A\$10.7 million (31 December 2019)
Listed Investments: \$0.05 million
(31 December 2019)

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;
- Mineral Investment Agreement and 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\$754/oz over LOM;
 - Using US\$1.450/oz Au gold price:
 - NPV_(5%) US\$337M pre-tax and US\$238M post-tax;
 - IRR 69% pa pre-tax and 57% post-tax;
 - Payback ~1.4 years pre-tax and 1.7 years post-tax.
- Highly credentialed gold project development team;
- Significant resource growth potential.

Registered Office

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Execution of US\$60M Okvau Project Development Credit Agreement

Emerald Resources NL (ASX: EMR) ("Emerald") is pleased to announce it has signed the Credit Agreement with Sprott Private Resource Lending II (Collector), LP ("Sprott") for the US\$60 million Okvau Debt Facility. The signing of the Credit Agreement is a significant milestone for the development of the Okvau Gold Project and follows the completion of an extensive due diligence process and preparation of all facility related documentation.

Managing Director, Morgan Hart, commented: *"We are extremely pleased to have executed the Credit Agreement which is the culmination of a thorough and collaborative process by the teams at both Emerald and Sprott."*

Mr Hart added: *"We'd also like to thank the Cambodian Ministry of Mines and Energy and its Minister H.E. Suy Sem for their transparent and collaborative efforts, conducted in a professional manner to fully licence the Okvau Gold Project for development. With the execution of the agreement and a clear path for financing, we look forward to achieving our goal of becoming the first modern large-scale Cambodian gold producer in Q2 2021."*

Sprott's financing of the Okvau Gold Project will combine the strong development credentials of the Emerald team with the financial strength of the respected Sprott group. The Okvau Debt Facility has also provided access to a US\$100 million Acquisition and Development Facility to fund future development and acquisition opportunities as previously announced on 26 June 2019. Emerald is excited to work with Sprott with the aim to grow the Company through the procurement of value adding assets for subsequent developments to create a multi asset gold producing company.

Financial close and first draw down remains subject to customary conditions precedent which includes execution of all facility documentation and perfection of security which is expected to be completed by the end of Q1 2020.

About Sprott

Sprott is an alternative asset manager and global leader in mining and real asset investments. Through its subsidiaries in Canada, the US and Asia, Sprott is dedicated to providing investors with best in-class investment strategies that include Exchange Listed Products, Alternative Asset Management and Private Resource Investments. The Corporation also operates Merchant Banking and Brokerage business in both Canada and the US. Sprott is based in Toronto with offices in New York, Carlsbad, and Vancouver and the shares of its parent company, Sprott Inc., are listed on the Toronto Stock Exchange under the symbol (TSX:SII).

This ASX release was authorised on behalf of the Emerald Board by: Morgan Hart Managing Director.

For further information please contact
Emerald Resources NL

Morgan Hart
Managing Director