

Emmerson Resources Ltd

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Emmerson Resources ready to capitalise on gold exploration and emerging royalty opportunities

Emmerson Resources Ltd (ASX:ERM) is set to capitalise on exploration and emerging royalty opportunities while remaining in a strong financial position to deliver a revised mill and mining schedule at Tennant Creek in the NT, despite the many challenges of FY2020.

In its annual report to shareholders, the company addressed the difficult market conditions experienced at the beginning of 2020 which impacted the entire junior sector, including its joint venture (JV) partner Territory Resources at Tennant Creek from securing funding to refurbish the Warrego Mill.

Landmark agreement

However, shortly after the end of the financial year, Emmerson signed a landmark agreement with the Marnturla Aboriginal Corporation, who act on behalf of the Traditional Owners of the land on which Emmerson operate in Tennant Creek.

This agreement, the first of its kind in the district, not only heralds a new era for direct equity participation in the future success of Emmerson's exploration at Jasper Hills, Hermitage and the Golden Slipper projects but also in providing real employment opportunities and skills training.

As a result of measures taken in FY20, the company remains in a strong position to capitalise on its suite of high-calibre projects in the NT and NSW, particularly in a rising gold price environment.

Gold royalty in Canada

These assets, along with Emmerson's track record of exploration and commercial success paved the way for a highly successful capital raising toward the end of FY2020.

One of the strategies of the capital raising was to seek new shareholders from the North American markets, where the royalty business model is very well known and highly valued.

Emmerson has welcomed many new shareholders, in particular Palisade Gold Corporation, which plans to jointly market the gold royalty business in Canada.

NSW copper-gold projects

Fast-tracked exploration activities are underway across five exciting gold-copper projects in Macquarie Arc of the Lachlan Fold Belt of NSW and these have been identified from the application of 2D and 3D predictive targeting models.

The programs are aimed to increase the probability of a major discovery.

New South Wales' highly prospective Macquarie Arc hosts a known >80 million ounces gold and >13 million tonnes

Price: 0.079

Market Cap: \$38.15 m

1 Year Share Price Graph



Share Information

Code: ERM

Listing: ASX

52 week	High	Low
	0.14	0.06

Sector: Gold & silver

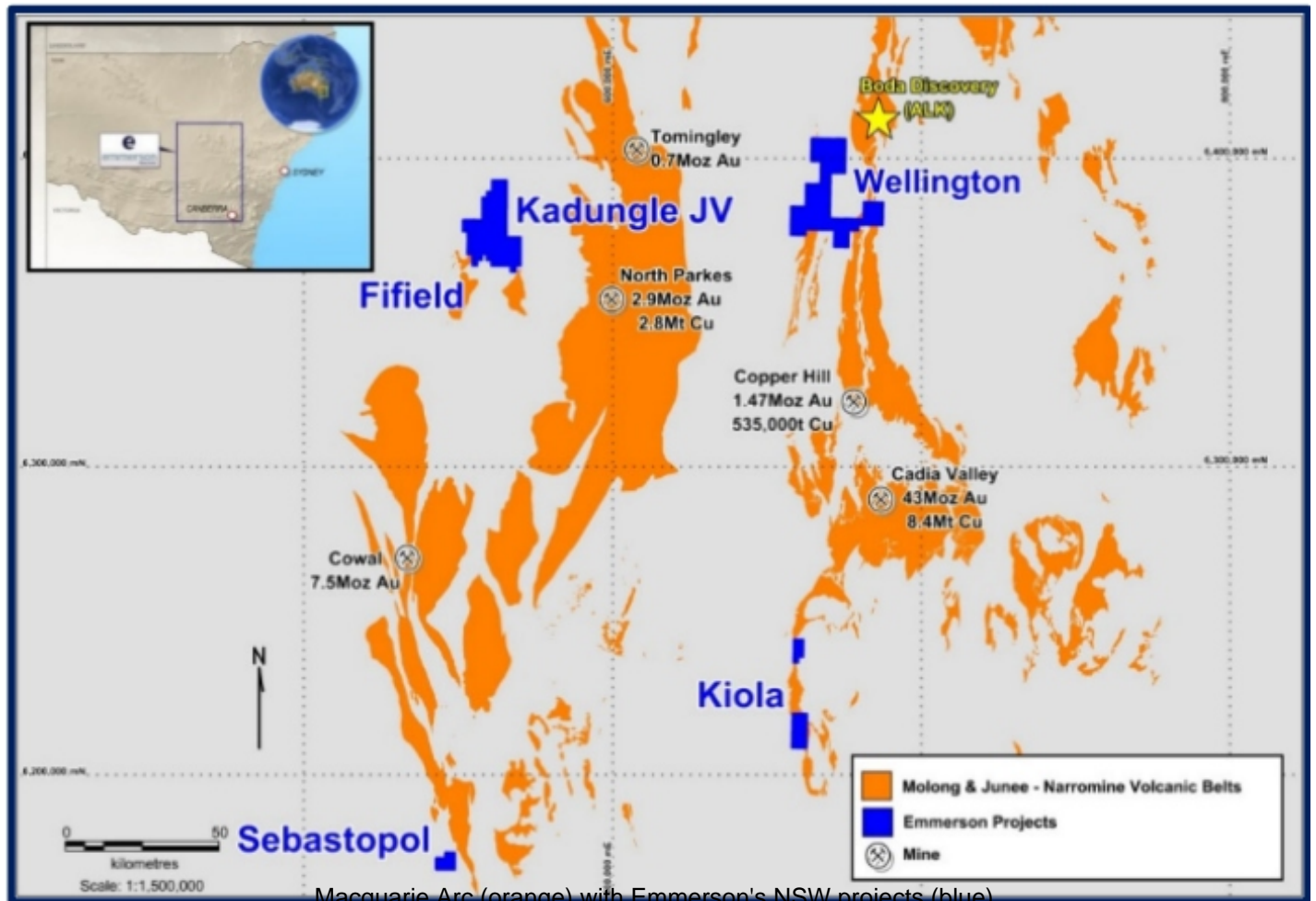
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Company Synopsis:

Emmerson Resources Ltd (ASX:ERM) and its partners have a pathway to grow and realise value from the Tennant Creek operations.

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copper, with these previously discovered resources heavily weighted to areas of outcrop or limited cover.



Macquarie Arc (orange) with Emmerson's NSW projects (blue).

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) which have resulted in a lack of effective exploration.

Kadungle is a JV with Aurelia Metals Ltd (ASX:AMI) covering 43 square kilometres adjacent to Emmerson's Fifiel project.

Cutting-edge geoscience

During FY2020, exploration continued across Emmerson's Fifiel, Kadungle, Wellington and Kiola projects, with most of the field activity focused at Whatling Hill within the Fifiel tenement and at Kiola.

Emmerson's field-based exploration has been complemented by cutting edge geoscience in collaboration with the University of Tasmania.

This multi-faceted approach has included analysis of the alteration (trace and rare earth elements within the outer green rock or epidote/chlorite zone), age dating of mineralised host rocks and whole rock geochemistry.

To date, Emmerson has received positive analysis from the outer alteration minerals at Kadungle, Fifiel and Kiola and is now applying various field-based techniques to confirm these results.



Tennant Creek

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.

The TCMF has produced more than 5.5 million ounces of gold and at least 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 Emmerson has made new discoveries including 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.

Northern project area

Encouraging high-grade gold mineralisation were intersected at Mauretania with assays including:

- 15 metres at 2.28 g/t gold from 57 metres;
- 1-metre at 5.75 g/t gold and 1.39% copper from 76 metres;
- 21 metres at 2.4 g/t gold from 81 metres; and
- A new thick zone of copper and gold from diamond drill hole MTDD007 where 22 metres at 0.84% copper, 0.04 g/t gold and 5.2 g/t silver from 88 metres was intersected.

Thick intercepts of gold and now copper at shallow levels provides great encouragement that Mauretania can be a viable open cut mine.

To support this objective, Emmerson submitted a Mineral Lease Application (ML32214) over the Mauretania Project to the NT Department of Resources.

The opportunity to apply modern exploration to an area that was previously restricted is a very exciting development, as is working with the Traditional Owners to move these projects forward to potential development opportunities.

Emmerson believes that the North Star-Jasper Hills district will generate multiple gold, copper and cobalt opportunities.

On gaining approval from the AAPA, the first step of the program will include compiling and verifying all the historic exploration data ahead of drill testing.

Southern Project area

Drilling in the Southern Project Area (SPA) as part of the \$5 million earn-in funded by Territory Resources, occurred in 2019 however the results are pending finalisation of QA/QC and compilation.

This drilling was aimed at testing for extensions to known high-grade gold mineralisation around the Golden Kangaroo, Susan and Black Snake prospects.

Strategic alliance

Following the end of FY2020, Emmerson announced a strategic alliance with Longreach Mineral Exploration.

The Longreach group consists of highly successful oil and gas exploration and service companies, with recognised capacity and capability in the application of machine learning across big data sets such as 3D seismic imaging and interpretation, airborne geophysics and deep learning tools such as artificial intelligence.

It compliments Emmerson's existing capabilities and will provide a further path to accelerating project generation and early-stage exploration.

Under the alliance, either party can submit a project to the alliance working group and if unanimously accepted, becomes a strategic alliance project.

Providing the project meets the agreed milestones, it then becomes the subject of a joint venture between the parties.

The Sebastopol Gold Project is the first alliance project and is planned to be drill tested in 2021, with Emmerson to manage the agreed work program.

In August 2020, the Kadungle Gold-Copper Project was also submitted and accepted into the Longreach alliance.

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