



**emmerson**  
resources

**ABN 53 117 086 745**

**HALF-YEAR FINANCIAL REPORT**

**31 DECEMBER 2021**

For personal use only

Corporate Directory	1
Directors' Report	2
Consolidated Statement of Comprehensive Income	17
Consolidated Statement of Financial Position	18
Consolidated Statement of Changes in Equity	19
Consolidated Statement of Cash Flows	20
Notes to Consolidated Financial Statements	21
Directors' Declaration	26
Auditor's Independence Declaration	27
Independent Auditor's Review Report	28

## CORPORATE DIRECTORY

### DIRECTORS

**Andrew McIlwain**, Non-executive Chairman  
**Rob Bills**, Managing Director and CEO  
**Allan Trench**, Non-executive Director  
**Alan Tate**, Non-executive Director

### COMPANY SECRETARY

Rodney Wheatley

### REGISTERED OFFICE

3 Kimberley Street  
West Leederville WA 6007

PO Box 1056  
West Leederville WA 6901  
Telephone: +61 (08) 9381 7838  
Facsimile: +61 (08) 9381 5375  
Internet: [www.emmersonresources.com.au](http://www.emmersonresources.com.au)

### TENNANT CREEK OFFICE

36 Standley Street  
Tennant Creek, NT, 0860

PO Box 1244  
Tennant Creek NT 0861  
Telephone: +61 (08) 8962 1425  
Facsimile: +61 (08) 8962 3376

### ASX CODE

ERM

### SOLICITORS

Steinepreis Paganin  
Level 4, Next Building  
16 Milligan Street  
Perth WA 6000

Ward Keller  
Level 7, NT House  
22 Mitchell Street  
Darwin NT 0807

### BANKERS

National Australia Bank  
West End, 197 St Georges Terrace  
Perth WA 6000

### AUDITORS

Ernst & Young  
The Ernst & Young Building  
11 Mounts Bay Road  
Perth WA 6000

### SHARE REGISTER

Advanced Share Registry Services Limited  
110 Stirling Highway  
Nedlands WA 6009

PO Box 1156  
Nedlands WA 6909  
Telephone: +61 (08) 9389 8033

## EMMERSON RESOURCES LIMITED

### DIRECTORS' REPORT

The Directors of Emmerson Resources Limited and its controlled entities ("Company" or "Emmerson" or "consolidated entity") submit their report for the half-year ended 31 December 2021. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

#### DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as follows:

Andrew McIlwain, Non-executive Chairman

Rob Bills, Managing Director and Chief Executive Officer

Allan Trench, Non-executive Director

Alan Tate, Non-executive Director (Appointed 15 November 2021)

#### REVIEW AND RESULTS OF OPERATIONS

##### Operating Results for the Half-year

The net loss for the half-year ended 31 December 2021 was \$758,593 compared to the half-year ended 31 December 2020 of \$700,712.

Total revenue and other income decreased from \$170,477 in the half-year ended 31 December 2020 to \$63,997 for the half-year ended 31 December 2021, predominantly due to receipt of government incentives and a gain on disposal of an asset in 31 December 2020.

Expenses decreased from \$871,189 in the half-year ended 31 December 2020 to \$822,590 for the half-year ended 31 December 2021, predominately due to a decrease in legal fees arising from corporate activities and the termination of historical joint venture agreements in the prior period.

##### Financial Position

Available cash at the end of the half-year was \$3,941,055 (30 June 2021: \$5,484,910).

Net assets and total equity at 31 December 2021 were \$21,431,326 (30 June 2021: \$22,095,135).

Cash and assets utilised by the Company for the period continued to be focused on exploration activities in Tennant Creek and New South Wales, consistent with the Company's business objectives. The Directors believe the Company is in a good financial position to continue its exploration endeavors.

#### REVIEW OF OPERATIONS

##### About Emmerson Resources

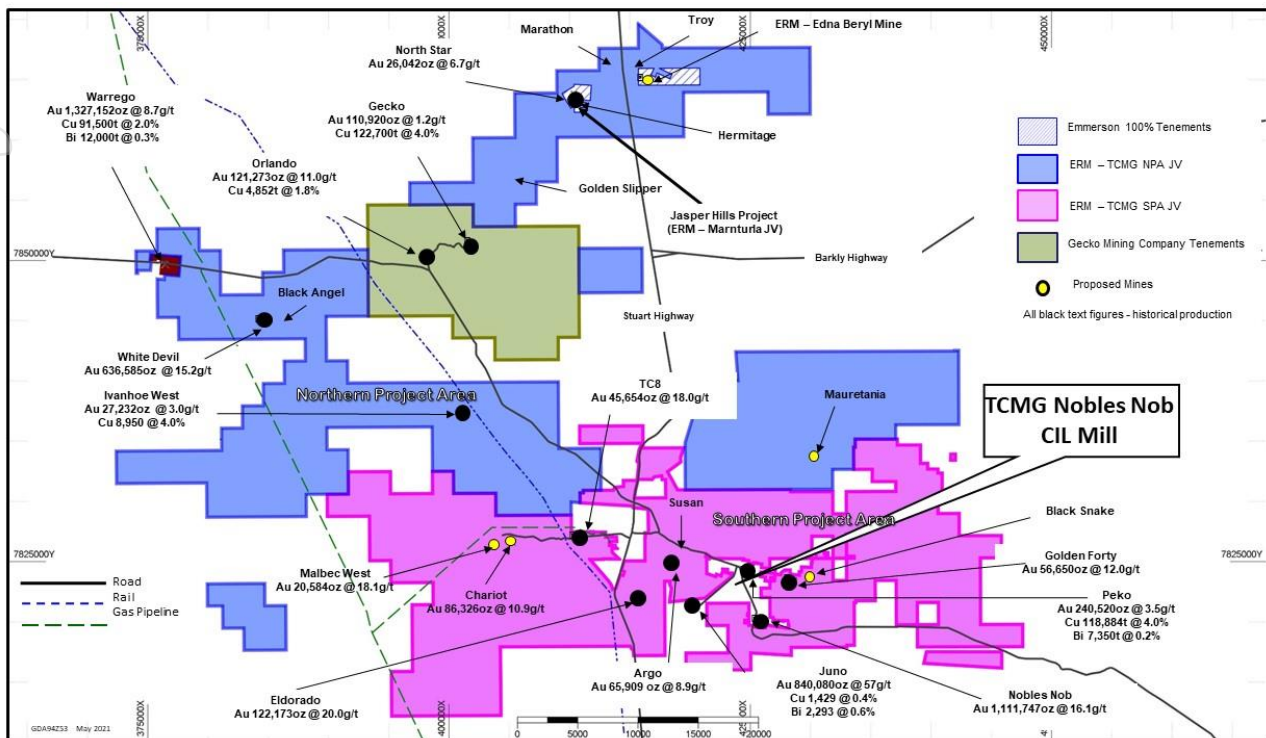
Emmerson continues to deliver to our strategy of:

- Advancing exploration toward the discovery of further high-grade gold and copper-gold deposits at Tennant Creek in the Northern Territory and copper-gold in NSW.
- Creating an emerging gold royalty business from our Tennant Creek assets.
- Pursuing opportunities through leading edge exploration targeting.

Emmerson has a commanding land position and is exploring the Tennant Creek Mineral Field (TCMF), one of Australia's highest-grade gold and copper districts that has produced over 5.5Moz of gold and 470,000t of copper from deposits including Warrego, White Devil, Orlando, Gecko, Chariot, and Golden Forty. These high-grade deposits are highly valuable exploration targets, and to date, Emmerson has added to this endowment with high-grade gold discoveries at Edna Beryl and Mauretania, plus copper-gold at Goanna and Monitor. These finds were achieved utilising new technology and concepts and are the first discoveries in the TCMF for over two decades.

A recent rush of new tenement applications by major and junior explorers in the Tennant Creek district, not only highlights the prospectivity of the region for copper and gold but also Emmerson's strategic 1,700km<sup>2</sup> land holding and proprietary knowledge gained through focussed exploration activities in the field for over 15 years.

## DIRECTORS' REPORT



**Figure 1:** Map of the Emmerson Tennant Creek Project showing the Northern Project Area (NPA), and Southern Project Area (SPA), which is covered by the Exploration (EEJV) and Small Mines (SMJV). Yellow dots are potential small mines and/or remnant resources. Noting that Emmerson retains 100% of the Jasper Hills, Hermitage, North and Northern Star and Edna Beryl projects.

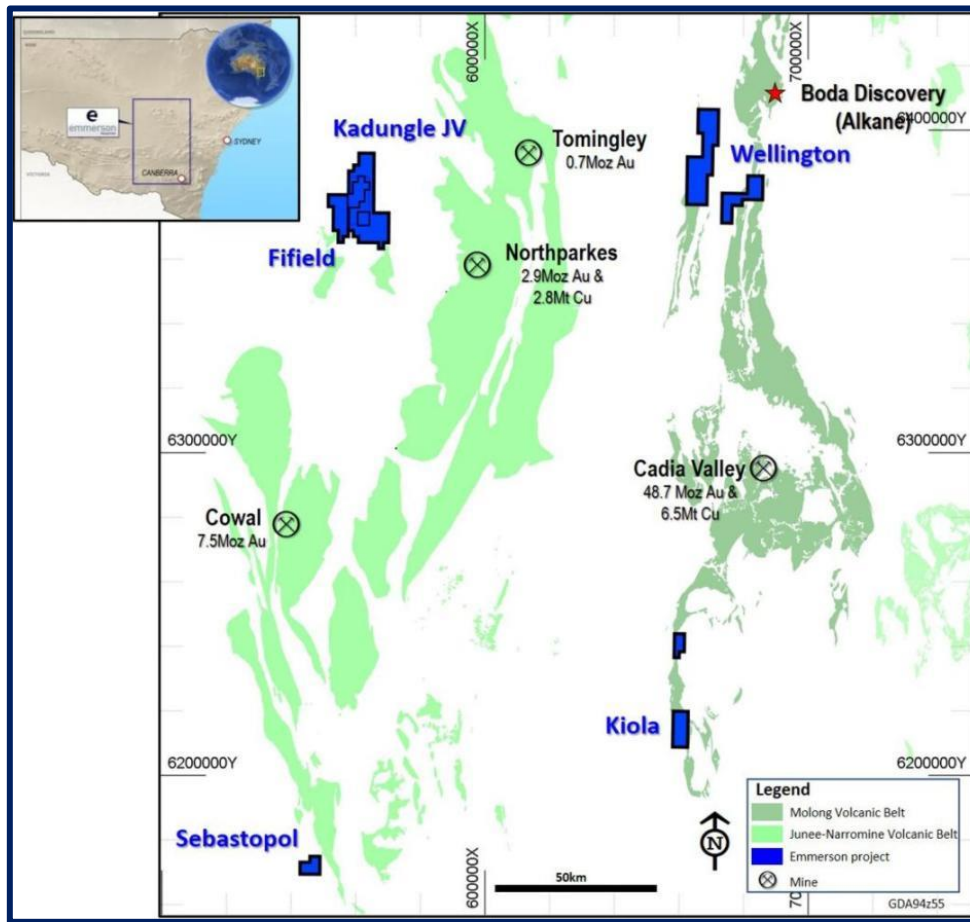
## Note:

- Quoted production from major historical deposits after Ahmad, M. and Munson, T.J. (2013). *Geology and mineral resources of the Northern Territory, Special Publication 5*, p. 9:37.
- For Chariot mine and Malbec West mine, quoted production from *Giants Reef Mill Reconciled Production to end of month September 2005 (internal report)*.

Emmerson is also conducting exploration across four early-stage gold-copper projects in NSW, identified (with our strategic alliance partner Kenex/Duke Exploration ASX:DEX) from the application of 2D and 3D predictive targeting models – aimed at increasing the probability of discovery. Duke can earn up to 10% (to pre BFS) of any project generated providing certain success milestones are met.

The highly prospective Macquarie Arc in NSW hosts >80Moz gold and >13Mt copper with these resources heavily weighted to areas of outcrop or limited cover. 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) and a lack of effective historic exploration.

## DIRECTORS' REPORT



**Figure 2:** Macquarie Arc(orange) with Emmerson's NSW Projects (blue).

### HERMITAGE PROJECT (100% EMMERSON)

In October 2021 the Company commenced a drill program at the Hermitage Project in Tennant Creek with the drill results being announced on 8 December 2021.

Hermitage is one of a cluster of 100% Emmerson owned prospects on granted mining leases that occurs within the northern corridor at Tennant Creek. These prospects incorporate North Star, Jasper Hills, Katherine Star and Northern Star in mining lease (ML 30177) and, Edna Beryl Thrace, and Macedon in ML 705 (Figures 1).

Phase 1 consisted of four RC holes aimed at testing an area approximately 200m east-west but focused on the concept of high-grade mineralisation hosted in sub-vertical, iron-oxide breccia pipes.

Drill hole HERC003 (Figure 3 & 4 and Photo 1) returned an outstanding intersection of 117m at 3.38% copper from 75m. The hole intersected a zoned iron-oxide (ironstone) breccia that consists of hematite – jasper closer to the surface and that grades to magnetite-hematite-chlorite at depth. The metal zonation reflects the interaction of both primary and supergene (oxidation) processes with malachite (copper carbonate - Photo 3) occurring from ~70m to 120m, a thick zone of native copper from 135 to 162m (Photo 2), before grading into primary chalcopryrite- quartz-chlorite (copper-iron sulphide Photo 4) at 180m to the end of the drill hole (Figure 4). Noting that the gold assay results from 135m to 162m (in HERC003) are still outstanding as additional samples were required by the assay laboratory.

This hole was terminated in mineralisation due to encountering drilling difficulties however based on only the copper results, was independently ranked by OPAXE as the 16<sup>th</sup> best copper intersection in 2021 (on a global basis).

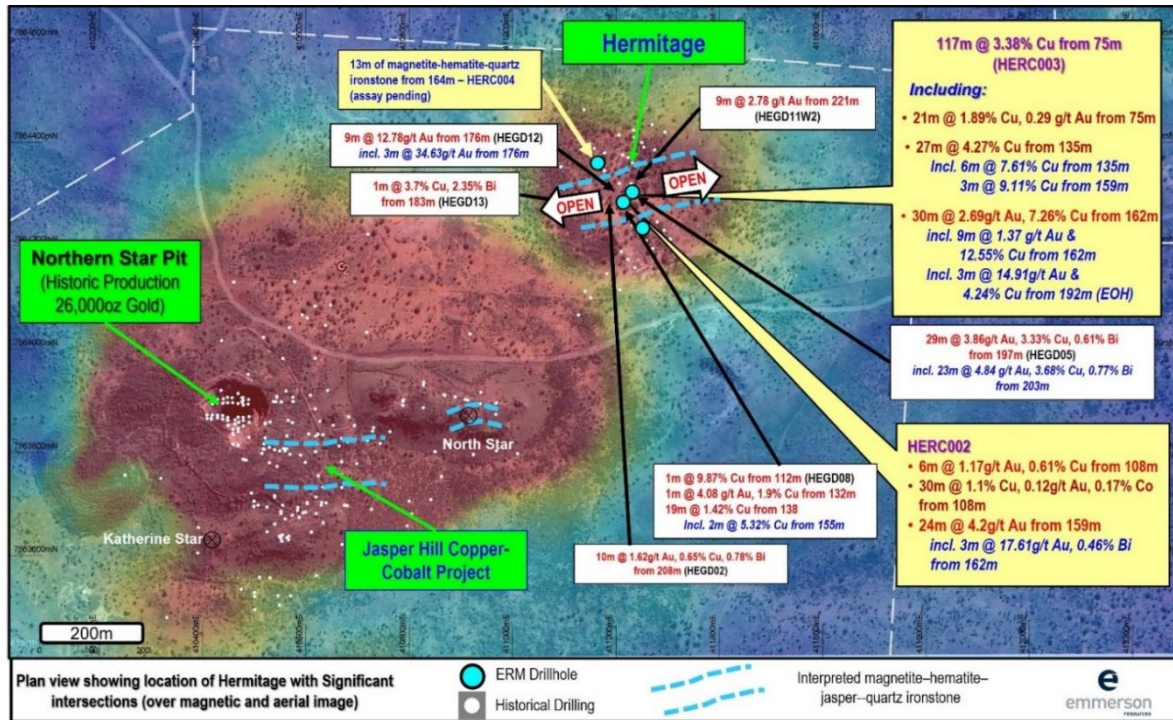
**The dimensions of the breccia and true thickness of the mineralisation are currently unknown.**

Still outstanding are assay results for HERC004 and gold results from the native copper zone in HERC003, plus 1m sample splits of the 3m composites from all significant intercepts in HERC002 and HERC003.

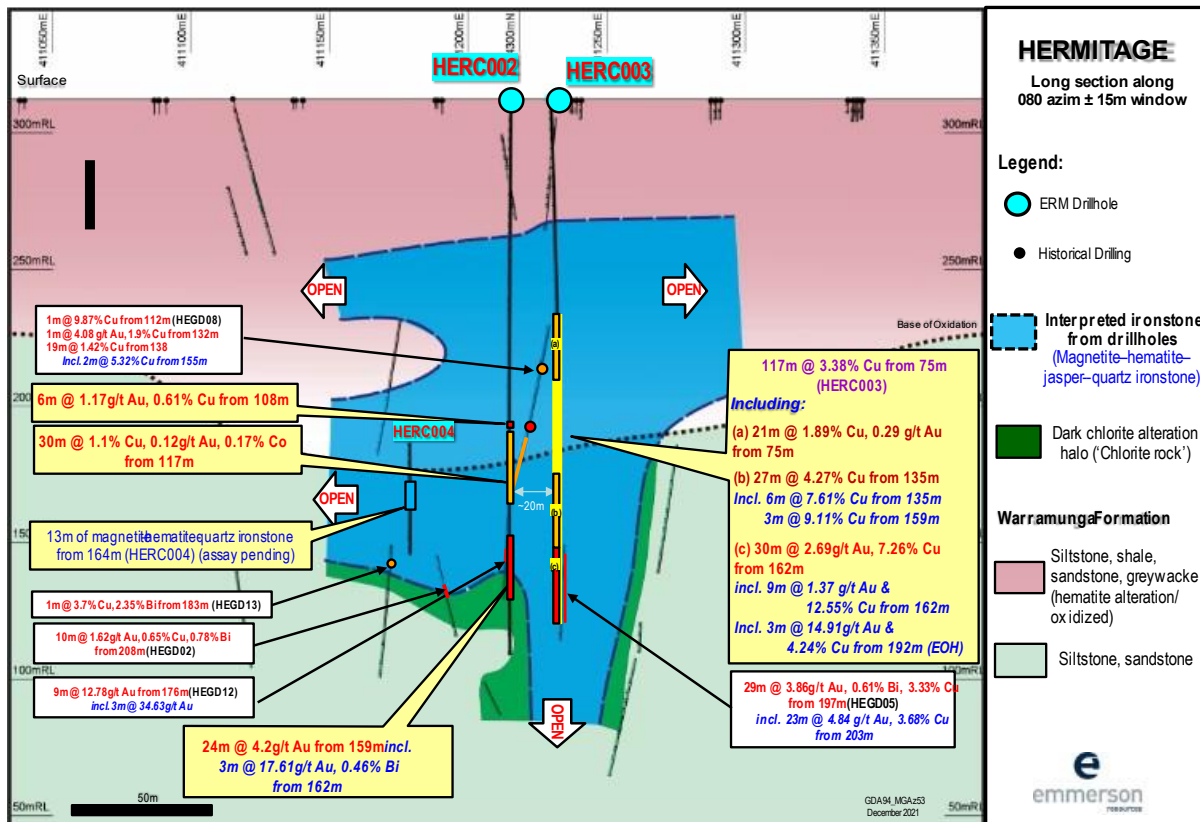


# EMMERSON RESOURCES LIMITED

## DIRECTORS' REPORT



**Figure 3:** Plan view Hermitage (with drill collars), North Star and Jasper Hills projects within Emmerson's 100% owned Mining Lease 30177. Background is magnetics (red = highly magnetic).



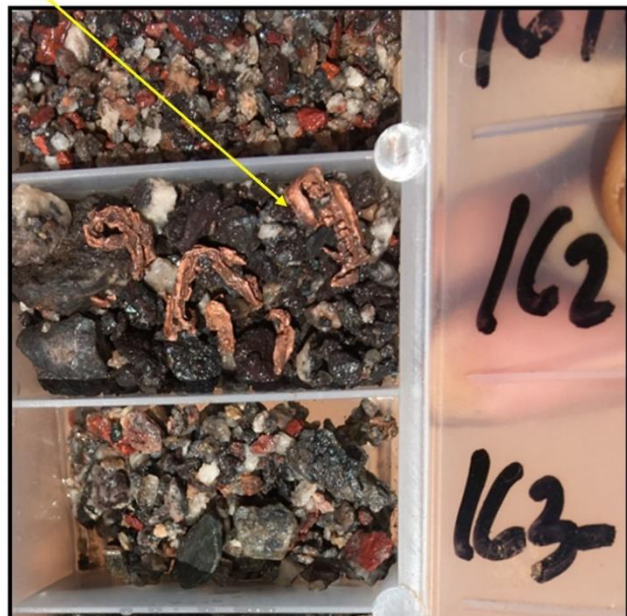
**Figure 4:** Long Section (within 30m wide corridor) of Emmerson drill holes HERC002 and 003. Also note pending assay results (HERC004) and historical intercepts (HEGD02).





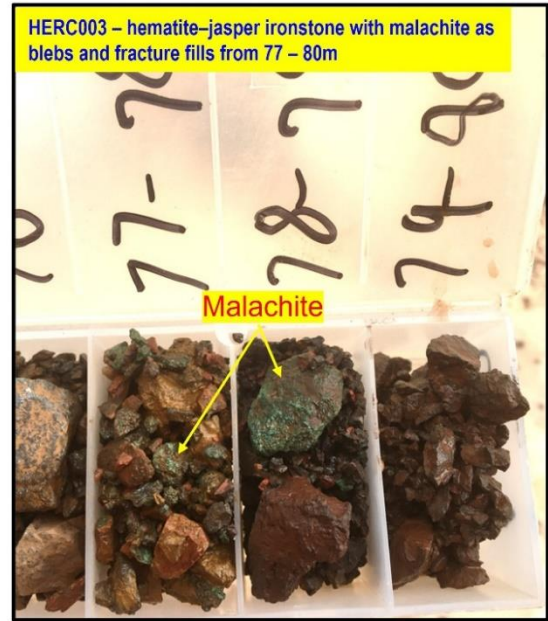
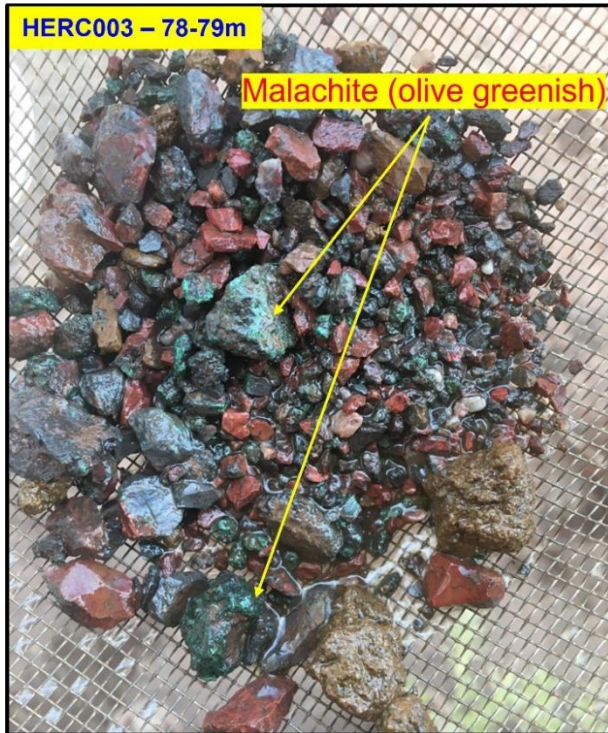
**Photo 1:** Reverse circulation drill hole (HERC003) in progress at Hermitage. Note sand cover and lack of surface expression of the ironstone which hosts the mineralisation some 75m below the surface.

**Native copper**

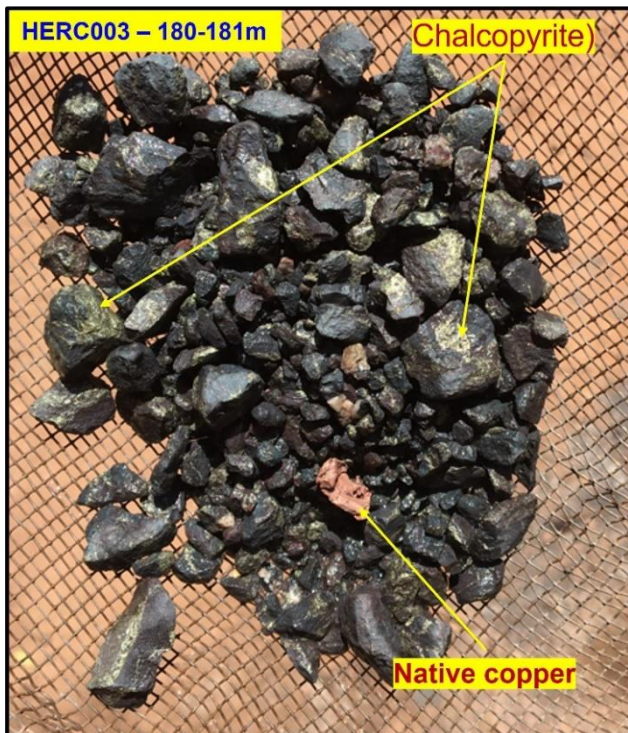


**Photo 2:** Native copper in RC drill hole HERC003.





**Photo 3:** Reverse Circulation drill chips showing copper (malachite) in the oxide zone of drill hole HERC003.



**Photo 4:** Reverse Circulation drill chips showing copper (chalcopyrite) in the deeper primary zone of drill hole HERC003.



**EDNA BERYL PROJECT (100% EMMERSON)**

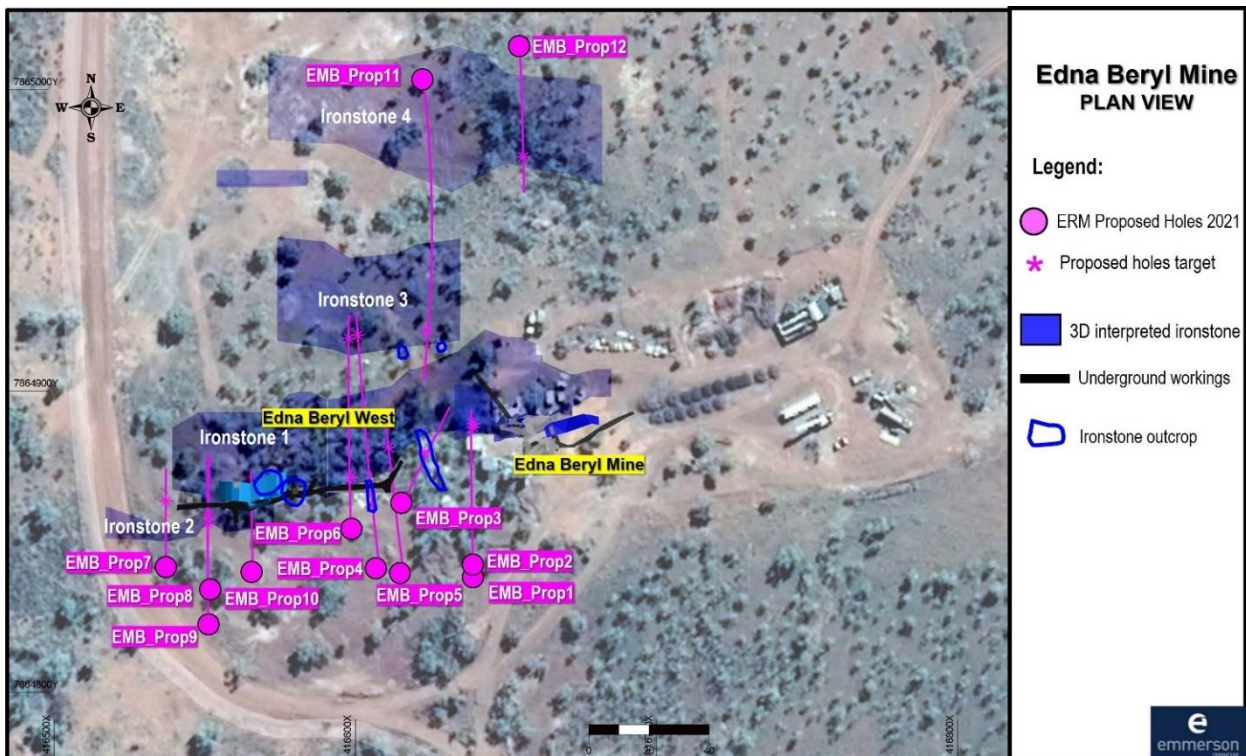
In October 2021 the Company commenced a drill program at Edna Beryl in Tennant Creek, the drill results of which remain outstanding.

Edna Beryl is located within the Northern Project Area (NPA) of Tennant Creek (Figure 1) and is excluded from the Joint Venture area with TCMG.

Previous drilling by Emmerson has indicated great potential for high grade, primary gold at depth. However, the focus of the December 2021 RC drill program was aimed at testing for continuity between the Edna Beryl Mine and historic workings at Edna Beryl West, within ironstones one and three. From historic records, the Edna Beryl West mineralisation shows similar characteristics to the exceptional high-grade gold encountered at the Edna Beryl mine.

Additionally, this drilling tested for extensions to mineralisation in ironstone 3, where an earlier program intersected **5m at 251g/t gold** from 147m in drillhole EBWR041 (ASX: 31 October 2016), some 20m to the north of the Edna Beryl mine (Figure 5).

After a lengthy legal process, the mining, processing and operator agreements under a joint venture arrangement with Territory Resources have been terminated.



**Figure 5:** Plan view of the planned collar and drill traces of holes at Edna Beryl. Note the interpreted 3D wireframe (blue) of Edna Beryl ironstones.

## **NORTHERN PROJECT AREA (TENNANT CONSOLIDATED MINING GROUP (TCMG) STRATEGIC ALLIANCE)**

### **Mauretania Project**

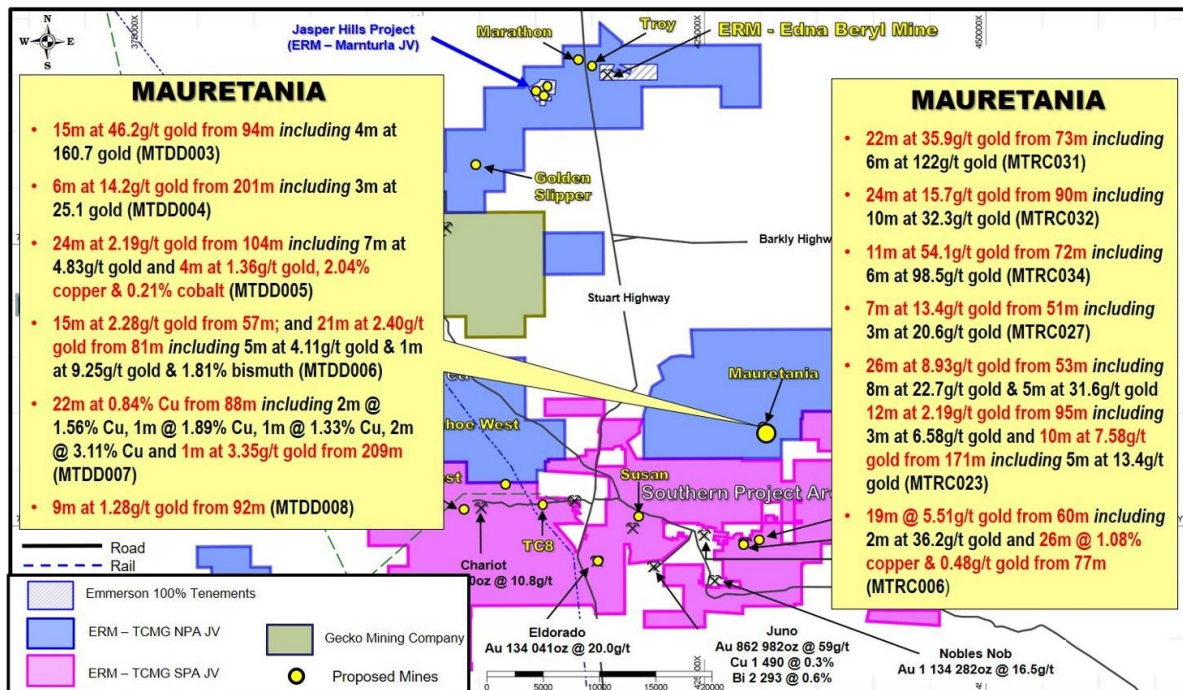
On 5 July 2021 the Company announced drilling results from Mauretania in Tennant Creek.

Mauretania is located within the NPA of the TCMF (Figure 1), where historically drilling has been focused on the shallow oxide mineralisation (Figure 6). Diamond drill hole MTDD010 was prematurely terminated in 2020 at 106m due to challenging drilling conditions and the impending wet season. This drill hole has now been completed and is one of three that have intersected the primary gold zone (Figure 7), returning assays of:

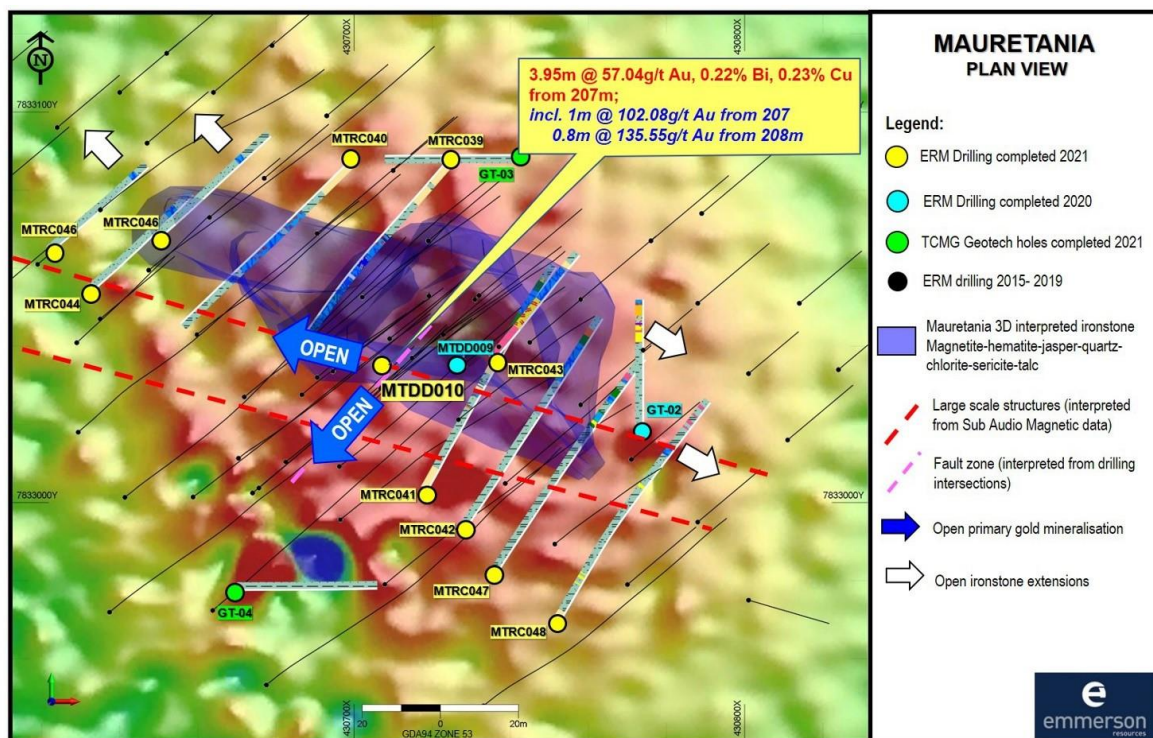
- **3.95m at 57g/t gold, 0.22% bismuth, 20.6g/t silver and 0.23% copper** from 207m including:
  - **1m at 102 g/t gold, 47g/t silver and 0.6% bismuth, and**
  - **0.8m at 135.5 g/t gold, 40.2 g/t silver and 0.34% bismuth**

## DIRECTORS' REPORT

This primary gold mineralisation occurs approximately 100m below the conceptual open pit floor, but within the footwall of a massive hematite +/- magnetite ironstone. With the gold occurring in late stringers associated with hematite, on the footwall of a 7m wide zone of brecciation and intense chlorite alteration (Figure 8). The association of gold with hematite that postdate the early magnetite ironstones underpins our exploration model and has been the hallmark of other Emmerson discoveries at Goanna, Monitor and Edna Beryl.



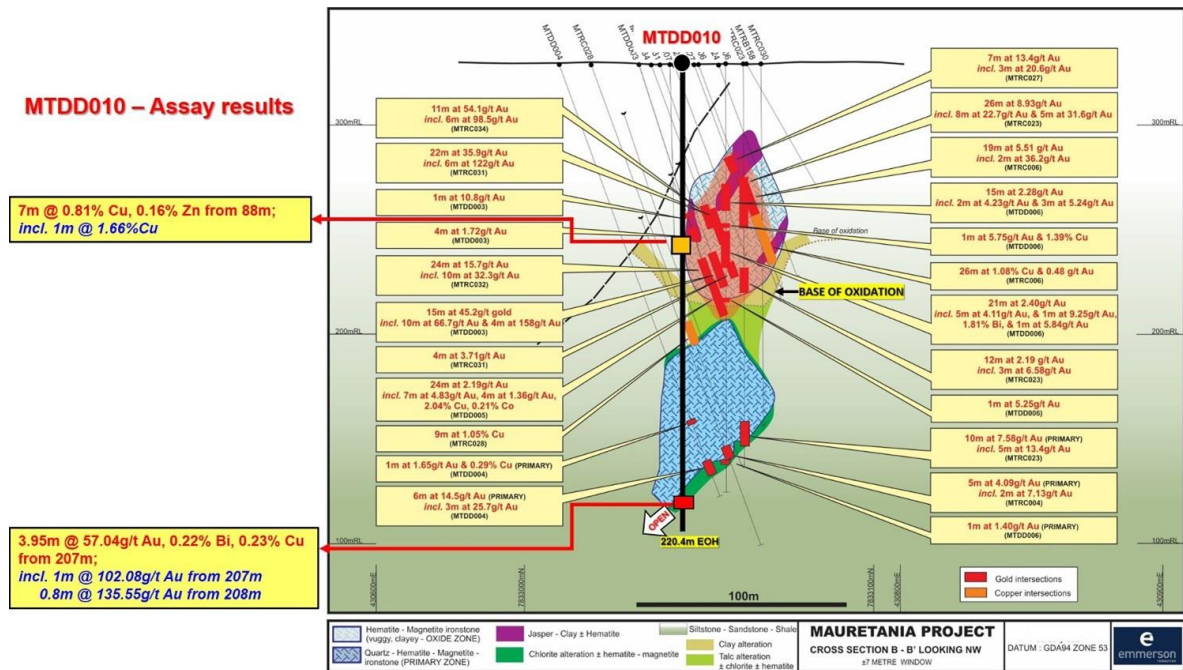
**Figure 6:** Mauretania plan view showing previously announced drill results in the upper oxide zone – the subject of advanced mining studies funded 100% by our partner, TCMG.



**Figure 7:** Mauretania plan view showing drill collars from the current program on a background of the magnetic geophysics (red = magnetic high that reflects residual magnetite within the ironstone). Note the blue shaded ironstone reflects the known extent of ironstone from previous drilling. The extent of the underlying ironstone associated with the primary gold zone will be the subject of future drilling.



## DIRECTORS' REPORT



**Figure 8:** Cross section of Mauretania and drill hole MTDD010 – noting the metal zonation of copper peripheral/lateral to the oxide gold zone, and above the emerging bonanza primary gold zone. The primary gold zone is open in all directions, with the bonanza grades likely reflective of proximity to the structurally controlled feeder conduit.

## SOUTHERN PROJECT AREA (TCMG STRATEGIC ALLIANCE)

Chariot Project

A significant upgrade to the Mineral Resource Estimate (MRE) for the Chariot Gold Project at Tennant Creek, Northern Territory (Figures 1 and 9) was delivered during the period. The MRE is an important part of the mining studies being undertaken and funded by joint venture partner TCMG with a view to commencing future mining and processing at their proposed central processing hub.

A total of 138,800 ounces of gold has been reported as a MRE, in compliance with the 2012 JORC Code (Table 1A) and represents an increase of 40% from the previous underground estimate in November 2013 (ASX: 28 November 2013, Table 1B).

Chariot was originally discovered by Normandy Mining in 1998 and mined by Giants Reef Mining from 2003 to 2005 when the low gold price and mining issues led to closure.

In 2021, TCMG engaged Optiro, (as part of TCMG's obligations under the Small Mines Joint Venture with Emmerson) to update the Chariot MRE. This scope of work included geologically remodeling the ironstone to include the surrounding, gold-bearing chlorite alteration halo and incorporating the results of the recent geotechnical relogging and optimisation studies.

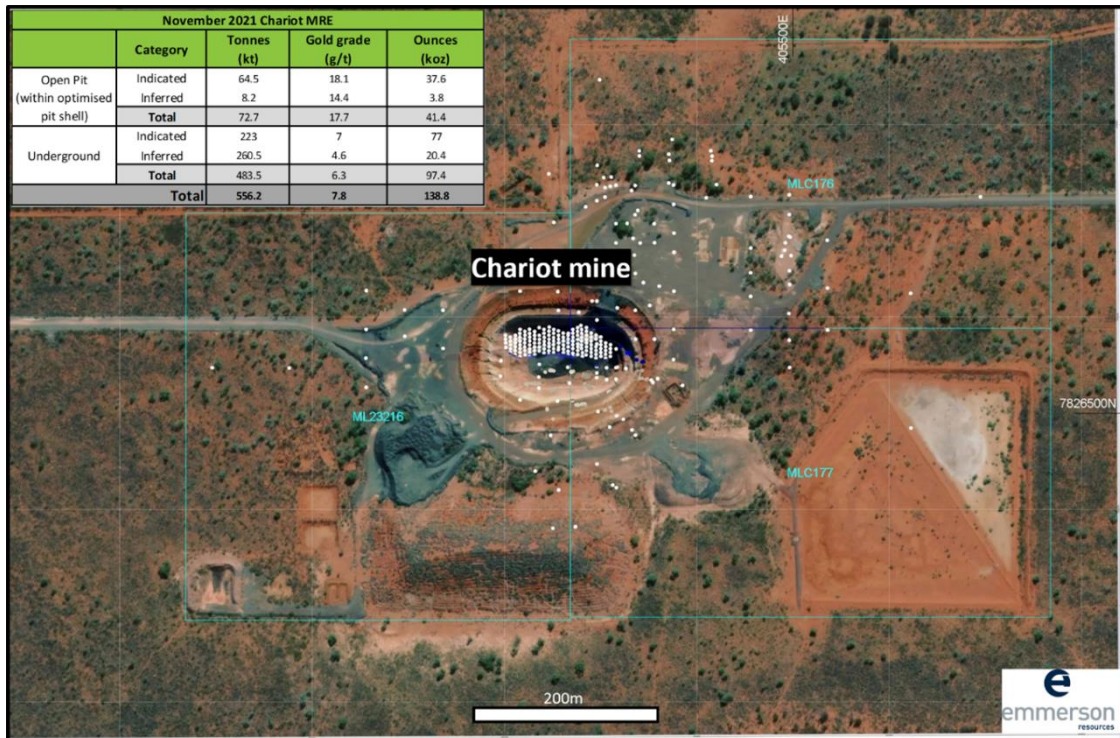
Importantly, geotechnical relogging and the change to bulk rather than selective underground mining methods resulted in the reclassification of some of the upper portions of the orebody that had previously been considered sterilised due to poor ground conditions. Furthermore, this new geological interpretation better captures the distribution of gold grades hosted within the chlorite altered Chariot Shear Zone and provides a more robust and continuous resource at depth.

The Mineral Resource Estimate (Table 1A and Figure 10) is reported above a 1.0 g/t gold cut-off grade above 180mRL (open pit scenario), and above a 2.0g/t gold cut-off grade below 180mRL (underground scenario).

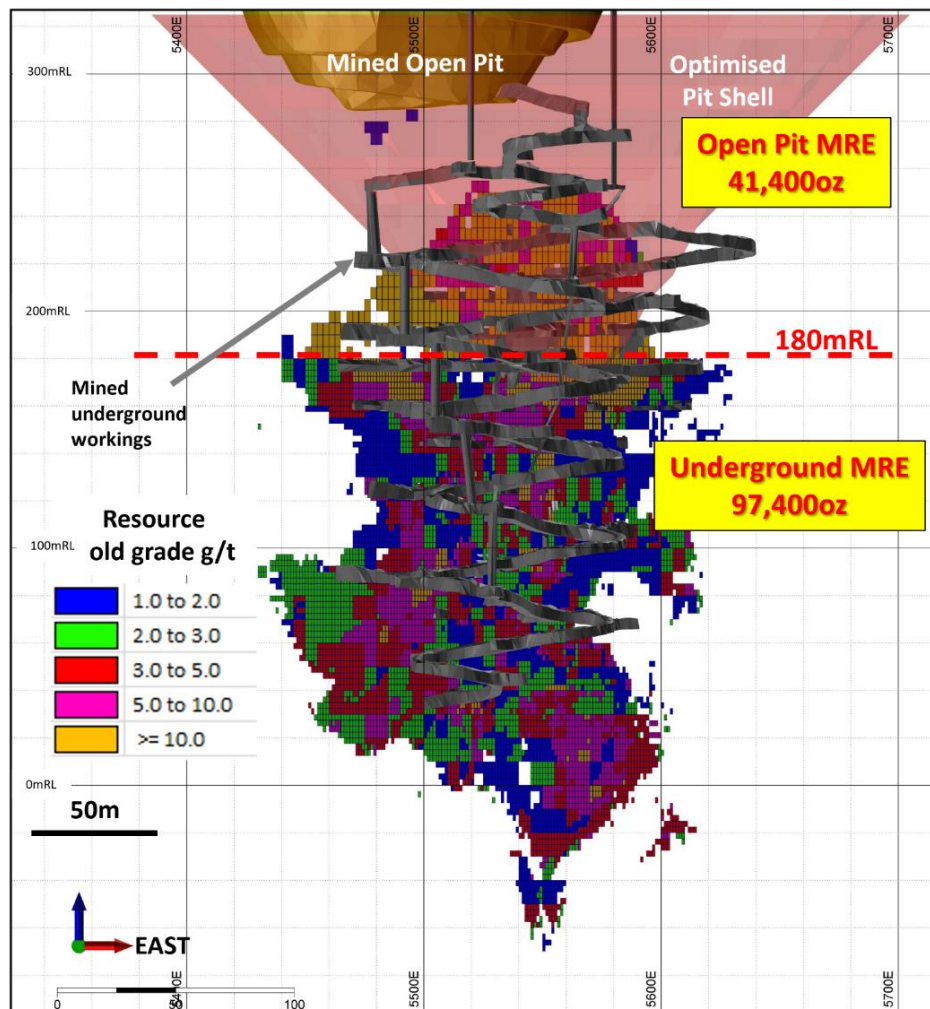


# EMMERSON RESOURCES LIMITED

## DIRECTORS' REPORT



**Figure 9:** Plan view of Chariot Deposit and drill hole location. Also showing the Chariot Mineral Resource Estimate.



**Figure 10:** Chariot Mineral Resource Estimate.

EMMERSON RESOURCES LIMITED

DIRECTORS' REPORT

Table 1A: Chariot Mineral Resource Estimate November 2021

Nov -21 Chariot MRE				
	Category	Tonnes (kt)	Gold grade (g/t)	Ounces (koz)
Open Pit	Indicated	64.5	18.1	37.6
	Inferred	8.2	14.4	3.8
	<b>Total</b>	<b>72.7</b>	<b>17.7</b>	<b>41.4</b>
Underground	Indicated	223	7	77
	Inferred	260.5	4.6	20.4
	<b>Total</b>	<b>483.5</b>	<b>6.3</b>	<b>97.4</b>
<b>Total</b>		<b>556.2</b>	<b>7.8</b>	<b>138.8</b>

Note: Inconsistencies in total tonnage reporting are due to rounding

\*Open Pit model is Sept-13 and reported within an optimised pit shell at a cut-off grade of 1.0 g/t gold

\*Underground model is Nov-21, reported below 180mRL at a cut-off grade of 2.0 g/t gold

\*All failure zone material is reported as Indicated as geotechnical study confirms material is mineable by caving

Table 1B: Chariot Mineral Resource Estimate September 2013

01/09/2013 Chariot MRE				
	Category	Tonnes (kt)	Gold grade (g/t)	Ounces (koz)
Open Pit	Indicated	13.3	11.1	4.7
	Inferred	59.4	19.2	36.7
	<b>Total</b>	<b>72.7</b>	<b>17.7</b>	<b>41.4</b>
Underground	Indicated	51.8	16	26.6
	Inferred	53	18.4	31.4
	<b>Total</b>	<b>104.8</b>	<b>17.2</b>	<b>58</b>
<b>Total</b>		<b>178</b>	<b>17.4</b>	<b>99.5</b>

Note: Inconsistencies in total tonnage reporting are due to rounding

\*Open Pit model is Sept-13 and reported within a optimised pit shell at a cut-off grade of 1.0 g/t gold

\*Underground model is Nov-21, reported below 180mRL at a cut-off grade of 6.0 g/t gold

\*Failure zone material all classified as Inferred

Table 1C: Variance between Chariot 2013 and 2021 Mineral Resource Estimates

Variance				
	Category	Tonnes (kt)	Gold grade (g/t)	Ounces (koz)
Open Pit	Indicated	51.2	7.0	32.9
	Inferred	-51.2	-4.8	-32.9
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
Underground	Indicated	171.2	-9	50.4
	Inferred	207.5	-13.8	-11
	<b>Total</b>	<b>378.7</b>	<b>-10.9</b>	<b>39.4</b>
<b>Total</b>		<b>378.2</b>	<b>-9.6</b>	<b>39.3</b>

## DIRECTORS' REPORT

**New Drone aeromagnetic survey**

Emmerson (in partnership with TCMG) is deploying new detection technologies such as ultra-high resolution drone magnetic surveys to better define subtle magnetic anomalies – specifically, early magnetite ironstones that have been overprinted by the hematite bearing mineralised fluids, as evidenced at Emmerson's previous discoveries at Mauretania, Edna Beryl and Goanna. The resolution of this drone survey is far superior to historic, fixed-wing magnetic surveys due to the drone being able to fly 15m above the ground and on 10m spaced lines.

**NEW SOUTH WALES GOLD-COPPER PROJECTS (FIGURE 2)****Kiola Project**

Emmerson's Kiola project is one of the **highest ranked, early-stage gold-copper projects** in the portfolio and is centred on the 15km<sup>2</sup> Kiola Geochemical Zone (KGZ). It encompasses favourable Ordovician age rocks that display anomalously high gold and copper geochemistry plus historic workings. Recent work has confirmed that the KGZ contains many of the attributes of world class porphyry gold-copper mineralisation and is divided into a northern area centred on the Nasdaq skarn and a southern area around the South Pole, Kiola and Right-Hand Creek mine.

Emmerson's multifaceted field program has included soil and rock chip geochemistry, with rock chip samples returning up to **19.6g/t gold and 2.16% copper** (ASX: 12 March 2020). It has also utilised aspects of the University of Tasmania (CODES) ARC Linkage project such as "green rock alteration" and age dating to refine the geological model and provide vectors to the core of the copper and gold mineralisation. This has provided the framework for linking the surface geology and mineralisation within the 15km<sup>2</sup> KGZ to a unifying model at depth.

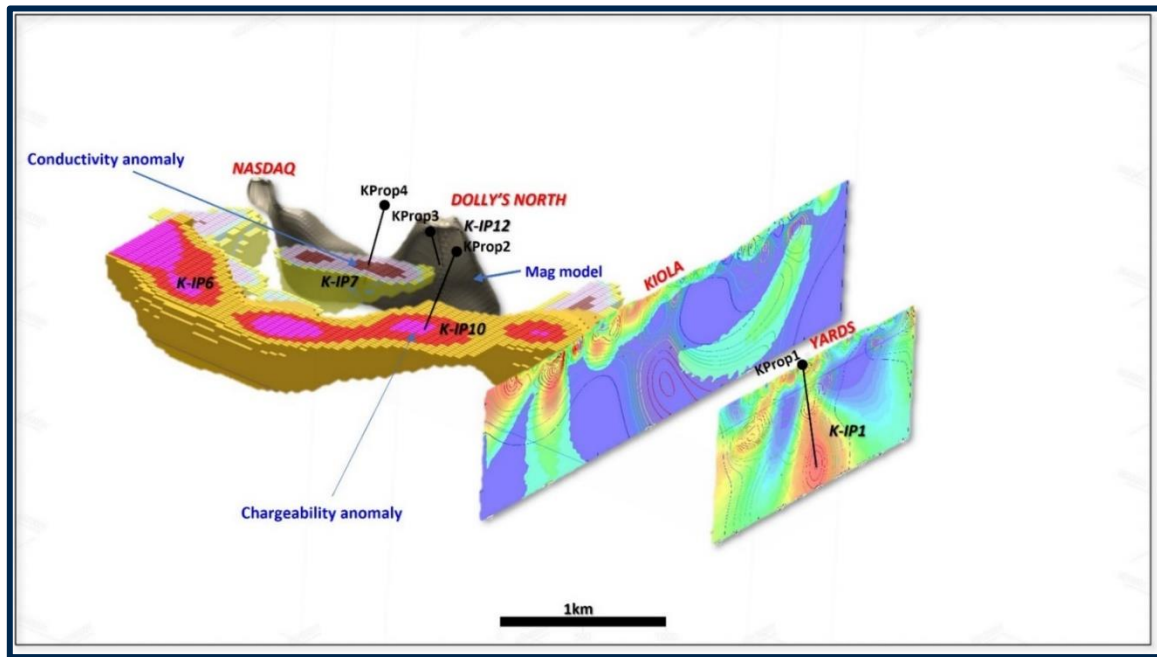
The MIMDAS geophysical survey which also incorporates the reinterpretation of an existing VTEM survey (Versatile Time Domain Electromagnetic), was a significant investment which has produced some very exciting results. In that the copper and gold prospects at the surface are now interpreted as part of a much larger, potentially mineralised system at depth, stretching over 5km from the Nasdaq Skarn in the north to the Yards Prospect in the south (Figure 11).

**Kiola Project awarded New Frontiers drilling grant**

The New Frontiers Cooperative Drilling grants program by the NSW Government encourages private exploration drilling in the search of high value mineral deposits in prospective underexplored areas of NSW and where companies are using the latest technology to identify new deposits.

This program is a co-funded initiative where the NSW Government provides up to 50 per cent of direct drilling costs for individual projects. During the period Emmerson was awarded a grant of \$118,000 for the upcoming drilling at Kiola.





**Figure 11:** 3D and 2D MIMDAS Geophysical Model and inversions stretching over 5km from the mineralised Nasdaq skarn in the north to the Yards Prospect in the south. Proposed drill holes (traces) include KProp 1 to 4. Noting the red reflects chargeable and conductive anomalies centred around the Dolly's North intrusive (which is also magnetic = black).

## CORPORATE

As announced to ASX on 9 November 2020, Emmerson terminated the previous Exploration Earn-in and Joint Venture Agreement (EEJV) over the Southern Project Area (SPA) with TRL Tennant Creek Pty Ltd (TRLTC), a subsidiary of Territory Resources. Emmerson was notified in early July 2021 that TRLTC has been placed into voluntary administration. Effective 7 October 2021 the creditors resolved that TRLTC be wound up and liquidators be appointed.

On 15 November 2021 the Company appointed Mr Alan Tate as Non-executive Director.

DIRECTORS' REPORT

COMPETENCY STATEMENT

The information in this report that relates to database used in the estimation is based on information compiled by Dr Ana Liza Cuison, MAIG, MSEG. Dr Cuison is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which she 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. Dr Cuison is a full-time employee of the Company and consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to Mineral Resource estimate and classification for the Chariot Gold deposit is based on information compiled by Justine Tracey. Justine Tracey is an employee of Optiro Pty Ltd, and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Justine Tracey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity she 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 ('the JORC Code')". Justine Tracey consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Emmerson Resources Limited's anticipated future events, including future resources and exploration results, and other statements that are not historical facts. When used in this document, the words such as "could," "estimate", "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Emmerson believes that its expectations reflected in these forward- looking statements are reasonable, such statements involve risks, assumptions, uncertainties, and other important factors, many of which are beyond the control of the Company, and which may cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements.

The Company does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change. Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Given these uncertainties, investors should not place undue reliance on forward-looking statements. The Company cautions investors against using this announcement solely as a basis for investment decisions without regard for this disclaimer.

IMPACT OF COVID-19

Since the World Health Organisation declared COVID-19 a pandemic in March 2020 the Company has implemented a range of measures and initiatives to ensure the safety and wellbeing of its employees, directors, contractors, stakeholders and the broader community in which it operates.

The Group continues to monitor COVID-19 situation in Australia and internationally, including restrictions implemented by state and federal governments. All necessary health and safety precautions continue to be adhered to, including enforced travel restrictions.

**EMMERSON RESOURCES LIMITED**

**DIRECTORS' REPORT**

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 27 and forms part of the Directors' Report for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'RTBills', is written over a faint, light blue circular stamp.

Rob Bills

Managing Director & Chief Executive Officer

10 March 2022



EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Half-year ended 31 December 2021 \$	Half-year ended 31 December 2020 \$
<b>REVENUE</b>			
Management and consulting fees		48,576	23,629
Interest income		3,816	21,159
<b>TOTAL REVENUE</b>		52,392	44,788
<b>OTHER INCOME</b>			
Gain on disposal of assets		-	27,189
Other		11,605	98,500
<b>TOTAL REVENUE AND OTHER INCOME</b>		63,997	170,477
<b>EXPENSES</b>			
Compliance and regulatory expenses		80,653	73,436
Consulting and legal expenses		145,774	224,582
Depreciation expense and amortization expense		36,674	1,808
Employee benefits expense		476,126	448,569
Impairment of exploration and evaluation assets		26,201	-
Occupancy expense		4,206	42,515
General and administration expenses		52,956	80,279
<b>TOTAL EXPENSES</b>		822,590	871,189
<b>LOSS BEFORE INCOME TAX</b>		(758,593)	(700,712)
Income tax		-	-
<b>NET LOSS AFTER TAX FOR THE HALF-YEAR</b>		(758,593)	(700,712)
Basic loss per share - cents per share	6	(0.15)	(0.15)
Diluted loss per share - cents per share	6	(0.15)	(0.15)

The accompanying notes form part of these financial statements.

EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	31 December 2021 \$	30 June 2021 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		3,941,055	5,484,910
Trade and other receivables		368,659	460,536
Prepayments		293,624	239,457
<b>Total Current Assets</b>		<u>4,603,338</u>	<u>6,184,903</u>
<b>Non-Current Assets</b>			
Other financial assets	3	383,978	377,739
Property, plant and equipment		255,362	282,708
Exploration and evaluation assets	4	16,685,404	16,102,168
Right-of-use assets		156,428	191,189
<b>Total Non-Current Assets</b>		<u>17,481,172</u>	<u>16,953,804</u>
<b>TOTAL ASSETS</b>		<u>22,084,510</u>	<u>23,138,707</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		220,095	638,449
Provisions		272,144	212,230
Lease liabilities		68,005	65,252
<b>Total Current Liabilities</b>		<u>560,244</u>	<u>915,931</u>
<b>Non-current Liabilities</b>			
Lease liabilities		92,940	127,641
<b>Total Non-current Liabilities</b>		<u>92,940</u>	<u>127,641</u>
<b>TOTAL LIABILITIES</b>		<u>653,184</u>	<u>1,043,572</u>
<b>NET ASSETS</b>		<u>21,431,326</u>	<u>22,095,135</u>
<b>EQUITY</b>			
Contributed equity	5	55,299,070	55,299,070
Share based payments reserve		3,596,723	3,501,939
Accumulated losses		(37,464,467)	(36,705,874)
<b>TOTAL EQUITY</b>		<u>21,431,326</u>	<u>22,095,135</u>

The accompanying notes form part of these financial statements.

EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Contributed Equity \$	Share- based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
<b>HALF-YEAR ENDED 31 DECEMBER 2020:</b>				
<b>Balance at 1 July 2020</b>	47,912,926	3,362,648	(35,128,720)	16,146,854
Loss for the half-year	-	-	(700,712)	(700,712)
<b>Total comprehensive loss for the half-year</b>	-	-	(700,712)	(700,712)
<b>Transactions with owners in their capacity as owners:</b>				
Shares issued during the period	5,800,000	-	-	5,800,000
Share issue costs	(413,856)	-	-	(413,856)
Share-based payments	-	4,656	-	4,656
<b>Balance at 31 December 2020</b>	53,299,070	3,367,304	(35,829,432)	20,836,942
<b>HALF-YEAR ENDED 31 DECEMBER 2021:</b>				
<b>Balance at 1 July 2021</b>	55,299,070	3,501,939	(36,705,874)	22,095,135
Loss for the half-year	-	-	(758,593)	(758,593)
<b>Total comprehensive loss for the half-year</b>	-	-	(758,593)	(758,593)
<b>Transactions with owners in their capacity as owners:</b>				
Share-based payments	-	94,784	-	94,784
<b>Balance at 31 December 2021</b>	55,299,070	3,596,723	(37,464,467)	21,431,326

The accompanying notes form part of these financial statements.

EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Half-year ended 31 December 2021 \$	Half-year ended 31 December 2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Management and consulting fees received	32,353	40,457
Payments to suppliers and employees	(748,656)	(852,594)
Interest received	14,748	5,908
Interest paid	(4,491)	-
Government incentives and other income	11,605	97,500
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<u>(694,441)</u>	<u>(708,729)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(20,916)	(6,552)
Payment of environmental security deposits	(6,239)	(17,000)
Payments for exploration	<u>(790,310)</u>	<u>(657,327)</u>
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<u>(817,465)</u>	<u>(680,879)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	5,800,000
Payment of share issue costs	-	(413,856)
Proceeds for shares not yet issued	-	200,000
Payment of principal portion of lease liability	<u>(31,948)</u>	<u>-</u>
<b>NET CASH FLOWS PROVIDED BY / (USED IN) FINANCING ACTIVITIES</b>	<u>(31,948)</u>	<u>5,586,144</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(1,543,855)</u>	<u>4,196,536</u>
Cash and cash equivalents at beginning of period	<u>5,484,910</u>	<u>1,281,916</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>3,941,055</u></u>	<u><u>5,478,452</u></u>

The accompanying notes form part of these financial statements.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Statement of Compliance and Basis of Preparation**

The financial report of Emmerson Resources Limited ("Company" or "Emmerson" or "consolidated entity" or "Group") for the half-year ended 31 December 2021 is a general-purpose condensed financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134 *Interim Financial Reporting*. The financial report was authorised for issue in accordance with a resolution of the directors on 10 March 2022. Emmerson Resources Limited is a for profit company with principal activities being mineral exploration in the Northern Territory and New South Wales, Australia.

The half-year financial report does not include all notes of the type normally included within the annual financial report. Accordingly, this half-year financial report should be read in conjunction with the annual financial report of Emmerson Resources Limited for the year ended 30 June 2021 and considered together with any public announcements made during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001* and the *ASX Listing rules*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**(b) Adoption of New and Amended Accounting Standards**

For the half-year ended 31 December 2021, the Consolidated Entity has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021. Adoption of these standards and Interpretations were considered and incorporated into the Group's policies but they did not have a material effect on the financial position or performance of the group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

**(c) Critical accounting estimates and judgements**

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the annual consolidated financial statements as at and for the year ended 30 June 2021.

**2. SEGMENT INFORMATION**

The Company has identified its operating segments based on the internal management reports that are reviewed and used by the board of directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Company has one segment, namely mineral exploration in Australia. The revenues and results of this segment are those of the consolidated entity as a whole and are set out in the consolidated statement of comprehensive income.

**EMMERSON RESOURCES LIMITED**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**3. OTHER FINANCIAL ASSETS**

		<b>31 December 2021 \$</b>	<b>30 June 2021 \$</b>
<b>Non-Current:</b>			
Bank term deposits	(a)	198,487	198,487
Environmental rehabilitation security deposits	(b)	177,818	171,579
Security deposit		<u>7,673</u>	<u>7,673</u>
		<u><u>383,978</u></u>	<u><u>377,739</u></u>

(a) These bank term deposits are held as security for bank guarantee performance bonds in favour of the Northern Territory government for potential environmental rehabilitation obligations in relation to exploration activities. As such the term deposits are not accessible to the Company.

(b) Cash securities held by State Governments as security for potential rehabilitation obligations in relation to exploration activities. As such the securities are not accessible to the Company.

**4. EXPLORATION AND EVALUATION ASSETS**

	<b>Half-year ended 31 December 2021 \$</b>	<b>Year ended 30 June 2021 \$</b>	<b>Half-year ended 31 December 2020 \$</b>
Carrying amount at beginning of period	16,102,168	14,281,624	14,281,624
Additions	609,437	2,004,169	1,435,058
Research & development tax offsets and co-funding grants	-	(50,500)	-
Impairment	<u>(26,201)</u>	<u>(133,125)</u>	<u>-</u>
Carrying amount at end of period	<u><u>16,685,404</u></u>	<u><u>16,102,168</u></u>	<u><u>15,716,682</u></u>

EMMERSON RESOURCES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5. CONTRIBUTED EQUITY

(a) Fully paid ordinary shares	Half-year ended 31 December 2021 Number	Half-year ended 31 December 2021 \$	Year ended 30 June 2021 Number	Year ended 30 June 2021 \$
Ordinary shares fully paid	498,238,489	55,299,070	498,238,489	55,299,070
<i>Movements in ordinary share capital</i>				
Balance at beginning of year	498,238,489	55,299,070	424,853,874	47,912,926
Shares issued for cash under placement <sup>1</sup>	-	-	35,250,000	3,525,000
Shares issued for cash under share purchase plan	-	-	22,450,000	2,245,000
Shares issued for cash under placement <sup>2</sup>	-	-	300,000	30,000
Shares issued for cash under placement <sup>3</sup>	-	-	15,384,615	2,000,000
Share issue costs	-	-	-	(413,856)
Balance at end of year	498,238,489	55,299,070	498,238,489	55,299,070

1. Issued at \$0.10 per share to institutional and sophisticated investors

2. Issued at \$0.10 per share to institutional and sophisticated investors

3. Issued at \$0.13 per share under the share subscription agreement with Tennant Consolidated Mining Group (TCMG) to Langston Key Limited, a nominee of TCMG, on 23 March 2021.

(b) Options over ordinary shares	31 December 2021 Number of options	30 June 2021 Number of options
Exercise price of \$0.09 expiring on 14/11/21	-	4,200,000
Exercise price of \$0.16 expiring on 09/07/23	58,000,000	58,000,000
Exercise price of \$0.11 expiring on 31/12/23	3,000,000	3,000,000
Exercise price of \$0.14 expiring on 31/12/23	15,500,000	13,500,000
Exercise price of \$0.20 expiring on 31/12/25	15,384,615	15,384,615
	91,884,615	94,084,615

(c) Rights over ordinary shares	31 December 2021 Number of rights	30 June 2021 Number of rights
<i>Unissued ordinary shares for which rights are outstanding:</i>		
Expiring 29/01/24	9,000,000	9,000,000
	9,000,000	9,000,000

**EMMERSON RESOURCES LIMITED**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	2021	2020
	\$	\$

**6. LOSS PER SHARE**

Loss used in calculating basic and diluted loss per share	758,593	700,712
---	---------	---------

As the company has incurred a loss inclusion of potential ordinary shares due to options and performance rights is antidilutive, therefore the diluted loss per share is disclosed as the same as basic loss per share.

	2021 Number of shares	2020 Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	498,238,489	475,170,450

**7. SHARE BASED PAYMENTS**

At the Company's Annual General Meeting held on 25 November 2021, shareholders approved the issue of 2,000,000 options to Mr Alan Tate (Non-executive Director).

The fair value of the options granted during the period was \$0.0158. The fair value of these options was determined using a Black-Scholes European Option Pricing Model.

The following table lists the inputs to the models for unlisted options granted during the six months ended 31 December 2021:

Inputs	
Number of options	2,000,000
Exercise price	\$0.14
Grant date	25 Nov 2021
Vesting Date	25 Nov 2021
Expiry date	31 Dec 2023
Share price at grant date	\$0.076
Historical volatility (%)	68.19%
Risk-free interest rate (%)	0.58%

The total share based payment expense for the half year was \$94,784 (2020: \$4,656), comprising \$31,647 in relation to the options issued to Mr Alan Tate, and \$63,137 in relation to performance rights previously granted.

**8. RELATED PARTY TRANSACTIONS**

Key management personnel continue to receive compensation in the form of short-term employee benefits, post-employment benefits, share-based payments and other transactions as detailed in the 30 June 2021 Annual Financial Report.

Other related party arrangements continue to be in place as detailed in the 30 June 2021 Annual Financial Report. Refer to note 7 for details of share-based payments issued to related parties during the period.

**9. COMMITMENTS AND CONTINGENCIES**

There have been no changes to commitments or contingencies since the last annual reporting date.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**Risk management activities**

The risk management activities are consistent with those of the previous period unless otherwise stated.

**Financial instruments**

Financial instruments held by the Group include cash and cash equivalents, trade and other receivables, term deposits, environmental rehabilitation security deposits, trade and other payables, the balances of which at 31 December 2021 and 30 June 2021 are shown in the Statement of Financial Position and associated notes. As at the balance date, fair values of these financial assets are approximately the same as the carrying values.

**11. DIVIDENDS**

No dividends were paid or declared payable during the half-year or subsequent to the end of the reporting period.

**12. EVENTS SUBSEQUENT TO REPORTING DATE**

There have not been any material events subsequent to the end of the reporting date and the date of this financial report that has not been recognised in this financial report.

**EMMERSON RESOURCES LIMITED**

**DIRECTORS' DECLARATION**

In the opinion of the Directors:

- (a) the financial statements and notes of Emmerson Resources Limited for the half-year ended 31 December 2021 are in accordance with the *Corporations Act 2001* including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the directors of Emmerson Resources Limited made pursuant to Section 303(5) of the *Corporations Act 2001*.

On behalf of the Board



Rob Bills

Managing Director & Chief Executive Officer

10 March 2022



Building a better  
working world

Ernst & Young  
11 Mounts Bay Road  
Perth WA 6000 Australia  
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222  
Fax: +61 8 9429 2436  
ey.com/au

## Auditor's independence declaration to the directors of Emmerson Resources Limited

As lead auditor for the review of the half-year financial report of Emmerson Resources Limited for the half-year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- No contraventions of any applicable code of professional conduct in relation to the review; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Emmerson Resources Limited and the entities it controlled during the financial period.

Ernst & Young

T G Dachs  
Partner  
10 March 2022

## Independent auditor's review report to the members of Emmerson Resources Limited

### Report on the half-year financial report

#### Conclusion

We have reviewed the accompanying half-year financial report of Emmerson Resources Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### Directors' responsibilities for the half-year financial report

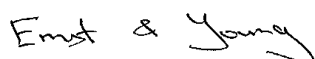
The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young



T G Dachs  
Partner  
Perth  
10 March 2022