



emmerson
resources

ABN 53 117 086 745

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2023

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CORPORATE DIRECTORY

DIRECTORS

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

COMPANY SECRETARY

Rodney Wheatley

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ASX CODE

ERM

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Perth WA 6000

Ward Keller
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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

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Level 5, 126 Phillip Street
Sydney NSW 2000

GPO Box 5193
Sydney NSW 2001
Telephone: 1300 288 664

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 2023. 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

Mike Dunbar, Managing Director and Chief Executive Officer (Appointed 17 July 2023)

Allan Trench, Non-executive Director

Alan Tate, Non-executive Director

Rob Bills, Non-executive Director

REVIEW AND RESULTS OF OPERATIONS

Operating Results for the Half-year

The net loss for the half-year ended 31 December 2023 was \$1,893,687 compared to the half-year ended 31 December 2022 of \$904,249.

Total revenue and other income decreased from \$225,119 for the half-year ended 31 December 2022 to \$195,599 for the half-year ended 31 December 2023, predominantly due to a reduction in management and consulting fees received and no government grants received.

Expenses increased from \$1,129,368 in the half-year ended 31 December 2022 to \$2,089,286 for the half-year ended 31 December 2023, predominately due to an increase in exploration costs from greater exploration activity in Tennant Creek.

Financial Position

Available cash at the end of the half-year was \$3,832,066 (30 June 2023: \$5,295,234).

Net assets and total equity at 31 December 2023 were \$5,746,665 (30 June 2023: \$7,370,253).

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

A track record of mineral discovery plus an emerging gold royalty business.

Emmerson Resources Limited (Emmerson or the Company) continues to deliver to our strategy of:

- Discovering the next generation of high-grade copper, gold, cobalt and bismuth mineralisation deposits at Tennant Creek in the Northern Territory and the Macquarie Arc in NSW, through the application of innovative exploration utilising new technologies and systematic science-based exploration.
- Developing an emerging gold royalty business by advancing these discoveries for inclusion into the Tennant Creek Mining Joint Venture.

Emmerson holds a commanding land position and is exploring the Tennant Creek Mineral Field (TCMF), one of Australia's highest-grade gold and copper fields 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 deposits are highly valuable assets, and to date, Emmerson has added to the list with its own discoveries. This includes the high-grade gold at Edna Beryl and Mauretania gold deposits, plus copper-gold at Hermitage, Goanna and Monitor where new technology and targeting concepts were applied to make the first discoveries in the TCMF for over two decades.

The recent 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 underscores the value of Emmerson's strategic 1,800km² land holding.

EMMERSON RESOURCES LIMITED

DIRECTORS' REPORT

Additionally, Emmerson is actively exploring two early-stage gold-copper projects in NSW, identified from the application of 2D and 3D predictive targeting models in the Macquarie Arc region.

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 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.

The Company's view remains that discovery of new mineral deposits provides the best potential to create value for junior companies and their stakeholders. By combining this model with an emerging royalty business, it provides a low-risk path to substantiate self-funding and value growth.

Our emerging gold royalty business in Tennant Creek, is underpinned by a strategic alliance with our partner, Tennant Consolidated Mining Group (TCMG). This alliance consists of both Exploration (EEJV) and Mining Joint Ventures (SMJV), with the mining and processing within the SMJV areas undertaken by TCMG in return for Emmerson receiving a free carried, 6% royalty on production. TCMG has purchased a CIL mill and has stated it is on schedule to relocate it to the TCMF in 2024. Under the terms of the SMJV, the minimum production royalty is a guaranteed 6% of 60,000oz of gold production, or the equivalent cash payment of any shortfall at the expiration of the five year earn-in period.

Under the EEJV, Emmerson is the manager and operator and TCMG must complete exploration funding of \$10.5m over a five-year period across the project area to earn a 75% interest. In addition, Emmerson can earn a direct 40% equity interest in any major mine discovery within the SMJV areas (Major Mine discovery is defined as >250,000oz gold equivalent).

TCMG continues to finalise its plans for the establishment of the centralised CIL mill at Nobles Nob, approximately 12km to the east of Tennant Creek (Figure 1). Once established, this mill will unlock the value contained across many of these stranded, high-grade gold deposits, including those currently subject to the SMJV which include: Chariot, Mauretania, Black Snake and Malbec West. Given the recent exploration success in exploration, it is anticipated that over time more projects (and royalties) will be added to the SMJV.

TCMG is a privately owned gold and copper focused resource company that has also acquired tenements and projects from other parties in the TCMF. It has undertaken mining studies with the ultimate goal of developing a portfolio of resources that will provide feed to its centralised CIL processing facility in Tennant Creek.

DIRECTORS' REPORT

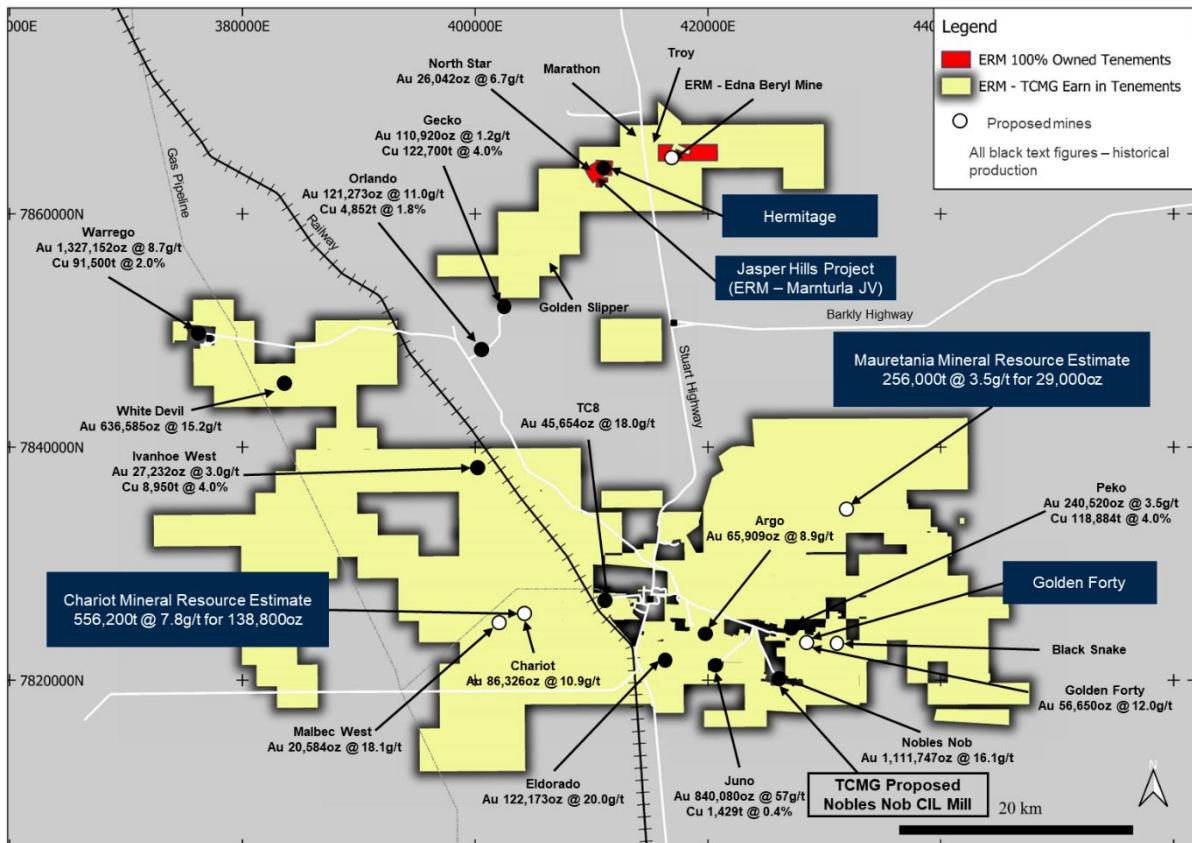


Figure 1: Map of Emmerson's Tennant Creek Project showing the area covered by the Exploration (EEJV) and the 100% Emmerson owned Jasper Hills, Hermitage and Northern Star and Edna Beryl projects.

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. For Chariot mine and Malbec West mine, quoted production from Giants Reef Mill Reconciled Production to end of month September 2005 (Giants Reef internal reporting).

TENNANT CREEK, NORTHERN TERRITORY

100% ERM Owned Hermitage Project

Hermitage is one of a cluster of 100% Emmerson owned prospects in the north of the Tennant Creek Mineral Field (TCMF) (Figure 1) where the application of new exploration models and technologies have been successful in unlocking new discoveries.

The mineralisation encountered at Hermitage is hosted in multiple, east-west striking, structurally controlled, ironstone (hematite-magnetite-jasper-quartz) bodies that are steeply north dipping and remain open in all directions (Figure 2). The cross sectional (surface expression) of these tabular to pipelike ironstones are on scale with some of the major historical deposits in the TCMF including the Warrego deposit (1.33Moz gold and 91,500t copper*).

The latest RC and diamond drilling was designed to test the strike potential to the east and west and to test for extensions of the mineralisation at depth below a low angle fault that truncated a number of previously identified zones of mineralisation, including the discovery hole drilled in 2022 (HERCDD003) which included 119m of high-grade copper and gold mineralisation.

The drilling intersected the target ironstone unit in 10 of the 11 holes completed, with 8 of these holes intersecting significant copper and gold mineralisation including:

- **20m @ 1.5% copper, 0.6 g/t gold, 7,245 ppm (0.7%) bismuth, 9.7 g/t silver and 497 ppm cobalt** from 151m in HERCDD013, including **7m @ 2.2% copper, 1.0 g/t gold, 19.7g/t silver, 12,040 ppm (1.2%) bismuth and 435 ppm cobalt**.
- **34.8m @ 1.0% copper and 918 ppm cobalt** from 147.2m in HEDD011.

DIRECTORS' REPORT

- **5.1m @ 0.6% copper** from 203m in HEDD011 (**below the low angle fault**).
- **51.1m @ 0.8% copper and 1,113 ppm (0.11%) cobalt** from 99m in HEDD012.
- **11m @ 4.1 g/t gold** from 158m in HEDD012, including **5m @ 8.5 g/t gold**.
- **9.6m @ 1.2% copper and 0.9 g/t gold** from 227m in HEDD012 (**below the low angle fault**).
- **24m @ 0.8% copper, 1.4 g/t gold and 800ppm bismuth** from 156m in end of hole (EOH) in HERC015A, including **6m @ 1.4% copper, 5.2 g/t gold and 3,052 ppm (0.30%) bismuth** from 174m to EOH.
- **6m @ 1.2% copper** from 114m and **4m @ 1.8% copper** from 156m to EOH in HERC16.
- **30m @ 0.8% copper and 963 ppm cobalt** from 84m in HERC020, including **9m @ 1.4% copper and 1,435 ppm (0.14%) cobalt**.
- **18m @ 0.5% copper** and 772 ppm cobalt from 151m in HERC021, including **9m @ 0.7% copper and 1,297 ppm (0.13%) cobalt**.

These intersections have extended the mineralisation to the east and west and most importantly mineralisation has been intersected below the low angle fault that was believed to truncate the mineralisation at depth.

The mineralisation remains open up plunge to the east, down plunge to the west and below the low angle fault.

Additionally, the multielement assay results have highlighted that there is a very significant quantity of potential byproducts contained within the zones of copper and gold mineralisation. Grades of up to 12,040 ppm or 1.2% bismuth, and 1,948 ppm or 0.19% cobalt and up to 19.7 g/t silver are encouraging and suggest that there is potential for multiple revenue streams from the project. As a result, initial metallurgical testwork is planned as a first pass evaluation of the flowsheet required for the recovery of not only the copper and gold, but also the by product metals, which could have a significant impact on the projects economics. This testwork will not only assist in the evaluation of Hermitage, but also the other multi element deposits within the wider Tennant Creek Mineral Field.

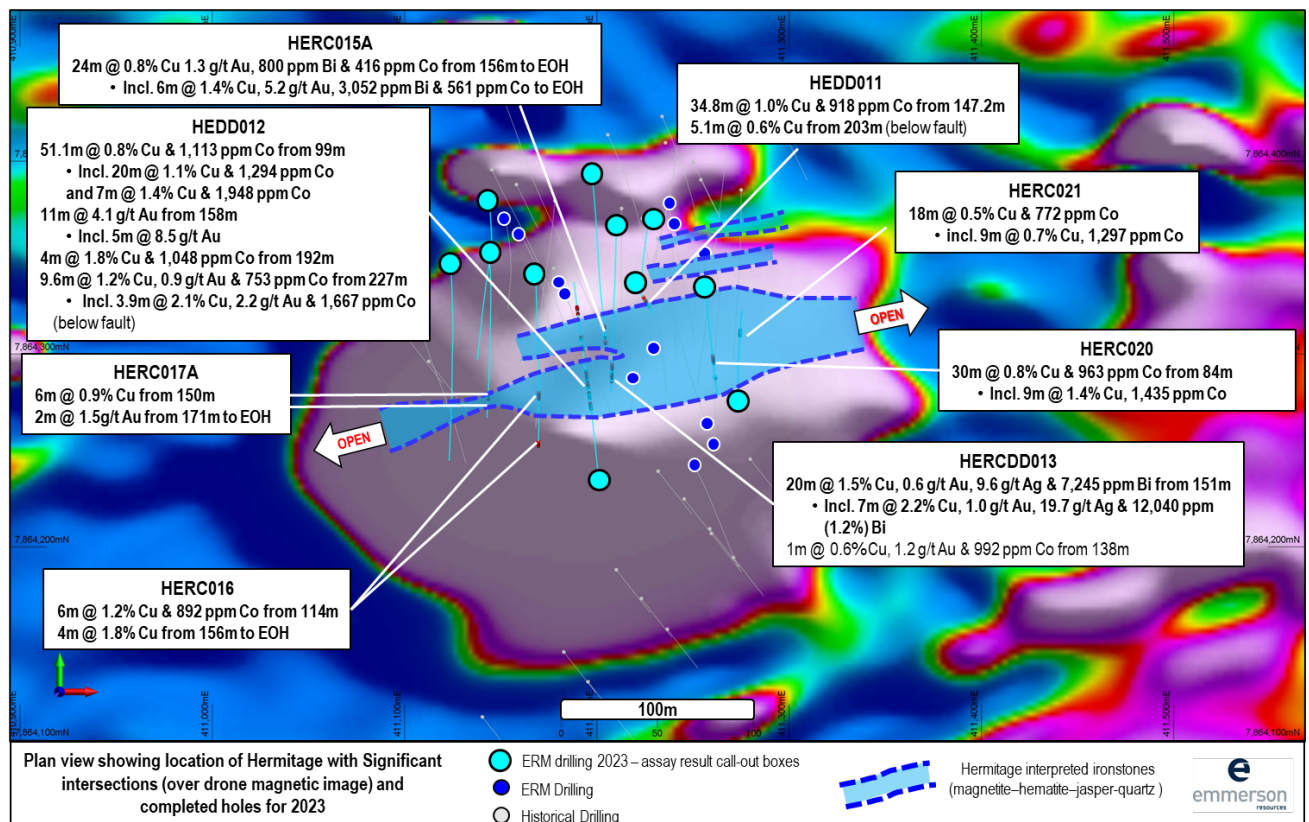


Figure 2: Hermitage Project Recent Significant Drill Results with collars and drill traces, over ultra-high resolution drone magnetic TMI image.

DIRECTORS' REPORT

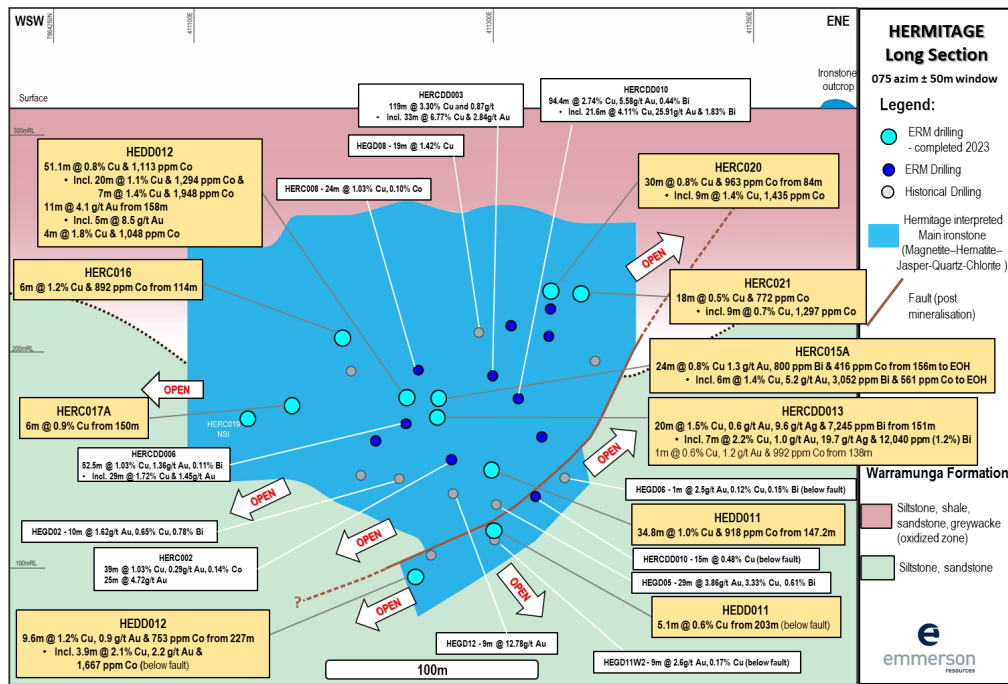


Figure 3: Long Section Through the Hermitage Project highlighting the recent intersections and selected previous drilling. Of particular significance is the identification of mineralisation below the fault.

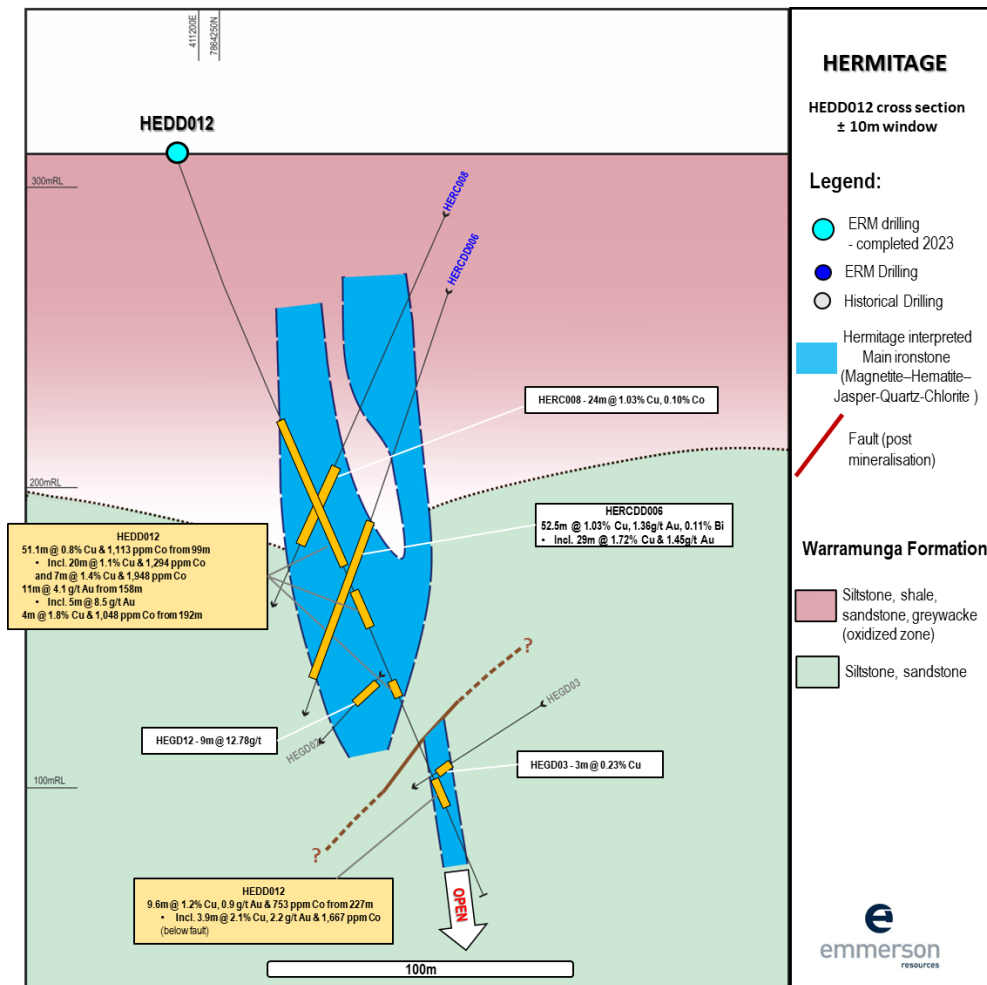


Figure 4: Cross Section through HEDD012, highlighting the main ironstone unit and the mineralisation intersected below the fault.

DIRECTORS' REPORT

JV Exploration –Golden Forty Project

The Golden Forty Project, which is located approximately 14km east of Tennant Creek in the Northern Territory (Figure 1), consists of a historical underground mine which produced 144,056t of ore at a recovered head grade of 12.0 g/t gold for approximately 55,000 ounces of gold. A number of ore positions remained unmined, and potential existed for extensional zones of high-grade gold mineralisation (ASX: 17 November 2022). In November 2023, the Company completed 7 extensional RC drill holes to test the extent of the very high grade and wide zones of mineralisation intersected in drilling in late 2022. The drilling was managed by Emmerson and funded as part of an earn in exploration joint venture (Exploration JV) with TCMG, which is approximately halfway toward earning a 75% interest in the Tennant Creek Project through funding \$10.5 million in exploration. As part of the Exploration JV, once a scoping study has been completed on a deposit, the area transitions into a mining joint venture (Mining JV), where Emmerson is free carried in return for a 6% production royalty on any metal production.

Results from the extensional drilling completed in November were received in early January with 3 of the 7 holes intersecting significant mineralisation with grades of up to 43.4 g/t gold intersected in the RC drilling (Figure 5) (ASX: 16 January 2024).

Extensional drilling intersections include:

- **20m @ 4.7 g/t gold** from 193m including **6m @ 15.2 g/t gold** with individual grades up to 43.2 g/t gold in GFRC084;
- **18m @ 1.3 g/t gold** from 103m including **10m @ 2.1 g/t gold** in GFRC079; and
- **3m @ 2.1 g/t gold** from 129m in GFRC078A.

The new intersections extend the known mineralisation identified in late 2022 drilling completed at Golden Forty which included:

- **28m at 28.3 g/t gold** including **9m at 84.6 g/t gold** from 141m (GFRC063)
- **15m at 8.4 g/t gold** from 103m (GFDD059)
- **6m at 41.2 g/t gold** from 120m (GFRC060)
- **35m @ 1.8 g/t gold** including **13m at 4.1 g/t gold** from 69m (GFRC058)
- **6m at 5.4 g/t gold** from 155m (GFRC066)
- **3m at 8.0 g/t gold** from 132m (GFRC061)
- **4m @ 6.8 g/t gold** from 140m within 21m @ 1.9 g/t gold (GFRC065)

Mineralisation has been traced for approximately 150m east west, to a vertical depth of more than 130m and with widths of up to 30m (Figure 5), a MRE has been commissioned for the deposit and is expected to be completed in the current quarter.

DIRECTORS' REPORT

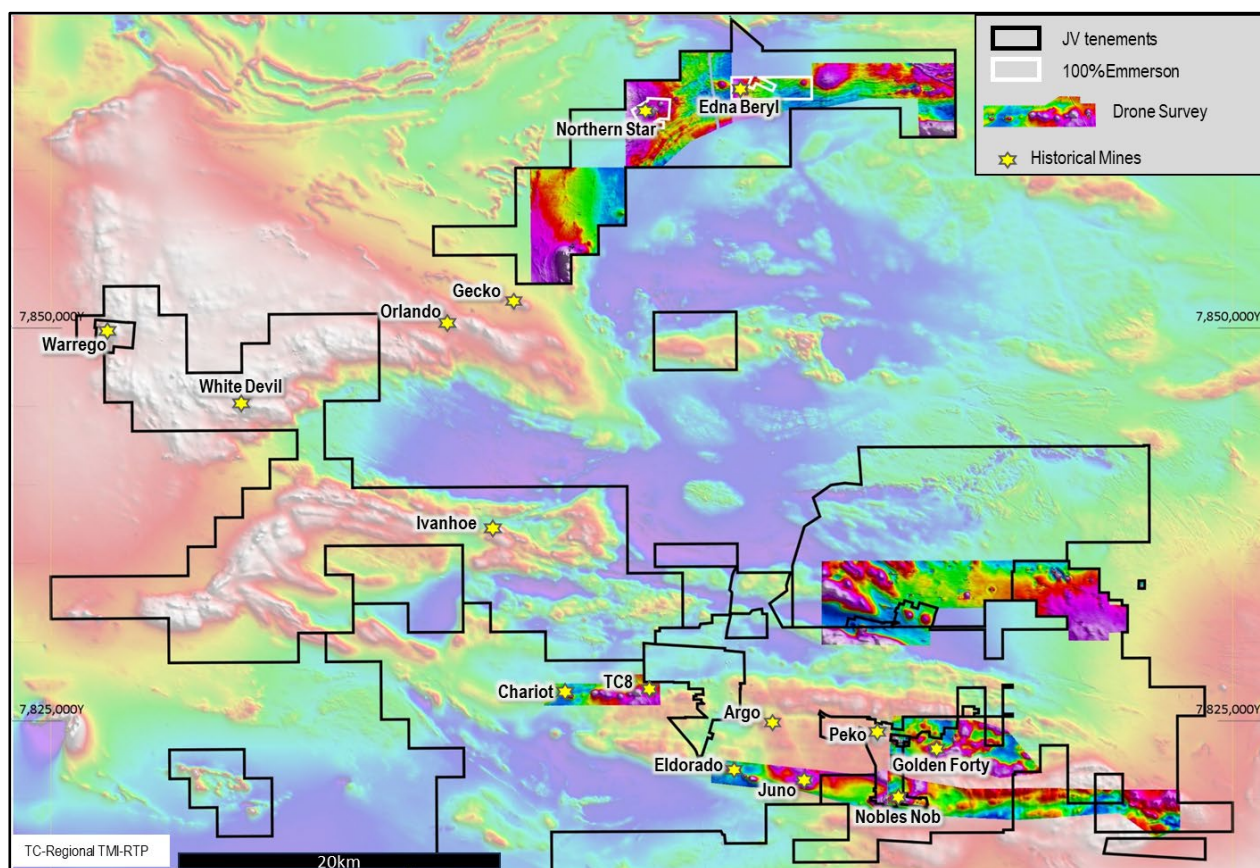


Figure 6: Tennent Creek Project Area Outlining the Extent of the Ultra-detailed Drone Magnetic Surveys with background of regional Total Magnetic Intensity (TMI) data.

DIRECTORS' REPORT

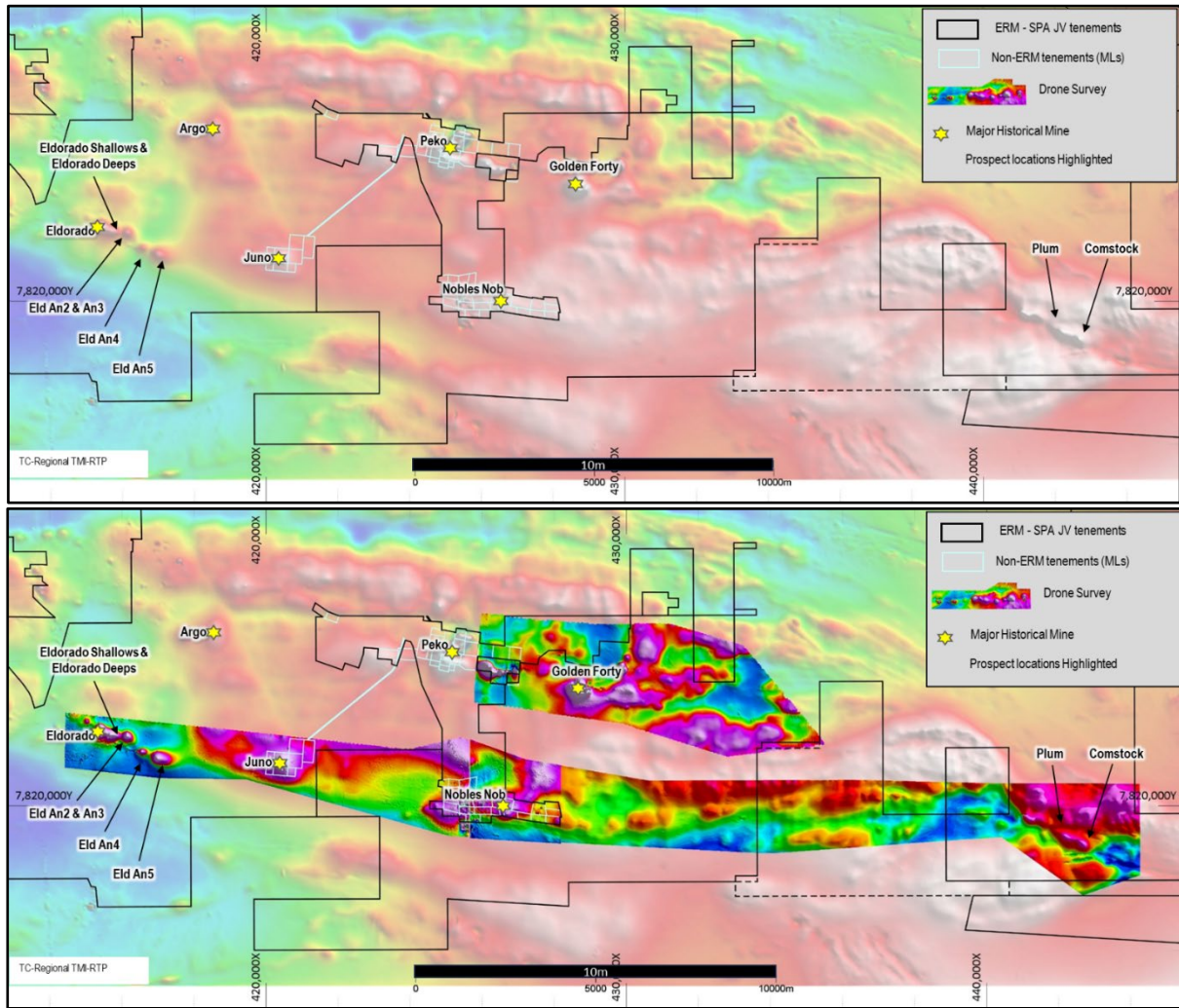


Figure 7: Southern Area Regional Aeromagnetic data (Top) with Ultra-detailed Drone TMI Magnetic data (Below), highlighting the step change in data quality.

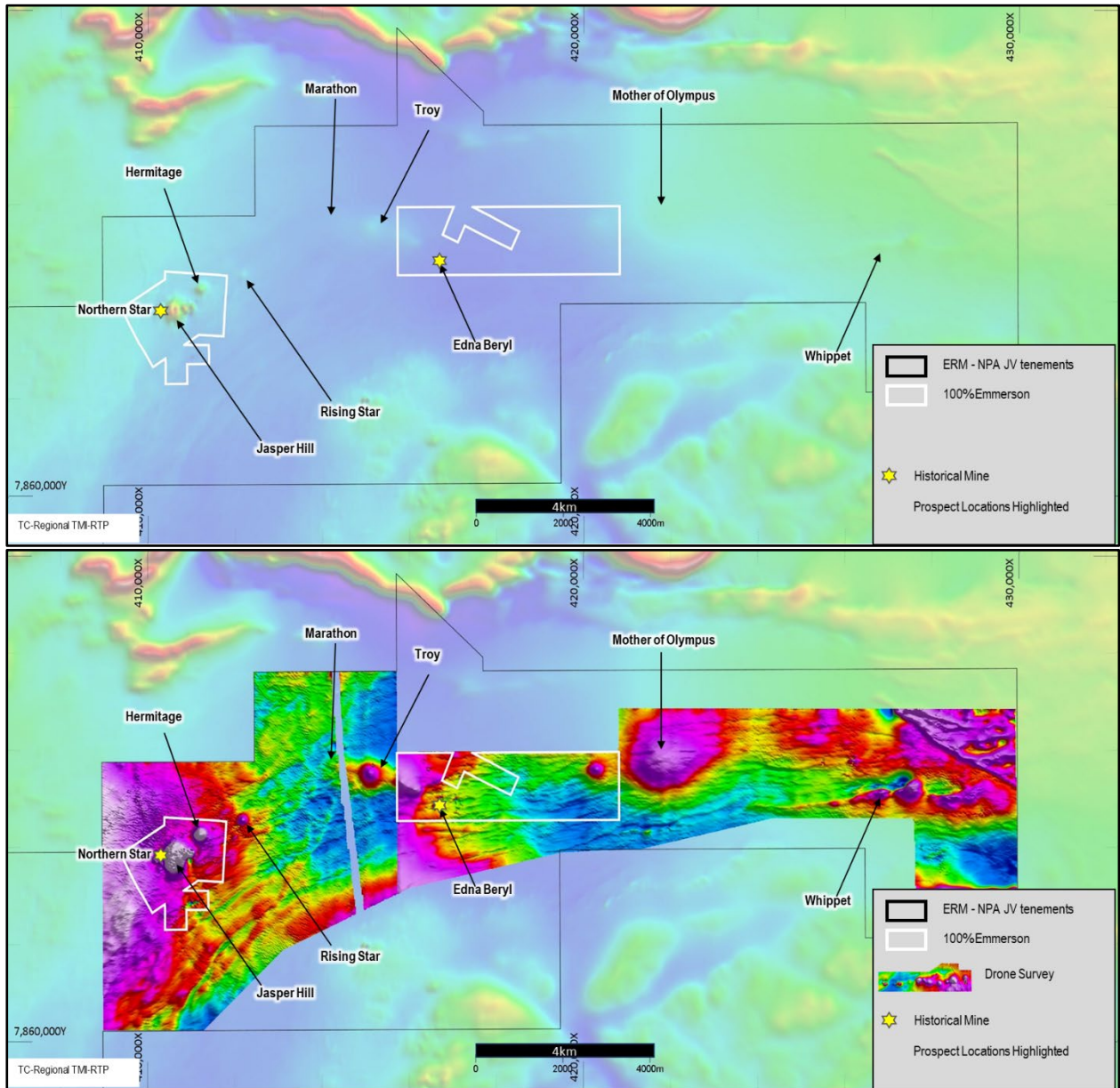


Figure 8: Northern Area Regional Aeromagnetic data (Top) with Ultra-detailed Drone TMI Magnetic data (Below), highlighting the step change in data quality.

NEW SOUTH WALES GOLD-COPPER PROJECTS

Kiola Project – Large Scale Porphyry Project Testing Multiple Targets

Given the focus at Tennant Creek over the half year, no on ground activities have been completed on the NSW projects, however some selective sampling has been completed from available core and submitted for age dating from the drilling completed in the June 2023 quarter. The age dating results are expected to be received in early 2024. These results will aid in geological model development and evaluation of the project.

Kiola Project Background – signs of an emerging new porphyry copper district

Emmerson's Kiola project is an early-stage gold-copper project within the NSW portfolio, centred on the 15km² Kiola Geochemical Zone (KGZ) – identified by Emmerson. It encompasses favourable Ordovician age rocks that display anomalously high gold and copper rock chip and soil geochemistry, supported by several regional historic workings.

Emmerson's multifaceted field program has included soil and rock chip geochemistry, with rock chip samples up to **19.6 g/t gold and 2.16% copper** (ASX: 12 March 2020). It has also utilised aspects of the Australian Research Council (ARC) Linkage project such as "green rock alteration" and age-dating to refine the subsurface 3D model and provide vectors to copper and gold mineralisation. This has provided the framework for linking the surface geology and mineralisation within the 15km² KGZ to a unifying model at depth.

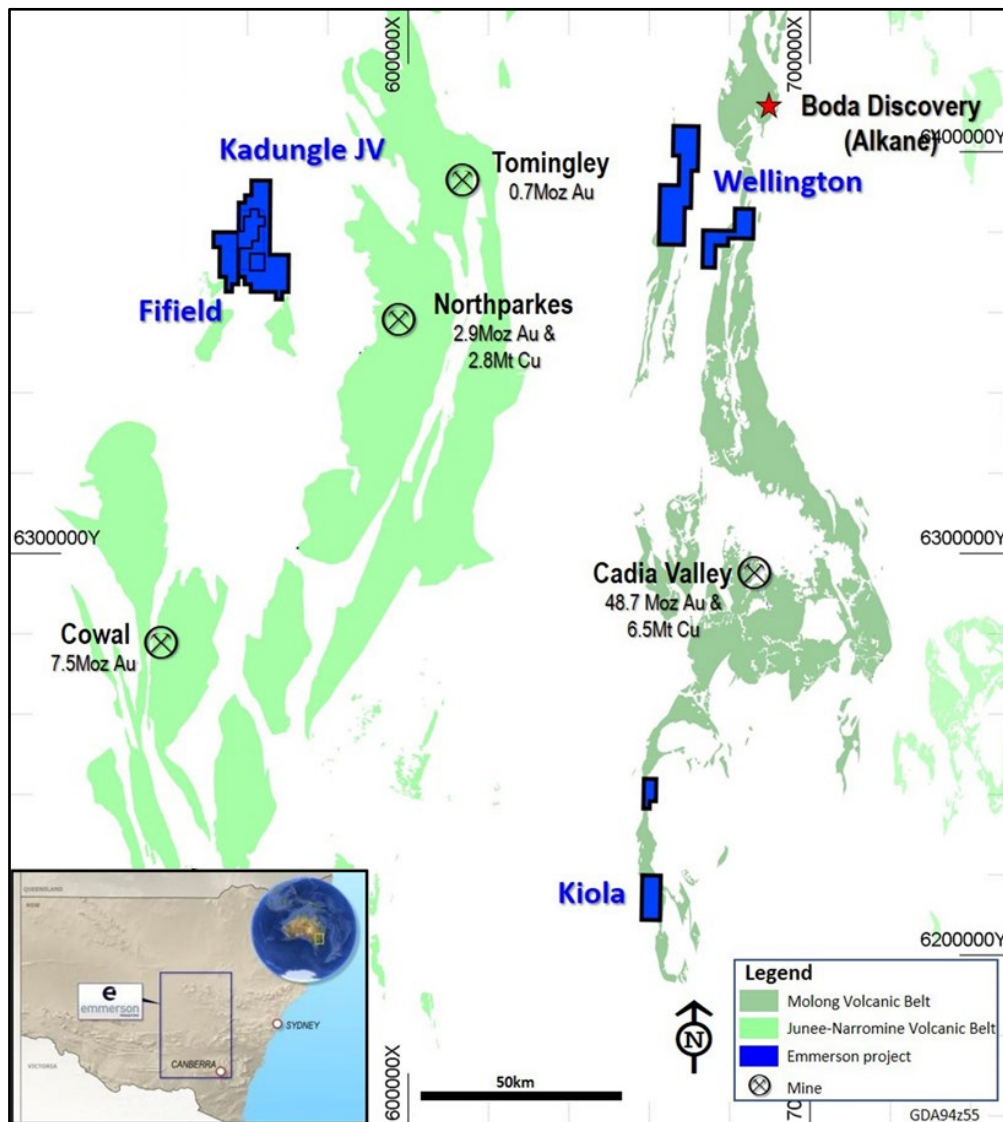


Figure 9: Location of Emmerson's NSW Projects (Held by Lachlan Resources – a 100% owned subsidiary of Emmerson). The background is from the regional magnetic image representing the Molong and Junee-Narromine Volcanic Belts of the Macquarie Arc.

DIRECTORS' REPORT

REGULATORY INFORMATION

The Company does not suggest that economic mineralisation is contained in the untested areas, the information contained relating to historical drilling records have been compiled, reviewed, and verified as best as the Company was able. As outlined in this announcement the Company is planning further drilling programs to understand the geology, structure, and potential of the untested areas. The Company cautions investors against using this announcement solely as a basis for investment decisions without regard for this disclaimer.

COMPETENCY STATEMENT

The information in this release on Exploration Results is based on information compiled by Mr Mike Dunbar, who is a Member Australasian Institute of Mining and Metallurgy. Mr Dunbar has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which they are 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 Dunbar is a full-time employee of the Company and consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Information in this announcement that relates to Exploration Results has been extracted from the following Company ASX announcements:

- ASX: 12 March 2020 – Multiple Gold-Copper Drill Targets at Kiola NSW
- ASX: 27 August 2020 – NSW Exploration Update
- ASX: 13 September 2022 – Further high-grade copper-gold builds scale at Hermitage
- ASX: 12 December 2022 – Bonanza Gold from an emerging new ore zone at Tennant Creek
- ASX: 21 March 2023 – Further High-Grade Precious and Base metal mineralisation at Tennant Creek
- ASX: 6 July 2023 – Emerging Porphyry Copper intersected at the Kiola Project in NSW
- ASX: 17 July 2023 – Extensional drilling underway at high-grade copper-gold-cobalt and bismuth Hermitage Project
- ASX: 14 September 2023 – Tennant Creek Copper and Gold Exploration Update
- ASX: 27 October 2023 – RC Drilling has commenced at the High - Grade Golden Forty Project
- ASX: 30 October 2023 – Wide Copper and Gold Mineralisation Intersected from Extensional Drilling at Hermitage
- ASX: 16 January 2024 - Grades up to 43.2 g/t gold intersected from Extensional Drilling at Golden Forty

The Company confirms that it is not aware of any new information or data that materially affects the information that relates to Exploration Results included in previous market announcements. The Company confirms that the form and context in which the Competent Person's findings area presented have not been materially modified from the original market announcements.

The above announcements are available to view on the Company's website at www.emmersonresources.com.au.

CAUTIONARY STATEMENT

The Exploration Targets described above are conceptual in nature and may or may not be achieved. It must be noted that there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

EMMERSON RESOURCES LIMITED

DIRECTORS' REPORT

FORWARD-LOOKING STATEMENTS

This document may include forward-looking statements, opinions and projections, all preliminary in nature, prepared by the Company on the basis of information developed by itself in relation to its projects. 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," "believe", "anticipates", "predict", "goals", "targets", "aims", "outlook", "guidance", "forecasts", "may", "will", "would" or "should" or, in each case, their negative or other variations or similar expressions are forward-looking statements. By their nature, such statements involve known and unknown 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.

Forward-looking statements speak only as at the date of this document and 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. No representation is made that any of these statements or projections will come to pass or that any forecast result will be achieved, nor as to their accuracy, completeness or correctness. Similarly, no representation is given that the assumptions upon which forward looking statements may be based are reasonable. 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.

JORC Mineral Resource Details

Deposit	Indicated Resources			Inferred Resources			Total Resources		
	Tonnes (Kt)	Gold Grade (g/t)	Ounces	Tonnes (Kt)	Gold Grade (g/t)	Ounces	Tonnes (Kt)	Gold Grade (g/t)	Ounces
Mauretania	159	4.8	25,000	97	1.4	4,000	256	3.5	29,000
Chariot (OP)	64.5	18.1	37,600	8.2	14.4	3,800	72.7	17.7	41,400
Chariot (UG)	334.6	7.0	77,000	138.9	4.6	20,400	483.5	6.3	97,400
Total	558.1	7.8	139,600	244.1	3.6	28,200	812.2	6.4	167,800

Notes:

Inconsistencies in the table above are due to rounding.

Mauretania as reported 6 April 2022 using a 0.5g/t gold cut-off grade and above the 190mRL (within 140m of surface).

Chariot Open Pit (OP) is as reported 2 December 2021, using a 1.0 g/t cutoff.

Chariot Underground is as reported 2 December 2021, using a 2.0 g/t cutoff and reported below a 180mRL.

The Company confirms that it is not aware of any new information or data that materially affects the information that relates to Mineral Resource Estimates included in previous market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

EMMERSON RESOURCES LIMITED

DIRECTORS' REPORT

FINANCE AND CORPORATE

Board Changes

Highly credentialed senior resource industry professional Mr Mike Dunbar was appointed Managing Director and Chief Executive Officer, effective 17 July 2023.

Cash

The Company had a cash balance of \$3.8 million at year end.

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 2023.

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



Mike Dunbar
Managing Director & Chief Executive Officer

14 March 2024

EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Half-year ended 31 December 2023 \$	Half-year ended 31 December 2022 (restated) \$
REVENUE			
Management and consulting fees		47,225	96,177
Interest income		97,454	86,729
TOTAL REVENUE		144,679	182,906
OTHER INCOME			
Gain on disposal of assets		-	45
Rent received		23,400	15,200
Government grants and research & development tax incentive		-	19,200
Other		27,521	7,768
TOTAL REVENUE AND OTHER INCOME		195,599	225,119
EXPENSES			
Compliance and regulatory expenses		78,111	80,453
Consulting and legal expenses		88,748	85,806
Depreciation and amortisation expense		36,324	35,699
Employee benefits expense		771,347	600,244
Occupancy expense		5,104	4,083
General and administration expenses		64,480	71,905
Exploration costs expensed		1,045,173	251,179
TOTAL EXPENSES		2,089,286	1,129,368
LOSS BEFORE INCOME TAX		(1,893,687)	(904,249)
Income tax		-	-
NET LOSS AFTER TAX FOR THE HALF-YEAR		(1,893,687)	(904,249)
Basic loss per share - cents per share	6	(0.35)	(0.17)
Diluted loss per share - cents per share	6	(0.35)	(0.17)

The accompanying notes form part of these financial statements.

EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	31 December 2023 \$	30 June 2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents		3,832,066	5,295,234
Other receivables		122,470	168,751
Prepayments		287,465	261,094
Total Current Assets		<u>4,242,001</u>	<u>5,725,079</u>
Non-Current Assets			
Other financial assets	3	384,735	385,500
Property, plant and equipment		171,796	198,904
Exploration and evaluation assets	4	1,739,396	1,739,396
Right-of-use assets		17,382	52,143
Total Non-Current Assets		<u>2,313,309</u>	<u>2,375,943</u>
TOTAL ASSETS		<u>6,555,310</u>	<u>8,101,022</u>
LIABILITIES			
Current Liabilities			
Trade and other payables		210,328	445,470
Provisions		257,242	228,502
Lease liabilities		19,169	56,797
Farmee contributions received in advance		321,906	-
Total Current Liabilities		<u>808,645</u>	<u>730,769</u>
Non-current Liabilities			
Lease liabilities		-	-
Total Non-current Liabilities		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>808,645</u>	<u>730,769</u>
NET ASSETS		<u>5,746,665</u>	<u>7,370,253</u>
EQUITY			
Contributed equity	5	59,796,571	59,796,571
Share based payments reserve		4,407,608	4,137,509
Accumulated losses		(58,457,514)	(56,563,827)
TOTAL EQUITY		<u>5,746,665</u>	<u>7,370,253</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 2023

	Contributed Equity \$	Share- based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
HALF-YEAR ENDED 31 DECEMBER 2022:				
Balance at 1 July 2022	59,796,571	4,005,146	(53,978,278)	9,823,439
Loss for the half-year	-	-	(904,249)	(904,249)
Total comprehensive loss for the half-year	-	-	(904,249)	(904,249)
Transactions with owners in their capacity as owners:				
Share-based payments	-	107,288	-	107,288
Balance at 31 December 2022 (restated)	59,796,571	4,112,434	(54,882,527)	9,026,478
HALF-YEAR ENDED 31 DECEMBER 2023:				
Balance at 1 July 2023	59,796,571	4,137,509	(56,563,827)	7,370,253
Loss for the half-year	-	-	(1,893,687)	(1,893,687)
Total comprehensive loss for the half-year	-	-	(1,893,687)	(1,893,687)
Transactions with owners in their capacity as owners:				
Share-based payments	-	270,099	-	270,099
Balance at 31 December 2023	59,796,571	4,407,608	(58,457,514)	5,746,665

The accompanying notes form part of these financial statements.

EMMERSON RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Half-year ended 31 December 2023 \$	Half-year ended 31 December 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Management and consulting fees received	5,885	96,177
Payments to suppliers and employees	(889,588)	(878,684)
Payments for exploration	(1,868,339)	(2,419,557)
Proceeds received from farmee for exploration	1,162,491	1,291,744
Interest received	103,453	69,742
Interest paid	(1,030)	(2,831)
Proceeds from R & D tax concessions and state government grants for exploration activities	-	19,200
Other income	64,720	7,769
NET CASH FLOWS USED IN OPERATING ACTIVITIES	<u>(1,422,408)</u>	<u>(1,816,440)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of property, plant and equipment	-	45
Refund of environmental and other security deposits	3,567	-
Payment of environmental and other security deposits	(2,803)	(200)
Purchase of property, plant and equipment	(3,896)	(35,921)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	<u>(3,132)</u>	<u>(36,076)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of principal portion of lease liability	(37,628)	(34,701)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	<u>(37,628)</u>	<u>(34,701)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,463,168)	(1,887,217)
Cash and cash equivalents at beginning of period	5,295,234	8,962,413
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>3,832,066</u>	<u>7,075,196</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 2023 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 14 March 2023. 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 2023 and considered together with any public announcements made during the half-year ended 31 December 2023 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 2023, 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 2023. 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 2023.

(d) Impact of the change in accounting policy – exploration and evaluation assets

The Group reclassified all post-acquisition exploration and evaluation expenditures that were capitalised as exploration and evaluation assets in the Consolidated Statement of Financial Position to exploration and evaluation expenditure in the Consolidated Statement of Comprehensive Income. Initial acquisition costs of the Tennant Creek tenements were unaffected by the change in accounting policy. Other than acquisition costs, all capitalised amounts for exploration and evaluation assets associated with the Group's Tennant Creek tenements and New South Wales tenements were retrospectively expensed.

Any government grants and research & development incentives in relation to exploration tenements that were offset against the carrying value of the exploration and evaluation have been reclassified to the Consolidated Statement of Comprehensive Income in accordance with the Group's stated accounting policy.

As a result of the change of accounting policy, cash outflows relating to post-acquisition exploration and evaluation expenditure have been reclassified from investing to operating activities in the Consolidated Statement of Cash flows. In addition, cash inflows relating to post-acquisition exploration and evaluation expenditure including proceeds received from the farmee for exploration activities have been reclassified from investing to operating activities in the Consolidated Statement of Cash Flows.

EMMERSON RESOURCES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

As a result of the accounting policy change, the Group recorded the following adjustments to specific account balances, increasing (decreasing) amounts previously recognised in the consolidated financial statements.

Consolidated Statement of Comprehensive Income

	for the half year ending 31 December		
	Previously Reported	2022 Policy change adjustment	Restated Balance
	\$	\$	\$
Government grants and research & development tax incentive	-	19,200	19,200
Exploration expenditure	-	(251,179)	(251,179)
Impairment of exploration and evaluation assets	(13,398)	13,398	-
Net loss for the period before tax	(685,669)	(218,580)	(904,249)
Net loss for the period after tax	(685,669)	(218,580)	(904,249)
Total Comprehensive loss for the year	(685,669)	(218,580)	(904,249)
Loss per share (cents per share)	(0.13)		(0.17)

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.

3. OTHER FINANCIAL ASSETS

	31 December 2023	30 June 2023
	\$	\$
Non-Current:		
Bank term deposits	(a) 198,487	201,855
Environmental rehabilitation security deposits	(b) 180,048	177,245
Security deposit	6,200	6,400
	<u>384,735</u>	<u>385,500</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.

EMMERSON RESOURCES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. EXPLORATION AND EVALUATION ASSETS

	Half-year ended 31 December 2023 \$	Year ended 30 June 2023 \$	Half-year ended 31 December 2022 (restated) \$
Carrying amount at beginning of period	1,739,396	1,739,396	1,739,396
Additions	-	-	-
Impaired	-	-	-
Carrying amount at end of period	1,739,396	1,739,396	1,739,396

5. CONTRIBUTED EQUITY

(a) Fully paid ordinary shares	Half-year ended 31 December 2023 Number	Half-year ended 31 December 2023 \$	Year ended 30 June 2023 Number	Year ended 30 June 2023 \$
Ordinary shares fully paid	544,709,788	59,796,571	544,709,788	59,796,571
<i>Movements in ordinary share capital</i>				
Balance at beginning of year	544,709,788	59,796,571	498,238,489	55,299,070
Balance at end of year	544,709,788	59,796,571	544,709,788	59,796,571

(b) Options over ordinary shares

	31 December 2023 Number of options	30 June 2023 Number of options
Exercise price of \$0.1725 expiring on 26/04/24	3,000,000	3,000,000
Exercise price of \$0.184 expiring on 26/04/25	4,000,000	4,000,000
Exercise price of \$0.16 expiring on 09/07/23	-	58,000,000
Exercise price of \$0.11 expiring on 31/12/23	-	3,000,000
Exercise price of \$0.14 expiring on 31/12/23	-	15,500,000
Exercise price of \$0.20 expiring on 31/12/25	15,384,615	15,384,615
Exercise price of \$0.115 expiring on 15/12/25	2,666,666	2,666,666
Exercise price of \$0.095 expiring on 18/07/26	10,000,000	-
Exercise price of \$0.088 expiring on 23/11/26	9,000,000	-
	44,051,281	101,551,281

EMMERSON RESOURCES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December
2023
\$

31 December
2022
(restated)
\$

6. LOSS PER SHARE

Loss used in calculating basic and diluted loss per share

1,893,687

904,249

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.

2024
Number of
shares

2023
Number of
shares

Weighted average number of ordinary shares used in
calculating basic and diluted loss per share

544,709,788

544,709,788

7. SHARE BASED PAYMENTS

During the half year ended on 31 December 2023 the Company issued 10,000,000 options to executives of the Company under the Incentive Option Scheme approved by shareholders at the 2020 Annual General meeting held on 29 January 2021 to provide share-based payment benefits, whereby options to acquire ordinary shares are issued as an incentive to improve employee and shareholder goal congruence and provide a retention incentive for participants. A further 9,000,000 were issued to non-executive directors following shareholder approval at the 2023 Annual General Meeting held on 16 November 2023.

The fair value of the options granted during the period were calculated using a Black-Scholes European Option Pricing Model. The following table lists the inputs to the model for unlisted options granted during the six months ended 31 December 2023:

	Non-executive Director Options	Executive Options		
		Tranche 1	Tranche 2	Tranche 3
Number of options	9,000,000	3,000,000	3,000,000	4,000,000
Exercise price	\$0.088	\$0.095	\$0.095	\$0.095
Grant date	24 Nov 2023	14 July 2023	14 July 2023	14 July 2023
Vesting Date	24 Nov 2023	14 July 2023	14 July 2024	14 July 2025
Expiry date	23 Nov 2026	18 July 2026	18 July 2026	18 July 2026
Share price at grant date	\$0.059	\$0.065	\$0.065	\$0.065
Historical volatility (%)	58.08%	59.26%	59.26%	59.26%
Risk-free interest rate (%)	4.19%	3.98%	3.98%	3.98%
Fair value per share	\$0.0179	\$0.0205	\$0.0205	\$0.0205

The total share-based payment expense for the half year was \$270,098 (2022: \$107,288), comprising \$109,295 in relation to the options issued to executives, and \$160,803 in relation to options issued to non-executive directors.

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 2023 Annual Financial Report.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Other related party arrangements continue to be in place as detailed in the 30 June 2023 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.

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 2023 and 30 June 2023 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

Other than the matters noted above 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 2023 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 2023 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



Mike Dunbar

Managing Director & Chief Executive Officer

14 March 2024



**Building a better
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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 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. 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

Timothy G Dachs
Partner
14 March 2024



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

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 2023, 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 2023 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 2023 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



Timothy G Dachs
Partner
Perth
14 March 2024