

### Fast Facts

ASX Code: EMR  
Shares on issue: 2,200 million  
Market Cap: ~\$105.6 million  
Cash & Investments: \$12.2 million

### Board & Management

Simon Lee AO, Non-Exec Chairman  
Morgan Hart, Managing Director  
Justin Tremain, Executive Director  
Ross Stanley, Non-Exec Director  
Ross Williams, Non-Exec Director  
Mick Evans, Chief Operating Officer  
Mark Clements, Co. Secretary

### Company Highlights

- Targeting large gold systems in an emerging Intrusive Related Gold province in Cambodia
- First mover in an emerging gold province in Cambodia
- Okvau Deposit (100% owned): Indicated and Inferred Mineral Resource Estimate of 1.13Moz at 2.2g/t Au (refer Appendix One)
- PFS completed and demonstrates high grade, low cost, compelling development economics:
  - 830,000ozs in single pit
  - Production to 100,000ozs pa over 8yr mine life (average 91,500oz pa LOM)
  - AISC US\$611/oz first 5 years (average US\$735/oz LOM)
  - NPV<sub>(5%)</sub> US\$174M
  - IRR 35% pa
  - Payback ~2.6 years
- Clear pathway to development
- Significant resource growth potential. Okvau Deposit remains 'open' and multiple nearby high priority, untested targets

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## Quarterly Report for the period ended 31 December 2016

### Highlights

#### Cambodian Gold Project Activities

- Definitive Feasibility Study ('DFS') on track for completion in the March 2017 Quarter
- Shallow resource infill drilling program of 77 holes for 7,424m completed during the December 2016 Quarter to infill the top 120 vertical metres of the 1.13Moz Okvau Deposit (refer Appendix One)
- All assays from resource infill drilling received and are currently being incorporated into a new resource estimate. Results included (refer ASX announcements 2 December 2016 and 18 October 2016):
  - 16m @ 3.90g/t gold from 19m (RC16OKV258)
  - 5m @ 13.16g/t gold from 74m (RC16OKV272)
  - 31m @ 3.11g/t gold from 81m (RC16OKV275)
  - 9m @ 5.69g/t gold from 34m (RC16OKV279)
  - 3m @ 17.99g/t gold from 81m (RC16OKV279)
  - 34m @ 2.27g/t gold from 14m (RC16OKV327)
  - 23m @ 2.55g/t gold from 103m (RC16OKV327)
  - 24m @ 3.06g/t gold from 93m (RC16OKV332)
  - 8m @ 10.25g/t gold from 81m (RC16OKV285)
  - 2m @ 33.91g/t gold from 14m (RC16OKC286)
  - 2m @ 25.38g/t gold from 109m (RC16OKV287)
  - 9m @ 15.09g/t gold from 35m (DD16OKV294)
  - 18m @ 4.53g/t gold from 83m (DD16OKV299)
  - 20m @ 2.53g/t gold from 93m (RC16OKV335)
  - 17m @ 4.72g/t gold from 45m (RC16OKV336)
  - 5m @ 10.34g/t gold from 135m (DD16OKV299)
- Okvau remains "open" and shallow step-out drilling, testing for strike and dip extensions, returned results including (refer ASX announcement dated 2 December 2016):
  - 4m @ 16.08g/t gold from 69m (RC16OKV254)
  - 6m @ 2.90g/t gold from 33m (RC16OKV334)
  - 3m @ 3.90g/t gold from 80m (RC16OKV341)
- Environmental & Social Impact Assessment ('ESIA') completed and submitted as Draft for discussion to the Ministry of Environment
- Ongoing discussions with the Ministry of Mines & Energy ('MME') regarding the Mining License to be supplemented with a 'Mineral Investment Agreement'

#### Corporate

- Compulsorily acquisition of the remaining shares in Renaissance Minerals Ltd ('Renaissance') completed on 14 November 2016 which successfully concluded Emerald's off-market takeover of Renaissance
- The Company's consolidated cash position at 31 December 2016 was approximately \$12.2 million

## Cambodian Gold Project

### Background

The 100% owned Okvau and adjoining O'Chhung licences cover approximately 400km<sup>2</sup> of project area and are located within the core of a prospective Intrusive Related Gold ('IRG') province in the eastern plains of Cambodia. The Project is located in the Mondulkiri Province of Cambodia approximately 265 kilometres north-east of the capital Phnom Penh (refer Figure One).

The topography is relatively flat with low relief of 80 metres to 200 metres above sea level. There are isolated scattered hills rising to around 400 metres. The area is sparsely populated with some limited historical small scale mining activity. An all-weather gravel haulage road servicing logging operations in the area provides good access to within 25 kilometres of the Okvau exploration camp site. The current access over the remaining 25 kilometres is sufficient for exploration activities but is planned to be upgraded to an all-weather road as part of any project development.

A revised independent JORC Indicated and Inferred Resource estimate of 15.8Mt at 2.2g/t for 1.13Moz of gold was completed for the Okvau Deposit in July 2015. Importantly, approximately 85% the resource estimate is in the Indicated category. The resource estimate comprises 13.2Mt at 2.3g/t gold for 0.96Moz of gold in the Indicated resource category plus 2.7Mt at 2.0g/t gold for 0.17Moz of gold in the Inferred resource category (refer Appendix One).

The mineralised vein system of the Okvau Deposit has a current strike extent of 500 metres across a width of 400 metres. The depth and geometry of the resource make it amenable to open pit mining with 73%, or 830,000 ounces of the total resource estimate within the single open pit mine design.

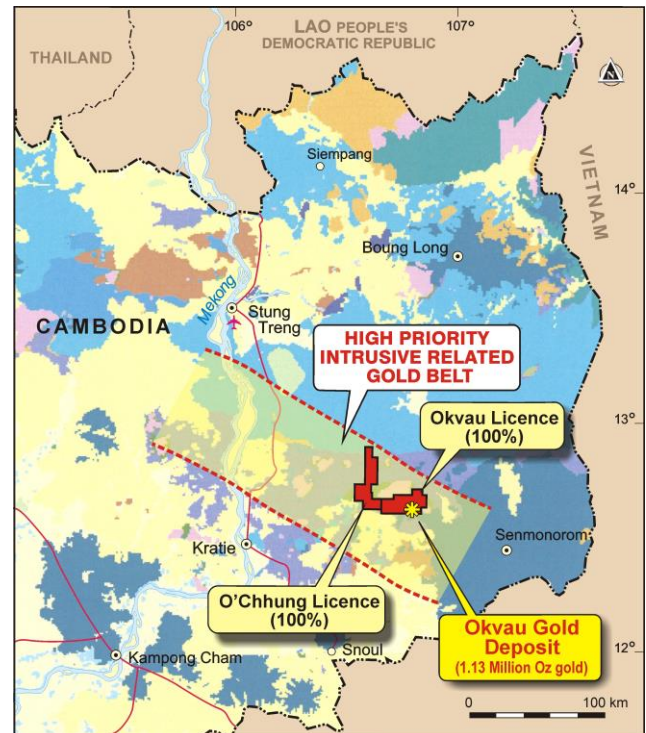
The Okvau Deposit remains open. There is significant potential to define additional ounces from both shallow extensions along strike to the north-east and at depth. The current resource estimate is underpinned by 132 drill holes for 33,351 metres, of which 100 holes or 30,046 metres is diamond core drilling with the remainder being reverse circulation drilling. Emerald has recently completed an additional 7,400 metres of infill drilling to close the drill spacing on the top 120 metres of the deposit to 25 metres by 25 metres. This additional drilling is being incorporated into an updated resource estimate.

The Okvau Deposit and other gold occurrences within the exploration licences are directly associated with diorite and granodiorite intrusions and are best classed as Intrusive Related Gold mineralisation. Exploration to date has demonstrated the potential for large scale gold deposits with the geology and geochemistry analogous to other world class Intrusive Related Gold districts, in particular the Tintina Gold Belt in Alaska (Donlin Creek 38Moz, Pogo 6Moz, Fort Knox 10Moz, Livengood 20Moz).

There are numerous high priority exploration prospects based upon anomalous geochemistry, geology and geophysics which remain untested with drilling. These targets are all located within close proximity to the Okvau Deposit.

Renaissance completed a Pre-Feasibility Study ('PFS') in July 2015 (refer Renaissance ASX announcement dated 27 July 2015) for the development of a 1.5Mtpa operation based only on the Okvau Deposit via an open pit mining operation. The PFS demonstrated the potential for a robust, low cost development with an initial Life of Mine of 8 years, producing on average 91,500 ounces of gold per annum via conventional open pit mining methods from a single pit.

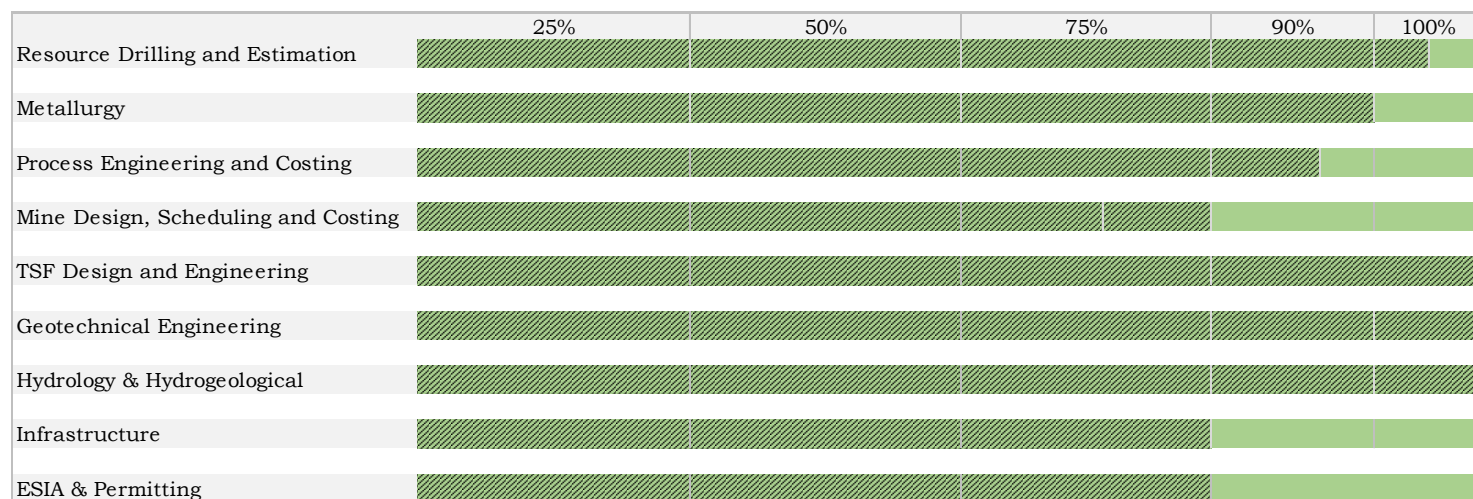
Figure One | Cambodian Gold Project Location



## Activities during the December Quarter

### Definitive Feasibility Study

Emerald is completing a DFS on the development of the 1.13Moz Okvau Deposit following on from Renaissance's positive Pre-Feasibility Study completed in July 2015. The DFS is on track for completion during the March 2017 Quarter. The current status of the various components of the DFS is shown below:



### Resource Drilling Program

A 7,424 metre resource infill drilling program was completed at the Okvau Deposit designed to improve the confidence in the resource estimate of the top 120 vertical metres of deposit by closing the drill spacing to approximately 25 metres by 25 metres. This part of the deposit will represent the initial ~3 years of mill feed for the project.

All results of the infill program were received during the December Quarter and a summary is shown below in Table One (refer ASX announcement 18 October 2016 and 2 December 2016 for complete results). These results confirm the existing geological and resource model with this drilling to be incorporated into a new resource estimate and a maiden reserve which will accompany the DFS expected to be completed during the March 2017 Quarter.

**Table One | Summary (+10 gram metre) Resource Infill Drilling Results**

Hole Name	From (m)	To (m)	Intersection Interval (m)	Gold (g/t)
RC16OKV258	19	35	16	3.90
	51	54	3	4.06
RC16OKV260	9	12	3	3.48
	25	30	5	8.32
RC16OKV261	45	52	7	3.12
RC16OKV263	2	5	3	3.41
	20	33	13	2.48
	39	42	3	3.91
RC16OKV266	27	29	2	6.63
RC16OKV269	18	26	8	3.36
	46	59	13	1.74
RC16OKV271	63	67	4	2.69
RC16OKV272	12	18	6	3.47
	74	79	5	13.16
	91	94	3	4.92
RC16OKV273	2	7	5	2.08
	65	78	13	2.25
RC16OKV274	53	58	5	5.43
	104	113	9	1.84
RC16OKV275	32	40	8	1.84
	81	112	31	3.11
RC16OKV279	34	43	9	5.69
	55	62	7	3.85
	81	84	3	17.99
	96	105	9	2.88
RC16OKV280	64	67	3	3.32
	94	97	3	4.56
RC16OKV281	32	36	4	4.67
RC16OKV284	29	39	10	1.90
RC16OKV285	81	89	8	10.25
	119	127	8	5.94
RC16OKV286	14	16	2	33.91
	33	45	12	1.89
RC16OKV287	50	59	9	3.09
	95	103	8	1.59
	109	111	2	25.38
	119	131	12	2.89
RC16OKV288	126	131	5	5.77
RC16OKV289	36	45	9	2.44
RC16OKV290	13	16	3	4.39
	52	55	3	3.77
	127	131	4	2.77
RC16OKV291	91	96	5	2.32
	101	109	8	4.01
RC16OKV292	30	37	7	1.57
DD16OKV294	35	44	9	15.09
	60	70	10	3.89
	99	101	2	16.76
	112	115	3	7.24
RC16OKV296	75	76	1	10.00
RC16OKV298	39	51	12	2.91
	68	72	4	5.63
	78	84	6	1.63
	117	123	6	4.00
DD16OKV299	22	24	2	19.69
	68	74	6	2.64
	83	101	18	4.53
	123	125	2	9.65
	135	140	5	10.34
RC16OKV302	9	10	1	12.90
	21	29	8	3.09
	61	64	3	14.32
RC16OKV303	111	115	4	2.55

Hole Name	From (m)	To (m)	Intersection Interval (m)	Gold (g/t)
RC16OKV305	27	37	10	1.72
	47	72	25	1.39
RC16OKV306	48	55	7	2.36
	132	134	2	7.78
RC16OKV307	67	77	10	3.29
RC16OKV309	30	38	8	4.07
	87	92	5	2.31
	133	140	7	1.46
RC16OKV310	14	18	4	5.23
	123	129	6	5.07
RC16OKV312	36	41	5	4.53
	55	63	8	1.58
	73	74	1	44.80
RC16OKV314	91	93	2	11.17
	104	117	13	1.37
RC16OKV315	125	139	14	0.80
RC16OKV317	48	60	12	2.13
	96	105	9	3.29
	131	137	6	3.23
RCDD16OKV318	22	29	7	5.46
	34	36	2	9.96
	57	59	2	17.63
	78	82	4	4.42
RC16OKV319	14	23	9	1.82
	50	60	10	3.41
RC16OKV320	57	61	4	3.01
RC16OKV321	30	34	4	8.03
RC16OKV327	14	48	34	2.27
	59	66	7	3.16
	103	126	23	2.55
RC16OKV328	21	30	9	2.96
RC16OKV329	24	26	2	6.06
RC16OKV330	8	14	6	1.97
RC16OKV331	36	39	3	3.33
	92	98	6	2.68
RC16OKV332	40	58	18	0.79
	80	86	6	1.90
	93	117	24	3.06
DD16OKV335	20	34	14	1.23
	64	76	12	1.07
	93	113	20	2.53
	120	127	7	6.71
	142	144	2	9.90
RC16OKV336	21	26	5	5.72
	45	62	17	4.72
	82	86	4	5.91
DD16OKV344	97	106	9	2.22
	110	124	14	2.46
DD16OKV349	29	38	9	3.18





## Metallurgy

During the December Quarter further metallurgical test work was undertaken and was ongoing at the end of the Quarter. Test work was undertaken to; optimize the sulphide flotation regime, confirm the leaching regime of previous test work, undertake thickening test work and to establish grinding power requirements. Results to date from the DFS metallurgical test work are in line with results from previous test work completed by Renaissance as part of the PFS. It is expected metallurgical test work will be completed during the March 2017 Quarter.

## Engineering & Costings

Mining costs to DFS level of accuracy were finalized during the December Quarter which are based on schedule of rates quotation from reputable Australian mining contractors that have undertaken country and site visits. Mining studies remain in progress which will incorporate the updated resource estimate based on the additional resource drilling, the updated geotechnical design criteria, mining and processing assumptions and updated processing and mining cost inputs.

## TSF Design & Water Management

Emerald's tailings management consultant, ATC Williams, completed design and cost estimate for the tailings storage facility and as at the end of the December Quarter, Emerald was awaiting the final report for incorporation into the DFS. All hydrology and hydrogeology studies were completed during the December Quarter and incorporated into the final ESIA.

## Geotechnical

The PFS completed in August 2015 by Renaissance assumed overall pit wall angles of 45 degrees in the pit design. Additional geotechnical holes have now been drilled and reviewed by Emerald's geotechnical consultant. Geotechnical parameters for input into the open pit mine design were finalized during the December Quarter and have indicated the pit wall angles may be steepened to +50 degrees overall which would potentially allow for both a deeper pit and lower the strip ratio.

## Infrastructure

Numerous meetings and discussions were held with the local authorities in the Mondulkiri province regarding the proposed access road into the Okvau mine site from the provincial capital Sen Monorom. A 50 kilometre road is currently being upgraded by the local Government which will require further upgrade to service the Okvau project and be extended approximately 20 kilometres to the mine site. Emerald is awaiting a final cost and implementation proposal from the local road authority to incorporate into the DFS.

Discussions have been ongoing with the EDC (the body responsible for the transmission and wholesale power supply of electricity in Cambodia) regarding the potential to supply high voltage grid power to the Okvau mine site. The DFS will be based on Emerald supplying its own power through the installation of diesel power generators but it is expected the project will benefit from access to the high voltage National Grid in early years of operation.

## ESIA

Public consultation at local district and provincial levels has been ongoing during the December Quarter with feedback from Government and key stakeholders very positive. The final draft ESIA was submitted to the Ministry of Environment late December 2016. Workshops and site visits with the Ministry of Environment have been conducted subsequent to the end of the December Quarter.



## Exploration

### Shallow Extension Drilling

A shallow step-out drill program of ~34 holes or 4,100 metres was undertaken during the Quarter. The program is designed to test for incremental strike and down dip extensions outside the current resource block model. Results confirm the potential for additional shallow ounces at the Okvau Deposit with results including (refer ASX announcement 2 December 2016):

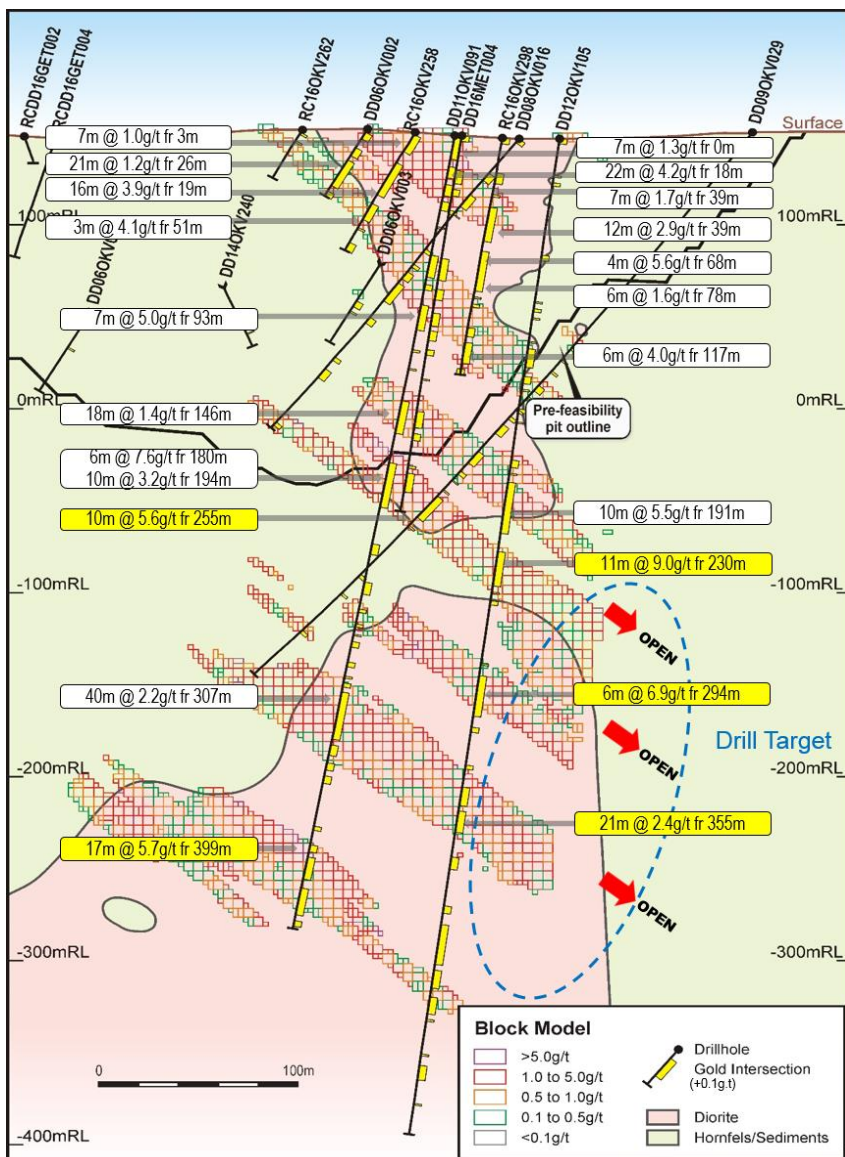
**Table Two | Summary (+10 gram metre) Resource Step Out Drilling Results**

Hole Name	Intersection			Gold (g/t)
	From (m)	To (m)	Interval (m)	
RC16OKV254	69	73	4	16.08
RC16OKV334	33	39	6	2.90
RC16OKV341	80	83	3	3.90

### Depth Extension Drilling

Towards the end of the December Quarter, deeper diamond core drilling was undertaken to test for down dip extensions to previous high grade intersections that sit beneath the floor of the PFS open pit (including 11m @ 9.0g/t gold from 230m, 17m @ 5.7g/t gold from 399m, 10m @ 5.6g/t gold from 255m) (refer Figure Three). Assay results from this deeper drilling remain outstanding.

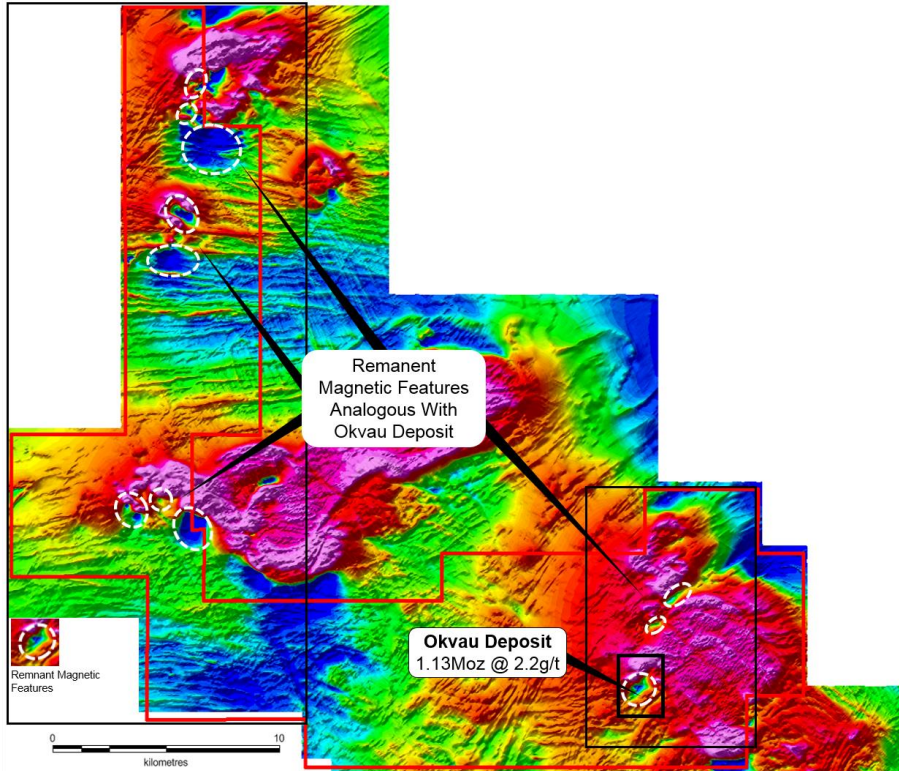
**Figure Three | Cross Section**



## Regional Exploration

Regionally, numerous large remanent magnetic responses, analogous with the remanent magnetic response at the Okvau deposit, highlight large hydrothermal sulphide zones amenable to gold mineralisation (refer Figure Four). The areas are all associated with proximal gold-in-soil anomalism and are untested by drilling. These target areas are all within close proximity to the Okvau deposit and offer exceptional new discovery potentials for Emerald.

**Figure Four | Okvau and O'Chhung License Area - Remanent Magnetic Features Analogous to Okvau Deposit**



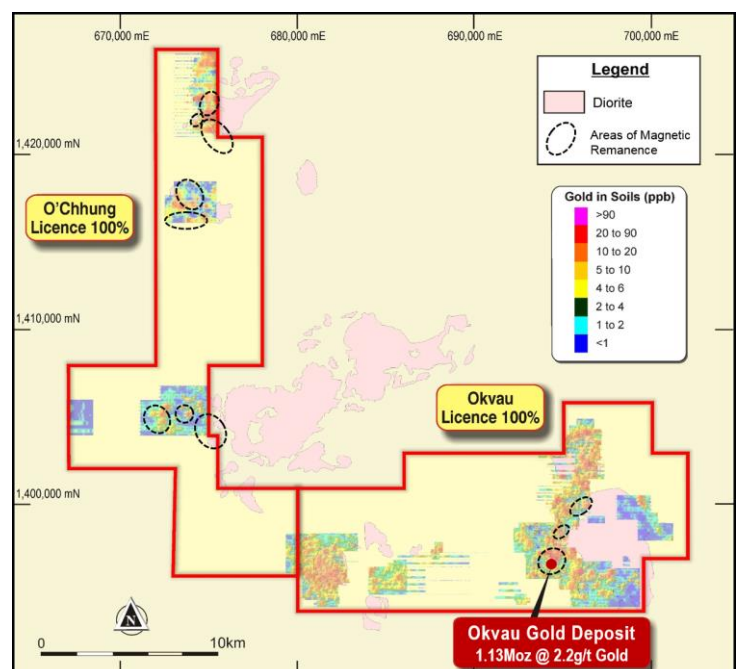
Underlying image is 50m line spaced aeromagnetics (TMI-Reduced to Pole) identifying areas of magnetism (remanent) analogous with the Okvau deposit

Renaissance had previously developed an understanding of the important regional structural controls to these hydrothermal sulphide cells along with important local structural controls and pathfinder geochemical signatures. Together these represent zones of highest gold mineralisation potential associated with the hydrothermal sulphide cells.

The areas identified have strong proximal gold-in-soils anomalies which support the association between the hydrothermal sulphide cells and gold mineralisation development (refer Figure Five). None of these areas have been subject to any drill testing.

During the upcoming March 2017 Quarter, Emerald plans to advance a number regional exploration targets with initial RC drilling. This drilling will be conducted at the O'Rman Prospect, located ~6 kilometres north of the Okvau Deposit and where up to 7g/t gold in soils were returned during the December Quarter, and also targets at the north end of the O'Chhung license. None of these targets have been subject to any previous drilling.

**Figure Five | Okvau & O'Chhung License Areas - Soil Geochemistry**





## Community Relations

The Company continues to maintain regular and co-operative stakeholder consultations and initiatives with local, provincial and central level government and community representatives.

During the December Quarter, Emerald established a Seedling Propagation Program at five secondary and primary schools within the Mondulkiri District. The key is to educate students on sustainable development and to demonstrate the Company's commitment to the environment and the rehabilitation of lands affected by operations. The Seedling Propagation Program is a long term commitment between Emerald and the communities and is supported by local and provincial Governors, Forestry Cambodia and the Phnom Prich Wildlife Sanctuary.

Photo One | Meeting Provincial Governor, Keo Seima



Photo Two | Seedling Planting, Keo Seima



Photo Three | Keo Seima Primary School



Photo Four | Mondulkiri Secondary School



## About Cambodia

Cambodia is a constitutional monarchy with a constitution providing for a multi-party democracy. The population of Cambodia is approximately 14 million. The Royal Government of Cambodia, formed on the basis of elections internationally recognised as free and fair, was established in 1993. Elections are held every five (5) years with the last election held in July 2013.

Cambodia has a relatively open trading regime and joined the World Trade Organisation in 2004. The government's adherence to the global market, freedom from exchange controls and unrestricted capital movement makes Cambodia one of the most business friendly countries in the region.

The Cambodian Government has implemented a strategy to create an appropriate investment environment to attract foreign companies, particularly in the mining industry. Cambodia has a modern and transparent mining code and the government is supportive of foreign investment particularly in mining and exploration to help realise the value of its potential mineral value.

Figure Six | Regional Cambodia



## Corporate

On 19 July 2016, Emerald announced it had entered into a definitive Bid Implementation Agreement ('Implementation Agreement') in relation to a proposal to merge with Renaissance. The merger was to be implemented by Emerald making an off-market takeover offer in a share based transaction ('Offer') for all of the issued shares of Renaissance that it did not already own. On 23 September 2016, Emerald announced that it had received acceptances under the Offer giving it an interest of over 90% in Renaissance. The Offer closed on 30 September 2016 with Emerald holding a relevant interest in Renaissance of 96.0%. Emerald moved to compulsorily acquire the remaining outstanding Renaissance shares with the compulsory acquisition process being completed on 14 November 2016 at which time Renaissance became a wholly owned subsidiary of Emerald.

The merged entity has created a well-funded gold development company with a strong board and management team which is well placed to develop the Cambodian Gold Project and pursue other value enhancing opportunities.

As at 31 December 2016, the consolidated cash position of Emerald was approximately \$12.2 million.

## Project Generation

The Company is continuously seeking to identify and review prospective opportunities and additional mineral exploration projects to satisfy the Company's objectives and offer value enhancing opportunities to its shareholders.

For further information please contact  
Emerald Resources NL  
Morgan Hart, Managing Director or Justin Tremain, Executive Director

### Cautionary Statement

Reference is made to the ASX release by Renaissance Minerals Limited ('Renaissance') dated 27 July 2015 titled 'Okvau PFS Demonstrates Compelling Project Economics'. All material assumptions underpinning the production target or the forecast financial information continue to apply and have not materially changed.

The Pre-Feasibility Study (PFS) referred to in this announcement is based on Measured and Indicated Minerals Resources, plus a small proportion of Inferred Mineral Resource. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

The Company advises that the indicated resources provides 92% of the total recovered gold underpinning the forecast production target and financial projections, and that the additional life of mine plan material included in the PFS comprises less than 8% of the total recovered gold. As such, the dependence of the outcomes of the PFS and the guidance provided in this announcement on the lower confidence inferred mineral resource material contained in the life of mine plan is minimal.

### Forward Looking Statement

This announcement contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about the industry in which Renaissance Minerals operates, and beliefs and assumptions regarding the Company's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known or unknown risks, uncertainties and other factors, some of which are beyond the control of the Company, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, which reflect the view of Renaissance Minerals only as of the date of this announcement. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Renaissance Minerals will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

### Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Craig Johnson, who is an employee of the Company and who is a Member of The Australasian Institute of Geoscientists. Mr Craig Johnson has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he 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'. Mr Craig Johnson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources for the Okvau deposit was prepared by International Resource Solutions Pty Ltd (Brian Wolfe), who is a consultant to the Company, who is a Member of the Australian Institute of Geoscientists (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Wolfe consents to the inclusion of the matters based on his information in the form and context in which it appears.

**Appendix One | Okvau Mineral Resource Estimate - July 2015**

<b>July 2015 JORC Resource (0.6g/t gold cut-off)</b>			
	<b>Tonnage (Mt)</b>	<b>Grade (g/t Au)</b>	<b>Gold (Koz)</b>
Indicated	13.2	2.3	962
Inferred	2.7	2.0	169
<b>Total</b>	<b>15.8Mt</b>	<b>2.2g/t</b>	<b>1,131</b>



## Appendix Two | Tenements

### Exploration tenements held at the end of December 2016 Quarter

Project	Location	Tenement	Interest at 31 Dec 2016
Cambodian Gold Project	Cambodia Cambodia	Okvau O'Chhung	100% 100%

### Mining and exploration tenements and licenses acquired and disposed during the December 2016 quarter

Project	Location	Tenement	Interest at beginning quarter	Interest at end quarter
<u>Tenements Disposed</u>				
Nil				
<u>Tenements Acquired</u>				
Nil				

### Beneficial percentage interests in joint venture agreements at the end of the December 2016 quarter

Project	Location	Tenement	Interest at end of quarter
Nil			

### Beneficial percentage interests in joint venture agreements acquired or disposed of during the December 2016 quarter

Project	Location	Tenement	Interest at beginning of quarter	Interest at end of quarter
<u>Joint Venture Interests Disposed</u>				
Pinjin, Eastern Goldfields	Western Australia	E28/1634	80%	0% <sup>1</sup>
<u>Joint Venture Interests Acquired</u>				
Nil				

<sup>1</sup> During the December 2016 Quarter, the remaining Pinjin tenement that comprised the Pinjin Joint Venture was surrendered.

### Interests in royalties

The Company has a 5% overriding royalty interest in all gas production from various oil and gas interests located in Magoffin County, Kentucky. During the Quarter, there was no product recovered and sold from the Leases and the royalty received for the period was Nil.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Emerald Resources NL

### ABN

72 009 795 046

### Quarter ended ("current quarter")

31 December 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(2,324) <sup>1</sup>	(4,680)
(b) development	-	-
(c) production	-	-
(d) staff costs	(128)	(209)
(e) administration and corporate costs	(189)	(341)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	91	184
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other – Transaction costs relating to acquisition of subsidiary	(810)	(1,009)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,360)</b>	<b>(6,055)</b>

<sup>1</sup> Note that payments for exploration and evaluation includes a \$140k prepayment for future drilling.

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	336	495
	(d) other non-current assets	33	2,833
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – cash acquired on acquisition of subsidiary	-	3,139
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>369</b>	<b>6,467</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	15,100	11,728
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,360)	(6,055)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	369	6,467
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	22	(9)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>12,131</b>	<b>12,131</b>



<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	1,175	2,000
5.2 Call deposits	10,956	13,100
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>12,131<sup>1</sup></b>	<b>15,100</b>

<sup>1</sup> Note that a \$140k prepayment has been made during the current quarter for future drilling.

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	446
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Included at 1.2 are the payment of directors fees (\$128k) and a one-off amount to Justin Tremain for termination of his executive agreement with Renaissance Minerals Limited as a result of the acquisition of that entity (\$318k).

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	22
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Included at 1.2 are rental outgoing payments made to a related entity of Ross Stanley for the office occupied at 1110 Hay Street West Perth (\$22k).

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	1,200
9.2 Development	-
9.3 Production	-
9.4 Staff costs	194
9.5 Administration and corporate costs	168
9.6 Other	-
<b>9.7 Total estimated cash outflows</b>	<b>1,562</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Pinjin, Eastern Goldfields E28/1634		80%	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

**Mark Clements**  
**Company Secretary**  
**30 January 2017**

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.