

ASX Announcement & Media Release

3 June 2022

Fast Facts

ASX Code: EMR
Shares on issue: 592,401,498
Market Cap: ~A\$731 million
Cash: A\$34.1 million (at 31 Mar 2022)
Bullion: A\$17.1 million (at 31 Mar 2022)

Board & Management

Simon Lee AO, Non-Executive Chairman
Morgan Hart, Managing Director
Mick Evans, Executive Director
Ross Stanley, Non-Executive Director
Billie Slott, Non-Executive Director
Mark Clements, Non-Executive Director
and Company Secretary
Bernie Cleary, Operations Manager
Brett Dunnachie, Chief Financial Officer

Company Highlights

- First mover in an emerging gold province in Cambodia;
- Okvau Deposit: Indicated and Inferred Mineral Resource Estimate of 1.14Moz at 2.0g/t Au;
- Project built in 2021 on time on budget and now in operation;
- Forecast economics demonstrates high grade, low cost, compelling project;
 - Ore Reserve of 14.3Mt & 2.0g/t Au for 0.9Mozs in a single open pit with waste:ore ratio of 5.8:1;
 - LOM average annual production of 106,000ozs pa;
 - AISC US\$754/oz over LOM (at a US\$1,450 gold price assumption);
- Mineral Investment Agreement governs significant tax and duty concessions for first 5 years and includes offshore arbitration process;
- Highly credentialed gold project operational and development team;
- Significant resource growth potential;
- Focussed on a net positive impact on near-mine environmental and social values by targeting strict compliance with corporate governance, international guidelines (IFC PS's) and local law by engaging and collaborating with all stakeholders.

Registered Office

1110 Hay Street
West Perth WA 6005

T: +61 8 9286 6300
F: +61 8 6243 0032
W: www.emeraldresources.com.au



Recommended and Unconditional Takeover Offer for Bullseye – Letter to Bullseye Shareholders

Emerald Resources NL (ASX: EMR) ("Emerald") refers to its previous announcements in relation to its recommended and unconditional takeover bid for all of the issued shares of Bullseye Mining Limited (**Bullseye**) that it does not already own (**Offer**).

As announced earlier today, Emerald has increased its voting power and direct equity ownership in Bullseye to 58.79% and resolved to extend the closing date of the Offer for the final time to **5:00pm (WST) on Friday, 17 June 2022**.

Attached to this announcement is a letter to Bullseye shareholders who are yet to accept the Offer outlining how to accept the Offer made to them.

Emerald's Managing Director, Morgan Hart, commented:

"We thought it timely to remind those Bullseye shareholders who have not yet accepted our Offer, which is no longer subject to any further extensions, of the opportunity they have to benefit as an Emerald shareholder through;

- our cashflow generating 100% owned Okvau Gold Mine in Cambodia which has already poured over 2,000kgs of gold bullion from its operations;
- the strong upside potential of our significant prospective gold exploration tenure in Cambodia;
- our focus on environmental, social and governance values through engagement and collaboration with all stakeholders; and
- the greater liquidity and enhanced funding capability of an established ASX listed mining entity.

"We can also advise that following the recent increase in our equity position in Bullseye, we are now planning the transition of the Board, administrative and operational functions of Bullseye. Importantly we can now implement an extensive 98,000 metre (RC and diamond) drilling program which our experienced development and geological team has formulated to initially focus on the Boundary through Bungarra mineralised zone and is set to commence in the coming weeks."

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

For further information please contact

Emerald Resources NL

Morgan Hart
Managing Director

About Emerald Resources NL

Overview

Emerald is a developer and explorer of gold projects. In particular, Emerald has been focused on the development and commissioning of its most advanced project, the Okvau Gold Mine in Cambodia which saw first production in June 2021. Since production commenced in June 2021, Emerald has now poured over 2,000kgs of gold bullion from its operations.

Emerald also hold a number of other projects in Cambodia which are made up of a combination of granted mining licences (100% owned by Emerald), and interests joint venture agreements. Together, Emerald's interest in its Cambodian Projects covers a combined area of 1,239km².

Forward Looking Statement

This document 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 Emerald Resources 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 Emerald Resources 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. Emerald Resources 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. This document has been prepared in compliance with the current JORC Code 2012 Edition and the ASX listing Rules.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets and financial estimates, based on the information contained in this announcement. Reference is made to ASX Announcements dated 1 May 2017 and 26 November 2019. All material assumptions underpinning the production target, or the forecast financial information continue to apply and have not materially changed. 100% of the production target referred to in this announcement is based on Probable Ore Reserves.

Emerald has a highly experienced management team, undoubtedly one of the best credentialed gold development teams in Australia with a proven history of developing projects successfully, quickly and cost effectively. They are a team of highly competent mining engineers and geologists who have overseen the successful development of gold projects in developing countries such as the Bonikro Gold Project in Cote d'Ivoire for Equigold NL and more recently, Regis Resources Ltd.

Competent Persons Statements

The information in this report that relates to Exploration and Drill Results is based on information compiled by Mr Keith King, who is an employee to the Company and who is a Member of The Australasian Institute of Mining & Metallurgy. Mr Keith King 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 Keith King has reviewed the contents of this release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Okvau Gold Deposit was prepared by EGRM Consulting Pty Ltd, Mr Brett Gossage, who is a consultant to the Company, who is a Member of the Australasian Institute of Mining & Metallurgy (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 Gossage has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

Information in this announcement that relates to Ore Reserves for the Okvau Gold Deposit is based on, and fairly represents, information and supporting documentation prepared by Mr Glenn Williamson, an independent specialist mining consultant. Mr Williamson is a Member of the Australasian Institute of Mining & Metallurgy. Mr Williamson has sufficient experience which is 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 (or 'CP') as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williamson has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

No New Information

To the extent that announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new material information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.



3 June 2022

Dear Bullseye shareholder,

**EMERALD RESOURCES NL TAKEOVER BID –
OFFER PERIOD ENDING 17 JUNE 2022 AND WILL NOT BE EXTENDED**

As you are aware, Emerald Resources NL (ACN 009 795 046) (**Emerald**) made an off-market takeover offer (**Offer**) to acquire all of the issued shares of Bullseye Mining Limited (ACN 085 223 570) (**Bullseye**) (that it did not already own) under a bidder's statement dated 8 December 2021, as supplemented by supplementary bidder's statements dated 18 February 2022 and 12 April 2022 (together, the **Bidder's Statement**).

On 6 January 2022, Emerald declared the Offer 'unconditional' and on 19 May 2022, Emerald announced that it had gained effective control of Bullseye, having increased its voting power above 50%.

As at the date of this letter, Emerald's voting power in Bullseye is 58.79%.

The Offer is scheduled to close at 5:00pm (WST) on Friday 17 June 2022 and will not be extended. Bullseye shareholders that are yet to accept the Offer are urged to act quickly to accept the Offer, before the final close.

HOW TO ACCEPT THE OFFER

To accept the Offer, you must:-

- a) complete the acceptance form (enclosed with the Bidder's Statement) in accordance with the terms of the Offer and the instructions on the acceptance form; and**
- b) ensure that the completed acceptance form is received by Emerald before the end of the Offer period, in accordance with the directions on the acceptance form.**

Following acceptance of the Offer, Emerald will issue your Emerald consideration shares within 5 business days of receipt of your acceptance form.

If you have any questions in relation to the Offer, or to request a replacement acceptance form, please contact the Company Secretary of Emerald on +61 8 9286 6300.

NOMINEES, TRUSTEES AND CUSTODIANS

If you hold Bullseye shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any distinct parcel you hold in your own right.

To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act 2001 (Cth). If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the acceptance form, please call the Company Secretary of Emerald on +61 8 9286 6300.

Where applicable, you should also seek instructions from the beneficial holder(s) of the Bullseye shares as to whether they wish to accept the Offer.

WHY YOU SHOULD ACCEPT THE OFFER

In summary, the Board of Emerald believes that you should accept the Offer for the following reasons:-

- a) Bullseye's and Emerald's businesses are complementary, and their combination will create a Western Australian established gold exploration and production company with a diversified asset base, strong balance sheet, solid and recurring revenue, with the potential for significant cost savings and operational synergies.
- b) You will have the opportunity to benefit from the advanced cashflow generating capacity of Emerald through its 100% owned Okvau Gold Mine in Cambodia, increased market presence, greater liquidity and enhanced funding capability of the combined group.
- c) You will have the opportunity to benefit from the strong upside potential of Emerald's significant prospective gold exploration tenure in Cambodia (100% owned and interests in joint venture agreements).
- d) You will have the opportunity to benefit from a company focussed on a net positive impact on near-mine environmental and social values by targeting strict compliance with corporate governance, international guidelines (IFC PS's) and local law by engaging and collaborating with all stakeholders.
- e) You will gain exposure to the Emerald board and management team that has a depth of technical experience and exceptional operational track record.
- f) Bullseye assets are at a relatively early exploration and production stage. The next stage of project development is likely to involve ongoing risks associated with the development of the North Laverton Gold Project.
- g) With a voting power of 58.79%, Emerald is now in a position to take control of the Bullseye board and operations. Emerald will seek to share its significant technical and development expertise to maximise the value of Bullseye's project areas for the benefit of all shareholders.

Please also refer to section 2 of the Bidder's Statement for further information as to why you should accept the Offer.

CONSEQUENCES OF NOT ACCEPTING THE OFFER PRIOR TO THE CLOSING DATE

If, at the end of the Offer period, Emerald has a relevant interest of more than 50%, but less than 90%, of all of the Bullseye shares on issue, Bullseye will not become a wholly owned subsidiary of Emerald and there will be minority shareholders in Bullseye.

Bullseye shareholders that have not accepted the Offer will be in a minority position in an unlisted company with a controlling shareholder whose objectives for the company may differ from their own. They will likely also encounter a lower level of liquidity in Bullseye shares than exists today, which could result in a lower price for those Bullseye shares should they wish to sell them in future.

Emerald has a controlling interest in Bullseye and will seek to influence the strategic and operation direction of the business of Bullseye to the maximum extent permitted by law.

Emerald can now determine alone the outcome of ordinary resolutions (in respect of those matters which it is entitled to vote) and is in a position to control the composition of the Bullseye board (subject to the Bullseye constitution and applicable laws).

If Emerald acquires at least 75% of Bullseye Shares (but less than 90%), it will also be able to determine the outcome of special resolutions (in respect of those matters which it is entitled to vote). Such special resolutions could involve amendments to the Bullseye constitution or a change to company type (subject to the Bullseye constitution and applicable laws).

For the above reasons, Emerald urges all Bullseye shareholders who have not yet accepted the Offer to ACCEPT WITHOUT DELAY before the Offer closes and become a shareholder in Emerald.

If you have any queries regarding the above, please contact the Company Secretary of Emerald on +61 8 9286 6300.

Yours faithfully



Morgan Hart
Managing Director