

Unmarketable Parcel share sale facility

Emmerson Resources Limited ("Emmerson" or "Company") is pleased to announce that it has established an Unmarketable Parcel sale facility (Facility) for holders of less than a marketable parcel. The Facility is being established in accordance with the Company's constitution and the ASX Listing Rules.

An "Unmarketable Parcel" is defined by the ASX Listing Rules as a shareholding with a market value of less than \$500. Emmerson is providing the Facility to enable holders of Unmarketable Parcels to sell their shares without incurring brokerage and handling costs which could otherwise make the sale uneconomic or impractical. Shareholders with Unmarketable Parcels are not obliged to sell their shares. However, they will need to opt out of the Facility or their shares will be automatically sold for them.

The Facility will apply to parcels of shares in the Company with a market value of less than \$500 based on the closing price on the ASX on the record date of 20 November 2018 (Record Date). This represents 1,351,852 ordinary shares in the Company, held by 349 shareholders (representing approximately 16.5% of total shareholders and 0.3% of total issued capital).

By facilitating the sale of Unmarketable Parcels, Emmerson will reduce the administrative costs associated with maintaining many small holdings. In particular, Emmerson expects to reduce the costs associated with printing and mailing documentation to shareholders.

Sales proceeds will be forwarded to participating shareholders as soon as practicable following settlement. All associated costs and brokerage fees will be paid by Emmerson, excluding any tax consequences, which will remain the shareholder's responsibility.

A copy of the letter which will be sent to eligible shareholders is attached.

For further information on the Facility contact the Company Secretary on +61 8 9381 7838.

Key Dates

Record Date	20 November 2018
Announcement to ASX	22 November 2018
First letter sent to shareholders	23 November 2018
Second letter sent to shareholders	11 January 2019
Closing Date	22 January 2019



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23 November 2018

Dear Shareholder,

Unmarketable Parcels of Shares in Emmerson Resources Limited (Emmerson, or Company)

Emmerson is implementing an Unmarketable Parcel sale facility (Facility). The ASX Listing Rules define an “Unmarketable Parcel” of shares as one with a market value of less than \$500. The Facility is being established in accordance with the Company’s constitution and the ASX Listing Rules.

The Facility will apply to parcels of shares in the Company with a market value of less than \$500 based on the closing price on the on the record date of 20 November 2018 (Record Date). Please note that holding less than a marketable parcel does not mean that the holding is not capable of being sold. Shareholders with an Unmarketable Parcel are not obliged to sell their shares. However, those who wish to retain an Unmarketable Parcel will need to opt out of the Facility otherwise the parcel will be sold, and the relevant proceeds sent to them.

Shareholders whose shares are sold under the Facility, which is offered in accordance with the ASX Listing Rules and the Company’s Constitution, will not have to act through a broker or pay brokerage or handling fees. The Company will pay all costs associated with the sale and transfer (excluding any tax, which will be the Shareholder’s responsibility).

By facilitating the sale of Unmarketable Parcels, Emmerson will reduce the administrative costs associated with maintaining many small holdings. In particular, Emmerson expects to reduce the costs associated with printing and mailing documentation to shareholders.

However, if on the Closing Date the value of your shares has increased such that you no longer hold an Unmarketable Parcel (e.g. due to an increase in the Company’s share price or the number of shares you hold), your shares will NOT be sold.

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Please also note that the Company will not sell your shares if a third party announces a takeover offer for the Company. In accordance with its continuous disclosure obligations, the Company may release information to the ASX which may affect your decision as to whether you wish to sell or retain your shares. If such information is released, it will be published on the ASX website (www.asx.com.au, ASX code: ERM) and on the Company’s website (www.emmersonresources.com.au).

WHAT DO I NEED TO DO?

As a holder of an Unmarketable Parcel, your options are described below:

1. Sell your Unmarketable Parcel

If you wish to sell your shares through the Facility, you do NOT need to take any action. By refraining from taking any action, you will be deemed to have irrevocably appointed the Company as your agent:

- a) to sell all your shares at a price to be determined in accordance with the Company's constitution being no less than the simple average of the last sale prices on the ASX for each of the 10 days prior to the Company receiving an offer to purchase your all your shares, without any costs being incurred by you; and
- b) to deal with the proceeds of the sale as set out in this letter.

If you have more than one holding on the Company's share register, you may wish to consider contacting the share registry to amalgamate your holdings. This may result in your holding no longer being classified as an Unmarketable Parcel.

Payment will be forwarded to you as soon as practicable, following settlement of the sale.

2. Retain your Unmarketable Parcel

If you do not wish to sell your Unmarketable Parcel, you must opt out of the Facility by completing and returning the enclosed Notice of Retention form to the address on the form so that it is received before the Closing Date.

If our share registry has not received your Notice of Retention form by the Closing Date, your shareholding will be sold under the Facility.

Important Information

The Company is not bound to sell all or any of the shares that may be available for it to sell under the Facility, and there is no guarantee that the Company will be able to sell your shares. In addition, the sale proceeds may differ from the market value of your shares on the Record Date, depending on movements in the market price of the shares and on the Company appointed brokers' ability to procure purchasers.

The attached information pack sets out further details of the Facility. However, the Company does not provide any recommendation or advice on whether you should sell or retain your shares. If you are unsure, you should seek independent financial, legal or taxation advice prior to deciding as to whether you wish to participate in the Facility. You can also contact the Company Secretary on +61 8 9381 7838 if you have any queries about lodging your form or the practical operation of the Facility.

For and on behalf of
Emmerson Resources Limited

Trevor Verran
Company Secretary

Information Pack for the Unmarketable Parcel Sale Facility

1. What is an Unmarketable Parcel of shares?

An unmarketable parcel of Shares is a holding of the Company's shares valued at less than \$500 as at close of trade on the Record Date. Based on the price of the Company's shares at the Record Date, this is a holding of 7,142 shares or less.

2. What price will I receive for shares sold through the Facility?

In accordance with clause 3 of the Company's constitution, the Company may accept an offer to purchase your all your shares at a price being no less than the simple average of the last sale prices on the ASX for each of the 10 days prior to receiving the offer. For example, if an offer is received on the day after the Closing Date of 22 January 2019, then the Company may accept the offer if the price is no less than the simple average of the last sale prices on the ASX for each of the 10 days prior to and including the Closing Date.

The Company has received an expression of interest from its Directors to purchase some or all the shares held by holders of Unmarketable Parcels.

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The directors may sell your shares using a financial services licensee on the basis that person takes all reasonable care to obtain the highest possible price for the sale of the shares or in any other manner and on any terms the directors resolve. You will not have control over the time at which your shares are sold, the price you receive may be different from the price quoted by ASX on any day, may not be the best price on the day that your shares are sold.

3. What is the price of Emmerson Resources Limited shares?

The last sale price of the Company's shares on the Record Date was A\$0.07. The share price changes frequently and more recent prices are available from the ASX website (www.asx.com.au) under the ASX code 'ERM'.

4. When will the proceeds from the sale of shares be sent to me?

Payment will be sent to you, as soon as, practicable after the Closing Date and following the Company receiving the certificate (if any) for those shares or other evidence satisfactory to the Company regarding the ownership of those shares. You will be notified by way of a transaction confirmation statement of the number of your shares sold, the price and the total sale proceeds. The cheque in Australian dollars will be sent by post to your address as shown in the share register at the time the share sale payment is run.

5. If I buy more shares, will I retain my holding?

Yes, if because of buying more shares, you will hold at least a marketable parcel (based upon the share price on the Record Date) on the Closing Date. In these circumstances, the Company will treat the purchase of additional shares to increase the value of a shareholding to more than \$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by 5.00 pm (Perth time) on the Closing Date under the same name and address and with the same holder number (SRN or HIN) as set out in this letter, and must result in the holding being for 7,143 shares or more.

6. What if my shares are held in a CHESS holding?

If your Shares remain in a CHESS holding at 5.00pm on 22 January 2019, the Company may move those shares to an issuer sponsored holding and the shares will be sold through the Facility.

7. Where can I get further information?

If you have any questions concerning your shareholding or how the Facility will work, please contact our Company Secretary, by telephone on +61 8 9381 7838.

8. Important notes

The Company reserves the right to extend the Closing Date by notice to the ASX. This letter does not constitute advice nor is a recommendation to buy, sell or hold shares nor that the Facility is the best way to sell the Company's shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the Company's share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an Unmarketable Parcel. Under these circumstances your shares will not be sold as part of this facility.