HIGHLIGHTS

- **Desktop review has highlighted an initial six nickel-copper targets related to interpreted mafic-ultramafic intrusives for follow-up field evaluation at Emu's Sunfire project located in the South West region of WA.**
- **EMU's principal target and the main area of exploration by past explorers is the Yornup Mill prospect, defined by anomalous nickel-copper soil geochemistry extending across more than 1.5km of strike in an ultramafic sequence where nickel and copper sulphides were reportedly logged in historic drill holes.**
- **The areas of nickel-copper and pathfinder multi-element geochemistry remain open and will be further evaluated as part of Emu's first-pass exploration programme testing the three interpreted trends of mafic-ultramafic intrusive activity (Yornup, Seaton-Ross and Mersea trends).**
- **The project is located contiguous to the Chalice Gold Mines- Venture Minerals JV over the Thor massive sulphide discovery.**
- **The project is considered prospective for magmatic sulphide mineralisation, with geological attributes similar to the high-profile Nova-Bollinger, Mawson and Julimar discoveries.**
- **Project tenure at Sunfire comprises an Exploration Licence Application E70/5507 is expected to be granted Q3 2021. When granted, Emu's planned exploration will commence.**

Emu NL ("Emu" or "the Company") planned field evaluation program over the Sunfire nickel-copper project is a step closer to implementation with shareholders having approved the acquisition (see ASX: Results of General Meeting, 7 April 2021).

The Company's work to date shows the limited and intermittent exploration completed over the project area since the 1970s, and delineated multiple nickel-copper geochemical targets requiring further investigation and several priority prospect areas that can be readily classified as 'walk-up' drill targets.

1. Location and Access

The Sunfire project is located in the South West Mineral Field of WA, approximately 240km south of Perth (Figure 1). The project is easily accessed via the Forrest Highway and South Western Highways, with access throughout the project area provided by a well-maintained network of all-weather gravel roads and tracks.

The project area sits in the far south west of Western Australia, between the towns of Bridgetown and Manjimup, providing well-placed support centres for the Company's developing exploration program.

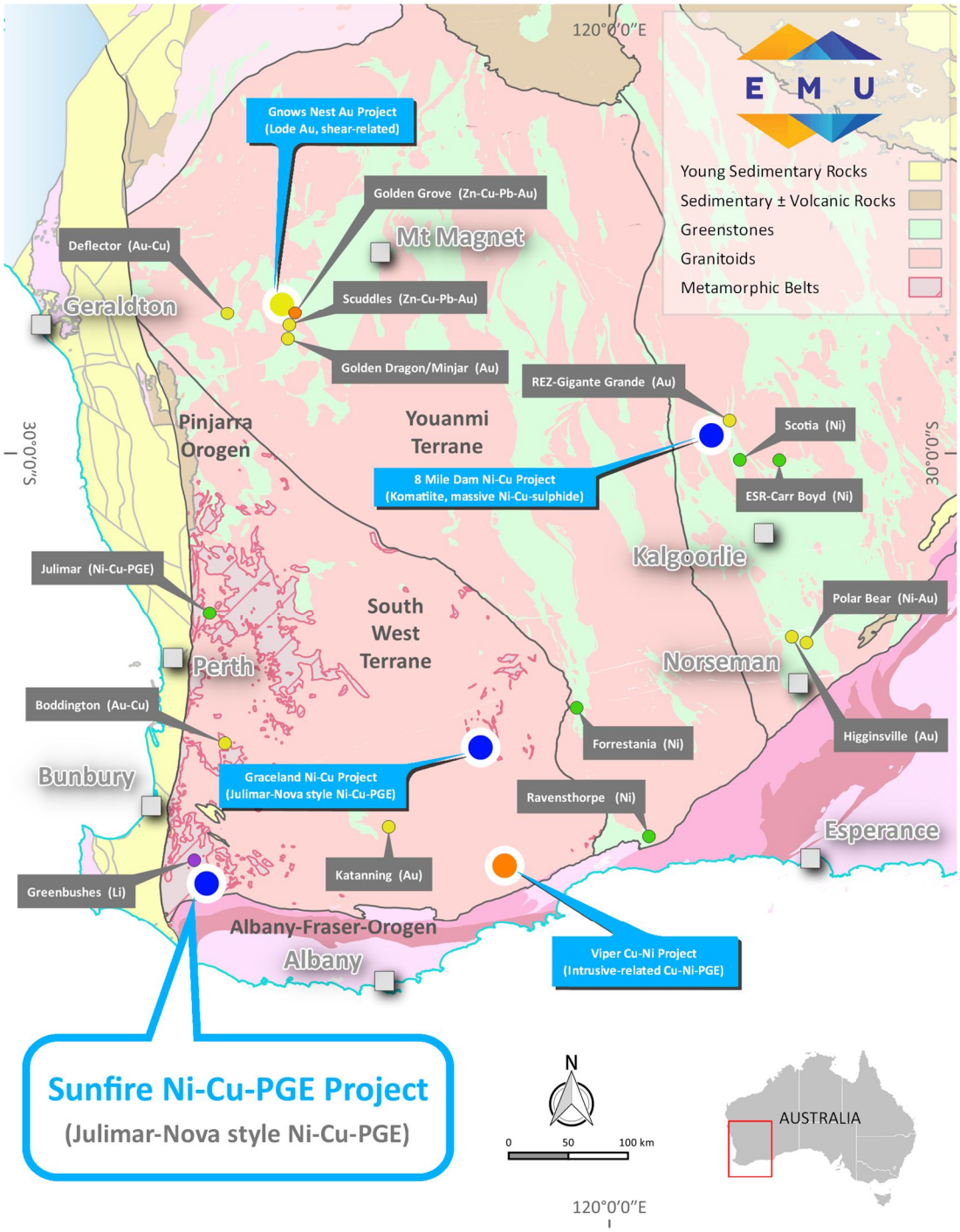

Fig 1 – Location map of Emu's projects in WA overlain on geology

2. Geology and Potential

The South West Mineral Field of WA is a region of increasing interest following several key discoveries in recent years. The presence of gold throughout the Mineral Field is well known, with the Katanning and Tampia Hill gold projects currently moving toward development.

The South West was last extensively explored for base metals, and in particular copper and nickel, in the 1970s and has lain largely dormant until the recent discovery of the world-class Julimar nickel-PGE deposit, just north of Perth in early 2020 (Figure 1) drawing significant attention to the region.

The mineral field is already home to a number of other world-class deposits, including the Boddington gold-copper mine, which produces around a million ounces of gold each year, and the Greenbushes lithium-tantalum mine, which is located 25km to the north of EMU's Sunfire project (Figure 1).

3. Target Areas

Emu's evaluation of the Sunfire exploration licence highlighted a number of geochemical and geophysical targets that warrant further investigation. The prospects are interpreted to lie along three main trends that include the Yornup Trend in the north, the Seaton Ross Trend in the central tenement area and the Mersea Trend in the south (Figure 2). These trends are interpreted to be related to deep-seated intrusive mafic-ultramafic units, which extend through the project area in a north-east to south-west orientation.

(a) Seaton-Ross Trend:

The Yornup Mill prospect lies along the Seaton-Ross trend and is interpreted to overlie a mafic-ultramafic intrusive complex based on the available aeromagnetic data, field mapping and drilling data. Surface geochemical sampling undertaken in the early 1970s outlined an extensive nickel-copper anomaly with a subdued cobalt association extending over more than 1.5km of strike (Figure 3). This anomaly is interpreted by Emu to be of both lateritic (in places) and primary sulphide origin. A review of the historic drill hole logs from the poorly targeted drilling in the north of the prospect indicates the presence of disseminated sulphides in deeper drill core, providing further evidence for potential magmatic sulphide mineralisation (see WAMEX A6414 & 6419).

Previous exploration was mostly confined to the Palgarup State Forest. The Yornup Mill nickel-copper prospect remains largely untested and open to the north-east along two target zones, including Seaton Ross where the soil grids extend onto privately held farming lots (Figure 3). This major trend also extends to the south-west towards the Aerial and Railway targets.

The Company is currently negotiating access with the landowners surrounding the Yornup Mill target in preparation for the commencement of the planned exploration program in the coming months.

(b) Mersea Trend:

The Aerial and Half Moon prospects lie on the southern Mersea Trend around 1 km to the south of Yornup Mill, interpreted as a separate mafic-ultramafic intrusive complex (Figure 2). Limited previous surface geochemistry and auger sampling has highlighted these two prospects as targets for ongoing and systematic exploration and will be field checked when reconnaissance work resumes at Sunfire.

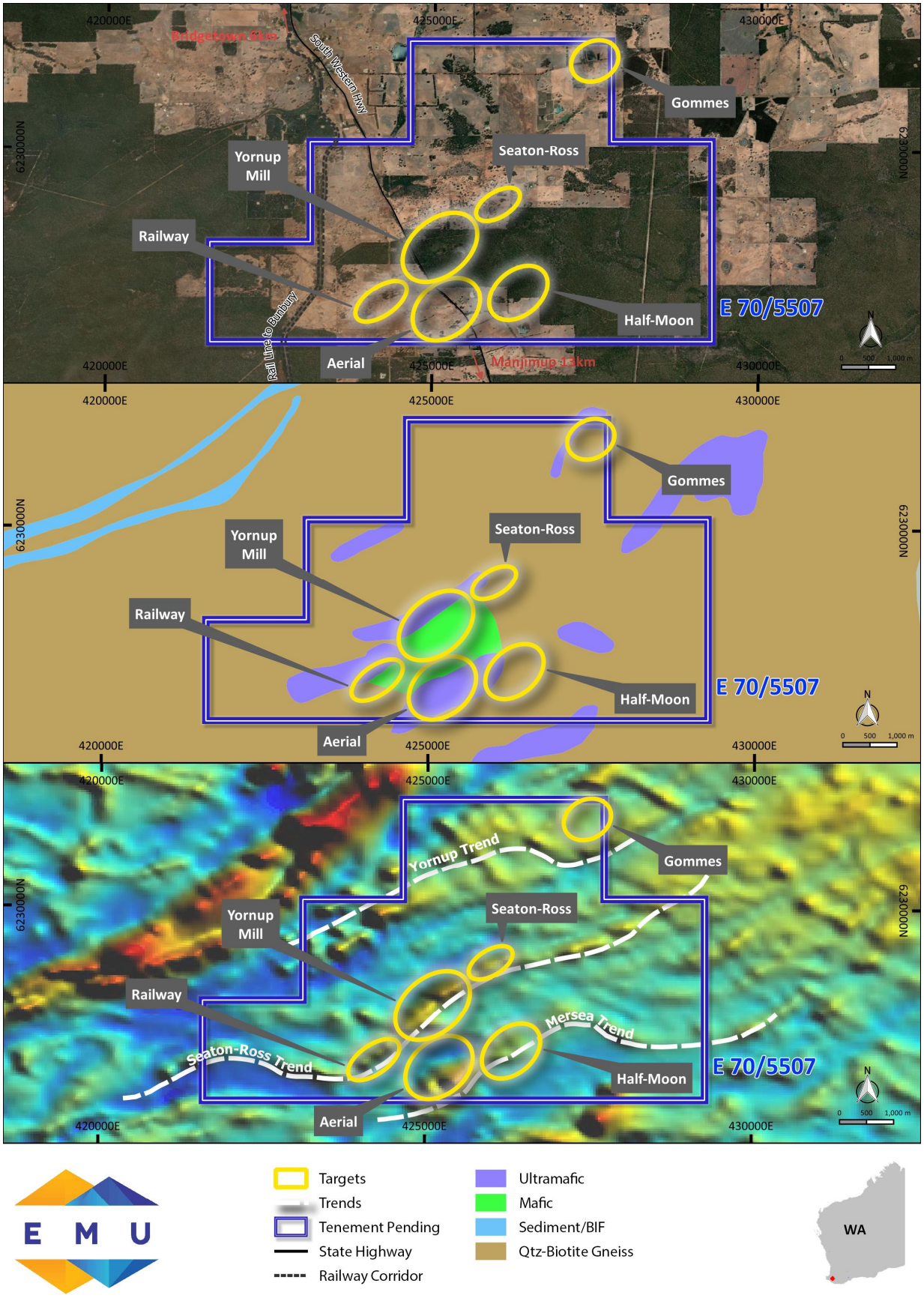

Fig 2 – Sunfire Project target areas overlain on aerial imagery, geology and aeromagnetics

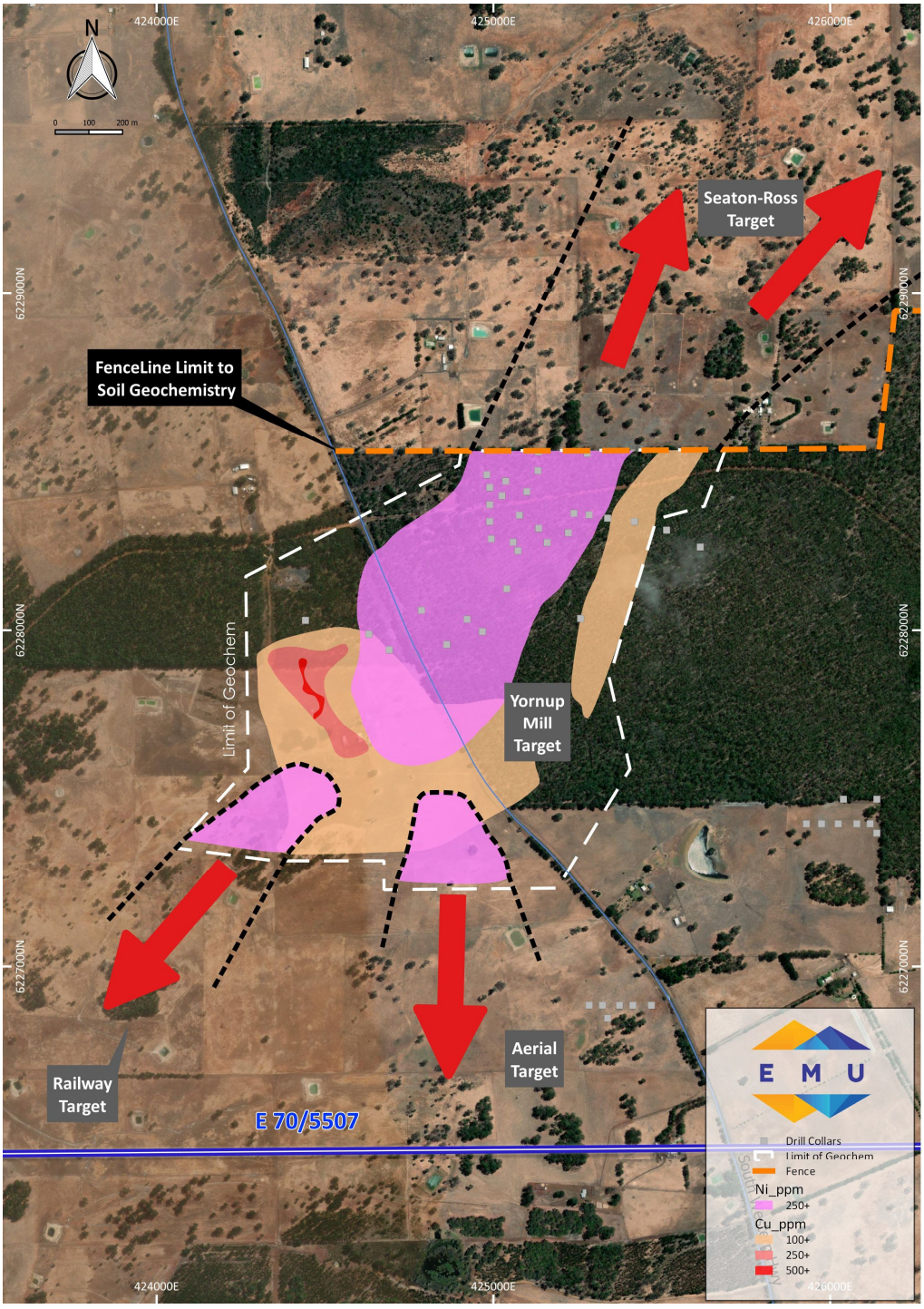

Fig 3 – Yornup Mill N-Cu prospect showing areas defined for follow-up exploration

4. Tenure

Emu holds an option to purchase exploration licence E70/5507 (presently in the application phase) which covers the Sunfire project area. The licence application is progressing through the expedited procedure for grant and is anticipated to be granted in the third quarter of 2021.

On 6 April 2021 EMU's shareholders approved the issue of 10m ordinary shares to Avenger Projects Limited as part consideration upon completion of the acquisition.

Emu's detailed review of Sunfire has highlighted several priority targets for testing immediately following grant of the exploration licence.

The Company is currently finalising plans and access for the follow-up geochemical sampling, geophysical surveying and drilling programs as the tenement moves towards grant in the coming months and looks forward to updating shareholders on its work program in the near future.

RELEASE AUTHORISED BY THE BOARD

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Fully paid shares (listed)
433,657,342 (including 18.6m which EMU can buy back for nil consideration)

Contributing Shares (listed)
40,485,069 paid to $0.03, $0.03 to pay, no call before 31/12/2023

Options (unlisted)

38,125,953 options to acquire fully paid shares, exercisable at $0.15 each, on or before 23 August 2021

22,000,000 options to acquire partly paid shares, exercisable at $0.03 each, on or before 21 December 2021

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COMPETENT PERSON'S STATEMENT

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Francisco Montes, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Montes is an employee of Emu NL and has sufficient experience in 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 Montes consents to the inclusion herein of the matters based upon his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

As a result of a variety of risks, uncertainties and other factors, actual events and results may differ materially from any forward looking and other statements herein not purporting to be of historical fact. Any statements concerning mining reserves, resources and exploration results are forward looking in that they involve estimates based on assumptions. Forward looking statements are based on management's beliefs, opinions and estimates as of the respective dates they are made. The Company does not assume any obligation to update forward looking statements even where beliefs, opinions and estimates change or should do so given changed circumstances and developments.

NEW INFORMATION OR DATA

EMU confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

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