

Emu NL (**EMU** or the **Company**, ASX:EMU) is pleased to provide an update of current exploration activities over its portfolio of nickel-copper-PGE and gold projects in Western Australia.

Over the past 10 weeks, EMU's geologists have been active in the field completing various new and follow-up exploration activities. Multi-element assay results are pending from a new extended soil geochemistry programme completed at the Badja Gold Project. Results are also pending from the interpretation of data derived from Fixed Loop Electromagnetic (FLEM) geophysical surveys currently being conducted at two nickel-copper-PGE projects (Viper and Graceland).

EMU's **Viper, Graceland and Sunfire Nickel-Copper-PGE Projects** are located within the Southwest Terrane of Western Australia. The Terrane is host to Chalice Mining's Julimar Project, Venture Minerals/Chalice Mining's Southwest Nickel-Copper-PGE Project (which includes the Thor discovery), Newmont's Boddington Gold Mine and Talison Lithium's Greenbushes Lithium-Tin-Tantalum Mine.

EMU's **Badja Gold Project** is located in the Murchison Region near Yalgoo and within the same greenstone belt hosting 29Metals' Golden Grove Mine, Silver Lake Resources' Deflector Mine and Gascoyne Resources new Melville Project. The Badja Project hosts the historic Gnows Nest Gold Mine and EMU's recent Monte Cristo gold discovery.

Viper Nickel-Copper-PGE Project, Jerramungup, WA

Yesterday, EMU commenced a ground FLEM geophysical survey at its Viper Project. The survey is designed to locate and interpret bedrock conductors beneath the interpreted 4km⁺ long Proterozoic mafic dyke system which hosts the historic Netty Copper Mine. Both nickel and copper anomalous zones associated with the east-west trending mafic dykes, were identified during EMU's auger geochemistry drilling programme conducted in Q1 2021.¹

EMU's geophysics contractor has commenced data collection for interpretation by consultants Resource Potentials Pty Ltd. Any resultant electromagnetic bedrock conductors will provide direct targets for initial drill testing.

See Figure 1 – Viper FLEM Geophysics Layout

¹ See ASX News Release "Significant Copper Anomalism Defined at Viper Project"; 8 June 2021

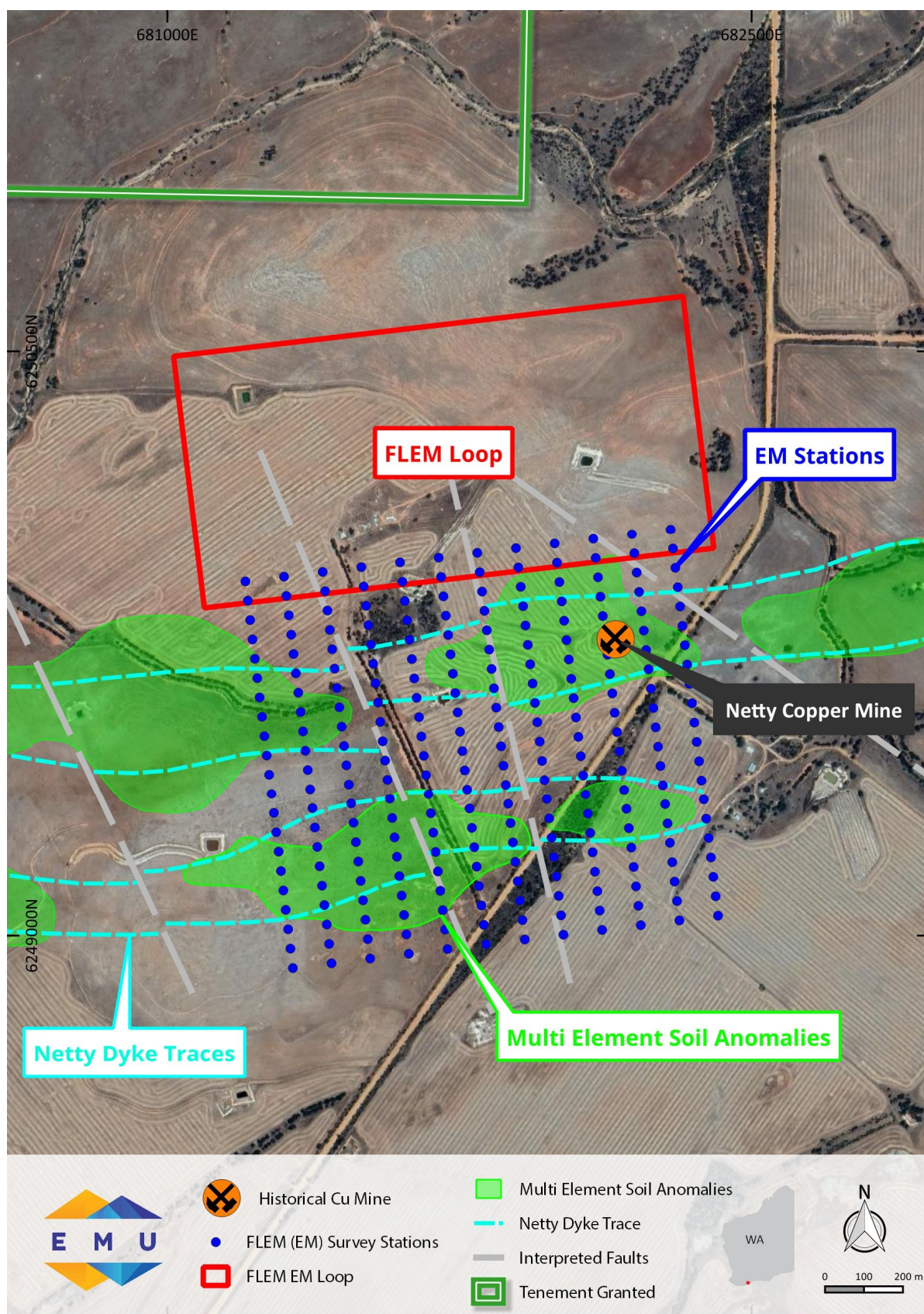


Fig 1 – Location & Layout of the Viper project FLEM geophysics survey

Graceland Nickel-Copper- PGE Project, Hyden, WA

Following the completion of the FLEM survey at Viper, EMU's contractors will re-mobilise 120km north to the Graceland Project, situated in the WA Wheatbelt, 15km east of Pingaring near Hyden. The FLEM survey is expected to commence on 30 January 2022 and will take approximately 10 days to complete. EMU has identified anomalous nickel and copper zones from auger geochemical drilling on the southern margins of a **significant magnetic "bullseye"** geophysical feature.²

The EM survey will seek to identify bedrock conductors in advance of drill testing for the presence of sulphide mineralisation. Data from the survey will be interpreted by Resource Potentials during February 2022. EMU will update the market once this interpretation has been completed.

See Figure 2 – Graceland FLEM Geophysics Layout

Sunfire Nickel-Copper-PGE Project, Bridgetown WA

The Sunfire Project lies immediately south-east, adjacent and abutting the Chalice Mining/Venture Minerals Southwest Nickel Copper PGE JV Project. EMU has identified 3 prominent structural features which parallel the Thor discovery found within the adjoining JV area.

Venture Minerals recently announced that Chalice Mining had interpreted a "Julimar lookalike" immediately to the northwest along parallel structures with 13 conductors outlined from an airborne geophysical survey. Chalice Mining further determined similar strength conductors to those that yielded wide and significant palladium intervals during the early drilling phase of the Julimar nickel-copper-PGE discovery (refer to ASX Announcement by VMS dated 6 December 2021 "Chalice Mining Completes 1st Stage JV on Julimar Lookalike Target").

Historic surface geochemistry and drilling at Sunfire has identified significant zones of nickel and copper anomalism.³ EMU has planned a detailed soil geochemical survey over the prospective lithologies followed by a FLEM survey over the areas of historical nickel anomalism to determine if bedrock conductors are present.

EMU has scheduled the geophysical survey for mid-2022 following finalisation of the formal administrative processes pursuant to the acquisition of the project tenements.

² See ASX News Release "Letter to Shareholders"; 20 July 2021

³ See ASX News Release "Emu Secures Highly Prospective Portfolio in WA"; 20 September 2020

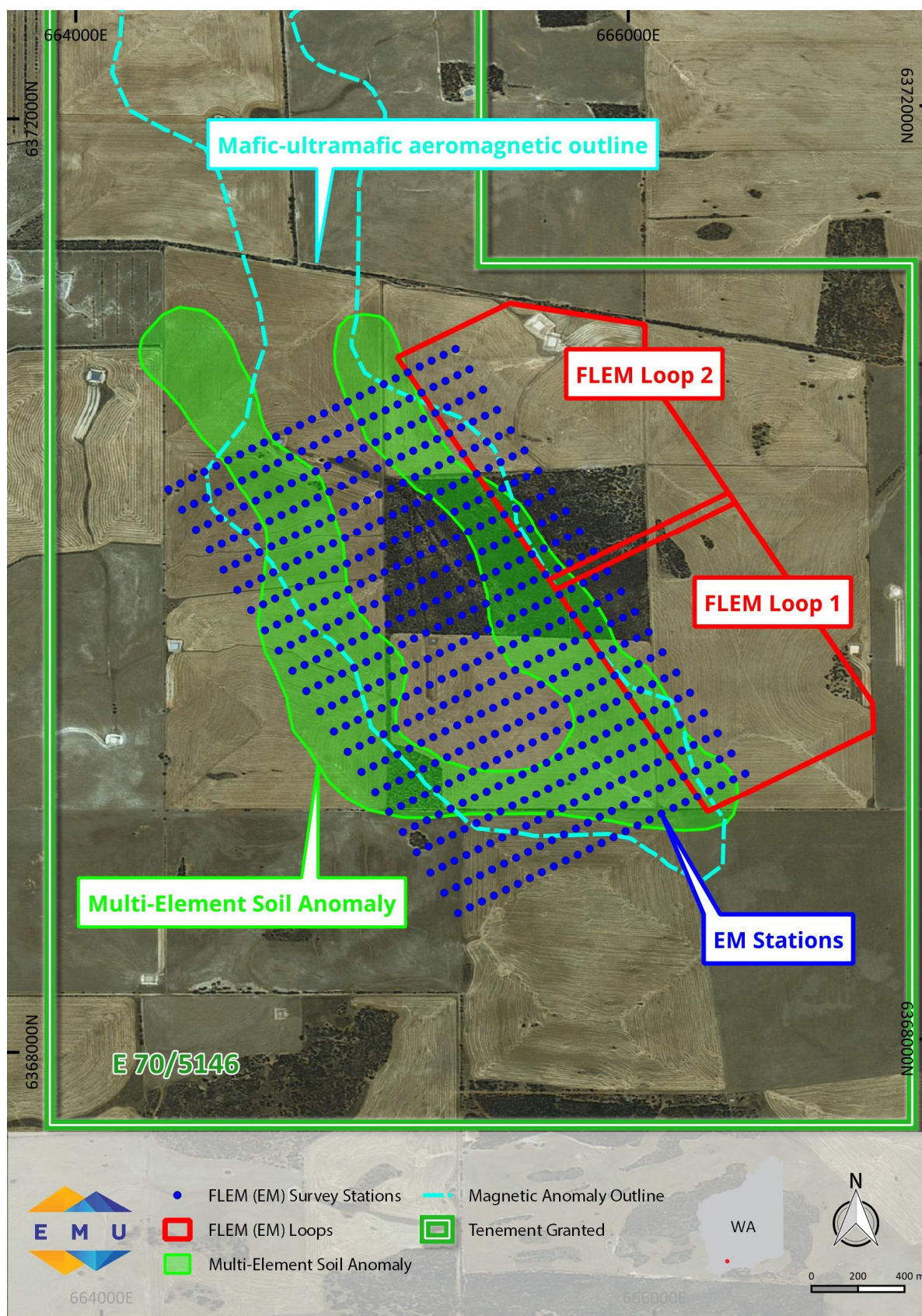


Fig 2 – Location & Layout of the Graceland project FLEM geophysics survey

Badja Gold Project, Yalgoo WA

EMU completed approximately 18,000m of RC drilling at the Badja Project during 2021. This extended the known high-grade gold mineralisation at the historic Gnows Nest Gold Mine, led to the discovery of the Monte Cristo lode and the interpreted extensions at the Water Tank Hill prospect.⁴ EMU also completed induced polarisation (IP) geophysical surveys over the Gnows Nest Mine and the southern area of the Badja Gold Project.

The second stage of an extensive soil geochemistry sampling programme was finalised in December 2021 (see Figure 3). Multi-element assay results from the Stage 2 programme totalling 808 samples are expected during February 2022. This programme was also designed to corroborate the interpreted extensions of known mineralised zones as well as identify new regional targets in untested areas.

Following the interpretation of the assay results, EMU is planning a follow-up RC drilling programme. It is expected that the soil geochemistry results will provide strong vectors to develop and extend the mineralised zones at the Gnows Nest Mine and Monte Cristo discovery. Any significant anomalism associated with the regional targets will also be drill tested.

⁴ See ASX News Release “Drilling Update Badja Project”; 25 October 2021

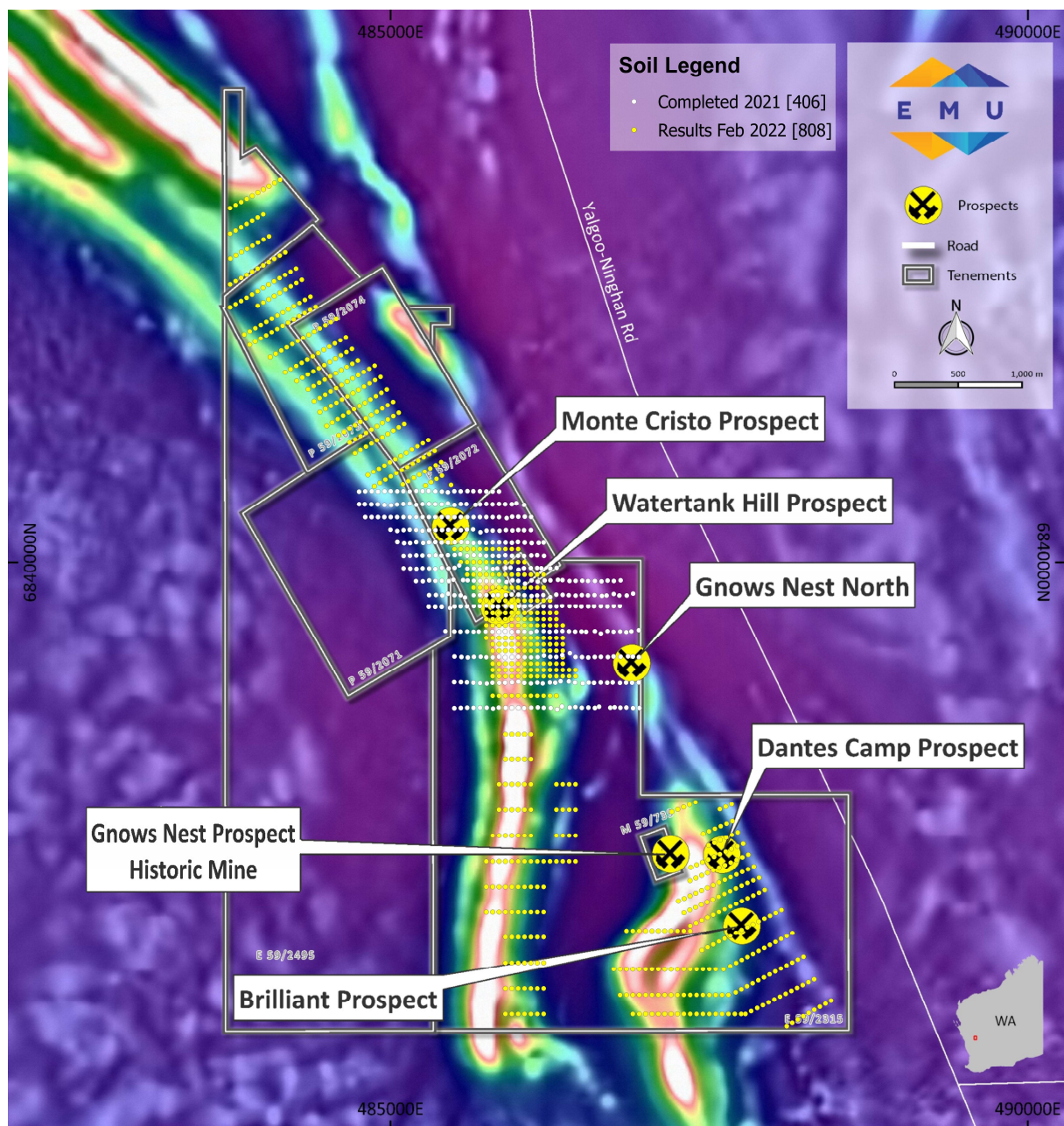


Fig 3 – Location and extent of the Badja project 2021 soil sampling programmes

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Fully paid shares (listed)

549,814,484 (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)

33,320,000 options exercisable at \$0.075
each, expiry 15/3/2023

Performance Rights (Unlisted)

48,571,429 performance rights in
relation to acquisition of Gnows Nest
project

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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 Kurtis Dunstone, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Dunstone 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 Dunstone 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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