

EMU NL (**EMU** or the **Company**) completed negotiations resulting in a Heads of Agreement¹ with Rugby Resources Ltd (TSXV:RUG), securing earn-in rights over a significant underexplored package of tenements at Georgetown Queensland. The 3 Exploration Permits for Minerals (EMP's) cover 850km² of significant multi element mineral endowment in the Georgetown Mining District and represent a large-scale, grass roots, opportunity for EMU to explore in an area that has seen little, or no exploration for decades.

EMU maintained its programmed workflow at its WA exploration projects during the quarter making progress on finalising the planning of drilling programmes at Graceland and Viper Projects. EMU continued its progress towards onsite exploration activities at Sunfire with the completion of environmental surveys and the continuation of administrative processes to secure access to site. EMU's high grade tungsten discovery in the Monte Cristo prospect area, at the Badja Project progressed with geological work targeting the identification of drill samples for multi element assays.

GEORGETOWN, QLD

The acquisition of this Project extends EMU's exploration focus within Australia and substantially increases the portfolio of minerals under exploration. The Georgetown Project endowment includes gold, copper, silver, lead, zinc, iron, rare earth minerals, molybdenum, lithium and uranium.

The 68,500km² Georgetown mining district, within the local government areas of Etheridge and Croydon, has a long mining history. More than 1,000 mines, prospects and mineral occurrences have been identified within the district including the Kidston mine, one of Australia's largest ever gold producers. Discovered in 1907, the Kidston mine recorded production of 5.1moz (145 tonnes) of gold in the 16 years between 1985 to 2001 alone.

The Georgetown Project, which includes 3 EPM's, have not been exposed to any recent exploration or modern techniques and represents a substantial opportunity for EMU to explore a large-scale project area with potential scale discoveries.

Geoscience Australia, in a 2022 study which interrogated its extensive Australian database² to seek "forgotten discoveries", identified critical mineral occurrences along with gold, copper, iron and silver-lead-zinc in the Georgetown mining district. The report notes that the Georgetown inlier (defined as being the area bound by Croydon to the west, Chillagoe to the east and Hughenden to the south) is "exceedingly rich in gold, copper, lead, silver and zinc mineralisation". The Georgetown inlier is a geologically significant structural feature of the region.

¹ Refer ASX Announcement "Scale Project Added to Exploration Portfolio" 1 September 2022

² "Mineral Occurrences: Forgotten discoveries providing new leads for mineral supply" C. Kucka, A Senior, A. Britt, Geoscience Australia 2022. Exploring for the Future.

The Queensland Department of Natural Resources and Mines (**DNRM**)³, reports the Georgetown mining district as having untested potential for significant lithium resources. Recent exploration in the Georgetown mining district, has found lepidolite in abundant quantities around Buchanan’s Creek and Grants Gully to the south of Georgetown itself. In the same report, the DNRM delineates anomalous tantalum and niobium in pegmatites in Buchanan’s Creek and Grants Gully (both located approximately 30 kms southwest of Georgetown) as well as in the Georgetown and Forsythe township areas. It noted tantalum has been reported from some gold mines in the Georgetown township area and at the historic Cumberland Mine.

In its August 2021 report, the University of Queensland’s Sustainable Minerals Institute⁴ highlighted rare earth mineral potential. The Fiery Creek and Georgetown tenements overlay rare earth prospectivity related to potential Iron-Oxide-Copper-Gold (IOCG) deposits and which is further supported by moderate stream sediment anomalism for rare earth minerals.

Georgetown Tenement

The Georgetown EPM covers numerous historic gold mines which operated through the period 1877 to 1915. Significant gold production was recorded from 18 mines located along the Delany Fault. Immediate EMU exploration targets include the follow up of the of the historical gold mines and an alteration zone identified from Landsat Imagery by Rugby in the northwest area of the tenement.

Fiery Creek Tenement

The Fiery Creek EPM is located approximately 30 kms north of the Georgetown permit and covers an area of 325 square kilometres. It hosts several known gold and copper occurrences with the most significant being the Yataga copper prospect. This substantial intrusive complex is apparent from a large circular aeromagnetic anomaly and associated surficial copper occurrences. Potential alteration zones have been identified by Rugby on the margins of the Yataga intrusive from Landsat imagery. The Fiery Creek permit hosts epithermal style gold mineralisation and intrusive hosted copper – molybdenum targets. Moreover, the permit area provides potential uranium exploration opportunities with the Maureen uranium deposit adjoining Fiery Creek’s western boundary.

Perpendicular Creek Tenement

The Perpendicular Creek permit covers the Snake Creek silver-lead prospect and the Munitions Creek gold prospect. The tenement has been exposed to very little exploration activity and has not been subjected to any modern exploration for many years. Munitions Creek gold Prospect lies approximately 10kms north of Snake Creek Prospect, where previous exploration has identified quartz vein gold anomalism.

³ “Emerging strategic minerals in Queensland”, July 2017, Queensland Department of Natural Resources and Mines.

⁴ “Queensland New Economy Minerals Compilation: Rare Earth Elements”, UQ Sustainable Minerals Institute, University of Queensland 10 August 2022

BADJA PROJECT near Yalgoo, WA

EMU completed a short follow up RC drilling programme at Flying Emu, Watertank Hill and Gnows Nest in July. Multi element assay results are pending. EMU previously confirmed the presence of high-grade tungsten coincident with gold at Monte Cristo and, during the period, extended this finding to Flying Emu and Watertank Hill prospects. Primary assessment included the use of a UV light (blacklight) to identify the presence of UV light fluorescing scheelite in RC drill cuttings. The work led to the selection of drill hole samples for submission to the laboratory for multielement assays. EMU is expecting the assays results either later this quarter or during first quarter 2023.

GRACELAND, VIPER (Nickel Copper PGE Projects)

RC Drilling programmes have been prepared for both the Graceland and Viper Projects. The Viper Project programme has received all clearances and approvals and EMU is in the process of organising its drilling contractor to commence the programme (formerly envisaged to comprise part of a multi-project drill exercise to achieve economies of scale but now to be undertaken as a standalone exercise due to approvals processes delays. A heritage survey notice has been received for the Graceland Project. The survey will be organised and will be completed as soon practicable. EMU is now expecting to have finalisation to drill Graceland by or in early 2023.

A series of conductors have been identified in FLEM (Fixed Loop Electromagnetic) surveys conducted earlier in the year from which EMU has established the final vectors for drilling. RC drilling will test for possible of nickel sulphide mineralisation and potential nickel, copper and gold occurrences coincident with magnetic, gravity and geochemistry anomalism at these projects.

SUNFIRE (Nickel Copper PGE Project)

EMU continued to advance, as expeditiously as is within its power, the required administrative processes for land access over its Sunfire Project. During the quarter, environmental surveys were completed, and reports generated to support the access requirements. Exploration work at Sunfire remains a high priority for EMU. A planned systematic soil survey and fixed loop electromagnetic survey were finalised during the quarter and will be conducted as soon as access approvals are finalised. Approvals and clearances for access are imminent, however EMU expects that work activities will be carried out early 2023.

PROJECT GENERATION

EMU continuously seeks to identify and review resource and exploration projects both within Australia and overseas with a view to acquiring assets that may have the potential to add significant financial value and returns for its shareholders. During the period, EMU commenced and continued reviews on several domestic and overseas projects. EMU maintains a valuation criterion over projects that have the potential to be value-accretive and demonstrate significant upside at any stage in the project life cycle including greenfield exploration, late-stage exploration and near-term cash flow.

CORPORATE ACTIVITIES

ASX Additional Information

EMU provides the following information pursuant to ASX Listing Rule requirements:

- (a) ASX Listing Rule 5.3.1 - Exploration and Evaluation Expenditure during the quarter was \$183k. Full details of exploration activities during the September quarter are set out in this report;
- (b) ASX Listing Rule 5.3.2 - There was no substantive mining production or development activity during the quarter;
- (c) ASX Listing Rule 5.3.3 – Details of mining tenements acquired or disposed of during the quarter, and held at the end of the quarter are set out in this report; and
- (d) ASX Listing Rule 5.3.5 - payment to related parties of the Company and their associates during the quarter: \$53k cash. The Company advises that this relates to remuneration for services as directors (including statutory superannuation), and for office rental paid to a director.

RELEASE AUTHORISED BY THE BOARD

Contact Details: Doug Grewar - Office: +61 8 9226 4266; Mobile: 0419 833 604

Table 1: Tenement Schedule:

Tenement ID (DMIRS ID)	Project	Type	Description/ Status
M59/739 – Gnows Nest	Gnows Nest	Mining	EMU 100% - Granted
E59/2315 – Gnows Nest	Gnows Nest	Exploration	EMU 100% - Granted -
P59/2068 – Monte Cristo	Gnows Nest	Prospect	EMU 100% - Granted
P59/2071 – Monte Cristo	Gnows Nest	Prospect	EMU 100% - Granted
P59/2072 – Monte Cristo	Gnows Nest	Prospect	EMU 100% - Granted
P59/2073 – Monte Cristo	Gnows Nest	Prospect	EMU 100% - Granted
P59/2074 – Monte Cristo	Gnows Nest	Prospect	EMU 100% - Granted
E59/2495 – Warrambo	Gnows Nest	Exploration	EMU 100% - Granted
E70/5507 – Sunfire	Sunfire	Exploration	EMU 100% - Granted
E70/5346 - Sunfire	Sunfire	Exploration	EMU 100% - Granted
E70/5146 - Graceland	Graceland	Exploration	EMU 100% - Granted
E70/5603 – Roe	Graceland	Exploration	EMU 100% - Granted
E70/6066 - Roe	Graceland	Exploration	EMU 100% - Granted
E70/5155 - Viper	Viper	Exploration	EMU 100% - Granted
E70/5602 – Kent	Viper	Exploration	EMU 100% - Granted
E29/1080 – Marmion	8 Mile Dam	Exploration	EMU 100% - Granted

Emu NL

ABN 50 127 291 927

ASX Codes: EMU and EMUCA

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Fully paid shares (listed)

687,268,105 (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 December 2023

Options (unlisted)

35,000,000 options to acquire partly paid shares, exercisable at \$0.0001 each, on or before 15 November 2022 with a further \$0.04 payable on each to convert into fully paid shares

33,320,000 options to acquire fully paid shares, exercisable at \$0.075 each, on or before 15 March 2023

Performance Rights (Unlisted)

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

Directors:

Peter Thomas
Non-Executive Chairman

Terry Streeter
Non-Executive Director

Gavin Rutherford
Non-Executive Director

Tim Staermose
Non-Executive Director

Investor enquiries:

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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.

- END -

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

EMU NL

ABN

50 127 291 927

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(183)	(183)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(216)	(216)
	(e) administration and corporate costs	(27)	(27)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(426)	(426)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(31)	(31)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(31)	(31)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	785	785
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(426)	(426)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(31)	(31)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	**328	**328

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	28	45
5.2	Call deposits	294	734
5.3	Bank overdrafts	-	-
5.4	Other (provide details) <i>Cash deposit held in US\$</i>	6	6
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	328	785

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	53
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(426)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(426)
8.4	Cash and cash equivalents at quarter end (item 4.6)	328
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	328
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.77
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: EMU expects that it will continue to have negative operating cash flows as is usual for mining exploration entities, but expenditure on discretionary exploration expenses will be curtailed as needed, dependent on available cash resources.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: ** After the end of this quarter, EMU raised \$923,688 via a placement.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: EMU expects to be able to continue its operations and meet its business objectives based on its responses to 8.8.1 and 8.8.2 above.	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

Date: **31 October 2022**

Authorised by: **Doug Grewar - CEO**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.

Mining exploration entity or oil and gas exploration entity quarterly cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.