

During the quarter, EMU updated the market with significant results received from multi-element assays at its 100% owned Condingup Rare Earth Project, near Esperance WA. The results indicate the project to be highly fertile for rare earth elements, with outcropping rock samples reporting up to **2,124 ppm TREO** (Total Rare Earth Oxides) including **25% MREO<sup>1</sup>** (Magnetic Rare Earth Oxides).

Highlights from the release included:

- Condingup Rare Earth Project was confirmed to host highly desirable Magnetic and Heavy REE elements from outcropping Booanya granite rock samples
- Rock samples collected contained up to **2,124 ppm TREO**
- Average **MREO** content represented **25%** of **TREO** content from the sampled granites
- A significant **HREO<sup>2</sup> to TREO** content of **12.7%** was identified

Assays from Booanya granite rock samples, taken during EMU's December 2022 reconnaissance field visit at the Condingup Rare Earth Project, reported a contained, significant **25% MREO** with **12.7% HREO**. This indicates excellent exploration upside for large-scale low-cost recovery clay hosted REE (Rare-Earth Elements) deposits.

Magnetic and Heavy rare earth element concentrations are highly desirable for their use in the strongest and most affordable permanent magnets. Higher values of **Nd-Pr & Dy** (Neodymium-Praseodymium and Dysprosium, key elements in rare earth magnets), recorded in the samples, provide significant encouragement for EMU's Condingup Project given the high value of those elements.

## Condingup Rare Earth Project

The Condingup Project is located just 35kms southeast of ASX:OD6's Splinter Rock Project which is achieving significant exploration success in a similar geological setting within the REE enriched Booanya suite granites. EMU's Condingup Project's proximity, just 60kms from the port of Esperance and essential infrastructure via by sealed roads, is highly desirable for future development of the project. Esperance has been identified as a central hub for major renewable energy and green hydrogen production. The town is already a well-regarded exploration/mining support jurisdiction.

## Reconnaissance Work – Condingup Rare Earth Project

A total of 8 rocks were collected and assayed from the reconnaissance programme, including 3 rocks which were identified to be Booanya granite samples. The Booanya granite samples all reported greater than **1,000 ppm TREO**, with results ranging between **1,142 ppm TREO and 2,124 ppm TREO**. Other rock types collected included: aplite, ironstone, vein-quartz and limestone.

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<sup>1</sup> Magnetic Rare-Earth Element Oxides as defined by the USGS "Rare-Earth Elements Professional Paper 1802-O" publication 2017, page 3

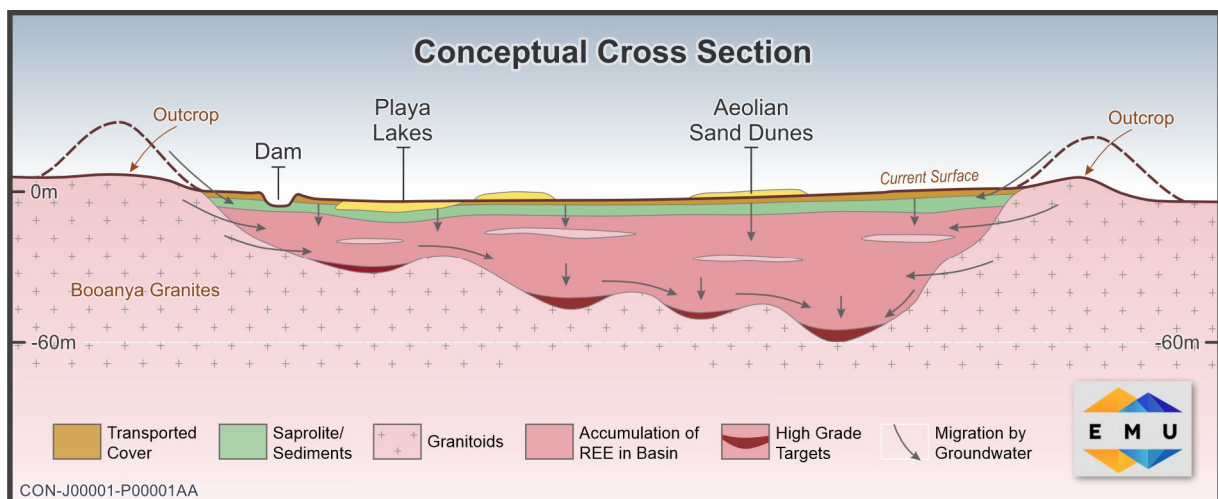
<sup>2</sup> Heavy Rare-Earth Element Oxides as defined by the USGS "Rare-Earth Elements Professional Paper 1802-O" publication 2017, page 2

The primary focus of the reconnaissance sampling was to collect clay samples from dam surfaces from various farming properties within the project area. The excavated clays have been identified to be located within the “transported” cover zone, at surface, which overlays the potentially more fertile, deeper saprolite “clay” layers. EMU determined significant anomalism from assay results in these leached clay samples with REE TREO reporting up to **518ppm**. Results from the sampled clays, provide EMU with excellent contour vector potential for deeper rare-earth clay enrichment for drill targeting beneath the surface sands and gravels in the Condingup area, expected to reflect oxide and enriched clay development. (Figure 1).

### Mineralisation Model- Condingup Rare Earth Project

Given the exploration success of, OD6 Metals at Splinter Rocks, and the results from EMU’s first pass reconnaissance work, EMU expects to identify REE supergene concentrations in clay zone traps through upcoming drilling and exploration vectoring.

Due to geological weathering processes, any clay traps intersected in drilling will likely contain greater concentrations of TREO than the numbers reported in the Booanya granite rock samples detailed in this release highlighting the significant fertility of the rock sample results reported herein.



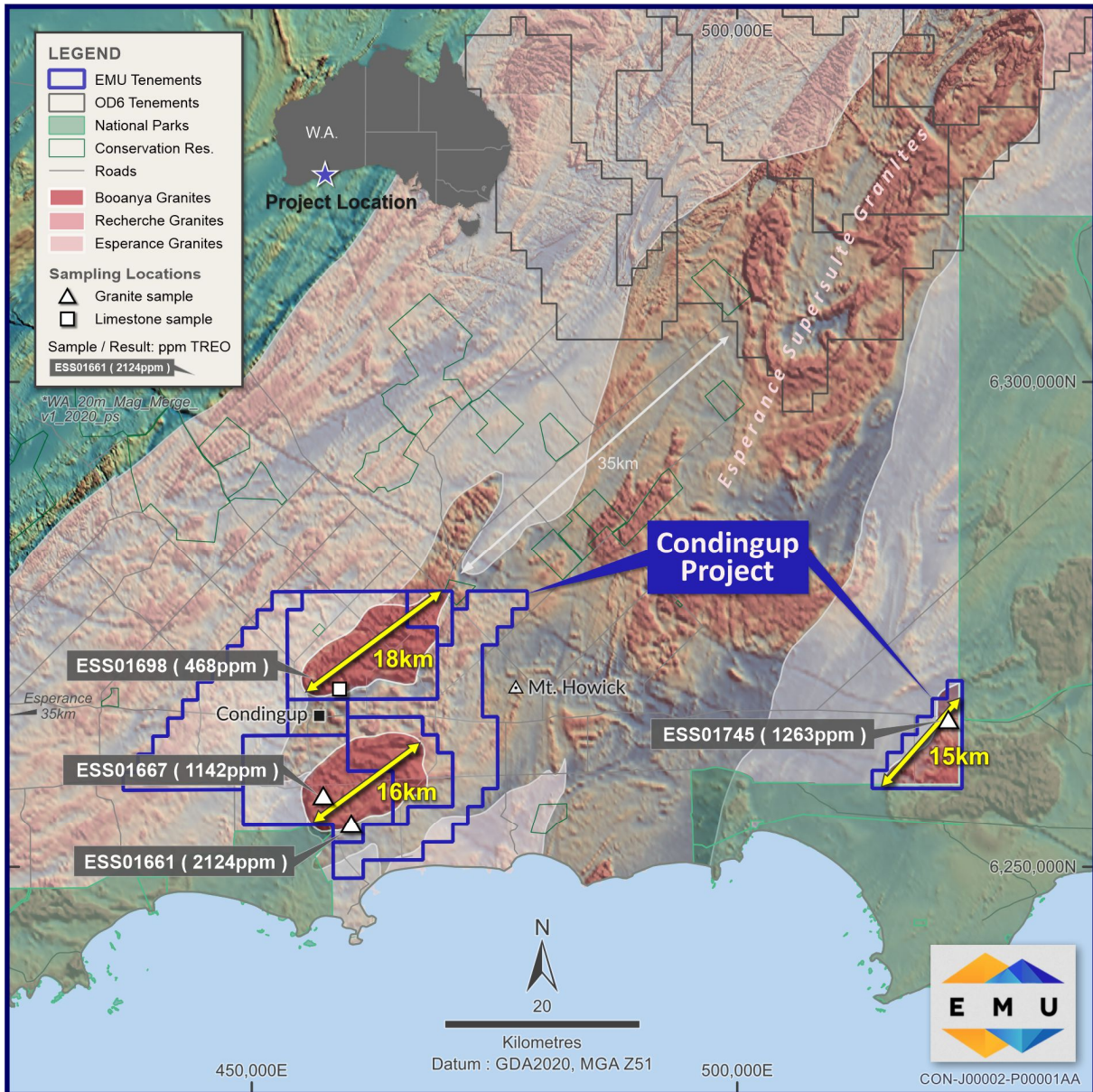
**Figure 1. A conceptual cross section of the Booanya suite granites at Condingup showing outcrops dam locations and prospective enriched clay layers.**

### Sample Locations- Condingup Rare Earth Project

The 3 Booanya suite granite rock samples tested reflect significant REE enrichment. Two of the three REE enriched granite samples were collected from the southern Booanya granite intrusion whilst the third REE enriched granite rock was collected from the eastern Booanya granite intrusion. (Figure 2). Whilst no granite surface samples were collected from the northern Booanya granite intrusion, a limestone sample collected from above the clay horizon near a dam site, contained significantly anomalous **TREO of 468ppm**. Limestone is known to act as a “sponge” for metallic minerals, making this sample a very good REE enrichment indicator.

The multi-element assays of the Booanya granite rock samples indicate that the anomalous REE’s are hosted within fractionated, metasomatized, alkaline Booanya suite granites.

Globally, fractionated alkaline systems are known to be associated with significant REE deposits.



**Figure 2. Condingup tenement location over magnetics and geology showing rock sample locations**

### Follow Up Work Programme – Condingup Rare Earth Project

EMU has initiated the necessary (and often drawn out) regulatory administrative processes to acquire access for planned air-core drilling over the northern, southern, and eastern granite intrusive areas, and a follow up rock chip sampling programme in order to further expand the fertility vectors of the outcropping Boonya suite granites.

Boonya suite granites are recognised to host clay enrichment evolved from their weathering process, as indicated from work completed by neighbouring explorers. The deeper clay zones overlaying and adjacent to Boonya suite granites appear to host higher concentrations of REE.

EMU is currently reviewing all publicly available open-source information including hydrochemistry, radiometrics and (reprocessing) magnetic data to assist in determining vectors for deeper clay horizons over prospective zones to establish and refine its drill targets.

Since the ASX release 14 March 2023<sup>3</sup>, EMU conducted a further reconnaissance programme over the project area to ascertain the breadth of REE fertility in the district areas focussing the sampling activity within proximity to the Booanya granite suite rocks and potential clay trap zones adjacent to these intrusive rocks which have been created through the weathering of these host rocks.

## **Exploration Updates – Other Projects**

### **Badja Gold/Tungsten Project**

Emu continues to evaluate the potential of high-grade tungsten extending from Watertank Hill through Monte Cristo to the Flying Emu prospects. The tungsten appears to be primarily co incident with the high-grade gold in quartz veining along the contact with the banded iron formation. EMU is exploring conceptual models which point to the tungsten sources being located adjacent to and west of the Monte Cristo prospect in zones that have been posited as late-stage granite intrusive events. Reconnaissance, which included stream sediment sampling, was carried out in March 2023. EMU is re-evaluating composite drilling results with multi element assays being undertaken from incremental drill interval samples in order to better define the vectors to determine the tungsten mineralisation source.

### **Georgetown Multi Minerals Project**

Administrative processes have been underway since the farm in JV project interest was acquired. Heavy seasonal rains this year have impeded EMU's attempt to commence on ground exploration activities. A reconnaissance field trip is planned and should be completed in quarter 2, 2023.

### **Sunfire Nickel, Copper Project**

Emu has completed all of its required environmental obligations with respect to accessing state forest areas within the project with the commencement of onsite exploration activities remaining frustrated by the Government's environmental processes. It has proven to be an exceptionally long-drawn-out process to gain environmental approvals from Government despite the attendance of EMU's credentialed environmental consultants and AMEC (Association of Mining and Exploration Companies, of which EMU is a member). The complete lack of progress coupled with the absence of indication from the Government as to the likely timing of environmental access approvals being forthcoming has proved extraordinarily frustrating. With assistance from AMEC, EMU will continue lobbying relevant

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<sup>3</sup> ASX Release 14 March 2023 "Assays Confirm Magnetic and Heavy Rare Earth Fertility at Condingup, Esperance WA"

Governmental instrumentalities but with less ardour and less urgency than hitherto was the case.

### **Viper Nickel Copper REE Project**

Following EMU's drilling programme in November 2022, fire assay results, followed by subsequent multi element assays, have been returned. EMU is evaluating the significance of these results, particularly with respect to elevated REE values and will be making a detailed report to the market once it has collated and finalised the raw data sets and finalised its evaluation.

### **Merredin REE Project**

A reconnaissance visit to the project area was completed during the quarter with rock chip samples taken and subsequently dispatched to the laboratory for multi element assays. EMU is following up on historic GSWA sampling which has indicated possible REE anomalism within the project area.

### **Graceland Nickel Copper Project**

EMU completed a drilling programme in December 2022 and is currently evaluating raw data received from the multielement assays.

## **CORPORATE ACTIVITIES**

### **Capital Raising**

During the quarter, the Company conducted a fully underwritten non-renounceable rights issue which resulted in 762,753,174 fully paid ordinary shares being issued, raising a total of \$1,525,506 before costs.

### **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 \$301k. Full details of exploration activities during the March 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 - Mobile: 0419 833 604**

**Table 1: Tenement Schedule (Status as at 31 March 2023):**

Tenement ID (DMIRS ID)	Project	Type	Description/ Status
<b>M59/739 – Gnows Nest</b>	Gnows Nest	Mining	EMU 100% - Granted
<b>E59/2315 – Gnows Nest</b>	Gnows Nest	Exploration	EMU 100% - Granted -
<b>P59/2068 – Monte Cristo</b>	Gnows Nest	Prospect	EMU 100% - Granted
<b>P59/2071 – Monte Cristo</b>	Gnows Nest	Prospect	EMU 100% - Granted
<b>P59/2072 – Monte Cristo</b>	Gnows Nest	Prospect	EMU 100% - Granted
<b>P59/2073 – Monte Cristo</b>	Gnows Nest	Prospect	EMU 100% - Granted
<b>P59/2074 – Monte Cristo</b>	Gnows Nest	Prospect	EMU 100% - Granted
<b>E59/2495 – Warrambo</b>	Gnows Nest	Exploration	EMU 100% - Granted
<b>E70/5507 – Sunfire</b>	Sunfire	Exploration	EMU 100% - Granted
<b>E70/5346 - Sunfire</b>	Sunfire	Exploration	EMU 100% - Granted
<b>E70/5146 - Graceland</b>	Graceland	Exploration	EMU 100% - Granted
<b>E70/5603 – Roe</b>	Graceland	Exploration	EMU 100% - Granted
<b>E70/6066 - Roe</b>	Graceland	Exploration	EMU 100% - Granted
<b>E70/5155 - Viper</b>	Viper	Exploration	EMU 100% - Granted
<b>E70/5602 – Kent</b>	Viper	Exploration	EMU 100% - Granted
<b>E29/1080 – Marmion</b>	8 Mile Dam	Exploration	EMU 100% - Granted
<b>E63/2277 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E63/2278 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E63/2295 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E63/2296 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E63/2304 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E63/2305 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E69/4116 - Neridup</b>	Condingup	Exploration	EMU 100% - Granted
<b>E70/6300 - Avon</b>	Merredin	Exploration	EMU 100% - Pending
<b>E69/4117 - Balladonia</b>	Balladonia	Exploration	EMU 100% - Pending
<b>E69/4118 - Balladonia</b>	Balladonia	Exploration	EMU 100% - Pending
<b>E63/2326 - Neridup</b>	Condingup	Exploration	EMU 100% - Pending
<b>E69/4146 - Neridup</b>	Condingup	Exploration	EMU 100% - Pending

## Emu NL

ABN 50 127 291 927

### ASX Codes: EMU and EMUCA

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West Perth, WA 6005

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E [info@emunl.com.au](mailto:info@emunl.com.au)

PO Box 1112  
West Perth, WA 6872

### Fully paid shares (listed)

1,450,021,279 (including 18.6m the subject of the ATM 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

### Contributing Shares (Unlisted)

35,000,000 paid to \$0.0001, \$0.04 to pay, no call before 31 December 2025

### Options (unlisted)

172,453,621 options to acquire fully paid shares, exercisable at \$0.01 each, on or before 7 October 2024

### 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:

#### Doug Grewar CEO

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M +61 419833604

E [info@emunl.com.au](mailto:info@emunl.com.au)

## 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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## Appendix 5B

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

Name of entity

<b>EMU NL</b>
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ABN

<b>50 127 291 927</b>
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Quarter ended ("current quarter")

<b>31 March 2023</b>
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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(301)	(619)
(b) development	-	-
(c) production	-	-
(d) staff costs	(165)	(552)
(e) administration and corporate costs	(165)	(308)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	10
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(627)</b>	<b>(1,469)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(4)	(88)
(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 (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	15	15
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>11</b>	<b>(73)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,526	2,452
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	(46)	(102)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,480</b>	<b>2,350</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	729	785
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(627)	(1,469)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	11	(73)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,480	2,350

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,593</b>	<b>1,593</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	84	78
5.2	Call deposits	1,503	645
5.3	Bank overdrafts	-	-
5.4	Other (provide details) <i>Cash deposit held in US\$</i>	6	6
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,593</b>	<b>729</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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.*

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>-</b>	<b>-</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>-</b>
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)	(627)
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)	(627)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,593
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,593
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.54
	<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: N/A	
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: N/A	
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: N/A	
	<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

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: **28 April 2023**

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

### Notes

- 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.
- 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.
- 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.
- 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

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

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[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.