



PLACEMENT TO DRIVE MAIDEN CHILEAN GOLD DRILLING

Australian explorer, Emu NL (ASX: EMU), has agreed to place 6.25 million shares and 3.125m contributing shares to sophisticated investor to raise A\$1.1 million (before costs). A placement fee of 6% on funds received will be paid.

The ordinary fully paid EMU shares will be issued at A\$0.16 each. For every two ordinary shares subscribed, the applicant will apply for one listed contributing share at A\$0.03 on application with \$0.03 to be paid on call (and the Company has committed not to call any of the listed contributing shares before 31/12/18).

The net proceeds will be applied to further exploration work on Emu's recently acquired Chilean gold projects. More specifically, they will fund the maiden drilling programme earmarked to commence this month.

The placement will be made under Emu's current ASX Listing Rule 7.1 and 7.1A capacity.

OPTION UNDERWRITING

Emu's listed options, ASX code: EMUO, expire on 30 March 2017.

Insync Equity Services Pty Ltd and Hartleys Limited have each agreed to unconditionally underwrite the exercise of 2 million options (4 million options in total between them) for a 6% (\$24,000 aggregate) fee to be paid on performance of the underwritings.

TOTAL FUNDING

Assuming all options were converted and the Company was in receipt today of all those monies, that together with the \$1.1m placement funds and current cash at bank would give the Company approximately A\$3.8 million cash at bank and no debt.

OPTIONS EXERCISE

Including 2,905,604 options recently exercised by the Directors, well over \$0.5m has been raised from recent option and contributing share conversions.

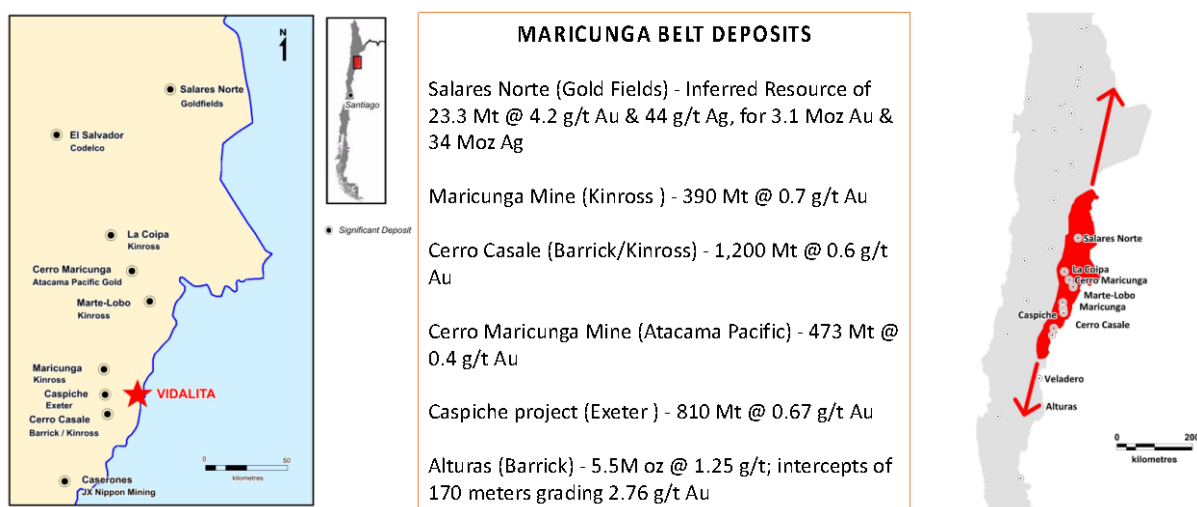
As a condition to the raising and underwriting, the directors have given undertakings to offer to sell 2.3m options on market following completion of the placement and to exercise their remaining options.

CHILE GOLD PROJECT

As announced on 1 March 2017, the Company is well advanced in preparations for its first drilling program in Chile. Subject to finalising contracts, drilling should commence later this month.

ABOUT THE CHILE GOLD PROJECTS

The Vidalita and Jotahues gold projects are located in the highly mineralised Oligocene/Miocene Maricunga gold belt in northern Chile, approximately 200 km east from the city of Copiapó in the Atacama Region of Chile. The two projects cover an area of approximately 3,600 hectares of mineral exploration concessions and hosts alteration and mineralization that appears geologically similar to other high sulphidation oxide gold deposits of the Maricunga gold belt. The projects are accessed using a network of roads that link Copiapó with the Refugio project (Kinross), Cerro Casale project (Barrick/Kinross) and the Caspiche project (Exeter). Refugio is located 30 km to the northwest of Vidalita. **As far as can be ascertained, due enquiry having been made, no drilling has been undertaken at Vidalita.**



Emu has an option agreement with Prospex SpA and BLC SpA, Chilean subsidiaries of Altius Minerals Corporation of Canada, to acquire 11 concessions at Vidalita and 3 concessions at Jotahues. This option may be exercised any time up until November 2019 by granting Prospex and BLC a 1% NSR on production and allotting them up to 15 million Emu ordinary shares subject to certain vesting conditions (see ASX release 15th November 2016). Prospex SpA in turn has an option to acquire 6 of the 11 Vidalita concessions from local Chilean parties. Under the terms of that agreement, Prospex has the right to exercise that option by November 2019 by paying US\$2 million and granting the Chilean parties a 1% NSR over those 6 concessions. Under the Emu option agreement, Emu has assumed the rights and obligations of Prospex in relation to those 6 concessions.

<p>Emu NL ABN 50 127 291 927</p> <p>ASX Code: EMU</p> <p>10 Walker Ave West Perth, WA 6005</p> <p>T +61 8 9226 4266 E info@emunl.com.au</p> <p>PO Box 1112 West Perth, WA 6872</p> <p>Issued Capital: Quoted: Shares 49,061,580 fully paid shares</p>	<p>COMPETENT PERSON'S STATEMENT</p> <p>The details contained in this report that pertain to exploration results, mineral resources and mineral reserves are based upon information compiled by Mr. Greg Steemson, Managing Director of Emu NL. Mr. Steemson is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) 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" (JORC Code). Mr. Steemson consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.</p>
<p>Contributing Shares 33,679,246 paid to \$0.03; \$0.03 to pay, no call before 31/12/2018</p> <p>Listed Options 10,375,228 options, exercise price \$0.10, date 30/3/17</p> <p>Directors: Peter Thomas Chairman Greg Steemson Managing Director Gavin Rutherford Non-Executive Director</p>	<p>FORWARD LOOKING STATEMENT</p> <p>This report contains forward looking statements concerning the projects owned by Emu NL. Statements concerning mining reserves, resources and exploration results may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.</p>