



CHILE GOLD PROJECT UPDATE

Australian explorer, Emu NL (ASX: EMU), provides the following update in relation to its activities at the Company's Vidalita gold project in northern Chile.

As detailed in the June quarterly, the Company has collated all the information on the Vidalita project and from this compilation has proposed further surface geochemical sampling and an initial drilling program for the the 2017/18 field season.

The surface geochemical program (figure 1) will infill and extend the sample coverage and may cause the Company to relocate some of the proposed drill holes. Depending on the winter season, this work may commence in November.

The initial drilling program consists of 36 drill holes (figure 2) located to test a selection of geochemical and geophysical targets within the project area. While the start date for this part of the program will depend on the winter season and logistics, the Company would like to be on site pre-Christmas.

NEW PROJECTS

Consistent with previous statements by the Company, Emu did and continues to look for new mineral exploration, development and mining opportunities within Australia and at various overseas jurisdictions.

For more information on the Company see the website www.emunl.com.au

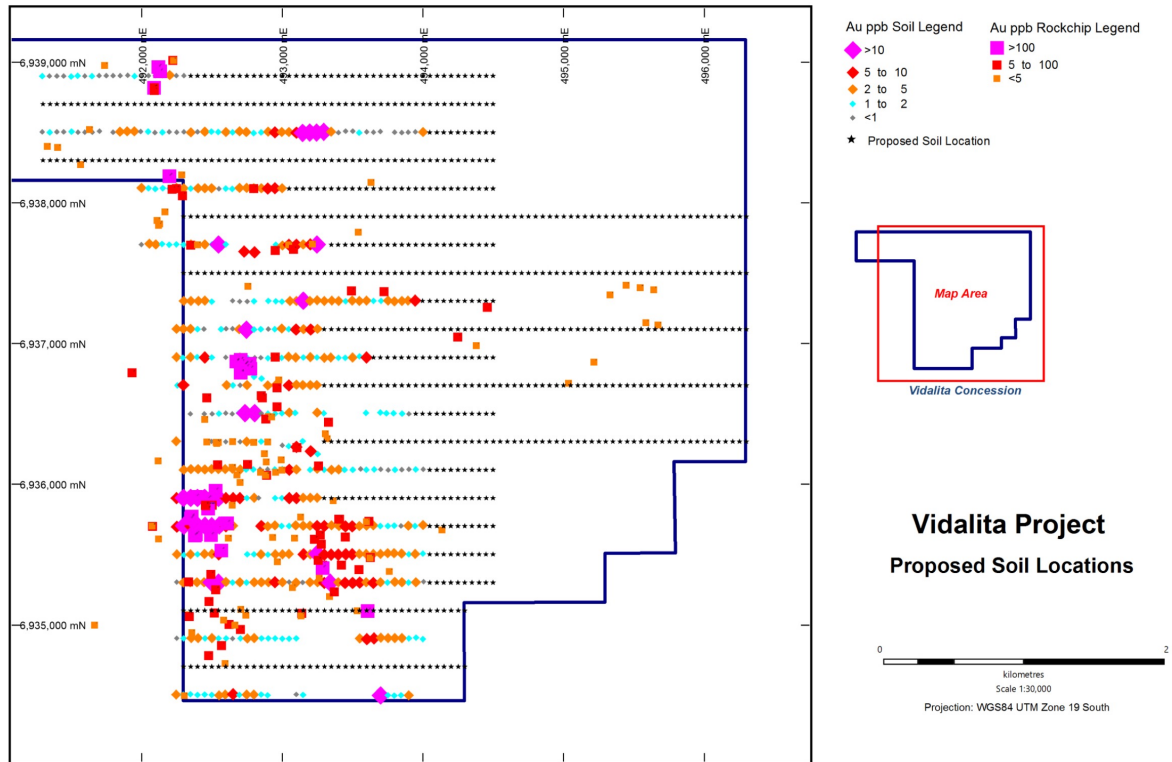


Figure 1

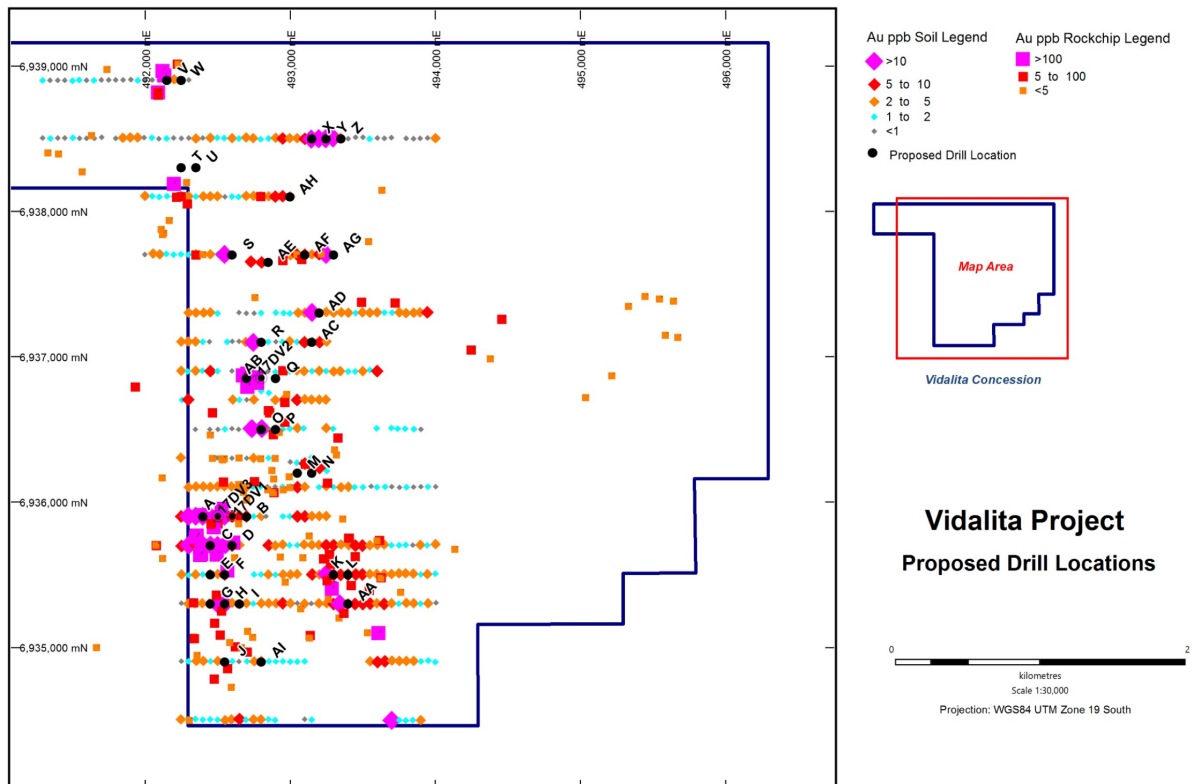
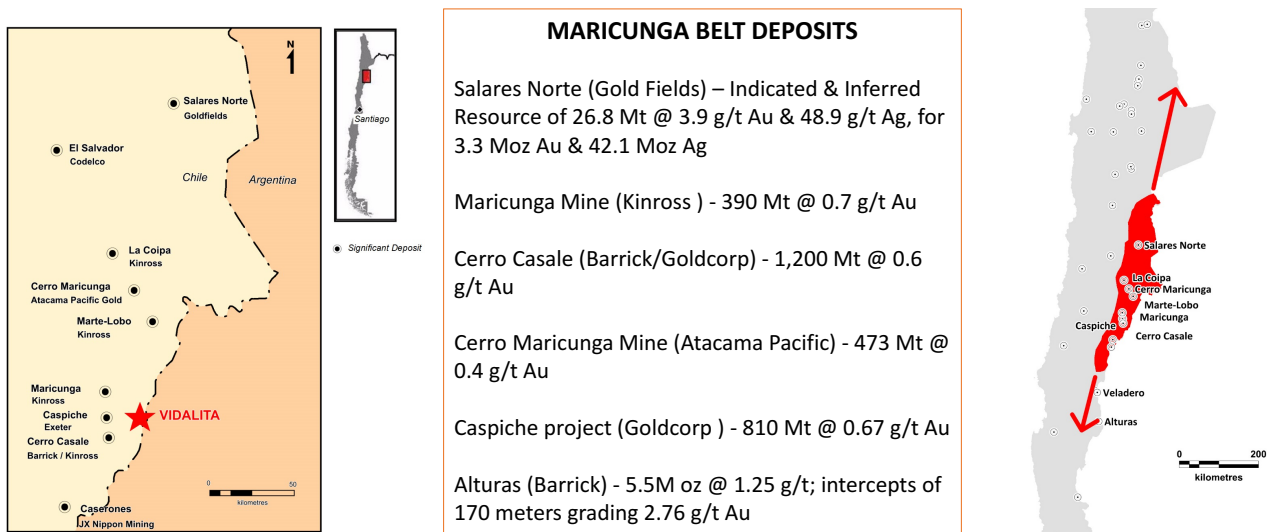


Figure 2

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 2,800 hectares of mineral exploration concessions and host alteration and mineralization that appear geologically similar to other high sulphidation 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 (Goldcorp). Refugio is located 30 km to the northwest of Vidalita. **Apart from the recent very limited drilling by Emu, due enquiry having been made, the Company is unaware of the project having been drilled.**



Emu has an option (**Emu's Option Agreement**) with Prospex SpA and BLC SpA, Chilean subsidiaries of Altius Minerals Corporation of Canada, to acquire 8 concessions at Vidalita and 3 concessions at Jotahues. The option under Emu's Option Agreement may be exercised any time up until 11th November 2019 by granting Prospex and BLC a 1% NSR on production and, subject to Emu expending US\$1 million in pursuing its rights under the Emu Option Agreement by 10th December 2018 and electing to continue with the project, allotting them 2.5 million Emu ordinary shares. In addition, if the option is exercised and subject to certain measured mineral resource hurdles being met (see ASX release 15th November 2016), up to a further 10 million shares will be issued. Prospex SpA in turn has an option under an agreement (the **Prospex's Option Agreement**) to acquire 6 of the 8 Vidalita concessions from local Chilean parties. Under the terms of that agreement, Prospex has the right to exercise that option by 11th November 2019 by paying US\$2 million and granting the Chilean parties a 1% NSR over those 6 concessions. Under Emu's Option Agreement, Emu has assumed the rights and obligations of Prospex under Prospex's Option Agreement.

<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 65,910,387 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 36,580,667 paid to \$0.03; \$0.03 to pay, no call before 31/12/2018</p> <p>Unlisted Options 4,750,000 options, exercise price \$0.10, date 20/12/18 300,000 options, exercise price \$0.25, date 20/12/18</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>