

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Emu NL

ABN

50 127 291 927

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | <div>(i) Fully paid ordinary shares (EMU)</div> <div>(ii) Unlisted options, \$0.03, Exp 30 April 2018</div> <div>(iii) Fully paid ordinary shares (EMU)</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div>(i) 4,000,000</div> <div>(ii) 2,000,000</div> <div>(iii) 4,000,000</div> |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <div>(i) Fully paid ordinary shares (EMU)</div> <div>(ii) Each unlisted option can be converted into a listed partly paid share (EMUCA) on or before 30 April 2018 by paying \$0.03 upon exercise of the option with a further \$0.03 being payable upon call</div> <div>(iii) Fully paid ordinary shares (EMU)</div> |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	(i) Yes (ii) No (iii) Yes
5	Issue price or consideration	(i) \$0.15 each (ii) Nil (iii) Nil*
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(i) Placement to progress the Company's projects and provide general working capital (ii) Free options issued with placement shares (iii) Collateral Shares issued pursuant to the Controlled Placement Agreement (CPA) with Acuity Capital (refer to June 2017 quarterly activities report).*
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	9 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	(ii) 2,000,000 (iii) 4,000,000
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A

* Issued as collateral for the CPA, EMU has agreed to place 4m shares from its LR7.1 capacity, at nil consideration to Acuity Capital (Collateral Shares) but may, at any time, cancel the CPA and buy back the Collateral Shares for no consideration (subject to shareholder approval) or require the Collateral Shares to be transferred to a third party without any consideration being due or payable to Acuity.

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	(i) 4,000,000										
6f	Number of +securities issued under an exception in rule 7.2	N/A										
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A										
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A										
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 4,486,558 Rule 7.1A – 6,991,039										
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	15 December 2017										
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>73,910,387</td><td>Fully paid ordinary shares (EMU)**</td></tr><tr><td>36,580,667</td><td>Partly paid ordinary shares, \$0.03 outstanding per share (EMUCA)</td></tr></table>	Number	+Class	73,910,387	Fully paid ordinary shares (EMU)**	36,580,667	Partly paid ordinary shares, \$0.03 outstanding per share (EMUCA)				
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73,910,387	Fully paid ordinary shares (EMU)**											
36,580,667	Partly paid ordinary shares, \$0.03 outstanding per share (EMUCA)											
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>2,000,000</td><td>Unlisted options (\$0.03 for EMUCA, Expire 20 Dec 18)</td></tr><tr><td>4,750,000</td><td>Unlisted options (\$0.10 for EMU, Expire 20 Dec 2018)</td></tr><tr><td>2,000,000</td><td>Unlisted options (\$0.11 for EMU, Exp 20 Dec 18; 1.5m subject to vesting conditions)</td></tr><tr><td>300,000</td><td>Unlisted options (\$0.25 for EMU, Expire 20 Dec 2018)</td></tr></table>	Number	+Class	2,000,000	Unlisted options (\$0.03 for EMUCA, Expire 20 Dec 18)	4,750,000	Unlisted options (\$0.10 for EMU, Expire 20 Dec 2018)	2,000,000	Unlisted options (\$0.11 for EMU, Exp 20 Dec 18; 1.5m subject to vesting conditions)	300,000	Unlisted options (\$0.25 for EMU, Expire 20 Dec 2018)
Number	+Class											
2,000,000	Unlisted options (\$0.03 for EMUCA, Expire 20 Dec 18)											
4,750,000	Unlisted options (\$0.10 for EMU, Expire 20 Dec 2018)											
2,000,000	Unlisted options (\$0.11 for EMU, Exp 20 Dec 18; 1.5m subject to vesting conditions)											
300,000	Unlisted options (\$0.25 for EMU, Expire 20 Dec 2018)											

** Includes 4m shares which can be bought back by Emu for nil consideration.

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 – Deleted – Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)

(a) ☐ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
- Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: *[Lodged electronically without signature]* Date: 15 December 2017
(Company secretary)

Print name: Damien Kelly

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	40,279,457
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period <i>Note:</i> - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	15,058,220 issued prior to the securities subject of this Appendix 3B 12,750,000 issued prior to the securities subject of this Appendix 3B 1,822,710 prior to the securities subject of this Appendix 3B
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	69,910,387

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	10,486,558
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	2,000,000 unlisted options (\$0.03 for EMUCA, Expire 20 Dec 18) (as per Item 6c of this App 3B) 4,000,000 fully paid ordinary shares (EMU) (as per Item 6c of this App 3B)
“C”	6,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	10,486,558
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	6,000,000
Total [“A” x 0.15] – “C”	4,486,558 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	69,910,387
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	6,991,039
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	6,991,039
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	6,991,039 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.