



Discovery Hole at the Vidalita Prospect, Chile 24 metres at 5.0 g/t gold and 28 g/t silver from 20 metres.

- Emu's interpretation, based on core geology and assays from the 2018 and 2019 drilling programs, is that hole 5300-8 is the discovery hole at Vidalita.
- Assays demonstrate outstanding, highly significant, gold grade close to surface at Vidalita.
- The headline intercept occurs within a wider zone of vuggy silica and breccia that returned:
48 m at 2.8 g/t gold & 19 g/t silver from 16 metres.
- These results confirm strong geological similarities to the Salares Norte high grade gold-silver discovery by Goldfields located 150 km along strike to the north in the highly prospective Maricunga Belt, Chile.
- 24 of 50 planned air core holes are now completed.
- Assays from only 6 of 24 holes received.
- Assays from 19 holes pending.



Photo 1: Core sample of fresh and oxidised vuggy silica from 33 m (assay 3.5 g/t Au).



Emu NL (ASX:EMU) is pleased to report assay results from the fast moving air core (AC) drilling campaign at the Vidalita Prospect, Maricunga Belt, Chile. To date, twenty five shallow AC holes have been completed (Table 1, JORC Table in Appendix 1). The second batch of assays have been received from a further four holes that are reported in this announcement.

Drilling by Emu in 2018 intersected high sulphidation epithermal style alteration and associated gold and silver mineralisation at Vidalita of three types. (See ASX announcement dated 21st February 2019).

The primary target for the 2019 AC drilling is high grade gold-silver mineralisation close to surface.

Outstanding Vidalita Assay Results and Comparisons to the Salares Norte Deposit

Standout assay results were received from **hole 5300-8** which intersected two broad zones of vuggy silica and breccia (Figure 1).

An upper zone of primarily oxidised vuggy silica and breccia returned assay results of:

48 m at 2.8 g/t gold and 19 g/t silver from 19 metres;

including 24 m at 5.0 g/t gold and 28 g/t silver from 20 metres downhole.

The true width of the mineralised intercept is yet to be determined.

These outstanding assay results represent the highest gold grade intersected at Vidalita. The intersection is very similar in grade to many drill intersections at the high grade gold-silver Salares Norte Deposit discovered by Goldfields located 150 km to the north with a current indicated SAMREC-compliant resource of 3.5 million ounces of gold at a grade of 5.2 g/t gold (Figure 3).

The high sulphidation epithermal style mineralisation at Salares Norte is primarily oxidised and sulphide-bearing polymictic breccias with vuggy silica clasts which are often associated with bonanza gold and silver grades (Photo 2). Mineralised vuggy silica and silica-pyrite breccias recently intersected at Vidalita (Photo 1) display striking similarities in texture and style to those at Salares Norte.

These geological similarities identified at Vidalita demonstrate excellent potential for the discovery of a high grade gold-silver deposit similar to Salares Norte.

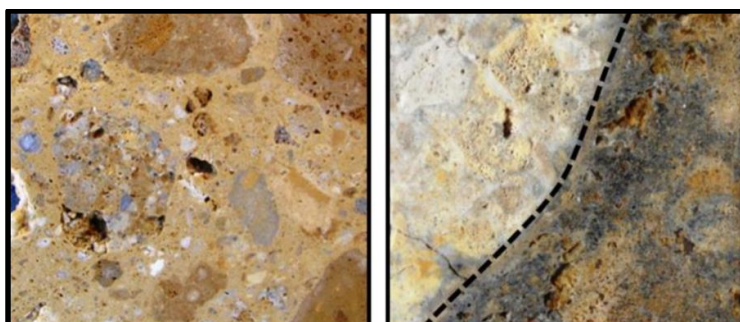


Photo 2: Highly mineralised samples from Salares Norte showing polymictic breccia (left) and vuggy silica clasts (right) in diamond drill hole SNDD017 at 238 metres depth downhole (Brewer et. al., 2017. *The Discovery and Geology of the Salares Norte Epithermal Gold-Silver Deposit, Northern Chile*).



Other Significant Assay Results

In addition to the outstanding intersection in **hole 5300-8**, significant assay results were also received from **hole 5300-7** located 100 m to the east (Figure 1). The drill hole intersected two wide zones of mineralised vuggy silica and breccia close to surface including:

36 m at 0.6 g/t gold and 12 g/t silver from surface;

including 4 m at 2.1 g/t gold and 33 g/t (1 ounce) silver from 12 metres downhole.

A second zone of silica-pyrite breccia was intersected at depth in **5300-7** which returned:

20 m at 0.2 g/t gold, 3 g/t silver from 92 metres downhole.

A second mineralised zone of silica-pyrite-alunite was also intersected at depth in **hole 5300-8** (Figure 1). Assays returned:

20 m at 0.2 g/t gold, 3 g/t silver from 120 metres downhole (*ended in mineralisation*).

The true widths of all mineralised intercepts are all yet to be determined.

A full compilation of the significant assay results returned to date from the 2019 drilling appears in Table 2.

In addition, recent drilling to the east in **hole 5300-10** intersected a 103 metre wide zone of silica-pyrite breccia mineralisation (Figure 1). The significance of these hydrothermal breccias is yet to be determined and assays are pending.

Discussion of the Results

The style of mineralisation intersected at Vidalita is characteristic of high sulphidation epithermal style deposits (e.g. Salares Norte, La Coipa, Esperenza). Importantly, the width, grade and style of the mineralised intersection at Vidalita in 5300-8 compares favourably with the 2011 discovery hole at Salares Norte which intersected 96 m at 1.5 g/t Au and 61 g/t silver (*Brewer et. al., 2017*).

The results support a flat-lying continuity to the vuggy silica mineralisation close to surface (Figure 1). However, **the occurrence of sub-vertical faults and silica-pyrite breccia indicates a possible vertical trend that may be controlling high grades of gold and silver (Figure 1). These structures are open along strike, at depth and down plunge.** Follow up drill planning to track the structures controlling the high gold and silver grades in 5300-8 and 5300-4 along strike to the north and south is a high priority for EMU.

Emu's interpretation, based on core assays and mineralisation style from the 2018 and 2019 drilling programs, is that hole 5300-8 is the discovery hole at Vidalita.

These outstanding results confirm Emu's view that Vidalita represents a large system of high sulphidation epithermal alteration with mineralisation close to surface extending over a strike length in excess of 1.4 km. This area occurs as an extensive zone of demagnetisation in the ground magnetic data which is interpreted to be caused by very large areas of extensive alteration associated with NNW trending structures and associated gold-silver mineralisation (Figure 2).

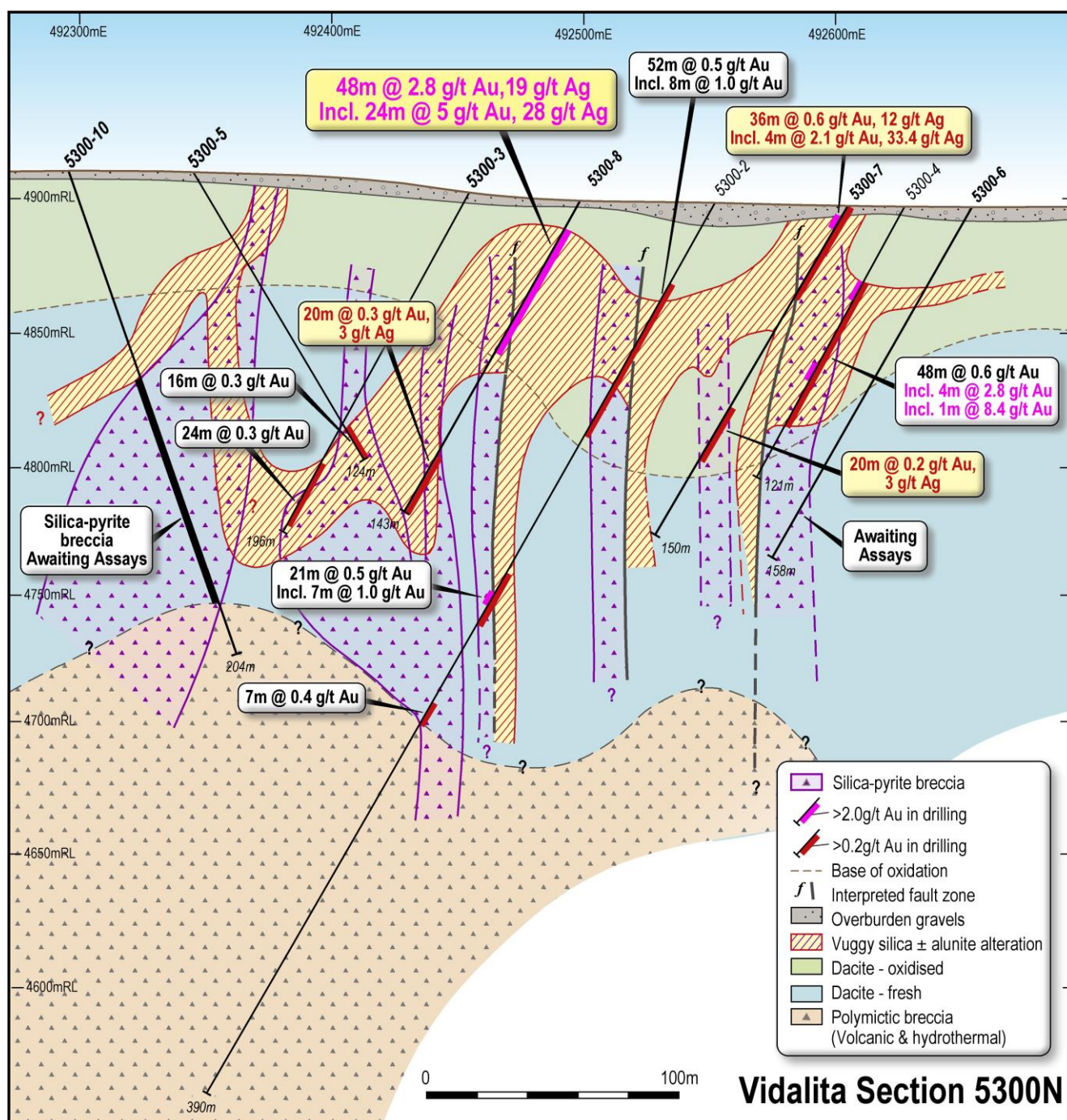


Figure 1: Interpreted geological cross section across the central portion of Vidalita at 6935300 N. Drill intersections in pink > 2 g/t gold occur associated with high grade silica-pyrite structures and vuggy silica that are open along strike and down plunge. (Previous results reported in ASX announcements dated 18 July and 21 August 2018).

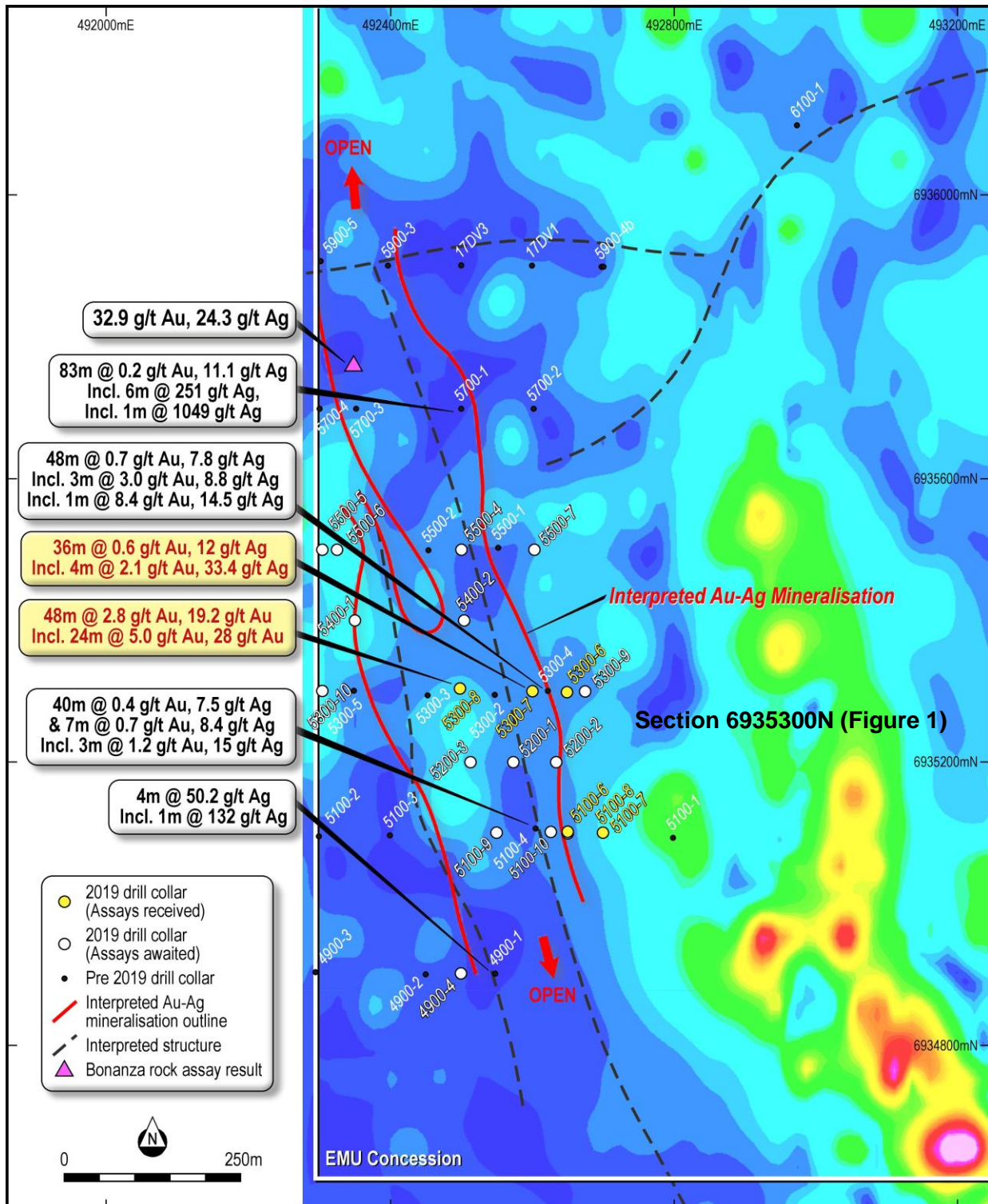


Figure 2: Drill holes completed at the Vidalita Prospect. The background image is of the ground magnetic data (Analytic Signal). The cold colours indicate areas of low magnetic response that are interpreted to be caused by alteration associated with interpreted structures and associated gold-silver mineralisation. (Previous results reported in ASX announcements dated 18 July and 21 August 2018).



Next Steps

Compilation of assay results and geological interpretation is ongoing to assist prioritisation of follow-up drilling. At Vidalita, the priority is to interpret and track the gold-silver-rich structures along strike and down plunge.

The assessment of regional data is being finalised and targets are being ranked for follow-up drilling.

Drilling continues at Vidalita and regional areas. Further assay results are awaited.

Hole No	Hole#	Collar E	Collar N	Collar R.L.	Azimuth	Dip	Final Depth	Drill Start Date	Drill Finish Date
5100-6	1	492650	6935102	4924	270	-60	109.00	13/01/2019	16/01/2019
5100-7	2	492700	6935100	4924	270	-60	96.00	17/01/2019	19/01/2019
5300-6	3	492650	6935299	4897	270	-60	158.00	19/01/2019	23/01/2019
5300-7	4	492600	6935300	4897	270	-60	150.00	21/01/2019	23/01/2019
5300-8	5	492498	6935304	4896	270	-60	143.00	24/01/2019	1/02/2019
5300-9	6	492675	6935300	4903	270	-60	142.00	2/02/2019	2/02/2019
5500-4	7	492500	6935500	4900	270	-60	171.00	3/02/2019	5/02/2019
5100-8	8	492700	6935100	4900	90	-60	123.00	6/02/2019	6/02/2019
5100-9	9	492550	6935100	4900	270	-60	147.00	7/02/2019	8/02/2019
5200-1	10	492574	6935200	4905	270	-60	168.00	9/02/2019	9/02/2019
5200-2	11	492634	6935200	4905	270	-60	135.00	10/02/2019	10/02/2019
6500-3	12	492800	6936500	4905	270	-60	153.00	11/02/2019	12/02/2019
6500-4	13	492900	6935200	4905	270	-60	158.00	13/02/2019	13/02/2019
6800-1	14	492989	6936818	4872	240	-60	192.00	14/02/2019	15/02/2019
7300-1	15	493623	6937305	4801	270	-60	200.00	16/02/2019	17/02/2019
5300-10	16	492300	6935303	4903	90	-70	204.00	18/02/2019	19/02/2019
5500-5	17	492311	6935503	4897	90	-60	201.00	20/02/2019	20/02/2019
5500-6	18	492351	6935498	4895	270	-70	160.00	22/02/2019	23/02/2019
5500-7	19	492600	6935500	4870	270	-60	189.00	24/02/2019	25/02/2019
5100-10	20	492626	6935104	4924	270	-60	86.00	26/02/2019	26/02/2019
4900-4	21	492500	6934900	4920	90	-60	220.00	27/02/2019	28/02/2019
5200-3	22	492525	6935200	4905	270	-60	220.00	1/03/2019	2/03/2019
5400-1	23	492324	6935403	4855	90	-70	105.00	3/03/2019	4/03/2019
5400-2	24	492500	6935400	4900	270	-60	19.00	4/03/2019	5/03/2019

Table 1. Drill collar table for the 2019 AC drilling campaign. Co-ordinates are WGS84, Zone 19J.

Hole ID	From	To	Interval	Au g/t	Ag g/t	Cutoff	Comments
5100-5							Failed hole. NSA over 0.2 g/t Au.
5100-6	0	23	23	0.03	11.9	5 g/t Ag	
<i>including</i>	0	5	5	0.03	37.2	30 g/t Ag	
<i>including</i>	5	8	3	0.15	8.2	0.1 g/t Au	
	108	109	1	0.02	8.3	5 g/t Ag	
5100-7	8	20	12	0.05	5.7	5 g/t Ag	
5300-6							Assays pending
5300-7	0	36	36	0.62	12.1	0.2 g/t Au	
Including	12	16	4	2.07	33.4	2 g/t Au	
	92	112	20	0.16	3	0.2 g/t Au	
5300-8	16	64	48	2.84	19.2	0.2 g/t Au	
Including	20	44	24	5.04	28.3	2 g/t Au	
	120	140	20	0.25	3.1	0.2 g/t Au	

Table 2. Composite significant assay results received from the 2019 AC drilling campaign.



Figure 3: Location of the EMU NL project in the Maricunga Belt in relation to the Salares Norte deposit owned by Goldfields with a current SAMREC-compliant resource of 21.0 Mt at 5.2 g/t Au and 72 g/t Ag for 3.5 MOz Au and 48.6 MOz Ag (indicated).

About the Vidalita prospect, Maricunga Belt, Chile

The Vidalita prospect is located in the Maricunga gold belt in the Atacama Region in northern Chile hosting numerous world-class gold and silver projects. Emu's project in the Maricunga Belt covers an area of approximately 136 km² secured by mineral exploration and exploitation concessions that host alteration and mineralisation that appear geologically similar to other high sulphidation gold deposits of the Maricunga gold belt. The projects are accessed using established infrastructure of roads that link Copiapó (major mining town) with the Refugio project (Kinross), Cerro Casale project (Barrick/Goldcorp) and the Caspiche project (Goldcorp). Refugio is located approximately 30 km to the northwest of Vidalita.

Emu holds an **Option** to acquire a 100% interest in certain of the Vidalita and Jotahues concession packages from two Chilean companies; Prospex SpA and BLC SpA.

The Prospex area covers six concessions at Vidalita and is subject to a 2% NSR on any production. The Option may be exercised in November 2019 on payment of US\$2M. If Emu defines: (i) 0.5Moz of gold in measured resources, a further 5M ordinary shares will be issued; and (ii) 1Moz of gold in measured resources, a further 5M ordinary shares will be issued.

The BLC SpA area comprises of three concessions (Jotahues and Vidalota A&B) and is subject to a 1% NSR. There is no Option payment to be made.

In addition, Emu has pegged a concession within its own right, Arroyo Ancho. Portions of this are subject to an area of influence inclusion into the Prospex Option.

Emu continues to look for new mineral exploration, development, and mining opportunities within Australia and overseas jurisdictions.



Emu NL

ABN 50 127 291 927

ASX Code: EMU

10 Walker Ave
West Perth, WA 6005

T +61 8 9226 4266
E info@emunl.com.au

PO Box 1112
West Perth, WA 6872

Fully paid shares (listed)

131,254,728 (inc. 7.4m which Emu can buy back for nil consideration)

Contributing Shares (listed)

33,668,824 paid to \$0.03, \$0.03 to pay, no call before 31/12/2020

Directors:

Peter Thomas

Non-executive Chairman

Terry Streeter

Non-Executive Director

Gavin Rutherford

Non-Executive Director

Investor enquiries:

Chairman
T +61 8 9226 4266
E info@emunl.com.au

COMPETENT PERSON'S STATEMENT

Any details contained herein that pertain to exploration results, mineral resources or mineral reserves are based upon information compiled by Mr Leo Horn an experienced geologist working for Emu NL. There are no material changes to previously reported results. Mr Horn is a Member of the Australian Institute of Geoscientists 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 Horn 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.



Appendix 1

JORC Code, 2012 Edition – Table 1 report, EMU NL

Vidalita Drilling

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<p>Air core (AC) samples – samples are collected from the rig cyclone in a bucket over each metre drilled. The larger in-tact core segments are recovered and stored in core trays for logging and geological reference. This material is not oriented.</p> <p>The remaining fine material in the bucket is transferred to a sample bag in total. This sample is usually around 1kg representing ~ 15 to 20% of the mass of the 1m interval.</p> <p>All samples are prepared at Actlabs in Copiapo where they are crushed to 2mm, split to an 800g sample then pulverised and split again to 25g. The final split is sent to Actlabs, Coquimba for analysis.</p>
<i>Drilling techniques</i>	Air core (AC) drilling using 75mm diameter bits.
<i>Drill sample recovery</i>	<p>Geological team makes a qualitative estimate (as good, moderate or poor) of sample recovery for each one metre down hole sample interval.</p> <p>Supervising geologist ensures that representative chip and AC samples are collected during drilling.</p> <p>Sampling is considered to be unbiased.</p>
<i>Logging</i>	<p>Alteration, mineralisation, rock type, and structure, where evident, are logged and recorded from the core drill samples.</p> <p>Pieces of core recovered by the AC system are stored in core trays for logging and geological reference.</p> <p>Total hole length is logged.</p>
<i>Sub-sampling techniques and sample preparation</i>	<p>AC samples (fines) from each one metre of drill hole is bagged up. The sample is usually around 1kg.</p> <p>The 1m samples are prepared for analysis by standard laboratory procedures.</p> <p>Sub-sampling at the sample processing facility is done using splitters.</p> <p>The samples collected are representative of the in situ material.</p> <p>Sample sizes are appropriate to the grain size of the material being sampled.</p>



<i>Quality of assay data and laboratory tests</i>	<p>A 25g split from each one metre AC pulp is taken from four consecutive one metre samples, combined, re-pulverised to homogenise and a 25g split is taken for analysis.</p> <p>All samples are digested using 25g aqua regia and analysed using ICP-MS at Actlab's laboratory in Coquimba. Select samples are re-analysed using Fire assay techniques.</p> <p>All drill samples results are reported.</p> <p>The aqua regia digest in this instance is considered appropriate given the stage of the program and the altered nature of the rocks.</p> <p>10% of drilling samples will be sent for check analysis to another laboratory.</p> <p>Laboratory standards and repeats are used to for QA/QC.</p>
<i>Verification of sampling and assaying</i>	<p>Highly anomalous four metre composites are identified and the one metre samples from which they were composited sent to an alternative laboratory for assaying.</p> <p>No twinned holes have been drilled.</p> <p>All geochemical and geological data is loaded into databases managed by independent third party entities for verification, storage and plotting. Assay data are not adjusted.</p>
<i>Location of data points</i>	<p>Drill hole collars are located using hand held GPS accurate to < 5m in the first instance. Holes are subsequently surveyed in using DGPS accurate to <0.02m.</p> <p>WGS 84 UTM zone 19J (south) grid system</p> <p>Topographic control is deemed adequate at this stage of the exploration program.</p>
<i>Data spacing and distribution</i>	<p>The drill holes are irregularly spaced (but generally >100m) as they are testing geological, geophysical or geochemical targets.</p> <p>No mineral resources are being reported at this time.</p> <p>The AC samples are composited into four metre composites in the laboratory.</p>
<i>Orientation of data in relation to geological structure</i>	<p>Drill hole azimuth was planned on indications of outcrop and/or subcrop geology and lithological strike as indicated by a ground magnetic survey and geologic mapping.</p> <p>The controls on mineralisation are unknown at this time.</p>
<i>Sample</i>	<p>Emu management supervises sample collection and delivery to the laboratory.</p>



<i>security</i>	
<i>Audits or reviews</i>	None undertaken.



Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	Emu has an option agreement dated 14 November 2016 with two Chilean companies, Prospex SpA and BLC SpA, to acquire 8 concessions at Vidalita and 3 concessions at Jotahues. This option maybe 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 15 th November 2016). Prospex SpA in turn has an option 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 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 taken an assignment of the rights and assumed the obligations of Prospex in relation to those 6 concessions. The option agreements are subject to a 5km AOI from the boundaries of the 11 concessions. Since entering into the option agreement with Prospex and BLC, additional concessions have been applied for and were reported in subsequent ASX releases.
<i>Exploration done by other parties</i>	Previous work was limited to rock sampling. There had been no drilling in the area prior to Emu's activities.
<i>Geology</i>	The prospect area is located within the early to late Miocene volcanics of the Maricunga Belt. The project is a green fields exploration project however the mineralisation style intersected in drilling is interpreted to be similar to known high sulphidation epithermal style ore deposits in the same geological setting. Rocks consist of volcanically derived lithologies, including tuffs, andesites, dacites, polymictic and monomictic breccias, and minor sedimentary facies associated with volcanic crater development. Major north-north-west trending faults may control the extent of mineralisation and provide the bounds to that mineralisation. Lesser cross-cutting faults, generally north-easterly, appear to affect mineralisation plunge and repetitions.
<i>Drill hole Information</i>	See Table in body of announcement.
<i>Data aggregation methods</i>	Simple averages are calculated from mineralised zones. Gold zones above 0.2ppm are aggregated within the mineralised zones to calculate average gold intersections. Barren zones less than one



	sample interval may be included in a composite aggregation if occurring within the overall mineralised zone.
<i>Relationship between mineralisation widths and intercept lengths</i>	Project is at an early stage of exploration and any conclusions at this stage would be speculation. All widths quoted are down hole intersection widths.
<i>Diagrams</i>	Interpretive cross sections are included in the announcement. These are preliminary in nature and are subject to change.
<i>Balanced reporting</i>	Emu considers all pertinent information pertaining to this prospect is supplied in either this or previous announcements.
<i>Other substantive exploration data</i>	<p>Surface rock and talus sampling was undertaken at opportune locations where outcrop allowed and appropriate. Summary maps were included in previous announcements.</p> <p>Satellite imagery is used to identify significant areas of alteration to guide exploration.</p>
<i>Further work</i>	Follow-up drilling, by infill and to extend into areas that are considered “open” to mineralisation, is being considered but not yet planned.