

EMU SECURES 3-YEAR EXTENSION TO VIDALITA OPTION AGREEMENT

24 June 2019



In an exciting development, EMU NL (**ASX:EMU**) has secured a 3 year extension to its option (**option**) to purchase a number of concessions (**Vidalita Concessions**) at EMU's exploration project in the renowned and highly prospective Maricunga Belt of northern Chile. The Vidalita Concessions (depicted green in Fig. No.1) comprise 6 of 51 concessions (granted and applications) and cover 1580 hectares or approximately 12% total area of 136 square kilometres held by EMU at its newly named Elevado Project. Importantly, the Vidalita Concessions cover the discovery hole (see ASX announcement 8 March 2019) and the area that has been the main focus of EMU's prospecting and exploration effort.

By paying US\$100k, EMU now has three elections to extend the latest date for exercise of the option to purchase the Vidalita Concessions, being from 11 November:

- 2019 to 11 November 2020;
- 2020 to 11 November 2021; and
- 2021 to 11 November 2022.

Each extension election is exercisable by paying US\$100k prior to the option lapsing, namely, by 11 November in each of 2019, 2020, and 2021. During its currency, the option be exercised at any time for US\$2.5m.

Importantly, the extension affords EMU much needed time to:

- follow up the **significant gold intercepts** from its drilling at the Vidalita prospect **including the discovery hole**. (see ASX announcement 8 March 2019);
- methodically, in a measured and technically rational way, further explore EMU's remaining concessions surrounding the Vidalita prospect including the Alunita, North-East and Northern Plains prospects, along with various drill ready targets within the Jotahues prospects and zones of geochemical anomalism delineated at Arroyo Ancho;
- pursue other opportunities under review in the vicinity;

without first exercising the option, thus allowing EMU to earmark the US\$2M exercise price formerly payable by 11 November 2019 for in-ground exploration activities before determining to buy the Vidalita Concessions or relinquish control of them.

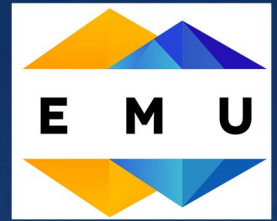
Whilst still awaiting receipt of all assay results from the January to April 2019 drilling programme, EMU is well advanced in the planning of its next exploration campaign which will focus on: (i) investigating structural positions and deeper systems feeding the pervasive near-surface mineralisation at the Vidalita prospect using diamond drilling; (ii) advance the exploration and drill-testing of the three further zones of surface anomalies in the Vidalita Concessions and three anomalies within the Jotahues and Arroyo Ancho concessions.

Weather and finance permitting, a spring 2019 drilling program is planned to augment the summer season in Chile.

Emu Chairman, Peter Thomas said: *"Securing the extension is a very important waypoint for EMU given the very encouraging results EMU has delivered countered by the extremely tough market for exploration plays."*

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The discovery hole falls within one of the Vidalita Concessions. The extension gives us flexibility to control this small but presently important portion of our extensive exploration ground at the Elevado Project for a fraction of the cost that would otherwise have been involved in exercising the option later this year.

Significantly, EMU is keen to drill another six areas at the Elevado Project but was faced with the dilemma of having to choose between exercising the US\$2M option or walking away from the Elevado Project.

Extending the option clears the way for EMU to focus on diamond drilling and direct its funding effort as raising cash for exploration rather than funding the exercise of the option in November.”

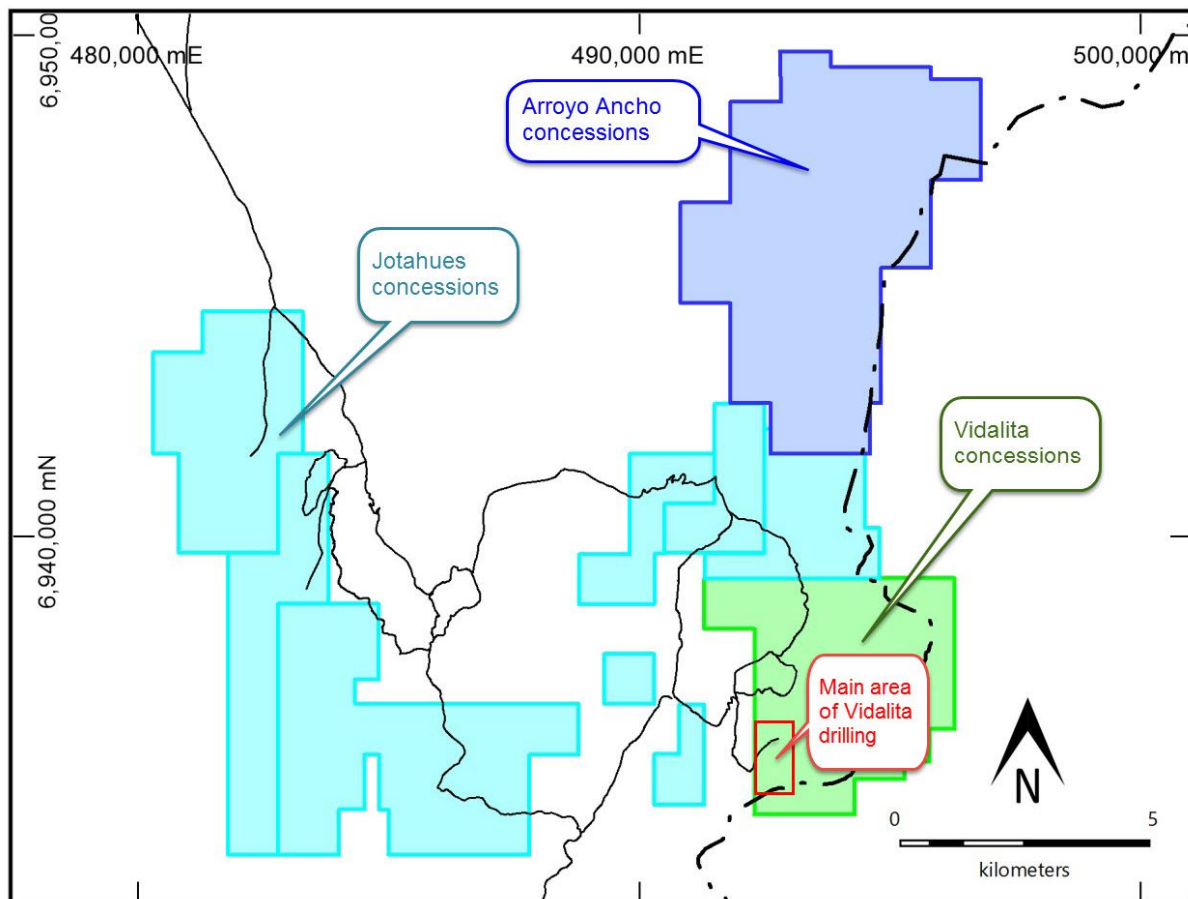
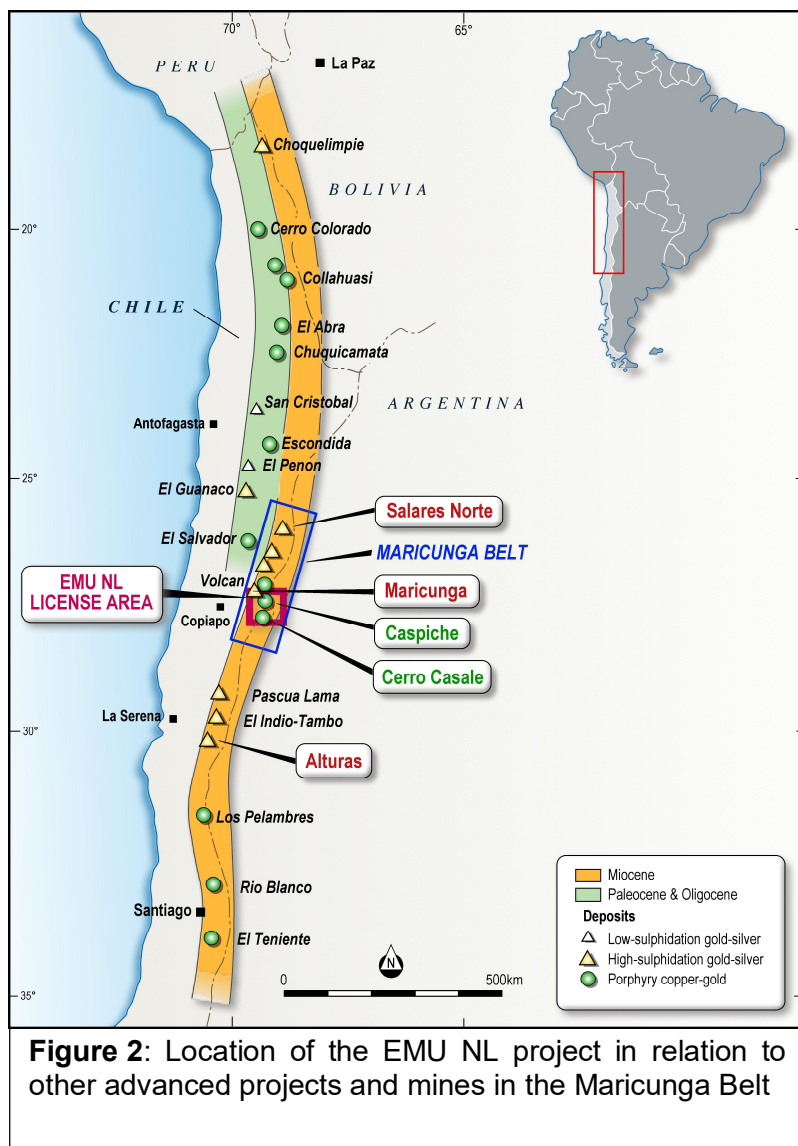


Figure 1: Location of the Vidalita Concessions in relation to the greater Elevado Project



About the Elevado Project, Maricunga Belt, Chile

The Elevado Project is located in the Maricunga gold belt in the Atacama Region in northern Chile hosting numerous world-class gold and silver projects. EMU's tenure covers an area of approximately 136km² comprised of applications and granted concessions that host alteration and mineralisation that appears geologically similar to other high sulphidation gold deposits of the Maricunga gold belt. The project is accessed using established infrastructure of roads that link Copiapó (major mining town) with the Maricunga project (Kinross), Cerro Casale (Newmont/Barrick) and Caspiche (Newmont). The Maricunga mine is located approximately 30km to the northwest of the Vidalita prospect.

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

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Emu NL

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Fully paid shares (listed)

158,072,613 (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

Options to acquire fully paid shares (to be listed)

40,505,000 exercisable at \$0.20 each, expire 15 January 2021

Options to acquire partly paid shares (unlisted)

6,000,000 options to acquire partly paid shares, exercisable at \$0.03 each, on or before 28 February 2020

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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 Francisco Montes, an experienced geologist working for Emu NL. There are no material changes to previously reported results. Mr Montes 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 Montes 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.