



PLACEMENT TO SOPHISTICATED AND PROFESSIONAL INVESTORS

Emu NL (**EMU** or **Company**) is pleased to advise that it has agreed to place ~16.9 million fully paid ordinary shares (“**New Shares**”) together with attaching options detailed below, to sophisticated and professional investors, raising ~\$676,000 before costs.

These funds will assist in progressing the Company’s Chile gold projects.

Once the placement has been completed, the New Shares (issued at \$0.035 each) will be listed on ASX and will rank equally with the existing fully paid ordinary shares.

In accordance with the terms of the placement, EMU will also issue the following attaching options:

1. One (1) free S1 Option (“**S1 Option**”) for every two (2) New Shares issued – these S1 Options confer the right, exercisable at any time before 16 January 2021, to subscribe for an ASX listed EMU ordinary fully paid share upon payment of \$0.20 each; and
2. One (1) S2 Option (“**S2 Option**”). for every two (2) New Shares issued - these S2 Options will be issued at \$0.01 each and confer the right, exercisable at any time before 21 December 2020, to subscribe for an ASX listed EMUCA partly paid ordinary share upon payment of \$0.02 each.

The placement will be issued from Emu’s capacity under both ASXLR 7.1A (10% rule) and ASXLR 7.1.

EMU will apply to list the S1 Options on the pre-condition that EMU ordinary fully paid shares first trade at a volume weighted average price of 15 cents (\$0.15) over 30 consecutive business days.

The one cent paid on application for an S2 Option will be a non-refundable prepayment against the capital of the contributing share into which the option may be converted so that upon exercise of the option, 3 cents will have been paid on the contributing share and that contributing share shall rank pari passu with the existing class of EMUCA contributing shares. In order to make the S2 Options attractive, Emu has agreed to undertake that no call will be made on the EMUCA contributing shares before 31 December 2023.

Investor enquiries

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Figure 1: Location of the EMU NL project in relation to other advanced projects and mines in the Maricunga -El Indio Belt

About the Elevado Project

The Elevado Project is located within the Maricunga gold belt in the Atacama Region, northern Chile. This belt hosts numerous world-class gold and silver projects (see Figure 1).

Emu's tenure interests cover an area of approximately 136km² including applications for and granted concessions held in its own right and concessions held under option that host High Sulphidation Epithermal (HSE) alteration and mineralisation similar to other precious metal Au-Ag deposits in the Maricunga and El Indio gold belts (see Figure 2).

The project is accessed using established infrastructure of roads that link Copiapo (regional capital and service town for the major mining projects) with the Maricunga mine (Kinross), Marte-Lobo project (Kinross), Cerro Casale project (Newmont/Barrick) and Caspiche project (Newmont). The Maricunga gold mine owned by Kinross, is located approximately 10km to the northwest of Emu's Elevado project concessions.



Emu has an interest in 51 exploration concessions comprising the Elevado project. Of these:

- (i) 15 are granted exploration concessions that were applied for by Emu in its own right (Tierra 1-15 concessions);
- (ii) 30 are exploration concessions that are the subject of an option agreement with Chilean company, BLC SpA (Peon 1-16, Ciclope Tuerto 1-9, Vidalota A-E);
- (iii) 6 are exploration concessions that are the subject of an option agreement with Chilean company, Prospex SpA (Vidalita A-F concessions).

Of these, the 6 Prospex exploration concessions (Vidalita A-F) and the 2 BLC exploration concessions (Vidalota A, B) are in the process of conversion to mining concessions, which are also subject to the corresponding option agreements.

The original 5 concessions in the BLC agreement (Ciclope Tuerto 7, 8, 9 and Vidalota A, B), plus 6 concessions in the Prospex agreement (Vidalita A-F), are subject to a 5km Area of Interest (AOI) from their respective boundaries. To the extent that concessions fall within the AOI, they are subject to a 1% Net Smelter Return (NSR) royalty. The Prospex concessions, Vidalita A-F, are subject to a further 1% NSR royalty.

The Option may be exercised at any time before it lapses on payment of US\$2.5m. By paying US\$100k before 11 November 2019, Emu can extend the option to 11 November 2020 and if it pays a further US\$100k before 11 November 2020, Emu can further extend the Option to 11 November 2021, and if it pays a further US\$100k before 11 November 2021, Emu can further extend the Option to 11 November 2022.

If, on the original concessions the subject of the BLC and Prospex agreements, Emu defines a: (i) 500,000 oz of gold in measured resources, 5,000,000 ordinary shares will be issued; and (ii) 1,000,000 oz of gold in measured resources, a further 5,000,000 ordinary shares will be issued. The original (5) concessions in the BLC agreement are Ciclope Tuerto 7, 8, 9 and Vidalota A, B. The original 6 concessions in the Prospex agreement are Vidalita A-F.

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

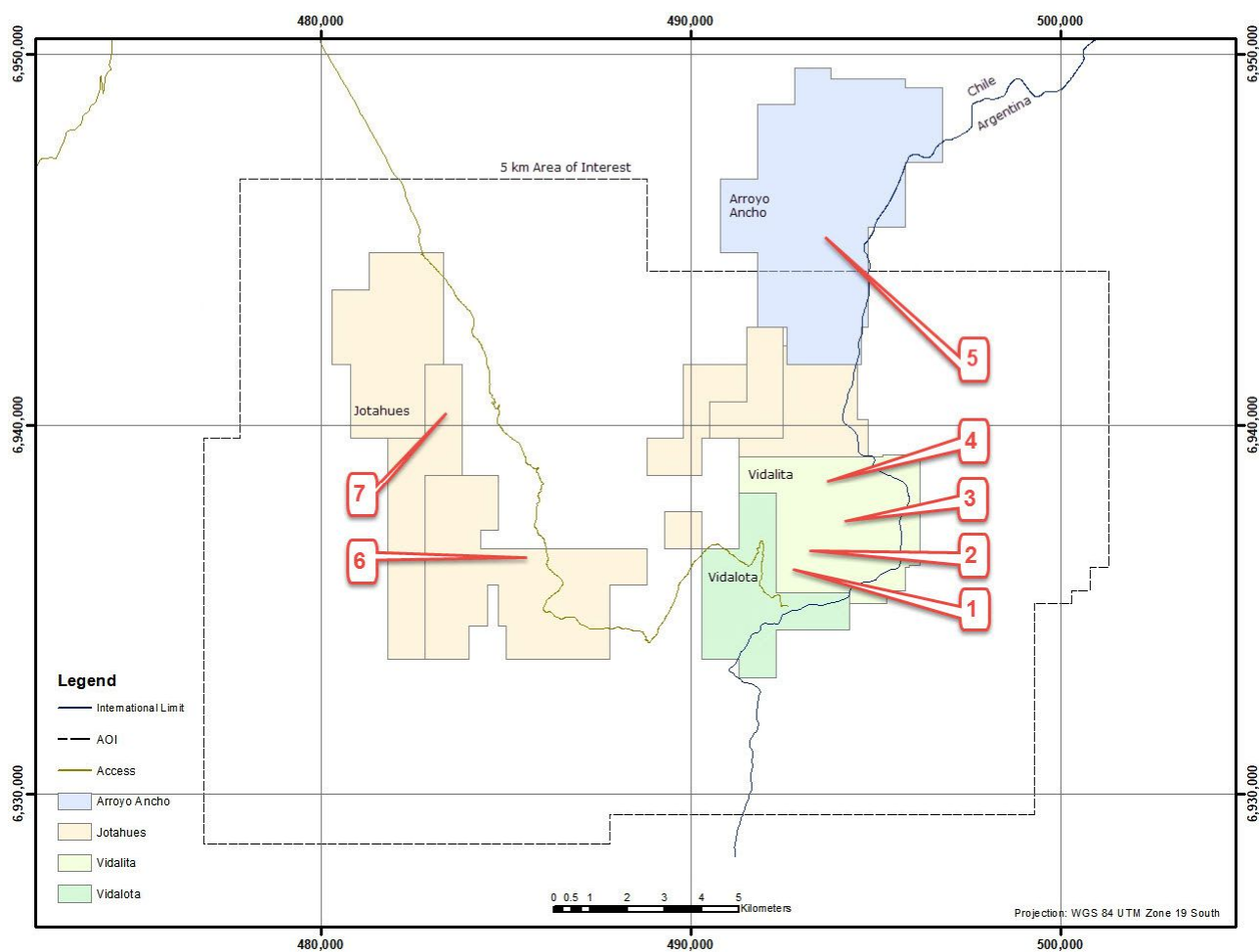


Figure 2: The Elevado Project tenure map showing Area of Interest (AOI) and prospect locations:

1. Vidalita Prospect
2. Alunita Prospect
3. Northeast Plains Prospect
4. North Plains Prospect
5. Arroyo Ancho Prospect
6. Peon Prospect
7. Jotahues Prospect