

## SUMMARY

- **Local RC drilling contractors, R.Munoz Perforaciones, awarded contract for percussion drilling in the Elevado regional targets**
- **Completed prospecting activities on the Elevado regional stream sediment survey and regional prospecting (quadbike) surveys**
- **Completed RC drilling programme, 8 holes drilled (1338m) over 4 target areas**
- **Demobilised Emu's employees and contractors from project**
- **Site rehabilitation requirements completed**
- **EMU announced it would exit Elevado given the lack of significant gold values from assays during the 2019/2020 season**
- **EMU commenced project wind up activities and mitigation of costs**
- **EMU commenced a cost review in response to potential COVID 19 impacts**
- **EMU CEO and Senior Geologist attended the Toronto PDAC convention securing a list of potential new projects**
- **Project Generation activity accelerated during the quarter and a long list of potential projects was prepared**
- **A review of the 8 Mile Dam Project in WA was undertaken**

## ELEVADO PROJECT, CHILE

During the quarter, EMU focused on the RC drilling phase of the regional drilling programme of the overall 2019/2020 campaign. After the completion of the *Synergy Drilling* DDH (Diamond Drilling) drilling phase on 31 December 2019, the final preparations and implementation of the *R.Munoz Perforaciones* RC drilling programme were actioned for commencement in mid-January 2020. This programme was planned to test the priority regional anomalies outlined in the various regional tenements and prospects outside of the main Vidalita tenements. EMU completed this Stage 2 drilling programme during the quarter.

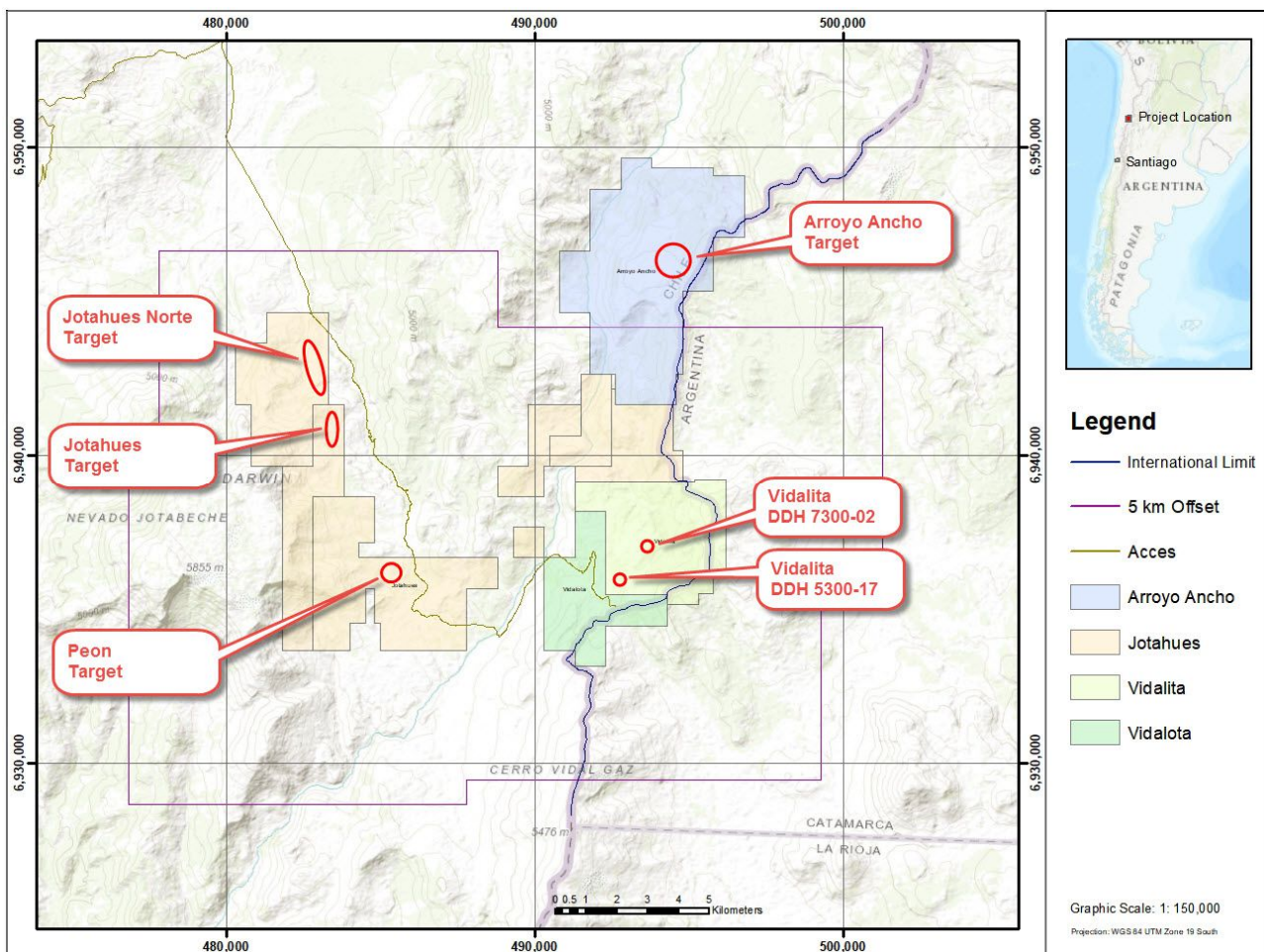
Activities during the quarter were as follows:

- RC drilling contract awarded to *R.Munoz Perforaciones*. The RC Rig was mobilised to Elevado on 15 January 2020m and commenced drilling on 20 January 2020. A total of 8 holes (1338m) was drilled at 4 regional prospects (Peon, Jotahues, Jotahues Norte, Arroyo Ancho). The programme was completed on 23 February 2020, and the drilling contractors were demobilised by 28 February 2020.



- EMU finalised its prospecting, stream sediment surveys and regional exploration programme during the period.
- As assay results from previous seasons' aircore drilling and those from the current season's diamond and RC drilling failed to produce results sufficiently significant to justify follow up, results, EMU decided to exit the Elevado Project and terminate the Vidalita Option Agreement (SLM Vidalita del Rio Vidal Gormaz) and greater Elevado tenement package (BLC SpA and Prospex SpA). (See ASX Announcement – Letter to Shareholders 17 March 2020)
- EMU completed the rehabilitation of drill sites and camp area and all EMU staff and external contractors were demobilised by 3 March 2020.
- A full assessment of drilling results was completed with the finalisation of all outstanding ALS drilling geochemistry. Disappointingly no positively significant gold assay results from this season's drilling campaign were achieved; ASX Announcements 22 and 23 April 2020.

Figure 1 below shows the diamond drill hole (DDH) locations which were drilled during the previous quarter as well as the four new target areas tested with RC drilling during the current quarter.



**Figure 1:** Location of RC target areas and DDH targets drill tested during 2020 Q1



## **CORPORATE**

### **COVID 19**

EMU embarked on a cost savings regime following the evolution of the pandemic and the responses of various governments and authorities within the jurisdictions it operates. EMU reduced its cost exposure following its decision to exit Elevado. During the quarter there were no material impacts to EMU's business. EMU developed "work from home" procedures and more fully utilised modern technologies for its communications.

### **Project Generation**

EMU continued its efforts in identifying and reviewing resource and exploration projects both within Australia and overseas with a view to acquiring an asset, or assets, that may have the potential to add significant financial value and returns for its shareholders. EMU's CEO, and its senior geologist, attended the Toronto PDAC convention over the period 1-4 March. Numerous project opportunities were identified for follow up.

EMU maintains a strict criterion in its evaluation of these projects. The focus of evaluation of opportunities is not limited to greenfield exploration. EMU's evaluation criteria include projects that have the potential to be value-accretive and demonstrate significant upside at any stage in the project life cycle including greenfield exploration, late-stage exploration and near-term cash flow. EMU prepared a long list of approximately 30 projects which are under evaluation.

A key focus of the board following the exit from Elevado has been to target Australian gold projects in the first instance.

### **Other Work**

During the quarter, the EMU team prioritised finalising all activities at Elevado. It also worked on reviewing EMU's Western Australian tenement (under application). The 8 Mile Dam Project, near Menzies, was subject to a desktop review by the geology team.

### **Other Disclosures**

#### **Appendix 5B**

Item 6.1 in the Appendix 5B lodged concurrently with this Quarterly Activities Report includes aggregate amounts paid to directors for directors' fees, related statutory superannuation and office rent of \$4,250 per month (net of GST) plus variable outgoings paid to a director.

#### **ASX Waiver – Approval to issue shares**

As all tenements in Chile subject of the agreement with Prospex SpA and BLC SpA were dropped effective 1 April 2020, EMU has no further commitment to issue Consideration Shares as defined within the terms of the ASX waiver (refer to the December 2019 quarterly activity report, released on 29 January 2020, for further details).

### **RELEASE AUTHORISED BY THE BOARD**

**Contact Details: Doug Grewar - CEO – Office: +61 8 9226 4266; Mobile: 0419 833 604**



**Table 1:** Schedule of Tenements as at 31 March 2020 – Elevado Project, Atacama Region, Chile

Concession ID	Type	Description/Status
Vidalita A2	Exploration	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita B2	Exploration	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita C2	Exploration	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita D2	Exploration	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita E2	Exploration	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita F2	Exploration	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita A1 1/60	Mining	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita B1 1/60	Mining	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita C1 1/60	Mining	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita D1 1/60	Mining	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita E1 1/36	Mining	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalita F1 1/40	Mining	Option to acquire 100% (Prospex/Emu Option Agreement)
Vidalota A	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Vidalota A1 AL 18	Mining	Option to acquire 100% (BLC/Emu Option Agreement)
Vidalota B	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Vidalota B1 AL 20	Mining	Option to acquire 100% (BLC/Emu Option Agreement)
Vidalota C	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Vidalota D	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Vidalota E	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Peon 1 – 16	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Ciclope Tuerto 1 - 9	Exploration	Option to acquire 100% (BLC/Emu Option Agreement)
Tierra 1 – 15	Exploration	Emu 100%

**Table 2:** Schedule of Tenements as at 31 March 2020 – Western Australia

Concession ID	Type	Description/Status
E29/1080	Exploration	Emu 100% - Application



**Emu NL**

ABN 50 127 291 927

**ASX Codes: EMU and EMUCA**

10 Walker Ave  
West Perth, WA 6005

T +61 8 9226 4266  
E [info@emunl.com.au](mailto:info@emunl.com.au)

PO Box 1112  
West Perth, WA 6872

**Fully paid shares (listed)**

298,005,436 (including 15.7m which EMU can buy back for nil consideration)

**Contributing Shares (listed)**

33,725,496 paid to \$0.03, \$0.03 to pay, no call before 31/12/2023

**Options (unlisted)**

65,759,750 options to acquire partly paid shares, exercisable at \$0.02 each, on or before 21 December 2020

84,355,000 options to acquire fully paid shares, exercisable at \$0.20 each, on or before 15 January 2021

8,454,468 options to acquire fully paid shares, exercisable at \$0.20 each, on or before 16 January 2021

12,000,000 options to acquire partly paid shares, exercisable at \$0.03 each, on or before 21 December 2021

**Directors:**

**Peter Thomas**  
Non-Executive Chairman

**Terry Streeter**  
Non-Executive Director

**Gavin Rutherford**  
Non-Executive Director

**Tim Staermose**  
Non-Executive Director

**Investor enquiries:**

T +61 8 9226 4266  
E [info@emunl.com.au](mailto: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 Francisco Montes, Senior Geologist and Exploration Manager - Chile, of Emu NL. Mr Montes is a Member of the Australasian 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.