



QUARTERLY REPORT - JUNE 2018

23 July 2018

HIGHLIGHTS

- The Pacific Horizon prospect has been extended to the southwest by over 3 kilometres. The confirmed strike length is now 9 kilometres and hosts multiple high-grade historical mines (dump samples up to 11.1% Cu and 10.7g/t Au).
- A new prospect named Rhyolite Target was identified to the southwest of the Red Mule prospect. Sampling returned up to 27 g/t Au and 0.13% Cu.
- Samples of up to 86.4 g/t Au and 2.15% Cu taken at the Scarlett prospect continue to support Eagle Mountain's confidence in, and understanding of, potential mineralisation controls.
- Eagle Mountain increased its landholding by staking 84 new unpatented claims and filing one Arizona state exploration permit. The new tenements cover the extension of the Pacific Horizon and the core of the newly identified Rhyolite Target.
- State-of-the-art geophysical surveys, including UAV magnetics, ground gravity and IP have been completed at Scarlett, Red Mule and in the vicinity of the Pacific Mine.
- A highly-regarded hydrogeological consultancy has been engaged to determine drill sites near the Pacific Mine for water drilling to support the upcoming diamond drilling program.
- Preparation work for drilling, including roadworks, has continued throughout the quarter and site visits with drilling contractors are now completed.

Eagle Mountain's Managing Director, Charles Bass, comments:

"The accelerated pace of exploration, supported by state-of-the-art geophysical technologies, has significantly improved our understanding of our flagship Silver Mountain Project.

"The substantial progress we've made since listing on the ASX earlier this year means our exploration program is well ahead of schedule and we are now preparing for an aggressive diamond drilling campaign."

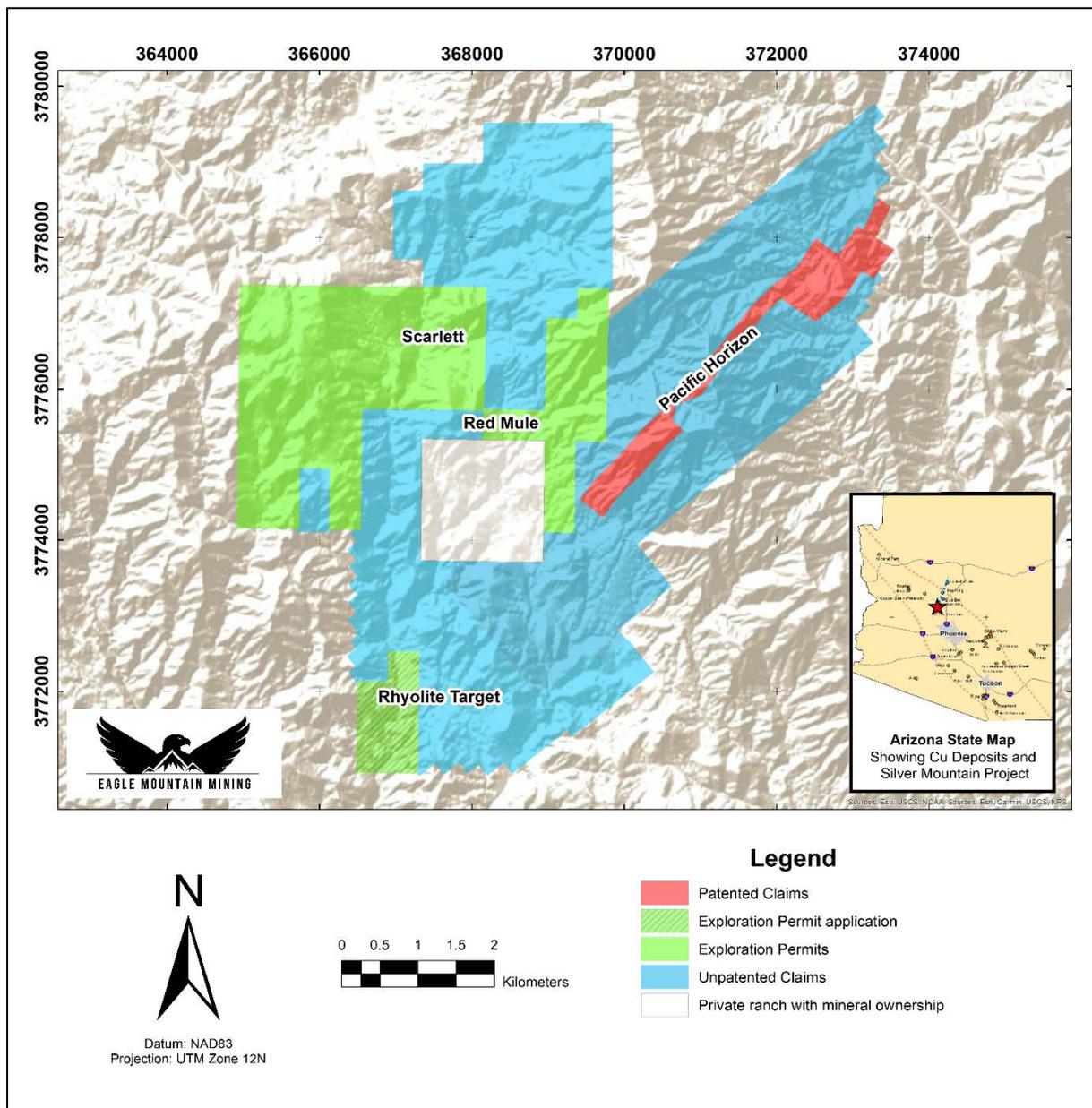


Figure 1

EXTENSION OF PACIFIC HORIZON

The NE-SW trending Pacific Horizon prospect has been extended by approximately 3 kilometres to the southwest, for a total strike length of 9 kilometres.

A NW-SE fault system which follows the Laramide Arc trend appeared to cut off the Proterozoic Pacific Horizon at the southern end of Eagle Mountain’s patented claims in the Red Mule area.

Recent mapping and sampling, which includes a sample grading 27 g/t Au and 0.13% Cu at the southern side of the Red Mule area, has given support to the extension of the Pacific Horizon beyond the NW-SE fault system (ASX: 16 May 2018). The geological observations are supported by geophysical data including VTEM electromagnetics and recent induced polarization surveys.

The Pacific Horizon forms part of the Proterozoic belt that hosts the United Verde, Iron King and other VMS (Volcanogenic massive sulphide) mines¹.

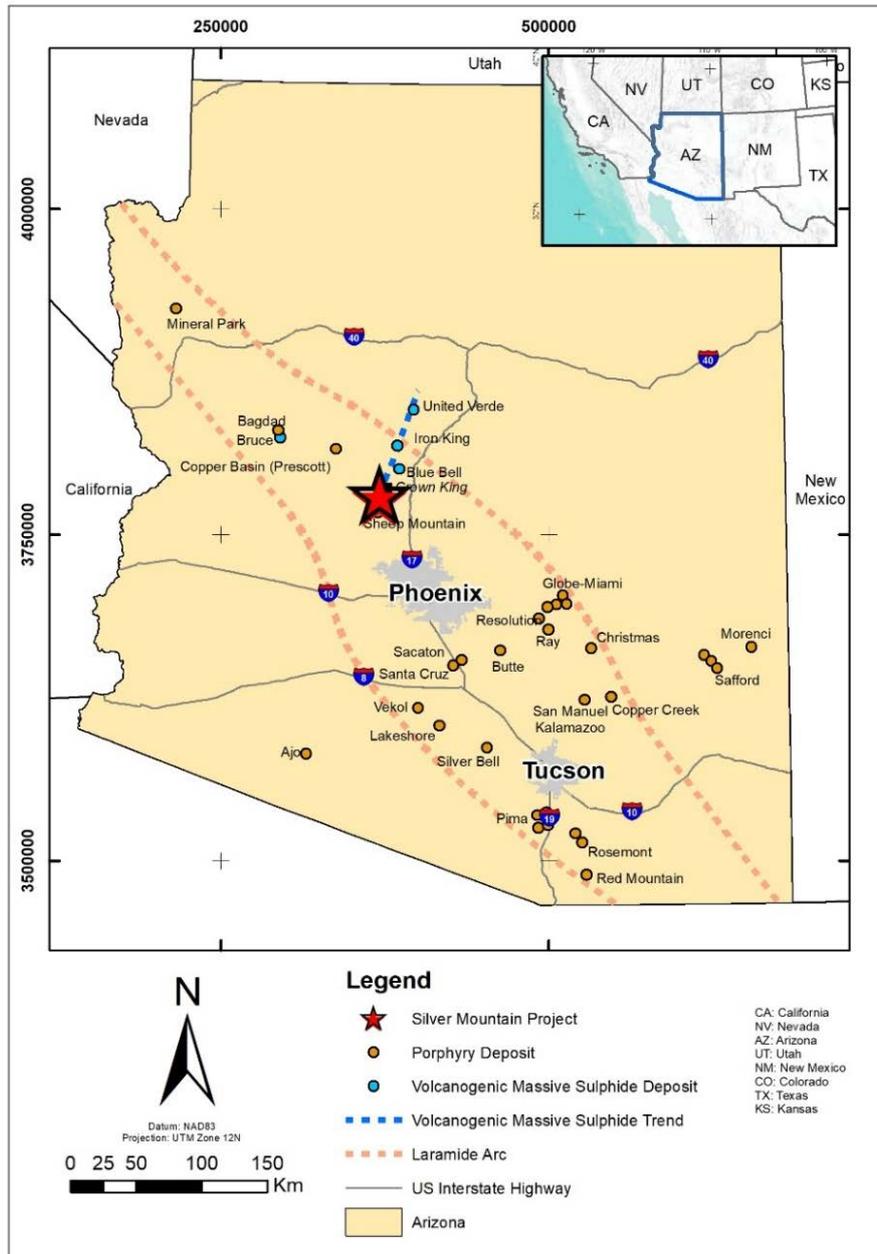


Figure 2

¹ Other VMS Mines in the Pacific Trend Belt (Bluebell & Desoto) – 1.27M tonnes at 2.98% Cu, 1.3 g/t Au & 32.7 g/t Ag

Multiple historical mines occur along this belt within the Silver Mountain Project. Eagle Mountain's sampling of historical mine dumps returned highly encouraging results of up to 11.1% Cu and 10.7 g/t Au (Buffalo Mine) and 3.5% Cu and 4.2 g/t Au (Pacific Mine). (Information on historical results outlined in this announcement together with JORC Table 1 information, is contained in the Independent Geologists Report within Eagle Mountain's Prospectus dated 23 January 2018.)

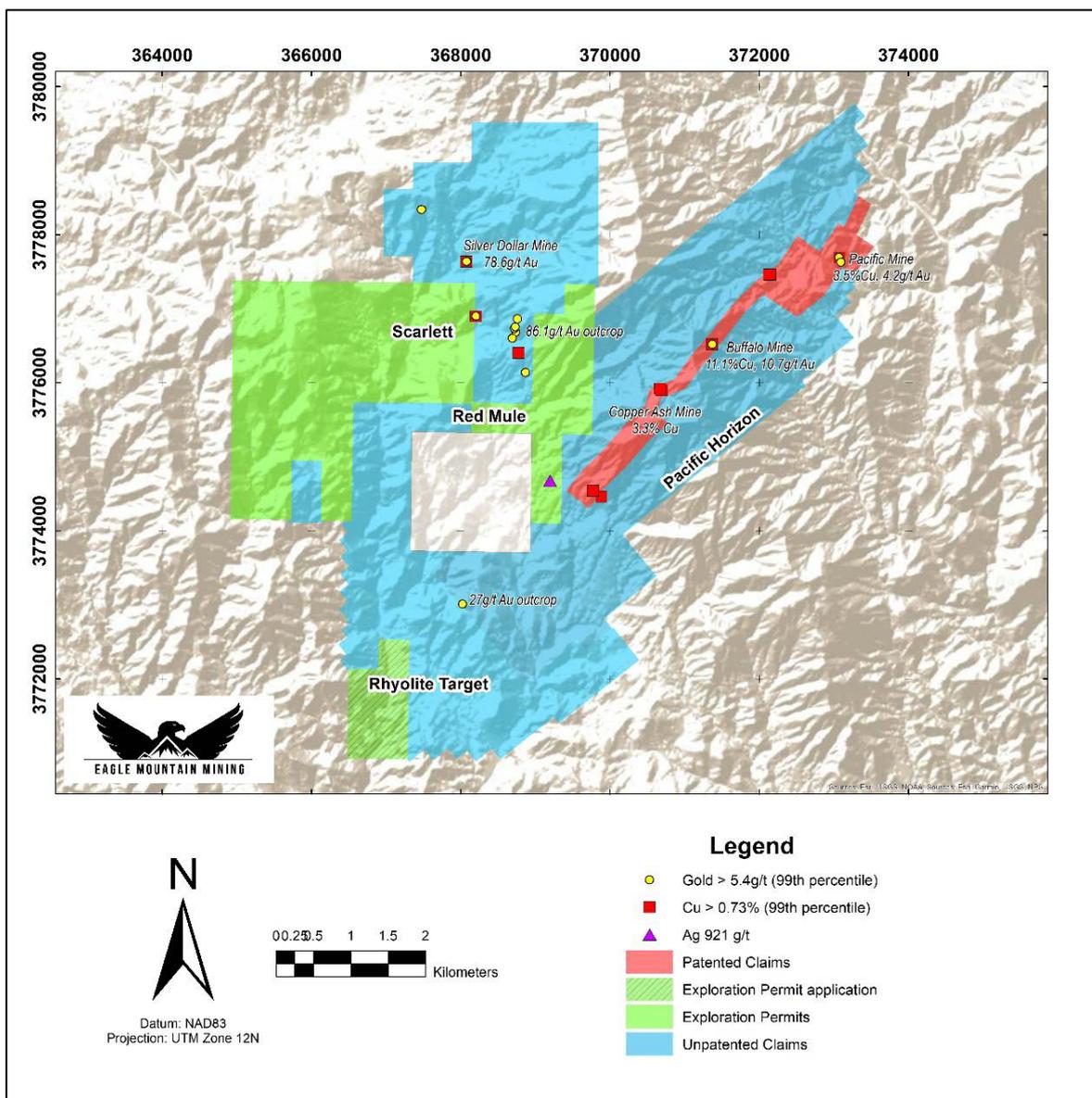


Figure 3

RHYOLITE TARGET

A new prospect, named Rhyolite Target, was identified to the south of the Red Mule prospect.

Following the identification of a previously unreported historical mine by a geophysical crew, a mapping and sampling program was initiated to better understand the geology of the area and its relationship with the known mineralisation at the Silver Mountain Project.

A rhyolite intrusive was mapped near the historical shaft. This rhyolite is of younger age than the Proterozoic schists that it intrudes. Assays of up to 27 g/t Au and 0.13% Cu were reported from samples collected at the contact zone between the rhyolite and the schist. (Refer ASX Announcement 16 May 2018)

Preliminary interpretation supports a mineralising event associated with, or following the rhyolite intrusion, thus possibly of Tertiary age.

A recent IP survey over this area, as well as continued mapping and sampling, should lead to a better understanding of this mineralisation and importance of the rhyolite.

OTHER MAPPING AND SAMPLING

Mapping and sampling conducted during the quarter has contributed to Eagle Mountain's understanding of the ultimate source of mineralisation and has increased our confidence in the Silver Mountain Project.

Samples at taken at the Scarlett prospect included 86.4 g/t Au and 2.15% Cu (Refer ASX Announcement 16 May 2018).

INCREASED EXPLORATION TENURE

Eighty-four new unpatented claims (SMMSO001 – SMMSO084) were staked during the quarter and one Arizona state exploration permit was applied for (00003866). As with all land under Eagle Mountain's ownership, this new exploration ground is held under the Company's wholly-owned subsidiary, Silver Mountain Mining LLC.

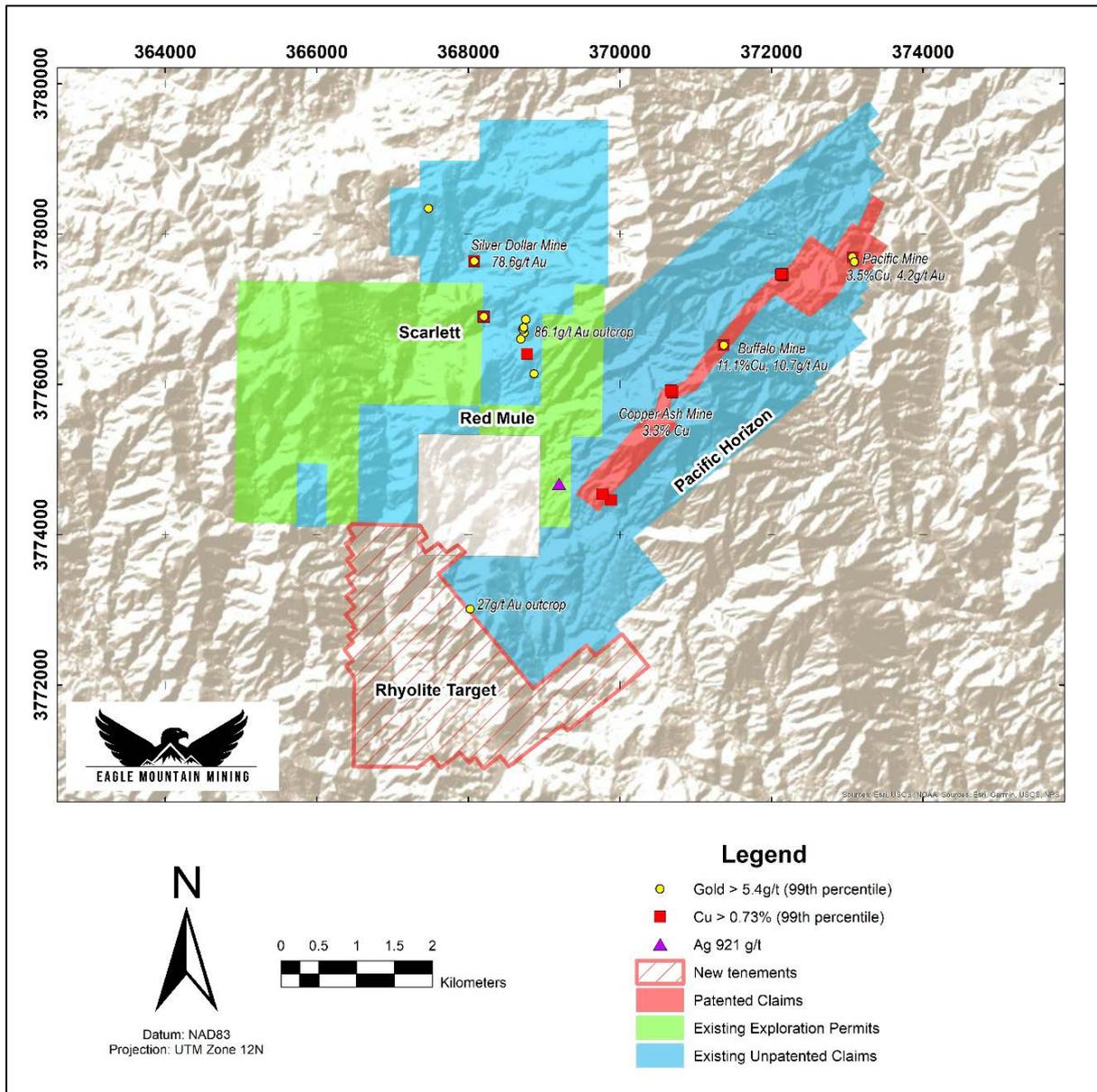


Figure 4A

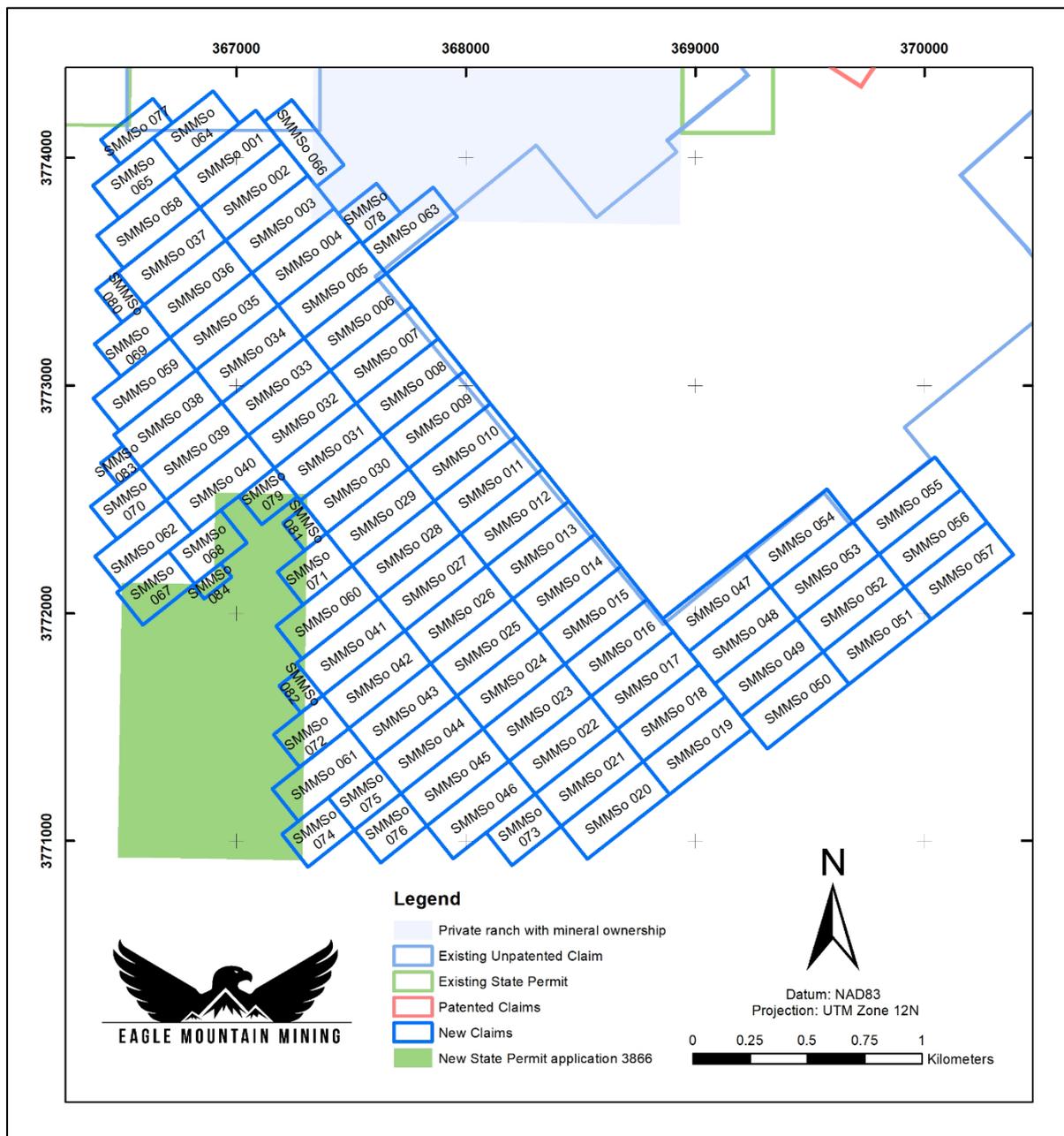


Figure 4B

As can be seen from Figure 4A and 4B above, Eagle Mountain’s tenure is now totally contiguous.

GEOPHYSICAL SURVEYING

The styles of mineralisation and alteration observed at surface at Silver Mountain suggest that there is a deep source of the hot mineralised solutions that made their way to the surface through faults and fracture zones.

Gravity surveys are used to help determine structure and rock differences at depth that may be masked by overlying strata, such as tertiary volcanic cover. This information is used in conjunction with magnetic survey data. The gravity and magnetic surveys have aided in drill hole targeting that will be used to assess these potential mineralised pathways and systems.

Several geophysical surveys were conducted over the quarter, (Refer ASX Announcement 7 June 2018) including:

- 1) UAV (unmanned aerial vehicle) magnetics over the Scarlett and Pacific Mine areas;
- 2) Ground gravity over Scarlett and Red Mule prospects;
- 3) Induced Polarization (IP) over the Scarlett, Red Mule and southern Pacific Horizon prospects.

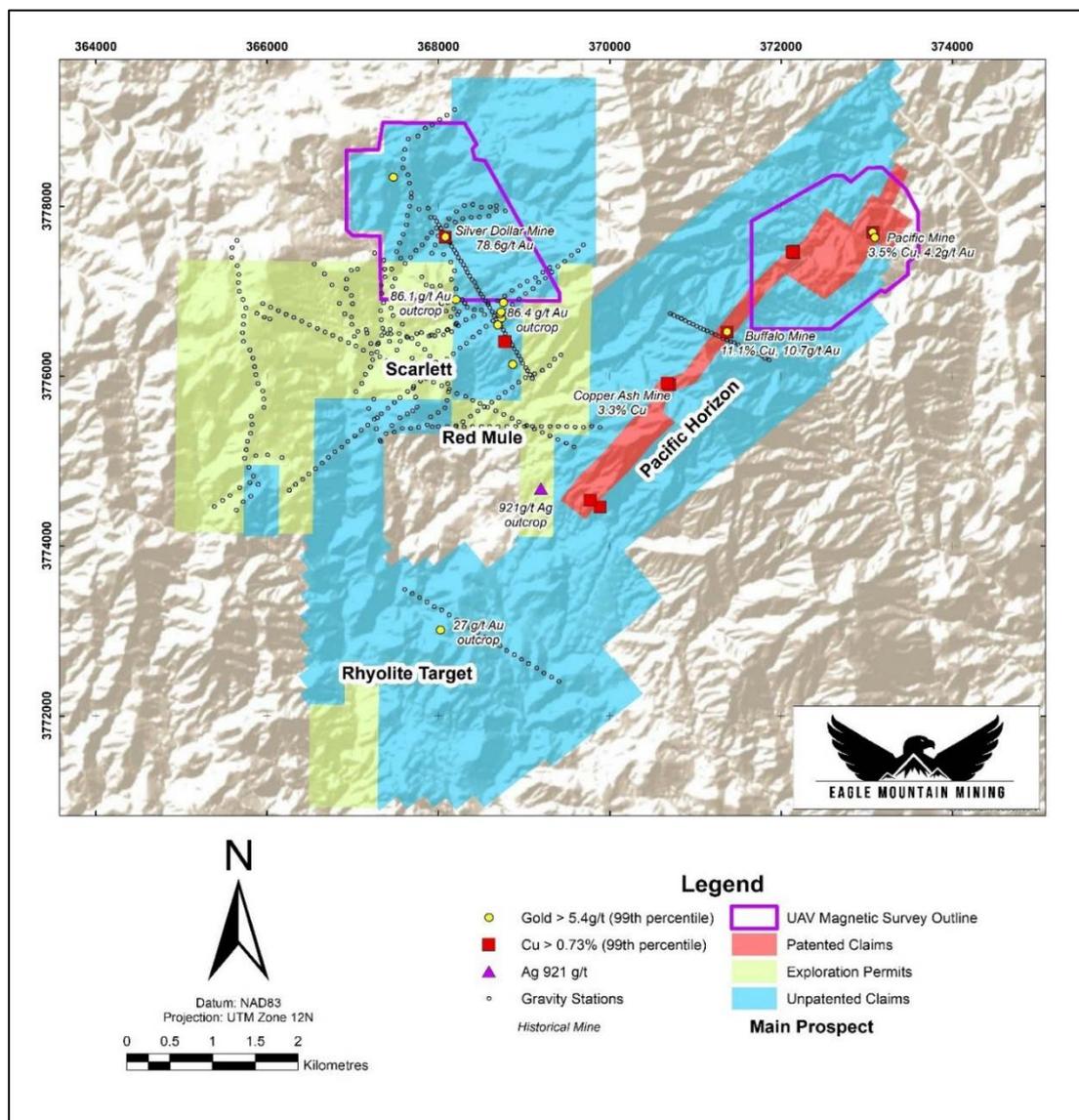


Figure 5

UAV MAGNETIC SURVEY

Significant improvements in magnetic signature resolution were achieved with the UAV survey over the VTEM survey flown in 2013/14. This was due to tighter line spacing and lower height above ground. The improved resolution has allowed more accurate determination of structural controls and rock contacts which could contribute to the mineralisation encountered at surface in the Scarlett prospect.

The UAV magnetics flown over the Pacific Mine highlighted a magnetic low immediately to the west of the Pacific Mine shaft, coincident with an IP chargeability high and resistivity low. This could be a further indicator of the high-grade breccia that is seen on the Pacific Mine waste dump.

GROUND GRAVITY SURVEY

A ground gravity survey over parts of the Scarlett and Red Mule prospects was completed during the quarter (Refer Figure 6).

This survey was restricted to the accessible dirt tracks as the topography is quite rugged throughout most of the region which limits where the gravity equipment can be carried.

INDUCED POLARISATION (IP) SURVEY

A relatively new method of IP survey that provides a data density that far exceeds industry standards was run over several lines in the Scarlett and Red Mule prospects.

Canadian company, SJ Geophysics, performed the IP surveys utilising their proprietary Volterra distributed acquisition system and advanced signal processing software.

A key factor of this system is the ability to run surveys over rugged terrain, including cliffs and steep ravines.

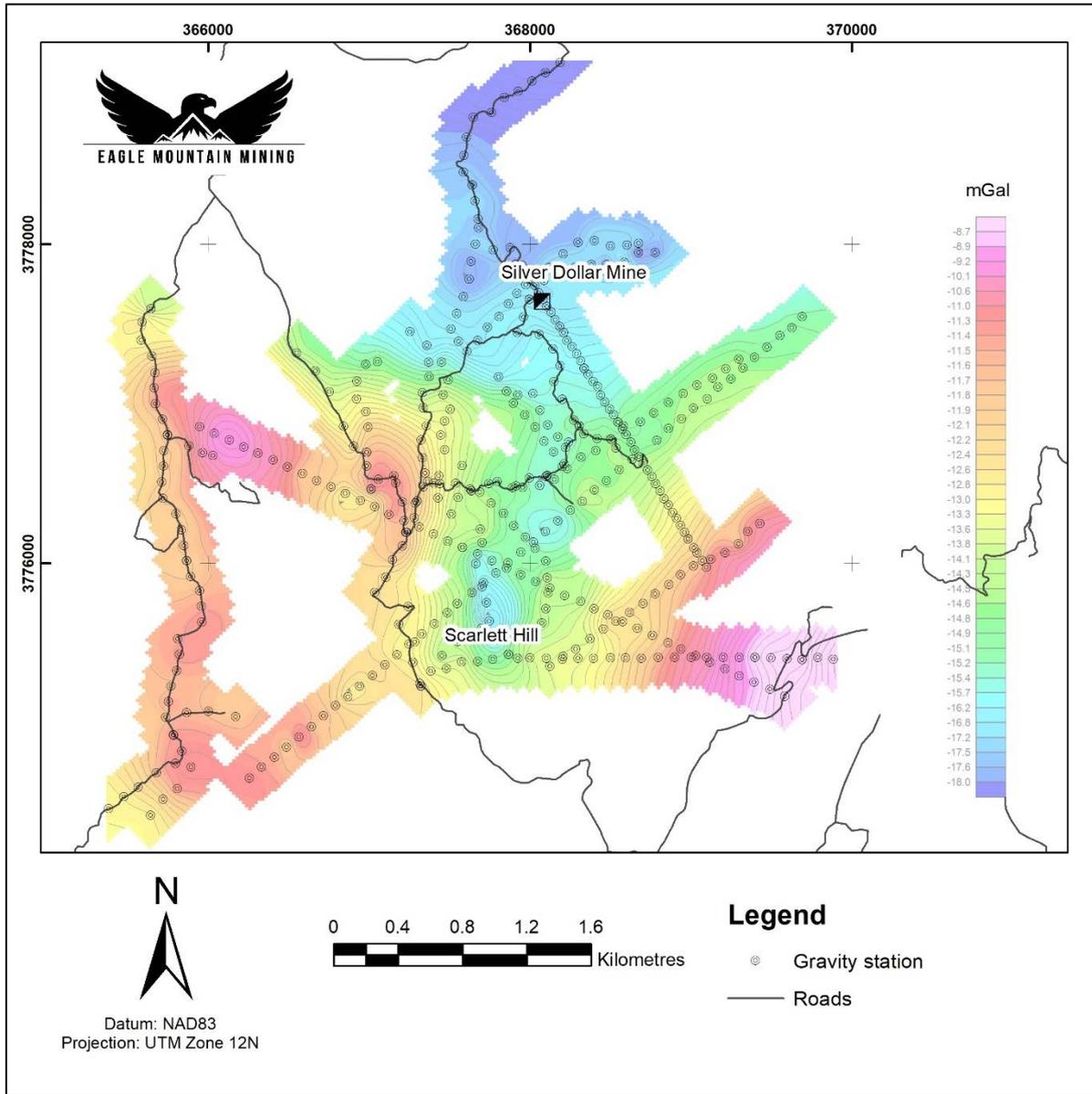


Figure 6

This IP survey has been completed and data interpretation is underway.

Eagle Mountain expects to release further information about the IP survey results in the coming weeks.

INFRASTRUCTURE IN SUPPORT OF UPCOMING DRILLING CAMPAIGN

Road upgrades continued throughout most of the quarter as well as forward planning for water storage and pumping systems in support of the diamond drilling program.

Clear Creek Associates, a highly-regarded hydrogeology consultancy, was engaged to assess the Pacific Mine area for water potential on Eagle Mountain's patented claims. In addition, they are assisting in the recruitment of a suitable water drilling contractor and will oversee the process of drilling and well installation.

Several diamond drilling companies have also been to the Silver Mountain Project area and are expected to submit bids to conduct the drilling program within weeks. Drilling may be vehicle and camp operated, helicopter supported, or a combination of both. Eagle Mountain will determine the appropriate method after all bids have been submitted and assessed.

Although work continued for the quarter outside of the area controlled by the Forest Service (mostly the northern part of the patented claims), access roads through the Prescott National Forest were closed to vehicles over the past couple of months due to fire risk. The ban was lifted in early July and road work is now progressing in these areas.

The Tucson office and warehouse fit out has been mostly completed and appropriate staff have been recruited well in advance of commencement of drilling.

NEXT STEPS

- Complete the IP interpretation and integration into other geophysical results.
- Finalise diamond drill hole locations.
- Continue road and access improvement.
- Engage water drilling contractor and develop water well.
- Assess diamond drill bids and appoint the preferred diamond drilling company

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EAGLE MOUNTAIN MINING LIMITED

Eagle Mountain is a copper-gold explorer focused on the strategic exploration and development of the highly-prospective Silver Mountain Project located just outside of Phoenix, Arizona.

Arizona is at the heart of America's mining industry and home to some of the world's largest copper discoveries. Silver Mountain, which comprises three prospects, Pacific Horizon, Scarlett and Red Mule, lies on the same geological setting that hosts world-class porphyry copper mines such as Bagdad, Miami and Resolution, one of the largest undeveloped copper deposits in the world. It also lies on the southern extension of the metallogenic belt that hosts United Verde and Iron King.

The Company is laying the groundwork for an aggressive exploration program in the first half of FY19.

Eagle Mountain is led by founder and Managing Director Charles Bass. Mr Bass has a proven track record in mining, having previously co-founded both Eagle Mining Corporation, a highly successful gold miner, and Aquila Resources, which was acquired by Baosteel and Aurizon Holdings for \$1.4 billion in 2014.

COMPETENT PERSON STATEMENT

Information in this report relating to Exploration Results is based on information compiled under the supervision of Mr Charles Bass who is an employee of the company. Mr Bass is a Fellow of the Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientist. He holds shares and options in the Company. Mr Bass has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bass consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Where the Company references previous ASX announcements, JORC Table 1 disclosures are included within them. The Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.