EAGLE MOUNTAIN MINING

ASX Announcement | 7 June 2018

Results of Recent Geophysical Surveys

- **Interpretation of recent geophysical surveys over the Silver Mountain Project completed**
- **Results confirm our exploration models and further focuses upcoming diamond drill program**
- **Magnetic survey in the Silver Dollar Mine (dump samples up to 78.6 g/t Au)[1] area supports depth potential to mineralisation**
- **Magnetic survey near Pacific Mine (dump samples up to 3.5% Cu, 4.2 g/t Au and 112 g/t Ag)[1] identifies magnetic anomaly coincident with previous geophysical surveys, mapping and sampling**
- **Gravity survey at Scarlett and Silver Dollar identifies new structures potentially linked with outcropping mineralisation (rock chip samples up to 86.4 g/t Au)[1]**

Eagle Mountain Mining Limited (ASX:EM2) ("Eagle Mountain") is pleased to provide an update to the market on its exploration activities. As previously announced on 30 April 2018, Eagle Mountain has acquired new geophysical data over the Silver Mountain Project. The interpretation of this data is presented in this release.

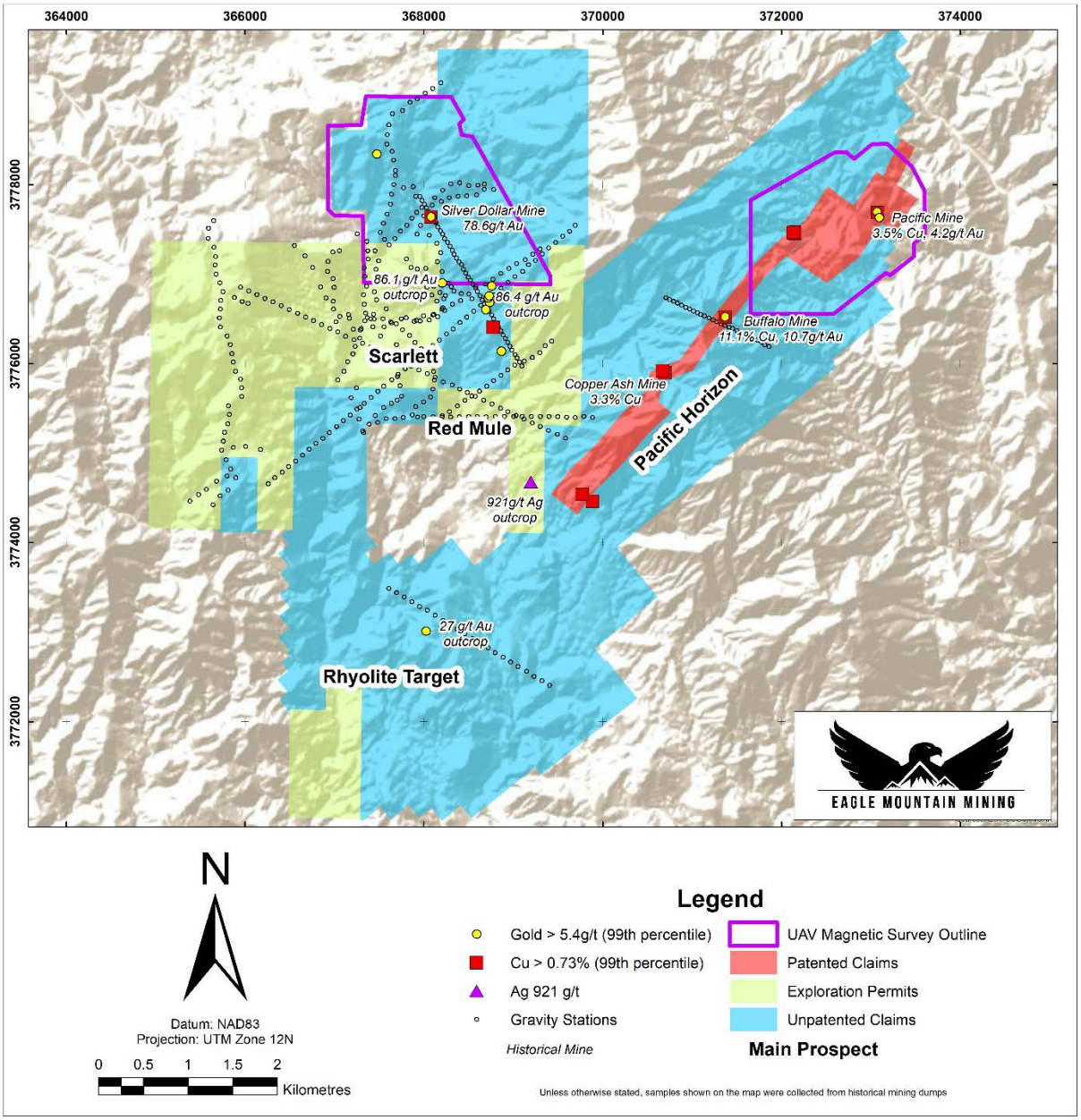
Eagle Mountain's Managing Director, Charles Bass commented:

> *"One of Eagle Mountain's core strategies is to apply the most advanced science and technology to unravel the geological complexity at our Silver Mountain Project. These geophysical surveys are another key step in implementing this strategy. I am very pleased with the results as they not only confirm but also enhance all the work completed over the last five years and significantly improve our understanding of the local geology and mineralisation.*
>
> *Our team in Arizona is still active on the ground:*
>
> - *Mapping and sampling is ongoing, and*
> - *A state of the art induced polarization/resistivity survey has just been completed.*
>
> *I am looking forward to seeing all these datasets being combined to generate the best possible drill targets for our upcoming drilling program."*

The recently conducted geophysical surveys comprise a UAV magnetic survey and a ground gravity survey. Figure 1 below shows the Silver Mountain Project area and the location of the UAV magnetic survey areas and the ground gravity survey stations.

[1] Refer to the Company's Prospectus. ASX Release 14 March 2018

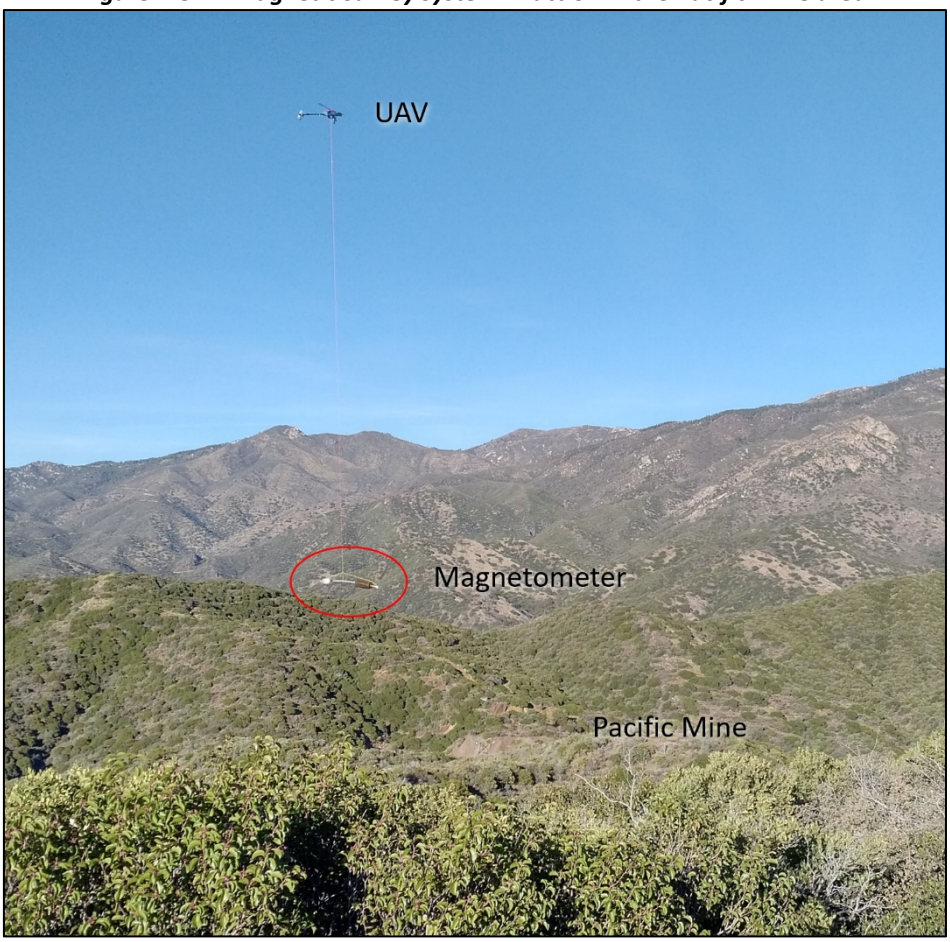
Figure 1 The Silver Mountain Project with location of UAV Magnetic surveys and gravity stations



UAV Magnetic Survey

A magnetic survey was completed using an Unmanned Aerial Vehicle (UAV) to fly the geophysical instruments (magnetometer, Figure 2). This new technique has been adopted by the mineral exploration industry with excellent results. The system allows large areas to be surveyed rapidly at a high resolution, since the UAV can fly closer to the ground than other survey platforms (e.g. helicopter).

Figure 2 UAV Magnetic survey system in action in the Pacific Mine area

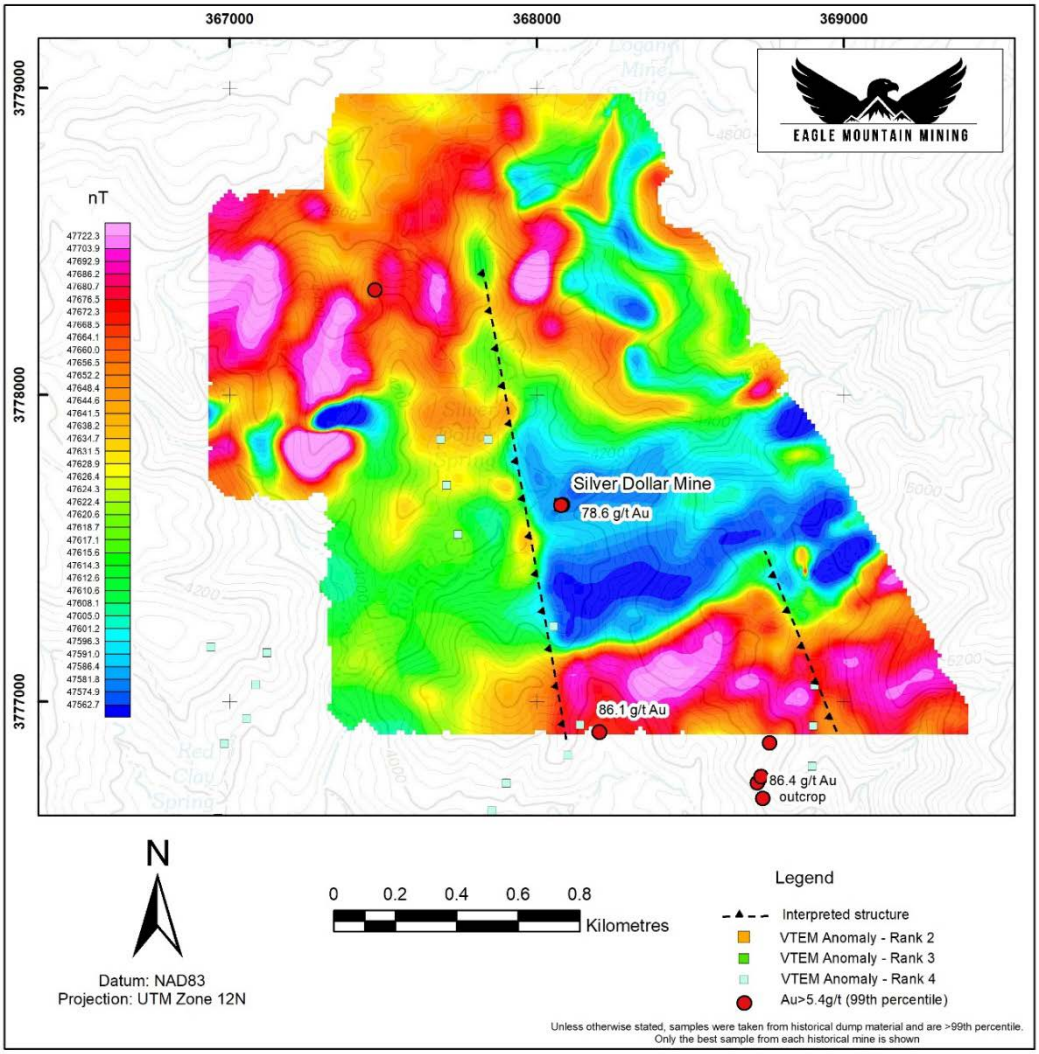


These characteristics are highly suitable for the rugged topography of the Silver Mountain Project and one of the leading contractors in this emerging market was engaged to survey two areas:

- The Silver Dollar magnetic survey (Figure 3) suggests that prospective rocks at Silver Dollar and Scarlett are likely to continue at depth. This survey was completed in the western part of the Project, near the historical Silver Dollar Mine (dump samples up to 78.6 g/t Au, refer to the Company's Prospectus ASX Release 14 March 2018). Results confirmed the presence of a major fault and that the prospective mineralised rocks exist beneath this fault.
- The UAV magnetic survey results from the Pacific Mine area confirm the unique mineralisation signature of this area (Figure 4). The survey showed a magnetic low adjacent to the historical waste dump which overlaps multiple anomalies identified with previous geophysical surveys, geological mapping and sampling over the past five years. Samples from the Pacific Mine dump returned values

up to 3.5% copper, 4.2 g/t gold and 112 g/t silver (Refer to the Company's Prospectus – ASX Release 14 March 2018). Several drill holes have already been planned to test these coincident anomalies.

Figure 3 UAV Magnetic survey results - Silver Dollar Area - Total Magnetic Intensity image



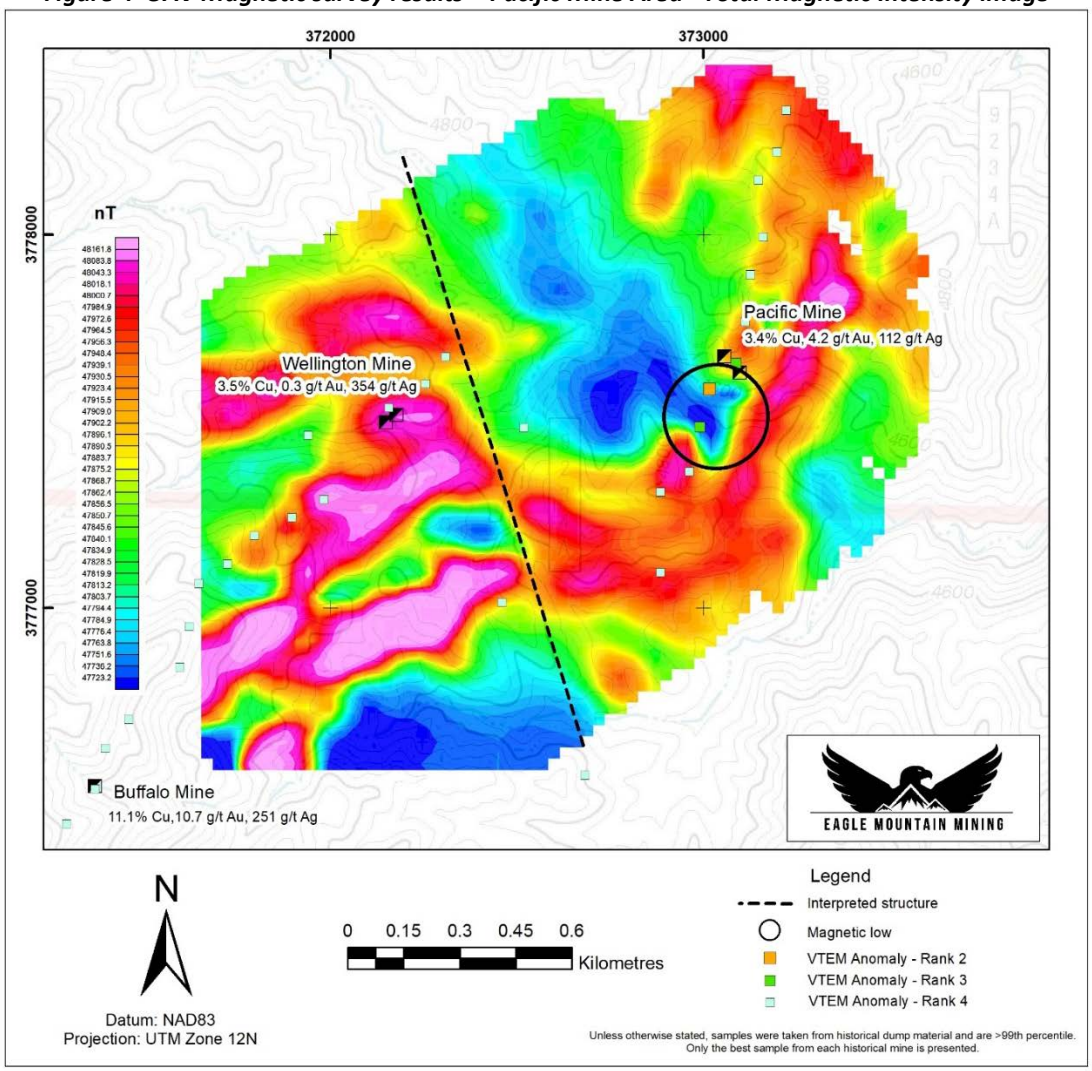
Discussion

The following detailed observations and conclusions can be drawn from the UAV magnetic survey:

- The new magnetic data is significantly more detailed than the helicopter-borne VTEM-magnetic survey flown in 2013. This is a result of the UAV survey platform which allows the magnetometer to be flown closer to the ground and thus collect higher resolution data;
- The Silver Dollar UAV survey (Figure 3) confirmed that the mineralised system in the Scarlett area could be continuing at depth, below a west-dipping fault. The survey identified a NNW-SSE break in the magnetic response which is interpreted as a WSW dipping fault. The eastern fault block (footwall) is characterised by three units: a northern one with moderate magnetic response, a central one with low magnetic response and a southern one with high magnetic response. The contacts between these units

strike ENE-WSW. The central and northern units are interpreted as different facies of the Minnehaha pluton. The southern unit could be associated with late mafic dykes intruding the pluton in the area. This southern unit appears to continue to the west, beyond the interpreted fault, but its magnetic response gradually diminishes. This observation suggests a westerly dip to the NNW-SSE fault. The western fault block (hanging wall) shows a moderately magnetic southern half and a more magnetic northern half. Mineralisation and alteration at Scarlett and Silver Dollar are situated in the eastern block (footwall) suggesting that the mineralised system could be continuing at depth, below the west-dipping structure and the hanging wall lithologies; and

Figure 4 UAV Magnetic survey results – Pacific Mine Area - Total Magnetic Intensity image



- The Pacific Mine UAV (Figure 4) provided further insights on the potential location of the high-grade breccia seen on the Pacific Mine dump at depth. The survey highlighted a magnetic low immediately to the W of the Pacific shaft, coincident with a chargeability high, a resistivity low and a moderate electromagnetic anomaly detected in previous surveys. While only drilling can confirm this interpretation, the high-grade mineralised breccia seen on the Pacific Mine dump could be the causative body of these spatially coincident anomalies. Samples from the Pacific Mine dump returned

values up to 3.5% copper, 4.2 g/t gold and 112 g/t silver. (Refer to the Company's Prospectus – ASX Release 14 March 2018)

Ground Gravity Survey

A ground gravity survey was completed at Silver Dollar and Scarlett (Figure 5). Survey highlights include:

- The identification of a possible fault underlying the high-grade gold mineralisation at Scarlett (rock chip samples up to 86.4 g/t Au, (refer to the Company's Prospectus - ASX Release 14 March 2018);
- The identification of a north-south gravity anomaly interpreted to be a structure controlling the occurrence of younger rocks in the area; and
- Understanding the geometry of these features is key to predicting the depth extension of the high-grade gold veins at Scarlett and plan the most effective drill holes.

Advanced induced polarisation (IP) geophysical work has recently been completed over this area to better characterise these structures and assist drill targeting. The IP survey was completed using the Volterra System, an innovative distributed acquisition system developed by SJ Geophysics Ltd of Vancouver, British Columbia (Canada). Results are awaited and will be reported to the market when they become available.

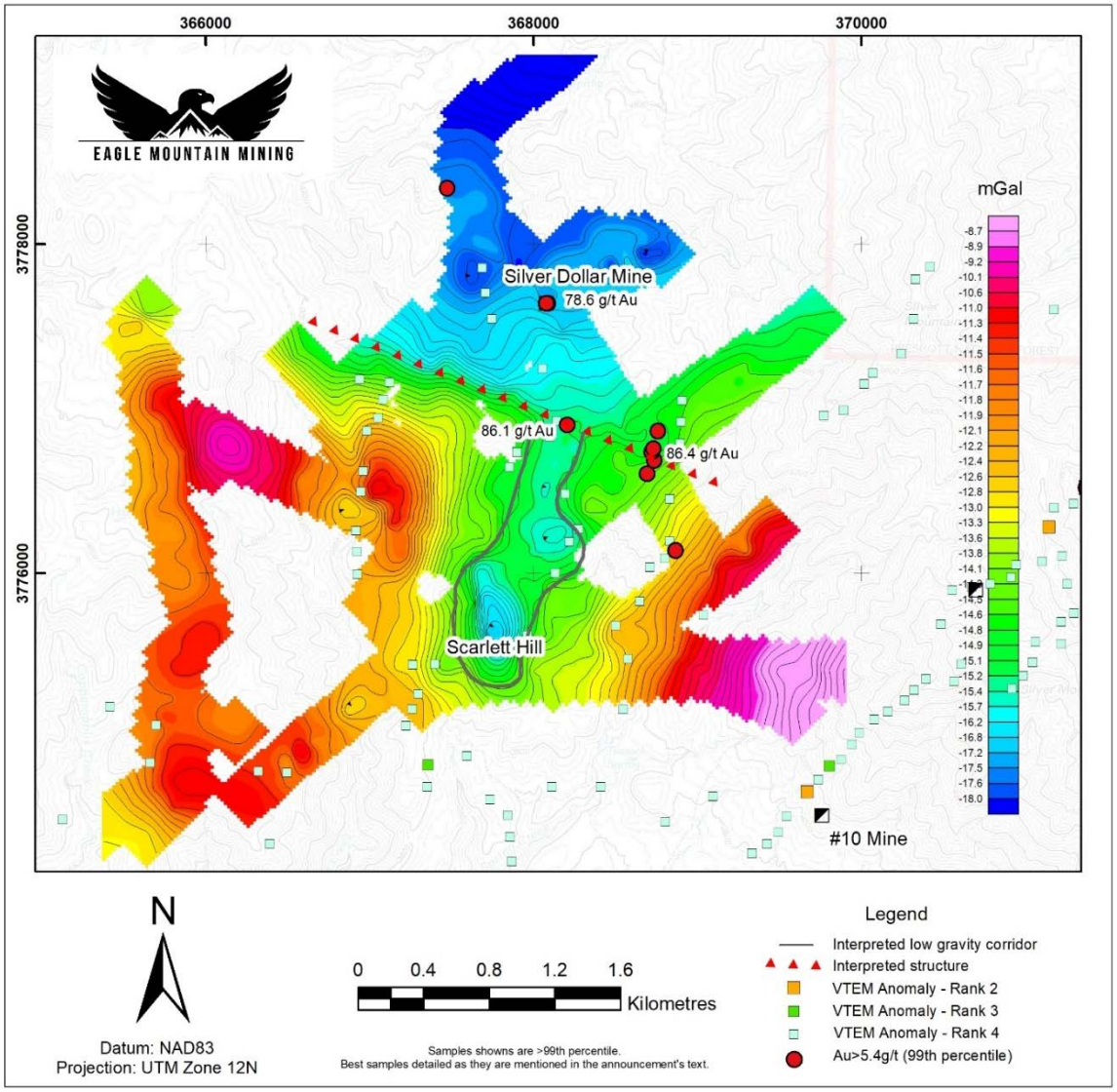
Discussion

The following detailed observations and conclusions can be drawn from the ground gravity survey (Figure 5):

- A fault running below the cluster of high-grade gold veins at Scarlett (where rock chip samples up to 86.4 g/t Au have been identified. Refer to the Company's Prospectus ASX release 14 March 2018). The interpreted fault is shown as a WNW-ESE break in the gravity map suggesting two different rock-types are abutted against each other by a structure. The fault has an orientation similar to structures mapped at surface and its eastern extension lies below the cluster of high-grade gold veins at Scarlett. Drill holes in the area will be designed to test this structure at depth.

- A recently announced high-grade sample assaying 86.1 g/t gold and 2.15% copper (Refer to ASX Release 16 May 2018) occurs at the intersection of a N-S gravity low corridor and the WNW-ESE interpreted fault. This N-S low gravity corridor connects the Silver Dollar area to the north with Scarlett Hill to the south. Younger Tertiary volcanics outcrop along the southern half of this feature and are likely responsible for the observed gravity low around Scarlett Hill. The northern part of the low gravity corridor is not associated with outcropping volcanics. This feature is interpreted as a N-S-striking structurally-controlled graben partly filled with Tertiary volcanics. The correlation of this structure with the mineralisation is still to be resolved.

Figure 5 Ground gravity survey interpretation - Residual Bouguer Anomaly image



Eagle Mountain looks forward to keeping shareholders informed as planning for further exploration is finalised and results come to hand.

For further information please contact:

Charles Bass
BSc, MSc, FAusIMM, FAIG, FAICD
Managing Director & CEO
charlie@eaglemountain.com.au

Mark Pitts
B.Bus, FCA, GAICD
Company Secretary
mark@eaglemountain.com.au

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 effects 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.

Eagle Mountain Mining Limited

Eagle Mountain offers investors exposure to the highly-prospective copper-gold region of Arizona. The Silver Mountain Project sits on the Laramide Arc, a geological feature containing world class porphyry copper mines such as Bagdad, Miami and Resolution. It also lies on the southern extension of a northeast-southwest prospective metallogenic belt which hosts United Verde and Iron King. The project comprises three individual prospects: Pacific Horizon, Scarlett and Red Mule. The Company is led by a highly experienced Board which is looking to create shareholder value by applying modern exploration techniques at the Silver Mountain Project.

JORC Code, 2012 Edition – Table 1 report template

Geophysical surveys results (ASX 7 June 2018)

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The Unmanned Aerial Vehicle magnetic survey used a Procyon 800E UAV flying a GEM System UAV GSMP-35U potassium magnetometer. The magnetometer has a sensitivity of 0.002 nT @ 1Hz, ±0.1nT absolute accuracy and resolution of 0.0001 nT. The sensor is attached to an aerodynamic housing tethered 15m below the UAV. • The ground gravity survey was completed with a Scintrex CG-3 automated gravimeter with a reading resolution of 0.005 milligal. The instrument was transported by all terrain vehicle or by hand to the survey locations. • Not applicable. No assay data of laboratory tests reported.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable. No drilling results reported.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable. No drilling results reported.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• Not applicable. No core or chip samples reported.

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Not applicable. No sub-sampling techniques and sample preparation reported.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Not applicable. No assay data of laboratory tests reported.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable. No significant intersections reported. • Not applicable. No drilling results reported. • Geophysical measurements were collected following industry-standard procedures. • No assay adjustment performed.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Magnetic data were located in the field using a WAAS enabled GPS unit with an estimated accuracy of ±3m, 95% of the time. • Gravity data were located in the field with an RTK DPGS units with estimated accuracy of ±0.1m vertical and less than ±0.03m horizontal. • NAD83 UTM Zone 12N. • National Elevation Dataset. Horizontal resolution of approximately

Criteria	JORC Code explanation	Commentary
		10m and vertical resolution of 1m.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Ground gravity survey stations were situated on preplanned lines which were also surveyed by IP/resistivity and on existing roads and mountain ridges every 100m. Infill stations were also collected as required to obtain a continuous coverage of the Silver Dollar and Scarlett areas. • UAV-magnetic data were collected along lines contouring the local topography with nominal horizontal line spacing of 50m. • Not applicable. Geophysical measurements were not collected to establish geological or grade continuity. • Not applicable. No sample compositing applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Gravity survey data were collected as point stations. Magnetic data were collected along lines contouring the local topography. Both survey methodologies are considered appropriate to map local structures. • Not applicable. No drilling results reported.
Sample security	• *The measures taken to ensure sample security.*	• Geophysical measurements were digitally collected by independent professional consultants which were able to verify sample quality at the sample site or at least on a daily basis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of sampling techniques have been completed.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Silver Mountain Project consists of 26 patented claims (~ 195 ha), 342 unpatented claims (~ 2,450 ha) and 5 state permits (970 ha). Additional tenements are being staked to the south as discussed in ASX Announcement dated 16th May 2018. Eagle Mountain will inform the market about the details of these new tenements as they become available.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• It is believed that the first mine claims to the Pacific Horizon prospect were staked in 1898. • Between 1906 and 1912 the Pacific Copper Mining Company sunk a 150 m (500 feet) shaft in to the gossan at the site of the Pacific Mine. • Some drilling was carried out in 1966 though it is not clear who conducted the program (possibly Heinrichs GeoExploration). • In 1968, Heinrichs GeoExploration conducted some dual frequency IP, resistivity and magnetic geophysical surveys. This was followed by further geophysical surveys in 1978 using Very Low Frequency (VLF) Electro Magnetics (EM). • KOOZ contracted Applied Geophysics in 1978 to run EM surveys (VLF, MaxMin II and Crone Horizontal Shootback) over selected areas. • The most detailed (unpublished) mapping over the property was carried out by Kennecott in 1991 and 1992, focusing on the eastern and central areas of the Pacific Horizon prospect. • The Kennecott mapping was based on previous work done by Winegar et al., (1978) and the only mapping since 1992, was done by Ferguson & Johnson (2013, Arizona Geological Survey), which only touches on the Pacific area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• There are three types of deposit style: o Proterozoic volcanogenic massive sulphides in Precambrian greenstone o Younger (Laramide arc) Cu-Au porphyry o Overprinting and remobilisation of fluids and deposits by Cainozoic transtension giving detachment style mineralisation
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Not applicable. No drilling results are being reported.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable. No data aggregation methods were applied.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable. No drilling results are being reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Maps presented in this announcement include information about the absolute and relative position of the relevant geophysical data discussed in the announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Not applicable. No geochemical results reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other meaningful and material exploration data beyond this and previous market releases and the information in the Independent Geologist Report included in Eagle Mountain's Prospectus.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work will include interpretation of new Induced Polarization and resistivity surveys, reconnaissance and detailed mapping of prospective areas and drilling.