



Non-Renounceable Entitlement Offer of New Shares to raise up to approximately \$2.77 million

Eagle Mountain Mining Limited (ASX:EM2) (“Eagle Mountain” or “the Company”) is pleased to announce a non-renounceable entitlement offer of New Shares to raise up to \$2,775,000 on issue (before costs) together with a free attaching Option on the basis of one Option for every two New Shares taken up.

Summary of the Entitlement Offer

Eagle Mountain confirms it will shortly lodge a prospectus to undertake a non-renounceable entitlement offer of approximately 18.5 million New Shares at an issue price of \$0.15 to registered shareholders with an address in Australia, New Zealand, Switzerland or Singapore, on the basis of 1 New Share for every 5 ordinary shares held at the record date, to raise up to \$2,775,000 (before costs) (“the Entitlement Offer”).

In addition, for every two New Shares taken up in the Entitlement Offer a free attaching Option will be issued (“Offer Options”). The Offer Options will be unlisted with a two-year term and be exercisable by payment of \$0.20 each.

The Board have committed to taking up their full entitlement under the Offer (subject to compliance with the Corporations Act).

Eligible Shareholders

It is proposed that Shareholders with registered addresses inside Australia, New Zealand, Switzerland or Singapore who hold ordinary shares in the Company (“Existing Shares”) as at the record date (“Eligible Shareholders”) will be entitled to participate in the Issue.

Use of Funds

The Company is continuing to review the data received from the recent ‘Phase 1’ drilling campaign carried out over the Pacific Horizon Prospect on its highly prospective Silver Mountain copper-gold project in Arizona. Drilling is continuing on the Scarlett Prospect at two target areas, the Gold Veins and Silver Dollar Mine. Drilling has targeted the four unique styles of mineralisation found within the Silver Mountain Project, which lies on the same geological setting that hosts world-class porphyry copper mines such as Bagdad and Miami and also BHP/Rio’s Resolution project (one of the largest undeveloped copper deposits in the world). They also lie on the southern extension of the metallogenic belt that hosts United Verde and Iron King mines.



Funds raised from the Entitlement Offer will enable ongoing planned exploration at the Silver Mountain Project, the evaluation of analogous opportunities in the area and will contribute to the costs of the Entitlement Offer and provide additional working capital.

Key Terms

Key terms of the offer are set out in the following table.

Nature of Offer	Non-Renounceable Entitlement Offer of New Shares
New Share issue price	A\$0.15 per new share This represents a discount of approximately 18% to the volume weighted average price (VWAP) of Eagle Mountain's shares for the ten trading days before the announcement of \$0.184.
Offer ratio	1 new share for every 5 existing shares held on the Record Date
Number of New Shares to be issued	Up to 18,505,320 new shares (subject to rounding)
Amount to be raised under the Non-Renounceable Entitlement Offer	Up to \$2.77 million before costs of the offer
Attaching Options	1 Offer Option for every 2 New Shares taken up equating to 9,252,660 unlisted Options (subject to rounding)

Lead Manager

The Company has engaged Peloton Capital Pty Ltd as Lead Manager. The Lead Manager will be entitled to receive:

- a management fee of 1% (plus GST) of funds raised in relation to the Entitlement Offer excepting those funds committed from the Board;
- a capital raising fee of 5% (plus GST) of the total amount funds raised relating to clients of Peloton and of any shortfall arranged and placed; and
- the issue of 1 million Broker Options to be issued on the same terms as the Offer Options upon successful completion of the Entitlement Offer (full subscription).

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Proposed Timetable

The Company is finalising the prospectus for the Entitlement Offer which it expects to complete by Friday, 10 May 2019. Full details of the Entitlement Offer, including the timetable, will be announced by the Company when the prospectus is lodged.

Capital Structure on Completion of the Entitlement Offer

The exact number of New Shares to be issued may vary and will be dependent on the number of Eligible Shareholders and their entitlements, and the level of acceptances under the Entitlement Offer.

The following table shows the proposed capital structure of the Company on completion of the Entitlement Offer, based on full subscription.

Eagle Mountain Issued Capital	Ordinary Shares	Unlisted Options ⁱⁱ	Performance Rights ⁱⁱ
Existing Securities at the date of this announcement	92,526,600	18,156,599	180,000
Maximum number of New Shares to be issued under the Entitlement Offer (full subscription) ⁱ	18,505,320		
Free attaching Offer Options on the basis of 1 for every 2 New Shares taken up ⁱ		9,252,660	
Broker Options ⁱ		1,000,000	
Maximum number of Securities on issue after the Entitlement Offer	111,031,920	28,409,259	180,000

ⁱ Assumes full subscription, subject to rounding

ⁱⁱ Existing unlisted options and performance rights have various terms and vesting conditions

Shortfall

To the extent any shortfall arises Directors reserve the right to place sufficient of the shortfall in conjunction with the Lead Manager and at their absolute discretion (subject to the ASX Listing Rules) to meet the minimum requirements of the Company.

Further details of the Entitlement Offer including the proposed timetable, the key risks and how to accept the Entitlement Offer, will be set out in the Prospectus.



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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.

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.

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