



Successful A\$11m Placement Accelerates Activities at the Oracle Ridge Copper Mine

Highlights

- Eagle Mountain Mining has received firm commitments for A\$11 million (before costs) from institutions and high net worth individuals, via a share Placement.
- The new shares are being placed at \$0.35 per share, which is equivalent to the last traded share price.
- The Placement attracted significant domestic and international interest and was strongly supported by Australian institutional investors.
- An entity associated with Managing Director, Charles Bass, contributed \$2 million as part of the Placement.
- These proceeds will allow the Company to accelerate its efforts at Oracle Ridge and add new team members in both Tucson and Perth.

Placement to Raise \$11 Million

Eagle Mountain Mining Limited (ASX:EM2) ("Eagle Mountain" or "the Company") is pleased to announce that it has received firm commitments from high quality sophisticated, institutional and professional investors to raise A\$11 million (before costs) through the issue of 31,428,571 fully paid ordinary shares in the Company ("Shares") at an issue price of \$0.35 per Share ("Placement").

PAC Partners and Taylor Collison acted as Joint Lead Managers ("JLM") to the Placement and Canaccord Genuity acted as a Co-Manager.

Commenting on the successful capital raise, Eagle Mountain's CEO, Tim Mason said: *"We are delighted to welcome several new, prominent institutional and sophisticated investors to the Eagle Mountain share register and would like to thank existing shareholders for their continued support in the Placement. The Placement was very well received with strong demand exceeding the funds ultimately being sought by the Company by several times, despite being at no discount to the last traded price. This is a testament to the quality of the Oracle Ridge Project and the potential for near-mine areas to host further mineralisation."*

The Company plans to use these funds to continue diamond drilling at Oracle Ridge, while also transitioning us towards feasibility studies.

As announced earlier today, a highly experienced mining executive, Mr Manuel Ramos, former President and COO of ASARCO LLC has been appointed as the CEO of US Operations. Manuel's appointment is an important step in that transition."

Use of Funds

The Company intends to use the funds to:

- Continue diamond drilling at Oracle Ridge with the aim of:
 - expanding the resource size;
 - improving the resource with a focus on the higher grade zones;
 - developing the lateral and depth potential; and
 - testing prospective targets within a few kilometres of the mine.
- Add important new personnel to its geology and management teams in Tucson and Perth to expedite geological interpretation of multiple prospective areas around Oracle Ridge and position the Company for future growth.
- Review, and potentially acquire, further prospective landholdings in Arizona.

Placement Details

The Company has received binding commitments from institutional and sophisticated investors to raise \$11 million (before costs) through the issue of 31,428,571 fully paid ordinary Shares at an issue price of \$0.35 per share. It is intended that the Placement will be settled in two tranches.

The First Tranche will be for 25,714,286 shares to raise \$9 million, of which 10,251,998 shares will be issued under the Company's existing 15% placement capacity in accordance with Listing Rule 7.1 and 15,462,288 shares will be issued under the Company's existing 10% placement capacity in accordance with Listing Rule 7.1A.

The Second Tranche of the Placement of 5,714,286 shares for \$2 million will be taken up by an entity associated with the Managing Director, Mr Charles Bass, subject to shareholder approval.

Settlement of the First Tranche of the Placement is scheduled to occur on Thursday 25 February 2021, with the issue and trading of new shares expected to commence on Friday 26 February 2021.

The JLMs will receive a 6% fee on funds raised under the offer.

Incentive Securities

In addition to the above Placement and in accordance with the Company's incentive plan for Directors, employees and contractors, the Company has resolved to issue 11.3 million unlisted options; 6 million to Directors, subject to shareholder approval, and 5.3 million to employees and contractors. The options will be exercisable by payment of \$0.55 and \$0.52 respectively on or before 1 July 2024.

2.5 million of the employee options will be issued to Mr Manuel Ramos, newly appointed CEO of Silver Mountain Mining Operations, a subsidiary of Eagle Mountain Mining Limited, as performance and incentive options.

An Appendix 3G follows this announcement in respect of the issue of incentive securities together with an Appendix 3B for each of the proposed issue of Placement Shares and the unlisted options to be issued to Directors.

A Notice of Meeting will be sent to Shareholders in due course seeking approval for the issue of the Placement shares to an entity associated with Mr Charles Bass and for the issue of unlisted options to Directors.

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This Announcement has been approved for release by the Board of Eagle Mountain Mining Limited

EAGLE MOUNTAIN MINING LIMITED

Eagle Mountain is a copper-gold explorer focused on the strategic exploration and development of the Oracle Ridge Copper Mine and the highly-prospective greenfield Silver Mountain project, both located in Arizona, USA.

Eagle Mountain owns an 80% interest in the high-grade Oracle Ridge Copper mine and aims to create a low cost, low emission, sustainable mining operation to supply copper to the growing green energy sector.

Arizona is at the heart of America's mining industry and home to some of the world's largest copper discoveries such as Bagdad, Miami and Resolution, one of the largest undeveloped copper deposits in the world.

FORWARD LOOKING STATEMENTS

This announcement may include forward looking statements. Forward looking statements inherently involve subjective judgement, and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and may be unknown to, the Company.

Statements regarding the Company's plans with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional Mineral Resources/Ore Reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties. The performance of the Company may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors. Given these uncertainties, readers are cautioned not to place undue reliance on forward looking statements.