

NL
ACN 127 291 927

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT

AND

PROXY FORM

Date of Meeting
Monday 30 November 2020

Time of Meeting
5:00 pm

Place of Meeting
10 Walker Avenue
WEST PERTH WA 6005

This Notice of Annual General Meeting should be read in its entirety. If in doubt as to how you should vote, seek advice from an accountant, solicitor or other professional adviser prior to voting.

*The **2020 Annual Report** may be viewed on the Company's website at www.emunl.com.au*

Notice is hereby given that the 2020 Annual General Meeting (**Meeting**) of Emu NL (**EMU** or **Company**) will be held at 10 Walker Avenue, West Perth, Western Australia on Monday 30 November 2020 at 5:00 pm (AWST).

The Explanatory Statement to this Notice provides information on matters to be considered at the meeting. The Explanatory Statement and the Proxy Form are part of this Notice.

Capitalised terms and abbreviations used in this Notice and Explanatory Statement will, unless the context otherwise requires, have the same meaning as given to them in the Glossary.

AGENDA

2020 FINANCIAL STATEMENTS AND REPORTS

To receive the Financial Report, together with the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2020.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution:**

> "*That, for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2020 Annual Report be and is hereby adopted.*"

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: A vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a member of the Key Management Personnel or a Closely Related Party of such a member. However, such a person may cast a vote on the Resolution if the vote is not cast on behalf of such a person and the person:

(a) is appointed as a proxy by writing that specifies the way the proxy is to vote; or

(b) is the Chair of the meeting and the appointment of the Chair as proxy expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

A vote cast in contravention of this prohibition will be taken not to have been cast.

RESOLUTION 2 – APPROVAL TO RATIFY ISSUE OF SHARES USING 15% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

> *"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of 5,699,456 fully paid ordinary Shares."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 3 – APPROVAL TO RATIFY ISSUE OF SHARES USING 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

> *"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of 29,800,544 fully paid ordinary Shares."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES TO ACUITY CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

> *"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of up to 7,000,000 fully paid ordinary Shares to Acuity Capital pursuant to a Controlled Placement Agreement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS TO EMPLOYEES AND CONTRACTORS

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

> *"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions outlined in the Explanatory Statement) of 10,000,000 Options to acquire partly-paid Shares (exercisable at $0.03 each, expiring 21 December 2021) to selected employees/contractors on the terms and conditions outlined in the Explanatory Statement, in Annexure A."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 6 – APPROVAL TO ISSUE SHARES

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

> *"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 50,000,000 Shares at a minimum issue price of 80% of the volume weighted average market price of the Shares on ASX over a specified 5 day period specified in and on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following as a **special resolution**:

> *"That approval is given for the Company to have the additional capacity (i.e., 10% Placement Capacity) to issue Equity Securities under Listing Rule 7.1A, for the period specified in Listing Rule 7.1A.1 (i.e., 10% Placement Period) and in accordance with the formula prescribed in Listing Rule 7.1A.2."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 8 – RE-ELECTION OF MR THOMAS AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

> "*That, for the purpose of article 73.1 of the Constitution and for all other purposes, Mr Peter Thomas retires by rotation as a Director and, being eligible and having offered himself for re-election, is re-elected a Director of the Company."*

OTHER BUSINESS

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

PROXIES

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a **proxy**) to vote in their place.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions so that it is received prior to 5:00pm (AWST) on Saturday 28 November 2020 by:

1. post to Automic, GPO Box 5193, SYDNEY NSW 2001;
2. facsimile to Automic at (02) 8583 3040 (International: +61 2 8583 3040);
3. email at meetings@automicgroup.com.au; or
4. online at www.automicgroup.com.au.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

Entitlement to Vote

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00 pm (AWST) on Saturday 28 November 2020 will be entitled to attend and vote at the Annual General Meeting.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

Electronic Communication

All Shareholders may elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

Voting of Proxies

The Proxy Form accompanying this Notice confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice and any other matters that may properly come before the Meeting. At the time of printing this Notice, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of Proxy Form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

By order of the Board.

Damien Kelly
Company Secretary
Date: 30 October 2020

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and comprises part of the notice (**Notice**) convening the Annual General Meeting (**Meeting**) of Shareholders of Emu NL to be held Monday 30 November 2020.

Capitalised terms in this Explanatory Statement are defined in the Glossary.

FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2020.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered a reasonable opportunity to:

(a) discuss the Annual Report which is available online from the Company's website www.emunl.com.au;

(b) ask questions about, or comment on, the management of the Company; and

(c) ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor, if the question is relevant to:

(a) the content of the Auditor's Report; or

(b) the conduct of the audit of the Annual Report to be considered at the AGM,

may be submitted no later than 5 business days before the Meeting to the Company by email at info@emunl.com.au or delivered to the Company's registered office.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

Section 250R of the Corporations Act requires the Company to put the Remuneration Report to members for adoption. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel. Copies of the Annual Report are available by contacting the Company's share registry or visiting the Company's web site www.emunl.com.au.

The vote of the members is advisory only and does not bind the Directors of the Company.

Following consideration of the Remuneration Report, members will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Chair intends to exercise all available proxies in favour of Resolution 1.

1.2 Voting Consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election but at that meeting the voting prohibition applicable to the adoption of the Remuneration Report does not apply meaning all Key Management Personnel and each Closely Related Party may vote and accordingly the outcome at the AGM may be no indication of the likely outcome of the vote on the spill resolution.

1.3 Previous Voting Results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

RESOLUTION 2 –APPROVAL TO RATIFY ISSUE OF SHARES USING 15% PLACEMENT CAPACITY

2.1 General

On 7 October 2020, the Company announced that it had completed a placement of shares to raise $1,065,000 before costs to professional and sophisticated investors, with the proceeds being applied to assist with the acquisition of certain tenements in Western Australia and progressing exploration at its 8 Mile Dam project.

A total of 35,500,000 fully paid ordinary Shares were subsequently issued to sophisticated and professional investors on that same date, with the placement being made at $0.03 per Share.

The Placement was made within the Company's existing pre-approved Listing Rule 7.1A 10% placement capacity as to 29,800,544 Shares and within its Listing Rule 7.1 15% placement capacity as to 5,699,456 Shares.

The latter Shares, i.e. 5,699,456 Shares are the subject of this Resolution.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Placement does not fit within any of these exceptions and, as it has not yet been approved by EMU's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing EMU's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the Placement issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

EMU wishes to retain as much flexibility as possible to issue additional equity securities without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, resolution 2 seeks shareholder approval to the Placement under and for the purposes of Listing Rule 7.4.

If resolution 2 is passed, the Placement will be excluded in calculating EMU's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue Date.

If resolution 2 is not passed, the Placement will be included in calculating EMU's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue date.

2.2 Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

(a) 5,699,456 fully paid Shares were allotted and issued by the Company within the Company's Listing Rule 7.1 capacity on 7 October 2020;

(b) the issue price was $0.03 per Share;

(c) the Shares were fully paid ordinary Shares which rank equally with all other fully paid ordinary Shares on issue and currently quoted as ASX:EMU;

(d) the Shares were issued as a private placement to numerous sophisticated and professional investors who are not related parties of the Company; and

(e) the funds raised were to be applied to assist with the acquisition of certain tenements in Western Australia and progressing exploration at its 8 Mile Dam project.

2.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

The Chair intends to exercise all undirected proxies in favour of Resolution 2.

RESOLUTION 3 –APPROVAL TO RATIFY ISSUE OF SHARES USING 10% PLACEMENT CAPACITY

3.1 General

As detailed in the above section 2.1, a total of 35,500,000 fully paid ordinary Shares were issued to sophisticated and professional investors.

The Placement was made within the Company's existing pre-approved Listing Rule 7.1A 10% placement capacity as to 29,800,544 Shares and within its Listing Rule 7.1 15% placement capacity as to 5,699,456 Shares.

The former Shares, i.e. 29,800,544 Shares are the subject of this Resolution.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1A limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 10% of the fully paid ordinary securities it had on issue at the start of that period.

The Placement does not fit within any of these exceptions and, as it has not yet been approved by EMU's shareholders, it effectively uses up part of the 10% limit in Listing Rule 7.1A, reducing EMU's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1A for the 12 month period following the Placement issue Date.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach, in this case, the 10% threshold set by Listing Rule 7.1A. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares up to 10% of the issued capital of the Company under Listing Rule 7.1A without requiring Shareholder approval.

EMU wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1 and Listing Rule 7.1.

To this end, resolution 3 seeks shareholder approval to the Placement under and for the purposes of Listing Rule 7.4.

If resolution 3 is passed, the Placement will be excluded in calculating EMU's 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue Date.

If resolution 3 is not passed, the Placement will be included in calculating EMU's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue date.

3.2 Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

(a) 29,800,544 fully paid Shares were allotted and issued by the Company within the Company's Listing Rule 7.1A capacity on 7 October 2020;

(b) the issue price was $0.03 per Share;

(c) the Shares were fully paid ordinary Shares which rank equally with all other fully paid ordinary Shares on issue and currently quoted as ASX:EMU;

(d) the Shares were issued as a private placement to numerous sophisticated and professional investors, none of whom are related parties, substantial holders, or key management personal of the Company; and

(e) the funds raised were to be applied to assist with the acquisition of certain tenements in Western Australia and progressing exploration at its 8 Mile Dam project.

3.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

The Chair intends to exercise all undirected proxies in favour of Resolution 3.

RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES TO ACUITY CAPITAL

4.1 General

In July 2017, the Company entered into a Controlled Placement Agreement (**CPA**) with Acuity Capital Investment Management Pty Ltd (**Acuity**) under which the Company might (if, when and at a price or prices in one or more tranches) at its sole discretion raise up to $2 million. There is no requirement for the Company to utilise the CPA, which it may terminate at any time, without cost or penalty. The CPA does not contractually restrict EMU's ability to otherwise raise capital. Each time the Company elects (if at all) to utilise the CPA, it will set a floor price which floor price will be determined by the Company in its sole discretion. The final issue price will be the greater of the floor price and the price which is 90% to the volume weighted average on market sale price realised by Acuity over a period nominated by the Company.

On 15 December 2017, the Company issued 4,000,000 fully paid ordinary Shares (**Collateral Shares**) at nil issue price to Acuity Capital. This issue was subsequently ratified at a General Meeting of Shareholders held on 24 August 2018.

On 21 February 2019, the original CPA was amended to document the issue of an additional 3,400,000 fully paid ordinary Shares as collateral for the updated CPA. This issue was subsequently ratified at a General Meeting of Shareholders held on 25 March 2019.

On 17 December 2019, the original CPA was further amended to document the issue of an additional 8,300,000 fully paid ordinary Shares as collateral for the updated CPA. This intended issue was ratified at the Annual General Meeting of Shareholders held on 29 November 2019.

The Company intends to further amend (subject to agreement with Acuity), the original CPA to document the issue of up to an additional 7,000,000 fully paid ordinary Shares as collateral for the updated CPA.

The Company may, at any time, cancel the CPA and buy back, or at its option, cancel the Collateral Shares for no consideration (subject to shareholder approval) or require the Collateral Shares to be transferred to a third party without any consideration being due or payable to Acuity Capital.

The Company intends to issue the securities the subject of the approval proposed by this resolution on or before the Annual General Meeting, without prior Shareholder approval, out of its 15% placement capacity pursuant to Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the said maximum of 7,000,000 securities.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of Shares to Acuity does not fit within any of these exceptions and, as it has not yet been approved by EMU's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing EMU's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the issue Date.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1 or the 10% threshold set by Listing Rule 7.1A (as the case may be). The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares up to 15% of the issued capital of the Company under Listing Rule 7.1 and up to a further 10% of the issued capital of the Company under Listing Rule 7.1A (as the case may be) without requiring Shareholder approval.

EMU wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, resolution 4 seeks shareholder approval to the issue of Shares to Acuity under and for the purposes of Listing Rule 7.4.

If resolution 4 is passed, the issue of Shares to Acuity will be excluded in calculating EMU's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue Date.

If resolution 4 is not passed, the issue of Shares to Acuity will be included in calculating EMU's 15% limit in Listing

Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue date.

4.2 Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

(a) Up to 7,000,000 fully paid ordinary Shares are intended to be issued by the Company to Acuity before or within three months of the Annual General Meeting;

(b) the Collateral Shares are to be issued for no cash consideration but rather pursuant to the CPA;

(c) the Collateral Shares are to be fully paid ordinary shares which will rank equally with all other fully paid ordinary shares on issue;

(d) the Collateral Shares are intended to be issued as a private placement to Acuity which is not a related party of the Company; and

(e) no funds will be raised from the issue.

4.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

The Chair intends to exercise all undirected proxies in favour of Resolution 4.

RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS TO EMPLOYEES/CONTRACTORS

5.1 General

On 14 February 2020, the Company announced that a total of 10,000,000 unlisted options to acquire partly-paid ordinary shares had been issued. The Board considers that offering incentive options is appropriate to attract and retain the right calibre of professionals to the Company with the appropriate mindset for a junior explorer. Equity-based incentives/remuneration help align the interests of employees/contractors with shareholders in that the employees/contractors thereby have a vested interest in seeing the delivery of value to shareholders through share price appreciation.

The issue was made within the Company's existing Listing Rule 7.1 15% placement capacity.

The effect of Resolution 5 will be to authorise the Directors to issue the Options without using the Company's 15% placement capacity under Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Options does not fit within any of these exceptions and, as it has not yet been approved by EMU's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing EMU's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the Option issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

EMU wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, resolution 5 seeks shareholder approval to the Option issue under and for the purposes of Listing Rule 7.4.

If resolution 5 is passed, the Option issue will be excluded in calculating EMU's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Option issue Date.

If resolution 5 is not passed, the Option issue will be included in calculating EMU's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Option issue date.

5.2 Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

(a) A total of 10,000,000 Options have been issued by the Company;

(b) the Options were issued to employees/contractors selected by the Board (including 3,000,000 Options which were issued to Astrial Pty Ltd, a business consulting to the mining and exploration industry which provides CEO services to EMU), none of whom are excluded from being issued the Options by virtue of ASX Listing Rule 10.11;

(c) the Options are exercisable at $0.03 each on or before 21 December 2021, entitle the holder to acquire partly-paid Shares upon the terms and conditions outlined in Appendix A and rank equally with all other Options issued with the same terms and conditions; and

(d) no funds were raised as the issue of Options was made by way of equity-based remuneration for rendering of services.

5.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

RESOLUTION 6 – APPROVAL TO ISSUE SHARES

6.1 General

EMU continues to search for new mineral exploration, development, and mining opportunities within Australia. The purpose of this resolution is to provide the Company with flexibility to raise funds in order to enable the Company to take advantage of opportunities as they arise (such as new projects), to further its existing exploration projects, and to pay for corporate expenses (**Prospective Issue**).

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Prospective Issue of Shares may not fit within any of these exceptions and, as it has not yet been approved by EMU's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing EMU's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the issue Date.

EMU wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, resolution 6 seeks shareholder approval to the Prospective Issue under and for the purposes of Listing Rule 7.4. The Company will not be obligated to utilise this authority.

If resolution 6 is passed, the Directors will be authorised to issue a capped number of Shares (subject to the specified pricing constraint being met and then only within 3 months of the Meeting or such later date as approved by ASX) and the Prospective Issue will be excluded in calculating EMU's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue Date.

If resolution 6 is not passed, the Prospective Issue will be included in calculating EMU's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue date.

6.2 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3. If the authority is utilised:

(a) the Company will issue up to 50,000,000 Shares;

(b) the Company will issue shares (and the issue date will be) within 3 months of the date of the Meeting or such later date as may be approved by ASX;

(c) the *minimum* issue price per share will be 80% of the volume weighted average market price of the Shares on ASX over the last 5 days on which sales in the Shares were recorded before:

(i) the date on which the issue is made; or

(ii) if there is a prospectus relating to the issue, the date of the prospectus; or

(iii) the date on which the price at which the Shares are to be issued is agreed, provided that the Shares are issued within 5 Trading Days of that date;

(the actual issue price, if any, may be higher – and the Directors will endeavour to procure this);

(d) the Shares will be fully paid ordinary Shares and rank equally with all other Shares on issue;

(e) subject to the Corporations Act and ASX Listing Rules, the Shares will be issued at the discretion of the Directors to persons who have not been identified as at the date of this Notice but who will not be related parties of the Company;

(f) the funds raised are intended to be applied towards further exploration work on EMU's exploration projects, to pay for corporate expenses, and possibly to take advantage of new opportunities as they arise (such as new projects); and

(g) at the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

6.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

The Chair intends to exercise all undirected proxies in favour of Resolution 6.

RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY

7.1 General

ASX Listing Rule 7.1A provides that, in addition to the 15% placement capacity permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue, during the period the approval is valid, a number of quoted Equity Securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period as adjusted in accordance with the formula in ASX Listing Rule 7.1 (**10% Placement Facility**).

An eligible entity is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis). The Company is an eligible entity.

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue these classes of Equity Securities, namely, listed Shares, listed Contributing Shares and unlisted Options ((i) options to acquire Contributing Shares at $0.02 each on or before 21.12.2020, (ii) options to acquire Fully Paid Shares at $0.20 each on or before 15.1.2021, (iii) options to acquire Fully Paid Shares at $0.20 each on or before 16.1.2021, (iv) options to acquire Contributing Shares at $0.03 each on or before 21.12.2021).

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue quoted Equity Securities under the 10% Placement Facility available under ASX Listing Rule 7.1A. The maximum number of quoted Equity Securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue quoted Equity Securities without Shareholder approval available under ASX Listing Rule 7.1A, and will remain subject to the 15% limit on issuing (or agreeing to issue) Equity Securities without Shareholder approval set out in ASX Listing

Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

7.2 Description of Listing Rule 7.1A and information required by Listing Rule 7.3A

(a) **10% Placement Period**

If Shareholders approve Resolution 7, the Company's ability to issue quoted Equity Securities under the 10% Placement Facility will commence on the date of the Meeting and expire on the first to occur of the following:

(i) the date that is 12 months after the date of the Meeting;

(ii) the time and date of the Company's next annual general meeting;

(iii) the time and date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.1 or 11.2,

(the **10% Placement Period**).

(b) **Minimum Issue Price**

The issue price of quoted Equity Securities issued under Listing Rule 7.1A must be a cash consideration per Equity Security of not less than 75% of the volume weighted average market price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in the class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

(ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

(c) **Purpose of Funds Raised**

Funds raised from the issue of quoted Equity Securities under the 10% Placement Facility are intended to be used towards advancing existing assets and investments, the acquisition and development of new assets and investments, corporate and administration costs and working capital.

(d) **Economic and Voting Dilution Risk**

If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised). There is a risk that:

(i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

(ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

(i) two examples where variable "A" has increased, by 50% and 100% and the voting dilution impact of such an increase. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

(ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		$0.033 **50% decrease in Issue Price**	$0.067 **Issue Price**	$0.134 **100% increase in Issue Price**
Current Variable A (Shares) 333,505,436 Shares	**10% dilution**	33,350,543 Shares		
	Funds raised	$1,100,567	$2,234,486	$4,468,972
50% increase in Variable A (Shares) 500,258,154 Shares	**10% dilution**	50,025,815 Shares		
	Funds raised	$1,650,851	$3,351,729	$6,703,459
100% increase in Variable A (Shares) 667,010,872 Shares	**10% dilution**	66,701,087 Shares		
	Funds raised	$2,201,135	$4,468,972	$8,937,945

The table has been prepared on the following assumptions.

(i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

(ii) No Options or Performance Rights (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.

(iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused by their own shareholding depending on the specific circumstances.

(v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

(vii) The current issue price is $0.067 being the closing price of the Shares on the ASX on 20 October 2020.

(viii) The Company will only issue the Equity Securities during the 10% Placement Period.

(e) **Allocation Policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors set out in the Company's allocation policy, including but not limited to the following:

(i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;

(ii) the effect of the issue of the Equity Securities on the control of the Company;

(iii) the financial situation and solvency of the Company; and

(iv) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing Substantial Holders and/or new Shareholders who are not related parties or associates of a related party of the Company.

(f) **Use of 10% Placement Facility in prior 12 months**

The Company obtained Shareholders approval for its 10% Placement Facility at its previous annual general meeting held on 29 November 2019.

During the 12 month period preceding the date of this Meeting, being on and from 30 November 2019, the Company has issued a total of 29,800,544 Equity Securities under ASX Listing Rule 7.1A.2, which represents 6.11% of the total number of the Equity Securities on issue in the Company on 29 November 2019, which was 488,000,150.

Date of Issue	Number of Securities	Class	Issue Price and discount to Market Price	Total Consideration	Basis of allotment
7/10/2020	**29,800,544**	**Ordinary fully paid Shares**	$0.03 per share Discount 38.6%	$894,016	Placement to sophisticated and/or professional investors

(g) In respect of the issues of Equity Securities over the last 12 months that were issued for cash, the fifth bullet point of Listing Rule 7.3A.6(b) requires the Company to disclose in this Notice "the total cash consideration, the amount of that cash that has been spent, what it was spent on, and what is the intended use for the remaining amount of that cash (if any)". Whilst the total cash consideration received was mingled with the funds then on hand, on the basis of accounting for funds spent on a first in first out method, all of the funds raised have yet to be spent on continuing the Company exploration activities and on necessary corporate expenses.

(h) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

7.3 Directors' Recommendation

Based on the information available, including the information contained in this Explanatory Statement, all of the Directors consider that Resolution 7 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 7. The Directors have formed this view as the passing of this Resolution will provide greater flexibility when considering future capital raising opportunities. The passing of Resolution 7 will increase the Directors' ability to issue new Shares permitted by the Listing Rules without requiring Shareholder approval.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chair intends to exercise all undirected proxies in favour of Resolution 7.

RESOLUTION 8 – RE-ELECTION OF MR PETER THOMAS AS A DIRECTOR

8.1 Introduction

Mr Thomas was appointed as a founding Director on 29 August 2007. He retires in accordance with the Listing Rules and Article 73.1 of the Company's Constitution and, being eligible, offers himself for re-election.

Mr Thomas is a high-energy professional corporate director with astute commercial acumen and business expertise. For over 30 years, before retiring from legal practice, he specialised in the delivery of wide ranging legal, coprorate and commercial advice to listed explorers and miners.

For nearly 40 years he has served on the boards of various listed companies including being the founding chairman of

both copper producer Sandfire Resources NL (2004) and mineral sands producer Image Resources NL. Current ASX listed company board positions include being a non-executive director of Image Resources NL (since 19 April 2002) and non-executive chair of Middle Island Resources Limited (since 2 March 2010).

Further details in relation to Mr Thomas's remuneration, interests in and services to the Company are set out in the Annual Report. The Board considers Mr Thomas to be an independent Director.

8.2 Directors' Recommendation

The Directors, except Mr Thomas, who has an interest in this Resolution, recommend Shareholders vote in favour of Resolution 8.

The Chair intends to exercise all undirected proxies in favour of Resolution 8.

GLOSSARY

In this Explanatory Statement and the Notice, the following terms have the following meanings unless the context otherwise requires:

$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 7.1 of the Explanatory Statement.

10% Placement Period has the meaning given in Section 7.2 of the Explanatory Statement.

AGM, Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's report in respect of the financial year ended 30 June 2019 (copies of which have been sent to Shareholders who have made an election to receive it and copies of which are available on the Company's web site www.emunl.com.au).

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as defined in section 11 and sections 13 to 17 of the Corporations Act.

ASX means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.

ASX Listing Rules means the Listing Rules of ASX.

Auditor's Report means the auditor's report on the Financial Report.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means Mr Peter Thomas, or (if Mr Thomas is absent) such other person appointed to chair the Meeting in accordance with the Constitution.

Closely Related Party of a member of the Key Management Personnel means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- a company the member controls; or
- a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company or **EMU** means Emu NL ACN 127 291 927.

Constitution means the Company's constitution, as amended from time to time.

Contributing Share means a partly paid ordinary shares in the Company, each of which (a) has a paid-up capital of $0.03; and (b) has an unpaid amount of a further $0.03 (a call on which will not be made before 31 December 2023).

Convertible Security means a security of the Company which is convertible into Shares.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Director means a current director of the Company.

Director's Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means this information attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Fully Paid Share means a fully paid ordinary share in the capital of the Company.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing

and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Option holder means a holder of an Option.

Proxy Form means the proxy form accompanying to this Notice.

Remuneration Report means the section of the Directors' Report contained in the Annual Report entitled "remuneration report".

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid and/or a partly paid ordinary share in the capital of the Company as the context requires.

Shareholder means a holder of a Share in the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

ANNEXURE A

EMU NL
ACN 127 291 927
(**EMU** or the **Company**)

TERMS AND CONDITIONS
EMPLOYEE/SUBCONTRACTOR OPTIONS EXPIRING 21 DECEMBER 2021

The Options are issued on the following terms:

1. The exercise price of each Option will be three (3) cents (**Exercise Price**).

2. Each Option entitles the holder to subscribe for partly paid ordinary share (**Share**) in EMU NL ACN 127 291 927 (**Employer**) upon the payment of the Exercise Price per Share subscribed for. The partly paid shares shall rank pari passu with the class of partly paid shares listed at the date of grant of the options.

3. Any of the Options that have not been exercised will lapse at the earlier of the following (the applicable time and date being the **Expiry Date**):

    a. 5:00 pm on 21 December 2021; or

    b. One (1) month after the termination or expiry of employment or contractual arrangements.

4. The Options are transferable with leave of the Company's board of directors.

5. There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled (as a consequence of holding Option) to participate in new issues of capital that may be offered to shareholders during the currency of the Options.

6. The Option holder has the right to exercise Options prior to the date for determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be afforded a period of at least 3 business days before the relevant closing date to exercise the Options.

7. In the event the Employer proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.

8. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.

9. Unless approved otherwise by the Company on a case-by-case basis (with no obligation on the Company to do so), Options can only be exercised in parcels of not less than 500,000, except where the total Options held by the holder is less than 500,000 (in which case, all Options held by the holder must be exercised and the costs of filing with ASX in connection with the exercise to be borne up front by the Option holder). Subject to ASX listing rules, the Company shall not be obliged to issue Shares in response to an exercise of Options more frequently than once per calendar quarter. The Company may, in its discretion, waive this clause or any part of it and such a waiver may be subject to conditions or further limitations.

10. Of the options issued:

    a. One half of the number issued have no specific vesting conditions; and

    b. The remaining one-half of the number issued vest on 21 December 2020.

11. Subject to clauses 9 and 10, the Options shall be exercisable at any time during the period (**Exercise Period**) ending on the Expiry Date by: (a) the delivery to the registered office of the Employer of a notice in writing (**Notice**) stating the intention of the Option holder to exercise all or a specified number of Options held by the Option holder accompanied by an Option certificate and cleared funds for the subscription monies for the Shares; or (b) such other form and method as may be approved by the Employer from time to time. The Notice and cleared funds must be received by the Employer during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the remaining Options but in any such instance the Employee must indemnify the Employer from and against out of pocket expenses arising as a consequence of any such exercise (including the cost of giving instructions for and for preparing and filing a Form 3B on exercise and the fees raised by ASX (including Clearing House or Operations) as a consequence of any such exercise (being presently minimum circa $1,850 +GST).

12. The Employer shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.

13. The Shares allotted shall rank, from the date of allotment, equally with the existing partly-paid ordinary Shares (**ASX:EMUCA**) of the Employer in all respects.

EMU NL | ACN 127 291 927

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **5.00pm (WST) on Saturday, 28 November 2020,** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online:
Use your computer or smartphone to appoint a proxy at
https://investor.automic.com.au/#/loginsah
or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBCHAT: https://automicgroup.com.au/

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:
I/We being a Shareholder entitled to attend and vote at the General Meeting of EMU NL, to be held at **5.00pm (WST) on Monday, 30 November 2020 at 10 Walker Avenue, West Perth WA 6005** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 – Your voting direction

Resolutions		For	Against	Abstain
1.	Adoption of Remuneration Report	☐	☐	☐
2.	Approval to ratify Issue of Shares using 15% Placement Capacity	☐	☐	☐
3.	Approval to ratify Issue of Shares using 10% Placement Capacity	☐	☐	☐
4.	Ratification of Issue of Shares to Acuity Capital	☐	☐	☐
5.	Ratification of Issue of Options to Employees and Contractors	☐	☐	☐
6.	Approval to Issue Shares	☐	☐	☐
7.	Approval of 10% Placement Capacity	☐	☐	☐
8.	Re-Election of Mr Thomas as a Director	☐	☐	☐

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) / /

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

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