EMU NL

Priority follow-up drilling planned at Flying Emu Gold Discovery

30 May 2022

Highlights

- **Systematic approach to exploration by EMU's geologists results in a new gold discovery at Flying Emu prospect**
- **Broad, near surface gold mineralisation identified from the first hole 22FERC001 in the Stage 3 drill programme completed in April 2022[1]**
  - **9m at 3.44g/t gold** from 39m including;
  - **2m at 10.14g/t gold** from 39m.
- **Visible fluorescing scheelite from RC drill hole rock chips highlights the presence of tungsten replicating findings previously reported at Monte Cristo.[2] Samples submitted for multi element assays**
- **Preparations underway for the Stage 4 follow-up RC drill programme planned to test strike extensions and depth continuity at Flying Emu**
- **Drill contractor and rig secured for targeted RC drilling at Flying Emu, Gnows Nest and follow-up testing of regional aircore drill intercepts**

EMU NL, (**EMU** or the **Company**, ASX:EMU), is pleased to provide a further exploration update from its Badja Project near Yalgoo, Western Australia.

EMU's Chairman Peter Thomas commented:

"EMU's success in discovering a broad intercept of high-grade gold with possible tungsten, from its first targeted hole at Flying Emu has resulted from the highly competent, sustained, systematic and thoroughly measured programme of geological investigation and field work by our outstanding technical team. Utilising years of experience and recognition of geological signatures displayed in previous discovery zones within the Badja Project, the team has pinpointed yet another high-grade gold zone that merits detailed follow-up. Following the receipts of further assay results in the next 4-10 weeks, Flying Emu will be drill tested."

As previously reported[1], EMU announced a new gold zone discovery located 1 km to the northwest of the Monte Cristo gold discovery. The **Flying Emu prospect** is located along the same geological formation with a similar thrust fault and structural deflection magnetic signature to that seen at the Monte Cristo and Water Tank Hill prospects.

[1] See ASX Release 18 May 2022 "Further High Grade gold and Significant Gold Discovery"
[2] See ASX Release 5 April 2022 "New Prospective Gold and Tungsten Zones Identified at Badja Project –Drilling to Commence Immediately"

Select Sampling and Results Reported to Market

The drill samples dispatched for early laboratory analysis and reporting to the market were selected by EMU's geologists from visually interesting intercepts logged during the drill programme.

The first hole to test the Flying Emu prospect, (**22FERC001**) intercepted **9m at 3.44 g/t Au** between 39 - 47m, including **2m at 10.14 g/t Au** from 39m. Hole 22FERC003, located 80m to the north along geological strike, intercepted 1m at 0.73 g/t Au, noting that EMU is still awaiting results from all the drill holes in the prospect area. The results at hand indicate that the shallow mineralised gold zone is likely to be moderately plunging to the north (similar to the plunge identified in the Monte Cristo deposit), with hole 22FERC003 (and the anomalous interval of 1m @0.73 g/t Au) interpreted to have intercepted the top of a halo zone of the plunging gold orebody to the north.

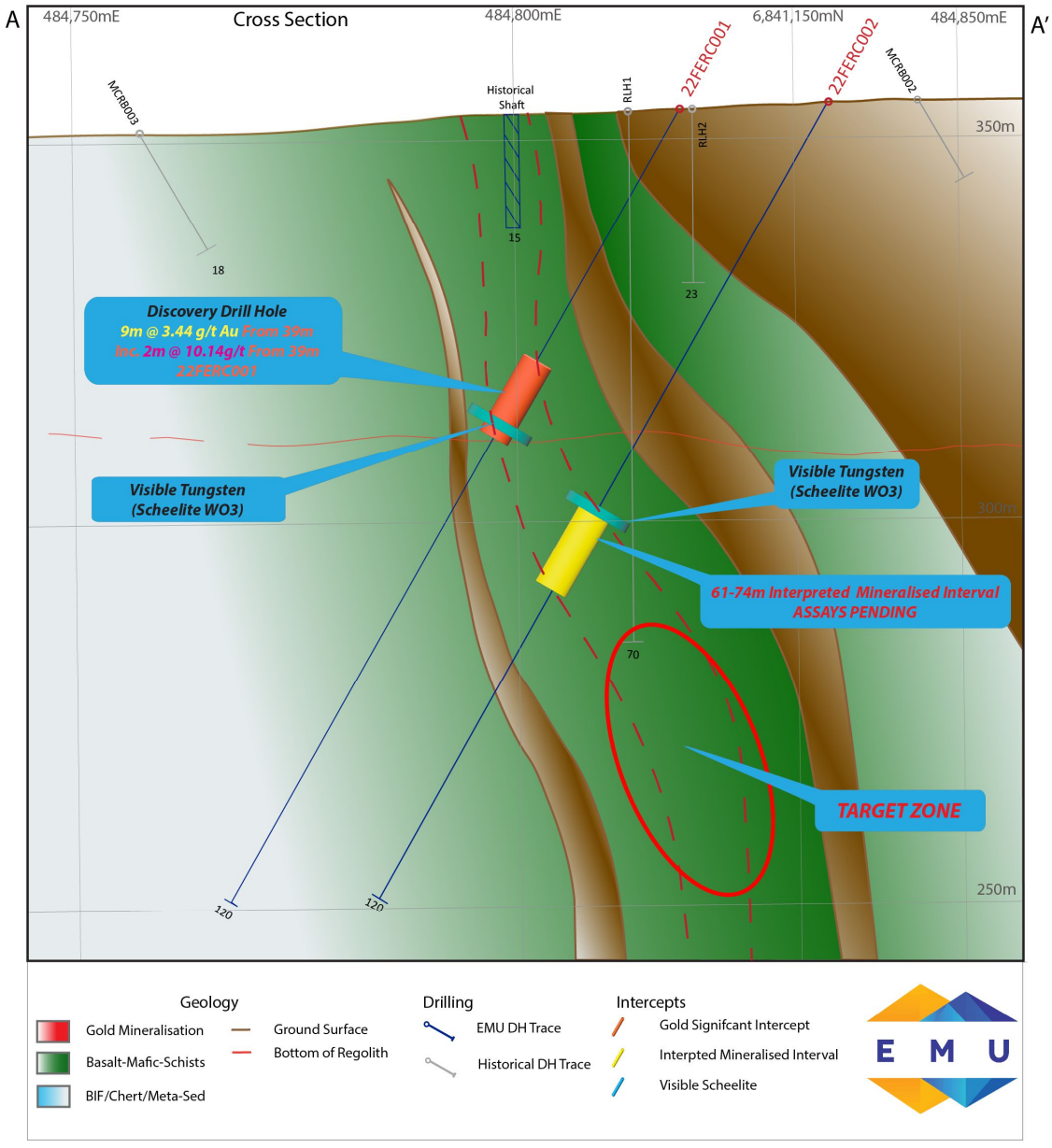

Fig 1: Section A - A' through Flying Emu showing mineralised intercept and target zone (see also Collar Plan Fig 4)

Hole 22FERC002, drilled directly beneath 22FERC001, currently has no assays returned, but is displaying approximately 1% visual scheelite and quartz-carbonate-pyrite veining between 61 – 74m downhole as seen in the drill cuttings.

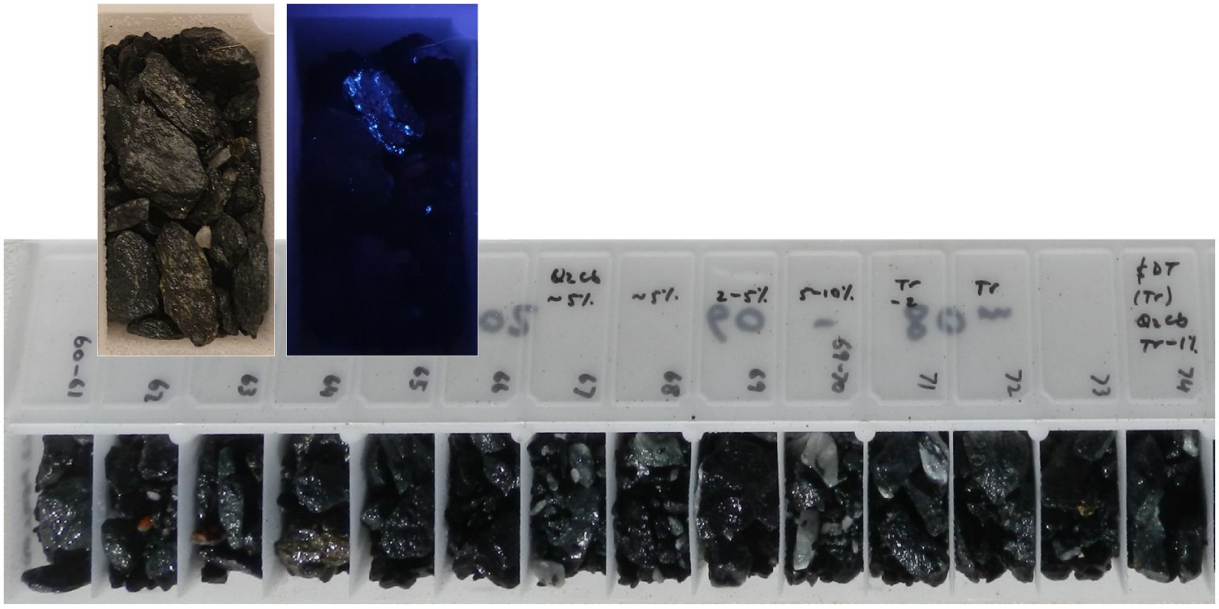

Fig 2: Drill cuttings for 22FERC002 over interval 60 -74m
Inset photos 61 – 62m visible spectrum (LHS), short-wave UV (RHS)

The discovery hole has provided significant encouragement for the EMU team to commence preparations for a follow-up RC drill programme. The Stage 4 programme will test the strike, depth and plunge extensions at Flying Emu, seeking to replicate the results from this discovery hole.

Possibility of Economic Grades of Tungsten

The discovery intercept in 22FERC001, is located in the "saprock" oxidised portion of the weathering profile, which typically destroys the visible carbonate component of scheelite, however the drill cuttings still show minor visible fluorescing scheelite and associated magnetite in the deepest part of the gold intercept at 46 – 47m. This is a good indicator that the Flying Emu prospect potentially contains economic grades of tungsten, similar to those at Monte Cristo.

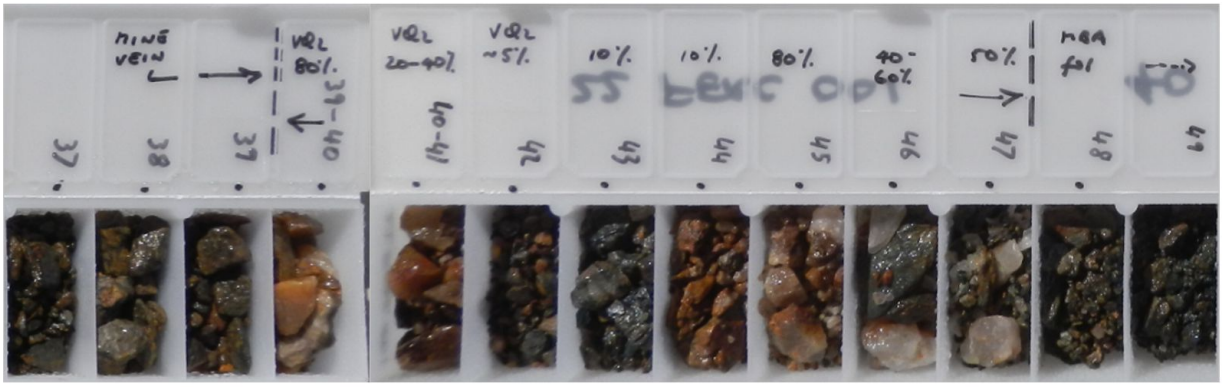

Fig 3: Drill cuttings for 22FERC001 over mineralised interval 39 – 47m

The AC drill programme, which ran concurrently with the RC drilling, also tested a parallel zone of interest 120m to the west of Flying Emu with similar geochemistry and geophysics signatures as those observed in the Flying Emu discovery zone. The results from the air-core drilling are expected over the coming weeks.

Early Assessment and Targeting of Flying Emu

The Flying Emu prospect was highlighted as a priority target by EMU's geological team for systematic exploration following successes at the Monte Cristo and Watertank Hill prospects.

Previous, modern exploration companies that held the Flying Emu ground, overlooked or decided against drilling several historic workings located along structural lineaments on the greenstone belt and BIF sedimentary sequences.

EMU's systematic approach identified gaps in previous exploration drilling. Further desktop studies, geological mapping, soil and rock chip sampling, combined with a working knowledge and familiarity of the Monte Cristo and Gnows Nest gold mineralisation systems, all indicated a potential opportunity missed by prior explorers.

Aeromagnetic interpreted thrust faults or "jogs" in the structural lineaments, indicated favourable gold depositional dilation zones adding to the layers of information outlining primary target zones with a distinct exploration signature to host gold mineralisation in the Flying Emu prospect.

Update Stage 3 Drilling Programme

EMU reported the completion of its Stage 3 drilling campaign as having come in under budget and ahead of schedule in its prior ASX release[1] .

Apart from the first batch of assay results reported, all remaining sample results from this programme are currently being processed and analysed at Nagrom Laboratories in Kelmscott WA, with results expected within the next 4-10 weeks.

From the results at hand, the Stage 3 drilling, which included 2,486m of RC drilling and 7,258 of aircore drilling, not only resulted in the discovery at Flying Emu, but also produced a significant drill intercept at the Gnows Nest prospect highlighting the extension of a north-plunging high grade gold ore shoot, in what was previously interpreted to be a "barren shear zone". A follow-up drill programme planned for the discovery zone at Flying Emu prospect will also include follow up testing of the significant gold hit at Gnows Nest and any intercepts from the regional aircore drilling.

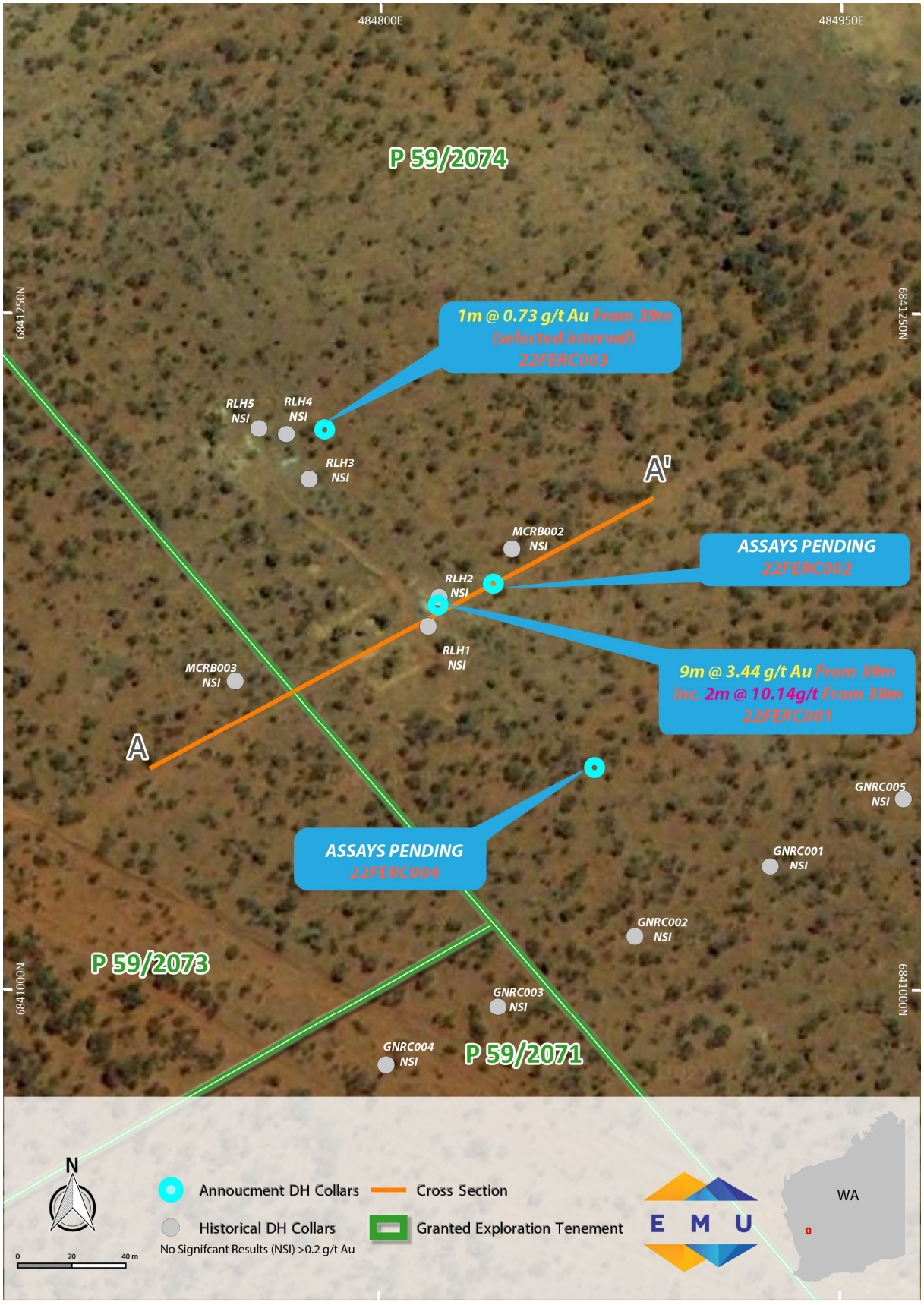

Fig 4: Flying Emu Prospect Collar Plan. Note Emu drill positions relative to historical drill holes with "no significant intersections" (> 0.2g/t Au)

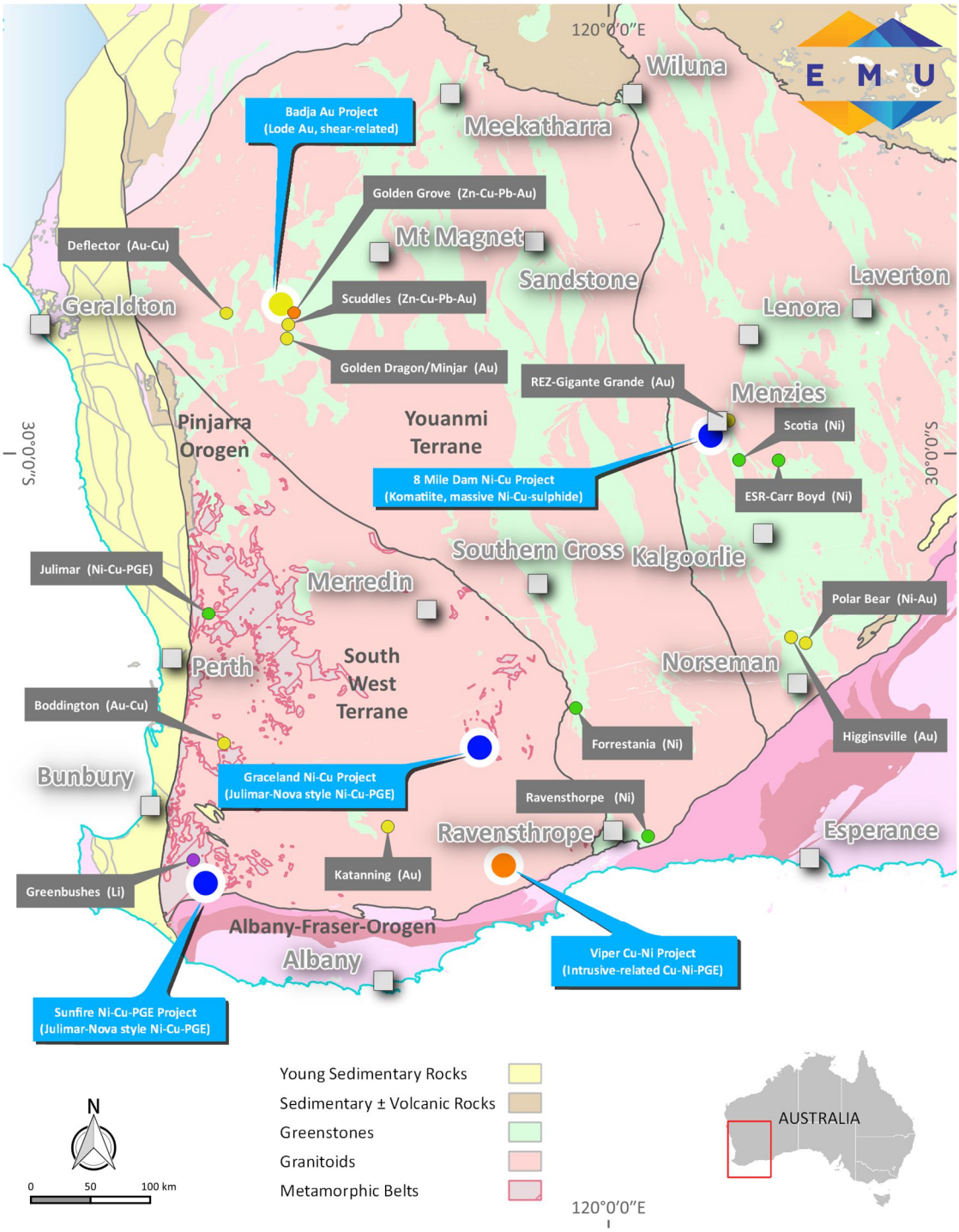

Fig 5: Emu NL Project Location Map

RELEASE AUTHORISED BY THE BOARD

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Fully paid shares (listed)

549,814,484 (including 18.6m which EMU can buy back for nil consideration)

Contributing Shares (listed)

40,485,069 paid to $0.03, $0.03 to pay, no call before 31/12/2023

Options (unlisted)

33,320,000 options to acquire fully [paid shares, exercisable at $0.075 each, expiry 15/3/2023

35,000,000 options to acquire partly paid shares, exercisable at $0.0001 each, expiry 15/11/2022

Performance Rights (Unlisted)

48,571,429 performance rights in relation to acquisition of Gnows Nest project

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COMPETENT PERSON'S STATEMENT

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Kurtis Dunstone, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Dunstone is an employee of EMU NL and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "*Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*". Mr Montes consents to the inclusion herein of the matters based upon his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

As a result of a variety of risks, uncertainties and other factors, actual events and results may differ materially from any forward looking and other statements herein not purporting to be of historical fact. Any statements concerning mining reserves, resources and exploration results are forward looking in that they involve estimates based on assumptions. Forward looking statements are based on management's beliefs, opinions and estimates as of the respective dates they are made. The Company does not assume any obligation to update forward looking statements even where beliefs, opinions and estimates change or should do so given changed circumstances and developments.

NEW INFORMATION OR DATA

EMU confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

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