



ABN 50 127 291 927

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2024

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by Emu NL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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COMPETENT PERSON'S STATEMENT

Any details contained herein that pertain to exploration results, mineral resources or mineral reserves are based upon information compiled by Mr 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 Dunstone consents to the inclusion herein of the matters based upon his information in the form and context in which it appears.

DIRECTORS' REPORT

Your directors are pleased to present their report on the consolidated entity (referred to hereafter as the Group) consisting of Emu NL and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

DIRECTORS

The names of the directors who held office during or since the end of the period are:

Peter Thomas

Roland Bartsch (Appointed 29 November 2024)

Gavin Rutherford (Resigned 29 November 2024)

Terrence Streeter (Deceased 15 July 2024)

Tim Staermose

REVIEW AND RESULTS OF OPERATIONS

Revenues and results

A summary of the Group's revenues and results for the period is set out below:

Consolidated entity revenues and loss

Half Year Ended 31 December 2024	
Revenues \$	Net Result \$
11,596	(1,749,908)

REVIEW OF OPERATIONS

Georgetown Project

The Company's Georgetown tenements, located within the Georgetown mining district of Far North Queensland, cover a richly endowed but under-explored area with a history of significant mining activity and mineral discoveries.

The district has a substantial mineral endowment with more than 1,000 mines, prospects and identified mineral occurrences¹.

Since July 2023, EMU has been active at Georgetown and earned an 80% interest in 3 exploration permits for minerals (EPM's), covering 850km² in the Georgetown mining district, under a Heads of Agreement and Joint Venture Agreement with Rugby Resources Ltd (TSXV:RUG). EMU advised post reporting period that it had incurred sufficient expenditure at Yataga to earn its 80% in the Project. EMU is the manager of the Joint Venture².

¹ Queensland Department of Natural Resources GeoResGlobe Interactive Website, "<https://georesglobe.information.qld.gov.au/>"

² ASX Release 20 February 2025, "Yataga Copper Project – 80% Joint Venture Interest Notice"

DIRECTORS' REPORT (Continued)



Figure 1. Georgetown Tenements Location

Areas of immediate exploration focus and interest at Georgetown referred to in this document are detailed in the following Definitions and Nomenclature table:

Georgetown Tenements	3 tenements located at Georgetown QLD comprising ~850km ²
Yataga Igneous Complex	Intrusive granitoid body ~70km ² located largely within tenement EPM 27667
Yataga Copper Project	The Yataga Igneous Complex – that falls within the boundary of EPM 27667
Fiery Creek Copper Prospect	EMU's original discovery prospect located in and comprising a part of the northern area of the Yataga Copper Project
Yataga Valley Prospect	Recent discovery of widespread copper mineralisation at surface along the NNW-SSE shear zone in the central part of the Yataga Copper Project

DIRECTORS' REPORT (Continued)

Yataga Copper Project

It is the Company's belief that the Yataga Copper Project is a significant new Australian copper porphyry discovery.



Figure 2. Onsite at Yataga Copper Project

In September the Company advised that the world class copper potential at its Yataga Copper Project had increased owing to surface geochemical surveys updating EMU's geological modelling and multiple intra-pluton porphyry copper centres close to surface being identified.

The Company's consultants advised that these porphyry centres are concentrated along a structural belt and modelled to be near surface. Their advice was that owing to the fact that the unusual character of these intra-pluton copper centres, they may be analogous to the Highland Valley Copper Mine, where a series of porphyry copper deposits host Canada's largest open pit copper mine, which produced over 130kt in 2021 and has been in production for over 80 years.

The Yataga Copper Project "plutonic copper porphyry" mineralisation appears to be large scale, and EMU is optimistic that it will represent one of the largest copper discoveries made in Queensland in recent times.

Based on the Highland Valley Copper deposits, the Yataga mineralisation concept model illustrates the balloon shape pluton of the host intrusion and the location of the copper anomalies both within the roof of the main intrusion and in the small stocks and dykes that originate in the core of the intrusion.

DIRECTORS' REPORT (Continued)

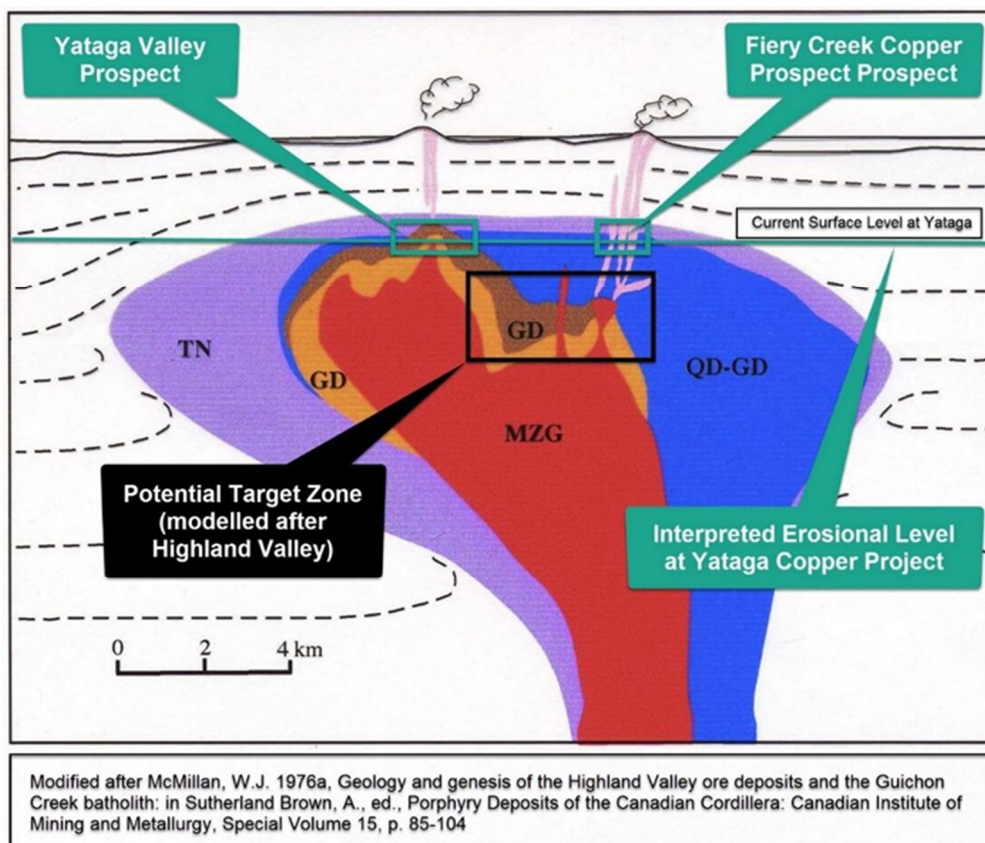


Figure 3. Conceptual magmatic pluton model for the Yataga Copper Project based on the analogous Highland Valley mineral occurrence in BC, Canada

Significant progress was made through geochemistry fieldwork which clearly demonstrated the termite mound sampling methodology the Company had been undertaking is both highly reliable and productive, with over 1,100 termite mounds sampled in a 27km² grid controlled pXRF programme, substantially extending the area of highly anomalous copper to approximated 8km², which includes EMU's original discovery prospect, Fiery Creek.

DIRECTORS' REPORT (Continued)

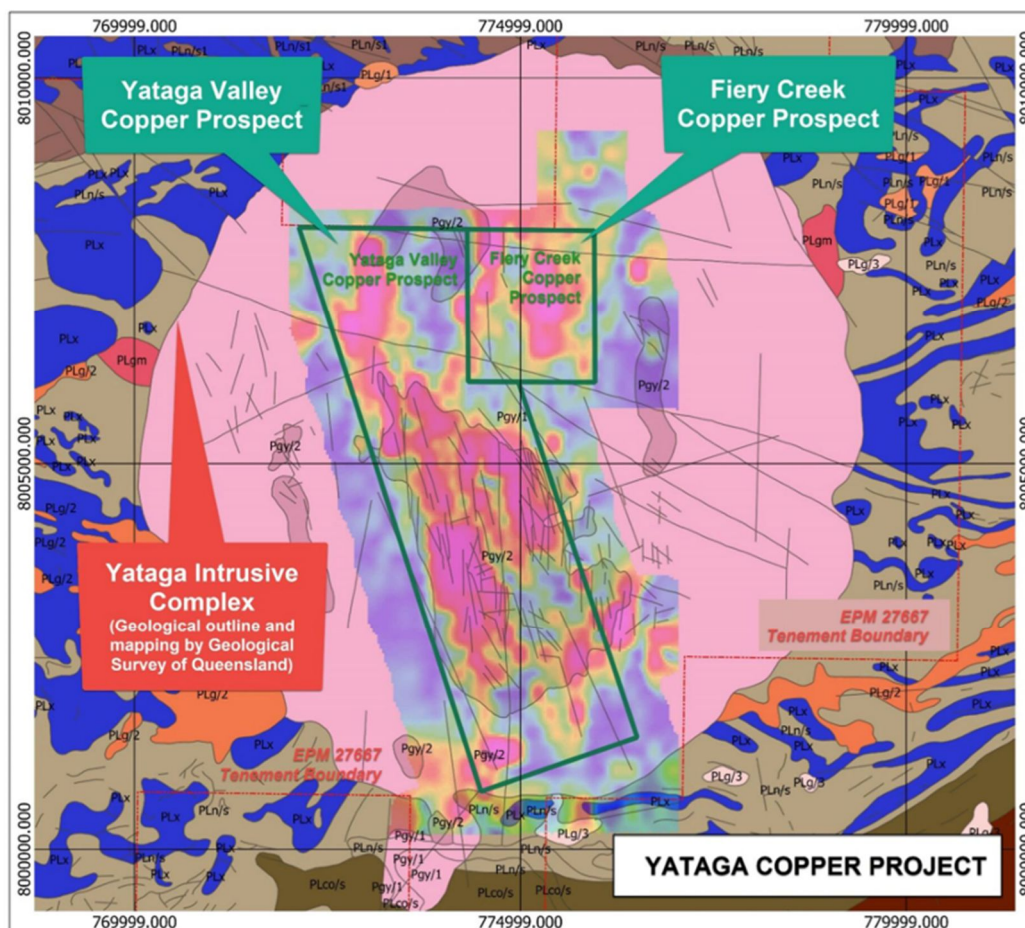


Figure 4. The Yataga Copper Project showing the locations of the two prospects – Fiery Creek Prospect and Yataga Valley Prospect overlaying the copper geochemistry anomalous zones(magenta) within the Yataga Igneous Complex

Led by Technical Advisor to the project, Dr Gregg Morrison, a Queensland based Geological Consultant with over 45 years' experience and significant knowledge of the metallogenic systems of northern Queensland, EMU continued its methodical and measured in-field exploration including numerous geochemistry and geophysical programmes.

An in-field rock collection programme, designed to sample specific rock types to provide correlation and support for modelling of hydrothermal fluid flows, was carried out. This programme further tested the successful 2024 termite mound sampling programmes and assisted in pinpointing vectors for drill targeting.

Additionally, the rocks collected will provide reference material for doctorate programmes conducted at the Economic Geology Research Unit (EGRU) at the James Cook University in Townsville.

The Company prepared and commissioned two geophysical data acquisition programmes post reporting period:-

- High resolution Helicopter borne Time Domain Electromagnet survey (HTDEM) was completed
- Geophysical Resources and Services Pty Ltd contracted to carry out targeted ground electrical geophysics using a MIMDAS system. This technique has true 3D capability and will acquire induced polarity (IP), resistivity (RES) and magnetotelluric (Mt) data over ~20-30 line km spaced over the main copper target.

DIRECTORS' REPORT (Continued)

Future Exploration - YATAGA

During 2025, the Company plans to carry out the following work programmes at its Yataga Copper Project:

- Detailed data review, analysis and interpretation of all 2024 exploration results to be finalised
- Review of surface geochemistry data and 3D geophysical surveys producing 3D modelling of copper mineralisation
- 2025 drilling programme to commence following FNQ wet season
- Drilling to test mineralisation extent within the shear zone and vein style mineralisation at Fiery Creek
- Scout drill testing of "Granite Kitchen Rocks" disseminated and cavity-fill sulphide mineralisation within the Yataga Valley
- Expand envelopes of known mineralisation zones
- Follow-up field activities to identify new prospective areas within the broader Yataga Intrusive Complex and adjacent targets

EMU believes that the upcoming field programmes will further build on the scale of the discovery at Yataga. Significant gold history and prospectivity at Georgetown will lead EMU to expand its exploration activities and field work during 2025. Several high-grade gold prospects have been identified for follow up field programmes.

Badja Gold/Tungsten/Lithium Project

Throughout the period, EMU continued to receive and evaluate approaches from parties interested in buying Badja looking to realise optimum value for/from the Badja Gold/Tungsten/Lithium Project either through sale or retention.

To date, EMU's work at Badja has defined and upgraded a multi-element project adding prospectivity for high grade gold, tungsten and lithium. The project remains highly prospective for further exploration and economic outcomes.

Resource estimate updates for the Badja Project were completed in March 2024 (when the gold price was A\$2,200 compared to A\$4,650 now) by independent consultants LBC Resources Pty Ltd (LBC). The total Mineral Resources estimate report, for the Badja Project included the Gnows Nest, Watertank Hill, Monte Cristo and Flying Emu deposits.

Over 600 drill holes and 18,900 assay values were used as the basis of the models by LBC. The current Mineral Resource is estimated and classified in accordance with the JORC code 2012.

The total combined Indicated and Inferred Resources is estimated currently at 555,637t @2.21g/t gold and 0.14% tungsten for a contained 39.4koz gold and 757t tungsten at a 0.5g/t gold cut-off³.

CORPORATE

Changes in Securities

During the reporting period:

- fully paid ordinary shares were issued at \$0.025 each pursuant to a non-renounceable rights issue resulting in the Company receiving a total of \$1,200,155 before costs;
- options eligible to be exercised at \$0.30 each expired on 7 October 2024;
- fully paid ordinary shares were issued at \$0.025 each via a private placement to sophisticated and professional investors resulting in the Company receiving a total of \$1,525,000 before costs;

³ ASX Release, 4 March 2024, "Exploration Update Georgetown, Scale Potential Confirmed"

DIRECTORS' REPORT (Continued)

- 30,500,000 options (exercisable at \$0.10 each, expiry 31 October 2026) to acquire fully paid ordinary shares were issued on the basis of 1 option for every 2 shares subscribed pursuant to the above placement;
- 3,050,000 options (exercisable at \$0.10 each, expiry 31 October 2026) to acquire fully paid ordinary shares were issued to the lead manager in respect of services provided in the above placement;
- 3,400,000 options (exercisable at \$0.0001 each, expiry 31 October 2025) to acquire partly paid ordinary shares were issued to directors pursuant to approvals received at the Company's AGM; and
- 5,880,000 fully paid shares were issued pursuant to an increase in a previously negotiated Collateral Placement Agreement – these shares may be purchased back by the Company for no consideration.

Other

The Annual General Meeting of Members (AGM) was held on 29 November 2024. With the exception of Resolution 16, all of the resolutions considered were passed and carried on a poll. Resolution 16 which was required to be put pursuant to the Corporations Act as a spill motion was not carried with the requisite majority.

EVENTS SUBSEQUENT TO END OF PERIOD

Georgetown Project

Since the reporting date, the Company incurred sufficient expenditure on the Yataga Copper Project in Georgetown, North Queensland to earn an 80% in the Project under the farm-in and joint venture agreement with Rugby Mining Pty Ltd which retains a 20% interest. EMU is the manager of the Joint Venture.

Sections 203D and 249D Requests

On 21 January 2025, four Shareholders of the Company made a Section 203D and a Section 249D Corporations Act statutory request of the Company to convene a meeting of shareholders for the purposes of considering resolutions to:

- remove Chairman, Peter Thomas and Technical Director, Roland Bartsch, as directors of EMU; and
- elect Keith Rowe and John Anderson (each a Board Nominee, together the Board Nominees) as directors of EMU

Note: The four Shareholders (collectively, the Requisitioning Shareholders) are Mayfair Communications Pty Ltd, Coolibah WA Pty Ltd as trustee for the Wippl Family Superannuation Fund, Oakmount Nominees Pty Ltd as trustee for the Narromine Super Fund and Farris Corporation Pty Ltd as trustee for the Farris Family Trust.

The Requisitioning Shareholders purported to hold in aggregate approximately 6.0% of the votes that may be cast at a general meeting of EMU. They are members of a group of shareholders which, on 23 January 2025, lodged a Notice of Initial Substantial Holder with the Australian Securities Exchange (ASX) purporting to hold approximately 8.9% of the votes that may be cast at a general meeting. Board Nominees Rowe and Anderson, together with their associates, are members of this shareholder group.

We, the Directors of EMU, including Mr Tim Staermose, who is not the subject of a removal resolution, are united in the view that the four resolutions are not in the best interests of the Company and that Shareholders should reject them.

Our key reasons for forming this view are as follows:

1. Your Directors have a clear purpose and a comprehensive plan for EMU directed at seeing it become a substantial mineral resources company, creating significant wealth for all shareholders.
2. Your Directors have secured and are effectively exploring the highly prospective Yataga Copper Project, which genuinely has the potential to be a "company maker".
3. Your Directors have all the credentials, skills and experience to lead EMU to success:

DIRECTORS' REPORT (Continued)

- a) For more than 30 years, Mr Thomas specialised in the provision of legal and corporate advice to ASX listed companies in the mineral resources industry & has served on the boards of listed exploration and production companies (including having been the founding Chair of Sandfire which became a world class copper producer at DeGrussa).
- b) Mr Bartsch, a geologist of 35 years' standing, has very serious hands-on experience exploring for and evaluating copper gold deposits, including porphyry copper deposits of the type underpinning the Yataga concept.
- c) Mr Staermose, brings many years of financial and investment experience.

The EMU Board is exceptionally credentialled, well balanced and capable.

- 4. The Requisitioning Shareholders have only been on the register for a very brief time (varying between 1 month and 4 or so months at the time of making the requisition). One must ask, why did they invest in the Company if they are so dissatisfied with the Board? In all the circumstances, their conduct is consistent with an attempt to takeover your Company by stealth, rather by way of a formal takeover pursuant to which every shareholder receives a fair and reasonable offer for their shares that incorporates an appropriate control premium.
- 5. The Requisitioning Shareholders' claim the board is not listening to shareholders, who they say should be given the opportunity to consider alternative board leadership. In fact, at the recent AGM, less than three months prior to the making of the requisition, Shareholders had that opportunity but voted overwhelmingly in support of maintaining the current Board. Clearly the Requisitioning Shareholders' claims are flawed; it is they who ignored other Shareholders.
- 6. The Board listened to shareholders and effected leadership change with the appointment of a very fitting senior Geologist with directly relevant experience and significant capabilities; Mr Roland Bartch.
- 7. The Requisitioning Shareholders failed to advance a superior plan for EMU. All they provided is a list of non-specific text-book dot points, some would call motherhood statements, leaving Shareholders to speculate as to what they intend to do with your Company.
- 8. Your directors do not consider the credentials, skills and experience of Board Nominee Mr Rowe, a physiotherapist, to be of any apparent value to EMU. Board Nominee Mr Anderson appears to have more to offer; however, current director Mr Thomas has broadly similar credentials but substantially more skills and experience in the key areas of corporate law, corporate advice, ASX directorships, and mineral resources exploration and production.

Other than as noted above, as of the date of this report, no other matter or circumstance has arisen which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

This report is made in accordance with a resolution of directors.

A handwritten signature in black ink, appearing to be "P. Thomas", written in a cursive style.

Peter S Thomas

Chairman

14 March 2025

AUDITOR'S INDEPENDENCE DECLARATION

To those charged with the governance of Emu NL

As auditor for the review of Emu NL for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Emu NL and the entities it controlled during the period.

Signature of Elderton Audit Pty Ltd affixed to original document and held on file

Elderton Audit Pty Ltd

Signature of Sajjad Cheema affixed to original document and held on file

Sajjad Cheema

Director

14 March 2025

Perth

Limited liability by a scheme approved under Professional Standards Legislation

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

		Half-Year Ended 31 December	
Notes		2024 \$	2023 \$
REVENUE			
Interest revenue		11,148	10,925
FOREX gain		448	-
EXPENDITURE			
Depreciation expense		(380)	(6,915)
Exploration and tenement expenses		(1,204,017)	(569,727)
Key management personnel compensation		(216,951)	(224,417)
Share based payments	8	(61,200)	-
Other expenses		(278,956)	(383,451)
LOSS BEFORE INCOME TAX		(1,749,908)	(1,173,585)
Income tax expense		-	-
LOSS FOR THE HALF-YEAR ATTRIBUTABLE TO MEMBERS OF EMU NL		(1,749,908)	(1,173,585)
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to profit or loss</i>			
Adjustment to fair value of available-for-sale financial assets		-	-
Other comprehensive income for the period, net of tax		-	-
TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF EMU NL		(1,749,908)	(1,173,585)
Basic and diluted loss per share (cents) (2023 comparative adjusted for 1:30 securities consolidation)		(1.30)	(2.10)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		31 December	30 June
		2024	2024
	Notes	\$	\$
CURRENT ASSETS			
Cash and cash equivalents		973,624	158,166
Trade and other receivables		134,481	43,797
TOTAL CURRENT ASSETS		1,108,105	201,963
NON-CURRENT ASSETS			
Motor vehicles, plant and equipment		2,120	-
TOTAL NON-CURRENT ASSETS		2,120	-
TOTAL ASSETS		1,110,225	201,963
CURRENT LIABILITIES			
Trade and other payables		247,287	235,656
TOTAL CURRENT LIABILITIES		247,287	235,656
TOTAL LIABILITIES		247,287	235,656
NET ASSETS		862,938	(33,693)
EQUITY			
Contributed equity	3	37,147,220	34,570,938
Reserves	4	109,275	142,617
Accumulated losses		(36,393,557)	(34,747,248)
TOTAL EQUITY		862,938	(33,693)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Issued Capital \$	Share-based Payments Reserve \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2023	33,606,226	103,600	(32,712,895)	996,931
Loss for the period	-	-	(1,173,585)	(1,173,585)
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME	-	-	(1,173,585)	(1,173,585)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Proceeds from issue of shares	862,125	-	-	862,125
Share issue costs	(92,038)	-	-	(92,038)
Share based payments - options issued to lead manager	-	39,017	-	39,017
SUB-TOTAL	770,087	39,017	-	809,104
BALANCE AT 31 DECEMBER 2023	34,376,313	142,617	(33,886,481)	632,449
BALANCE AT 1 JULY 2024	34,570,938	142,617	(34,747,248)	(33,693)
Loss for the period	-	-	(1,749,908)	(1,749,908)
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME	-	-	(1,749,908)	(1,749,908)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Proceeds from issue of shares	2,725,155	-	-	2,725,155
Share issue costs	(148,874)	-	-	(148,874)
Share based payments - options issued to directors	-	61,200	+	61,200
Share based payments – broker options	-	9,058	-	9,058
Options lapsed as unexercised	-	(103,600)	103,600	-
SUB-TOTAL	2,576,281	(33,342)	103,600	2,646,539
BALANCE AT 31 DECEMBER 2024	37,147,220	109,275	(36,393,557)	862,938

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Half Year Ended 31 December	
2024	2023
\$	\$

CASH FLOWS FROM OPERATING ACTIVITIES

Expenditure on mining interests	(1,225,521)	(506,519)
Payments to suppliers and employees	(553,185)	(615,744)
Interest received	11,149	10,925
Net cash used in operating activities	(1,767,557)	(1,111,338)

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for new tenements	-	(57,511)
Payments for fixed assets	(2,500)	-
Net cash provided by investing activities	(2,500)	(57,511)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of securities	2,726,154	901,142
Share issue costs	(140,639)	(92,038)
Net cash provided by financing activities	2,585,515	809,104

Net increase / (decrease) in cash and cash equivalents	815,458	(359,745)
Cash and cash equivalents at the beginning of the half-year	158,166	1,149,742
Effects of exchange rate changes on cash and cash equivalents	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	973,624	789,997

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Emu NL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

These financial statements have been prepared on an accruals and historical cost basis, except where indicated.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$1,749,908 and had net operating cash outflows of \$1,767,557.

The ability of the entity to continue as a going concern is dependent on securing additional capital raising activities to continue its operational and exploration activities.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

EMU expects that it will continue to have negative operating cash flows as is usual for mining exploration entities, but expenditures on discretionary exploration expenses may be curtailed and will be dependent on available cash resources. The Company is rationalising its tenement holdings consistent with its perception of market support/lack of support therefor. The Company is considering opportunities to raise equity funding and/or the trade sale of one or more tenements.

NOTE 2: SEGMENT INFORMATION

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group's principal activity is mineral exploration.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 3: ISSUED CAPITAL (Comparatives adjusted for 1:30 securities consolidation effected May 2024)

31 Dec 2024		31 Dec 2023	
Number of securities	\$	Number of securities <i>Restated for effect of 1:30 consolidation</i>	\$

Movements in Ordinary Shares during the half-year:

Beginning of the financial period	80,009,222	34,485,938	48,334,043	32,149,570
Issued during the period:				
Fully paid shares issued – Placement at \$0.045 each	-	-	19,158,333	862,125
Fully paid shares issued – Non-Renounceable Rights Issue and Placements at \$0.025 each	48,006,221	1,200,155	-	-
Fully paid shares issued – Private placement at \$0.025 each	61,000,000	1,525,000	-	-
Issue of fully paid shares pursuant to a Controlled Placement Agreement	5,880,000	-	-	-
Transaction costs:	-	(148,874)	-	(92,038)
End of the financial period	194,895,443	37,062,220	67,492,376	32,919,657

Movements in Performance Rights:

Beginning of the financial period	1,619,051	85,000	1,619,051	85,000
End of the financial period	1,619,051	85,000	1,619,051	85,000

As at 31 December 2024, the Company had 192,379,187 fully paid ordinary shares, 1,349,586 partly paid ordinary (contributing) shares on issue (90 cents paid, 90 cents unpaid), 1,166,670 partly paid ordinary (contributing) shares on issue (0.003 cents paid, \$1.20 unpaid), and 1,619,051 Performance Rights subject to terms and conditions being met before vesting.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 4: RESERVES

	31 Dec 2024
	\$
Share Based Payments Reserve	
Balance at the beginning of the period	142,617
Options issued to lead manager	9,058
Options issued to directors	61,200
Options lapsed as unexercised	(103,600)
Balance at the end of the period	109,275
Total Reserves	109,275

Number of Options	
31 Dec 2024	31 Dec 2023 <i>Restated for effect of 1:30 consolidation</i>
16,327,679	5,748,454
Beginning of the financial period	
Movements of options during the half-year	
Issued, exercisable at \$0.09 (to acquire one fully paid share), expiring 31 December 2026 – free attaching options issued together with placement of fully paid ordinary shares at \$0.045	9,579,167
Issued to lead manager - options exercisable at \$0.09 (to acquire one fully paid share), expiring 31 December 2026	1,000,000
Options lapsed as unexercised 7 October 2024	-
Issued, exercisable at \$0.10 (to acquire one fully paid share), expiring 31 October 2026 – free attaching options issued together with placements of fully paid ordinary shares at \$0.025	-
Issued to lead manager - options exercisable at \$0.10 (to acquire one fully paid share), expiring 31 October 2026	-
Issued to directors – options to acquire partly paid shares, exercisable at \$0.0001 each, on or before 30 October 2025	-
End of the financial period	16,327,621

NOTE 5: DIVIDENDS

No dividends were paid during the half-year. No recommendation for payment of dividends has been made.

NOTE 6: CONTINGENCIES and COMMITMENTS

Tenement Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements held in Western Australia, the Group has certain obligations to perform minimum exploration on the tenements in which it has an interest. These obligations may in some circumstances be varied or deferred. Tenement rentals and minimum expenditure obligations may be varied or deferred on application and are expected to be met in the normal course of business

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

and have not been provided for in the financial report. The minimum statutory expenditure commitments required to be spent on the granted tenements for the next twelve months amounts to \$191,380.

Gnows Nest Project

The Gnows Nest Project was acquired under an agreement dated 19 September 2020.

The 1,619,051 performance rights issued in relation to that acquisition can be repurchased for \$20k if Gnows Nest disposed of before 22.9.2025.

As at the end of this reporting period, no event has occurred which results in a requirement for the Gnows Nest Performance Rights to vest into fully paid Shares or to be repurchased.

Georgetown Earn-in - Key Terms of the Agreement

The material commercial terms of the farm-in and joint venture Heads of Agreement between EMU NL (for its wholly owned subsidiary Georgetown Projects Pty Ltd) and Rugby Resources Ltd are summarised below.

EMU may earn a 50% interest in the tenements by spending not less than \$750K on exploration or development (includes all expenses other than annual statutory tenement charges) and a further 30% interest (for a total 80% interest) by spending a further \$1.1M (for a total earn-in spend of \$1.85M).

EMU will manage the project and determine all programmes and budgets during the earn in period. EMU may withdraw at any time but must keep the tenements in good standing and is liable for the cost of all rehabilitation works required consequent on its farm-in activities.

The optional earn-in spend rate for first a 50% interest, then an additional 30% interest for a total of 80%, is as follows:

First Earn-in Period – 24 August 2026	First Earn-in Amount (50%)	\$750K
Second Earn-in Period – 24 August 2028	Second Earn-in Amount (30%)	\$1,100K (aggregate \$1.85M – for 80%)

If EMU's rate of expenditure (incurred or, in the case of rehabilitation, provided for) falls below that stipulated, it shall cease to have the right to earn any (further) interest. If it has earned no interest, the agreement shall be at an end but without releasing EMU from its obligation, up to the date of the agreement ending, to maintain the tenements and undertake rehabilitation required by its activities.

If EMU earns an interest in the tenements, then once it ceases to have the right to earn (further) interest pursuant to the farm-in, a JV will be formed.

Either party may choose to dilute its interest in the JV, but if a party's interest is diluted to less than 5%, that interest will convert to a 2% NSR - save if EMU's interest is diluted to less than 5% and its expenditure then aggregates less than \$1.5m, its NSR conversion right shall reduce from 2% to 1%.

EMU was to and has paid Rugby \$50,000 within 10 days of the parties executing a long form farm-in and joint venture agreement (which the parties have agreed to negotiate in good faith with a view to replacing the HOA).

Rugby warranted the tenements were in good standing. Current annual tenement fees are approximately \$45k.

EMU has advised Rugby that it has incurred sufficient expenditure on the Yataga Copper Project in Georgetown, North Queensland (**Project**) to have earned its 80% in the Project under the farm-in and joint venture agreement with Rugby Mining Pty Ltd (**Rugby**) which retains a 20% interest. EMU is the manager of the Joint Venture.

Exploration on the tenements is subject to the native title conditions as per relevant legislation.

Other than as described above, there are no material contingent liabilities or contingent assets of the Group at the reporting date.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 7: SUBSEQUENT EVENTS

Georgetown Project

Since the reporting date, the Company has advised that it has incurred sufficient expenditure on the Yataga Copper Project in Georgetown, North Queensland to have earned its 80% in the Project under the farm-in and joint venture agreement with Rugby Mining Pty Ltd which retains a 20% interest. EMU is the manager of the Joint Venture.

Sections 203D and 249D Requests

On 21 January 2025, four Shareholders of the Company made a Section 203D and a Section 249D Corporations Act statutory request of the Company to convene a meeting of shareholders for the purposes of considering resolutions to:

- remove Chairman, Peter Thomas and Technical Director, Roland Bartsch, as directors of EMU; and
- elect Keith Rowe and John Anderson (each a Board Nominee, together the Board Nominees) as directors of EMU

Note: The four Shareholders (collectively, the Requisitioning Shareholders) are Mayfair Communications Pty Ltd, Coolibah WA Pty Ltd as trustee for the Wippl Family Superannuation Fund, Oakmount Nominees Pty Ltd as trustee for the Narromine Super Fund and Farris Corporation Pty Ltd as trustee for the Farris Family Trust.

The Requisitioning Shareholders purported to hold in aggregate approximately 6.0% of the votes that may be cast at a general meeting of EMU. They are members of a group of shareholders which, on 23 January 2025, lodged a Notice of Initial Substantial Holder with the Australian Securities Exchange (ASX) purporting to hold approximately 8.9% of the votes that may be cast at a general meeting. Board Nominees Rowe and Anderson, together with their associates, are members of this shareholder group.

We, the Directors of EMU, including Mr Tim Staermose, who is not the subject of a removal resolution, are united in the view that the four resolutions are not in the best interests of the Company and that Shareholders should reject them.

Our key reasons for forming this view are as follows:

1. Your Directors have a clear purpose and a comprehensive plan for EMU directed at seeing it become a substantial mineral resources company, creating significant wealth for all shareholders.
2. Your Directors have secured and are effectively exploring the highly prospective Yataga Copper Project, which genuinely has the potential to be a “company maker”.
3. Your Directors have all the credentials, skills and experience to lead EMU to success:
 - a) For more than 30 years, Mr Thomas specialised in the provision of legal and corporate advice to ASX listed companies in the mineral resources industry & has served on the boards of listed exploration and production companies (including having been the founding Chair of Sandfire which became a world class copper producer at DeGrussa).
 - b) Mr Bartsch, a geologist of 35 years’ standing, has very serious hands-on experience exploring for and evaluating copper gold deposits, including porphyry copper deposits of the type underpinning the Yataga concept.
 - c) Mr Staermose, brings many years of financial and investment experience.

The EMU Board is exceptionally credentialled, well balanced and capable.

4. The Requisitioning Shareholders have only been on the register for a very brief time (varying between 1 month and 4 or so months at the time of making the requisition). One must ask, why did they invest in the Company if they are so dissatisfied with the Board? In all the circumstances, their conduct is consistent with an attempt to takeover your Company by stealth, rather by way of a formal takeover pursuant to which

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

every shareholder receives a fair and reasonable offer for their shares that incorporates an appropriate control premium.

5. The Requisitioning Shareholders' claim the board is not listening to shareholders, who they say should be given the opportunity to consider alternative board leadership. In fact, at the recent AGM, less than three months prior to the making of the requisition, Shareholders had that opportunity but voted overwhelmingly in support of maintaining the current Board. Clearly the Requisitioning Shareholders' claims are flawed; it is they who ignored other Shareholders.
6. The Board listened to shareholders and effected leadership change with the appointment of a very fitting senior Geologist with directly relevant experience and significant capabilities; Mr Roland Bartch.
7. The Requisitioning Shareholders failed to advance a superior plan for EMU. All they provided is a list of non-specific text-book dot points, some would call motherhood statements, leaving Shareholders to speculate as to what they intend to do with your Company.
8. Your directors do not consider the credentials, skills and experience of Board Nominee Mr Rowe, a physiotherapist, to be of any apparent value to EMU. Board Nominee Mr Anderson appears to have more to offer; however, current director Mr Thomas has broadly similar credentials but substantially more skills and experience in the key areas of corporate law, corporate advice, ASX directorships, and mineral resources exploration and production.

Other than as noted above, as of the date of this report, no other matter or circumstance has arisen which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

NOTE 8. SHARE-BASED PAYMENTS

The Group may provide benefits to employees (including directors) and contractors of the Group in the form of share-based payment transactions, whereby, for instance, options to acquire ordinary shares may be issued as an incentive to improve employee and shareholder goal congruence. The exercise price of options to acquire a total of 3,400,000 partly-paid shares (each with \$0.0749 to pay to become fully paid, calleable at the discretion of the Board, but not prior to 30 October 2027) so issued during the period ended 31 December 2024 and outstanding at the end of the reporting period is 0.0001 cents per option with an expiry date of 31 October 2025.

The share based payments expense arising from the issue of these options are as follows:

Directors	\$61,200
Total	\$61,200

These options have been independently valued by Scott Hill of Provisio Corporate on the following bases:

"Valuation Approach"

"The valuation approach was to select a range of valuation methodologies to provide shareholders with a realistic estimate of the probable valuation of the Contributing Shares based on the above and the application of the most recent and current share trading in EMU.

The primary Valuation methodology consisted of using a trinomial model was combined with a Monte Carlo simulation to replicate the probable terminal share price of the underlying stock at the end of the No-Call Period. The Monte Carlo approach has shown to be optimal for valuing unlisted share-based performance and incentive options for several reasons. Firstly, these options are unlisted which often have more complex structures than standard exchange-traded options. In this case the fact that the Contributing Share cannot be called for additional contributions until end of October 2027 means it can be valued as share with and embedded option. The Monte Carlo

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

method takes into account both the market and non-market idiosyncratic factors, by running multiple scenarios which lead to multiple outcomes and which typically improve the accuracy of the valuation. We generated 500,000 of simulations of possible future terminal pricing to calculate the vesting of the options. These values were averaged to generate a more accurate estimate of the option's exercise and therefore its Fair Value. Other option valuation methods tend to use stochastic equations to value options but these are not suitable particularly given both the multiple and complex vesting conditions that will affect the valuation.

This valuation was then checked against a Binomial model that uses an adjusted Hull White equation. The algorithm is adjusted to include the vesting condition that should the share price trade at or above \$0.10 for 30 days or more during the 3-year period for calculating Share Options but that does not include the complex vesting conditions as well as other models.

Valuation inputs

Current Share price: The closing share price on 21 October 2024 was \$0.026.

Exercise price: Each Option granted may be exercised by giving notice together with payment of the amount of \$0.075 or, alternatively they would be become fully paid should the share price average above the \$0.10 level for 30 consecutive trading days.

Volatility: An implied volatility of 45% was used. This volatility is less than the calculated historical volatility. This lower implied volatility was chosen as it reflects the implied volatility of the larger market and the fact that the Options and the Contributing Shares will be both unlisted and untradeable until converted into fully paid shares.

Expiry: The options expire on 31 October 2025. The Contributing Shares have a no-call date before 30 October 2027.

Risk free rate: A risk-free rate assumption of 3.96% was used to discount value at maturity to today. This is equivalent to the prevailing three-year Australian Government bond rate.

Dividend Yield: It was assumed that no dividends will be paid during the life of the options.

The Valuation

It should be noted that analytically, based on the above inputs, the probability of achieving and holding a \$0.10 share price for the required period of 30 days or more was only one point nine (1.9%) percent. Based on 500,000 Monte Carlo simulation, only 2.5% of the simulation's share prices were found to be above that price at the end of the simulation. This indicates a low probability that the Contributing Shares will be converted by the company to fully paid shares.

Based on the above methodology, we place a fair and reasonable valuation of \$0.018 per Option to acquire a Contributing Share.

Further, we note that should EMU shares meet the \$0.10 hurdle then all existing shareholders would have benefited from a four-fold increase in the price of their shares and the market cap of the company (based on shares on issue after the placement of the second tranche of the current placement) would move from a \$4.8M value to a value of around \$18.7M."

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Total expenses arising from share-based payment transactions other than to provide benefits to employees (including directors) recognised during the period were as follows:

	31 December	
	2024	2023
	\$	\$
Options issued to brokers to the private placements conducted during the year	9,058	39,017
Total	9,058	39,017

DIRECTORS' DECLARATION

In the directors' opinion:

1. the financial statements and notes set out on pages 13 to 24 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Emu NL will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Peter S Thomas

Chairman

14 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Emu NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of EMU NL ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us to believe that the accompanying half-year financial report of EMU NL is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the EMU NL 's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Report on the Half-Year Financial Report (Continued)

Material Uncertainty related to Going Concern

We draw attention to the note 1 of the financial report, which described that the ability of the Group to continue as a going concern is dependent on raising equity finance. As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024, and of its financial performance for the half-year ended on that date, and complying with Accounting Standards 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Signature of Elderton Audit Pty Ltd affixed to original document and held on file

Elderton Audit Pty Ltd

Signature of Sajjad Cheema affixed to original document and held on file

Sajjad Cheema

Director

14 March 2025

Perth