Transaction Update – Proposed Acquisition of Oracle Ridge Copper Mine

Eagle Mountain Mining Limited (ASX:EM2) ('Eagle Mountain' or 'the Company') is pleased to confirm that the Arizona Superior Court has given Notice of Hearing with respect to the Receiver's motion to amend the previous sale order approving the sale of the Oracle Ridge Copper Mine ('Oracle Ridge') (Figure 1) located near Tucson, Arizona (the 'Hearing').

The Company has been advised that the date for the Hearing is **21 November 2019**.

The Company anticipates that, following the Hearing, the Superior Court will sign an order designating Wedgetail Operations LLC as the nominee/buyer and approve the terms set forth in the Asset Purchase Agreement on the date of the hearing. If this takes place, the parties have planned for completion of the acquisition to occur within two to three business days from signing of the order.

Oracle Ridge presents Eagle Mountain with an advanced stage opportunity underpinned by a high-grade copper and silver resource of 11.7 million tonnes at 1.57% Cu and 17.47 g/t Ag,[1] substantial underground development work and significant exploration upside.

As previously announced on 29 October 2019, the Asset Purchase Agreement and other formal documentation has been significantly advanced, however as the vendor is a Receiver acting on behalf of a secured creditor, **no agreement or letter of intent (binding or non-binding) has been exchanged with the Receiver or the secured creditor**. The Receiver had filed a motion with the Arizona Superior Court in relation to the proposed sale to Eagle Mountain's Arizona subsidiary.

[1] Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not done sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012. Resource estimates and other information used in this announcement are based on the March 2014 NI43-101 compliant Independent Technical Report prepared by Dr Giles Arseneau of Arseneau Consulting Services Inc for Oracle Mining Corp. This report can be found on the Company's website "www.eaglemountain.com.au".

Oracle Ridge Copper Mine Overview

Resource Highlights

- 11.76 million tonnes Mineral Resource Estimate (Measured + Indicated + Inferred) grading 1.57% Cu and 17.47 g/t Ag estimated at a 1% CuEq cut-off in a 2014 NI43-101 report[2] (refer to Annexure A);
- 409 million lbs Cu and 6.8 million ounces Ag are contained in this resource estimate; and
- Multiple drill targets within 6 km of the main mine area based on a 1995 aeromagnetic survey[2].

Significant Existing In-Ground Investment

The project benefits from some significant existing underground investment including:

- Over 76,000 metres of historical drilling completed in 613 drill holes[2];
- Approximately 18 kilometres of underground workings[2];
- Refurbished buildings and equipment remain onsite; and
- US$26 million invested since 2011 on technical studies, permitting, exploration, underground development and equipment by the previous owner, Oracle Ridge Mining LLC.

Advanced Permitting

- Most required mining permits previously secured with some requiring amendment depending upon final project design.

Arizona is a Premier Mining Jurisdiction

- Long mining history with multiple world class operations;
- Mining-friendly regulatory and permitting regime;
- Mining workforce located nearby at towns of Oracle, San Manuel and Mammoth; and
- Good access to site and in close proximity to railway and smelters.

[2] Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not done sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012. Resource estimates and other information used in this announcement are based on the March 2014 NI43-101 compliant Independent Technical Report prepared by Dr Giles Arseneau of Arseneau Consulting Services Inc for Oracle Mining Corp. This report can be found on the Company's website "www.eaglemountain.com.au".

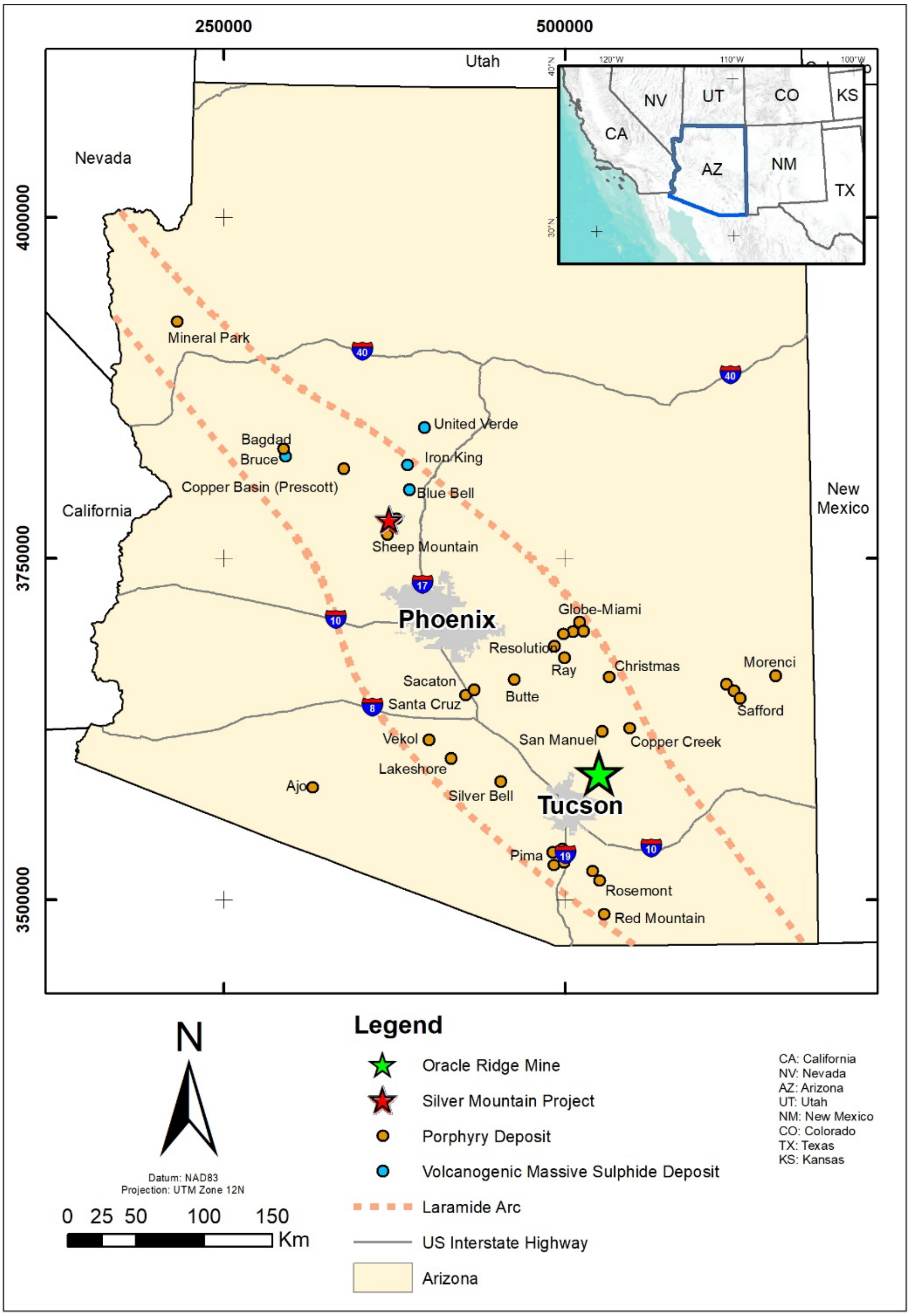

Figure 1 Arizona state map showing Eagle Mountain project locations and existing copper deposits.

Key Commercial Terms of the Proposed Transaction

As previously advised, the key commercial terms relating to the proposed acquisition of the Oracle Ridge Copper Mine are as follows:

- US$500,000 payable to the Receiver of the Oracle Ridge Copper Mine for the benefit of Vincere Holdings LLC ('Vincere');
- A 20% interest in Wedgetail Operations LLC granted to Vincere (Three Keys Capital Advisors LLC acted as an exclusive financial advisor to Vincere in connection with this transaction);
- Eagle Mountain's 80% interest in Wedgetail Operations will be held through a 100% owned Arizona subsidiary, Wedgetail Holdings LLC;
- Osisko Gold Royalties has a 3% NSR attached to the property;
- A secured loan ('Seller Note') for the amount of US$6,423,000 is repayable to Vincere over 10 years with no repayments due over the first 5 years;
- Interest accrues on the principal for the first 5 years and is interest free thereafter;
- Eagle Mountain, through Wedgetail Holdings, will free-carry Vincere for the first US$5,000,000 of expenditure. There is no time frame or minimum spend required, however if Eagle Mountain does not incur the expenditure of US$5,000,000 or otherwise wishes to withdraw, it will relinquish its 80% interest in Wedgetail to Vincere with no additional recourse to Eagle Mountain;
- Vincere will have a one-time only election to contribute its pro rata share of costs or dilute its interest in Wedgetail Operations upon the $US5,000,000 expenditure being reached;
- Eagle Mountain's wholly owned subsidiary Silver Mountain Mining Operations Inc will be the Operator of Wedgetail Operations; and
- Replacement reclamation and environmental bonds will be put in place by Wedgetail Operations to satisfy regulatory requirements.

Further details of the commercial terms and related information are set out in the ASX announcement made on 29 October 2019.

Mineralisation

Copper mineralisation exists in a copper-bearing skarn (Figure 2). Mining and exploration to date have identified:

- 12 major deposits;
- 15 minor and medium size deposits; and
- Locally massive magnetite associated with dolomitic beds.

Copper sulphide minerals are dominantly bornite and chalcocite.

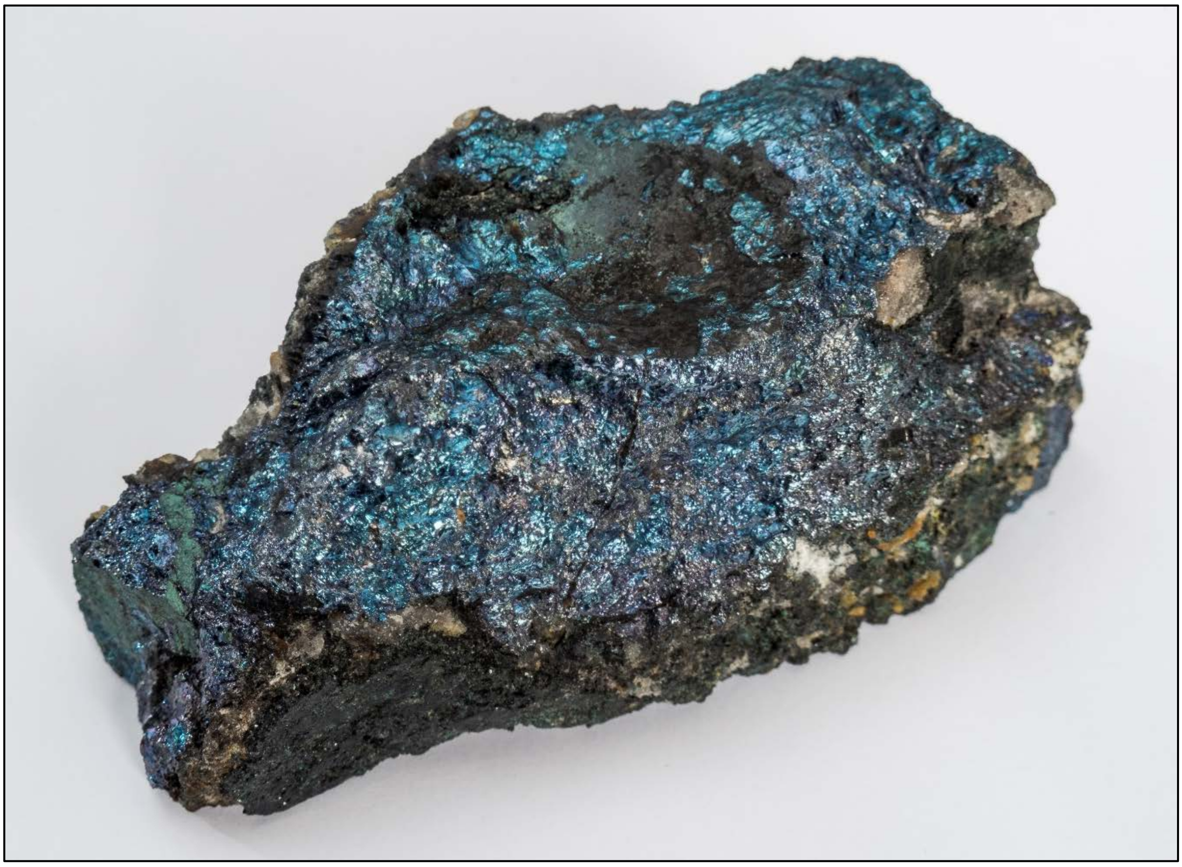

Figure 2 High-grade, bornite-rich ore from the 5900 level. Specimen is approximately 10 centimetre long

Eagle Mountain's Forward Plan at Oracle Ridge

- Consolidate all historical data into a comprehensive database;
- Acquisition of new geological and geophysical data;
- Convert resource estimate to a JORC 2012 standard;
- Determine further potential resource targets both within existing mine and in the nearby vicinity;
- Commence and exploration program focussed on upgrading and expanding the existing mineral resource base;
- Assess potential for magnetite which has been reported to be up to 39% in some mineralisation; and
- Commence mining studies on the basis of an enlarged resource base.

For further information please contact:

Charles Bass
BSc, MSc, FAusIMM, FAIG, FAICD
Managing Director & CEO
charlie@eaglemountain.com.au

Mark Pitts
B.Bus, FCA, GAICD
Company Secretary
mark@eaglemountain.com.au

COMPETENT PERSON STATEMENT

The Company confirms that where it refers to technical information about the Oracle Ridge Copper Mine and the previous announcement made on 29 October 2019 it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimates with those announcements continue to apply and have not materially changed.

EAGLE MOUNTAIN MINING LIMITED

Eagle Mountain is a copper-gold explorer focused on the strategic exploration and development of highly-prospective greenfields and brownfields projects in Arizona, USA.

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

Annexure A

Mineral Resource Estimation

The resource estimates provided in this announcement have been taken from the 31 March 2014 Independent Technical Report for the Oracle Ridge Project prepared by Dr Gilles Arseneau, P.Geo, principal of Arseneau Consulting Services Inc. (refer ASX announcement 29 October 2019)

These resource estimates are Canadian NI43-101 compliant. As such, the Canadian Institute of Mining applies a standard that there are "reasonable prospects for economic extraction" in its definition of Mineral Resources.

Arseneau considers that "major portions of the Oracle Ridge Project are amenable to underground extraction".

The table below presents the Mineral Resource Estimate calculated by Arseneau at a 1.0% CuEq (copper equivalent) cut-off grade. The Mineral Resource Estimate is not JORC compliant.

Resource Class	Tonnes (Millions)	Cu %	Ag g/t	Au g/t	Contained Cu, lbs (Millions)	Contained Ag, oz (Millions)	Contained Au, oz ('000)
Measured	1.06	1.59	18.86	0.24	37	0.6	8
Indicated	5.58	1.61	17.83	0.21	199	3.2	38
Inferred	5.12	1.53	16.80	0.14	173	3	22
Total	**11.76**	**1.57**	**17.47**	**0.18**	**409**	**6.8**	**68**

Table 1 Summary of latest Mineral Resource Estimate – NI43-101 Compliant. (See Figure 8 and Figure 9 for a 3D representation of the orebodies and MRE block model)

Note in respect to Copper Equivalency:
The cut-off grade of 1% CuEQ was used to ensure reasonable prospects of economic extraction assuming underground mining. Silver and gold grade estimates were based on a less comprehensive data set than the copper grade estimates. Where copper grade estimates exist without accompanying silver and gold grade estimates, the drill hole was not used to estimate silver or gold grade. Copper equivalency has been estimated using metal pricing of US$2.80 per pound of copper, US$20 per ounce of silver and US$1,300 per ounce of gold. Metallurgical recovery was derived from preliminary locked cycle test results and assumed to be 81% for gold and silver. The prices used were a reflection of market at the time of the Mineral Resource Estimate and reasonable forecasts. The formula used is as follows:
CuEQ= Cu% + {(Ag oz/ton*US$20*0.81)+(Au oz/ton*US$1,300* 0.81)} /$2.80/2,000*100

Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not done sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012. Resource estimates and other information used in this announcement are based on the March 2014 NI43-101 compliant Independent Technical Report prepared by Dr Giles Arseneau of Arseneau Consulting Services Inc for Oracle Mining Corp. This report can be found on the Company's website "www.eaglemountain.com.au".