*Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

| |
|---|
| Emu Nickel NL |

ABN

| |
|---|
| 50 127 291 927 |

We (the entity) give ASX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

| | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | a) Fully paid ordinary shares<br>b) Partly paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | a) 1,000<br>b) 34,642,856 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | a) Fully paid ordinary shares<br>b) Partly paid ordinary shares, $0.03 outstanding per share, at call of the Company no earlier than the day after the first anniversary of issue. |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | a) Yes<br>b) No.<br>Irrespective of whether the Company has made a Call for the payment of all or any of the unpaid amount, each Partly Paid Ordinary Share:<br>a) carries the right to participate in new issues (except bonus issues) of securities made to holders of Shares as if the Partly Paid Shares were Fully Paid Shares;<br>b) carries the right to participate in bonus issues of securities in the proportion which the amount paid (or, if applicable, aggregate of amounts paid) (not credited) bears to the total of the amounts paid and payable and each holder ("**Holder**") of a Partly Paid Share will be notified by the Company of any proposed bonus issue of securities at least 7 days prior to the record date for any such issue;<br>c) entitles the Holder to (i) exercise voting rights on a pro-rata basis in the proportion which the amount (or, if applicable, aggregate of amounts) paid bears to the total of the amounts paid and payable; and (ii) fully participate in dividends as if the Partly Paid Shares were a Fully Paid Share;<br>d) is freely transferable;<br>e) upon being paid up in full shall rank equally in all respects with all Fully Paid Shares then on issue and the Company shall promptly apply for them to be listed on the ASX (and each or any other exchange on which shares of the Company are traded). |
| 5 | Issue price or consideration | a) \$0.07<br>b) \$0.06 (\$0.03 paid on application) |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 6 | Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets) | • augment Emu's available working capital for purposes generally;<br>• place Emu in a stronger position to pursue its goal of securing a current or near term cash producing mining asset;<br>• help fund its current activity (consistent with said goal) of investigating numerous mining and development opportunities (principally in Africa) including diamond operations (including several separate, discrete and entirely unrelated primary kimberlite, tailings retreatment and alluvial operations) and tantalite exploration/development projects;<br>• provide Shareholders with what the Board believes to be a well priced leveraged opportunity to address the oft expressed concern of shareholders (at large) that placements to sophisticated and professional investors deny ordinary shareholders the opportunity to subscribe for new issues at wholesale prices thus diluting their interests;<br>• seek to avoid, within regulatory constraints, the usual pattern of the price of ordinary fully paid shares drifting down to meet the offer price; and<br>• provide a seamless, albeit limited, mechanism for future capital raising. |
| 6a | Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?<br><br>If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i | Yes |
| 6b | The date the security holder resolution under rule 7.1A was passed | 30 November 2012 |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | 1,000 fully paid ordinary shares |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 6f | Number of securities issued under an exception in rule 7.2 | 34,642,856 partly paid ordinary shares – Exception 1 |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | N/A |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | Rule 7.1 – 5,195,428<br>Rule 7.1A – 3,464,285 |
| 7 | Dates of entering +securities into uncertificated holdings or despatch of certificates | 18 February 2013 |

| | | Number | +Class |
|---|---|---|---|
| 8 | Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable) | 34,643,856 | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

| | | Number | +Class |
|---|---|---|---|
| 9 | Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable) | 34,642,856 | Partly paid ordinary shares, $0.03 outstanding per share, at call of the Company no earlier than the day after the first anniversary of issue. |
| | | 4,596,435 | Options (27 February 2013 - $1.0878) |
| | | 841,148 | Options (22 December 2014 - $0.5874) |
| | | 82,736 | Options (21 December 2015 - $0.4266) |

| | | |
|---|---|---|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A |

## Part 2 - Bonus issue or pro rata issue

| | | |
|---|---|---|
| 11 | Is security holder approval required? | No |
| 12 | Is the issue renounceable or non-renounceable? | Non-renounceable |
| 13 | Ratio in which the +securities will be offered | One partly paid ordinary share for every one fully paid ordinary share held as at the Record Date |
| 14 | +Class of +securities to which the offer relates | Partly paid ordinary shares |
| 15 | +Record date to determine entitlements | 5:00pm (WST) on 21 January 2013 |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A (1 for 1 offer) |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br>Note: Security holders must be told how their entitlements are to be dealt with.<br>Cross reference: rule 7.7. | Nil |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 19 | Closing date for receipt of acceptances or renunciations | 5:00pm (WST) 8 February 2013 |
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | N/A |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | 23 January 2013 |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | Sent 18 December 2012 |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do +security holders sell their entitlements *in full* through a broker? | N/A |
| 31 | How do +security holders sell *part* of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Despatch date | 18 February 2013 |

+ See chapter 19 for defined terms.

# Part 3 - DELETED – NOT APPLICABLE

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 10 January 2013
Company secretary

Print name: Dennis Wilkins

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

## Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|---|
| ***Step 1: Calculate "A", the base figure from which the placement capacity is calculated*** | |
| ***Insert*** number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue | 59,828,940 |
| ***Add*** the following:<br>• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2<br>• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval<br>• Number of partly paid ordinary securities that became fully paid in that 12 month period<br>*Note:*<br>• *Include only ordinary securities here – other classes of equity securities cannot be added*<br>• *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed*<br>• *It may be useful to set out issues of securities on different dates as separate line items* | 7,142,856<br>• 7,142,856 fully paid ordinary shares issued on 28 December 2012 approved by shareholders on 30 November 2012 (exception 14)<br>Nil<br>Nil |
| ***Subtract*** the number of fully paid ordinary securities cancelled during that 12 month period | 32,328,940<br>• 32,328,940 fully paid ordinary shares cancelled per share consolidation 17 April 2012 |
| **"A"** | 34,642,856 |

+ See chapter 19 for defined terms.

| | |
|---|---|
| ***Step 2: Calculate 15% of "A"*** | |
| **"B"** | 0.15<br>*[Note: this value cannot be changed]* |
| ***Multiply*** "A" by 0.15 | 5,196,428 |
| ***Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used*** | |
| ***Insert*** number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued:<br>• Under an exception in rule 7.2<br>• Under rule 7.1A<br>• With security holder approval under rule 7.1 or rule 7.4<br>*Note:*<br>• *This applies to equity securities, unless specifically excluded – not just ordinary securities*<br>• *Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed*<br>• *It may be useful to set out issues of securities on different dates as separate line items* | 1,000 |
| **"C"** | 1,000 |
| ***Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1*** | |
| "A" x 0.15<br>*Note: number must be same as shown in Step 2* | 5,196,428 |
| ***Subtract*** "C"<br>*Note: number must be same as shown in Step 3* | 1,000 |
| ***Total*** ["A" x 0.15] – "C" | 5,195,428<br>*[Note: this is the remaining placement capacity under rule 7.1]* |

+ See chapter 19 for defined terms.

# Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|---|---|
| **Step 1: Calculate “A”, the base figure from which the placement capacity is calculated** | |
| **“A”**<br>*Note: number must be same as shown in Step 1 of Part 1* | 34,642,856 |
| ***Step 2: Calculate 10% of “A”*** | |
| **“D”** | 0.10<br>*Note: this value cannot be changed* |
| ***Multiply*** “A” by 0.10 | 3,464,285 |
| ***Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used*** | |
| ***Insert*** number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A<br>*Notes:*<br>• *This applies to equity securities – not just ordinary securities*<br>• *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed*<br>• *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained*<br>• *It may be useful to set out issues of securities on different dates as separate line items* | Nil |
| **“E”** | Nil |

+ See chapter 19 for defined terms.

| ***Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A*** | |
|---|---|
| "A" x 0.10<br>*Note: number must be same as shown in Step 2* | 3,464,285 |
| ***Subtract*** "E"<br>*Note: number must be same as shown in Step 3* | Nil |
| ***Total*** ["A" x 0.10] – "E" | 3,464,285<br>*Note: this is the remaining placement capacity under rule 7.1A* |