



Emu NL exploring for multi-million ounces in Chile

Back in November 2019, I was introduced to an interesting gold exploration company named Emu (ASX:EMU). It was capitalised at around \$14.5m with a share price of 4.9¢. A week ago it had dropped to 4.1¢, but it bounced back to the November price last week, following an update on the Elevado Project in the Maricunga gold belt in northern Chile. Normally I am cautious about companies operating in South America, notwithstanding the excellent geology that frequently is exposed. It has to have exceptional merit to get a guernsey.

EMU has 136 km² at an altitude of 4,300m-5,000m in Chile, surrounded by major companies with big gold deposits. Looking at the list below. It certainly looks like elephant country.

- Volcan - 10.6 Moz (Hochschild)
- Maricungal (Refugio) - 6.3 Moz (Kinross)
- Salares Norte - 3.7 Moz (Gold Fields)
- La Coipa - 3.2 Moz + 185 Moz Ag (Kinross)
- Lobo-Marte - 6.2 Moz (Kinross)
- Caspiche - 24 Moz + 3.9 Mt Cu (Newmont/Barrick)
- Cerro Casale - 31 Moz + 2.7 Mt Cu (Goldcorp/Barrick)

In the update released last week, EMU disclosed that two deep diamond drilled holes into IP targets had been completed to depths of 428 and 400m. These hit strong sulphide mineralisation in fine dissemination and veinlets in alteration assemblages. Assays are due by the end of January. Similarly, assays from a regional exploration program comprising stream sediment and rock chip sampling are due at the same time.

Follow-up RC drilling will be undertaken in January and February. The Jotahues Norte Prospect has been mapped as a 2,000 x 350m zone containing enargite breccia with silica-alunite alteration. The Arroyo Ancho Prospect will also be drilled.

EMU has an experienced, successful board that includes Peter Thomas and Terence Streeter. It is well-funded with cash of \$5-6m going into the current exploration program.

It goes without saying that grass roots exploration is high risk but there is also corresponding high reward potential. EMU ticks the boxes of location, funding and management. Let's watch to see firstly what the assays for the two deep holes are, and then those of the RC drilling programme.

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