



ASX/MEDIA RELEASE

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UPDATE ON DSO HEMATITE DISCOVERY AT BEYONDIE IRON PROJECT

60 hole, 4,000m RC drill program being planned for DSO hematite deposit

Emergent Resources Limited (ASX: EMG) (Emergent) is pleased to provide the following update on its recent large Direct Shipping Ore (DSO) hematite iron discovery at the Company's Beyondie Iron project in the mid west region of Western Australia.

Emergent is planning an initial 60 hole, 4,000 metre Reverse Circulation (RC) drilling program over a 5.2 kilometre strike length at the DSO hematite deposit. Timing of commencement of this program will be advised to the market in due course.

Drilling would be conducted on a nominal 800m line spacing angled at 60 degrees, to a depth of 100 metres into the steeply dipping mineralisation.

Subject to successful results the Company will then expand the drill program with a second phase campaign at the hematite deposit of an additional 10,000 metres (at a nominal 400m spacing) along an extended total strike length of 12.6 kilometres.

The DSO deposit at the Beyondie project was discovered last month. It is located within the recently granted E52/2215 tenement, adjacent to tenement E52/1806 - which hosts a JORC Inferred Magnetite Mineral Resource of 561 million tonnes.

The Company's independent geological consultants AMC Consultants Pty Ltd have confirmed a total Exploration Target of 70-120 million tonnes at an overall grade of 52-57% Iron (Fe) at the DSO deposit. This is made up of two exploration targets; 25- 45Mt @ 55- 60% Fe, and 45-75Mt @ 50-55% Fe (Refer ASX release 2 June 2010).

The deposit outcrops at surface, and the surface iron is predominantly hematite. It is estimated that the depth of hematite is approximately 50-70 metres followed by a transition zone of around 30 metres into fresh magnetite.

To date, geological mapping and sampling has been completed over an area of about 1,000 metres in width and a 6.6 kilometres strike length. The deposit is considered to extend a further 6 kilometres east, and this area has yet to be mapped.

Approximately 750 geological samples have been collected across 920 equidistant survey locations. The samples were classified using common industry hematite lithological coding. (ie; iron minerals present, hardness, friability and observable impurities). See attached map which shows the mapped hematite units with the iron assay results coded.

The potential quantity and grade of the Exploration Targets is conceptual in nature as there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Details of DSO hematite deposit

The hematite deposit is interpreted as three parallel hematite units that extend for 6.6 kilometres. The hematite units steeply dip at approximately 70-80 degrees and are enveloped in relatively soft phyllite material, separated by narrow phyllite units approximately 60 metres wide.

The deposit is situated in a low spinifex hillside above an alluvial plain, and mineralisation mapped to date is largely under cover with three minor ephemeral watercourses covering the deposit with alluvium and detrital sediment eroded from the ridges and deposited down slope.

The western limb of the mineralisation is approximately 200 metres wide, mostly under cover with two iron units in close proximity observable. Towards the east the prospect thickens into three distinct units with an overall width of about 380 metres. The mineralisation is bounded by a clay rich relatively soft phyllite unit with multiple narrow high grade hematite inclusions.

The iron enriched units are interpreted as the oxidized surface expression of a deeper magnetite body that provides the magnetic high identified on aerial imagery. The surface iron is predominantly hematite and goethite with martite that suggest the transformation from a magnetite origin.

Agreement to acquire De Grey Mining's 20% interest in Beyondie Iron Project

Earlier this month the Company announced details of an agreement to acquire De Grey Mining Limited's (ASX: DEG) (De Grey) 20% interest in the Beyondie Iron Project (tenements, E52/1806 and E52/2215). Emergent will acquire De Grey's interest in the project via the (reduced) payment of \$6.05 million, which will be made up of;

- the payment of \$5 million 'as soon as possible' from funds raised under the Subscription and Option Agreement which forms part of Emergent's \$200 million Joint Venture for the Beyondie Project with Beijing China Metallurgical Investment Co Limited (CMIC) and
- the payment of a further \$1.05 million on or before 30 November 2010

Emergent agreed with CMIC to amend the terms of the original Subscription and Option Agreement (announced 28 October 2009) to allow for the early payment of the \$5 million (under the Subscription and Option Agreement) to be utilised by Emergent to pay out De Grey's interest in the Beyondie project.

The original acquisition price for De Grey's interest in the Beyondie Project was a total of \$6.75 million. The timeframe for the completion of its acquisition of De Grey's interest in the project has been extended to 30 November 2010. The initial planned settlement date was 30 June 2010.

The acquisition of De Grey's interest in the Beyondie Iron Project tenements E52/1806 and E52/2215 will enable their transfer as unencumbered titles into the proposed Emergent-CMIC joint venture vehicle being Beyondie JV Operations Pty Ltd.

ENDS

For further information please contact:

Garry Hemming
Managing Director
Emergent Resources
Mob: 0419 835 757

E: admin@emergentresources.com.au
Website: www.emergentresources.com.au

James Moses
Media and Investor Relations
Mandate Corporate
Mob: 0420 991 574
E: james@mndatecorporate.com.au

Technical information in this report has been prepared under the supervision of Mr Garry Hemming, a director of the company and a member of the Australasian Institute on Mining and Metallurgy (AusIMM). Mr Hemming has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Hemming consents to the inclusion in this report of the Information, in the form and context in which it appears.

The information in this statement that relates to Mineral Resources and Exploration Targets is based on information compiled by Sharron Sylvester who is a full time employee of AMC Consultants Pty Ltd and a Member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code (2004). Sharron consents to the inclusion of this information in the form and context in which it appears.

About the Beyondie Iron Project

The Beyondie Project is located adjacent to the Great Northern Highway and Goldfields Gas Pipeline in the northern part of WA's mid-west iron ore precinct. Potential shared rail and port infrastructure developments for the project are in progress.

The project has a JORC Inferred Resource of 561 million tonnes grading 27.5% Fe and an additional 480–520 million tonne Exploration Target in the drilled area, plus another 3.7-4.2 billion tonne Exploration Target outside the drilled area. (Refer ASX release 25 November 2009). The later Target mineralisation is based on aeromagnetic data and geological mapping with the interpreted volumes modelled and confirmed as part of the independent Beyondie Mineral Resource Modelling study.

Initial metallurgical test work has shown the potential for the project to produce a high grade magnetite concentrate of +68%Fe, with very low impurities (aluminium, titanium, phosphorous and sulphur).

In addition, in June 2010 Emergent announced a new, large Direct Shipping Ore hematite iron discovery at the project, of an independently assessed Exploration Target of 70-120Mt over a 6.5km portion in tenement E52/2215 (Refer ASX release 2 June 2010).

