

22 August 2011

Early high grade copper results from the first application of new geophysical technology

Highlights

- **Drill hole GRC1355 within the Gecko Mine Corridor intersects 27m @ 1.75% Cu including 6m @ 2.67% Cu, 14.6% Fe and 1812ppm Bi and 6m @ 3.53% Cu, 13.7% Fe and 847ppm Bi**
- **Of note were additional intersections further down the drill hole which indicates mineralisation over some 84m. Further, the elevated Bi is typically a pathfinder element for Au and suggests potential for Au mineralisation in the vicinity**
- **Early success from the application of the powerful HeliTEM geophysics has generated many new targets untested by previous explorers**
- **Two drill rigs will now test a number of near mine and greenfields targets through to the end of the 2011 field season**

Earlier this year Emmerson flew the world's most powerful helicopter (HeliTEM) geophysical survey over 5 discrete blocks, 2 of which host some of the major historic producers within the Tennant Creek Mineral Field (TCMF).

Emmerson Managing Director Rob Bills comments: "We are pleased to report that the first drilling from block 1 (the Gecko – Orlando block) has provided "proof of concept" in confirming that the HeliTEM geophysical anomalies appear associated with alteration systems that contain sulphides, and in this case high grade copper."

“Whilst this intersection is elevated in iron, it is not the classic ironstone style of mineralisation, typical of most historic deposits in the TCMF. This has major implications to future exploration as it appears that HeliTEM is providing a more direct detection of the alteration system and has the potential to discriminate a new style of deposit that has gone undetected by previous explorers.”

“Of particular interest is that the HeliTEM survey has highlighted extension to the prospective mine corridors at both Gecko and Orlando, potentially extending the mineralising trends well outside that defined by the magnetic surveys (fig 1). Based on a systematic approach of integrating the HeliTEM anomalies with 3D geology and other geophysical surveys such as induced polarisation (IP) geophysics, a number of new drill targets have been identified and are now the subject of aggressive drill testing.”

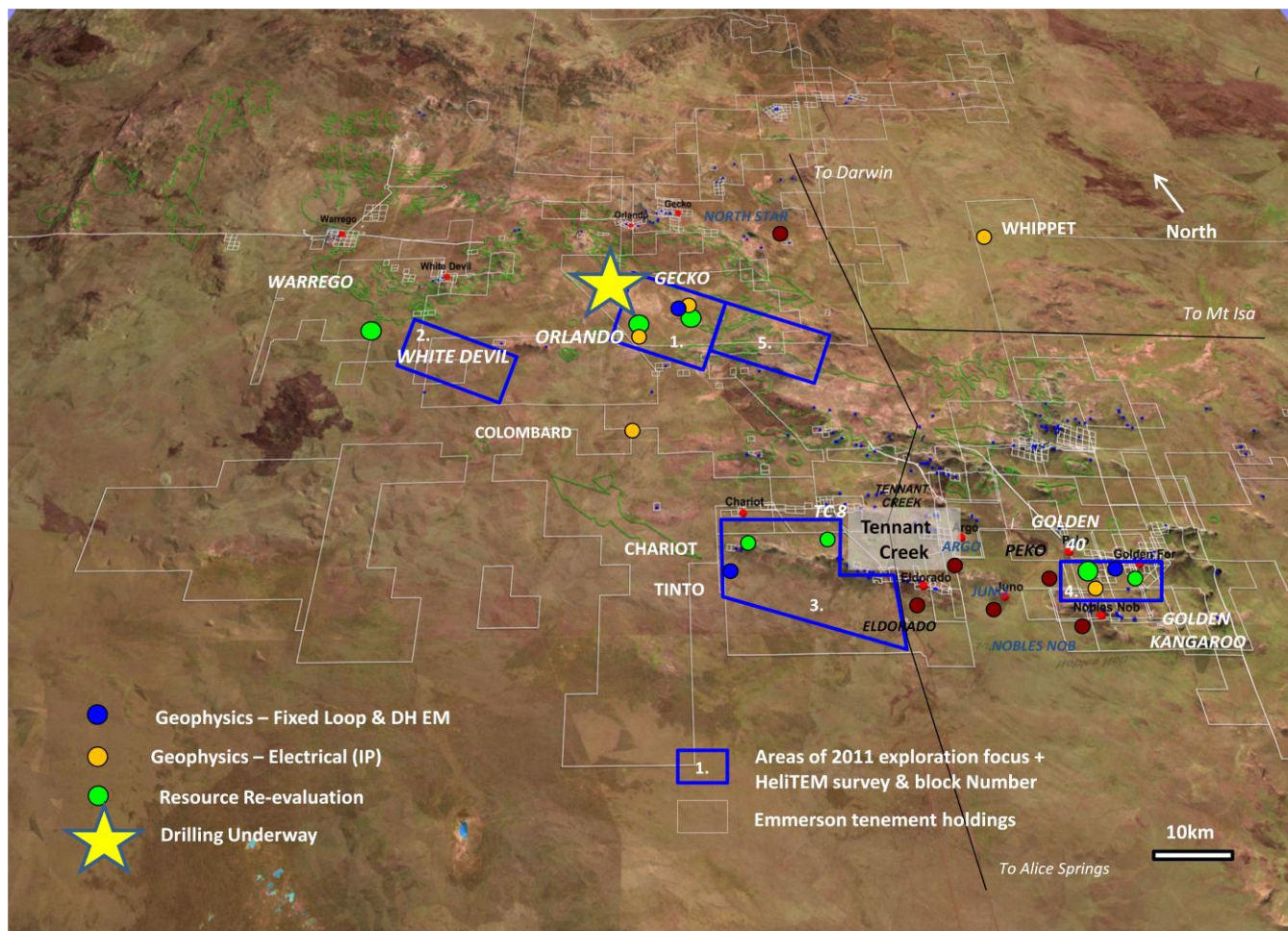
Drill hole GRC1355

This drill hole was testing a combined HeliTEM, IP and geology target along strike from the previously identified but unmined 4North mineralisation (fig 2). The alteration of pervasive chlorite-iron is developed over ~84m below the hematite shale with mineralisation over a number of intervals consisting of both disseminated and veined pyrite – chalcopyrite (table 1 and fig 3). Although orientation data cannot be ascertained from this RC drill hole, the combination of 3D geology and drill hole GRC 1356 (which contains only weakly disseminated sulphides), indicates a steep plunge with good potential at depth and along strike, in the vicinity of further untested HeliTEM anomalies. Note the effectiveness of the IP (fig 3) decreases with depth, whereas HeliTEM is likely still seeing ~500m below the surface. Moreover the HeliTEM anomalies are generated from conductivity depth inversion transforms and thus the causative conductors, at least at the detailed drill hole scale are typically displaced from these models (as illustrated in figure 3). Thus ground based IP surveys compliment the HeliTEM and appear to provide the necessary additional resolution.

Under the terms of the \$28m Farm-in and Joint Venture with Ivanhoe Australia, and the sole fund/sole risk option, the Gecko and Orlando Areas of Interest (AOI) have been carved out of the JV; with Emmerson funding and retaining 100% within the AOI. Also under this option, Ivanhoe retain rights to earn back in by paying a premium to Emmerson’s exploration expenditures. Furthermore and as previously released, Emmerson is also sole funding a re-evaluation of the in-situ resources at both Gecko and Orlando – this is being conducted by a reputable external resource company and has now passed into the scoping study stage. Clearly near mine exploration success will add immediate value to these studies.

ABOUT TENNANT CREEK

The Tennant Creek mineral field has produced over 5.5 Mozs of gold and 470,000 tonnes of copper, being one of the highest grade goldfields in Australia. Emmerson Resources (ERM) has consolidated 95% of this highly prospective mineral field where only 8% of the historical drilling has penetrated below 150m. Some of the most prospective rocks in the field lie hidden beneath recent cover.





About Emmerson Resources

Emmerson Resources (**ASX: ERM – “Emmerson”**) is an Australian-based gold company and was floated on the ASX in December 2007. It is focused on the exploration and development of the richly-endowed Tennant Creek Mineral Field (TCMF) in the Northern Territory of Australia, where it has a dominant ground position covering some 2,700km².

ERM's exploration approach is underpinned by an ongoing investment in new geophysical data and state-of-the art processing technology, coupled with new geological concepts which are applicable to exploring beneath the cover and unlocking the next generation of gold-copper deposits.

Emmerson is progressing exploration on the TCMF in Joint Venture with Ivanhoe Australia Limited pursuant to a Farm-in agreement whereby Ivanhoe is sole funding \$28 million exploration to acquire and retain 51%.

The Company's asset base also includes ownership of the only gold treatment facility in the region (the Warrego carbon-in-pulp processing plant) and a substantial geological database plus extensive infrastructure and equipment.

Emmerson is headed by a group of experienced Australian mining executives including former MIM and WMC mining executive Andrew McIlwain as Non-Executive Chairman, and former senior BHP Billiton and WMC executive Rob Bills as Managing Director and CEO.

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Competency Statement

The information in this report relating to Exploration Results is based on information compiled by Mr Steve Russell who is a Member of the Australian Institute of Geoscientists and has sufficient exploration experience which is relevant to the style of mineralisation under consideration 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'. Mr Russell is a full time employee of Emmerson Resources Ltd. Mr Russell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears (Figures 1,2 & 3, Table 1)

Appendix – Figures 1, 2, 3

Figure 1: Isometric view of select HeliTEM anomalies at Gecko beneath the surface
(red/yellow/green colours depicting the relative conductivities of the HeliTEM anomalies above the magnetics)

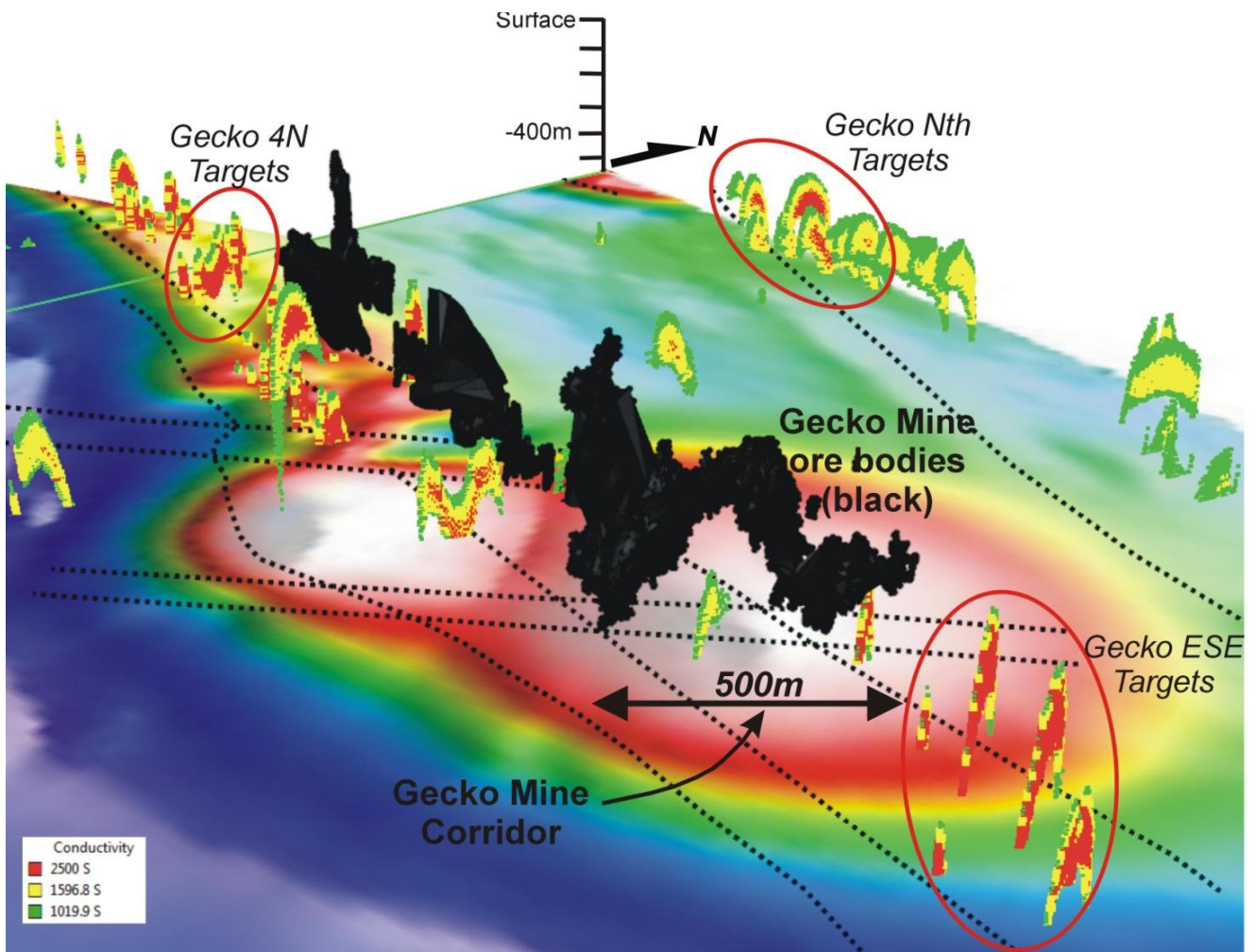


Figure 2: Plan view showing HeliTEM anomalies and drill hole collars

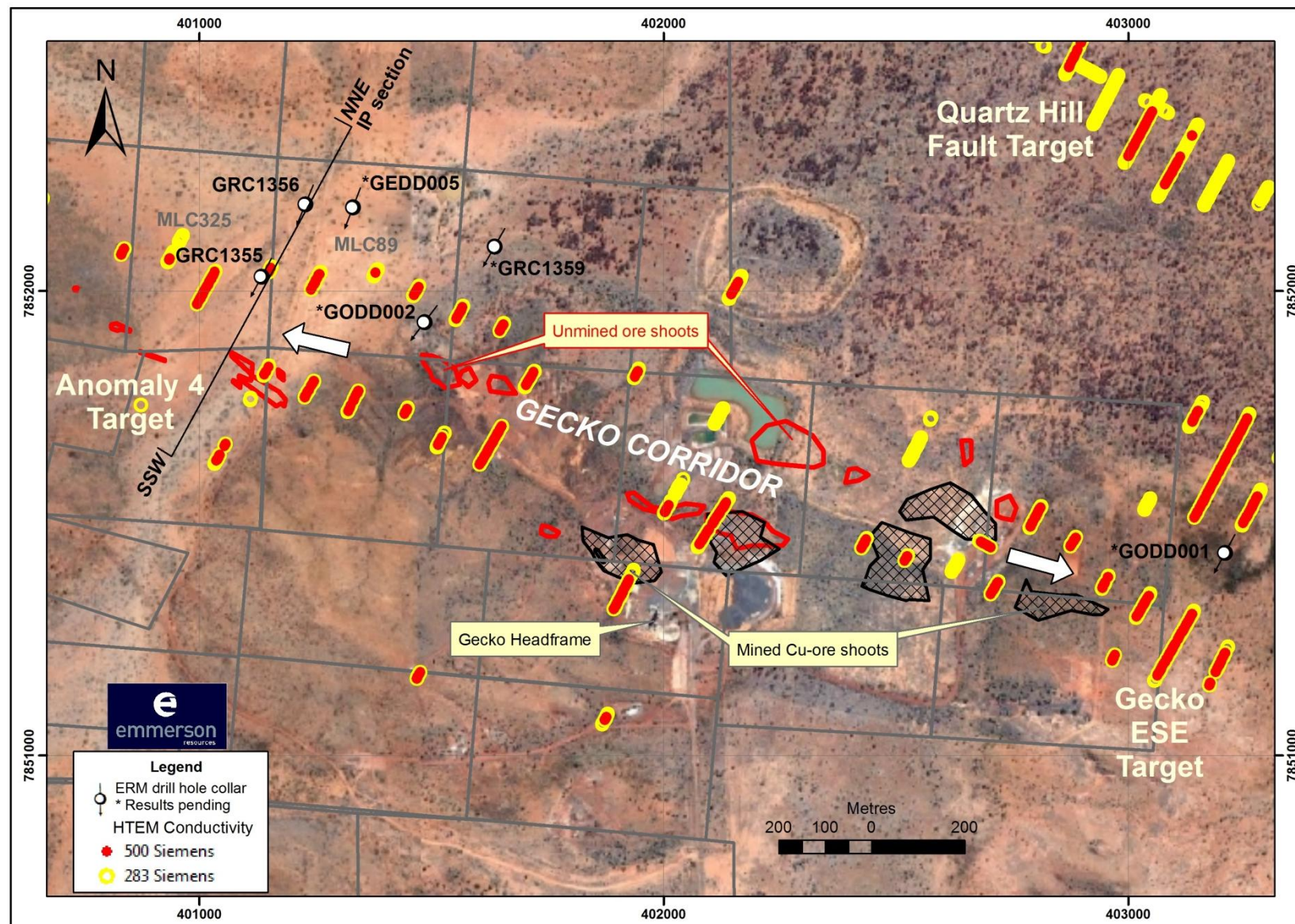


Figure 3: Cross Section showing drill holes with geology and HeliTEM shells on a background of the IP

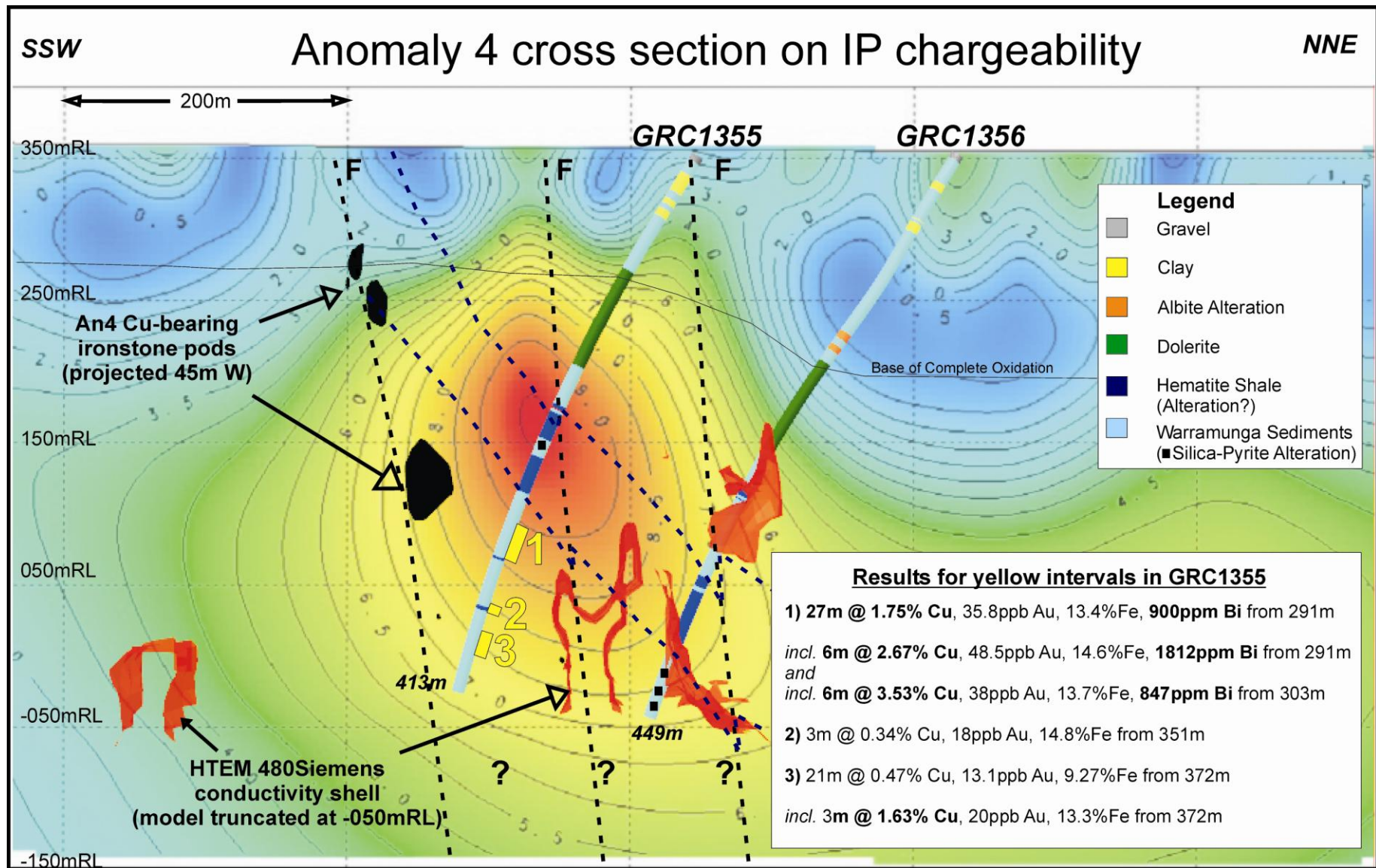


Table 1: Significant Assays from Drill Hole GRC1355

Hole_ID	East (MGA94_53)	North (MGA94_53)	RL AHD	Dip (deg)	AZI mag (deg)	From (m)	To (m)	Width (m)	Au (ppb)	Bi (ppm)	Cu (%)	Fe (%)	Pb (ppm)	Zn (ppm)	Sample Type	Lithology
GRC1355	401133.68	7852028.79	349.9	-57	204	291	318	27	35.8	900	1.75	13.4	8.0	111	3m Comp	Chlorite altered siltstone
					including	291	297	6	48.5	1812	2.67	14.6	13	139	3m Comp	Chlorite altered siltstone
					including	303	309	6	38.0	847	3.53	13.7	4.5	106	3m Comp	Chlorite altered siltstone
						351	354	3	18.0	13	0.34	14.8	6.0	53	3m Comp	Magnetite ironstone with 2% disseminated chalcopyrite
						372	393	21	13.1	800	0.47	9.3	3.8	60	3m Comp	Chl altered siltstone with minor bornite and chalcopyrite veinlets
					including	372	375	3	20.0	140	1.36	13.3	6	88	3m Comp	Chl altered siltstone with minor bornite and chalcopyrite veinlets

Note:

- (1) Samples are 3m composite RC riffle samples.
- (2) Au analysis method by 25g Aqua Regia digestion with MS finish where <1ppm Au and by 25g Fire Assay with AA finish where >1ppm Au.
- (3) Base metal analysis method by 25g Aqua Regia digestion with ICP-OES & MS finish.
- (4) Intercepts are calculated as 3 metre down-hole composite samples.
- (5) Minimum cut-off of 0.3% ppm Cu. No maximum cut-off.
- (6) Maximum internal dilution of 2metres.
- (7) Intersections are reported as downhole lengths and not true width.