emergent resources limited

ASX/MEDIA RELEASE **23rd December, 2010**

BEYONDIE PROJECT UPDATE

Key points:

- **Potential "bedded" hematite source identified at Beyondie Iron Project**
- **Commencement of metallurgical test work to establish saleable product from "bedded" hematite**
- **Additional identified iron ore sources, in the form of hematite-enriched gravels, may provide early positive cash flow**
- **"Bedded" hematite mineralization tested over a limited area of only 5 kilometres of the exposed 16 km segment of Beyondie Magnetite Schist.**
- **Exploration potential for further "bedded" hematite mineralization lies open to the east**

Emergent Resources Limited (ASX:EMG) provides the following update on the Beyondie Iron Ore Project in the mid west region of Western Australia.

Hematite Mineralisation

Reverse Circulation (RC) drilling of the outcropping hematite mineralisation over tenement E52/2215 was completed at the end of September, 2010. The drilling tested for direct shipping ore (DSO) beneath several laterally persistent zones of hematite-enriched rock defined in earlier rock chip sampling campaigns. The drilling objective was to test the grade, depth and the lateral extent of the enrichment. The drilling program comprised 28 holes totalling 1730 metres.

During the analysis of drilling samples the Company's quality assurance process identified some irregularities in laboratory results and investigation revealed sample preparation at the laboratory had been incorrect. Independent sample processing was undertaken to establish where the irregularities had occurred to enable routine production of reliable and consistent results. Corrective action was taken however this caused a delay in the Company receiving reliable test results.

Using a 50% cut off for the bedded material, of the 28 holes drilled in this program, 4 produced significant intersections of hematite at shallow depths. Better intersections include hole WGM0005; **12 metres** of hematite mineralization from 2-14 metres @ **56.59% Fe**, hole WGM0006; hematite @ **53.76% Fe over 27 metres** from 6-33 metres depth, hole WGM0010; **20 metre zone** of hematite @ **50.16%Fe** from 5-25 metres depth and hole WGM0013; **7 metres** @ **52.20%Fe** from 15-22 metres depth.

The results are encouraging and confirm the occurrence of near surface hematite enrichment in E52/2215.

The tenor of the iron assays intersected to date suggests the mineralisation requires beneficiation to reduce the alumina and silica content and increase the iron grade. This situation is typical of "bedded" hematite ores rather than direct shipping ores. Emergent has commenced metallurgical test work to establish what beneficiation is required to produce a saleable product.

Discussion

Reverse Circulation drilling was completed on nominal 800m spacing over the 5km strike of the hematite exploration target. "Bedded" hematite mineralisation tested over a limited area of only 5 kilometres of the exposed 16 km segment of Beyondie Magnetite Schist hosts the hematite enrichment. Earthworks undertaken to gain access for drilling revealed the complex nature of the geology present in E52/2215. The obscured geological targets consist of multiple inter-fingered zones of mineralised and barren material.

Drilling results support the inferred geological complexity. In order to better understand the complexity and economic potential of the prospect, Emergent is planning to undertake detailed geological mapping, drilling, and metallurgical testing, early in 2011. Emergent's aim is to establish the distribution of "bedded" hematite within E52/2215 and to better understand the geological factors controlling the distribution of the iron.

New Developments

During the course of the RC drilling program, Emergent identified hematite-enriched gravels in the shoulders of the subdued relief areas that possess outcropping "bedded" hematite mineralization. Six holes were deliberately targeted at assessing the economic potential of this detrital-type hematite. The gravel is mostly derived from erosion of the "bedded" hematite mineralization upslope.

These two potential shallow or "near-surface" sources of iron, in the hematite-enriched "bedded" hematite mineralization and the detrital iron mineralisation, in part or wholly lie over a deeper bedded magnetite mineralization target. Hematite gravels lying in a similar landscape setting were also identified in earlier drilling on the magnetite resource on E52/1806.

Emergent is actively exploring the potential of these near surface sources of hematite to deliver early positive cash flow while progressing with development of Emergent's large scale Beyondie magnetite deposit (see ASX announcement 15 December, 2010 regarding the recently completed air core drilling.)

Please refer to the attached map to view an overview map that shows the October RC sample locations in relation to the magnetic trend associated with the Beyondie Magnetite Schist.

Table of results:

Hole	Width (meters)	Depth (meters)		Fe %	SiO2 %	Al_2O_3 %	P %	S %	Target	Cut off %Fe
		From	To							
WGM0006	35	4	39	51.91	11.30	6.77	0.197	0.09	DSO	40
WGM0005	21	0	21	51.41	14.28	6.01	0.04	0.52	DSO	40
WGM0010	23	4	27	49.10	13.85	9.06	0.1	0.14	DSO	40
WGM0013	11	15	26	48.20	12.10	7.07	0.439	0.03	DSO	40
WGM0024	4	1	5	46.08	21.26	6.43	0.081	0.06	DSO	40
WGM0019	18	15	33	44.56	16.27	5.90	0.55	0.01	DSO	40
WGM0022	6	10	16	44.54	18.67	6.88	0.224	0.05	DSO	40
WGM0021	5	21	26	44.49	20.03	6.40	0.46	0.02	DSO	40
WGM0001	6	16	22	44.43	19.06	4.75	0.704	0.05	DSO	40
WGM0011	4	20	24	43.89	19.18	6.86	0.581	0.01	DSO	40
WGM0019	12	0	12	37.98	21.35	12.90	0.085	0.06	Detrital	28
WGM0018	13	0	13	35.82	23.98	14.32	0.024	0.04	Detrital	28
WGM0017	4	2	6	35.35	23.68	14.28	0.055	0.06	Detrital	28

Results compiled using a lower cut off of 40% Fe for “bedded” hematite material and 28% Fe for detrital hematite material. The maximum internal waste in either product-type is 2 meters.

For further information please contact:

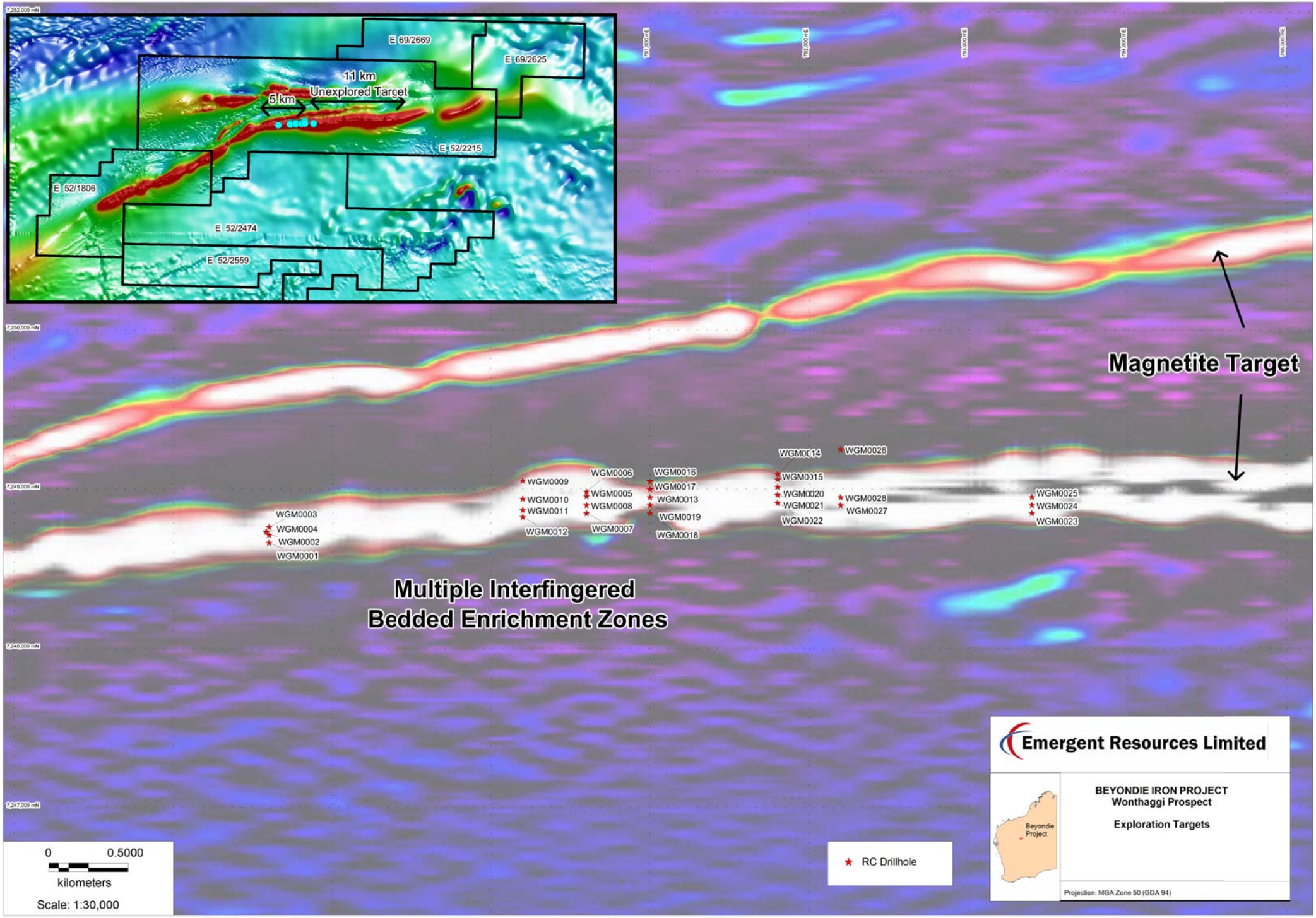
Nathan Lude
Chief Executive Officer

Wolfgang Fischer
Executive Chairman

Emergent Resources Limited
PH: 08 94816600
E: admin@emergentresources.com.au
Website: www.emergentresources.com.au

Competent Persons Statements

Technical information in this report has been prepared under the supervision of Mr Jonathan King, Chief Geologist for the company and a member of the Australasian Institute on Mining and Metallurgy (AusIMM). Mr King 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 King consents to the inclusion in this report of the Information, in the form and context in which it appears.


E 69/2669
E 69/2625
11 km
Unexplored Target
5 km
E 52/2215
E 52/1806
E 52/2474
E 52/2559
Magnetite Target
WGM0003
WGM0004
WGM0002
WGM0001
WGM0009
WGM0010
WGM0011
WGM0012
WGM0006
WGM0005
WGM0008
WGM0007
WGM0016
WGM0017
WGM0013
WGM0019
WGM0018
WGM0014
WGM0026
WGM0015
WGM0020
WGM0021
WGM0022
WGM0028
WGM0027
WGM0025
WGM0024
WGM0023
Multiple Interfingered
Bedded Enrichment Zones
0
0.5000
kilometers
Scale: 1:30,000
RC Drillhole
Emergent Resources Limited
Beyondie Project
BEYONDIE IRON PROJECT
Wonthaggi Prospect
Exploration Targets
Projection: MGA Zone 50 (GDA 94)