

ASX QUARTERLY REPORT for the Period Ending – 31 March 2014

NEW PROJECTS

Emergent Resources Limited (EMG or the Company) has allocated part of its working capital budget to the identification and evaluation of new mineral resource opportunities in Australia and overseas. In this regard the Company during the quarter actively reviewed a number of projects across a range of commodities and countries and is confident of securing a project in the near term that will add significant shareholder value.

The Company considers that its combination of corporate and technical expertise, significant financial backing and cash reserves at a premium to its current market capitalisation makes it ideally placed to grow through investment and acquisition, particularly at a time when asset values have come back so sharply giving rise to a large number of attractively priced opportunities.

CONTINUED SOUND CASH POSITION

The Company's cash reserves at the end of March 2014 were \$2,583,000. The Company is in a very sound cash position to fund exploration on its existing projects and potential future projects.

BEYONDIE IRON ORE PROJECT

The Company carried out substantial work during the Quarter and previously on its Beyondie Iron Ore Project culminating in the release of a significant increase to the Inferred Mineral Resource on the Project.

The updated Beyondie resource modelling, undertaken by OreWin Pty Ltd (OreWin), an independent mining and resource consultancy, was based on information compiled by the Company's geologic consultant Peter Sheehan of Newport Mining Services. The updated Inferred Mineral Resource at Beyondie in accordance with JORC Code 2012 is set out in Table 1 and Figure 1. The revised Inferred Mineral Resources totals 714Mt at 27.4% Fe at relatively shallow depth, with low deleterious impurities of P, S and Al₂O₃.

The Inferred Mineral Resource is reported without a Fe cut-off grade, however drilling results are remarkably consistent within the wide Beyondie Magnetite Schist (BMS) units and a nominal 20% Fe was used to define the mineralised zones. Mineralisation occurs within magnetite schist in two main mineralised lodes (BMS1 and BMS2), and a third less substantial lode (BMS3), which all dip from between 40–55° to the north, with the average dip around 45° (Figure 2). The head grade chemistry of these lodes is generally consistent along the entire strike length.

EMERGENT RESOURCES LIMITED

ASX Code: EMG

Shares on issue: 226,991,001

Directors

Mr Jian Hua Sang	Chairman
Mr Patrick Burke	Director
Mr Sai Kit Wong	Director
Mr Wolfgang Fischer	Director

Projects

Extension Gold Project: Extension to the Plutonic Well Greenstone Belt with previous drilling for Au

Beyondie Iron Project: (80% EMG, 20% DEG)
Established 714 Mt inferred magnetite resource

The drillhole database included data from five drill campaigns, comprising a total of 91 reverse circulation (RC) drillholes and 30 diamond core (DD) drillholes. RC drill rigs were fitted with either a riffle splitter or cone splitter which produced a 3–5 kg sub-sample for every metre drilled for submission to the laboratory. DD was sampled by sawing in half lengthways, and then one half into quarter lengthways producing a 3–5 kg sub-sample for submission to the laboratory. Samples were sent to Spectrolab in Geraldton for analysis by X-Ray Fluorescence (XRF) for the elemental suite; Fe₂O₃, Al₂O₃, SiO₂, TiO₂, CaO, Mn, P, S, MgO, K₂O, and Na₂O.

Table 1 Statement of Inferred Mineral Resources – Head Grade Mineralisation (DOMAINS 1–3)

INFERRED RESOURCE ESTIMATE (Whole Rock Head Grades)										
Domain	Million Tonnes	Fe (%)	SiO ₂ (%)	P (%)	Al ₂ O ₃ (%)	CaO (%)	S (%)	MnO (%)	LOI (%)	Density
BMS 1	147	27.5	46.5	0.28	3.42	1.12	0.08	0.50	4.58	2.86
BMS 2	553	27.5	50.4	0.06	4.30	0.24	0.01	0.27	2.09	3.21
BMS 3	14	19.6	53.2	0.06	7.31	0.23	0.01	0.28	5.90	2.91
TOTAL	714	27.4	49.6	0.11	4.18	0.42	0.02	0.32	2.68	3.13

The database comprised 7,811 Fe% assay data and, new to the dataset, 558 Davis Tube Recovery (DTR) data with associated concentrate assays. Minimum drill spacing of 400 m x 100 m (between section and on section respectively) was required for material to be included as part of the Inferred Mineral Resource. A distance weighted method (ID²) was used for the estimation.

A revised Exploration Target adjacent to the Inferred Mineral Resource in the range 420-460 Mt at 26.5-28.0 % Fe in accordance with JORC Code 2012 is set out in Table 2 and Figure 1. The tonnage and grade ranges were estimated using the same data and method as set out above. While this drilling demonstrates the continued presence of the BMS units, and assay data confirms mineralisation, the holes are considered to be too widely spaced between section, or of insufficient depth on several sections to provide sufficient confidence in the geological interpretation to classify the mineralisation as Inferred Mineral Resource (khaki area in Figure 1). As such, the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Infill drilling to 400m spacing with targeted deeper holes on several sections will test this target. At present, subject to funding, it is intended to carry out this work over the next 24 months.

Table 2 Statement of Exploration Target on E52/1806 – Head Grade Mineralisation (DOMAINs 1–3)

EXPLORATION TARGET ESTIMATE (Whole Rock Head Grades)										
Domain	Million Tonnes	Fe (%)	SiO ₂ (%)	P (%)	Al ₂ O ₃ (%)	CaO (%)	S (%)	MnO (%)	LOI (%)	Density
BMS 1	142	30.1	46.2	0.17	2.69	0.76	0.07	0.28	3.70	3.17
BMS 2	250	26.5	51.2	0.05	4.55	0.29	0.01	0.23	2.90	3.11
BMS 3	48	23.6	48.6	0.18	6.83	0.52	0.01	0.12	6.24	2.91
TOTAL	440	27.2	50.1	0.08	4.21	0.39	0.02	0.24	3.13	3.12

EXTENSION GOLD PROJECT

Following further review of the Extension Gold Project during the quarter, and as previously announced, the Company intends subsequent to the end of the quarter to conduct a targeted drilling program to test gold in soil Mobile Metal Ions (MMI) anomalies generated by previous exploration conducted on its Extension Gold Project. The gold anomalies are coincident with mineralisation intersected in previous drilling of a major shear zone close to a mafic-granite contact which is prospective for gold mineralisation.

Following preparatory works, the drilling program will comprise 800-1,000 metres of RC drilling, allowing the program to test structures at depth and across lithologies. The program will consist of 3 drilling sections to investigate the shear zone in the areas of highest MMI anomalism. Final planning for the holes is yet to be completed but it is expected that the first hole will target the up-dip expression of an 8m at 5.3g/t Au intercept in GCM hole MD5.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

TENEMENT SCHEDULES

The Company's interests in tenements is as follows:

Location	Project	Tenement No	Interest
Western Australia	Beyondie	E52/1806	80% (20% De Grey Mining Limited)
Western Australia	Beyondie	E52/2215	80% (20% De Grey Mining Limited)
Western Australia	Extension	E52/2259	100%

No tenements were acquired during the Quarter.

E52/2259 was reduced during the Quarter by way of partial surrender. 29 blocks were surrendered with the result that E52/2259 now comprises 28 blocks.

Information in this report that relates to Mineral Resources, Exploration Targets and Exploration Results is extracted from ASX announcement "Addendum Substantial Increase to Inferred Magnetite Resource" released on 19 February 2014 and is available on www.emergentresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

For further information please contact:

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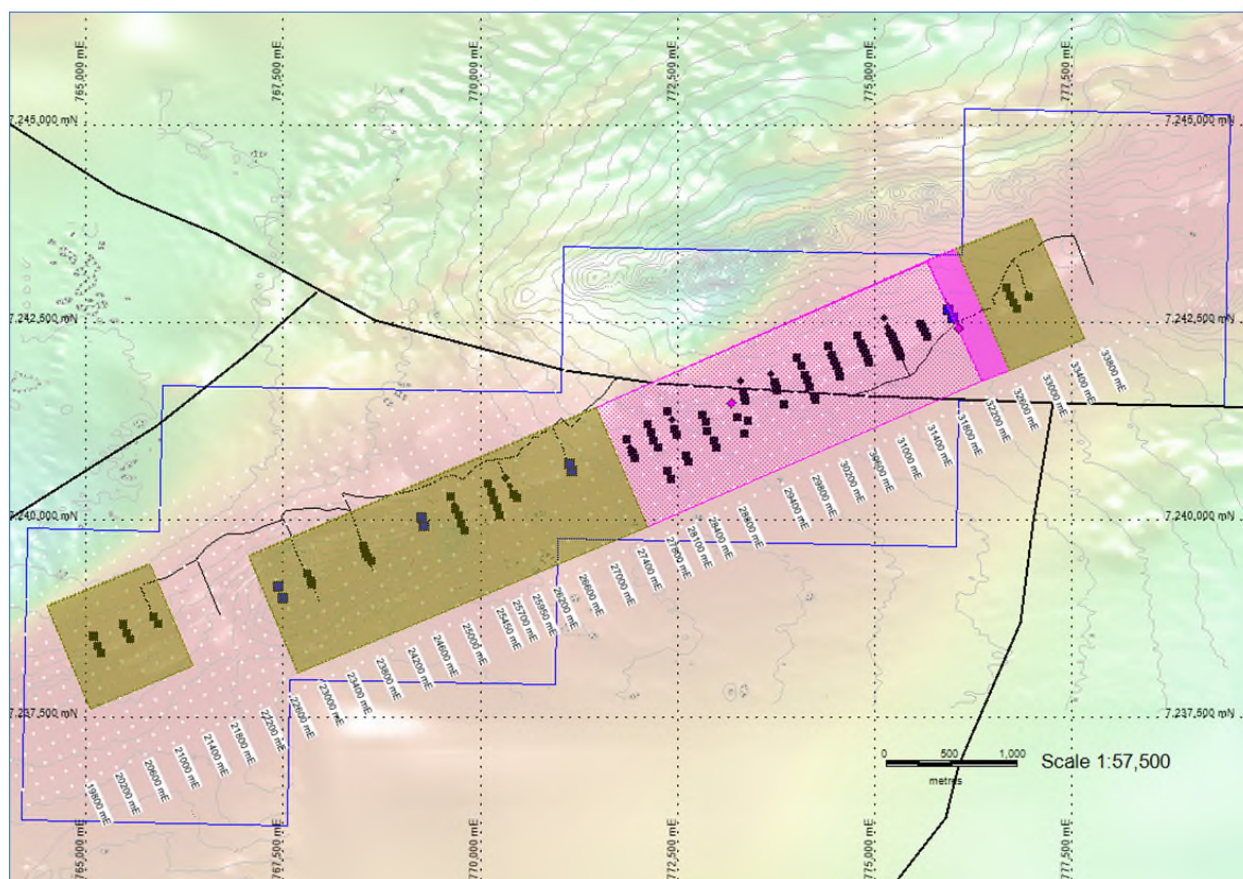


Figure 1: Beyondie drill plan of E52/1806. Inferred Mineral Resource area shown in pink and area of Exploration Target shown in khaki.

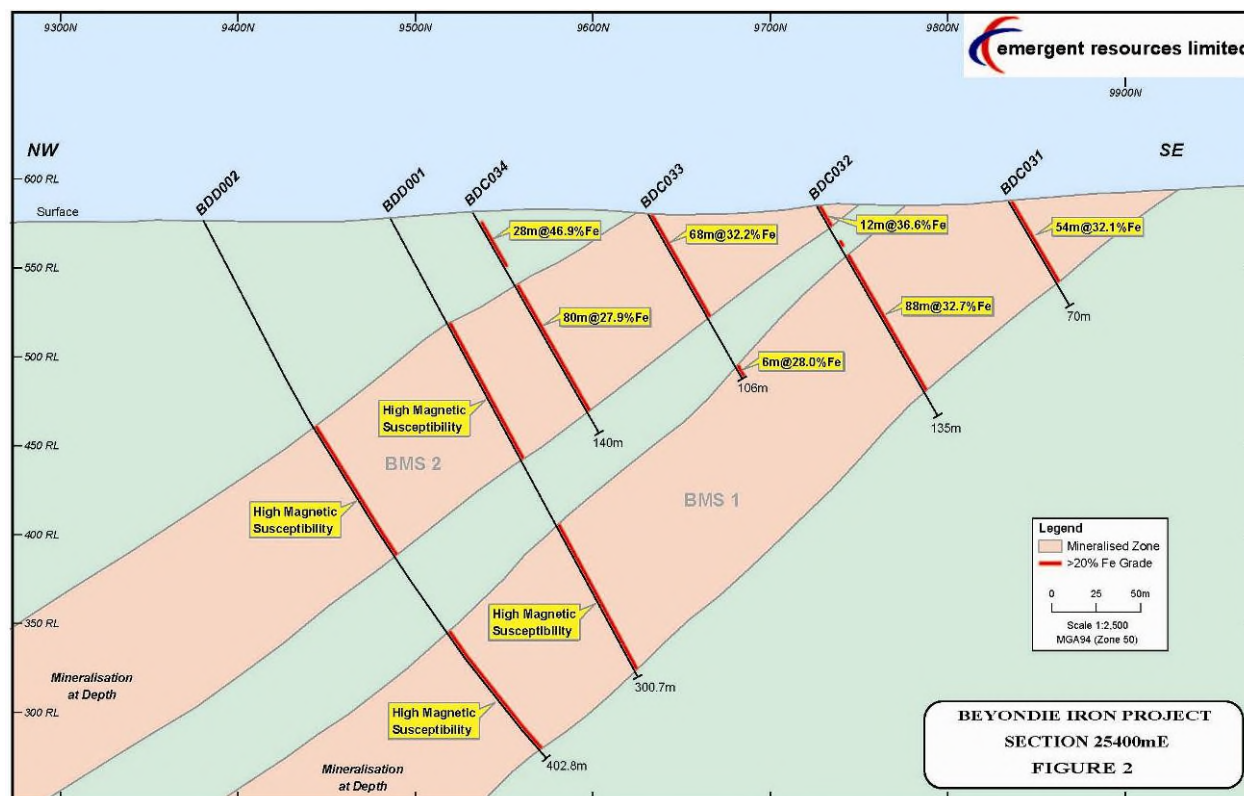


Figure 2: Beyondie local drill section 25,400 m E (located on Figure 1).

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Emergent Resources Ltd

ABN

68 125 323 622

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(82)	(244)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(52)	(284)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	6	69
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(128)	(459)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) environmental bonds	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(128)	(459)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(128)	(459)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	260
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Share issue costs	-	(15)
	Net financing cash flows	-	245
	Net increase (decrease) in cash held	(128)	(214)
1.20	Cash at beginning of quarter/year to date	2,711	2,797
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,583	2,583

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	35
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Item 1.23 – Remuneration of Directors	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1	Loan facilities	-
3.2	Credit standby arrangements	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	50
Total	150

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	133	311
5.2 Deposits at call	2,450	2,400
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,583	2,711

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E52/2259	Partial Surrender (29 of 57 Blocks Surrendered)	80%	80%
6.2 Interests in mining tenements acquired or increased	N/A	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	-	-	-	-
7.2	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary securities	226,991,001	226,991,001		
7.4	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	+Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Cancelled/Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)	-	-
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 29 April 2014

(Company secretary)

Print name: Patrick Burke

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.