

**ASX Release**  
**27 January 2011**

**ASX code: EMU**

## HIGH GRADE EMU LAKE NICKEL INTERSECTION

Three diamond drill holes (totalling 1,359 metres) have been completed at the Emu Lake nickel project, 70km north east of Kalgoorlie. The drilling was designed to test multiple electromagnetic (EM) conductor targets in three areas at Binti South, some 500m to 1000m south of the Binti Gossan zone. The drilling results are summarised in Table 1.

Table 1

**Emu Lake Drill Results**

Drillhole Number	Collar Coordinates		Azimuth	Dip	From m	To m	Interval m	Ni %	Cu %
	East	North							
ELD 045	400120	6647590	232	-63	362.8	363.8	1.00	<b>1.41</b>	0.13
ELD 046	400001	6647723	232	-55				nsa	
ELD 047	399540	6647825	056	-56	172.25	172.95	0.7	<b>1.82</b>	0.14
					447.35	447.60	0.25	<b>5.68</b>	0.67

nsa; no significant assay. True width not yet confirmed. PGE assays pending.

Drill hole ELD 047 encountered high grade nickel sulphides grading 5.68% Ni over a 0.25 metre intersection width, located close to the interpreted basal contact of the main target ultramafic unit. This intersection occurs 170 metres down dip from a similar high grade intersection in drill hole ELD 023 (drilled 2009) with 0.28 metres @ 5.35% Ni, indicating potential for extensions to this contact mineralisation south of Binti Gossan.

Drill hole ELD 045 intersected stringer mineralisation (1 metre @ 1.41% Ni) at the same interpreted contact position some 500 metres to the south, however the intervening drill hole ELD 046, about 200 metres further south, did not intersect significant mineralisation.

Down hole EM surveys in ELD 045 and ELD 046 did not detect any significant conductors. Down hole EM data from ELD 047 is still being assessed.

Emu Nickel is encouraged by the high tenor of the mineralisation intersected in the latest programme and is continuing to assess the results of the drilling and geophysical surveys in a search for thicker accumulations of these high grade nickel sulphides.

For more information on the company visit [www.emunickel.com.au](http://www.emunickel.com.au)

Please direct enquiries to:  
 George Sakalidis  
 Managing Director  
 Phone (08) 9226 4266  
 Mob 0411 640 337

Roger Thomson  
 Executive Director  
 Phone (08) 9226 4266  
 Mob 0419 969 183

The information in this report that relates to exploration results is based on information compiled or reviewed by Roger Thomson BSc, ARSM, MAusIMM, who is a Member of the Australian Institute of Geoscientists. Roger Thomson is a director of Emu Nickel NL. Roger Thomson has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Roger Thomson consents to the inclusion of this information in the form and context in which it appears in this report.