



ASX/MEDIA RELEASE

25 November 2009

ASX Codes: EMG, EMGO

## EMERGENT CONFIRMS MAJOR JORC RESOURCE UPGRADE TO 561Mt FROM PREVIOUS 127Mt AT BEYONDIE IRON PROJECT

Beyondie now comprises;

Inferred Mineral Resource - 561 million tonnes grading 27.5% Fe in E52/1806,  
Exploration Result - 480 to 510 million tonnes grading 27.0 to 28.5% Fe in E52/1806 and  
Exploration Target - 3.7 to 4.2 billion tonnes at contiguous grade outside of E52/1806

### Key Points

- Fourfold increase in previous JORC Inferred Mineral Resource to 561 million tonnes grading 27.5% Fe in E52/1806
- An additional 480-510 million tonne Exploration Result grading 27.0 to 28.5% Fe in E52/1806 confirmed by Independent Geologists
- Further 3.7 to 4.2 billion tonnes Exploration Target outside E52/1806, announced last week, firmly establishes Beyondie as one of the most significant new magnetite iron projects in Australia
- Resource upgrade and Exploration Result both confirmed from drilling over only 12 km segment (in tenement E52/1806) of the project's total 60 km length
- Latest Mineral Resource calculated from 94 Reverse Circulation holes for 12,526 metres and 14 diamond holes for 2,689m
- Independent geologists are of view that comparable magnetite mineralisation is contiguous throughout the entire exploration target

Perth-based exploration company Emergent Resources Limited (ASX: EMG) (Emergent) is pleased to announce a major **JORC Resource upgrade to 561Mt @ 27.5% Fe** at relatively shallow depth at its Beyondie Iron Project in Western Australia's Mid West region.

### Drilled JORC Inferred Resource in E52/1806

The JORC compliant Inferred Mineral Resource totals 561 million tonnes, grading 27.5% Fe with low deleterious impurities of P, S and Al<sub>2</sub>O<sub>3</sub>, and was confirmed from the results of the Beyondie Projects three drill programs which total 17,399 metres across 116 holes (110 RC holes for 14,710 metres and 14 Diamond-tailedholes for 2,689 metres) (Figure 1 and 3). Details of the resource estimate are outlined in the following Table 1. The Inferred Mineral Resource is reported without a Fe cut-off grade, however drilling results are remarkably consistent within the wide BMS units and a nominal 20% Fe was used to define the mineralised zones.

BEYONDIE MAGNETITE SCHIST INFERRED MINERAL RESOURCE ESTIMATE (no cut-off)										
Domain	Million Tonnes	Fe (%)	SiO <sub>2</sub> (%)	P (%)	Al <sub>2</sub> O <sub>3</sub> (%)	CaO (%)	S (%)	MnO (%)	LOI (%)	Density
BMS 1	123	27.8	46.9	0.25	3.4	1.00	0.06	0.43	4.41	3.00
BMS 2	438	27.4	50.8	0.06	4.2	0.21	0.01	0.27	1.98	3.19
<b>TOTAL</b>	<b>561</b>	<b>27.5</b>	<b>49.9</b>	<b>0.10</b>	<b>4.1</b>	<b>0.38</b>	<b>0.02</b>	<b>0.3</b>	<b>2.51</b>	<b>3.15</b>

**Table 1: Beyondie Magnetite Inferred Mineral Resource 23 November 2009**

The above JORC Resource was estimated by Adelaide based independent geological group AMC Consultants Pty Ltd (AMC). Details of the resource estimate are available in the attached Resource Statement.

Beyondie Iron Project in Western Australia's Mid West region now consists of:

Mineralization	Volume	Iron Grade	Location
<b>Inferred Mineral Resource</b>	561 million tonnes	27.5% Fe	E52/1806
<b>Exploration Result</b>	480 - 510 million tonnes	27.0 - 28.5% Fe	E52/1806
<b>Exploration Target</b>	3.7 - 4.2 billion tonnes	Contiguous	Outside E52/1806

**Table 2: Beyondie Magnetite Volumes 23 November 2009**

#### **Drilled Exploration Result in E52/1806**

An additional Exploration Result was delineated in the drilled area in E52/1806. AMC estimates the **Exploration Result tonnage to be 480 to 510 million tonnes grading 27.0 to 28.5% Fe.**

Emergent Managing Director Garry Hemming said: "We are delighted to report this major JORC Resource upgrade and also confirm a significant new Exploration Target, at E52/1806, at the Beyondie Project. Our drilling programs to date have focused on this segment of the total project area and we are delighted to achieve our goal of confirming a Resource and Exploration Result of 1 billion tonnes in E52/1806 and a total volume of 4.7 to 5.3 billion tonnes at Beyondie."

Drilling results combined, with the 3.7 to 4.2 billion tonne Exploration Target announced last week, outside of the drilled area at the project, further establishes the large scale, world class potential of the project," he said.

The interpretations that underpin the Exploration Result tonnage and grade ranges are derived from drill hole data (Figure 2) that is located on sections along strike from the Inferred Mineral Resource zone. While the drilling in the region of the E52/1806 Exploration Result does demonstrate the continued presence of the BMS units, and the available drillhole assay data does support the presence of the BMS mineralisation, the holes are considered to be too widely spaced between section, and of insufficient length on section to provide sufficient confidence in the geological interpretation to classify the mineralisation as a Mineral Resource.

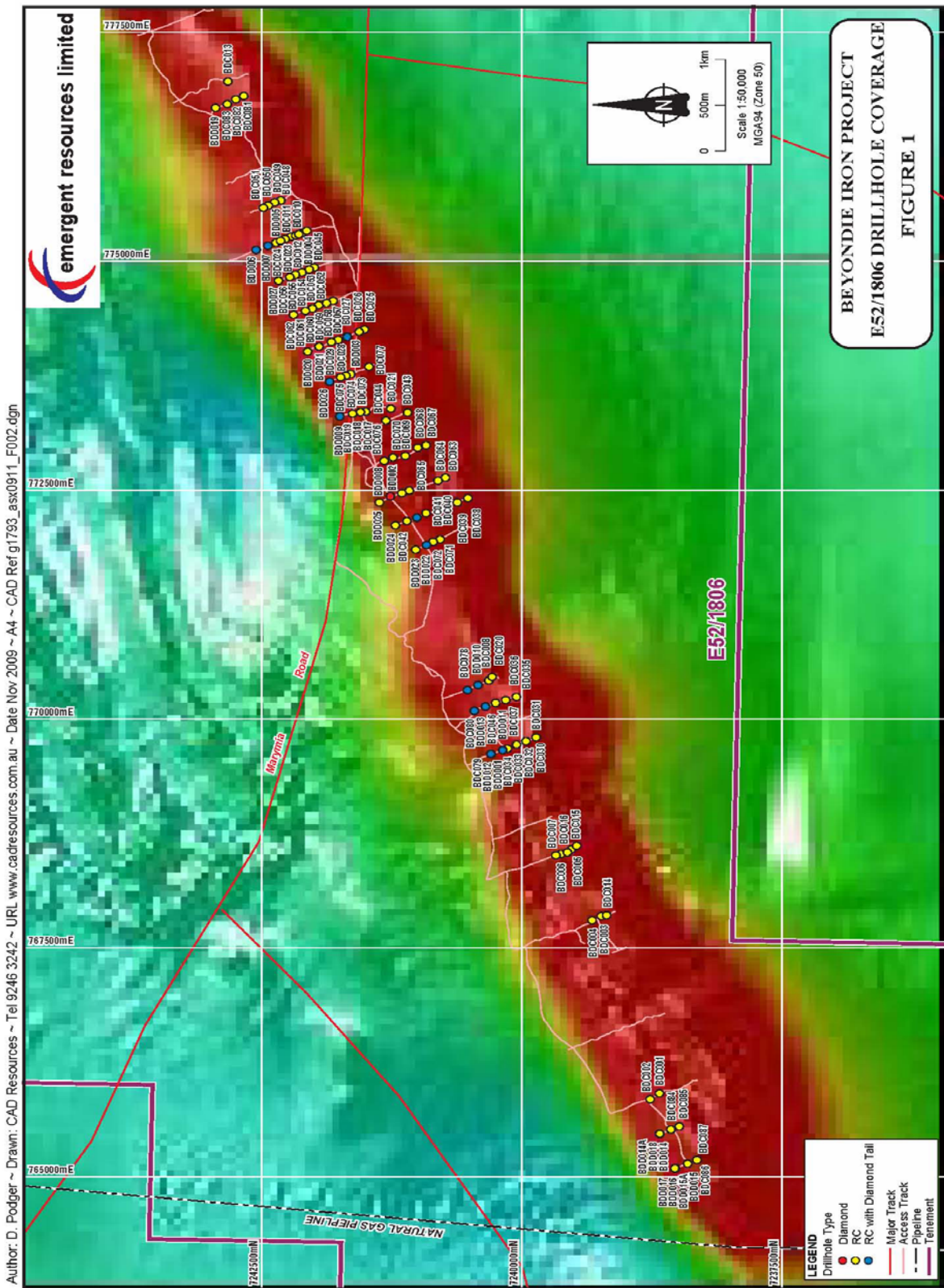
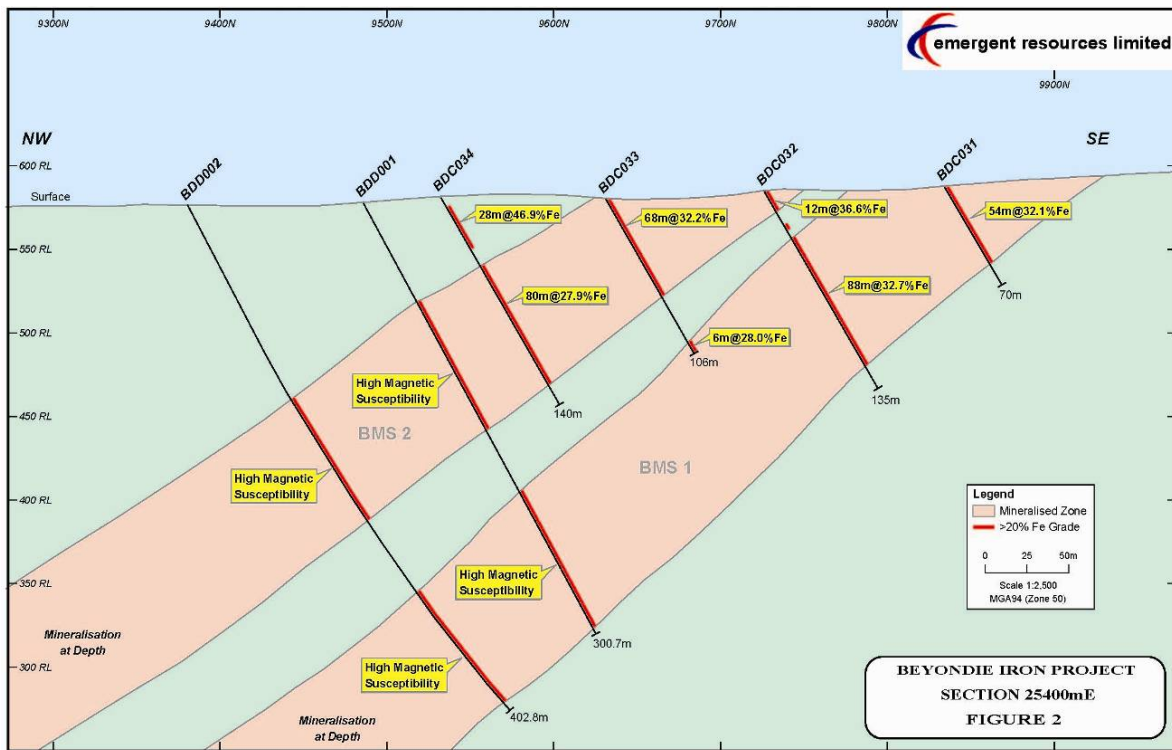


Figure 1: Beyondie drill coverage on aeromagnetic image.



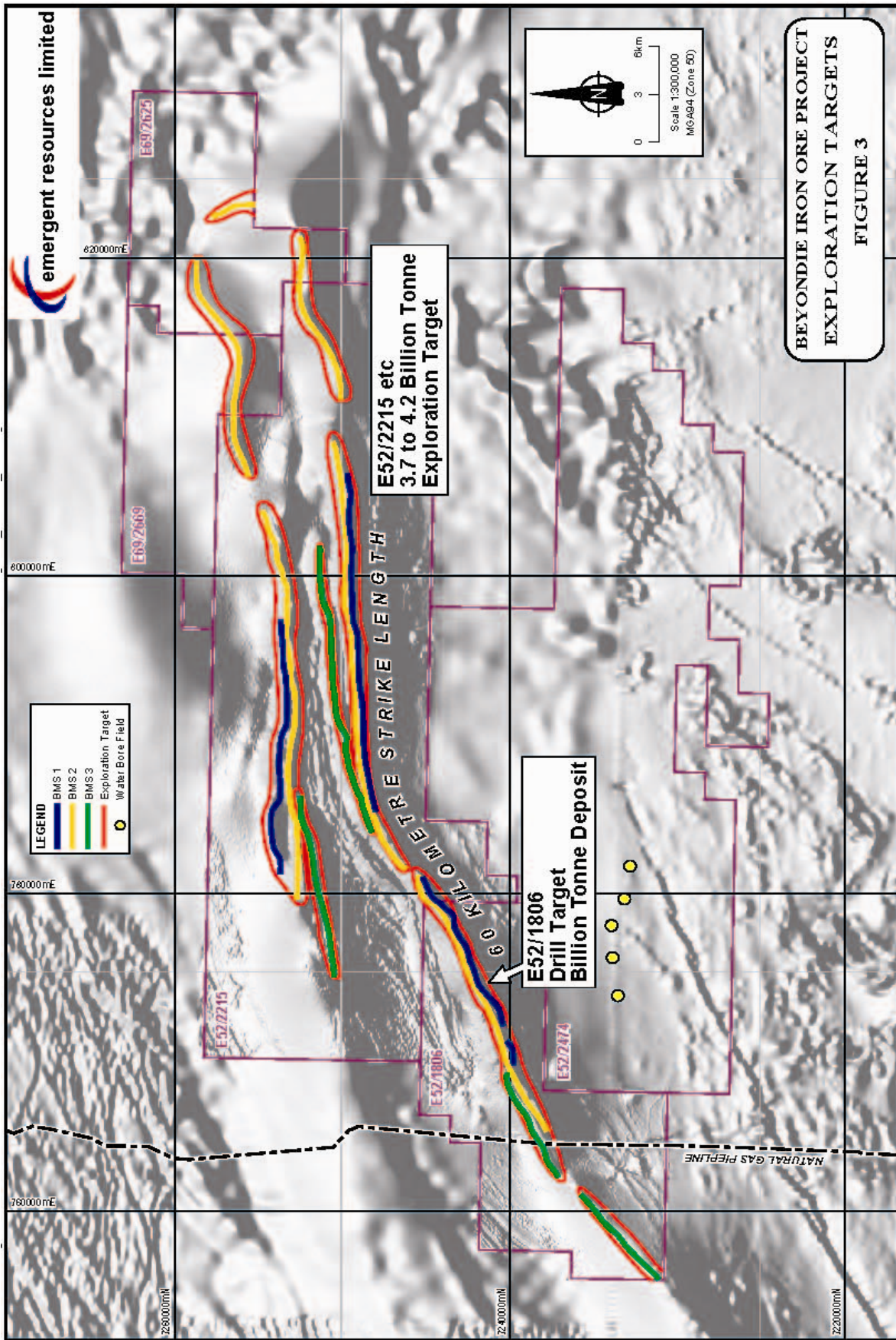
**Figure 2:** Beyondie drill-section 25,400m East located at 769,721m East and 724,0050m North

### Exploration Target Outside E52/1806

On 19 November 2009, the Company also announced an **exploration target of 3.7 to 4.2 billion tonne outside of the drilled area of the project (E52/1806)**. It was confirmed as a result of an ongoing field mapping program and geophysical program conducted by Emergent and assessed by AMC Consultants. The volume of magnetite mineralisation is located outside E52/1806 and is based on assumed depths approximating the depths identified in the drilled areas. The AMC supporting methodology confirms volumes for the BMS zones and the tenor of the magnetic response suggests that a similar grade may be present throughout the entire tenements.

The upgraded Mineral Resource, Exploration Result and Exploration Target confirms the large scale, world class potential of the Beyondie Project, and positions the project as one of the most significant new magnetite iron projects in Australia.





**Figure 3: Beyondie Magnetite Deposit and Exploration Target  
Beyondie Magnetite Schist (BMS)**

The Beyondie exploration licences cover multiple magnetite-bearing banded iron formation (BIF) established over the entire 60 km length of Emergent's leases. The BIF's are being targeted by EMG for large volumes of iron in the form of magnetite.

The informally named Beyondie Magnetite Schist (BMS) forms the main host rock. It comprises 3 siliceous, magnetite-rich horizons (identified as BMS1, BMS2 and BMS3) and has affinities more akin to the South Australian magnetite occurrences, such as the Warramboe Deposits being developed by Iron Roads Limited. These magnetite-bearing deposits are known for their high grade, relative purity and coarser grain size. Similar to South Australian deposits, the BMS represents a highly deformed (folded and faulted) banded iron formation. It is predominantly composed of three components (in decreasing order of abundance): quartz, magnetite and chlorite. The recrystallised unit lacks the classic alternating banding of silica and magnetite of true BIF's. Instead the rock forms as a black, foliated to sheared, homogenous unit.

An infill drilling programme is planned for execution commencing quarter one, 2010. The drilling objective is to reduce geological uncertainty and increasing the resource classification through establishing a nominal drillhole coverage, 400 x 100 m, over the 12 km strike length, in addition to metallurgical testing including the routine processing of Davis Tube Recovery (DTR) testwork to establish grade and percentage weight recovery of potential magnetite concentrate product.

### **About the Beyondie Iron Project**

The Beyondie Project is located adjacent to the Great Northern Highway and Goldfields Gas Pipeline (see Project Location map) 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.

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).

Emergent plan to develop the Beyondie Project into a long-term, large scale, high grade magnetite concentrate mining operation.

The Exploration 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. The Exploration Target mineralisation tonnage and grade is conceptual in nature as there has been insufficient exploration at this stage to define an increased Mineral Resource and it is uncertain if further exploration will result in an increased Mineral Resource.

The Company also recently announced that Chinese State Owned Enterprise, China Metallurgical Investment Co Ltd (CMIC) had successfully completed Due Diligence on its proposed A\$200 million Development Joint Venture with Emergent for the Beyondie Project and entered a Binding Agreement for the CMIC/Emergent Beyondie Development Joint Venture, which provides for a 50:50 JV, A\$200 million funding by CMIC, and a placement of shares and options to CMIC to raise around A\$5 million and give CMIC an approximate 15% holding in Emergent. Emergent also announced acquisition of 100% ownership of the project on 5 October 2009 through the purchase of De Grey Mining Limited's 20% free carried interest.

The Agreement is subject to shareholder approval for the issue of shares and options to CMIC (set for December 11<sup>th</sup> 2009), Foreign Investment Review Board approval, EMG and CMIC signing the Beyondie Joint Venture documents and Loan Agreement for a A\$100 million loan to and approval of the Peoples Republic of China National Development and Reform Commission (NDRC) and other relevant authorities.

ENDS

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*The information in this statement that relates to Mineral Resources and Exploration Results 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 mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code (2004). Sharron Sylvester consents to the inclusion of this information in the form and context in which it appears.*

*Other technical information in this report has been prepared under the supervision of Mr Jonathon King, a director of Weston Consultancy Group Pty Ltd, and a member of the Australian Institute of Geoscientists (AIG). 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.*

### **About AMC Consultants**

AMC Consultants Pty Ltd is a leading mining consultancy, providing services exclusively to the minerals sector. AMC's clients include the world's major mining and exploration companies, corporate advisors, financial institutions and insurance companies. AMC offers technical expertise and experience gained on more than 5,100 projects in more than 100 countries over its 25 years in the business of mining. AMC Principal Geologist, Sharron Sylvester is responsible for the geological modelling and resource estimation currently being completed on the Beyondie deposit. She has over 20 years experience in the mining industry, including extensive experience in magnetite and hematite iron ores.

**Beyondie Magnetite Project  
Mineral Resource Statement  
24 November 2009**

AMC Consultants Pty Ltd has undertaken geological modelling and resource estimation on data provided by Emergent Resources Ltd for its Beyondie Magnetite Project. Geological and assay data available as at the cut-off date of 11 November 2009 has been used in this study.

Beyondie magnetite mineralisation is confined to a magnetite bearing schist (BMS) lithological unit which is considered to represent a highly deformed (folded and faulted) banded iron formation. The Beyondie Inferred Mineral Resource occurs as three discrete horizons (BMS1, BMS2 and BMS3) that trend northeast and dip between 40° - 55° northwest. The width of BMS2 is approximately 80 m, while the width of BMS1 and BMS3 is on average 30 m. The drill coverage has allowed the BMS units to be interpreted to a strike length of approximately 12 km; the strike length of the Inferred Mineral Resource is approximately 4.5 km. The BMS has been interpreted to extend vertically to depths of >330 m below the surface.

The Mineral Resource estimate has been classified in accordance with the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2004).

BEYONDIE MAGNETITE SCHIST INFERRED MINERAL RESOURCE ESTIMATE (no grade cut-off)										
Domain	Million Tonnes	Whole Rock Estimates								Density
		Fe (%)	SiO <sub>2</sub> (%)	P (%)	Al <sub>2</sub> O <sub>3</sub> (%)	CaO (%)	S (%)	MnO (%)	LOI (%)	
BMS1	123	27.8	46.9	0.25	3.4	1.00	0.06	0.43	4.41	3.00
BMS2	438	27.4	50.8	0.06	4.2	0.21	0.01	0.27	1.98	3.19
<b>TOTAL</b>	<b>561</b>	<b>27.5</b>	<b>49.9</b>	<b>0.10</b>	<b>4.1</b>	<b>0.38</b>	<b>0.02</b>	<b>0.30</b>	<b>2.51</b>	<b>3.15</b>

Notes:

- Drill coverage varies across the deposit. The nominal drill spacing is 400 m x 75 m and drilled sections are oriented oblique to the MGA94 grid (northwest-southeast).
- A total of 56 drillholes intersect the BMS horizons, of which 10 incorporate some degree of diamond drilling (i.e. diamond tails).
- Conventional whole rock assaying has been undertaken on 1,594 samples. No Davis Tube Recovery (DTR) concentrate data was available at the cut-off date.
- The whole rock samples were submitted predominantly as 2 m samples. Sample analysis was undertaken by XRF, with thermo-gravimetric testing for LOI.
- Ancillary data such as magnetic susceptibility, downhole geophysics including density, and lithological logging were also utilised in defining mineralogical and geological boundaries.
- Statistical analysis on samples and 2 m samples was undertaken, and an assessment of available QA/QC data was also conducted.
- Grade estimation for whole rock assay and density datasets was undertaken using inverse distance squared. As the majority of samples were taken at a constant length of 2 m, compositing was not considered necessary. A two pass search approach was adopted, whereby a cell failing to receive a grade estimate in a previous pass would be resubmitted for estimation in a subsequent and larger search pass. All cells that are flagged as BMS and received a grade estimate in the two search passes are reported as Inferred Mineral Resource (no default grade assigned to cells that failed to receive a grade estimate).

The information in this statement that relates to Mineral Resources 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 mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code (2004). Sharron Sylvester consents to the inclusion of this information in the form and context in which it appears.



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