



ASX/MEDIA RELEASE

12 July 2010

ASX Codes: EMG, EMGO

AGREEMENT TO PURCHASE DE GREY MINING'S 20% INTEREST IN BEYONDIE IRON PROJECT

Emergent Resources Limited (ASX: EMG) (Emergent, the Company) is pleased to provide the following update regarding its acquisition of De Grey Mining Limited's (ASX: DEG) (De Grey) 20% interest in the Beyondie Iron Project (tenements, E52/1806 and E52/2215) in the mid west region of Western Australia.

Emergent advises that the total acquisition price for De Grey's interest in the Beyondie Project has been reduced to \$6.05 million, which is to be completed by;

- the payment of \$5 million 'as soon as possible' from the funds raised under the Subscription and Option Agreement which forms part of the \$200 million Joint Venture for the Beyondie Project with Beijing China Metallurgical Investment Co Limited (CMIC) and
- the payment of a further \$1.05 million on or before 30 November 2010

The \$6.05 million acquisition price for De Grey's interest in the project comprises;

- the originally proposed purchase price of \$4.5 million
- payment of \$1.3 million at completion in lieu of \$2.25 million in conditional future payments, and
- payment of \$250,000 for the extension of timeframe to completion

The original acquisition price for De Grey's interest in the Beyondie Project was a total of \$6.75 million.

Emergent also advises that the timeframe for the completion of its acquisition of De Grey's interest in the Beyondie project has been extended to 30 November 2010. The initial planned settlement date was 30 June 2010.

The acquisition of De Grey's interest in the Beyondie Iron Project tenements E52/1806 and E52/2215 will enable their transfer as unencumbered titles into the proposed Emergent-CMIC joint venture vehicle being Beyondie JV Operations Pty Ltd.

Beyondie Iron Project Joint Venture \$5 million Subscription and Option Agreement

Emergent also advises that it has agreed with CMIC to amend the terms of the original Subscription and Option Agreement (announced 28 October 2009) under its Beyondie Iron Project Joint Venture with CMIC, to allow for the payment of the \$5 million under the Subscription and Option Agreement to be used by Emergent to pay De Grey to meet Emergent's obligation to gain unfettered title to tenements 52/1806 and 52/2215 under the Beyondie Tenement Sale Agreement.

The amendment of the Subscription and Option Agreement, to bring forward the payment of the placement monies and to allow Emergent to utilise the placement monies to pay out De Grey's interest in the Beyondie project is a strong demonstration of CMIC's wish to accelerate the commencement of the Beyondie joint venture, and its development into a long term, large scale iron ore mining operation.

Emergent shareholders have previously approved the issue of shares and options to CMIC under the terms of the Subscription and Option agreement however due to the passage of time the company is required and will now convene a shareholder meeting for the purpose of approving the issue of equity securities to CMIC

Emergent managing director Garry Hemming said: "We are delighted that receipt of the funds from the placement to CMIC under the Beyondie Joint Venture is now imminent. This will allow the formal commencement of the Beyondie Iron project Joint Venture, the appointment of a CMIC nominated Director to the Emergent board, and pave the way for the continued development of the project with our joint venture partners CMIC into a world class iron ore mining operation."

ENDS

For further information please contact:

Garry Hemming
Managing Director
Emergent Resources
Mob: 0419 835 757

E: admin@emergentresources.com.au
Website: www.emergentresources.com.au

James Moses
Media and Investor Relations
Mandate Corporate
Mob: 0420 991 574
E: james@mndatecorporate.com.au

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

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 mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code (2004). Sharron consents to the inclusion of this information in the form and context in which it appears.

About the Beyondie Iron Project

The Beyondie Project is located adjacent to the Great Northern Highway and Goldfields Gas Pipeline 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.

The project has a JORC Inferred Resource of 561 million tonnes grading 27.5% Fe and an additional 480–520 million tonne Exploration Target in the drilled area, plus another 3.7-4.2 billion tonne Exploration Target outside the drilled area. (Refer ASX release 25 November 2009). The later 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.

Initial 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).

In addition, last month Emergent announced a new, large Direct Shipping Ore hematite iron discovery at the project, of an independently assessed Exploration Target of 70-120Mt over a 6.5km portion in tenement E52/2215 (Refer ASX release 2 June 2010).

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.

Emergent plans to develop the Beyondie Project into a long term, large scale, high grade iron ore mining operation.