

ASX QUARTERLY REPORT for the Period Ending – 31 December 2013

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 December 2013 were \$2,711,000. 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 has spent considerable exploration effort since 2007 at the Beyondie Iron Ore Project resulting in an Inferred Mineral Resource estimate of 561 Mt at 27.5% Fe. Potential exists to expand the resource base at Beyondie with respect to both Magnetite and Hematite mineralisation.

During and subsequent to the quarter the Company has been carrying out an update of the Mineral Resource at Beyondie. An additional fifteen (15) drill holes for 2,473m were drilled subsequent to the above stated resource estimate. A total of eight (8) RC holes for 1,590m and seven (7) DD holes for 883m were completed. This additional drilling was designed to increase confidence where there are gaps between previously drilled holes, and at depth, within the extents of the current resource area. The holes have closed the spacing of drilling to 400m in areas west of the resource to elevate additional mineralisation into the Inferred Resource category. The drilling results will be used to update sectional interpretations and data files in preparation for the updated resource estimation. The Company expects to announce the results of the update shortly.

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.

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 561 Mt inferred magnetite resource

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.

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CORPORATE

During the Quarter, Dr Andrew Tunks resigned as an Executive Director of the Company. The Board thanks Dr Tunks for his service to the Company and wishes him well for the future.

For further information please contact:

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Director
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Competent Persons Statement

Competent Persons Statement

The information in this report which relates to Exploration Results and Mineral Resources has all been previously reported under the 2004 edition of Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves based on information compiled by Dr Andrew Tunks who is a Member of the Australian Institute of Geoscientists and was previously a Director of Emergent Resources Limited. Dr Tunks 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 for reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Dr Tunks consents to the inclusion in this announcement of the statements based on this information in the form and context in which it appears.

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 December 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(119)	(162)
(b) development	-	-
(c) production	-	-
(d) administration	(126)	(232)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	37	63
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(208)	(331)
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)	(208)	(331)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(208)	(331)
	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	(208)	(86)
1.20	Cash at beginning of quarter/year to date	2,919	2,797
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,711	2,711

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	67
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'000	Amount used \$A'000
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	75
Total	175

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	311	319
5.2 Deposits at call	2,400	2,600
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,711	2,919

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		- - - - -
6.2	N/A	Interests in mining tenements acquired or increased	-	-

+ See chapter 19 for defined terms.

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	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.10	Cancelled/Expired during quarter	(5,000,000) (5,000,000)	-	\$0.025 \$0.05	21/06/2017 21/06/2018
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

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 January 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.

+ See chapter 19 for defined terms.

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