HEMISPHERE RESOURCES LIMITED
ABN 96 122 074 006
24 Colin Street, West Perth, Western Australia, 6005
PO Box 2803, West Perth WA 6872
Telephone: +61 8 9481 1749
Facsimile: +61 8 9481 1756
Website: www.hemisphereresources.com.au

ASX ANNOUNCEMENT **Thursday, 10 March 2011**

HANCOCK RANGE DRILLING RESULTS SUPPORT FURTHER TESTWORK

- **Four HQ diamond core holes completed for a total of 893 metres**
- **Seventy-seven 120mm lengths of core submitted to laboratory for testing**
- **Logging and assay results confirm the presence of fresh magnetite Joffre and Dales Gorge Banded Iron Formation, average assay head grade over 30% Fe**
- **Davis Tube testwork underway to assess bench-scale potential for magnetite concentrate production**

Emerging iron-ore developer, Hemisphere Resources Limited (ASX:HEM) today announced positive preliminary assay results for diamond core drilling undertaken at the Company's Hancock Range magnetite / hematite project strategically located to Hope Downs (Hancock / RIO) and Mining Area C (BHP Billiton).

Managing Director, Danny Costick said the assay results of the four-hole, 893m program undertaken between December 2010 and February 2011 confirm the presence of fresh magnetite Joffre and Dales Gorge Banded Iron Formation (BIF), with an average head grade of over 30% Fe.

"The head grades returned by the laboratory are comparable with other Banded Iron Formation hosted magnetite projects, and are sufficiently encouraging to warrant additional testwork," Mr Costick said.

"We've submitted the samples for further analysis, including Davis Tube magnetic separation to assess the potential to liberate the magnetite from the BIF. Should the results prove favourable, we intend to initiate a full suite of metallurgical testwork to further assess the commercial potential of the find."

"We have also completed preliminary fieldwork in the north-eastern section of the Hancock Range prospect targeting an additional 8km of Joffre Member strike length for assessment in a 15 hole, 2,500m Reverse Circulation drilling campaign in May / June 2011, subject to heritage clearance."

"We are making rapid progress at our Pilbara iron-ore projects. In February we announced a maiden Indicated Resource at the nearby Yandicoogina South Project, where Sighter testwork has confirmed the ore quality as a readily marketable DSO product."

"We are quite serious about fast-tracking the commercialisation of our Pilbara assets. Conceivably, Yandicoogina South could be brought into production as early as 2013."

A more detailed report on the Hancock Range assay results is appended.

ENDS

Enquiries **Mr Danny Costick**
Managing Director

Contact **Phone: 08 9481 1749**
Fax: 08 9481 1756
Website **www.hemisphereresources.com.au**

Media **Annette Ellis / Cate Rocchi**
Purple Communications
08 6314 6300

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Hassall, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Hassall is a full-time contract employee of Hemisphere Resources. Mr Hassall has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hassall consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears.

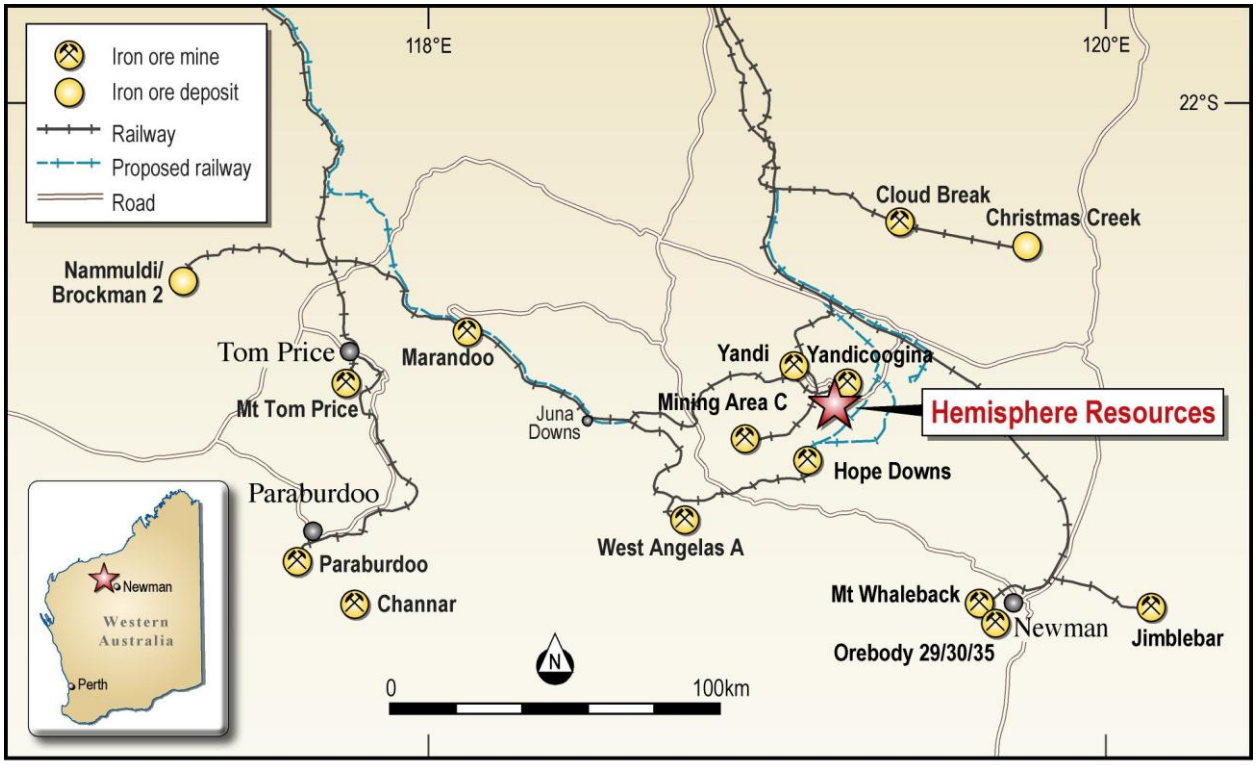

Figure 1: Location of Tenement EL47/2110.

HANCOCK RANGE ASSAY RESULTS

Drill holes were spaced across strike, running from south to north in the north-western part of the tenement (Figure 2). The first hole was drilled to 443 metres to assess the deeper stratigraphy and structure of the area, and was collared in Weeli Wolli BIF and terminated in the middle Dales Gorge Member of the Brockman Iron Formation.

A full sequence of Joffre Member, the Whaleback Shale, and the upper 2 units of Dales Gorge Member was intercepted. The remaining 3 holes were collared in Joffre Member, drilled to a total depth of 150 metres, and terminated in the J6 / J5 Unit of the Joffre Member.

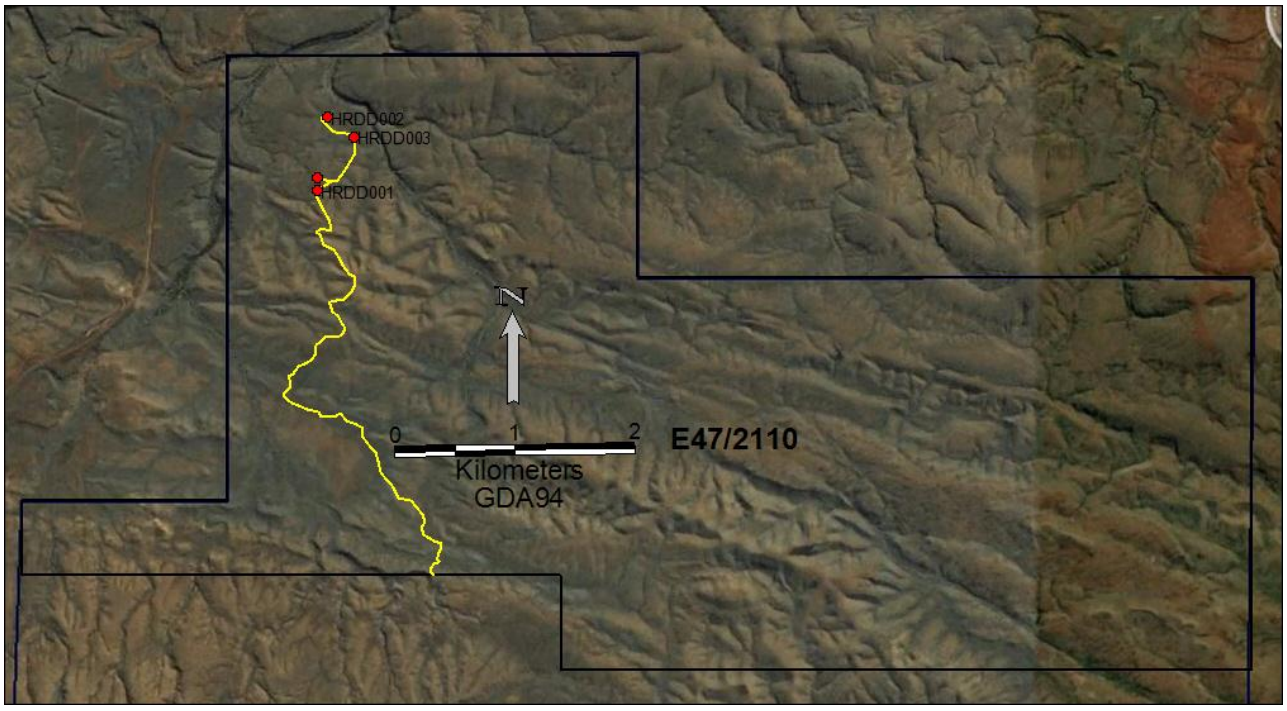

Figure 2: Location of Drill Holes on E47/2110.

Logging showed the presence of fresh magnetite in the Banded Iron Formation, and "spot samples" of core nominally 120mm long were collected at 10-metre intervals for assay. The head grades returned by the laboratory are comparable with other Banded Iron Formation hosted magnetite projects, and this has encouraged the Company to conduct additional testwork. The average head grades for each hole are presented below (Table 1), and full results are listed as an appendix to this announcement (Appendix 1).

Hole ID	Lat°	Long°	Rock Unit	Depth From	Stratigraphic Thickness	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI 950 %
HRDD001	22.860	119.124	J6 to J4	50m	190m	31.0	47.15	0.65	0.097	2.8
HRDD001	22.860	119.124	J2 to J1	300m	60m	28.7	44.54	1.15	0.073	6.7
HRDD001	22.860	119.124	D4 to D3	403m	37m (EOH)	31.9	40.28	0.23	0.116	7.7
HRDD002	22.863	119.125	J6 / J5	Surface	150m (EOH)	29.0	49.59	1.15	0.109	2.1
HRDD003	22.856	119.127	J6 / J5	Surface	150m (EOH)	32.2	45.00	1.11	0.191	2.6
HRDD004	22.859	119.124	J6 / J5	Surface	150m (EOH)	29.2	50.15	0.97	0.129	3.0

Table 1: Head grade assay results averaged by drill hole and stratigraphic rock unit.

The Company has submitted the samples for further analysis, including Davis Tube magnetic separation to assess the potential to liberate magnetite from the Banded Iron Formation. Should this prove favourable, the entire cores will be crushed and a full metallurgical testwork program will be conducted to assess probable grind sizes and the energy required to grind and liberate a magnetite concentrate from the Banded Iron Formation. Results from the initial Davis Tube testwork will be reported once work is completed.

In early March 2011, preliminary fieldwork was conducted on the north-eastern part of the tenement to identify access into an additional 8km of Joffre Member strike length for assessment by Reverse Circulation drilling in May / June 2011 subject to heritage clearance. Holes will be positioned along strike, with nominally 15 holes planned for a combined total of 2,500 metres. The Reverse Circulation samples will allow complete composites to be generated for comprehensive metallurgical testing.

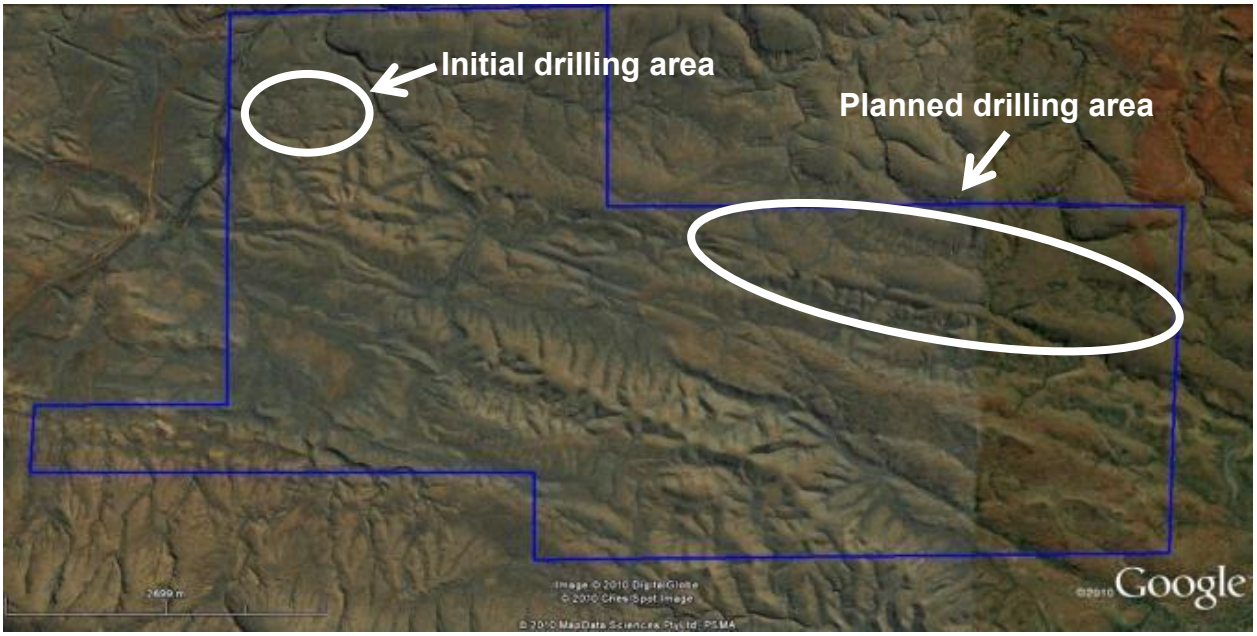

Figure 3 Location of planned drilling

Appendix 1: Complete assay results obtained for spot samples.

Sample ID	Depth Taken (m)	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI950 %
HRDD1-001	50.0	31.4	39.60	1.13	0.132	6.2
HRDD1-002	60.0	27.6	52.70	1.38	0.026	1.7
HRDD1-003	70.0	32.1	44.30	0.78	0.112	2.9
HRDD1-004	80.0	30.3	50.40	0.73	0.101	0.8
HRDD1-005	90.0	33.9	43.70	0.40	0.012	2.5
HRDD1-006	100.0	35.6	42.30	0.28	0.012	2.5
HRDD1-007	110.0	33.0	40.10	0.64	0.269	4.0
HRDD1-008	120.0	36.9	41.50	0.41	0.108	1.6
HRDD1-009	130.0	30.8	46.70	0.47	0.123	3.3
HRDD1-010	140.0	30.2	51.60	0.24	0.146	0.5
HRDD1-011	150.0	27.2	52.50	0.51	0.126	2.4
HRDD1-012	160.0	30.5	50.40	0.25	0.013	2.0
HRDD1-013	170.0	40.3	34.50	0.71	0.013	1.9
HRDD1-014	180.0	23.0	63.40	0.24	0.063	0.5
HRDD1-015	190.0	32.8	42.40	1.22	0.089	3.5
HRDD1-016	200.0	27.5	52.30	0.70	0.079	3.1
HRDD1-017	210.0	28.3	43.20	1.50	0.061	6.4
HRDD1-018	220.0	30.4	48.40	0.91	0.160	1.9
HRDD1-019	230.0	29.1	52.30	0.12	0.200	0.4
HRDD1-020	240.0	30.2	50.60	0.35	0.094	1.3
HRDD1-026	300.0	29.5	48.70	0.64	0.134	3.3
HRDD1-027	310.0	**45.5**	29.90	0.43	0.011	1.1
HRDD1-028	320.0	26.3	56.20	0.34	0.014	2.1
HRDD1-029	330.0	31.6	43.60	0.69	0.087	3.8
HRDD1-030	340.0	32.1	45.20	0.77	0.062	3.2
HRDD1-031	350.0	20.8	37.10	1.64	0.099	19.3
HRDD1-032	360.0	15.3	51.10	3.53	0.106	14.0
HRDD1-033	403.0	37.7	40.00	0.04	0.084	1.6
HRDD1-034	410.0	29.5	25.10	0.55	0.128	23.2
HRDD1-035	420.0	37.0	38.70	0.06	0.096	3.5
HRDD1-036	430.0	27.4	55.10	0.13	0.101	1.4
HRDD1-037	440.0	27.8	42.50	0.36	0.170	8.8
HRDD2-001	10.0	21.6	67.00	0.70	0.020	1.0
HRDD2-002	20.0	31.3	48.20	0.56	0.017	1.7
HRDD2-003	30.0	31.7	45.90	0.70	0.175	1.4

Sample ID	Depth Taken (m)	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI950 %
HRDD2-004	40.0	19.9	57.80	1.44	0.105	5.7
HRDD2-005	50.0	29.2	47.70	1.29	0.124	3.2
HRDD2-006	60.0	19.5	53.50	6.43	0.131	1.6
HRDD2-007	70.0	29.7	45.80	1.73	0.203	3.1
HRDD2-008	80.0	33.0	44.60	0.58	0.175	2.0
HRDD2-009	90.0	33.7	41.20	0.68	0.426	2.0
HRDD2-010	100.0	31.1	45.70	0.38	0.028	3.5
HRDD2-011	110.0	29.5	53.00	0.53	0.025	0.2
HRDD2-012	120.0	30.0	50.60	0.28	0.028	1.9
HRDD2-013	130.0	31.6	49.50	0.40	0.017	0.8
HRDD2-014	140.0	28.9	53.70	0.18	0.049	1.2
HRDD2-015	150.0	34.2	39.50	1.32	0.117	2.1
HRDD3-001	10.0	35.2	31.30	8.17	0.031	10.3
HRDD3-002	20.0	39.1	41.40	0.32	0.023	2.1
HRDD3-003	30.0	37.0	40.90	0.55	0.157	2.6
HRDD3-004	40.0	36.1	43.00	0.49	0.014	1.0
HRDD3-005	50.0	32.2	46.20	0.50	0.174	2.3
HRDD3-006	60.0	28.9	46.80	0.56	0.541	3.1
HRDD3-007	70.0	35.4	32.90	1.03	0.723	3.5
HRDD3-008	80.0	35.0	39.70	0.47	0.050	3.2
HRDD3-009	90.0	27.9	54.10	0.31	0.012	1.5
HRDD3-010	100.0	28.1	52.60	0.40	0.018	2.0
HRDD3-011	110.0	32.7	45.80	0.57	0.018	1.9
HRDD3-012	120.0	30.9	44.80	0.90	0.515	1.1
HRDD3-013	130.0	30.2	47.80	0.77	0.269	1.2
HRDD3-014	140.0	27.4	52.40	0.48	0.116	2.5
HRDD3-015	150.0	26.4	55.30	1.08	0.205	0.9
HRDD4-001	10.0	27.3	52.50	1.29	0.103	2.9
HRDD4-002	20.0	28.7	47.10	0.69	0.206	4.9
HRDD4-003	30.0	26.1	53.50	1.43	0.139	1.6
HRDD4-004	40.0	34.4	38.90	0.57	0.091	4.9
HRDD4-005	50.0	37.2	37.10	0.57	0.014	3.3
HRDD4-006	60.0	27.5	52.50	0.33	0.720	0.5
HRDD4-007	70.0	27.3	53.90	0.24	0.092	2.3
HRDD4-008	80.0	29.2	51.60	0.38	0.019	2.2
HRDD4-009	90.0	34.1	44.70	0.36	0.017	2.0
HRDD4-010	100.0	28.9	53.50	0.45	0.327	0.3

Sample ID	Depth Taken (m)	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI950 %
HRDD4-011	110.0	27.6	55.90	0.33	0.015	0.5
HRDD4-012	120.0	33.4	45.20	0.37	0.015	2.3
HRDD4-013	130.0	38.8	27.50	6.37	0.035	11.1
HRDD4-014	140.0	15.0	76.30	0.58	0.043	1.8
HRDD4-015	150.0	23.0	62.10	0.57	0.105	4.3

Assays returning greater than 30% Fe coloured red, those returning greater than 35% Fe coloured purple. Davis Tube testwork will give an indication of the magnetite mass recovery and of how effectively the iron can be liberated from the silica and phosphorous by grinding and magnetic separation.