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ASX Release

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**CASH BOOST FOR COPPER-GOLD PROJECTS AS**

**EMPIRE SELLS WA URANIUM ASSET FOR \$1.75M**

Empire Resources Ltd (ASX:ERL) has secured additional cash to explore and develop its advanced copper gold projects after agreeing to sell its Yarlarweelor uranium project in Western Australia for \$1.75 million.

The sale agreement will deliver Empire \$1 million in direct cash payments from Radon Resources Limited, a uranium explorer planning to list on the ASX within six months.

Perth-based Empire will also emerge as a major shareholder in Radon in addition to securing a royalty stream from any commercial development by Radon of Yarlarweelor.

“The significance of the Yarlarweelor sale is that Empire can apply additional cash this year to Yuinmery and Penny’s Find in particular, while retaining exposure to Yarlarweelor via a key shareholding and royalty interest in a new uranium explorer,” Mr. David Sargeant, Empire Resources Managing Director, said today.

“We are achieving some outstanding exploration results at Yuinmery and Penny’s Find our flagship copper-gold projects in Western Australia,” Mr Sargeant said,

Our primary objective is to now concentrate on developing these two projects in particular.

“They have a more immediate likelihood of producing early cash flow, as the present Western Australian Government’s attitude to uranium development means the upside from any commercial uranium discovery in that State could be some years away.

“Yarlarweelor has excellent exploration potential with primary uranium mineralization recorded from drill holes in six separate areas.”

## **Terms of Agreement**

The Yarlarweelor uranium prospect is located 125 kilometres north of Meekatharra in Western Australia.

Under the sale agreement terms announced today, Perth-based Radon has the option to purchase exploration licence E52/2095 and all technical information relating to the Yarlarweelor prospect for a six month option fee of \$10,000, with provision for a three month extension. The option can be exercised by a total payment of \$1.75 million, comprising \$1.0 million in cash and \$750,000 worth of fully paid ordinary shares in Radon together with 3,000,000 unlisted options exercisable at 25 cents per option prior to September 2011. Radon reserves the right to vary the payment of \$750,000 worth of fully paid ordinary shares to an extra \$250,000 cash plus \$500,000 worth of fully paid shares.

A royalty of \$1.00 per pound for production up to 2,000,000 pounds U308 is payable if Radon reports the discovery of a resource in excess of 5,000 tonnes U308 with a minimum cutoff grade of 100ppm U prior to 20 June 2011.

The agreement is conditional upon Radon being admitted to the official list of the ASX within the option period.

### **CONTACT:**

#### **Empire Resources**

David Sargeant -- Managing Director  
Adrian Jessup -- Executive Director

Tel. 08 9361 3100  
Tel. 08 9361 3116

#### **Field Public Relations**

Kevin Skinner

Tel. 08 8234 9555  
0414 822 631

*Website: [www.resourcesempire.com.au](http://www.resourcesempire.com.au)*

