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ASX Release

SALE OF PENNY'S FIND GOLD PROJECT FOR UP TO \$2M CASH PLUS ROYALTY

- **Empire enters into \$2 million sale agreement for the Penny's Find gold resource and associated tenements.**
- **Empire to focus exploration efforts on expanding its exciting Yuinmery copper-gold resource.**

Perth- based explorer, Empire Resources Limited (ASX:"ERL") has entered into a staged sale agreement for its Penny's Find gold project located north east of Kalgoorlie, WA with unlisted company Brimstone Resources Limited (Brimstone). At the election of Brimstone, the sale consideration comprises either:

- Staged cash payments totaling \$2.0 million for a 100% interest of the Penny's Find project. A royalty will also be payable on gold produced in excess of the current JORC resource of 52,500 ozs gold.
- Staged cash payments totaling \$0.5 million together with exploration and development expenditure of up to \$3 million for an 80% interest in the Penny's Find project. Any additional development costs associated with ERL's residual 20% interest will be carried by Brimstone and repayable from the proceeds of future gold production.

An initial \$15,000 payment has been made by Brimstone with a further payment of \$85,000 due within four weeks and another payment of \$400,000 due prior to 31st December 2010 to earn a 40% interest in the project. Brimstone must then continue funding exploration and development work by expending up to \$3 million by 31st December 2013 to earn an 80% interest in the project. After expending \$1.5 million by December 2012, Brimstone can elect to purchase 100% of the project for \$1.5 million plus a 2% gross royalty on gold produced in excess of the current JORC resource of 52,500 ozs gold. The royalty would only apply when the gold price is above A\$700/oz up to a maximum of A\$50/oz.

Empire's Managing Director, Mr David Sargeant, said: *"This deal enables us to concentrate our efforts on the Yuinmery copper-gold project in Western Australia where a recently announced acquisition has trebled the size of our holdings in this highly prospective base metal camp."*

We will now be devoting our efforts to testing a considerable number of high quality EM geophysical anomalies with programs of RC and diamond drilling. The aim of this work is to increase the size of our copper sulphide resource to justify developing a mine."

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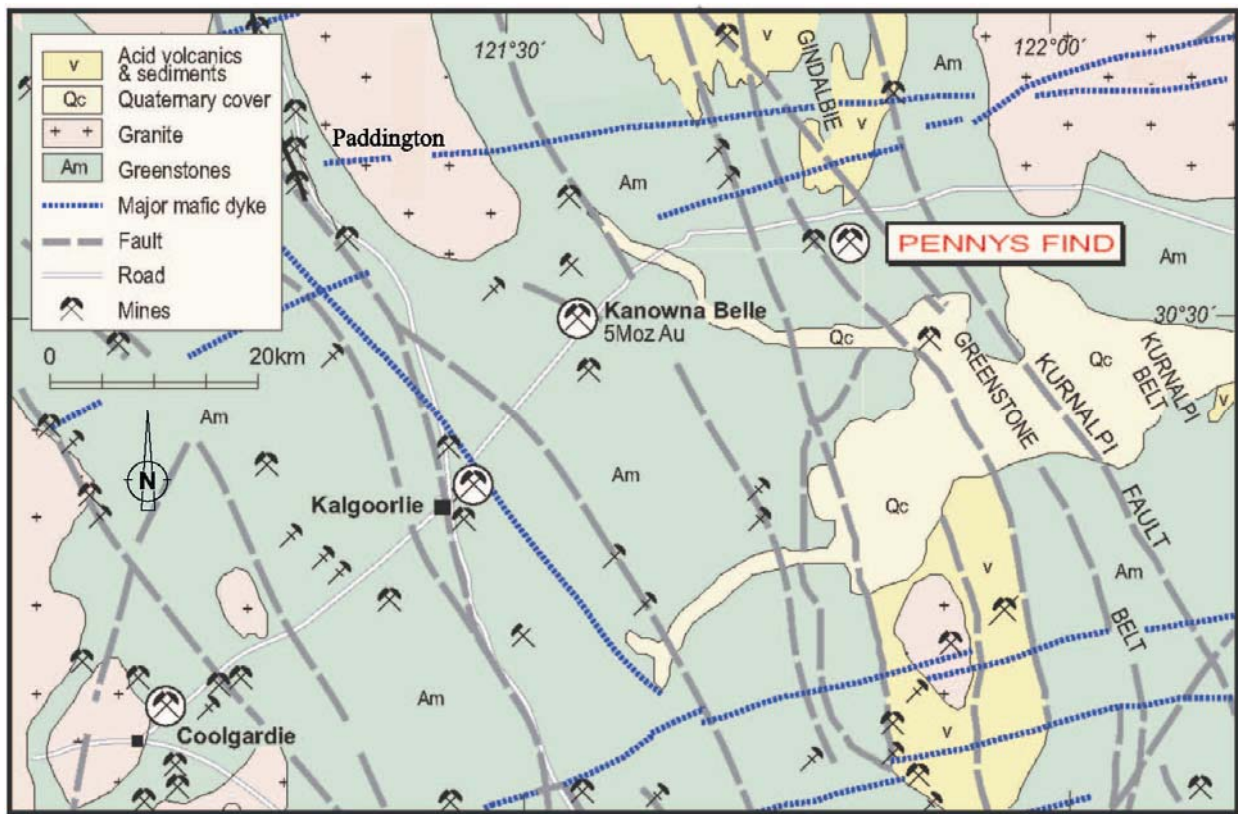
At ERL's wholly owned **Yuinnery project**, the Company previously announced work at the Just Desserts prospect identified an Indicated and Inferred resource of **1,070,000 tonnes at 1.82% copper and 0.78g/t gold**. Additional drilling is also planned to follow up the exciting Trajan discovery where a recent reverse circulation hole intersected **5m at 3.1% copper and 0.38g/t gold**.

For further information on the Company visit www.resourcesempire.com.au

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The information in this report that relates to Exploration Results has been compiled by Mr. David Ross B.Sc(Hons), M.Sc. who is an employee of the Company. He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity to 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". David Ross consents to the inclusion in the public release of the matters based on his information in the form and context in which it appears.



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Notes on the Penny's Find Resource

An updated resource estimate for the Penny's Find gold mineralisation was completed and announced to the market on 8 August 2007 and 12 October 2007.

The mineral resource by category is 314,000 tonnes averaging 5.2 g/t gold down to a vertical depth of 150m below surface.

The mineral resource above 0.5 g/t gold is summarised in the following table.

Penny's Find - Classified mineral resources – August 2007

Category	Tonnes	Grade*	Ounces
Measured	79,000	4.40	11,177
Indicated	132,000	3.98	16,893
Inferred	103,000	7.33	24,276
TOTAL	314,000	5.18	52,316

**grades are based on a minimum cut-off of 0.5g/tAu and high assays cut to 25g/tAu*

Resource modelling consultants Datageo calculated a JORC compliant in situ resource estimate, utilising all drill hole information available on mining lease M27/156 up to the end of June 2007.

The resource grade was estimated using ordinary kriging based on the drill hole data composited downhole to 1m intervals within constraining shapes representing the mineralization. Assumed specific gravity values used were:- oxide 2.0t/m³; transitional 2.2t/m³; fresh 2.5t/m³.

Notes on the Yuimmery Resource

The resource estimate for the Just Desserts prospect at Yuimmery was completed and announced to the market on 9 April 2009. The Mineral Resource by category to a depth of 250m below surface is reported below. The resource comprises no oxide mineralization, only transitional and fresh.

Just Desserts Classified Mineral Resources – March 2009

Category	Tonnes	Grade*	Grade*	Grade*	
			Cu%	Au g/t	Ag g/t
1%Cu cutoff	Indicated	104,000	1.65	0.86	1.32
	Inferred	966,000	1.84	0.77	2.12
TOTAL	1,070,000	1.82	0.78	2.06	
1.5%Cu cutoff	Indicated	46,000	2.11	1.14	1.58
	Inferred	536,000	2.34	0.92	2.68
TOTAL	582,000	2.33	0.93	2.61	

**High assays have been cut to 9% Cu, 20g/t Au and 10g/t Ag.*

Resource modelling consultants Datageo reported the above estimate in accordance with the 2004 JORC Code utilising all drill hole information available on Prospecting Licence P57/1215 up to the end of June 2008.

The resource grade was estimated using ordinary kriging based on the drill hole data composited downhole to 1m intervals within constraining shapes representing the mineralization. Assumed specific gravity values used were:- transitional 2.7t/m³; fresh 3.2t/m³.