



ACN 092 471 513

17 January 2012

Dear Shareholder

### **Empire Resources Limited Share Purchase Plan**

The Directors of Empire Resources Limited are pleased to invite Shareholders to subscribe for shares pursuant to the Company's Share Purchase Plan (**SPP**).

The SPP offers an opportunity to eligible Shareholders, irrespective of the size of their shareholding, to purchase up to a maximum of \$15,000 worth of shares in the Company, at an issue price of 5.0 cents each without having to pay brokerage fees and other charges.

The SPP will also enable Shareholders who do not hold a marketable parcel of \$500 worth of Shares, (based on a share price of 5.2 cents this is 9,615 Shares) to increase their holding of Shares to greater than a marketable parcel without brokerage and other charges.

The Directors have determined that the Record Date for the offer of shares under the SPP is 5.00 pm (WST) on 16 January 2012. Accordingly, as you were registered as a shareholder on the Record Date and are otherwise an Eligible Shareholder you are eligible to participate in the offer. Shareholders whose address is in the United States, Canada or other jurisdictions where such action is contrary to law will not be eligible to participate in the SPP.

Eligible Shareholders are entitled to subscribe for a minimum of \$2,500 worth of SPP Shares (50,000 Shares) to a maximum of \$15,000 worth of SPP Shares (300,000 Shares) or any other amount you may choose between the minimum and maximum.

Directors have indicated they intend to participate in some or all of their entitlement in the SPP.

This offer under the SPP will raise up to a maximum of \$13,200,000. The issue will close on 8 February 2012. In the event that the value of applications at closing exceed \$1,500,000 then each application will be reduced proportionately and the resultant refund will be sent to the shareholder within 10 days of closing. Shares to be issued under the SPP will be allotted within four Business Days after closing.

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#### **PRINCIPAL AND REGISTERED OFFICE**

53 Canning Highway  
Victoria Park WA 6100

Tel: +61 (0)8 9361-3100  
Fax: +61 (0)8 9361-3184

Funds raised by The Company from the SPP will supplement working capital and fund continuing exploration activities on our operations at the exciting Yuinmery Project and for working capital purposes.

### **IMPORTANT**

**Please note that the Closing Date for applying for SPP Shares is 8 February 2012. If you wish to participate in the SPP you should return the completed Application Form and your cheque, made payable to "Empire Resources Limited", to the address on the form as a matter of priority. Alternatively, BPay facilities are available, with details on the Application Form. The directors reserve the right to close the issue earlier than 8 February 2012.**

If you do not want to participate in the SPP, you are not required to take any further action.

Shareholders should be aware that the Company's endeavours are speculative in nature. The market price of its Shares may rise or fall at any time including between the date of this letter and the date when SPP Shares are issued to you. This means that the price you pay per SPP Share may vary from the market price of Shares.

Please note that the Company is not required to issue a prospectus in relation to this Offer. Accordingly, you should rely on your own knowledge of the Company and disclosures already made by it to the ASX in determining whether to apply for SPP Shares. If in doubt, you should contact your stockbroker, solicitor, accountant or other professional adviser immediately.

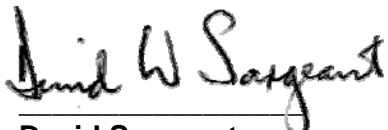
A copy of the terms and conditions of the SPP are attached.

Please read this letter and the enclosed Terms and Conditions of the SPP carefully. Certain words and phrases used in this letter, the Terms and Conditions and the Application Form are set out and defined on page 3 of the Terms and Conditions.

If you have any queries about the SPP, please contact either the Share Registry on (08) 9315 2333 or the Company Secretary on (08) 9361 3100.

For and on behalf of

**Empire Resources Limited**



**David Sargeant**  
**Managing Director**

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## **2012 SHARE PURCHASE PLAN**

**EMPIRE RESOURCES LIMITED**  
ABN 32 092 471 513

**This is an important document.**  
If you have any doubts as to what you should do,  
please consult your stockbroker, accountant  
or financial adviser.

## **Empire Resources Limited**

**January 2012**

### **Terms and Conditions of the Share Purchase Plan**

This sets out the terms and conditions of the offer of Shares under the Share Purchase Plan announced by the Company on 17 January 2012 (**SPP**). By accepting the offer to purchase SPP Shares, you agree to be bound by these terms and conditions and the Constitution.

#### **1. Purpose**

The purpose of the SPP is to offer Shareholders the opportunity to acquire additional fully paid ordinary Shares up to a maximum of \$15,000 in any 12 month period at a discount to the market price of SPP Shares on ASX, without the need to pay stamp duty or brokerage costs and without the need for the Company to issue a prospectus.

#### **2. Shareholders eligible to participate**

All persons registered as Shareholders at the Record Date may participate in the SPP, except those Shareholders whose address in the Company's register of members is a country whose laws or regulations (in the reasonable opinion of the directors of the Company) make it unlawful or impracticable for the Company to offer and issue SPP Shares to that person. The Directors have determined that no Offers will be made to Shareholders who have registered addresses in the United States of America or Canada.

Offers will, at the discretion of the Directors be made under the SPP once a year. The maximum amount, which any Shareholder may subscribe for in any consecutive 12 month period, is up to \$15,000. The Directors may also determine in their discretion the minimum amount for participation and the multiple of/or maximum, SPP Shares to be offered under the SPP.

#### **3. Price of SPP Shares**

The Directors have determined that the price of SPP Shares will be 5.0 cents (\$0.05) per share. Applications for the Minimum Amount (\$2,500.00) are for 50,000 Shares. Applications for the Maximum Amount (\$15,000.00) are for 300,000 Shares.

The pricing of any future Offers under the SPP will be determined by the Directors at the time.

#### **4. Issue of Empire Resources Limited Shares**

SPP Shares will be issued on the date specified by the directors of the Company in the accompanying letter.

Shareholding statements will be issued in respect of all SPP Shares. The Company will, promptly after issue of SPP Shares make application for those SPP Shares to be admitted to quotation on the official list of ASX and all other stock exchanges (if any) on which the Company's Shares are listed.

#### **5. Costs of Participation**

No brokerage, commission, stamp duty or other transaction costs will be payable by participants in respect of the application for, and issue of, SPP Shares.

## **6. Terms of the Offer**

Participation in the SPP is entirely at your option. The offer is also non-renounceable, which means that you cannot transfer your right to purchase shares under the offer to anyone else.

The maximum number of Shares you may apply for is 300,000 and the minimum is 50,000.

The Offer is limited to a maximum raising of \$1,500,000 and will close on 8 February 2012 subject to the director's discretion to close the Offer earlier. In the event that applications at the closing exceed \$1,500,000 then applications will be reduced proportionately and refunds (without interest) sent to shareholders within 10 days of the closing date.

SPP Shares will rank equally in all respects with all other fully paid ordinary Shares as from the date of allotment and will carry the same voting rights, dividend rights and other entitlements. The Company reserves the right to reject any application for SPP Shares to the extent it believes this term or any other term of the SPP has not been complied with.

To participate in the SPP an Eligible Shareholder must follow the instructions on the Application Form and either:

- (a) complete an Application Form and return it to the Share Registry together with a cheque; or
- (b) complete an Application Form and return it to the Share Registry and make payment by BPay.

If the correct amount is not tendered with your Application Form, the Company reserves the right to either return your Application Form to you and not allot any shares to you or to allot a lesser number of shares than that applied for.

The market price of the Company's Shares may rise or fall between the date of the Offer and the date when the Company allots the SPP Shares to you. This means that the price you pay per SPP Share under this Offer may exceed, or be less than, the market price of the Shares at the time of allotment of the SPP Shares. Shareholders should also be aware that the Company's endeavours are speculative in nature. Accordingly, you are encouraged to seek your own financial advice in relation to this Offer and your participation under the SPP.

Please note that you must not apply for over \$15,000 worth of Shares in any 12 month period under the SPP or any other similar offer or purchase plan made by the Company. This excludes offers made under a Prospectus. Please refer to the statement found at item 6 on the first page of the Application Form.

## **7. Modification and termination of the SPP**

The Company may modify or terminate the SPP at any time.

The Company will notify the ASX of any modification to, or termination of, the SPP. The omission to give notice of any modification to, or termination of, the SPP or the failure of the ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer SPP Shares than the person applied for under the SPP if the issue of the SPP Shares applied for would contravene any applicable law or the Listing Rules of the ASX.

## 8. Dispute resolution

The Company may settle in any manner it thinks fit any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant, application, or SPP Shares and the decision of the Company will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these Terms and Conditions may be exercised by the directors of the Company or any delegate of the directors of the Company.

## 9. Defined Terms

In this document, the accompanying letter and the Application Form the following words and phrases have the meanings stated:

**Applicant** means an applicant for the Shares comprised in the Offer.

**Application Form** means the application form for Shares that accompanies this document.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691).

**BPAY** means electronic funds transfer of funds using details contained on the Application Form.

**Business Day** means a day on which trading takes place on the stock market of the ASX.

**Closing Date** means 8 February 2012 unless extended by the Company.

**Company** means Empire Resources Limited (ACN 092 471 513).

**Constitution** means the Company's Constitution.

**Directors** means the directors of the Company.

**Dollar** or **\$** means Australian dollars.

**Eligible Shareholder** means a shareholder on the Record Date with a registered address in Australia or another jurisdiction in which it is lawful for the Company to offer Shares under the SPP.

**Issue** means the issue of the Shares comprised in the Offer.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Share** means a fully paid ordinary share in the Company.

**Share Registry** means Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross, Western Australia, Australia, 6153.

**Shareholder** means a shareholder in the Company.

**SPP** or **Share Purchase Plan** means the share purchase plan announced on 17 January 2012.

**SPP Share** means a Share offered for subscription on the basis and under the terms of the SPP.

**Offer** means the offer of SPP Shares pursuant to the SPP.

**Record Date** means 5.00 pm WST 16 January 2012

**WST** means Western Standard Time.



**PAYMENT INSTRUCTIONS**



Biller Code: 159483

**BPAY** this payment via internet or phone banking. Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

**You do not need to return this form if you have made payment via BPAY.**

**Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.**



**CHEQUE/MONEY ORDER**

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd  
PO Box 535, APPLECROSS WA 6953.

**Applications must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm WST on the closing date.**

**CERTIFICATION**

By making payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the SPP;
2. Agree to be bound by the Terms of the Constitution of the Company and the SPP;
3. Agree to accept any lesser number of new Securities than the number of Securities applied for; and
4. (If not a Custodian as defined in ASIC Class Order 09/425) Certify that the amount of Securities subscribed for by me/us pursuant to the SPP does not exceed the maximum amount taking into account the Securities the subject of this application and any other Securities applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including joint and other beneficial interests.

**LIMITATION ON PARTICIPATION**

The maximum subscription limitation of \$15,000 will apply even if an eligible Holder has received more than one form (whether in respect of a joint holding or because the eligible Holder has more than one holding under separate Security accounts).

**CUSTODIAN CERTIFICATION**

If you are a Custodian (as defined in ASIC Class Order 09/425), you must submit a custodian certificate to Empire Resources Limited. If you did not receive a custodian certificate, contact Security Transfer Registrars Pty Limited. If you need further information to determine whether you are a Custodian, refer to the terms and conditions of the Plan which accompany this Share Purchase Plan Application Form or contact Security Transfer Registrars Pty Limited.

**ENQUIRIES**

All enquiries should be directed to the Company's share registry:

**Security Transfer Registrars Pty Ltd**

**PO Box 535, Applecross WA 6953 AUSTRALIA**

**770 Canning Highway, Applecross WA 6153 AUSTRALIA**

**Telephone +61 8 9315 2333**

**Facsimile +61 8 9315 2233**

**Email [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)**

**PRIVACY STATEMENT**

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them at the address on this form.