



ACN 092 471 513

NOTICE OF ANNUAL GENERAL MEETING

The attached Annexure A "Explanatory Memorandum" should be read in conjunction with this Notice of Meeting.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Empire Resources Limited ACN 092 471 513 ("**the Company**") will be held at the Metro Hotel, Banksia Room, 61 Canning Highway, South Perth, , Western Australia on **28th November 2007 at 11.30 a.m.**, to conduct the following business:

BUSINESS OF THE MEETING

ANNUAL REPORT 2007

To receive and consider the financial report together with the Directors' report (including the remuneration report) and auditor's report for the financial year ended 30 June 2007.

ORDINARY BUSINESS – RESOLUTIONS

1. Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the period ended 30 June 2007 be adopted."

2. To re-elect Mr Adrian Jessup as a Director

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Adrian Jessup, who retires as a Director in accordance with rule 3.6 of the Company's Constitution and, being eligible, having offered himself for re-election, be and is hereby re-elected as a Director".

3. Ratification of previous share issue

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders of the Company approve and ratify the prior issue of 5,000,000 fully paid ordinary shares on 7 June 2007 to Zetek Pty Ltd as payment for a 100% interest in the Yarlalweelor uranium project."

The Company will disregard any votes cast on this resolution by a person who participated in the issue or an associate or associates of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. Approval of Employment Agreement and any possible Termination Payment – David Sargeant

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.17 the entry by the Company into an Employment Agreement with David Sargeant and any possible Termination Payment made pursuant to that agreement is approved in the terms set out in the attached Explanatory Memorandum.”

The Company will disregard any votes cast on this resolution by Mr Sargeant and any associate of his. However, the Company need not disregard a vote if it is cast by a director as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5. Approval of Employment Agreement and any possible Termination Payment – Adrian Jessup

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.17 the entry by the Company into an Employment Agreement with Adrian Jessup and any possible Termination Payment made pursuant to that agreement is approved in the terms set out in the attached Explanatory Memorandum.”

The Company will disregard any votes cast on this resolution by Mr Jessup and any associate of his. However, the Company need not disregard a vote if it is cast by a director as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6. Establishment of the Empire Resources Limited Share Plan

To consider and, if thought fit, to pass, with or without amendment, the following as an ordinary resolution:

“That, for the purposes of Listing Rule 7.2, exception 9(b) and for all other purposes, the Directors are authorised to implement and maintain the Empire Resources Limited Share Plan and to issue Shares under the Plan from time to time upon the terms and conditions specified in the Empire Resources Limited Share Plan Rules as an exception to Listing Rule 7.1 for a period of 3 years after the date of this meeting.”

The Company will disregard any votes cast on this resolution by a Director of the Company. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

7. Issue of Shares to Adrian Griffin under the Empire Resources Limited Share Plan

To consider and, if thought fit, to pass, with or without amendment, the following as an ordinary resolution:

“That, subject to and conditional upon the passing of Resolution 6, for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the issue of up to 500,000 Shares at an issue price of \$0.188 per Share to Adrian Griffin or his nominee in accordance with the Empire Resources Limited Share Plan and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

The Company will disregard any votes cast on this resolution by a Director of the Company and any associate of such Director. However, the Company need not disregard a vote if it is cast by a director as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

8. Issue of Shares to David Sargeant under the Empire Resources Limited Share Plan

To consider and, if thought fit, to pass, with or without amendment, the following as an ordinary resolution:

"That, subject to and conditional upon the passing of Resolution 6, for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the issue of up to 750,000 Shares at an issue price of \$0.188 per Share to David Sargeant or his nominee in accordance with the Empire Resources Limited Share Plan and otherwise on the terms and conditions set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this resolution by a Director of the Company and any associate of such Director. However, the Company need not disregard a vote if it is cast by a director as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

9. Issue of Shares to Adrian Jessup under the Empire Resources Limited Share Plan

To consider and, if thought fit, to pass, with or without amendment, the following as an ordinary resolution:

"That, subject to and conditional upon the passing of Resolution 6, for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the issue of up to 500,000 Shares at an issue price of \$0.188 per Share to Adrian Jessup or his nominee in accordance with the Empire Resources Limited Share Plan and otherwise on the terms and conditions set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this resolution by a Director of the Company and any associate of such Director. However, the Company need not disregard a vote if it is cast by a director as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

All Shareholders are invited to attend. An Explanatory Memorandum to Shareholders follows this notice as detailed in Annexure A.

By Order of the Board



Simon Storm
Company Secretary

26 October 2007

PROXIES

1. A Proxy Form is enclosed with this Notice.
2. A member may appoint not more than 2 proxies. A proxy need not be a member.
3. Where a member appoints 2 proxies and does not specify the proportion or number of the member's votes each proxy may exercise half of the member's rights.
4. An instrument appointing a proxy or a power of attorney may not be treated as valid unless:
 - (a) in the case of a proxy, the Proxy Form, and, if it is executed by an attorney, the relevant power of attorney or a certified copy of it; and
 - (b) in the case of an attorney, the power of attorney or a certified copy of it, to the satisfaction of the Directors is or are deposited at the Company's registered office at 53 Canning Highway, Victoria Park, Western Australia or on fax number (08) 9361-3184 by no later than 48 hours before the time fixed for holding the meeting.
5. An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney duly authorised in writing or, if the appointor is a body corporate, either under its common seal if it has a common seal, or under the hand of an officer or duly authorised attorney or duly authorised representative.
6. In accordance with regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that all securities of the Company registered as at 48 hours before the time appointed for the meeting will be taken for purposes of the meeting, to be held by the persons who are registered holders thereof at 11.30 a.m. WST on 26th November 2007. Accordingly, transactions registered after this time will be disregarded in determining entitlements to attend and vote at the meeting.

OTHER

Words, which are defined in the Explanatory Memorandum, have the same meaning when used in this Notice of Meeting unless the context requires otherwise. For assistance in considering the Notice of Meeting and the Explanatory Memorandum, the following words are defined here:

“ASX” means Australian Securities Exchange Limited (ACN 008 624 691).

“Board” means the board of directors of the Company.

“Company” means Empire Resources Limited ACN 092 471 513.

“Corporations Act” means the Corporations Act 2001 (Cth).

“Director” means a director of the Company.

“Dollar” or “\$” means Australian Dollars.

“Employment Agreements” means the Sargeant Agreement and the Jessup Agreement.

“Explanatory Memorandum” means the explanatory memorandum set out in Annexure A to this Notice of Meeting.

“Jessup Agreement” means the agreement dated 24 October 2006 made between the Company and Murilla Exploration Pty Ltd (ACN 068 277 190) for the provision to the Company of the services of Adrian Jessup.

“Listing Rules” means the listing rules of ASX.

“Notice of Meeting” or “Notice” means this notice of annual general meeting.

“Plan” or “Empire Resources Limited Share Plan” means the incentive scheme offering Shares to senior Employees and Directors on the Empire Resources Limited Share Plan Terms.

“Plan Share(s)” means Share(s) issued under the Share Plan.

"Proxy Form" means the proxy form accompanying this Notice of Meeting.

"Recipient Directors" means Adrian Griffin, David Sargeant and Adrian Jessup.

"Resolution" means a resolution set out in this Notice of Meeting.

"Sargeant Agreement" means the agreement dated 24 October 2006 made between the Company and Kirkdale Holdings Pty Ltd (ACN 009 096 388) for the provision to the Company of the services of David Sargeant.

"Shareholder" means a holder of Shares.

"Share Plan" means the Plan.

"Shares" means fully paid ordinary shares in the capital of the Company.

"WST" means Western Standard Time.

For personal use only

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the annual general meeting of Shareholders to be held on **28th November 2007** (“the Meeting”).

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

BUSINESS OF THE MEETING

Annual Report 2007

Section 317 of the Corporations Act requires the Directors to lay before the annual general meeting the financial report, Directors’ report (including the remuneration report) and the auditor’s report for the last financial year that ended before the annual general meeting.

In accordance with section 250S of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to these reports but no formal resolution to adopt the reports will be put to Shareholders at the annual general meeting (save for Resolution 1 for the adoption of the remuneration report).

ORDINARY BUSINESS – RESOLUTIONS

1. Resolution 1 – Adoption of Remuneration Report

Section 250R of the Corporations Act requires that a resolution that the remuneration report be adopted must be put to the vote at the Company’s annual general meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

In accordance with section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions, or make comments on, the remuneration report at the annual general meeting.

2. Resolution 2 – Re-election of Mr Jessup as Director

In accordance with rule 3.6 of the Company’s Constitution, at each annual general meeting of the Company one third of the Directors for the time being, or if their number is not 3 or a multiple of 3, then the number nearest to but not exceeding 1/3 need to retire from office by rotation, but no Director may retain office for more than 3 years without submitting himself or herself for re-election even though the submission results in more than 1/3 of the Directors retiring from office.

Accordingly, Mr Jessup is required to retire by rotation at the forthcoming annual general meeting, and being eligible, offers himself for re-election as a Director.

Mr Jessup also holds a Bachelor of Science degree (with honours) in economic geology from the University of Sydney and has more than 35 years continuous experience as a geologist, company director and consultant involved in mineral exploration, ore deposit evaluation and mining. He is a member of AusIMM, the Geological Society of Australia and the Australian Institute of Geoscientists.

For the last twelve years, Mr Jessup has operated a geological consulting company. During that time, he was a founding director of Sylvania Resources Limited and remained on the board for two years. Prior to that, Mr Jessup was managing director of Giralia Resources NL for eight years, from the company's inception in 1987. Previously, he had worked for AMAX Exploration Inc., as a senior geologist and as regional manager in charge of that company's mineral exploration in Western Australia.

The Board of Directors, with the exception of Mr Jessup, unanimously recommend that you vote in favour of Mr Jessup's re-election as a Director.

3. Resolution 3 – Ratification of previous share issue

On 5 June 2007, the Company announced that it had acquired a 100% interest in the Yarlalweelor uranium project in exchange for 5,000,000 shares in the Company at a deemed issue price of \$0.18 per share Zetek Pty Ltd ('Zetek').

The shares issued to the Zetek rank pari passu with all other ordinary shares on issue.

ASX Listing Rule 7.1 requires shareholder approval for an issue of securities if, over a 12 month period, the number of securities issued would exceed 15% of the number of ordinary shares on issue at the start of that 12 month period, subject to certain exceptions. Under ASX Listing Rule 7.4, an issue of securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1, and the issue is subsequently approved by shareholders.

Pursuant to ASX Listing Rule 7.4, approval is sought for the prior issue of shares in Resolution 3 to refresh the Company's ability to issue securities within the 15% limit in a 12 month period without shareholder approval.

The Directors recommend that shareholders vote in favour of Resolution 3.

4. Resolution 4 – Approval of Employment Agreement and any possible Termination Payment – David Sargeant

Resolution 4 deals with shareholder approval to the terms of an employment agreement entered into between the Company and an entity associated with a director, details of which were also included in a prospectus dated 7 November 2006.

The Company seeks shareholder approval to the entry by the Company into the employment agreement with Mr Sargeant pursuant to which this party may receive financial benefits from the Company.

This Explanatory Memorandum has been prepared pursuant to various statutory, regulatory and listing provisions, including the following:

- (a) Listing Rule 10.17 which requires Shareholders to approve the total amount payable as fees to Directors.
- (b) Chapter 2E of the Corporations Act which requires the approval of Shareholders where any financial benefit is being given to a related party.

Employment Contract – Mr D Sargeant

By agreement dated 24 October 2006, the Company and Kirkdale Holdings Pty Ltd (ACN 009 096 388) (Kirkdale) agreed the terms and conditions under which Kirkdale would provide the services of Mr Sargeant as Managing Director of the Company.

The agreement has:

- (a) a term of 3 years;
- (b) requires the payment to Kirkdale of a fee of \$10,000 per month (increasing by 10% each year with effect from 1 February 2007) and reimbursement of expenses;
- (c) provisions requiring the payment of a termination benefit of 50% of the amount due for the balance of the term of the agreement on termination of the agreement. This provision requires ratification by Shareholders in order to be effective.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors, their associates and any company that they control) of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefits.

The nominated exceptions include circumstances where the financial benefit is given on terms that would be reasonable in the circumstances if the public company and the related party were dealing at arms length, or if the terms are less favourable to the related party than the terms would be if they were negotiating at arms length.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing securities (i.e. shares or options). A benefit that does not involve the payment of money (such as the issue of securities) may still be a financial benefit. The payment of the amount due on termination of the respective agreement to the Directors constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Resolution 4 seeks Shareholders' ratification of the entry by the Company into the Director Agreement and approval for the termination payment required under that agreement to the director in the event of termination of that agreement.

In accordance with Section 219 of the Corporations Act 2001, the following information is provided to Shareholders to allow them to assess the proposed resolutions.

- (a) The related party is Mr David Sargeant who is a director of the Company.
- (b) The financial benefit is the possible payment of 50% of the amount due under the prospective Employment Agreement for the balance of the term of the agreement (Termination Payment) to Mr Sargeant in the event of termination of the agreement prior to the expiry of the term of the agreement.
- (c) Messrs Griffin and Jessup are in favour of the proposal to put this resolution to Shareholders. Their reason for doing so is that the Directors believe that the attraction and retention of a qualified and experienced management is assisted by the execution of the Employment Agreement and the possible payment of the Termination Payment.
- (d) Mr Sargeant has an interest in the outcome of the proposed resolution. That interest arises only if his respective Employment Agreement is terminated prior to the expiry of the term of that agreement. That benefit would be approximately \$154,000 if the respective Employment Agreement was terminated at the date of this meeting.
- (e) The Directors are not aware of any opportunity costs, taxation consequences or benefits forgone by the Company if the proposed Resolution 4 is passed.

5. Resolution 5 – Approval of Employment Agreement and any possible Termination Payment – Adrian Jessup

Resolution 5 deals with shareholder approval to the terms of an employment agreement entered into between the Company and entity associated with a director, details of which were also included in a prospectus dated 7 November 2006.

The Company seeks shareholder approval to the entry by the Company into the employment agreement with Mr Jessup pursuant to which this party may receive financial benefits from the Company.

This Explanatory Memorandum has been prepared pursuant to various statutory, regulatory and listing provisions, including the following:

- (a) Listing Rule 10.17 which requires Shareholders to approve the total amount payable as fees to Directors.

(b) Chapter 2E of the Corporations Act which requires the approval of Shareholders where any financial benefit is being given to a related party.

Employment Contract – Mr A Jessup

By agreement dated 24 October 2006, the Company and Murilla Exploration Pty Ltd (ACN 068 277 190) (Murilla) agreed the terms and conditions under which Murilla would provide the services of Mr Jessup as an executive officer of the Company.

The agreement has:

- (a) a term of 3 years;
- (b) requires the payment to Murilla of a fee of \$10,000 per month (increasing by 10% each year with effect from 1 February 2007) and reimbursement of expenses;
- (c) provisions requiring the payment of a termination benefit of 50% of the amount due for the balance of the term of the agreement on termination of the agreement. This provision requires ratification by Shareholders for it to be effective.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors, their associates and any company that they control) of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefits.

The nominated exceptions include circumstances where the financial benefit is given on terms that would be reasonable in the circumstances if the public company and the related party were dealing at arms length, or if the terms are less favourable to the related party than the terms would be if they were negotiating at arms length.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing securities (i.e. shares or options). A benefit that does not involve the payment of money (such as the issue of securities) may still be a financial benefit. The payment of the amount due on termination of the respective agreement to the Directors constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Resolution 4 seeks Shareholders' ratification of the entry by the Company into the Director Agreement and approval for the termination payment required under that agreement to the director in the event of termination of that agreement.

In accordance with Section 219 of the Corporations Act 2001, the following information is provided to Shareholders to allow them to assess the proposed resolutions.

- (a) The related party is Mr Adrian Jessup who is a director of the Company.
- (b) The financial benefit is the possible payment of 50% of the amount due under the prospective Employment Agreement for the balance of the term of the agreement (Termination Payment) to Mr Jessup in the event of termination of the agreement prior to the expiry of the term of the agreement.
- (c) Messrs Griffin and Sargeant are in favour of the proposal to put this resolution to Shareholders. Their reason for doing so is that the Directors believe that the attraction and retention of a qualified and experienced management is assisted by the execution of the Employment Agreement and the possible payment of the Termination Payment.
- (d) Mr Jessup has an interest in the outcome of the proposed resolution. That interest arises only if his respective Employment Agreement is terminated prior to the expiry of the term of that agreement. That benefit would be approximately \$154,000 if the respective Employment Agreement was terminated at the date of this meeting.

(e) The Directors are not aware of any opportunity costs, taxation consequences or benefits forgone by the Company if the proposed Resolution 4 is passed.

6. Resolution 6 – Establishment of the Empire Resources Limited Share Plan

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of Directors and Employees of a high calibre, the Company has established a Share Plan.

The Directors and Employees of the Company have been, and will continue to be, essential to the growth of the Company.

The Directors consider that the Plan is an appropriate method to:

- a) reward Directors and Employees for their past performance;
- b) provide long-term incentives to participate in the Company's future growth;
- c) motivate Directors and Employees and generate loyalty in Employees; and
- d) assist to retain the services of valuable Employees.

The Plan will be used as part of the remuneration planning for senior Employees. ASX corporate governance guidelines recommend that executive remuneration packages involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals. The Plan will also be used as part of the remuneration package for non-executive Directors. Although this is not in accordance with the recommendations contained in the corporate governance guidelines, the Company considers that it is appropriate for non-executive Directors to participate in the Plan, given the size of the Company.

Although the Company is not required to obtain shareholder approval for the introduction of the Plan, if the Plan is approved, any Shares issued under the Plan within 3 years of approval of the Plan, will be an exception to Listing Rule 7.1.

Listing Rule 7.1 broadly provides, subject to certain exceptions, that a company may not issue or agree to issue securities representing more than 15% of the nominal value of the company's issued capital at the beginning of any 12 month period without shareholder approval. If Shareholders approve this resolution, then the Shares issued under the Plan would not be included in the 15% limit imposed by Listing Rule 7.1 for a period of 3 years.

The Company will offer no more than 3,000,000 Shares under the Plan. The Company has issued conditional invitations, subject to the passing of Resolutions 7 to 9 as applicable, to Directors and Employees of the Company to participate in the Plan. The Company has offered a total of 1,750,000 Shares to Directors as set out in Resolutions 7 to 9, and proposes to offer up to a total of 700,000 Shares to Employees, on the Empire Resources Limited Share Plan Terms.

A summary of the Empire Resources Limited Share Plan Terms is set out below and in section 5 of Resolutions 7 to 9 of this Explanatory Memorandum. A copy of the full Terms will be sent to any member of the Company upon request.

Pursuant to the Terms, the Board or a duly appointed committee of the Board ("Committee") may, at such time as it determines, issue invitations to Directors and Employees of the Company to apply for Shares.

It is at the discretion of the Committee who will be issued invitations to apply for Shares under the Share Plan and the number of Shares the subject of an invitation. Offers of Shares by the Board or the Committee are subject to the limits imposed by the Plan. Except where necessary to comply with the provisions of an employment contract or other contract approved by the Board whereby executive or technical services are provided to the Company, neither the Board nor the Committee may offer or issue Shares under the Plan where the effect would be that the number of Shares offered or granted, when aggregated with the number of Shares issued on the same date or within the previous 5 years under any share incentive scheme, would exceed 5% of the total number of Shares on issue at the date of the proposed offer or issue.

As at the date of this Explanatory Memorandum, no Shares have been issued under the Plan.

Pursuant to the Listing Rules, any issue of securities under the Plan to a related party of the Company, including a Director, will require prior shareholder approval for the purposes of Listing Rule 10.14.

The issue price for Shares offered under the Plan is at the discretion of the Board or the Committee, provided that the issue price is not less than 1% below the weighted average sale price of Shares sold through ASX during the one week period up to and including the offer date, or, if there were no transactions in Shares during that one week period, the last price at which an offer was made to purchase Shares on ASX.

A Director or Employee ("Participant") who is invited to subscribe for Shares under the Plan may also be invited to apply for a loan up to the amount payable in respect of the Shares accepted, on the following terms:

a) Loans must be made solely to the Participant or their nominee and in the name of either the Participant or their nominee as the case may be.

b) The principal amount outstanding under a Loan will be interest free.

c) Any loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares to be acquired under the Plan.

d) The term of the loan, the time in which repayment of the loan must be made by the Participant and the manner for making such payments shall be determined by the Board or the Committee and set out in the invitation.

e) The amount repayable on the loan by the Participant will be the lesser of:

i) the issue price of the Shares less any cash dividends paid in respect of the Shares and applied by the Company in accordance with paragraph (g) below and any amount of the loan repaid by the Participant; and
ii) the last sale price of the Shares on ASX on the date of repayment of the Loan or, if there are no transactions on that day, the last sale price of the Shares prior to that date, or, if the Shares are sold by the Company, the amount realised by the Company from the sale.

f) A Participant may elect to repay the Loan in full prior to expiry of the term of the Loan but may elect to repay the Loan amount in respect of any or all of the Shares (in multiples representing not fewer than 1,000 Shares) at any time prior to expiry of the term of the Loan.

g) Cash dividends which are paid in respect of Shares the subject of a loan will be applied by the Company on behalf of the Participant to repayment of the amount outstanding under the loan and any surplus of the cash dividend will be paid to the Participant.

h) Any fees, charges and stamp duty payable in respect of a loan will be payable by the Participant.

i) The Company shall have a lien over each Share acquired pursuant to the loan until such time as the loan in respect of that Share is repaid. The Company shall be entitled to sell those Shares in accordance with the terms of the Plan.

j) A Share issued under the Share Plan will not be tradeable by a Participant until the Loan amount in respect of that Share has been repaid and the Company:

(i) will retain the Share Certificate in respect of the Loan Shares;
(ii) may apply a Holding Lock; and
(iii) may refuse to register a transfer of Loan Shares, until the Loan amount has been repaid.

If, prior to repayment of a loan by a Participant, the Participant dies, becomes bankrupt or is no longer a Director or Employee of the Company or its subsidiaries, then the Participant is required to either repay the loan within one month or allow the Company to sell the Shares on ASX and apply the proceeds of sale in repayment of the loan. If the proceeds of sale of the Shares are less than the amount outstanding in relation to the loan (including the expenses associated with the sale of the relevant Shares), the Company will forgive the amount of the shortfall.

7. Resolutions 7, 8 and 9 – Issue of Securities to Directors under the Empire Resources Limited Share Plan

1. Details of issue

The Company proposes to offer issue Plan Shares to three Directors, Adrian Griffin (or his nominee), David Sargeant (or his nominee) and Adrian Jessup (or his nominee) (“Recipient Directors”), in accordance with the terms of the Plan.

The proposed issue of Plan Shares to the Recipient Directors is intended to:

- (a) provide an appropriate and adequate incentive for the Recipient Directors;
- (b) ensure that the Company may retain the services of the Recipient Directors; and
- (c) reinforce the commitment of the Recipient Directors to the Company.

ASX corporate governance guidelines recommend that executive remuneration packages involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the company's circumstances and goals.

The Recipient Directors will only benefit from an issue of Shares under the Plan when there is an improvement in the Company's share price since the date on which they are offered the Plan Shares.

Resolutions 7 to 9 seek shareholder approval for the issue of Plan Shares to the Recipient Directors as follows:

Director	Number of Plan Shares
Mr Adrian Griffin	500,000
Mr David Sargeant	750,000
Mr Adrain Jessup	500,000

The number of Plan Shares proposed to be issued to the Recipient Directors reflects the level of commitment provided or to be provided by each Director to the Company, taking into account the responsibilities of each Director and the time commitments required from each Director. The number of Plan Shares proposed to be issued to the current Recipient Directors also reflects the value the Board feels that each Director brings to the enhancement of the Company and the level of commitment required by the Company from each Director.

The issue price of the Shares offered to Directors under the Plan is \$0.188, being 1% below the weighted average price of shares on ASX during the 5 day trading period immediately before 15 October 2007, the date of the offer, which was \$0.190.

Each of the Plan Shares acquired pursuant to the offer may not be transferred or otherwise dealt with, until any loan in respect of the Plan Share is repaid.

Notwithstanding the above, Shares acquired under the Plan may be transferred following an announcement by the Company of a takeover bid for Shares in the Company in accordance with Chapter 6 of the

Corporations Act or a merger by scheme of arrangement in accordance with Part 5.1 of the Corporations Act, provided that the loan in respect of the Plan Shares is repaid.

The Plan Shares to be issued pursuant to Resolutions 7 to 9 are in addition to the fee and remuneration packages payable by the Company to the Recipient Directors. In calculating the fee and remuneration packages provided to the Recipient Directors as set out in section 2(e) below, the Board has taken into consideration the issues of securities proposed in Resolutions 7 to 9. The Board considers that the appropriate remuneration package for each of the Recipient Directors comprises both the remuneration set out in section 2(e) below and the securities to be issued if Resolutions 7 to 9 are passed by Shareholders. Given the size of the Company, the Board considers it appropriate for part of the remuneration package to comprise non-cash, incentive-based remuneration.

2. Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, each Recipient Director is a related party and the issue of Plan Shares to the Recipient Directors and provision of loans by the Company to the Recipient Directors to fund payment of the subscription price for the Plan Shares constitutes the giving of a financial benefit. Accordingly, Shareholder approval is required.

In accordance with the requirements of Chapter 2E, and in particular, section 219 of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Plan Shares to the Recipient Directors and the provision of loans by the Company to the Recipient Directors to fund payment of the subscription price for the Shares:

(a) The Related Party to whom the proposed resolutions would permit the financial benefit to be given

Adrian Griffin, David Sargeant and Adrian Jessup (or their respective nominees) are each a related party of the Company and are each Directors to whom Resolutions 7 to 9 would permit the financial benefits to be given.

(b) The nature of the financial benefit

The nature of the financial benefit to be given to the Recipient Directors (or their respective nominees) is:

Director	Nature of the financial benefit	Number of Plan Shares	Loan Amount in respect of Plan Shares
Mr Adrian Griffin	Issue of Plan Shares and loan	500,000	\$94,000
Mr David Sargeant	Issue of Plan Shares and loan	750,000	\$141,000
Mr Adrian Jessup	Issue of Plan Shares and loan	500,000	\$94,000

It is proposed that the Plan Shares will be issued to Recipient Directors or their nominees on one date within 12 months from the date of the Meeting, but the Company reserves its right to issue the Shares progressively.

The Plan Shares will be issued under the Plan on the Terms as summarised in Section 5 below.

Initially no funds will be raised by the issue of shares to the Recipient Directors due to the provision of the loans to the Recipient Directors. However, when the loans have been repaid, the funds raised by the issue of the Plan Shares will be used for working capital purposes, as the Board thinks fit.

(c) Directors recommendation and basis of financial benefit

The Board currently consists of Messrs Adrian Griffin, David Sargeant and Adrian Jessup.

Adrian Griffin has a material personal interest in the outcome of Resolution 7, David Sargeant has a material personal interest in the outcome of Resolution 8 and Adrian Jessup has a material personal interest in the outcome of Resolution 9 as the recipients of the Shares proposed to be issued.

None of the Recipient Directors wishes to make a recommendation to Shareholders about Resolutions 7 to 9 because they each have an interest in the outcome of those Resolutions.

The primary purpose of the issue of the Plan Shares to the Recipient Directors is to provide an incentive to the Recipient Directors. Given this purpose, the Directors do not consider that there is any opportunity cost or benefit foregone to the Company in issuing the Shares proposed by Resolutions 7 to 9.

The issue of securities to the Recipient Directors is a more cost effective incentive for the Company as opposed to the payment of cash compensation.

(d) Dilution

As at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	60,518,192
Options	30,709,075

If Shareholders approve all Resolutions contained in this Notice and all Shares are issued as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	62,268,192
Options	30,709,075

If Shareholders approve the issue of 1,750,000 Plan Shares to Directors, the effect will be to dilute the shareholding of existing members by approximately 2.9%, based on the existing number of Shares as at the date of this Notice.

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(e) Total remuneration package

Details of the Recipient Directors' remuneration for the year ended 30 June 2007 are as follows:

Directors		Directors Fees	Consulting Fees	Short-term Benefits	Share-based payments	Total (\$)
					Value of options	
Specified Directors						
Non-Executive						
Mr A Griffin	2007	12,500	-	12,500	-	12,500
Executive						
Mr D Sargeant ¹	2007	-	50,000	50,000	-	50,000
Mr A Jessup ¹	2007	-	50,000	50,000	-	50,000
Total Specified Directors	2007	12,500	100,000	112,500	-	112,500

Note 1 – with effect from date of listing on 1 February 2007.

Details of the estimated remuneration payable to the Recipient Directors for the year beginning 1 July 2007 are as follows:

Directors		Directors Fees	Consulting Fees	Short-term Benefits	Share-based payments	Total (\$)
					Value of Plan Shares*	
Specified Directors						
Non-Executive						
Mr A Griffin	2008	25,000	-	25,000	94,000	119,000
Executive						
Mr D Sargeant	2008	-	125,000	125,000	141,000	266,000
Mr A Jessup	2008	-	125,000	125,000	94,000	219,000
Total Specified Directors	2008	25,000	250,000	275,000	329,000	604,000

*Subject to shareholder approval of Resolutions 7 to 9.

(f) Existing relevant interest

As at the date of this Notice, the Recipient Directors hold the following securities in the Company representing 11.6% of the issued capital of the Company on a fully diluted basis:

Director	Ordinary Shares		Options	
	Direct	Indirect	Direct	Indirect
Mr A Griffin	-	-	300,000	-
Mr D Sargeant	-	5,100,000	-	2,849,999
Mr A Jessup	722,222	645,333	361,111	622,666

If Shareholders approve all Resolutions contained in this Notice and all Shares are issued as contemplated by this Notice, the Recipient Directors will hold the following securities in the Company (representing 13.3% of the issued capital of the Company on a fully diluted basis based on the number of Shares currently on issue):

Director	Ordinary Shares		Options	
	Direct	Indirect	Direct	Indirect
Mr A Griffin	-	500,000	300,000	-
Mr D Sargeant	-	5,850,000	-	2,849,999
Mr A Jessup	722,222	1,145,333	361,111	622,666

The subscription price at which 1,750,000 Plan Shares may be issued to the Directors will be \$0.188 per Share (being 1% below the weighted average price of Shares on ASX over the 5 trading days immediately before the date on which the Directors were offered the Shares, which was \$0.190), in accordance with the terms of the Share Plan.

The Company will provide loans to Messrs Adrian Griffin, David Sargeant and Adrian Jessup in relation to the acquisition of the Plan Shares under the Share Plan. The loans are repayable within 3 years from the date of issue of the Shares. The other terms of the loans are set out in Section 5 below.

(g) Trading History

During the last 9 months since listing, before the date of lodgement of this Notice with ASIC, the highest trading price of the Shares was \$0.375 on 10 May 2007 and the lowest trading price of the Shares was \$0.153 on 15 February 2007. The market price of the Company's Shares over the 5 days of trading on ASX up to and including 12 October 2007 has been between a minimum of \$0.18 per Share to a maximum of \$0.195 per Share. On 19 October 2007, the last trading day before this Notice was lodged with ASIC, the Shares closed at a price of \$0.23 per Share.

Assuming a market price on the date of repayment of the loans of \$0.23, being the market price on the last trading day before this Notice was lodged with ASIC, the Company will receive \$402,500 from the issue of the Plan Shares to the Recipient Directors.

(h) Valuation of Plan Shares

A valuation of the Plan Shares proposed to be issued to the Recipient Directors has been calculated using the Black-Scholes Option Pricing Model and based upon the following assumptions:

- the underlying value of each Share in the Company is based on the closing Share price of 19.5 cents as at 12 October 2007;
- risk free rate or return – 7.00% (based on the 180 day bank bill rate as at 12 October 2007);
- share price volatility of 114%, determined utilizing the daily closing share prices of the Company since listing on 1 February 2007;
- Plan Shares to be issued to Recipient Directors pursuant to Resolutions 7 to 9 will not be quoted on ASX and may not be transferred or otherwise dealt with until any loan in respect of the Plan Shares is repaid.
- issue price of \$0.188.

Based on the above, the Black-Scholes Option Pricing Model attributes a theoretical value to each Plan Share of \$0.141 for the Shares described above.

The Black-Scholes Option Pricing Model assumes that the securities the subject of the valuation can be sold on a secondary market. The terms and conditions of the Share Plan state that no application will be made for the Shares to be listed for official quotation on ASX, until certain milestones are met. Accordingly a discount for lack of marketability is required to determine an indicative fair value of the Shares.

An indicative fair value of the Plan Shares has been calculated, based on a discount factor of 30% applied to the theoretical valuation of the shares, of \$0.141 per Share for the Shares described above. For the purposes of arriving at an appropriate discount rate, the following has been considered:

- that discounts have traditionally been applied in the range of 10% to 30% to reflect the non-negotiability of unlisted equities; and
- the fact that the shares will be unlisted.

The tables below summarise the values attributed to the Share issue:

Allottee	Theoretical Value per share (cents)	Discount (%)	Indicative value per share (cents)	Number of shares issued to Allottee	Total value (\$)
Mr A Griffin	14.1	30	9.87	500,000	49,350
Mr D Sargeant	14.1	30	9.87	750,000	74,025
Mr A Jessup	14.1	30	9.87	500,000	49,350

(i) Other information

Additional information in relation to Resolutions 7 to 9 is set out throughout this Explanatory Memorandum. Shareholders should therefore read the Explanatory Memorandum in its entirety before making a decision on how to vote on Resolutions 7 to 9.

The Company will incur no liabilities or costs in respect of the proposed issue of the Plan Shares to the Recipient Directors other than:

(i) the fees payable to ASX for quotation of the Plan Shares. At the rates applying at the date of this Explanatory Memorandum, these fees would be approximately \$2,200. However, these fees will not be payable until after the loans in respect of the Plan Shares have been repaid;

(ii) in relation to the Plan Shares, a value equal to the weighted average trading price of shares on ASX in the five days immediately before the date of valuation, will be included as wages for the purposes of the Pay-roll Tax Act 2002 (WA), Pay-roll Tax Assessment Act 2002 (WA) and the Taxation Administration Act 2003(WA). If this value in addition to other wages paid or payable by the Company during a month is in excess of the monthly pay-roll tax threshold, the Company may be required to register for pay-roll tax in the relevant jurisdiction. If this value in addition to other wages that are taxable in the jurisdiction is in excess of the annual pay-roll tax threshold, the Company will have a liability in respect of pay-roll tax in that jurisdiction; and

(iii) the cost of the Shares will be expensed through the Company's income statement in accordance with AASB2 Share Based Payments.

Neither the Board nor the Company is aware of any other information that would reasonably be required by Shareholders in order to decide whether it is in the best interests of the Company to pass Resolutions 7 to 9, other than as stated in this Explanatory Memorandum.

3. Listing Rule 10.14

Listing Rule 10.14 provides, in essence, that the approval of Shareholders by ordinary resolution is required before any of the following persons can acquire securities under an employee incentive scheme:

- (a) a director;

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(b) an associate of a director; or

(c) a person whose relationship with the company or a related party is, in ASX's opinion, such that approval should be obtained.

Each of the Recipient Directors is a Director of the Company for the purpose of Listing Rule 10.14. Accordingly, in order for the Recipient Directors to acquire Plan Shares under the Plan, the Company must obtain Shareholder approval pursuant to Listing Rule 10.14.

4. Listing Rule disclosure requirements

In accordance with Listing Rule 10.15, the following information is provided to Shareholders for the purposes of Resolutions 7 to 9:

(a) Adrian Griffin, David Sargeant and Adrian Jessup are Directors;

(b) the maximum number of Plan Shares that may be issued to Adrian Griffin or his nominee under Resolution 7 is 500,000 Shares, to David Sargeant or his nominee under Resolution 8 is 750,000 Shares and to Adrian Jessup or his nominee under Resolution 9 is 500,000 Shares;

(c) the issue price of the Plan Shares is \$0.188, being 1% less than the weighted average price of Shares on ASX over the 5 trading days prior to 12 October 2007, which was \$0.190;

(d) no person referred to in Listing Rule 10.14 received any securities under the Share Plan since the date of the last approval;

(e) Directors, full-time and part-time Employees of the Company or any of its subsidiaries, may participate in the Plan;

(f) it is proposed that the Plan Shares will be issued to the Recipient Directors on one date within 12 months from the date of the Meeting, but the Company reserves its right to issue the Shares progressively;

(g) subject to compliance with the Listing Rules, the Plan Shares to be issued to Adrian Griffin, David Sargeant and Adrian Jessup (or their nominees) pursuant to Resolutions 7 to 9 may not be transferred or otherwise dealt with until any loan in respect of the Shares is repaid.

(h) other than the restriction on trading referred to above, the Plan Shares issued pursuant to Resolutions 7 to 9 will rank equally with all other Shares on issue;

(i) the Company will provide loans to Adrian Griffin, David Sargeant and Adrian Jessup in relation to the acquisition of the Plan Shares under the Share Plan. The loans are repayable within 3 years from the date of issue of the Shares. The other terms of the loans are set out in Section 5 below;

(j) a summary of the Terms of the Share Plan and the loan in respect of the Shares is set out in Section 5 below; and

(k) initially no funds will be raised by the issue of Plan Shares due to the provision of the loans to Recipient Directors. However, when the loans have been repaid, the funds raised by the issue of the Shares will be used for working capital purposes of the Company as the Board thinks fit.

5. Summary of Plan

Set out below is a summary of the Empire Resources Limited Share Plan Terms.

Participants - Participants in the Share Plan may be Directors and full-time and part-time Employees of the Company or any of its subsidiaries ("Participants").

Board - The Board, or a duly appointed committee of the Board, is responsible for the operation of the Share Plan.

Eligibility - The Board determines the eligibility of Participants, having regard to:

- (a) the seniority of the Participant and the position the Participant occupies with the Company or any subsidiary;
- (b) the length of service of the Participant with the Company and its subsidiaries;
- (c) the record of employment of the Participant with the Company and its subsidiaries;
- (d) the potential contribution of the Participant to the growth and profitability of the Company and its subsidiaries; and
- (e) any other matters which the Board considers relevant.

Invitations - The Board may issue invitations to Participants for the number of Plan Shares specified in the invitation. Shares offered under the Share Plan must be in the name of the Participant or their nominee.

Number of Shares - The number of Shares that may be offered to a Participant is entirely within the discretion of the Board.

Issue Price - The issue price for each Plan Share will be not less than:

- (a) if there was at least one transaction in the Shares on ASX during the 5 day trading period immediately before the date on which an offer was made, 1% below the weighted average trading price of the Shares on ASX during that period; or
- (b) if there were no transactions in the Shares on ASX during that 5 day trading period immediately before the date on which an offer was made, 1% below the last price at which an offer was made on ASX to purchase a Share.

Loan - A Participant who is invited to subscribe for Shares under the Share Plan may also be invited to apply for a loan ("Loan") up to the amount payable in respect of the Shares accepted by the Participant, on the following terms:

- (a) Loans must be made solely to the Participant or their nominee and in the name of either the Participant or their nominee as the case may be.
- (b) The principal amount outstanding under a Loan will be interest free.
- (c) Any Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares to be acquired under the Share Plan.
- (d) The term of the Loan, the time in which repayment of the Loan must be made by the Participant and the manner for making such payments shall be determined by the Board and set out in the invitation.
- (e) The amount repayable on the Loan by the Participant will be the lesser of:
 - (i) the issue price of the Shares, less any cash dividends paid in respect of the Shares and applied by the Company in accordance with paragraph (g) below and any amount of the Loan repaid by the Participant; and
 - (ii) the last sale price of the Shares on ASX on the date of repayment of the Loan or, if there are no transactions on that day, the last sale price of the Shares prior to that date, or, if the Shares are sold by the Company, the amount realised by the Company from the sale.

(f) A Participant must repay the Loan in full prior to expiry of the term of the Loan but may elect to repay the Loan amount in respect of any or all of the Shares (in multiples representing not fewer than 1,000 Shares) at any time prior to expiry of the term of the Loan.

(g) Cash dividends which are paid in respect of Shares the subject of a Loan will be applied by the Company on behalf of the Participant to repayment of the amount outstanding under the Loan and any surplus of the cash dividend will be paid to the Participant and the Participant irrevocably authorises the Company to apply Cash Dividends which are paid in respect of Loan Share to the repayment of the amount outstanding under the Loan.

(h) Any fees, charges and stamp duty payable in respect of a Loan will be payable by the Participant.

(i) The Company shall have a lien over the Shares in respect of which a Loan is outstanding and the Company shall be entitled to sell those Shares in accordance with the terms of the Share Plan.

(j) A Share issued under the Share Plan will not be tradeable by a Participant until the Loan amount in respect of that Share has been repaid and the Company:

(i) will retain the Share Certificate in respect of the Loan Shares;

(ii) may apply a Holding Lock; and

(iii) may refuse to register a transfer of Loan Shares, until the Loan amount has been repaid.

Termination of the Loan prior to the Repayment Date - If, prior to repayment of a Loan by a Participant:

(a) the Participant dies, becomes bankrupt or is no longer a director or employee of, or consultant to, the Company or its subsidiaries as a result of retirement or retrenchment, then the Participant is required to either repay the loan within 12 months or allow the Company to place shares with excluded offerees for the purposes of s708 of the Corporations Act or to sell the Shares and apply the proceeds of sale in repayment of the Loan; or

(b) the Participant is no longer a Director, Employee or consultant of the Company or its subsidiaries other than as a result of one of the matters referred to in paragraph (a) above,

then the Participant is required either to repay the Loan within one month or to allow the Company to place shares with excluded offerees for the purposes of section 708 of the Corporations Act or to sell the Shares and apply the proceeds of the sale in repayment of the Loan. If the proceeds of sale of the Shares are less than the amount outstanding in relation to the Loan, the Company will forgive the amount of the shortfall.

Restriction on Transfer - Subject to the requirements of the Listing Rules, Shares issued under the Share Plan may not be sold or otherwise dealt with until the Loan in respect of those Shares has been repaid in full and any other qualifying period that may be imposed by the Board has expired. If a Participant wishes to sell any Shares prior to the expiry of the qualifying period, the Participant may give written notice to the Company requesting the Company to sell the relevant Shares on ASX. The Directors have absolute discretion to arrange the sale of the Shares, in the case of hardship or otherwise, provided that the proceeds of sale are reasonably likely to exceed the outstanding Loan amount.

Rights attaching to Shares issued under the Share Plan - Shares which are issued under the Share Plan will rank equally in all respects (other than with respect to any restriction on transfer imposed until the Loan has been repaid or otherwise imposed by the Board and set out in the relevant invitation) with all Shares on issue and, subject to the requirements of the Listing Rules, the Company will apply for quotation of those shares on ASX once the Loan in respect of those Shares has been repaid in full and any other restrictions on transfer imposed by the Board have been satisfied.

ANNUAL GENERAL MEETING PROXY FORM

Empire Resources Limited
ACN 092 471 513

All correspondence to:
The Company Secretary

Enquiries 08 9361 3100
Facsimile 08 9361 3184

<i>[Insert Name]</i>	Reference Number :
<i>[Insert address]</i>	

Appointment of Proxy

I/We being a member/s of Empire Resources Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an X)

OR

Write here the name of the individual or body corporate you are appointing if this individual or body corporate **is someone other than** the Chairman of the Meeting. Please note that a member cannot appoint themselves as their proxy.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Empire Resources Limited, to be held at the the Metro Hotel, Banksia Room, 61 Canning Highway, South Perth, and at any adjournment of that meeting.

Voting directions to your proxy – please mark to indicate your directions

Resolution	Description		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To re-elect Mr Adrian Jessup as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of previous share issue		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Employment Agreements and any possible Termination Payment – David Sargeant		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Employment Agreements and any possible Termination Payment – Adrian Jessup		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Establishment of Empire Resources Limited Share Plan		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Shares to Mr Adrian Griffin		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Shares to Mr David Sargeant		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Shares to Mr Adrian Jessup		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of all the items of business.

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder 1

Security Holder 2

Security Holder 2

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

**/ /
Date**

How to complete this Proxy Form

1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a Shareholder of the company. Do not write the name of the issuer company or the registered Shareholder in the space.

2 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your Shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

3 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of Shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

4 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with Security Transfer Registrars Pty Ltd. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed in accordance with section 127 of the Corporations Act 2001. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Shareholder or proxy is to attend the meeting written proof of the representative's appointment is to be lodged with or presented to Empire Resources Limited before the meeting.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at 11.30 am on 28 November 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged :	Address
- by posting, to Empire Resources Limited or by delivery to the Registered Office of Empire Resources Limited	53 Canning Highway, Victoria Park, WA 6100
- by facsimile to	(08) 9361 3184