

**QUARTERLY REPORT FOR THE PERIOD ENDING
30 SEPTEMBER 2014**

HIGHLIGHTS

POST SEPTEMBER 30:

- Acquired barite mining opportunity in Angola, Africa
- Potential to supply Angola's large offshore oil industry with locally mined barite, generating maiden cash flow to Empire

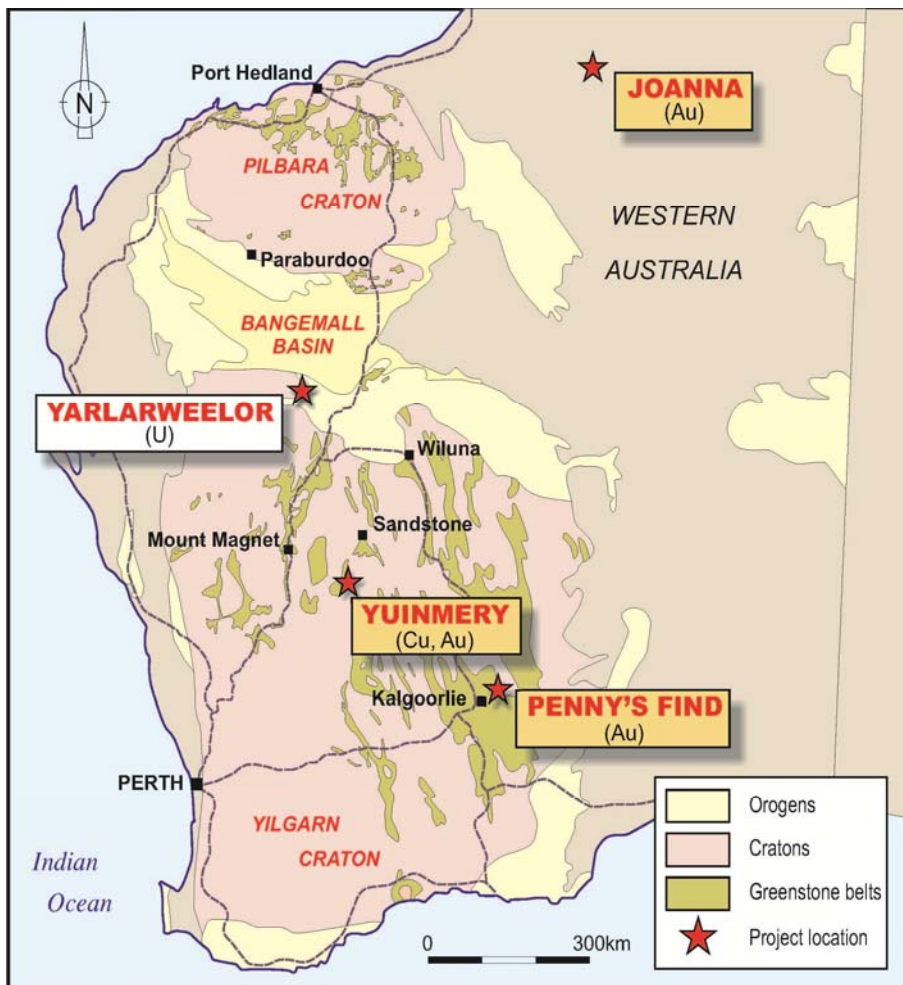


Figure 1 : Project Location Map - Western Australia

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REVIEW OF OPERATIONS:

Yuinmery (WA): Copper - Gold Project

(100% interest and option to earn 91.44% interest on adjoining tenements)

The Yuinmery project (Figure 2) is a volcanogenic massive sulphide (VMS) copper - gold project located 80km southwest of Sandstone, WA. The Company has already outlined a copper-gold deposit at the **Just Desserts** prospect as reported in previous quarterly reports.

A second VMS deposit has also been discovered at the **A Zone** prospect 1.3km north of Just Desserts.

No field work was undertaken during the quarter.



Figure 2 : Yuinmery Project Location

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Penny's Find (WA): Gold Project

(60% interest)

The Company holds a 60% interest in the Penny's Find gold project (Figure 3) located 50km east of Kalgoorlie in Western Australia. High grade, coarse gold mineralization hosted in quartz veins is located on the project area. Further details on the deposit are available from previous quarterly reports.

During the quarter, the Company has been holding discussions with potential buyers of its 60% interest. No exploration field work was undertaken during the period.

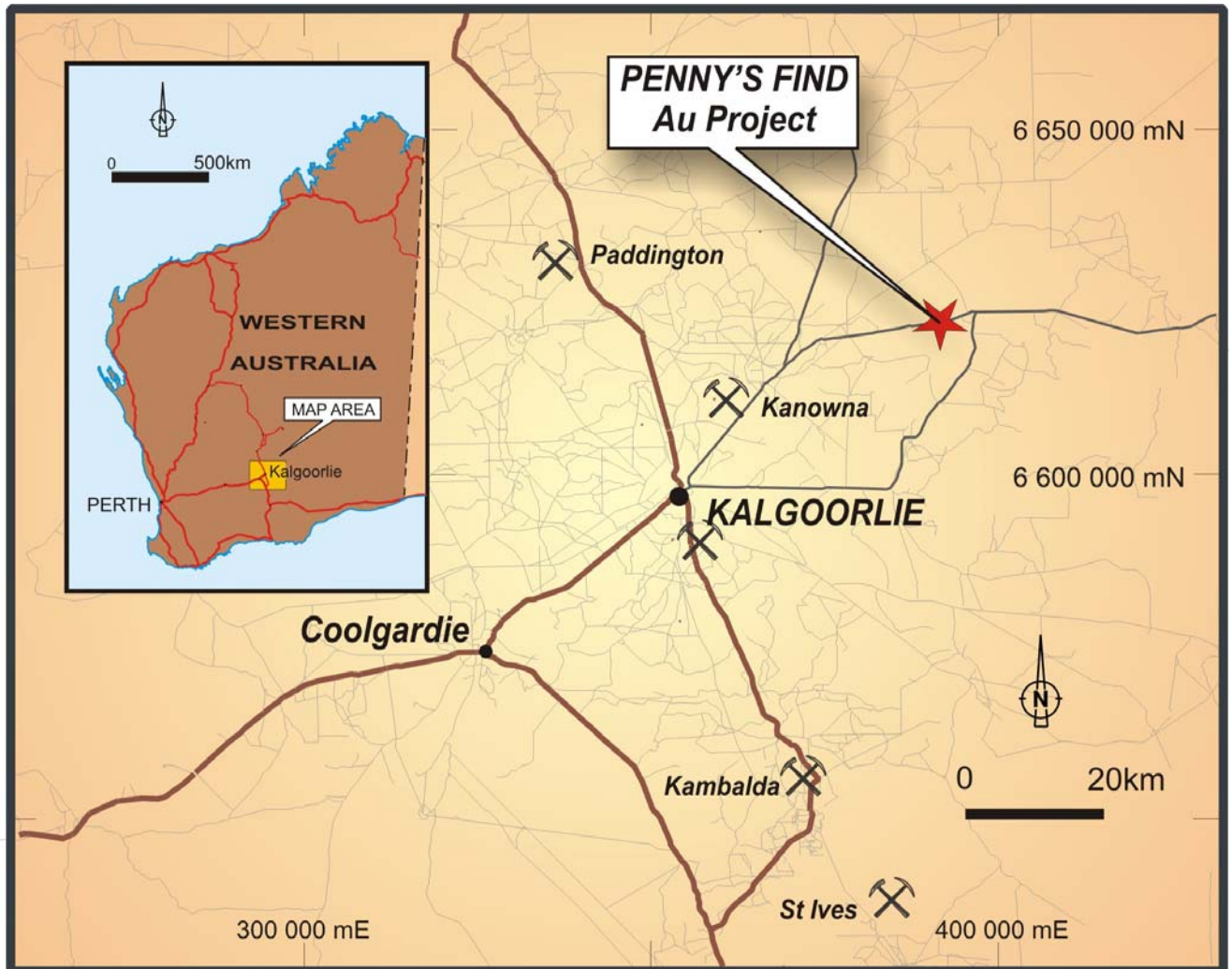


Figure 3 : Penny's Find Location Plan

Joanna (WA): Gold Project

(80% interest)

The Company has an 80% interest in a 277 km² exploration licence application located in the Canning Basin, 270km southeast of Broome in Western Australia. The tenement lies adjacent to the Admiral Bay Fault and is considered prospective for gold and base metal mineralization.

Along strike to the northwest, the Admiral Bay Fault is associated with substantial lead – zinc mineralization.

No field work was undertaken during the quarter.

INVESTMENTS

FYI Resources Limited (17% interest)

ASX listed FYI Resources Ltd (ASX Code "FYI") is exploring the Yarlurweelor uranium project located 125km north of Meekatharra in Western Australia. It also has applications pending for potash tenements in Thailand.

Empire has a 17% stake in FYI.

FYI is targeting uranium mineralization present within the Archaean Despair Granite where it is associated with foliated granitic rocks and biotite schists in shear zones. FYI reported no field work was undertaken during the quarter.

FYI has previously announced to the ASX that it has applied for tenements in north-eastern Thailand considered to be prospective for high grade potash deposits.

Potash is in high demand across South East Asia's food production regions.

POST SEPTEMBER 30:

Barola Resources Limited (49% interest)

Empire Resources announced to the ASX on 22nd October 2014 that the company was entering into a joint venture opportunity in Angola focusing on one of the principal ingredients used in that country's large offshore petroleum industry, barite.

Subject to due diligence, Empire will emerge with a 49% stake in a new company being set up to commence replacing Angola's currently imported supplies of barite with a locally mined and produced product.

To achieve its objective, Empire has entered into an agreement with an unlisted Australian Company, Mandara Resources Pty Ltd, to establish the Angolan operation. Empire will hold a 49% interest and Mandara a 51% interest in Barola Resources Limited, a newly established unlisted Australian entity to manage the Angolan business.

To fund its interest, Empire will place 55.5 million ordinary shares at a price of A\$0.009 per share to raise \$500,000 before costs of issue. Details of the funding arrangement were reported in the October 22nd ASX announcement.

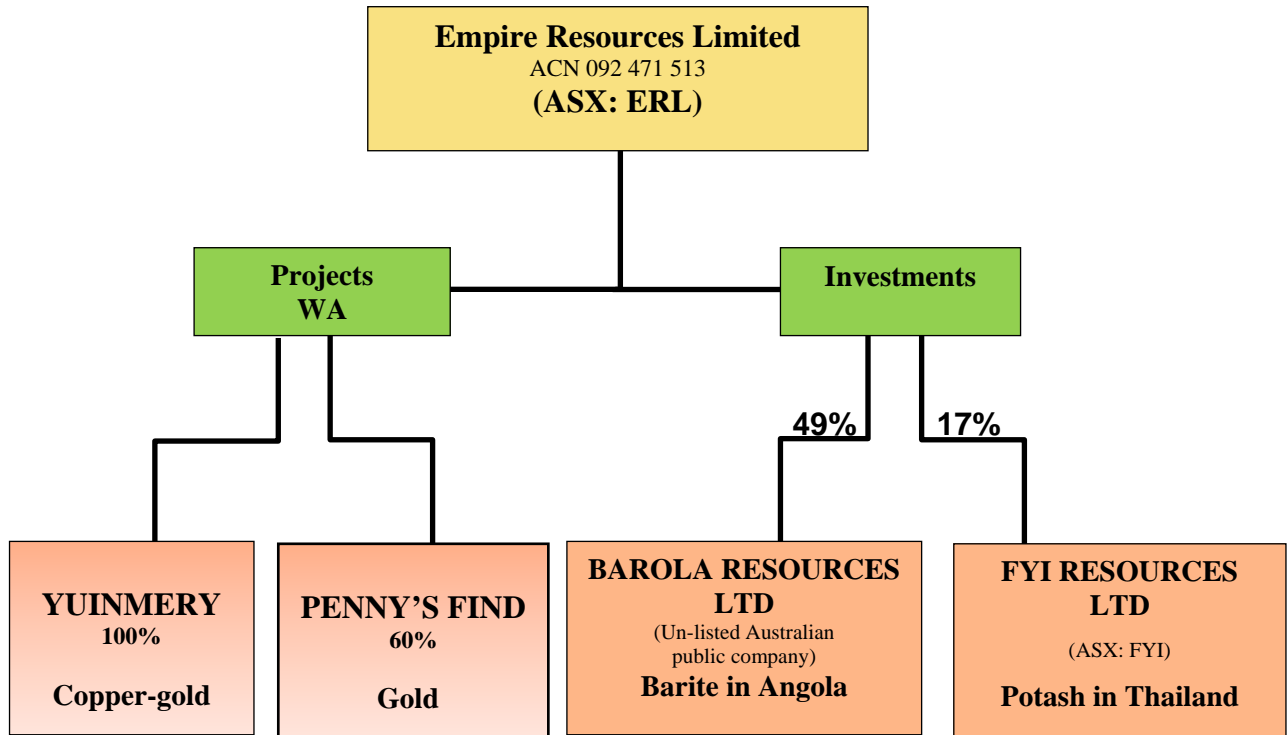
Angola is a major petroleum producer and operates one of Africa's largest offshore oil industries. Its oil industry uses barite as an essential component of drilling muds in petroleum wells but relies on 100% barite imports.

Mandara Resources has recognised an opportunity to provide the expanding Angolan oil industry with domestically derived barite at a significant discount to imported material. Low cost open-cut mining, an already established local market, reduced transportation costs, no import duty and Angolan Government support will significantly benefit in-country production of barite.

The initial focus will be on barite deposits located proximal to good infrastructure including roads, towns and the recently re-commissioned east-west railway which links the area to Atlantic deep water seaports.

This mining opportunity has the potential to provide early and maiden cash flow to Empire Resources in addition to its existing but longer term advanced copper and gold projects in Western Australia, including the wholly owned Yuinmery high grade Cu-Au project.

CORPORATE STRUCTURE



DAVID SARGEANT
MANAGING DIRECTOR

October 2014

For further information on the Company, visit www.resourceempire.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 2012 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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Tenement Holdings at 30 September 2014			
PROJECT	TENEMENT	PERCENTAGE	COMMENTS/
	NUMBER	INTEREST HELD	CHANGES SINCE LAST QUARTER
		30 September 2014	
PENNY'S FIND	E27/410	60	
	E27/420	60	
	M27/156	60	
	P27/1713 to P27/1731 incl.	60	
	P27/1814	60	
	P27/1922	60	
	P27/1923	60	
	P27/1962	60	
	P27/2007	60	
	P27/2008	60	
YUINMERY	M57/265	100	
	P57/1214	100	
	P57/1215	100	
	P57/1216	100	
	P57/1217	100	
	E57/766	100	
YUINMERY	E57/514	0	Option to earn 91.44%
OPTION	E57/681	0	Option to earn 91.44%
	P57/1130	0	Option to earn 91.44%
	P57/1131	0	Option to earn 91.44%
JOANNA	E45/4113	80	

NOTES ON BARITE

Barite, or baryte, is a naturally occurring mineral composed of barium sulphate (BaSO_4), generally white in colour and distinctive because of its high density.

Due to its high density, 80% of worldwide production of barite is used as a weighting agent for drilling fluids in oil and gas exploration to suppress high formation pressures and prevent blowouts.

The remaining 20% has a wide range of uses from medical applications, electronics, ceramics, and as fillers in the car, rubber and paint industries.

World production in 2013 was 8.5 million tonnes. China accounts for around 40% of world production with India, the United States, Morocco and Turkey accounting for a further 40%.

ANGOLAN OIL INDUSTRY

Oil is Angola's most important industry with the country alternating with Nigeria as Africa's largest producer. Angola's oil fields produce about 1.7 million barrels a day of light, sweet crude oil which is perfect for processing into petrol, kerosene and high quality diesel.

The continental shelf off the coast of Angola has been shown to be rich in oil ever since the first offshore discovery was made in 1966. Since then, exploration has taken place along the entire coastline with many substantial discoveries. More recently, significant exploration has started to move into deep water where it is thought similar potential exists as in Brazil, where large oil deposits have recently been discovered in an identical geological setting.

Angola has a proven record in reliable oil production and offers a more stable and secure environment than many of its oil competitors on the west coast of Africa resulting in all the world's major oil companies now being active in the country e.g. Total, ENI, Chevron, BP and ExxonMobil.

Currently the oil industry in Angola has to import 100% of the barite it uses to drill wells, the nearest producing countries being Morocco and Algeria in north Africa.

Mandara Resources has recognised an opportunity to provide the expanding Angolan oil industry with locally derived barite at a significant discount to imported material. Reduced transportation costs, no import duty and Angolan Government support will significantly benefit in-country production of barite.

