



ACN 092 471 513

27 February 2007

ASX Release

## PENNY'S FIND DRILLING

### INITIAL ANALYTICAL RESULTS

Empire Resources Ltd ("Empire" or the "Company") (ASX Code: **ERL**) is pleased to announce initial results from an 8 hole reconnaissance reverse circulation drilling program undertaken at the Company's wholly owned Penny's Find project situated 50 km north east of Kalgoorlie in Western Australia.

The drilling was completed on mining lease M27/156 in the vicinity of a previously announced small inferred gold resource. The drilling was designed to include testing the extensions of gold mineralization outside of the previously defined resource. Within M27/156 gold mineralization is associated with quartz veining developed at or near the sheared contact between mafic volcanics and sediments. Previous drilling at this location has shown strong surface leaching to variable vertical depths and supergene enrichment of gold resulting in erratic gold distribution.

The details of the drilling are tabled below:

Hole ID	Northing	Easting	Angle	Azimuth	From m	To m	Width m	Grade Au g/t
PFRC07-01	6621819	391948	-60	230	32	56	24	8.64
							(4m composite)	
				Incl.	48	52	4	32.21
							(4m composite)	
PFRC07-02	6621730	391978	-60	230				n.s.a
PFRC07-03	6621744	391998	-60	230	46	51	5	9.60
				Incl.	46	47	1	34.66
PFRC07-04	6621769	392012	-70	230	80	84	4	1.54
							(4m composite)	
PFRC07-05	6621675	392007	-60	230	23	27	4	0.99
PFRC07-06	6621679	392028	-70	230	56	60	4	1.38
							(4m composite)	
					64	68		1.82
							(4m composite)	
PFRC07-07	6261614	392033	-60	230	8	12	4	1.58
PFRC07-08	6621622	392030	-60	230				n.s.a

n.s.a denotes values less than the cut off gold grade

The intersected widths of mineralization are believed to be close to true widths. The intersections reported were calculated using a cut off grade of 0.5 g/t Au.

Four metre composite samples were collected for all drill holes using a tube sampling technique. Where visible mineralization was readily apparent eg in hole PFRC07-03, one metre samples were submitted and reported in the table above. All samples were pre roasted and analysis for gold was by solvent extraction and flame AAS. Repeat samples were analysed using a 25g fire assay digestion and flame AAS. Additional one metre sampling of gold bearing composite samples is currently being undertaken.

It is anticipated that complete sample results including re-sampling of the composite sample intervals will be reported in the March 2007 Quarterly Report.

The directors are encouraged by the high grade gold intersections obtained in this drilling program. Based on these results a follow up pattern RC drilling program is being planned with the aim of increasing the present JORC defined inferred resource on the property.

For further details, please contact:

David Sargeant – Managing Director                      08-6250-9415

Adrian Jessup – Executive Director                      08-6250-9414

The information in this report that relates to exploration results is based on information compiled by Mr David Sargeant, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sargeant is a Director of the Company and he provides management services to the Company via Kirkdale Holdings Pty Ltd, a company of which he is an employee. Mr Sargeant has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sargeant consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.