



ACN 092 471 513

4 June 2015

ASX Release

Penny's Find Gold Deposit Partnership change unlocks potential

Empire Resources Ltd ('Empire', ASX code:ERL) is pleased to announce that the purchase of 100% of unlisted Brimstone Resources Ltd ('Brimstone') from LionGold Corporation of Singapore by unlisted Australian company Barola Resources Limited ("Barola") was successfully concluded on the 3 June 2015.

Brimstone Resources Ltd owns a 40% share in the Penny's Find gold project and a 51% interest in the adjacent Mt McLeay project. In turn, Empire Resources currently holds a 32% interest in Barola Resources thereby owning a **73% interest** in the Penny's Find gold project (60% direct and 13% indirect).

The completion of this sale has unlocked the potential of Penny's Find and will enable a fast track to production for an advanced gold project.

Empire plans to be in production within nine months targeting production of ~19,000oz in the first year, based on the recent scoping study referred to below*.

The Penny's Find gold project is located 50km east of Kalgoorlie in Western Australia. As reported to the ASX on the 17 February 2015, the project contains a 2012 JORC compliant reportable mineral resource of **644,000 tonnes @ 2.99g/t Au** for **61,900 ounces**.

High grade, coarse gold mineralization at Penny's Find is hosted by quartz veins at the contact between shale and basalt. Preliminary metallurgical test work has shown both oxide and fresh mineralization to be free milling with a high gravity recoverable gold component of >60% and a total gold recovery of >96%. The deposit is situated on granted Mining Lease 27/156. Further details on the deposit are available from previous ASX quarterly reports and announcements.

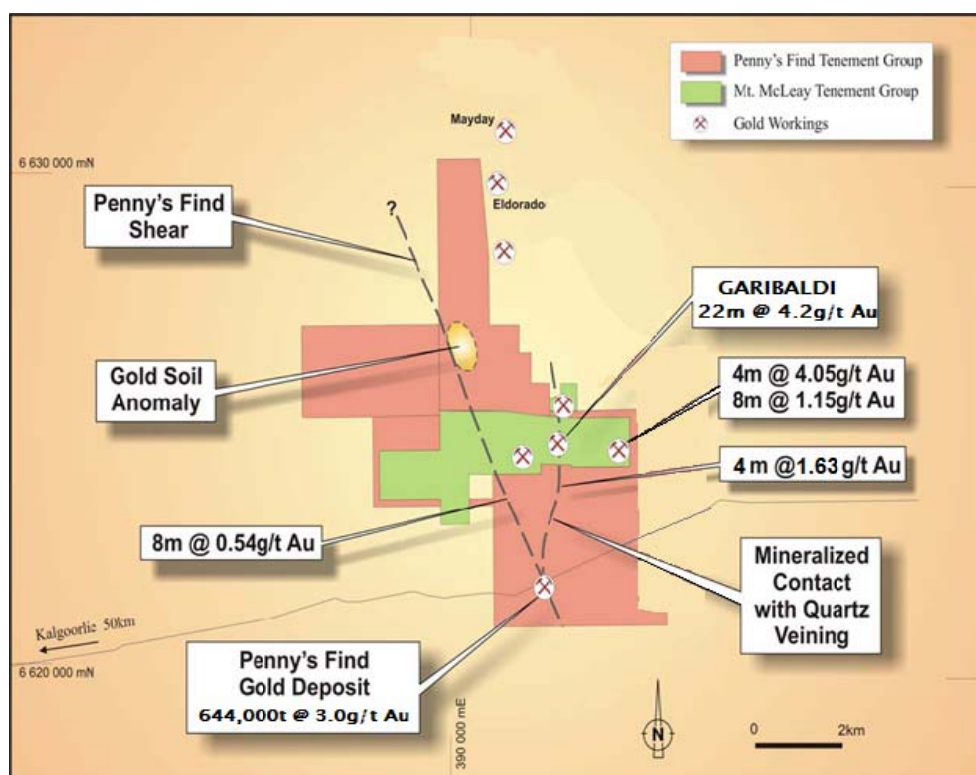
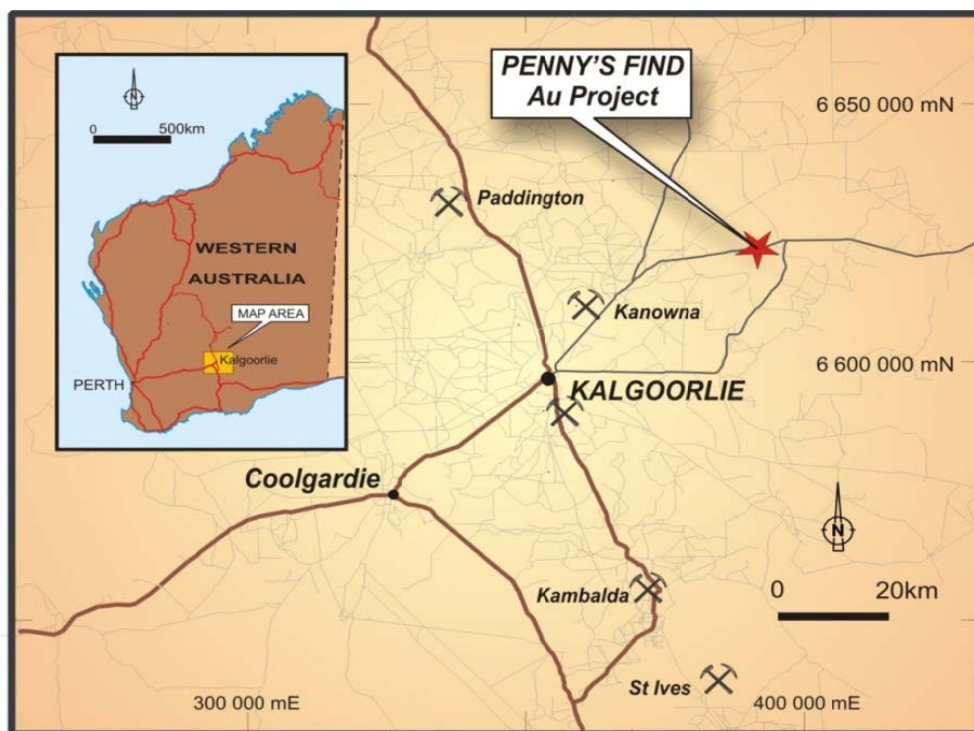
Given the current high Australian gold price (~\$1500/oz) and recent fall in mining costs due to the end of the mining boom, Empire and Barola are now in discussions to form a joint venture to commence mining operations as soon as possible.

Recent mine scoping studies* have been completed which confirm the robustness of the deposit using a similar conceptual pit design# to previous studies. Expressions of interest in developing Penny's Find have already been made by a number of mining contractors.

For personal use only

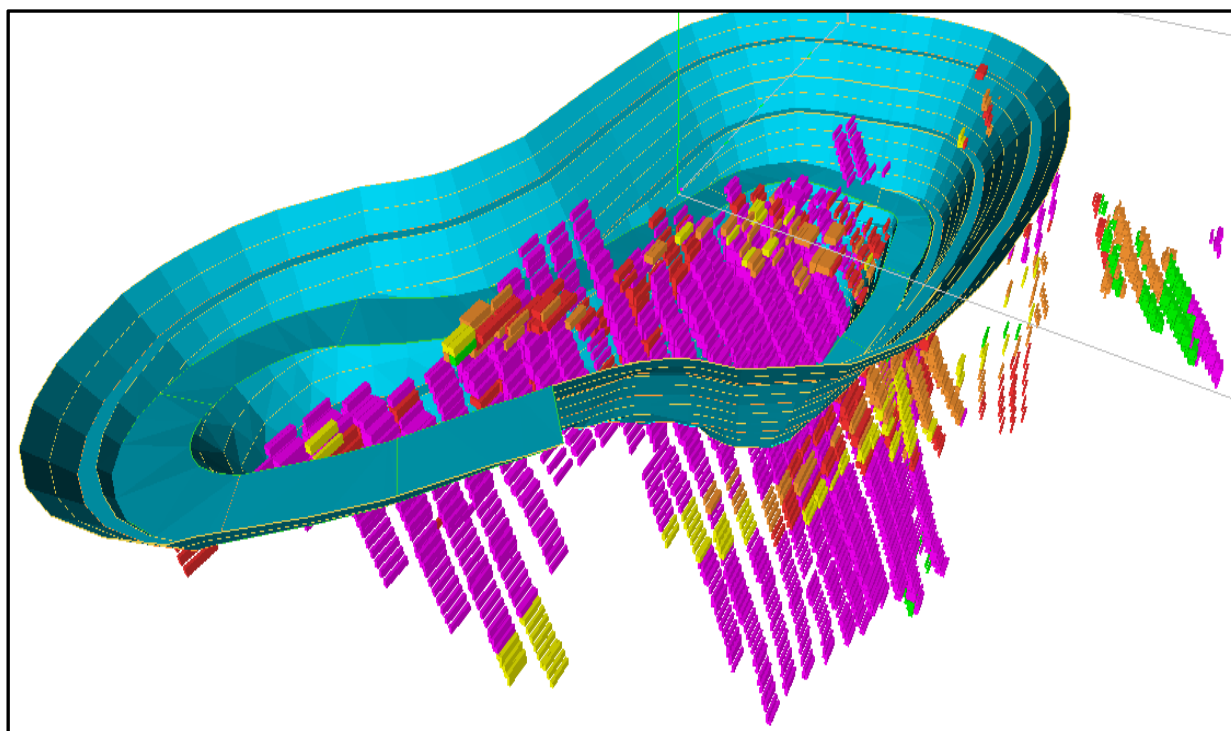
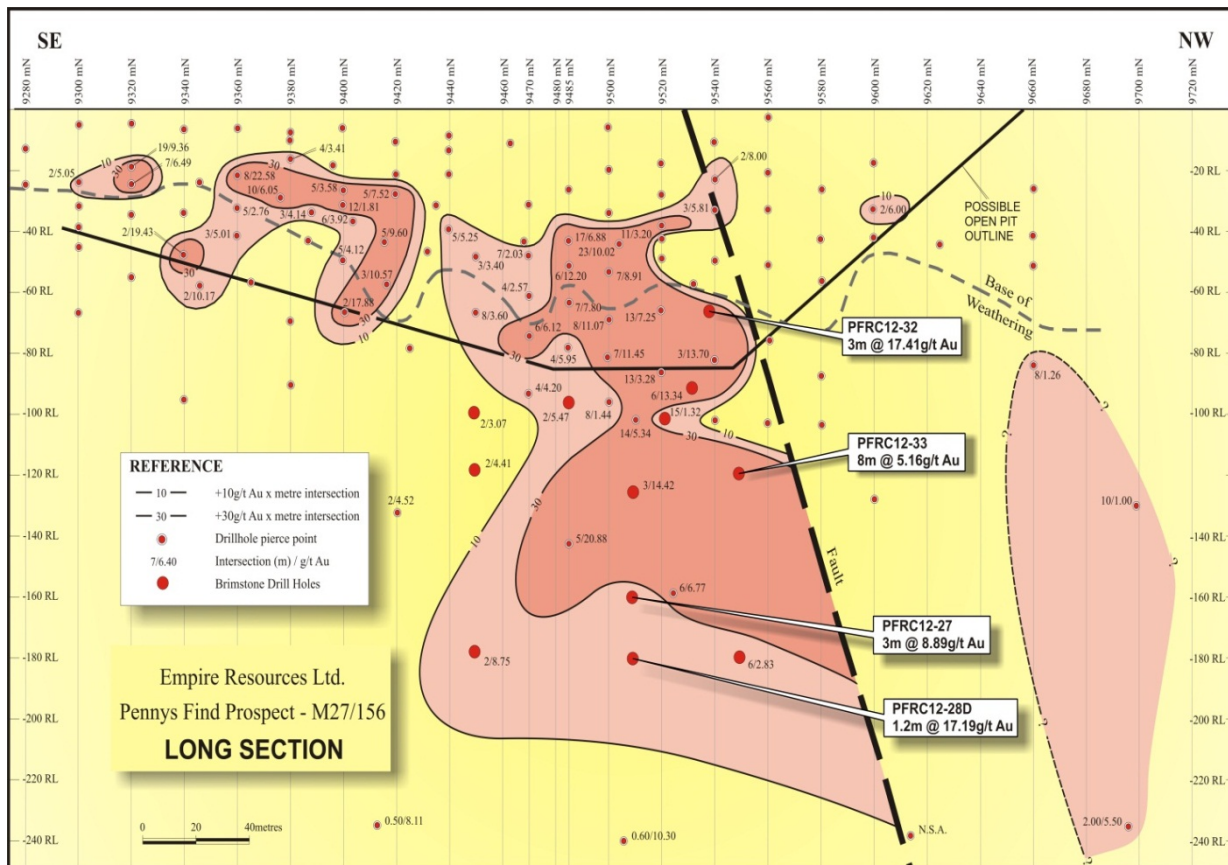
Potential also exists to add significant gold resources to those already defined at Penny's Find. Rubicon Resources Ltd ('Rubicon', ASX Code 'RBR') announced to the ASX on the 12 March 2015, assay results from RC drilling at the Garibaldi prospect on the Mt McLeay project just 3 km north of Penny's Find. Rubicon reported one of these holes returned **22m @ 4.2g/t Au** from 34m downhole depth. The Garibaldi prospect lies on the same mineralized contact as Penny's Find.

Empire Resources, through its 32% holding in Barola, has a 16% interest in the Mt McLeay project. The discovery of further gold resources in close proximity to Penny's Find would greatly enhance the economics of any future mining operation.



For personal use only

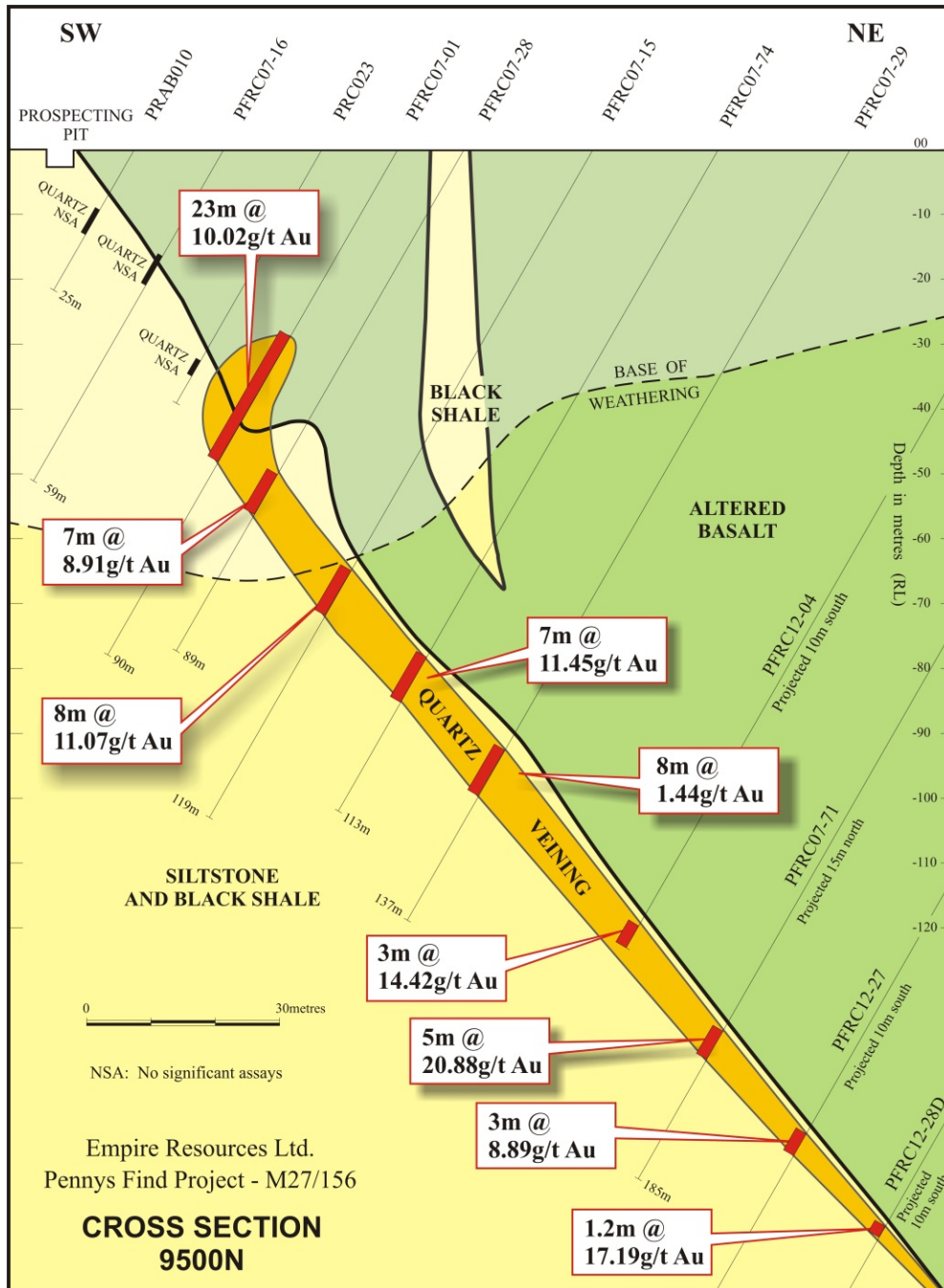
For personal use only



Penny's Find Conceptual Pit Design# – looking NW
Model Blocks shown >0.7g/t Au.
Red 2.0 - 3.00g/t Au, Purple >3.0g/t Au

The open pit outline shown above is based on a scoping study conducted in the first quarter of 2009. It does not mean that mineralization above the outline is currently economic. To determine if any mineralization is currently economic a feasibility study will have to be undertaken using up to date costs and parameters.

For personal use only



DAVID SARGEANT
MANAGING DIRECTOR

June 2015

For further information on the Company, visit www.resourceempire.com.au

David Sargeant – Managing Director
Adrian Jessup – Executive Director

Phone: +61 8 9361 3100
Phone: +61 8 9361 3100

* Penny's Find Open Pit Scoping Study - 2015

The Company has employed an independent consultant to review pit design, mine scheduling and potential cashflow based on a gold price of AUD\$1,500/oz. The results of this study are positive and being utilised in discussions with various parties for development of the resource. No official reserve figures have been announced as a result of this study.

The parameters used in the study were: Gold price AUD\$1,500/oz, Mining costs \$4.03/t ore, \$3.92/t waste, Mining dilution 15%, Mining recovery 95%, Strip ratio 19:1, Pit slope average 50⁰, Treatment recovery 96%, Treatment costs \$33.40/t.

In addition, the study does not imply a production scenario exists at this time and accordingly should not be used as a basis for investment decisions about shares in the company.

Mineral Resource Estimates

The information in this release concerning the Mineral Resources for the Penny's Find Deposit has been taken from a report (the Report) by DataGeo Geological Consultants provided to Empire Resources Limited by its tenant in common, Brimstone Resources Ltd. This Report states that the mineral resource has been estimated by Mr Peter Ball B.Sc who is a director of DataGeo Geological Consultants and is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Ball has sufficient experience which is relevant to the styles of mineralization and types of deposit under consideration and qualifies as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ball provided consent to Brimstone Resources Ltd for the public release of the information concerning the mineral resource for Penny's Find and confirms that the information in this release in both the form and the context in which it appears reflects the content of the Report.

For personal use only