



ACN 092 471 513

**QUARTERLY REPORT FOR THE PERIOD ENDED  
30 JUNE 2007**

**HIGHLIGHTS**

**Penny's Find: Gold project**

- Further drill intersections of wide high grade gold mineralization:

<b>PFRC07-12</b>	<b>19m @ 9.36g/tAu from 19m</b>
<b>PFRC07-15</b>	<b>8m @ 11.07g/tAu from 75m</b>
<b>PFRC07-17</b>	<b>17m @ 6.88g/tAu from 41m</b>
<b>PFRC07-32</b>	<b>8m @ 22.58g/tAu from 20m</b>
<b>PFRC07-59*</b>	<b>6m @ 6.77g/tAu from 178m</b>
<b>PFRC07-60*</b>	<b>13m @ 7.25g/tAu from 69m</b>
<b>PFRC07-71*</b>	<b>5m @ 20.88g/tAu from 162m</b>
<b>PFRC07-72*</b>	<b>14m @ 5.34g/tAu from 121m</b>
<b>PFRC07-74*</b>	<b>7m @ 11.45g/tAu from 89m</b>

*\*not previously reported, and not included in the resource estimate*

The high-grade gold mineralization remains open at depth.

- An in situ resource of 212,600 tonnes @ 4.07g/tAu above a reporting cut-off of 0.5g/t Au has been estimated for the mineralization, down to a vertical depth of 140m below surface. This includes a measured resource of 66,900 tonnes @ 5.28g/tAu.
- Preliminary metallurgical testwork indicates both oxide and fresh gold mineralization is free milling, with high gold recoveries by conventional gravity and cyanide treatment.
- A pre-feasibility study has commenced on the resource situated within granted mining lease M27/156.

**Yuinmery: Copper-gold project**

- Interpretation of a ground EM survey defines prominent electrical conductors.

# MAPS

Figure 1: The location of Empire Resources' projects

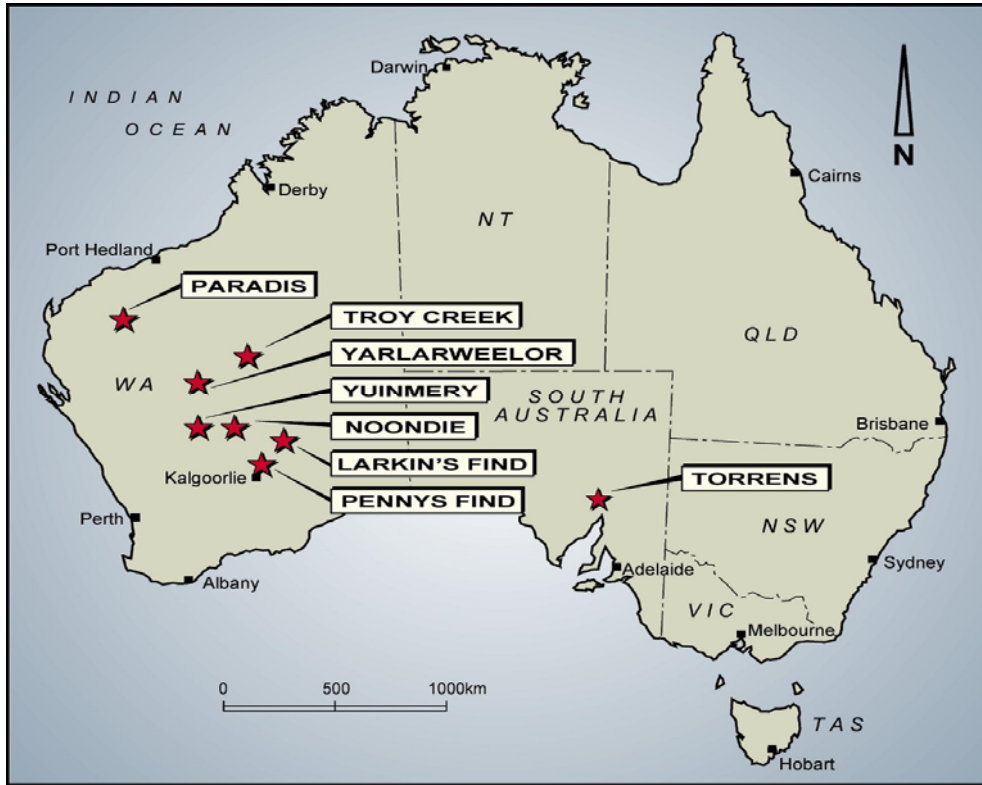
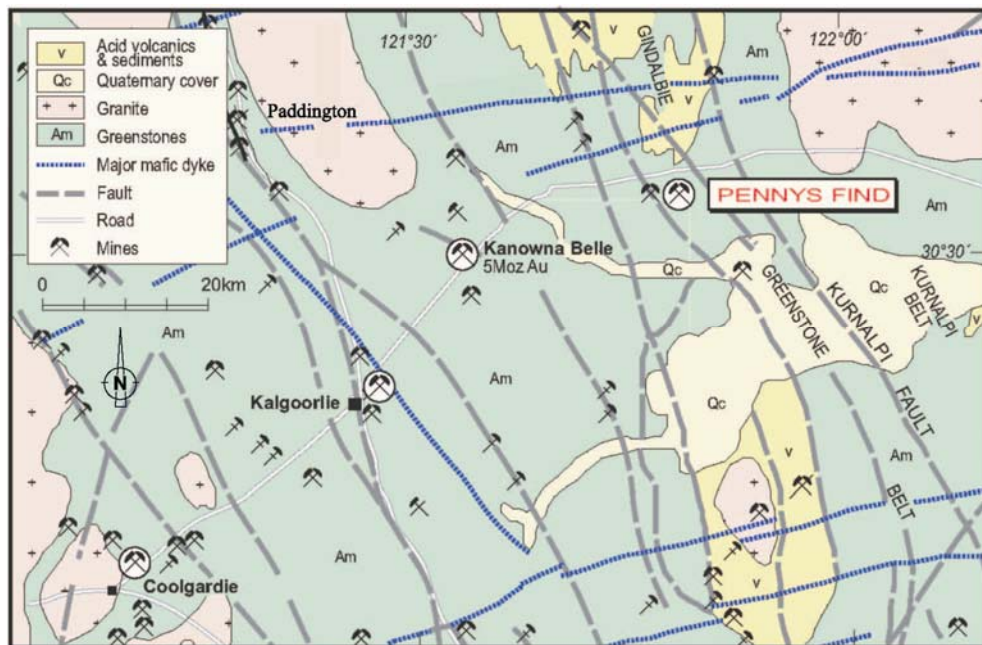


Figure 2: The location of Penny's Find, 50km North East of Kalgoorlie, WA



## ISSUE OF OPTIONS

---

Empire Resources Ltd undertook a fully underwritten non-renounceable entitlement offer of one option for every two shares held by shareholders who were registered on the 9<sup>th</sup> May 2007. The issue price for these options was one cent.

A total of 27,709,075 options were issued which raised \$277,090.75 before the costs of the offer. The options were listed on the Australian Securities Exchange on the 13<sup>th</sup> June 2007. These options have an exercise price of 25 cents and expire on 30<sup>th</sup> June 2009.

## REVIEW OF OPERATIONS

---

### 1. Penny's Find - 100% interest

The Penny's Find project is situated in the Eastern Goldfields, 50km northeast of Kalgoorlie.

During the quarter, a total of 70 holes consisting of 6,724 metres of RC drilling were completed, mostly in the vicinity of a previously announced small gold resource on granted mining lease M27/156.

This drilling, designed to follow up on high-grade gold intersections reported in the March Quarterly, returned numerous wide and/or high grade gold intersections:

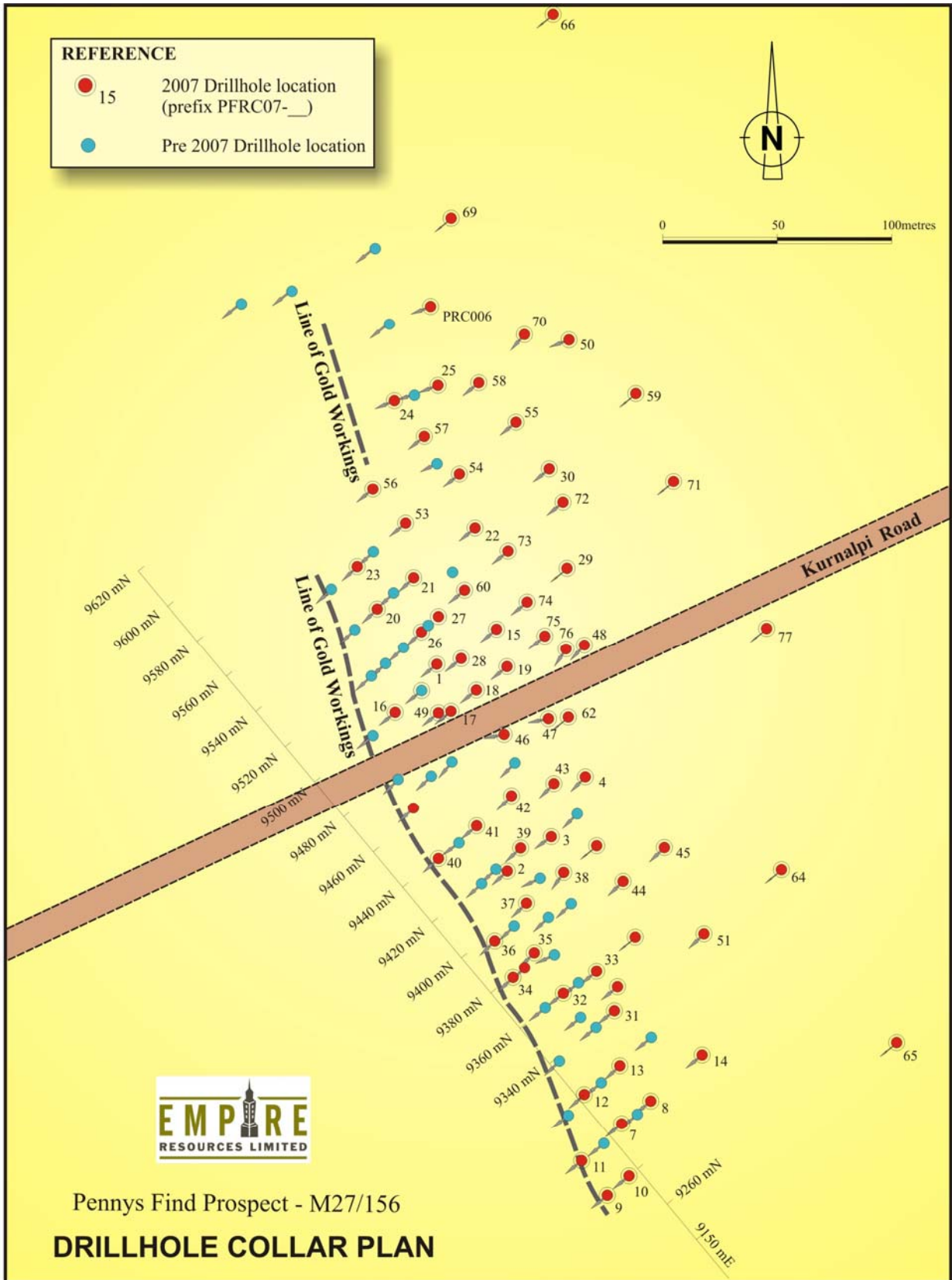
<b>PFRC07-12</b>	<b>19m @ 9.36g/tAu from 19m</b>
<b>PFRC07-15</b>	<b>8m @ 11.07g/tAu from 75m</b>
<b>PFRC07-17</b>	<b>17m @ 6.88g/tAu from 41m</b>
<b>PFRC07-32</b>	<b>8m @ 22.58g/tAu from 20m</b>
<b>PFRC07-59*</b>	<b>6m @ 6.77g/tAu from 178m</b>
<b>PFRC07-60*</b>	<b>13m @ 7.25g/tAu from 69m</b>
<b>PFRC07-71*</b>	<b>5m @ 20.88g/tAu from 162m</b>
<b>PFRC07-72*</b>	<b>14m @ 5.34g/tAu from 121m</b>
<b>PFRC07-74*</b>	<b>7m @ 11.45g/tAu from 89m</b>

*\*not previously reported, and not included in the resource estimate*

Table 1 (appendix) lists all the assay results from the RC drilling this quarter. Drill-hole locations are shown in Figure 3.

Within granted mining lease M27/156 gold mineralization is associated with quartz veining developed at or near the contact between intermediate volcanics and sediments. Previous drilling at this location has shown strong surface leaching to variable depths, together with supergene enrichment of gold, resulting in erratic gold distribution.

Figure 3: Penny's Find - Drill hole collar plan



For personal use only

A number of mineralized samples from the recent drilling were submitted for screen fire assay. This confirmed the presence of coarse gold within the quartz veins. Many samples had over 50% of the contained gold reporting in the coarse fraction of the analysis (>75micron).

The recent drilling has also shown high-grade gold mineralization remains open at depth with two holes intersecting significant mineralization below 140m vertical depth (Figure 4):

**PFRC07-59 6m @ 6.77g/tAu from 178m**  
**PFRC07-71 5m @ 20.88g/tAu from 162m**

**See Figure 4: Penny's Find - Long Section**

Hole PFRC07-66, located 160m to the north of drill hole PFRC07-59, intersected 8m @ 3.13g/tAu from 144m. This may indicate the start of another high-grade shoot at depth.

**See Figure 5: Penny's Find - Cross Section**

Resource modelling consultants Datageo were engaged during the quarter to calculate a JORC compliant resource estimate for the Penny's Find mineralization, utilising all drill hole information available up to the end of May 2007.

This resource estimate does not include any assay results from the most recent drilled holes PFRC07-53 to PFRC07-78. Table 2 lists the in situ classified resource estimated to a vertical depth of 140m below surface using a 0.5g/tAu lower cut-off and with all high assays cut to 25g/tAu:

**Table 2: Penny's Find - Classified mineral resources – June 2007**

<b>Class</b>	<b>Tonnes</b>	<b>Grade*</b>	<b>Ounces</b>
Measured	66,900	5.28	11,358
Indicated	92,300	4.22	12,524
Inferred	53,400	2.29	3,932
<b>TOTAL</b>	<b>212,600</b>	<b>4.07</b>	<b>27,823</b>

*\*grades are based on a minimum cut-off of 0.5g/tAu and high assays cut to 25g/tAu*

The resource grade was estimated using ordinary kriging based on the drill hole data composited downhole to 1m intervals within constraining shapes representing the mineralisation.

Initial metallurgical testwork on samples of oxide and fresh mineralization from Penny's Find indicate high recoveries by conventional gravity and cyanide extraction. Fresh mineralization is free milling.

Table 3 summarises the gold recoveries from the two samples tested:

**Table 3: Penny's Find - Preliminary metallurgical testwork**

<b>Sample Type</b>	<b>Time (hours)</b>	<b>% Total Extraction</b>	<b>Comments</b>
<b>Oxide</b>	0	<b>60.5</b>	By gravity extraction
	24	<b>98.2</b>	By cyanide extraction
<b>Fresh</b>	0	<b>71.9</b>	By gravity extraction
	24	<b>97.2</b>	By cyanide extraction

A pre-feasibility study has commenced on the Penny's Find resource looking at the various development options available to the Company.

Figure 4: Penny's Find - Long Section

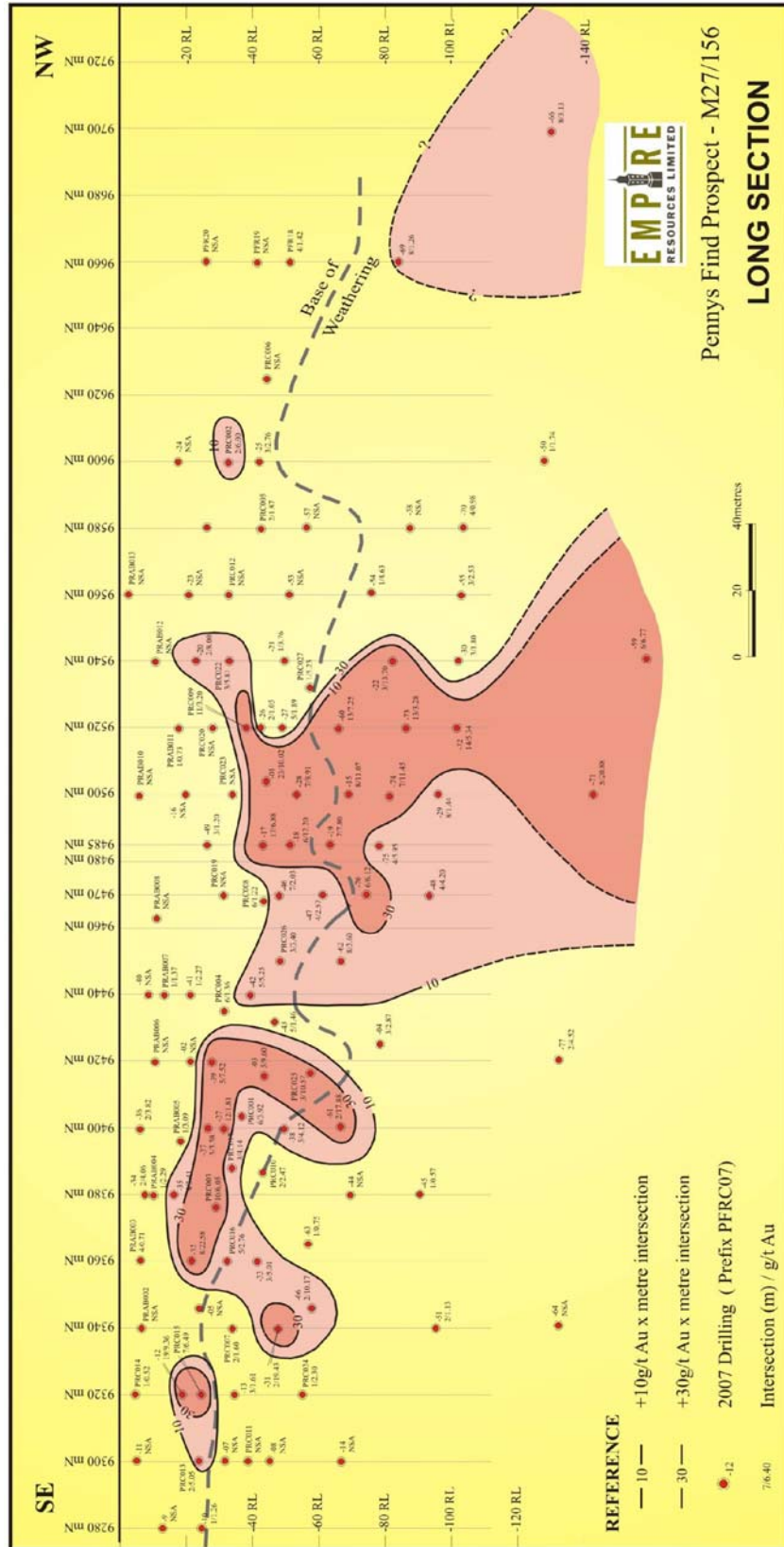
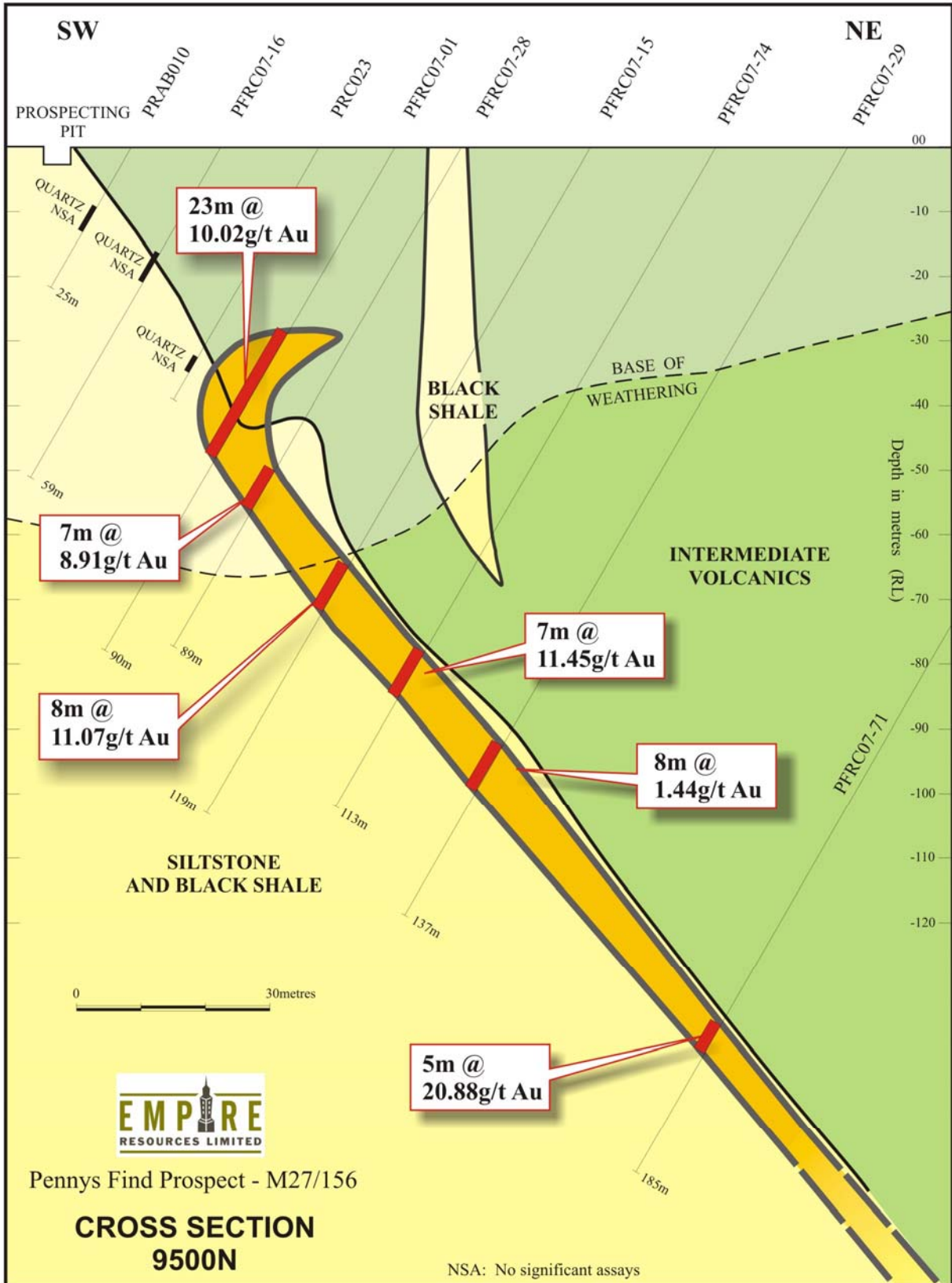


Figure 5: Penny's Find - Cross Section



For personal use only

## 2. Yuinmery Project - earning up to 90% interest

The Yuinmery copper-gold project is situated 475 km north east of Perth. Previous exploration within the project area has located copper and gold mineralization in a volcanogenic massive sulphide environment, with drill intersections including 1.79m @ 6.82% copper and 3.90m @ 2.10% copper.

### See Figure 6: Yuinmery - Drill Targets

During the quarter the Company acquired, processed and interpreted data from a SIROTEM ground geophysical survey, interpreted data from a helicopter-borne Skytem geophysical survey, and integrated an aeromagnetic survey into the existing geological database. While the parameters of the Skytem geophysical survey proved inadequate to properly evaluate the area, interpretation of the ground geophysical survey identified a number of high-priority electrical conductors believed to be caused by massive sulphide mineralization.

A reverse circulation drilling program to test seven separate geophysical and / or geological targets is planned to commence in August.

## 3. Torrens Project - 100% Interest

A detailed gravity survey was completed last quarter in two separate areas within the Torrens copper-gold-uranium project.

In the southern area, this survey was designed to define drill targets, to extend to the east, and upgrade the existing gravity coverage using a 200m x 200m grid pattern. Data was collected at 519 new gravity stations in this phase of the survey.

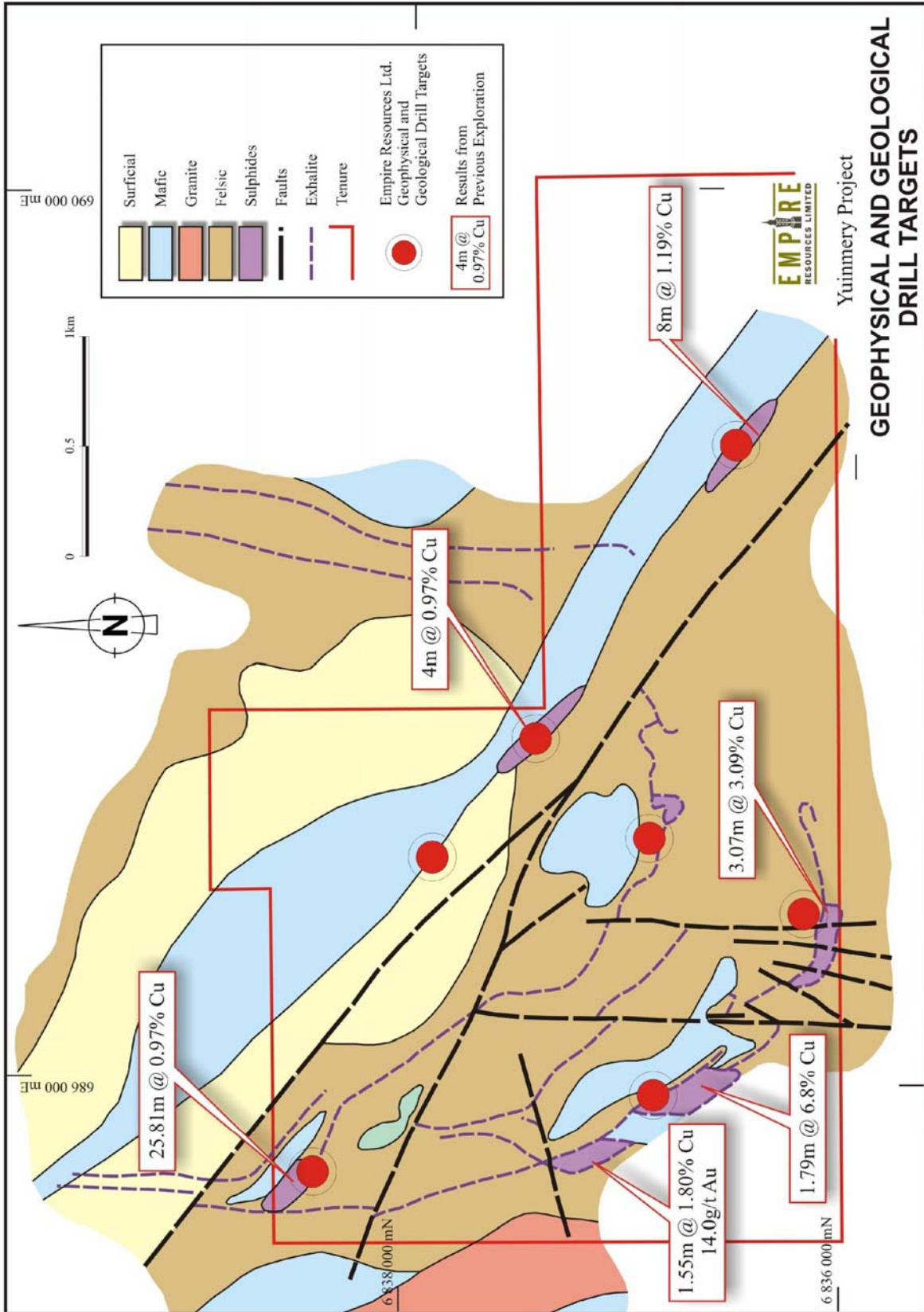
In the northern area, the survey completed a first pass assessment of a poorly defined north-westerly striking gravity high, previously identified in an AGSO regional gravity survey. Data was collected on a 500m x 500m grid pattern from 558 new gravity stations in this phase of the survey.

The gravity data from this survey has been processed and merged with the existing data set. A preliminary residual gravity image (Figure 7) shows in the southern area the extension and clearly defined south-eastern limits of the high-density domain, which has been the focus of interest to date in the Torrens Project. The survey in the northern area has confirmed the presence of a large, complex gravity high within the tenement, consisting of north-westerly trending high density unit and at least one large ovoid discrete gravity high. The source of the gravity anomalism is unknown.

Five separate drill sites have been selected based on geophysical data. Access to these sites has been checked by a ground inspection. Empire is sourcing a suitable drilling rig to test these targets.

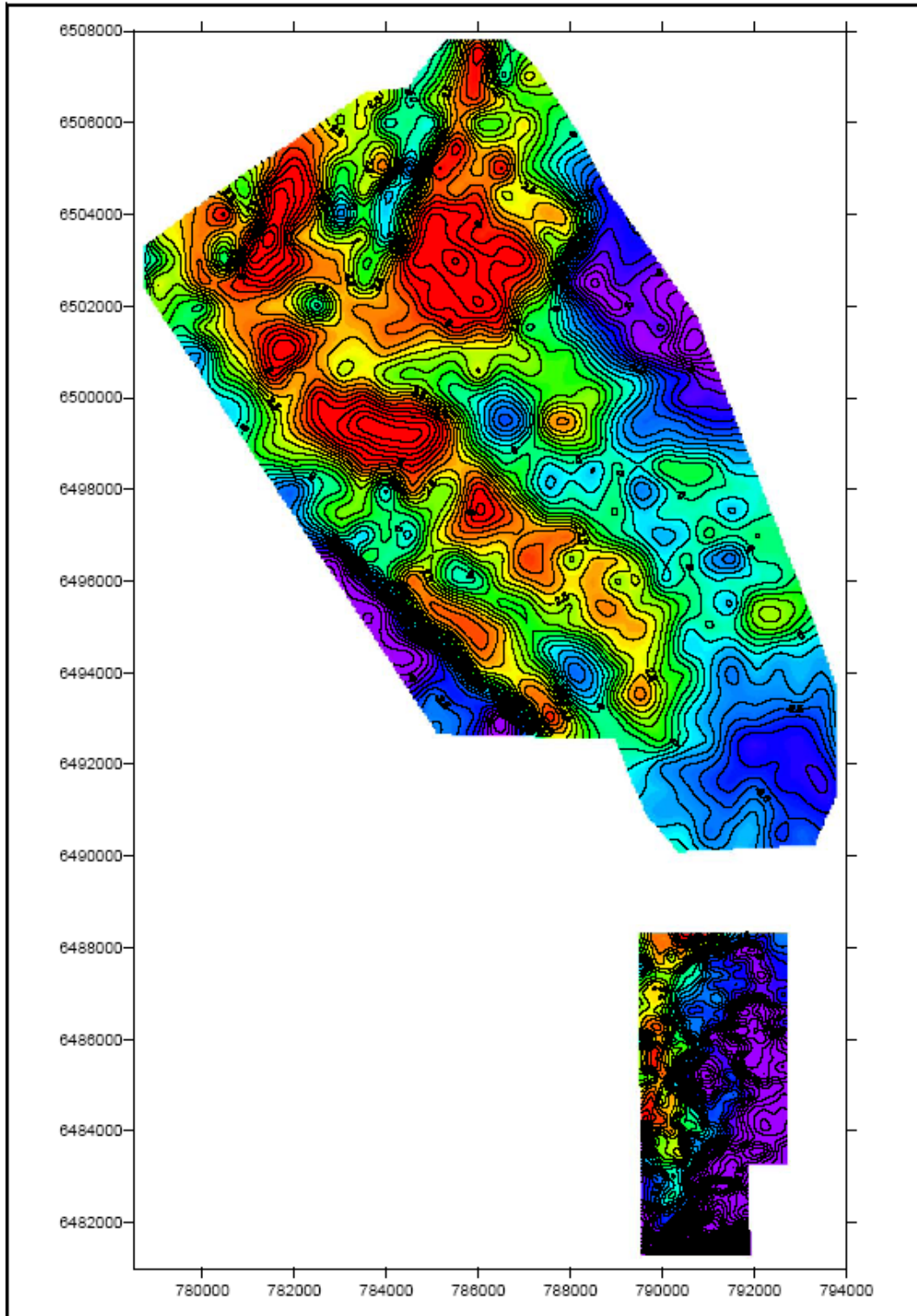
### See Figure 7: Torrens Project - Residual gravity image

Figure 6: Yuimmery - Drill Targets



For personal use only

**Figure 7: Torrens Project - Residual gravity image with detailed gravity contours (0.5 milligal intervals)**



For personal use only

#### **4. Troy Creek Project - 100% interest**

The Troy Creek copper-gold-PGM project is situated 900km north east of Perth. Previous exploration has identified multi-element anomalous geochemistry in sedimentary rocks over a widespread area, extending for over a 20km strike length. Within this area, drill intersections of 1.5metres @ 2.98% copper, 9.6metres @ 0.34% copper and 8.0metres @ 0.79g/t PGM and gold have been obtained.

During the quarter, resampling of selected drill samples and rock outcrops was undertaken. Processing and modeling of existing aeromagnetic data was also completed over a number of discrete magnetic anomalies. These anomalies have not been previously drill tested and represent high-priority exploration targets. Two gravity surveys totaling 934 stations were designed to further evaluate the magnetic anomalies. Interpretation of these surveys will be completed in the coming quarter.

#### **5. Yarlalweelor Project - 100% Interest**

The Company finalized an agreement with Zetek Resources Pty Ltd to acquire a 100% interest in the Yarlalweelor uranium project. Details of this agreement were outlined in a release dated 5<sup>th</sup> June 2007 and involved an application by Empire Resources Ltd for an exploration licence, the withdrawal of two exploration licence applications by Zetek, and the issue of shares and reimbursement of costs to Zetek Resources Pty Ltd.

Previous exploration within the project area between 1978 and 1982 located both primary and secondary uranium mineralization at a number of locations. This mineralization occurs in Palaeoproterozoic quartz-biotite schist units that are folded and faulted into the Archaean Despair Granite. Elsewhere within the project area anomalous radioactivity is associated with older Archaean leucocratic granitic gneisses.

Exploration reports held by the Department of Industry and Resources record many drill intersections with anomalous radioactivity. These include intercepts of 2m assaying 630ppm uranium and 24m assaying 310ppm uranium. While the true widths of these intersections are not known, the Company is encouraged by the geological setting, the widespread anomalous radioactivity and the presence of potentially economic grades of primary uranium mineralization in drill holes. A major exploration program is planned upon grant of the tenement.

#### **6. Larkin's Find Project - earning 80% interest**

The Company entered into a farm-in and Joint Venture of the Larkin's Find nickel and gold project in March 2007. The project area of approximately 33sq km is the subject of a tenement application EL 39/1248. It is situated approximately 85km southeast of the Murrin Murrin Nickel Mine and 155km north-northeast of Kalgoorlie in Western Australia.

During the quarter the Company engaged Burger Geological Services Pty Ltd to estimate an ore resource for previously drilled nickel - cobalt laterite mineralization and to report on additional exploration possibilities within the project area. This work outlined an inferred resource of 5.2 million tonnes assaying 0.8% nickel and 0.08% cobalt using a 0.6% nickel cutoff grade. Additional untested areas with further exploration potential were identified.

The Company believes that the Larkin's Find project area is under explored for both gold and nickel. Upon grant of the tenement, programs testing both the gold and nickel potential will be implemented. Exploration for gold will target northeast trending splay structures that strike from a regionally extensive northwest trending structure known as the Claypan Fault. This fault and structural zone hosts gold mineralization approximately 3km north of the tenement boundary at Gardners Find. Past gold exploration on the tenement area is sparse and many drill holes failed to test bedrock.

Future nickel exploration will be directed towards drilling untested targets to increase the size of the resource. Beneficiation testwork is planned to assess the amenability of increasing the grade of the current inferred resource.

**DAVID SARGEANT**  
**MANAGING DIRECTOR**  
**22<sup>nd</sup> JULY 2007**

For further information on the Company visit [www.resourceempire.com.au](http://www.resourceempire.com.au)

David Sargeant – Managing Director

Phone: +61 8 6250 9415

Adrian Jessup – Executive Director

Phone: +61 8 6250 9414

*The information in this report that relates to Exploration Results has been compiled by Mr. David Ross B.Sc. M.Sc., who is an employee of the Company and is a member of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AIMM). David Ross 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 2004 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.*

*The information in this report concerning the Mineral Resource for the Penny's Find Deposit 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 (AIMM). Peter has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and qualifies as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral*

*Resources and Ore Reserves”. Peter consents to the inclusion in the public release of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to the Larkin’s Find section of the above report has been compiled by Mr. Peter Burger B.Sc, M.Sc, who is a director of Burger Geological Services Pty. Ltd. and is a member of the Australasian Institute of Mining and Metallurgy (AIMM). Peter Burger 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 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Peter Burger consents to the inclusion in the public release of the matters based on his information in the form and context in which it appears.*



**Table 1: Penny's Find - RC drilling assay results - June quarter**

HOLE ID	Northing	Easting	Final Hole Depth (m)	Azimuth	Dip	From (m)	To (m)	Width (m)	Grade g/t Au
PFRC07-09	9280	9132	25	230	-60	-	-	-	nsa
PFRC07-10	9280	9144	41	230	-60	10 26	11 27	1 1	1.02 1.26
PFRC07-11	9300	9133	29	230	-60	-	-	-	nsa
PFRC07-12	9320	9151	41	230	-60 incls incls	19 19 30	38 21 32	19 2 2	9.36 31.69 32.84
PFRC07-13	9320	9170	55	230	-60	36	39	3	1.61
PFRC07-14	9300	9203	110	230	-60	-	-	-	nsa
PFRC07-15	9500	9253	119	230	-60 incls	75 78 112	83 81 113	8 3 1	11.07 27.55 1.50
PFRC07-16	9500	9196	59	230	-60	-	-	-	nsa
PFRC07-17	9485	9214	99	230	-60 incls incls	33 41 41 45	37 58 42 50	4 17 1 5	1.09 6.88 30.13 14.76
PFRC07-18	9485	9229	83	230	-60 incls	37 55 56	38 61 60	1 6 4	1.51 12.20 18.02
PFRC07-19	9485	9244	124	230	-60	52 68	55 75	3 7	1.67 7.80
PFRC07-20	9540	9220	41	230	-60	25	27	2	8.09
PFRC07-21	9540	9240	65	230	-60	34 56	35 57	1 1	1.59 3.76
PFRC07-22	9540	9274	110	230	-60 incls	75 92 94	88 95 95	13 3 1	1.31 13.70 32.18
PFRC07-23	9560	9224	59	230	-60	-	-	-	nsa
PFRC07-24	9604	9283	47	250	-60	-	-	-	nsa
PFRC07-25	9598	9301	95	250	-60	46	49	3	2.76
PFRC07-26	9520	9227	71	230	-60	40 46	43 48	3 2	2.81 1.05
PFRC07-27	9520	9237	80	230	-60	45 53	47 58	2 5	3.23 1.89
PFRC07-28	9500	9233	89	230	-60 incls	58 61	65 64	7 3	8.91 14.27
PFRC07-29	9500	9293	137	230	-60	107	115	8	1.44
PFRC07-30	9540	9314	149	230	-60	115 133	118 140	3 7	1.80 1.30

For personal use only

HOLE ID	Northing	Easting	Final Hole Depth (m)	Azimuth	Dip	From (m)	To (m)	Width (m)	Grade g/t Au
PFRC07-31	9340	9185	65	230	-65 incls	50	52	2	19.43
						50	51	1	37.86
						62	65	3	1.11
PFRC07-32	9360	9174	41	230	-60  incls incls	8	12	4*	0.79
						20	28	8	22.58
						21	23	2	49.48
						25	26	1	37.04
						28	32	4*	1.50
36	40	4*	1.56						
PFRC07-33	9360	9192	65	230	-60	0	4	4*	2.27
						43	46	3	5.01
						49	50	1	1.98
PFRC07-34	9380	9162	17	230	-60	7	9	2	4.06
PFRC07-35	9380	9175	47	230	-60	16	20	4*	3.41
						23	24	1	1.67
						45	46	1	0.75
PFRC07-36	9396	9166	20	230	-60	5	7	2	3.82
PFRC07-37	9400	9186	47	230	-60	24	29	5	3.58
						32	44	12*	1.81
PFRC07-38	9400	9208	71	230	-60	47	52	5	4.12
PFRC07-39	9420	9200	60	230	-60  incls	8	16	8*	1.94
						29	34	5	7.52
						30	31	1	31.27
						48	52	4*	0.95
PFRC07-40	9440	9171	17	230	-60	-	-	-	nsa
PFRC07-41	9440	9191	51	230	-60	23	24	1	2.27
PFRC07-42	9440	9211	65	230	-60	42	47	5	5.25
PFRC07-43	9432	9228	73	230	-60	49	54	5	1.46
PFRC07-44	9380	9225	95	230	-60	-	-	-	nsa
PFRC07-45	9380	9248	119	230	-60	102	103	1	0.57
PFRC07-46	9462	9226	71	250	-60	36	44	8	0.89
						50	57	7	2.03
PFRC07-47	9456	9245	89	250	-60	68	72	4	2.57
PFRC07-48	9470	9278	137	230	-60 incls	105	109	4	4.20
						108	109	1	11.65
PFRC07-49	9486	9212	59	230	-45	35	38	3	1.20
PFRC07-50	9576	9358	167	250	-60	147	148	1	1.74
						156	157	1	2.58
PFRC07-51	9340	9238	119	230	-60	107	109	2	1.13
PFRC07-52	6623716*	392847	71	110	-60	-	-	-	nsa
PFRC07-53	9560	9255	65	230	-60	-	-	-	nsa
PFRC07-54	9560	9290	119	230	-60	85	86	1	4.63
PFRC07-55	9560	9325	155	230	-60	116	119	3	2.53
PFRC07-56	9580	9255	101	230	-60	0	4	4*	1.53

HOLE ID	Northing	Easting	Final Hole Depth (m)	Azimuth	Dip	From (m)	To (m)	Width (m)	Grade g/t Au	
PFRC07-57	9580	9285	119	230	-60	-	-	-	nsa	
PFRC07-58	9580	9320	113	230	-60	-	-	-	nsa	
PFRC07-59	9540	9370	227	230	-60	178	184	6	6.77	
					incls	178	179	1	14.75	
					incls	182	183	1	11.80	
PFRC07-60	9520	9255	119	230	-60	69	82	13	7.25	
					incls	75	77	2	40.45	
						89	91	2	1.22	
PFRC07-61	9400	9230	83	230	-70	59	61	2	17.88	
					incls	60	61	1	34.40	
PFRC07-62	9450	9255	89	230	-65	67	75	8	3.60	
					incls	70	72	2	9.48	
PFRC07-63	9360	9215	107	230	-60	78	79	1	0.75	
PFRC07-64	9340	9285	160	230	-60	-	-	-	nsa	
PFRC07-65	9260	9275	179	230	-60	-	-	-	nsa	
PFRC07-66	9700	9450	155	240	-60	116	120	4*	0.56	
						144	152	8*	3.13	
PFRC07-67	6622226*	391942	101	240	-60	-	-	-	nsa	
PFRC07-68	6622226*	391944	120	240	-85	-	-	-	nsa	
PFRC07-69	9660	9360	149	250	-60	91	99	8	1.26	
						102	106	4	0.57	
PFRC07-70	9580	9350	179	230	-55	124	128	4*	0.98	
PFRC07-71	9500	9360	185	230	-60	162	167	5	20.88	
PFRC07-72	9520	9315	149	230	-60	113	114	1	1.63	
							121	135	14	5.34
						incls	125	127	2	21.84
PFRC07-73	9520	9285	119	230	-60	94	107	13	3.28	
PFRC07-74	9500	9275	113	230	-60	89	96	7	11.45	
						incls	92	94	2	34.50
							101	104	3	0.62
PFRC07-75	9485	9270	107	230	-60	88	92	4	5.95	
					incls	89	90	1	15.90	
PFRC07-76	9470	9275	119	230	-50	94	100	6	6.12	
					incls	95	96	1	27.30	
PFRC07-77	9420	9350	185	230	-60	167	169	2	4.52	
PFRC07-78	6623719*	392476	113	90	-60	-	-	-	nsa	

- Results from holes PFRC07-53 to 78 have not been reported previously
- nsa: no significant assays
- Intersections are an arithmetic average calculated using a 0.5g/tAu lower cut-off
- No high cut has been applied
- Maximum internal dilution within an intersection is 2m @ < 0.50g/tAu
- Assays in holes PFRC07-09 to 52 were done by 40gm Fire Assay on 1m riffle split samples, except for those intersections marked with an \* where 4m speared composites were assayed by 40gm Fire Assay

- Assays in holes PFRC07-53 to 78 were done by 50gm Fire Assay on 1m riffle split samples, except for those intersections marked with an \* where 4m speared composites were assayed by 50gm Fire Assay
- Northings and eastings are local grid coordinates, except for those marked with an \* which are MGA coordinates



For personal use only