



QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2024

HIGHLIGHTS

- Comprehensive review of the Yuinmery exploration data base for future exploration opportunities.
- Planning for aircore drilling at Yuinmery completed.
- Aircore drilling to commence at Yuinmery in October 2024.
- Horizon Minerals Ltd (ASX:HRZ) announce merger with Poseidon Nickel Ltd (ASX:POS) ^[1] to acquire POS assets including the Black Swan processing facility located 27km from Penny's Find Gold resource. Empire holds a 5% gold royalty on the first 50,000oz recovered and 2.5% royalty on gold recovered above 50,000oz from Penny's Find Gold Mine ^[2].
- Multiple project assessments undertaken during the quarter.

Empire Director, Dr Michael Ruane commented:

"Empire has reactivated exploration at its Yuinmery copper gold PGM project in the WA Murchison district and its Penny's Gold project northeast of Kalgoorlie with data base reviews and an aircore drilling program at Yuinmery in October 2024."

"The Company is very pleased with the announcement by Horizon Minerals Ltd and Poseidon Nickel Ltd to merge to form a gold production entity based on conversion of the Black Swan nickel plant (2Mt/a) to a gold milling facility."

"The location of the Black Swan site is of particular interest to Empire being only 30km from the Penny's Find gold resource and Empire's Penny's gold project, and Acra tenement holdings which are highly prospective for gold mineralisation."

"Empire continues to assess other project acquisition opportunities to complement its current project portfolio".

BUSINESS DEVELOPMENT

Yuinmery Project

A comprehensive review of the Yuinmery Project database has highlighted numerous highly prospective copper, gold and nickel targets not previously followed up.

Four priority prospects (Figure 1) amenable to low cost aircore drilling were selected for first round drilling in October 2024,

- ✧ YT01: 6 holes to test the extension of low-grade copper/gold in the weathered horizon between existing drill holes and possible western extension of previously identified mineralisation.
- ✧ YT19: 14 holes testing anomalous gold mineralisation intersected in previous drilling programs.
- ✧ Main Road: 5 holes to test anomalous copper/gold mineralisation intersected in previous aircore drilling.
- ✧ YT12: 6 holes to test anomalous copper/gold mineralisation intersected in previous aircore drilling.

The drill program was design with approximately 2,200m of aircore drilling across the four targets, subject to ground conditions. Empire advised the market upon completion of the drill program, the Yuinmery program was restricted to 1,488m due to hard drilling conditions.

Four-meter composite samples have been submitted for assay with results expected in 3-4 weeks.

Tenement Applications

As previously reported the Company lodged two Exploration License Applications (ELA) during the June quarter (Figure 2). ELA 27/739 and ELA 28/3461 are located approximately 55km's northeast of Kalgoorlie. The ERL applications are first inline; competing applications by other parties have dropped away.

ELA 27/739 is located approximately 2.0km southeast of the 139,000oz Kalpini gold resource owned by HRZ and 35km east of the Black Swan ore processing facility.

ELA 27/739 comprises 9 graticular blocks at Kalpini South is prospective for gold mineralisation as identified in historical geochemical soil surveys. Preliminary examination of soil sampling results documented in WAMEX Reports A82047 (Xtrata) and A92182 (Pioneer Resources Ltd) has identified anomalous zones of gold mineralisation that appear to be coincident with lithological contacts and faults. Kalpini South lies within 2km of and within the same structural corridor as Horizon Minerals' (ASX:HRZ) 139,000-ounce Kalpini Gold Project ^[1].

Tenement application E28/3461 at Acra South comprises graticular blocks lies approximately 15km south of the Kalpini South tenement application. The Acra South

ASX Announcement 30 October 2024

tenement application hosts a geophysical anomaly coincident with the regional Emu Fault and mapped eastern goldfields greenstones including ultramafic lithologies.

The Acra South area has had little modern exploration and represents a rare greenfield exploration opportunity in the Eastern Goldfields Region.

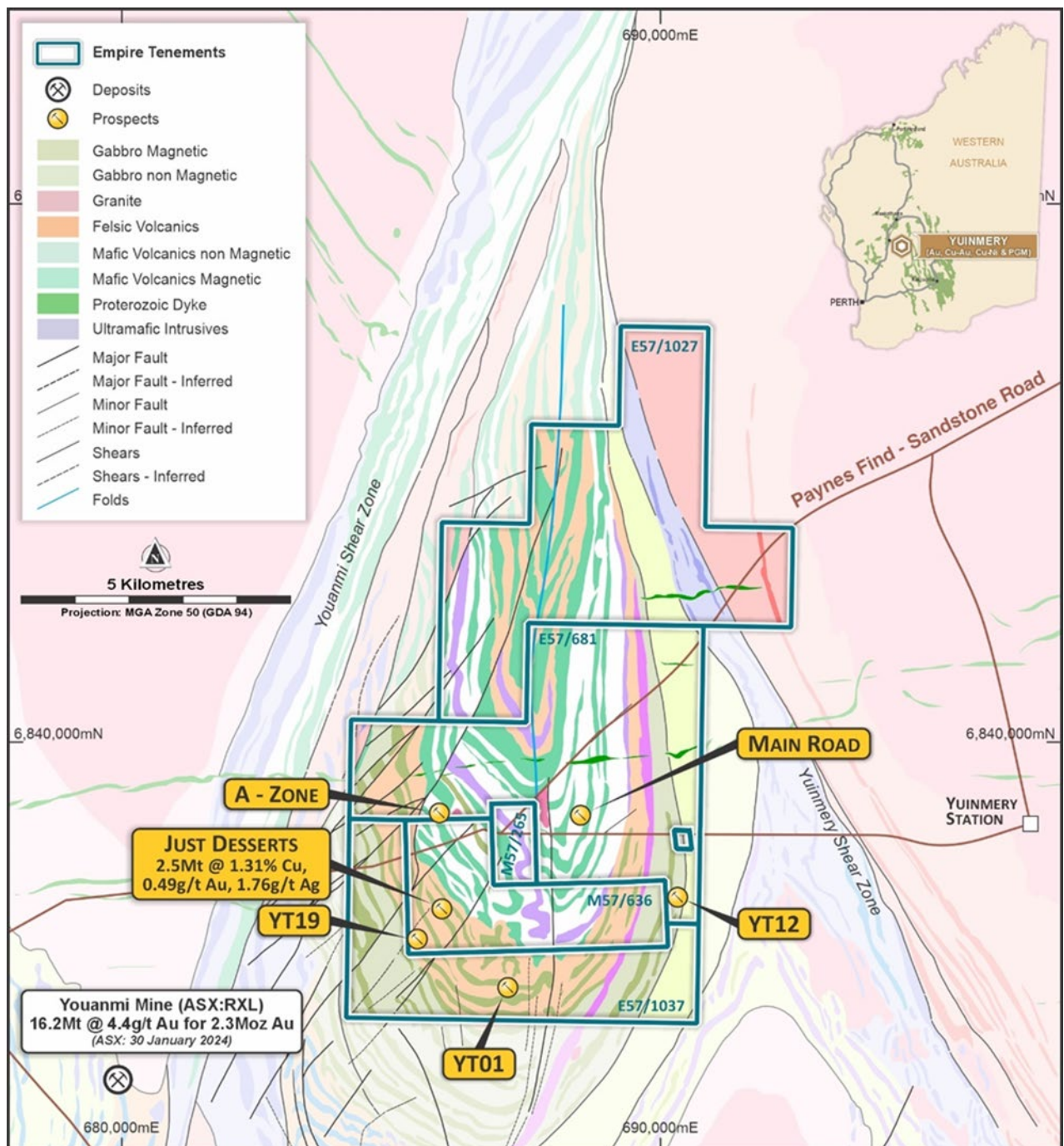


Figure 1. Regional geology of the Yuinmery area showing the location of the four prospects to be tested by aircore drilling in October 2024 on geology interpreted from aeromagnetic data.

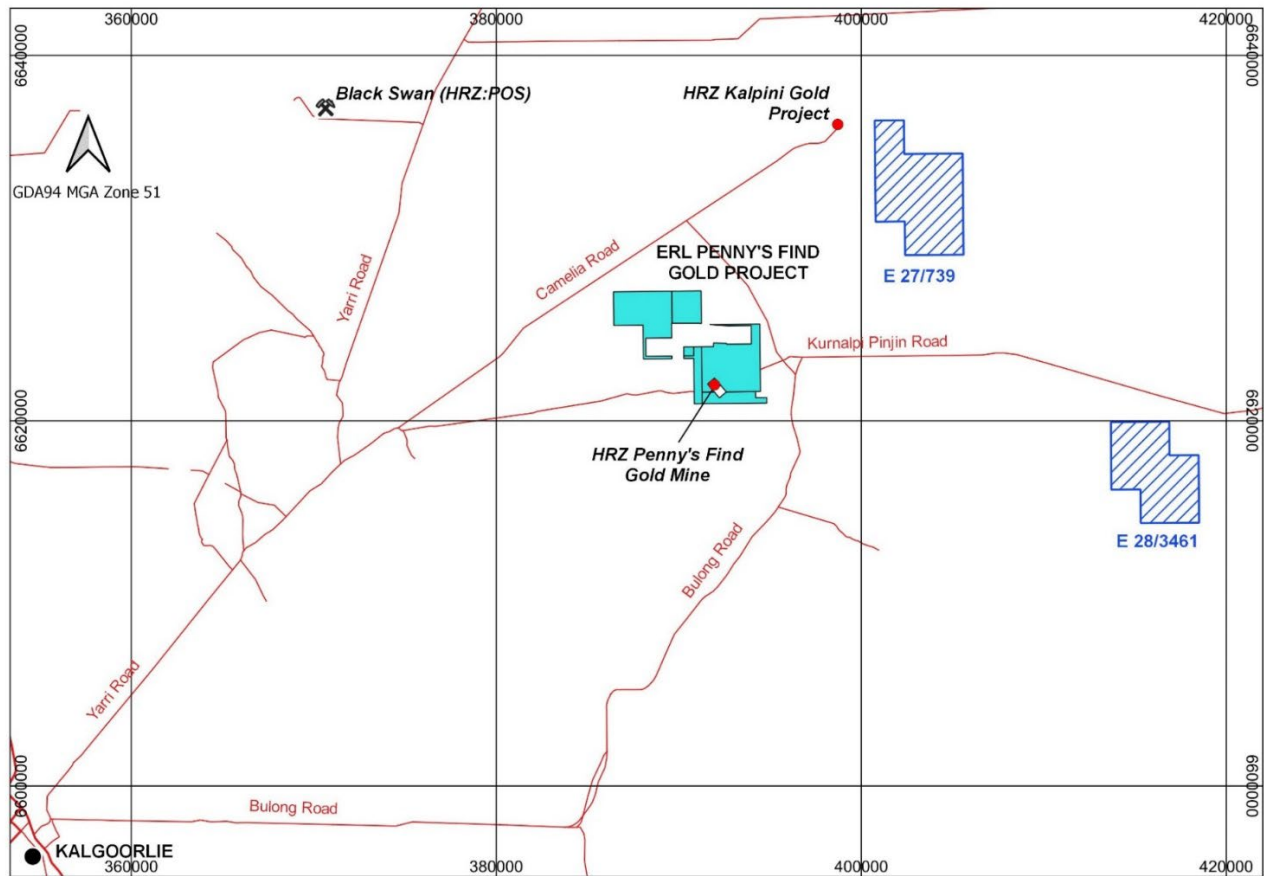


Figure 2 – Location plan of pending exploration tenement applications E27/739 and E28/3461

Project Acquisition

The Company continues to assess investment and project acquisition opportunities that suit the nature of the Company's current business activities. The Company assessed several prospective opportunities during the quarter that had potential to be value accretive to Empire's business.

ROYALTY PORTFOLIO

Penny's Find Royalty

Empire is entitled to royalty payments ^[2] on gold produced from the Penny's Find Gold Mine to the extent of 5% of gold recovered up to 50,000 oz and 2.5% on gold produced above that amount. Empire is also entitled to milestone payment obligations:

- 🏠 Mining commencement payment of \$200,000
- 🏠 First gold pour payment of \$200,000

Now owned by Horizon Minerals Ltd (ASX:HRZ), the Penny's Find Gold Mine is located approximately 45km northeast of Kalgoorlie in the Eastern Goldfields of Western Australia.

ASX Announcement 30 October 2024

The proposal of the merged HRZ / POS entity to convert the Black Swan nickel treatment facility to process gold ore and the location of the plant and its potential, only 30km from Penny's Find is of particular interest and potential to Empire.

A feasibility study, Ore Reserves and FID updates are in progress for the Penny's Find Gold Mine and come on the back of an updated JORC 2012 compliant Resource at the Penny's Find Gold Mine of **429kt @ 4.57g/t Au for 63,000oz** reported by Horizon in December 2023^[3]. The December 2023 Resource update represents a 46% increase in global ounces and of significance, contains **305kt @ 5.19g/t Au for 51,000oz** within an Indicated Resource category.

In its April 2024 quarterly report, Horizon Minerals commented that Penny's Find presents an early underground development and production opportunity to generate cash^[1]. Horizon states that the development of the Penny's Find Gold Mine would commence following development of their Cannon Project.

Gnaweeda Royalty

Empire retains a 1% gross revenue royalty on tenement E51/1995 owned by Great Boulder Resources (ASX:GBR). Empire notes that Great Boulder have been particularly active in the region at their Side Well Gold Project which is proximal to E51/1995.

Empire looks forward to seeing progress at Gnaweeda under the stewardship of Great Boulder's accomplished exploration team.

Diversity Royalty

Empire retains a 1% net smelter royalty on tenement E57/1202 owned by Diversity Resources Pty Ltd (Diversity). The tenement forms a part of Diversity's Youanmi Lithium Project. Empire looks forward to seeing progress on tenement E57/1202 under Diversity's stewardship.

CORPORATE**Financial Position**

Expenditure during the quarter was approximately \$308,000, including \$148,000 expended on direct exploration and evaluation activities. Cash on hand at quarter's end was approximately \$455,000.

Director Dr Michael Ruane has agreed to loan the Company up to \$300,000 for ongoing company activities. The loan is unsecured and on reasonable arm's length terms attracting interest at 7.5% per annum payable quarterly in arrears.

Additional ASX Information

ASX Listing Rule 5.3.5: The Company advises that \$104,000 was paid to related parties or their associates during the quarter, comprising Executive Director termination entitlements, and Non-Executive Director fees.

This announcement is authorised for release by:

Dr Michael Ruane
Director

For further information on the Company

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Additional Information

Further details relating to the information in this release can be found in the following ASX announcements:

1. ASX:HRZ “*Horizon and Poseidon merging to fast-track the creation of a new WA mid-cap gold producer*” 25 October 2024.
2. ASX:ERL “*Sale of Penny’s Mining Lease for \$600K and Royalty Stream*” 4 March 2019.
3. ASX:HRX “*Penny’s Find Resource Update*” 29 December 2023.

ASX Announcement 30 October 2024

About Empire

Empire Resources Limited (ASX:ERL) is a gold and copper focussed exploration and development company. Empire owns four highly prospective projects. The Yuinmery Copper-Gold Project 470km northeast of Perth in the Youanmi Greenstone Belt, the Barloweerie multi-element precious and base metal project, the Nanadie Copper-Gold Project southeast of Meekatharra in the Murchison Region and the Penny's Gold Project 45km northeast of Kalgoorlie in the prolific Eastern Goldfields Region of Western Australia. Empire's projects have numerous exploration targets with excellent potential.

Empire has an experienced team of exploration, development and financial professionals who are committed to developing a sustainable and profitable mineral business. Empire seeks to extract value from direct exploration of its existing projects as well as identifying value accretive investment opportunities that complement the Company's development objectives.



Empire Resources Project Locations

Tenement Holdings @ 30 September 2024				
Project	Tenement ID	% Interest Held 30 June 2024	% Interest Held 30 September 2024	Comments
Penny's	E27/592	100	100	
	E27/593	100	100	
	E27/640	100	100	
	P27/2245	100	100	
	P27/2262	100	100	
	P27/2480	100	100	
	E27/691	0	0	Application
Yuinmery	M57/265	100	100	
	M57/636	100	100	
	E57/1037	100	100	
	E57/681	92.78	93.57	JV earning up to 95%
	E57/1027	92.78	93.57	JV earning up to 95%
Barloweerie	E59/2306	100	100	
Nanadie Well	E51/1938	100	100	
	E51/1985	100	100	
	E20/968	100	100	
Wiluna	P53/1707	100	0	Surrendered
White Flag	E24/238	100	100	
Kalpini South	E27/739	0	0	Application
Acra South	E28/3461	0	0	Application

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

EMPIRE RESOURCES LTD

ABN

32 092 471 513

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(148)	(148)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(91)	(91)
	(e) administration and corporate costs	(72)	(72)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – net GST (paid) / refunded	1	1
1.9	Net cash from / (used in) operating activities	(308)	(308)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	763	763
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(308)	(308)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	455	455

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	455	763
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	455	763

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	104
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(308)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(308)
8.4	Cash and cash equivalents at quarter end (item 4.6)	455
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	455
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	1.48
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Answer: Yes </div>	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Answer: No. It is still expected that the Company will source funding from liquidation of its financial assets. </div>	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Answer: Yes. Further to 8.8.2 Director, Michael Ruane has agreed to provide loan funds up to \$300,000 in the December quarter pending an Entitlements Issue by the Company to fund ongoing activities. </div>	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2024

Authorised by the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.