



QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2024

HIGHLIGHTS

- 🏠 Promising aircore drilling at Yuinmery completed during the quarter.
- 🏠 Wide intercepts (20m to 45m) of 0.2% to 0.5% copper plus anomalous gold encountered at targets YT01 and YT19.
- 🏠 Results include:
 - 43m @ 4294ppm Cu from 16m, includes 8m @ 8230ppm Cu from 28m in YAC24-29
 - 20m @ 2917ppm Cu and 0.25g/t Au from 0m in YAC24-31
 - 24m @ 2240ppm Cu from 8m, including 12m @ 2891ppm Cu and 0.28 g/t Au from 12m in YAC24-26
- 🏠 Anomalous copper-gold results also returned from YT12 and YT19 Prospects.
- 🏠 Follow up drilling to commence late January 2025.

EXPLORATION ACTIVITIES

Yuinmery Project

Location

The Yuinmery Project is situated approximately 470km northeast of Perth and 80km southwest of Sandstone, Western Australia (Figure 1). Access from Perth is via the Great Northern Highway to Paynes Find and then along the gravel surfaced Paynes Find-Sandstone Road for 152km.

The Yuinmery Project is host to the Just Desserts volcanogenic massive sulphide deposit with a JORC 2012 Resource of **2.52Mt @1.31% Cu, 0.49g/t Au and 1.76g/t Ag** using a 0.5% Cu cut-off.

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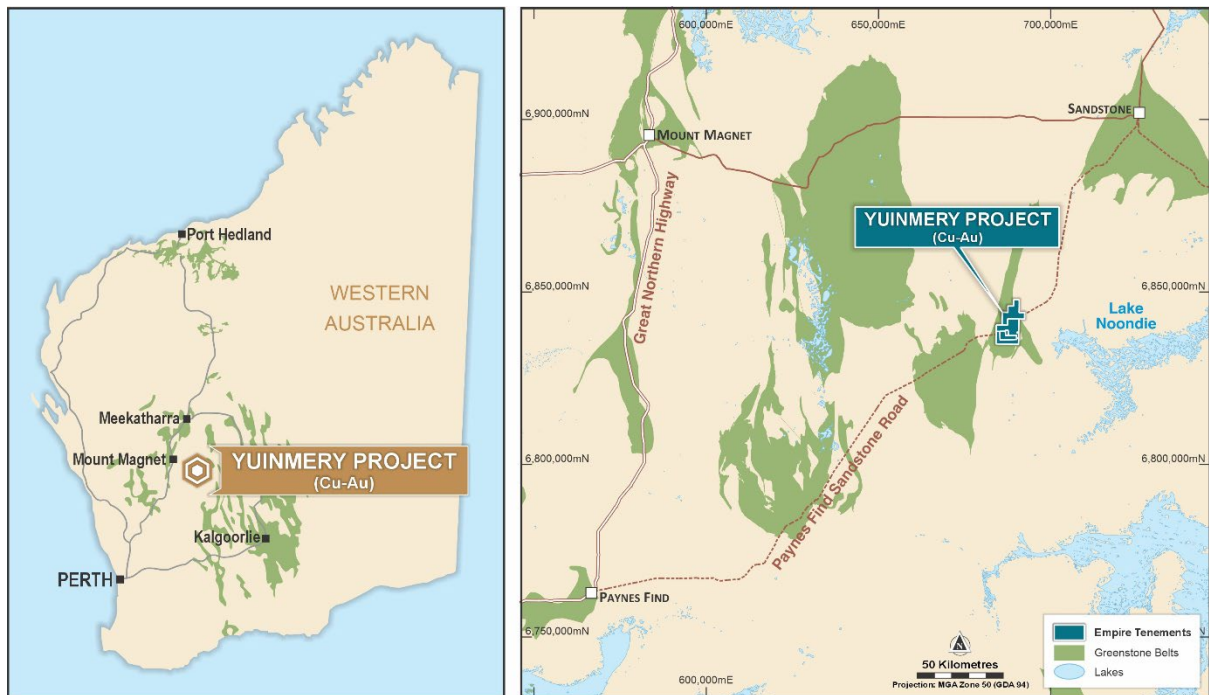


Figure 1. Yuinmery Project location map

Geology

The Yuinmery project area covers the eastern portion of the Archaean Youanmi greenstone belt with rock types consisting largely of altered chloritic felsic and intermediate volcanic units with minor tholeiitic and ultramafic volcanics, BIF and chert (Figure 2). The volcanic units contain intercalated strongly sulphidic cherty sediments, which are host to Volcanic Massive Sulphide (VMS) copper-gold mineralisation. The project area lies between the Youanmi Shear zone (western boundary) and the Yuinmery Shear zone (eastern boundary) with the southern area covering the southern closure of a northerly plunging syncline. A prominent north-south foliation overprints many of the rocks in the project area.

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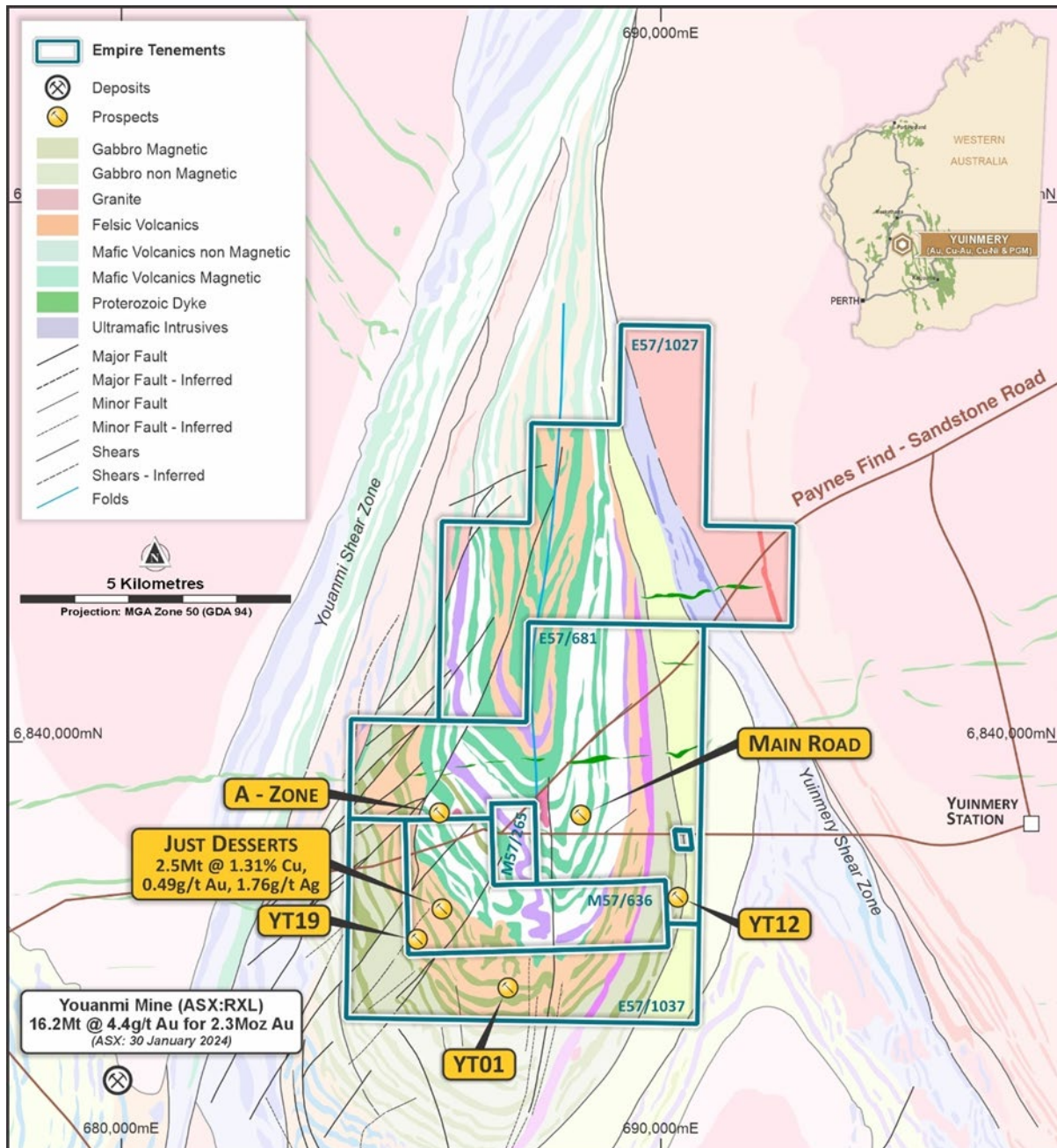


Figure 2. Regional geology of the Yuinmery area interpreted from aeromagnetic data showing the location of the four prospects (YT01, YT19, Main Road, YT12) tested in this air core drilling program.

During the quarter, Empire completed 31 holes of air core drilling at the Yuinmery project (1,483m) testing four individual targets. The program was cut short somewhat due to hard ground in several areas beyond the capability of the air core rig being utilised.

However, assay copper-gold results received late in November 2024 provided highly encouraging copper-gold results for targets YT01, YT19 and YT12. Results for the Main Road gold only target were subdued but anomalous in keeping with results reported by previous explorers.

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YT01

Results from target YT01 were limited by less than planned meterage drilled but results obtained provided substantial intercepts of copper-gold mineralisation from surface.

Significant mineralised intercepts for YT01 air core drilling are listed below.

- **YAC24-26:** 24m @ 2240ppm Cu from 8m including
12m @ 2891ppm Cu and 0.28g/t Au from 12m and,
24m @ 2051ppm Cu from 36m
- **YAC24-27:** 44m @ 2489ppm Cu from 0m including
8m @ 3268ppm Cu and 0.13g/t Au from 32m
- **YAC24-28:** 28m @ 2274ppm Cu from 4m including
4m @ 1815ppm Cu and 0.11g/t Au from 28m and,
4m @ 2093ppm Cu from 40m
- **YAC24-29:** 43m @ 4294ppm Cu from 16m including
4m @ 3034ppm Cu and 0.14g/t Au from 20m and,
8m @ 8230ppm Cu from 28m
- **YAC24-30:** no significant result, ended at 20m depth due to hard ground
- **YAC24-31:** 20m @ 2917ppm Cu and 0.25g/t Au from 0m

Results are also shown in Figure 3 which incorporates results from earlier drilling conducted by Empire at YT01.

Importantly, Empire has shown that the copper-gold zone at YT01 extends for at least 700m east-west and is open to the west. The zone locally extends to a vertical depth of 260m albeit at low grades. However, there is potential improvement in copper grades in the open western sector. See Figures 3 and 4.

Follow up drilling with a more powerful rig is planned for late January 2025. The program will test for mineralisation along strike and at depth to the west of that recently identified and conceptually approaching the southern closure of the Yuinmery syncline.

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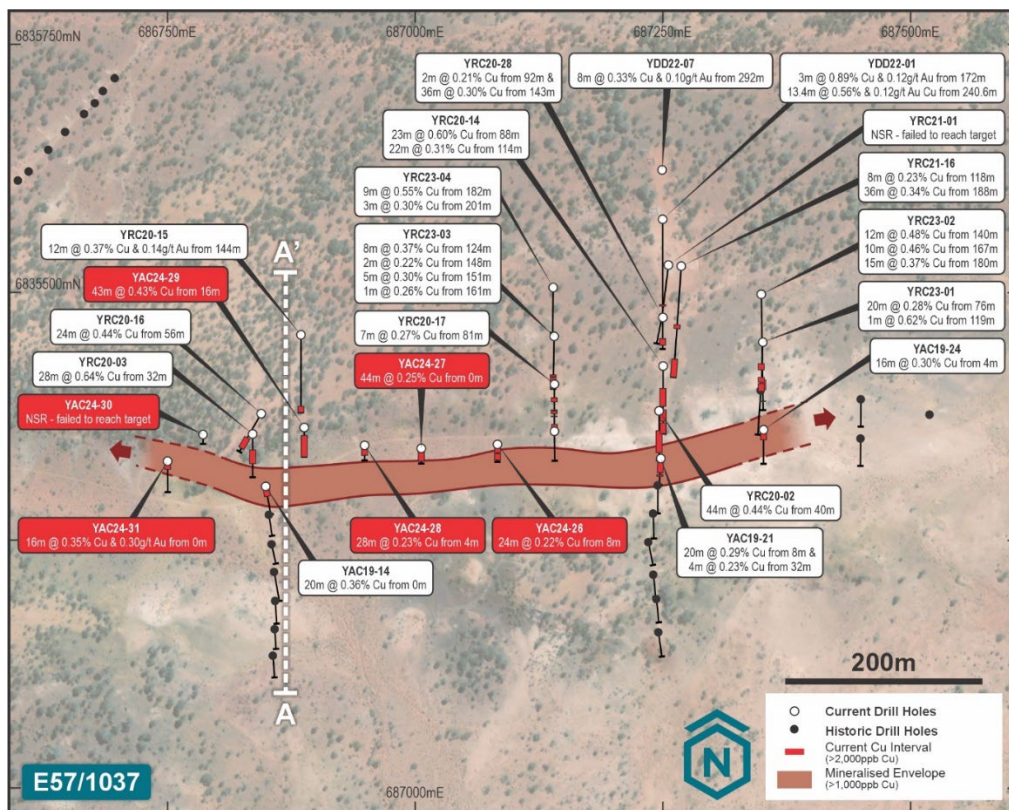


Figure 3. YT01 plan. Reported air core holes are shown with red callouts (GDA94 MGA Zone 50)

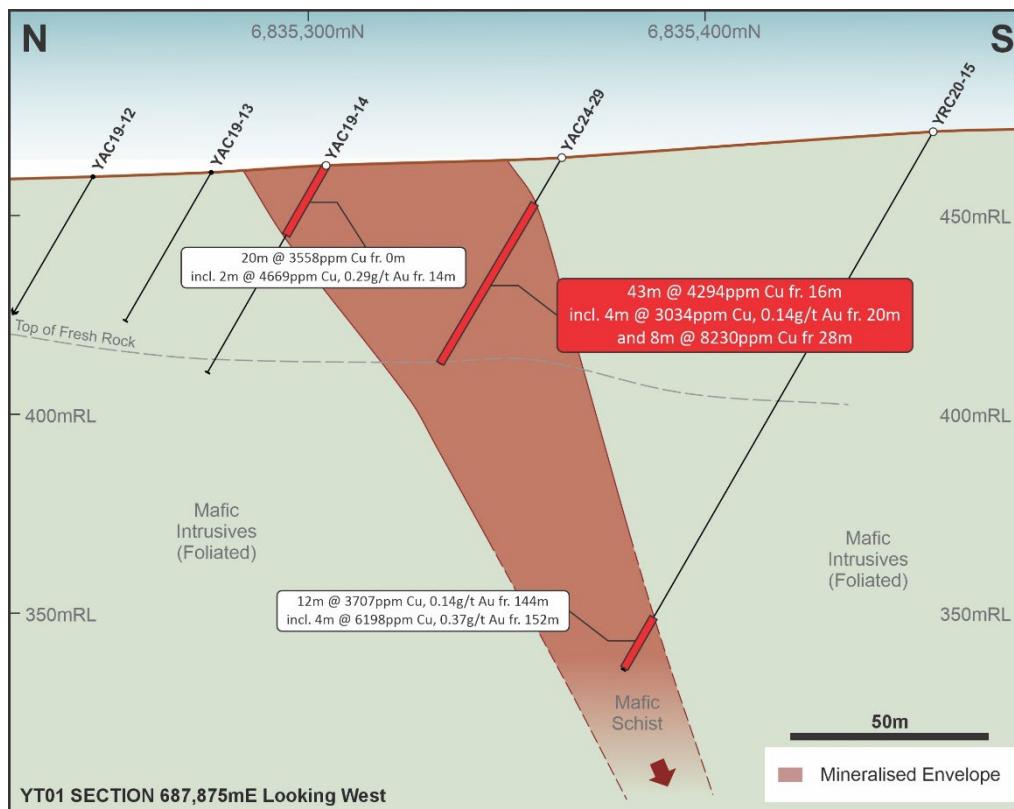


Figure 4. YT01 section A-A (40m wide window) at 686,875mE looking west.

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YT19 Prospect

The YT19 Prospect is located approximately 2km northwest of prospect YT01, on the same geological horizon and some 800 metres w-s-w of Empire's Just Desserts copper-gold resources – Figure 5.

The YT19 Prospect is a zone of anomalous copper mineralisation identified by RGC in 1991, through a soil sampling program. RGC tested the anomaly by drilling one vertical RAB hole to a depth of 10m, a single 4m composite sample was collected from the bottom of the hole and returned 4300ppm Cu but was not followed up.

ERL initially targeted YT19 in 2019 drilling seven AC holes along two lines spaced 100m apart and was further tested by drilling two reverse circulation holes in 2020; one hole was drilled at the eastern end of each AC line. There has been no further drilling undertaken at YT19 since the 2020 reverse circulation drill program. For results of earlier drilling by Empire, see ASX release 25 November 2024 ^[1].

However, the YT19 mineralisation occurs along the western limb of the regional fold structure and strikes NW – SE. There is no drilling in the 2km gap between YT19 Prospect and YT01 Prospect along this contact further highlighting the potential for further copper mineralisation occurrences along this structure.

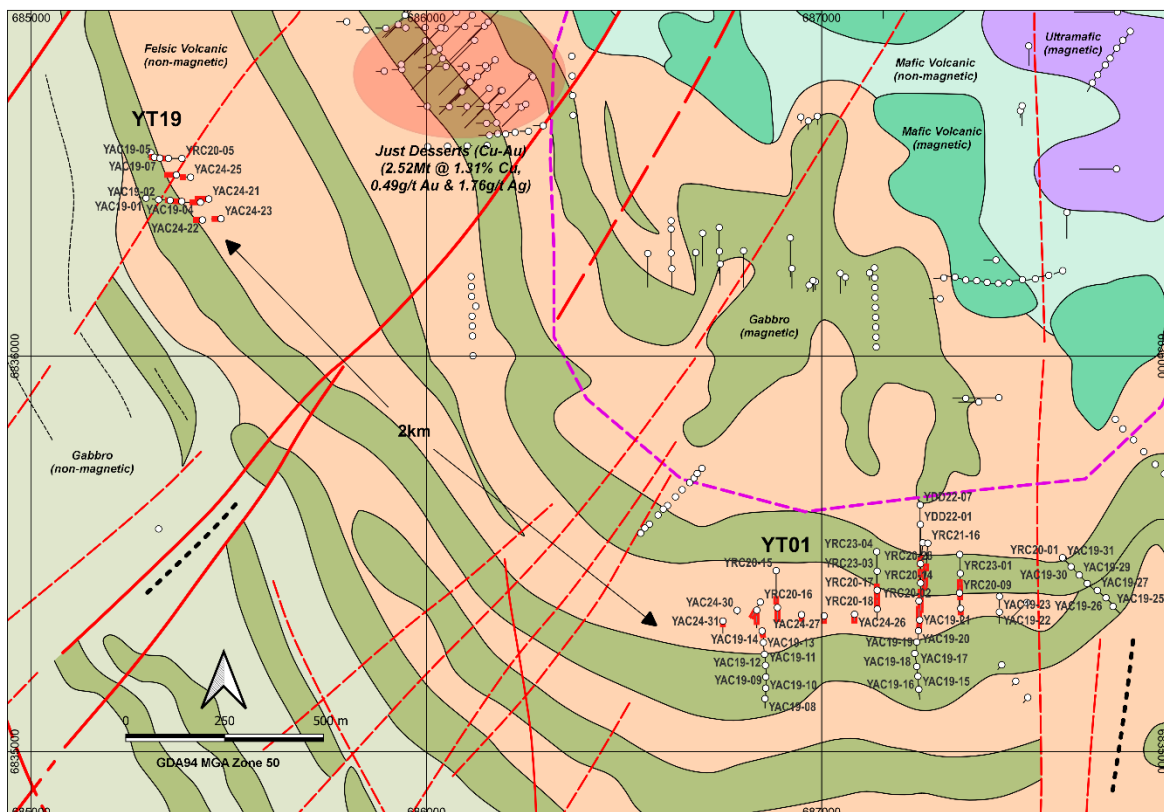


Figure 5. YT01 and YT19 on geology interpreted from magnetics. Red lines are interpreted structures (GDA94 MGA Zone 50).

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Five air core drill holes drilled in October 2024 targeted extensions to the YT19 mineralisation (Figure 6).

YT19 air core drilling assay results are as follows,

- **YAC24-21:** 31m @ 2060ppm Cu from 24m
- **YAC24-22:** 28m @ 2138ppm Cu from 4m including
4m @ 2325ppm Cu and 0.15g/t Au from 16m and
4m @ 2783ppm Cu and 0.14g/t Au from 24m
- **YAC23-23:** 4m @ 1514ppm Cu from 36m and,
1m @ 1331ppm Cu from 47m
- **YAC24-24:** 27m @ 2244ppm Cu from 20m including
12m @ 2792ppm Cu and 0.10g/t Au from 24m
- **YAC24-25:** 4m @ 1410ppm Cu from 36m

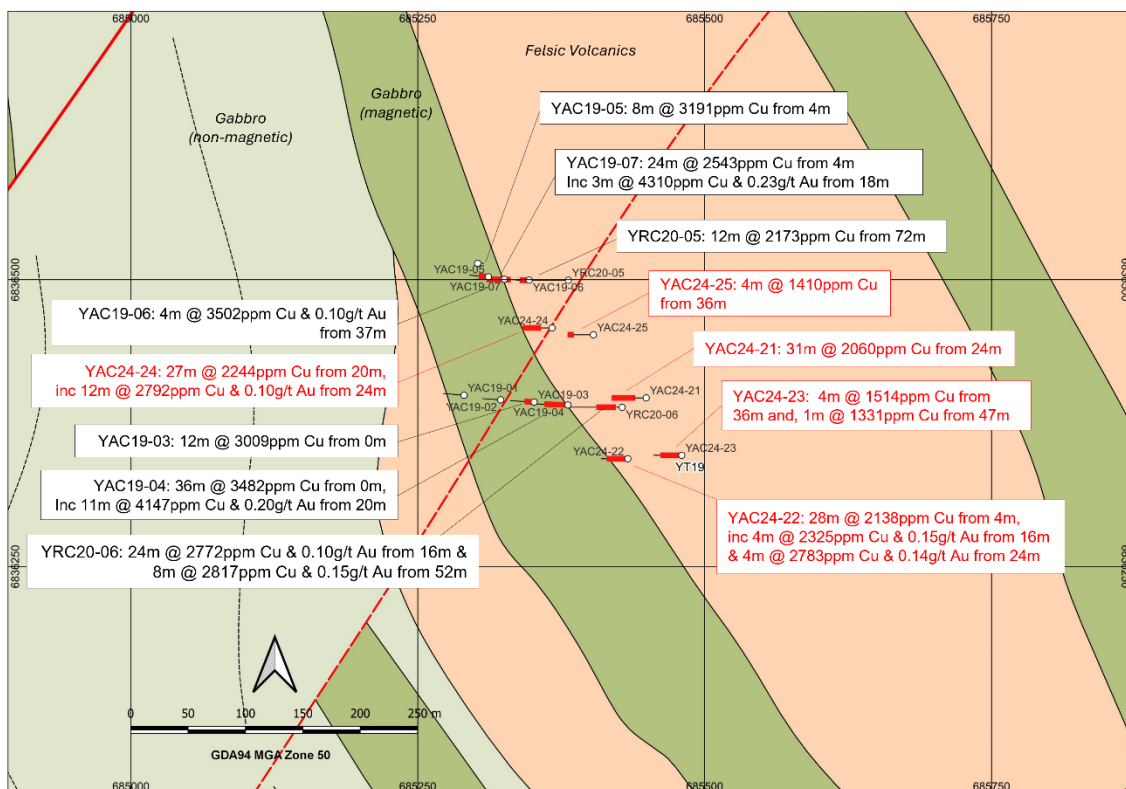


Figure 6. YT19 drilling on geology. October 2024 air core drilling results shown in red (GDA94 MGA Zone 50).

YT12 Prospect

At the YT12 Prospect, 6 AC holes were drilled to further test copper - gold anomalism intersected in previous drilling by Empire. The low-grade copper gold anomalism occurs along the contact between a north - south trending magnetic and non-magnetic gabbro. Drilling was conducted as 3 sets of scissor holes as the orientation of the anomaly was unclear. All holes were collared on weathered interpreted sub-cropping mafic schist.

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Shell Australia undertook reconnaissance RAB drilling exploring for base metals in the YT12 area in 1982 but did not assay for gold. In 2004, Mines and Resources Australia (MRA) also conducted RAB drilling in the area testing a large north-south copper in soil anomaly. MRA sampled the entire hole for gold, only the EOH underwent a multi-element analysis which included copper.

In 2020, Empire completed 36 AC holes at the YT12 Prospect partly to test a north-south trending conductive horizon identified in an airborne VTEM survey undertaken in 2009 potentially representing a conductive (exhalative) sediment and the southern extent of a historic gold-copper soil anomaly. Domains of the anomaly appear related to surficial calcrete in a drainage system. However, the 2020 ERL drilling did encounter cherty siliceous rocks and extended the metal anomalism encountered by Shell and MRA. Drilling was conducted on 500m spaced east-west lines.

Six air core holes for 204 metres were drilled by Empire at the YT12 target in the October 2024 campaign covering some 1km of strike.

All holes encountered low level copper mineralisation. With most encouraging values obtained on the southernmost line (6837000N) drilled.

Two holes on the southern most line also intersected anomalies gold values. Results are shown below and in Figure 7.

- **YAC24-01:** no significant result
- **YAC24-02:** 8m @ 578ppm Cu from 24m
- **YAC24-03:** 8m @ 1342ppm Cu from 20m
- **YAC24-04:** 8m @ 1277ppm Cu from 16m and,
12m @ 1494ppm Cu from 32m
- **YAC24-05:** 20m @ 1338ppm Cu from 4m and,
12m @ 2163ppm Cu and 0.13g/t Au from 32m
- **YAC24-06:** 24m @ 1510ppm Cu from 32m including
4m @ 1308ppm Cu and 0.19g/t Au from 44m

The poor results on the northernmost line (6838000N) were disappointing as first round drilling by Empire on that line provided anomalous gold results earlier. Gold nuggets had also been detected by prospectors in that location in the past.

A further round of deeper drilling is planned for the YT12 Prospect in January 2025.

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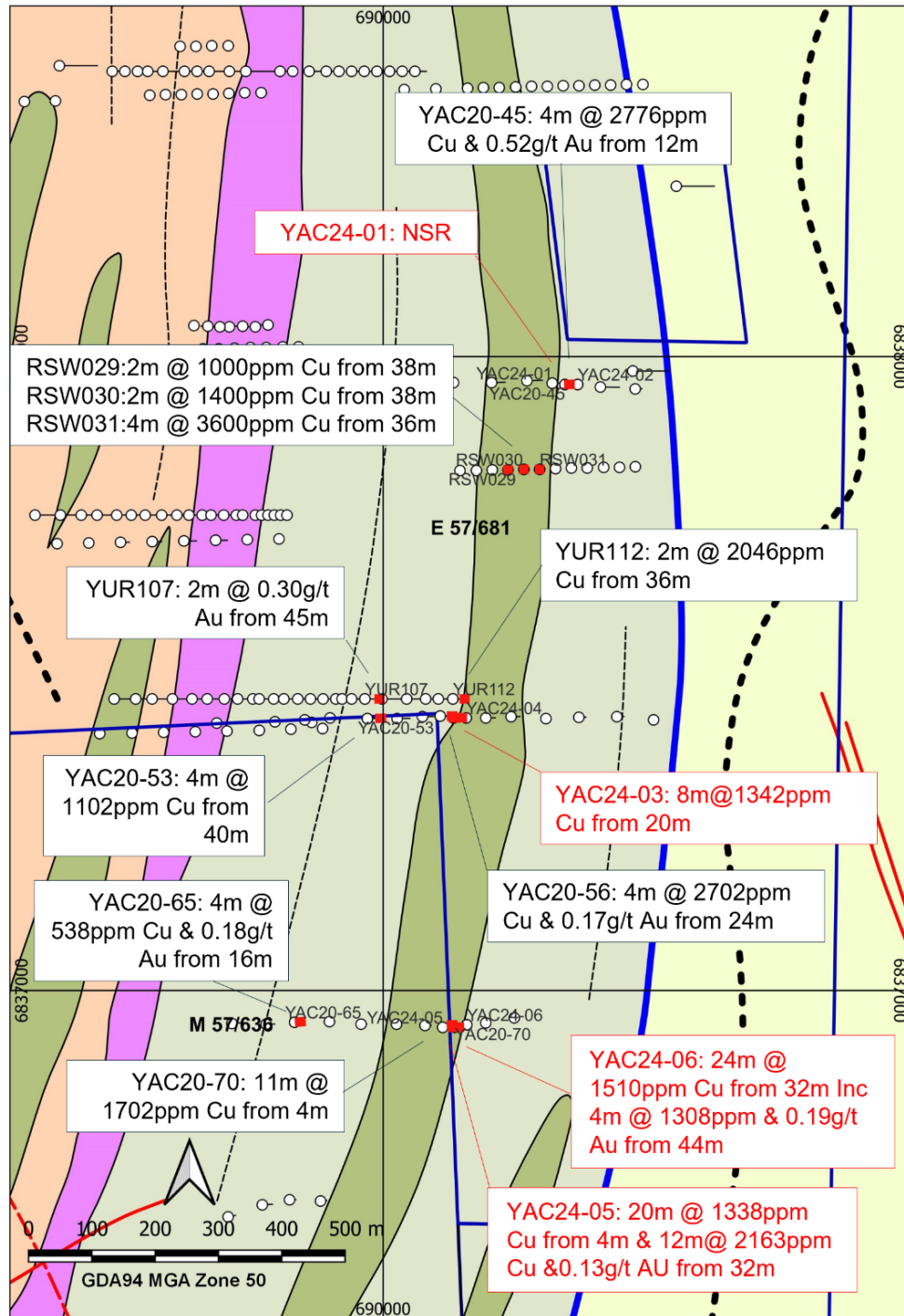


Figure 7. Plan of YT12 air core drilling on geology. Reported air core results are shown red, historic mineralised intersections are shown black (NSR = no significant result; GDA94 MGA Zone 50).



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BUSINESS DEVELOPMENT

In view of recent favourable drilling results, short term focus for Empire is to follow up on these results to establish the resource potential of the Yuinmery prospects currently being explored. Further favourable results could provide significant upside for the Company and shareholders. In particular, a further round of drilling targets YT01 and YT19 targets will occur in January 2025.

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. See Figure 8.

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 ^[4]. 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. Horizon states that the development of the Penny's Find Gold Mine would commence following development of their Cannon Project located in the same vicinity northeast of Kalgoorlie.

Tenement Applications

As previously reported the Company lodged two Exploration License Applications (ELA) during the June quarter (Figure 8). ELA 27/739 and ELA 28/3461 are located approximately 55km's northeast of Kalgoorlie. The ERL applications are first in line; 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 (Figure 8).

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

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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 [3].

Tenement application E28/3461 at Acra South comprises graticular blocks lies approximately 15km south of the Kalpini South tenement application. The Acra South 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 8 – Location plan of pending exploration tenement applications E27/739 and E28/3461

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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 \$202,000, including \$132,000 expended on direct exploration and evaluation activities. Cash on hand at quarter's end was approximately \$553,000.

Director Dr Michael Ruane has provided loan funds of \$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 no payments were made to any director or their associates during the quarter.

This announcement is authorised for release by:

Dr Michael Ruane
Director

For further information on the Company

Phone: +61 (0)8 6389 1032

www.resourcesempire.com.au

Additional Information

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

1. ASX:ERL "Yuinmery Aircore Drilling Program Results" 25 November 2024.
2. ASX:ERL "Sale of Penny's Mining Lease for \$600K and Royalty Stream" 4 March 2019.
3. ASX:HRZ "Horizon and Poseidon merging to fast-track the creation of a new WA mid-cap gold producer" 25 October 2024, page 16.
4. ASX:HRZ "Penny's Find Resource Update" 29 December 2023.

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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.



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Empire Resources Project Locations

Tenement Holdings as at 31 December 2024				
Project	Tenement ID	% Interest Held 30 September 2024	% Interest Held 31 December 2024	Comments
Penny's	E27/592	100	100	
	E27/593	100	100	
	E27/640	100	100	
	P27/2245	100	0	Surrendered
	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	93.57	93.57	JV earning up to 95%
	E57/1027	93.57	93.57	JV earning up to 95%
Barloweerie	E59/2306	100	0	Surrendered
Nanadie Well	E51/1938	100	100	
	E51/1985	100	100	
	E20/968	100	100	
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")

31 December 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(132)	(280)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(31)	(122)
	(e) administration and corporate costs	(33)	(105)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	3
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	(7)	(6)
1.9	Net cash from / (used in) operating activities	(202)	(510)

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 (6 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	300	300
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	300	300

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	455	763
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(202)	(510)
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)	300	300

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	553	553

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	553	455
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)	553	455

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	-
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>	

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

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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	300	300
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	300	300
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.		
Loan facilities have been provided to the Company by Dr M Ruane, Empire's Non-Executive Chairman. The loan is unsecured, on reasonable arm's length terms and attracts interest at 7.5% per annum payable quarterly in arrears. The total facility of \$300,000 is fully drawn down.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(202)
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)	(202)
8.4 Cash and cash equivalents at quarter end (item 4.6)	553
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	553
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.74
<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>	
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?	
Answer: N/A	
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?	
Answer: N/A	

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?

Answer: N/A

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.

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: 28 January 2025

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.