

## QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2020

### YUINMERY PROJECT

#### YT01 Prospect

- Broad zone of Cu-Ni-PGM mineralisation encountered in RC hole YRC20-28 at YT01:
  - **20m @ 0.39% Cu, 0.11% Ni, 0.02% Co, 0.21g/t Pd & 0.07g/t Pt** from 143m, including:
    - 12m of elevated PGM's @ **0.34g/t Pd & 0.11g/t Pt** from 151m
- Targeted soil sampling completed with results pending at end of the quarter
- Aircore drilling planned for December quarter to test geochemical and geophysical targets

#### Smith Well Prospect

- RC Drilling at Smith Well continues to intersect disseminated to matrix sulphide mineralisation. Assay results include:
  - **10m @ 0.42% Cu, 0.24% Ni & 0.03% Co** from 63m (YRC20-22)
  - **8m @ 0.29% Cu, 0.22% Ni & 0.03% Co** from 149m (YRC20-23)
- Gold mineralisation of **4m @ 1.0g/t Au** from 56m (YRC20-27) was intersected in the oxide zone at Smith Well.

### PENNY'S GOLD PROJECT

- Aircore drilling completed during the quarter at PF09 prospect
- 22 holes for 1,381m drilled during the quarter with assays released after the end of the quarter including:
  - **12m @ 0.80g/t Au** from 40m, including **4m @ 1.78g/t Au** from 48m (PAC20-02)
  - **22m @ 0.45g/t Au** from 36m to EOH (PAC20-17)
- Further drilling planned to test multiple gold targets generated at Penny's

### CORPORATE

- Placement to sophisticated and professional investors raises A\$1.3 million before costs.
- The Company remains well funding with cash and investments valued at \$5.4M

Empire Resources Limited (ASX:ERL) ('the Company' or 'Empire') is pleased to provide its quarterly activities report for the period ending 30 September 2020.

**Empire Managing Director, Sean Richardson commented:**

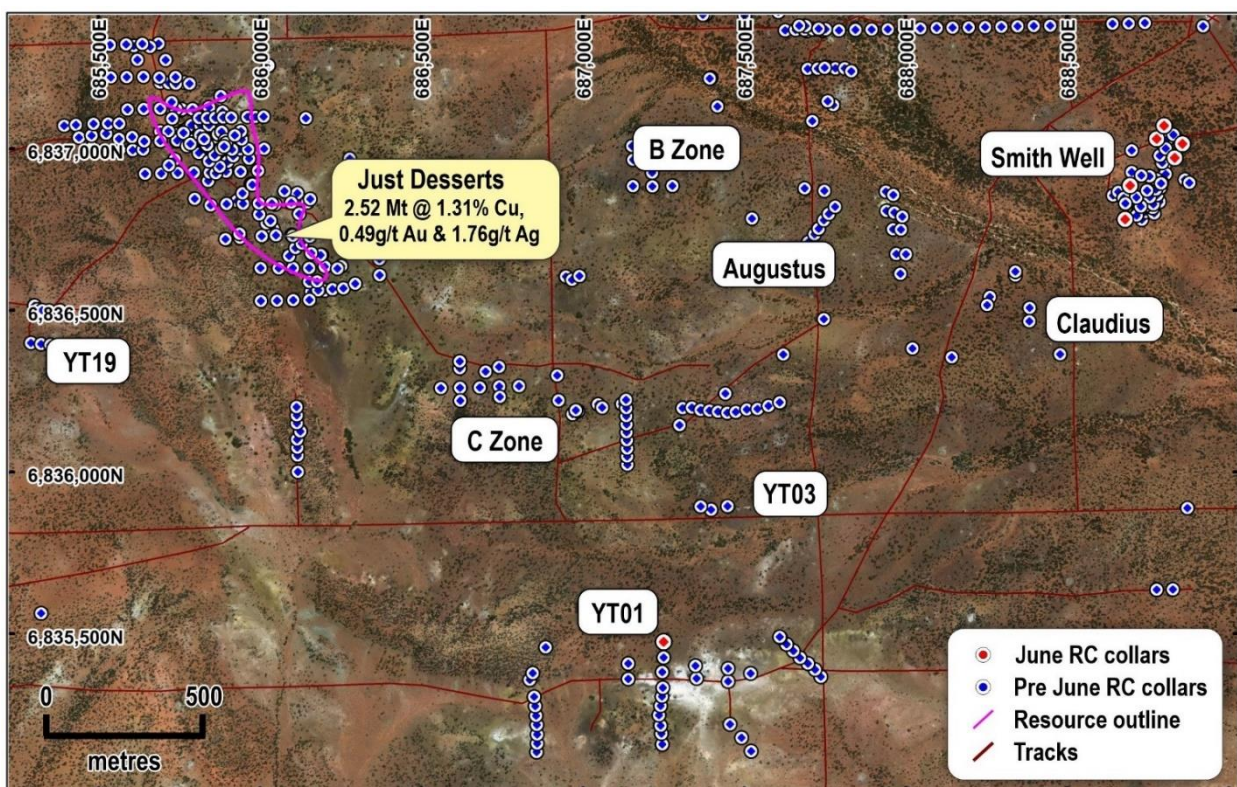
*"The Yuinmery Project continues to deliver exceptional results. The presence of a broad zone of PGM's at YT01 reinforces the Company's view that the Yuinmery Project offers excellent opportunities for significant discoveries.*

*"Exploration at the Company's Penny's Gold Project near Kalgoorlie also continued during the September quarter with excellent results received from aircore drilling. The Penny's Gold Project offers multiple high priority drill ready targets.*

*"The Company remains committed to delivering targeted exploration programs across the portfolio with multiple soils, aircore and RC drilling programs planned for the next quarter. Exploration efforts continue to add value to the Company, whilst the Company's investment interests continue to mature."*

**YUINMERY COPPER-GOLD PROJECT**

In late June 2020 Empire completed seven RC drill holes at Yuinmery for 1,001m drilled. Six holes in the RC drill program tested DHEM conductors at Smith Well and one hole was drilled at the YT01 prospect to test for continuity of mineralisation at depth. Results from the June 2020 RC program were received during the September quarter.



**Figure 1 – Yuinmery Copper-Gold Project Prospects and Drill Hole Locations**

The results of the RC drilling campaign were very encouraging. The drilling has continued to intercept copper-nickel mineralisation at depth and down plunge in the north-east sector of the Smith Well prospect. Drilling at YT01 encountered a previously unknown broad zone of elevated PGM mineralisation in hole YRC20-28<sup>5</sup>.

**YT01 Prospect**

RC hole YRC20-28 was drilled in June 2020 to test for depth extension to the copper-gold mineralisation encountered in previously drilled YRC20-14<sup>3</sup>. The results from YRC20-28 are particularly encouraging with broad widths of Cu-Ni mineralisation and the presence of elevated Pd and Pt values encountered towards the bottom of the hole.

The 20m width of anomalous mineralisation averaging **0.39% Cu and 0.11% Ni** from 143m is the first broad intercept observed outside the Smith Well area containing elevated nickel values associated with elevated copper.

Of interest in YRC20-28 are the highly anomalous palladium and platinum values associated with the copper and nickel towards the end of the drill hole. The 12m downhole intercept in YRC20-28 averaged **0.34g/t Pd, 0.11g/t Pt, 0.38% Cu, 0.11% Ni & 0.02% Co** from 151m. Palladium and platinum values of up to **0.53g/t Pd & 0.24g/t Pt** were returned from 1m composite samples.

Follow up RC drilling is planned for when a suitable RC drill rig becomes available.

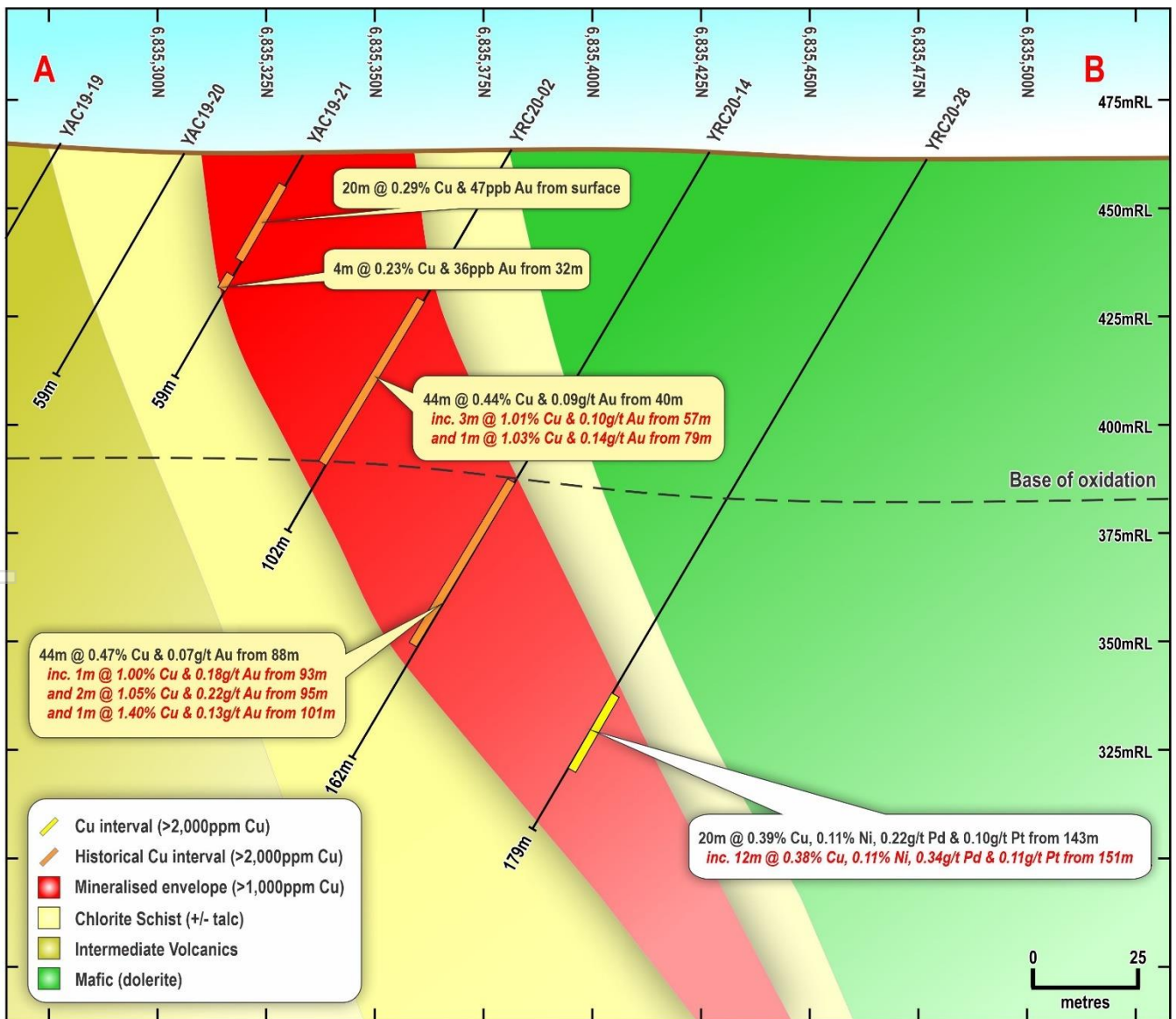


Figure 2 – YT01 Prospect Cross Section 687,250mE

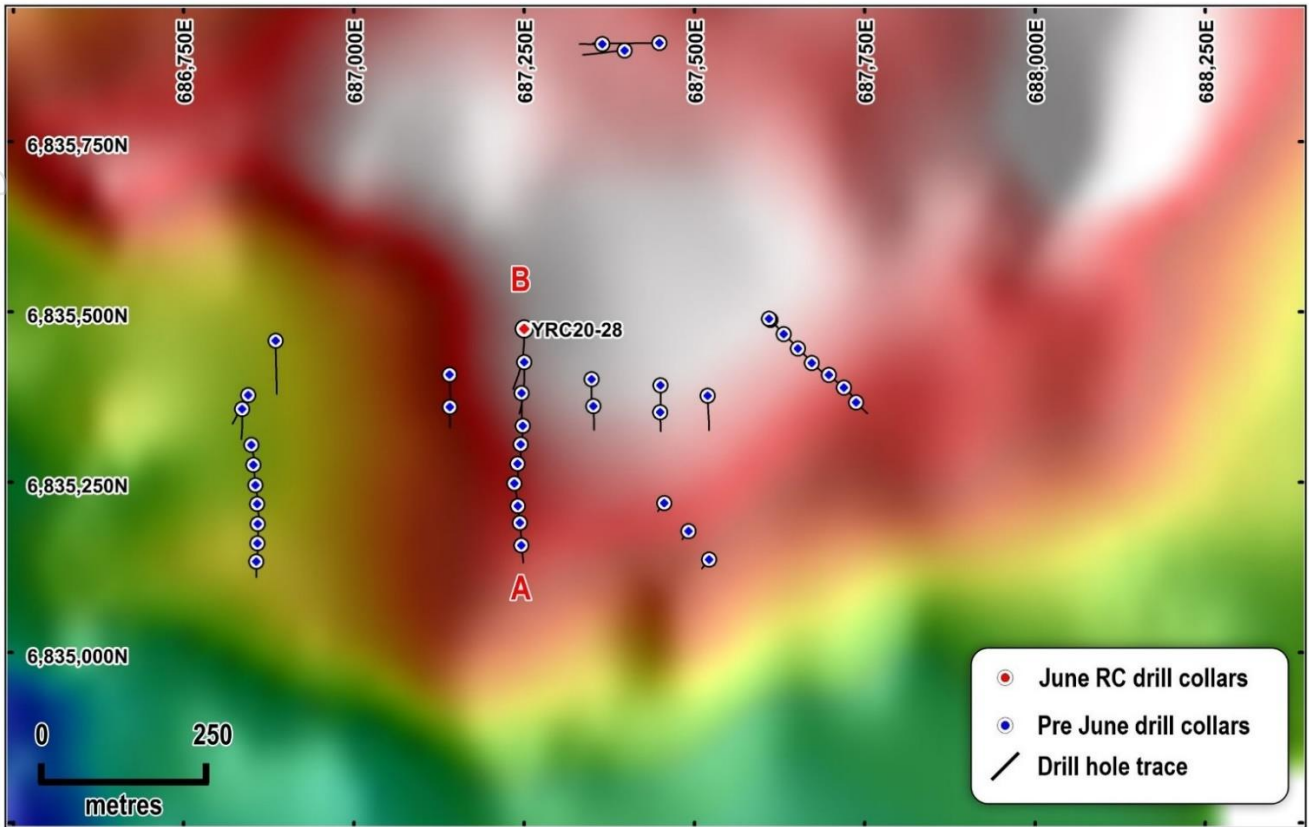


Figure 3 – YT01 Drillhole Locations Overlain on Airborne EM (VTEM) Mid-Time CH25 (1.641ms) Image

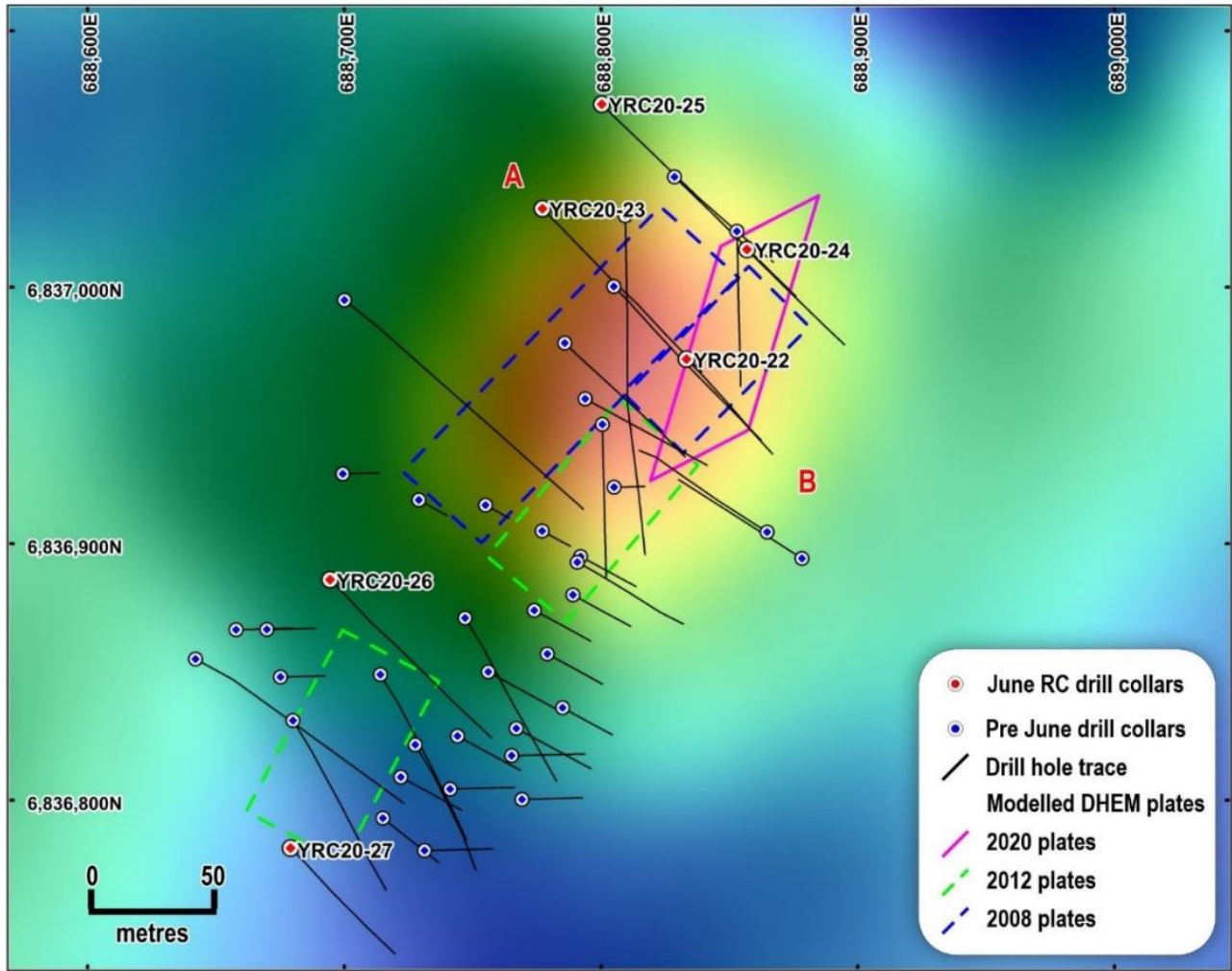
A further 126 soil samples were collected over the YT01 area in September with results pending at the end of the quarter. Aircore drilling is also planned for the December quarter to test geochemical and geophysical targets in the YT01 area.

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**Smith Well Prospect**

Drilling during 2020 has so far intercepted strongly sulphidic mineralisation containing chalcopyrite, pyrrhotite and pyrite of varying tenor. Empire completed a further six RC holes at Smiths Well in June 2020 with results received during the September quarter.

Four holes were drilled in the north-eastern limb testing the extent of modelled DHEM plates in the upper Cu-Ni horizon and two holes were drilled in the south-western limb testing both the upper Cu-Ni and lower Cu-Au horizons.



**Figure 4 – Smith Well Drillhole Locations & Modelled Plates Overlain on Airborne EM (VTEM) Late-Time CH34 (7.828ms) Image**

Holes YRC20-22 and YRC20-23 tested the upper and lower limits of the modelled DHEM plates in the north-eastern limb. YRC20-22 intercepted **10m @ 0.42% Cu, 0.24% Ni & 0.03% Co** from 63m, including **1m @ 0.87% Cu, 0.13% Ni & 0.02% Co** from 67m and **1m @ 0.92% Cu, 0.23% Ni & 0.05% Co** from 69m. YRC20-23 intercepted **8m @ 0.29% Cu, 0.22% Ni & 0.03% Co** from 149m.

The results of the RC drilling in the north-eastern limb provides direction for future drilling to assess the extents and depth of mineralisation. Further exploration is required for a definitive assessment.

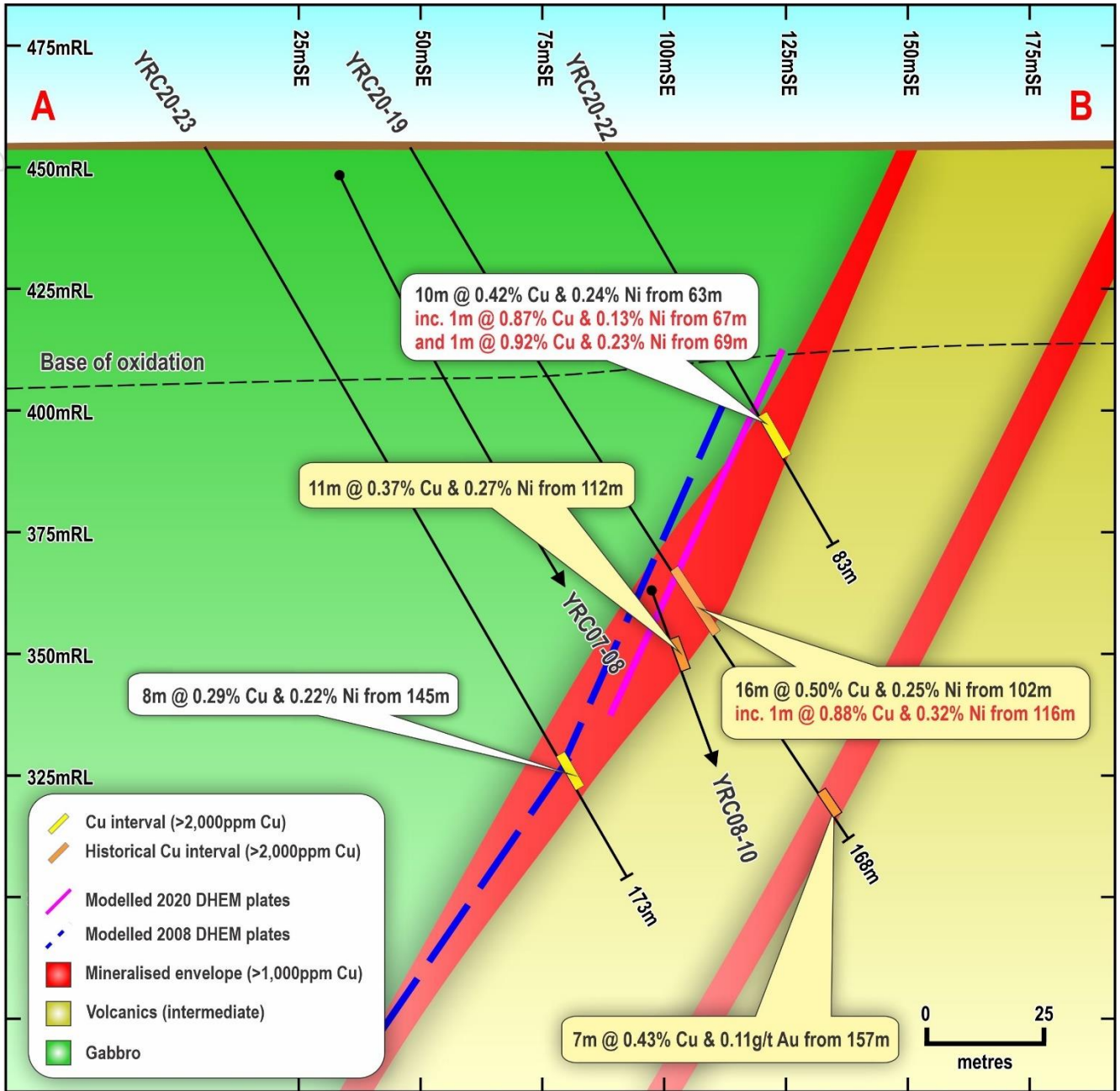


Figure 5 – Smith Well Oblique Section A-B

## PENNY'S GOLD PROJECT

Empire completed a 1,381m aircore (AC) drilling campaign at the Penny's Gold Project near Kalgoorlie in September 2020. The 22 hole drill program was designed to test the extent of gold mineralisation at the PF09 prospect. Samples were submitted for assay in Perth with results received after the end of the quarter<sup>7</sup>.



Figure 6 – PF09 Aircore Drillhole Locations

The September 2020 aircore drilling tested the lateral east-west limits of the mineralisation by extending the November 2019 drill line (6,626,850mN, A-A') a further 100m to the east. Drilling returned consistently strong gold anomalism from consecutive holes with peak gold results of **12m @ 0.80g/t Au** from 40m, including **4m @ 1.78g/t Au** from 48m in hole PAC20-02.

Drilling on section 6,626,800mN (B-B') returned **22m @ 0.45g/t Au** from 36m to end of hole (EOH), including **4m @ 0.74g/t Au** from 44m in hole PAC20-17. PAC20-17 ended in relatively fresh mafic volcanics where the gold mineralisation is accompanied by anomalous arsenic values.

Broad zones of anomalous arsenic up to 2,065ppm As were also encountered with surrounding discrete gold mineralisation. The arsenic zones are significant as proximal deposits Penny's Find and Garibaldi are reported to show strong correlation of gold with arsenic values.

Follow up drilling is planned to test the continuity with depth of gold mineralisation intersected in aircore drilling, as well as for several high priority gold targets within the Penny's project area.

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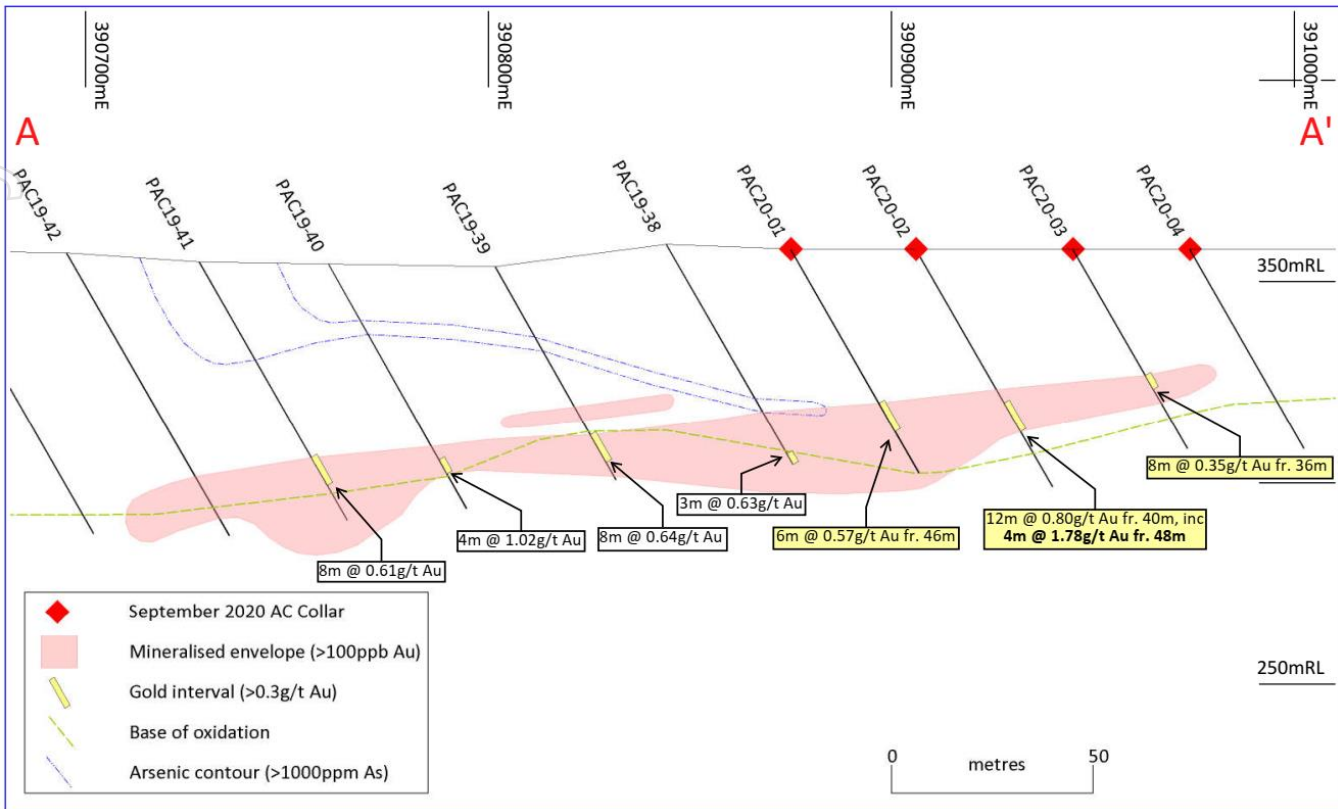


Figure 7 – PF09 Prospect Cross Section 6,626,850mN

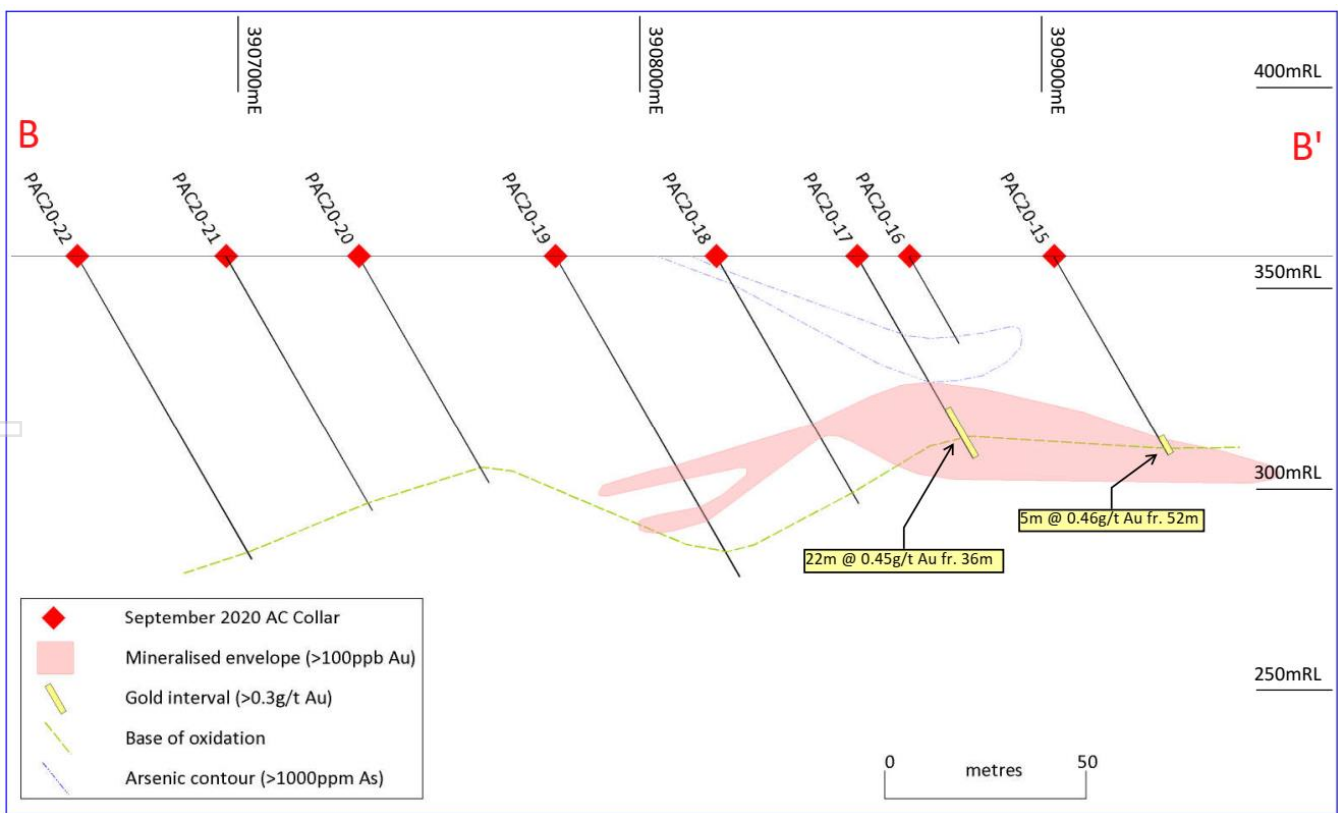


Figure 8 – PF09 Prospect Cross Section 6,626,800mN



## **CORPORATE**

### **Capital Raised**

The Company issued approximately 108 million new shares at an issue price of A\$0.012 per share in a placement to professional and sophisticated investors to raise approximately A\$1.3 million<sup>6</sup> before costs. The placement was strongly supported by existing and new investors.

### **Financial Position**

Expenditure during the December quarter was approximately \$454,000 with cash on hand at quarters end of \$1,380,000.

### **Investments**

At the close of the quarter the Company held 45,888,708 shares in NTM Gold Limited (ASX:NTM) representing a 6.76% interest. Empire acquired its shares in NTM in July 2019 at \$0.0325 per share for \$1,499,875 invested<sup>2</sup>. The closing price of \$0.088 at the end of the quarter values the holding at \$4,038,206.

### **Eastern Goldfields Milling Services (EGMS)**

Empire remains in dispute with Eastern Goldfield Milling Services Pty Ltd regarding gold unaccounted for following a toll treatment milling campaign conducted by EGMS at its Burbanks Gold Processing facility in late 2017. Empire is seeking to recover gold valued in excess of \$1 Million. The matter has been referred to Arbitration.

Empire submitted documents to the Arbitrator during the quarter. The next arbitration hearing is scheduled to be heard early in the December 2020 quarter.

### **Additional ASX Information**

ASX Listing Rule 5.3.5: The Company advises that \$153,000 was paid to related parties or their associates during the quarter, comprising Executive Director salary, Non-executive Director fees, superannuation and interest on the NTM loan facility.

This announcement is authorised for release by:

**Sean Richardson**  
**Managing Director**

For further information on the Company  
Phone: +61 8 9386 4699  
[www.resourcesempire.com.au](http://www.resourcesempire.com.au)

## About Empire

Empire Resources Limited (ASX:ERL) is a gold and copper focussed exploration and development company. Empire owns 100% of two highly prospective projects. The Yuinmery Copper-Gold Project 470km North East of Perth in the base metal rich Youanmi greenstone belt and the Penny's Gold Project 45km North East 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 in its existing projects as well as identifying value accretive investment opportunities that complement the Company's development objectives.

## Competent Person Statements

The information in this report that relates to Yuinmery Exploration Results is based on information compiled and/or reviewed by Shane Tomlinson, who is a Member of the Australian Institute of Geoscientists. Mr Tomlinson is an independent geological consultant and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify 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 Tomlinson consents to the inclusion in the report of the matters based on this information in the form and context in which they appear.

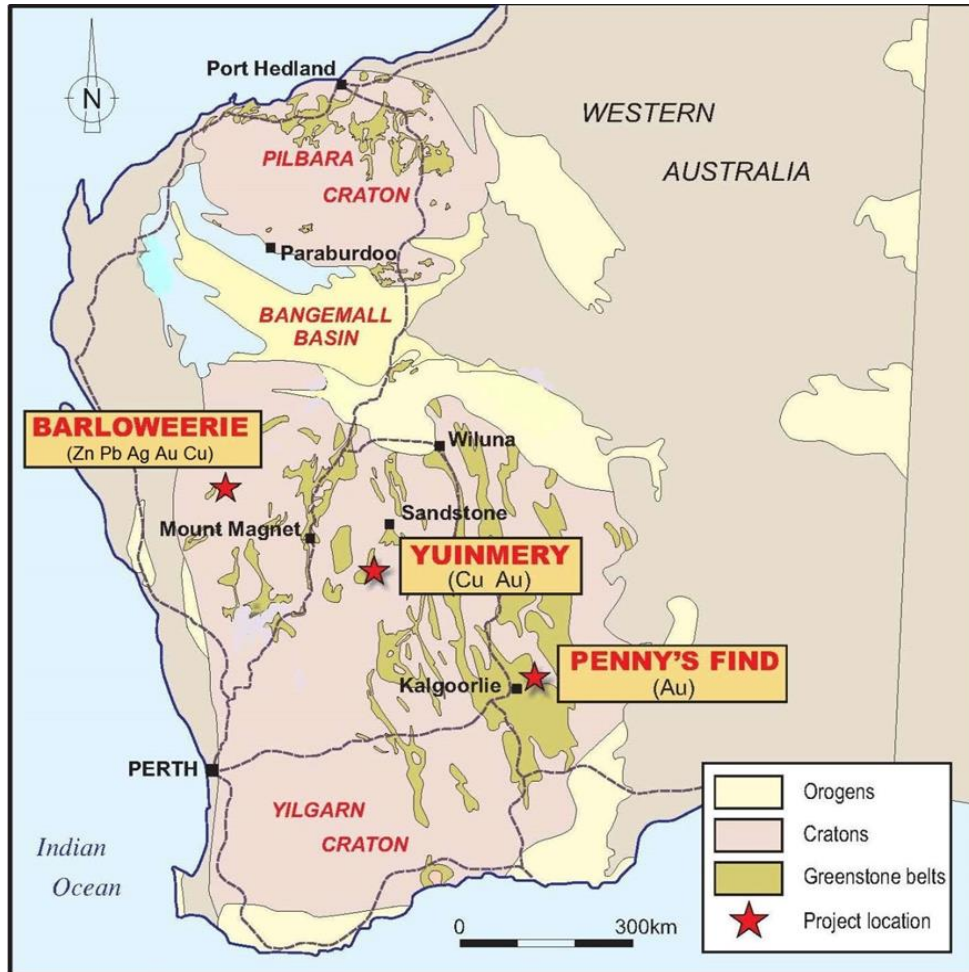
The information in this report that relates to Penny's Exploration Results is based on information compiled and/or reviewed by Gerald Johnson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Johnson is an independent geological consultant and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify 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 Johnson consents to the inclusion in the report of the matters based on this information in the form and context in which they appear.

The information in this release concerning the Mineral Resources for the Just Desserts 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 (AusIMM). Mr Ball 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ball consents to the inclusion in this public release of the matters based on his information in the form and context in which it appears.

## Additional JORC Information

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

1. ASX:ERL "*Updated Copper-Gold Resource Yuinmery Project*" 17 May 2016
2. ASX:ERL "*Empire Makes Investment in NTM Gold Limited*" 11 July 2019
3. ASX:ERL "*Yuinmery Delivers Excellent Cu-Au and Cu-Ni Results*" 24 April 2020
4. ASX:ERL "*Quarterly Report for the Period Ending 30 June 2020*" 15 July 2020
5. ASX:ERL "*Encouraging Cu-Ni-PGM Mineralisation in Drilling at Yuinmery*" 23 July 2020
6. ASX:ERL "*Placement Completed to Raise A\$1.3 Million*" 5 August 2020
7. ASX:ERL "*Widespread Gold Mineralisation in Aircore Drilling at Pennys*" 12 October 2020



Project Location Map

Tenement Holdings at 30 September 2020				
PROJECT	TENEMENT NUMBER	PERCENTAGE INTEREST HELD	PERCENTAGE INTEREST HELD	COMMENTS/ CHANGES SINCE LAST QUARTER
		30 June 2020	30 September 2020	
PENNY'S	E27/553	100	100	
	E27/591	100	100	
	E27/592	100	100	
	E27/593	100	100	
	P27/2245	100	100	
	P27/2262	100	100	
	E27/640	0	0	Application
YUINMERY	M57/265	100	100	
	M57/636	100	100	
	E57/1037	100	100	
	E57/681	91.89	91.89	
	E57/1027	91.89	91.89	
	E57/1159	0	0	Application
BARLOWEERIE	E59/2306	100	100	
POISON HILLS	E51/1938	0	100	Granted
	E51/1985	0	0	Application
	E20/968	0	0	Application
MEEKATHARRA	E51/1995	0	0	Application
WILUNA	P53/1707	0	0	Application

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