



ACN 092 471 513

<p><b>QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2008</b></p>
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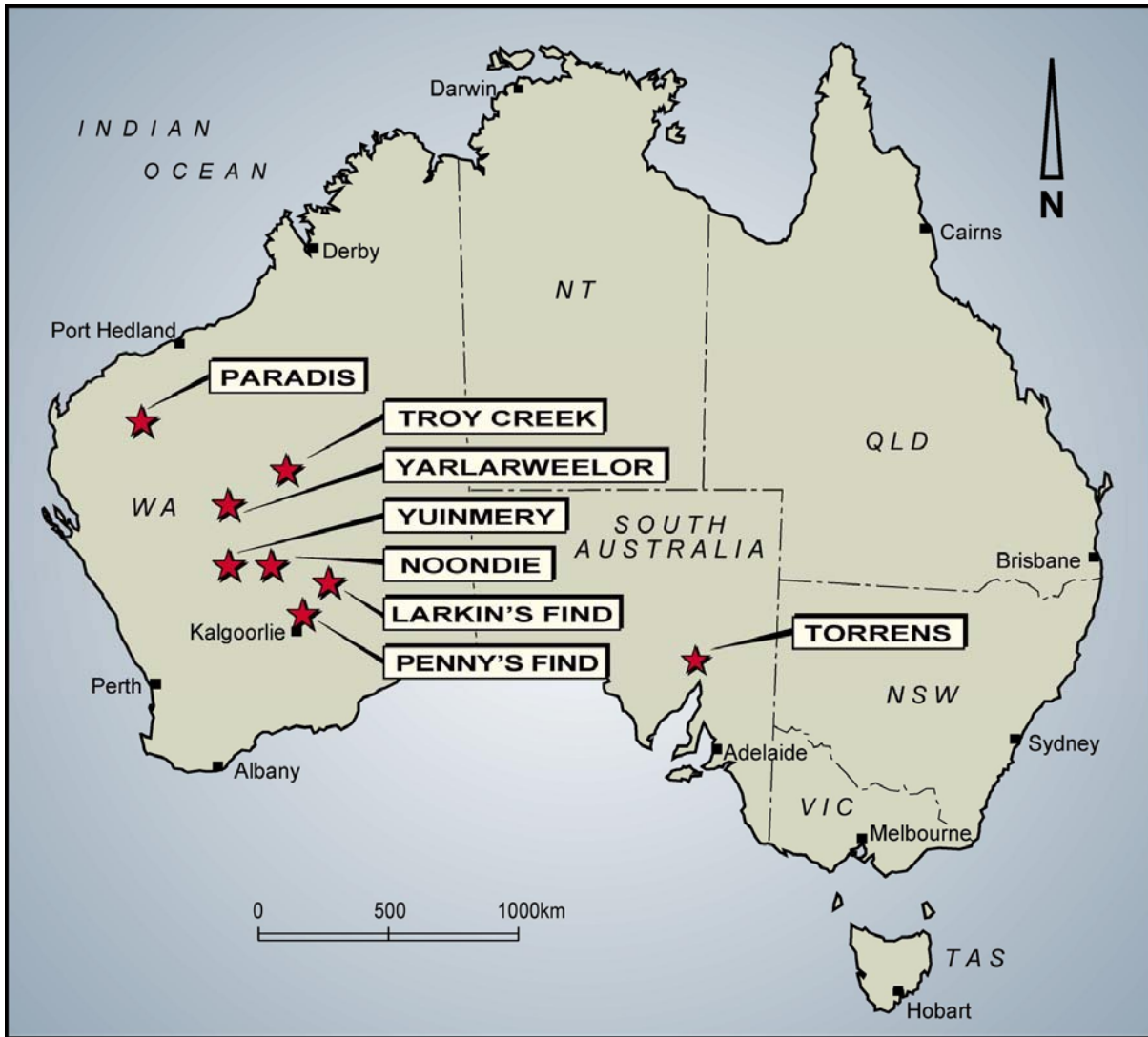
## **HIGHLIGHTS**

### **Yuinmery : Copper–gold project - WA (90% interest)**

- **Further significant copper-gold intersections obtained from RC drilling completed during the quarter.**
- **Copper-gold mineralization was intersected in every hole over a 200m strike length at the Just Desserts prospect**
- **Mineralization remains open at depth as well as along strike**
- **Ground and downhole electromagnetic surveys have outlined nine additional strong bedrock conductors within the project area.**

### **• Yarlalweelor : Uranium project (WA)**

- **Radon Resources has been granted an option to purchase the Yarlalweelor uranium project for a total of A\$1.75 million plus a royalty.**



**Figure 1 : Project location map**

Empire Resources Ltd is a **gold** and **copper** focused exploration company.

Since listing in February 2007, the Company has discovered a new **gold** resource near Kalgoorlie at the Penny's Find project, which has a JORC compliant resource of **314,000 tonnes @ 5.2g/tAu**.

In addition, high grade **copper-gold** zones have also been discovered at the Yuinmery project, south of Sandstone, WA. Intercepts such as **14m @ 2.63%Cu, 1.91g/tAu; 6m @ 3.79%Cu, 12.85g/tAu and 6m @ 4.46%Cu, 0.30g/tAu** were announced during the December 2007 quarter.

The Company is continuing its active exploration.

# REVIEW OF OPERATIONS

## Yuimery Copper - Gold Project – 90% interest

The Yuimery copper-gold project is situated 475 km northeast of Perth. It lies within the Archaean Youanmi Greenstone Belt and covers a synclinal sequence of chloritised felsic tuffaceous rocks with interbedded sulphide bearing chert horizons.

Copper-gold mineralization, previously identified from a number of prospects at Yuimery, is of volcanogenic massive sulphide (VMS) style similar in nature to orebodies currently being mined at Golden Grove and Jaguar in Western Australia. It occurs as massive sulphides associated with chert exhalite horizons, as matrix sulphides in lapilli tuff, and associated with mafic and ultramafic intrusions.

High grade copper –gold zones were intersected at the Yuimery project and reported in the December 2007 quarterly report. Drill hole YRC07-05 at the Just Desserts prospect intersected **37m @ 2.5%Cu, 3.13g/tAu from 80m**.

During the March quarter, the Company drilled 12 reverse circulation holes totalling 1,693 metres in a follow-up program to test earlier intersections and a number of strong downhole and surface electromagnetic anomalies.

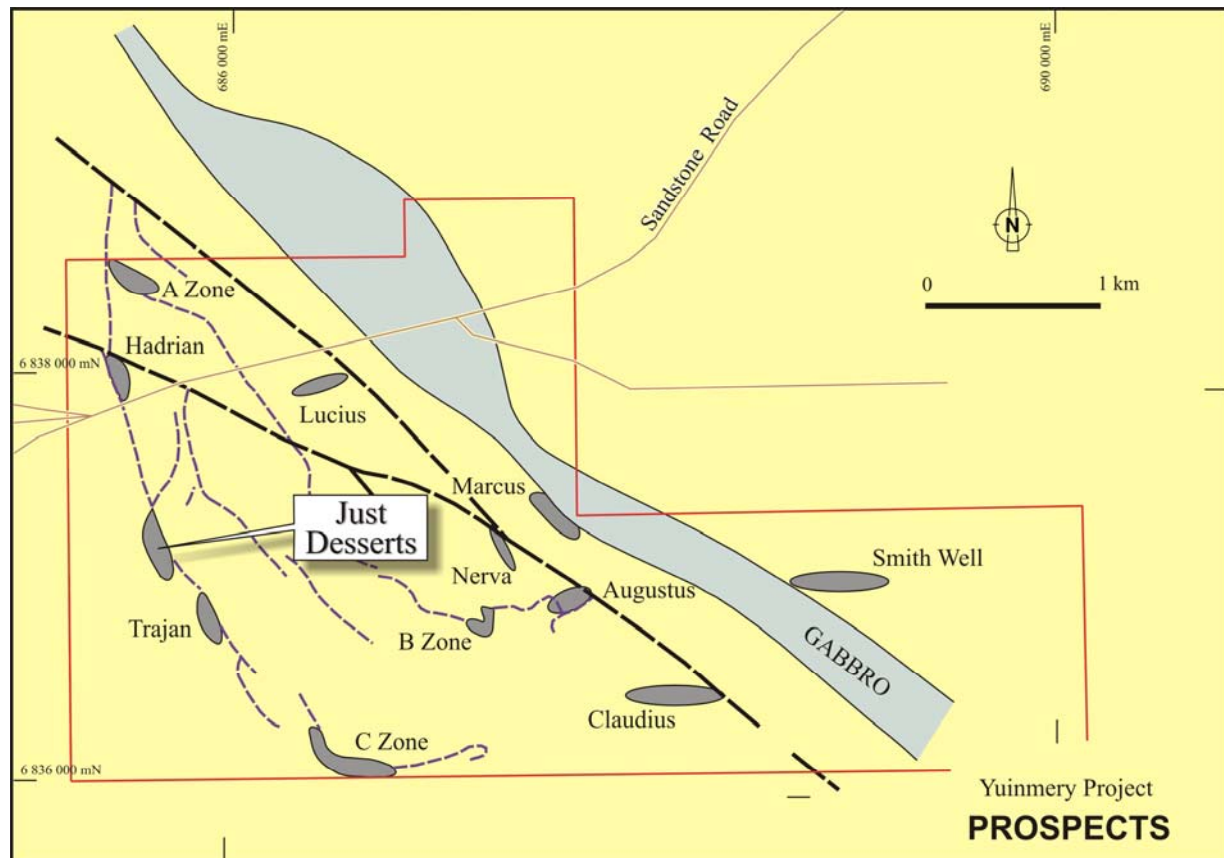


Figure 2 : Yuimery prospect location map

## Just Desserts Prospect

Drilling has outlined two zones of copper-gold mineralization at Just Desserts over a strike length of 200m; an upper zone assaying up to **13m @ 2.54%Cu, 1.67g/tAu** and a lower zone assaying up to **23m @ 2.68%Cu, 1.28g/tAu**.

Both zones, which are 25 metres apart and dip approximately 60 degrees to the northeast, remain open along strike and at depth. Figure 3 shows a plan of Empire's drilling at Just Desserts and Figure 4 a cross section through the middle of the mineralization. Significant intersections from the drilling at Just Desserts are listed below:

Hole No.	Prospect	Intersection
YRC08-01	Just Desserts	23m @ 2.68%Cu, 1.28g/tAu from 80m* Incls 6m @ 7.42%Cu, 3.01g/tAu from 85m*
YRC08-02	Just Desserts	13m @ 2.58%Cu, 0.39g/tAu from 63m* 7m @ 4.23%Cu, 1.65g/tAu from 106m*
YRC08-03	Just Desserts	13m @ 2.55%Cu, 1.67g/tAu from 106m* 7m @ 1.92%Cu, 0.36g/tAu from 149m
YRC08-04	Just Desserts	6m @ 1.32%Cu, 0.60g/tAu from 70m 5m @ 1.64%Cu, 0.30g/tAu from 102m
YRC08-05	Just Desserts	3m @ 1.95%Cu, 0.61g/tAu from 91m
YRC08-06	Just Desserts	14m @ 2.08%Cu, 0.17g/tAu from 74m
YRC08-12	Just Desserts	6m @ 2.91%Cu, 0.22g/tAu from 93m

\* previously announced

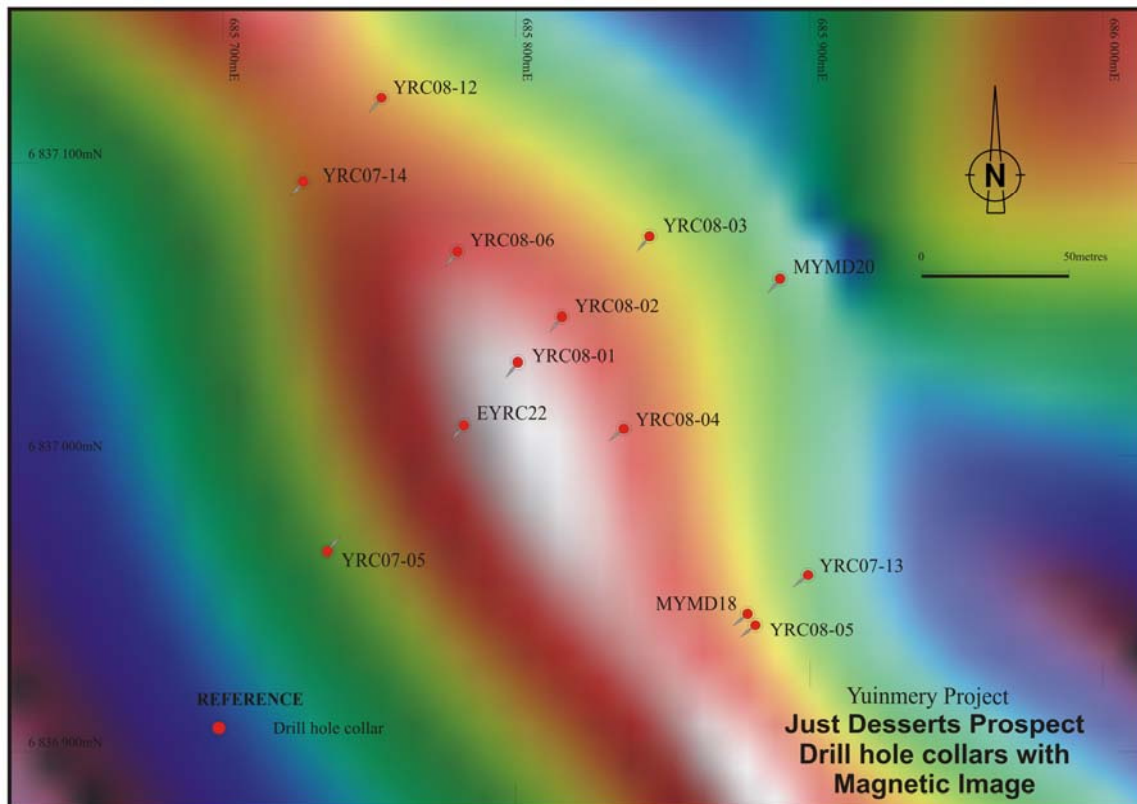
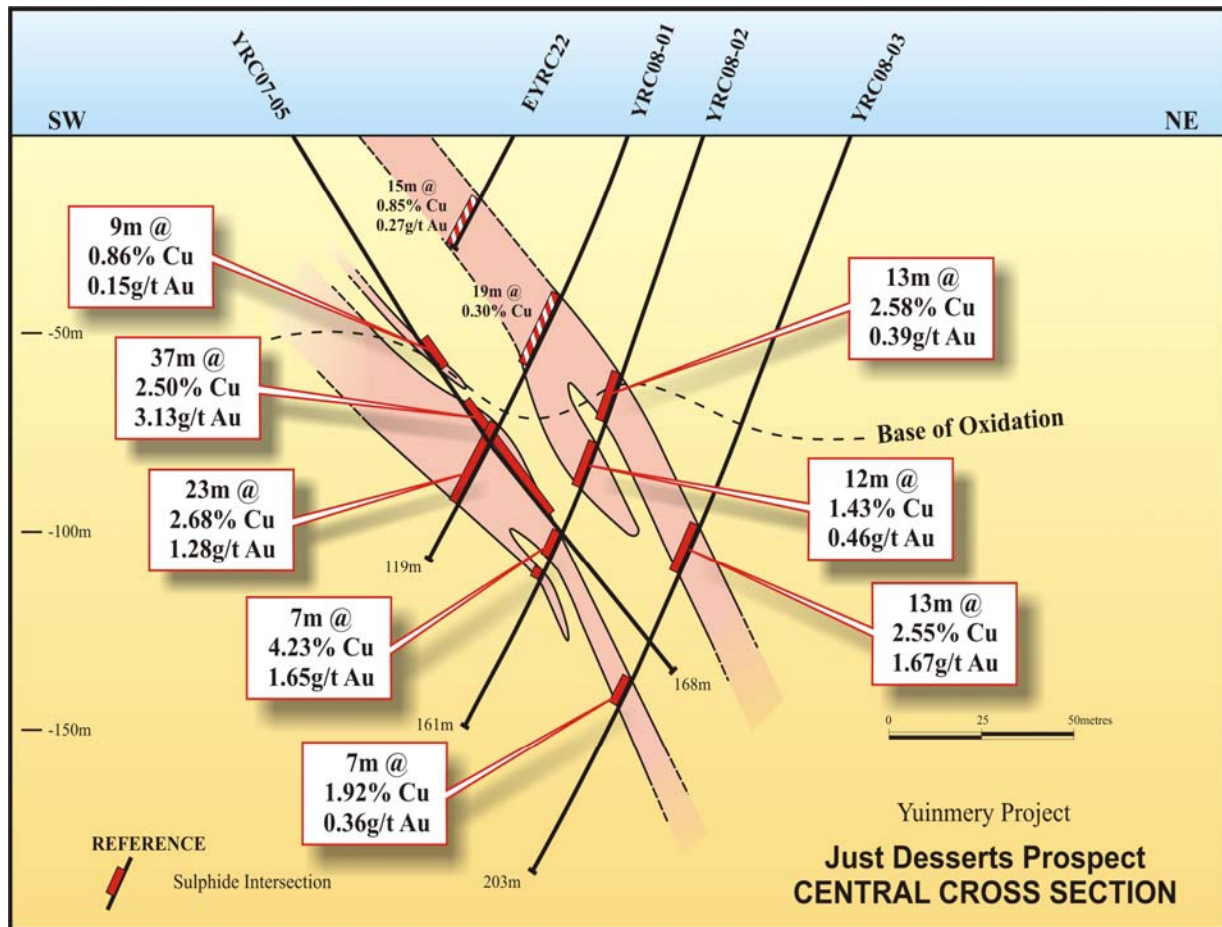


Figure 3 : Just Desserts prospect - drill hole location plan overlaid on magnetics



**Figure 4 : Just Desserts prospect - cross section**

A downhole EM survey completed in January 2008 utilising holes drilled in the December 2007 quarter, outlined a strong anomaly 500m long and at least 200m deep lying just below Empire's drill holes, Figures 5 and 6. At this stage, it is not known whether the EM anomaly represents only one or both of the mineralized zones. Further downhole surveys to better characterize this anomaly are scheduled to commence in April 2008.

Previous diamond drilling by Western Mining Corporation at Just Desserts in the early 1970s intersected the lower zone at depth where hole MYMD18 intersected 18.2m @ 0.93%Cu, 0.52g/tAu and hole MYMD20 intersected 16.2m @ 1.24%Cu. Both of these holes intersected gabbroic dykes in the target area for the upper zone.

No drilling below a vertical depth of 200 metres has yet been undertaken at Just Desserts or anywhere else on the Yuinmery project, which highlights the potential for a major discovery within the tenement area.

Initial metallurgical testwork on the copper sulphide mineralization shows the chalcopyrite has good liberation characteristics and is free of major contaminants. The open pitable potential of the oxide mineralization is also being assessed.

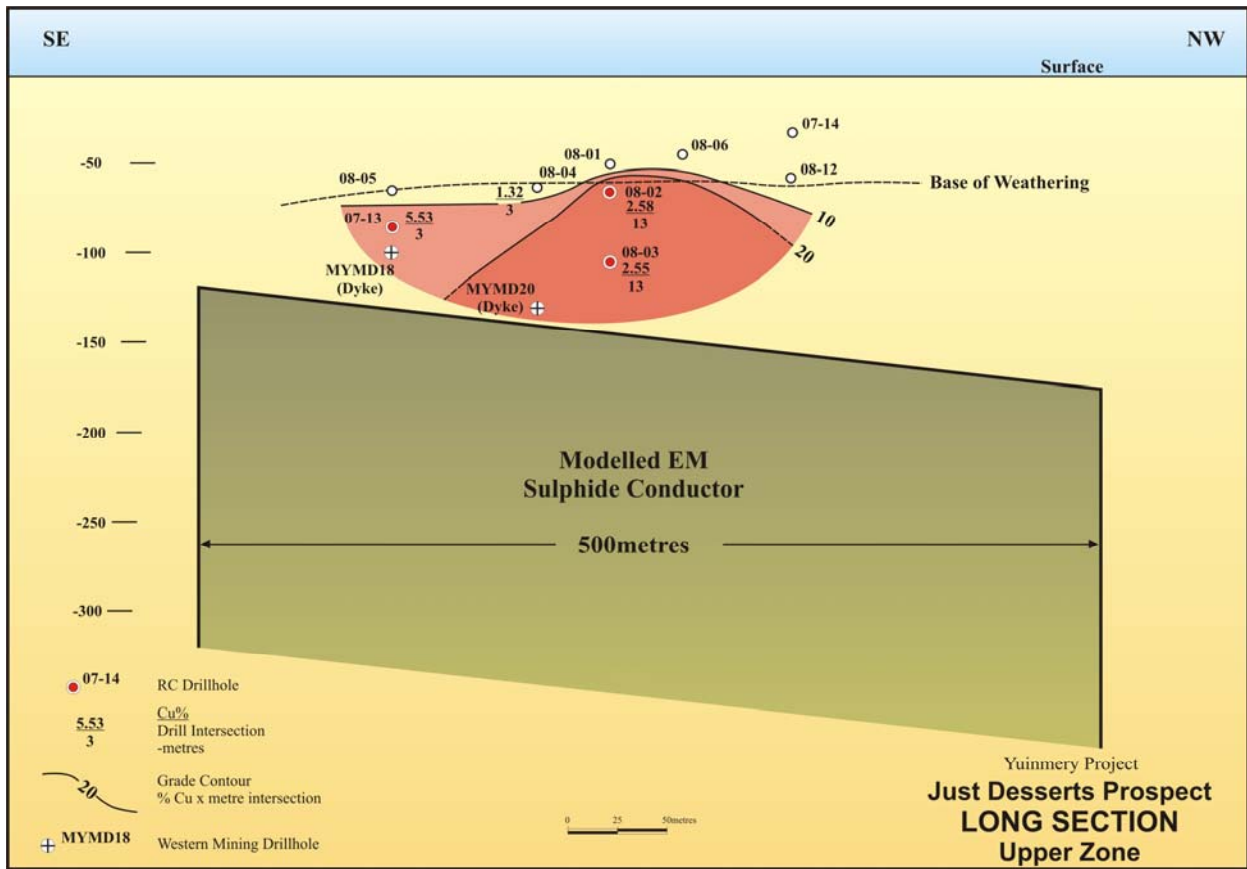


Figure 5 : Just Desserts prospect - long section – Upper Zone

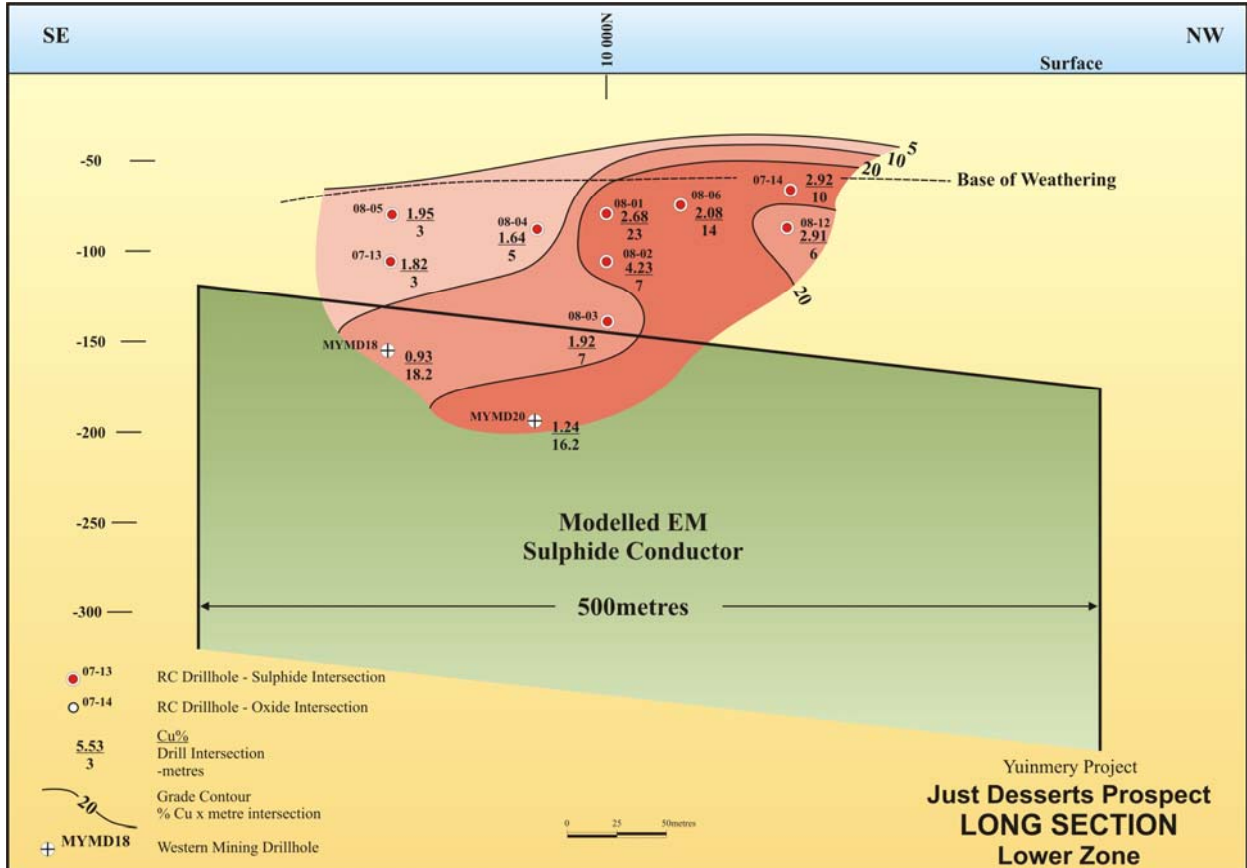


Figure 6 : Just Desserts prospect - long section – Lower Zone

## Smith Well Prospect

Hole YRC08-10, targeting a strong EM anomaly on the contact of a large gabbro intrusive, intersected 11 metres of massive pyrrhotite carrying minor chalcopyrite. Assays returned **12m @ 0.35%Cu and 0.27%Ni from 111m**. These results indicate potential for Ni-Cu sulphide mineralization within the project area.

## A Zone Prospect

Drillhole YRC08-09 tested an EM anomaly at A zone. This drillhole intersected **2m @ 0.80%Cu, 0.91g/tAu from 152m and 4m @ 1.69%Cu, 0.14g/tAu from 209m**.

## Electromagnetic (EM) Surveying

A large ground electromagnetic survey on 200m line spacings was completed over the western half of the project area during February 2008. This survey and a down-hole EM survey conducted immediately prior, have outlined nine new anomalies which will be tested once a suitable RC rig can be procured – Figure 6.

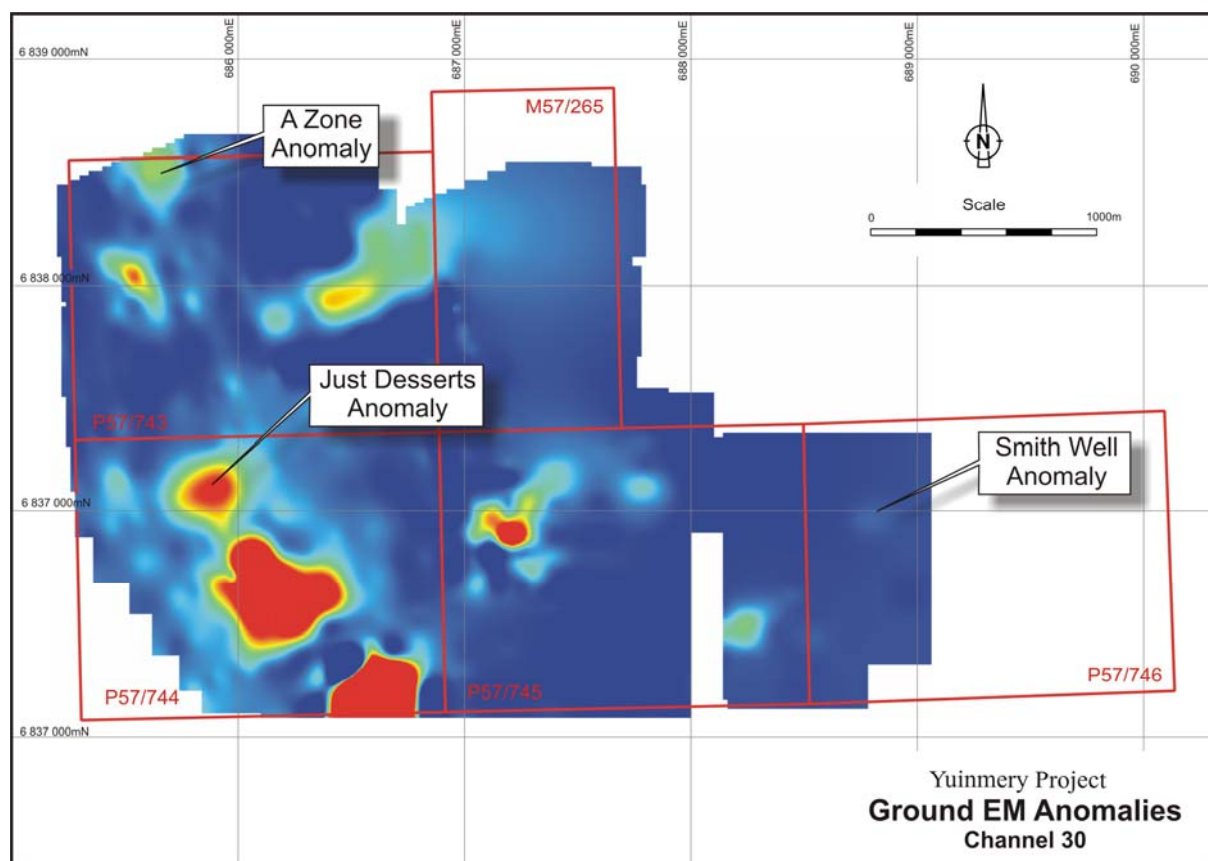


Figure 6 – Yuinmery ground EM anomalies - Channel 30

## **Penny's Find Gold Project – Option to acquire a 100% interest**

The Penny's Find project is situated in the Eastern Goldfields, 50km northeast of Kalgoorlie, Western Australia. Within granted mining lease M27/156 gold mineralization is associated with quartz veining mainly developed at or near the contact between altered basalts and sediments.

Since listing in February 2007, Empire Resources has outlined a JORC compliant resource at Penny's Find of 314,000 tonnes @ 5.2g/tAu down to a vertical depth of 150m below surface.

During the March quarter discussions took place with various parties as to the best course of action the Company should take to advance this project.

## **Troy Creek Gold-PGM-Copper Project – 100% interest**

The Troy Creek gold-PGM-copper project is situated 900km northeast 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.

In November 2007 a number of magnetic and gravity targets were tested by 8 RC holes, one of which intersected semi-massive sulphides at the bottom of hole.

During this quarter an updated geophysical interpretation was completed on a number of these magnetic anomalies to better define their target depths.

Further RC drilling is scheduled for the September quarter 2008.

## **Yarlarweelor Uranium Project– 100% interest**

The Yarlarweelor uranium prospect (E52/2095) is located 125 km north of Meekatharra in Western Australia.

In February, Empire agreed to sell the Yarlarweelor project to Perth based Radon Resources for \$1.0 million in cash and \$750,000 worth of fully paid ordinary shares in Radon together with 3,000,000 unlisted options exercisable at 25 cents per option prior to September 2011.

A royalty of \$1.00 per pound for production up to 2,000,000 pounds U<sub>3</sub>O<sub>8</sub> is payable if Radon reports the discovery of a resource in excess of 5,000 tonnes U<sub>3</sub>O<sub>8</sub> prior to 20 June 2011.

The agreement is conditional upon Radon being admitted to the official list of the ASX within the nine month option period.

## **Torrens Copper-Gold-Uranium Project – 100% interest**

The Torrens Project lies on the eastern margin of the Gawler Craton in South Australia. The Gawler Craton is a recognised world class Iron Oxide-Copper-Gold province that includes the Olympic Dam, Prominent Hill and Carrapateena deposits.

No field work was undertaken during this quarter.



## **Larkin's Find Nickel-Gold Project – Earning 80% interest**

The Larkin's Find nickel and gold project is situated 155km north-northeast of Kalgoorlie in Western Australia. The project contains an Inferred Resource of 5.2 million tonnes assaying 0.8% nickel and 0.08% cobalt.

Regional multi-client aeromagnetic data has been purchased over the project area. This is currently being interpreted to aid in targeting drilling programmes to test for structurally hosted gold deposits and to expand on the current nickel resource.

A RAB/aircore drilling program has been scheduled to commence in June.

## **Noondie Uranium Project – 100% interest**

The Noondie uranium project consists of two granted exploration licences totaling 138km<sup>2</sup> located at Lake Noondie southwest of Sandstone and east of the Yuinmery Project. The EL's, which contain a number of radiometric anomalies, are prospective for calcrete type uranium deposits similar in style to the Yuinmery uranium deposit located on the north shore of Lake Noondie.

Empire intends to undertake ground radiometric surveys as soon as possible to be followed up by aircore drilling of any suitable targets.

## **Paradis Gold-Platinum Project – 100% interest**

The Paradis gold and PGM project, located 25km west of Paraburdoo in Western Australia, contains late Archaean rocks on the southern margin of the Pilbara Craton. The Company has a 100% interest in two exploration licences covering an area of 230km<sup>2</sup>.

The project is situated within the Ashburton Structural Corridor which hosts the Mt. Olympus, Waugh and Paulsens gold deposits. Previous exploration has revealed widespread anomalous gold and platinum values in stream sediments, and rock chip samples assaying up to 0.3g/t Pt + Pd.

During the quarter a reconnaissance field trip was made to the project and a number of stream sediment and rock chip samples were collected.

**DAVID SARGEANT**  
**MANAGING DIRECTOR**  
**April 2008**

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

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*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.*

## YUINMERY RC DRILLING 2008

HOLE ID	NORTH	EAST	HOLE DEPTH (m)	AZ	DIP	FROM (m)	TO (m)	WIDTH (m)	Cu GRADE %Cu	Au GRADE g/t Au
<b>JUST DESSERTS</b>										
YRC08-01	6837031	685801	119	225	-65	80	103	23	2.68	1.28
					incls	80	92	12	4.37	1.88
					incls	85	91	6	7.42	3.01
						106	107	1	1.85	0.39
YRC08-02	6837047	685816	161	225	-70	63	76	13	2.58	0.39
					incls	69	75	6	3.77	0.58
						84	96	12	1.43	0.46
					incls	86	87	1	5.98	2.06
						106	113	7	4.23	1.65
						117	119	2	1.68	0.50
						136	137	1	0.56	0.64
						141	142	2	1.36	0.26
YRC08-03	6837075	685842	203	225	-70	106	119	13	2.55	1.67
					incls	107	110	3	4.12	1.99
					incls	113	117	4	3.56	3.30
						149	156	7	1.92	0.36
					incls	150	151	1	7.29	0.40
YRC08-04	6837010	685835	131	225	-60	70	76	6	1.32	0.60
						102	107	5	1.64	0.30
					incls	103	104	1	3.05	0.45
YRC08-05	6836945	685879	110	225	-65	91	94	3	1.95	0.61
YRC08-06	6837064	685779	125	225	-65	74	88	14	2.08	0.17
					incls	75	81	6	3.34	0.22
YRC08-07	6837122	685757	55	225	-65	NSA – hole abandoned before target depth				
YRC08-12	6837118	685754	113	225	-65	65	66	1	0.62	0.11

HOLE ID	NORTH	EAST	Hole Depth (m)	AZ	DIP	FROM (m)	TO (m)	WIDTH (m)	Cu grade %Cu	Au grade g/t Au
<b>JUST DESSERTS - cont</b>										
YRC08-12						93	99	6	2.91	0.22
					incls	94	96	2	5.26	0.26
<b>A ZONE</b>										
YRC08-09	6838520	685750	221	225	-55	152	154	2	0.80	0.91
						209	213	4	1.68	0.14
<b>TRAJAN</b>										
YRC08-08	6836630	686240	161	225	-65	NSA				
<b>CLAUDIUS</b>										
YRC08-11	6836608	688336	160	180	-65	NSA				

NSA : no 1m assays above 0.5%Cu

Intersections are an arithmetic average calculated using a 0.5%Cu lower cut-off. No high cut has been applied.

Maximum internal dilution within an intersection is 2m @ less than 0.5%Cu

Assays were done on 1metre rotary split samples using a 40gm Fire Assay for gold and mixed acid digest and ICP Optical Emission Spectrometry for copper.

HOLE ID	NORTH	EAST	Hole Depth (m)	AZ	DIP	FROM (m)	TO (m)	WIDTH (m)	Cu grade %Cu	Ni grade %Ni
<b>SMITH WELL</b>										
YRC08-10	6837020	688850	141	180	-65	111	123	12	0.35	0.27

Intersections are an arithmetic average calculated using a %Cu + %Ni >= 0.4% lower cut-off. No high cut has been applied.

Assays were done on 1metre rotary split samples using a mixed acid digest and ICP Optical Emission Spectrometry for copper and nickel.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

EMPIRE RESOURCES LIMITED

ABN

32 092 471 513

Quarter ended ("current quarter")

31 MARCH 2008

**Consolidated statement of cash flows**

	Current quarter \$A'000	Year to date (,9... months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	34	34
1.2 Payments for (a)exploration and evaluation	(476)	(1,869)
(b) development	-	-
(c) production	-	-
(d) administration	(145)	(544)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	37	150
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(550)</b>	<b>(2,229)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(4)	(43)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(4)</b>	<b>(43)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(554)</b>	<b>(2,272)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(554)	(2,272)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
<b>Net financing cash flows</b>		-	-
<b>Net increase (decrease) in cash held</b>		(554)	(2,272)
1.20	Cash at beginning of quarter/year to date	2,609	4,327
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	2,055	2,055

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	64
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fees, consultancy charges and remuneration

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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**Financing facilities available**

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	500
4.2	Development	-
<b>Total</b>		<b>500</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	209	11
5.2 Deposits at call	1,846	2,598
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	2,055	2,609

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Paradis Project E477/1203.	Tenement granted during quarter	Nil	100%
	Yarlarweelor Project E52/2095	Option to purchase granted to Radon Resources Limited	100%	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**


*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference + securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	62,468,192	56,976,998	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Escrow release	1,250,000 - -	1,250,000 - -	13.5c - -	13.5c - -
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	3,000,000 27,709,075	27,709,075	Exercise price 25c 25c	Expiry date 31/12/2010 30/06/2009
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: .....  ..... Date: 28 April 2008  
Company Secretary

Print name: SIMON STORM

**Notes**

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.