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ASX Release

OPTION TO PURCHASE 100% OF THE YARLARWHEELOR URANIUM PROSPECT

The Directors of Empire Resources Ltd are pleased to announce that the Company has been granted an option to purchase a 100% interest in the Yarlarweelor uranium prospect. This prospect is situated in the Wilthorpe area approximately 125 km north of Meekatharra in Western Australia. The option has been granted by Zetek Resources Pty Ltd ("Zetek"), the applicant for two exploration licences covering an area of approximately 575 sq km.

Empire may exercise its option to purchase, upon grant of the exploration licences, by the issue of 5 million shares to Zetek. A further issue of 2.5 million shares is required to be made upon commencement of a bankable feasibility study.

Within the project area, past exploration undertaken between 1978 and 1982 identified both primary and secondary uranium mineralization at a number of locations. This work was undertaken by Agip Australia Pty Ltd and Uranex Pty Ltd. Exploration included geological mapping, aerial radioactivity and magnetic surveys, ground radioactivity and magnetic surveys, ground water sampling, rock chip sampling, percussion drilling, radioactivity logging, petrology and X-ray diffraction analysis.

Uranium mineralization occurs in Lower Proterozoic 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.

Primary uranium mineralization, consisting of uraninite (an oxide of uranium) was intersected by Agip Australia Pty Ltd. by percussion drilling. This mineralization is associated with potassic alteration.

Exploration reports held by the Department of Industry and Resources record many intersections of anomalous radioactivity. These include intercepts of 2 metres assaying 630ppm uranium in hole number KVP2 and 24 metres assaying 310ppm including 9 metres assaying 570ppm in hole number KRP13. The true widths of these intersections are not known.

The directors are encouraged by the widespread anomalous radioactivity, potentially economic intersections in previous drilling of what the directors consider to be a very prospective geological setting. A major exploration program is planned to test this prospect upon exercise of the option.

For further details, please contact:

David Sargeant – Managing Director 08-6250-9415

Adrian Jessup – Executive Director 08-6250-9414