EMPEROR MINES LIMITED

SALE OF TUVATU GOLD PROJECT NOT PROCEEDING

Emperor Mines Limited ("Emperor") (ASX: EMP) confirms that it has not granted a further extension to Alcaston Mining NL ("Alcaston") in respect of the sale of the Tuvatu Gold Project in Fiji

The sale of Tuvatu to Alcaston was initiated in February of 2005. Emperor granted numerous extensions to Alcaston and agreed to amend terms during the course of 2005 to enable Alcaston to put in place appropriate financing to complete the transaction and fund working capital for a bankable feasibility study and further exploration at Tuvatu.

The Board of Emperor considers the latest revised financing terms proposed by Alcaston deficient and the further extension requested by Alcaston unacceptable in the circumstances.

Yours Faithfully

Mark Wellesley-Wood
Managing Director
25 January 2006

ABN 61 007 508 787
BRISBANE OFFICE
Level 1 WBM Building, 490 Upper Edward Street, Spring Hill QLD 4004
Tel: + 61 (0) 7 3007 8000 Fax: + 61 (0) 7 3007 8080
Email: emperor@emperor.com.au Web Site: www.emperor.com.au

FIJI OFFICE
Private Mail Bag, Vatukoula, Fiji Islands
Telephone: +679 668 0477 Facsimile: +679 668 0779