EMPIRE RESOURCES LIMITED

ACN 092 471 513

Friday, 28 August 2009 **ASX Release**

EMPIRE ENTERS OPTION AGREEMENT TO SELL W.A. URANIUM PROJECT

Copper-gold explorer, Empire Resources Limited (ASX: "ERL"), has entered an option agreement to sell its 100%-owned Yarlarweelor uranium project in Western Australia.

The move follows a decision flagged earlier this year by Empire to either sell or find a joint venture partner to develop the 492sq km Yarlarweelor exploration licence, E52/2095, 125 kilometres north of Meekatharra, to allow the Company to concentrate on its copper and copper-gold aspirations in Western Australia.

Empire announced today it had executed a six month exclusive option agreement with the listed Freedom Eye Limited group (ASX: "FYI") under which Freedom Eye can fully evaluate the project, with a view to then potentially move to its acquisition.

"Western Australia's more liberalised political will towards uranium exploration has precipitated increased investment interest in uranium opportunities," Empire's Managing Director, Mr David Sargeant, said today.

"This has added value to Empire's uranium holdings but as our preference is to be a focussed copper-gold explorer and project developer, it is prudent in the current uranium climate to now move Yarlarweelor into a sale or joint venture partner process," Mr Sargeant said.

"Provided Freedom Eye completes the due diligence on Yarlarweelor to its satisfaction, the proposed sale transaction, on terms to be finalised, is expected to be put to their shareholders at an annual general meeting in November.

"The sale allows concentration of exploration and drilling impetus on our advanced and high quality Yuinmery and Troy Creek copper gold projects in Western Australia."

Freedom Eye has paid Empire A$10,000 for the right to the six month exclusive evaluation.

Empire conducted a detailed airborne radiometric and magnetic survey over the eastern half of the project area last year, resulting in the outlining of numerous uranium anomalies.

Previous exploration in the Yarlarweelor area undertaken prior to 1982, located numerous airborne radiometric anomalies and numerous rock samples assaying greater than 1,000 parts per million (ppm) uranium.

Percussion drilling of various targets identified primary uranium mineralisation in the form of uraninite from six separate areas. These included intersections of 8m assaying 708 ppm U_3O_8 and 4m assaying 726 ppm U_3O_8.

Mr Sargeant said two separate styles of uranium mineralisation are present within the licence area.

"In the eastern part of the licence, structurally controlled uranium mineralisation in the Despair Granite is associated with potassic alteration. At Mica Bore, uranium mineralisation and anomalous gold is associated with pyrrhotite-actinolite rocks in the vicinity of radiometrically anomalous granitoid rocks. All the uranium mineralisation occurs as the mineral uraninite.

"The target at Yarlarweelor is granitoid hosted bulk mineable uranium mineralisation similar to that being mined at the Rossing uranium mine in Namibia operated by Rio Tinto Limited.

"Empire has in place current near-term plans to undertake a further 2,000 metres of Reverse Circulation drilling at Yarlarweelor to enable calculation of initial resources."

DAVID SARGEANT
MANAGING DIRECTOR

August 2009

For further information on the Company, visit www.resourcesempire.com.au

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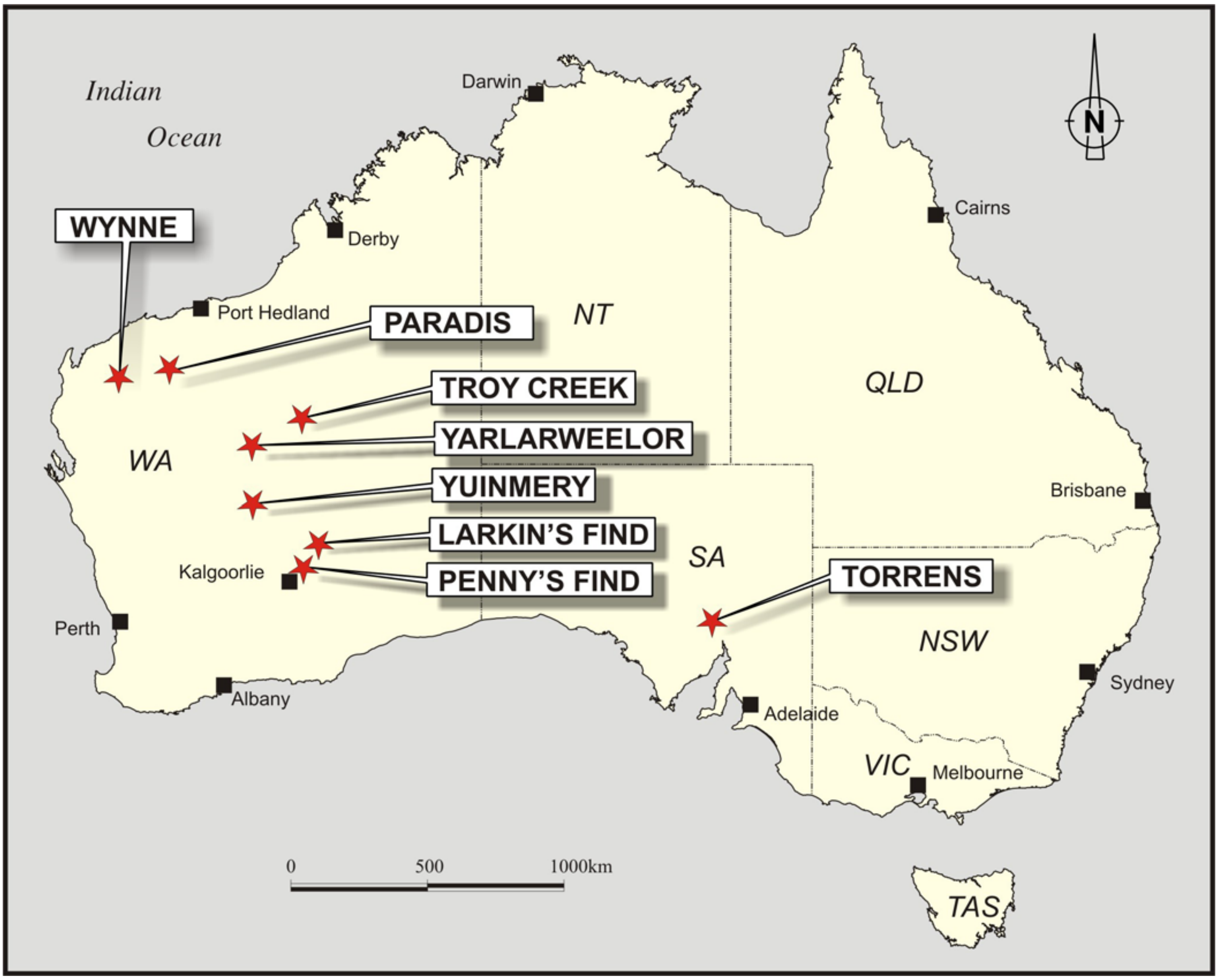
The information in this report that relates to Exploration Results has been compiled by Mr. David Ross B.Sc. M.Sc., who is an employee of the Company and is a member of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AIMM). David Ross has sufficient 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.

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, and which has a JORC compliant resource of **314,000 tonnes @ 5.2g/tAu.**

High grade **copper-gold** zones have also been discovered at the Yuinmery project, south of Sandstone, WA. Intercepts such as **23m @ 2.68% Cu, 1.28g/t Au; 14m @ 2.63% Cu, 1.91g/t Au; 13m @ 2.55% Cu, 1.67g/t Au; 6m @ 3.79% Cu, 12.85g/t Au and 10m @ 4.23% Cu, 6.01g/t Au** at the Just Desserts prospect were announced during the December 2007, March 2008 and June 2008 quarters. An indicated + inferred JORC resource of **1,070,000 tonnes @ 1.82%Cu, 0.78g/tAu** was estimated for the Just Desserts prospect

During the December 2008 quarter, a discovery of high grade copper sulphide mineralisation was made at the Troy Creek project, 180km northeast of Wiluna in Western Australia. The drill intersections consisted of **2m @ 4.65% Cu and 3m @ 1.97% Cu** - forming part of a **36m** intersection grading **0.76% Cu**.



Project location map

Notes on the Penny's Find Resource

An updated resource estimate for the Penny's Find gold mineralisation was completed and announced to the market on 8 August 2007 and 12 October 2007. There has been no change to the resource since that time.

The mineral resource by category is 314,000 tonnes averaging 5.2 g/t gold down to a vertical depth of 150m below surface. The mineral resource above 0.5 g/t gold is summarised in the following table.

Penny's Find - Classified mineral resources – August 2007

Category	Tonnes	Grade*	Ounces
Measured	79,000	4.40	11,177
Indicated	132,000	3.98	16,893
Inferred	103,000	7.33	24,276
TOTAL	**314,000**	**5.18**	**52,316**

**grades are based on a minimum cut-off of 0.5g/tAu and high assays cut to 25g/tAu*

Resource modelling consultants Datageo calculated a JORC compliant in situ resource estimate, utilising all drill hole information available on mining lease M27/156 up to the end of June 2007.

The resource grade was estimated using ordinary kriging based on the drill hole data composited downhole to 1m intervals within constraining shapes representing the mineralisation. Assumed specific gravity values used were:- oxide 2.0t/m^3; transitional 2.2t/m^3; fresh 2.5t/m m^3.

Notes on the Yuinmery Resource

A resource estimate for the Just Desserts prospect at Yuinmery was completed and announced to the market on 9 April 2009. There has been no change in the resource since that time.

The mineral resource by category to a depth of 250m below surface is reported below. The resource comprises no oxide mineralization, only transitional and fresh.

Just Desserts Classified Mineral Resources – March 2009

	Category	Tonnes	Grade*	Grade*	Grade*
			Cu%	**Au g/t**	**Ag g/t**
1%Cu cutoff	Indicated	104,000	1.65	0.86	1.32
	Inferred	966,000	1.84	0.77	2.12
	TOTAL	**1,070,000**	**1.82**	**0.78**	**2.06**
1.5%Cu cutoff	Indicated	46,000	2.11	1.14	1.58
	Inferred	536,000	2.34	0.92	2.68
	TOTAL	**582,000**	**2.33**	**0.93**	**2.61**

**High assays have been cut to 9%Cu, 20g/tAu and 10g/tAg.*

Resource modelling consultants Datageo calculated a JORC compliant in situ resource estimate, utilising all drill hole information available on Prospecting Licence P57/1215 up to the end of June 2008.

The resource grade was estimated using ordinary kriging based on the drill hole data composited downhole to 1m intervals within constraining shapes representing the mineralisation. Assumed specific gravity values used were:- transitional 2.7t/m^3; fresh 3.2t/m^3.