

**QUARTERLY REPORT FOR THE PERIOD ENDING
31 DECEMBER 2013**

HIGHLIGHTS

Geophysical anomaly discovered at the Damperwah copper project

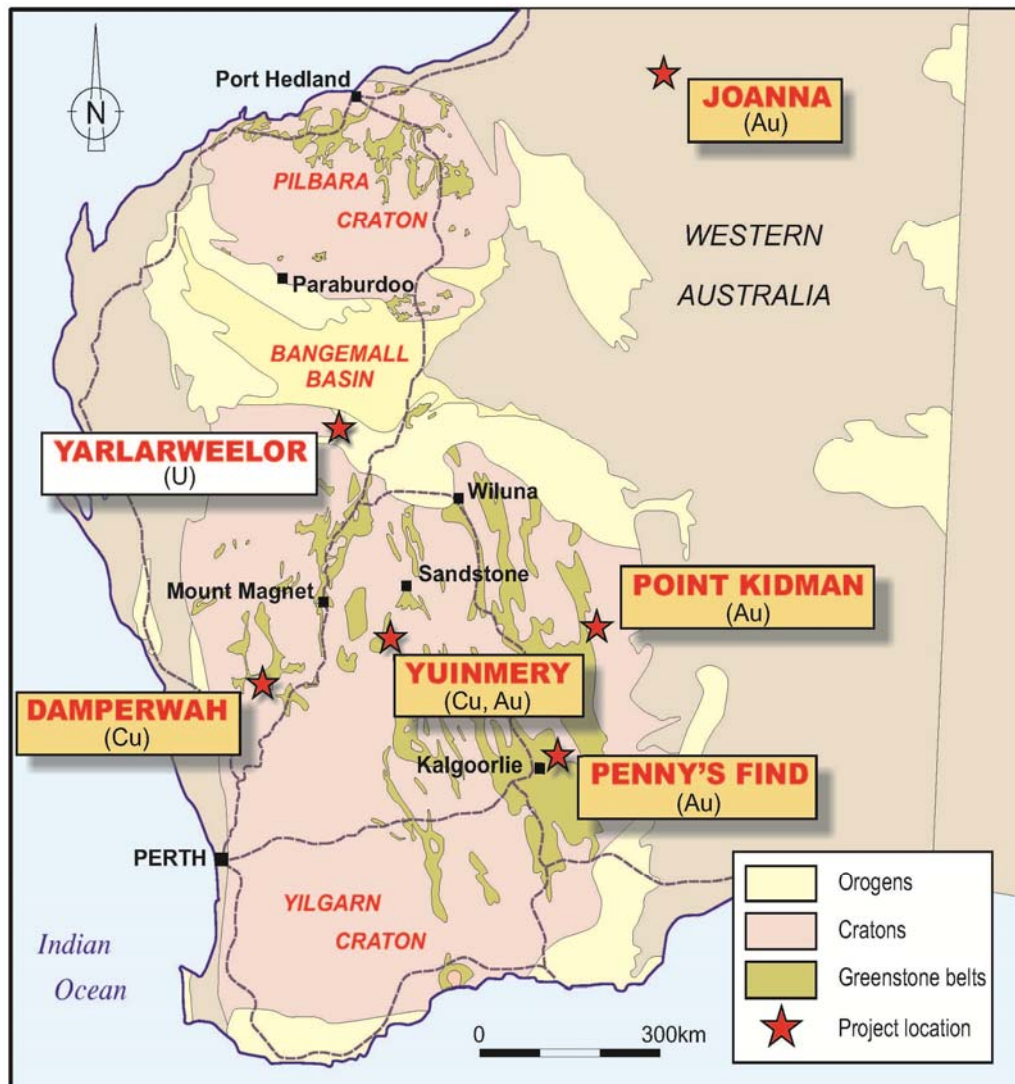


Figure 1 : Project Location Map - Western Australia

REVIEW OF OPERATIONS

DECEMBER QUARTER 2013

Damperwah (WA): Copper Project – Farm-in earning 70% interest

The Company has identified an area with potential for volcanogenic massive sulphide (VMS) copper mineralization in the Warriedar Fold Belt situated approximately 320km northeast of Perth and 60km southwest of the Golden Grove copper-zinc mine.

Initial exploration identified three gossanous ironstone areas assaying up to 2,880ppm Cu. The largest gossanous zone, the Sears prospect, has a strike length of 250 metres and a width up to 15 metres.

RC drilling in 2012 confirmed the presence of copper sulphides at the Sears prospect enhancing the overall prospectivity of the area. Thin section examination of drill chips indicated the rock sequence at Damperwah may be part of the same stratigraphy as hosts the Golden Grove mine, 60km to the northeast.

During the quarter a ground based 200m by 200m moving loop EM geophysical survey was completed over the rock sequence hosting the two western ironstones.

This survey was successful in detecting a 200m long, moderately strong bedrock conductor situated 200m along strike from the southern gossanous ironstone outcrops.

Modelling of the EM anomaly is planned along with ground truthing and sampling to determine its prospectivity. Subject to the above a drill hole will be planned to intercept the conductor at depth.

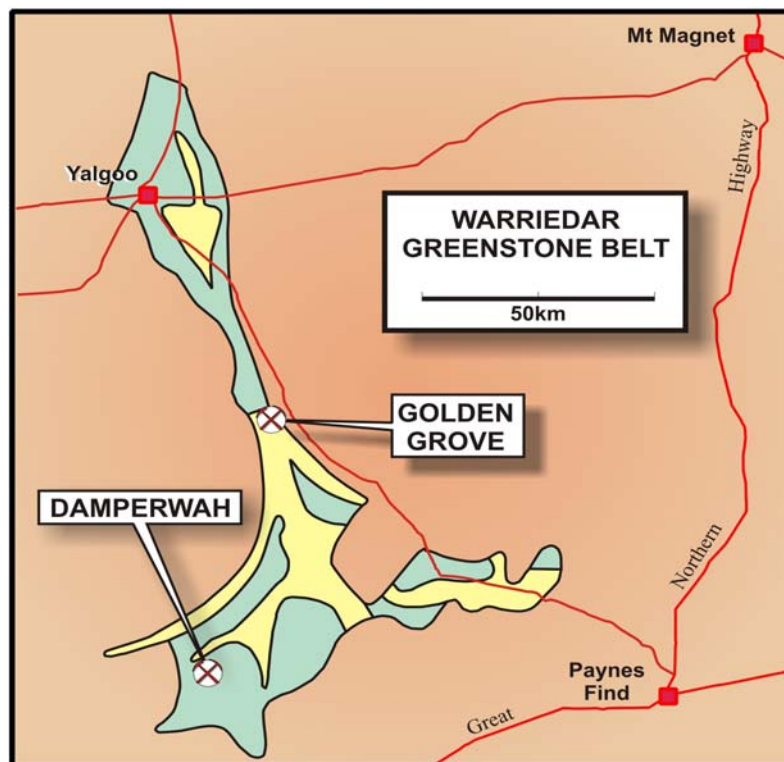


Figure 2 : Damperwah Location Plan

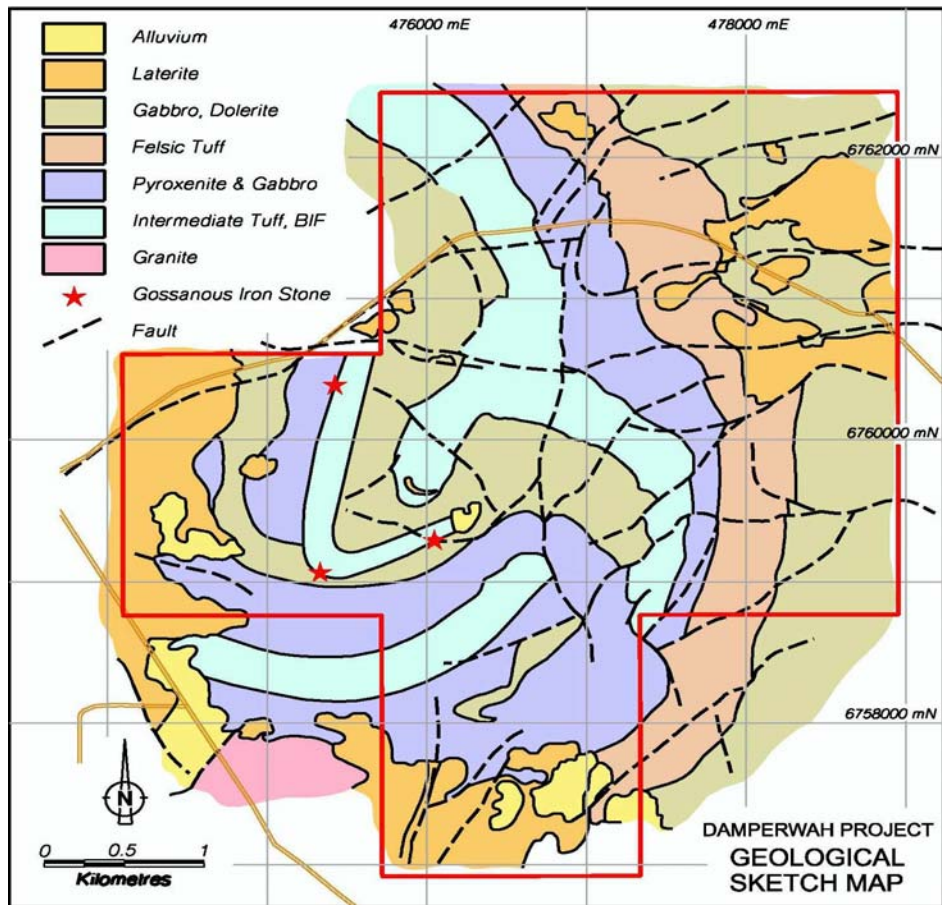


Figure 3 : Prospect Geology Map

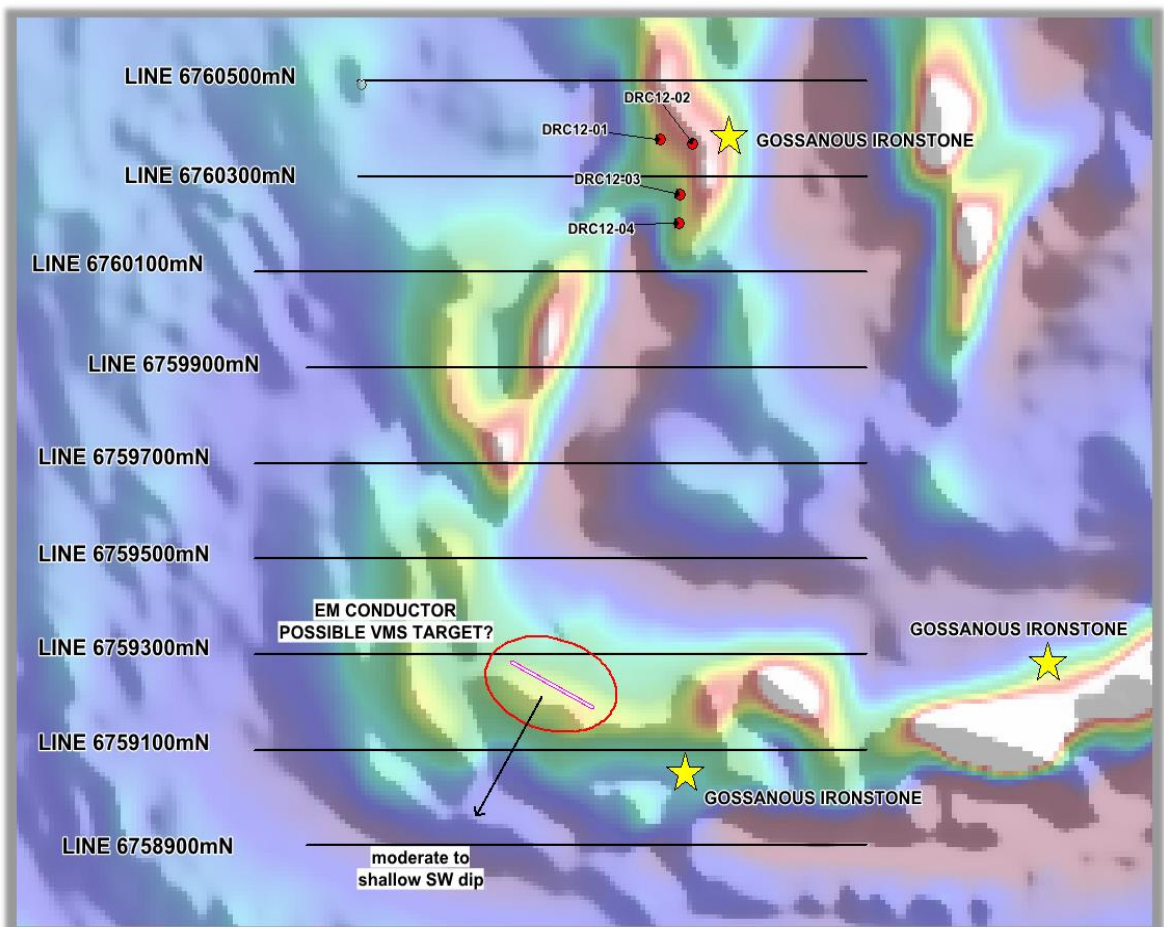


Figure 4 : EM Survey Lines on TMIFVD Magnetics

Yuinmery (WA): Copper - Gold Project

(100% interest and option to earn 91.44% interest on adjoining tenements)

The Yuinmery project is a volcanogenic massive sulphide (VMS) copper - gold project located 80km southwest of Sandstone, WA.

The Company has already identified on its wholly owned tenements a copper–gold deposit at the **Just Desserts** prospect as reported in previous quarterlies.

A second VMS deposit has also been discovered at the **A Zone** prospect 1.3km north of Just Desserts. The Company is now working towards producing a maiden JORC resource for the A Zone deposit where high grade copper – gold mineralization remains open at depth. The A Zone mineralization lies on the boundary between Empire's wholly owned tenements and tenements where the Company is earning an interest from La Mancha Resources Australia Pty Ltd.

The most advanced prospects at Empire's flagship Yuinmery project, Just Desserts and A Zone, are now thought to occur in the same mineralized horizon which has been disrupted and offset by faulting. Based on this model, additional priority targets have been identified between the two deposits which if found to contain mineralization would greatly impact the size and economics of the project.

Increasing JORC resources at Yuinmery is a priority for the Company.



Figure 5 : Yuinmery Project Location

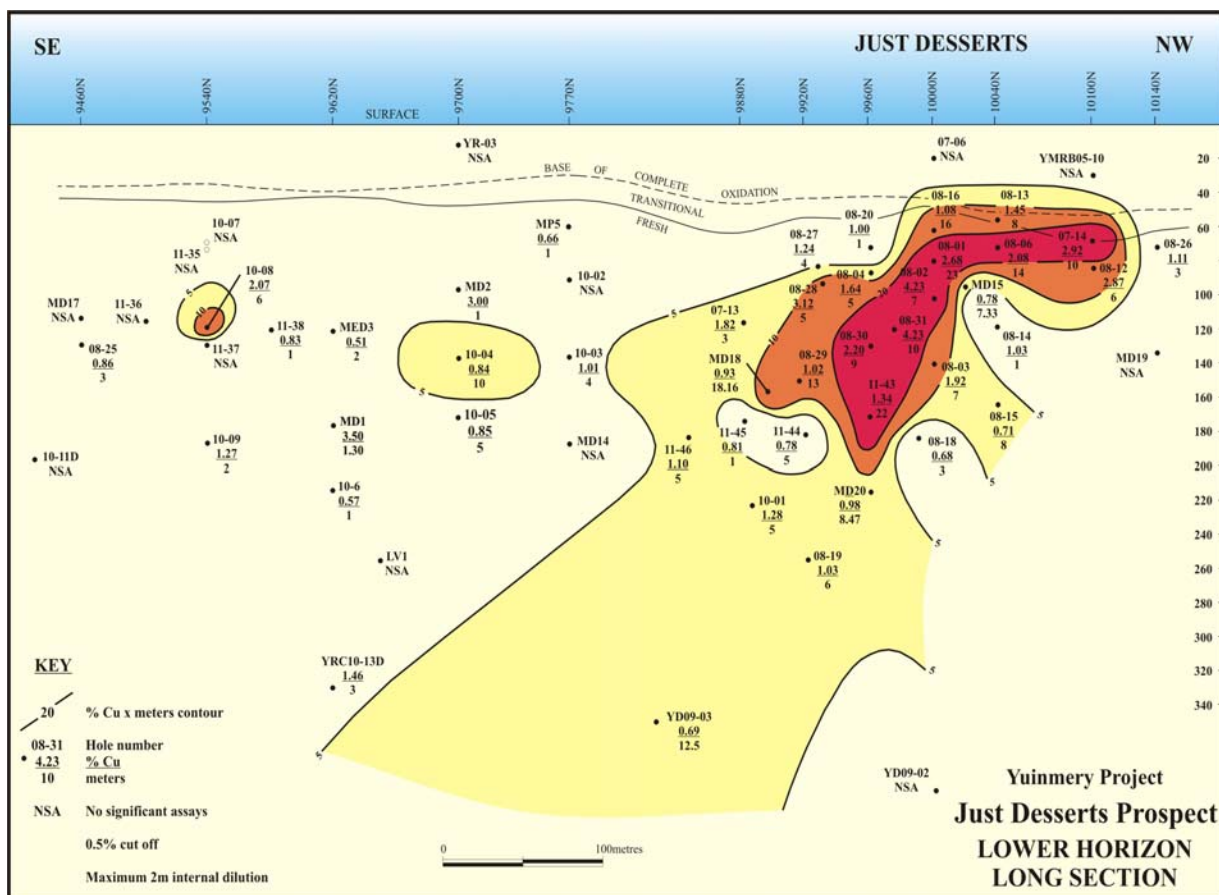


Figure 6

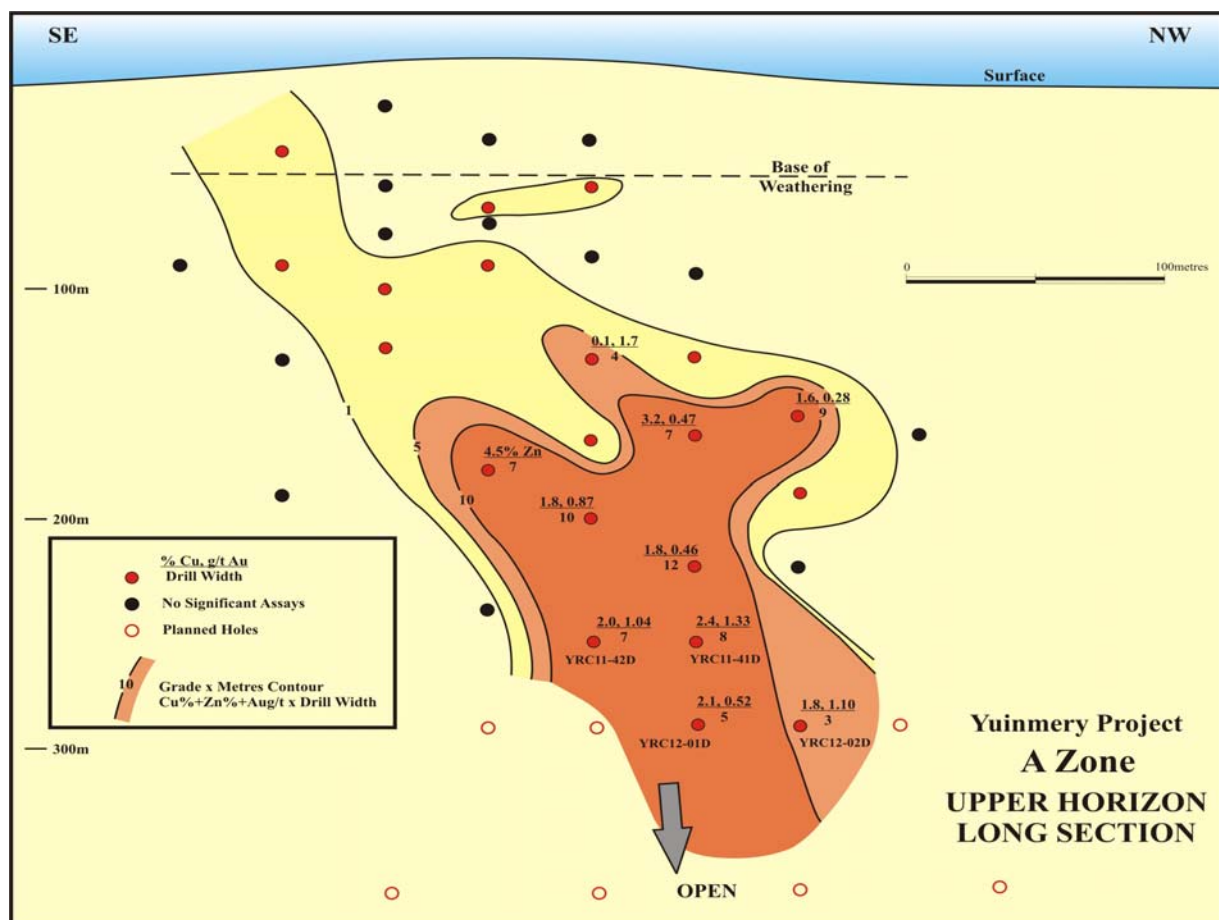


Figure 7

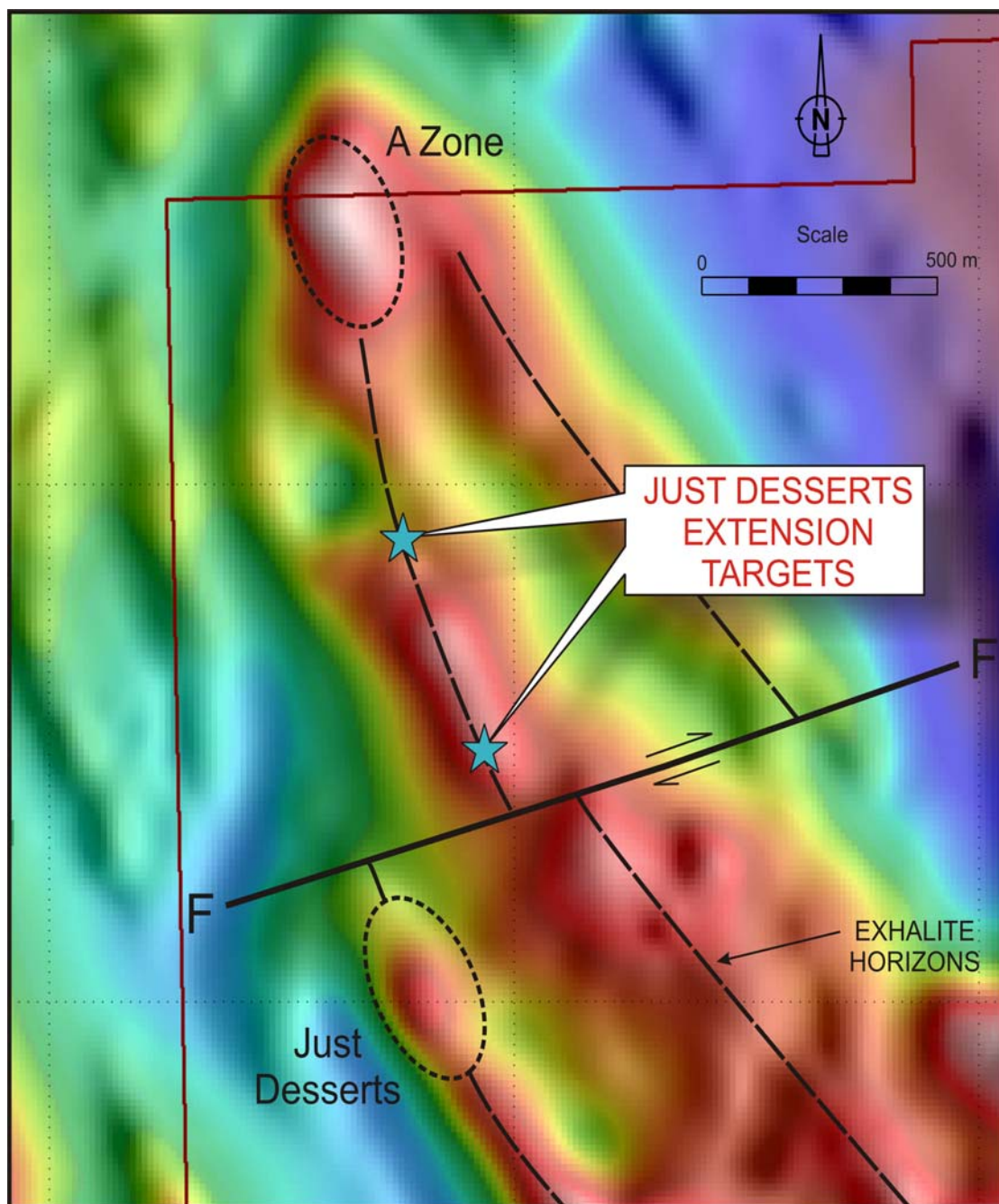


Figure 8 : YC23 Prospect - New EM Targets on Magnetics (RTP1VD)

Penny's Find (WA): Gold Project – 60% interest

The Penny's Find gold deposit is located 50km east of Kalgoorlie where high grade, coarse gold mineralization is hosted by quartz veins. The deposits location on a granted mining lease in close proximity to Kalgoorlie, free milling metallurgy and the potential for mining a substantial portion of the deposit by open pit before progressing to underground mining, are all strong positives for the future development of the project. Further details on the deposit are available from previous quarterlies.

Empire entered into a staged sale agreement in 2012 with Brimstone Resources Ltd for the latter to bring Penny's Find into production. To date Brimstone has undertaken limited RC and diamond drilling in an effort to expand and upgrade the previous resource.

Brimstone has not reported any exploration field work was undertaken during the quarter.

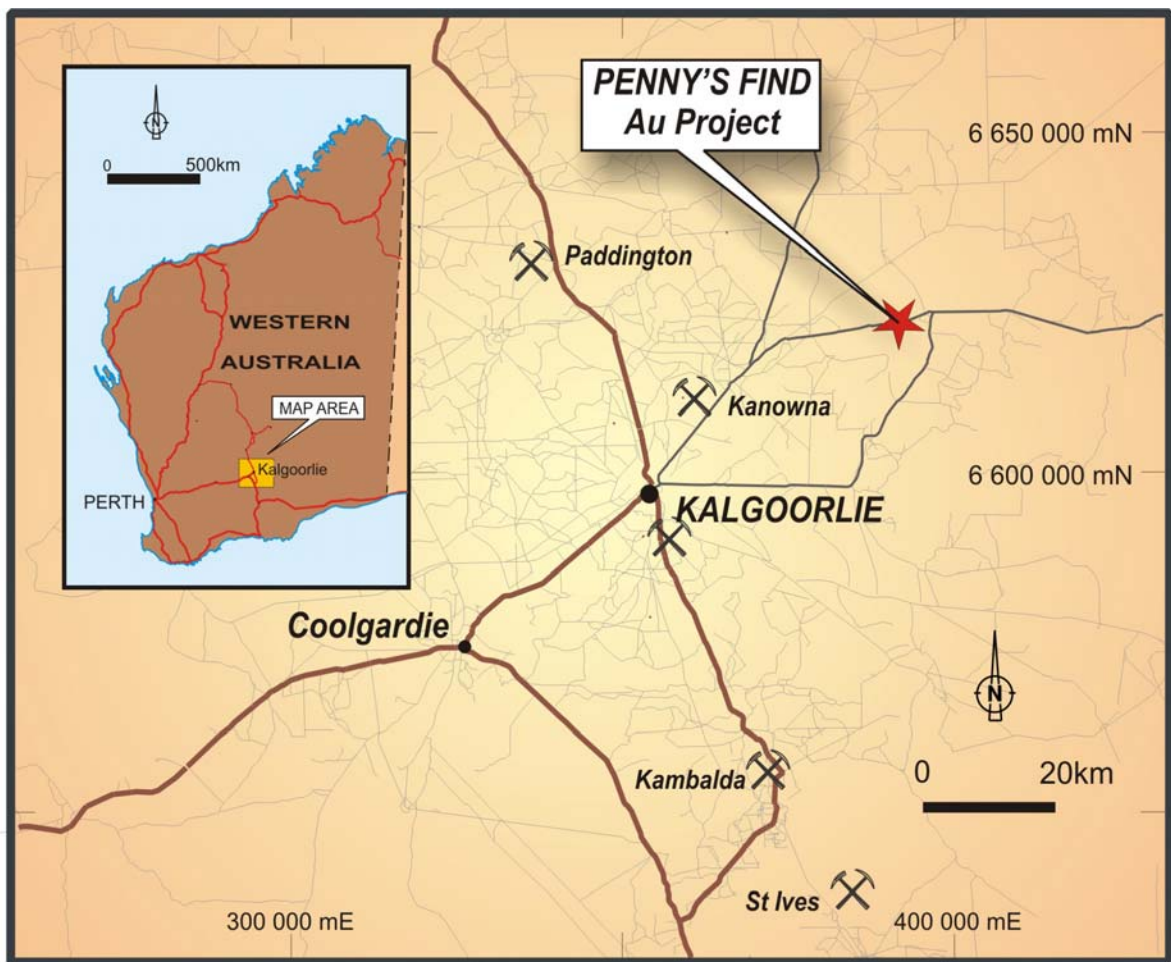


Figure 9 : Penny's Find Location Plan

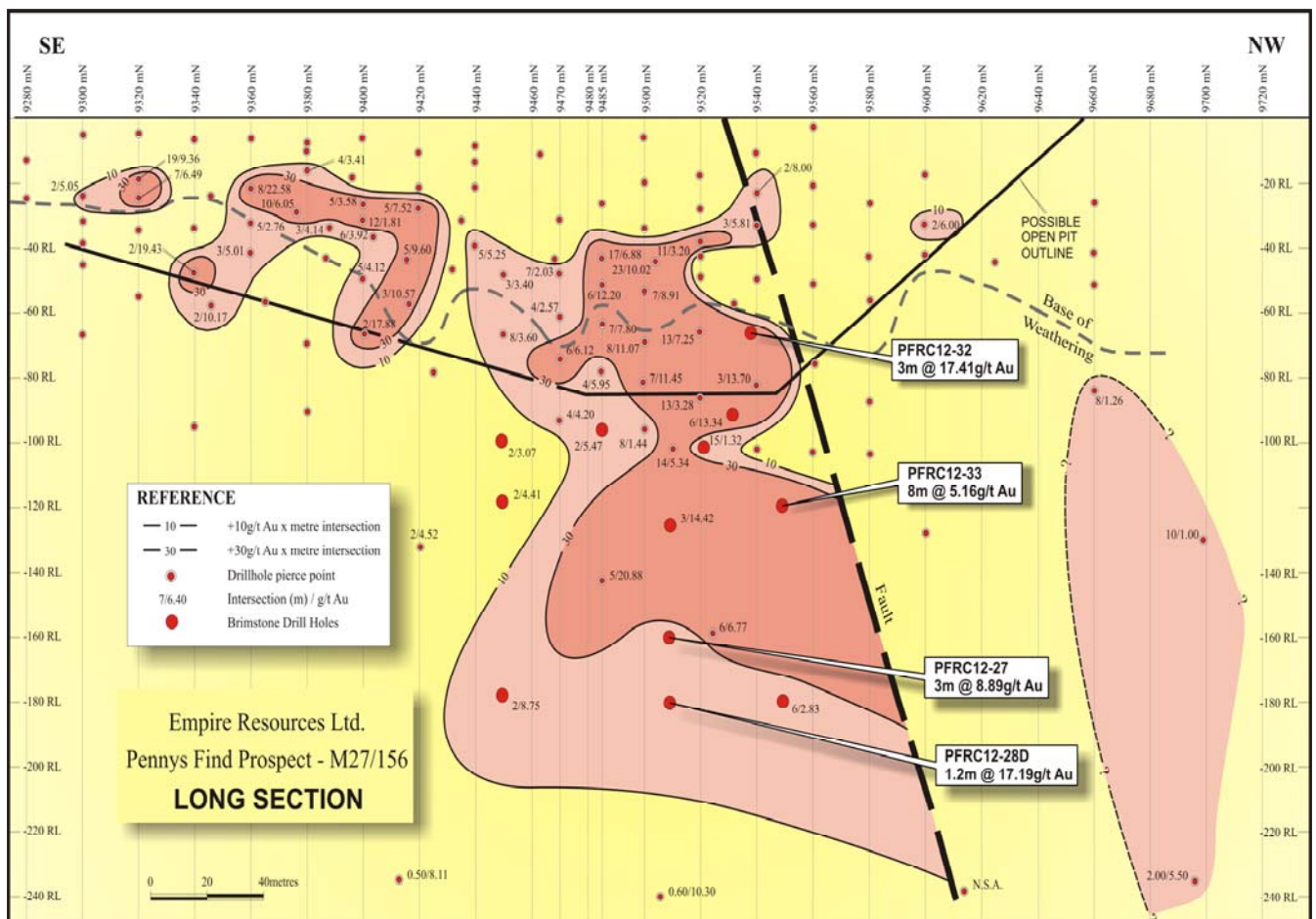


Figure 10 : Penny's Find Long Section

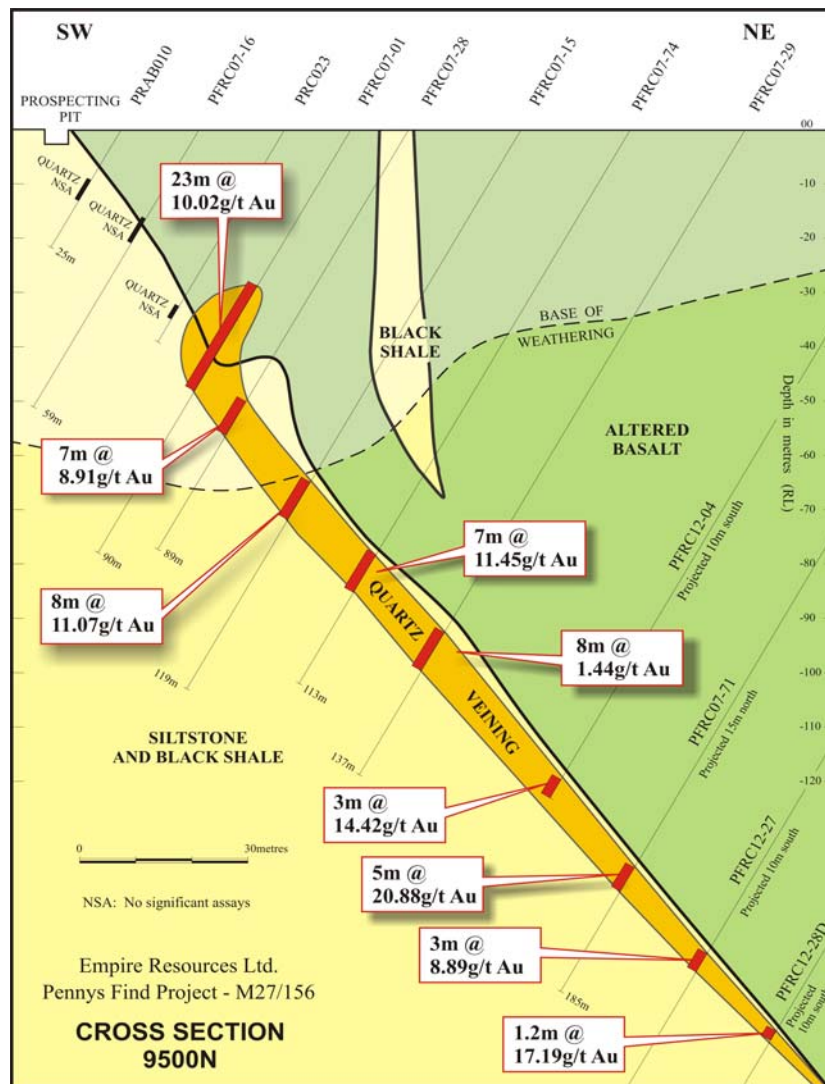


Figure 11 : Penny's Find Cross Section

Yarlarweelor (WA): Uranium Project (22% indirect interest)

The Yarlarweelor uranium project is located 125km north of Meekatharra in Western Australia. Empire Resources Ltd holds an indirect 22% interest in the project through its shareholding in ASX listed FYI Resources Ltd.

FYI Resources is targeting significant uranium mineralization (in the form of uraninite) present within the Archaean Despair Granite where it is associated with foliated granitic rocks and biotite schists in shear zones.

Previous mineralized drill intersections include the following at the Kangaroo Ridge prospect:

- 35m @ 503ppm U_3O_8 from 125.1m, including 5m @ 1,069ppm U_3O_8 ; and
- 7.8m @ 588ppm U_3O_8 from 47.8m, including 1m @ 1,873ppm U_3O_8

Results from detailed airborne radiometrics and geological mapping indicate shear zones prospective for uranium mineralization have a combined strike length in excess of 25 kilometres within the Company's tenements.

No field work was undertaken during the quarter.

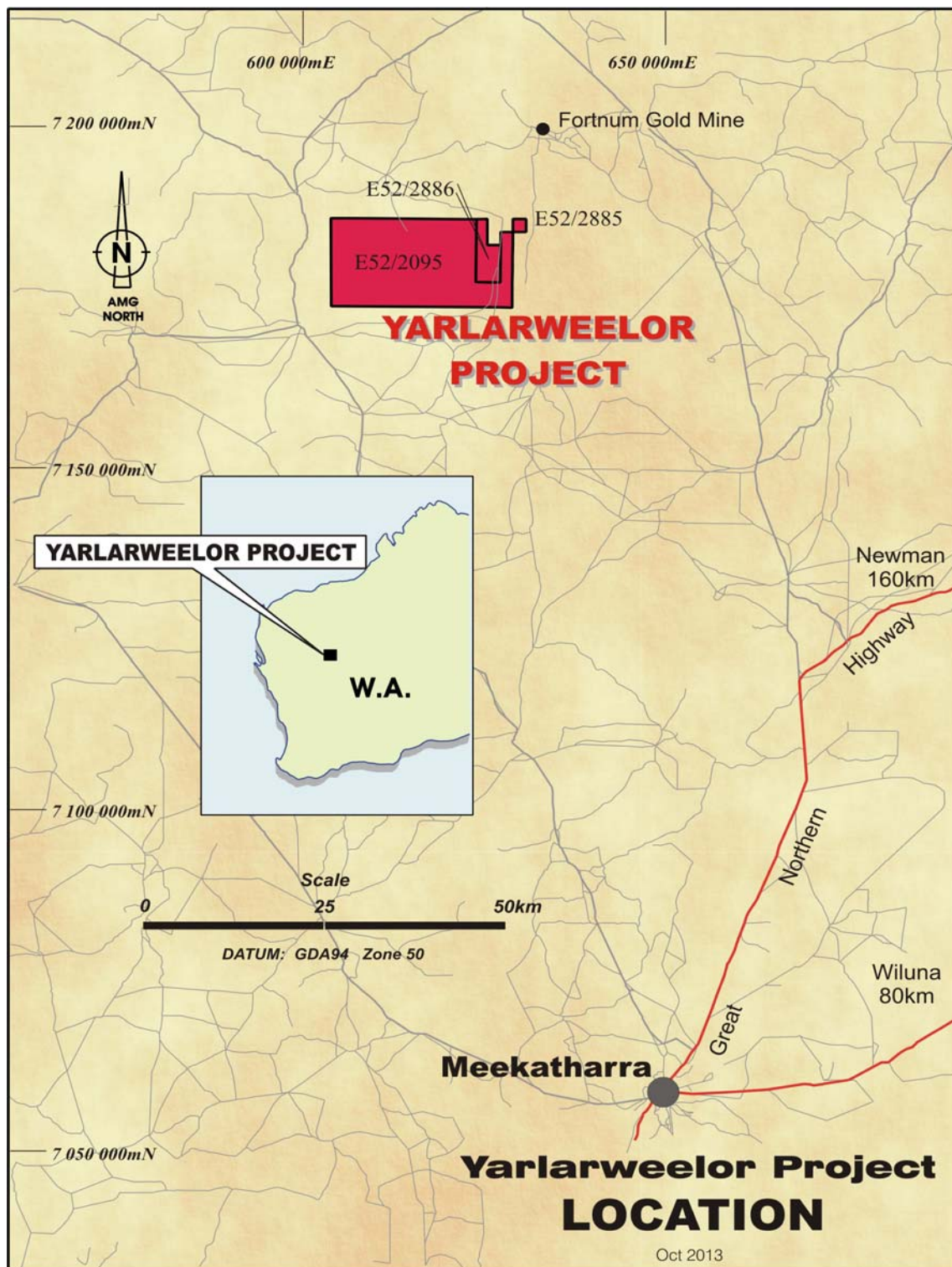


Figure 12 – Yarlarweelor Project Location

Joanna (WA): Gold Project – 80% interest

The Company has an 80% interest in a 277 km² exploration licence application located in the Canning Basin, 270km southeast of Broome. The tenement lies adjacent to the Admiral Bay Fault and is considered prospective for gold and base metal mineralization.

Along strike to the northwest, the Admiral Bay Fault is associated with substantial lead – zinc mineralization.

No field work was undertaken during the quarter.

Point Kidman (WA): Gold Project – 80% interest

Empire Resources has an 80% interest in a gold project at Point Kidman, 40 km to the east of Laverton in the Eastern Goldfields of WA.

During the quarter the Company withdrew from an agreement covering two tenements in the Point Kidman project, E38/2137 and E38/2701. These were referred to as the Piroman tenements.

No field work was undertaken during the quarter.

Troy Creek (WA): Copper - Gold - PGM Project

After a review of previous exploration results from the Troy Creek copper-gold-platinum group metal project located northeast of Wiluna, WA, the tenements were surrendered.

Corporate

The Company has been active in reviewing various gold and base metal projects situated both in Australia and overseas. A number of these projects could offer attractive business opportunities and the Company will investigate these further.

The Company is currently working with its corporate advisers and other third parties to source funds to finance its ongoing commitments and exploration plans.

DAVID SARGEANT
MANAGING DIRECTOR

January 2014

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

David Sargeant – Managing Director
Adrian Jessup – Executive Director

Phone: +61 8 9361 3100
Phone: +61 8 9361 3100

The information in this report that relates to Exploration Results has been compiled by Mr David Ross B.Sc(Hons), M.Sc, who is an employee of the Company. He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. He 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 2012 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.

Tenement Holdings at 31 December 2013

PROJECT	TENEMENT NUMBER	PERCENTAGE INTEREST HELD	COMMENTS
PENNY'S FIND	E27/410	60	
	E27/420	60	
	M27/156	60	
	P27/1713 to P27/1731 (Incl)	60	
	P27/1814	60	
	P27/1922	60	
	P27/1923	60	
	P27/1962	60	
	P27/2007	60	
	P27/2008	60	
YUINMERY	M57/265	100	
	P57/1214	100	
	P57/1215	100	
	P57/1216	100	
	P57/1217	100	
	E57/766	100	
	E57/840	100	
YUINMERY OPTION	E57/514	0	Option to earn 91.44%
	E57/681	0	Option to earn 91.44%
	P57/1130	0	Option to earn 91.44%
	P57/1131	0	Option to earn 91.44%
DAMPERWAH	E59/1323	0	Option to earn 70%
POINT KIDMAN	E38/2508	80	
	E38/2510	80	
	E38/2582	80	
	E38/2639	80	
	E38/2640	80	
	E38/2641	80	
	E38/2785	80	
	E38/2786	80	
	E38/2787	80	
	E38/2788	80	
JOANNA	E45/4113	80	
TROY CREEK	E69/1729	0	Tenement surrendered
	E69/2357	0	Tenement surrendered
	E69/2358	0	Tenement surrendered
	E69/2485	0	Tenement surrendered
	E69/2869	0	Tenement surrendered
	E69/2870	0	Tenement surrendered
	E69/2904	0	Tenement surrendered
	E69/2905	0	Tenement surrendered
	P69/45	0	Tenement surrendered
PIROMAN	E38/2137	0	64% interest divested
	E38/2701	0	64% interest divested

JORC 2012 - Section 2 Reporting of Exploration Results

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	E59/1323 – granted tenement to 2018. Company has option to earn 70% interest. Exploration clearance completed with native title claimants.
<i>Exploration done by other parties</i>	Gold exploration in the area has been undertaken over many years by prospectors. Mt Gibson Iron more recently investigated the tenement for pisolitic iron deposits without success.
<i>Geology</i>	Broadly folded sequence of ultramafic and mafic rocks with intercalated BIF, sediments and felsic/intermediate volcanics. Gossanous ironstones are associated with the sediments and felsic volcanics.
<i>Drill hole Information</i>	No drilling was undertaken
<i>Data aggregation methods</i>	No drilling was undertaken
<i>Relationship between mineralisation widths and intercept lengths</i>	No drilling was undertaken
<i>Diagrams</i>	Refer to text
<i>Balanced reporting</i>	No drilling was undertaken
<i>Other substantive exploration data</i>	A Moving Loop EM survey detected a 200m long moderate strength conductor in the prospective horizon.
<i>Further work</i>	Modelling of the EM anomaly is planned along with ground truthing and sampling to determine its prospectivity. Subject to the above a drill hole will be planned to intercept the conductor at depth.