



Empire Metals Limited / AIM: EEE / Sector: Natural Resources

8 February 2022

**Empire Metals Limited
(‘Empire’ or the ‘Company’)**

**Empire to Focus on Advanced Exploration Opportunities at Eclipse and Gindalbie Projects
and
Termination of Option on Central Menzies Gold Project**

Empire Metals Limited, the AIM-quoted resource exploration and development company, is pleased to announce that it will commence a strategic phase of exploratory drilling at the Eclipse Gold Project (‘Eclipse’) in conjunction with an initial drilling campaign at the new Gindalbie Gold Project (‘Gindalbie’), located immediately adjacent and southeast to Eclipse within the Eastern Goldfields of Western Australia. This significantly larger, newly combined Eclipse-Gindalbie project area provides the Company with an exciting advanced gold exploration opportunity. As a result, the Company has decided not to take up the Option over the Central Menzies Gold Project (‘**Central Menzies**’) in order to focus its activities on the more promising Eclipse and Gindalbie Projects.

Overview:

- A substantial strategic drilling campaign has been designed for Eclipse, in conjunction with an initial drilling campaign within the adjacent Gindalbie project area (refer Figure 1), which will be implemented over the coming weeks.
- Empire expects the Tribute Agreement allowing the Company to explore and mine the Gindalbie Project (refer announcement dated 28 January 2021) to be concluded prior to the commencement of drilling within the Gindalbie project area.
- The Gindalbie project area increases Empire’s mineralised footprint around its flagship Eclipse Project by over 200% to a total of 943ha and covers several historic high-grade gold prospects that, together with the Eclipse and Jack’s Dream prospects, represent multiple structures within one large gold system.
- The highly anticipated next round of exploratory drilling at Eclipse, utilising both reverse circulation (‘RC’) and Diamond Drill (‘DD’) holes, is designed to gather further geological and structural information around the Eclipse shaft (‘Eclipse’) and Jack’s Dream shaft (‘Jack’s Dream’) and to prove continuity of the gold mineralisation below the gold-depleted zone of weathering.
- In addition to drilling the deeper targets at Eclipse and Jack’s Dream, Empire will commence an RC drilling campaign at Gindalbie, looking to not only extend the mineralised trend a further 2km to the southeast of Eclipse but also to understand the extent and origin of what the Company believes to be a much larger gold system.

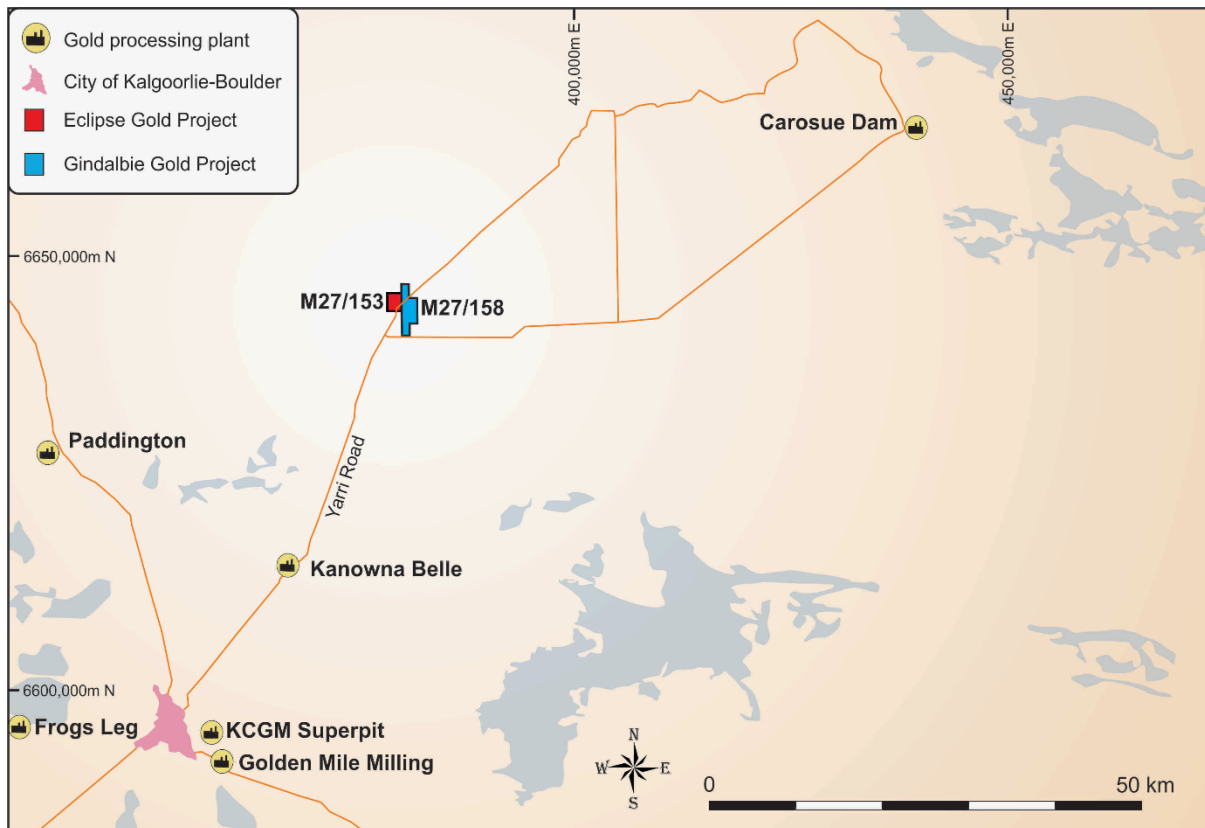


- Empire announced a summary of its exploration activities at Central Menzies on 28 January 2022, including the results of a second phase of RC drilling which focused on testing the Nugget Patch gold trend to confirm if there was higher grade mineralisation sitting at depth below a supergene gold enriched zone and to confirm historic high grade gold intersections closely associated with the main workings at Teglio. The results were generally inconclusive, with no obvious continuity along strike and no significant high-grade intercepts.
- The Company has therefore decided to terminate the Option over Central Menzies and instead intends to focus on the known high-grade gold assets centred around the Eclipse-Gindalbie project area as well as look for further acquisitions within Australia.
- Empire remains well funded and capable of executing a substantial amount of exploration over the coming months with over £2.1 million in current cash reserves. The current favourable exchange rate between the Pound Sterling and the Australian Dollar provides the Company with an opportunity to carry out additional exploration activities for less expenditure than originally envisaged.

Shaun Bunn, Managing Director, said: *"This next strategic round of drilling at the Eclipse and Jack's Dream lodes will test for both high grade gold mineralisation at depth and continuity of the mineralisation between the previous high grade RC drilling intercepts. We are focusing on obtaining diamond core samples from which we expect to gather important geological and structural data which will enable Empire to build upon and improve the geological model at Eclipse."*

"By developing a more robust understanding of the structural controls on mineralisation we can step out our drilling targets with confidence and look to extend the known footprint of gold mineralisation within the combined Eclipse-Gindalbie project area, which we believe contains a very significant high-grade gold system."

Figure 1. Location Map



Eclipse Drilling programme based on recent “Strategic Review”

Empire has to date completed three exploratory drilling programmes at Eclipse, consisting of 111 reverse circulation (‘RC’) drill holes for a total of 9,121 metres and three diamond drill holes for a total of 201 metres. Significant intercepts from the RC drill programmes at Eclipse (above 1.3 ppm Au) are reported in Table 1 below.

Late last year Empire completed a strategic technical review of all the data collected over the Eclipse licence area, focusing on understanding the structural controls on the high-grade gold lodes identified by previous drilling. The gold mineralisation at Eclipse is hosted in sheared felsic to intermediate volcanics and volcanoclastic sediments, and associated with pyrite, pyrrhotite and quartz veining. Analyses of the structural data collected during the diamond drilling last year has confirmed the gold mineralisation to be associated with shear foliation within the volcanoclastic sediments.

The current database for Eclipse shows only 20% of the RC holes drilled to date have penetrated below the gold-depleted regolith zone into fresh rock. The results from previous drilling also indicate that gold mineralisation likely continues to greater depths, and that further drilling is warranted to test the strike and depth extensions of multiple gold structures at Eclipse.



Table 1. Significant intercepts of the RC drill programme at Eclipse (reported above 1.3 ppm Au).

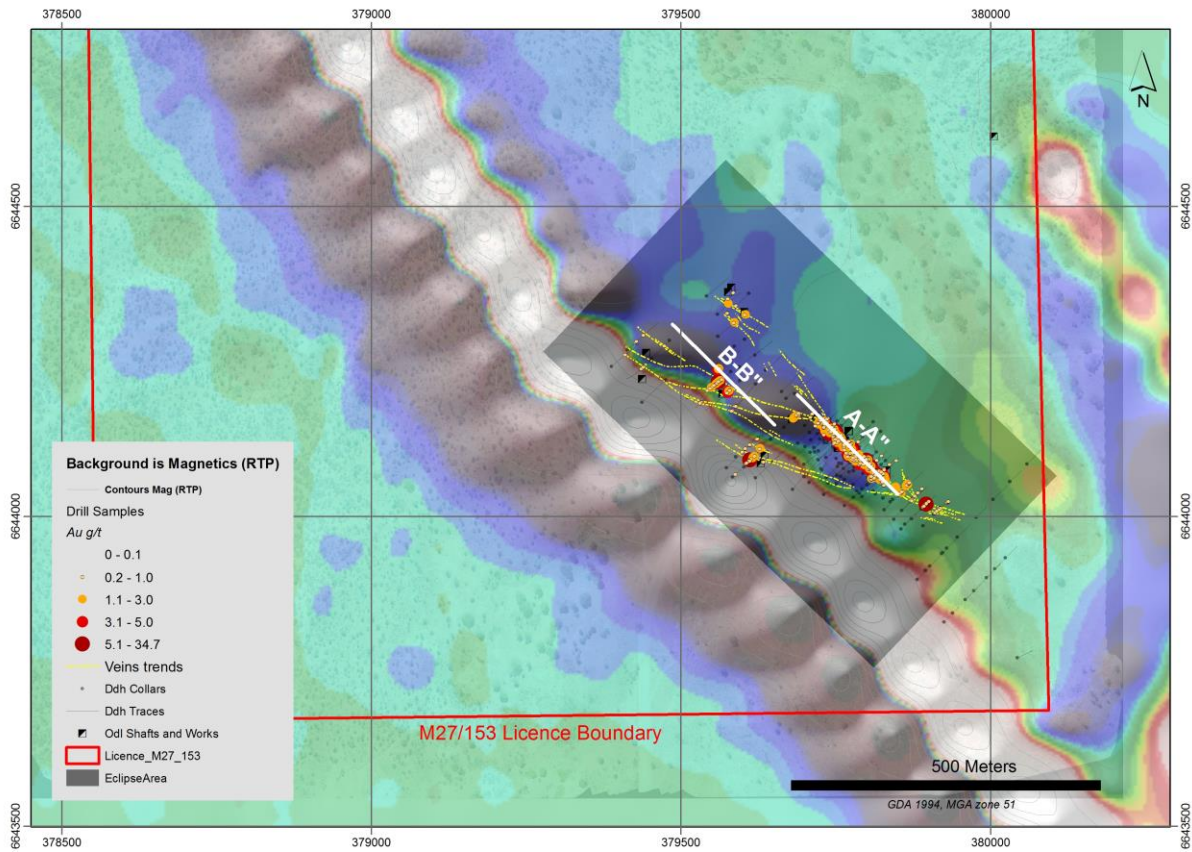
Hole_id	Depth From (metres)	Depth To (metres)	Interval (metres)	Au (g/t)	Target
Phase 1 Drilling Programme – October 2020					
ECRC20_005	42	50	8	2.14	Eclipse
ECRC20_009	45	48	3	21.96	Eclipse
ECRC20_017	49	52	3	3.18	Eclipse
ECRC20_021	9	10	1	7.76	Eclipse
ECRC20_021	13	23	10	1.49	Eclipse
ECRC20_022	22	36	14	3.78	Eclipse
ECRC20_026	0	1	1	6.93	Eclipse
ECRC20_026	10	11	1	4.51	Eclipse
ECRC20_027	33	36	3	5.37	Eclipse
ECRC20_031	15	16	1	1.51	Eclipse
ECRC20_032	26	30	4	4.58	Eclipse
ECRC20_036	30	31	1	1.58	Eclipse
ECRC20_037	133	141	8	3.20	Eclipse
ECRC20_039	94	105	11	3.04	Eclipse
ECRC20_040	77	78	1	2.46	Eclipse
Phase 2 Drilling Programme – January 2021					
ECRC21_002	91	94	3	2.45	Eclipse
ECRC21_003	118	126	8	2.83	Eclipse
ECRC21_004	134	137	3	2.61	Eclipse
ECRC21_005	138	146	8	1.86	Eclipse
ECRC21_006	93	97	4	1.44	Eclipse
ECRC21_007	144	147	3	2.38	Eclipse
ECRC21_008	99	100	1	1.86	Eclipse
ECRC21_009	62	67	5	1.59	Eclipse
ECRC21_010	52	53	1	2.50	Eclipse
ECRC21_015	50	52	2	1.32	Steinhobel
ECRC21_017	70	78	8	2.32	Eclipse
ECRC21_020	46	70	24	1.44	Jack's Dream
ECRC21_020	82	85	3	2.51	Jack's Dream
ECRC21_024	38	39	1	2.10	Twin Shaft
ECRC21_024	45	48	3	2.07	Twin Shaft
ECRC21_027	33	39	6	5.52	Eclipse
ECRC21_029	33	37	4	2.80	Eclipse
ECRC21_030	49	54	5	4.77	Eclipse
ECRC21_032	55	56	1	1.46	Eclipse



ECRC21_033	49	54	5	1.42	Eclipse
ECRC21_034	75	78	3	2.40	Eclipse
ECRC21_035	47	49	2	2.22	Steinhobel
Phase 3 Drill Programme – April 2021					
ECRC21_045	126	131	5	3.54	Jack's Dream
ECRC21_046	50	56	6	2.39	Jack's Dream
ECRC21_053	40	42	2	1.68	Eclipse – NW extension
ECRC21_053	51	54	3	2.08	Eclipse – NW extension
ECRC21_054	66	70	4	4.78	Twin Shaft
ECRC21_059	75	77	2	1.75	Eclipse
ECRC21_060	53	55	2	3.65	Eclipse
ECRC21_062	0	1	1	4.08	Eclipse

A detailed fourth drilling programme of over 2300m has now been designed for the Eclipse and Jack's Dream lodes and includes 900m of diamond core drilling and 1400m of RC drilling. The drilling will focus on the Eclipse and Jack's Dream lodes, along strike of the mineralised trends (refer Figure 2.)

Figure 2: Plan view of the southern half of the Eclipse licence.



Magnetics (RTP), with drill intercepts indicating Eclipse and Jack's Dream area and lines delineating the long-sections shown in Figures 3 and 6 below.

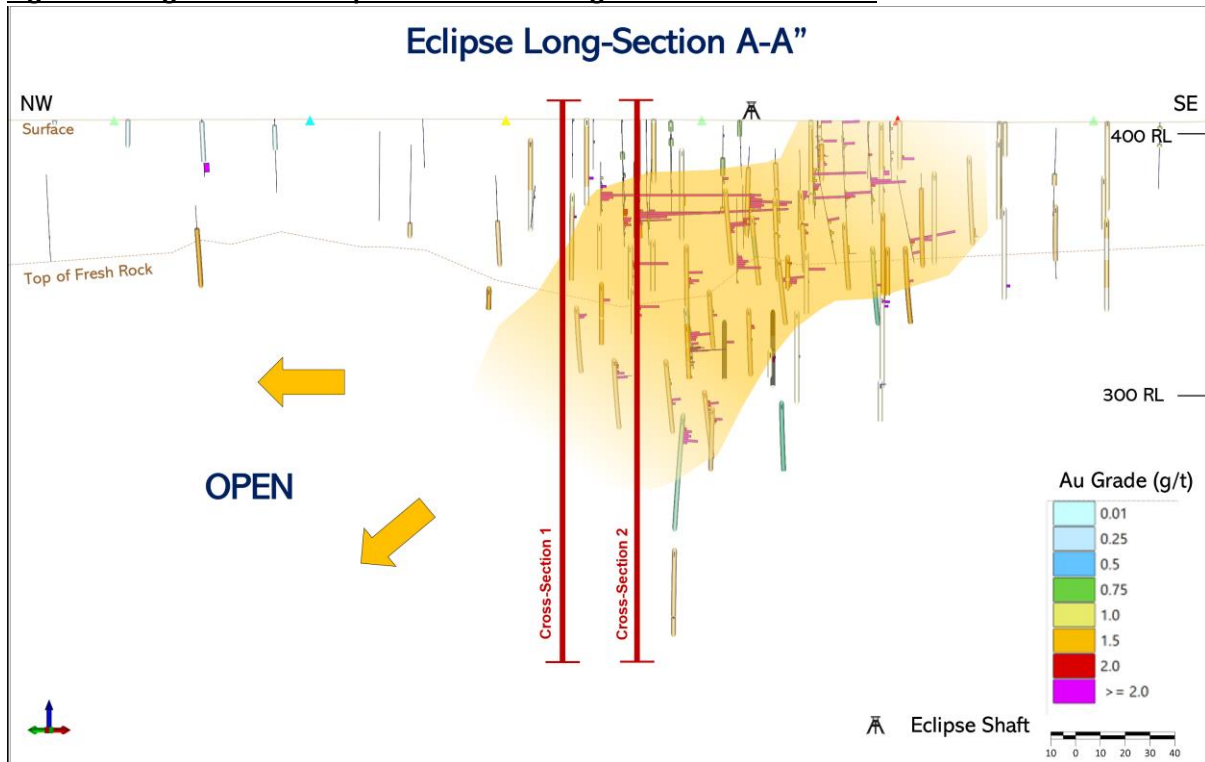
The following sections illustrate examples of how the planned drilling at Eclipse and Jack's Dream will be targeting high-gold zones within the fresh rock below the regolith (weathered profile).

Eclipse Ore Zone

Two diamond holes drilled previously near the Eclipse shaft successfully penetrated fresh rock (ECDD21_01 and ECDD21_03) and these have provided valuable structural information pertaining to what controls the gold mineralisation. A total of 60 structural measurements were taken from the drill core, measuring the bedding, foliation, and quartz-carbonate veining of the fresh rock. These were plotted onto a 'stereonet' with Au assays, which showed the high-grade mineralisation to be associated with a steeply-dipping, northwest-southeast trending foliation.

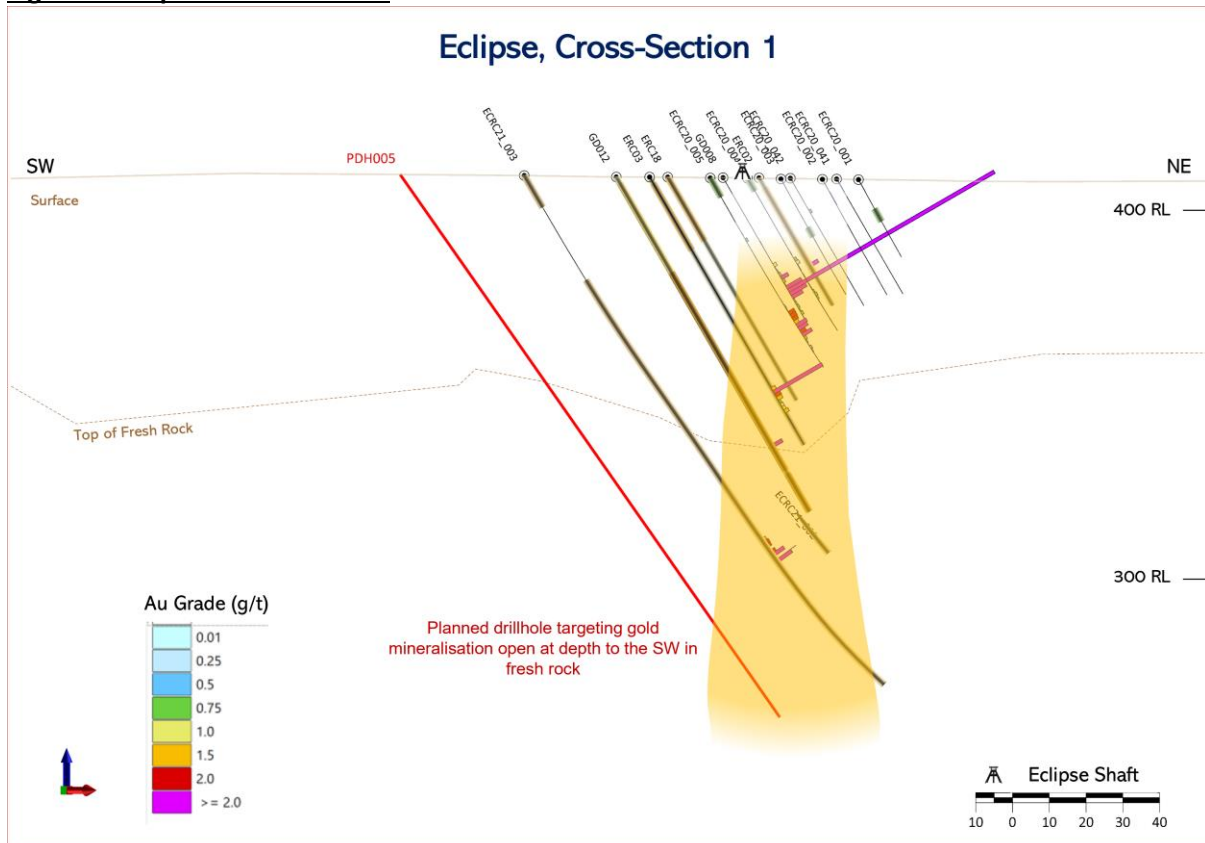
When the drillhole and assay data are plotted into 3D modelling software, and a long-section is defined along strike of the foliation, it shows the mineralisation is open at depth and along-strike within the fresh rock (Figure 3), highlighting areas which to date have been completely untested. In doing so, Empire has defined several priority drill targets, two of which are highlighted in the cross-sections shown in Figures 4 and 5.

Figure 3: Long-section of Eclipse orientated along strike of the foliation.



Viewing northeast through a 20m wide window. Shaded zone indicates the higher-grade gold mineralisation which remains open at depth, and to the northwest, where it could potentially link to Jack's Dream.

Figure 4. Eclipse Cross section 1



Eclipse, Cross-Section 2

This geological cross-section, titled "Eclipse, Cross-Section 2", illustrates the subsurface structure and gold (Au) grade distribution. The vertical axis represents Relative Level (RL) with markers at 400 RL (Surface) and 300 RL. The horizontal axis indicates orientation from SW (South West) to NE (North East). A dashed line represents the "Top of Fresh Rock". Several drillholes are shown as colored lines: PDH014 (red), 100005 (brown), ECR20_013 (black), ECR20_012 (black), ECR20_011 (black), ECR20_010 (black), and ECR20_009 (purple). A yellow shaded area represents the Au grade distribution, with a color scale legend on the left indicating grades from 0.01 g/t (light blue) to >= 2.0 g/t (magenta). A red line indicates a "Planned drillhole testing continuity of gold mineralisation into the fresh rock to the NE". A scale bar at the bottom right shows distances from 10 to 40 meters, and a north arrow is located at the bottom left.

SW NE

Surface

400 RL

Top of Fresh Rock

300 RL

Au Grade (g/t)

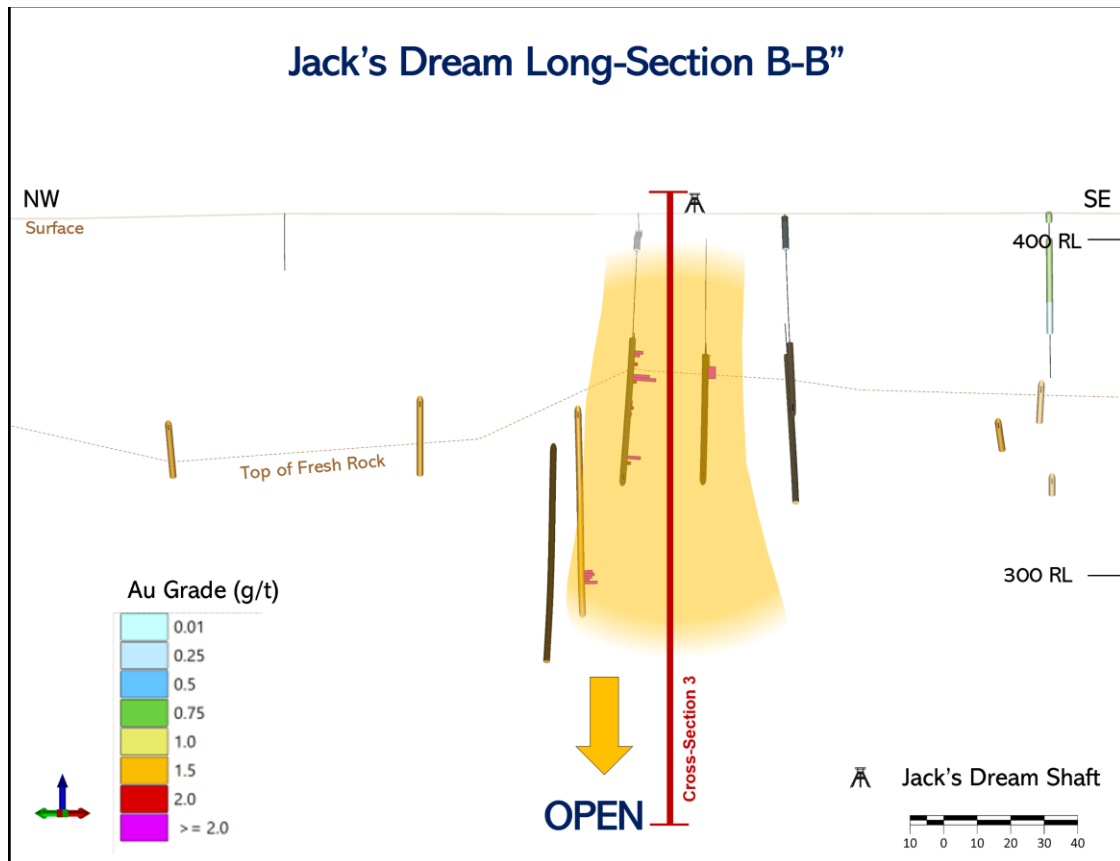
0.01
0.25
0.5
0.75
1.0
1.5
2.0
>= 2.0

Planned drillhole testing continuity of gold mineralisation into the fresh rock to the NE

Eclipse Shaft

10 0 10 20 30 40

Figure 6: Long-section of Jack's Dream along strike of the foliation defined from Eclipse.



Viewing northeast through a 40m wide window. Shaded area indicates higher grade gold mineralisation which remains open at depth, and towards the southeast.

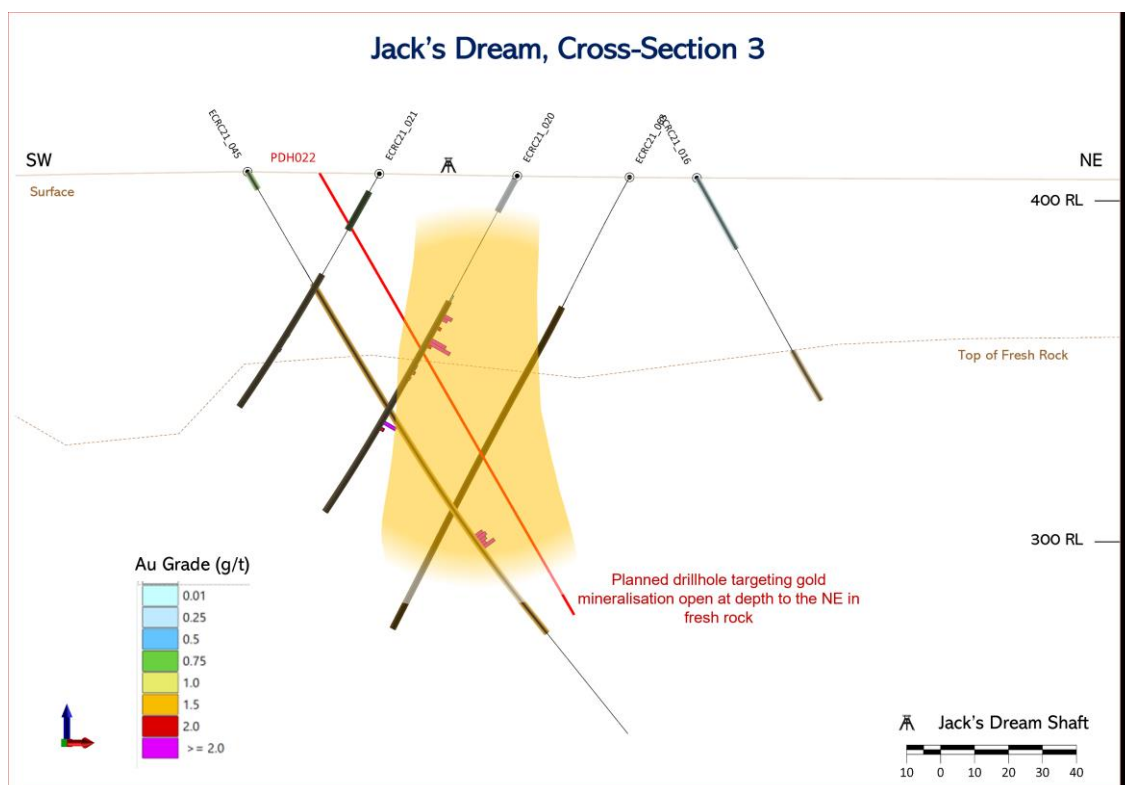


Figure 7. Cross section at Jack's Dream

Gindalbie Gold Project Exploration Planned

The recently announced agreed Heads of Terms to enter into a Tribute Agreement for the Gindalbie Gold Project, the granted area within the adjacent mining lease M27/158, is an exciting development for the Company as it provides the potential for significant additional high-grade gold targets to be evaluated within the combined Eclipse-Gindalbie area, both along the southeast strike extension of the Eclipse trend and in sub-parallel northwest-southeast trends lying to the northeast and southwest of the Eclipse trend (refer Figure 8).

The exploration activities being planned for Eclipse-Gindalbie area will be executed as a phased approach, taking the benefits from the data collected from both the Eclipse drilling programmes and from a technical review of the existing exploration database covering the Gindalbie Gold Project. It is important that additional data be collected from the fresh rock to fully understand lithological and structural context, at both Eclipse and Jack's Dream, which influence controls on the gold mineralisation. The design and implementation planning for an initial drilling programme at Gindalbie is underway, with the plan to commence drilling once the Eclipse RC drilling programme is completed.

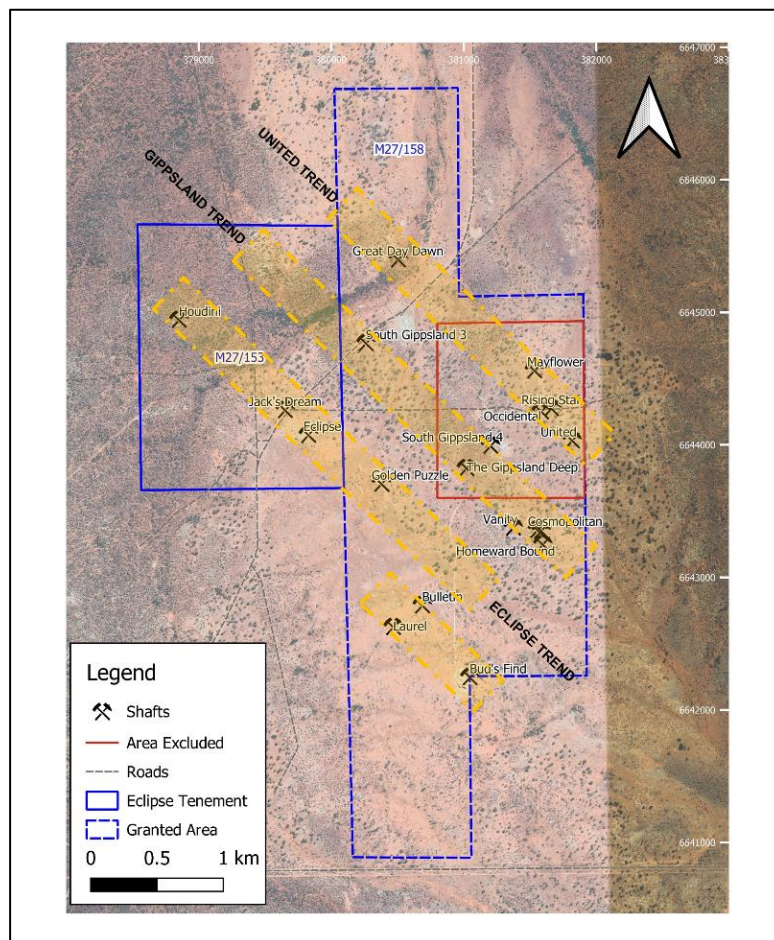


Figure 8. Granted area within ML27/158 showing major mineralised sub-parallel trends running north-west and south-east



Central Menzies Gold Project Update

The Central Menzies Gold Project, located in the Menzies Shire, approximately 115km north of the city of Kalgoorlie-Boulder and 10km south of the township of Menzies, consists of four prospecting tenements (P29/2361, 2362, 2363 and 2364) covering an area of 618 hectares.

Empire held an Option to acquire a 70% interest in Central Menzies at a cost of AUD\$1,750,000 in cash and AUD\$1,250,000 to be settled via the issue of new ordinary shares of no-par value at a price calculated by reference to a 10% discount to the 30-day VWAP.

A summary of the exploration activities, carried out by Empire at Central Menzies since entering into the Option Agreement in May 2021, was recently announced and included the results of a second phase of RC drilling. The second round of drilling was focused on testing the Nugget Patch gold trend to confirm if there was higher grade mineralisation sitting at depth below a supergene gold enriched zone and to confirm historic high grade gold intersections closely associated with the main workings at Teglio. The results were generally inconclusive, with no obvious continuity along strike and no significant high-grade intercepts within fresh rock. After a detailed technical evaluation Empire considers that the results achieved to date do not warrant further exploration expenditure and has decided not to take up the Option, much preferring to focus the Company's exploration activities on the highly prospective Eclipse-Gindalbie region and also to look further afield for acquisitions within Australia.

Competent Person Statement

The technical information in this report that relates to the Eclipse Gold Project has been compiled by Mr Andrew Bewsher, a full-time employee of BM Geological Services. Mr Bewsher is a Member of the Australian Institute of Geoscientists. Mr Bewsher has been engaged as a consultant by Empire Metals Limited. Mr Bewsher has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Bewsher consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014, as incorporated into UK law by the European Union (Withdrawal) Act 2018, until the release of this announcement.

****ENDS****



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About Empire Metals Limited

Empire Metals is an AIM-listed (LON: EEE) exploration and resource development company with a project portfolio comprising gold interests in Australia and Austria.

The Company strategy is to develop a pipeline of projects at different stages in the development curve. Its current focus is on the high-grade Eclipse Gold Project in Western Australia, with the goal to expand through the addition of further projects in the region to develop a viable and compelling portfolio of precious metals assets.

Empire also holds a portfolio of three precious metals projects located in a historically high-grade gold production region comprising the Rotgulden, Schonberg and Walchen prospects in central-southern Austria.

The Board continues to evaluate opportunities through which to realise the value of its wider portfolio and reviews further assets which meet the Company's investment criteria.