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

20 December 2021

Empire Metals Limited ('Empire' or the 'Company')

Exploration update for the Eclipse Gold Project

Empire Metals Limited, the AIM-quoted resource exploration and development company, is pleased to announce an exploration update for the Eclipse Gold Project (the 'Project') located within the Eastern Goldfields of Western Australia.

Overview:

- A strategic technical review has revisited all data collected over the Project licence area and focused on developing a more advanced understanding of the structural controls on the known gold mineralisation.
- The current database highlights the potential of significant additional mineralisation discovery within the licence area as it demonstrates only 20% of the Reverse Circulation ('RC') holes drilled to date have penetrated below the gold-depleted regolith zone into fresh rock.
- A new series of drilling programmes, utilising both RC and Diamond Drill ('DD') holes, is scheduled to commence Q1 2022 and has been 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.
- The design of a larger-scale exploration programme is also underway to test gold targets to the north and northwest areas of the licence area.

Shaun Bunn, Managing Director, said: *"A thorough and rigorous assessment of the data collected to date has been completed, leading to a much better understanding of the geological and structural controls of the gold mineralisation, which is vital for designing and implementing the next phase of exploration. The analysis by our technical team has confirmed that gold mineralisation at Eclipse is associated with a NW-striking and steeply SW-dipping shear zone with significant gold mineralisation known to extend over a strike length of more than 200 metres.*

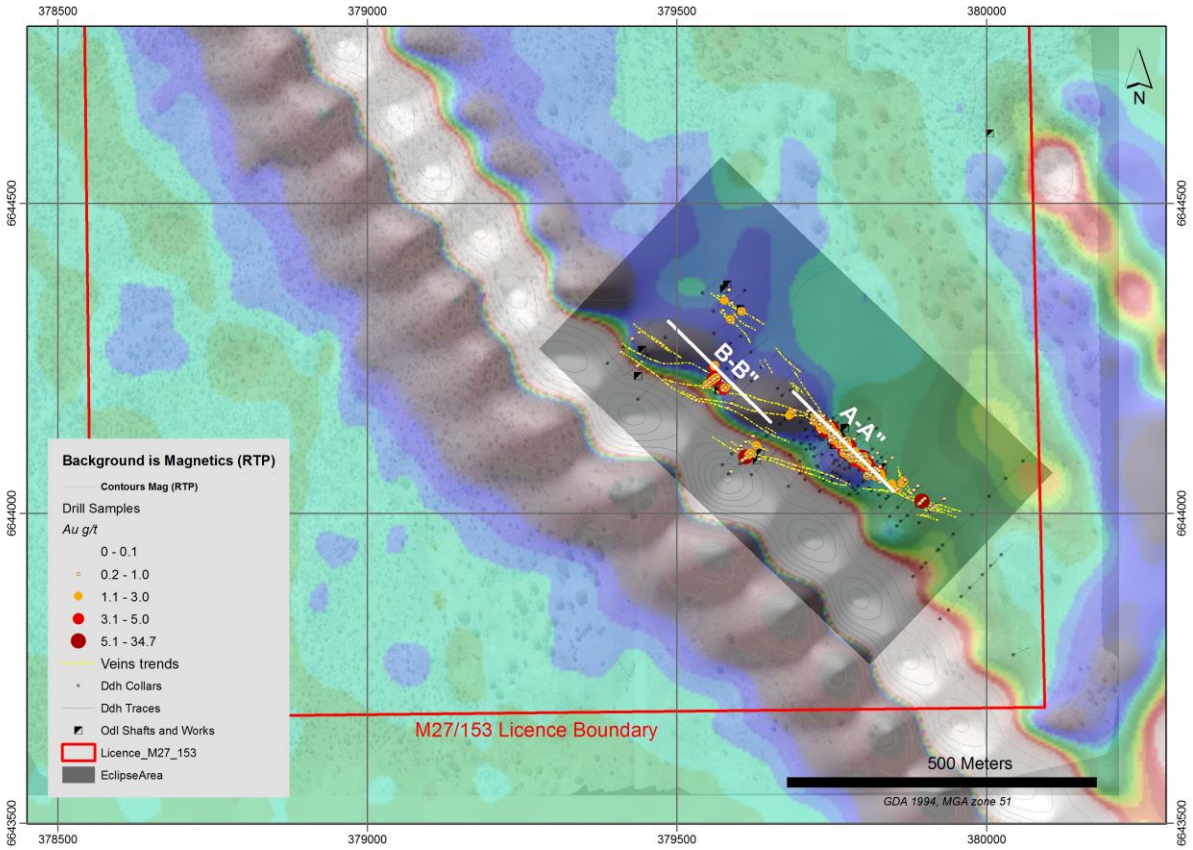
"This interpretation has only been possible thanks to data collected from the recent diamond drilling programme, as there was limited structural data from the previous RC holes drilled, particularly as only 20% of the RC holes drilled within the licence area have been deep enough to penetrate the gold-depleted zone of weathering into fresh rock."

Strategic Review Completed

The gold mineralisation at Eclipse is hosted in sheared felsic to intermediate volcanics and volcaniclastic sediments, and associated with pyrite, pyrrhotite and quartz veining. Analyses of the structural data collected during the diamond drilling earlier this year has confirmed the gold mineralisation to be associated with shear foliation within the volcaniclastic sediments.

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.

Figure 1: Plan view of the southern half of the Eclipse licence.



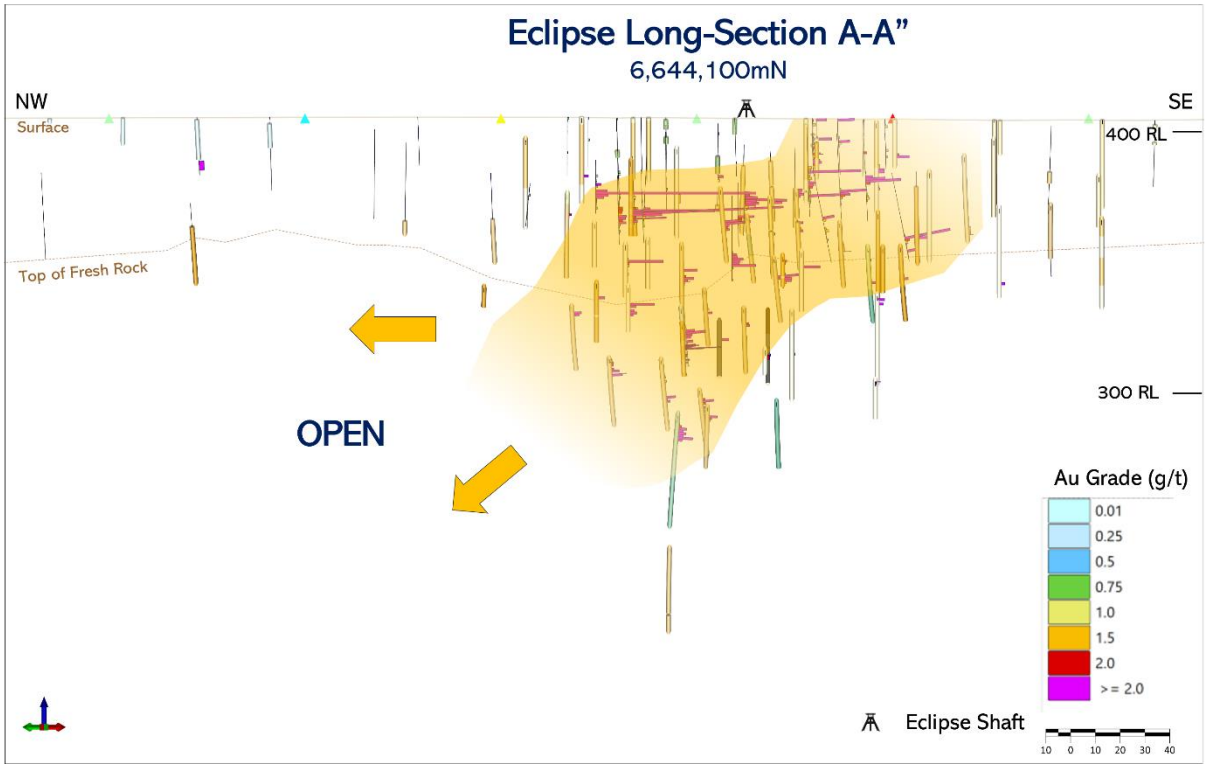
Magnetics (RTP), with drill intercepts indicating Eclipse and Jack's Dream area and lines delineating the long-sections shown in Figures 2 and 3 below.

Eclipse Ore Zone

Two diamond holes drilled 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 diamond holes, 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. This is vital information for planning future drillholes and targeting the mineralisation along strike.

When the drillhole and assay data are plotted into 3D modelling software, and a cross-section is defined along strike of the foliation, it shows the mineralisation is open at depth and along-strike within the fresh rock (Figure 2), highlighting areas which to date have been completely untested. In doing so, Empire has defined several priority drill targets for the next phase of exploration at Eclipse.

Figure 2: Long-section of Eclipse orientated along strike of the foliation.

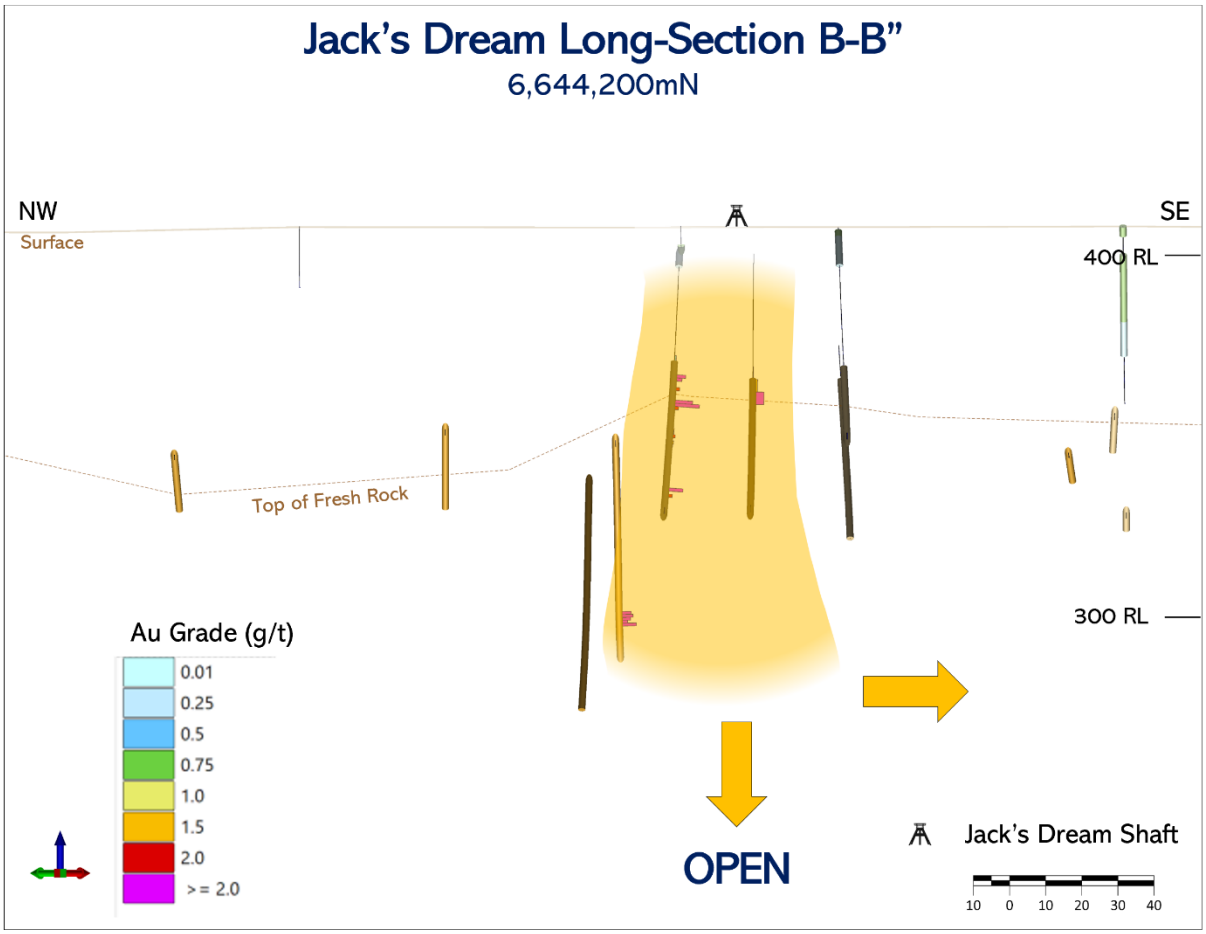


Viewing northeast through a 20m wide window. Shaded zone indicates the higher grade gold mineralisation which remains open at depth, and to the northwest, where it could potentially link to Jack's Dream.

Jack's Dream

At Jack's Dream, where only RC holes have been drilled, a similar approach has been employed using the structural measurements from Eclipse (Figure 3). This shows again the upside and exploration potential for discovering more gold mineralisation within the fresh rock at depth, which remains untested. It also supports the idea that Eclipse and Jack's Dream are upper parts of a larger, linked gold system at depth below the regolith horizon between the two areas, although this concept has yet to be tested adequately.

Figure 3: Long-section of Jack's Dream along strike of the foliation defined by DD holes 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.

Further Exploration Planned

The current database for the Project shows only 20% of the RC holes drilled to date have penetrated below the gold-depleted regolith zone into fresh rock. This is an exciting development for the Company as it highlights the potential for significant additional mineralisation to be discovered within the licence area, and certainly merits further drilling. The planned drilling will be executed as a phased approach, maximising the data collected in each phase to guide the following phase. It is important that additional data be collected from the fresh rock to fully understand lithological and structural contacts, at both Eclipse and Jack's Dream, which influence controls on the gold mineralisation. The final design and implementation planning for the next drilling programme is underway, which will include both RC and DD drilling, and is expected to commence in Q1 2022.

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 and the Central Menzies 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 an 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.