



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

6 April 2022

## Empire Metals Limited

### Empire Increases Exploration Landholding from 9.5 km<sup>2</sup> to 1,728 km<sup>2</sup> with the Acquisition of Three Highly Prospective Copper-Gold Projects in Australia

Empire Metals Limited (LON: EEE), announces that it has acquired a 70% interest in three highly prospective Australian-based copper-gold projects (the '**Projects**') from Century Minerals Pty Ltd ('**Century**'). Two of the projects, the Pitfield Copper-Gold Project ('**Pitfield**') and the Walton Copper-Gold Project ('**Walton**') are in Western Australia whilst the Stavelly Copper-Gold Project ('**Stavelly**') lies within the Stavelly Arc region of Victoria.

This acquisition increases the size of Empire's exploration camp from 9.5 km<sup>2</sup> to 1,728 km<sup>2</sup>, an area considerably larger than that covered by Greater London, and importantly the projects all lie within mining regions well known for world-class and significant copper and/or gold discoveries.

#### Highlights

- The acquisition of the three highly prospective copper-gold projects has the potential to transform Empire into a significant explorer and developer in Australia and will complement the existing Eclipse and Gindalbie projects
- Increases Exploration Licence Area from 9.5 km<sup>2</sup> to 1,728 km<sup>2</sup>
- The acquisition forms an integral part of Empire's exploration strategy to advance assets up the value chain and significantly increase shareholder value
- All projects are in geological regions well known for world-class and significant copper and/or gold discoveries:
  - **Pitfield Project** - based in the Western Yilgarn province, within the Neoproterozoic Yandanooka basin. The Neoproterozoic is a globally important copper mineralisation era, which includes the copper belt of southern Africa (DRC, Zambia and Namibia), and the highly mineralised Paterson province in the north of Western Australia, host to major Cu-Au deposits such as Telfer, Winu and the Havieron project.
  - **Stavelly Project** – located within the Stavelly Arc which may represent the underexplored northern extension of the prolific Mount Read Volcanic Belt of Tasmania which hosts several world-class mineral deposits including the Mt Lyell Cu-Au deposit, the Henty Au deposit and the Rosebery and Hellyer polymetallic deposits, all of which saw significant scale, profitable mines. The Stavelly project sits along strike from the important recent discoveries made by Stavelly Minerals at the Thursday Gossan Project, including a



discovery hole at the structurally controlled Cayley lode: **32m @ 5.88% Cu, 1.0g/t Au, 58g/t Ag.**

- **Walton Project** – located in the underexplored Yerilgee greenstone belt, within the Southern Cross domain, the belt is part of the 2.9 Ga Western Yilgarn greenstone succession that hosts the world-class Golden Grove volcanic-hosted massive sulphide (VHMS) system, and several other emerging VHMS prospects such as Cobre Ltd's Perrinvale Project.
- Empire plans to collect high-resolution aeromagnetics across all three project areas to assist in mapping the basement geology and structures, as well as commencing field work programmes that will include soil sampling, geochemical mapping and potentially aircore drilling to define mineralised footprints and to prioritize targets for further reverse circulation and diamond core drilling programmes.
- Empire, through its Joint Venture partner Century, has secured A\$500,000 in Victorian government co-funding for exploration in the Stavely Arc project which was granted as part of Century's successful licence tender bid.
- Empire and Century have agreed terms whereby the principals of Century, Mr Baltis and Mr Hart, will continue to assist with the management of exploration activities across all three project areas and will provide expert technical advice and support to Empire's technical team.

**Shaun Bunn, Managing Director, said:** *"Following on from our successful maiden drilling campaign at Gindalbie, I am delighted to announce the addition of these highly prospective copper-gold projects to our growing portfolio of exploration assets in what we believe signifies an important milestone to becoming a significant copper-gold exploration and development company.*

*We have now established an exploration camp of the highest quality, across areas renowned for world-class deposits, and we have grown the technical and exploration capabilities of our team with the inclusion of Century's founding Principal Geologists who first identified these exciting prospects. We look forward to updating the market on our progress in due course."*

#### **Acquisition Terms:**

Empire has agreed to acquire a 70% interest in three copper and/or gold Projects from Century Minerals Pty Ltd, being:

- A granted Exploration Licence (E70/5465) and an Exploration Licence Application (E 70/5876) at Pitfield;
- An Exploration Licence Application (E 16/545) at Walton; and
- An Exploration Licence Application (E 6872) at Stavely.

Century Minerals Pty Ltd, a company registered in Australia, is a private exploration company established by two well known and respected Exploration Geologists, Mr Ed Baltis (former WMC



Resources and Gold Fields minerals exploration manager), and Mr Steve Hart (former Plutonic and Basin Minerals exploration geologist).

Completion is expected to occur by 30 April 2022. Total consideration for the transaction is:

- a) A cash payment of A\$100,000; and
- b) The issue of 16,835,588 new ordinary shares in Empire (representing 5% of the issued share capital of the Company at signing) (the 'Consideration Shares') apportioned equally between each Project and issued upon the grant of the relevant Tenement comprising each Project, which in the case of Pitfield is the already granted Exploration Licence E70/5465. For the avoidance of doubt, one third of the consideration shares, 5,611,863, will be issued on the First Completion date, expected to occur by 30 April 2022. The remaining two thirds of the consideration shares will be issued in two tranches at the time that the Stavely and Walton licences are granted.

Empire has planned and agreed to spend a minimum of A\$1,400,000 on exploration within 24 months of the date of acquisition, and this may be extended by a further 12 months should either the Walton or Stavely tenements not be granted within 12 months of acquisition.

Empire has also agreed to pay Century performance-based payments in the following amounts, either in cash or Shares at Empire's election:

- (i) an amount equal to 1% of the Shares on issue immediately prior to Empire first announcing no later than 5 years after the date of acquisition that exploration drilling on any of the Projects determines multiple (more than 2) intersections exceeding 30% Cu metre or 50g Au metre; and
- (ii) an amount equal to 2% of the Shares on issue immediately prior to Empire first announcing no later than 5 years after the date of acquisition a Mineral Resource in the inferred category or better compliant with the JORC Code 2012 exceeding 250Kt Cu metal equivalent in relation to any of the Projects,

Empire and Century have agreed to establish a separate unincorporated joint venture for prospecting, exploration and such other activities for each Project, with immediate effect in the case of Pitfield and upon the granting of the respective Tenements for Walton and Stavely. The approval process for the granting of these Tenements is well underway and both Empire and Century expect to have these Tenements granted shortly, and certainly within the next 12 months.

Empire and Century have agreed terms whereby the principals of Century, Mr Baltis and Mr Hart, will continue to assist with the management of exploration activities across all three project areas and will provide expert technical advice and support to Empire's technical team.

There is a potential to establish a Mineral Sands resource on one or more of the Projects and Empire and Century have each acknowledged that Century retains the rights to any Mineral Sands resources



discovered within the Projects and that these do not form part of the separate Project joint ventures between Empire and Century.

## **Background**

### **The Pitfield Copper-Gold Project**

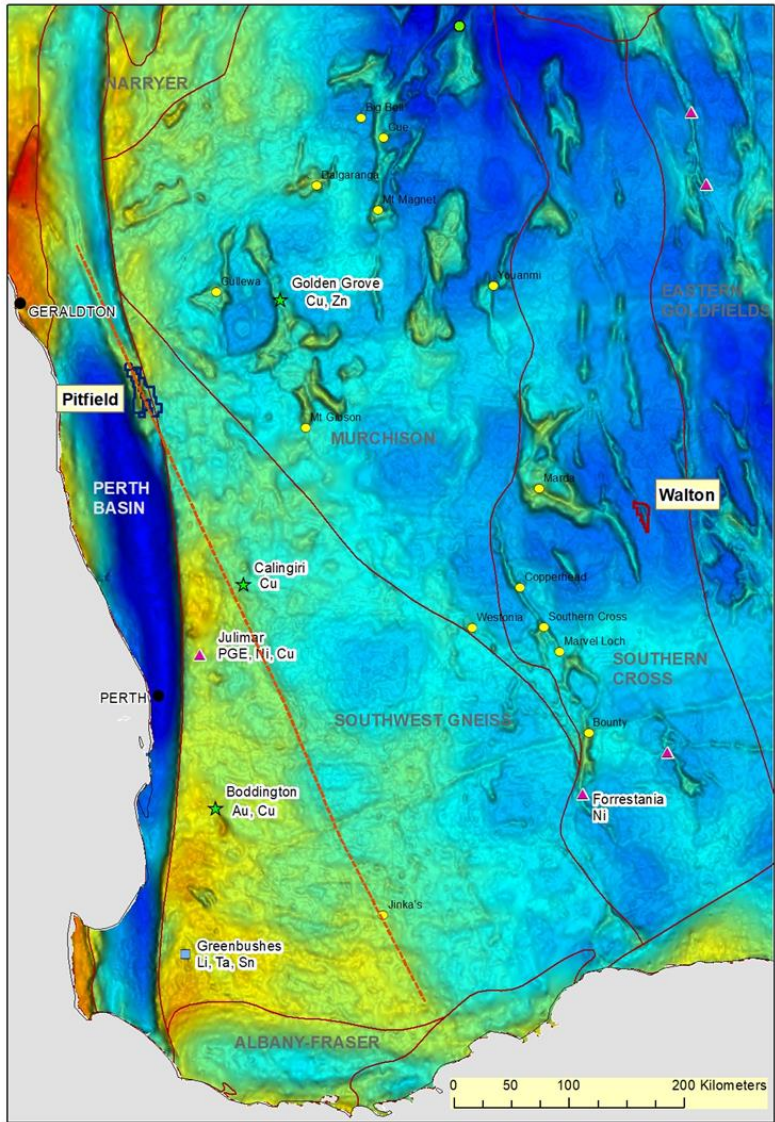
#### **Location and Regional Geology**

Pitfield is comprised of a granted Exploration Licence (E70/5465) and an Exploration Licence Application (E 70/5876) covering 615 sq kms. Pitfield is located near Three Springs, a town 313 kilometres north of Perth, Western Australia on the Midlands Road, which until the opening of the Brand Highway in 1975 was the main road route from Perth to the state's north. (refer Figure 1).

Pitfield lies at a unique setting along the boundary of Western Yilgarn province, where a major craton-scale structure internal to Southwest Gneiss province intersects and offsets the Yilgarn margin and controls the position of the Neoproterozoic Yandanooka basin, the only example of this globally important copper prospective age adjacent to the western Yilgarn craton.

The Neoproterozoic is a globally important copper mineralisation era, which includes the copper belt of southern Africa (DRC, Zambia and Namibia), and the highly mineralised Paterson province in the north of Western Australia, host to major Cu-Au deposits such as Telfer, Winu and Havieron. Both are of similar age to the Yandanooka basin sequence.

The emerging Calingiri copper deposits held by Caravel Minerals Ltd are also localised along this major structure some 150kms to the south, along with the well-known long-life Three Springs talc mine which lies adjacent to the east of Pitfield.

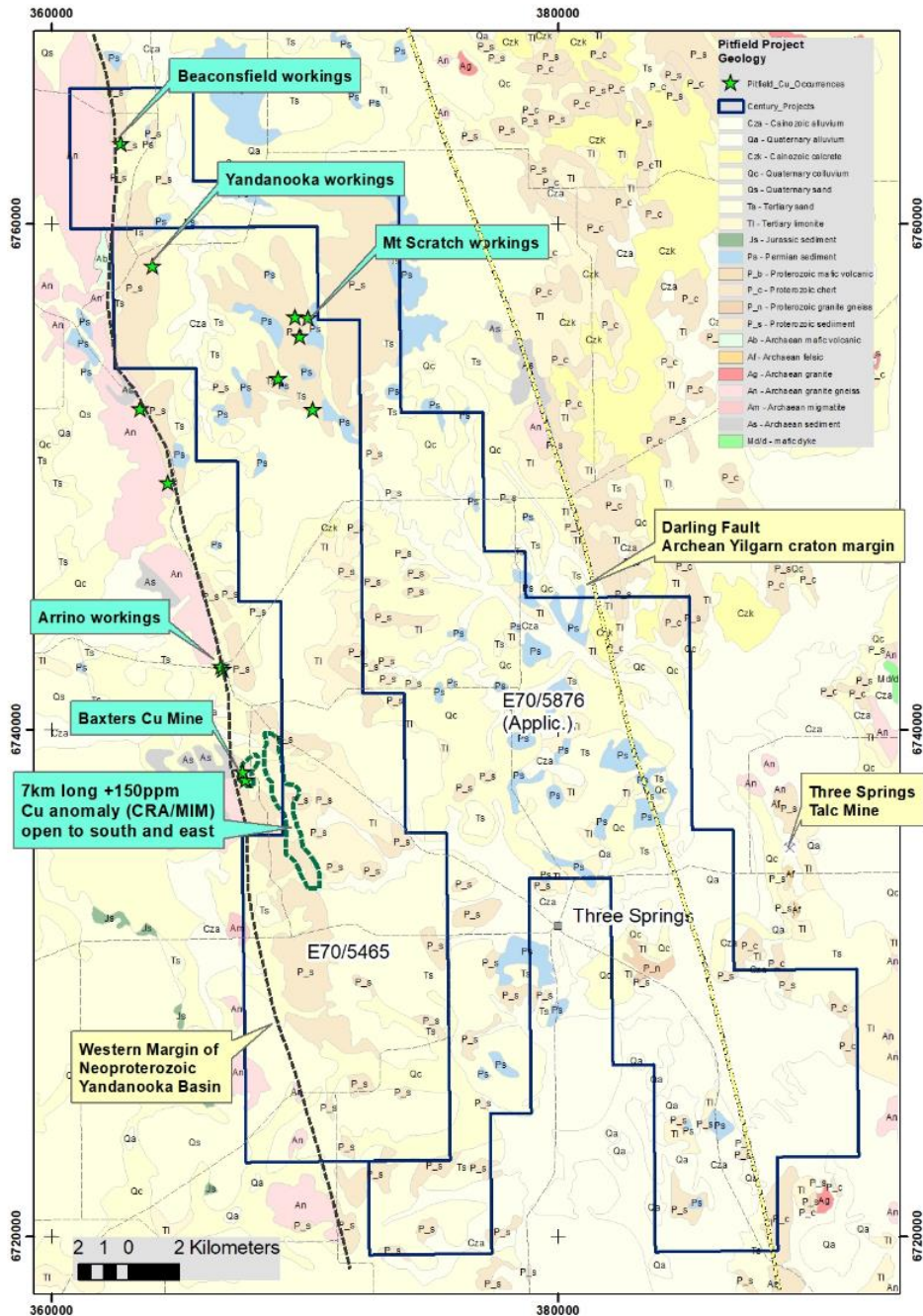


**Figure 1.- Location Map – Showing Regional Geology of the Yilgarn Province and the location of Pitfield and Walton**

**Local Geology and Historical Mining Activities**

Pitfield encompasses much of the highly prospective Neoproterozoic Yandanooka Group sediments consisting of sandstone, siltstone and polymictic conglomerate with andesite to trachyte clasts. A rib of the Mesoproterozoic Mullingar Gneiss is exposed close to the western margin of the project area. About 25% of the project area is exposed/weathered Proterozoic rocks of the Yandanooka Group where the known copper prospects are located. There is minor Permian cover and 70% of the area comprises a shallow transported cover. Government geophysical surveying shows a gravity-high anomaly which suggests higher density mafic rocks at depth, which may provide a source for copper within the project.

Major lithological contacts, either within basins or at basement contact (particularly transitions between oxidised and reduced rocks) can focus copper deposition. Pitfield is located along strike from the historic Baxters copper mine at Arrino which produced 106 tonnes of copper at a grade between 20-30% Cu which, along with numerous other prospects, demonstrates that the copper mineralisation process has occurred in the Pitfield area.



**Figure 2. Local Geology showing tenements and location of historic mining activities and 7 km copper anomaly south of Baxters.**

Geochemical sampling by others has confirmed that a previously identified magnetic anomaly associated with alteration including magnetite/ hematite, epidote replacement and fractures and



carbonate-quartz veinlets is host to extensive copper anomalism, extending south from Baxters and with greater than 150ppm Cu in soils identified over a strike length of 7km. The anomaly remains open to the south and east including over 10km of this high-intensity magnetic feature within the project which is yet to be explored. Limited exploration has been undertaken within the project outside a 5km radius from the Baxters mine.

Pitfield's favourable geology has attracted major mining companies that have historically carried out preliminary exploration activities within the area, including:

- Kennecott (1966) – who completed surface geochemistry and drilled 10 diamond holes in the vicinity of Baxters which intersected strongly anomalous copper outside the Pitfield licence.
- Carpentaria (MIM) in early 1980's - who again focussed work close to the Baxters mine, and completed shallow RAB and 4 diamond holes which returned strongly anomalous copper in several holes with fracture controlled and disseminated native copper & chalcopryite observed (including "DH3a" which was collared on the Pitfield tenement and which returned numerous values above 500ppm Cu, up to 1280 ppm Cu),
- BHP (1984) identified similarities between the Yandanooka basin and African copper belt sequences and completed IP geophysics, shallow RAB, and four stratigraphic diamond holes focussed along the western contact of the Yandanooka basin with basement Mullingarra gneiss without success (unfortunately too far west and in the footwall of the main magnetic anomaly).
- CRA (1993) completed IP geophysics and auger sampling defining a significant Cu-in-auger anomaly (plus Ag) over some 7km strike length open to the east and south and they followed up with two diamond holes, the southern hole on Pitfield recording copper anomalism with a maximum value of 570ppm (from 4m chip samples of drillcore) associated with fracture-controlled malachite and minor native copper

Empire plans to collect relevant geophysical datasets, including high-resolution aeromagnetism and airborne electromagnetics ("AEM"), to help map the sedimentary succession, and to identify any anomalous conductive zones that may relate to copper-bearing alteration systems. The geophysics will help to guide on-ground exploration activities such as soil/auger geochemistry and ground-based EM geophysical surveying to define drill targets.

## The Stavely Copper-Gold Project

### Location and Regional Geology

The Stavely Copper-Gold Project consists of an Exploration Licence Application (E 6872) covering 940 km<sup>2</sup> of the highly prospective but poorly explored Cambrian Stavely Arc, 280km north-west of Melbourne with highway access via the town of Horsham which lies immediately east of the project area. (Refer Figure 4.)

The Stavely Arc is preserved as multiple structurally-dismembered, fault-bound, poorly exposed volcanic belt segments under shallow transported cover (20-100m thick). Removal of the effects of deformation restores them to four volcanic belts that originally extended for ~1,160 kms. The volcanic arc was active between at least 511 Ma to 500 Ma the same age as the Mount Read volcanic belt in Tasmania with its array of significant copper, gold and zinc mines.

Porphyry intrusions and associated mineralisation occurred between ~506 and 500 Ma broadly synchronous with the Delamerian Orogeny. Relatively high crustal levels are preserved, so all deposit styles of porphyry-epithermal continuum are possible.

Multiple younger mineralisation events known in Victoria (mainly 440 – 370Ma) may have impacted the area increasing the potential for high-grade gold mineralisation.

The Stavely Arc lies adjacent to the Stawell and Bendigo geological zones, a major (+80Moz) orogenic gold province including the high-grade Fosterville gold mine near Bendigo and the adjacent Stawell gold mine.

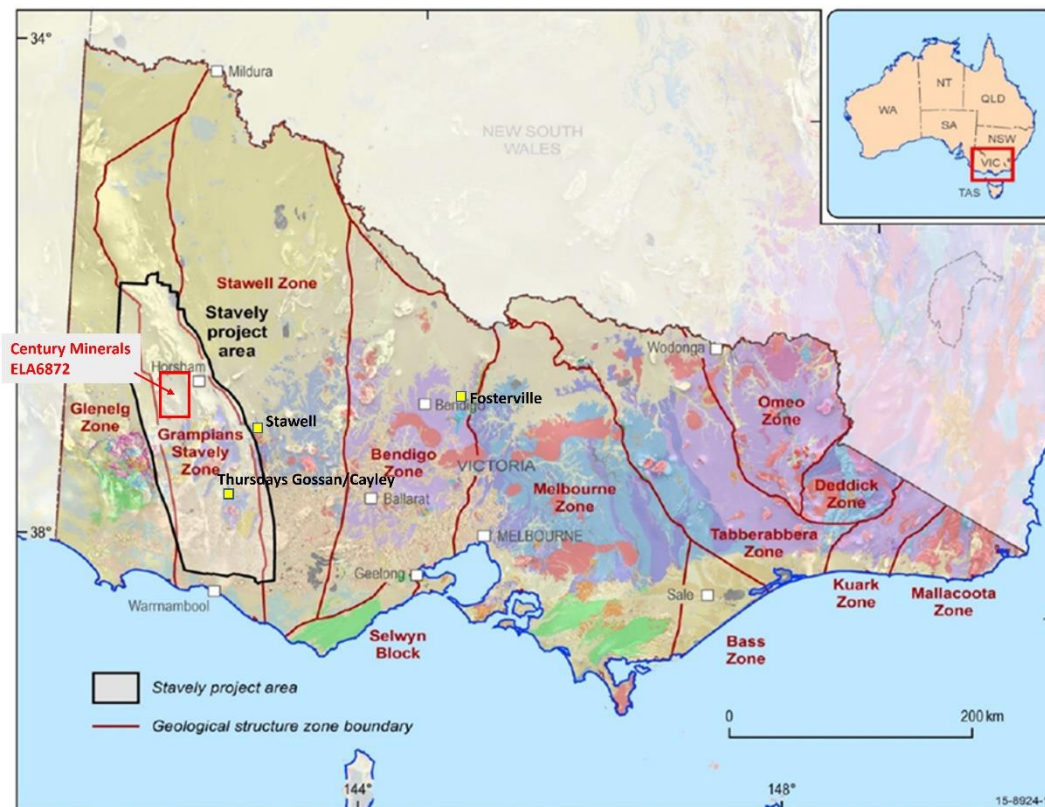


Figure 4. Location Map showing Stavely Project and the Stavely Arc in relation to Regional Geology and Key Mining Regions.





## Local Geology and Historical Mining Activities

The area is highly prospective for a range of arc-related mineral systems, such as porphyry, epithermal, and volcanic-hosted massive sulphide systems. Only 2% outcrop (including Thursdays Gossan) whilst the remainder lies under shallow Murray Basin cover and is essentially unexplored. The cover is variable though mainly less than 50m in the southern half of the project area, slowly deepening to the north which allows relatively easy exploration using conventional methods.

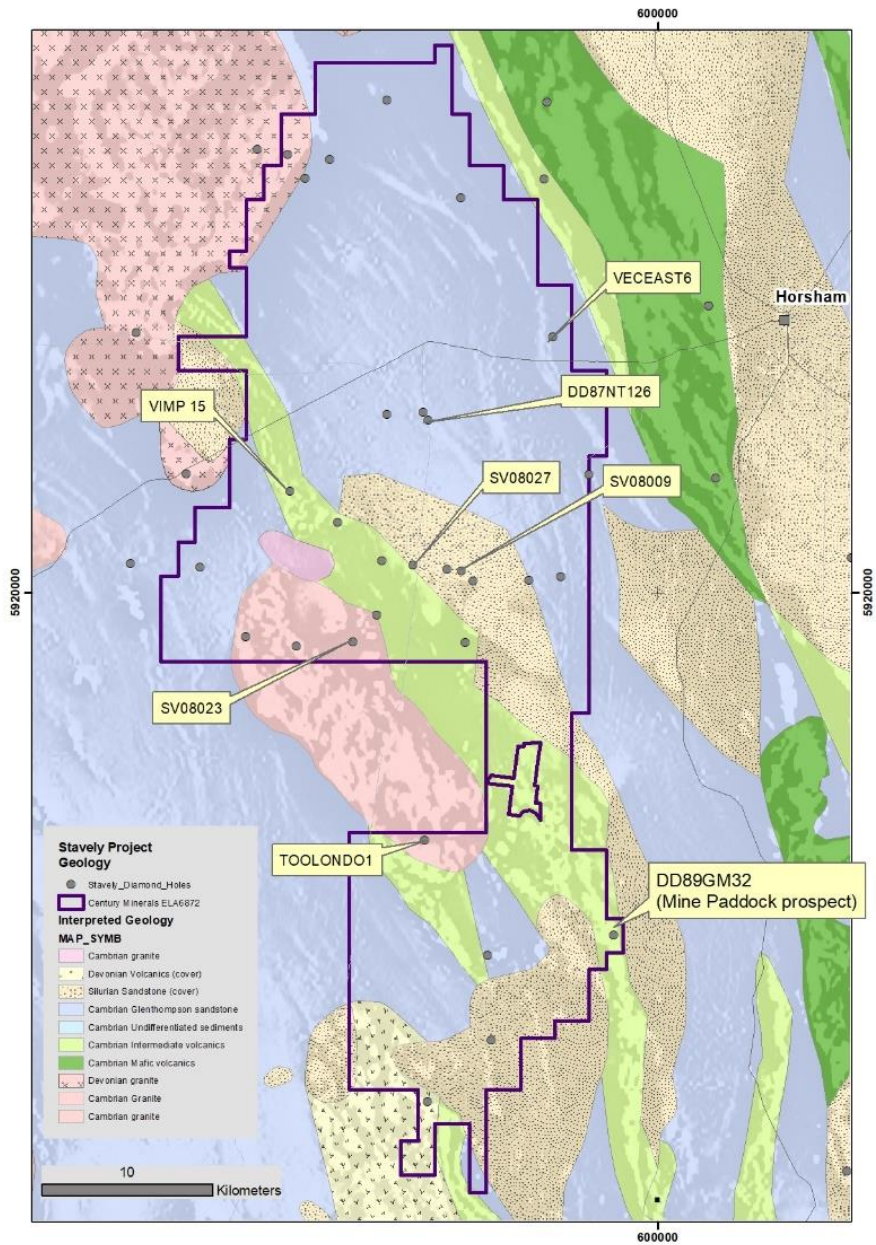
The project sits along strike from the recent greenfield discoveries made by Stavely Minerals at the Thursday Gossan Project, including their discovery hole SMD050, drilled in September 2019, at the structurally controlled Cayley lode which intersected 32m @ 5.88% Cu, 1.0g/t Au, 58g/t Ag. Stavely Minerals have since reported an Inferred Resource of 28Mt @ 0.4% Cu for 110kt contained Cu defined in a shallow supergene chalcocite blanket, confirming the high potential for significant copper-gold mineralisation within the broader Stavely Arc region.

Most recent drilling has been performed by Government agencies for research purposes, to understand the geology under the cover. Many of the drill holes within the project area have not been drilled deep enough to intersect the basement. However, some alteration has been identified from historical drilling which includes chlorite (+/- epidote) in volcanic rocks and patchy bleaching in some Grampians Group sandstones.

Despite the very limited and non-systematic exploration work, sulfide occurrences have already been identified and in particular:

- in chalcopyrite-quartz-dolomite veins in porphyritic andesite at the historic Mine Paddock prospect (DD89GM32).
- Malachite has also been identified in the Grampians Group sandstone (VIMP15)
- Pyrite in Cambrian mafic-intermediate rocks (SV08009, SV08027, WAIL1) and Cambrian sedimentary rocks (TOOLONDO1, DD87NT126, VECEAST6, CARCHAP)
- Pyrite in Grampian's Group sandstone (SV08023, VIMP15)

Refer Figure 5:



**Figure 5. Stavelly Tenement area with historical drill holes identified.**

Empire plans to collect high-resolution aeromagnetics to assist in mapping basement geology and structure prior to an on-ground program of surface geochemistry and aircore drilling to define mineralised footprints of porphyry-centred mineralised systems. Century has secured A\$500,000 in Victorian government co-funding for exploration in the Stavelly Arc project as part of its successful licence tender bid.



## The Walton Copper-Gold Project

### Location and Regional Geology

Walton is comprised of a single Exploration Licence Application (E 16/545) covering 163 sq kms. Walton is located in the under-explored Yerilgee greenstone belt, which is part of the Southern Cross domain, and lies 475 kilometres north-east of Perth. Access is via the town of Southern Cross, which lies on the Great Eastern Highway, the major transport route between the West and East coasts of Australia, and then on well maintained regional roads via the iron ore mining centre of Koolyanobbing (refer Figure 1).

### Local Geology and Historical Mining Activities

The Yerilgee belt comprises a sequence of high-magnesium basalts, ultramafic volcanic rocks, sedimentary rocks and granites including iron formations. It is part of the 2.9 Ga Western Yilgarn greenstone succession that hosts the world-class Golden Grove VHMS system, and a number of other emerging VHMS prospects such as Cobre Ltd's Perrinvale Project and Arrow Minerals Strickland Project (refer Figure 3.) Cobre's drilling at the Schwabe Prospect at Perrinvale, which lies to the north of Walton, intersected massive sulphide mineralisation at shallow depth, including 6m grading **8.93% copper, 3.1 g/t gold, 3.52% zinc, 30 g/t silver and 0.14% cobalt**. In addition to VHMS, there is potential for orogenic gold associated with major belt parallel shear zones and lithium-bearing pegmatites which are common in the higher metamorphic grade terrains of the Yilgarn craton.

No relevant previous exploration has been undertaken on the project and it is proposed to complete surface soils/auger geochemistry to help identify copper, gold and lithium targets.

Recent exploration success in the region as seen at Spectrum Metals' high-grade Penny North discovery led to a takeover of Spectrum Metals by Ramelius Resources in 2020. Ramelius Resources is mining the Marda gold operation in the greenstone belt immediately to the west of Yerilgee.

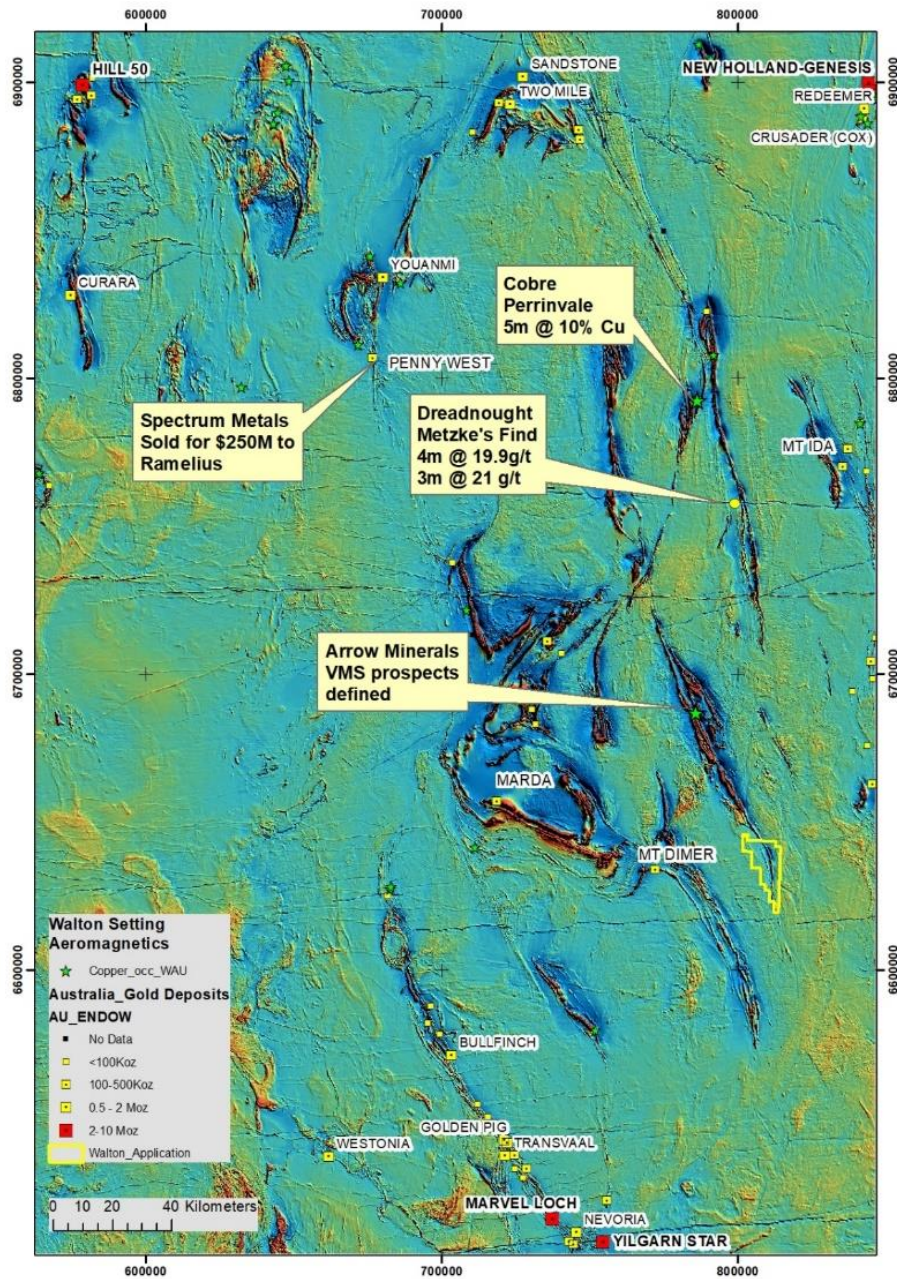


Figure 3. Aeromagnetics of the Southern Cross province showing location of Walton tenement in relation to existing mines and recent discoveries.



## 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\*\***

For further information please visit [www.empiremetals.co.uk](http://www.empiremetals.co.uk) or contact:

<b>Empire Metals Ltd</b> Shaun Bunn / Greg Kuenzel	Tel: 020 7907 9327
<b>S. P. Angel Corporate Finance LLP (Nomad &amp; Broker)</b> Ewan Leggat / Adam Cowl	Tel: 020 3470 0470
<b>Shard Capital Partners LLP (Joint Broker)</b> Damon Heath	Tel: 020 7186 9950
<b>St Brides Partners Ltd (Financial PR)</b> Susie Geliher / Ana Ribeiro / Selina Lovell	Tel: 020 7236 1177

## 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's strategy is to develop a pipeline of projects at different stages in the development curve. Its initial focus has been on the high-grade Eclipse and Gindalbie Gold Projects in Western Australia, with the goal to expand through the addition of further projects Australia-wide to develop a viable and compelling portfolio of precious and base metal 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.