

30th July 2020

Empire Metals Limited ('EEE' or the 'Company')
Interim Results

Empire Metals Ltd ('EEE' or the 'Company'), the natural resource exploration and development company, is pleased to announce its interim results for the six-month period ended 30 June 2020.

Chairman's Statement

The first half of 2020 has been productive for the Company and has seen an expansion of our project portfolio, a refocus on our growth strategy and a rebranding to Empire Metals Limited. I am confident that the developments and achievements made over the past six months have now laid the foundations for positive growth throughout the remainder of 2020 and onwards.

The period started encouragingly in January 2020, with some of the uncertainty surrounding the advancement of our Bolnisi Project in Georgia being removed with the confirmation of tenure from the National Agency of Mines ('NAM') for two key deposits in the Bolnisi Project licence area, namely Kvemo Bolnisi East and Dambludi. This was a significant milestone in EEE's ongoing efforts to obtain the extension to the permit in Georgia. The Company plans to recommence a work programme, directed primarily on Kvemo Bolnisi East, the target which has been the focus of much of the Company's investment to date, once the necessary amendments to the licence to allow work to re-commence on these two projects have been processed by the Georgian authorities.

As previously announced, an appeal process is currently underway to challenge NAM's position on the remainder of the Bolnisi Project licence area and Empire will provide further updates as appropriate.

The most notable developments during the period have happened outside of Georgia, with Empire making significant progress with its strategy to identify compelling new assets through which the Company can add short term value. As announced on 28 February 2020, EEE raised £600,000 by way of a placing and subscription of new ordinary shares with new and existing shareholders in the Company, to advance this process.

After evaluating a number of potential opportunities, on 27 April 2020, EEE announced that it had entered into a Binding Heads of Agreement with ASX listed Artemis Resources Limited ('Artemis') to acquire a 41% interest (the 'Acquisition') in the Munni Munni Palladium Project in the West Pilbara ('Munni Munni'), Western Australia and has first right of refusal on a further 29% interest in the project.

Munni Munni comprises four granted mining leases and an exploration licence covering a 64km² tenement area. It is the largest unexploited primary PGE resource in Australia and contains the largest intrusion in the West Pilbara hosting a JORC-compliant 2004 Resource of 24Mt @ 2.9 g/t Platinum Group Element (PGE) and gold (12.4Mt Measured, 9.8Mt Indicated, and 1.4Mt Inferred), containing 1,140,000 ounces palladium, 830,000 ounces platinum, 152,000 ounces gold and 76,000 ounces rhodium. The teams at Artemis and Empire Metals are making progress toward the completion of the Acquisition and in the meantime agreed to commence with the planned drilling programme at the project in order to take advantage of the drilling season. This programme was designed to extend primary reef mineralisation and test historical assay grades from diamond drilling using RC drilling, test for the presence of a second reef below the primary PGE reef and generate data that may contribute to a JORC Code 2012 Mineral Resources

Estimate in the future. On 30 June 2020, Empire announced the completion of the RC drilling of 12 drill holes for 1,928 metres, with drill holes spread through the entire upper portion of the mineralisation, to a maximum depth of 200 metres. Samples were sent to ALS Global and the Company is expecting to receive the results in due course.

Unfortunately, as announced by Empire on Monday 20 July 2020, Artemis was served a writ of summons on Friday 17 July 2020 issued by the Supreme Court of Western Australia as filed by Platina Resources Limited ('Platina'), the 30% joint venture partner to Artemis on the Munni Munni Project. Platina claims that Artemis and its wholly owned subsidiary, MMPL, have breached the Heads of Agreement entered into by the parties relating to the Munni Munni Joint Venture as a result of the Company entering into the agreement with Empire.

Artemis denies Platina's claim and state that they intend to vigorously defend their position, and wish to move forwards with Empire to develop the Mummi Munni project.

The Munni Munni Project satisfies EEE's objective of de-risking the Company's growth strategy by diversifying away from a single jurisdiction investment, combining an exceptional project with an attractive and mature investment environment. The Acquisition represents the start of a new chapter for Empire Metals and the Board continues to actively review other opportunities with the intention of identifying other compelling new assets, which meet its stringent investment criteria and have the potential to add short-term value. I look forward to providing further updates on this process in due course.

Financial

For the six-month period ended 30 June 2020 the Group is reporting a pre-tax profit of £256,515 (six months ended 30 June 2019: loss of £377,327). The current period profit arises as a result of the write back of exploration and evaluation expenditure incurred at the joint venture level following the reinstatement of the Kverno Bolnisi East and Dambludi licence areas. EEE's share of profit from this write back at the joint venture company was £471,307.

The Group's net cash balance as at 30 June 2020 was £364,369 (year ended 31 December 2019: £50,840).

Outlook

This has been significant period for EEE which has delivered substantial developments, after what was a challenging 2019. The Company has been strengthened both financially and corporately in 2020 and on behalf of the Board, I am optimistic about our ability to deliver on our key strategic aims this year. We are of course cognisant of the unprecedented global disruption which the COVID-19 pandemic is creating for communities and economies worldwide, however the Board has adopted a prudent and responsible approach to both our financial and operational activities and we are confident that EEE is well equipped to weather the current market turbulence.

We look forward to reporting on our activities in Georgia and in new jurisdictions over the coming weeks and months. I would like to take this opportunity to thank our shareholders and my fellow directors for their continued support as we look forward to a bright future as Empire Metals Limited.

Neil O'Brien
Non-Executive Chairman

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 until the release of this announcement.

****ENDS****

For further information please visit <https://www.empiremetals.co.uk> or contact:

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About Empire Metals Limited

Empire Metals Limited (formerly Georgian Mining Corporation) has 50% ownership of the Bolnisi Copper and Gold Project in Georgia, situated on the prolific Tethyan Belt, a well-known geological region and host to many high-grade copper-gold deposits and producing mines. The Bolnisi concession covers an area of over 860 sq km and has a 30-year mining licence with a variety of targets and projects ranging from greenfield exploration / target definition phase through intermediate target-testing phases to more advanced projects including Kverno Bolnisi East which is due to advance to Feasibility Study.

The acquisition of Munni Munni is a result of the Company's ongoing assessments of the potential for expanding the Company's portfolio through the addition of new assets which have the ability to add value in the short term.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months to 30 June 2020 Unaudited £	6 months to 30 June 2019 Unaudited £
Continuing operations			
Revenue		1,204	83,145
Administration expenses		(223,013)	(400,296)
Foreign exchange		7,017	(8,184)
Operating Loss		(214,792)	(325,335)
Share of profit from joint venture	5	471,307	-
Impairments		-	(51,992)
Profit/(Loss) Before Income Tax		256,515	(377,327)
Income tax expense		-	-
Profit/(Loss) for the period		256,515	(377,327)
Profit/(Loss) attributable to:			
- owners of the Parent		256,515	(377,327)
- non-controlling interests		-	-
Profit/(Loss) for the period		256,515	(377,327)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		-	1,022
Total comprehensive income		256,515	(376,305)
Attributable to:			
- owners of the Parent		256,515	(376,305)
- non-controlling interests		-	-
Total comprehensive income		256,515	(376,305)
Earnings per share (pence) from continuing operations attributable to owners of the Parent – Basic and diluted	6	0.150	(0.324)

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	30 June 2020 Unaudited £	31 December 2019 Audited £
Non-Current Assets			
Property, plant and equipment		3,052	17,882
Investments in Joint Ventures	5	497,488	-
		500,540	17,882
Current Assets			
Trade and other receivables		182,667	167,971
Cash and cash equivalents		364,369	50,840
		547,036	218,811
Total Assets		1,047,576	236,693
Current Liabilities			
Trade and other payables		74,859	91,191
Total Liabilities		74,859	91,191
Net Assets		972,717	145,502
Equity Attributable to owners of the Parent			
Share premium account	6	39,836,337	39,265,637
Reverse acquisition reserve		(18,845,147)	(18,845,147)
Other Reserves		138,014	138,014
Retained losses		(20,156,487)	(20,413,002)
Total equity attributable to owners of the Parent		972,717	145,502
Non-controlling interest		-	-
Total Equity		972,717	145,502

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share premium £	Reverse acquisition reserve £	Other Reserves £	Retained losses £	Total £	Non- controlling interest £	Total equity £
As at 1 January 2019	38,904,337	(18,845,147)	136,020	(19,737,410)	457,800	-	457,800
Comprehensive income							
Loss for the period	-	-	-	(377,327)	(377,327)	-	(377,327)
Other comprehensive income							
Currency translation differences	-	-	1,022	-	1,022	-	1,022
Total comprehensive income	-	-	1,022	(377,327)	(376,305)	-	(376,305)
Issue of ordinary shares	380,000	-	-	-	380,000	-	380,000
Issue costs	(18,700)	-	-	-	(18,700)	-	(18,700)
Total transactions with owners	361,300	-	-	-	361,300	-	361,300
As at 30 June 2019	39,265,637	(18,845,147)	137,042	(20,114,737)	442,795	-	442,795

	Share premium £	Reverse acquisition reserve £	Other Reserves £	Retained losses £	Total £	Non- controlling interest £	Total equity £
As at 1 January 2020	39,265,637	(18,845,147)	138,014	(20,413,002)	145,502	-	145,502
Comprehensive income							
Profit/(Loss) for the period	-	-	-	256,515	256,515	-	256,515
Other comprehensive income							
Currency translation differences	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	256,515	256,515	-	256,515
Issue of ordinary shares	600,000	-	-	-	600,000	-	600,000
Issue costs	(29,300)	-	-	-	(29,300)	-	(29,300)
Total transactions with owners	570,700	-	-	-	570,700	-	570,700
As at 30 June 2020	39,836,337	(18,845,147)	138,014	(20,156,487)	972,717	-	972,717

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	30 June 2020 Unaudited £	30 June 2019 Unaudited £
Cash flows from operating activities		
Profit/(Loss) before taxation	256,515	(377,327)
Adjustments for:		
Depreciation	7,554	15,202
Gain on sale of PPE	(12,724)	-
Impairment of asset	-	51,992
Share of profit on joint venture	(471,307)	-
Foreign exchange	(7,017)	(494)
Increase in trade and other receivables	(7,679)	(50,790)
Decrease in trade and other payables	(16,332)	(45,913)
Net cash used in operations	(250,990)	(407,330)
Cash flows from investing activities		
Loans granted to joint venture partners	(26,181)	(50,476)
Sale of property, plant & equipment	20,000	-
Additions to exploration and evaluation intangibles	-	-
Net cash used in investing activities	(6,181)	(50,476)
Cash flows from financing activities		
Proceeds from issue of shares	600,000	380,000
Cost of issue	(29,300)	(18,700)
Net cash from financing activities	570,700	361,300
Net (decrease) / increase in cash and cash equivalents	313,529	(96,506)
Cash and cash equivalents at beginning of period	50,840	525,354
Exchange differences on cash	-	-
Cash and cash equivalents at end of period	364,369	428,848

Major non-cash transactions

There were no major non-cash transactions in the period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General Information

The principal activity of Empire Metals Limited ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and base metals. The Company's shares are listed on the AIM Market of the London Stock Exchange. The Company is incorporated in the British Virgin Islands and domiciled in the United Kingdom. The Company was incorporated on 10 February 2010 under the name Gold Mining Company Limited. On 10 October 2016 the Company changed its name from Noricum Gold Limited to Georgian Mining Corporation and subsequently on 10 February 2020 changed its name from Georgian Mining Corporation to Empire Metals Limited.

The address of the Company's registered office is Trident Chambers, PO Box 146, Road Town, Tortola BVI.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The interim financial information set out above does not constitute statutory accounts. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2019 were approved by the Board of Directors on 30 June 2020. The report of the auditors on those financial statements was unqualified but included a material uncertainty relating to going concern paragraph.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2020.

The factors that were extant at the 31 December 2019 are still relevant to this report and as such reference should be made to the going concern note and disclosures in the 2019 Annual Report.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2019 Annual Report and Financial Statements, a copy of which is available on the Group's website: <https://www.empiremetals.co.uk>. The key financial risks are liquidity risk, foreign exchange risk, credit risk, price risk and interest rate risk.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses, and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2019 Annual Report and Financial Statements. Actual amounts may differ from these estimates. The nature and amounts of such estimates have not changed significantly during the interim period.

3. Accounting Policies

The same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2019 except for the impact of the adoption of the Standards and interpretations described below and new accounting policies adopted as a result of changes in the Group.

3.1 Changes in accounting policy and disclosures

(a) Accounting developments during 2020

(a) New and amended standards mandatory for the first time for the financial periods beginning on or after 1 January 2020

As of 1 January 2020, the Company adopted the amendments to IFRS 3, IAS 1 and IAS 8. The transition to these standards had no material impact on the Group.

b) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IAS 1	Classification of Liabilities as Current or Non-Current.	* 1 January 2022

* Subject to EU endorsement

The Group is evaluating the impact of the new and amended standards above which are not expected to have a material impact on future Group financial statements

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2020 (2019: nil).

5. Joint venture

On 15 March 2018, the Company entered into a Deed of Variation with its joint venture partner in Georgian Copper & Gold ('GCG') in relation to the ongoing operations of the operating company, future work programmes and budgets. As a result, both shareholders now have equal representation on the board of GCG and therefore, from that date, the subsidiary was derecognised and the ongoing 50% ownership accounted for as a joint venture.

Name of entity	Address of the registered office	% of ownership interest	Nature of relationship	Measurement method
Georgian Copper & Gold JSC	6 Saakadze Descent, 2 nd Fl. Tbilisi 0171, Georgia	50	As above	Equity

On 28 January 2020 the Group announced that it had received confirmation of tenure from the National Agency of Mines ('NAM') for two key deposits in the Bolnisi Project licence area, namely Kvemo Bolnisi East and Dambludi. As a result, the exploration and evaluation expenditure related to these license areas, which was previously impaired, has been reinstated. As such the carrying value of the investment in GCG has also been uplifted by the Company's share of profit for the period.

Summarised financial information of joint venture

	30 June 2020	31 December 2019
Property, plant and equipment	42,752	53,933
Cash	103	2,591
Intangibles	2,285,855	4,364
Other receivables	52,576	53,376
Total assets	2,381,286	114,264
Trade and other payables	246,837	210,830
Loan with GMC Investments Limited	979,883	955,222
Total liabilities	1,226,720	1,166,052

The joint venture generated a profit after tax of £2,215,265 for the period. The share of profit of the joint venture for the period recognised was £1,107,633. As per IAS 28, the share of profit can only be recognised in excess of the Company's share of historic losses not recognised. As a result, the share of profit recognised has been reduced by the Company's share of the joint venture losses which it has not previously recognised, being £636,326. There are no further unrecognised losses.

During the period, the Company loaned GCG £26,181 to finance current operations.

The carrying value of the investment at 30 June 2020 is summarised below:

	Total £
As at 1 January 2020	-
Share of profit from joint venture	1,107,633
Loans granted to joint venture	26,181
Recognition of unrecognised losses from prior periods	(636,326)
As at 30 June 2020	497,488

The Group has no obligation or commitments to contribute to any losses in excess of the carrying value of the investment.

6. Share capital and share premium

	Number of shares	Ordinary shares £	Share premium £	Total £
Issued and fully paid				
As at 1 January 2019	114,756,991	-	38,904,337	38,904,337
Share issue – 23 May 2019	19,000,000	-	361,300	361,300
As at 30 June 2019	133,756,991	-	39,265,637	39,265,637
As at 1 January 2020	133,756,991	-	39,265,637	39,265,637
Share issue – 28 February 2020	60,000,000	-	570,700	570,700
As at 30 June 2020	193,756,991	-	39,836,337	39,836,337

7. Loss per share

The calculation of the total basic earnings per share of 0.150 pence (30 June 2019: loss of 0.324 pence) is based on the loss attributable to equity owners of the parent company of £256,515 (30 June 2019: £377,327) and on the weighted average number of ordinary shares of 174,636,112 (30 June 2019: 118,850,915) in issue during the period.

No diluted earnings per share is presented as the effect on the exercise of share options would be to decrease the loss per share.

Details of share options that could potentially dilute earnings per share in future periods are disclosed in the notes to the Group's Annual Report and Financial Statements for the year ended 31 December 2019.

8. Fair value estimation

There are no financial instruments carried at fair value.

9. Fair value of financial assets and liabilities measured at amortised costs

Financial assets and liabilities comprise the following:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

The fair values of these items equate to their carrying values as at the reporting date.

10. Commitments

All commitments remain as stated in the Group's Annual Financial Statements for the year ended 31 December 2019.

11. Events after the balance sheet date

There have been no events after the reporting date of a material nature.

12. Approval of interim financial statements

The condensed interim financial statements were approved by the Board of Directors on 29 July 2020.