

Activities Report for the quarter ended 30th June 2011

Admiralty Resources NL (ASX: ADY)

Issued capital

606,518,966 shares (as of 30 June 2011)

606,518,966 shares (current)

Top 20 Shareholders : 50.50% (as of 30 June 2011)

Top 20 Shareholders : 51.25% (current)

Directors' holdings: 13.02% (as of 30 June 2011)

Directors' holdings: 13.02% (current)

Board

Chairman

Professor Ross Harper

Managing Director

Stephen C. Prior

Non-executive Directors

Michael Perry

Dr. Shaoqing Li

Company Secretary

Patrick Rossi

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Highlights

- Admiralty remained debt free and cash on hand at the end of the quarter was \$5,033,000 (Previous quarter: \$3,066,000).
- Admiralty completed the Share Purchase Plan ("SPP") raising \$1,727,500.
- Admiralty received the 2nd instalment of US\$1,000,000 from the sale of SCM Vallenar Iron Company ("VIC").
- Strengthening of the shareholder base:
 - i. high support received from shareholders for the SPP with an average of \$5,000 participation per holder;
 - ii. increased investor confidence saw the share price appreciate during the quarter; and
 - iii. Top 20 holders own about half of the shares on issue;
- The Company defined its short-term exploration strategy and goals after its strengthened cash position due to recent capital raisings.
- Review of proposals for Airborne Electro-Magnetic survey at Bulman Project in the Northern Territory, with the survey commissioned subsequent to the end of the quarter.
- Removal of the mortgage over the Pampa Tololo concessions following final payment made during March 2011 quarter.
- Subsequent to the end of the quarter, a ground magnetic survey was commenced at the Pampa Tololo concessions in Chile.



ADMIRALTY RESOURCES

Corporate

- On 1 March 2011, Admiralty Resources NL (“Admiralty” or “the Company”) announced a Share Purchase Plan (“SPP”). Under the plan, eligible shareholders were entitled to purchase up to \$15,000 in ADY Shares at a price not to exceed 3.3c per share. The SPP closed on 1 April 2011 and resulted in the Company receiving 338 applications from shareholders, raising \$1,727,500 via the issue of 52,348,731 shares at the maximum price of 3.3c per share.
- Admiralty received from Australis Mining Ltd the 2nd instalment of US\$1,000,000 due under the contract of sale of VIC. The Company is due to receive a further US\$2,000,000 in addition to the long term royalties.
- The Company defined its short-term exploration goals in light of the successful capital raisings in March and April 2011. Admiralty’s primary focus is to accelerate exploration in the Southern Region of the Harper geological district in the second half of 2011. In parallel, the Company has prioritised the exploration of the Pampa Tololo concessions due to its relatively unexplored nature and close proximity to the Los Colorados iron ore mine which is owned and operated by Compañía Minera del Pacífico S.A, the largest iron ore producer in Chile. The Company will also continue to explore options to unlock the value of its Australian projects at Bulman in the Northern Territory and Pyke Hill in Western Australia.

Admiralty Minerals Chile Pty Ltd Agencia en Chile (Chilean branch)

- The legal consultant appointed by Admiralty Minerals Chile Pty Ltd (“AMC”) to oversee the mineral tenure of the company continued to monitor the ownership and rights to the concessions. Importantly, the mortgage over the Pampa Tololo concessions was removed following the final payment due under the purchase agreement being paid in the March 2011 quarter.

Southern Region of Harper Geological District

- Following AMC’s geological consultants report, the Board put in place an action plan for the Southern Region of the Harper Geological District. The plan includes high resolution magnetometry, geophysics and gravimetric study, geological reconnaissance campaign, aircore and diamond drilling in addition to mine planning. These exploration works will focus on the Mariposa, La Chulula, Negrita and Soberana prospects. Several proposals were received for the exploration works during the quarter which are currently being assessed.

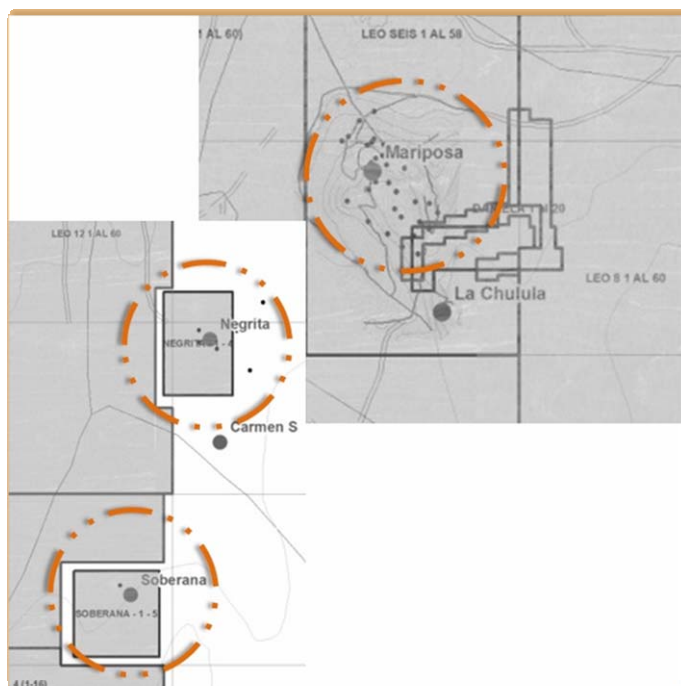


Figure 1: The four main prospects of Mariposa, La Chulula, Negrita, and Soberana in the Southern Region of the Harper Geological District.

- AMC is currently reviewing the need for a high resolution ground magnetic survey of the most prospective parts of the Southern Region of the Harper Geological District. The resolution ground magnetic survey will provide more detailed information on the most prospective targets and allow the specific drilling designed at the Mariposa, La Chulula, Negrita and Soberana prospects.
- AMC is currently in the final stages of selecting a firm of mining engineers to assist with work previously done by SRK Consulting (Chile) S.A in creating a detailed mine plan for Mariposa. When selected, the firm of mining engineers will be commissioned to provide an engineering study to bring Mariposa into production. The report will include resource evaluation, mine design and planning, process design, operating and capital costs estimation and review of possible transportation and logistics solutions.

Pampa Tololo Concessions

- AMC has prioritised the exploration and development of the Pampa Tololo concessions which border the Los Colorados mine, the largest producing iron ore mine in Chile, which is owned by Compañía Minera del Pacífico (“CMP”). The Board has detailed an action plan with the first step being a ground magnetic survey that will be followed by a targeted drilling campaign.
- Subsequent to the end of the quarter, AMC commissioned Quantec Geoscience Chile Ltda (“Quantec”) to conduct a ground magnetic survey over the Pampa Tololo concessions, including the Cerro Varilla tenement, located near Vallenar, Region III, Chile. The objective of the geophysical survey is to delineate structural features, mineralization and alteration patterns. The survey will consist of south-southwest to north-northeast bearing lines, with a varying line separation of 50 and 100 meters and readings at 10 meter separation, with approximately 550 kilometres of magnetic coverage. The results, including interpretation of the data, are expected to be received during the September quarter and will be used to design a suitable drilling campaign.

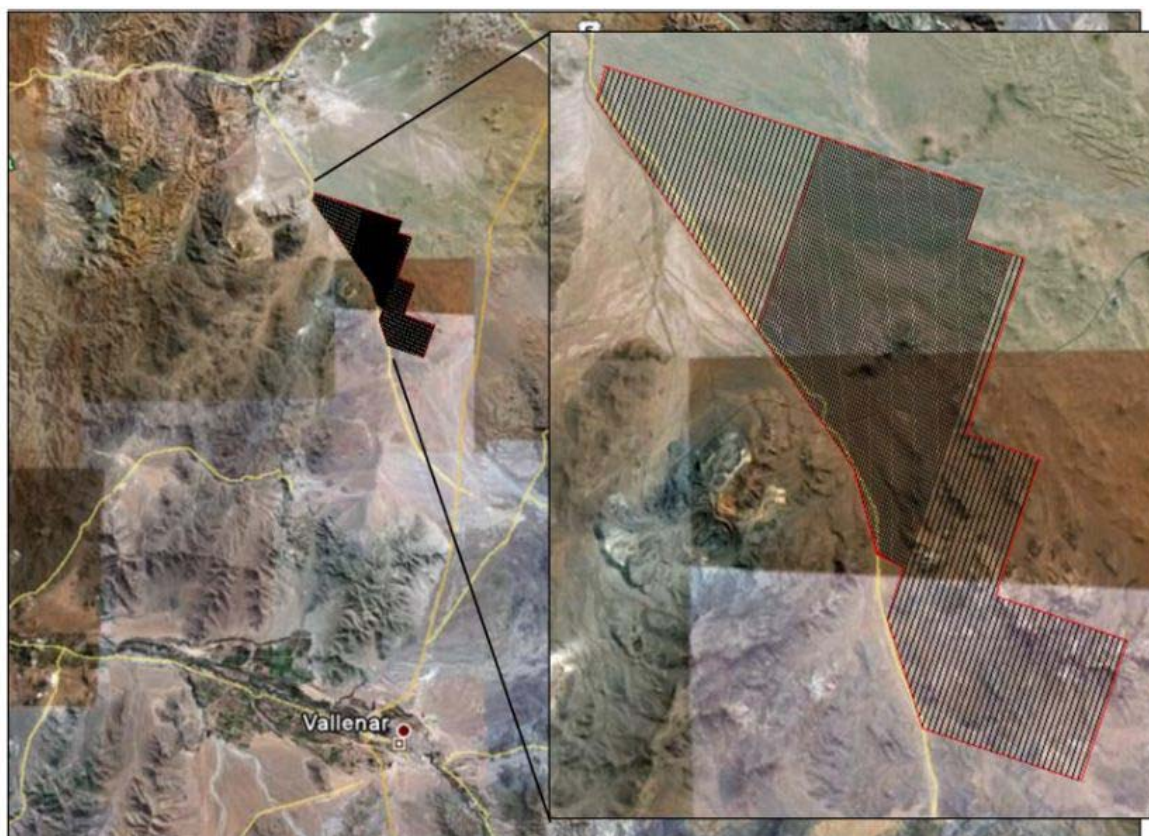


Figure 2 - Location and boundaries for ground magnetic surveys to be carried out at the Pampa Tololo concessions.

SCM Vallenar Iron Company (“VIC”)

During the quarter, VIC, under the control of Australis Mining Ltd (“Australis”), finalised a drilling programme and metallurgy test work in the Northern Region of the Harper Geological District. Under this programme a total of twenty-one holes were drilled with 3900m of core drilling completed at the Primavera, Japonesta and Mirador deposits. The results of this drilling programme were in line with expectations and have been used to complete a revised resource estimate.

VIC also commissioned a large engineering services firm to provide confirmation of indicative plant costs and parameters for production. VIC has completed its evaluation of its equipment needs and we understand that VIC is currently finalising its financing arrangements in relation to production.

Pursuant to its agreement with Australis, Admiralty is entitled to receive a further US\$2,000,000 relating to the up-front consideration.

Admiralty looks forward to receiving further news from Australis in relation to their advancement towards production, as this will deliver an ongoing royalty stream to the Company.

Bulman Resources Pty Ltd (“Bulman”), Northern Territory

Subsequent to the end of June 2011 quarter, Bulman commissioned Fugro Airborne Surveys Pty Ltd to fly the entire exploration licence 23814 with their TEMPEST™ Electro Magnetic (“EM”) system. TEMPEST™ is a time-domain electromagnetic system operated from a fixed wing aircraft which will traverse the entire tenement at a height of 100m along east-west lines spaced 200m apart. The system is designed to acquire high resolution EM data that can be used to detect the presence of buried stratiform lead-zinc-silver deposits. Geos Mining recommended this airborne EM survey be conducted following the discovery of a new zone of zinc-lead mineralisation at ‘Ripple Hill’ during the 2010 field season.

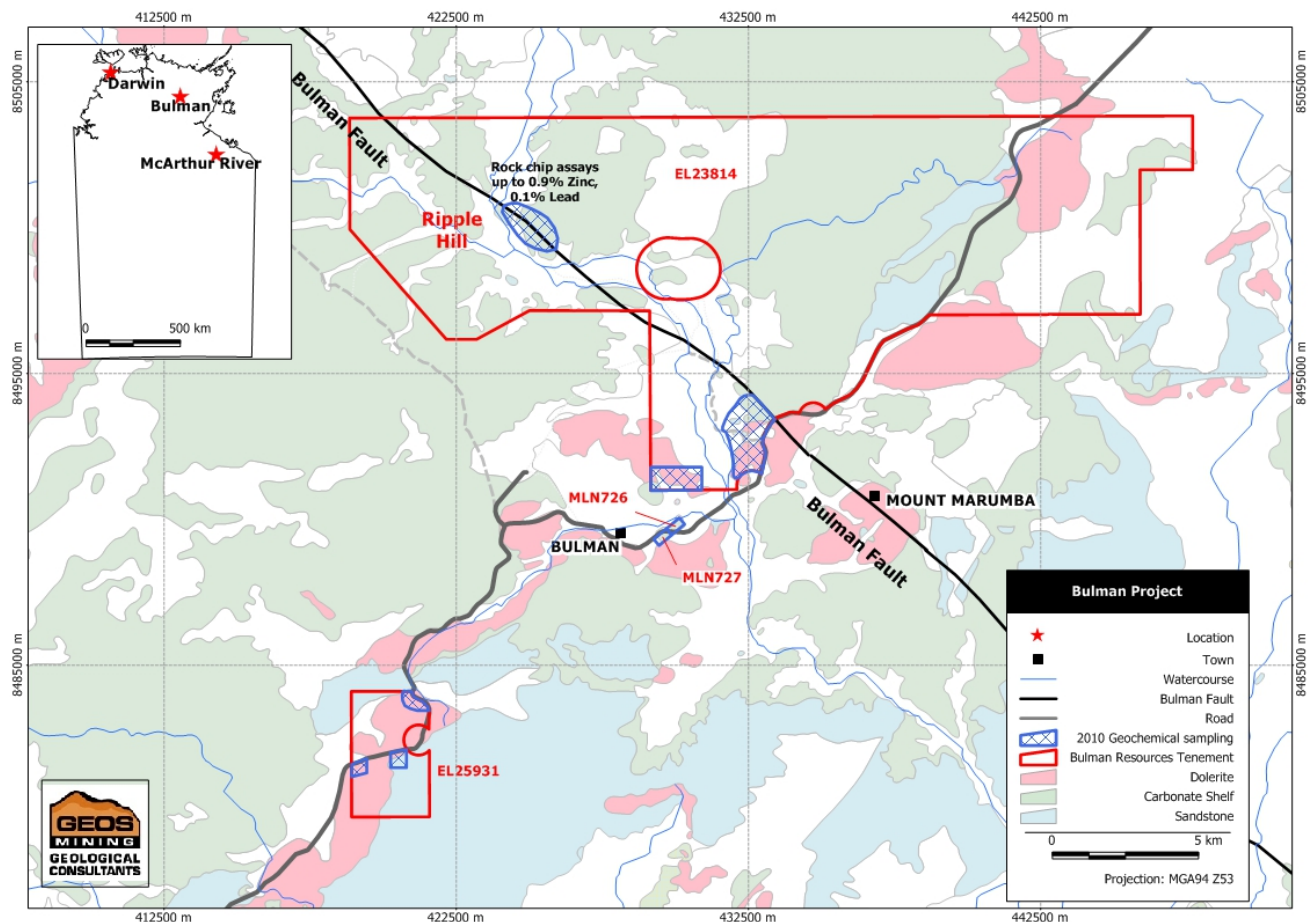
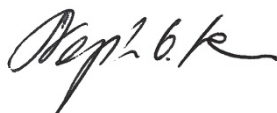


Figure 3 Bulman Project – location of 2010 reconnaissance and 2011 airborne EM survey

Outlook

- Admiralty's healthy cash position will be used to accelerate the exploration programme of the Company's prospects in Chile, for working capital and the advancement of the Company's other projects in Australia.
- The Company expects to be able to initiate a targeted drilling programme at the Pampa Tololo concessions, pending successful results of the current ground magnetic survey, and advance the exploration and drilling program in the Southern Region of the Harper Geological District before the end of 2011.

Yours sincerely,



Stephen C. Prior
Managing Director
29 July 2011

About Admiralty

Admiralty Resources NL ("Admiralty") is an Australian ASX listed company (ASX listing code: ADY) with mining interests in Chile and Australia as follows:

- 100% shareholder in Admiralty Minerals Chile Pty Ltd Agencia en Chile, the owner of the mineral exploration and exploitation concessions covering over 6,000 hectares within Chilean iron belt in the Atacama Region;
 - 100% shareholder in Bulman Resources Pty Ltd, holder of the Bulman project, a lead and zinc deposit located in the Northern Territory of Australia;
 - 50% interest in the Pyke Hill Project, a high grade nickel and cobalt deposit near Leonora in Western Australia.
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