ADMIRALTY RESOURCES

ASX ANNOUNCEMENT
Date: 23 February 2012

Results from airborne EM survey delivers 3 priority and 6 secondary exploration targets in Bulman

The Board of Admiralty Resources NL ("Admiralty") is pleased to announce the results of the interpretation of the airborne electromagnetic magnetic survey performed over EL 23814 in August 2011 and which have delivered 3 main and 6 secondary exploration targets in the lead and zinc project in Bulman, in the Northern Territory.

Admiralty commissioned Fugro Airborne Surveys Pty. Ltd. ("Fugro") to fly an airborne magnetic and electromagnetic ("AEM") survey and provide a geophysical interpretation of the data in order to determine the 3D geometry of the dolerite sills in the area and to identify any discrete bedrock conductors.

The AEM survey interpretation has highlighted areas of thicker sedimentary sequence and deeper dolerite contact of up to 178 metres in the region just east from the central area and again thick sedimentary sequence in the central north area of the tenement.

Geological consultants Geos Mining were later commissioned to review the data, images, and Fugro's interpretation and provide further information in relation to known mineralisation and locate potential mineralisation and prioritise exploration targets.

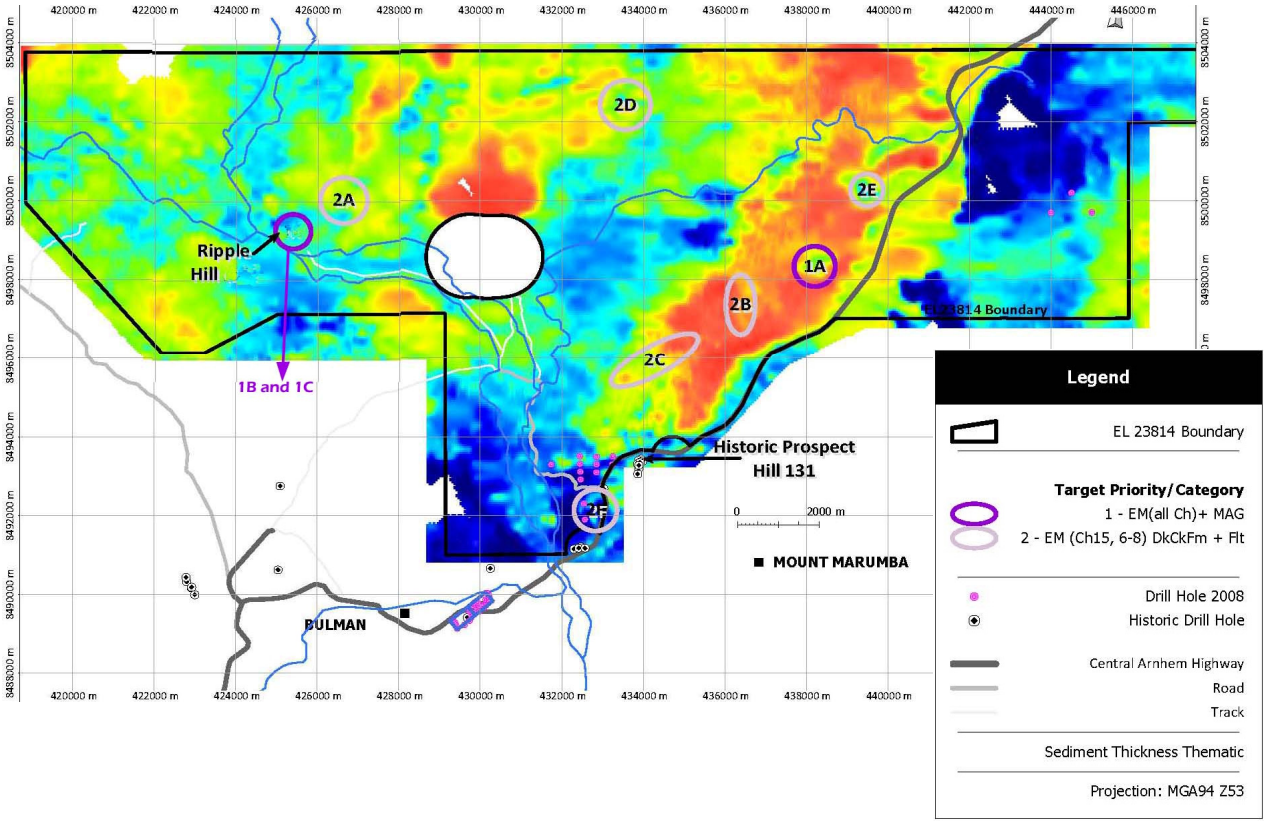
An abridged version of the review of the AEM survey by Geos Mining is attached to this announcement and a summary of the review has been included on the following page. The summary shows the targets selected by Geos Mining for further exploration superposed over the sediment density map of the area covered by EL23814, captured by Fugro.

The Board will consider the results of the AEM survey and the suggestions from Geos Mining for the future exploration of the project.

Yours faithfully,

Stephen C. Prior
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Llyle Sawyer, who is a Member of the Australian Institute of Geoscientists. Mr Sawyer is employed by Geos Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sawyer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



- **3 main targets: 1A, 1B, 1C**. A combined EM and magnetic anomaly (1A) in the central east portion of the tenement and the area of the Ripple Hill geochemistry anomaly (1B) and immediate surrounds (1C) are considered to be a high priority target and they require a focused geological investigation and possible ground geophysics work to define drill targets.

- **3 main secondary targets: 2A, 2B, 2C.** Target 2A, located northeast of Ripple Hill anomaly, and target 2B and 2C, located southwest of the combine magnetic and EM anomaly in the central east portion of the tenement, are considered to have potential for shallow limited extent mineralisation of a general low grade nature with poddy high grade zones. As such, only further geological investigation and possibly some specifically focused shallow drilling is required to be undertaken to confirm the interpretation.

- **3 other secondary targets: 2D, 2E, 2F**. Targets 2D and 2E warrant ground geological exploration, due to logistics issues. Target 2F comprises an area that has been previously drilled and has a positive geochemistry; however, it is thin Dook Creek Formation with restricted area for major mineralisation.

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Airborne EM Survey Review ó!ōŊⱥŘƎŜŘú

EL 23814

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HH February 2012

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Disclaimer

While every effort has been made, within the time constraints of this assignment, to ensure the accuracy of this report, Geos Mining accepts no liability for any error or omission. Geos Mining can take no responsibility if the conclusions of this report are based on incomplete or misleading data.

Geos Mining and the authors are independent of Bulman Resources tűě Ltd, and have no fiẏancial interests in Bulman Resources tűě [ůŘ or any associated compl·nies. Geoă Miniẏg is beiẏg remuneraűed for this report on a standard fee for time basis, with no success incentives.

Geos Mining Review

Geos Mining conducted a review of the interpretation report and more substantially of the provided imaged conductivity channels as well as the Conductivity Depth Images (CDI). An emphasis was placed on the selection of anomalous features within the later channels (12, 13, 14, and 15), as these provide response from features at depth, with relation to anomalies from the magnetic data and interpreted structures.

A series of anomalies were selected and prioritised based on their occurrence from AEM conductivity channels, geological structure and known mineralisation occurrences. These are shown in Figure 4, which is plotted on the late conductivity channel 15 within the Z (vertical) orientation of the receiver coil. Conductivity Z Channel 15 shows responses from deeper but still above conductive layer features. Faint northeast and northwest orientated lineament set is able to be distinguished within the central east thicker sedimentary package area. These are probable fault structures within the overlying sedimentary package in this central eastern area. Historic drilling has also been located on Figure 4.

Target Generation

Priority exploration targets are discussed individually in subsections below. The selection basis for each of these is given briefly here.

The eastern priority 1 target (red circle, Figure 4) corresponds to the A-1 ranked anomaly picking group "6". This anomaly occurs in all Z and X conductivity channŜls and also corresponds to a magnetic anomaly.

Two other priority 1 anomalies displayed on Figure 4 show only weak conductive responses in the late EM channel s and no response is apparent in other EM conductivity channels. These two have been selected as high priority 1 based on their geology and known occurrences of mineralisation anomalism plus late EM channel features. The western most of these two anomalies is the recently discovered Zn-Pb geochemistry anomaly of "Ripple Hill". The southern selected anomaly covers the historic (1969) Pb-Zn mineralisation of Hill 131, which lies just south of the tenement boundary.

Figure 5 shows the selected prioritised targets on the total Z field conductivity image, with interpreted magnetic and EM linear features as well as the anomaly picks by Cdz∃Ŵ2 !ŴŌ2ŴyŜ {dzŴØŜè tűè [űŘ óþFAS. Some clear differences in prioritisation / categorisation are evident reflecting the different emphasis on geology and known geochemistry / mineralisation occurrences. However notable selection of anomaly areas and FAS groupings are similar.

Three priority 2 (purple ellipses) targets are noted on the NNE trending highly conductive zone which is highlighted by the edge type anomaly FAS picks and interpreted to be a later (younger)or different phase of dolerite sill by FAS (Figure 3, Figure 5). This zone is interpreted to be conductive pisolitic bearing Cainozoic sediments overlying a dolerite sill or dyke intrusion. The selected anomalies correlate to the highest intensity conductivity within all channels in both the z and x components. Although these are fully expected to be dolerite and pisolite sediments overlying dolerite the areas should be geologically investigated to confirm this interpretation. The northern most dolerite anomaly also corresponds to the transecting of the dolerite by a NW-SE trending fault.

With the exception of the anomaly / target selection in the south of EL 23814 (Figure 5) all other Priority 2 sections are based on conductivity response features in late and mid EM channels as well as interpreted

intersecting structures within thicker Dook Creek Formation. After further geological investigation these could potentially be upgraded to drill targets.

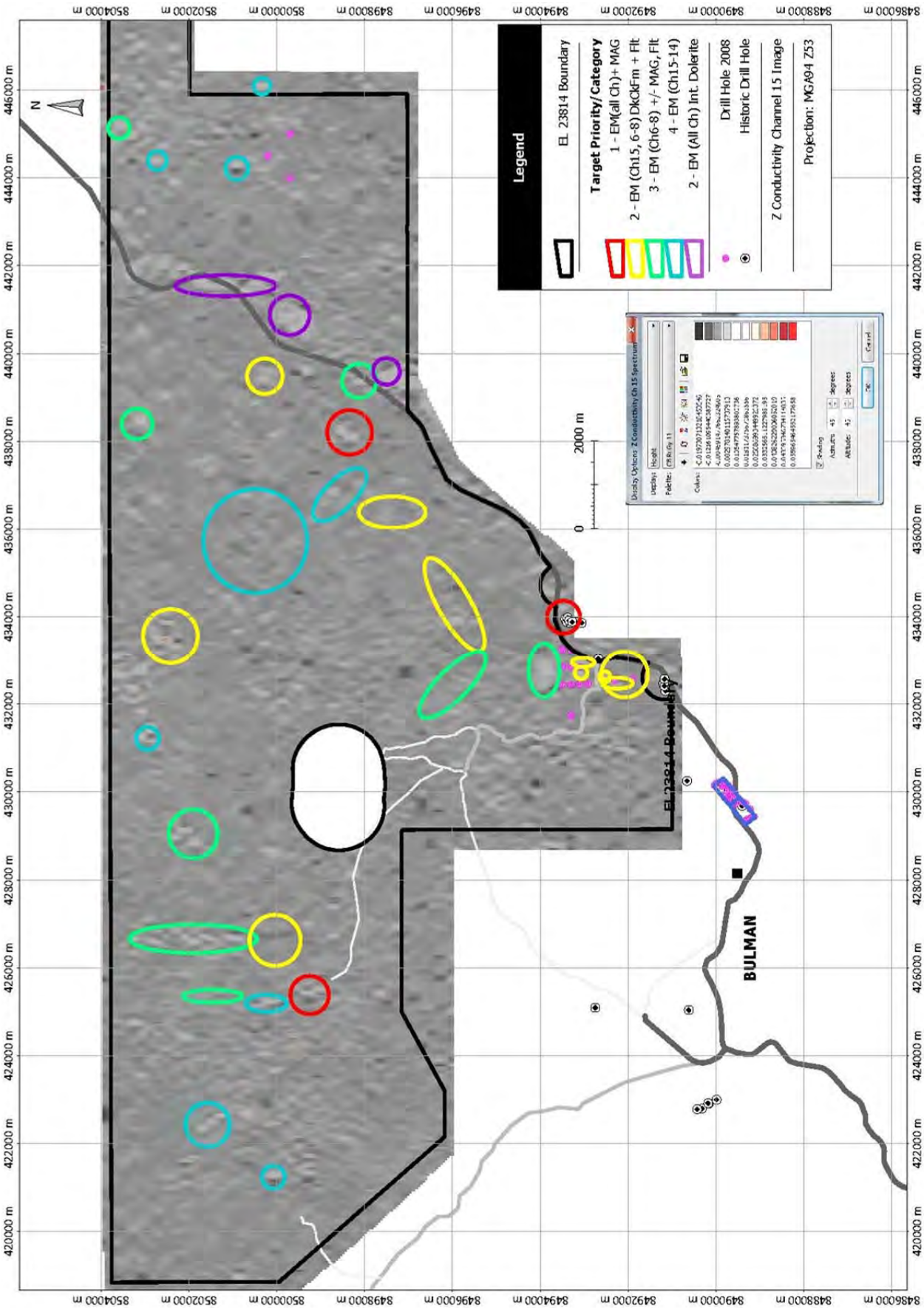

Figure 4: Prioritised selected targets, Geos

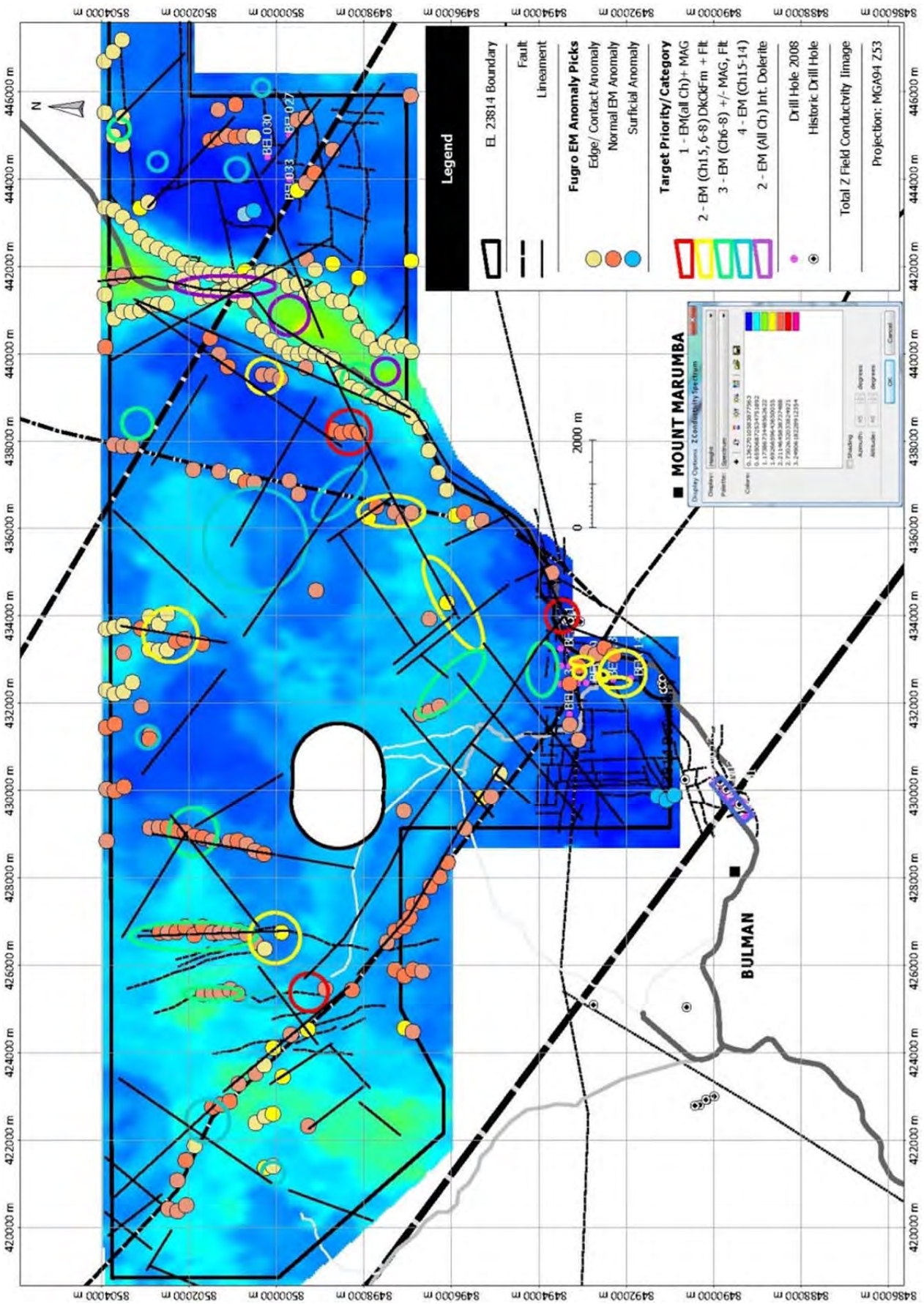

Figure 5: Selected prioritised anomalous areas with interpreted structure and FAS picks

Priority 3 and 4 selected targets occur in either mid or late conductivity channels within thinner sedimentary cover. Some have only corresponding low level imaged magnetic data features or none and or

lesser to no occurrences with interpreted lineaments. The priority 3 targets areas north and northwest of Ripple Hill target (red circle central west section, Figure 5) are categorised as priority 3 due to their unexplored nature, lack of proven geological control and access logistics. It is believed that ground based field investigations will alter the prioritisation of these central north targets.

Eastern Priority 1 Anomaly

The CDI sections for flight lines passing through this anomaly (Figure 6) indicate that the anomaly may potentially relate to a late stage dolerite dyke or stock with conductive Cainozoic sediment above it. Imaging the vertical section in the horizontal plan on the line of flight over the magnetic survey TMI image with the FAS anomaly picks, Figure 7, shows a potential NNE trending magnetic edge or dyke feature at this locality. As such this anomaly may not be a top priority drill target in itself. Despite this the anomaly is considered to be a high priority investigation target to clarify the occurrences and confirm the interpretations. Due to the nature of the processing for the CDI's there is some possibility that this anomaly intensity is a reflection of/or elevated due to contrast with the low conductivity of the surrounding higher elevation flanking sedimentary units. This also needs to be collaborated with on ground investigation.

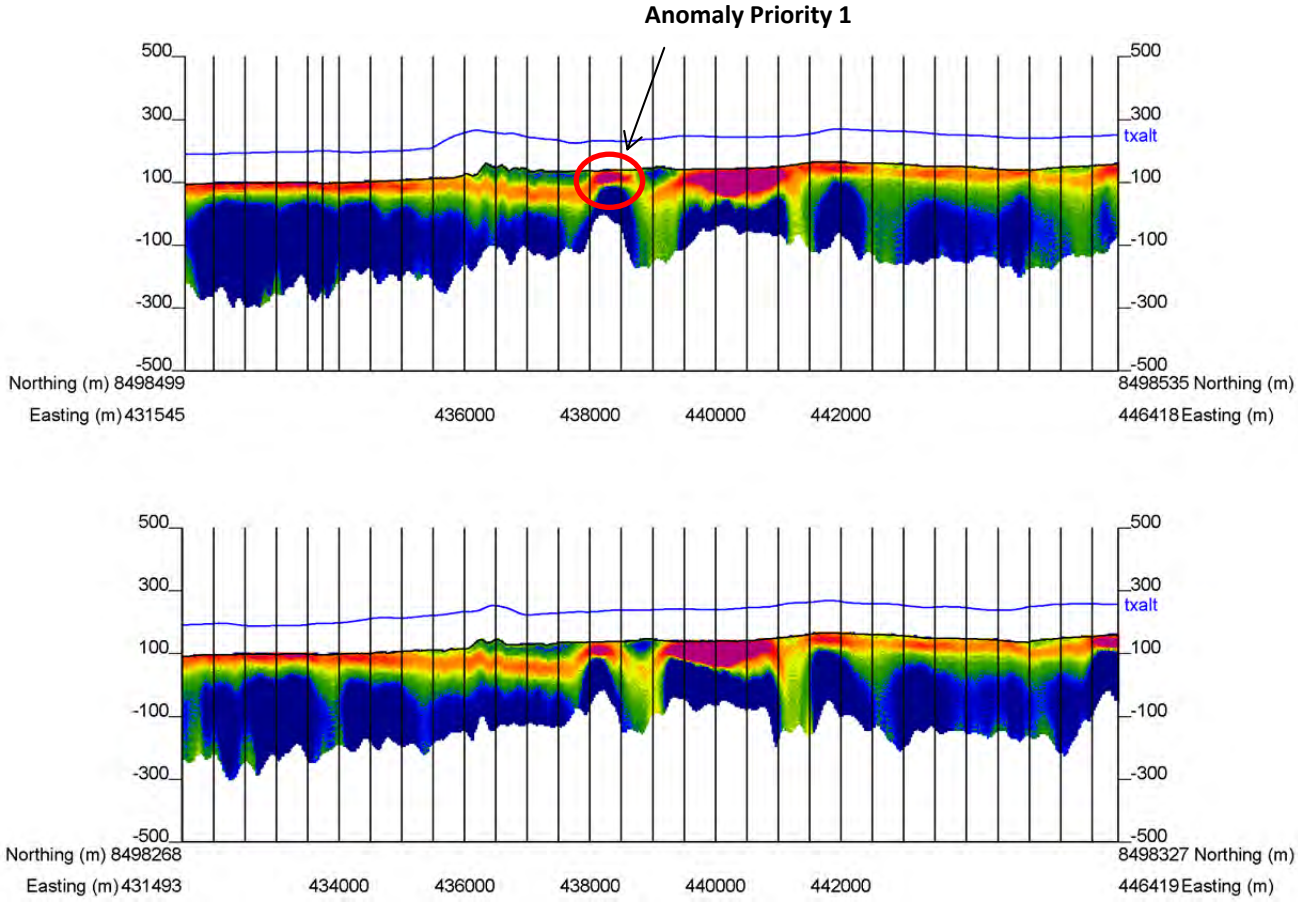

Figure 6: CDI sections L1002821:7, 8498513.6mN and L1002911:7, 8498297.3mN

From the review of the CDI sections (Figure 6, Figure 7) covering this anomaly there is strong potential for structural remobilised mineralisation of the both the east and west flanks of the strong conductive anomaly/dolerite. The estimated depths to possible mineralisation would be between ~40m and ~100m. Notably the east and west flanks to this conductive anomaly lie below relatively thin, up to ~30m thick, non-conductive units (thin blue upper layer, Figure 6) which are correlated with the Roper Group, Limmen Sandstone. The eastern flank to the conductive anomaly would appear to be discreetly faulted.

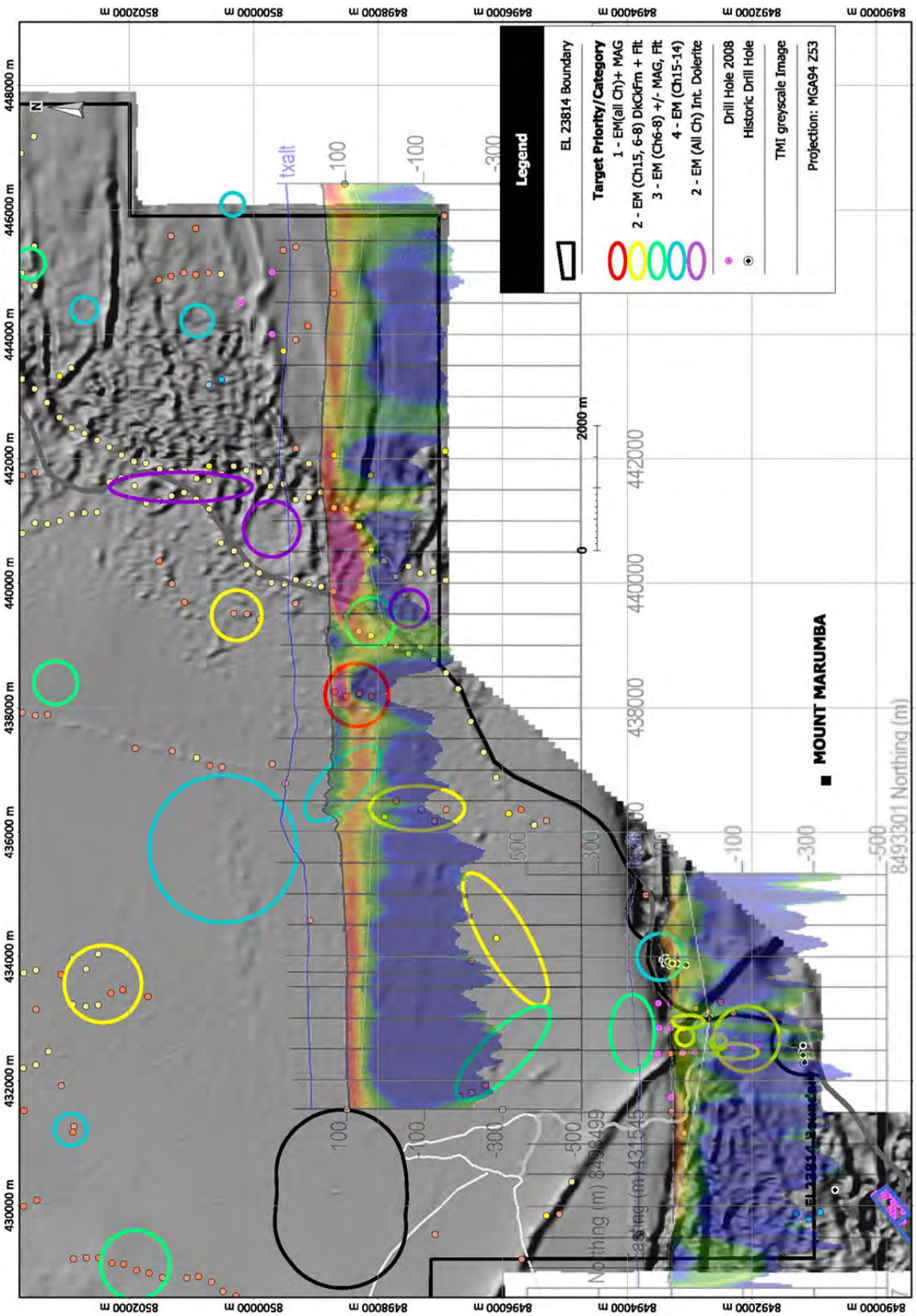

Figure 7: Greyscale TMI magnetic image with CDI section overlays for eastern priority 1 anomaly and Hill 131

A moderately intense conductive layer is shown to the east of the priority 1 anomaly selection (Figure 6, Figure 7). This conductive layer does not correlate with any intense magnetic feature and has hence been given a low priority 4 categorisation. Notably the western third of this conductive zone before it comes to surface is not level and shows possible faulting. Previous investigations to the north of this disrupted conductive feature intersected on this flight line have recorded brecciated faulting trending NNE-SSW with haematitic fault infill material. No anomalous Pb-Zn occurrences were found during this localised work to the north. However given that the estimated depth to conductive zone is 40-50m and the postulated younger age of this NNE faulting mineralisation leakage along and up the fault may only show marginal geochemistry anomalism above background values. Further ground work needs to be conducted throughout this faulted Dook Creek Formation zone with a priority given to the selected priority 2 target immediately south of the discussed disrupted conductive layers on this flight line (Figure 7).

HILL 131

Historic prospect Hill 131 was located and drilled in 1969. Large high grade galena veins embedded within metamorphic contact zone, between 30m and 70m forming a wide lenticular flat lode of economic grade with a low grade zinc halo were intersected, Figure 8 . Mineralisation is divided from the dolerite by a zone of pyrite-marcasite and lies adjacent to but not immediately within the recorded fault.

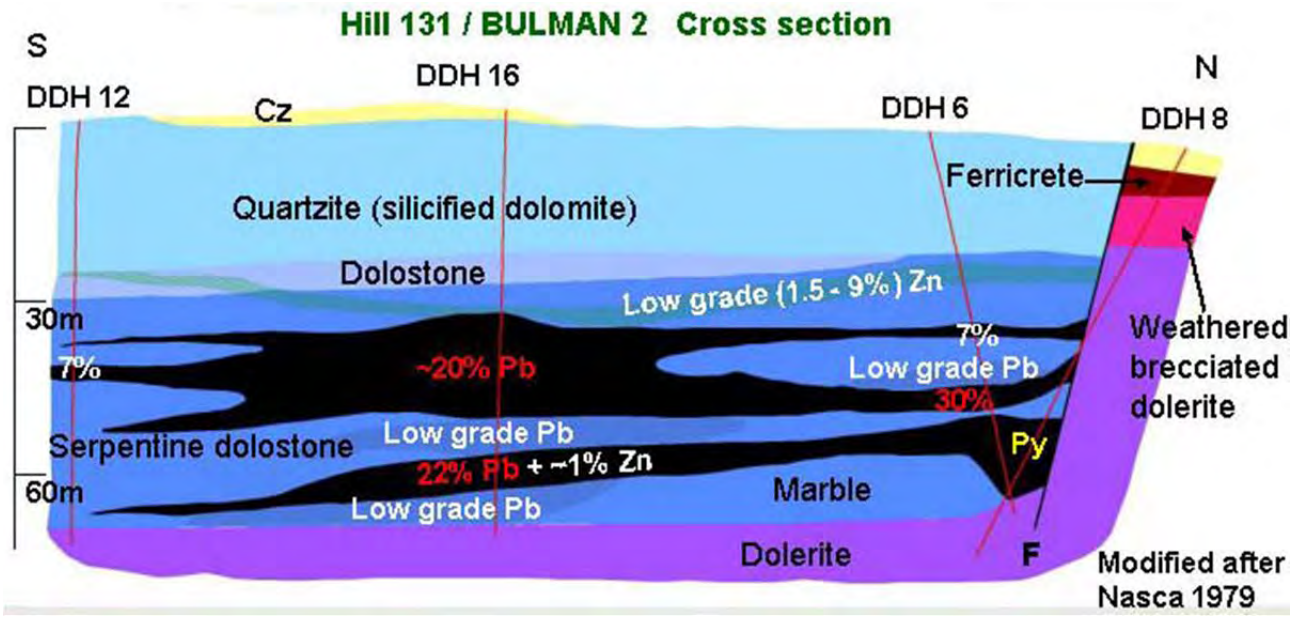

Figure 8: Simplified N-S section through Hill 131 mineralisation (after Nasca 1979)

A minimum historical tonnage estimate of 0.5 million tonnes averaging 10-12% Pb with another 0.5 million tonnes of low grade Zn-Pb material was suggested for the small deposit.

Hill 131 is shown on Figure 4, Figure 5, and Figure 7 as the north south line of historical drill holes immediately south of the southern EL 23814 boundary along the Central Arnhem Highway. This was given an intial high priority 1 rating due to it historical significance but has latter been changed to a priority 4 ranking (Figure 7) due to its location outside of the tenement, geology and geophysical response.

The draped CDI on the magnetic image highlights the dolerite influence and shallowness of the mineralisation. A closer study of the CDI section of the flight line which passes through Hill 131, Figure 9, reveals that the conductive layers proposed to be the contact zone between the dolerite sill and the Dook Creek Formation within Dook Creek Formation does roughly correlate to the drilled mineralised intersections in DHD16. DDH16 is the main mineralised drill hole at this locality. Estimated depth readings

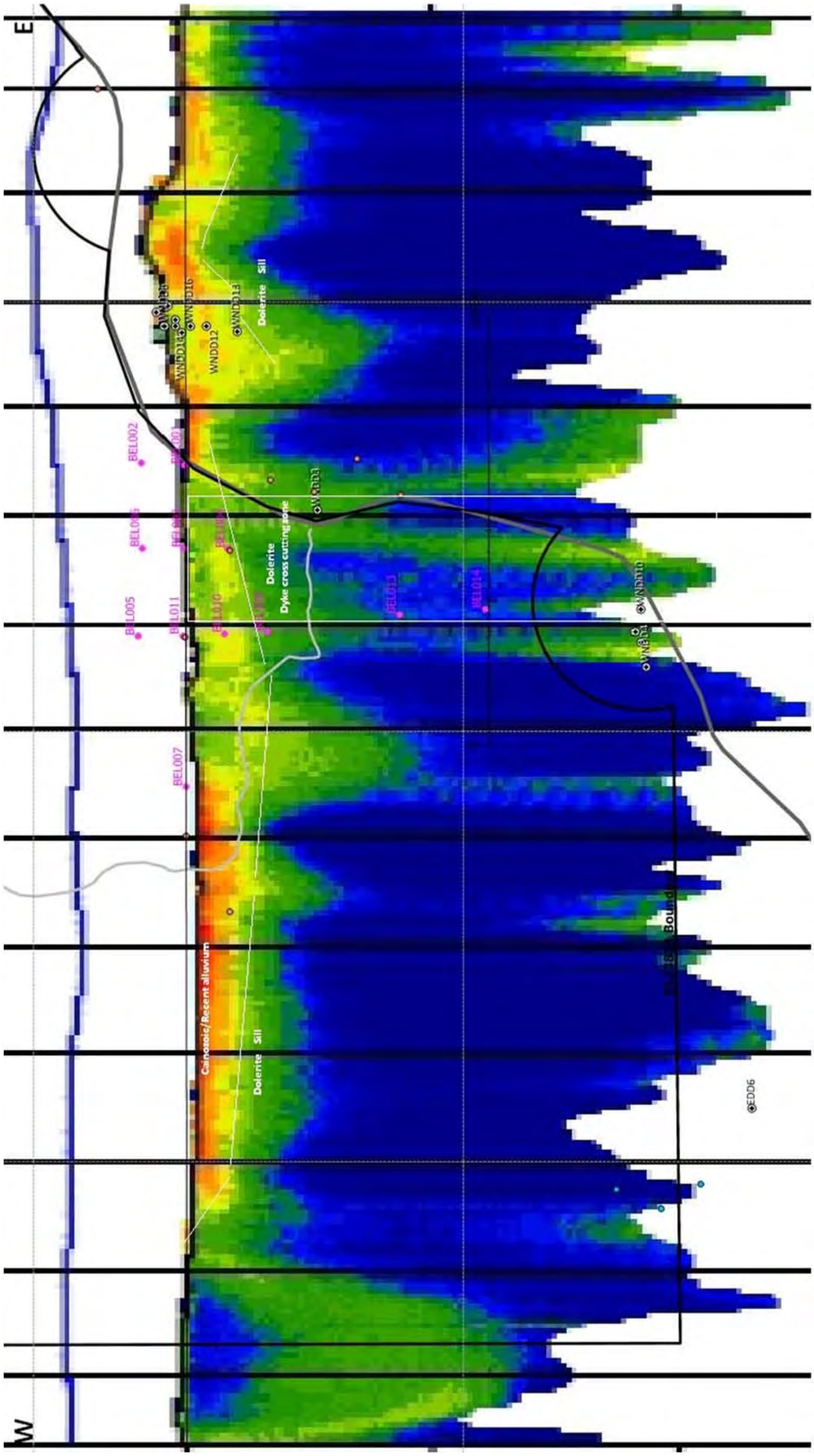

Figure 9: Enlarged CDI section of L1005401:8, 8493293mN; Hill 131 drilling, DDH16 lies immediately south of CDI section.

from surface to the the mineralisation intersection on the CDI correlate with the weak orange conductive zone within the broader yellow conductor. The base of the yellow conductive zone vertically from surface of the CDI section approximately correlates with the dolerite intesection in DDH16. [NB. CDI sections are / have a high vertical exageration.]

In addition the shallow near surface Pb+Zn anomalism noted in drill hole BEL001 form the 2008 campaign fits with the CDI higher conductive layer at surface. This would seem to corraborate an interpretation that the higher conductivity layer within moderate thickness to thicker occurrences of the Dook Creek Formation which are adjacent to faulting intersects can be consider as highly prospective targets. However regions of highly conductive layers at surface are considered to be more related to conductive (and relatively saturated) Cainozic and Recent alluvial sediments possibly overlying subcropping dolerite sills as interpreted in the case for the highly conductive western layer in Figure 9. Anomaly selection requires careful detailed target selection from the EM data and interpretations followed by on ground exploration and/or drilling of such recognised anomalies.

Notably in the case of Hill 131 such a taget would be ~ 345m east of the historic hole DDH16 where a notable conductive high is present (Figure 9). The greater region of Hill 131 would be highlighted as a priority 1 target should the tenement application ELA 25930 be granted.

SOUTHERN EL 23814 AREA

The priority 2 selections within the southern area of EL 23814 occur over known geochemistry, drilling and historic anomalies within that zone. Historic (1968) dill hole WNDD04 intersected moderate to high-grade (3.6-32% Zn) mineralisation within the oxide zone at the Wilton River Crossing Prospect. The mineralisation was noted to be relatively flat lying, stratabound and open to the west, north and south. A stylised cross section of the drill holes WNDD04, WNDD09, WNDD05 and WNDD10 in Appendix 1 shows secondary mineralisation within the upper 20m weathered zone and a deeper primary mineralisation zone from 20m to 40m. This historic prospect and drill holes lay south of the selected priority 2 targets in this southern EL 23814 (Figure 5).

Dook Creek Formation is projected to be relatively thin in this target area, less than 50m thick (Figure 2). However the occurrence of extensive geochemistry anomalism (Figure 10) and the historic drilling anomalous intersects and observations suggest that there is potential in this area for further stratabound mineralisation that has not been adequately tested.

The areal extent or footprint of the HYC McArthur River Pb-Zn deposit is overlain on the total Z conductivity image in Figure 10 as a comparison to the area of Zn-Pb geochemistry anomalism found at this location. A 10m topographic contour interval plot derived from the digital terrain model generated by the EM survey is also overlain on Figure 10. The geochemistry anomalism clearly shows a relationship with the topography, with high anomalism correlating with units within the Dook Creek Formation at specific elevations on the hills. These hills can be weakly correlated to the slightly more conductive zones within the total Z conductivity image. These factors all confirm the stratabound style of mineralisation within a specific unit or units of the Dook Creek Formation for this area.

Figure 11 shows a stylised cartoon cross section through the previously drilled northern part of this southern EL 23814 area. The aim of this cartoon is to show appropriate and less apt drill targeting options. Unfortunately drilling in more recent time's falls into the less apt targeting category, this has primarily been due to logistics and environmental issues. The majority of the drilling conducted in this southern EL 23814 area was not suitably positioned to target the mineralised stratabound horizon, and hence has not fully tested this area.

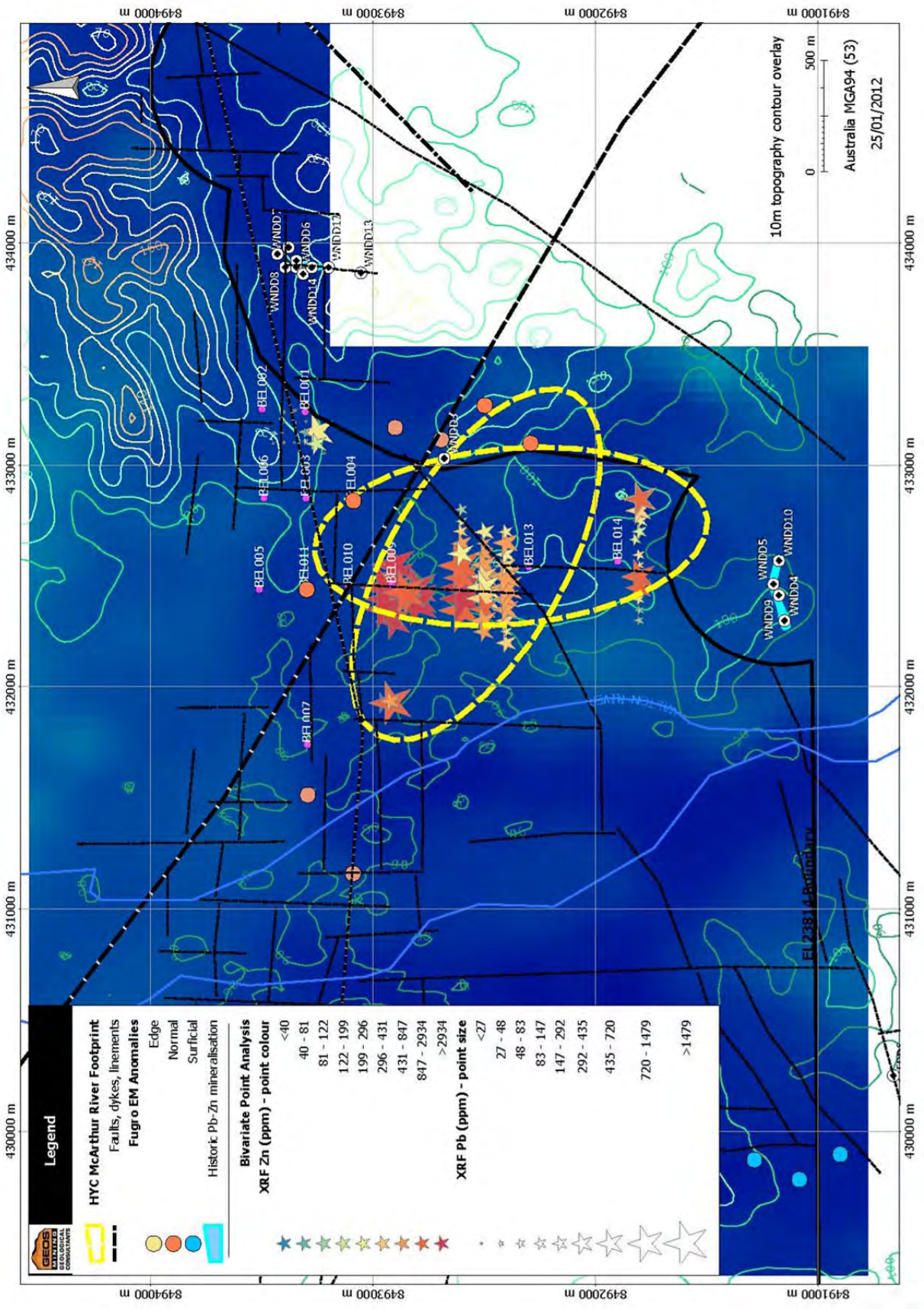

Figure 10: Geochemistry anomalism southern EL 23814 on Conductivity Z Channel 15 image.

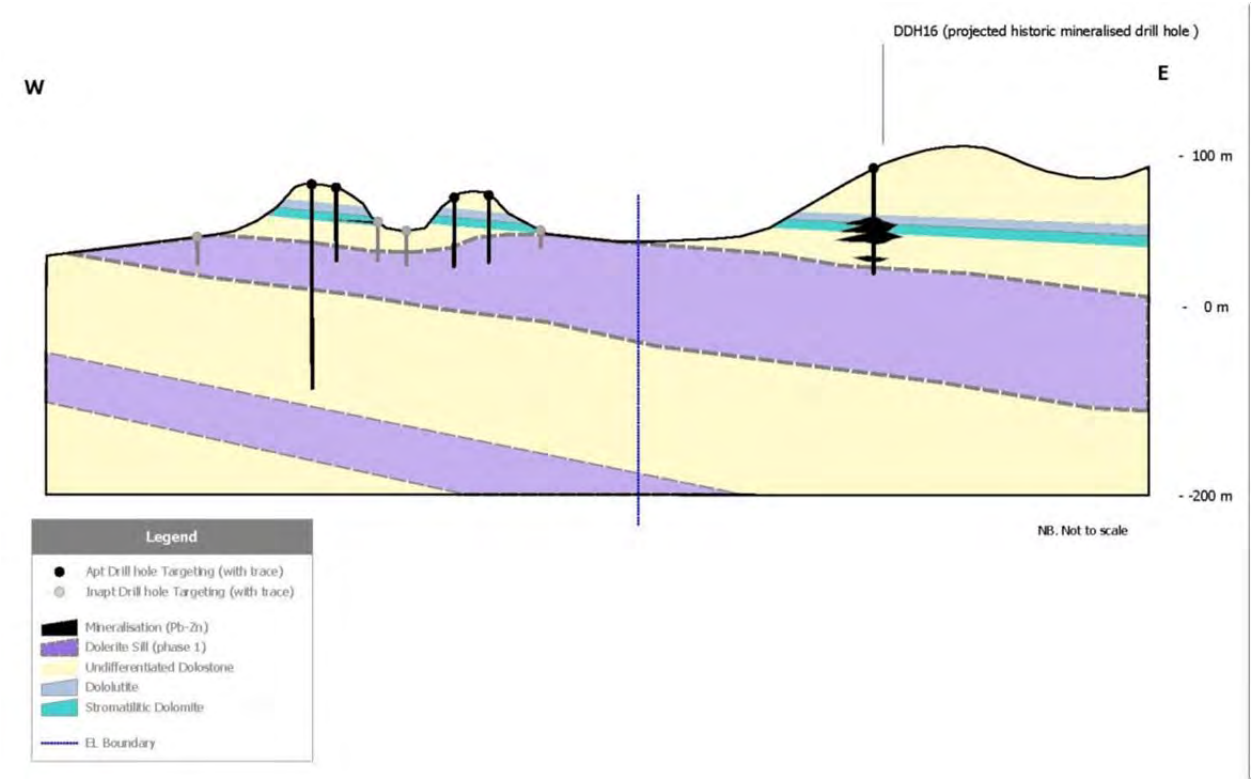

Figure 11: Cartoon cross section of drilled anomaly area of southern EL 23814, DDH16 projected from Hill 131 (not to scale).

The FAS anomaly picking shows a number of 'normal' anomalies grouped immediately east of the geochemistry anomaly and selected Geos targets in this southern EL 23814 area (Figure 10). These anomalies unfortunately fall outside the tenement boundary. However this area to the east of the southern geochemistry anomaly across to and including Hill 131 would be a prime target (priority 1) for immediate exploration work should the adjacent tenement application ELA 25930 be approved.

Notably a historic drill hole WNDD03 was located within this FAS anomaly pick group, Figure 10, however it did not intersect mineralisation but entered faulted dolerite at ~ 49m. A review of the historical report indicates that WNDD03 was located adjacent to the principal road within a valley between hills of Dook Creek Formation and inclined at 70^{o} to 180^{o}. Hence it may not have been positioned advantageously to target stratabound style mineralisation, possibly having drilled below the likely mineralised units.

The areal extent of this zone of Zn-Pb anomalism has similar dimensions to the footprint for the McArthur River Pb-Zn deposit, is interpreted to be adjacent to significant fault intersections and significant magnetic features (Figure 12). However given the low grade nature of the drilled intersects and the stratabound nature of the geochemistry in conjunction with the expected thinner thickness of the overall Dook Creek Formation any mineralisation would not be expected to be similar grade and tonnage to the McArthur River deposit. Hence this area has been given a lower priority but is still considered to warrant significant focused geological investigation.

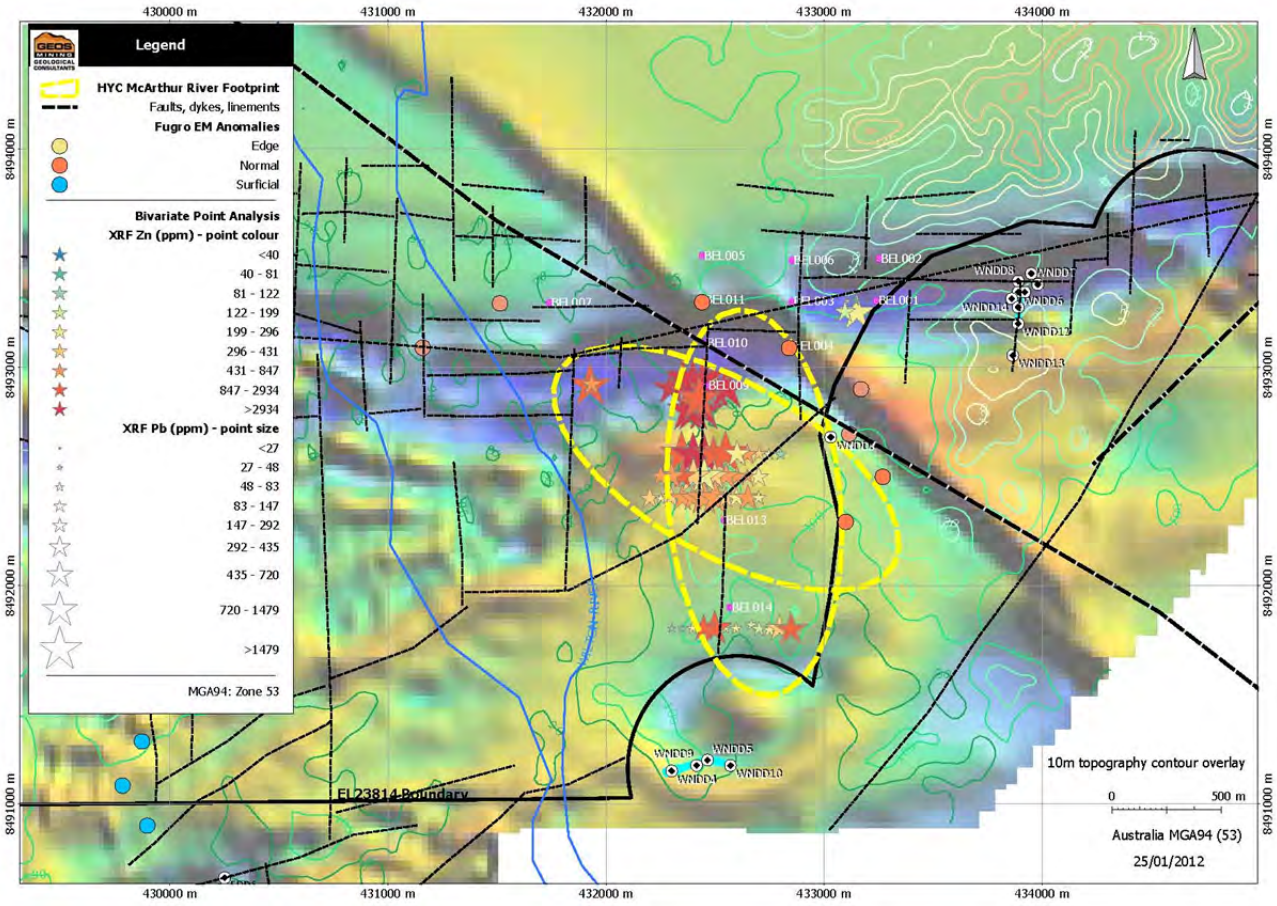

Figure 12: Southern EL 23814 geochemistry Pb-Zn anomalism with McArthur River Pb-Zn Deposit footprint on TMI magnetic image.

RIPPLE HILL REGION

The western most priority 1 selection (Figure 4) is the recently discovered Zn-Pb geochemistry anomaly of Ripple Hill. A plot of the geochemistry anomalism on the imaged total Z conductivity showing the FAS anomaly picks, interpreted faults, topographic contours and the McArthur River Pb-Zn Deposit footprint overlay is given in Figure 13 below.

The geochemistry anomaly does not fall in a highly conductive zone but a rather weakly elevated conductive zone best related to moderately thick, up to ~50m, of Dook Creek Formation. No FAS anomaly picks occur on the geochemistry anomaly and only a weak feature was noted in the late EM channel 15.

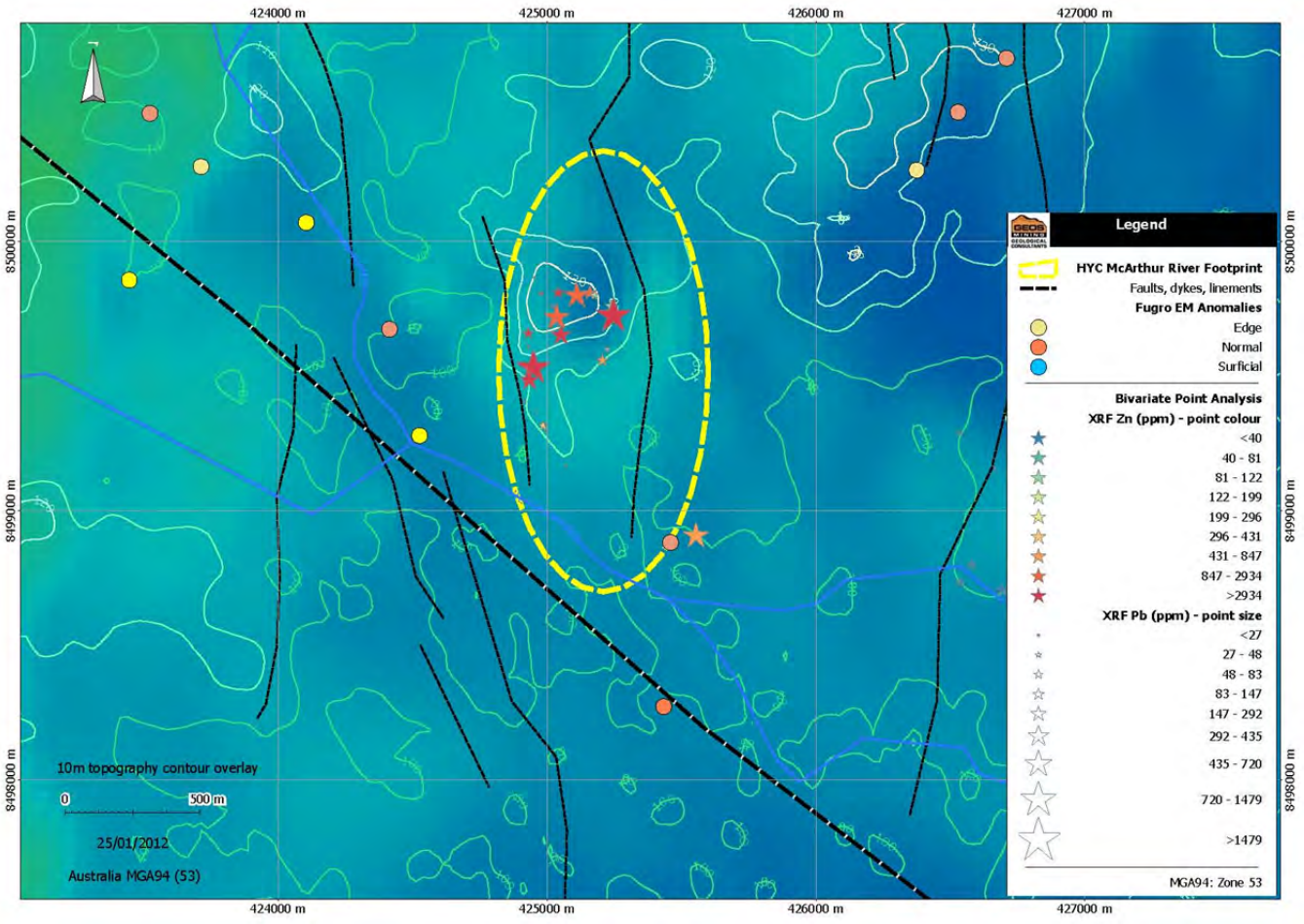

Figure 13: Zn-Pb geochemistry anomalism, FAS anomaly picks, interpreted faults, topographic contours and the McArthur River Pb-Zn Deposit footprint on imaged total Z conductivity.

The immediate area of the Ripple Hill anomaly is proportionally only approximately one quarter in size to the McArthur River Pb-Zn Deposit footprint. However there are extensive areas of moderately thick Dook Creek Formation immediately south, northwest and northeast of the anomaly which is totally unexplored.

Displaying of the same data on the TMI magnetic image highlights the proximity to the young dolerite sill intruding NW along a fault structure, Figure 14 . In addition the geochemistry anomaly would appear to sit within a zone of buried dolerite sill.

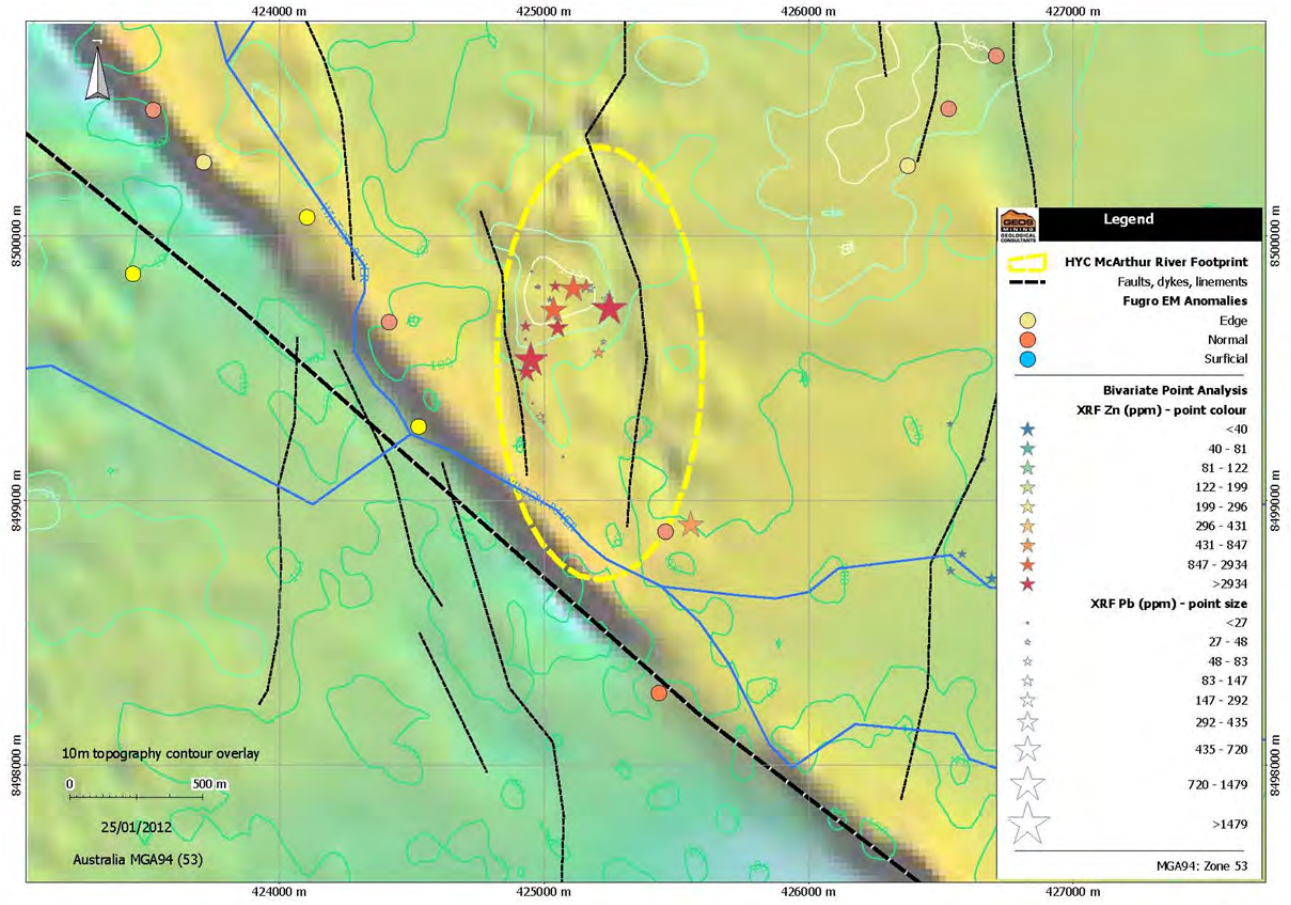

Figure 14: Zn-Pb geochemistry anomalism, FAS anomaly picks, interpreted faults, topographic contours and the McArthur River Pb-Zn Deposit footprint on TMI magnetic image

A comparison of CDI section with imaged total Z conductivity and magnetic data across the Ripple Hill anomaly and surrounds along the flight line L1002412:8 is shown in Figure 15 below. The western small red ellipse is the area of the Ripple Hill geochemistry anomaly. The accompanying red selection ellipses highlight the continuation to the east and to the northeast of the conductive layer containing the Ripple hill anomaly within similar thickness of Dook Creek Formation.

The Ripple Hill geochemistry anomaly lies on the edge of a dolerite sill contact (Figure 15) at or near the current topographic surface. This dolerite sill dips and underplates the Dook Creek Formation to the east and subcrops to the west of the anomaly as noted by the highly conductive zone at surface on the CDI section. The subcropping dolerite sill area also correlates to the NNE trending higher conductive zone in the imaged total Z conductivity and the high peek magnetic signature of the dolerite edge.

From the CDI section it can be seen that thicker Dook Creek Formation or sediments lie east of the red ellipses with continued and dipping high conductivity zone defining a highly prospective line. Comparison of this CDI sections with other section lines to the north defines a prospective area of approximately 10.5km^2. Within this prospective zone lie several FAS anomaly groupings and Geos anomaly selections. These anomaly selections coincident with this NE trending prospective zone are considered to be highly prospective. Categorising these anomaly selections as priority 2 or 3 reflects the logistical issues in exploring this remote area and the unsubstantiated geological information available.

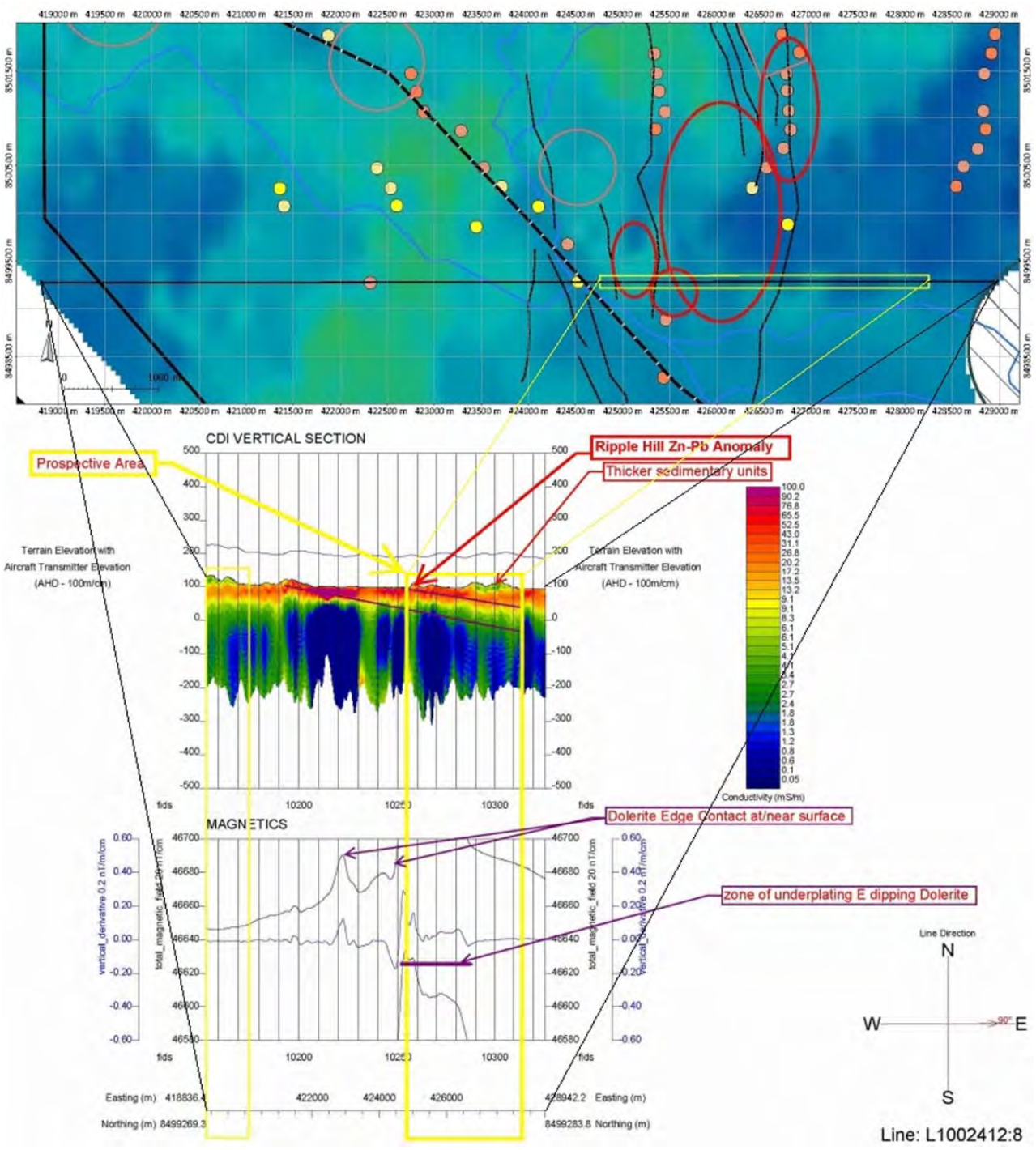

Figure 15: Comparison of CDI with imaged total Z conductivity and magnetic data across the Ripple Hill anomaly and surrounds.