

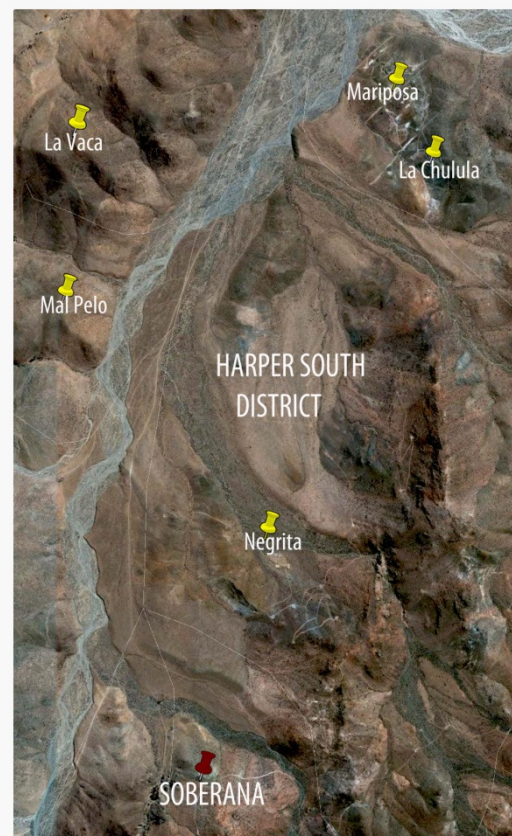
Mine study for an early production at Soberana awarded to Redco Mining Engineers

The Board of Admiralty Resources NL (“Admiralty” or “the Company”) has contracted Redco Mining Consultants (“Redco”) to perform a mine study to produce high grade magnetite content iron lump out of Soberana, one of the six targets in the Harper South Project, following the promising results of the high resolution ground magnetic study carried out in November 2011.

The objectives of the mine study are:

- 1) Define a scope of work to achieve an early iron lump production while maximising the run of mine; and
- 2) Minimise the capex involved in beneficiation while producing a commercially marketable product; and
- 3) Start a three month trial production in six months, from September to October 2012 indicatively.

The timeline for the scope of work designed by Redco, who are currently working on a mine engineering plan for Mariposa, is as follows:



Stage 1: Study and scoping: assess the quality and quantity of a commercially viable ore		Stage 2: Mine design: assess grinding size versus recoverable average grade		Stage 3: Plant design and permitting
March	April	May	June	July
Main tasks: - Bulk sampling; - Commercial strategy - Geological and survey work; - 4 x 30m diamond drill holes; and - Contractor and permitting procurement.		Main tasks: - Bulk sampling testing; - Requirements for beneficiation; - Production schedule and operating units; and - Compute mine gate operating cost.		Main tasks: - Establish mine work flow; - Tender for contractors; and - Continue permitting strategy.

Stage 4: Contracting and setup		Stage 5: Pilot plant testing		
August	September	October	November	December
Main tasks: - Select contractor; - Plant construction; and - Equipment purchase and installation.		Main tasks: - Test process: blasting, mining, crushing, separating; and - Implement improvements and corrections where necessary.		

Soberana was mined artisanally in the 1960s and recent field visits to Soberana show exposed magnetite ore in two sub parallel veins of 7 to 10 metres each, configured in a single bench of about 15 to 17 metres high.



The Board of Admiralty believes the Soberana project can provide Admiralty with its first income stream from the Harper South district, taking advantage of the prime location of Soberana: 7 km from a main highway, 6 km from a railway line and 17 km from the township of Vallenar.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Stephen C. Prior".

Stephen C. Prior
Managing Director



About Harper South

The Harper South district ("Harper South") lies 15 km south west of the city of Vallenar in Region III of Chile. It covers an area of 2,498 hectares, divided in 14 exploitation concessions and where exploration work to date has identified six anomalous targets: Mariposa, La Chulula, Soberana, Negrita, La Vaca and Mal Pelo, with Mariposa and La Chulula being the most prominent targets.

Mariposa is the most developed target and it has a JORC compliant resource statement. An engineering mine plan to produce one million tonnes of finished product per annum has been commissioned to Redco Mining Engineers. As part of this plan, a diamond drilling campaign has recently been conducted and results are expected this quarter.

A high resolution ground magnetic survey carried out in September 2011 showed La Chulula as the ore body with highest susceptibility and depth. A 600m test drill hole has been carried out at the La Chulula and a reverse circulation drilling campaign is currently being designed.

About Admiralty Resources NL

Admiralty Resources NL is a public diversified mineral exploration company listed in the Australian Securities Exchange (ASX: ADY) with mineral interests in Chile and in Australia.

Admiralty's flagship projects are the iron ore districts in Chile: Harper South (2,498 Ha) and Pampa Tololo (3,455 Ha) and Leo Sur (600 Ha).

The districts are located in prime locations, with close and easy access to the Panamerican Highway (a major route), a railway line and operating shipping ports.

Admiralty projects in Australia are the Bulman project, a zinc and lead prospect located in the Northern Territory and the Pyke Hill project, a cobalt and lead project in which Admiralty owns 50% of the mining lease.