

Date: 1 June 2012

Two reverse air circulation drilling campaigns totalling 5,870m get underway at La Chulula and Simpson

The Board of Admiralty Resources NL ("Admiralty" or "the Company") is delighted to inform that two reverse air circulation drilling campaigns totalling 5,870 metres ("m") are scheduled to commence next week in La Chulula (Harper South District) and Simpson (Pampa Tololo District).

The campaigns are part of the second phase of exploration in the Harper South and Pampa Tololo districts designed by our external geologists, Goldberg Resources, and will be performed by PerfoChile, a Chilean company well experienced in drilling for iron ore.

The drilling campaigns will commence at La Chulula and will then be continued at Simpson. These two targets belong to the Harper South and the Pampa Tololo Districts respectively, which were subject to high resolution magnetic surveys at the end of 2011, confirming 7 targets in Harper South and 3 targets in Pampa Tololo.

General location of the drilling targets, at 16km and 35km from the township of Vallenar (Chile).



Drilling campaign factsheet

Commencement date:	4-8 June 2012, expected to be completed in July 2012.
Drilling contractor:	PerfoChile Ltda., a respected drilling company with experience working in projects in Chile for Anglo American and XSTRATA, among others.
Drilling type:	Reverse circulation drilling with 5 3/4 and 5 3/8 inches in diameter.
Number of holes:	2,600m distributed in 10 drillholes with a depth distribution between 250-300m in La Chulula (Harper South District); and 3,270m distributed in 7 drillholes with a depth distribution of 460-480m in Simpson (Pampa Tololo district).
Quality Assurance & Programme Supervisor:	Performed by Goldberg Resources, Admiralty's external geological consultants.
Expected total cost:	US\$1,000,000

La Chulula

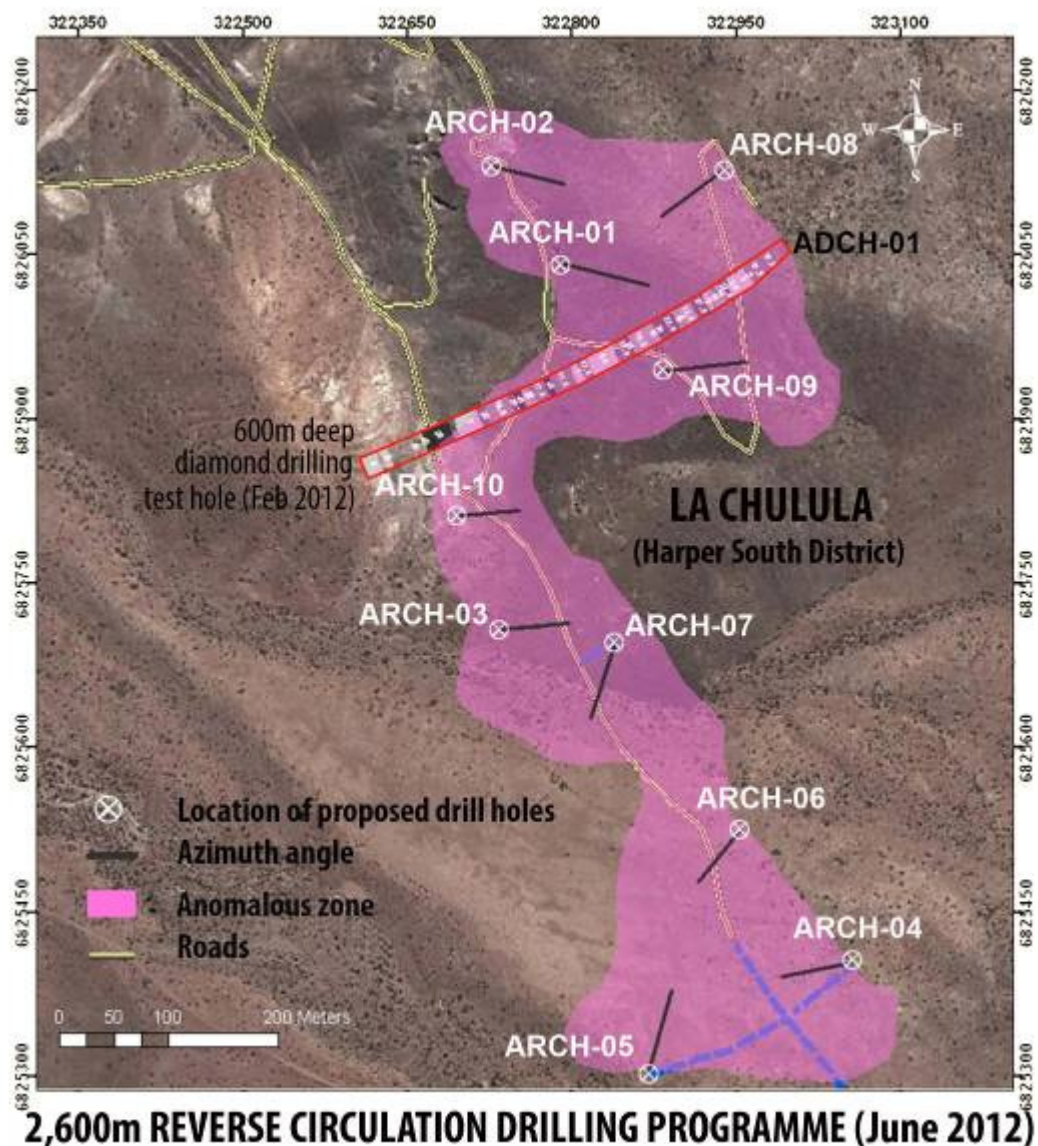
The drilling campaign at La Chulula will consist of 2,600m, distributed in 10 holes with a depth between 250-300m, as shown in the picture below.

This campaign is the beginning of a new exploration phase in La Chulula target following the completion of:

- the high resolution ground magnetic survey, which identified a 250 x 750m ore body of high magnetic susceptibility, located near the surface; and
- the 600m deep diamond drilling test drill hole completed in February 2012 (ADCH-01) and a preliminary report on the mineralisation encountered by Goldberg Resources which revealed that three sorts of mineralisation occur in the La Chulula target: **disseminated magnetite** (10-15% Fe), **vetillas/veins** (20-30% Fe) and **massive magnetite** (50-60% Fe).



Iron outcrops at the La Chulula target (Dec 2011).

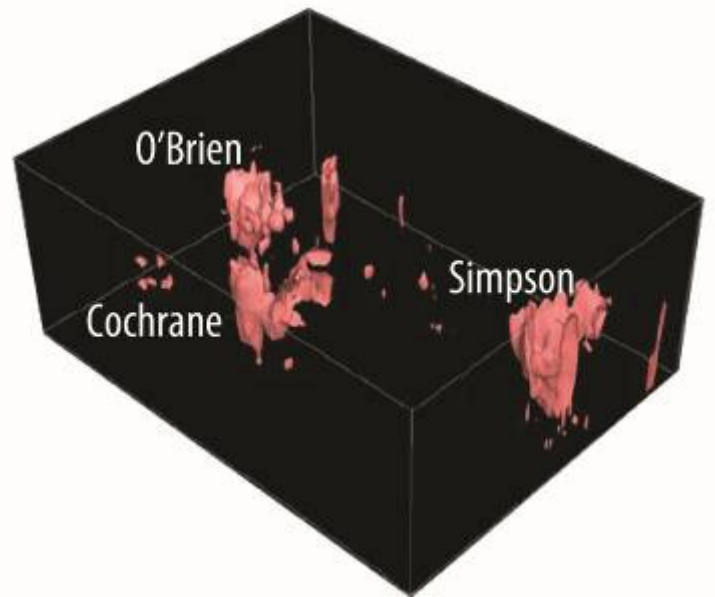


Simpson

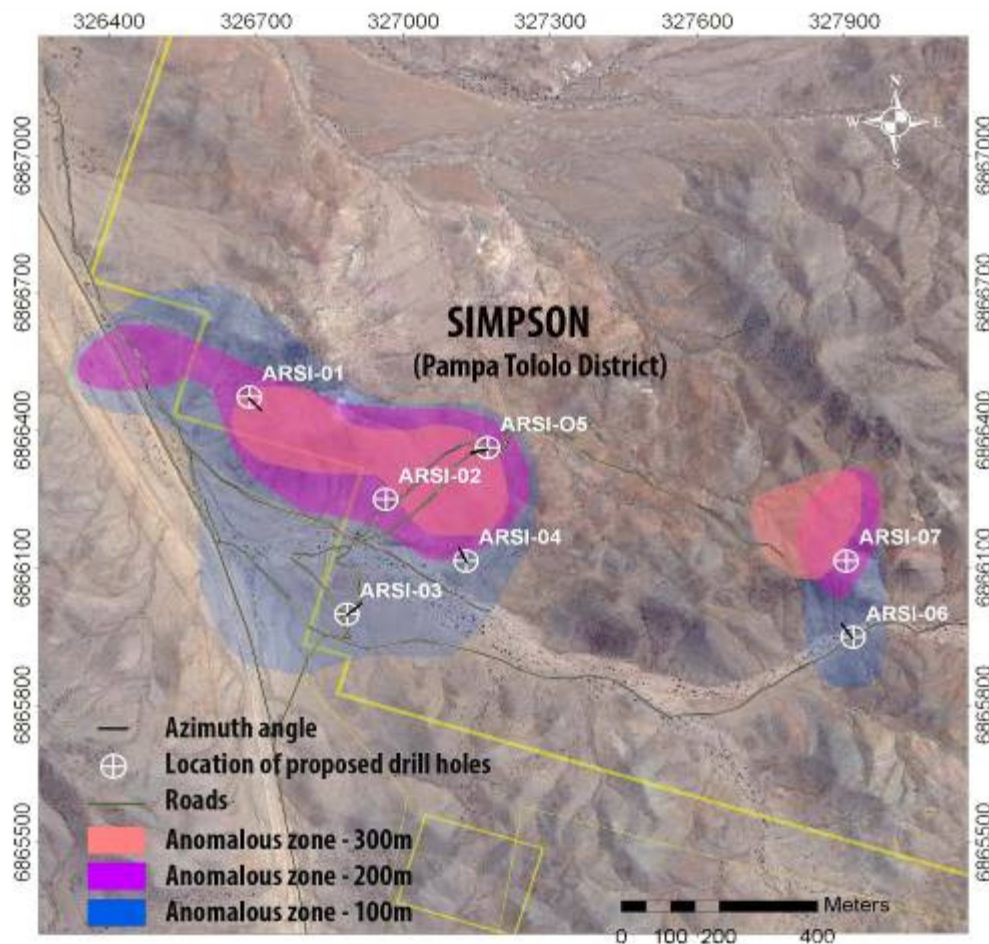
The drilling campaign at Simpson will consist of 3,270m, distributed in 7 holes with a depth between 450-480m, as shown in the picture below.

This campaign is the first drilling to be undertaken at the Pampa Tololo district and it follows the results of the high resolution ground magnetic survey performed in 2011, which identified the following targets in the district:

- **Simpson**, the most important target in relation to size/susceptibility.
An oblate spheroid shape of 800m in diameter, located at a depth of 200-250m and exhibiting magnetic susceptibility of about 0.5 S.I. units.
- **Cochrane**, a more complex shape, elongating north/south up to 1000m, with a depth extension of 200-250m approximately.
- **O'Brien**, showing an oblate sphere shape, with dimensions of 500 x 400 m, buried at depths between 200m and 300m.



3D view of the confirmed targets in Pampa Tololo.



3,270m REVERSE CIRCULATION DRILLING PROGRAMME (June 2012)

Yours faithfully,



Stephen C. Prior
Managing Director

About Harper South

The Harper South district ("Harper South") lies 16km 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 seven anomalous targets: Mariposa, La Chulula, Soberana, Media 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 1.2 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 an updated resource statement is 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 scheduled for June 2012.

About Pampa Tololo

The Pampa Tololo district ("Pampa Tololo") lies 35km north west of the city of Vallenar in Region III of Chile. It covers an area of 3,455 hectares and high resolution ground magnetic work has to date confirmed three targets: Cochrane, O'Brien and Simpson. A maiden reverse circulation drilling campaign is scheduled for June 2012 at Simpson.

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.