ADMIRALTY RESOURCES

ASX ANNOUNCEMENT
Date: 27 June 2012

5 iron targets identified at the Cojin District by high resolution ground magnetic survey

Admiralty Resources NL ("**Admiralty**" or **"the Company**") has received positive results from a high resolution ground magnetic survey performed over the Cojin District (*formerly known as Leo Sur*) in February/March 2012 with the 3D inversion report identifying 5 iron targets: C1, C2, C3, C4 and C5.

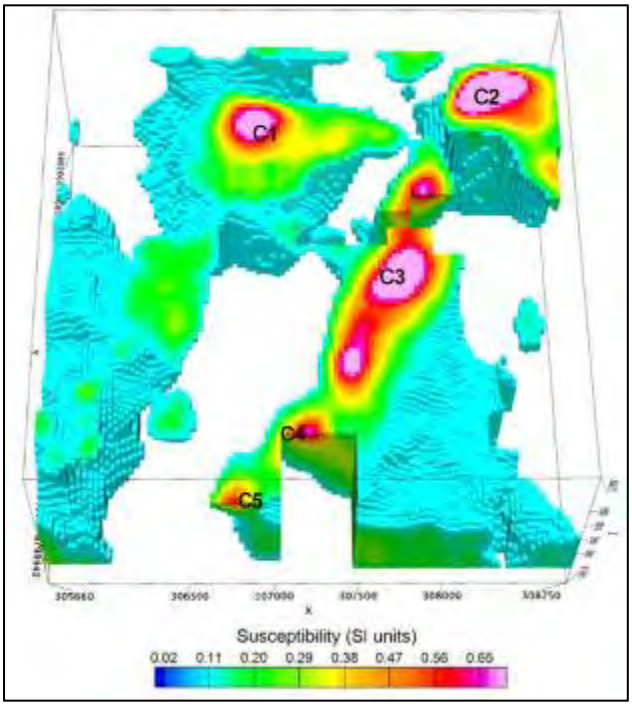
Geographical location of the Cojin District, 90 km from the ports in Huasco.

The Board of Admiralty has received the results of the survey with enthusiasm as this is the first exploration work that has been completed in the Cojin District since the Company first acquired interest in the iron ore projects in Chile back in 2005.

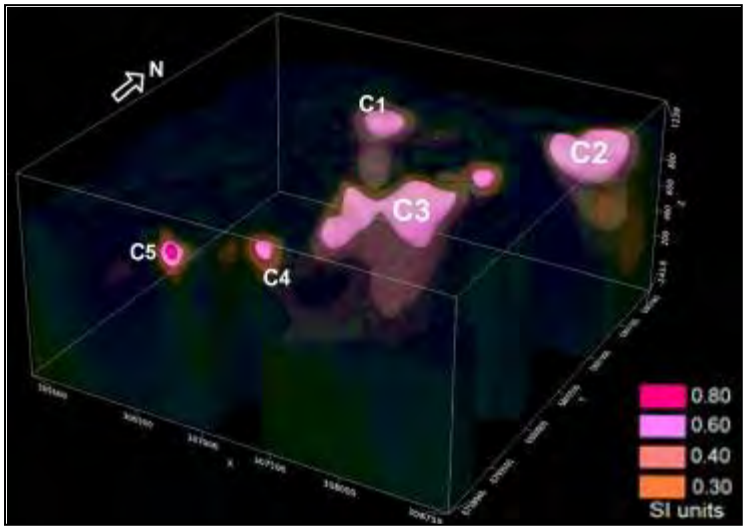
The survey consisted of 61 lines of about 3,000m long, spaced at 50m apart covering the Cojin District, which is an area of approximately 3 km^2, located 42 km south of the township of Vallenar.

The survey was commissioned to Quantec Geoscience Chile Limitada ("**Quantec**") following a field visit in late 2011 by management and Admiralty's external geological consultant, Goldberg Resources, who was excited at the prospectivity of the district, which exhibited copper sulphate amuck, hematite in large lumps, quartz and kaolin, a classical picture of an IOCG (Iron Oxide Copper Gold) deposit, very common in the Chilean iron belt, where Admiralty's iron districts are located.

The purpose was to identify and define structural trends, define and detect magnetite style mineralisation and define potential targets both at depth and along strike for drill targeting.



***Right:** Calculated susceptibility voxel model of the magnetic anomalies at the Cojin District.*



Survey Results

The survey succeeded in detecting very strong positive and negative anomalous patterns in confirming 5 targets exhibiting susceptibility values of up to 0.90 S.I. units and depths up to 750m as indicated below.

Details of the targets are contained in the table below.

Left: *3D view of the Cojin District targets from combined susceptibility iso-surfaces between 0.30 and 0.80 S.I. units*

	C1	C2	C3	C4	C5
	Most important targets due to size/susceptibility				
	Traceable at greater depths				
		May be aligned and represent the same structural control			
	Located near the surface				
Susceptibility	0.6 S.I. units	0.9 S.I. units	0.9 S.I. units	0.6 S.I. units	0.8 S.I. units
Dimensions (lateral dimensions)	300m x 250m	600m x 350m	1500m x 350m	<100m x 100m	<100m x 100m
Depth (vertical dimension)	500m	500m	700m	<100m	<100m
Location in the surveyed grid	North central	NE corner	Eastern half	Southern edge	Southern edge
Comments	Thinning down at depth.	Elongated in NE-SW direction.	Elongated body, showing a vertical extension in the north and dipping eastward in the south.	Vertical and lateral extensions not well defined as it is located in the south of the grid.	Lateral extensions not fully confined within Admiralty's property.

The full report is attached to this announcement.

Yours faithfully,
ADMIRALTY RESOURCES NL
PER:

Stephen C. Prior
Managing Director

Outcrops in the Cojin District (December 2011.)

About the Cojin District

The Cojin District (formerly known as Leo Sur) covers 647 hectares, it is composed of three exploitation concessions and it is located within the Chilean iron belt, 42 km from the township of Vallenar and within 50 km from Admiralty's other iron ore districts: Harper South and Pampa Tololo.

The Cojin District is 8 km from the El Algarrobo mine, one of the largest Chilean producers of iron preconcentrates for Chile's top iron producer, Compañía Minera del Pacífico (CMP), which uses the iron production out of the Huasco valley in their pellet plants.

The name given to the district, Cojin, originated during a field visit in late 2011 when a solitary example of a *grusonii*, the Latin name for a species of native cactus found in Chile, was noted in the property (refer to picture on the right).

*Solitary **Grusonii**, specie of native cactus found in Chile, in the Cojín District (December 2011.)*

Grusonii are popularly known as "cojín de la suegra" in Spanish, which means "mother-in-law's cushion" in English. Hence, the name of the district.

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), Pampa Tololo (3,455 Ha) and Cojin (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 lead and zinc project located in the NT and the Pyke Hill project, a cobalt and nickel project in WA whose mining lease is 50% owned by Admiralty.

About Admiralty in Chile

The Harper South district ("Harper South") is the most advanced district in respect to exploration. To date, seven targets have been confirmed as carriers of magnetite style mineralisation: Mariposa, La Chulula, Soberana, Media Soberana, Negrita, La Vaca and Mal Pelo.

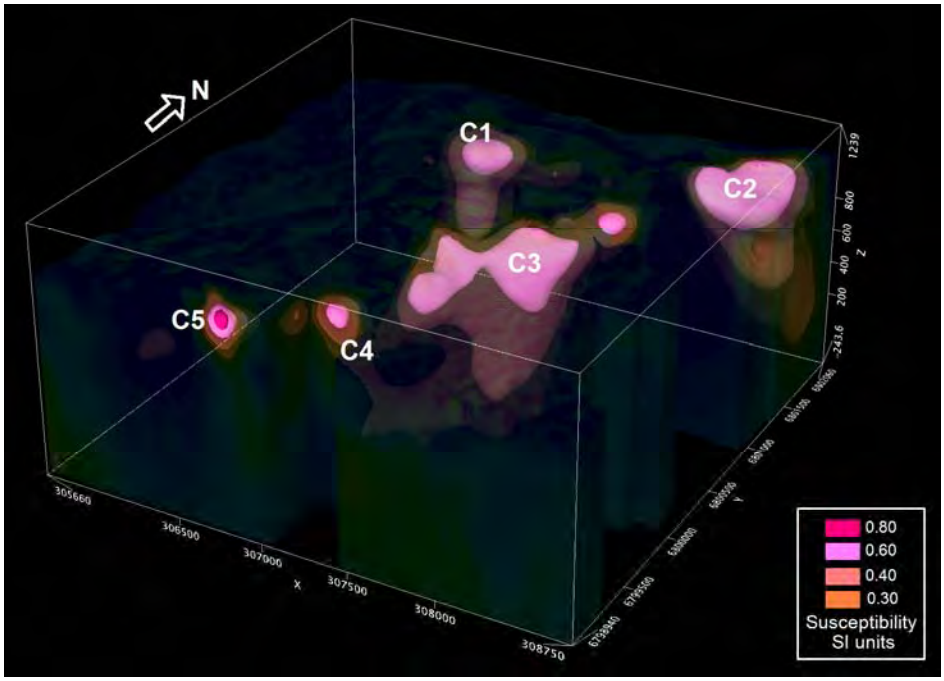
- Mariposa is the most developed target and it has a JORC compliant resource. A 3,000m diamond drilling programme was performed in early 2012 and upgraded resource statement is expected in the 3rd quarter of 2012. An engineering mine plan (or Prefeasibility Study) to produce 1.2 million tonnes of finished product per annum has been commissioned to Redco Mining Engineers and results are expected in September 2012.
- La Chulula. A high resolution ground magnetic survey carried out in 2011 showed it as the ore body with highest susceptibility and depth within Harper South. A 600m test drill hole was sunk in February 2012 and a 2,650m reverse circulation drilling campaign is currently taking place, with a resource statement being expected by the end of 2012.
- Soberana. Redco Mining Engineers are working on an early mine production study out of Soberana and results are expected before the end of 2012.

The Pampa Tololo district. A high resolution ground magnetic survey carried out in 2011 identified three targets: Cochrane, O'Brien and Simpson. A reverse circulation drilling campaign is scheduled to take place in Simpson in July 2012, with a resource statement expected in early 2013.

The Cojin district. It is the least advanced of the Admiralty's projects in Chile, with the first piece of exploration work being a high resolution ground magnetic survey carried out in 2012. The survey identified 5 targets in total with 3 of them showing great depth and high susceptibility.

QUANTEC GEOSCIENCE LTD
3D MAGNETIC INVERSION REPORT

COJIN DISTRICT
(CHILE)
ON BEHALF OF
ADMIRALTY MINERALS CHILE PTY LTD
AGENCIA EN CHILE



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15/06/2012

EXECUTIVE SUMMARY

INTRODUCTION

High resolution ground magnetic surveys were carried out by Quantec Geoscience over the Cojin District located approximately 42 km southwest of Vallenar in Region III, Chile, on behalf of Admiralty Minerals Chile Pty Ltd. Agencia en Chile during February-March 2012.

This report discusses the 3D inversion results of Cojin District where the ground magnetic survey consisted of 61 lines. All lines are of about 3km long, traversing EW and spaced at 50m apart, covering an area of about 3km x 3km. The magnetic data along each line were continuously recorded using a walking magnetometer. A magnetic base station was used to correct for diurnal magnetic variations.

SURVEY OBJECTIVES

The purpose of the ground magnetic survey within the Cojin District was the identification of structural trends, the detection and definition of magnetite style mineralization and alteration patterns and to define potential targets for iron mineralization both at depth and along strike for drill targeting.

RESULTS

The ground magnetic survey carried out within the Cojin District was successful at detecting very strong positive and negative anomalous patterns. The 3D inversion results obtained with the MAG3D UBC code highlighted five targets of high susceptibility values. The identified target zones may be further explored for validating any potential economic mineralization associated with iron formation in the region.

The main targets identified in the zone are **C2** and **C3**, trending NE-SW, exhibiting very high susceptibility values of reaching up to 0.90 SI units. Target **C5** also show similar susceptibility (>0.80 SI units), but is relatively smaller in dimension. Other targets identified in the district, **C1** and **C4** show low susceptibility values of about 0.60 SI units. Among all these identified targets, **C1**, **C2** and **C3** are of great importance due to their dimensions and high susceptibility values.

Target **C1** is nearly vertical and located to the central north of the survey grid with approximate dimensions of 300m x 250m x 500m, and appears to be thinning down at depth around 200m. **C2** is located in the north east corner of the grid and roughly elongated in the NE-SW direction, marking significant dimensions of about 600m x 350m x 500m. The main target in the district, **C3** is an elongated body in the NE-SW direction located in the eastern half of the grid. It is very important with its large lateral (1500m x 350m) and vertical (700m) dimensions. This body shows a near vertical extension in the north (along line L2031) and exhibit an eastward dipping in the south (as seen along line L2018). From the plan maps, it is quite evident that the targets **C1**, **C2** and **C3** are traceable to greater depths. Targets **C4** and **C5** are relatively smaller in size, but with relatively significant susceptibility values and are located in the southern edge of the district. In general, all targets in the eastern half of the district, **C2**, **C3**, **C4** and **C5** seems to be aligned and may be representing the same structural control.

Based on the 3D inversion results of magnetic data over the district, it is recommended to further integrate this result with other available geophysical / geological information to choose test drill sites to validate any potential economic mineralization.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

1 INTRODUCTION

This report presents the 3D inversion results of the ground magnetic survey carried out in February-March 2012 over the Cojin District, located approximately 42 km southwest of Vallenar in Region III, Chile, on behalf of Admiralty Minerals Chile Pty Ltd. Agencia en Chile.

A total of 61 lines of about 3 km, traversing EW and spaced 50m apart, were surveyed to cover an area of about 3km x 3km. The magnetic data along each line were continuously recorded using a walking magnetometer. A magnetic base station was used to correct for diurnal magnetic variations.

Raw data of the logistics and geophysical reports have been previously submitted to Admiralty Minerals Chile Pty Ltd. Agencia en Chile shortly after the completion of the survey.

This report reflects the results of the 3D magnetic inversion performed with 3D UBC magnetic inversion code[1] developed by UBC-GIF. The results are presented as horizontal depth slices at different elevations, vertical sections and iso-surfaces of susceptibility solid model at different calculated susceptibility values.

1.1 SURVEY OBJECTIVES

The purpose of the ground magnetic survey within the Cojin District, is the identification of structural trends, the detection and definition of magnetite style mineralization and alteration patterns and to define potential targets for iron mineralization both at depth and along strike for drill targeting.

The Cojin District is located south of the magnetic equator where the geomagnetic field at the center of the grid has an inclination of -28.27°, a declination of 0.56° and average amplitude of 23,620nT. These values of geomagnetic field were used in the 3D inversion of the magnetic data.

The ground magnetic survey should provide an excellent means of delineating highly magnetic target mineralization including magnetite and other magnetic minerals. In addition the ground magnetic survey can be used as a mapping tool for mapping geological contacts and mafic and ultramafic intrusive bodies where they can be differentiated by magnetic response.

1.2 GENERAL SURVEY INFORMATION

Quantec Project No.:	CH00697C
Client:	Admiralty Minerals Chile Pty Ltd. Agencia en Chile
Client Address:	Padre Mariano 87, Oficina 101 Providencia, Santiago Chile
Client representative:	Claudio Ferrada V.
Project Name:	Cojin District
Survey Type:	Ground magnetics
Project Survey Period:	February-March 2012

[1] MAG3D ver.4.0

General Location:	Approximately 42 km southwest of Vallenar
Province	Atacama Region
Nearest Settlement:	Vallenar
Datum & Projection:	PSAD56 UTM Zone 19J
Latitude & Longitude:	Approx. 070°58'58"W, 28°54'53"S
UTM position:	Approx. 306890m E, 6800151m N
List of Claims Surveyed	61 Lines

Figure 1-1: General project location[2].

[2] Image downloaded from Google Earth™, 2012/06/15

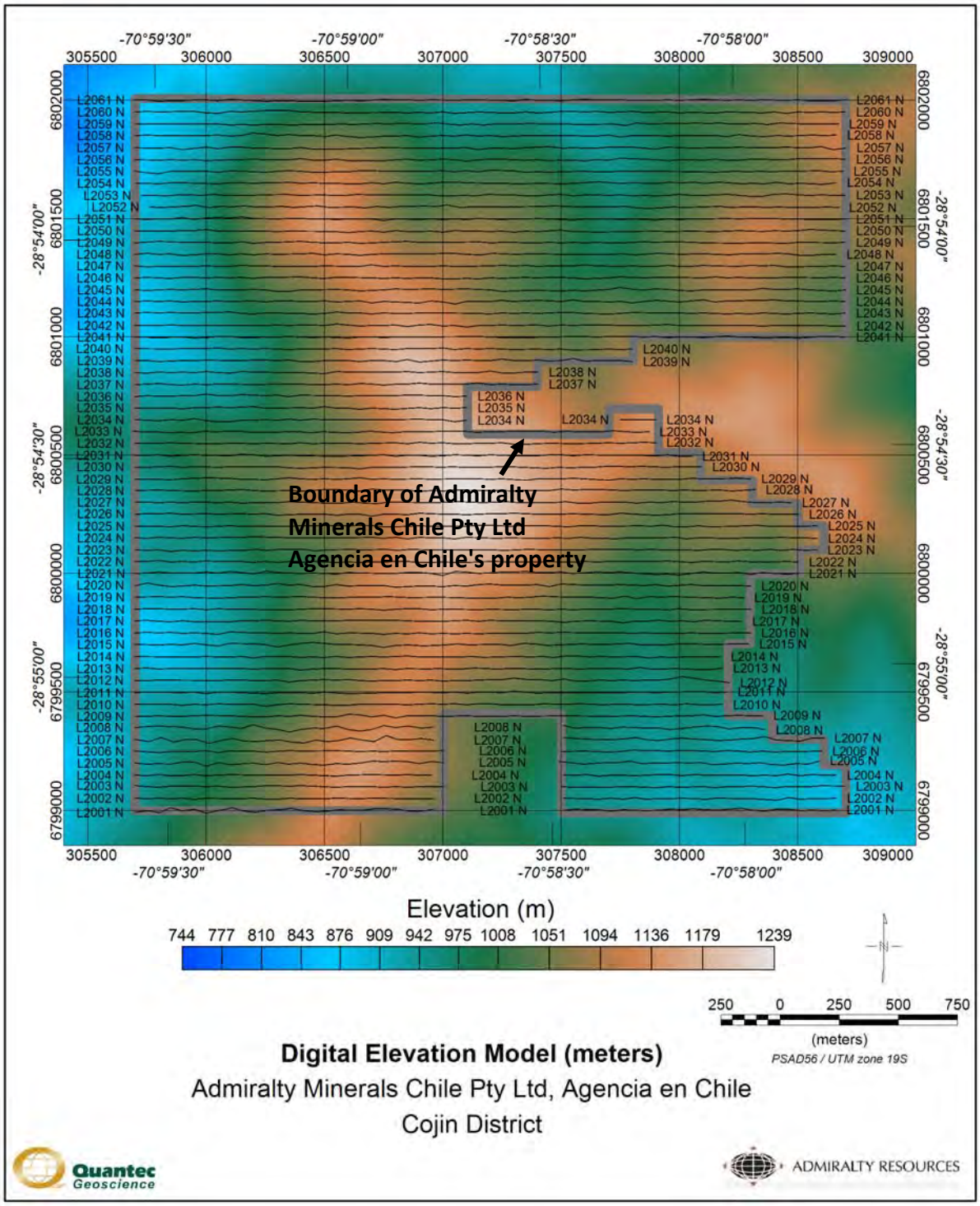


Figure 1-2: Location map and survey layout.

2 RESULTS AND INTERPRETATION

2.1 DESCRIPTION MAG3D INVERSION PROCEDURE

The 3D magnetic inverse problem is formulated as an optimization problem where an objective function of the model is minimized subject to certain constraints. For magnetic inversion, the first question that arises concerns definition of the "model." Two possible choices are *the susceptibility K and* In *(K),* but any function *g(K)* can, in principle, be used. In general, *K is used* since the field anomaly is directly proportional to the susceptibility that varies on a linear scale. But depending upon the expected dynamic range of susceptibility and the physical interpretation attached to its value or variation, it may be that In *(K)* is more desirable. To perform a numeric solution the model objective function is discredited using finite difference approximation on the mesh defining the susceptibility model and then defining a 2-norm misfit measure. The inverse problem is then solved by finding a model *m* which minimise the objective function Φ_m and misfits the data by a pre-determined amount. In summary the methodology providing a basic components for the 3D magnetic inversion consist in forward modeling, a model objective function that incorporates a depth weighing, a data misfit function, a trade-off parameter that ultimately determines the quality of the fit and the logarithmic barrier method to obtain the solution with positivity, although this last option is no longer necessary in the latest version of the software in which upper and lower bounds can be defined. By default the program uses susceptibility bounds of [0, 1]. While it is true that some rocks have susceptibility greater than 1.0 S.I. units MAG3D assumes small susceptibilities. However, in the case of very high magnetic susceptibilities, the relation between the incident and induced magnetization is no longer linear and the problem becomes more complicated. This, inverting the data in the presence of very high susceptibilities is still a topic of research, and the current version of MAG3D (4.0) does not allow for high susceptibilities in the solution.

2.2 DATA AND MAG3D PARAMETERS

The magnetic data were presented in Geosoft database as raw data and diurnally corrected data with X, Y coordinates into PSAD56 / UTM zone 19S coordinate system. The data post-processing includes the de-spiking using a non-linear filtering. The residual magnetic anomaly was calculated by removing the regional component (IGRF) from the corrected data. To enable the 3D inversion to work, the high magnetic intensity range is further reduced by removing a regional field using a Butterworth filter with its cut off wavelength at 2000m. The residual data were further subjected to a smoothing filter to avoid any artefacts in the 3D inversion program by upward continuing the grid to 30m. The measured data from survey were used for station elevations.

The input data for the MAG3D inversion code[3] was the filtered residual magnetic anomaly with station location and a topographic file derived from the elevations. The size of the mesh in the horizontal direction (EW and NS) was fixed at 30m, whereas it was variable in the vertical direction, starting from 13m and increasing gradually up to 556m. The inversion was carried out with no constraints using a homogenous half space of 0.001 SI. The inversion assumes the following assumptions:

1. The magnetic susceptibly varies within a range of [0, 1] and there is no negative susceptibility.
2. Only induced magnetization is in effect and there is no remnant magnetization.

[3] UBC-GIF, 2005

A comprehensive overview about the inversion theory can be found in the papers listed in the References section of this report.

The inversion parameters are provided in Table 2-1 below.

Table 2-1: 3D magnetic inversion parameters for the Cojin District.

UBC 3D Magnetic Inversion Parameters	
No. of inverted data points	3,687
Mesh size	114 x 115 x 88
EW cell size	30m
NS cell size	30m
Vertical mesh size	Variable (starting from 13m)
Weighting option	Distance
Mode	Chi factor (=1)
Initial model	Half-space (0.001 SI)
Iterations	60

2.3 DIGITAL ARCHIVE

The DVD attached to this report contains a copy of all the inversion results, Geosoft files including the 3D voxel, 3D inversion results in XYZ format, and an electronic copy of this report.

2.4 DISCUSSION OF RESULTS

Figure 2-1 illustrates the residual magnetic anomaly used for the inversion and the susceptibility voxel model (3D solution) of the lower boundary of which is clipped at 0.1 SI units. The residual magnetic anomaly shows very strong anomalous patterns with alternating strong negative (<-2000 nT) and strong positive anomalies (>3700 nT). The main feature seems to be roughly trending east-west in the eastern half of the survey grid. More than one anomaly is detected within the grid. The same anomalies are well modelled in the 3D inversion as seen in the voxel model. The top and bottom of the voxel model in Figure 2-1 is clipped at 900m and 0m elevations respectively for better illustration of the highly susceptible zones.

In order to analyze the 3D results, a series of plan maps (elevation slices) and vertical sections were generated from the voxel model. Figure 2-2 shows a 3D view of a combination of some horizontal slices and vertical sections. Separate figures are also included for elevation slices and vertical sections in Figure 2-3 and Figure 2-4 respectively for reference.

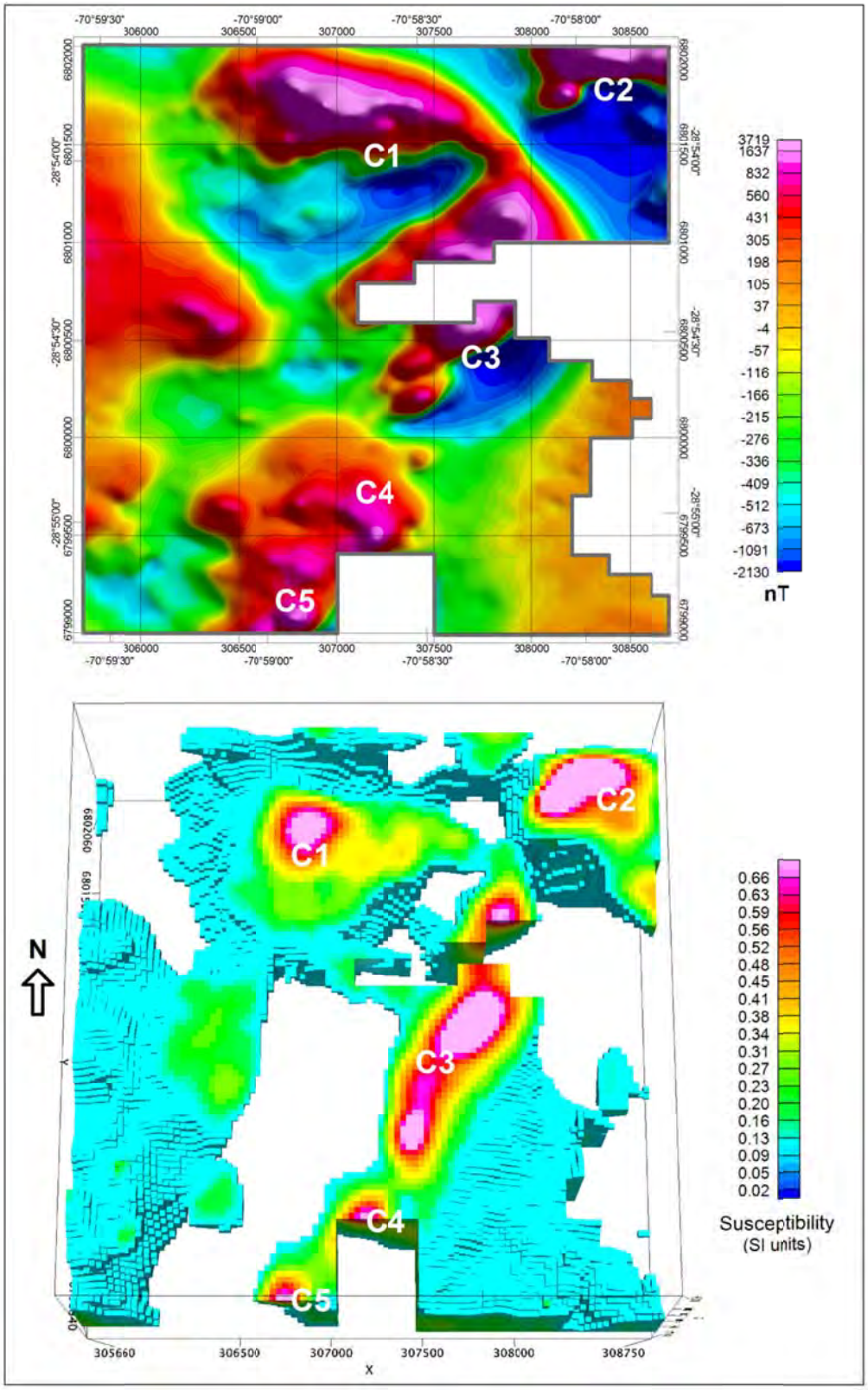


Figure 2-1: Residual magnetic anomaly (regional removed and upward continued to 30m) of the Cojin District (top) and calculated susceptibility voxel model (bottom).

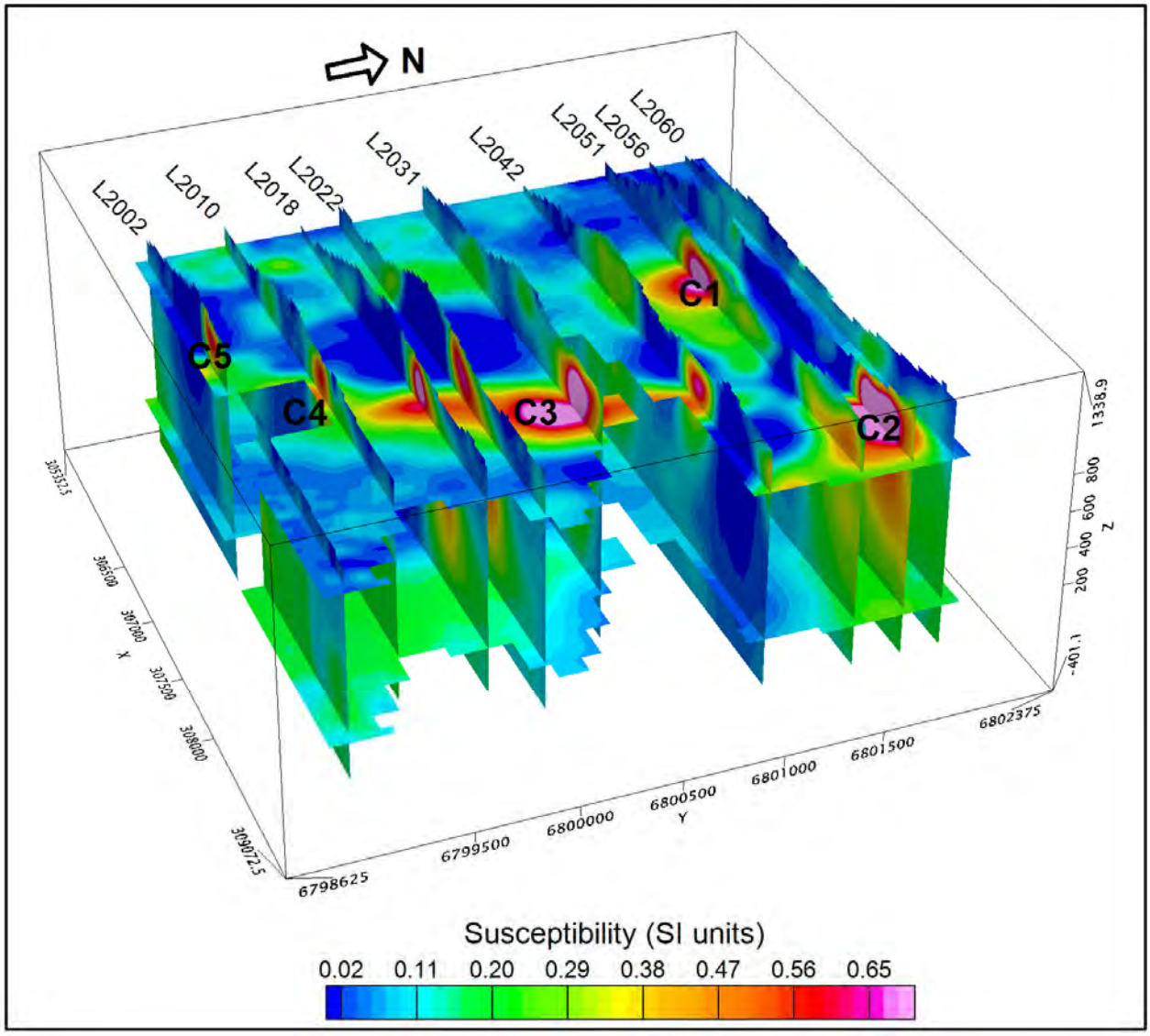


Figure 2-2: Combined horizontal plan slices and vertical sections (NW looking).

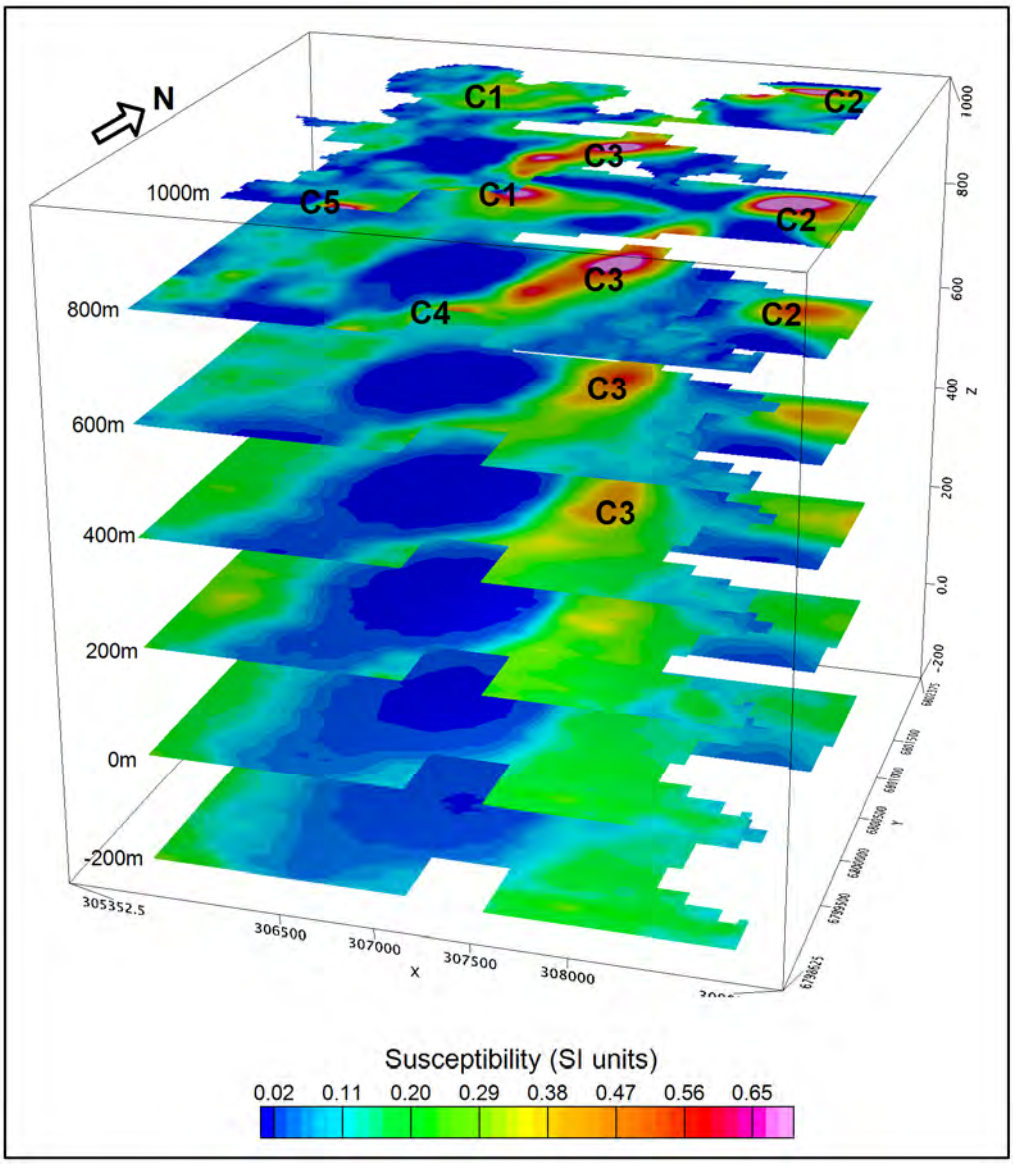


Figure 2-3: Plan map slices of magnetic susceptibility at different elevations.

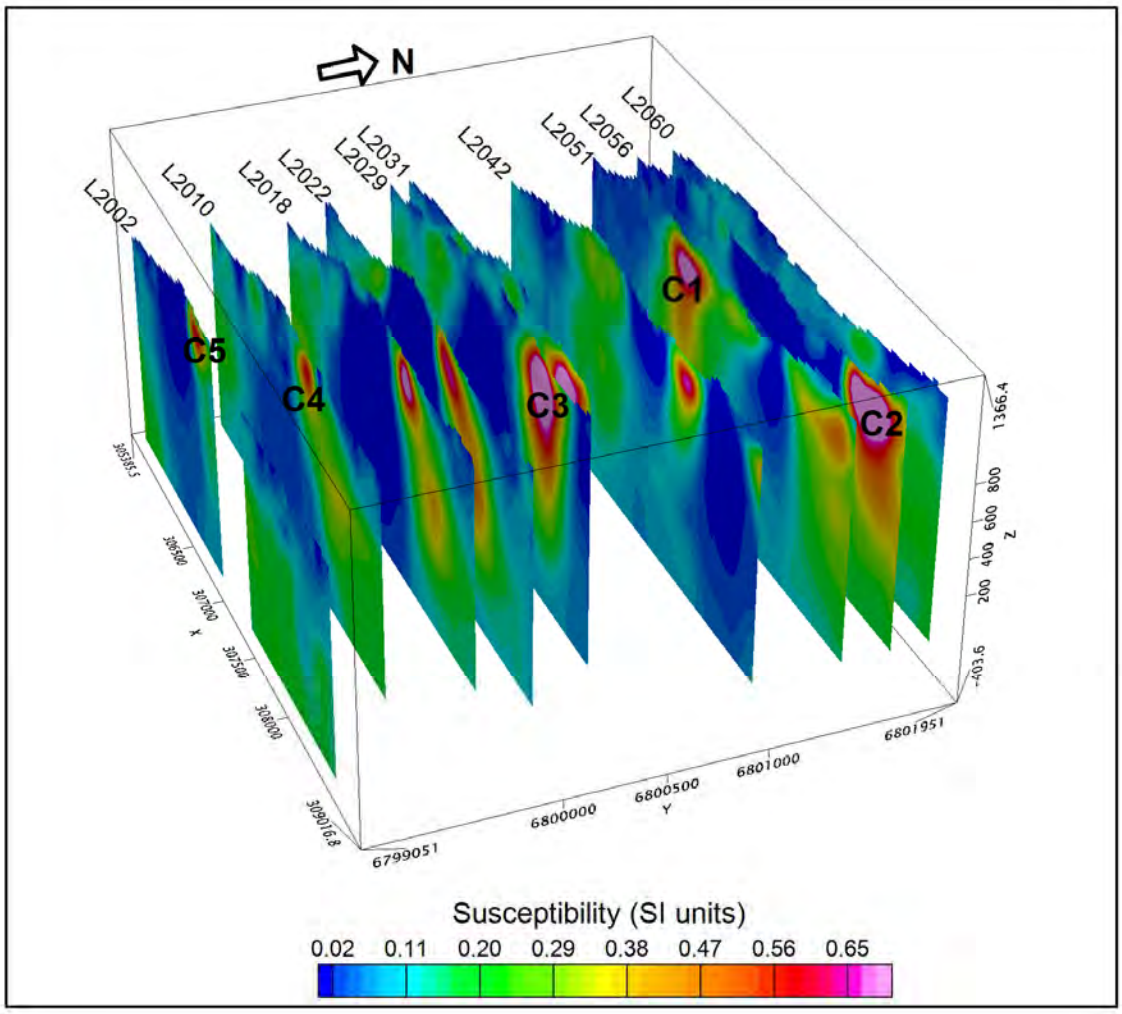


Figure 2-4: Selected vertical sections of magnetic susceptibility.

2.4.1 DEPTH (ELEVATION) SLICES

A series of magnetic susceptibility horizontal elevation slices were extracted from the 3D model solution and presented for analysis. The elevations are ranging from 1100 m to 0m at 100 m interval (Figure 2-5).

All the identified targets are located in the near surface, extending to considerable depth, as evidenced from plan slices at 1100m to 400m. The lateral dimensions of all target bodies are well demarcated in the plan maps. Major targets **C1**, **C2** and **C3** are well defined at elevations 900m, 800m and 700m with very high susceptibility values. The NE-SW trends of **C2** and **C3** are also evident from these plan maps. These zones may be interesting to explore further to delineate any possible association of economic mineralization. The large dimensions of the anomalous zones are very interesting, which extend to depths more than 500m.

2.4.2 VERTICAL CROSS-SECTIONS

Susceptibility vertical sections corresponding to 10 selected survey lines (L2002, L2010, L2018, L2022, L2029, L2031, L2042, L2051, L2056 and L2060) are illustrated in Figure 2-6. These lines are picked to cover the entire survey grid with denser lines in the main target zone discussed before. The results are similar as observed along the depth slices, except the vertical extent is more highlighted in these sections. Target **C3** seems to be extending a larger portion of the survey grid spanning multiple lines as evidenced in these sections.

2.4.3 SUSCEPTIBILITY ISO-SURFACES

Besides the horizontal and vertical slices, susceptibility solid models represented as iso-surfaces for susceptibility values of 0.30 SI, 0.40 SI, 0.60 SI and 0.80 SI units were generated and presented under different viewing angles in Figure 2-7.

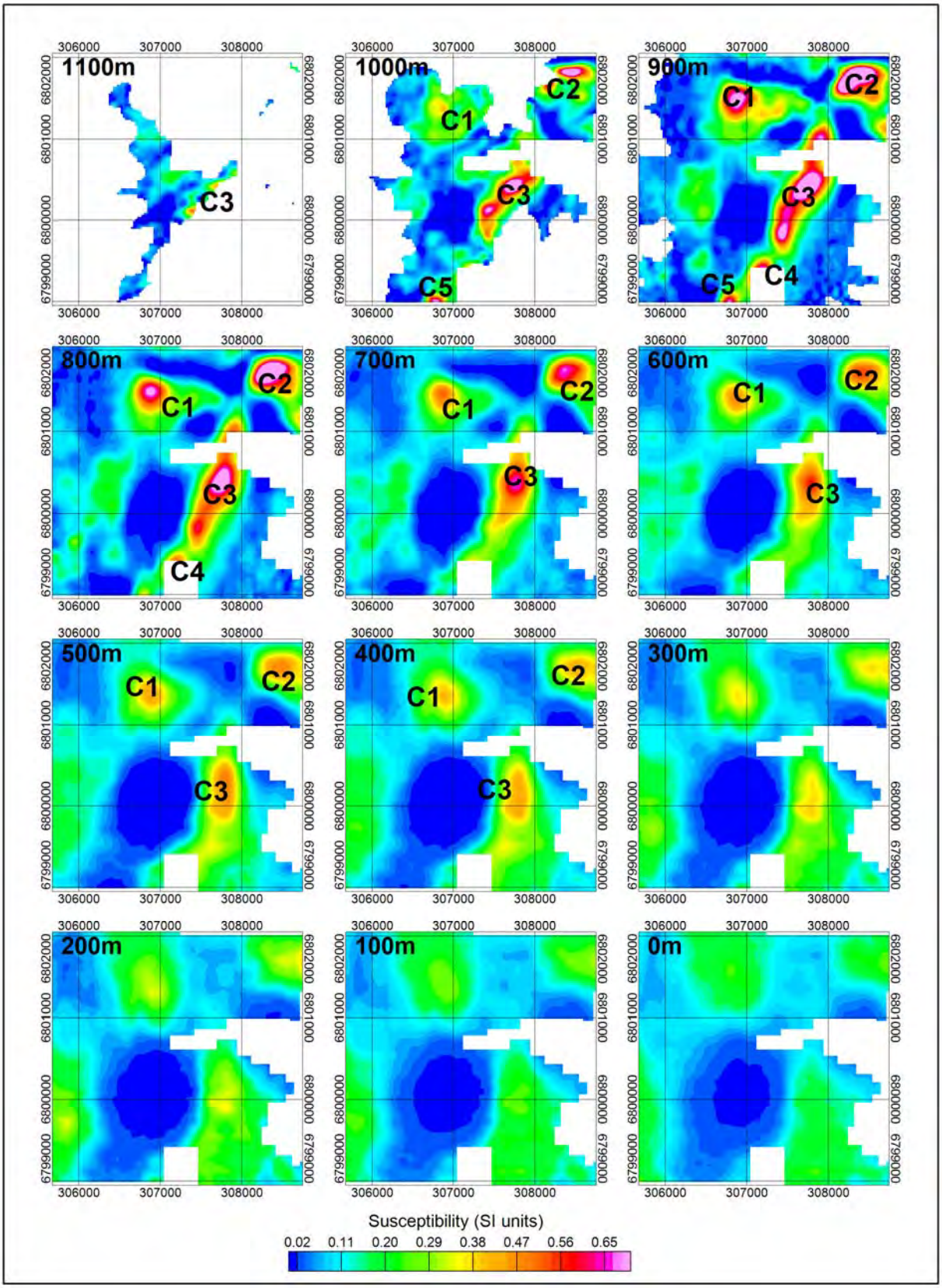


Figure 2-5: Plan maps of magnetic susceptibility at every 100m elevation.

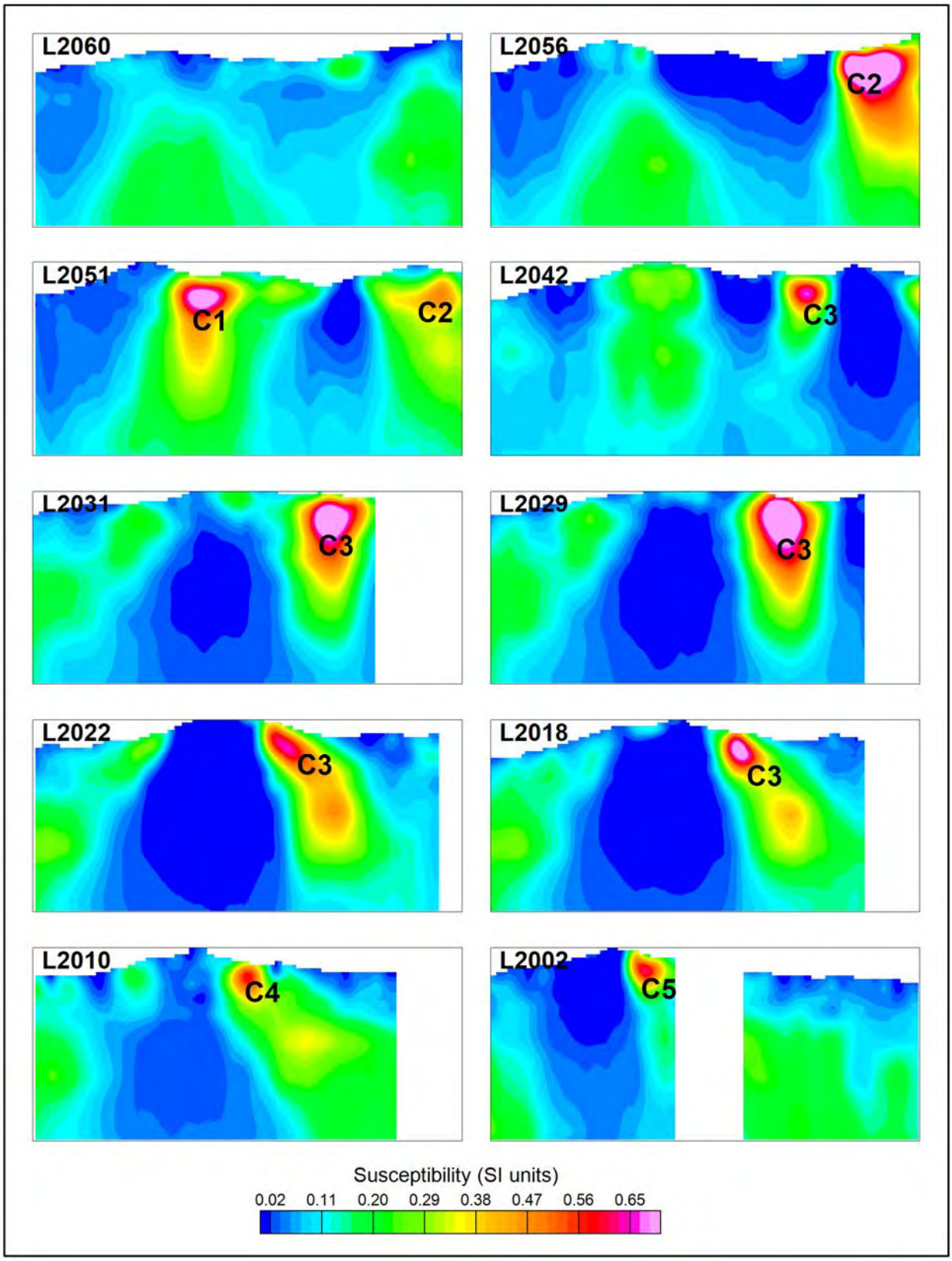


Figure 2-6: Vertical sections of magnetic susceptibility along selected lines.

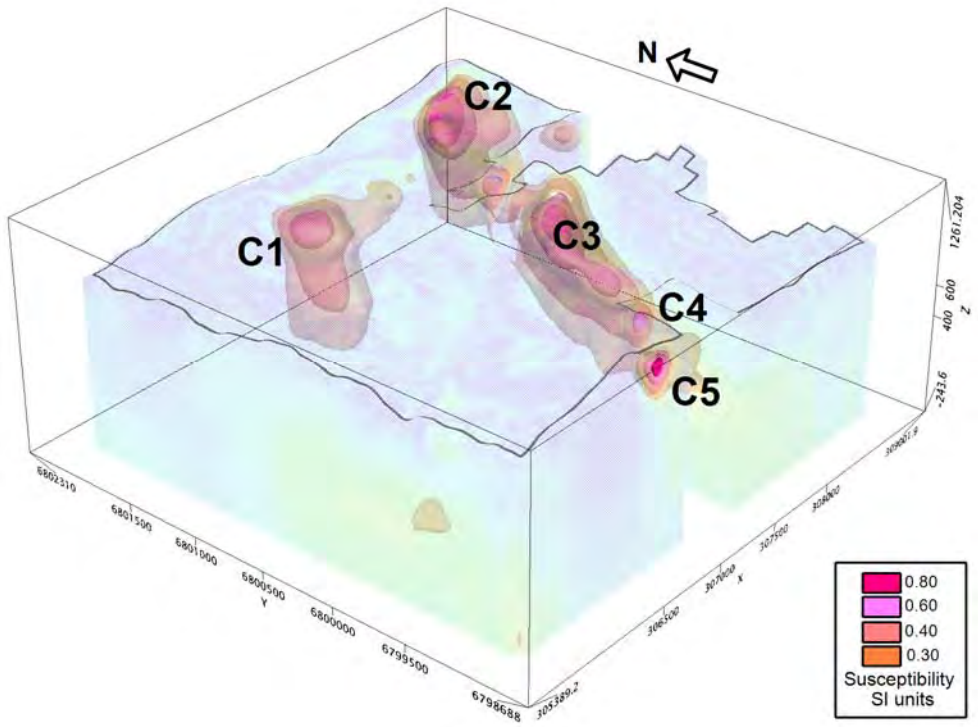
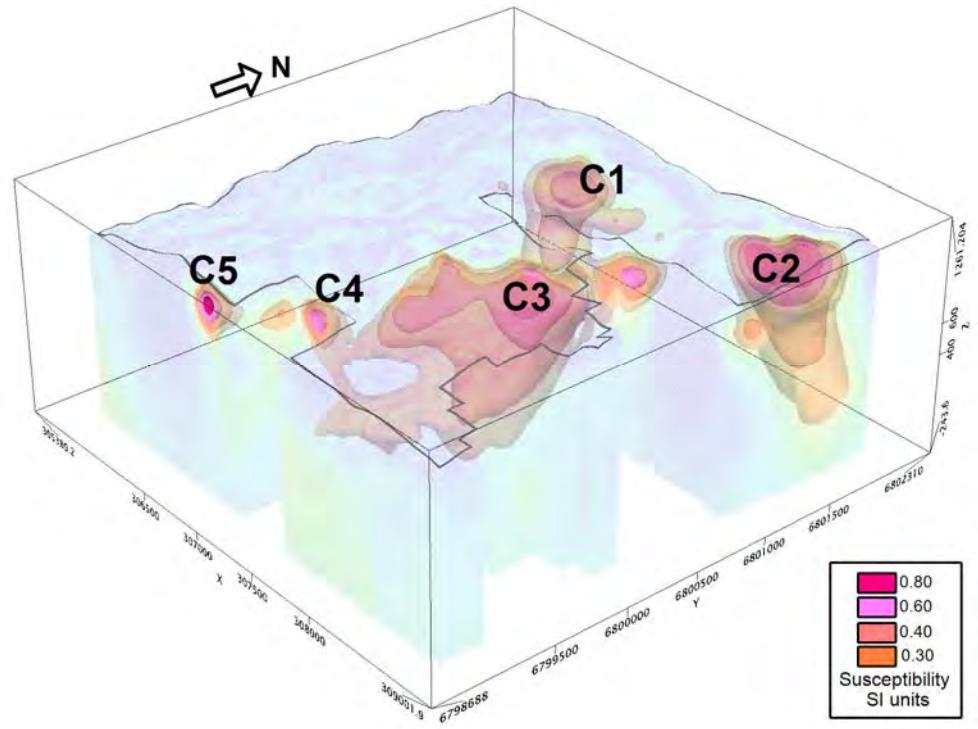
Looking North-East	
Looking North-West	

Figure 2-7: Susceptibility iso-surfaces for 0.30 SI, 0.40 SI, 0.60 SI, and 0.80 SI units.

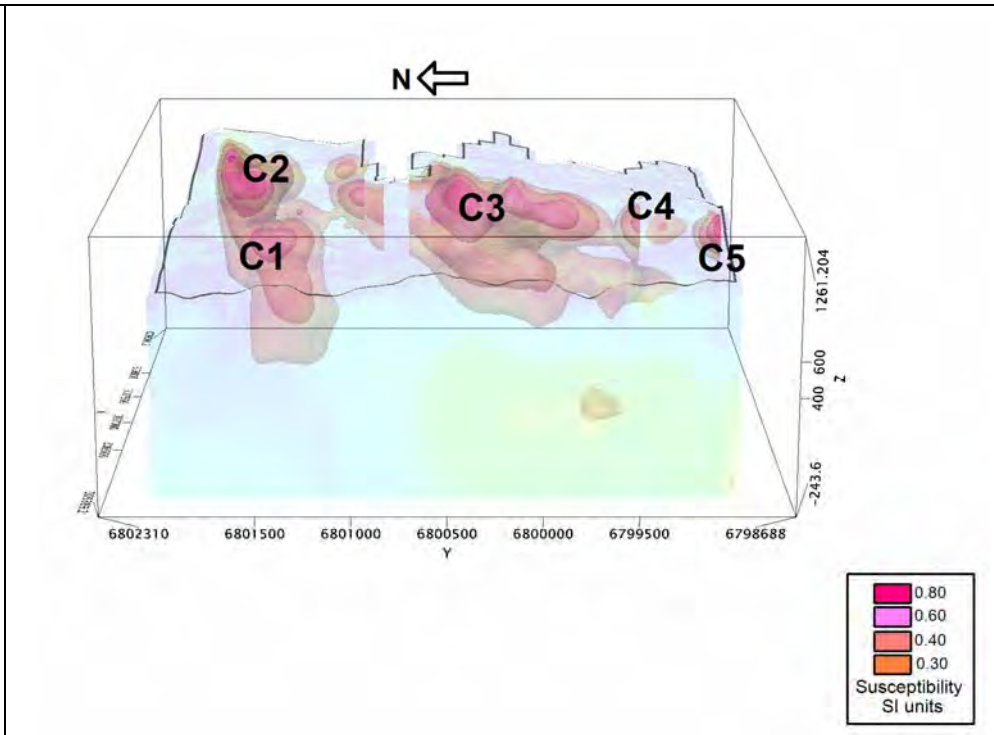
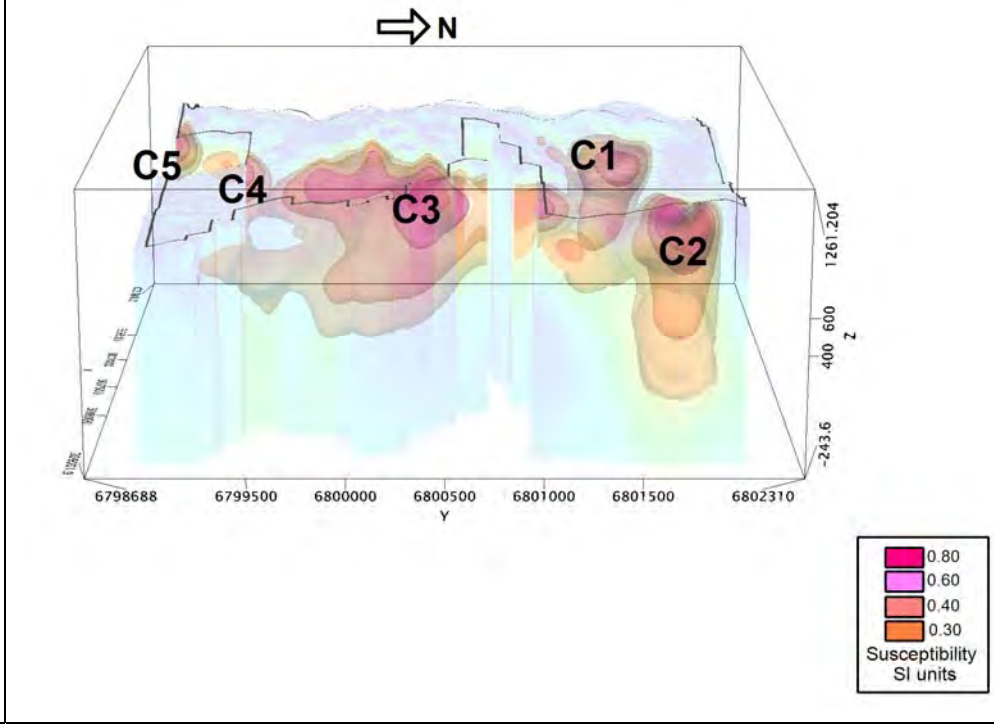
Looking East	
Looking West	

Figure 2-7 (cont): Susceptibility iso-surfaces for 0.30 SI, 0.40 SI, 0.60 SI, and 0.80 SI units.

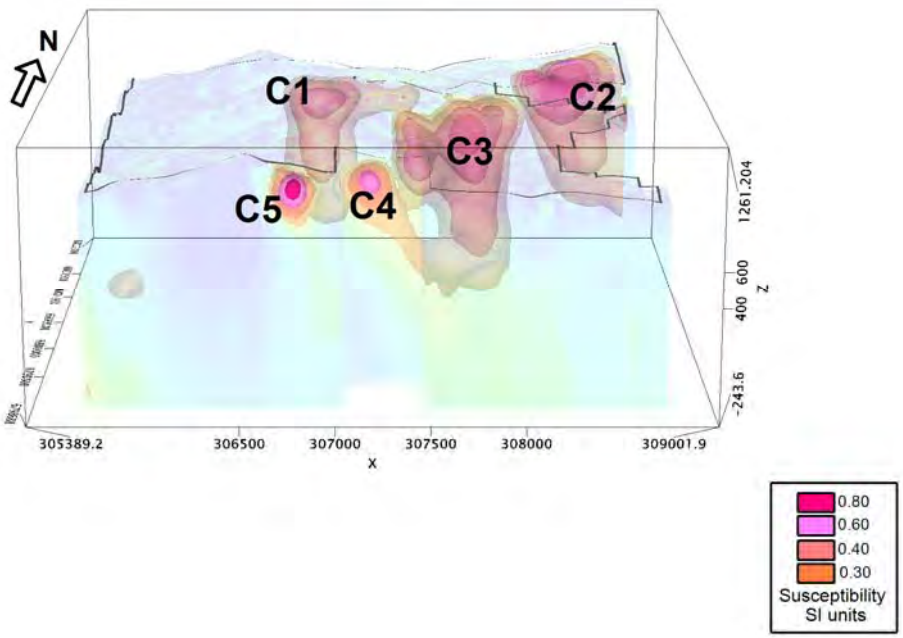
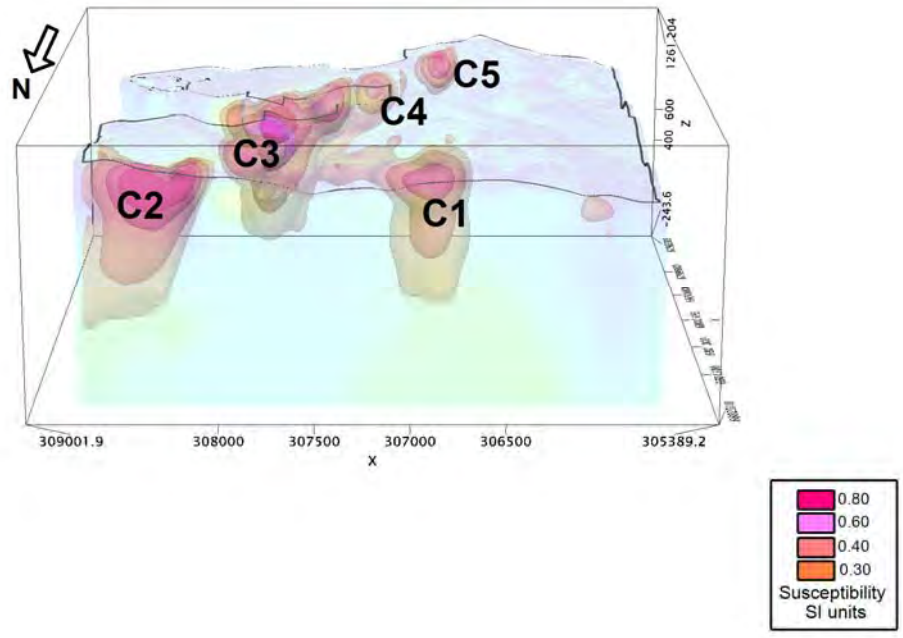
Looking North	
Looking South	

Figure 2-7 (cont): Susceptibility iso-surfaces for 0.30 SI, 0.40 SI, 0.60 SI, and 0.80 SI units.

2.4.4 TARGETS

In the light of the 3D magnetic inversion results and their interpretation, a total of five target zones, **C1**, **C2**, **C3**, **C4** and **C5** showing higher susceptibility values (>0.6 SI units) were identified within the Cojin District (Figure 2-8). Among these targets, **C2** and **C3** follow a NE-SW trend and depict very high susceptibility values reaching as high as 0.90 SI units. The other targets resolved from 3D inversion of mag data in the region are **C1**, **C4** and **C5** with smaller lateral extensions.

Target C1 – Nearly vertical and located to the central north of the survey grid. This target shows a lateral extension of about 300m x 250m. It shows large vertical extension from near surface to about 500m and appears to be thinning down at depth. The susceptibility values of this target reaches higher than 0.60 SI units.

Target C2 –This body roughly orient in the NE-SW direction and located in the north-east corner of the survey grid. This target represents a major intrusive / structural signature with significant lateral dimensions of about 600m x 350m. This body has a vertical extension of more than 500m.

Target C3 – This is an important target, elongated in the NE-SW direction, with its significant size, extending about 1500m in length and 350m in width. It also marks large vertical extensions from near surface to about 700m and exhibit very high susceptibility up to about 0.90 SI units. Due to its size and susceptibility values, **C3** may be representing a major intrusive / structural target to be further explored for possible delineation of associated iron formations.

Target C4 – This target is identified in the shallow sub-surface, located to the south-west of target **C3** and limited both in vertical (< 100m thickness) and lateral extensions. The lateral extensions are not well defined as the body is located in the southern edge of the survey grid as evidenced in the susceptibility plan map at 900m elevation (Figure 2-5). The susceptibility reaches up to about 0.60 SI units.

Target C5 – Located in the southern edge of the survey grid and appears to be part of the NE-SW structural controls that define the north-eastern targets **C3** and **C4**. This target is also smaller in size and comparable to **C4,** with less than 100m in thickness and the lateral extensions not fully confined within the survey grid. However, it exhibit high susceptibility values reaching up to about 0.90 SI units.

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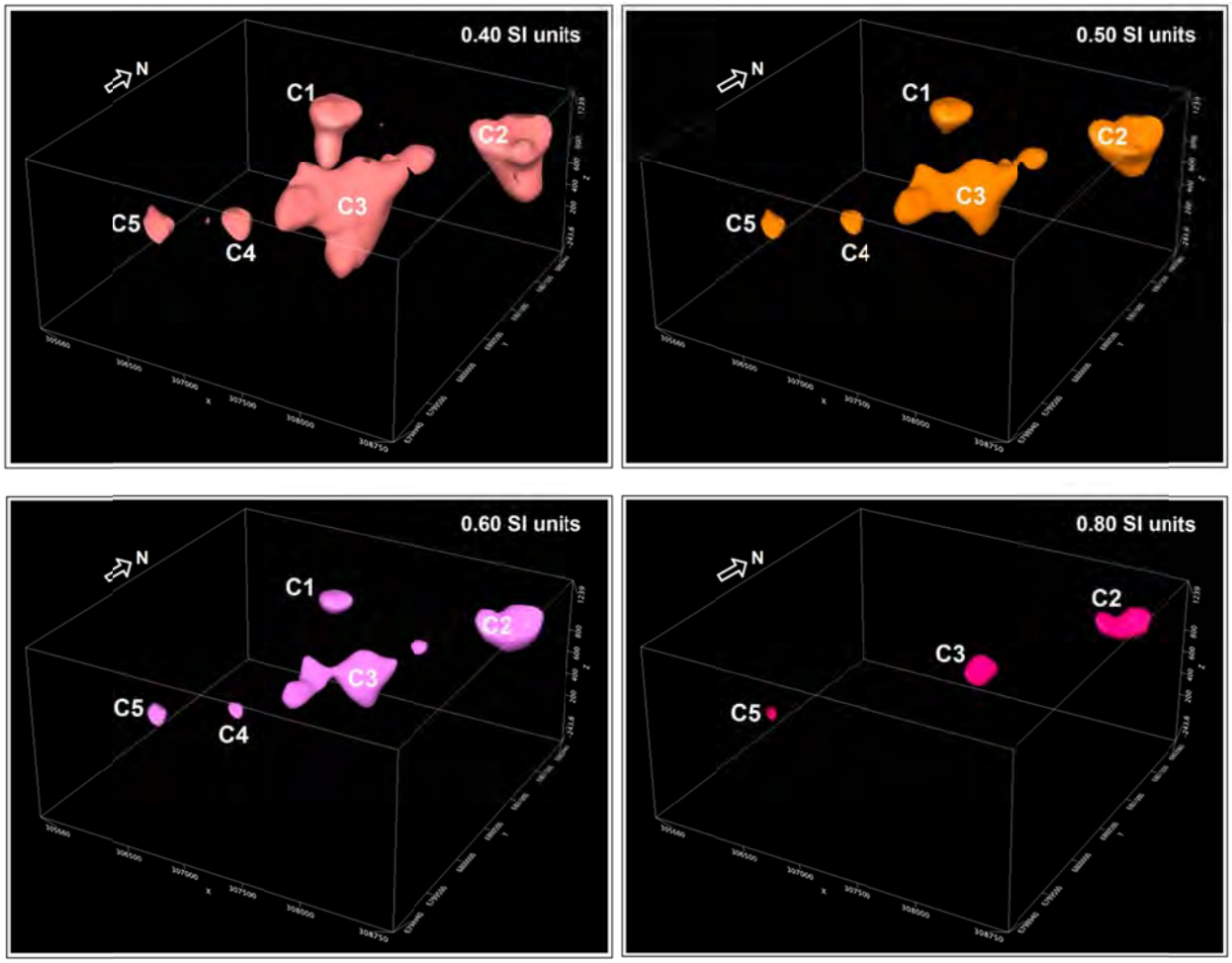


Figure 2-8: 3D view of the Cojin District from susceptibility iso-surfaces at 0.40 SI, 0.50 SI, 0.60 SI and 0.80 SI units, all NW looking.

3 CONCLUSIONS AND RECOMMENDATIONS

The ground magnetic survey carried out within the Cojin District was successful at detecting very strong positive and negative anomalous patterns. The 3D inversion results obtained with the MAG3D UBC code highlighted five potential targets with high susceptibility values of more than 0.60 SI units. The identified target zones may be further explored for validating any potential economic mineralization in the region.

The main targets **C2** and **C3** identified in the district are elongated in the NE-SW direction and exhibit large dimensions and very high susceptibility values reaching up to 0.90 SI units. Target **C1** forms another major body in the district with its size and susceptibility more than 0.60 SI units. To the southern edge of the survey grid, two smaller targets **C4** and **C5** are identified with high susceptibility values reaching up to 0.60 SI and 0.90 SI units respectively. All targets in the eastern half of the survey grid, **C2**, **C3**, **C4** and **C5**, appear to be part of a major NE-SW trending intrusive or structural control, covering the entire length of the survey grid from south central edge to the north-east corner.

Based on the 3D inversion results of magnetic data over the district, it is recommended to further integrate this result with other available geophysical / geological information to choose test drill sites to validate any potential economic mineralization.

Respectfully Submitted

Toronto, ON, the 15/06/2012,

Kevin Killin, PGeo
Quantec Geoscience Ltd

Jimmy Stephen, PhD
Quantec Geoscience Ltd

4 STATEMENT OF QUALIFICATIONS AND COMPETENT PERSON STATEMENT

KEVIN KILLIN, PGEO

I, Kevin J. Killin, declare that

I am a Professional Geophysicist with residence in Whitby, Ontario and am presently employed as the Vice President of Interpretation overseeing the interpretation group with Quantec Geoscience Ltd., Toronto, Ontario.

I obtained an Honours Bachelor of Science Degree (HBSc), in Geological Geophysics from the University of Western Ontario in London Ontario, in 1986, including a Geology degree and Geophysics degree.

I am a Professional Geophysicist, with license to practice in the Province of Ontario (APGO member # 0823).

I am a member of the Prospectors and Developers Association of Canada, the Canadian Exploration Geophysics Society (KEGS), and the American Geophysical Union (AGU).

I have no interest, nor do I expect to receive any interest in the properties or securities of **Admiralty Resources NL**, its subsidiaries or its joint-venture partners;

I have reviewed the 3D inversion results and this Geophysical Report. The statements made in this report represent my professional opinion in consideration of the information available to me at the time of writing this report.

Toronto, Ontario, the 15/06/2012

Kevin Killin, H.BSc. P.Geo.

Quantec Geoscience Ltd.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Kevin Killin, who is a member of the Association of Professional Geoscientist of Ontario (“APGO”). APGO is a "Recognised Overseas Professional Organisation" ("ROPO") included in the list published by the ASX.

Kevin Killin is a full time employee of Quantec Geoscience Ltd. 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". Kevin Killin consents to the inclusion in the report of the matters based on his information and context in which it appears.

JIMMY STEPHEN, PHD

I, Jimmy Stephen, declare that:

I am a Geophysicist with residence in Toronto, Ontario and am presently employed in this capacity with Quantec Geoscience Ltd., Toronto, Ontario;

I obtained my Bachelor of Science Degree (B.Sc.), Physics from Mahatma Gandhi University, India in 1994, a Master of Science and Technology Degree (M.Sc.Tech.), Marine Geophysics from Cochin University of Science and Technology, India in 1998, and Doctor of Philosophy (PhD), Geophysics from Swami Ramanand Teerth Marathwada University, India in 2004;

I have practiced my profession continuously since November 1998 in India, Middle East and North America.

I am a member of the Society of Exploration Geophysicists (SEG), and the American Geophysical Union (AGU);

I have no interest, nor do I expect to receive any interest in the properties or securities of **Admiralty Resources NL**, its subsidiaries or its joint-venture partners;

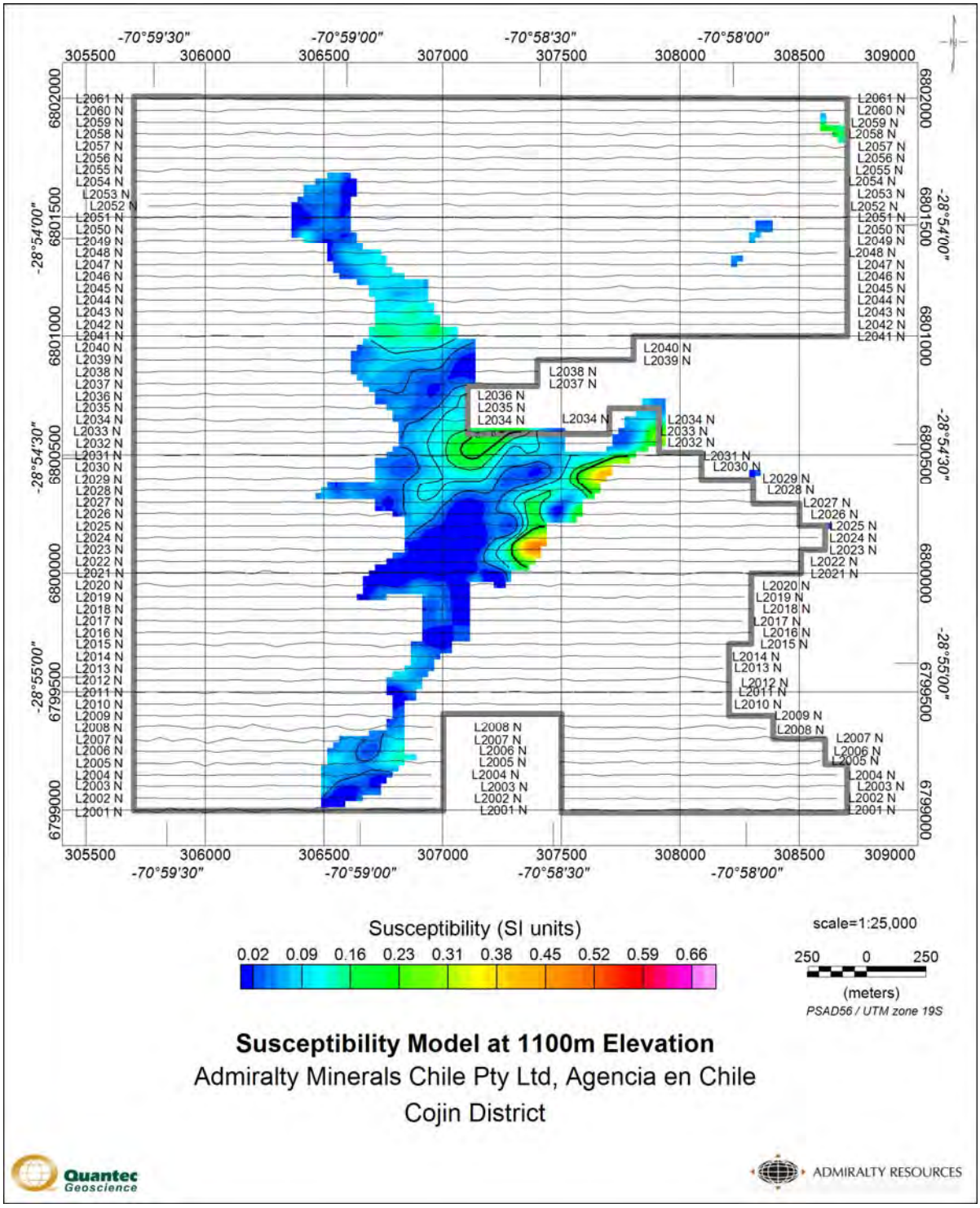
I undertook the 3D inversions of the magnetic data, and have compiled the results and authored this 3D magnetic interpretation report.

The statements made in this report represent my professional opinion in consideration of the information available to me at the time of writing this report.

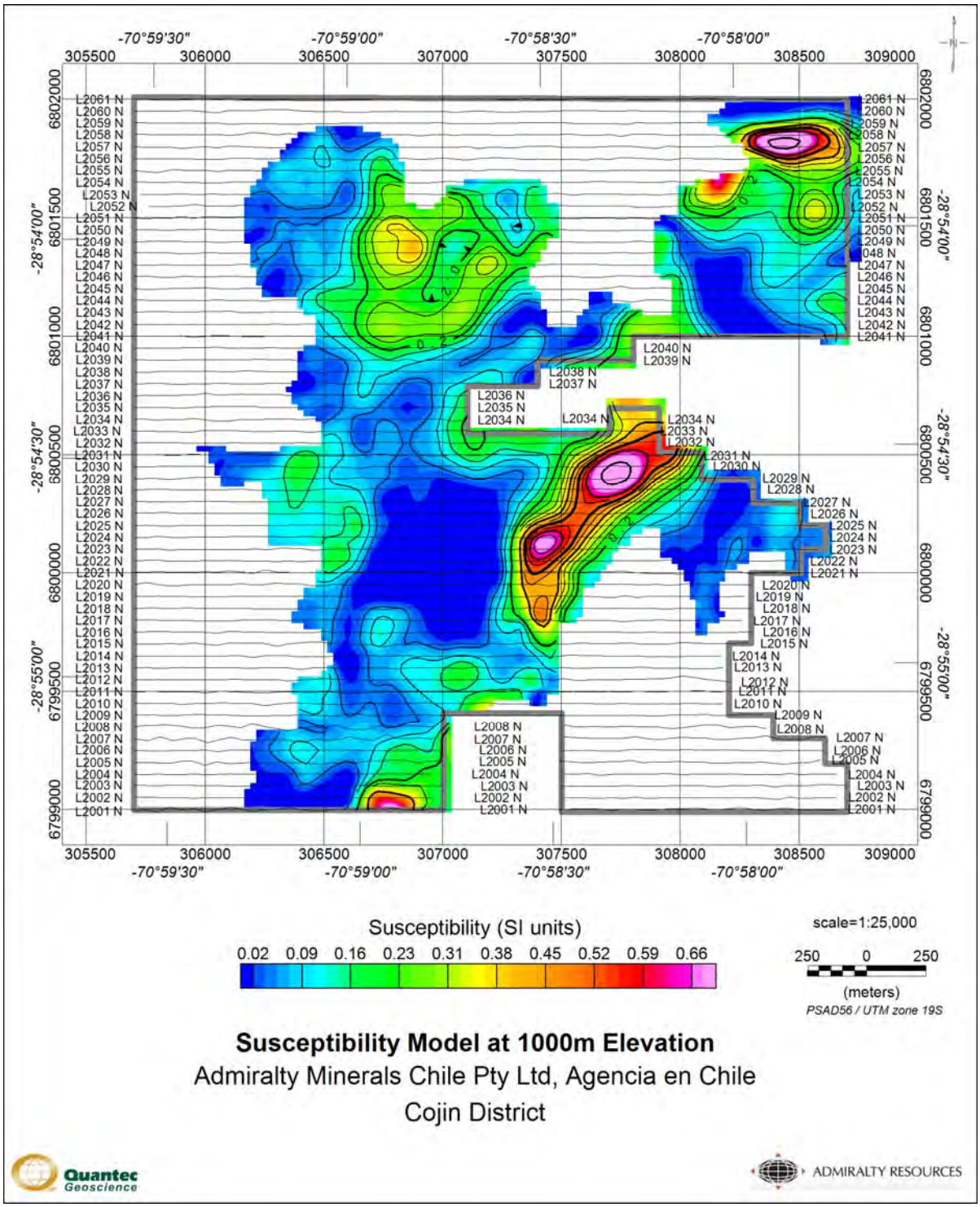
Toronto, Ontario, the 15/06/2012

Jimmy Stephen, PhD
Quantec Geoscience Ltd.

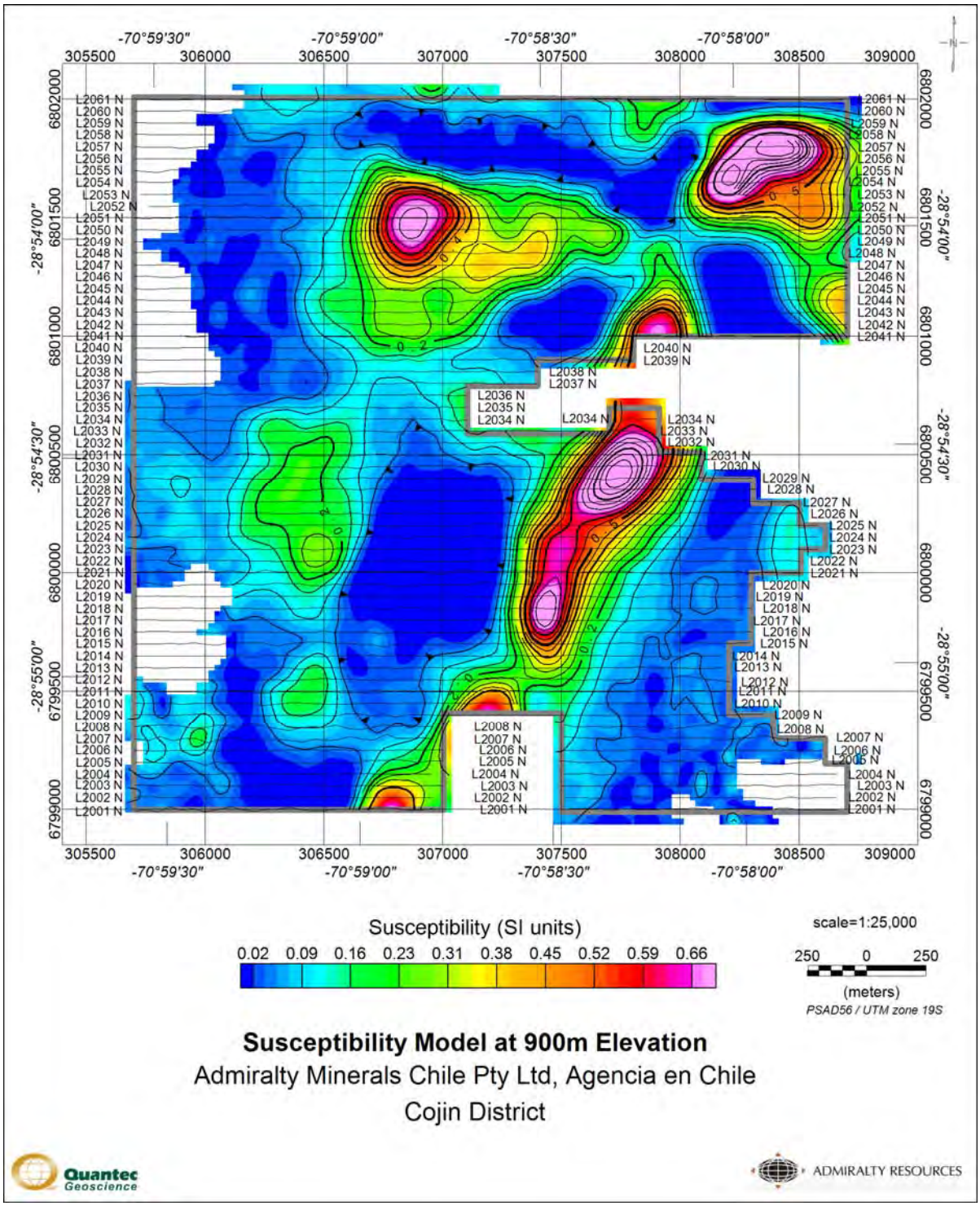
A GEOSOFT PLAN MAPS OF THE 3D MAGNETIC SUSCEPTIBILITY MODELS



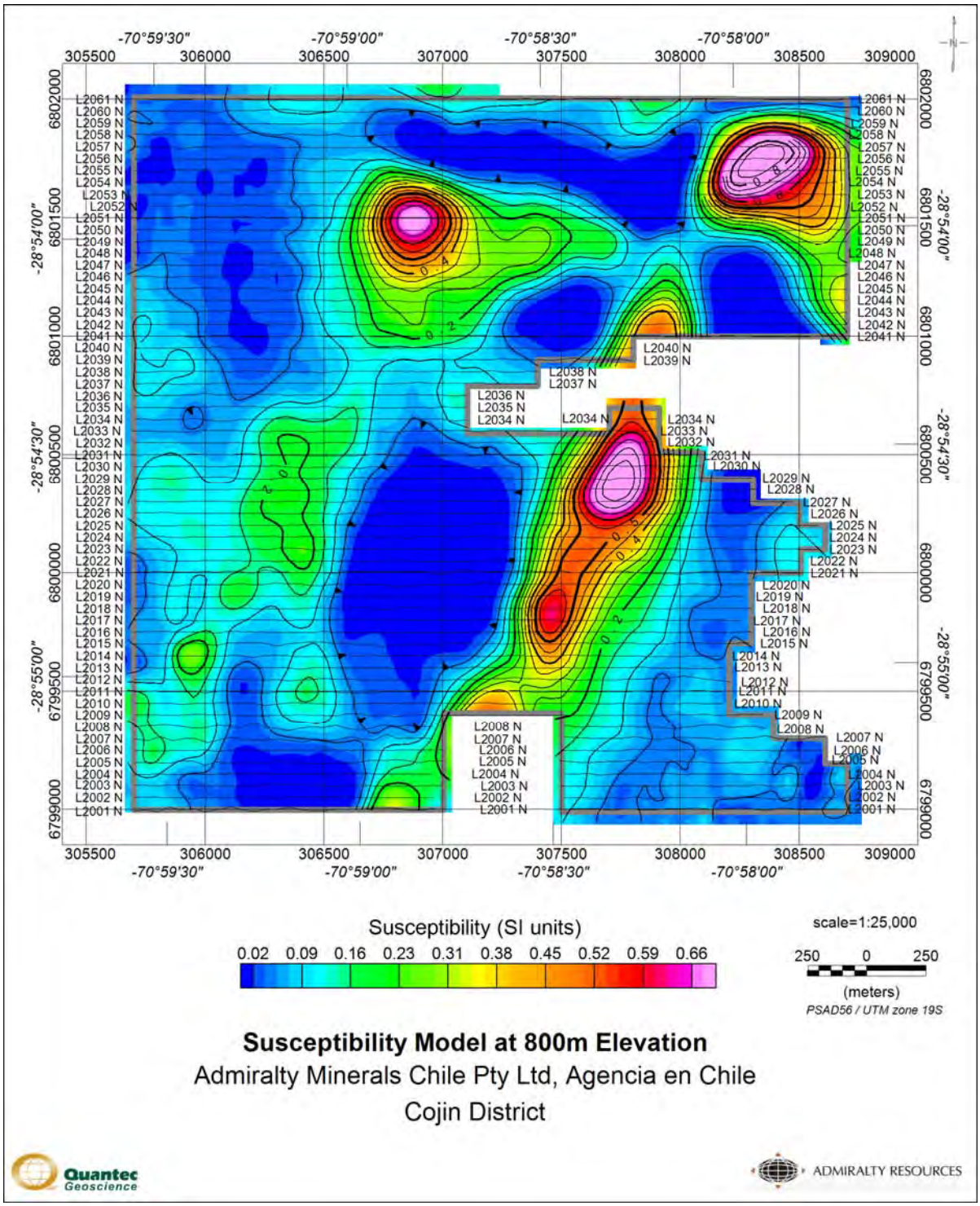
Plan Map at 1100m Elevation of Magnetic Susceptibility.



Plan Map at 1000m Elevation of Magnetic Susceptibility.



Plan Map at 900m Elevation of Magnetic Susceptibility.



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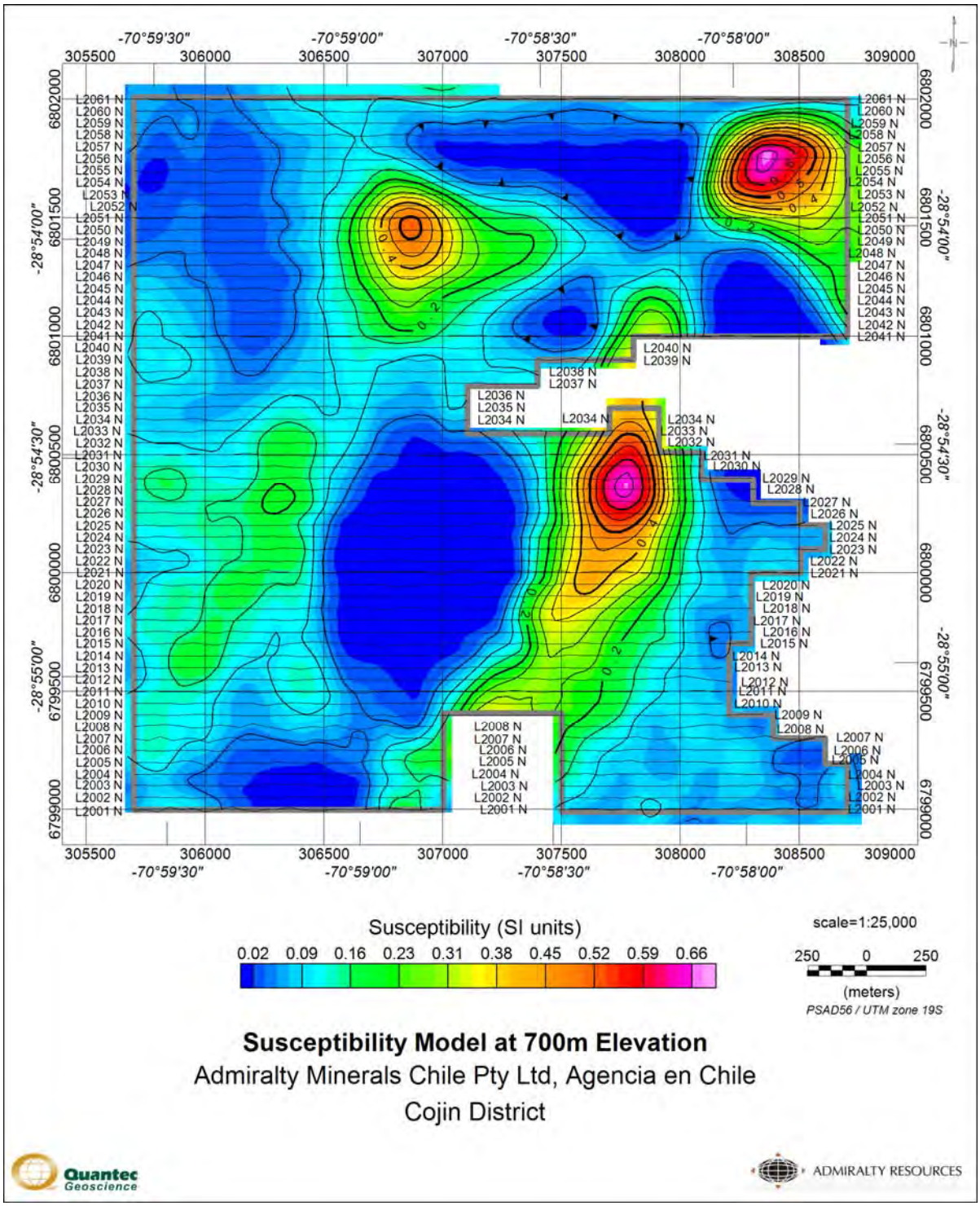
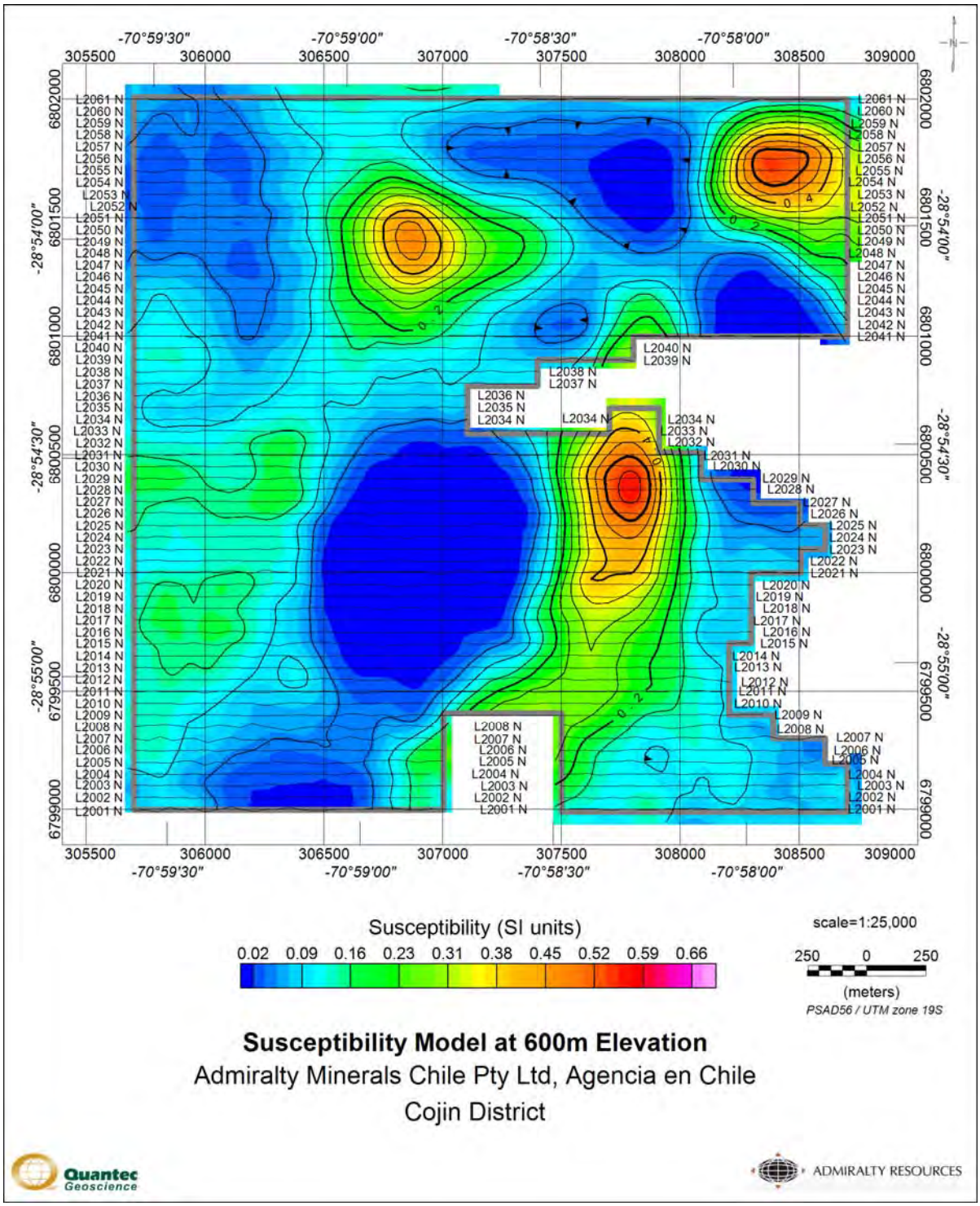
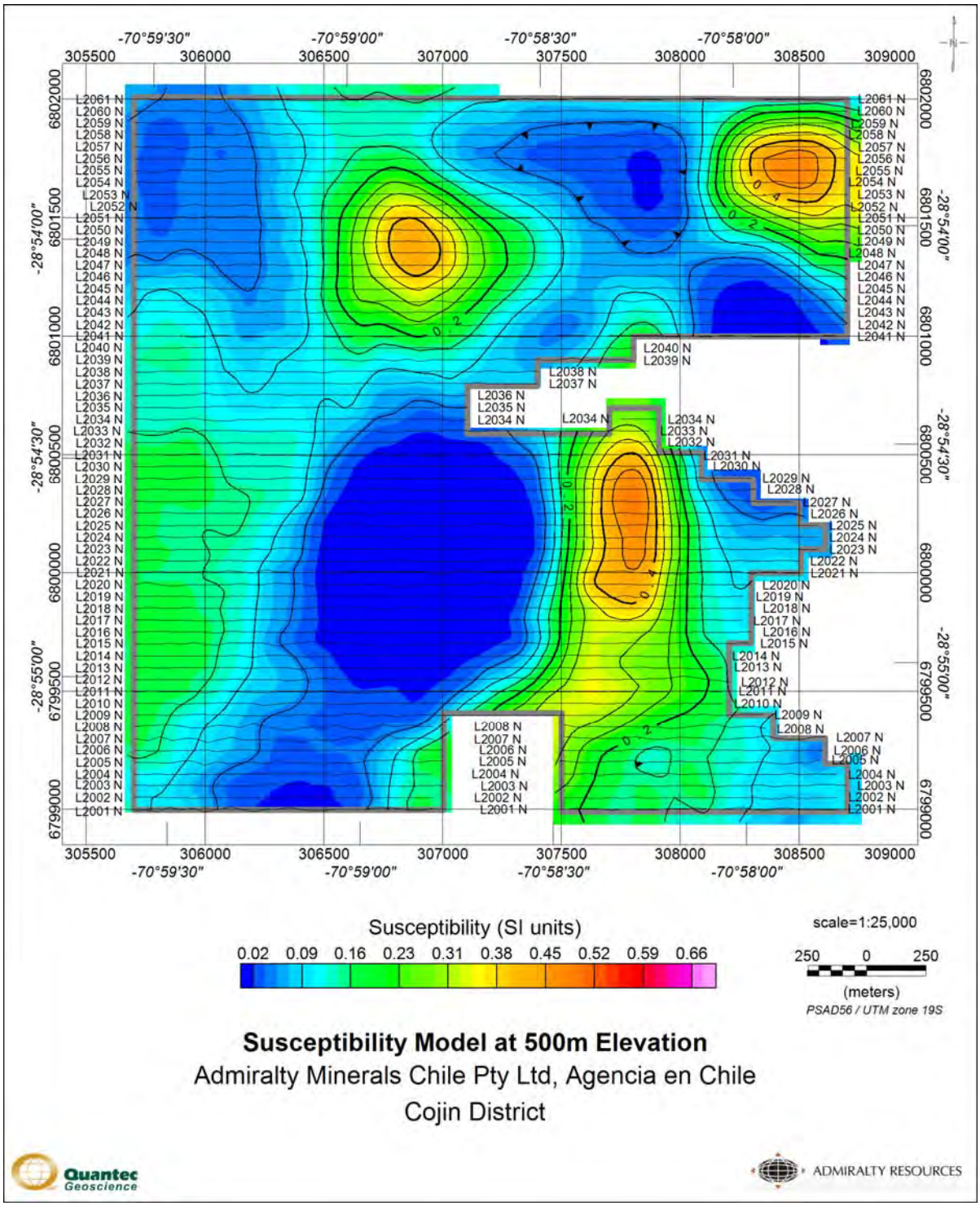


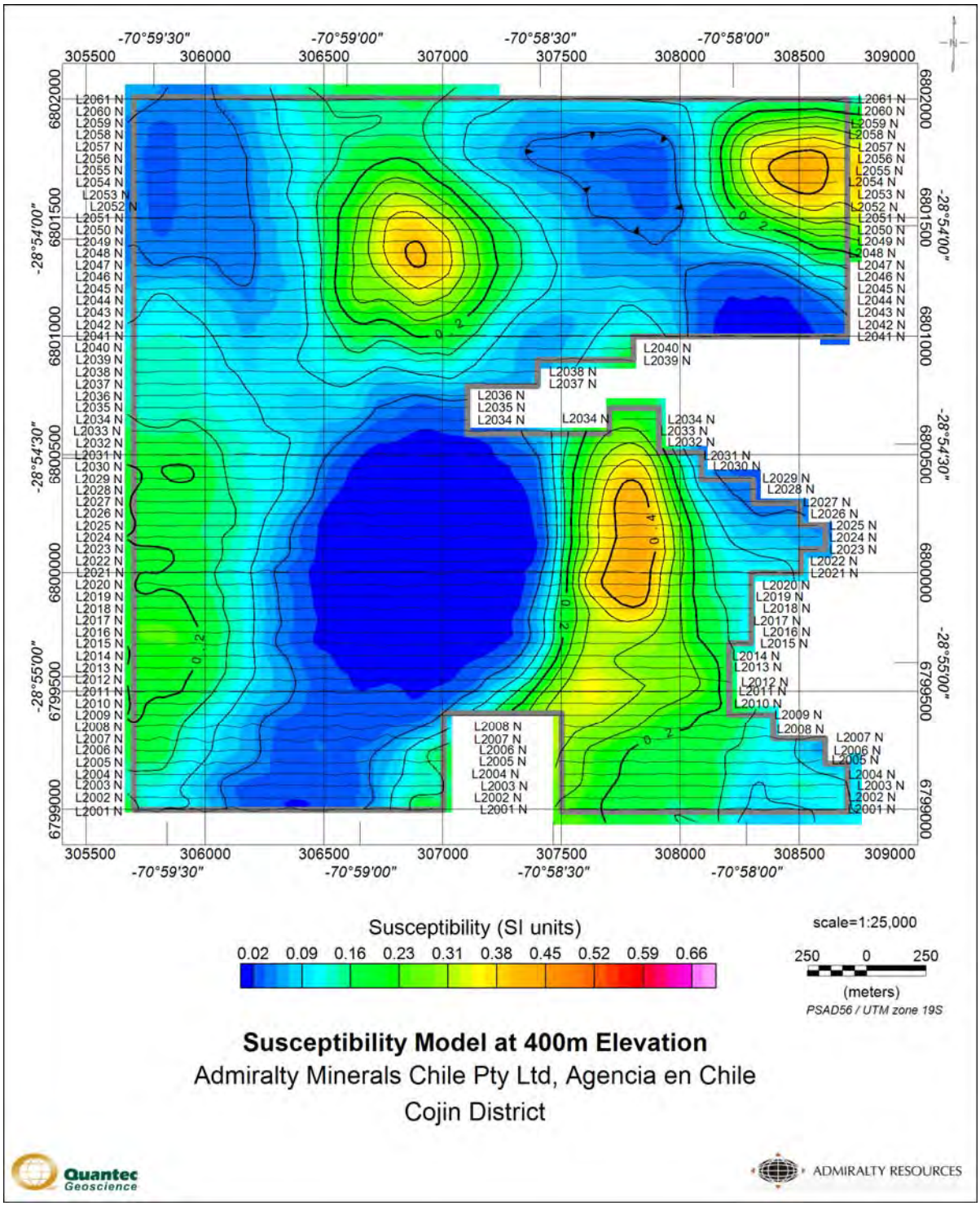
Plan Map at 700m Elevation of Magnetic Susceptibility.



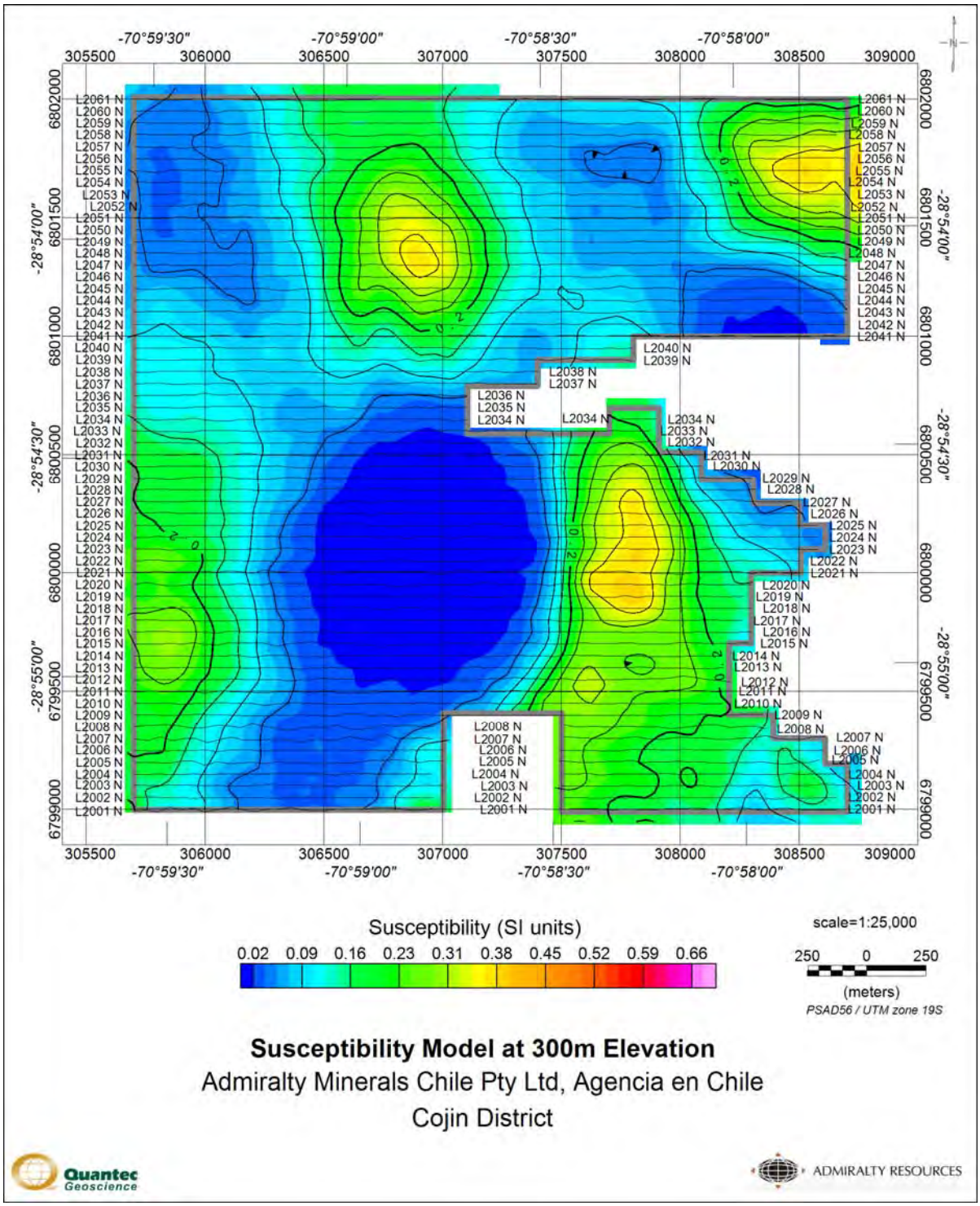
Plan Map at 600m Elevation of Magnetic Susceptibility.



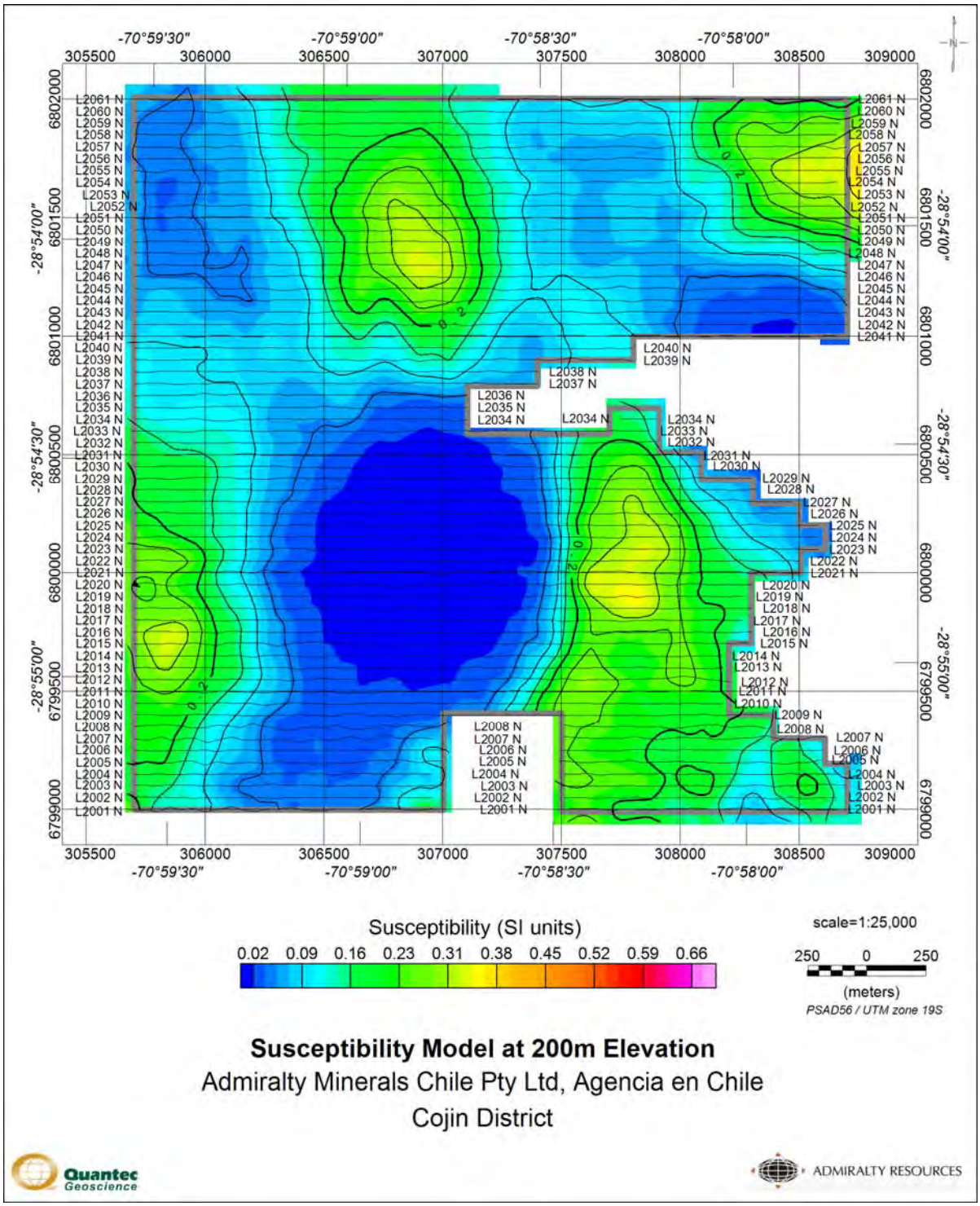
Plan Map at 500m Elevation of Magnetic Susceptibility.



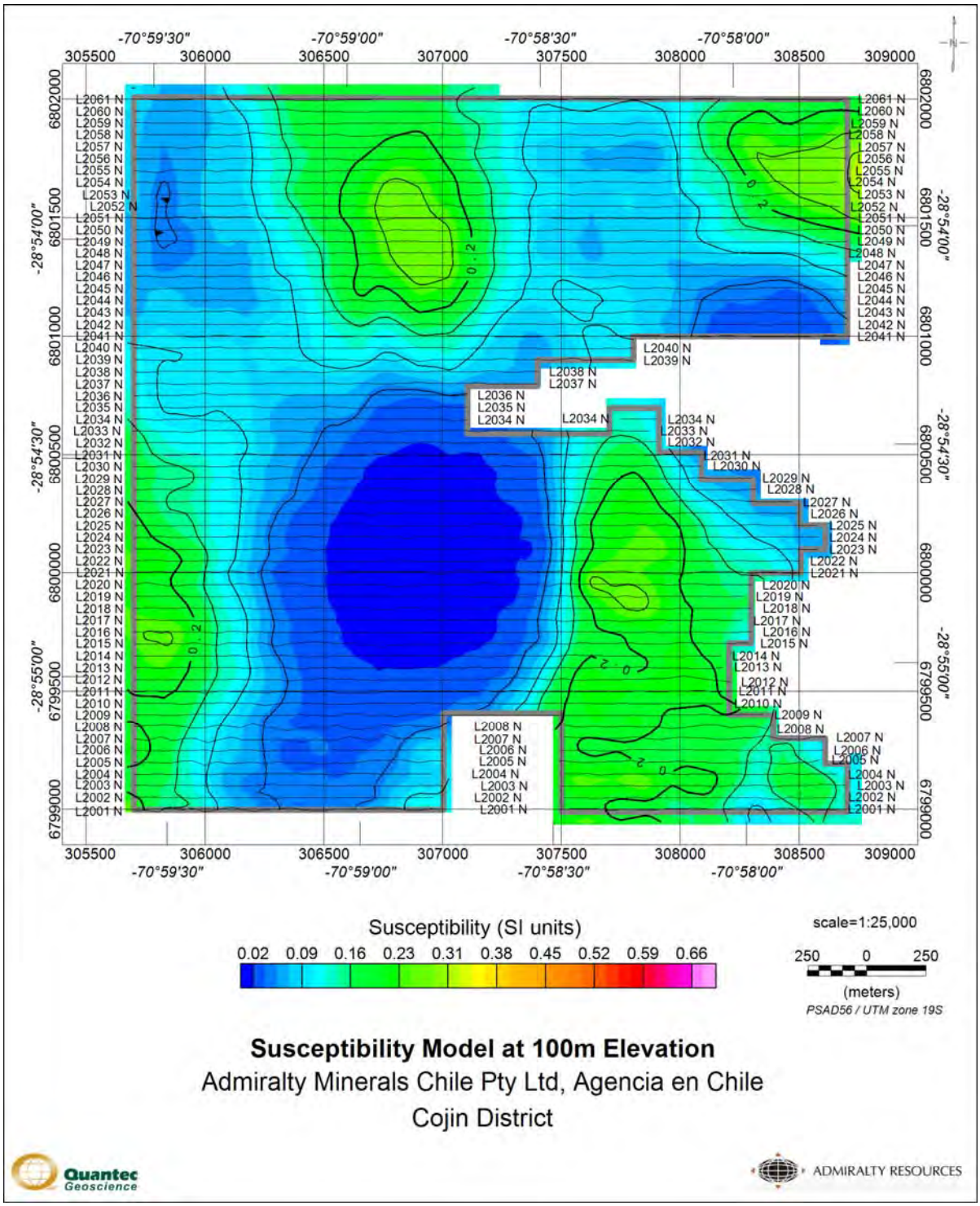
Plan Map at 400m Elevation of Magnetic Susceptibility.



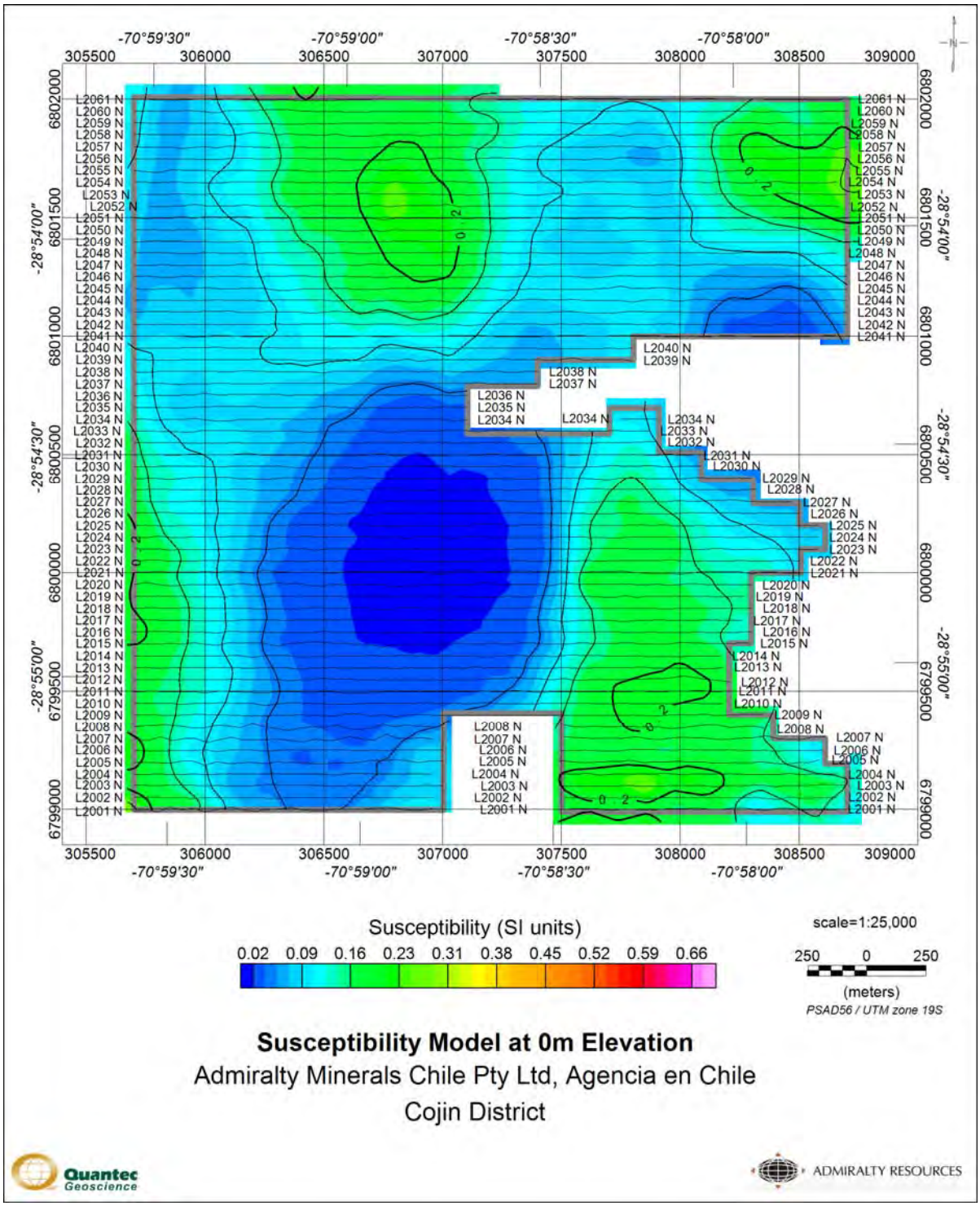
Plan Map at 300m Elevation of Magnetic Susceptibility.



Plan Map at 200m Elevation of Magnetic Susceptibility.



Plan Map at 100m Elevation of Magnetic Susceptibility.



Plan Map at 0m Elevation of Magnetic Susceptibility.

B REFERENCES

B.1 MAGNETIC 3D INVERSION

Li, Y. and Oldenburg, D. W., 1996, 3D-inversion of magnetic data: Geophysics, 61, no 02, 394-408.

Li, Y. and Oldenburg, D. W., 1998, Separation of regional and residual magnetic field data: Geophysics, 63, no. 02, 431-439.

Li, Y. and Oldenburg, D. W., 2000, Joint inversion of surface and three-component borehole magnetic data, Geophysics, 65, no. 2, 540-552.

MAG3D, A program Library for Forward Modeling and Inversion of Magnetic Data Over 3D Structures, ver. 4.0, 2005 UBC-GIF.