

QUARTERLY ACTIVITIES REPORT

31 January 2017

For the quarter ended 31 December 2016

Admiralty Resources NL (ASX: ADY) is pleased to report its activities for the December 2016 quarter.

Exploration Activities

Soberana

No activity to report during the quarter.

Mariposa

The Company is pleased to report progress throughout the quarter with lodgement of the formal submission to the Chilean authorities regarding the Declaration of Environmental Impacts ("DIA").

At the time of this report, no decision has been made by the Chilean authorities, however the Company is confident that the DIA lodged was compliant with the approval requirements and guidelines of the Chilean authorities.

DIA approval for the Mariposa project is important to ongoing relations between ADY and state owned China Nuclear Industry 22nd Construction Co. LTD ("CNI22").

The Board will continue to keep the market informed as the DIA process continues.

Australian Projects

No activity to report during the quarter.

Financing Activities

In late September 2016 the Company announced the extension and renegotiation of terms with Smart East Global Limited ("SEGL") of the convertible note facility.

SEGL offered to provide an additional amount of up to US\$1,500,000 giving a maximum drawdown value of US\$3,600,000 if fully drawn and an agreed maturity date of 31 August 2018.

Throughout the quarter the Company received an additional AU\$124,000 in funds advanced under the facility.

This leaves ~US\$1,182,000 in available future facility accessible to the Company.

Corporate Activities

The Company held its AGM on 29 November 2016 and all motions were passed.

About Admiralty

Admiralty Resources NL (ASX: ADY) is a public diversified mineral exploration company listed on the Australian Securities Exchange 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 El Cojin (600 Ha). The districts are located in prime locations, with close and easy access to the Pan-American Highway (a major route), a railway and power line and operating shipping ports.

Admiralty's projects in Australia are the Bulman Project, a lead and zinc project located in the Northern Territory and the Pyke Hill Project, a cobalt and nickel project in Western Australia, whose mining lease is 50% owned by Admiralty.

Admiralty in Chile

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

- **Mariposa** has a JORC 2004 compliant resource of 174.5 Mt (*as per ASX announcement on 25/1/2013*). An engineering mine plan (or Prefeasibility Study) for an initial production of one million tonnes of finished product per annum has been commissioned to Redco Mining Engineers.
- **La Chulula**. The Mineral Resource Estimate quantifies the resources at La Chulula at 96 Mt at 24% Fe for a 15% Fe cut-off in the inferred category. The La Chulula resource estimate is based on the results obtained from the reverse circulation and diamond drilling campaign completed in 2012
- **Soberana** has a JORC 2004 compliant resource of 90.2 Mt (*as per ASX announcement on 15/1/2013*).

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 of 3,311m took place at Simpson in July/August 2012. The results of this campaign are currently being evaluated by the Company.

El 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.

Issued capital

1,153,249,877 shares (as of 31 December 2016)

Board**Managing Director**

Ms Qing Zhong

Non-executive Directors

Mr Hanrui Zhong

Mr Bin Li

Company Secretary

Mr Jarrod White

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