

# QUARTERLY ACTIVITIES REPORT

**31 July 2018**

**For the quarter ended 30 June 2018**

Admiralty Resources NL (ASX: ADY) is pleased to report its activities for the June 2018 quarter.

## **Exploration and Quarterly Activities**

### **Soberana**

The company undertook core sampling from various points on the property in the previous quarter. The core samples were sent to Santiago for processing and testing to determine the concentration of lead, with favourable results in Soberana.

The Company is still maintaining discussions, as announced on 31 January 2018, for potential external investment in the project. ADY will continue to keep the market informed as to any developments as the discussions progress.

### **Mariposa**

The company is excited that negotiations with a leading Chinese company regarding a joint operations agreement for Mariposa is moving forward. ADY and this company have been working through the due diligence process and site visits to agree terms. While this negotiation process is moving along at a fast pace, the agreement is expected to be signed during the first half of the 2019 financial year.

The Company is also currently in the process of finalising the tender process for project financing and collaborative partners, such as water, transport and electricity providers.

### **Australian Projects**

No activity to report during the quarter.

## **Financing Activities**

The additional costs of the Mariposa Project and related tendering and joint operations costs saw expenses increase throughout the quarter.

In anticipation of these additional costs, the Company sought a loan facility from Shanghai Long Sheng Technology Development Co. Limited to provide up to AU \$1,500,000, at a rate of 5% per annum, with repayment of the loan and accrued interest by 01 October 2020.

This additional facility has taken total available funds to AU \$6,370m, with \$4,904m drawn. The Company anticipates that this will provide sufficient funding to see the projects to start of operation.

## 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***

1,154,115,564 shares (as of 31 July 2018)

***Board*****Managing Director**

Ms Qing Zhong

**Non-executive Directors**

Mr Hanrui Zhong

Mr Bin Li

**Company Secretary**

Mr Jarrod White

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