

QUARTERLY ACTIVITIES REPORT

31 October 2019

For the quarter ended 30 September 2019

Admiralty Resources NL (ASX: ADY) is pleased to report its activities for the September 2019 quarter.

Exploration and Quarterly Activities

Soberana

Rocterra has commenced early stage infrastructure and mine construction activities.

ADY will continue to keep the market informed as to the next developments of the project and of receipt of any of the royalty receipts from the project. It is expected production will commence over the coming months.

Mariposa

On 5 August 2019 the Company announced it had signed a Project Financing Framework Agreement ("the Framework") with Ning Bo Qiaohui Leasing and Financial Co., Ltd. Importantly this party is separate and in addition to discussions that continue with state owned China Nuclear Industry 22nd Construction Co. LTD ("CNI22"). The negotiations with CNI22 will be evaluated against the Ning Bo framework as it is further negotiated into final terms.

If furthered this framework would see the financing of the Mariposa through construction and to the production stage.

Key terms of the framework agreement are:

- Total financing of up to CNH 220 million (approximately AU \$46,000,000)
- Facility period of 18 months of construction plus 42 months of operations to allow repayment from operational profits
- A security deposit of CNH 44 million (approximately AU \$9,200,000) is required
- Mortgage of Equity Right and Income Right of wholly owned subsidiary Admiralty Minerals Chile Pty. Ltd. Chilean Agency until completion of the contact period whereby the rights will be transferred back to the Company

Your Board is actively working to progress key final due diligence on the financier and meeting prerequisite funding conditions of Ningbo. These include the establishment of a security deposit that meets the requirements of the facility provider and the negotiation of an EPC (Engineering, Procurement and Construction) contract with a suitable contractor to complete the mine construction.

The Company will continue to keep the market informed as progress is made during this process.

Australian Project

No activity to report during the quarter.

Corporate Activities

The Company has extended the term of the Convertible Loan Facility Agreement with Smart East Global Limited by 2 years, to 31 December 2021. The remaining terms of the agreement remain unchanged.

In conjunction with the extension to the term of the Convertible Loan Facility, the Company increased its loan facility from Shanghai Long Sheng Technology Development Co. Limited from AU \$1,500,000 to AU \$3,000,000. The remaining terms of the agreement remain unchanged.

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 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.

Schedule of tenements

<i>Tenement Reference</i>	<i>Registered Holder</i>	<i>Country</i>	<i>Project Group</i>
M39/159 (50%)	Pyke Hill Resources Pty Ltd	Australia	Pyke Hill
MLN 726	Bulman Resources Pty Ltd	Australia	Bulman
MLN 727	Bulman Resources Pty Ltd	Australia	Bulman
EL 25931	Bulman Resources Pty Ltd	Australia	Bulman
EL 23814	Bulman Resources Pty Ltd	Australia	Bulman
HARPER SOUTH			
Negrita 1-4	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Negrita Group
Leo Doce, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Negrita Group
Soberana 1-5	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Soberana Group
Phil Cuatro, 1-16	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Soberana Group
Leo 101, 1-30	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Soberana Group
Leo Cinco, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
Leo Seis, 1-58	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
Leo Ocho, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
Leo Nueve, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
Leo Diez, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
Leo Once, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
Leo Trece, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Mariposa Group
OTHER SECTORS			
Pampa Tololo 1-2475	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Pampa Tololo Group
Cerro Varilla 1-732	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Pampa Tololo Group
Leo 14, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Other Tenements
Leo 105	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Other Tenements
Leo 106	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Other Tenements
Leo 107	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Other Tenements
Mal Pelo	Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	Other Tenements

* All tenements are 100% held, unless otherwise stated

Issued capital

1,159,134,699 shares (as of 30 September 2019)

Board

Managing Director

Mrs Qing Zhong

Executive Director

Mrs Jian Barclay

Non-executive Director

Mr Bin Li

Company Secretary

Mr Jarrod White

Contact

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