

QUARTERLY ACTIVITIES REPORT

31 January 2024

For the quarter ended 31 December 2023

Admiralty Resources NL (ASX: ADY) (Admiralty or the Company) continues to advance its flagship Mariposa Fe Project, as highlighted in this Quarterly Activities Report for the quarter ending 31 December 2023.

Exploration and Quarterly Activities

Mariposa

The Company made further progress during the quarter at its Mariposa Fe Project (Project), with the Chilean iron ore project on track for first production in 2024.

Updated Mineral Resource

On 4 October 2023, Admiralty announced an updated Mineral Resource estimate for the Mariposa Fe Project. A JORC estimate provided by Chilean firm Geoinvest SAC E.I.R.L. dated 24 September 2023 comprised the following:

- **Inferred Mineral Resource: 59.74 million tonnes (Mt) at a cut-off grade of 15% TFe (total iron)**
- **Measured Mineral Resource: 6.65 Mt at a cut-off grade of 15% TFe**
- **Indicated Mineral Resource: 39.16 Mt at a cut-off grade of 15% TFe**
- **Total Mineral Resource: 105.6 Mt at a cut-off grade of 15% TFe**

Table 1. Summary of Mineral Resource Estimate elaborated by Geoinvest, as of 24 September 2023. TFe = Total iron; Mt = million tonnes.

Cut-off grade TFe [%]	Measured Mineral Resources [Mt]	Indicated Mineral Resources [Mt]	Indicated + Measured Mineral Resources [Mt]	Inferred Mineral Resources [Mt]	Total Mineral Resources [Mt]	Average TFe [%]
35	0.97	7.08	8.05	6.77	14.82	42.18
30	1.68	11.20	12.88	12.04	24.92	38.12
25	2.67	17.67	20.34	19.87	40.21	34.04
20	4.19	25.54	29.73	33.35	63.08	29.77
15	6.65	39.16	45.82	59.74	105.55	24.70
10	9.88	61.26	71.14	109.66	180.79	19.57

(For further details, refer to the ASX announcement dated 4 October 2023.)

Construction enters new phase

On 12 October 2023, Admiralty announced that construction of the Mariposa Fe Project had entered the installation phase, with key equipment and infrastructure installed. This included the screening platform and No.3 belt conveyor, together with the No. 1 and No. 2 ball mill operating platforms. Construction of the mineral processing office was also completed (refer ASX announcement 12 October 2023).

A test run of the 500,000 tonnes per annum mineral processing plant is expected to be undertaken in the coming months, marking another new milestone for the project. With the processing plant now completed, ore is ready for processing as Admiralty approaches another new phase of operations.

New installations

In November 2023, installation of a jaw crusher and coarse cone crusher was completed, together with the upper and lower funnels. The No. 1, 2 and 3 belt conveyors were installed.



Figure 1: Installation of jaw crusher and coarse cone crusher

Further installation during the quarter included completing the pipeline installation of the filter and concentration magnetic separator; and completing the installation of two ball mills, slurry pumps, two cyclone pumps and pipelines, including one section of a magnetic separator and three sections of magnetic separator pipelines. Other work included vacuum pump pipeline installation and other connections.



Figure 2: Other installation work included the filter and concentration magnetic separator

In addition, the fine ore warehouse platform is under construction together with high-level water storage.

Construction was completed of the No. 5 and No. 6 transporters, concentrates and tailings ponds, in addition to the No. 5 and No. 6 belt conveyors and jaw crusher.

Importantly, six kilometres of new road to the loading port has been constructed, saving some 20 km of transport movement.



Figure 3: New roads to the loading port

In electrical works, electrical installations were completed in the dormitory area, together with construction of the cable trench in the selection plant. Installation of power supply lines is progressing well, with half of the task of erecting poles finished.

An electrical team is undertaking further work on electrical connections, piping and engines. The second half of the transmission line is also under construction.



Figure 4: Crushing Line

Health, safety and environment

Safety remains a focus for the Company, with the concept of “safety first” reinforced at weekly site meetings and in daily safety briefings prior to work commencing. Employees are required to wear the appropriate safety equipment, with special attention paid to working safely at heights.

Regular inspections are undertaken to ensure processes are being conducted safely and efficiently.



Figure 5: Employee safety briefing on-site

Highlighting its commitment to the environment, Admiralty has developed a nursery with more than 500 species of plants as part of its conservation activities, with 360 trees now planted in the camp.



Figure 6: Admiralty’s Executive Chair, Bin Li (centre) with Managing Director, Qing Zhong (left) and Executive Director Jian Barclay at Mariposa



Figure 7: Executive Director Jian Barclay, Admiralty’s Chilean Legal Representative Genaro Gin, with the team at Mariposa

Post-quarter activities

- In January 2024, Admiralty was in the final stages of preparing to commence processing of ore at the newly built ore processing plant.
- Lab testing for quality control of the ores is underway, with around 160 samples extracted from recent blasting activities.
- Talks are progressing with the negotiating party regarding the use of its sub-stations and connections for electricity to the site.
- Admiralty has also engaged a Competent Person to undertake an Ore Reserves report for the project, ensuring it satisfies the requirements of the JORC Code 2012. The Company will provide the market with further updates in due course.

Soberana

Water from Soberana continues to be supplied to Mariposa, via a reservoir built in 2023 for water storage.

La Chulula

Admiralty continues to progress the second stage of environmental approvals. Further updates will be provided as this project advances, with the benefit of its proximity to the Mariposa mine site.

Australian Projects

No activity to report during the quarter.

Corporate

General Business

\$58,000 was paid to Directors during the quarter. All payments to related parties and their associates were for remuneration for services as Directors in the ordinary course of business and on arms' length terms, and rent for the Australian office.

The Company notes that during the September quarter it had received further capital injections from Hainan in accordance with the Interim Term Sheet as announced on 20 March 2023. The capital is for the use of the Mariposa Project to undertake all the necessary development activities to commence production. As such the Company had not incurred any direct development costs for the Project.

2023 Annual Report

The Company's 2023 Annual Report was released on 4 October 2023. The Company reported a net loss after tax for the year ended 30 June 2023 of \$2 million (2022: \$3.5 million loss).

2023 Annual General Meeting

Admiralty's 2023 Annual General Meeting was held on 24 November 2023 at Suite 109, Level 1, 150 Pacific Highway, North Sydney, NSW, 2060.

All resolutions put to the meeting were carried (refer ASX announcement 24 November 2023).

Recent Announcements

Date	Announcement
2 October 2023	Suspension from Quotation
4 October 2023	2023 Annual Report and Corporate Governance Statement
4 October 2023	2023 Appendix 4G
4 October 2023	Updated Mineral Resources on the Mariposa Fe Project
5 October 2023	Reinstatement to Quotation
12 October 2023	Mariposa Construction Enters New Phase
13 October 2023	2023 Annual General Meeting
25 October 2023	Notice of Annual General Meeting/Proxy Form
31 October 2023	September Quarterly Activities Statement
31 October 2023	September Quarterly Appendix 5B
24 November 2023	Results of Meeting

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 Australia.

Admiralty is advancing its flagship Mariposa Iron Ore Project in Chile towards production, targeting first production in 2024, with a view to increasing production capacity from 2025.

The Mariposa project contains Inferred Mineral Resources of 59.74 Mt, with Measured Mineral Resources of 6.65 Mt, indicated Mineral Resources of 39.16 Mt and total Mineral Resources of 105.6 Mt (cut-off grade 15%TFe) – JORC 2012 compliant resources, see ASX Announcement on 4 October 2023.

The Mariposa project has favourable access to infrastructure, including being located just 6km from the railway line, 70km from port and 25km from the town of Vallenar, with access to road infrastructure and a high voltage power line.

Together with Mariposa, other exploration projects in the Company's Harper South district (2,498 ha) include La Chulula and Soberana, with potential for further growth in iron ore resources. Other exploration areas in Chile include the Pampa Tololo district (3,455 ha) and El Cojin (600 ha).

In Australia, Admiralty holds a 50% stake in the Pyke Hill Project, a cobalt and nickel project in Western Australia.

For more information, please visit <https://ady.com.au/>

References to previous ASX releases

- 4 October 2023 – “Updated Mineral Resources on the Mariposa Fe Project”
- 12 October 2023 – “Mariposa Construction Enters New Phase”
- 31 October 2023 – “September Quarterly Activities Statement”
- 24 November 2023 – “Results of Meeting”

Admiralty Resources confirms that it is not aware of any new information or data that material affects the information included in the original releases and that all material assumptions and technical parameters underpinning the estimates in original release continue to apply and have not materially changed. Admiralty Resources confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original releases.

Schedule of tenements

<i>Tenement Reference</i>	<i>Registered Holder</i>	<i>% Held</i>	<i>Country</i>	<i>Project Group</i>
M39/159	Pyke Hill Resources Pty Ltd	50%	Australia	Pyke Hill
HARPER SOUTH				
Negrita 1-4	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Negrita Group
Leo Doce, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Negrita Group
Soberana 1-5	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Soberana Group
Phil Cuatro, 1-16	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Soberana Group
Leo 101, 1-30	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Soberana Group
Leo Cinco, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Seis, 1-58	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Ocho, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Nueve. 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Diez, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Once, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Trece, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
OTHER SECTORS				
Pampa Tololo 1-2475	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Pampa Tololo Group
Cerro Varilla 1-732	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Pampa Tololo Group
Leo 14, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Leo 105	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Leo 106	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Leo 107	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Mal Pelo	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements

Board

Executive Chair

Mr Bin Li

Managing Director

Mrs Qing Zhong

Executive Director

Mrs Jian Barclay

Non-Executive Director

Mr Gregory Starr

Contact

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Company Secretary

Ms Louisa Ho

Forward Looking Statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward-looking words such as “believe”, “expect”, “estimate”, “will”, “may”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Admiralty and cannot be predicted by Admiralty and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Admiralty operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of Admiralty or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statements. Statements about past performance are not necessarily indicative of future performance.