

25 June 2024**ASX Announcement**

Mariposa Iron Ore Project Joint Operating Agreement

Admiralty Resources NL (ASX:ADY) ('Admiralty' or the 'Company') is pleased to advise that Admiralty has entered into a long-form documentation in the form of a Joint Operating Agreement with Hainan Xinlei Mining Management Co Ltd (**'Hainan'**) on 25 June 2024 (**'Joint Operating Agreement'** or the **'Agreement'**) to develop and manage the Mariposa Iron Ore Project (**'Project'**).

Key terms of the Joint Operating Agreement are as follows:

Key Commercial Terms

- (a) Hainan will provide all capital equipment and undertake all development activities required to commence production at a rate of 500,000 t/pa in 2024 (**'Phase 1'**) and to commence construction on a 2,000,000 t/pa capacity production plant in 2025 (**'Phase 2'**).
- (b) Hainan will be liable for all liabilities, costs and expenses incurred in connection with the Project, including project expenditure and to the point of the sale of the products.
- (c) The tenements relating to the Project are owned solely and exclusively by Admiralty, through Admiralty Minerals Chiles Pty Ltd agencia en Chile (**'Chilean Subsidiary'**). The Company must keep and renew the tenements in good standing (including paying all rents, taxes, expenditures and other outgoings, conducting annual inspection and environmental assessment of the mine).
- (d) Hainan will be appointed by Admiralty as the head engineering, procurement, construction and mining contractor and be solely responsible for development of the Project, mining and treatment of the iron ores, and rehabilitation of the mining area.
- (e) Admiralty will retain 20% of the Chilean Subsidiary's notional net profit after tax and Hainan will receive the balance 80% as consideration for providing the capital and undertaking development required for Phase 1 and Phase 2 of the Project. Upon completion of Phase 1, Admiralty may engage in good faith negotiations to revise the profit split of the Project.
- (f) The equipment and Project property are owned solely and exclusively by Hainan.
- (g) All Project intellectual property will vest in Admiralty on creation.

Sale of Products

- (h) Hainan will be the non-exclusive sales and marketing agent in respect of the sale of the products derived from the Project.
- (i) Admiralty has the sole and absolute discretion as to the sale agreements to be entered into.

Project Management

- (j) An operating committee has been established, consisting of one representative from Admiralty and two representatives from Hainan, to set the strategy and annual budget for, and oversee the conduct of, the Project ('**Operating Committee**').
- (k) The Chair of the Committee will be the Chairman of Admiralty, Mr. Bin Li, who has a casting vote. Where Mr. Bin Li is no longer associated with Admiralty, Hainan will have the right to appoint the new Chair of the Operating Committee.

Mine Closures and Abandonment

- (l) Hainan must bear all costs, expenses and liabilities relating to mine closure obligations or abandonment, and these obligations survive termination or expiry of the Agreement.

Term, Default, Suspension and Termination of Project

- (m) Hainan intends to collaborate with Admiralty on the development and management of all mines owned by Admiralty in Chile, with Phase 1 and Phase 2 being the initial project.
- (n) Where a breach default event occurs, both Parties have 14 days to remedy upon receipt of the notice of default. The Parties agree that 20% of the project expenditure is adequate monetary compensation to be paid by the defaulting party (breach is not remedied).
- (o) Termination events:
 - all Parties agree in writing to terminate the Project;
 - the Operating Committee determines unanimously that all economically recoverable reserves of products in the mining area have been recovered;
 - the Operating Committee determines unanimously that the Project should cease; or
 - the Parties cease to hold any interest in any Chilean tenement.
- (p) Suspension of project activities or mine closure
 - Hainan may, at any time subsequent to 12 months from the commencement date, submit to the Operating Committee a proposed programme and budget for the temporary suspension or permanent mine closure of all or any part of the Project.
 - The Operating Committee may at any subsequent time direct that any temporarily suspended project activities resume.

Admiralty will provide the market with further updates in due course as the Mariposa Iron Ore Project progress towards the pre-production phase.

The release of this announcement was authorised by the Board and released by the Company Secretary.

For more information:

ADMIRALTY RESOURCES NL

Ms Louisa Ho

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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) – a JORC 2012 compliant resource (refer ASX Announcement 4 October 2023). Estimated Ore Reserves comprise 36.3 million tonnes (Mt) as a cut-off grade of 15% TFe, with Total Fe concentrate of approximately 14 Mt at a grade of 65% TFe (refer ASX Announcement 14 February 2024).

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/>

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

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Company Secretary

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