

NEWS RELEASE

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FIRST QUARTER ACTIVITIES REPORT

CORPORATE

- On 1 September 2010, Admiralty Resources NL ("Admiralty") signed an agreement with Icarus Derivatives Limited ("Icarus"), for the sale of all the shares in SCM Vallenar Iron Company ("VIC"), which is the result of joint venture discussions held with various parties over the last year. The agreement is subject to shareholder approval which is being sought at an Extraordinary General Meeting to be held on 29 October 2010. Further details of the share sale agreement are contained in the announcement released on 2 September 2010 and the notice of EGM released on 28 September 2010.

The agreement with Icarus will result in considerable cost reductions whilst allowing Admiralty to maintain significant interests in its Chilean iron ore project via the transfer of the mineral concessions in the Southern Region of the Harper Geological District to a wholly owned subsidiary, Admiralty Minerals Chile Pty Ltd which is currently being established as a branch in Chile. Further, the transaction will provide recurring cash flow that will allow Admiralty to accelerate the exploration programme and prove further mineral resources in the Southern Region and provide commercial synergies for the sale, shipping and export of iron ore production.

- During the quarter, Admiralty successfully completed a placement of shares to institutional and sophisticated investors. The Company issued 99,692,546 shares at a price of 0.64c raising \$638,032.

SCM VALLENAR IRON COMPANY ("VIC") – CHILE

- VIC concluded an exploration programme in the Harper Geological District, located south of the city of Vallenar in the Third Region of Chile. The exploration programme consisted of ground magnetic and gravity surveys to detect and delineate additional anomalies that may exist in the geological district. The combined geological and geophysical signature has permitted the interpretation of a number of anomalous areas and of these, Geos Mining has identified a total of ten new areas of interest with 7 of these areas located in the Southern Region. The Company plans to conduct further geophysical modelling to determine anomaly source, location and depth, followed by reverse circulation drilling of the most prospective targets.

BULMAN RESOURCES PTY LTD ("BULMAN") – NORTHERN TERRITORY

- During the quarter, a conceptual study of the Bulman project in the Northern Territory was prepared by independent consultants Geos Mining which provided indicative project parameters to guide future exploration of the area. Further exploration has begun to provide reconnaissance mapping and sampling in newly identified target areas.

Yours sincerely,



Stephen Prior
Executive Director

Further information on Admiralty Resources NL can be found on our Internet site: www.ady.com.au

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