



Admiralty Resources NL

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Admiralty Resources' aggressive exploration yields results, La Chulula defined as priority target

Admiralty Resources (ASX: ADY) is on the right path to building its iron ore Resource base along the highly prospective Atacama Fault in the Chilean iron ore belt, with the identification of La Chulula as a high priority target.

Results from a high resolution ground magnetic survey has demonstrated the size potential of La Chulula, with the prospect shown to be 250 metres by 900 metres and to extend to depths of up to 600 metres.

The prospect is located near surface and has returned magnetic susceptibility levels higher than 0.9 S.I. units between 600 metres and surface elevations.

The results of Phase I showed the La Chulula Prospect could extend itself further south of the boundary of the surveyed lines and a 3D inversion of the results showed the potential ore body cut-off.

Phase II was carried out considering the size of the La Chulula anomaly and the potential extension of the magnetic response further south of the boundary of the Phase I survey lines.

The Phase II program was aimed at fully defining the extension of La Chulula and clearly separating it from the Mariposa Prospect.

Preliminary results from earlier exploration show the existence of three types of mineralisation at the La Chulula target disseminated magnetite (10-15% iron), vetillas/veins (20-30% iron) and massive magnetite (50-60% iron).

A 10-hole, 2,650 metres reverse circulation drilling program began at La Chulula in early June.

Five holes and 1,350 metres of drilling has been completed so far, with the next five holes expected to be completed by mid-July.

Admiraltys goal

The end goal for Admiralty is to produce high quality iron from magnetite using dry magnetic separation.

The Mariposa Prospect, which is the most advanced target at Harper South, is the subject of an engineering mine plan to produce 1.2 million tonnes of 63% iron per annum over a 20 year mine life. This is expected to be completed in September 2012.

There are two types of mineralisation found in the district magnetite style in the east and IOCG in the west.

Admiralty has confirmed seven targets in the Harper South District, with a further two anomalies identified by high resolution ground magnetic survey.

The most advanced target is Mariposa, advancing targets are La Chulula and Soberana, and early exploration targets are Negrita, La Vaca and Mal Pelo.

Strategically located

Price: A\$0.05

Market Cap: A\$32.75M

1 Year Share Price Graph



Share Information

Code: ADY

Listing: ASX

Sector: General Mining

Website: www.ady.com.au

Company Synopsis:

Admiralty Resources (ASX: ADY) is a diversified mining company with mineral interests in Australia and Chile. The company's main project is the Admiralty Minerals Chile Agencia en Chile, holder of two prospective iron ore tenements - Harper South and Pampa Tololo - located in Region III of Chile.

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Admiralty holds a total land position of 6,800 hectares in the Chilean iron ore belt just 46 kilometres from the Guacolda and Las Losas ports.

The company's projects are strategically located 7 kilometres from the railway line owned by Ferronor S.A. and 3 kilometres from the Pan American highway, with direct access.

Harper South covers around 2,498 hectares of the total landholding and is Admiralty's most advanced exploration district with a JORC Resource of 168 million tonnes at 18% iron at the Mariposa prospect.

Demonstrating the prospectivity and activity in the region, Admiralty's Harper South project is located near to the El Algarrobo iron ore mine, one of the four main magnetite-apatite deposits in the Chilean iron belt.

El Algarrobo's current Reserves are around 3.6 million tonnes at 47.5% iron, although other occurrences in the surrounding district are believed to contain resources of 130 million tonnes.

The Los Colorados Mine is also nearby and hosts Reserves of around 245 million tonnes at 48% iron.

Additional Reserves of about 73 million tonnes are reported in the district, at the Chanar Quemado, Sositas and Coquimbana prospects.

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