

EXPLORERS ON THE MOVE

Exploration underway to move Chilean assets toward production

EXPLORER Admiralty Resources will be ramping up exploration and moving towards production in the second half of 2012 at its projects in Chile.

The company reported that it expected results from a pre-feasibility study at its Mariposa project would indicate the project's capacity to produce a minimum of 1.2 million tonnes of iron; it also announced that an early mine plan at its Soberana project would likely trigger small-scale production.

Admiralty additionally reported that it expected to release maiden mineral resource statements for the La Chulula and Simpson projects.

"The company expects current exploration in Chile will advance the projects towards production and bolster the company's mineral resources, which currently stand at 168 million tonnes and are confined to the Mariposa project," Admiralty reported.

During late 2011 and early 2012,

Admiralty completed thorough due diligence on its mineral concessions. The company engaged Quantec Geoscience Chile to perform high resolution ground magnetic surveys on its three iron districts in Chile: Harper South, Pampa Tololo and Cojin.

The surveys confirmed a total of seven targets in Harper South, three targets in Pampa Tololo and five targets in Cojin. It was the first exploration work completed on the Pampa Tololo and Cojin districts since Admiralty acquired them in 2006-2007.

The surveys brought Admiralty's targets in the region to 15. All targets have different depths and extensions but have a constant high magnetic susceptibility of between 0.6 and 0.9 international system of units.

Admiralty's lead-zinc project in Bulman in the Northern Territory will also be subject to an exploration program consisting of soil and rock chip sampling, a ground magnetic survey and a drilling campaign.



TARGET:

Minimum production of 1.2Mt of iron p.a.

LOCATION:

Chilean iron ore belt, close to sealed roads, rail, power and ports

THREE DISTRICTS:

Harper South, Pampa Tololo and Cojin

HARPER SOUTH DISTRICT:

7 targets confirmed. Work underway in:

- **Mariposa**, with an JORC resource of 168Mt and pre-feasibility study to be delivered in Q3 2012;
- **La Chulula**, primary target with dimensions of 250m x 900m x 600m. RC drilling programme in progress. Resource statement expected in Q4 2012; and
- **Soberana**, starting a small-scale production in Q4 2012 after an early mine production study is completed.

PAMPA TOLOLO DISTRICT:

3 targets confirmed: **Cochrane**, **O'Brien** and **Simpson**. Two drilling programmes scheduled at **Simpson** in 2012 with a resource statement expected in Q4 2012.

Cochrane and **O'Brien** to follow in 2013.

COJIN DISTRICT:

IOCG deposit type (Iron Oxide Copper Gold) with 5 targets of great depth and susceptibility identified in a maiden exploration programme in 2012.



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