

Maiden Inferred Resource of 90.2 Mt at 24.5% Fe at Soberana Admiralty doubles existing resources at cut-off grade of 15% Fe

Admiralty Resources NL (ASX:ADY) is pleased to announce a maiden inferred mineral resource estimate of 90.2Mt at 24.5% Fe for a 15% Fe cut-off grade for its Soberana Project, one of the 6 targets of its Harper South District, Chile.

The Soberana resource estimation confirms the consistent nature of the iron mineralisation within the Harper South District and highlights the Company's potential to increase its resource base. Currently, only 2 of the Company's 14 targets, Soberana and Mariposa, have JORC compliant mineral resources with a third reverse circulation drilling campaign currently being conducted at La Chulula in the aim of defining a resource statement for this target.

The inferred resource statement has been prepared by Redco Mining Engineers Ltd. ("**Redco**"), a Chilean engineering firm. The Soberana mineral resource estimate has been classified as inferred resources based on the guidelines of the JORC Code (2004) and is as follows:

Cut-off grade FeT %	Measured Resources		Indicated Resources		Inferred Resources		Total Resources	
	Tonnage (Mt)	FeT (%)	Tonnage (Mt)	FeT (%)	Tonnage (Mt)	FeT (%)	Tonnage (Mt)	FeT (%)
35	-	-	-	-	10.1	48.4	10.1	48.4
30	-	-	-	-	26.6	37.1	26.6	37.1
25	-	-	-	-	34.3	34.9	34.3	34.9
20	-	-	-	-	39.3	33.4	39.3	33.4
15	-	-	-	-	90.2	24.5	90.2	24.5
10	-	-	-	-	107.5	22.5	107.5	22.5

The following map shows the general location of the Soberana Project: 20 km from the town of Vallenar, which is approximately 50 km from the coast.



The JORC-compliant resource statement for Soberana was calculated using a cut-off grade of 15% Fe, which is more conservative than the cut-off grade of 10% used to calculate the resource statement at Mariposa¹. Using a consistent cut-off grade of 15% for both Mariposa and Soberana, the Company's JORC-compliant mineral resources have more than doubled as a result of proving a resource at Soberana. The table below highlights the increase in the Company's JORC-compliant resources at cut-off grades of 10% and 15%:

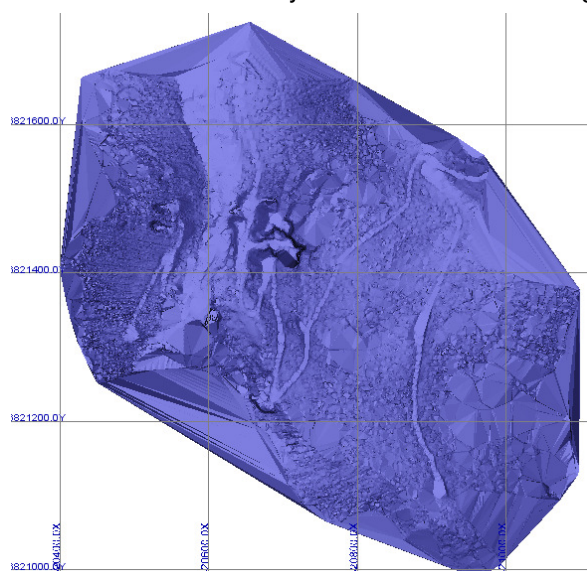
Cut-off grade FeT %	Mariposa Resources ^(a)		Soberana Resources ^(b)		Total Resources	Increase in Resources
	Tonnage (Mt)	FeT (%)	Tonnage (Mt)	FeT (%)	Tonnage (Mt)	(%)
15	87.9	23.3	90.2	24.5	178.1	103
10	168.4	18.0	107.5	22.5	275.9	64

*(a) Expressed in Indicated and Inferred Resources.
(b) Expressed in Inferred Resources.*

Redco has prepared the Inferred Mineral Resource Statement for Soberana based on the following data:

1. Topography study performed in October 2011

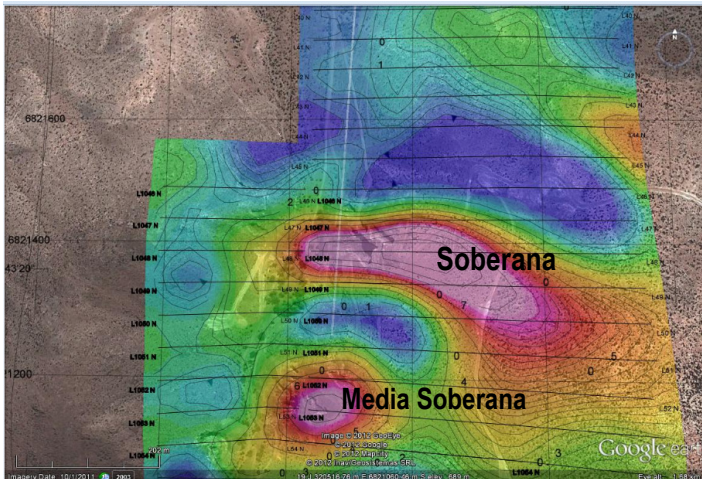
The topography was performed using laser scanning techniques and was delivered in Autocad Format through a triangulation and points, and the result was integrated into GEMCOM package in the Soberana project. A screenshot of the survey is shown in the following picture:



¹ Admiralty released a Mineral Resource Statement for the Mariposa iron deposit to the ASX on 2/9/2009. This statement reported a total tonnage of 87.8 million tonnes at an average of 23.3% Fe, using a cut-off grade of 15% Fe.

2. Results of the high-resolution ground magnetic survey

The high-resolution ground magnetic survey was performed by Quantec Geoscience Chile Ltda. in February 2012. Its interpretation confirmed the presence of two targets susceptible to contain significant iron mineralisation. These two anomalies were used as a boundary condition to compute the ore resource distribution across the Soberana ore body. The figure showing these anomalies contained within the pink area is as follows:

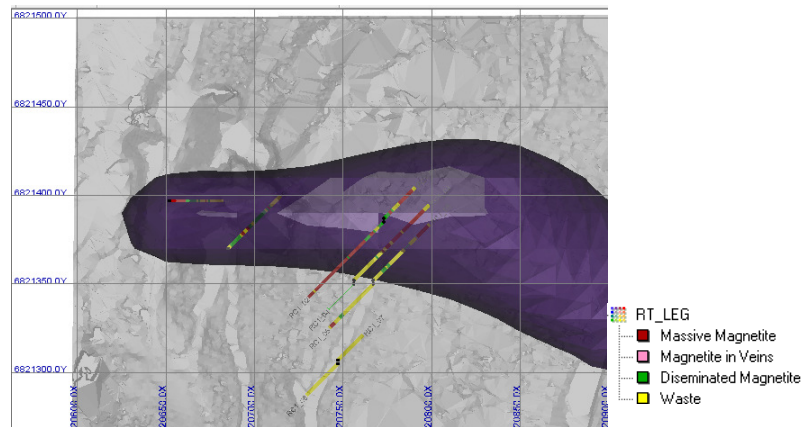


3. 684m reverse circulation drilling campaign

The reverse circulation drilling programme at Soberana was carried out by PerfoChile S.A. in mid July 2012 and it consisted in a total of 684m distributed in 9 drillholes with a depth distribution between 30 and 120m with 5 3/4' and 5 5/8'' diameters. The results of the drilling campaign identified geological mineralisation in the form of the following rocktypes:

- I. **Massive Magnetite:** FeT grade below 64%, mean 46%; FeMag grade below 58%, mean 43%;
- II. **Magnetite in Veins:** FeT grade below 60%, mean 30%; FeMag grade below 55%, mean 25%;
- III. **Disseminated Magnetite:** FeT below 40%, mean 12%; FeMag below 32%, mean 10%; and
- IV. **Waste.**

The total extension of the drilled area overlaid on the geophysical survey is show as follows:



4. Mineralogical testing of drilling samples

In total, 120 samples from the reverse circulation drilling campaign were sent to the Bureau Veritas Geoanalítica laboratory in Coquimbo (Chile). for analysis. 88 of the samples were analysed for FeT (Total Iron) and 32 for FeT and FeMag (Magnetic Iron). The criteria for the selection of these samples were as follows:

- 1 sample every 4m of Massive Magnetite for FeT;
- 1 sample every 8m of Massive Magnetite for FeMag;
- 1 sample every 4m of Disseminated Magnetite for FeT;
- 1 sample every 12m of Disseminated Magnetite for and FeMag; and
- 1 sample every 12m of Waste.

The table below shows the results for FeT on the analysed samples, grouped by cut-off grade:

Cut-off grade FeT %	Number of RC assayed samples (above cut-off grade)	FeT (%)
35	56	53.1
30	61	51.3
25	64	50.2
20	68	48.5
15	79	44.3
10	84	42.4

In REDCO's opinion, this data is sufficient in order to establish and delineate the ore resource and compute the tonnage and grades for an inferred mineral resource.

5. Resource model construction

The resource model was performed using the following setup:

- The resource model was computed by using the Inverse Distance technique on the mining package software GEMCOM Gems 6.1.4;
- Block sizes were defined by 5m x 5m x 5m and oriented N-S, taking into account geological model representation and an open pit mining operation using front loaders;
- The lengths of the block model are 550m in North-South direction, 400m in East-West directions, and 250m from top to bottom. The reference system used is PSAD 56. The block model size was based on the geological model dimensions, drilling campaign and high magnetic susceptibility areas from the geophysical survey;
- The model is composed of 328,448 solid blocks and it has a total of 440,000 blocks (including air blocks); and

- The resource model contains 4 variables in total. In terms of ore, it the variable is estimated in **FeT**. The others 3 variables are **Rocktype** from the geological model, **Bulk Density** (from weight composites and volume) and **CAT** (category).

Yours faithfully,

ADMIRALTY RESOURCES NL

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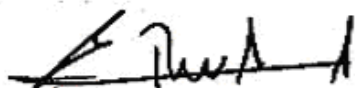
Stephen C. Prior
Managing Director

Competent Person's Statement

The information in this report that relates to Mineral Resources is based upon information prepared, compiled and reviewed by Dr Enrique Rubio-Esquivel, M.Sc, PhD from the University of British Columbia (Canada), who is a Member of the Australasian Institute of Mining and Metallurgy.

Dr Rubio is a full time employee of INGENIERÍA REDCO LIMITADA and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Dr Rubio-Esquivel consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Dr Enrique Rubio-Esquivel, PhD, General Manager of REDCO Mining Consultants
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About Admiralty Resources NL

Admiralty Resources NL is a public diversified mineral exploration company listed in the Australian Securities Exchange (ASX: ADY) with mineral interests in Chile and in Australia.

Admiralty's flagship projects are three iron ore districts in Chile: Harper South (2,498 Ha), Pampa Tololo (3,455 Ha) and Cojin (600 Ha). The districts are located in prime locations, with close and easy access to the Panamerican Highway (a major route), a railway line and operating shipping ports.

Admiralty's projects in Australia are the Bulman project, a lead and zinc project located in the NT and the Pyke Hill project, a cobalt and nickel project in WA whose mining lease is 50% owned by Admiralty.

About Admiralty in Chile

The **Harper South district** ("Harper South") is the most advanced district in respect to exploration. To date, seven targets have been confirmed as carriers of magnetite mineralisation: Mariposa, La Chulula, Soberana, Negrita, La Vaca and Mal Pelo.

- **Mariposa** is the most developed target and it has a JORC compliant resource. An engineering mine plan (or Prefeasibility Study) for an initial production of one million tonnes of finished product per annum has been commissioned to Redco Mining Engineers and final reports are expected in early 2013.
- **La Chulula.** A high resolution ground magnetic survey carried out in 2011 showed it as the ore body with highest susceptibility and depth within Harper South. Since then, a 600m diamond test drill hole was sunk in February 2012 and two reverse circulation drilling campaign of 2,650m and 3,772m took place in JJune/July 2012 and September/October 2012 respectively. A third reverse circulation drilling campaign is currently taking place and a resource statement is expected in the March 2013 quarter.
- **Soberana**, subject of this announcement.

The **Pampa Tololo district.** A high resolution ground magnetic survey carried out in 2011 identified three targets: Cochrane, O'Brien and Simpson. A reverse circulation drilling campaign of 3,311m took place at Simpson in July/August 2012. The results of this campaign are currently being evaluated by the Company.

The **Cojin district.** It is the least advanced of the Admiralty's projects in Chile, with the first piece of exploration work being a high resolution ground magnetic survey carried out in 2012. The survey identified 5 targets in total with 3 of them showing great depth and high susceptibility.