

QUARTERLY ACTIVITIES REPORT

31 January 2019

For the quarter ended 31 December 2018

Admiralty Resources NL (ASX: ADY) is pleased to report its activities for the December 2018 quarter.

Exploration and Quarterly Activities

Soberana

In the period from the last quarter, ADY has signed a contract mining lease with Rocterra Limitada, a local Chilean mining Company. Rocterra provided 50% of the contracted deposit (approximately AU\$103,000) required as a sign of their commitment to the project. Currently Rocterra is finalising pit designs and firming up external finance for the mine.

Under the terms of the lease Admiralty will receive a monthly payment for its share of production. This will be paid as a fixed price per tonne of iron concentrate processed and sold during the immediately preceding month.

Production at the Soberana mine is currently expected to commence over the coming months.

ADY will continue to keep the market informed as to any developments of the project.

Mariposa

As announced on 14 January 2019, the Company hosted a delegation of seven executives from the China Nuclear Engineering & Construction Corporation Limited (CNNC) head office, including the group Chairman Mr Jian Feng Yu. The intention of the delegation was to meet with the necessary government officials in Chile to secure commitments of key resources for the Mariposa project.

The results of these meetings were the firming of relations between the Company, CNNC and Chile which will help facilitate a smooth development of the project.

Subsequent to the visit, the Company has commenced a detailed project costing for the Mariposa mine, with CNNC being engaged to draft the EPC+F (Engineering, Procurement and Construction plus Financing) agreement, with the final costing and a proposed mining plan expected to be available within the next couple of months.

As a part of the EPC+F process, the Company engaged EuroAmerica, a Chilean financial services company to perform an independent valuation and additional scoping procedures as specified by CNNC with a view to providing a level of assurance for CNNC's potential investment into the project.

The Company will continue to keep the market informed as progress is made during this process.

Australian Projects

No activity to report during the quarter.

Corporate Activities

2018 Annual General Meeting (AGM)

The Company held its AGM on 28 November 2018. It was pleased to see the high turnout of voter participation this year.

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 in Australia.

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

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

Admiralty in Chile

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

- **Mariposa** has a JORC 2004 compliant resource of 174.5 Mt (*as per ASX announcement on 25/1/2013*). 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.
- **La Chulula**. The Mineral Resource Estimate quantifies the resources at La Chulula at 96 Mt at 24% Fe for a 15% Fe cut-off in the inferred category. The La Chulula resource estimate is based on the results obtained from the reverse circulation and diamond drilling campaign completed in 2012
- **Soberana** has a JORC 2004 compliant resource of 90.2 Mt (*as per ASX announcement on 15/1/2013*).

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.

El 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.

Issued capital

1,154,115,564 shares (as of 30 January 2018)

Board**Managing Director**

Ms Qing Zhong

Non-executive Directors

Mr Hanrui Zhong

Mr Bin Li

Company Secretary

Mr Jarrod White

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