

QUARTERLY ACTIVITIES REPORT

30 April 2024

For the quarter ended 31 March 2024

Admiralty Resources NL (**ASX: ADY**) (**Admiralty** or the **Company**) has advanced the development of its flagship Mariposa Fe Project in Chile towards production amid continuing strong demand for iron ore, as highlighted in this Quarterly Activities Report for the quarter ending 31 March 2024.

Exploration and Quarterly Activities

Mariposa

Admiralty achieved further milestones at the Mariposa Fe Project during the March quarter 2024, with the Company continuing to work towards the pre-production phase at the project.

In February, Admiralty announced a maiden Ore Reserves estimate for the project, comprising 36.3 Mt (million tonnes) at a cut-off grade of 15% TFe (total iron). Total Fe concentrate is approximately 14 Mt with a grade of 65% TFe, equivalent to a total weight recovery of 38%. A total of 83.7% of Ore Reserves are Probable and 16.3% are Proved, according to a JORC 2012 estimate by Chilean firm Geoinvest SAC E.I.R.L., effective 14 February 2024.

Table 1. Summary of Ore Reserves Estimate elaborated by Geoinvest, as of 29 January 2024.
TFe = Total iron.

Category	Million Tonnes	Average TFe %
Probable	30.4	27.9
Proved	5.9	25.3
Total	36.3	27.5

Material assumptions and other criteria used in the Ore Reserves estimate are outlined in the ASX announcement dated 15 February 2024. The project will be mined via Open Pit method, a common mining method concerning this type of deposit.

The JORC 2012-compliant Ore Reserves estimate is an important step in demonstrating the economic significance of this emerging project to ASX investors, highlighting the value of the Chilean iron ore project.

Also in February, Admiralty announced that Admiralty Minerals Chile Pty Ltd Agencia en Chile ('Admiralty Minerals'), a wholly owned subsidiary, had entered into an Easements and Electrical Facility Lease Contract with Agrocomercial as Limitada ('Agrocomercial'), with an effective date of 1 February 2024 and formally legalised on 27 February 2024 (the 'Transmission Line Contract' or 'Contract').

Under the Contract, Admiralty Minerals has been granted an easement over the agreed area to transport electricity from the Agrosuper substation (owned by Agrocomercial) to the Mariposa Mine, with a maximum capacity of the substation of 23kV. Admiralty Minerals is permitted to construct, commission

and operate a transmission line to deliver the required energy to the mine as part of the leasing of the electric power facilities from the substation, with the contract valid for 35 years.

The Transmission Line Contract forms another significant step forward as the Mariposa Fe Project prepares to enter the pre-production phase. Costs associated with the contract will be covered by Hainan Xinlei Mining Management Co Ltd, in accordance with the Mariposa Iron Ore Project Term Sheet announced on 20 March 2023.

Production update

Installation work has been largely completed, with trial production of the beneficiation plant in progress based on a 500,000 tonne system. The on-site team has worked to test the jaw crusher and coarse crushing cone crusher, while also testing the water consumption of the ball mill, magnetic separator and vacuum pump.

The processing plant's stockpile is also nearing completion, together with the installation of the necessary power and water supply. Measures to minimise dust from road transport have also been implemented to ensure compliance with environmental regulations.

Post-quarter activities

Admiralty subsidiary, Admiralty Minerals Chile Pty Ltd Agencia en Chile, has entered into a port receiving, stacking and storage iron ore concentrate service contract with Puerto Las Losas S.A. ('Las Losas'), with an effective date of 5 March 2024. The Company received the formally legalised contract on 17 April 2024 (the 'Port Service Contract' or 'Contract') (refer ASX release 19 April 2024).

Valid for five years subject to any extension, the Contract is for the provision of the receipt, stacking and storage of iron ore concentrates, as well as terminal services work for ships and shipments from an origin or destination prescribed by the Contract, and the transportation of goods directly or in connection with ports.

Fees are payable to Las Losas for the docking of ships and other port services as specified in the Maritime Administration and Port Regulations and as necessary for the berthing of ships; the stacking, storage and transportation of iron ore concentrates; and the minimum shipping volume as detailed in the Contract. Costs associated with the Port Service Contract will be covered by Hainan Xinlei Mining Management Co Ltd, in accordance with the Mariposa Iron Ore Project Term Sheet.

Soberana

Water from Soberana continues to be supplied to Mariposa, via a reservoir built in 2023 for water storage. The Company has also applied for sectorial permits with the local government to advance activities at Soberana. The Company will update the market in due course.

La Chulula

Admiralty continues to progress the second stage of environmental approvals. Further updates will be provided as this project advances, with the benefit of its proximity to the Mariposa mine site.

Australian Projects

Pyke Hill

The Pyke Hill nickel cobalt project, in which the Company has a 50% interest through wholly-owned subsidiary Pyke Hill Resources Pty Ltd (**Pyke Hill Resources**), has been predominately dormant to date. The other 50% interest in the project is held by Richore Pty Ltd (**Richore**).

Pyke Hill Resources and Richore have been involved in legal proceedings pertaining to whether a third party, Cougar Metals NL (subject to DOCA) (**Cougar**), retained any rights to the mineral nickel/cobalt rights contained in the Pyke Hill tenement (M/39/159) pursuant to an option agreement terminated by Pyke Hill Resources in July 2021 (**Option Agreement**) (refer ASX announcement 16 March 2023).

Cougar lodged an appeal against the Supreme Court of Western Australia's (**WASC**) judgement. The Court of Appeal (WA) upheld the primary judge's finding that Cougar had breached its obligations under the Option Agreement with respect to the statutory minimum annual expenditure commitments of Pyke Hill Resources as the tenement holder, and also overturned the primary judge's finding and declared that the Option Agreement was not effectively terminated in July 2021. Costs related to this matter were awarded in favour of Cougar.

The Company advises that the outcome of the Court of Appeal (WA) judgement in relation to Pyke Hill Resources does not have any material financial impact, does not impact on the advancement of the Mariposa Project or the current operations of the Company. The Company will provide the market with further updates in due course.

Corporate

General Business

\$41,000 was paid to Directors during the quarter. All payments to related parties and their associates were for remuneration for services as Directors in the ordinary course of business and on arms' length terms, and rent for the Australian office.

The Company notes that during the March quarter 2024 it received further capital injections from Hainan in accordance with the Interim Term Sheet as announced on 20 March 2023. The capital is for the use of the Mariposa Project to undertake all the necessary development activities to commence production. As such the Company did not incur any direct development costs for the project.

Interim Report

Admiralty released on 15 March 2024 its Half Yearly Report for the six months to 31 December 2023. The Company posted a net loss for the period of \$1,744,824, compared to the prior period's net loss of \$1,586,265.

Smart East Global Limited (SEGL) Convertible Note Facility

Admiralty advises that on 25 March 2024, the Company received a Conversion Notice from SEGL which resulted in a total of 190,000,000 shares issued to SEGL on the terms of the convertible note facility agreement, and reducing the principal outstanding amount by A\$1,026,000. Refer to the March Quarterly Appendix 5B for further information.

Placement

On 4 April 2024, Admiralty announced the completion of a private placement to raise \$733,831 (before costs) at \$0.0054 per share from new and existing investors, with all funds raised to be used towards working capital purposes. The placement issue price represented an 18.7% discount to the 15-day VWAP at close of trading on 27 March 2024 (refer ASX announcement 4 April 2024).

Unmarketable Parcel Share Sale Facility

Admiralty has instituted an unmarketable share sale facility at an indicative price of A\$0.0059 per share. Under the facility, any shareholder with a shareholding valued at less than A\$500 can sell their shares off-market without having to pay brokerage. The closing date for acceptances is 5pm AEST Monday, 3 June 2024 (refer ASX announcement 18 April 2024).

Recent Announcements

Date	Announcement
31 January 2024	December Quarterly Activities Statement
31 January 2024	December Quarterly Appendix 5B
14 February 2024	Maiden Ore Reserves Show Value of Mariposa Fe Project
15 February 2024	Maiden Ore Reserves Show Value of Mariposa Project – Update
28 February 2024	Admiralty Secures Transmissions Line Contract
15 March 2024	Half Yearly Report and Accounts
22 March 2024	Director Interests & Substantial Holder – Late Lodgement
26 March 2024	Proposed issue of securities – ADY
27 March 2024	Application for quotation of securities – ADY
27 March 2024	Cleansing Statement
2 April 2024	Trading Halt
2 April 2024	Becoming a substantial holder
4 April 2024	Admiralty Completes Private Placement
4 April 2024	Proposed issue of securities – ADY
5 April 2024	Application for quotation of securities – ADY
5 April 2024	Cleansing Statement
18 April 2024	Unmarketable Parcel Share Sale Facility
19 April 2024	Admiralty Secures Port Service Contract

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 Australia.

Admiralty is advancing its flagship Mariposa Iron Ore Project in Chile towards production, targeting first production in 2024, with a view to increasing production capacity from 2025.

The Mariposa project contains Inferred Mineral Resources of 59.74 Mt, with Measured Mineral Resources of 6.65 Mt, Indicated Mineral Resources of 39.16 Mt and total Mineral Resources of 105.6 Mt (cut-off grade 15% TFe) – a JORC 2012 compliant resource (refer ASX Announcement 4 October 2023). Estimated Ore Reserves comprise 36.3 million tonnes (Mt) as a cut-off grade of 15% TFe, with Total Fe concentrate of approximately 14 Mt at a grade of 65% TFe (refer ASX Announcement 14 February 2024).

The Mariposa project has favourable access to infrastructure, including being located just 6km from the railway line, 70km from port and 25km from the town of Vallenar, with access to road infrastructure and a high voltage power line.

Together with Mariposa, other exploration projects in the Company's Harper South district (2,498 ha) include La Chulula and Soberana, with potential for further growth in iron ore resources. Other exploration areas in Chile include the Pampa Tololo district (3,455 ha) and El Cojin (600 ha).

In Australia, Admiralty holds a 50% stake in the Pyke Hill Project, a cobalt and nickel project in Western Australia.

For more information, please visit <https://ady.com.au/>

References to previous ASX releases

- 19 April 2024 – “Admiralty Secures Port Service Contract”
- 18 April 2024 – “Unmarketable Parcel Share Sale Facility”
- 4 April 2024 – “Admiralty Completes Private Placement”
- 15 March 2024 – “Half Yearly Report and Accounts”
- 28 February 2024 – “Admiralty Secures Transmission Line Contract”
- 15 February 2024 – “Maiden Ore Reserves Show Value of Mariposa Fe Project”

Admiralty Resources confirms that it is not aware of any new information or data that material affects the information included in the original releases and that all material assumptions and technical parameters underpinning the estimates in original release continue to apply and have not materially changed. Admiralty Resources confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original releases.

Schedule of tenements

<i>Tenement Reference</i>	<i>Registered Holder</i>	<i>% Held</i>	<i>Country</i>	<i>Project Group</i>
M39/159	Pyke Hill Resources Pty Ltd	50%	Australia	Pyke Hill
HARPER SOUTH				
Negrita 1-4	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Negrita Group
Leo Doce, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Negrita Group
Soberana 1-5	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Soberana Group
Phil Cuatro, 1-16	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Soberana Group
Leo 101, 1-30	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Soberana Group
Leo Cinco, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Seis, 1-58	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Ocho, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Nueve. 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Diez, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Once, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
Leo Trece, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Mariposa Group
OTHER SECTORS				
Pampa Tololo 1-2475	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Pampa Tololo Group
Cerro Varilla 1-732	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Pampa Tololo Group
Leo 14, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Leo 105	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Leo 106	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Leo 107	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements
Mal Pelo	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100%	Chile	Other Tenements

Board

Executive Chair

Mr Bin Li

Managing Director

Mrs Qing Zhong

Executive Director

Mrs Jian Barclay

Non-Executive Director

Mr Gregory Starr

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Company Secretary

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Forward Looking Statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward-looking words such as “believe”, “expect”, “estimate”, “will”, “may”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Admiralty and cannot be predicted by Admiralty and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Admiralty operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

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