



# NEWS RELEASE

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## **NEW “SERIES D” LOAN AGREEMENT OLD “SERIES C” LOAN RETIRED**

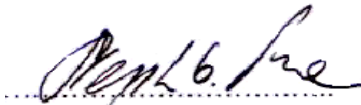
The Board of Directors advise that the Company has reached agreement with YA Global Investments L.P. for the existing Series C loan to be retired and a new Series D loan to be extended to the Company.

Key features of the agreement are:

- ♦ The existing US\$12,000,000 Series C loan is retired.
- ♦ Admiralty is to pay US\$4,000,000 in cash to YA Global. In addition, the Company is to issue 54,900,722 shares to YA Global in consideration for retiring US\$1,000,000 of the Series C debt.
- ♦ The cash repayment of US\$4,000,000 is applied as to US\$427,783.50 in payment of interest payable under the Series C Agreement and as to US\$3,572,216.50 in reduction of the principal under the Series C Agreement.
- ♦ The remaining principal amount of the Series C loan is rolled over into the new Series D loan, and the principal amount of the Series D loan is US\$7,427,783.50.
- ♦ Interest is payable on the new loan at the rate of 12% per annum. An application fee of US\$25,000 is payable.
- ♦ Repayment of principal of US\$1,250,000 per month commencing on 1 May 2009.
- ♦ A final repayment of principal amounting to US\$1,177,783.50 is due on 1 October 2009.
- ♦ Earlier repayments of the loan in whole or in part can be made at the option of the Company without penalty.

- ▶ Repayment of the loan can be made by issuing shares to the lender at the option of the Company.
- ▶ The lender has the right after 1 May 2009 to convert outstanding principal into shares at a conversion price of the lesser of A\$0.03 per share or the lowest price per share at which the Company issues shares to any third party after the date the Series D loan agreement commences. This right to convert is restricted to 25% of the outstanding principal per calendar month if the Company's share price is less than A\$0.10 per share.
- ▶ The Series D loan is to be secured by a fixed and floating charge over all of the assets and undertakings of the Company.

Yours faithfully,



**Stephen C. Prior**  
Company Secretary

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Further information on Admiralty Resources NL can be found on our Internet site:

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