

# NEWS RELEASE

**Release Time** IMMEDIATE

**Date** 3 March 2009

## SHAREHOLDER UPDATE

### 1. Loan to Vallenar Iron Company

The Company advises that the due date for repayment of the loan made to the Company's 60% owned Chilean subsidiary, S.C.M. Vallenar Iron Company, is 24 March 2009 and not as previously reported. The Company is taking formal steps to require repayment of the loan when it falls due. Recoverability of the loan in full is by no means certain, and a provision for irrecoverability was made in the Company's accounts for the year ended 30 June 2008.

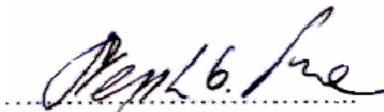
### 2. Review of Iron Ore production in Chile

The Company is currently conducting a detailed review of all aspects of its iron ore operations in Chile including:-

- review of existing drill sample reports;
- delineating an exploration/drilling program for 2009;
- resource estimation;
- production planning;
- rail, road and port infrastructure;
- feasibility of conveyor systems to move ore long distances;
- capital expenditure and operating budgets; and
- economic considerations relating to projected iron ore pricing and shipping costs.

The review has as its starting point the desire of the Company to conduct its operations at a higher volume of production whilst achieving profitability and positive cash flows from operations. When concluded the results of the review will be announced to shareholders. In the meantime, production of ore will remain suspended.

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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