



NEWS RELEASE

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PRIMAVERA AND MIRADOR INDICATED AND INFERRED RESOURCES

- **ADMIRALTY INCREASES ITS ORE RESOURCES IN SCM VALLENAR IRON COMPANY BY 55%.**
- **ADMIRALTY ENTERS INTO DISCUSSIONS WITH THIRD PARTIES ON JOINT VENTURE OPPORTUNITIES IN SCM VALLENAR IRON COMPANY.**
- **ADMIRALTY ENTERS INTO DISCUSSIONS WITH THIRD PARTIES ON JOINT VENTURE OPPORTUNITIES AT THE CAPE SIZE PORT TO BE CONSTRUCTED AT PUNTA ALCALDE.**

Admiralty Resources NL announces an increase of 189,325,000 metric tons at a 10% cut-off in the ore resources of its wholly owned Chilean subsidiary SCM Vallenar Iron Company over the previous ore resource statement issued by Admiralty Resources NL in July 2008.

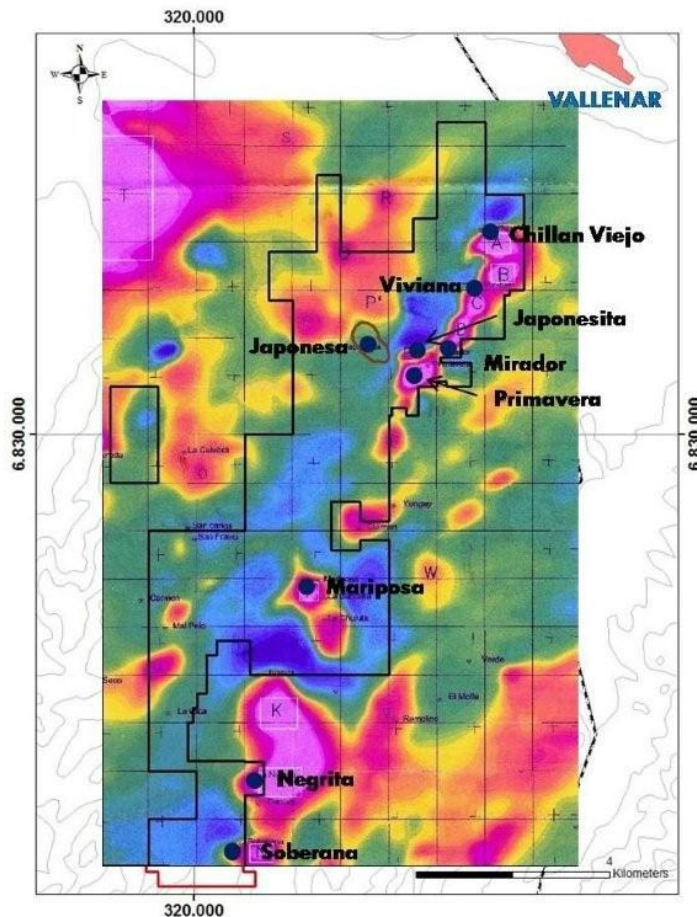
SRK Consulting has recently completed a re-evaluation of SCM Vallenar Iron Company iron resources located in 5 ore bodies located with SCM Vallenar Iron Company's geological district in central Chile. The work performed by SRK was executed in compliance with JORC requirements and SRK has signed the updated ore resource statement in the capacity of a "qualified person". The results of the work performed by SRK Consulting signifies a 55 % increase in SCM Vallenar Iron Company's previous ore resources statements.

The 5 ore bodies that are listed in the accompanying table remain open in depth and in all directions for the identification of further mineralization. SCM Vallenar Iron Company's has to date, identified 9 of ore bodies within its geological district which is composed of 10,796 hectares within the Chilean iron belt. SCM Vallenar Iron Company has elaborated an exploration program consisting of 50,000 meters of diamond and reverse air circulation drilling to advance its inferred and indicated resources to the proven ore reserve category.

SCM Vallenar Iron Company has entered into discussions with third parties who have expressed an interest in a joint venture agreement with Admiralty Resources NL in SCM Vallenar Iron Company. These parties include world

class mining companies, steel refineries, electrical power generating companies and assets investments management companies.

SCM Vallenar Iron Company continues to work on the environmental impact study and archeological study for its future port at its 100% owned Punta Alcalde maritime concession. The port will be designed and constructed to operate with Cape size ships. Third parties have also expressed an interest in participating as joint venture partners in the financing, development and construction of this future port facility. Punta Alcalde is located 12 kilometers south of the city of Huasco on Chile's Pacific coastline and 51 kilometers Southwest of S CM Vallenar Iron Company's geological district.



Further information on Admiralty Resources NL can be found on our Internet site: www.ady.com.au

Australia
Investor Relations
Tel: +61 3 9642 8787
Email: investors@ady.com.au

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MINERAL RESOURCES STATEMENT FOR THE JAPONESA IRON MINE, JAPONESITA, PRIMAVERA, MARIPOSA AND MIRADOR IRON DEPOSITS, III REGION, CHILE, SRK CONSULTING (CHILE) S.A., SEPTEMBER 2, 2009

Vallenar Iron Company (Vallenar Iron) commissioned SRK Consulting, Chile (SRK), to construct a mineral resources model for the Japonesa Iron Mine and Japonesita, Primavera, Mariposa and Mirador iron mineral deposits located in Vallenar, III Region, Chile. The Japonesa Iron Mine lies in the valley adjoining the Sierra Chinchilla Range and consists of alluvial magnetite ore. The other four are magnetite vein and breccia mineral deposits located within a six kilometre radius in the low lying Sierra Chinchilla hills.

This letter is a summary of more complete reports that detail the procedures and methodology used by SRK in estimating and classifying the mineral resources for the deposits mentioned above.

In summary, at the Japonesa Iron Mine, 116 core boreholes (reverse circulation) were drilled between 1995 and 2006, totalling 3,173 metres, which were used in estimating the mineral resources in the iso-grade ore body model, modelled by Minera Santa Barbara (MSB) in vertical sections spaced every 50 metres. Assay samples were collected approximately every 1 or 2 metres and analysed for total iron, by the Minera Santa Barbara Analytical Laboratory in Vallenar.

The Japonesita project, has 31 boreholes (reverse circulation) drilled between 2005 and 2007 totalling 4,136 metres, of which only 29 boreholes totalling 3,866 metres were used in the geological modelling and estimating the mineral resource in the iso-grade ore body model, modelled by SRK in vertical and horizontal sections spaced every 50 and 10 metres, respectively. Assay samples were collected approximately every 2 metres and analysed for total iron by MSB's lab in Vallenar.

At the Primavera project, 26 boreholes (reverse circulation) were drilled **between 2005 and 2007**, totalling 3,708 metres which were used in geological modelling and estimating the mineral resource in the iso-grade ore body model, modelled by SRK in vertical and horizontal sections spaced every 50 and 10 metres, respectively. Assay samples were collected approximately every 2 metres and analysed for total iron at the MSB lab in Vallenar.

The Mariposa project, contains 36 boreholes (reverse circulation) that were drilled between 2005 and 2007, totalling 5,588 metres, of which 32 boreholes, totalling 5,082 metres, were used in geological modelling and estimating the mineral resource in the iso-grade ore body model, modelled by SRK in vertical and horizontal sections spaced every 50 and 5 metres, respectively. Assay samples were collected approximately every 2 metres and analysed for total iron, at the MSB lab.

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25 boreholes (reverse circulation) were drilled at the Mirador Project between 2005 and 2007 for a total of 2,738 metres. Only 15 boreholes totalling 1,900 metres were used in geological modelling and estimating the mineral resource in the iso-grade ore body model, modelled by SRK in vertical and horizontal sections spaced every 50 and 5 metres, respectively. Assay samples were collected approximately every 2 metres and analysed for total iron at the MSB lab.

The mineral resources statement for the Japonesa Iron Mine and the Japonesita, Primavera, Mariposa and Mirador iron deposits reported at a 10% Fe cut-off grade, and classified according to the JORC Definition Standards for Mineral Resources and Mineral Reserves, is presented in the following tables.

Table 1. Mineral Resources Statement* for the Japonesa Iron Mine, Vallenar, III Region, Chile, SRK Consulting (Chile) S.A., December, 2006.

Resource Classification	Tonnage (Kilotonnes)	Iron Grade (Percent)
Measured	24,132	13.9
Indicated	12,939	15.4
Total Measured and Indicated	37,071	14.4
Inferred	6,165	16.8

* reported at a cut-off of 10 percent iron.

Table 2. Mineral Resources Statement* for the Japonesita Iron Project, Vallenar, III Region, Chile, SRK Consulting (Chile) S.A., September 2, 2009.

Resource Classification	Tonnage (Kilotonnes)	Iron Grade (Percent)
Measured	-	-
Indicated	32,540	17.3
Total Measured and Indicated	32,540	17.3
Inferred	21,703	24.2

* reported at a cut-off of 10 percent iron.

Table 3. Mineral Resources Statement* for the Mariposa Iron Project, Vallenar, III Region, Chile, SRK Consulting (Chile) S.A., September 2, 2009.

Resource Classification	Tonnage (Kilotonnes)	Iron Grade (Percent)
Measured	-	-
Indicated	70,289	18.7
Total Measured and Indicated	70,289	18.7
Inferred	98,119	17.4

* reported at a cut-off of 10 percent iron.

Table 4. Mineral Resources Statement* for the Primavera Iron Project, Vallenar, III Region, Chile, SRK Consulting (Chile) S.A., September 2, 2009.

Resource Classification	Tonnage (Kilotonnes)	Iron Grade (Percent)
Measured	-	-
Indicated	58,947	16.8
Total Measured and Indicated	58,947	16.8
Inferred	71,180	16.6

* reported at a cut-off of 10 percent iron.

Table 5. Mineral Resources Statement* for the Mirador Iron Project, Vallenar, III Region, Chile, SRK Consulting (Chile) S.A., September 2, 2009.

Resource Classification	Tonnage (Kilotonnes)	Iron Grade (Percent)
Measured	-	-
Indicated	17,739	16.5
Total Measured and Indicated	17,739	16.5
Inferred	9,572	18.5

* reported at a cut-off of 10 percent iron.

The following tables show the sensitivity of the mineral resources to the iron cut-off grade for each deposit.

Table 6. Iron Mineral Resources by Cut-off Grade for the Japonesa Iron Mine.

Cutoff Grade	MEASURED		INDICATED		INFERRED		TOTAL	
	TONNAGE	FE	TONNAGE	FE	TONNAGE	FE	TONNAGE	FE
	Ktonne	%	Ktonne	%	Ktonne	%	Ktonne	%
30	159	32.7	9	30.7	0	0.0	168	32.6
25	340	29.9	123	27.5	206	26.0	670	28.2
20	845	24.9	1,048	22.1	985	23.0	2,878	23.2
15	6,169	17.7	7,471	17.6	4,467	18.4	18,107	17.8
10	24,132	13.9	12,939	15.4	6,165	16.8	43,236	14.8
9	27,795	13.3	14,082	15.0	6,435	16.5	48,311	14.2
5	41,679	11.2	18,691	13.0	7,722	15.0	68,092	12.2
0	45,407	10.7	19,883	12.5	7,998	14.7	73,287	11.6
Total	45,407	10.7	19,883	12.5	7,998	14.7	73,287	11.6

Table 7. Iron Mineral Resources by Cut-off Grade for the Japonesita Iron Deposit.

Cutoff grade	INDICATED		INFERRED		TOTAL	
	TONNAGE	FE	TONNAGE	FE	TONNAGE	FE
	Ktonne	%	Ktonne	%	Ktonne	%
40	169	45.6	625	43.9	794	44.3
35	328	41.6	1,646	39.5	1,973	39.8
30	644	37.0	4,153	35.1	4,797	35.3
25	1,506	31.2	8,770	30.8	10,276	30.8
20	8,189	23.5	15,258	27.2	23,447	25.9
15	21,902	19.7	20,724	24.7	42,626	22.1
10	32,540	17.3	21,703	24.2	54,243	20.1
9	34,865	16.8	21,768	24.1	56,633	19.6
5	47,101	14.3	22,763	23.4	69,865	17.2
0	55,664	12.6	22,856	23.3	78,520	15.7
Total	55,664	12.6	22,856	23.3	78,520	15.7

Table 8. Iron Mineral Resources by Cut-off Grade for the Mariposa Iron Deposit.

Cutoff Grade	INDICATED		INFERRED		TOTAL	
	TONNAGE	FE	TONNAGE	FE	TONNAGE	FE
	Ktonne	%	Ktonne	%	Ktonne	%
40	3,014	47.4	4,566	46.2	7,580	46.7
35	4,197	44.5	5,885	44.1	10,082	44.3
30	6,257	40.5	8,540	40.5	14,797	40.5
25	11,315	34.5	12,550	36.3	23,865	35.5
20	22,009	28.5	22,279	30.2	44,288	29.3
15	39,808	23.5	48,053	23.1	87,861	23.3
10	70,289	18.7	98,119	17.4	168,408	18.0
5	91,018	16.2	151,216	14.1	242,235	14.9
0	98,208	15.3	160,777	13.5	258,985	14.2
Total	98,208	15.3	160,777	13.5	258,985	14.2

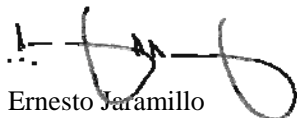
Table 9. Iron Mineral Resources by Cut-off Grade for the Primavera Iron Deposit.

Cutoff Grade	INDICATED		INFERRED		TOTAL	
	TONNAGE	FE	TONNAGE	FE	TONNAGE	FE
	Ktonne	%	Ktonne	%	Ktonne	%
40	986	45.4	887	44.5	1,873	45.0
35	1,319	43.4	1,256	42.4	2,575	42.9
30	2,579	38.1	2,425	37.6	5,004	37.8
25	4,316	33.7	3,596	34.3	7,912	34.0
20	8,569	28.0	7,829	27.5	16,398	27.7
15	32,996	19.9	43,395	19.0	76,391	19.4
10	58,947	16.8	71,180	16.6	130,127	16.7
5	63,732	16.2	76,256	16.1	139,988	16.1
0	63,732	16.2	76,258	16.1	139,989	16.1
Total	63,732	16.2	76,258	16.1	139,989	16.1

Table 10. Iron Mineral Resources by Cut-off Grade for the Mirador Iron Deposit.

Cutoff Grade	INDICATED		INFERRED		TOTAL	
	TONNAGE	FE	TONNAGE	FE	TONNAGE	FE
	Ktonne	%	Ktonne	%	Ktonne	%
40	13	42.3	16	43.3	29	42.8
35	150	37.0	58	38.8	208	37.5
30	358	35.0	375	34.2	734	34.6
25	723	30.4	632	30.9	1,356	30.7
20	3,056	24.6	2,524	24.9	5,580	24.7
15	10,488	19.1	7,798	19.6	18,285	19.3
10	17,739	16.5	9,572	18.5	27,311	17.2
5	18,889	16.1	10,322	17.5	29,211	16.6
0	18,981	16.0	14,920	12.9	33,900	14.7
Total	18,981	16.0	14,920	12.9	33,900	14.7

The information in this report that relates to Exploration Results and Mineral Resources of the Japonesa Iron Mine and for the Japonesa, Primavera, Mariposa and Mirador iron deposits, is based on information compiled by George G. Even, Principal Geologist of SRK Consulting in Santiago, Chile. Mr. Even a Qualified Person for JORC compliant statements, reviewed the technical information presented in this document. Mr. Ernesto Jaramillo, Principal Resource Geologist with SRK Santiago, performed the resource estimation. Mr. Even has sufficient experience that is relevant to the style of mineralisation and type of mineral deposit under consideration and to the activity which was undertaken, to make the statements found in this report in the form and context in which they appear.



Ernesto Jaramillo
Principal Resource Geologist
SRK Consulting, Chile



George G. Even
MAIG, MAusIMM
Principal Geologist
SRK Consulting, Chile

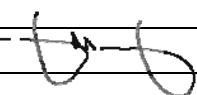
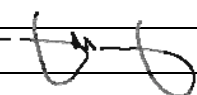
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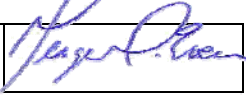
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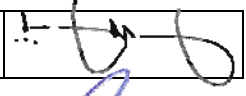
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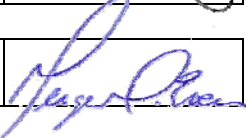
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