

NEWS RELEASE

Release Time IMMEDIATE
Date 2 October 2009

ADMIRALTY RESOURCES NL (ASX code ADY) ANNOUNCEMENT OF NON-RENOUNCEABLE RIGHTS OFFER

The Board of Admiralty Resources NL (**ADY**) is pleased to announce that it is undertaking a non-renounceable rights offer to raise up to \$5,847,492 of additional capital at an issue price of \$0.014 per new share (**Rights Offer**).

The purpose of this Rights Offer is to retire existing external debt and provide working capital for ADY and its subsidiaries.

Eligibility to participate in the Rights Offer

Shareholders holding shares in ADY at 7.00pm (AEDST) on Wednesday, 14 October 2009 (**Record Date**) will be entitled to subscribe for ordinary full paid shares in ADY at a ratio of 1 share for every 4 shares held at the Record Date. Any fractional entitlements will be rounded down to the nearest share.

This offer is open to shareholders of ADY with registered addresses in Australia and New Zealand. Shareholders of ADY at the Record Date with a registered address outside Australia or New Zealand will not be eligible to participate in the Rights Offer.

Letter of offer

ADY is offering the new shares under the Rights Offer without disclosure to investors under Part 6D.2 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in accordance with section 708AA(2)(f) of the Corporations Act, as modified by the Australian Securities and Investments Commission Class Order 08/35 (**CO 08/35**).

Further terms of the Rights Offer have been lodged with the ASX in the form of an Offer Letter. The offer letter and personalised Entitlement and Acceptance Forms will be sent to shareholders on Thursday, 15 October 2009.

Closing Date

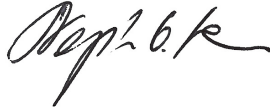
The Entitlement and Acceptance Forms must be received by the Share Registry no later than 5.00pm AEDST on Thursday, 29 October 2009.

Shortfall

If, after the Closing Date all allotted shares have not been subscribed to by eligible shareholders, the board of ADY intends to seek bids from shareholders, institutions and other prospective investors for the shares comprising the shortfall.

Further details in respect of the Rights Offer and any shortfall are contained in the offer letter, a copy of which is contained within this announcement.

Yours faithfully,



Stephen C. Prior
Company Secretary

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