



NEWS RELEASE

Release Time IMMEDIATE
Date 26 February 2010

SALE OF PLANT AND EQUIPMENT FOR US\$1,400,000 PLUS VAT

Plant and equipment

Following the news release made by the Admiralty Resources NL ("Admiralty" or "Company") on 21 September 2009, the Board of Directors of Admiralty advise that SCM Vallenar Iron Company ("VIC") has successfully signed a contract with a well known Chilean company for the sale of the plant and equipment located at the old Japonesa mine site for a total amount of US\$1,666,000 (including VAT). This equipment is not considered viable for use in larger scale mining operations and is therefore surplus to requirements.

The contract was signed by both parties on 25th February 2010 (Santiago, Chile time) and the terms of the contract stipulate that the purchaser will make an initial down payment of US\$714,000 (including VAT) 15 days after the date of the contract, that is on 10th March 2010, and the balance payment for US\$952,000 (including VAT) is scheduled 30 days after the date of the contract, that is 25th March 2010.

The Board wishes to advise that the offer for US\$9.9m for the mining equipment and stockpile presented by a third party and announced on a release to the ASX on last 21 September and on the 2009 Company's Annual Report did not lead to a commercial sales agreement between the parties due to the inability of the purchaser to obtain funding and resulting in VIC terminating all commercial discussions with this party.

Waste and low grade reject stockpile

VIC's management and staff continued to explore other avenues to commercialize the approximately 12 million tonnes of waste and low grade reject stockpiles and VIC is currently engaged in sales discussions with two parties interested in purchasing a substantial portion of the material and who are currently conducting metallurgical test on the stockpiles to determine if the material is suitable for their purposes. VIC is confident that these discussions will lead to a satisfactory end due to the favourable price of the material and the proximity to the end user sites.

The Board of Admiralty wishes to thank VIC's management and staff for having brought the sale of the equipment to an end. The funds to be received will improve VIC's cash flow and fund the day-to-day operating expenses.

VIC and the Board of Admiralty expect to be able in to be in a position to provide a further update in relation to the sale of the waste and low grade reject stockpiles prior to the end of the current quarter.

Yours faithfully,

Stephen C. Prior
Executive Director

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

Australia

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