

#### ■ ADMIRALTY CONTRACT

Admiralty Resources NL has won a contract to supply iron ore to China's third largest steel maker, Wuhan Iron and Steel Co. The Melbourne-based company, which expects to sell iron ore worth up to US\$65million to Wuhan, is planning to invest US\$30 million at the Punta Alcalde port in Chile to facilitate 'Cape-sized' vessels. The port is 60km from Admiralty's operation at Japonesa, and the expansion will reduce the company's shipping costs by at least US\$8/t. Under the terms of the contract, 940,000 t of iron ore will be shipped between February 15, 2007 to September 30, 2007, from the handymax port of Caleta for total revenue of approximately US\$45-65 million. A number of US and Chinese construction groups are reported to be interested in the port project, which has a target completion date of January 2009.