



Admiralty Resources NL
ACN 010 195 972

Level 14, 200 Queen Street
Melbourne VIC 3000

[t] +61-3-96701838
[f] +61-3-9670 1898
[w] www.ady.com.au

27 June 2006

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

ADMIRALTY RESOURCES SECURES \$10M FINAL PAYMENT OF NOTE

The board of Admiralty Resources NL is pleased to announce that it has signed an agreement with the converting note holder to receive the final payment of A\$10 million immediately, rather than on the scheduled second instalment date in February 2007. Approximately A\$5million will be required to be spent to complete the Santa Barbara project, and the balance on the Rincon Salar and other corporate activities. The board and the note holder support the view that the funds can best be used now, rather than in 2007.

This agreement ensures Admiralty has sufficient funds to complete the working capital loan to Cia Minera Santa Barbara, enabling the construction of the main ore processing facility, drilling and JORC iron ore reserve measurements. The funds will ensure shipping of ore takes place in August from Caldera. The early payment will also provide preliminary funding for the new port facility at Punta Alcalde, 55 kilometres from the mines, an initiative that will save Santa Barbara more than \$16m a year when constructed in 2008.

Over the next 12 months Admiralty expects to receive approximately US\$1m per month in earnings and \$1m per month in loan repayments from Santa Barbara. This will provide about US\$24m in the first full year of operation commencing in September 2006 to be allocated to the development of the Rincon Salar lithium and potash project.

The converting note holder has the right to convert the 1.96 million notes into 196 million shares at a cost of ten cents per share. When they choose to do this there will be approximately 752 million shares and 109.8 million November 2007 options on issue.

Yours sincerely,

Phillip Thomas
Managing Director
Admiralty Resources NL
[t] +61-3-96701838
[f] +61-3-9670 1898
[e] pthomas@ady.com.au