



ADMIRALTY RESOURCES

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Australian Stock Exchange Limited
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US\$3M FIRST SHIPMENT FIXED FOR 8 APRIL 2007

The Board of Directors are pleased to announce that the first of seventeen ships to be filled with magnetite iron ore fines from Admiralty Resources joint venture with Cia Minera Santa Barbara and to be loaded at the port at Caleta, Caldera, is scheduled to arrive from Ecuador on 8th April 2007. This first cargo is to be shipped to WISCO (Wuhan Group) China. The vessel, the SOVI-R, has a deadweight measurement of 45,621 tonnes and is expected to load about 43,000 tonnes of iron ore. Loading is scheduled to take three to four days.

Under the sales contract with WISCO arranged by our iron ore sales agents ITOCHU, an irrevocable letter of credit will be raised before the 2nd April 2007 for payment shortly after the ship leaves. The shipment value exceeds US\$3million of which 95% is payable five days after the ship has left the port. This shipment is the first of 17 shipments scheduled under this contract. Tradition Freight Services chartered 17 vessels on behalf of Admiralty Resources in December 2006 locking in a price and thus avoiding the current freight price increase due to the situation in Newcastle with coal ships not being loaded and an increase in world demand for bulk vessels.

Further contracts for sale and delivery of iron ore in 2007 are currently under negotiation. Favourable results are expected due to the sharp increase in iron ore prices caused by the iron ore export tax imposed by the Indian Government, shipping conditions and shortage of supply to the Chinese and other Asian markets. There is currently 88,000 tonnes of iron ore at the stockpile, and production for April is projected to exceed 80,000 tonnes.

Yours sincerely,

Phillip Thomas
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