

ASX Company Announcement



ADMIRALTY RESOURCES

Admiralty Resources NL
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17 June 2007

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

ADMIRALTY COMPLETES ACQUISITION OF 50% OF CIA MINERA SANTA BARBARA JUNE 2007 UPDATE PRESENTATION

Acquisition

A final payment of USD3.5 million was paid to Wyndham Explorations SA by Admiralty Resources to increase its interest in the Cia Minera Santa Barbara from 49% to 50%. The joint venture has established a magnetite iron ore mine in the northern region of Chile and it is being commissioned to produce 2.4 million tonnes per annum from an initial ore measured and indicated resource of which details were released in May 2007.

The initial agreement to acquire 50% was made on 16 February 2005. The initial payment of USD5.0m, 1,500,000 Admiralty Resources shares and working capital of USD\$19m was the first instalment for acquisition of 421 hectares of tenements in Chile's iron ore belt. This has subsequently been increased to more than 10,000 hectares. The board of Cia Minera Santa Barbara has been reduced to two being one representative from each shareholder.

Presentation Update

The attached presentation will be made to a number of institutional investors and stockbrokers this week in the United States. The presentation contains the latest import prices for lithium carbonate into Japan from various countries.

Yours sincerely,

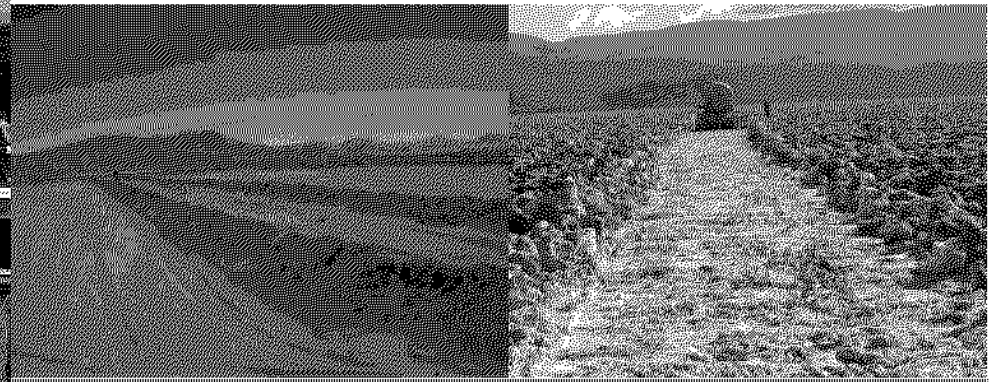
Phillip Thomas
Managing Director
[e] pthomas@ady.com.au

Admiralty Resources NL



PRESENTATION

June 2007



Company Overview



ASX:ADY OTCBB:ARYRY (see www.adrbny.com)

879.799 million shares on issue (at 17 June 2007)

59.224million unlisted options at 10 cents exercise price Nov 07 expiry

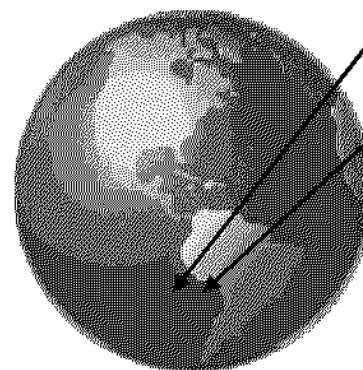
6 million employee options at 10 cents expire Nov 09

945 million shares fully diluted

439 million held by the top 20 shareholders 49.95%

5,419 shareholders, 198 overseas

1. Felicitas Inc – 14.21%
2. ANZ Nominees – 13.19%
3. Riqueza Holdings – 8.08%
4. Citicorp Noms – 2.16%
5. National Noms – 1.51%



Admiralty Resources NL

Fortune Global Holdings
50% of Cia Minera Santa Barbara

100% ADY Resources Ltd
Argentina

100% Bulman Resources P/L
Lead, Zinc

Pyke Hill Resources P/L
Pyke Hill – Nickel 50% Int

100% ADY Investments P/L

Key Personnel

Board of Directors

Prof. J Ross Harper CBE – LLB MA DUniv Chairman, Scottish Coal, legal background, London
Phillip Thomas – BSc MBM AIG SIA Managing Director, geology, investment, marketing –
located L14, 200 Queen Street, Melbourne
John Anderson – B Com MBA Director, banking, mining management – Melbourne
Anthony Blumberg – B Com ATT Director – stockbroking, margin lending, - Melbourne

Technical

Dr Carlos Sorentino – *PhD, MEnvSt, DipRadTech, BE(Chem), FAusIMM(CP), MMICA*
Technical Director, Rincon Salar (Sydney/Argentina)
Dr Rodrigo Frias – Representative in Argentina, Legal Counsel (Salta)
Dr Daniel Galli – Project Director, Sodium Sulphate, Potash (Argentina)/Juyuy

Cia Minera Santa Barbara

Board of Directors

Leonardo Farkas – Chairman and President, Santiago, Vallenar

Phillip Thomas

57 Staff

500 person workforce

Project Overview – forecast production

Santa Barbara – 105,000 tonnes production per mth commencing July 2007

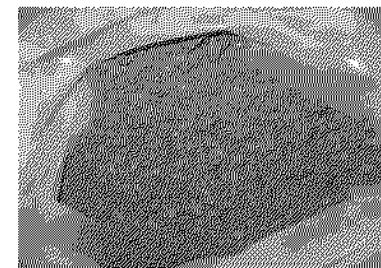
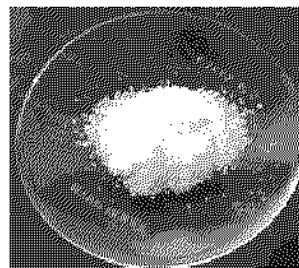
Santa Fe – 105,000 tonnes production per mth commencing July 2007

Rincon Salar – 833 tonnes of lithium Carbonate plus LiOH 333 and LiCL 250, per mth commencing Mar 2009

6,600 tonnes of Potash per month

Bulman Resources – EL23814 two new EL permits issued, defining resource

Pyke Hill – Cougar Metals/Minara Resources option agreement to mine – 20 cents per tonne ROM



Revenues

Santa Barbara

2.4m tonnes at \$42 net = \$100.8m

Rincon

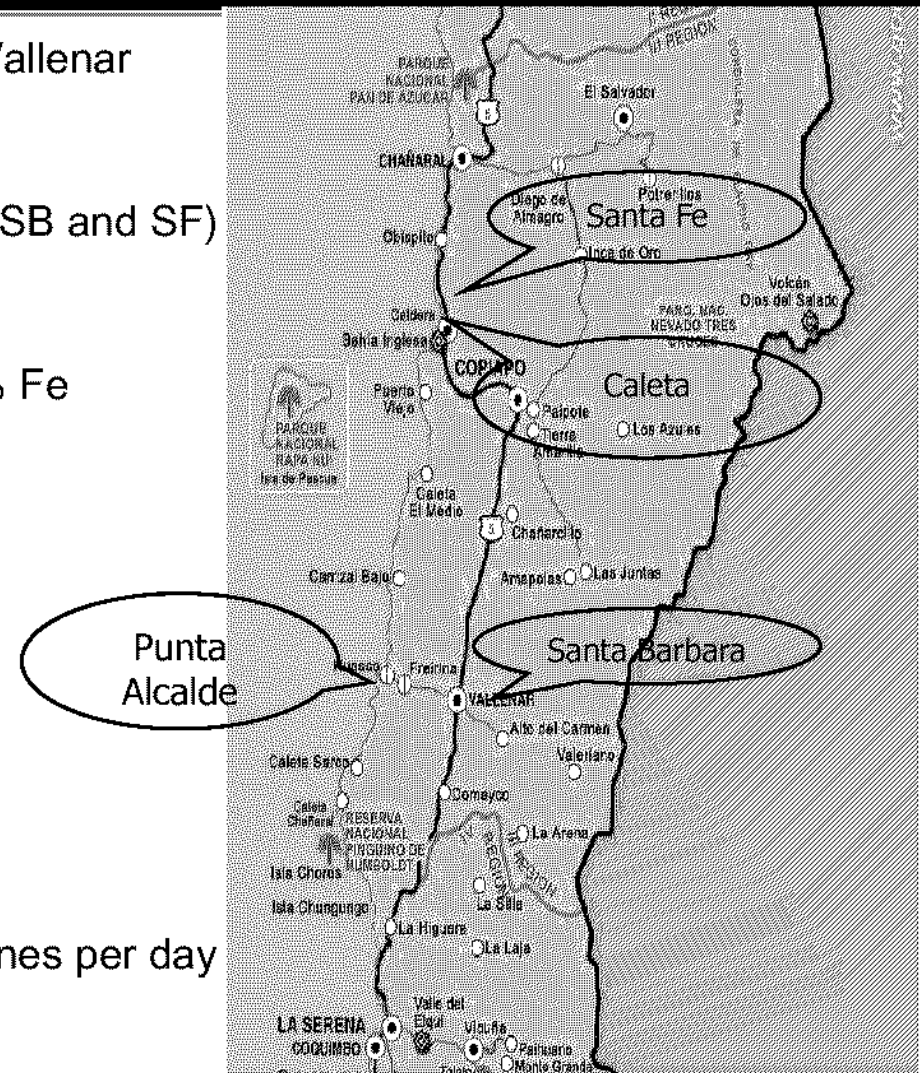
17,000 tonnes at \$6,000 net = \$102.0m

Cia Minera Santa Barbara

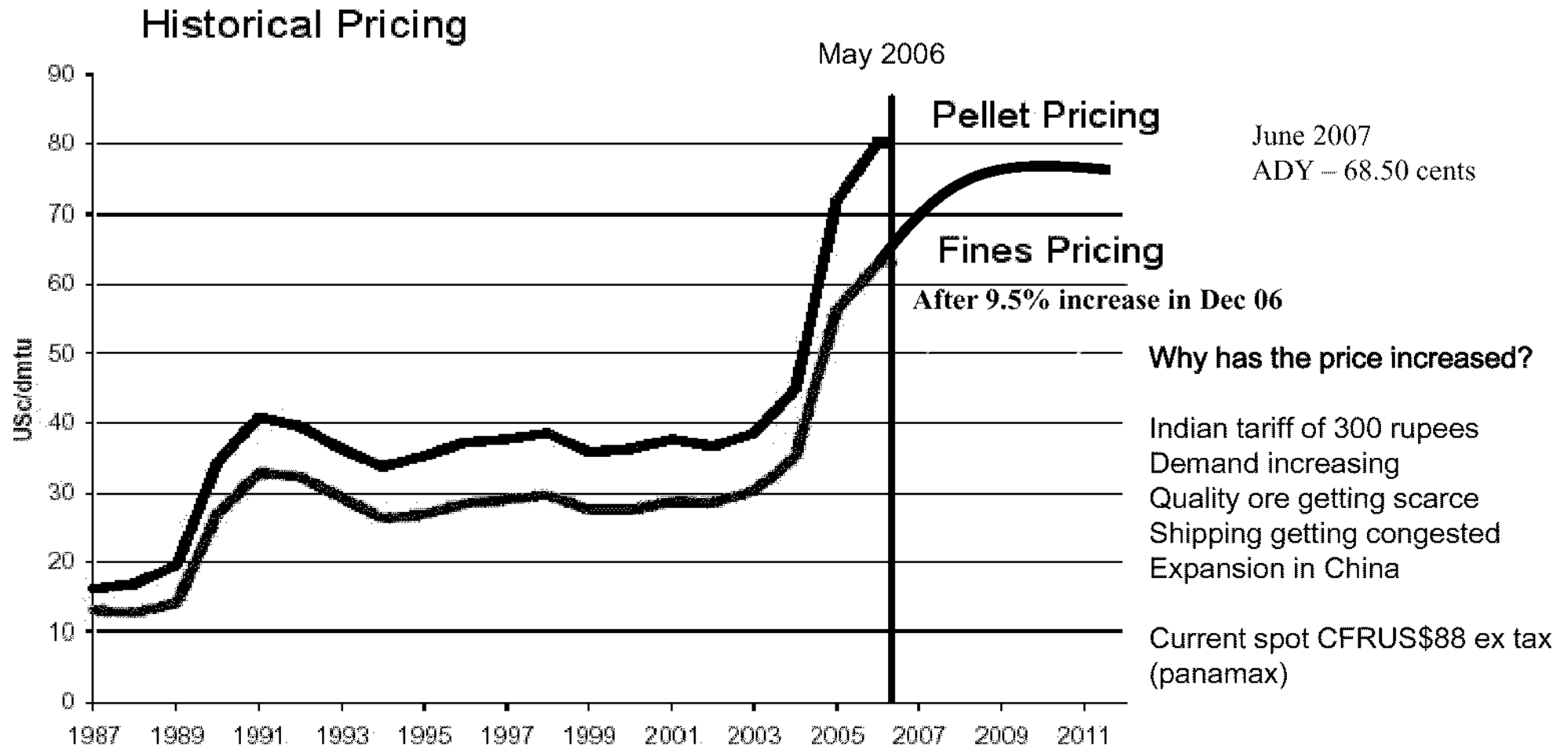
- Joint venture signed 16 Feb 2005 between Wyndham Explorations and FGH
- Production of small scale plant commenced 10 July 2006
- Santa Barbara currently producing 50,000 tonne per month and increasing to 110,000 per month with new expanded plant commissioned in February 2007 – dry operation, no overburden or stripping ratio
- SB acquires 110,000 tonnes per month from Santa Fe magnetite mines
- US\$67m CFR contract to Wuhan China, for 700,000 tonnes
- Candelaria Port and Caleta will serve Santa Fe over the coming years
- Revenue at 2.4m tonnes is US\$100m (\$42 per tonne)
- Operating Cashflow is estimated to be \$12m for ADY for a full operating 2008 year
- 2009 expansion will be 7.2m tonnes from Santa Barbara 3.6 from Santa Fe, providing revenue on FOB of US\$400m and EBITDA \$50m to Admiralty

Key Statistics – Santa Barbara

7,421 hectares of tenements at Japonesa Group Mine Vallenar
3,100 hectares at Pampa Tolofo, Las Colorados
10,000 metres drilling, 2.4m tonne capacity per annum (SB and SF)
JORC 32.75 m tonnes grading 12.2% at Japonesa
3 “fossil” stockpiles with 3 million tonnes fines at 14-16% Fe
457 staff operating plant –Besalco Staff
24 geologists, topographers, mining engineers
8 staff quality control/laboratory
25 staff head office
US\$25m investment in plant – by Besalco
52 trucks to take ore to port each month
14 trucks to move ore to ship (500 metres) – 15,000 tonnes per day
SRK Geological Consulting key partner

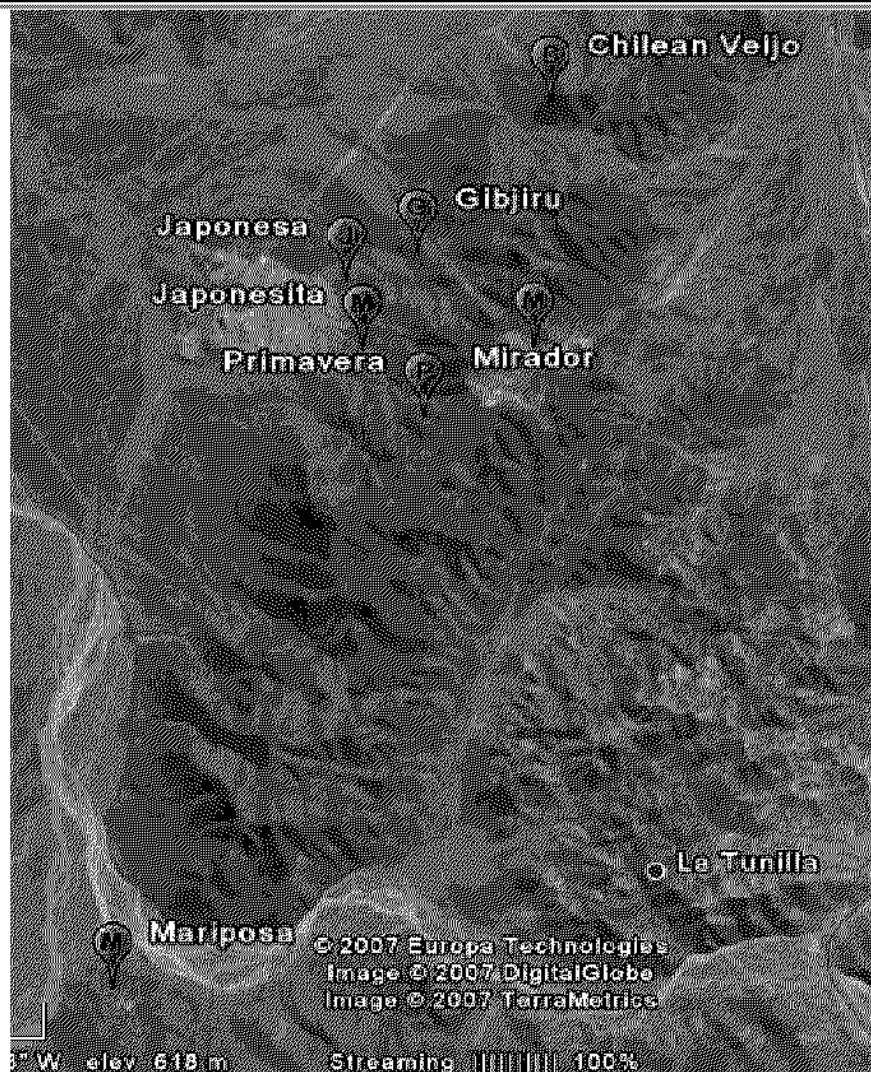


Iron Ore Prices



AME Mineral Economics, Research and Analysis

10,000 hectares in Iron ore belt



New Tenements		Existing Tenements (Japonesa Agreement)	
Name	Size - hectares	Mine Name	Size - hectares
Leo 3	200	*Japonesa	34
Leo 4	200	*Japonesa	96
Leo 7	200	*Mirador	21
Leo 8	300	*Gibajiu	41
Leo 9	300	Natasha	50
Leo 10	200	Tatiana	60
Leo 11	200	Phil	3
Leo 12	300	Pamela	67
Leo 13	300	*Soberana	25
Leo 14	200	*Negrita	24
Leo 15	300	Total	421
Leo 16	200	New Tenements	
Leo 18	200	Leo Uno	20
Leo 19	100	Leo	35
Leo 20	200	Leo siete	20
Leo 100	300	Leo Cinco	300
Leo 101	300	Leo Seis	300
Leo 102	300	Leo Dos	200
Leo 103	300	Tanati	80
Leo 104	300	Tina	181
Leo 105	300	Paco	14
Leo 106	300	Chillan Veijo	50
Leo 107	300	Total	1,200
Total	5,800	Grand Total	7,421

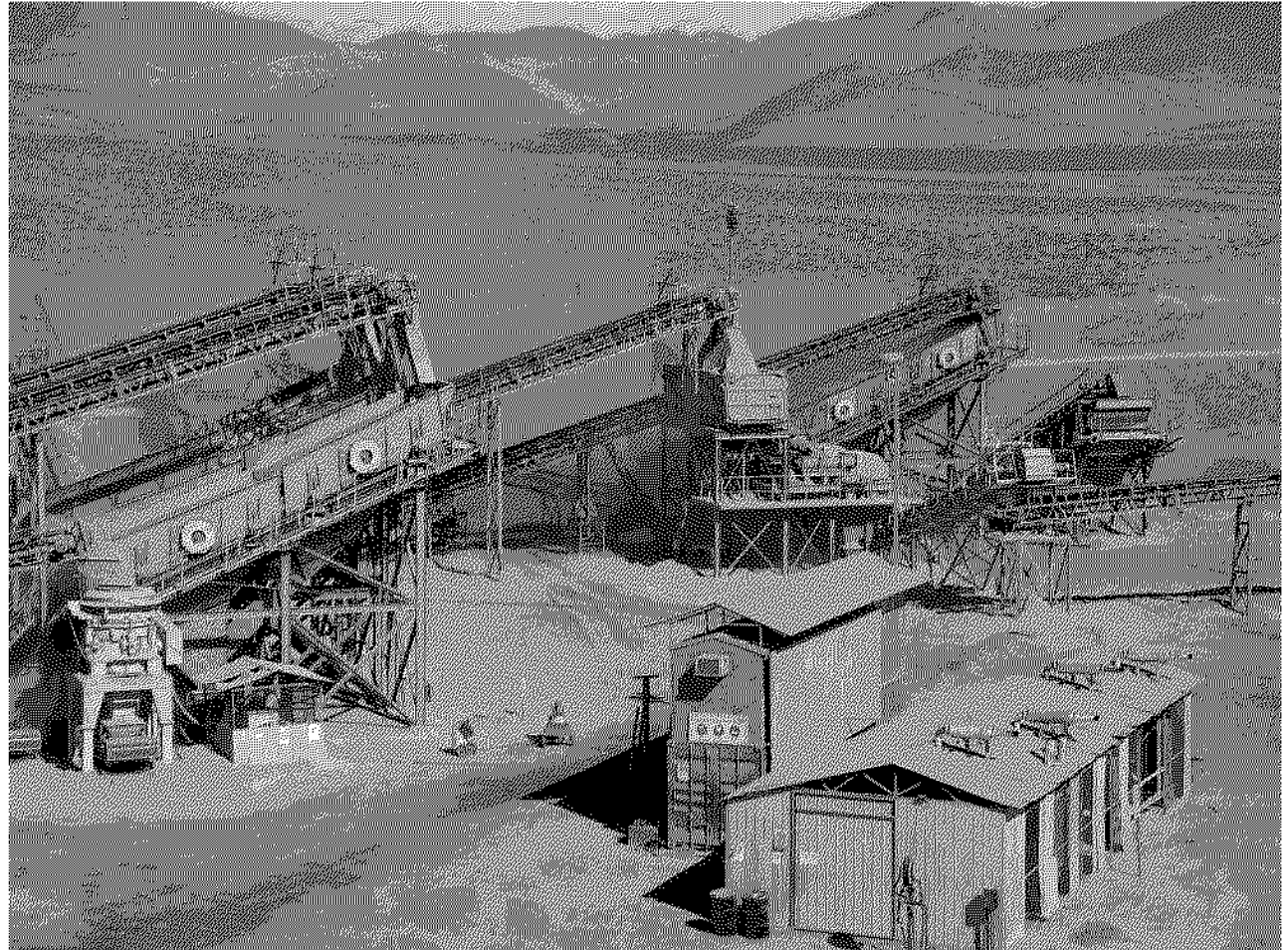
Current Production and Operations

Production (Tonnes) 2007

	Japonesa	Santa Fe
Jan	---	2,157.1
Feb	11,781	7,504.4
Mar	22,764	21,038.9
Apr	30,847	12,500.3
May	27,444	15,200.0
Total	92,836	58,400.7

Japonesa plant constructed Jan 2007
Has five high speed drums to install

Santa Fe has grizzly, primary crusher,
15mm, and two high speed drums to
install



PRODUCT SPECIFICATION

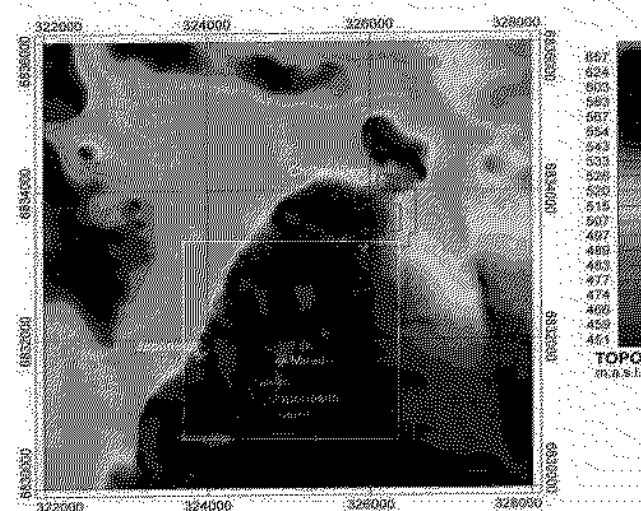
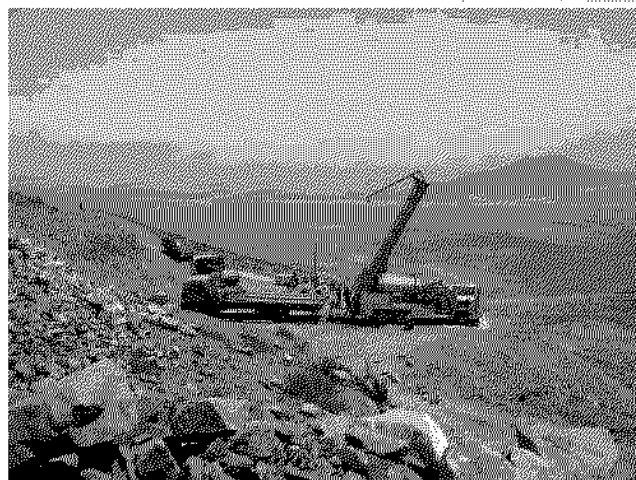
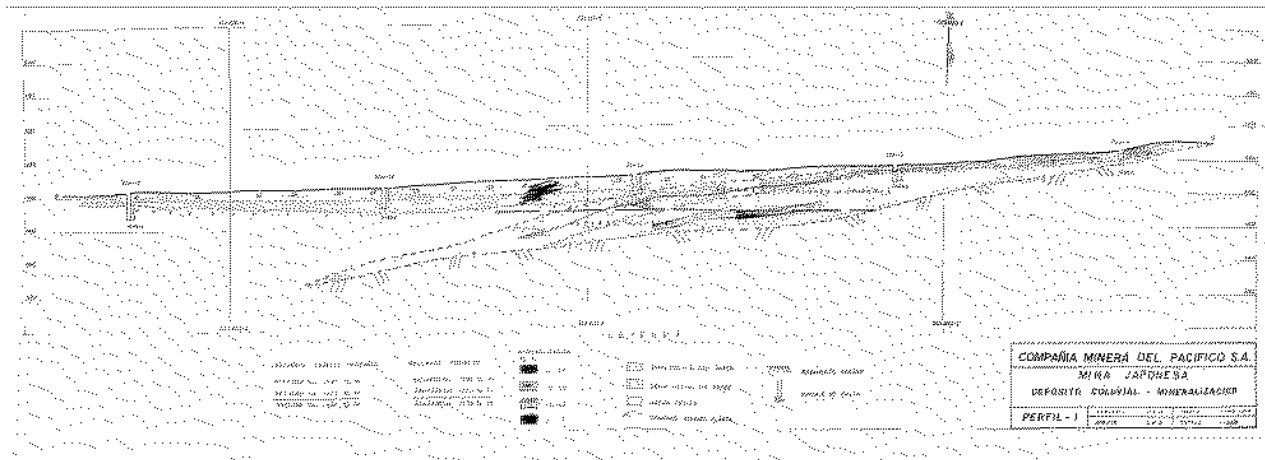
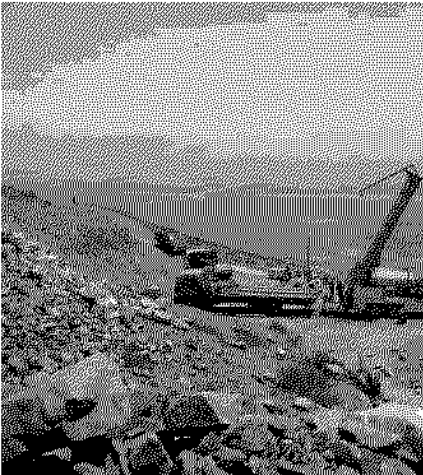
Element	Penalty Level %	Contract Specification %	
Fe	62.00 min	63.5	Shipping
SiO ₂	6.0 max	5.00	Per Month
Al ₂ O ₃	2.0 max	1.2	Caleta Pier - three handymax 47,000 tonnes
P	0.09 max	0.07	Candelaria Pier -
S	0.09 max	0.07	From Dec 2007 three panamax 55-78,000 tonnes
CaO	2.0 max	1.0	
MgO	2.0 max	1.1	-Punta Alcalde will provide 200,000 tonne cape size vessel capacity in Jan 2009
K ₂ O+Na ₂ O	0.2 max	0.05	Concrete Pipe Gravel Specification
H ₂ O	2.0 max	1.0	6mm fines
			SG 4.5
			We have three clients – taking stock ex mine

Shipping capacity will increase in November 2007 from 141,000 tonnes to 234,000 tonnes per month
 At \$42 FOB this is revenue of \$9,828,000 per month

Reserves and Resource Estimates – Santa Barbara

41 Million Tonnes

Mine	Tonnage	Weighted Average Grade
Japonesa	32.35 million	13.7%
Japonesa	8.38 million	12.7%
Japonesita*		
Chilean Viejo*		
Mariposa*		
Mirador*		
Viviana*		
Juanita*		
Negrita*		
Soberana*		
Primavera*		
Leo2*		



Cia Minera Santa Barbara Iron Ore Production



Santa Barbara - Operations

110,000 tonne capacity per month

4mm crush size (5.65mm diagonal)

Process

75mm+ separated

75mm crushed to 25mm

25mm magnetically separated

25mm crushed to "3mm"

Crushed fines separated

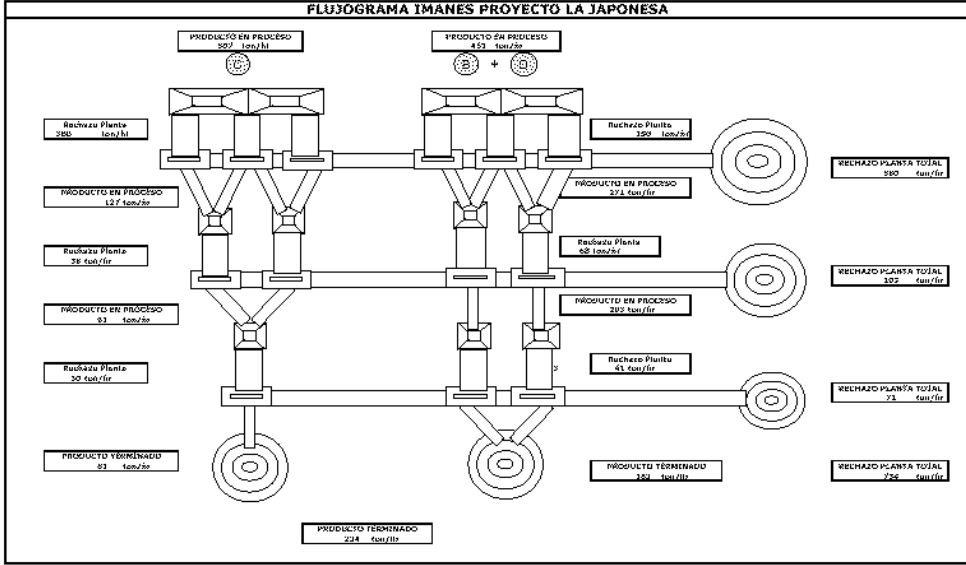
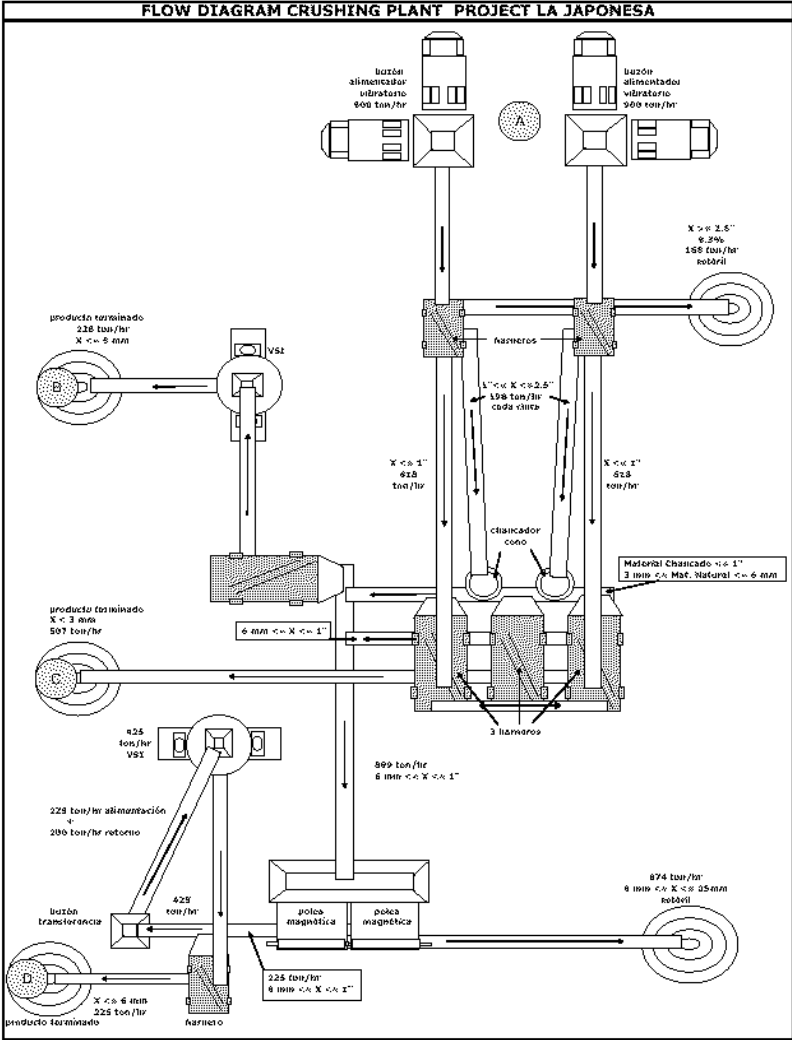
Natural fines separated

Fines was 50 mesh removed

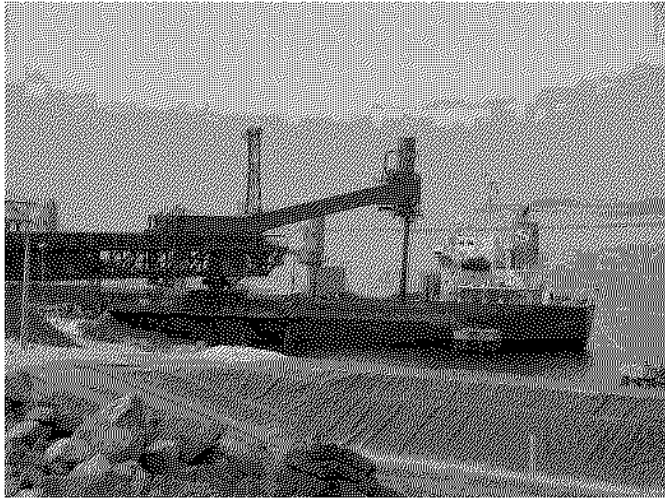
Low or no Sulphur



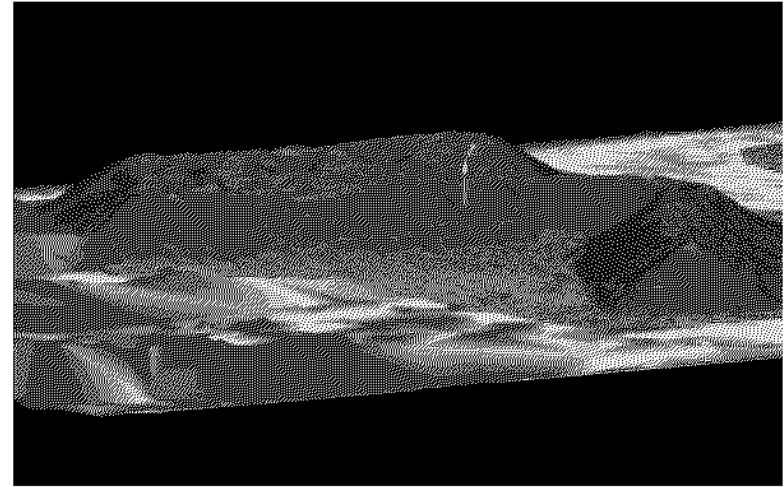
Santa Barbara Plant Schematic



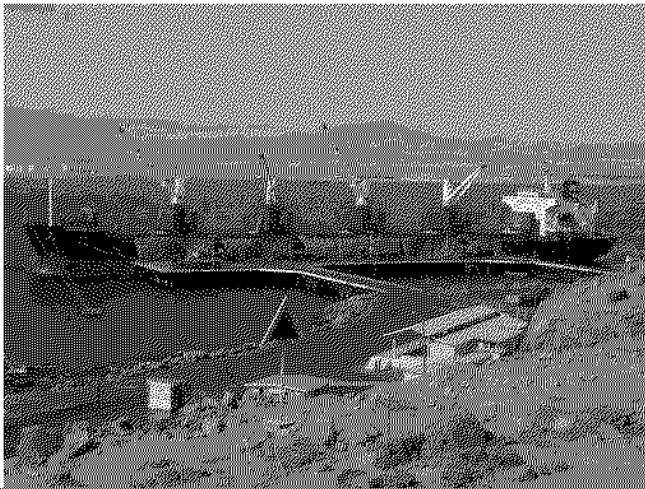
Caleta, Caldera Port



Candelaria Port



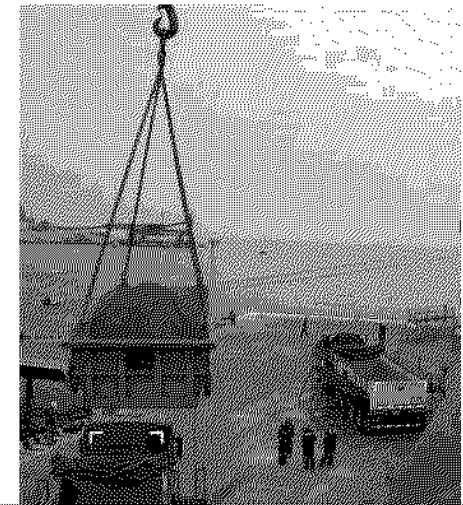
Laser Picture of Iron ore stockpiled at Caleta Port



Caleta Pier



loading at Caldera

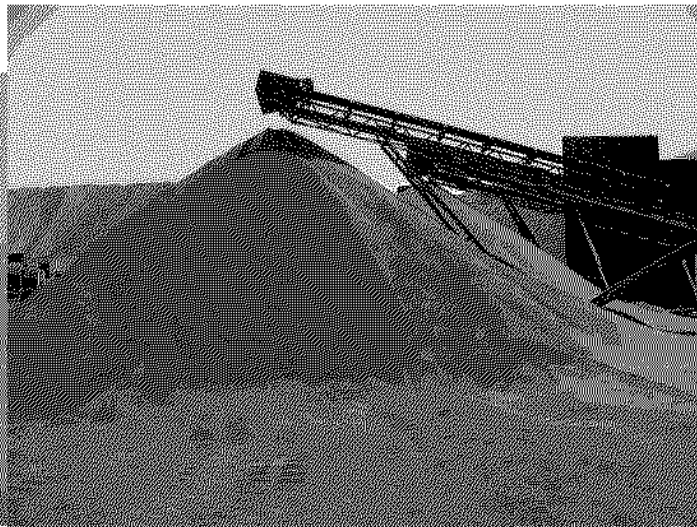


Hopper ship loading



Santa Fe

Located 75 km from Caleta, Caldera
100 million tonnes of material extracted
Fines very low phosphorous
110,000 tonne per month production
Magnetite material
Besalco operating plant



31 weeks to build panamax facility at Candelaria

– \$7.5m investment

Item	Descripción	Semanas	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
1.0	INGENIERIA																																
1.2	CIVIL-SANITARIA	6																															
1.3	ARQUITECTURA CONTENEDORES	3																															
1.4	MECANICA	8																															
1.5	ELECTRICIDAD E INSTRUMENTACION	4																															
1.7	PORTUARIA	13																															
2.0	CONSTRUCCION																																
2.1	CIVIL-SANITARIA																																
2.1.1	MOVIMIENTOS DE TIERRA MASIVOS	8																															
2.1.2	CAMINOS Y ACCESOS	5																															
2.1.3	SISTEMA SANITARIO	4																															
2.2	EDIFICACION CONTENEDORES	5																															
2.3	MECANICA																																
2.3.1	EQUIPAMIENTO MECANICO AREA APILAMIENTO	6																															
2.4	ELECTRICIDAD	6																															
2.5	OBRAS PORTUARIAS NAVES DE 68,000 DWT	15																															
2.6	OBRAS PORTUARIAS NAVES DE 78,000 DWT	21																															
3.0	COMPRA EQUIPOS																																
3.1	MECANICA																																
3.1.1	EQUIPAMIENTO MECANICO AREA APILAMIENTO	11																															
3.2	DEFENSAS MARITIMAS (*)	12																															
3.3	PILOTES	13																															
3.4	TRANSPORTE DE PILOTES	2																															

Candelaria Port



Port of Punta Alcalde

Estimated Cost – US\$32m

14km road upgrade

300,000 tonne stockpile

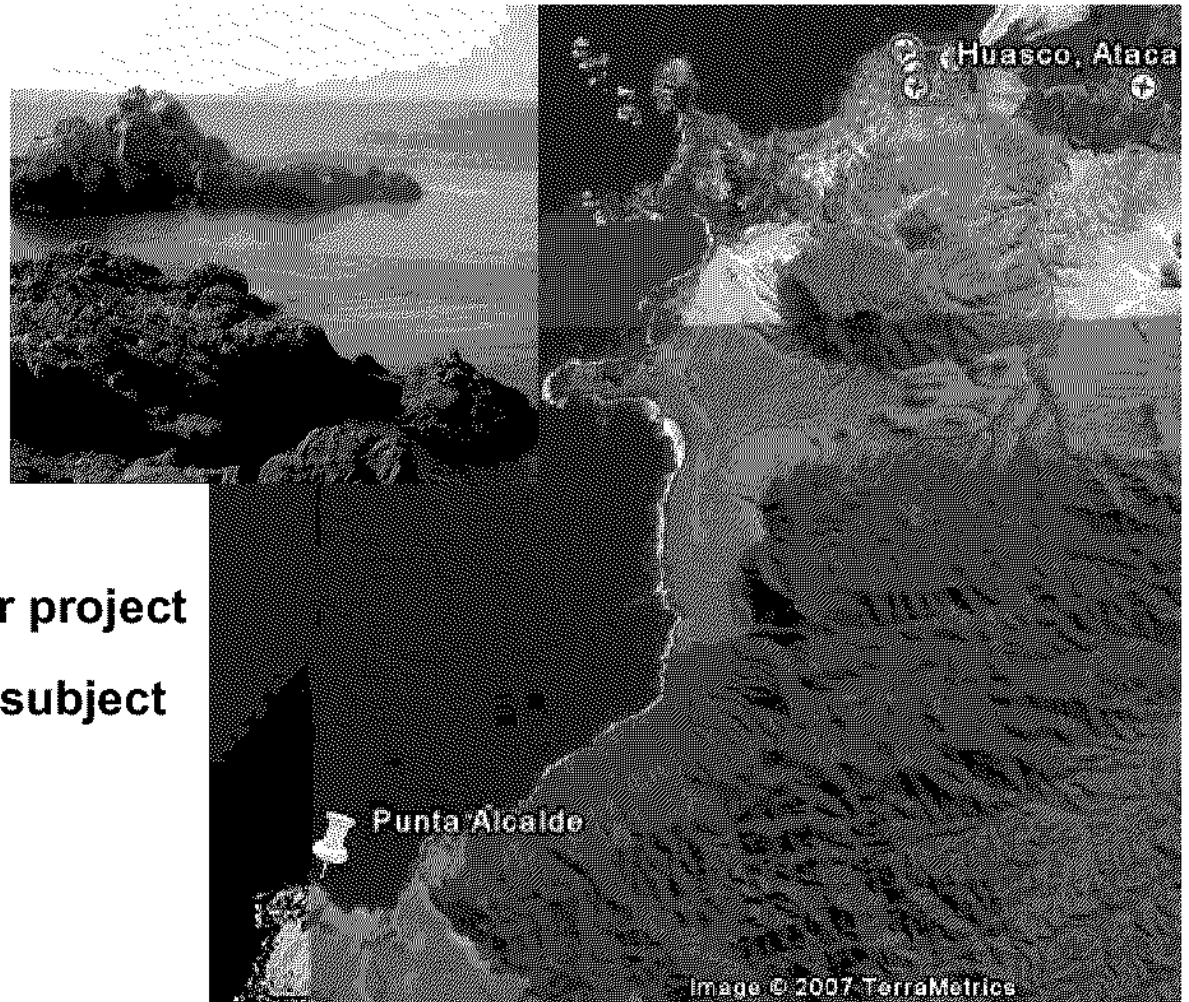
Container loading facility – Fruit Port

Iron ore loading – Santa Barbara

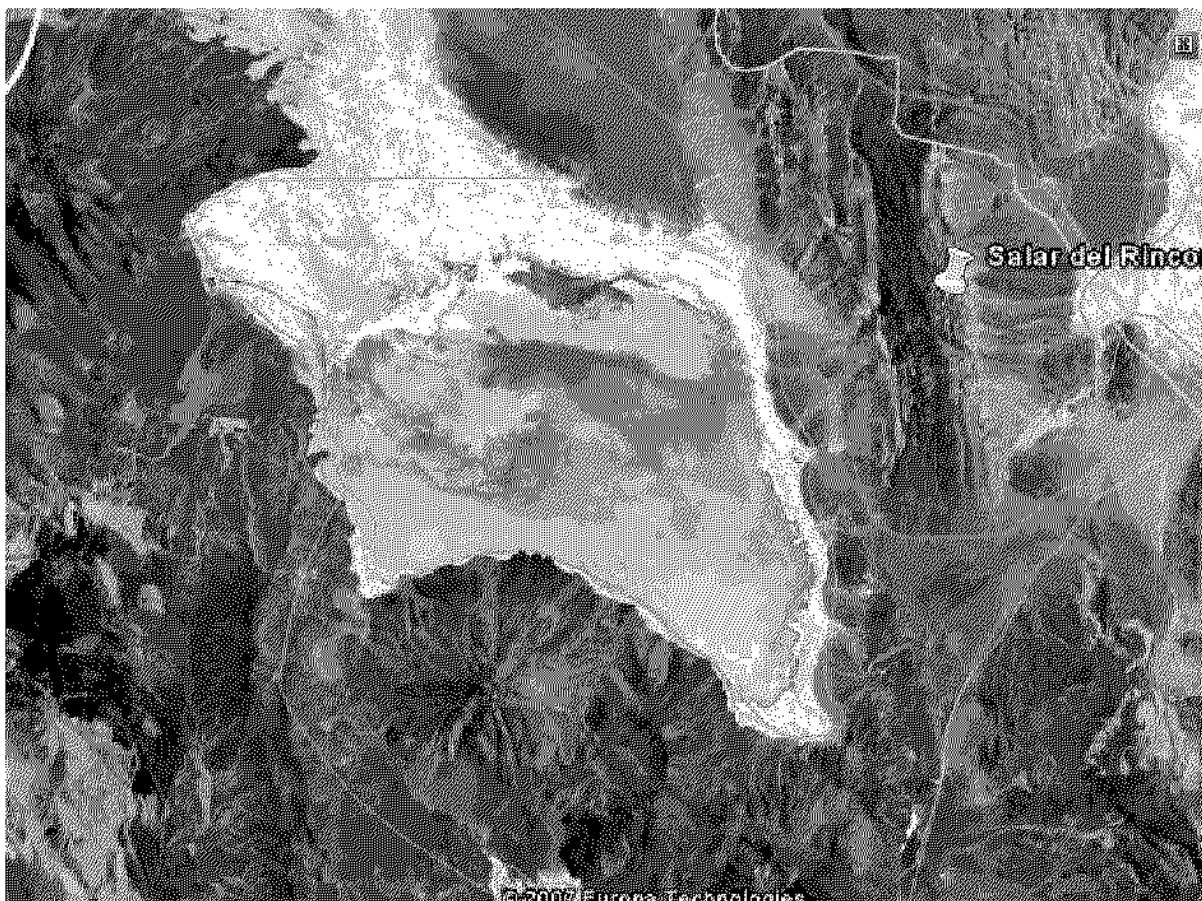
Copper/Silver – Barrick Mines

Coal unloading – Pascua Lama Power project

**Estimated Completion date Jan 2009 subject
to funding**

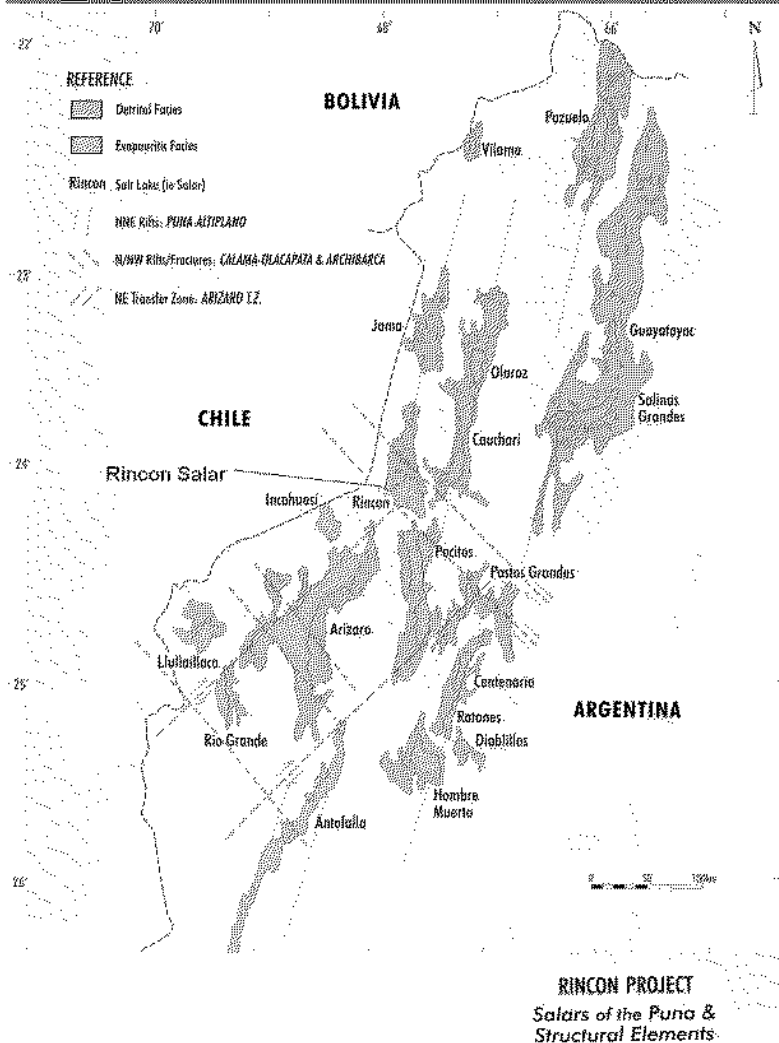


Rincon Salar - Argentina



- Major, world-class, multi-element brine resource (Li, K,) located in the Salta Province of Argentina.
- The 37 tenements cover an area in excess of 250 square kilometres.
- Key resources are lithium chloride, lithium carbonate and potassium chloride, (Potash).
- Sodium Carbonate, sodium sulphate and boric acid also planned
- Resource due diligence & extraction methods for LiCl, LiOH, LiC03 KCl, have been finalised.
- Capital expenditure program for development of Rincon Salar has been established.

Rincon Salar - Argentina

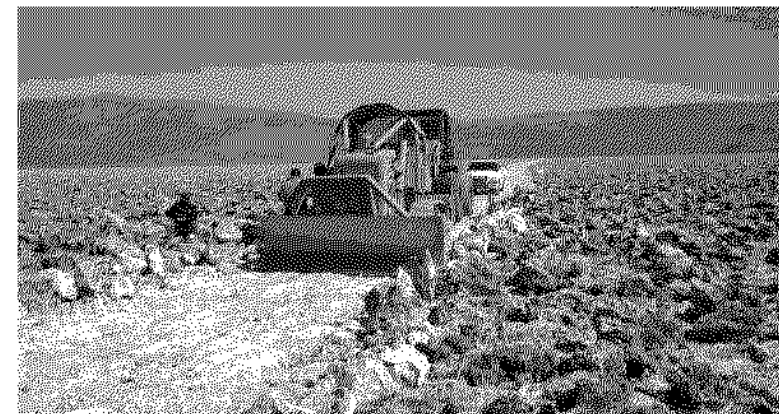
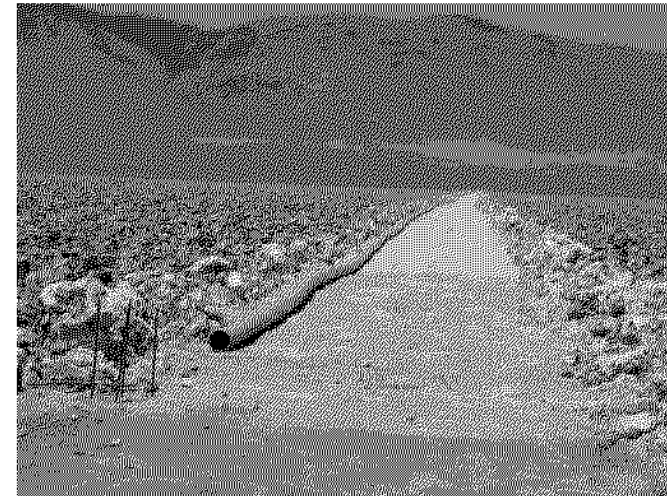
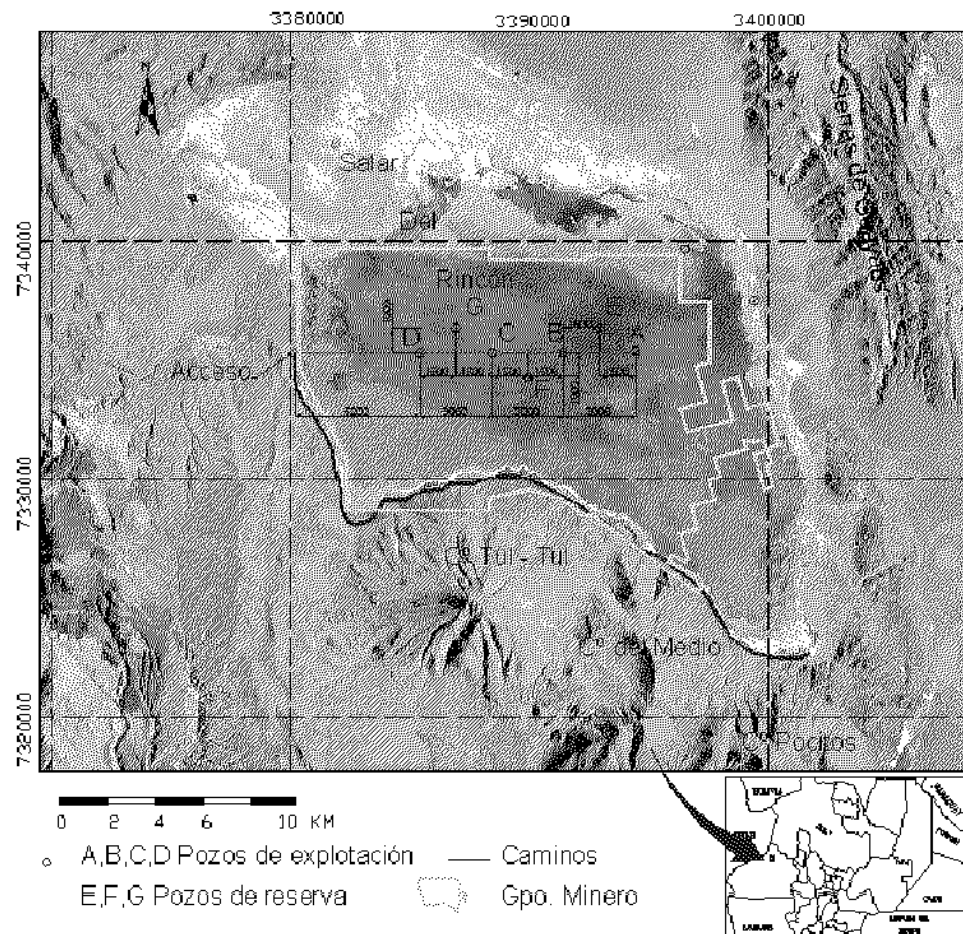


The Resource

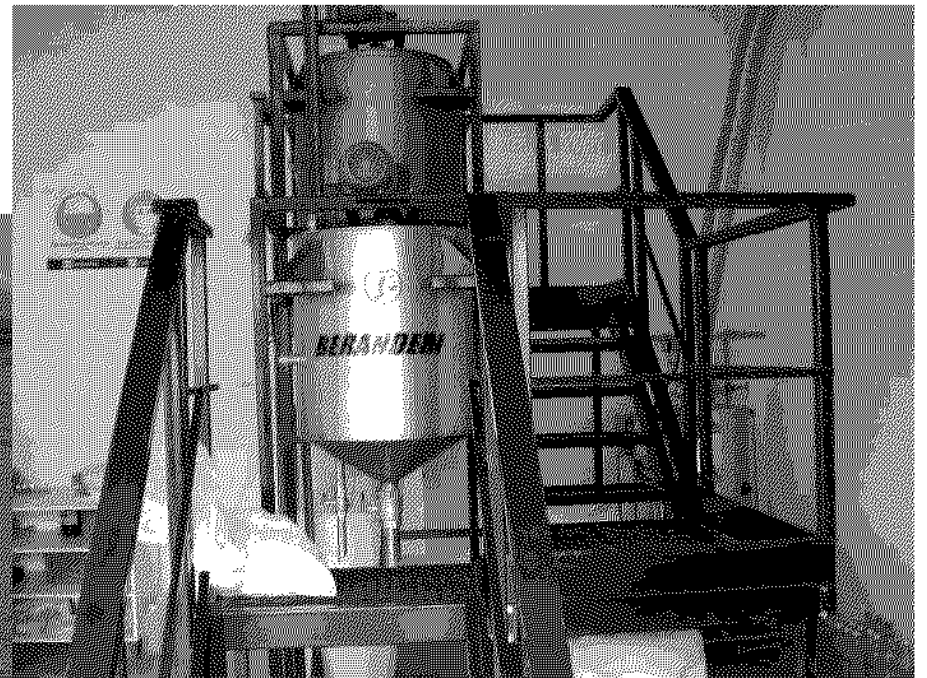
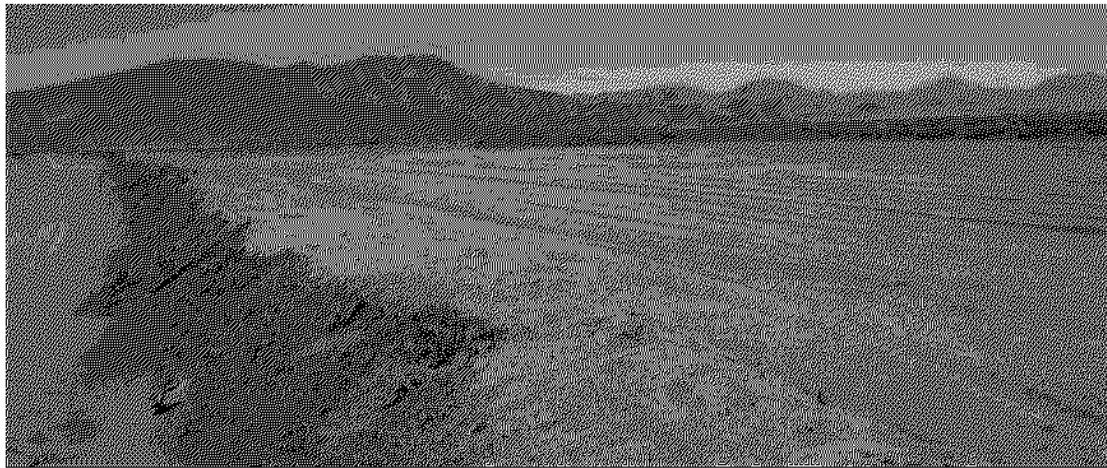
- The Rincon Project is located in north-western Argentina near the Chilean border.
- It is a hyper saline lake, brine enriched in lithium, magnesium, potash, and boron, with three rivers providing subterranean waters flowing into the salar through volcanic rocks.
- The project is situated at an elevation of 3,700 metres within the Antofalla-Pocitos volcanic rift valley in the high Andean Plains, with 50 salars closeby.
- This ponded evaporate deposit is estimated to contain:
 - 427,000 tonnes of LiCl equivalent
 - 2.48m tonnes of KCl (Potash)

Rincon Salar - Argentina

Lithium Concentrations from drill hole data

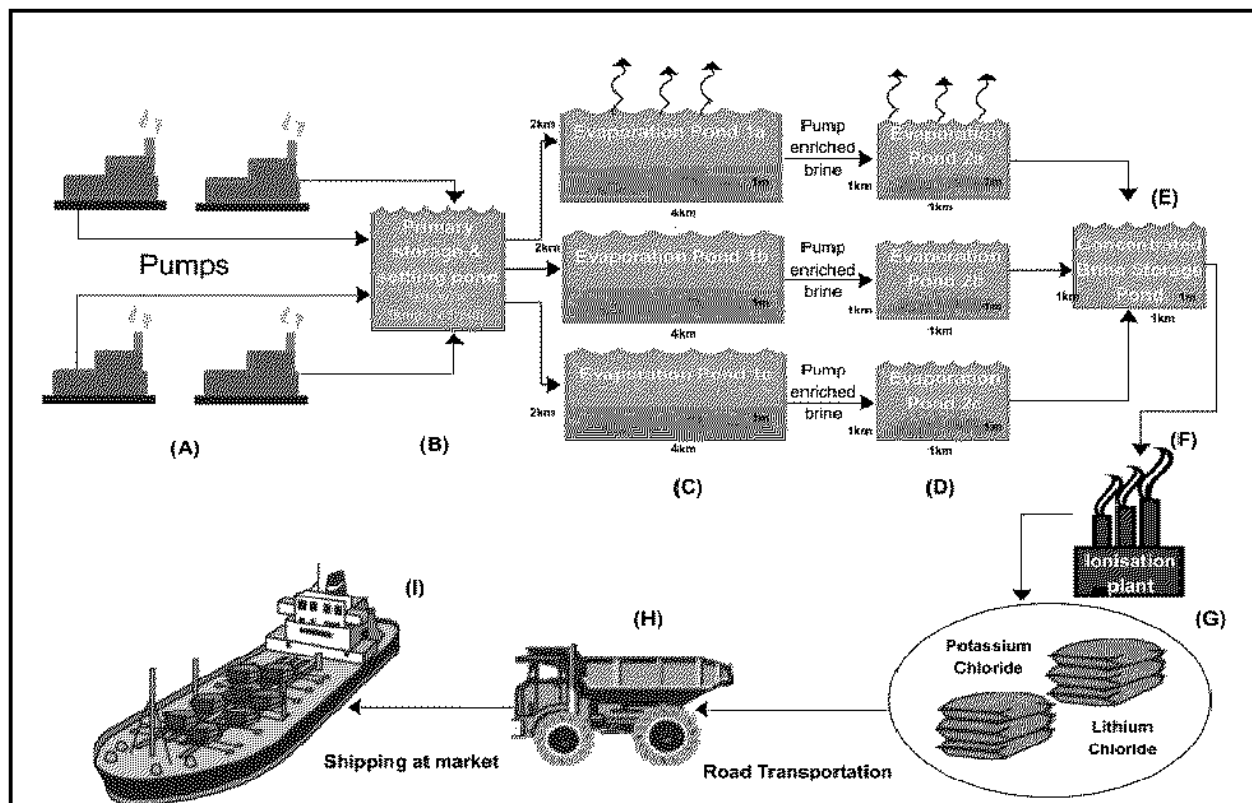


Pilot Ponds Construction and Laboratory



Rincon Salar - Argentina

The Lithium Extraction Process



- c. Salt removed
- d. Magnesium removed
- d. Sodium sulphate removed
- d. Potash removed
- e. f. Lithium Chloride produced, then LiCO_3 , LiOH

Production Estimates

- **Lithium Chloride (Dec 2008)**

- 17,000 tonnes per annum (10,000 tonnes Lithium Carbonate and 3,000 Lithium Chloride, 4,000 tonnes of lithium Hydroxide)
- US\$5,000 - \$6,500 per tonne for Lithium Carbonate, LiCl – spot \$7,500++
- Used for Aluminium welding, batteries, clothing antistatic, dehumidifiers, glass, ceramics)
- Li CO₃ Global production 72,000 tonnes, currently 15,000 tonne shortage, our production is 10,000 tonne
- Total opex \$35m, Li Revenue \$105 million est.

- **Potassium Chloride (Jun 2008) (Potash)**

- 70,000 tonnes per annum
- US\$175 per tonne
- Annual Revenue US\$11.0 million (2006 US demand 6.9 million sht tonnes)

- **Total Revenue Estimate \$115 million per annum**

Rincon Salar - Argentina

April 2006 Prices

- \$3 Lb = \$6,600 Tonne

- Our price assumptions
Risk weighted at \$4,500

- 25% price increase
forecast

Latest lithium mineral & carbonate prices

Prices for both lithium carbonate, a basic ingredient for the production of lithium batteries, and lithium minerals, used in glass and ceramic manufacturing, have increased driven by distinctive market factors.

Lithium carbonate

Lithium carbonate prices have nudged up to: \$2-\$2.50/lb for large contracts (del continental USA); and \$2.30-\$3/lb for bags or drums (del continental USA). In 2005, prices rose by an average of 20% and producers are forecasting increases of 25% for 2006.

Lithium carbonate is one of the key materials in the production of lithium-ion batteries which can be produced from brine and ore deposits. The use of rechargeable lithium in batteries remains particularly robust, largely due to the

Latest lithium mineral prices

Spodumene concentrate (>7.25% Li₂O)

FOT Amsterdam	\$530 – 600
FOB W. Virginia (s. ton, bulk)	\$460 – 490
CIF Asia (bulk)	\$440 – 480

Glass grade spodumene (5% Li₂O)

FOT Amsterdam	\$280 – 320
FOB W. Virginia (s. ton, bulk)	\$270 – 310
CIF Asia (bulk)	\$280 – 310

replacement of nickel-cadmium batteries used in video cameras, portable computers and telephones, and cordless tools. The market for non-rechargeable lithium batteries has also been strong for use in calculators, cameras, and other devices.

Lithium concentrates

Prices for lithium minerals have

also strengthened. Listed prices for spodumene concentrate (>7.25% Li₂O) are now \$460-490/s.ton, compared to a previously listed price of \$330-350/s.ton. Spodumene is a lithium mineral concentrate that is used in many glass and ceramic manufacturing processes as a flux to improve forming properties, reduce viscosity and improve strength.

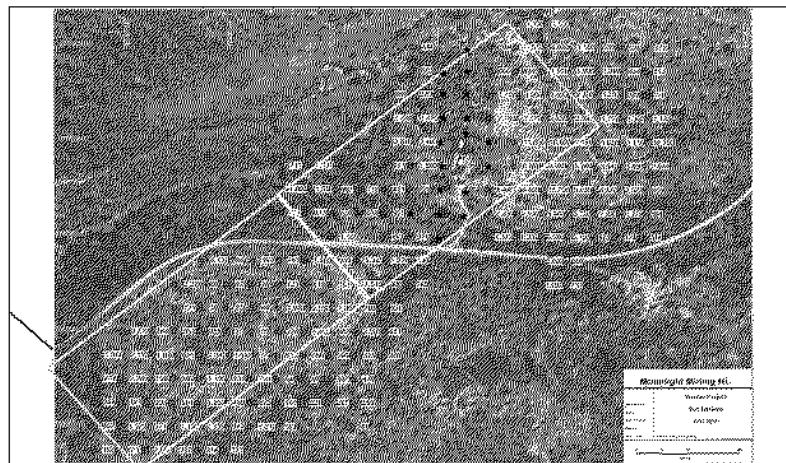
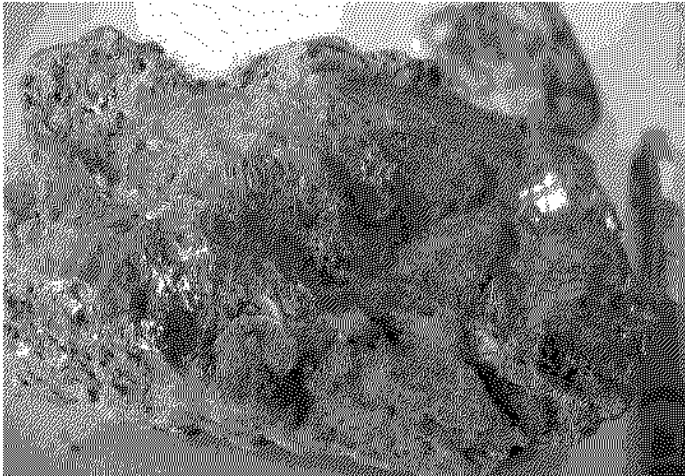


April 2006

Japanese Import Statistics – Lithium Carbonate

Lithium carbonate	JAN.2007		FEB.2007		MAR.2007		US\$Price Per Tonne	APR.2007		US\$Price Per Tonne
	QUANTITY(KG)	VALUE	QUANTITY(KG)	VALUE	QUANTITY(KG)	VALUE \$US/Kg		QUANTITY(KG)	VALUE \$US	
CHINA	95,514	744,587	60,000	431,253	46,000	308,245	6,701	79,100	617,571	7,807
GERMANY	2,550	67,204	2,000	47,276	2,000	47,650	23,825	2,000	48,800	24,400
SLOVENI	0	0	0	0	4,000	89,467	22,367	0	0	0
CANADA	38,000	453,181	60,000	694,196	0	0	0	20,000	274,492	13,725
USA	95,000	384,324	38,000	152,658	57,000	230,585	4,045	57,000	227,398	3,989
CHILE	803,800	4,117,397	415,648	1,874,130	849,276	4,592,826	5,408	1,112,260	6,349,762	5,709
ARGENINA	142,800	675,327	18,000	111,889	108,000	673,635	6,237	89,200	547,010	6,132
TAIWAN	0	0	0	0	0	0	0	0	0	0
TOTAL	1,177,664	6,442,019	593,648	3,311,401	1,066,276	5,942,409	5,573	1,359,560	8,065,033	5,932

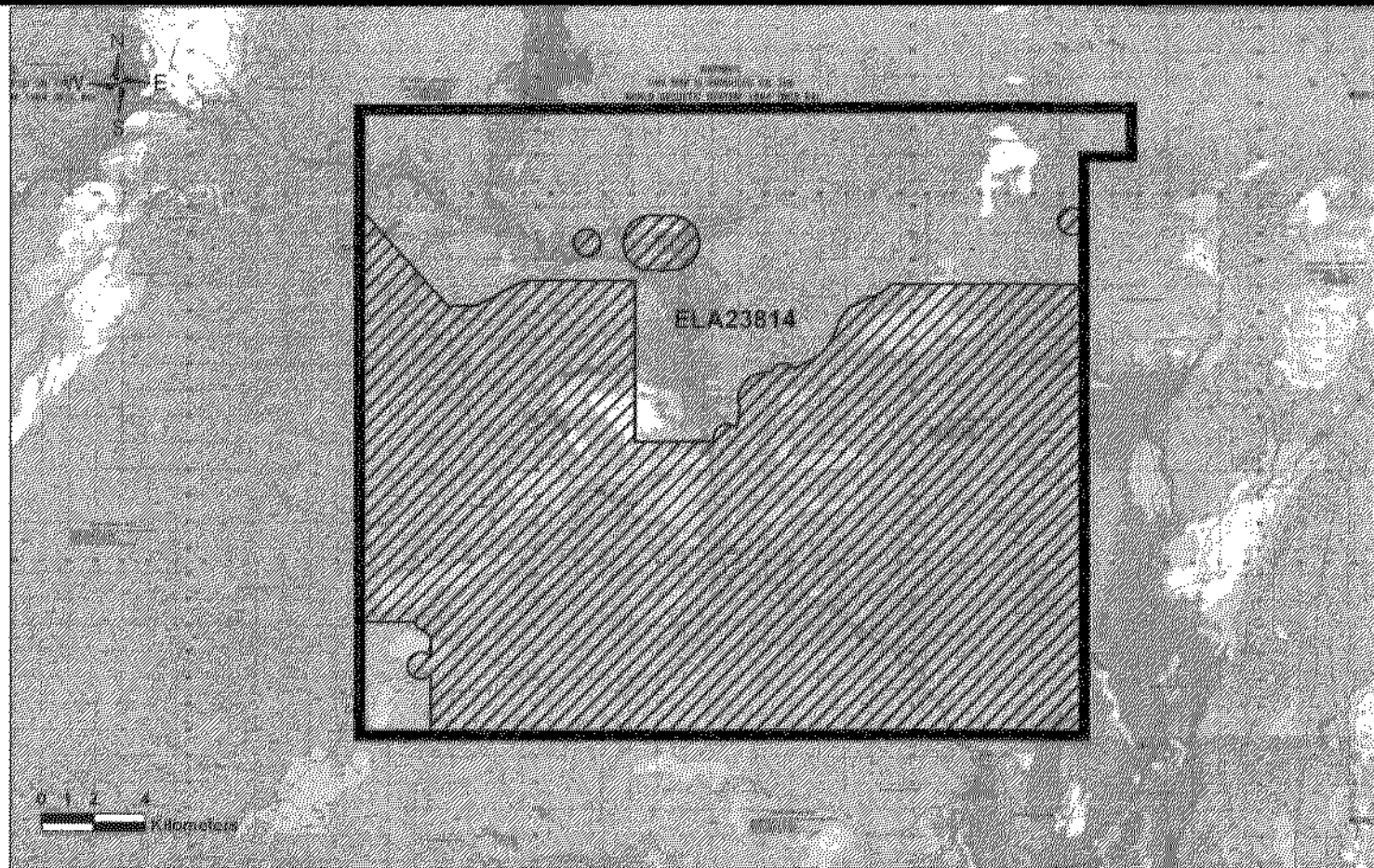
Bulman – Northern Territory



- Zinc and Lead oxide, sulphide deposit located in southern Arnhem land in Australia's Northern Territory.
- Applied for ELA23814 – 637 sq kilometres
- In the 1950's CRA estimated there was 375,000 tonnes @ 15% Zn and 2% Pb of mainly oxide material.
- The Bulman Leases and five nearby Zn-Pb occurrences historically were considered having potential for at least 1,000,000 t of at-surface and near-surface exploitable oxide and sulphide ore at greater than 10% combined zinc and lead.
- Demand for low level treated ores in Thailand, Asia
- Further sampling work to be undertaken in order to better define the leases and determine the areas acceptable for prospecting



Bulman EL-23814



Legend



ELA 23814



Excluded Land

The background topographic data is
Copyright Commonwealth of Australia
© Geoscience Australia 2004

ELA 23814 Survey

GIS Job 06-123
12 / 07 / 2006



Northern Land Council
9 Rowling Street
Casuarina NT 08 10

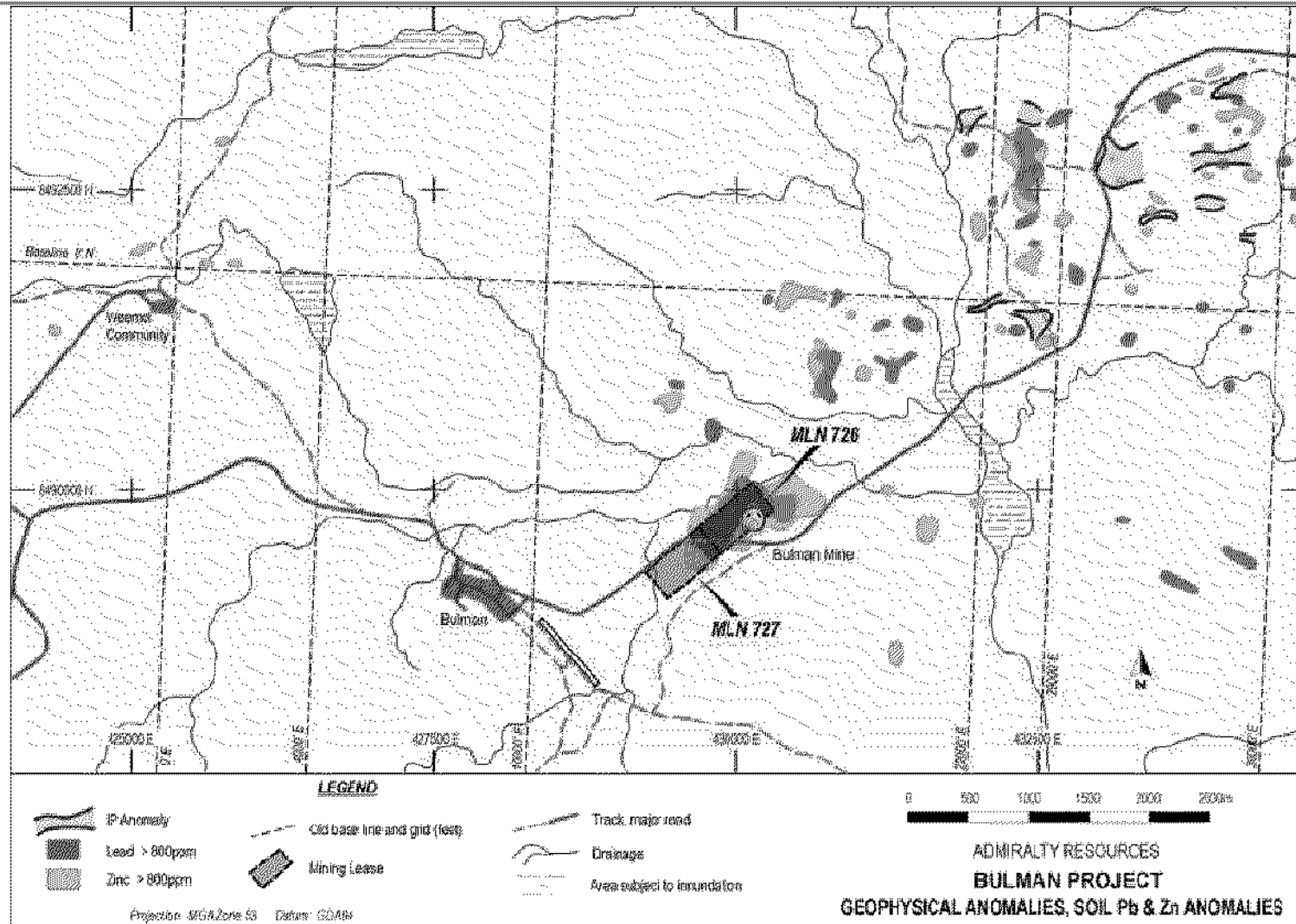
ANNEXURE A: LOCATION MAP OUTLINING CONSENT LAND AND REFUSED LAND

EXPLORATION LICENCE APPLICATION NO 23814
NGUKURR REGION, NORTHERN TERRITORY

Bulman – MLN 726, 727



Bulman Resources Lead and Zinc Anomalies



Pyke Hill – Nickel Cobalt JV – Cougar Metals NL

- The Pyke Hill Project is located approximately 40km southeast of the Murrin Murrin Nickel Operation, near Leonora, Western Australia.
- Prospective for a high-grade nickel-cobalt lateritic resource.
- Aircore drilling undertaken by Cougar in FY2004 returned intersections including 7m @ 2.26% Ni, 6m @ 2.03% Ni and 8m @ 1.50% Ni.
- In FY2005 Cougar completed two additional drilling programs at the project. A total of 25 holes for 896m were drilled, The second program was completed at the end of FY2005 and consisted of 31 Aircore drill holes for 1380m.
- Results of the better intersections encountered ranged in thicknesses from 3m to 17m and averaged 7.5m. The depth to the top of mineralisation varied from 13m to a maximum of 23m. Grades averaged 1.48% Ni overall using a 1.2% Ni cut-off.
- Joint venture provides Admiralty with A\$0.20 cents per tonne of “run of mine” ore.