NEWS RELEASE

Release Time IMMEDIATE

Date 18 July 2008

ADMIRALTY UPDATE

Summary

- Funding – Shougang have deferred the meeting in China till the week of the 28 July 2008, to finalise the ten year sales contract and US$40m standby letter of credit against production of 530,000 tonnes of production in 2009, due to key staff being unavailable next week;

- A Shipment of iron ore to Wisco is scheduled for 24 July 2008. A meeting with WISCO is also being scheduled in August regarding longer term contracts.

- Excellent progress is being made with the owners of Port T and Port G, both cape size ports in Chile to enable the planned expansion of production to be shipped out economically. A detailed release will be issued once a MOU is signed.

- By gaining access to Cape Size ports, Cia Minera Santa Barbara can increase production to the limit of its environmental permit being 3.9m tonnes per annum. Cape size vessels load between 150,000 and 250,000 tonnes. Please refer to the recent release regarding the resource estimates by SRK.

- Progress has been made on the demerger and SEC (USA) with the treatment of US domiciled investors (who previously may not have been able to participate in the demerger and may have been required to sell their shares) regarding the asset distribution of Rincon Lithium Shares. A Directors valuation of Rincon Lithium Limited is being prepared for the Australian Taxation office.

- A separate press release will be made regarding the repayment of the unsecured A$10.8m Hawkswood loan due for repayment on 30 September 2008. The next interest and principal instalment payment of the US$7m Cornell facility is due on 30 September 2008. A payment was

Admiralty Resources NL ABN 74 010 195 972
Registered in Australia
Registered Office: Level 14, 200 Queen Street
Melbourne Victoria 3000 Australia
Tel: +61 3 9642 8787 Fax: +61 3 8677 6949

made in cash in June 2008.

- Negotiations have commenced to acquire the 40% interest held by Wyndham Explorations in Cia Minera Santa Barbara and discussions with financing groups are well advanced to fund this acquisition.

- Rincon Lithium Limited has decided to build a new warehouse facility and laboratory in Jujuy, to gain 100% accreditation for ISO17025 standard. As an interim position a contractor has been retained to certify quality and purity standards of lithium product when the phase two, 360 tonnes per annum plant commences later this year.

- Our Patent Attorney has lodged the provisional patent for our proprietary production process of lithium today. This will undergo a 12 month patent review process before it becomes publicly available. Once the patent is granted it will be available to other organisations to licence for an ongoing fee after Rincon lithium goes into full production. The Directors believe this will be very valuable intellectual property. The tender for the lithium agency and pre-sales contract can now be issued.

- Chemetall, a medium size lithium producer has increased its prices for its products by 5-20% reflecting increases in production, transport and energy costs.

A full update will be provided in the March to June quarterly report.

Yours sincerely,

Phillip Thomas
Managing Director

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

Australia
Investor Relations
Tel: +61 3 9642 8787
Email: investors@ady.com.au