

## Convertible Loan Facility Agreement

**Sydney, Australia, 18 March 2014.** Admiralty Resources NL (ASX: ADY) (“**the Company**”) is pleased to announce that it has executed a Convertible Loan Facility Agreement (“**the Agreement**”) with Smart East Global Limited (“**SEGL**”) and Admiralty Resources (Hong Kong) Limited (“**Admiralty HK**”). The Agreement provides for SEGL to lend up to \$1,500,000 to Admiralty HK, a fully owned subsidiary of the Company, and grants SEGL an option to convert any of the loan sums or the aggregate of same (together with any accrued interest) into ordinary shares in the Company.

The loans under the Agreement bear interest at a rate of 12% per annum. Interest is payable by the Company quarterly in arrears, with the first interest payment date occurring on 1 July 2014. SEGL may waive the interest on any part of the loans, however, by written notice to the Company.

SEGL has the right to convert all or any part of the loans, together with any accrued interest, into ordinary shares in the Company at any time on or after 15 March 2015 and before 15 March 2016. Any such conversion will be at a conversion price of 80% of the Volume Weighted Average Price of the Company’s securities for the 90 day period prior to receipt of a Conversion Notice. If the issue of the ordinary shares upon any such conversion would breach either the *Corporations Act 2001* or the ASX Listing Rules, the Company is required to use its reasonable endeavours to obtain the approval of the Company’s shareholders in respect of the issue of those ordinary shares upon conversion. If shareholder approval is required but is not obtained within six months after the date of SEGL’s conversion notice to the Company, then SEGL will be entitled to require the repayment of the applicable loan and interest, in lieu of conversion.

SEGL will be entitled to require all or any part of the outstanding principal amount of the loans (to the extent not converted into ordinary shares) to be repaid at any time on or after 15 March 2016.

For further information, please refer to the attached Appendix 3B.

### ENDS

#### For more information:

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### About Admiralty Resources NL

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Admiralty Resources NL is a public diversified mineral exploration company listed on the Australian Securities Exchange (ASX: ADY) with mineral interests in Chile and Australia.

Admiralty’s flagship projects are the iron ore districts in Chile: Harper South (2,498 Ha), Pampa Tololo (3,455 Ha) and Cojin (600 Ha). The districts are located in prime locations, with close and easy access to the Pan-American Highway (the major national route), a railway line and operating shipping ports. Admiralty’s projects in Australia are the Bulman project, a lead and zinc project located in the Northern Territory, and the Pyke Hill project, a cobalt and nickel project in Western Australia, whose mining lease is 50% owned by Admiralty.

