

2 May 2014

## ASX ANNOUNCEMENT

### ADMIRALTY ISSUES A NON-RENOUNCEABLE RIGHTS OFFER

The Board of Admiralty Resources NL (**Company**) is pleased to announce that it will be undertaking a (1) for three (3) pro-rata non-renounceable rights offer at an issue of \$0.016 to raise up to approximately \$3,893,573 (before expenses) (**Rights Offer**).

The maximum number of new shares to be issued is 243,348,327 which would raise up to approximately \$3,893,573 and would result in total issued shares in the Company of 973,393,308.

It is intended that new shares issued as a result of entitlements taken up will be quoted on ASX and will rank equally with existing issued ordinary shares of the Company.

All Shareholders registered as at 7.00 pm (AEST) on Thursday, 8 May 2014 and who have a registered address in Australia or New Zealand will be entitled to participate in the Rights Offer.

The price payable on application for each New Share is \$0.016 (as compared with \$0.013, which was the closing price of Shares on Thursday, 1 May 2014).

Jin Xin International Pty Ltd ACN 102 839 172 as trustee for Jin Xin International Investment Trust ABN 32 989 479 893 which is an entity associated with Mr Hanrui Zhong and Mrs Qing Zhong (both directors of the Company) has agreed to underwrite the Rights Offer in respect of the Underwritten Shares, as per the terms set out in part 8 of the Offer Document. Jin Xin International Pty Ltd as trustee for Jin Xin International Investment Trust, together with its associates, has a relevant interest in 16.94% of the voting shares of the Company. Pursuant to the terms of the Rights Offer and the underwriting agreement between the Company and the Underwriter, the Underwriter will not be allowed to acquire a number of New Shares that (together with the other voting shares of the Company then held by it and its associates) would equal or exceed 20% of the Company's voting shares. Accordingly, the issue of New Shares pursuant to the Rights Offer is not expected to have any material effect on the control of the

### 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.

Company, notwithstanding the likely increase in the relevant interest of the Underwriter in the issued capital of the Company as a result of the Rights Offer.

### **Purpose of Rights Offer**

The funds raised from the Rights Offer will be used to accelerate the Company's existing exploration programme at the Harper South and Pampa Tololo districts in Chile, advance the Soberana project towards early production and to provide the Company with additional working capital to enable it to support its activities and the retirement of some debt relating to the convertible note facilities in place.

### **Offer Document**

Under the proposed Rights Offer, eligible shareholders will be invited to subscribe for 1 New Share for every 3 existing shares held on the Record Date at a price of \$0.016 cents per share, as compared with the \$0.013 which was the closing price of Shares on Thursday, 1 May 2014.

This Offer Document and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place outside of Australia and New Zealand in which, or to any person to whom, it would not be lawful to make such an offer.

The Offer Document together with the accompanying Entitlement and Acceptance Form will be mailed to all eligible holders on Tuesday, 13 May 2014.

A copy of the Offer Document and an Appendix 3B in respect of the Rights Offer accompanies this announcement.

A copy of the Offer Document and an Appendix 3B in respect of the Rights Offer accompanies this announcement. The Offer document will be made available on the Company's website ([www.ady.com.au](http://www.ady.com.au)).

### **Closing Date**

The Entitlement and Acceptance Forms together with payment must be received by the Share Registry, Boardroom Pty Limited, by no later than 5:00pm (AEST) on Friday, 23 May 2014.

Payment for the subscriptions under the Rights Offer can be made by BPAY®, cheque, bank draft or money order.

### **Shortfall Offer**

Shareholders who wish to apply for New Shares above their entitlement can do so using the Shortfall Offer.

The Entitlement and Acceptance Form contains information on how to apply for new shares under the Shortfall Offer.

Should the number of shares applied for under the Shortfall Offer exceed the amount of New Shares available for subscription, the allocation of New Shares forming part of the Shortfall Offer will be determined at the sole discretion of the Board.

### **Timetable and important dates\***

The timetable for the Rights Offer is set out below.

<b>Event</b>	<b>Date</b>
Announcement of Rights Offer and ASX Appendix 3B and Offer Document lodged with ASX	Friday, 2 May 2014
Notice sent to Eligible Shareholders	Monday, 5 May 2014
Shares quoted on an "ex-rights" basis**	Tuesday, 6 May 2014
Record date for determining entitlements of Eligible Shareholders under the Rights Offer	7.00 pm AEST on Thursday, 8 May 2014
Rights Offer letter and Entitlement and Acceptance Forms dispatched to Shareholders	Tuesday, 13 May 2014
Closing Date for acceptances under the Rights Offer	Friday, 23 May 2014
Expected commencement of trading on a deferred settlement basis of New Shares on ASX	Monday, 26 May 2014
Shareholder holding statements dispatched and deferred settlement trading ends	Thursday, 29 May 2014
Normal trading of New Shares commences	Friday, 30 May 2014

\* These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Rights Offer, including extending the Closing Date or accepting late applications, either generally or in particular cases. You are encouraged to submit your application as soon as possible. Any extension of the Closing Date will have a consequential effect on the date of the issue of the New Shares. Neither the Rights Offer nor the Shortfall Offer requires the approval of Shareholders.

\*\* Shares in the Company commence trading without the right to participate in the Rights Offer.

New Shares issued under the Rights Offer will rank equally with existing ordinary shares on issue and they are expected to start trading on a deferred settlement basis on Monday, 26 May 2014.

**ENDS**

### **For more information:**

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