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Company Announcement Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

BULMAN GEOPHYSICS SURVEY HIGHLIGHTS A NUMBER OF PROSPECTIVE AREAS FOR EXPLORATION OF ECONOMIC DEPOSITS

The board of directors of Admiralty Resources is pleased to announce that the geophysical, magnetic and radiometric surveys conducted over the Bulman exploration leases in October 2007 have identified several areas that warrant further investigation for fault system related carbonate hosted Mississippi Valley Type Pb-Zn mineralisation.

Given that Mississippi Valley-type Pb-Zn mineral deposits are often located in fault and fracture systems, the traces of the interpreted faults are likely to be considered as sites for future exploration.

Admiralty has two mineral leases 726 and 727 which have shown prospective occurrences of lead zinc mineralization. It also has four exploration leases granted in July 2007. The interpretation has highlighted a system of east-west and north-south faults that spatially correlate with known mineralization and Pb-Zn geochemical soil anomalies. Similar faulted areas were noted in the eastern most section and central western area of EL 23814 and are considered to be highly prospective.

Several unexplained potassium radiometric anomalies exist in the area. There is a possibility that these could be indicating potassic alteration associated with the influx of mineralising fluids. Such sites will be examined, particularly the strong anomaly occurring immediately north of the Bulman 1 Deposit.

On the basis of the report Bulman Resources Pty Ltd, a wholly owned subsidiary of Admiralty Resources NL will commence a drilling program to target the areas of interest in May this year as soon as the wet season allows work to commence. A drilling rig has been booked for the drilling campaign. The price of lead on the LME was US$1.16 per pound and zinc is US$1.01 per pound.

Yours sincerely,

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Geos Mining and the authors are independent of Admiralty Resources NL, and have no financial interests in Admiralty Resources NL or any associated companies. Geos Mining is being remunerated for this report on a standard fee for time basis, with no success incentives.

JORC statement

The information in this report relating to exploration results is based on information compiled by:

Dr. P. Gunn MSc, PhD. who is a Fellow of the Australasian Institute of Geoscientists and who is an independent consulting geophysicist. Dr. P. Gunn has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person for reporting of exploration results as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.”. Dr. P. Gunn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

L.M. Sawyer who is a Member of the Australasian Institute of Geoscientists and who is employed by Geos Mining. L.M. Sawyer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person for reporting of exploration results as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.”. L.M. Sawyer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
Summary

An airborne geophysical, magnetic and radiometric survey was conducted over the Bulman leases in October 2007. This survey has identified several areas that warrant further investigation for fault system related carbonate hosted Mississippi Valley Type Pb-Zn mineralisation.

The magnetic survey has confirmed that the known Pb-Zn mineralization in the Bulman area is underlain by an extensive sill of Derim Derim Dolerite. The interpretation has highlighted a system of east-west and north-south faults that spatially correlate with known mineralization and Pb-Zn geochemical soil anomalies. Similar faulted areas were noted in the eastern most section and central western area of EL 23814 and are considered to be highly prospective.

Project Background

Located near the Bulman Aboriginal community in Arnhem Land approximately 320 km northeast of Katherine NT the project covers two Exploration Licenses (EL 23814, EL 25931) and two Mineral Leases (MLN 726, MLN 727), depicted in Figure 1.

Figure 1 Bulman Location Plan
Pb-Zn mineralisation was first discovered at Bulman in the late 1880’s and a number of small scale mining operations ran until 1911 when mining was abandoned due to the rapidly decreasing Pb values with depth.

Exploration was sporadic between 1911 and 1952 when Enterprise Exploration Company (a precursor to CRA) carried out diamond drilling on known Pb-Zn mineralisation. Further exploration continued in the 1950’s and 1960’s but the area has been relatively under-explored since then.

**Geophysical Survey Interpretation**

Airborne magnetic and radiometric data from a survey flown in October 2007 were examined to determine prospectivity for further structure related Mississippi Valley-type Pb-Zn mineral occurrences hosted by carbonates of the Dook Creek Formation.

Known Pb-Zn mineralisation in the south of EL 23814 and in MLN’s 726 and 727 has been interpreted from aeromagnetic data as being underlain by a sill of Derim Dolerite that has intruded the mineralisation host unit, the Dook Creek Formation. This correlates with the limited historical drill data.

Imaging of the magnetic survey data shows the Derim Derim Dolerite as reversely magnetised and a later dyke intruding along the northwest trending Bulman Fault to be strongly positively magnetised. Coupled with advanced analysis techniques the strong magnetic response has enabled numerous faults to be mapped within in the survey area, Figure 2. A major east-west fault system is notable along the northern edge of the Derim Derim Dolerite coincident with a system of lesser north-south faults, white lines marked on Figure 2 – Area A. Various northeast trending faults are also interpreted in the area. This interpreted fault system has a good spatial correlation with known Bulman Pb-Zn mineralisation and soil geochemical Pb anomalies, Figure 3 – Area A, as well as Zn anomalies.

Figure 2 Interpretation summary on magnetic data reduced to pole image (after P Gunn, 2008). **Faults** – white lines, **dykes and sills** – pink lines, shallow magnetic
marker unit – red outlines, dark blue zones in Area A and Area B – Derim Derim Dolerite.

Figure 3 Detail of Area A, Reduced to Pole magnetic image with Pb soil geochemical results, after P Gunn, 2008. Red squares - >2500, >1000, >500, >100 ppm, other lesser values as white dots.

Similarly an east-west/north-south fault system transects mapped and interpreted Derim Derim Dolerite intruding Dook Creek Formation is noted in the east of EL 23814 (Figure 2 – Area B). No mineralisation has been recorded from this area. Given the similarities to the Bulman prospects, this zone is considered to have a high degree of prospectivity.

Faults that are interpreted to be cutting Dook Creek Formation under shallow cover with potential deeper inferred sills of dolerite in the central western area of EL 23814 (Figure 2 – Area C) are also considered to have good prospectivity to host Pb-Zn mineralisation.

A number of potassium radiometric anomalies are evident in the radiometric survey data. A particularly strong anomaly occurs immediately north of the Bulman 1 Deposit within Area A (Figure 4). This potassium anomaly is coincident with an east-west offset in the Bulman Fault, and a north-south trending Pb geochemical soil anomaly. The anomaly could indicate potassic alteration associated with an increased fluid influx.
Conclusions

Mississippi Valley Type Pb-Zn mineral deposits are often located in fault and fracture systems therefore the interpreted fault zones from the airborne geophysical survey enhance the prospectivity of EL 23814 to host Pb-Zn deposits and warrant further exploration.

A drilling program is scheduled for the second quarter of 2008 within MLN’s 726 and 727 to test the anomalous areas highlighted by soil sampling and further defined by the geophysical survey interpretation. Future exploration of targets generated by the airborne geophysical survey is being planned and could include additional geochemical sampling, ground induced polarisation surveys targeting sulphide alteration haloes, and drilling directed at structurally related economic mineralisation.