
NEWS

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ADELAIDE RESOURCES IDENTIFIES PROMISING

URANIUM POTENTIAL ON LARGE S.A. TENEMENTS

Adelaide Resources (ASX : "ADN") today announced it was well advanced towards completing a review of the uranium potential on the Company's vast tenements across South Australia.

"Already, this review has highlighted the potential for the presence of sedimentary uranium deposits in our large Eyre Peninsula Project area," the Company says in its latest June quarterly report.

Directors said previous exploration programs on the project area came to an abrupt halt following changes in government uranium policy in the 1980s and had not been followed up since.

"In contrast to that environment, the current positive long-term outlook for the uranium market presents the opportunity and confidence to focus attention on the hunt for new deposits," they said.

"Our evaluation of all previous drilling indicates that segments of at least three discrete palaeochannel drainage systems are present in our large wholly-owned Eyre Peninsula project area near Wudinna."

Directors said drill holes from exploration completed over 20 years ago on the Company-held segments of both the Narlaby and Yaninee palaeochannels exhibited gamma responses that were similar to those at other uranium prospects in South Australia.

"The presence of the Yarrana uranium prospects downstream from the Company's tenement holding indicates sufficient uranium has been mobilized to form mineral deposits from the ground waters in the Narlaby system, and that reduced sediments required to initiate uranium precipitation are also locally present," they said.

"Options for achieving best value for Adelaide Resources from the uranium potential on our Eyre Peninsula tenements are currently under consideration.

"Evaluation of this uranium prospectivity is progressing rapidly."

The combined length of the palaeochannels now controlled by Adelaide Resources totalled over 160 kilometres, including a significant system secured through a new Exploration Licence Application.

Directors said the current changed uranium environment – including an almost trebling in the price of uranium oxide in the past two years – had been due in part to a projected deficit in uranium supply.

“This also reflects that uranium is now recognized as one of the few viable base load energy sources that will allow countries to meet their carbon dioxide (CO2) emission targets,” they said.

“Consequently, new nuclear power plants are now in the planning and development stages in many jurisdictions around the globe.”

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