
NEWS

• RELEASE •

Thursday 27 July 2006

HISTORIC TENNANT CREEK GOLD REGION

FOCUS OF NEW EXPLORATION DRIVE

Drilling commences tomorrow in the Northern Territory to revive the fortunes of one of Australia's richest and historic gold and copper provinces.

The 2,000 metre diamond core/reverse circulation drilling program is being undertaken by Adelaide Resources Limited (ASX code: "ADN") on its wholly owned Rover gold-copper project 75 km southwest of Tennant Creek.

The drilling campaign is testing similar mineralisation styles to Tennant Creek's historic company-making but now mined out bonanza mines of Warrego, White Devil, Juno, Peko and Nobles Nob.

The Rover project was acquired in April last year by Adelaide Resources from Newmont Gold Exploration Pty Limited and the work starting tomorrow is the continuation of a drilling program commenced late last year at Rover 12.

More than \$600,000 will be spent by Adelaide Resources testing at least two, possibly three, magnetic ironstone targets situated within the Company's two Exploration Licences, 7739 and 8921 within the broader Rover Field.

The targets are on the same trend and east of Westgold Resources NL' Explorer 108 prospect— where significant intersections of 70 metres at 5.4% zinc and 2.7% lead as well as 8 metres at 15.7 g/t gold were reported yesterday.

"This area is geologically analogous to the nearby Tennant Creek Field renowned for its bonanza grade gold and copper-gold deposits associated with magnetite bodies," Adelaide Resources' Executive Chairman, Mr Keith Yates, said today.

"When we drilled three holes into the large Rover 12 ironstone late last year, the holes showed sizeable intersections of magnetite bearing lode rocks with the longest intersection being 55.2 metres at 0.31% copper," Mr Yates said.

"The strong ironstone intersection and the presence of disseminated copper are positive signs, confirming that the large Rover 12 magnetite body has a chemical signature indicative of mineralised ironstone in the Tennant Creek Field."

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The current Adelaide Resources program will drill up to two relatively deep holes (> 500 metres) at Rover 12, including one at Rover 12 West, the projected westerly extension of the Rover 12 magnetic anomaly.

Rover 4, at the eastern end of the field where cover rocks are shallowest, has known gold intersections from limited drilling by previous explorers, including 4 metres at 3.55 g/t and 17.6 metres at 0.54 g/t.

“The very presence of gold in this ironstone is a positive indication and drilling is proposed to further explore this magnetic anomaly,” Mr Yates said.

“We take heart also from yesterday’s Westgold results from its drilling of ironstone targets to the west of Rover 12 where partial assay results from one diamond drill hole defined wide zones of lead-zinc mineralisation as well as an interval of high grade gold.

“Those results and our own interpretation of the province give us greater confidence about the potential of our program commencing tomorrow, to discover attractive mineralised systems within our Rover acreage.”

Basement rocks at Rover are proven Warramunga Formation equivalents, the preferred host of the ironstone gold - copper deposits of the Tennant Creek Field.

The drilling program is likely to continue well into September.

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