



## Australian Securities Exchange Announcement

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12 November 2007

Company Announcements Office  
Australian Securities Exchange Limited  
PO Box 11224  
Australia Square NSW 2000

### Shareholder Share Purchase Plan

The Board of Directors of Adelaide Resources Limited (ASX: ADN) is pleased to announce that the Company is making an offer to eligible Adelaide Resources shareholders under its established Shareholder Share Purchase Plan.

The Share Purchase Plan provides shareholders with the opportunity to acquire shares at a time when the Company's activities are gaining significant momentum, with the funds raised to be directed towards the exploration of exciting copper-gold and uranium prospects in South Australia and Northern Territory.

Under the Plan, eligible shareholders who hold Adelaide Resources shares at 5.00pm Adelaide time on Wednesday 14 November 2007 will be able to purchase up to \$5,000 worth of new shares, irrespective of the number of shares they hold.

**The issue price for shares offered under the Share Purchase Plan will be 31 cents per share** which represents a 14.2% discount to the volume weighted average market price of Adelaide Resources shares for the five trading days immediately preceding the date of this announcement.

No brokerage commissions, stamp duty or other transaction costs will be payable by shareholders in respect of their application for, and allotment of, shares under the Plan.

The maximum aggregate amount to be raised under the Plan is \$5,000,000 and the Company will reject applications lodged after this amount has been raised. Accordingly, Eligible Shareholders are encouraged to act quickly if they wish to participate in the Plan.

**The record date for participation is 14 November 2007 and the closing date for the offer is Friday 7 December 2007.**

A copy of the invitation to participate in the offer together with the terms and conditions of the Share Purchase Plan follows. These documents, together with a personalised Plan application form, will be posted to eligible shareholders in the week commencing 19 November.

Any queries concerning the offer should be directed to Computershare Investor Services Pty Limited, telephone 1300 556 161, or our Managing Director, Mr Chris Drown, telephone (08) 8271 0600.



12 November 2007

Dear Shareholder

## INVITATION TO PARTICIPATE IN ADELAIDE RESOURCES LIMITED SHAREHOLDER SHARE PURCHASE PLAN

Closing Date 5pm (Adelaide time) 7 December 2007

The Board of Directors of Adelaide Resources Limited is pleased to invite you, as a shareholder, to participate in a Share Purchase Plan ("**Plan**") enabling all shareholders to participate on an equal basis to purchase ordinary shares in Adelaide Resources Limited ("**Adelaide Resources**" or the "**Company**").

The Plan entitles shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$5,000 worth of shares in the Company ("**Shares**") at an attractive price, free of all brokerage, commission and stamp duty ("**Offer**").

This letter sets out the details of the Offer. Included with this letter are the terms and conditions of the Plan. By agreeing to purchase Shares under the Plan you will agree to be bound by the terms and conditions of the Plan and this Invitation Letter.

### INTENTION OF DIRECTORS

Each Director holding shares in the Company intends to take up his full \$A5,000 entitlement to Shares under the Offer.

### PURPOSE OF THE OFFER

The Offer is being made to Eligible Members to provide them with the opportunity to acquire Shares at a time when the Company's activities are gaining considerable momentum, with funds raised to be directed towards accelerating the exploration for copper, gold and uranium.

The Company recently announced a significant copper intersection at its Rover 4 prospect southwest of Tennant Creek in Northern Territory. Anomalous gold values indicate potential for this metal also exists at the prospect. The Tennant Creek Field has a rich mining heritage based upon several highly profitable underground and open pit gold and copper mines. An expanded program of drilling is warranted at Rover 4 to further explore this promising prospect.

The Company also intends to implement a significant exploration effort on its wholly owned uranium projects in South Australia, which together secure over 9,000 square kilometres on the Gawler Craton, recognised as one of the world's premier uranium provinces.

Further drilling is planned to evaluate established uranium prospects on Eyre Peninsula (Ulysses and KO11S), while the presence of widespread anomalous uranium in the Moonta area shows this is a worthy exploration project.

The funds raised will also be applied to the generation or acquisition of new exploration opportunities.

The company's current cash reserves have been set aside for the funding of the Tripitaka pre-feasibility study now in progress, and to maintain ongoing contributions to mineral sand exploration on the broader Colona Joint Venture.

## KEY DATES

Record date to determine shareholder entitlement	14 November 2007
Offer despatched to shareholders	19 November 2007
Offer Closes	7 December 2007
Anticipated allotment of shares	14 December 2007

## PARTICIPATION

Participation in the Plan is open to all persons registered as holders of Shares who have an address (as recorded in the Company's register of members) in Australia or New Zealand ("**Eligible Members**"). This letter will not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

Participation in the Plan is entirely at the discretion of Eligible Members. An Eligible Member may apply for up to a maximum of **five thousand Australian dollars (\$5,000)** worth of Shares, being up to a maximum of 16,130 Shares and not less than a minimum of one thousand dollars (\$1,000) worth of Shares, being a minimum of 3,225 Shares. The Shares can be applied for in increments of \$1,000 as disclosed in the Application Form.

The Directors have determined, having regard to the number of holders in jurisdictions other than Australia and New Zealand, and the value of the securities to be offered to them, that it is not practical for shareholders with registered addresses outside Australia and New Zealand to participate in the Plan. If your registered address is outside Australia or New Zealand, the Plan has been sent to you for information purposes only and without an Application Form.

The Offer also provides an opportunity for those Shareholders with less than a marketable parcel of shares (\$500 worth) to increase their shareholding to at least the marketable parcel level and Directors encourage Shareholders to take advantage of the Offer for that purpose.

Offers are non-renounceable, meaning that Eligible Members cannot transfer their entitlement to purchase Shares under an Offer to another person.

If you wish to participate in the Plan, you can choose one of two methods, depending upon whether you wish to pay for the shares by cheque or by using Bpay.

If you choose to pay by cheque, you must complete the enclosed personalised Application Form accompanying this letter and return it to Computershare Investor Services Pty Limited before the **Closing Date of 5pm (Adelaide time) on 7 December 2007** together with your cheque. Alternatively, if you choose to make the payment using Bpay, please follow the instructions on your personalised Application Form and ensure the payment is received by **5pm (Adelaide time) on 7 December 2007**.

## PRICING

**The issue price for shares offered under the Plan will be 31cents per share.** The issue price represents a 14.2% discount to the volume weighted average traded market price of Adelaide

Resources shares for the 5 trading days on which sales were recorded immediately preceding the date of announcement of the Plan.

Shareholders should note, however, that the market price of Shares may rise or fall between the date of this Offer and the date on which Shares are allocated to you. This means that the issue price you pay for the Shares may be greater than or less than the market price of the Shares at the date of allotment of the Shares under the Offer. You should obtain your own financial advice in relation to the Offer prior to lodging your Application Form.

#### **LIMIT ON PARTICIPATION**

In order to comply with ASIC regulations, an Eligible Member may not acquire more than \$A5,000 worth of Shares under the Plan in any 12 month period, taking into account all applications including joint and other beneficial interests.

The maximum number of 16,130 Shares, for which each Eligible Member may apply, will apply even if an Eligible Member has received more than one Offer (whether in respect of a joint holding or because the Eligible Member has more than one holding under separate share accounts). The Company reserves the right to reject any acceptance where there is non-compliance with this rule or any other term of the Plan.

#### **MAXIMUM RAISING**

The maximum aggregate amount that may be raised under the Plan is \$5,000,000 (i.e. the issue of 16,130,000 shares). **Adelaide Resources reserves the right to reject, on a “first come, first served” basis, allocations under the Plan if the total number of Shares applied for exceeds this number.** This means that the Company will reject applications lodged after the maximum aggregate amount of \$5,000,000 (16,130,000 Shares) has been raised. Accordingly, Eligible Shareholders are encouraged to act quickly if they wish to participate in the Plan.

#### **ALLOTMENT OF SHARES**

It is the Board's intention to issue Shares under the Plan on or around 14 December 2007.

Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of their issue.

Adelaide Resources will, promptly after allotment of Shares under the Plan, apply for the Shares to be quoted on the official list of ASX.

#### **COSTS OF PARTICIPATION**

**No brokerage, commissions, stamp duty or other transaction costs will be payable** by Eligible Members in respect of their application for, and allotment of, Shares under the Scheme.

#### **LODGEMENT INSTRUCTIONS**

If you wish to pay by cheque please return your completed personalised Application Form together with your cheque, payable to **Adelaide Resources Limited Share Purchase Plan**, for the number of shares you wish to acquire and ensure that it reaches Computershare Investor Services Pty Limited, using the enclosed reply paid envelope, on or before the **Closing Date of 5pm (Adelaide Time) on 7 December 2007.**

Alternatively, you may wish to hand deliver the completed Application Form and cheque to:

**Computershare Investor Services Pty Limited at Level 5, 115 Grenfell Street,  
Adelaide, or mail to GPO Box 1903, Adelaide SA 5001, by the closing date.**

If you choose to make the payment by Bpay, please follow the instructions on your personalised Application Form for the number of shares you wish to acquire and ensure that your payment reaches Computershare Investor Services Pty Limited before the **Closing Date of 5pm (Adelaide Time) on 7 December 2007**.

Once an application has been made it cannot be revoked. All valid applications will be deemed to have been accepted on the closing date subject to the limitation imposed by the predefined maximum raising.

#### **DECLARATION AND ACKNOWLEDGEMENTS**

By forwarding a cheque or Bpay and completing the Application Form, you:

- acknowledge that you have read, understood and agree to be bound by the terms and conditions of the Plan;
- confirm that the total cost of all Shares purchased by you (including through joint and beneficial holdings) does not exceed \$5,000; and
- agree to be bound by the Constitution of Adelaide Resources in respect of the Shares issued to you.

#### **RISK FACTORS**

While your Directors have confidence in the future of the Company, it should be noted that owning shares in a mineral exploration company, like Adelaide Resources Limited, is considered a speculative form of investment and that the future price of the Company's shares may rise and fall depending upon exploration success and fluctuations in the share and commodities markets generally.

Shareholders should also be aware that there is a risk that the market price of Adelaide Resources Limited shares may change between the date of this Offer and the date when new shares are allotted under this Plan. The value of the shares you receive may rise or fall accordingly.

Finally, shareholders should note that the Offer is not made under a Prospectus, or other disclosure document, and does not require disclosure under the Corporations Act 2001. Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the Australian Securities Exchange. If necessary, consult your professional advisor prior to deciding to accept this Offer and participate in the Plan.

#### **ADDITIONAL INFORMATION**

The Plan will be administered by the Adelaide Resources Board, which will have an absolute discretion to:

- determine appropriate procedures for administration of the Plan; and
- resolve conclusively any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan whether generally, or, in relation to any participating Eligible Member, or application for Shares, and any such resolution will be binding on all participants and other persons to whom the resolution relates.

The Plan and the terms and conditions of the Plan may be suspended, terminated or amended at any time by the Board.

The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms of the Plan or for any other reason. If an application is refused, application monies received will be refunded without interest.

**COSTS OF OFFER**

Expenses of the Offer, ASX Listing Fees, share registry expenses, commissions, printing and postage costs have been estimated to be \$ 30,000

**ANY QUERIES?**

If you have any queries concerning the Offer, please contact Computershare Investor Services Pty Limited, telephone 1300 556 161, or Adelaide Resources, at telephone (08) 8271 0600.

Yours sincerely

**Paul J Dowd**  
Chairman



## ADELAIDE RESOURCES LIMITED SHARE PURCHASE PLAN

### Terms and Conditions

#### 1. Definitions

In this Plan, unless the context otherwise indicates:

**Application Form** means an application for Plan Shares pursuant to the Plan;

**ASX** means ASX Limited (Australian Securities Exchange);

**Board** means the Board of Directors of Adelaide Resources Limited;

**Closing Date** means a date determined by the Board as the closing date of an Offer;

**Company or Adelaide Resources** means Adelaide Resources Limited ACN 061 503 375;

**Eligible Members** means members of the Company eligible to participate in an Offer as determined by the Board under clause 2 of the Plan;

**Offer** means a non-renounceable offer of Plan Shares to Eligible Members in accordance with the Plan;

**Participating Jurisdiction** means Australia, New Zealand and such other jurisdictions as the Board determines in its absolute discretion that it is practical to lawfully make an Offer in;

**Plan** means Adelaide Resources Limited Share Purchase Plan, as amended from time to time;

**Plan Shares** means Shares issued pursuant to this Plan;

**Purchase Price** means a price as determined by the Board in accordance with the Plan;

**Record Date** means a date determined by the Board in accordance with the Plan; and

**Shares** means fully paid ordinary shares issued in the capital of the Company.

#### 2. Eligibility to Participate

2.1 Members of the Company who will be eligible to apply for Plan Shares under an Offer are those members who are, subject to clause 2.2, recorded as the registered holder of Shares in the Company's register of members at 5.00pm Adelaide, Australia time on the Record Date and who have an address (as recorded in the Company's register of members) in a Participating Jurisdiction.

- 2.2 Where a member is expressly noted on the Company's register of members as a trustee or nominee holding Shares on account of another person (a "Beneficiary"), the Beneficiary is taken to be the registered holder in regard to those Shares and any application for Plan Shares, or certification for the purposes of clause 7.1 (c) and any issue of Plan Shares to the trustee or nominee is taken to be an application or certification by, or an issue to, the Beneficiary.
- 2.3 If two or more persons are recorded in the register of members as jointly holding Shares they are taken to be a single registered holder and a certification by any one of them for the purposes of clause 7.1 (c) is taken to be a certification by all of them.
- 2.4 An Offer will not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.
- 2.5 Participation under an Offer is entirely at the discretion of Eligible Members.
- 2.6 Offers made under the Plan are non-renounceable. This means that Eligible Members cannot transfer their right to purchase Plan Shares under this Offer to another person.

### **3. Limit on Participation**

- 3.1 Eligible Members may apply for up to a maximum of five thousand Australian dollars (A\$5,000) worth of Plan Shares and a minimum of one thousand Australian dollars (A\$1,000) worth of Plan Shares in any consecutive twelve (12) month period.
- 3.2 The A\$5,000 limit applies even if an Eligible Member receives more than one Offer (because the Eligible Member has more than one holding under separate share accounts) or receives the Offer as a joint holder of Shares. If an Offer is received by a member who is expressly noted on the Company's register of members as a trustee or nominee on account of a Beneficiary, then any Shares issued in relation to that Offer will not be included in calculating the maximum number of shares that may be applied for by that member, but will be included in calculating the maximum number of Plan Shares that can be applied for by the Beneficiary.
- 3.3 An Eligible Member must provide the Company with a certification that the A\$5,000 limit is not breached by it as set out in clause 7.1(c) and the Application Form.

### **4. Purchase Price**

- 4.1 The Purchase Price will be a price as determined by the Board in its absolute discretion, provided the Purchase Price:
  - (a) is less than the market price during a specified period in the 30 days before either the date of the Offer or the date of the issue; and
  - (b) is at least 80% of the weighted average market price (excluding special crossings, overnight sales and exchange traded option exercises) for Shares. The average is calculated over the last 5 days on which sales in the Shares were recorded, either before the day on which the Offer was announced or before the day on which the issue was made.
- 4.1.1 By accepting an Offer and applying for Plan Shares, each Eligible Member acknowledges that the market price of the Shares may rise or fall between the date of an Offer and the date on which the Plan Shares are issued. This means that the

Purchase Price paid for the Plan Shares may exceed the market price of the Shares at the date of issue of the Plan Shares under the Offer. Eligible Members should obtain financial advice in relation to an Offer and consider price movements of the Shares before accepting an offer.

## **5. Terms of Issue of Plan Shares.**

- 5.1 The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms of the Plan or for any other reason. If an application is refused, the application monies received will be refunded without interest.
- 5.2 The Board has the discretion to determine the maximum aggregate amount that may be raised under an Offer and, accordingly, the maximum number of Plan Shares that may be issued. The Company reserves the rights to scale-back, either on a 'first come, first served' basis, or pro-rata (in the Board's absolute discretion) allocations under an Offer if the total number of Plan Shares applied for exceeds the maximum number of Plan Shares that may be issued under an Offer.
- 5.3 The Company reserves the right to issue fewer Shares than an Eligible Member applied for under the Plan (or none at all) at its sole discretion. Excess application monies will be refunded without interest.
- 5.4 The allotment of Plan Shares for all valid applications from Eligible Members will be made within 10 business days after the Closing Date.
- 5.5 Plan Shares allotted under the Plan will rank equally in all respects with all other Shares on the date of issue.
- 5.6 The Company will apply to ASX for quotation of the Shares issued under the Plan within 10 business days after allotment.

## **6. General**

- 6.1 The Plan will be administered by the Board or a committee of the Board that will have absolute discretion to:
  - (a) determine appropriate procedures for administration of the Plan;
  - (b) resolve conclusively all questions of fact or interpretation, difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participating Eligible Member, or application for Plan Shares, and any such resolution will be binding on all participants and other persons to whom the resolution relates; and
  - (c) delegate to any one or more persons, for such a period and on such conditions as they may determine, the exercise of their powers or discretions under the Plan.
- 6.2 The Plan may be suspended, terminated or amended at any time by the Board.
- 6.3 The Plan is governed by and construed in accordance with the laws for the time being in force in the State of South Australia.

## **7. Declaration and Acknowledgement**

7.1 By forwarding a cheque and completing the Application Form Eligible Members:

- (a) acknowledge that they have read, understood and agreed to be bound by the terms and conditions of the Plan;
- (b) agree to accept any lesser number of Plan Shares than the number of Plan Shares applied for;
- (c) certify that the aggregate of the application price for:
  - (i) the Plan Shares the subject of the Application Form; and
  - (ii) any other Shares applied for by, or on behalf of, the Eligible Member under the Plan or any similar plan operated by the Company in the 12 months prior to the Offer,  
  
(including through joint and beneficial holdings) does not exceed A\$5,000; and
- (d) agree to be bound by the Company's Constitution in respect of Plan Shares issued under the Plan.