



Australian Securities Exchange Announcement

21 November 2007

Company Announcements Office
Australian Stock Exchange Limited
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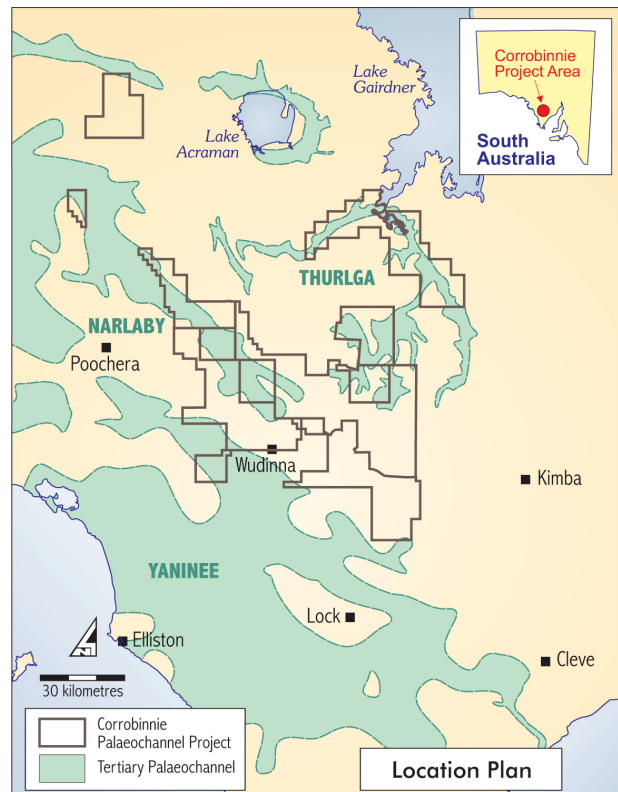
MAJOR EYRE PENINSULA URANIUM DRILLING PROGRAM COMMENCED

Adelaide Resources Limited's joint venturer, Quasar Resources Pty Ltd ("Quasar"), has advised that two drilling rigs and a downhole logging truck are on site to commence this week a minimum 70 hole drilling program targeting uranium in the Corrobinnie Palaeochannel Project area on Eyre Peninsula, South Australia.

The joint venture's exploration program is seeking to discover palaeochannel hosted uranium deposits of a style geologically similar to the Beverley deposit located in eastern South Australia which is mined using in-situ leach methods.

The Corrobinnie Palaeochannel Project comprises tenements totalling 5265 sq. km. and containing three ancient river systems called the Narlaby, Yaninee and Thurlga palaeochannels. These old river systems drained an area of uranium anomalous granite that provides a likely source for uranium mineralisation deposited downstream in the channel sediments.

The exploration program will involve the drilling of a number of traverses of rotary mud holes to test sections of the Narlaby and Yaninee palaeochannels. Encouraging indications of uranium mineralisation were discovered in both of these palaeochannels during exploration completed in the 1970s and early 1980s.



The joint venture agreement allows Quasar to earn a 60% interest in the Corrobinnie Palaeochannel Project by spending \$3 million over a 4 year period with an obligation to spend \$750,000 including the current minimum 70 hole drilling program prior to 31 December 2007.

Quasar, which is operating the exploration program, has an excellent recent exploration track record having discovered the impressive Four Mile uranium deposit, located near the Beverley mine, in joint venture with Alliance Resources Limited.

Quasar also has access to advanced technology used in palaeochannel uranium exploration including Prompt Fission Neutron (PFN) instruments that will be deployed along with a range of other down hole logging tools during the current drilling program. PFN tools allow determination of precise uranium content downhole when the mineralisation is in radiochemical disequilibrium, a situation likely to exist in the palaeochannels on Eyre Peninsula.

It is anticipated that results from the current drilling program will be available for reporting in the December quarter.

A handwritten signature in black ink, appearing to read 'Chris Drown', with a large loop at the top.

Chris Drown
Managing Director.