



Australian Securities Exchange Announcement

3 March 2008

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

NEW URANIUM DRILLING UNDERWAY ON SA's EYRE PENINSULA

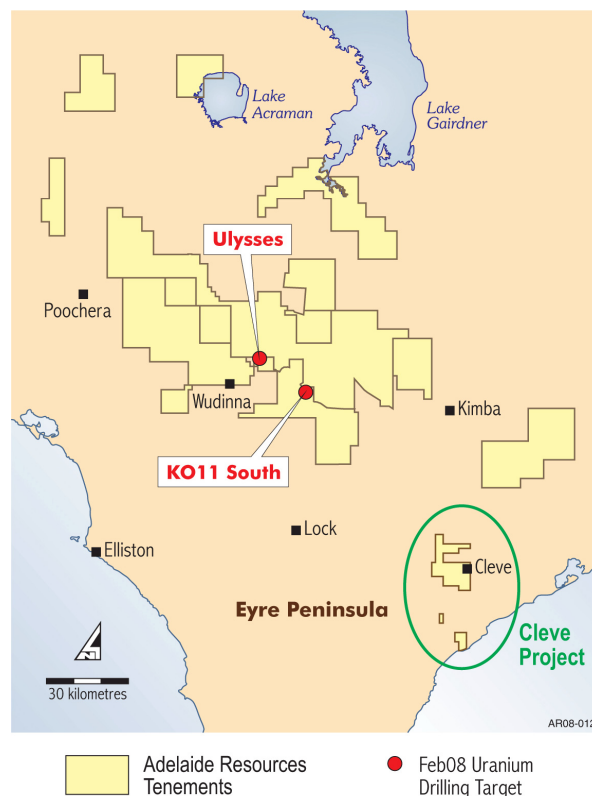
4000m campaign near Wudinna

Adelaide Resources Limited has commenced a program of bedrock RAB/aircore drilling as its 2008 exploration campaign gets underway to define the potential of two uranium targets between Wudinna and Kimba on South Australia's Eyre Peninsula.

The 4000 metres of drilling is targeting the Ulysses and KO11S uranium prospects (see location plan).

Laboratory assays of samples collected at the two sites during an initial drilling program completed in 2007, returned strongly anomalous uranium intersections in weathered bedrock. Maximum assay results from one-metre drill samples included 330 ppm U_3O_8 at Ulysses and 212 ppm U_3O_8 at KO11S.

Interpretation of the geology and geochemistry suggests that the uranium anomalism encountered to date at both prospects is secondary in nature, and likely sourced from nearby primary mineralisation in the fresh basement. In addition to



uranium other metals including copper, gold and silver are at elevated levels. At KO11S a traverse of drillholes will also target a large 7 milligal gravity anomaly located south of the uranium intersections achieved in 2007.

PACE funding granted for Cleve (SA) uranium drilling

Adelaide Resources has also has been successful in its application under the South Australian Government's Plan for Accelerating Exploration (PACE) program, to secure funding assistance this year to drill uranium targets on the Cleve Project on eastern Eyre Peninsula.

The Cleve Project area is conceptually prospective for unconformity style uranium deposits. This deposit class includes the Ranger deposit in the Northern Territory and the Cigar Lake and McArthur River deposits in the Athabasca Basin, Canada. Companies holding neighboring tenements to the Cleve Project include subsidiaries of Cameco Corporation and Uranium One Inc.

Adelaide Resources has identified drill targets at Cleve and which are obscured by unconsolidated cover sediments interpreted to be less than 50 metres thick.



Chris Drown
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Christopher Drown, who is a Member of the Australasian Institute of Mining and Metallurgy, and qualifies as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Drown, who is Managing Director of the company, has consented in writing to the report being issued in the form and context in which it appears.

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