

# Adelaide Resources Limited

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75 061 503 375 ABN

## ADELAIDE RESOURCES LIMITED

ABN 75 061 503 375

### NOTICE OF ANNUAL GENERAL MEETING

and

### EXPLANATORY STATEMENT

Annual General Meeting to be held at  
Stamford Plaza Adelaide  
150 North Terrace  
Adelaide, South Australia  
on  
Tuesday 17 November 2009  
11.00 am Adelaide Time

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Adelaide Resources Limited (the “Company”) will be held at Stamford Plaza Adelaide, 150 North Terrace, Adelaide SA 5000 on Tuesday, 17 November 2009 at 11.00AM

### Ordinary Business

#### 2009 Financial Report

To receive the financial report for the year ended 30 June 2009, together with the related directors’ report and independent audit report.

#### Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following ordinary resolution:

*“That the Remuneration Report for the financial year ended 30 June 2009 be adopted”*

The vote on this resolution is advisory only and does not bind the directors or the company.

#### Resolution 2 – Re-election of Mr Andrew Brown as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

*“That Andrew Brown, a director of the Company appointed as an addition to the Board on 30 April 2009, retiring in accordance with clause 9.1 of the Company’s Constitution and, being eligible, offering himself for re-election, be re-elected as a director of the Company.”*

#### Resolution 3 – Re-election of Mr John den Dryver as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

*“That John den Dryver, a director of the Company retiring by rotation in accordance with clause 6.1 of the Company’s Constitution and, being eligible, offering himself for re-election, be re-elected as a director of the Company.”*

#### Resolution 4 – Re-election of Mr Keith Yates as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

*“That Keith Yates, a director of the Company retiring by rotation in accordance with clause 6.1 the Company’s Constitution and, being eligible, offering himself for re-election, be re-elected as a director of the Company.”*

### Special Business

#### Resolution 5 – Ratification of an Issue of Shares

To consider and, if thought fit, to pass the following ordinary resolution:

*“That, for the purposes of Listing Rule 7.4 of the Australian Securities Exchange Listing Rules and for all other purposes, the issue of 12,000,000 fully paid ordinary shares in the capital of the Company on 1 October 2009, in accordance with the attached Explanatory Statement, be approved.”*

## **Resolution 6 – Approval of an increase in the limit on total Non-Executive Directors' Fees**

To consider and, if thought fit, to pass the following ordinary resolution:

*“That, pursuant to clause 43.1 of the Company’s Constitution, the total amount of non-executive directors’ remuneration be increased by \$175,000 to \$350,000 per annum.”*

## **Other Business**

To deal with any other business that may be brought forward in accordance with the Company’s Constitution and the Corporations Act 2001.

## **General Notes**

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolutions 5 and 6 on the basis set out below.

#### *Resolution 5*

The Company will disregard any votes cast on this resolution by the specified allottees (entities and persons) or any associate of those allottees.

#### *Resolution 6*

The Company will disregard any votes cast on this resolution by any director of the Company listed below or any associate of those persons:

Paul John Dowd  
Christopher George Drown  
John Patrick Horan  
John Joseph den Dryver  
Keith Robert Yates  
Andrew John Brown

However, the Company will not disregard any vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

### **Explanatory Statement**

The Explanatory Statement attached to this Notice of Annual General Meeting is hereby incorporated into and forms part of this Notice of Annual General Meeting.

### **Voting Entitlements**

Pursuant to Corporation regulations 7.11.37 made pursuant to Section 1074E(2)(g) of the Corporations Act 2001, the directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting will be as it appears in the share register at 6.30 pm CST on 13 November 2009.

## Proxies

A shareholder has the right to appoint a proxy, who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

To be valid, the appointment of a proxy must be received **at least 48 hours prior** to the meeting using one of the following methods:

- online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and following the instructions and information provided on the enclosed proxy form; or
- completing and lodging the proxy form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001;
- or by faxing the completed proxy form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

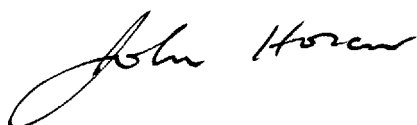
***Your Proxy Form together with a reply paid envelope is enclosed.***

## Custodian Voting

For intermediate online subscribers only (custodians), please submit your voting intentions to [www.intermediaryonline.com](http://www.intermediaryonline.com).

Please note that the online version of the Company's Annual Report 2009 can be viewed at [www.adelaideresources.com.au/ann\\_reports/AdelaideResources2009AR.pdf](http://www.adelaideresources.com.au/ann_reports/AdelaideResources2009AR.pdf)

## By order of the Board



John P Horan  
Director / Company Secretary

Dated this 15<sup>th</sup> of October 2009.

## EXPLANATORY STATEMENT

This Explanatory Statement sets out information in connection with the business to be considered at the 2009 Annual General Meeting of the Company.

### Ordinary Business

The following items of ordinary business will be considered at the meeting.

#### Item 1 - Financial and other Reports

The Corporations Act 2001 requires the annual report (which includes the financial statements and directors declaration), the directors' report and the auditor's report in respect of the financial year of the Company ended 30 June 2009 to be laid before the 2009 Annual General Meeting. Shareholders will be given an opportunity at the Meeting to ask questions and make comments on these reports and on the business, operations and management of the Company.

#### Item 2 - Resolution 1 - Adoption of Remuneration Report

Section 250R of the Corporations Act 2001 requires that a resolution be put to the members to adopt the remuneration report as disclosed in the directors' report. The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the remuneration report during the meeting.

#### Item 3 – Resolution 2 – Re-election of director Mr Andrew Brown

Mr Brown was appointed a director of the Company on 30 April 2009.

In accordance with the Company's Constitution, a director appointed to fill a casual vacancy, or as an addition to the existing directors, holds office only until the termination of the next annual general meeting of the Company. Mr Brown, being eligible, offers himself for re-election as a director of the Company.

Andrew Brown has an honours degree majoring in economics and econometrics from the University of Manchester, England. He has 29 years' experience in the Australian equity market as a stockbroker, corporate investor, company director and funds manager including working in London and New York. Mr Brown's particular expertise is in the analysis of financial services companies.

In 1987, Mr Brown joined Natcorp Holdings Limited as Investment Manager, responsible for provision of detailed analysis pertaining to potential listed company acquisitions and investments.

From late 1988 until April 1994, Mr Brown returned to stockbroking with Baring Securities (Australia) Limited, later joining County NatWest Securities Australia Limited and ANZ McCaughan Securities. During this period, he was a highly rated banking and insurance analyst, as well as, latterly focusing on smaller company research.

In 1994 he joined AMP Investments Australia's Separately Managed Portfolio (SMP) team, helping to manage over \$2 billion of Australian equity investments.

In September 1997, he joined Rothschild Australia Asset Management Limited as Head of Equities and was responsible for a \$5 billion domestic portfolio. He helped engineer significant equity process and cultural change, resulting in a major improvement in investment performance until the middle of 2002.

Mr Brown is currently the largest shareholder and Managing Director of Tidewater Investments Limited, an ASX listed investment company specialising in “microcaps” and financial services, and which also manages funds for outside parties.

He is Executive Director of the Cheviot Kirribilly Vineyard Property Group, Chairman of Equities and Freeholds Limited and is a non executive director of Cheviot Bridge Limited and Fat Prophets Australia Fund Limited.

#### **Item 4 – Resolution 3 – Re-election of director Mr John den Dryver**

The Company’s constitution requires that at each annual general meeting one-third of the directors must retire from office. A director appointed during the year either to fill a casual vacancy or as an addition to the directors is not taken into account in determining the directors who must retire by rotation. Therefore, John den Dryver, being a director who has been longest in office, retires by rotation and is eligible for re-election at the Annual General Meeting. In accordance with the Company’s constitution, John den Dryver has submitted himself for re-election at the Annual General Meeting as a director.

Mr den Dryver is Chairman of the Audit Committee and was appointed a director of the Company on 31 March 2005.

John den Dryver is a mining engineer with some 30 years experience in operational and corporate management as well as extensive experience in mining project studies and implementation.

In 1982, Mr den Dryver joined the junior explorer North Flinders Mines Limited as the company’s mining engineer to become part of the small team that discovered the Granites gold mine in the Tanami Desert in the Northern Territory. He was Executive Director of North Flinders from 1988 to 1997.

In 1997, after Normandy Mining Limited gained control of North Flinders, Mr den Dryver joined Normandy as Executive General Manager – Technical, leading a team of specialist geologists, mining engineers and metallurgists.

In 2003 he set up his own mining consultancy business and is currently a non executive director of Helix Resources Limited.

#### **Item 5 – Resolution 4 – Re-election of director Mr Keith Yates**

The Company’s constitution requires that at each annual general meeting one-third of the directors must retire from office. A director appointed during the year either to fill a casual vacancy or as an addition to the directors is not taken into account in determining the directors who must retire by rotation. Therefore, Keith Yates, being a director who has been longest in office, retires by rotation and is eligible for re-election at the Annual General Meeting. In accordance with the Company’s constitution, Keith Yates has submitted himself for re-election at the Annual General Meeting as a director.

Keith Yates is a geologist with over 40 years experience in mineral exploration and mine development for a range of metals throughout Australia and in the Pacific and South-East Asia. He has lived in South Australia for over 30 years during which time he has accumulated a substantial knowledge of the geology and mineral potential of the Gawler Craton.

As a founding director of Adelaide Resources Limited, Mr Yates was the Executive Chairman from its public listing in 1996 until his retirement in 2007.

During his career he has held board and exploration management positions with a number of Australian mining companies and as senior geologist with an international mining group. In the 1980s he held senior positions with the Poseidon Limited group of companies including Executive Director of Australian Development Limited and director of Kalgoorlie Lake View Pty Ltd. In this period he was closely associated with the discovery of the rich White Devil gold mine at Tennant Creek, Northern Territory.

Mr Yates is chairman of the South Australian Resources Industry Development Board, a member of the South Australian Mining & Petroleum Experts Group, a member of the South Australian National Parks and Wildlife Council, and a past chairman of the Adelaide Branch of the Australasian Institute of Mining and Metallurgy.

#### **Item 6 – Resolution 5 – Ratification of an Issue of Shares**

On 28 September 2009 the Company undertook a placement of 12,000,000 fully paid ordinary shares at a price of 19 cents per share to raise a (gross) amount of \$2,280,000.

Members' approval of the placement is now sought. In accordance with Australian Securities Exchange Listing Rule 7.4, the following information is provided for members consideration:

- The number of securities (shares) the Company issued was 12,000,000.
- The shares were issued on 1 October 2009.
- The shares were issued at a price of 19 cents per share.
- The placement shares were issued to the clients of Bell Potter Securities Limited, being allottees under offers made through a financial services licensee and therefore exempt from disclosure requirements under Section 708 of the Corporations Act 2001.
- The shares issued under the placement rank *pari passu* with the Company's currently listed Australian Securities Exchange quoted fully paid ordinary shares coded ADN.

The funds raised from the placement are being directed to increasing the Company's exploration program at the Rover Gold-Copper Project, located near Tennant Creek in the Northern Territory.

If shareholders of the Company approve the placement pursuant to this Resolution 5, the placed shares will not count towards the 15% limit in respect of issues of equity securities which the directors of the Company may undertake without shareholder approval in a 12 month period under Australian Securities Exchange Listing Rule 7.1.

#### **Item 7 – Approval for an increase in the limit on total Non-Executive Directors' Fees**

Since the last revision of the non-executive director fee pool at the 2005 AGM, the Company has appointed a further three non-executive directors to the Board – the Chairman Paul Dowd, the former Executive Chairman Keith Yates, and Andrew Brown. This has prompted the proposal for an increase in the fee pool to \$350,000. Prior to the 2005 AGM, there were only two non-executive directors and now there are five, with the Chair no longer being an executive position and was previously reported in executive salaries.

These appointments have resulted in a broader range of skills and experience commensurate with the Company's growth objectives, and an improved governance structure.

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# Adelaide Resources Limited

ABN 75 061 503 375

## Lodge your vote:



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

(within Australia) 1300 556 161  
(outside Australia) +61 3 9415 4000

## Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

[www.investorvote.com.au](http://www.investorvote.com.au)



Cast your proxy vote



Access the annual report



Review and update your securityholding

*Your secure access information is:*

**Control Number:**

**SRN/HIN:**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 11.00am (Adelaide time) on Sunday, 15th November 2009**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.computershare.com](http://www.computershare.com).

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Adelaide Resources Limited hereby appoint

the Chairman of the Meeting **OR**



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Adelaide Resources Limited to be held at Stamford Plaza Adelaide, 150 North Terrace, Adelaide SA on Tuesday, 17 November 2009 at 11.00am and at any adjournment of that meeting.

**Important for Item 6:** If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 6 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 6 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of item 6 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

## STEP 2 Items of Business



**PLEASE NOTE:** If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

### ORDINARY BUSINESS

- 1 Adoption of Remuneration Report
- 2 Re-election of Mr Andrew Brown as a Director
- 3 Re-election of Mr John den Dryver as a Director
- 4 Re-election of Mr Keith Yates as a Director

For      Against      Abstain

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

### SPECIAL BUSINESS

- 5 Ratification of an Issue of Shares
- 6 Approval of an increase in the limit on total Non-Executive Directors' Fees

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_