



Australian Securities Exchange Announcement

29 November 2010

Company Announcements Office
Australian Securities Exchange Limited
PO Box H224
Australia Square NSW 1215

Share Placement and Shareholder Share Purchase Plan

The Directors of Adelaide Resources Limited (ASX: ADN) are pleased to announce that the Company has placed 16,500,000 ordinary shares with sophisticated investor clients of Bell Potter Securities Limited at an issue price of 18.5 cents per share.

The Placement will raise gross proceeds of \$3.05 million. The number of shares to be issued under the Placement represents less than 15% of the Company's currently issued capital and consequently shareholder approval under ASX Listing Rule 7.1 will not be sought. An Appendix 3B New Issue Announcement will be forwarded shortly and application will be made for quotation of the new shares.

The Company is also pleased to advise that its shareholders will be invited to participate in a Share Purchase Plan (SPP) at the same price as the Placement to raise up to \$4 million through the issue of up to a maximum of 21,621,622 shares. The SPP will provide existing shareholders registered on 26 November 2010 with the opportunity to subscribe for new fully paid ordinary shares in parcels of \$2,000, \$5,000, \$10,000 or a maximum of \$15,000 at a subscription price of 18.5 cents per share with no brokerage fees. The issue price per share under the SPP represents a 18.8% discount to the volume weighted average market price of fully paid ordinary ADN shares sold on the ASX during the five trading days immediately preceding the date of this announcement.

Participation in the SPP is optional and is open to eligible shareholders who on the Record Date of 26 November 2010 are registered as holders of fully paid ordinary ADN shares and whose address on the share register is in Australia or New Zealand. The Company may scale back applications under the SPP if the total value of the new shares applied for exceeds \$4 million. The SPP will not be underwritten.

If the SPP is fully subscribed, the Company estimates it will have cash holdings exceeding \$11 million by 31 December 2010. The majority of the funds raised from the SPP and the Share Placement will be directed to the Rover Gold-Copper Project, located near Tennant Creek in the Northern Territory, allowing the continuation of an aggressive drilling program throughout calendar year 2011 and into 2012.

Recent drilling at the Rover Project has focused on that part of the Rover 1 deposit which falls in the Company's tenement, and at the nearby wholly owned Rover 4 prospect. At both prospects this work confirms the presence of large volumes of prospective rock that in places hosts potentially economic zones of copper and gold mineralisation, with this mineralisation demonstrating the continuity required to establish resource estimates. While Rover 1 and Rover 4 represent the most advanced prospects within the Rover Project, numerous other confirmed Tennant Creek style prospects and untested targets are present and offer excellent additional exploration opportunities.

Funds will also be allocated to the Moonta Copper-Gold Project on the Yorke Peninsula in South Australia where exploration is scheduled to recommence in January 2011, and to meet the costs of the planned 2011 Peninsula Resources Limited spin-off.

Yours sincerely

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

Chris Drown
Managing Director