



## Australian Securities Exchange Announcement

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Company Announcements Office  
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### **New Results from Moonta Copper Gold Project.**

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Assay results for 50 aircore holes drilled in 2011 at the Willamulka Prospect, and for a large number of calcrete geochemical samples collected from the broader Moonta Copper Gold Project area, have been received and assessed. Key observations are:

- At the Willamulka Prospect, copper-gold mineralisation (defined as being >0.2% copper and/or 0.1g/t gold) is present on 16 adjacent drill sections that define a mineralised strike length of 1200 metres. This mineralised zone remains open to the northeast and southwest.
- The Willamulka mineralised zone includes a shoot of higher grade, thicker mineralisation (hereafter called "Shoot A") centred in the area of previously released results but now shown to extend significantly further to the northeast and southwest.
- The strike or plunge length of Shoot A is at least 550 metres. It persists to the base of thin cover sediments on some drill sections and remains open at depth on most drill sections that currently define it.
- The new data confirms that Shoot A plunges at a shallow angle to the southwest, presenting the possibility that it will persist still further in this direction beneath the depth limit of current drilling.
- Deeper targets, including the areas where Shoot A remains open at depth and the down-plunge target area to the southwest, are well defined and the potential to increase the size of the Willamulka Prospect is excellent. Testing of these targets will utilise reverse circulation or diamond drilling methods.
- The new calcrete geochemistry assays have delineated a number of robust copper/gold anomalies that warrant exploratory drilling. One anomaly includes samples that have comparable gold values and higher copper concentrations to the samples which define the Willamulka geochemical anomaly, and represents a high priority target.

## Background

The Moonta Copper Gold Project is located on the Yorke Peninsula of South Australia at the southern end of the world class Olympic Copper Gold Province, and secures the historic “Copper Triangle” mining district near Moonta and Kadina (Figure 1).

Adelaide Resources Limited completed a significant exploration program, comprising drilling at the Willamulka Prospect and surface geochemical sampling across the broader Moonta Project tenement, during the early months of 2011. The results from the first portion of the 2011 exploration program have previously been announced. The results for the balance of the exploration program, including assays for drill samples from the Willamulka Prospect and for the surface geochemical survey, have now been received and assessed.

## New Willamulka Drill Results

Assay results for 50 further Willamulka Prospect aircore holes (Figure 2), are for 1-metre and 3-metre composite samples, and include further significant copper and gold intersections detailed in Table 1. Previously announced intersections in holes WAC74 and WAC75 included some 3-metre composite samples. These were re-sampled at 1-metre intervals with updated intersections also shown in Table 1.

Drilling at Willamulka now totals 123 holes for 9035 metres. Holes have been drilled on 17 traverses spaced not more than 100 metres apart. Copper-gold mineralisation (defined as samples assaying greater than 0.2% Cu or 0.1g/t Au) is continuous over 16 adjacent drill traverses indicating a total mineralised strike length of 1200 metres. This mineralised zone remains open along strike in both directions.

Shallow copper-gold mineralisation of significant thickness and moderate grade is present in the southwestern part of the mineralised zone, occurring as a shoot hereafter referred to as “Shoot A” (Figure 2). Shoot A is centred in the area where positive drill intersections have previously been reported, but the new results confirm a significant increase in length from 250 metres to 550 metres. On several drill traverses Shoot A persists to the base of thin cover sediments, a depth below surface of about 7 metres, and it remains open at depth for about 450 metres of its 550 metre defined extent.

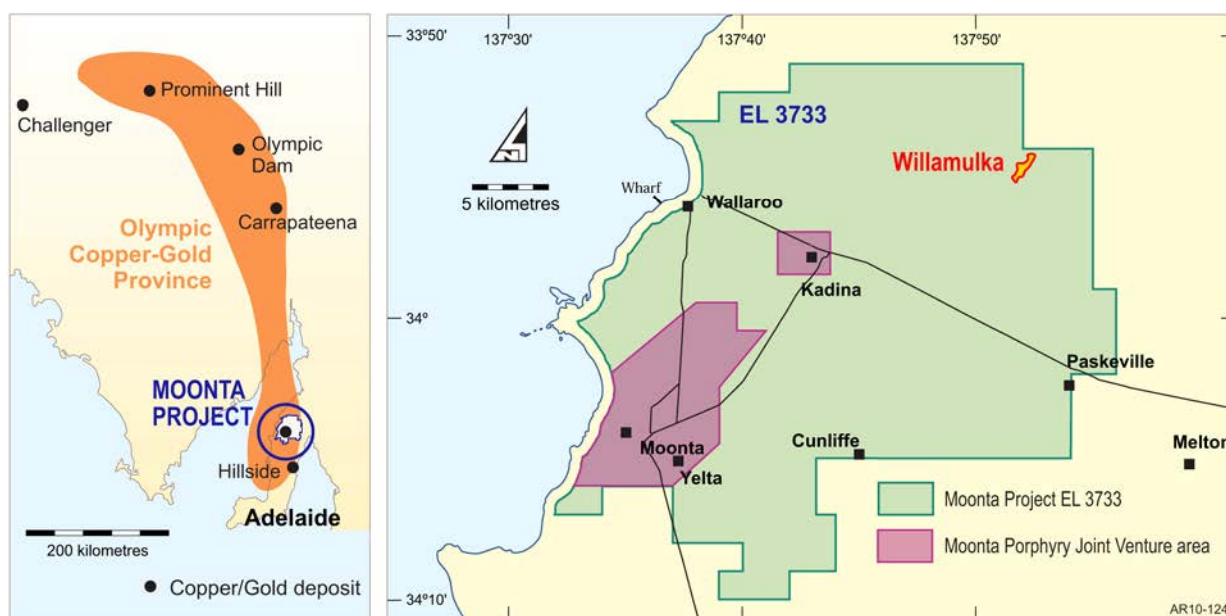


Figure 1: Moonta Copper-Gold Project location.

The depth to the top of Shoot A increases to the southwest and the Adelaide Resources postulated that deeper drill testing may prove that significant mineralisation continues at depth in this area. Directors are pleased to announce that the new results support this model (Figure 3), confirming that Shoot A plunges at a shallow angle, estimated to be between 5 and 10 degrees, to the southwest. The observed plunge of Shoot A presents the possibility that it will continue still further in this direction, but below the depth tested by existing drilling.

Shoot A exhibits good continuity on section and between section. This continuity will allow modeling for resource estimation purposes.

Northeast of Shoot A drilling has intersected lower grade mineralisation associated with an interpreted narrow, steeply northwest dipping structure. The possibility remains that a second mineralised shoot may be present in this area.

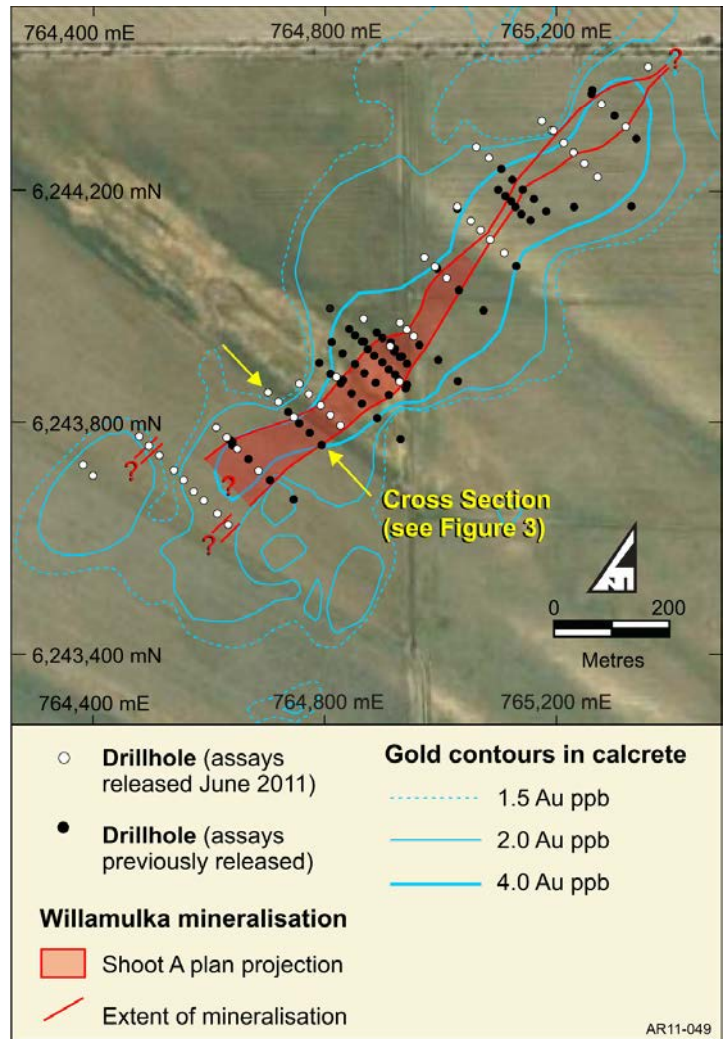


Figure 2: Willamulka Summary Plan.

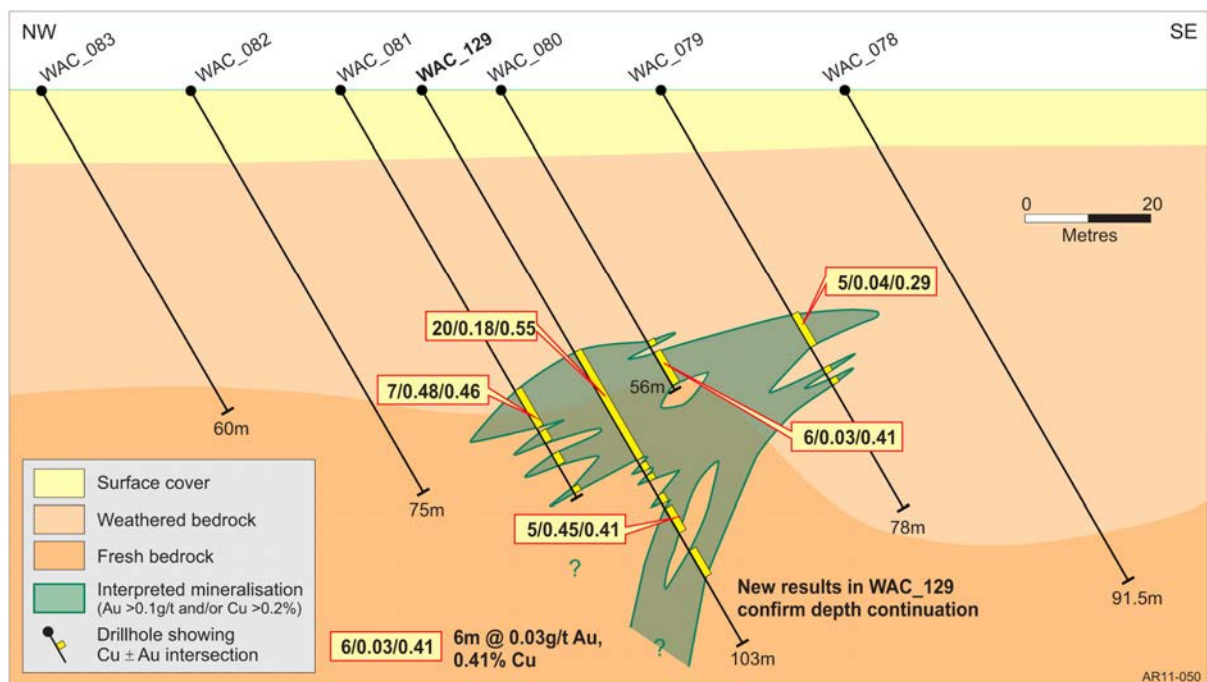


Figure 3: Willamulka Cross Section.

**Table 1: Selected Willamaluka Prospect Intersections (from June 2011 assays).**

Hole ID	Northing (GDA94)	Easting (GDA94)	Dip	Azimuth	Total Depth	From (m)	To (m)	Interval (m)	Cu %	Au g/t
WAC86	764630	6243772	-60	135	65.5	39	51	12	0.39	0.04
WAC94	764479	6243775	-60	135	75	63	66	3	~	0.79
WAC97	764953	6243946	-60	135	106	30	48	18	0.34	0.06
WAC98	764941	6243958	-60	135	76	36	60	24	0.31	0.19
WAC99	764929	6243970	-60	135	78	48	57	9	0.51	0.03
WAC100	765008	6244049	-60	135	75	24	39	15	0.41	0.08
WAC101	764990	6244066	-60	135	73	36	54	18	0.45	0.19
					<i>and</i>	66	70	4	0.63	0.38
WAC119	765357	6244413	-60	135	99	42	45	3	0.01	1.23
WAC124	764809	6243813	-60	135	96	48	54	6	0.19	0.83
WAC129	764746	6243808	-60	135	103	49	62	13	0.70	0.22
WAC130	764817	6243875	-60	135	118	49	57	8	0.18	1.31
					<i>incl.</i>	55	57	2	0.23	4.61
						70	77	7	0.89	0.07
						88	99	11	0.42	0.23
WAC132	764911	6243931	-60	135	96	35	73	38	0.76	0.37
					<i>incl.</i>	38	45	7	1.01	0.18
					<i>and</i>	47	52	5	0.88	0.60
					<i>and</i>	60	69	9	1.50	0.78
<b>Previously released intersections recalculated using 1-metre samples</b>										
WAC74	764843	6243849	-60	135	75	19	36	17	1.07	2.62
					<i>incl.</i>	21	23	2	0.31	20.85
					<i>and</i>	24	30	6	2.30	0.39
						46	48	2	0.07	1.58
WAC75	764826	6243867	-60	135	75	56	75	19	0.95	0.36
					<i>incl.</i>	66	71	5	2.52	0.54

Individual samples include both 1 metre and 3 metre composite samples. Au determined by nominal 30gm fire assay with ICP-AES finish – check samples determined by fire assay with AA finish. Cu determined by mixed acid digest followed by ICP-AES with over range samples determined using AA finish. Intersections are downhole lengths.

## New Calcrete Geochemical Results

A large number of analytical results for calcrete geochemical samples collected from the broader Moonta Project area are now also available and a preliminary assessment undertaken. The 2011 geochemical samples were designed to provide geochemical coverage of previously un-sampled areas of the project tenement, and to better define pre-existing copper and gold geochemical anomalies.

The new geochemical results include many samples which contain copper and gold at levels above the thresholds used to define anomalies on the Moonta Project, and together with pre-existing geochemical data define five targets considered to warrant drill testing. A number of other anomalies have been defined where additional infill geochemical sampling will be required before determining if drilling is justified.

One of the newly detailed geochemical anomalies, named Copper Hill East, includes samples in which both gold and copper concentrations match or exceed the metal concentrations in geochemical samples that define the Willamaluka Anomaly. As was the case at Willamaluka, limited shallow historical drilling has been completed in the Copper Hill East area. These drillholes, while not directly testing the peak geochemical response, contain copper assays above 0.2% Cu and gold above 0.1g/t Au confirming the presence of sub-surface mineralisation.

### **Forward Moonta Project exploration program**

At Willamulka, Shoot A remains open at depth over the southwestern 300 metres and the northeastern 150 metres of its 550 metre extent, and well defined targets warranting further drilling exist in these areas. Testing of these targets will require either reverse circulation or diamond drilling methods which can penetrate deeper than aircore drilling.

Additionally, the shallow plunge of Shoot A presents a further robust target area to the southwest and below the depth limit of current drilling. This target will also require drilling using reverse circulation or diamond drilling methods.

The possibility that a separate shoot of better grade and width mineralisation is present in the northeastern part of the Willamulka mineralised zone remains and presents a third, lower priority, target area at the Willamulka Prospect.

In addition to further drill testing at Willamulka, deposit tonnage and grade modelling, investigations to establish copper phase mineralogy, and metallurgical bench testing to establish potential recoveries of copper and gold are planned. Positive results from these studies would lead to the estimation of a mineral resource for the Willamulka deposit.

Shallow aircore or RAB drilling is warranted to complete an initial test of the Copper Hill East anomaly, and at least four other geochemical anomalies, while infill calcrete sampling is required to define further drill worthy geochemical anomalies.

Adelaide Resources plans to commence this next phase of exploration in the second half of 2011, subject to landowner access agreement and availability of drill contractors.

Yours faithfully



**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 Chris Drown, who is a Member of The Australasian Institute of Mining and Metallurgy and who consults to the company on a full time basis. Mr Drown has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Drown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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