

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98

Name of entity

ADELAIDE RESOURCES LIMITED

ACN or ARBN

ACN 061 503 375

Quarter ended ("current quarter")

30 JUNE 2011

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to Date (12 months) \$A'000 |
|---|----------------------------|-------------------------------------|
| 1.1 Receipts from product sales and related debtors | 0 | 0 |
| 1.2 Payments for | | |
| (a) exploration and evaluation | (578) | (4,164) |
| (b) development | 0 | 0 |
| (c) production | 0 | 0 |
| (d) administration | (468) | (1,277) |
| 1.3 Dividends received | 0 | 0 |
| 1.4 Interest and other items of a similar nature received | 83 | 441 |
| 1.5 Interest and other costs of finance paid | 0 | 0 |
| 1.6 Income taxes paid | 0 | 0 |
| 1.7 Other (Including project management fees) | 0 | 0 |
| Net Operating Cash Flows | (963) | (5,000) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) prospects | 0 | 0 |
| (b) equity investments | 0 | 0 |
| (c) other fixed assets | (68) | (132) |
| 1.9 Proceeds from sale of: | | |
| (a) prospects | 0 | 0 |
| (b) equity investments | 0 | 0 |
| (c) other fixed assets | 0 | 0 |
| 1.10 Loans to other entities | 0 | 0 |
| 1.11 Loans repaid by other entities | 0 | 0 |
| 1.12 Other (provide details if material) | 0 | 0 |
| Net investing cash flows | (68) | (132) |
| 1.13 Total operating and investing cash flows (carried forward) | (1,031) | (5,132) |

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| | | | |
|------|--|---------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (1,031) | (5,132) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 0 | 6,180 |
| 1.15 | Proceeds from sale of forfeited shares | 0 | 0 |
| 1.16 | Proceeds from borrowings | 0 | 0 |
| 1.17 | Repayment of borrowings | 0 | 0 |
| 1.18 | Dividends paid | 0 | 0 |
| 1.19 | Other - prospectus issue costs (placement) | 0 | (228) |
| | Net financing cash flows | 0 | 5,952 |
| | Net increase (decrease) in cash held | (1,031) | 820 |
| 1.20 | Cash at beginning of quarter/year to date | 9,412 | 7,561 |
| 1.21 | Exchange rate adjustments to item 1.20 | | |
| 1.22 | Cash at end of quarter | 8,381 | 8,381 |

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

| | Current quarter \$A'000 | |
|------|--|-----|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 119 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | 0 |

1.25 Explanation necessary for an understanding of the transactions

Amount of \$118,718 at 1.23 comprises salaries, director fees and consulting fees paid to directors or related corporations of directors of the Company during the quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Expenditure during the quarter by joint venture parties on tenements in which the Company has an interest, including expenditure by co-venturers on projects not managed by Adelaide Resources Limited, amounted to \$19,499

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

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| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | Nil | Nil |
| 3.2 Credit standby arrangements | Nil | Nil |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | 1,500 |
| 4.2 Development | 0 |
| 4.3 Production | 0 |
| 4.2 Administration | 220 |
| Total | 1,720 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 4,761 | 5,793 |
| 5.2 Deposits at call | 3,620 | 3,619 |
| 5.3 Bank overdraft | 0 | 0 |
| 5.4 Other (provide details) | 0 | 0 |
| Total: cash at end of quarter (item 1.22) | 8,381 | 9,412 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|-----------------------|----------------------------------|--|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | | Nil | | |
| 6.2 Interests in mining tenements acquired or increased | | Nil | | |

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|---|--------------------------------------|---|---|
| 7.1 Preference ⁺ securities <i>(description)</i> | Nil | | | |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | Nil | | | |
| 7.3 ⁺ Ordinary securities | 144,665,368 ordinary shares 2,000,000 performance rights | 144,665,368 ordinary shares - | | Fully Paid - |
| 7.4 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | 75,000 ordinary shares Nil | 75,000 ordinary shares | | Fully Paid |
| 7.5 ⁺ Convertible debt securities <i>(description)</i> | Nil | | | |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 Options <i>(description and conversion factor)</i> | 50,000 500,000 | Nil Nil | <i>Exercise price</i> 35 30 | <i>Expiry date</i> 19 December 2012 30 March 2013 |
| 7.8 Issued during quarter | Nil | | | |
| 7.9 Exercised during quarter | 75,000 | Nil | 4 | 16 December 2013 |
| 7.10 Expired during quarter Cancelled during quarter | Nil Nil | | | |
| 7.11 Debentures <i>(totals only)</i> | Nil | | | |
| 7.12 Unsecured notes <i>(totals only)</i> | Nil | | | |

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Print name: Nick Harding

Date: 28 July 2011

Company Secretary

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

SCHEDULE OF TENEMENTS AS AT 30 JUNE 2011

| <i>Project</i> | <i>Tenement</i> | <i>Tenement Name</i> | <i>Area km²</i> | <i>Registered Holder or Applicant</i> | <i>Nature of Company's Interest %</i> |
|--|-----------------|----------------------|----------------------------|---|---|
| South Australia | | | | | |
| <i>Corrobinnie Uranium Joint Venture</i> | EL 4145 | Pildappa | 139 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 4163 | Waverley | 169 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 4191 (Part) | Yantanabie | 64 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 4214 | Pinkawillinie | 186 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 4263 | Thurliga | 332 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 4690 | Yaninee | 769 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 3546 | Mount Ive | 394 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 3833 (Part) | Corrobinnie | 342 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources Pty Ltd increasing to 67%) |
| | EL 4459 | Wudinna Hill | 42 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources increasing to 67%) - cover only |
| | EL 3743 | Minnipa | 184 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources increasing to 67%) - cover only |
| | EL 3705 | Waddikee Rocks | 700 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources increasing to 67%) - cover only |
| | EL 3833 (Part) | Corrobinnie | 1281 | Peninsula Resources Ltd | Diluting to 33% (Quasar Resources increasing to 67%) - cover only |
| <i>Eyre Peninsula Basement Project</i> | EL 4191 (Part) | Yantanabie | 69 | Peninsula Resources Ltd | 100% |
| | EL 3834 | Verran | 174 | Peninsula Resources Ltd and Olliver Geological Services | 90% - option to acquire 100% from Olliver Geological Services Pty Ltd |
| | EL 4186 | Acraman | 163 | Peninsula Resources Ltd | 100% |
| | EL 3564 | Kimba | 219 | Peninsula Resources Ltd and Olliver Geological Services | 90% - option to acquire 100% from Olliver Geological Services Pty Ltd |
| | EL 3833 (Part) | Corrobinnie | 425 | Peninsula Resources Ltd | 100% |
| <i>Yalanda Hill Joint Venture</i> | EL 4665 | Yalanda Hill | 425 | Peninsula Resources Ltd | 40% - Southern Uranium Limited 60% |
| | EL 4351 | Yalanda East | 144 | Investigator Resources Limited | 40% - Southern Uranium Limited 60% |
| | EL 4376 | Carpie Puntha Hill | 189 | Investigator Resources Limited | 40% - Southern Uranium Limited 60% |
| <i>Moonta Copper Gold Project</i> | EL 3733 | Moonta-Wallaroo | 713 | Peninsula Resources Ltd | 100% |
| | EL 3733 | Moonta Porphyry | 106 | Peninsula Resources Ltd | 90% - option to acquire 100% from Breakaway Resources Limited |
| <i>Anabama Copper Project</i> | EL 3816 | Olary | 176 | Peninsula Resources Ltd | 100% |
| Northern Territory | | | | | |
| <i>Rover Project</i> | EL 27292 | Rover North | 39 | Adelaide Exploration Pty Ltd | 100% (Franco-Nevada retain 70% buyback right) |
| | SEL 27372 | Rover SEL | 248 | Adelaide Exploration Pty Ltd | 100% (Franco-Nevada retain 70% buyback right) |
| Queensland | | | | | |
| <i>Drummond Gold Project</i> | EPMA 18090 | Glenroy | 196 | Adelaide Exploration Pty Ltd | 100% |

¹ Peninsula Resources Limited (incorporated 18 May 2007) is a wholly-owned subsidiary of Adelaide Resources Limited

² Adelaide Exploration Pty Ltd (incorporated 13 July 2001) is a wholly-owned subsidiary of Adelaide Resources Limited