



Australian Securities Exchange Announcement

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

ADELAIDE RESOURCES TO BUY BACK 10% OF ITS SHARES

Adelaide Resources Limited (**Adelaide** or the **Company**) has, for some time, been assessing various strategies to ensure flexibility of capital management and maximisation of the value of its assets in the hands of shareholders.

As a result of these deliberations, the Directors have today authorised the Company to repurchase up to 10% of its ordinary shares through an on-market share buyback program. The program will commence on 27 October 2011 for a period of twelve months.

The Directors have carefully considered the commitment to retiring equity in light of the ongoing cash requirements for exploration activities and concluded that there will be no impact on the active drill programs at the Rover Copper-Gold project near Tennant Creek, NT and those envisaged in early 2012 on the Yorke Peninsula.

Whilst the retirement of equity is an unusual step for a resource exploration company, the Directors believe the Company is capable of being assessed similar to any other security, and has a range of fundamental values. At the current time, the Adelaide Board believes that as a result of recent risk aversion in financial markets that the Company's shares do not reflect the value of its projects, having regard to the Adelaide's cash balance of over \$6 million.

The amount of share purchases made by Adelaide will depend on management and the Board's assessment of value relative to share price at the time shares are available for re-purchase. Adelaide is not obligated to repurchase any shares, and will only do so during periods which are consistent with the Company's Security Trading Policy announced to ASX on 30 March 2011.

As announced in the June quarter activities report to end June 2011 released to ASX on 28 July 2011, Adelaide is continuing to examine and pursue other mechanisms to enhance the value of its current projects.

For further information:

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