



## Australian Securities Exchange Announcement

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

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### Drilling program commenced on Corrobinnie Uranium Joint Venture – SA

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Adelaide Resources is pleased to announce the commencement of drilling operations on the Corrobinnie Uranium Joint Venture (“CUJV”).

The Corrobinnie Uranium Joint Venture, between the Company and Quasar Resources Pty Ltd, is searching for uranium deposits on the Eyre Peninsula of South Australia (*Figure 1*). The current drilling program will utilise aircore drilling methods to test a number of priority target areas in the Thurlga and Narlabay Palaeochannels, including follow-up drilling at targets identified by previous CUJV drilling programs.

Approximately 12,000 metres of drilling is planned. Gamma probe logging of the holes will be carried out using a portable slim-line logging system, while assay samples will also be collected for multi-element geochemical analysis. Results from the drilling program are anticipated to become available over the next two months.

A number of relatively close spaced drill traverses are planned to follow-up highly anomalous uranium intersected in 2009 and 2010 CUJV drilling programs in the Thurlga Palaeochannel. Previous intersections in the area include 6 metres at 260ppm U<sub>3</sub>O<sub>8</sub> from 28 metres down hole in CBM0007, and 8 metres at 106ppm U<sub>3</sub>O<sub>8</sub> from 28 metres downhole in CBA005. The mineralisation encountered in the Thurlga Palaeochannel is interpreted to be of typical sediment hosted “roll-front” style, the Joint Venture’s principal deposit target style.

#### About the Corrobinnie Uranium Joint Venture

Joint venturer Quasar Resources Pty Ltd has achieved considerable uranium exploration success in recent years, discovering a number of palaeochannel hosted deposits in the Lake Frome region of South Australia. The Corrobinnie Uranium Joint Venture gives Adelaide Resources valuable access to Quasar’s technical exploration expertise as Quasar acts as joint venture manager and operator.

The CUJV commenced in January 2007, and in October 2010 Quasar reached the \$3 million expenditure threshold required to earn a 60% equity interest. In keeping with Adelaide Resources’ strategy of utilising joint venture funding to further its uranium exploration projects, the Company elected not to contribute to the proposed \$1 million 2011 exploration program and therefore to dilute its interest. Assuming Quasar expends the proposed 2011 budget, Adelaide Resources’ equity in the CUJV will fall from 40% to approximately 33% by year end. Should Adelaide’s equity ever be diluted to 25% it shall be free carried through to Decision to Mine.

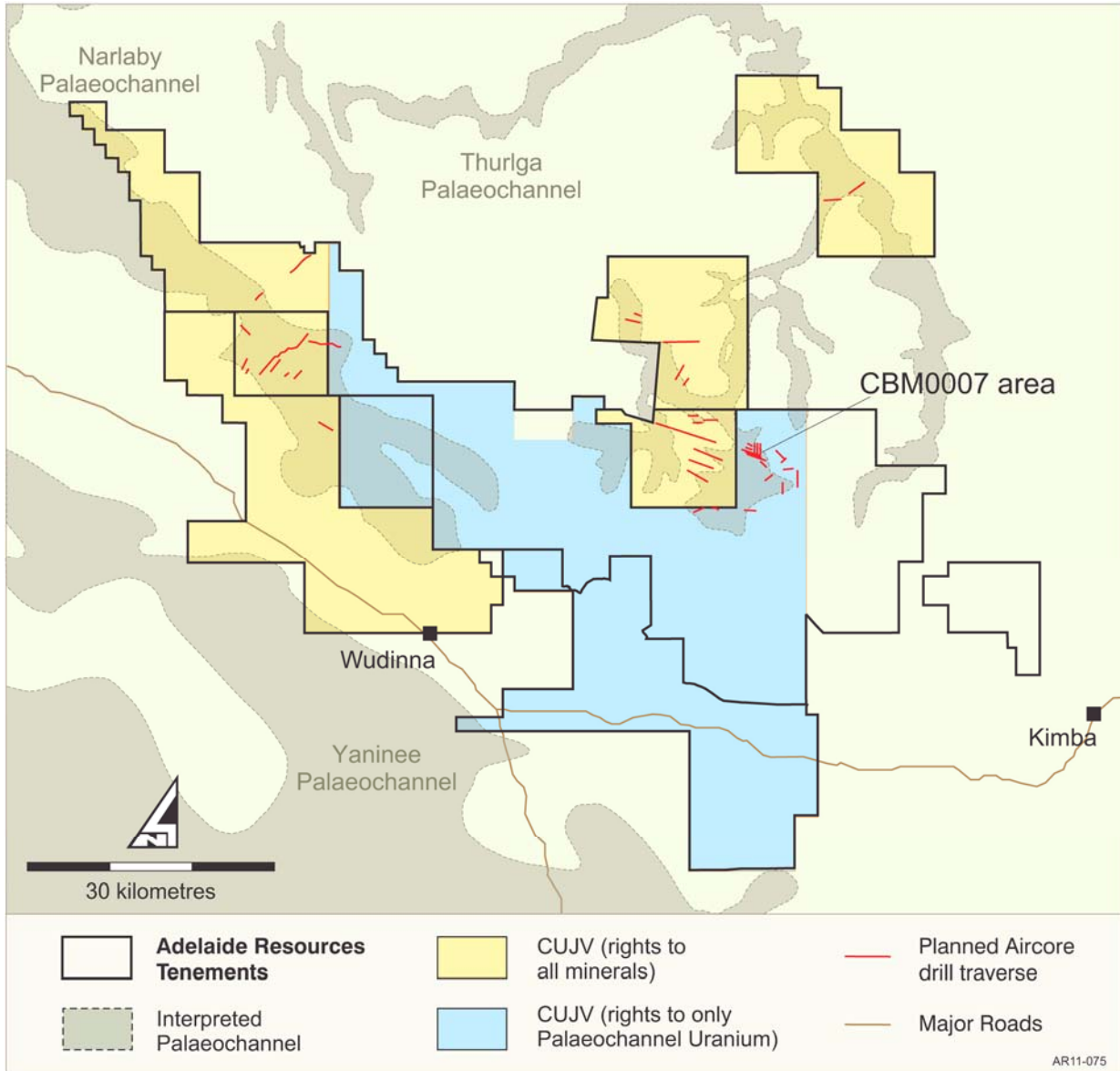


Figure 1: Corrobinnie Uranium Joint Venture Location Plan.

**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.*

Enquiries should be directed to Chris Drown. Ph (08) 8271 0600 or 0427 770 653.