



22 April 2010

Dear Shareholder

Our goal in 2010 is to grow the value of our exploration portfolio by building on the solid platform created by our success in 2009, and to see this increased value reflected in a positive market re-rating of Adelaide Resources' securities.

The March 2010 Quarter will contribute to this goal with further excellent drilling results returned from the Rover Gold-Copper Project in the Northern Territory, the delineation of robust drill targets at the Moonta Copper-Gold Project in South Australia, and the implementation of well conceived exploration programs conducted by our uranium joint ventures in South Australia.

The company's wholly owned Rover Project secures the majority of the currently defined Rover Field, and includes numerous confirmed "Tennant Creek" style mineral systems and unexplored targets. Assaying of the last of the exploration holes drilled at Rover in 2009 has returned further significant intersections of copper and gold. Your Board is particularly pleased that the new results include the best gold intersections yet achieved from the part of the Rover Field held by Adelaide Resources. Drilling has recommenced following the wet season break, and we look forward to the next round of results.

On the Yorke Peninsula in South Australia, geochemical sampling of seven targets on the Moonta Project has delineated a number of robust copper and gold anomalies. Limited past drilling in the vicinity of a number of the anomalies give us confidence that the targets reflect sub-surface mineralisation. We note the continuing strong recovery in copper prices and are keen to now drill the highest ranked of our new Moonta targets.

Our two uranium joint ventures, both of which are located on the Eyre Peninsula of South Australia, have also been active. Airborne geophysics have been flown preparatory to further drilling on the Corrobinnie Palaeochannel Uranium Joint Venture with Quasar Resources Pty Ltd, while Southern Uranium Limited has made good progress in its initial on-ground exploration of the Yalanda Hill Joint Venture tenements.

Importantly, with \$8.9 million in cash and liquid assets as at 31 March, Adelaide Resources is well placed financially to achieve our goals.

Yours sincerely

Paul J Dowd
Chairman