



Adelaide  
Resources  
Limited



# Company Update

## December 2005





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## Company Profile

- ASX Code: **ADN**
- Shares issued:  
**65.53 million**
- Cash:  
**\$3.3 million**
- Shareholders: **~1315**
- Major Shareholders:  
**Troy Resources NL (14.5%)**  
**Keith Yates (8.9%)**
- 12 month trading:  
**19 to 69 cents**
- Market capitalisation:  
**\$43.2 million (66 cents)**



*Board members left to right:*  
**John den Dryver** – Director  
**Chris Drown** – Exploration Director  
**Keith Yates** – Executive Chairman  
**John Horan** – Director

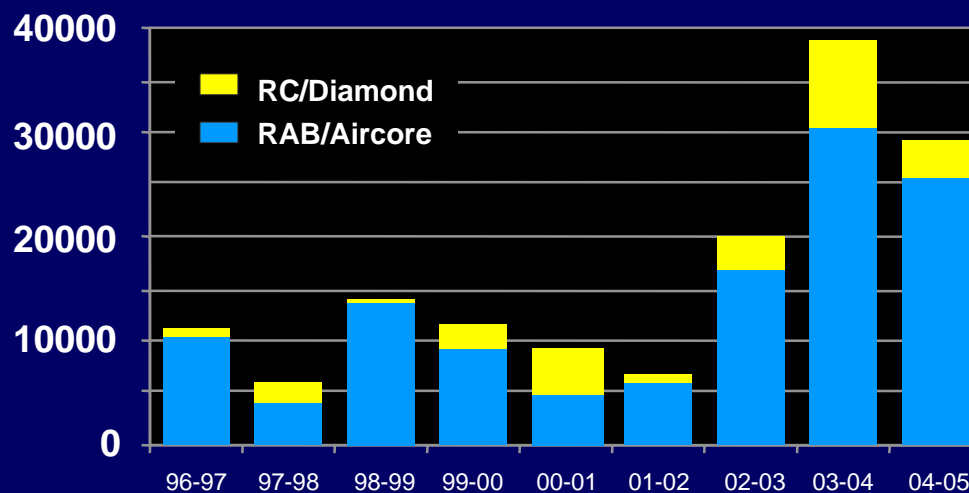
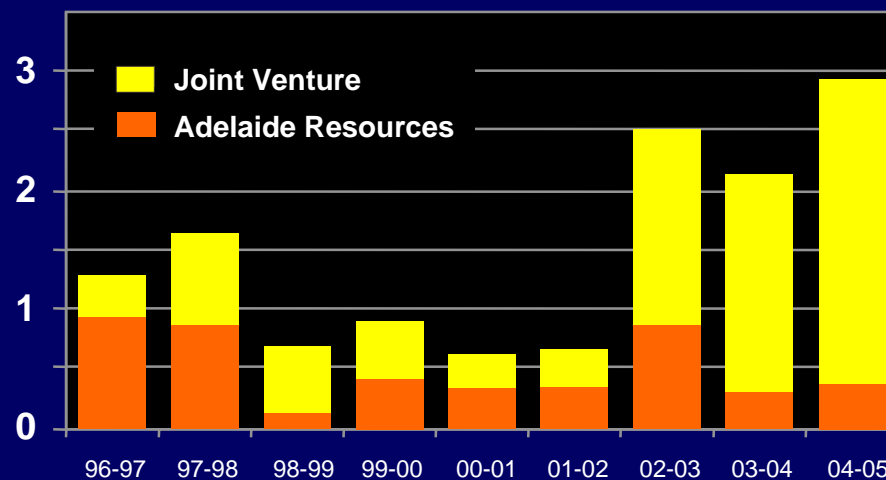


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## Exploration Activity

*Exploration  
Expenditure  
(\$ million)*



*Drilling  
(metres)*



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## Project Locations





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## Colona Mineral Sands Joint Venture

*With Iluka Resources Limited  
(spending \$1.0M to earn 51%)*

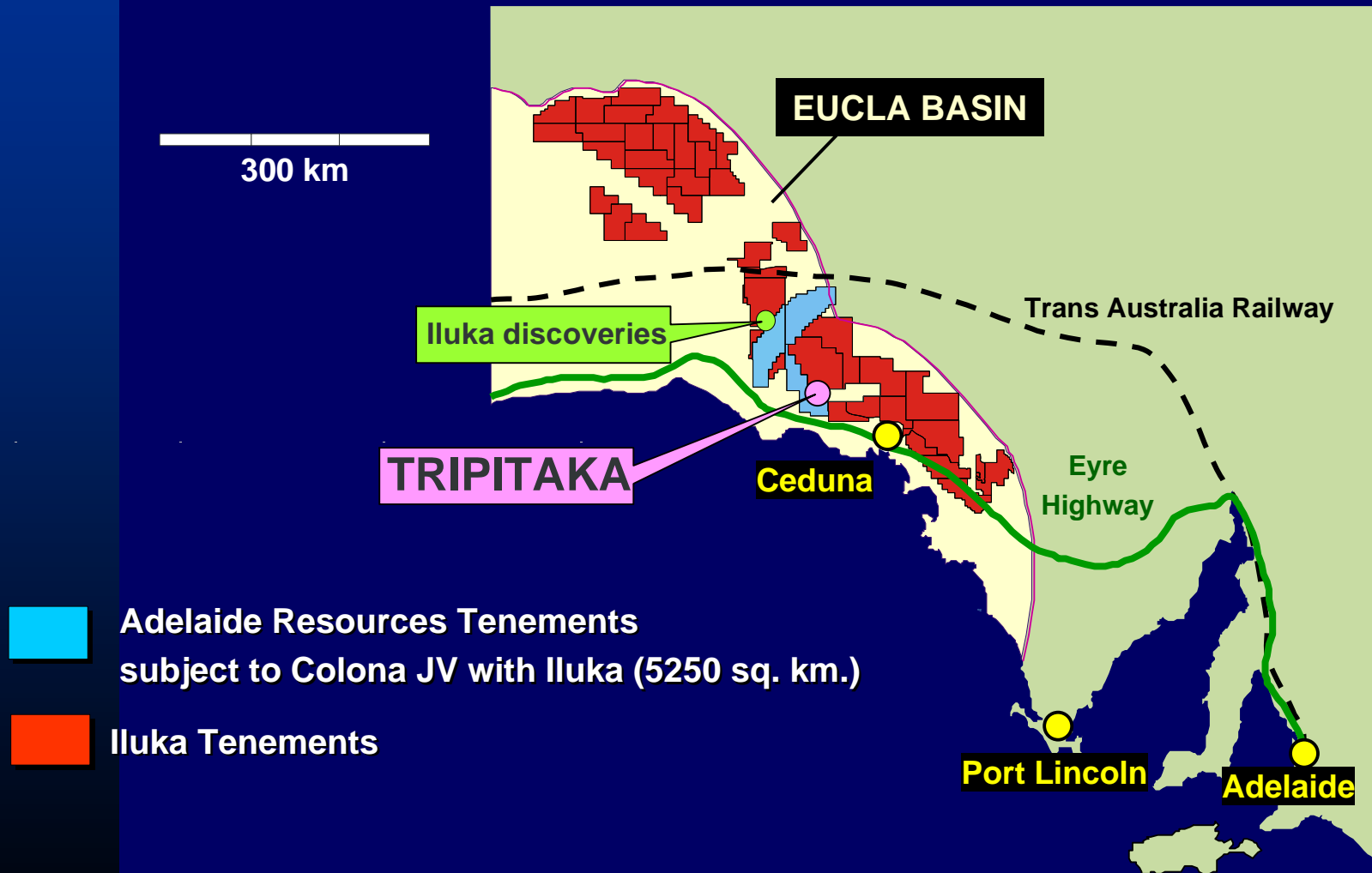




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## Eucla Basin Tenements

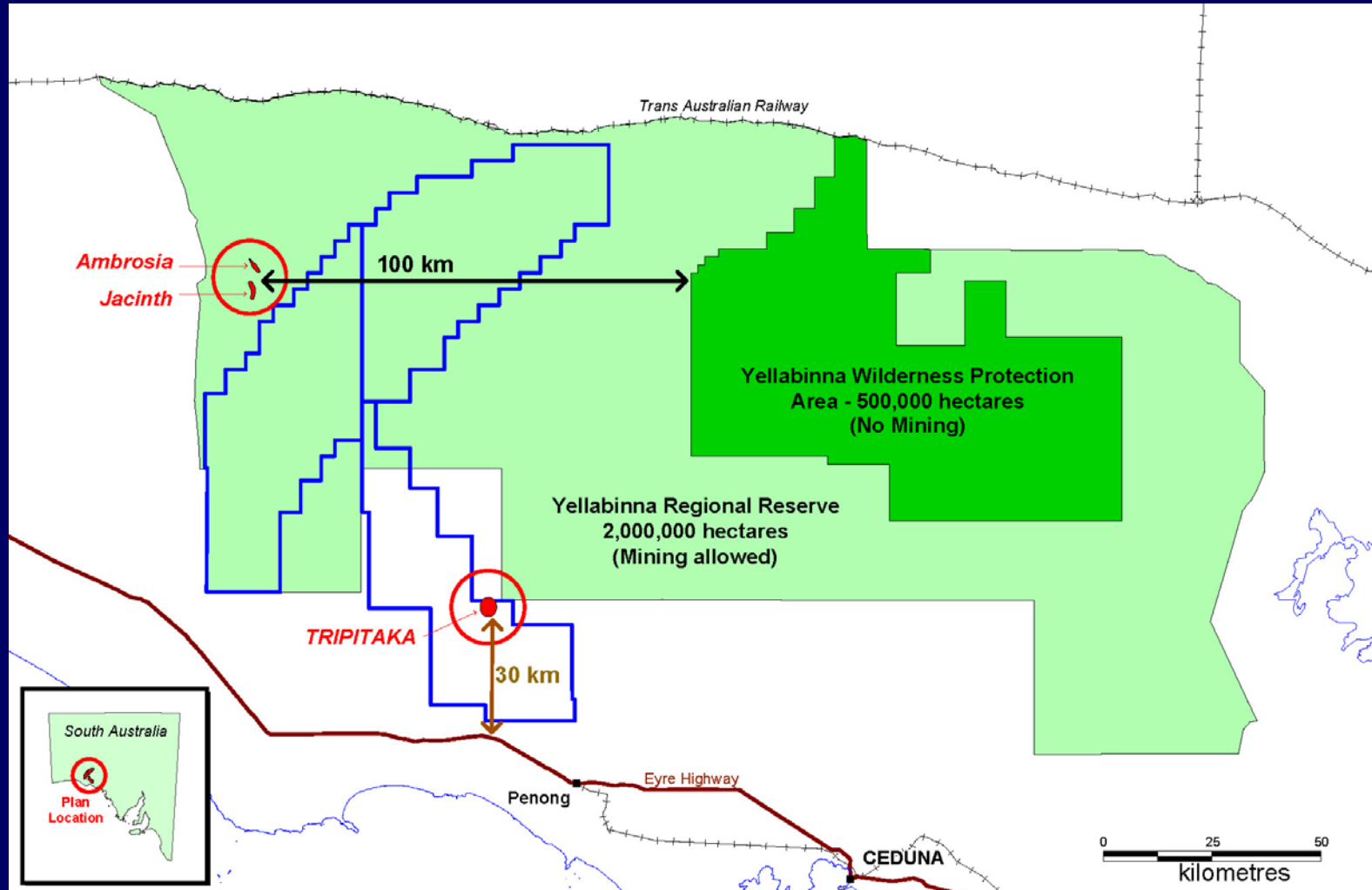




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## Regional location - Yellabinna Areas

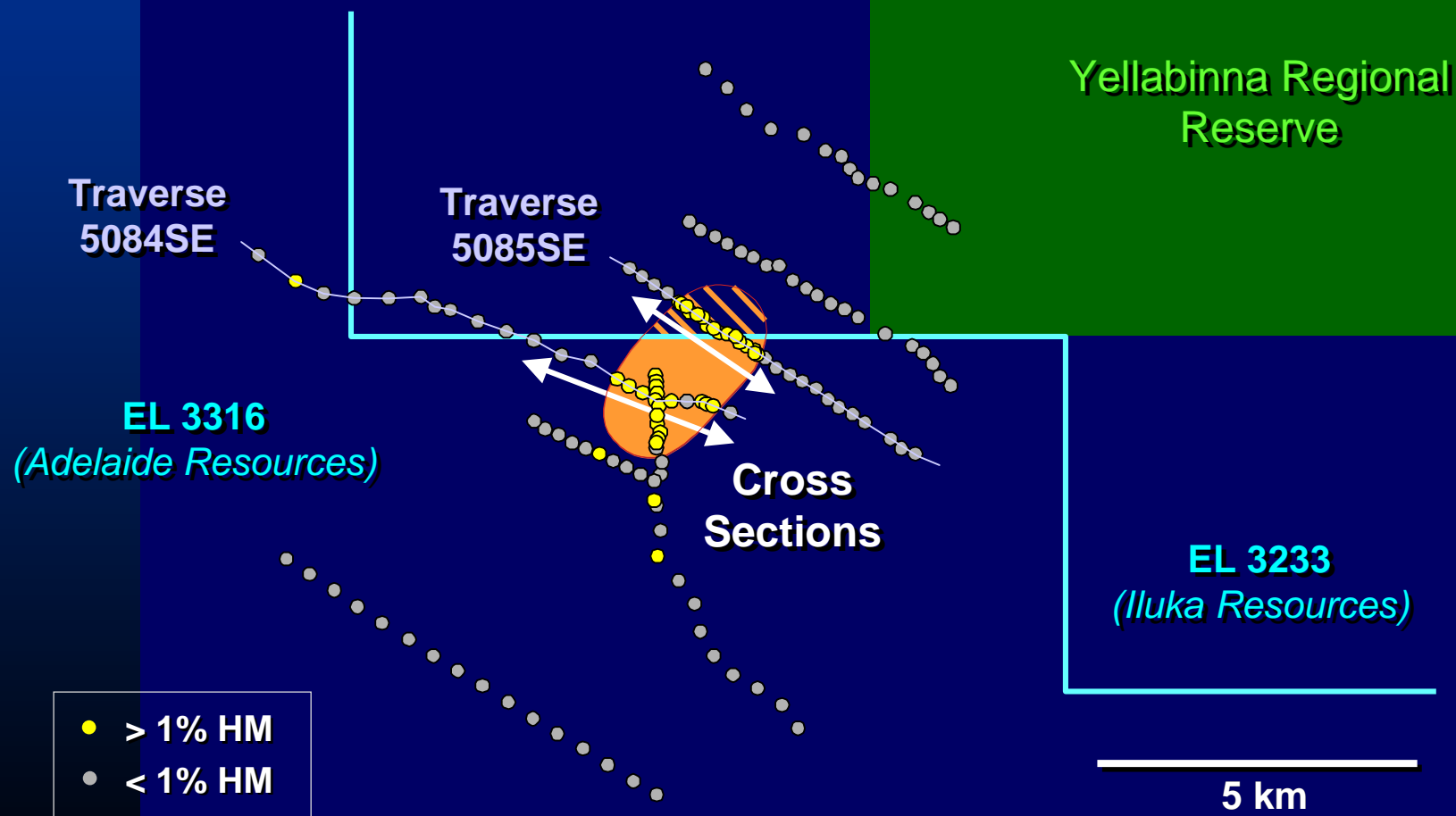




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## Tripitaka Location

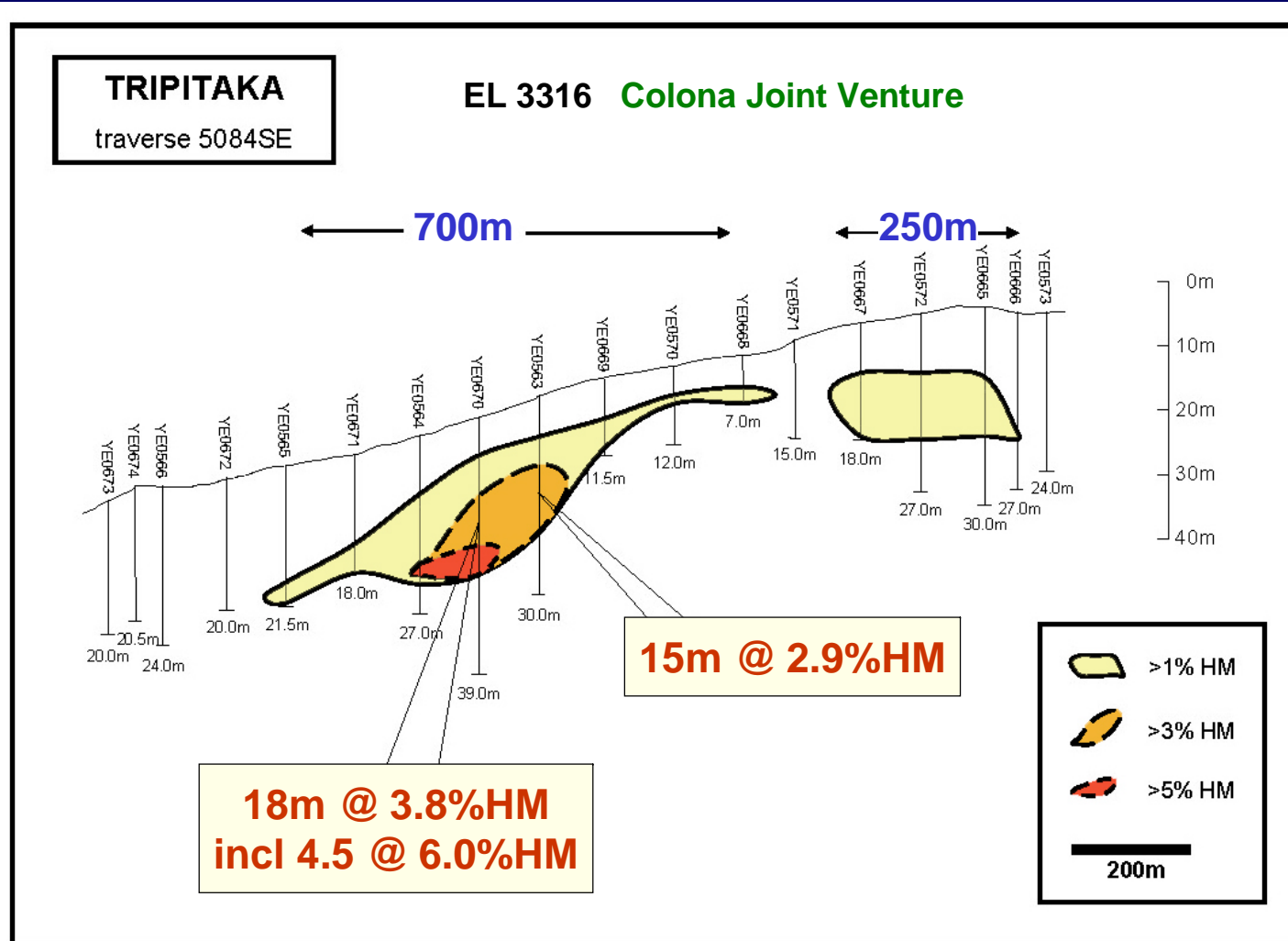




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# Tripitaka - Section 5084SE - Looking North





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## Significant Intersections (>1% HM) Line 5084SE

Hole	From (m)	To (m)	Interval (m)	%HM	%Clay (-53 microns)
YE0565	18.0	21.0	3.0	1.0	9.6
YE0671	13.5	18.0	4.5	1.1	13.0
YE0564	9.0	22.5	13.5	2.3	12.3
YE0670	6.0	24.0	18.0	3.8	13.8
YE0563	6.0	21.0	15.0	2.9	16.6
YE0669	6.0	10.5	4.5	1.9	24.7
YE0570	4.5	6.0	1.5	1.2	33.2
YE0668	4.5	7.0	2.5	1.3	25.2
YE0667	7.5	18.0	10.5	1.7	16.3
YE0572	9.0	19.5	10.5	1.4	11.4
YE0665	10.5	19.5	9.0	1.2	11.0
YE0666	18.0	19.5	1.5	1.0	9.2

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Traverse	% Zircon	% Leucoxene*	% Ilmenite
<b>5084SE</b>	<b>63</b>	<b>17</b>	<b>7</b>

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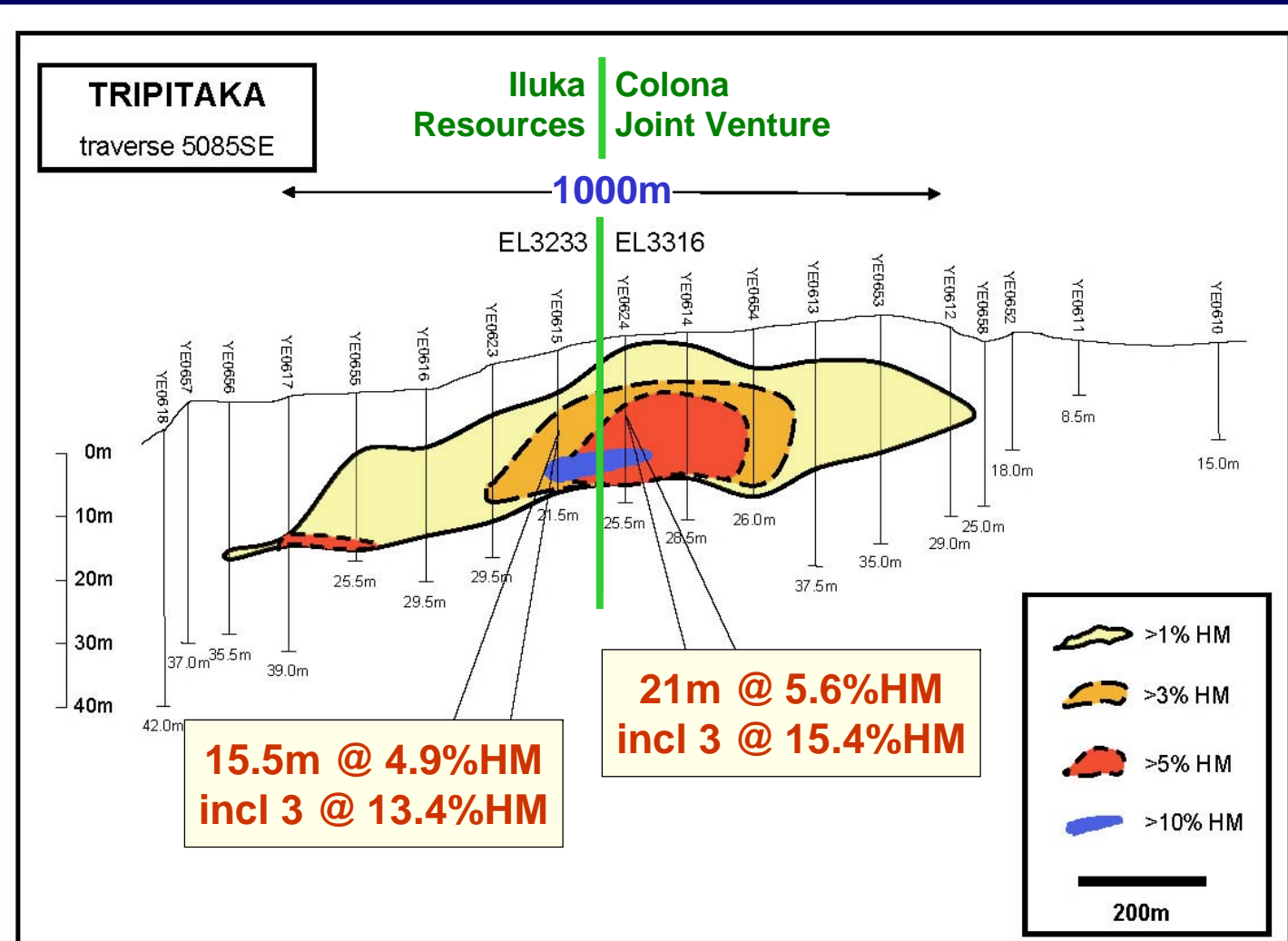
\* The leucoxene percentage contains a rutile component yet to be defined.



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## Tripitaka - Section 5085SE - Looking North





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## Significant Intersections (>1% HM) Line 5085SE

Hole	From (m)	To (m)	Interval (m)	%HM	%Clay (-53 microns)
YE0656	22.5	24.0	1.5	1.2	3.6
YE0617	21.0	22.5	1.5	5.8	2.2
YE0655	9.0	24.0	15.0	1.9	12.2
YE0616	9.0	22.5	13.5	1.6	11.8
YE0623	7.5	24.0	16.5	2.7	10.6
YE0615	6.0	21.5	15.5	4.9	10.2
YE0624	1.5	22.5	21.0	5.6	16.0
YE0614	1.5	22.5	21.0	4.1	19.8
YE0654	6.0	25.5	19.5	3.5	15.2
YE0613	6.0	22.5	16.5	1.9	16.8
YE0653	7.5	21.0	13.5	1.2	17.3
YE0612	10.5	15.0	4.5	1.2	15.2

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Traverse	% Zircon	% Leucoxene*	% Ilmenite
<b>5085SE</b>	<b>68</b>	<b>12</b>	<b>11</b>

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\* The leucoxene percentage contains a rutile component yet to be defined.



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## Indicative Comparison of Australian HMS Resources

Province	Company	MT	%HM	HM Mt	% Zircon	% Rutile	% Ilmenite <sup>(7)</sup>	US\$/t HM conc <sup>(8)</sup>	US\$/t in ground
Stradbroke Is <sup>(1)</sup>	Iluka	817	0.9%	7.13	11%	13%	44%	162	1.46
Murray Basin <sup>(1)</sup>	Iluka	487	10.6%	51.42	10%	11%	49%	151	15.97
Murray Basin <sup>(2)</sup>	Bemax	2196	2.8%	61.37	10%	18%	53%	185	5.19
Murray Basin <sup>(3)</sup>	Aust. Zircon	178	3.2%	5.74	19%	11%	66%	217	7.00
WA mid-west <sup>(1)</sup>	Iluka	837	5.2%	43.32	11%	7%	51%	141	7.31
WA south-west <sup>(1)</sup>	Iluka	642	7.9%	50.91	8%	2%	79%	122	9.62
WA south-west <sup>(2)</sup>	Bemax	154	9.0%	13.91	9%		81%	120	10.80
WA south-west <sup>(4)</sup>	Olympia Res.	82	3.2%	2.61	14%		75%	147	4.70
WA north-west <sup>(5)</sup>	Gunson	690	1.4%	9.3	24%	6%	66%	229	2.50
<b>Eucla Basin <sup>(1&amp;6)</sup></b>	<b>Iluka</b>	<b>162</b>	<b>5.0%</b>	<b>8.1</b>	<b>55%</b>	<b>7%</b>	<b>20%</b>	<b>389</b>	<b>19.43</b>

### Data Sources and Notes

- (1) - Iluka Resources Limited Concise Annual Report 2004
- (2) - Bemax Resources NL 2004 Annual Report
- (3) - Australian Zircon NL 2005 Annual Report
- (4) - Olympia Resources 2005 Annual Report - Assemblage information taken from Keysbrook Reserve
- (5) - Advised by Gunson Resources
- (6) - Iluka Resources Limited ASX announcement 8 Feb 2005
- (7) - Includes various Ti minerals including leucoxene and HiTi Ilmenite which may sell for higher prices
- (8) - Based on 2005 prices as advised by TZ Minerals International

Commodity	US\$/tonne
Zircon	\$620
Rutile	\$450
Ilmenite	\$80



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## Tripitaka - Effect of Grade Variation

Province	Company	%HM	%Zircon	%Rutile	%Ilmenite	US\$/t conc	US\$/t in ground
Eucla Basin	Iluka/Adelaide Res.	3.0%	65%	7%	17%	448	13.44
		3.5%	65%	7%	17%	448	15.68
		4.0%	65%	7%	17%	448	17.92
		5.0%	65%	7%	17%	448	22.41

Assumes that the rutile content  
(yet to be determined for Tripitaka)  
will be the same as for Jacinth (7%).

Commodity	US\$/tonne
Zircon	\$620
Rutile	\$450
Ilmenite	\$80



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## What if Jacinth and Ambrosia were gold deposits?

Using a gold price of US\$470/oz the combined resources of Jacinth and Ambrosia would be equivalent to a **6.7Moz** gold deposit.

i.e. 162MT @ 1.3g/t Au

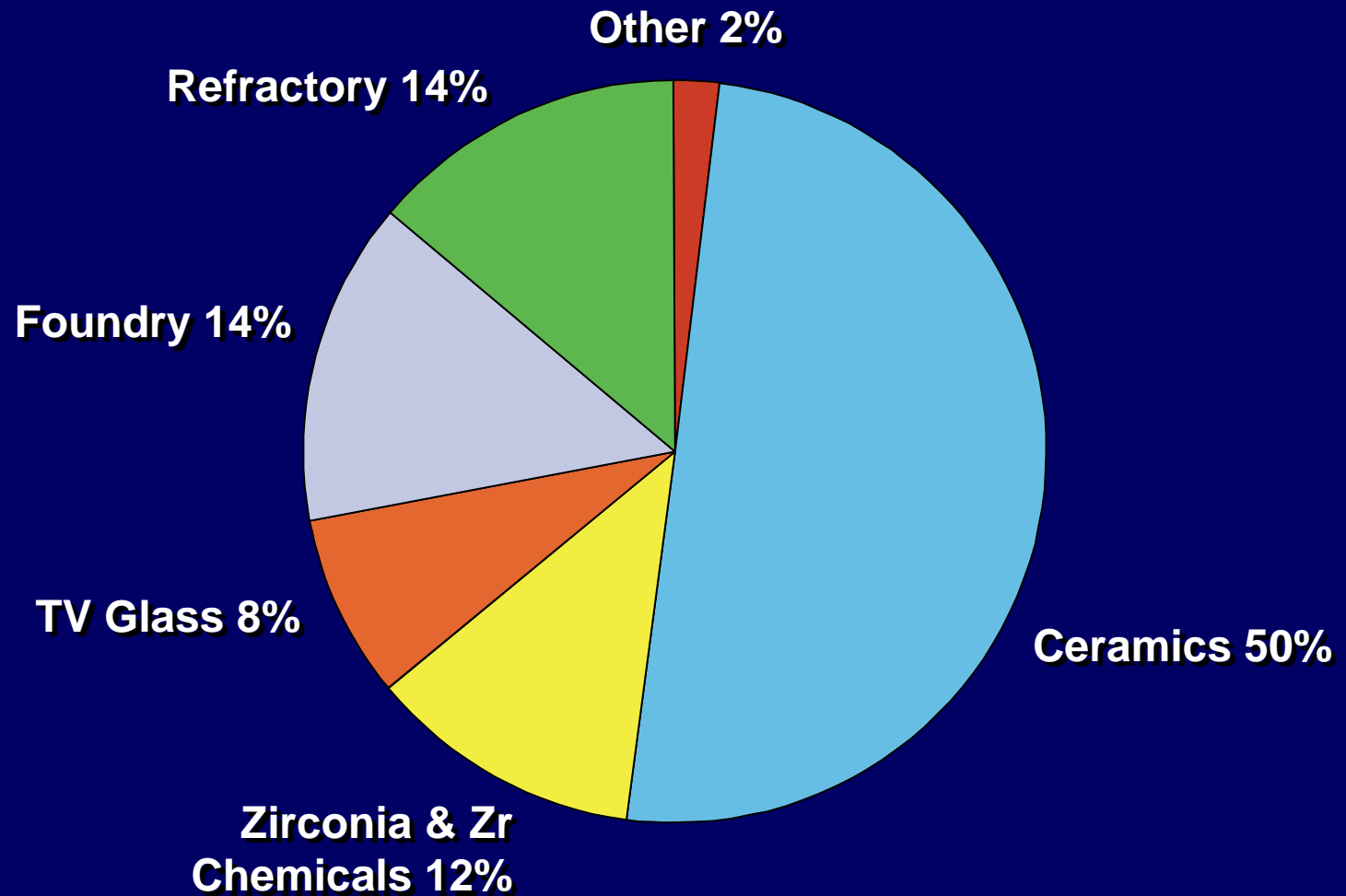
And this in deposits that are very close to surface and **can be mined with a garden spade!**



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## Zircon uses



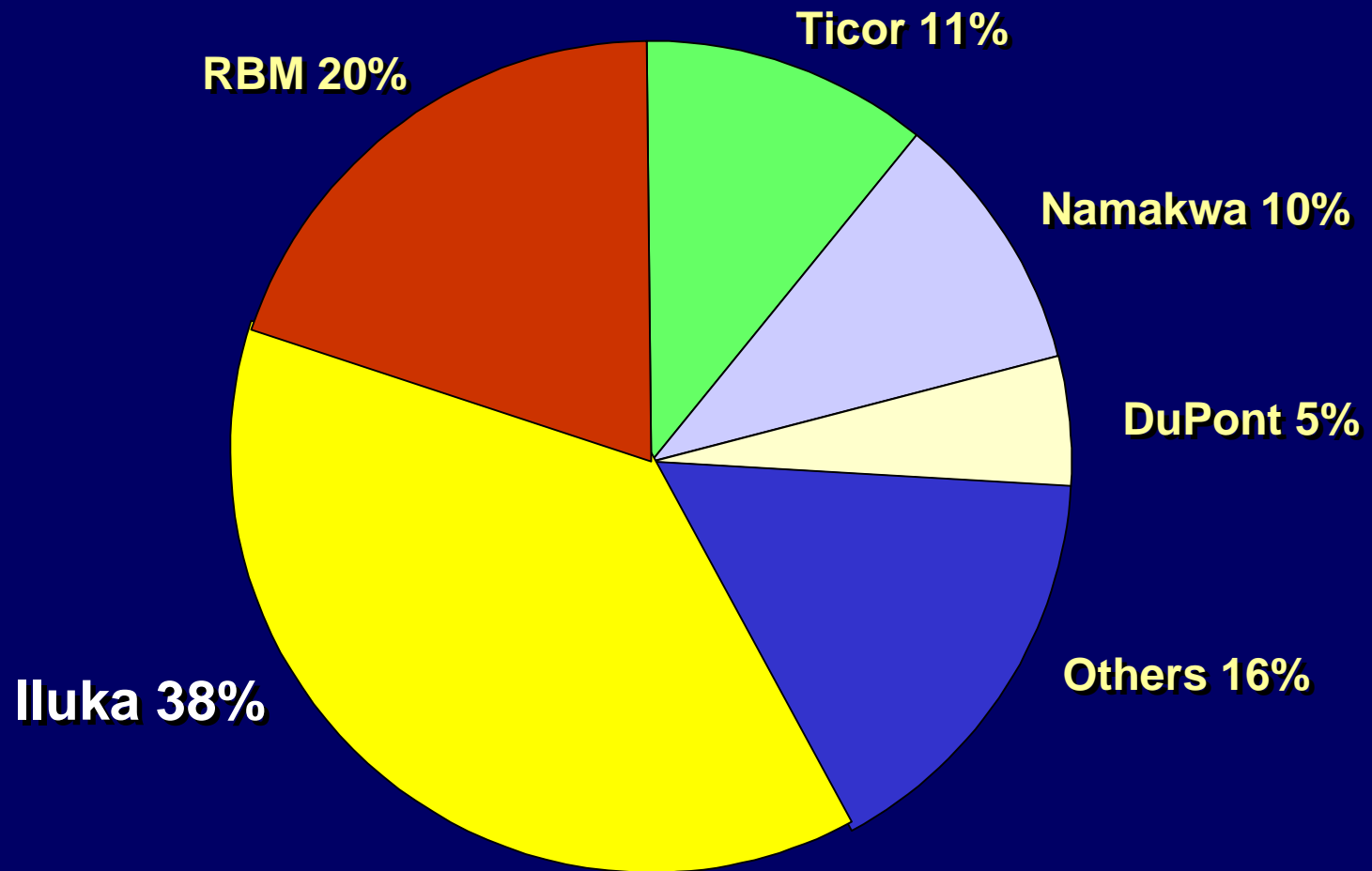
*(courtesy Iluka Resources)*



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## Indicative Market Share - Zircon



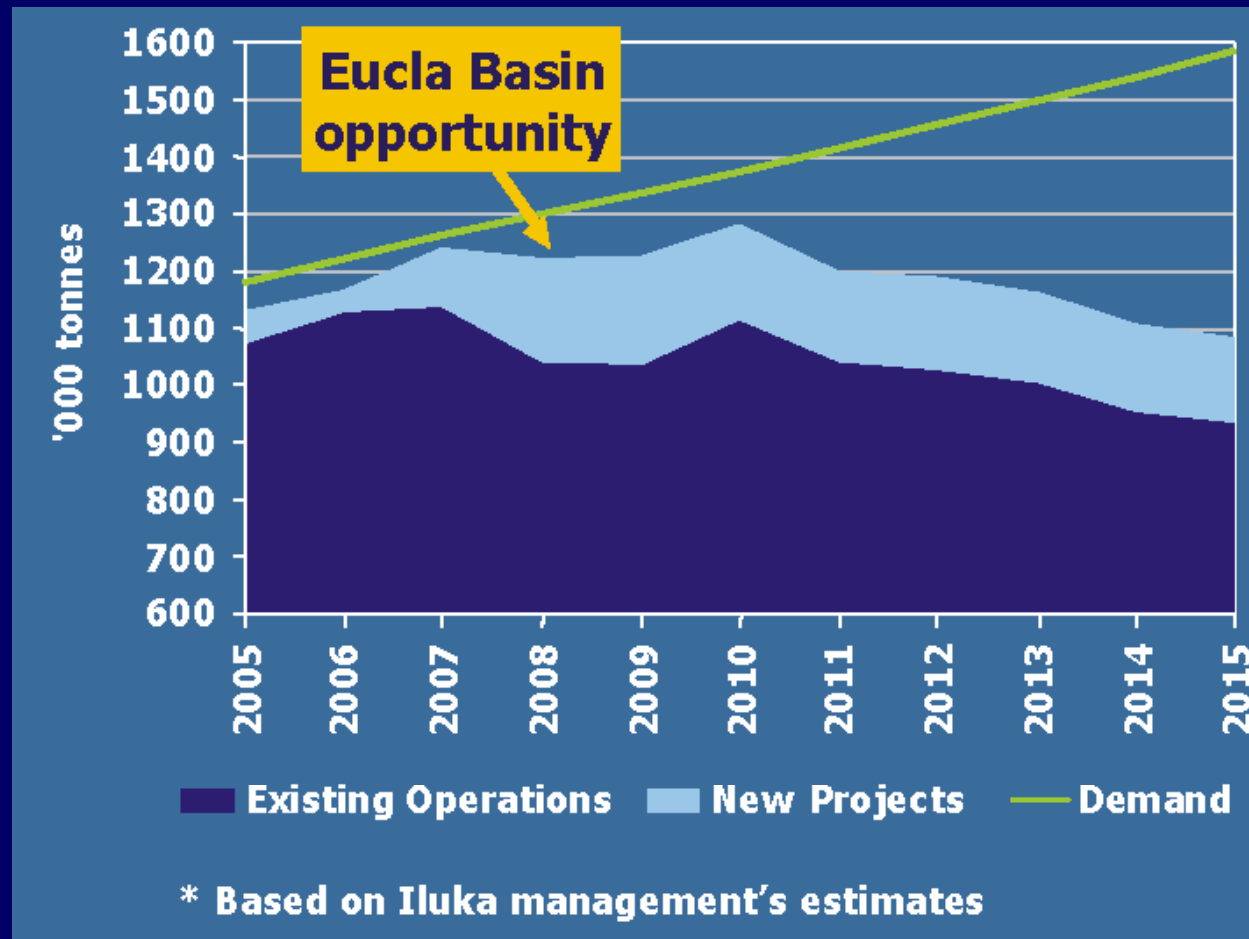
*(courtesy Iluka Resources)*



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## Zircon Market Opportunity\*



(courtesy Iluka Resources)



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## Tripitaka Summary

- Discovery announced 11 November 2005
- Further results announced 12 December 2005
- Significant heavy mineral content (up to 5.6%)
- Approximately 2 km x 1km
- As shallow as 1.5 m
- Zircon rich (63-68% of HM assemblage)
- Good location - pastoral lease
- Early 2006 resource drilling



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***Providing shareholders  
with discovery opportunities!***

