



Australian Securities Exchange Announcement

Thursday 12 April, 2012

Company Announcements Office
Australian Securities Exchange Limited
PO Box H224
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SIGNIFICANT COPPER – GOLD DISCOVERY CONFIRMED AT PASKEVILLE, SA.

Highlights

- Un-bottomed intersection of **42 metres at 1.10% copper and 0.11g/t gold** in drillhole PAC006, including **5 metres at 2.93% copper** and **9 metres at 1.69% copper**, confirms significant discovery at Paskeville Prospect, SA. Other new hits include:
 - 7 metres at 1.16% copper and 0.13g/t gold** in PAC005;
 - 7 metres at 1.07% copper** in PAC009;
 - 7 metres at 1.40% copper and 0.26g/t gold** in PAC016; and
 - 5 metres at 1.05% copper** in PAC024.
- These results follow the 19 March announcement of intersections of **10 metres at 1.06% copper** and **9 metres at 1.27% copper** in the first hole drilled at Paskeville.
- Significant silver present** with best intersection of 10m at 26.6g/t silver in PAC009.
- Compelling targets exist along strike from the area drilled to date, and on the broader Paskeville geochemical anomaly which is much larger than the area drilled so far. In light of these excellent results **the company's Board has approved additional funding to immediately commence follow-up drilling.**

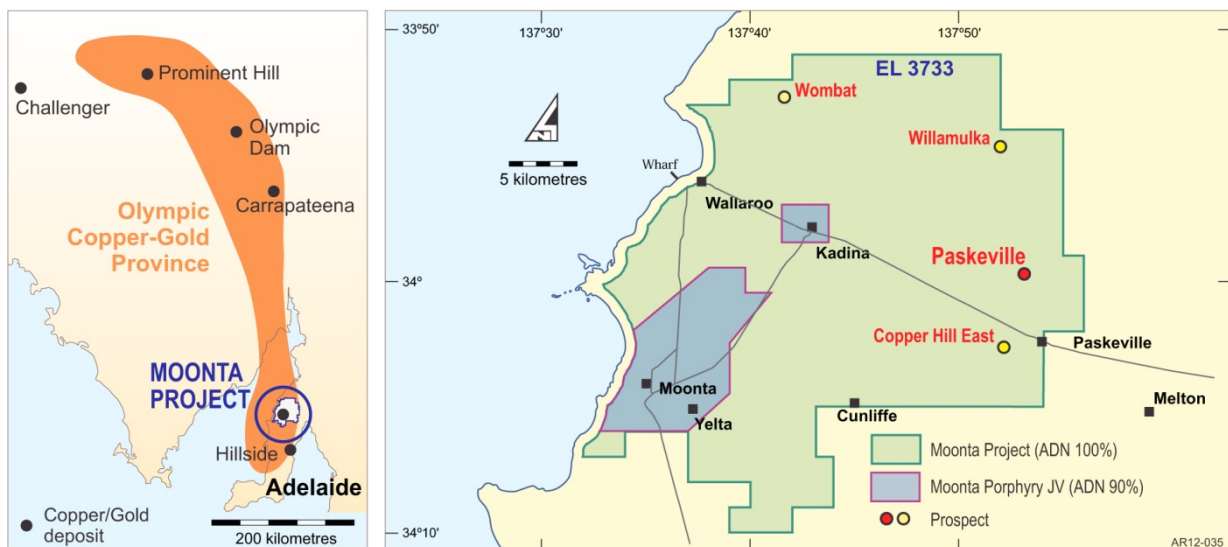


Figure 1: Moonta Copper-Gold Project location.

Background

The Moonta Project falls towards the southern end of the Olympic Copper Gold Province on the Yorke Peninsula of South Australia. The majority of the project tenement is 100% owned by Adelaide Resources Limited, while in the Moonta Porphyry Joint Venture the company holds 90% equity with Breakaway Resources holding the remaining 10% (Figure 1).

On 19 March 2012, Adelaide Resources Limited announced that its very first drill hole completed at the large, previously undrilled, Paskeville geochemical target had intersected two zones of significant copper mineralisation. The Paskeville Prospect falls in the east of the Moonta Project tenement in an area wholly owned by Adelaide Resources. The first drillhole, PAC001, returned 10 metres at 1.06% copper from 11 metres downhole, and a second zone assaying 9 metres at 1.27% copper from 58 metres down hole.

New Results

Following PAC001, a further 23 aircore holes and a single diamond drill hole have been completed at Paskeville. Figure 2 presents a plan of the small part of the Paskeville Prospect drilled so far, and shows the location of the drillhole collars which are located on six, 50-metre spaced, northeast oriented drill traverses.

The basement host rocks to mineralisation are buried beneath several metres of unconsolidated sand and clay cover. Weathered bedrock comprises a clay rich saprolite which persists to various depths below the cover sediments, while unweathered bedrock is a fine grained metasediment that shows evidence of hydrothermal alteration.

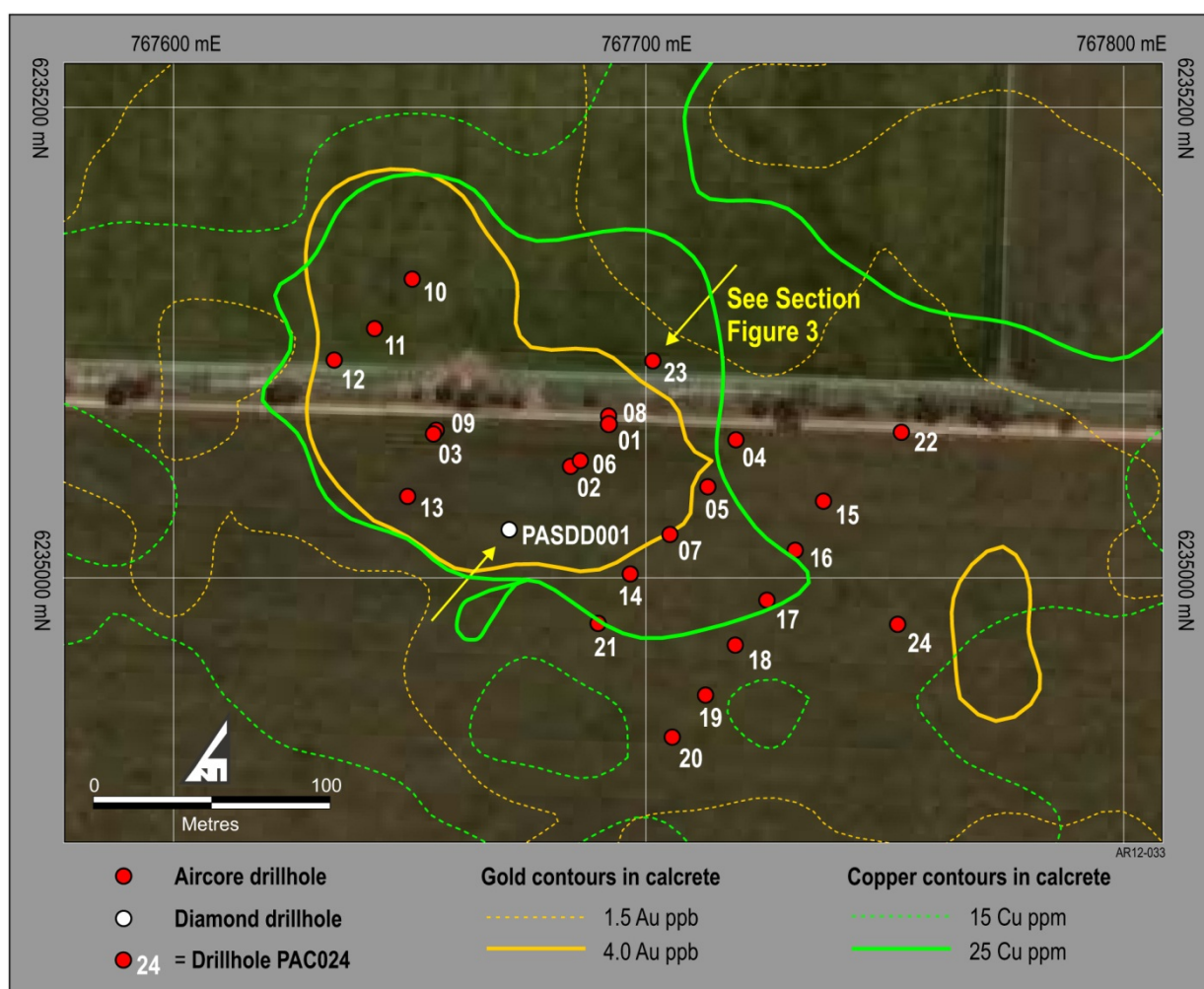
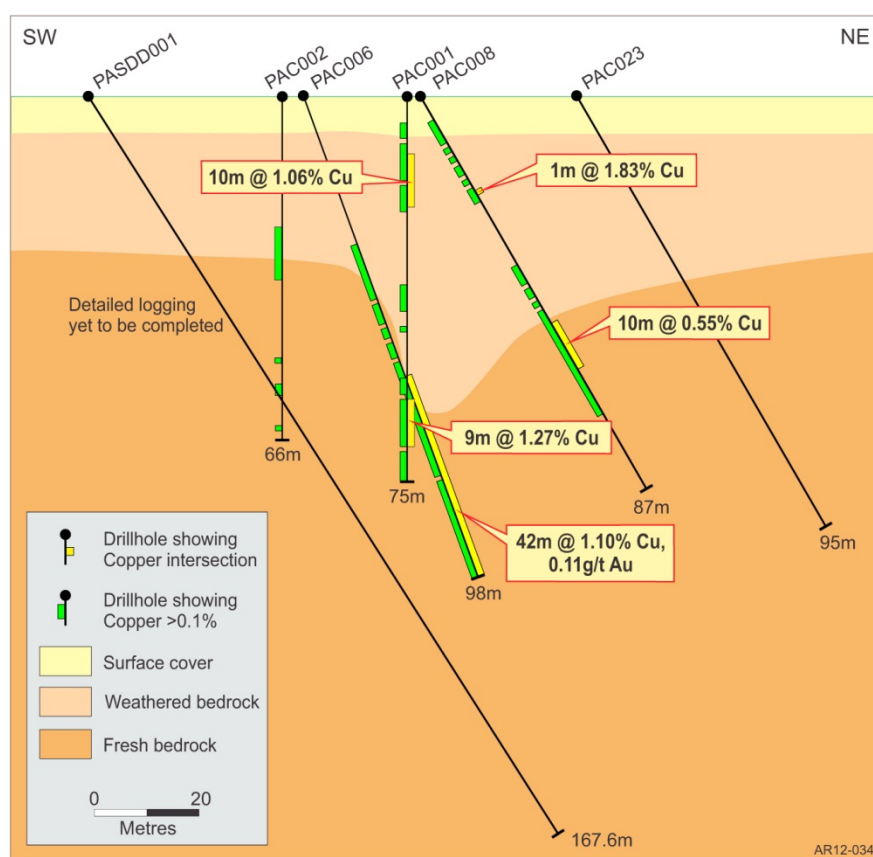


Figure 2: Plan showing current extent of drilling – Paskeville Prospect.

In many drillholes copper minerals, including malachite, azurite, native copper and chalcopyrite, were visually observed during geological logging. Assaying of the samples collected from the 23 aircore holes is now complete and confirms that copper mineralisation is widespread and developed over widths and grades that indicate the Paskeville Prospect is a significant discovery. A list of drill intersections is presented in Table 1, while Figure 3 presents a cross section along one of the drill traverses completed at Paskeville. Logging and sampling of the single diamond drillhole, PASDD001, is still underway with assays anticipated in the coming weeks.

Hole PAC006 (Figures 2 and 3) has returned a highly significant intersection. PAC006 intersected 42 metres at 1.10% copper and 0.11g/t gold commencing from 56 metres downhole. The intersection is un-bottomed with the hole remaining in mineralisation at its final depth at 98 metres. Sub-zones of higher grade mineralisation in PAC006 include 5 metres at 2.93% copper and 0.21g/t gold commencing from 62 metres downhole, and 9 metres at 1.69% copper and 0.14g/t gold from 78 metres. Metal grades in individual 1-metre samples from PAC006 range up to 8.56% copper and 0.60g/t gold.

Further intersections of note occur in holes located on four of the five other drill traverses at the prospect, and include 7 metres at 1.16% copper from 58 metres in PAC005; 7 metres at 1.07% copper from 22 metres in PAC009; 7 metres at 1.40% copper from 49 metres in PAC016; and 5 metres at 1.05% copper from 38 metres in PAC024.



Higher grade zones of copper are generally contained within broad zones of lower grade mineralisation. Examples of these broader zones include 32 metres at 0.51% Cu from 32 metres downhole in PAC024, 45 metres at 0.45% Cu from 35 metres in PAC017, 55 metres at 0.39% Cu from 30 metres in PAC005, and 23 metres at 0.48% Cu from 22 metres in PAC009.

Several holes finished in copper mineralisation confirming that the mineralisation remains open at depth in addition to remaining open along strike in both directions.

Figure 3: Paskeville Prospect Section.

Anomalous to low grade gold is commonly present with the best 1-metre sample assaying 0.82g/t gold in drillhole PAC016. Silver is commonly associated with copper mineralisation and in places reaches potentially significant concentrations, with Table 2 presenting silver intersections of note. Along with copper, gold and silver, the mineralisation has elevated rare earth elements (lanthanum and cerium), completing a geochemical fingerprint that is indicative of a geological affiliation to the highly pedigreed iron-oxide copper-gold class of deposits.

Table 1: Paskeville Prospect Significant Copper and Gold Intersections.

Hole Name	Easting (mga94)	Northing (mga94)	Dip	Azimuth	Final Depth (m)	From (m)	To (m)	Interval (m)	Cu %	Au g/t
PAC001*	767784	6235063	-90	~	75	11	21	10	1.06	~
						58	67	9	1.27	0.06
						61	63	2	4.03	0.09
PAC003	767710	6235059	-90	~	65	17	23	6	0.61	~
						19	21	2	1.17	~
PAC005	767826	6235036	-90	~	85	42	52	10	0.46	0.13
						49	50	1	1.25	0.69
					incl. and	58	65	7	1.16	0.13
						59	60	1	2.88	0.23
PAC006	767772	6235047	-70	035	98	63	65	2	1.87	0.24
						56	98	42	1.10	0.11
						62	67	5	2.93	0.21
						65	66	1	8.56	0.60
						78	87	9	1.69	0.14
PAC007	767810	6235016	-60	035	65	90	92	2	1.49	0.24
						41	49	8	0.43	0.01
PAC008	767784	6235066	-60	035	87	21	22	1	1.83	~
						50	60	10	0.55	0.04
PAC009	767711	6235060	-60	035	94	22	29	7	1.07	0.02
						25	26	1	4.43	0.07
PAC013	767699	6235032	-60	035	77	74	76	2	1.02	0.06
PAC014	767793	6234999	-60	035	99	43	49	6	0.63	0.07
						59	65	6	0.86	0.06
PAC016	767863	6235009	-60	035	92.5	30	35	5	0.85	0.01
						32	33	1	1.35	0.02
					incl.	49	56	7	1.40	0.26
						50	51	1	4.28	0.31
					incl.	74	90	16	0.60	0.05
PAC017	767852	6235988	-60	035	80	77	78	1	1.62	0.12
						48	58	10	0.82	0.08
					incl. and	48	49	1	3.21	0.52
						56	57	1	1.26	0.10
					incl.	66	80	14	0.58	0.06
PAC018	767838	6234969	-60	035	100	73	74	1	1.26	0.12
						40	44	4	0.72	~
						72	74	2	0.57	0.03
PAC024	767907	6234978	-60	035	91	97	98	1	1.33	0.12
						38	43	5	1.05	0.06
						50	60	10	0.73	0.04
						51	53	2	1.46	0.08
					and	59	60	1	1.19	0.02

Intersections calculated by averaging 1-metre or 5-metre composite chip samples. Copper determined by four acid digest followed by ICP-AES finish. Overrange copper (>1%) determined by AA finish. Gold determined by fire assay fusion followed by ICP-AES finish. Introduced QA/QC samples indicate acceptable analytical quality. Intersections are downhole lengths. True widths are unknown. * Results for PAC001 released to ASX on 19th March 2012.

Discussion

Copper mineralisation in the area of the Paskeville Prospect tested to date is widespread and achieves attractive grades and downhole widths in several holes, most notably in the 42 metre intersection at 1.10% copper returned in hole PAC006.

Additional exploration drilling is required before a confident interpretation of the distribution of mineralisation can be made, however the early results suggest the mineralised system in the area drilled possibly has a northwest trend, essentially orthogonal to the current drill traverse direction.

Table 2: Paskeville Prospect Significant Silver Intersections.

Hole Name	Easting (mga94)	Northing (mga94)	Dip	Azimuth	Final Depth (m)	From (m)	To (m)	Interval (m)	Ag g/t
PAC001	767784	6235063	-90	~	75	58	63	5	4.7
PAC002	767768	6235045	-90	~	65	48	53	5	5.2
PAC005	767826	6235036	-90	~	85	49	51	2	23.2
						63	65	2	6.9
PAC006	767772	6235047	-60	035	98	62	67	5	7.1
						79	98	19	4.9
PAC009	767711	6235060	-60	035	94	45	55	10	26.6
PAC014	767793	6234999	-60	035	99	52	57	5	6.3
						60	65	5	16.1
PAC015	767875	6235030	-60	035	79	50	60	10	10.7
PAC016	767863	6235009	-60	035	92.5	50	56	6	13.7
					incl.	50	51	1	53.2
PAC017	767852	6235988	-60	035	80	48	49	1	65.0
PAC018	767838	6234969	-60	035	100	51	54	3	8.0
PAC019	767825	6234948	-60	035	93	69	74	5	20.8
					incl.	70	71	1	50.6
PAC024	767907	6234978	-60	035	91	41	42	1	30.3
						51	53	2	14.9

Individual samples include both 1 metre and 5 metre composite samples. Ag determined by mixed acid digest followed by ICP-AES. Intersections are downhole lengths with grades calculated using straight averaging of sub-sample results. True widths are not known.

The mineralised zone remains open along its possible strike to both the northwest and southeast, and the continuation of mineralisation to the bottom of several holes confirms it remains open at depth. Compelling targets exist in each of these areas and clearly warrant further exploratory drilling.

Most significantly, the area drilled to date at Paskeville is only a very small part of the broader surface geochemical feature that defines the prospect. Calcrete anomalism occurs over an area approximately 4.5 kilometres by 2.0 kilometres in size, with drilling to date confined to a sub-area of just 250 metres by 200 metres (Figure 4).

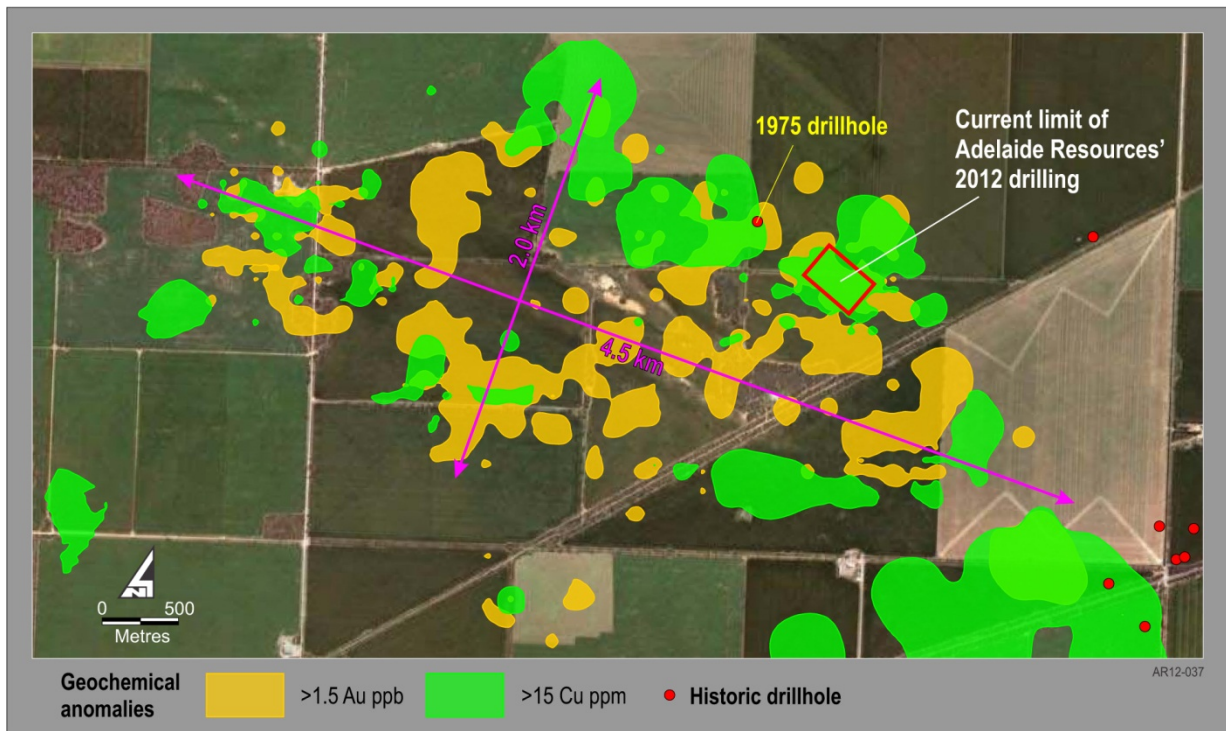


Figure 4: Full extent of Paskeville calcrete geochemical anomaly.

Other than an unassayed hole drilled in 1975, there is no recorded historical drilling in the broader Paskeville anomaly and exploration targeting the full extent of the geochemical feature is also clearly warranted.

In light of these exciting results, the company's Board of Directors has approved further funding to complete immediate follow-up drilling at Paskeville. The aircore drill rig has been secured and follow-up drilling is anticipated to be underway by the end of this week. Initial holes will be sited to locate extensions to the already defined mineralisation, while first pass drilling designed to evaluate the broader Paskeville geochemical anomaly is also planned.

A handwritten signature in black ink, appearing to read 'Chris Drown', with a large loop at the top and a horizontal line at the bottom.

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.