



Adelaide Resources Limited

Quarterly Report

Period ending 31 March 2012

Adelaide Resources Limited

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Corporate Details

ASX Code: ADN

Issued Capital:

144,998,701 ordinary shares
2,936,667 unlisted options
and performance rights

Directors:

Non-executive Chairman:
Andrew Brown

Managing Director:
Chris Drown

Non-executive Directors:

John den Dryver

John Horan

Mike Hatcher

Company Secretary:

Nick Harding

Highlights

A good quarter highlighted by an exciting new discovery on South Australia's Yorke Peninsula

Moonta Copper Gold Project – SA

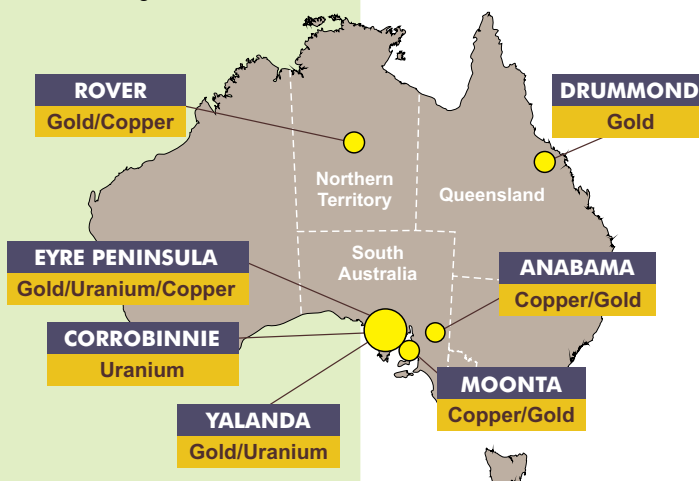
- Maiden drilling program confirms **exciting copper-gold discovery** at 100% owned **Paskeville Prospect**.
- Paskeville intersections include **10 metres at 1.06% copper** and **9 metres at 1.27% copper** in PAC001; and **42 metres at 1.10% copper and 0.11g/t gold**, including **5 metres at 2.93% copper** and **9 metres at 1.69% copper** in PAC006.
- Only a very small part of the Paskeville target drill tested to date. **Second round of aircore drilling underway** to extend the limits of the mineralised zone discovered in round one, and to assess targets on the broader Paskeville anomaly.
- Drilling at the **Copper Hill East and Willamulka Prospects** also returned encouraging results including **5 metres at 3.73g/t gold** in CAC004 (Copper Hill East); and **14 metres at 1.04% copper and 0.32g/t gold** in WAC136 (Willamulka).

Rover Gold Copper Project – NT

- Assaying of 2011 drillcore returns significant intersections from the **Rover 4 and Rover 12 Prospects**. Results include **5 metres at 3.84% copper and 0.48g/t gold** (Rover 4); and **4 metres at 1.22% copper and 5.57g/t gold**, and **2 metres at 5.08% copper and 0.35g/t gold** in R12ARD59-2 (Rover 12).
- Receipt of the last 2011 drillhole assays now allows estimation of mineral resources for the Rover 4 deposit and of the Company's share of the Rover 1 deposit.

Finance

- At 31 March 2012, the Company had available funds of \$4.306 million.



Moonta Copper Gold Project, SA

Adelaide Resources 100% (except Moonta Porphyry JV area: Adelaide Resources 90%; Breakaway Resources Limited 10%).

The Moonta Project is located on the Yorke Peninsula of South Australia towards the southern end of the world class Olympic Copper-Gold Province. This geological belt hosts the historic mines at Moonta and Kadina, the operating Olympic Dam and Prominent Hill mines, and large deposits such as Hillside and Carrapatenna which are currently the subject of feasibility studies (*Figure 1*).

Adelaide Resources' project tenement covers an area of 819 km². Of this 713 km² is wholly owned while the Company has 90% equity in the 106 km² Moonta Porphyry Joint Venture with Breakaway Resources Limited.

The Company is drilling to test targets that are located in the wholly owned part of the project tenement (*Figure 1*). Aircore and/or diamond drilling has been completed at four prospects (Paskeville, Willamulka, Copper Hill East and Wombat) and a second round of aircore drilling is currently in progress at the Paskeville Prospect following the discovery of significant copper and gold mineralisation in the first round of drilling.

Paskeville Prospect

The Paskeville Prospect encompasses a broad gold and copper calcrete geochemical anomaly

located in the eastern part of the project tenement (*Figures 1 and 2*). Other than a single drillhole completed in 1975 (not assayed), there is no known historical drilling in the area of the main calcrete anomaly and so Adelaide Resources' recent drilling represents the first significant exploration of this prospect.

Figure 3 presents a plan of the small part of the Paskeville Prospect drilled so far, and shows the location of 24 aircore holes and a single diamond hole completed in the first round of drilling. Assaying of drill samples confirms that copper mineralisation is widespread and developed over widths and grades that indicate the Paskeville Prospect is a significant discovery.

The Company's first hole at Paskeville, PAC001 (*Figures 3 and 4*), intersected 10 metres at 1.06% copper commencing 11 metres below the surface and a deeper zone assaying 9 metres at 1.27% copper from 58 metres.

Hole PAC006, drilled on the same section as PAC001, intersected 42 metres at 1.10% copper and 0.11g/t gold commencing from 56 metres downhole. PAC006 remained in mineralisation at its final depth at 98 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 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

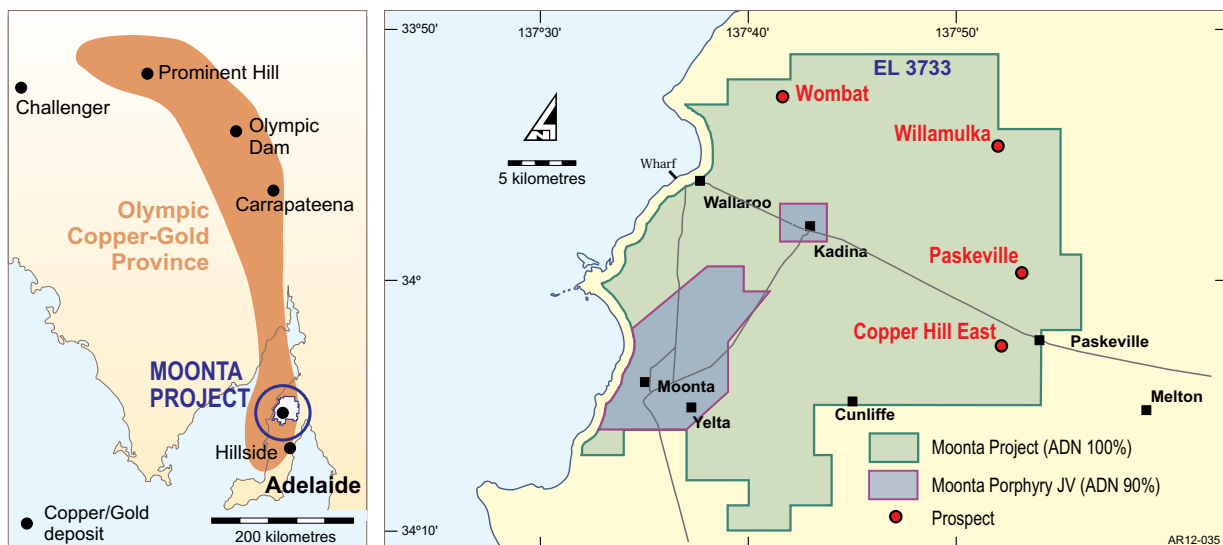


Figure 1: Moonta Project Location Plan.

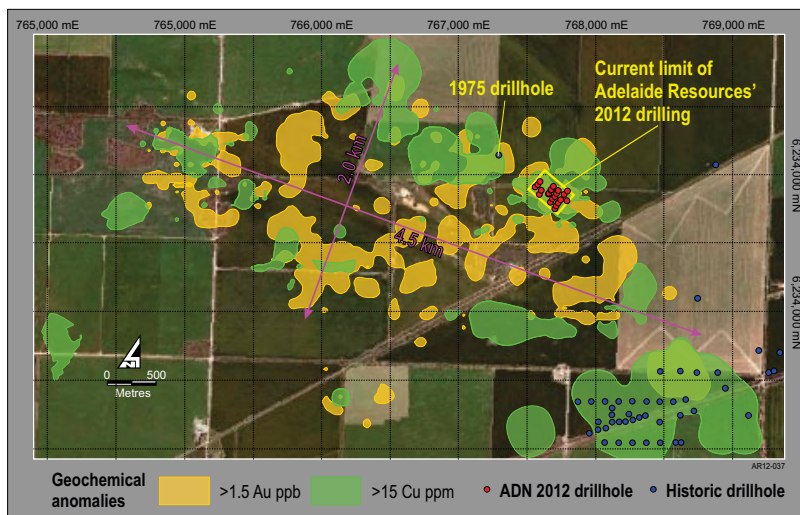


Figure 2: Full extent of Paskeville calcrete geochemical anomaly.

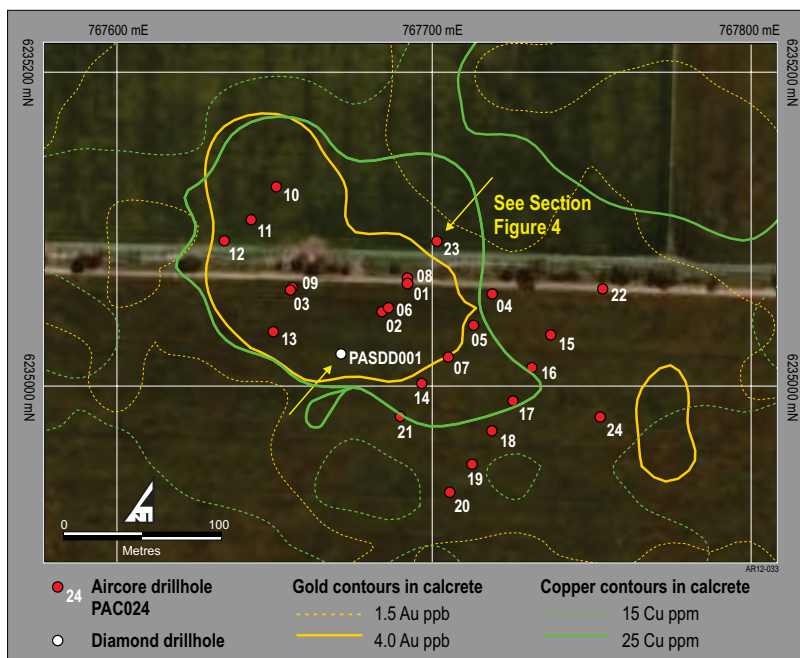


Figure 3: Paskeville Prospect drill summary plan.

1.40% copper from 49 metres in PAC016; and 5 metres at 1.05% copper from 38 metres in PAC024. Sampling of the single diamond drillhole, PASDD001, is underway with assays anticipated in the coming weeks.

Silver is associated with copper mineralisation and in places reaches potentially significant concentrations. 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.

The mineralisation host rock is buried beneath less than 10 metres of unconsolidated sand and clay cover. Weathered bedrock comprises a clay rich saprolite while unweathered bedrock is a fine grained metasediment that shows evidence of hydrothermal alteration.

The mineralised zone at Paskeville remains open along strike and at depth. Equally significantly, the area drilled to date at Paskeville is only a very small part of the broader surface geochemical feature that defines the prospect.

The Company believes there is considerable scope to discover extensions to the mineralised zone found in the first round of drilling, and of finding new mineralised zones elsewhere under the extensive Paskeville anomaly. A second round of aircore drilling is now underway to test these targets.

Willamulka, Copper Hill East and Wombat Prospects

Drilling has also been completed at three other prospects on the Moonta Project. Assays are available for aircore holes drilled at

Willamulka and Copper Hill East, while sampling and assaying of diamond holes drilled at Willamulka and Wombat is underway.

Drilling at Willamulka last year confirmed the discovery of a shallow copper gold deposit, located in the northeast of the project tenement (Figure 1). Mineralisation occurs over 1200 metres and includes a shoot of thicker, higher grade mineralisation called Shoot A. Shoot A has a strike length of at least 550 metres and plunges at a shallow angle to the southwest.

The 2012 program at Willamulka totals 29 aircore holes and two diamond holes. Aircore

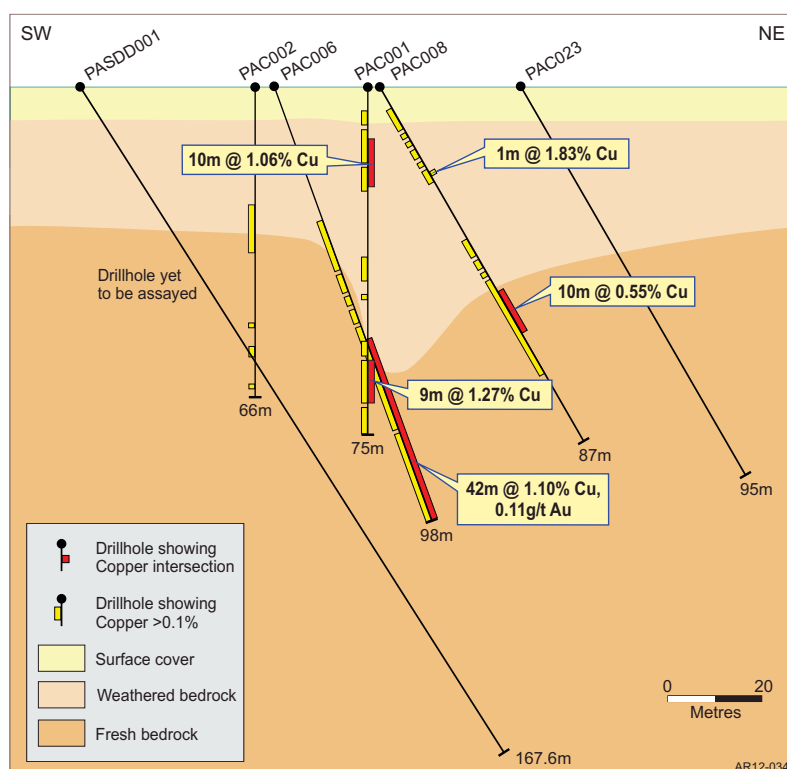


Figure 4: Paskeville Prospect Section.

hole WAC143, located on a traverse towards the southern end of Shoot A, intersected 11 metres at 0.98% copper and 0.93g/t gold from 40 metres, including 5 metres at 1.75g/t gold. A diamond hole, WLMDD002, drilled beneath WAC143, intersected an interval of altered host rock with visible sulphide mineralisation observed in places, with sampling and assaying now underway.

A traverse of drilling towards the northern limit of Shoot A also intersected significant mineralisation. Hole WAC135 returned 25 metres at 0.44% copper from 5 metres downhole. Adjacent hole WAC136 intersected the zone deeper returning 14 metres at 1.04% copper and 0.32g/t gold.

At Copper Hill East (Figure 1), 31 aircore holes were drilled on five northwest oriented drill traverses. Hole CAC004 returned 5 metres at 3.73g/t

gold from 25 metres downhole, while CAC031 hit 2 metres at 0.44g/t gold from 40 metres.

Low grade copper mineralisation is also present at Copper Hill East. Hole CAC007 returned 10 metres at 0.35% copper, hole CAC012 intersected 10 metres at 0.39% copper, and CAC024 intersected 18 metres at 0.34% copper from surface.

Interpretation of the Copper Hill East results reveals a coherent zone of low grade mineralisation that reaches a thickness of up to 20 metres and dips at a shallow angle towards the northwest (Figure 5).

Two diamond holes completed at Wombat intersected some visible copper mineralisation with sampling of these holes currently underway.

Table 1 presents a list of significant intersections achieved in aircore drilling at the Moonta Project targets in 2012. ■

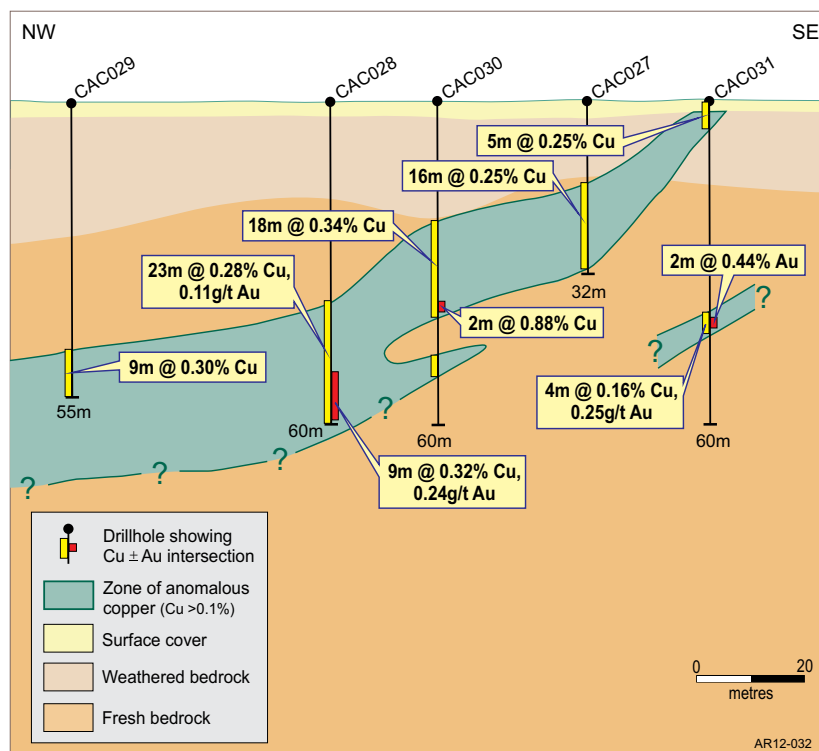


Figure 5: Copper Hill East Prospect Section.



Table 1: Moonta Project Significant Copper and Gold Intersections.

Prospect	Hole Name	Easting (mga94)	Northing (mga94)	Dip	Azimuth	Final Depth	From (m)	To (m)	Interval (m)	Cu %	Au g/t				
Paskeville	PAC001	767784	6235063	-90	~	75	11	21	10	1.06	~				
						incl.	58	67	9	1.27	0.06				
							61	63	2	4.03	0.09				
	PAC003	767710	6235059	-90	~	65	17	23	6	0.61	~				
	PAC005	767826	6235036	-90	~	incl.	42	52	10	0.46	0.13				
							49	50	1	1.25	0.69				
							58	65	7	1.16	0.13				
	PAC006	767772	6235047	-70	035	incl.	59	60	1	2.88	0.23				
							63	65	2	1.87	0.24				
							98	56	98	42	1.10	0.11			
							incl.	62	67	5	2.93	0.21			
							incl.	65	66	1	8.56	0.60			
	PAC007	767810	6235016	-60	035	65	41	49	8	0.43	0.01				
	PAC008	767784	6235066	-60	035	87	78	87	9	1.69	0.14				
							90	92	2	1.49	0.24				
	PAC009	767711	6235060	-60	035	94	21	22	1	1.83	~				
	PAC013	767699	6235032	-60	035	77	50	60	10	0.55	0.04				
							25	26	1	4.43	0.07				
	PAC014	767793	6234999	-60	035	99	22	29	7	1.07	0.02				
							25	26	1	4.43	0.07				
	PAC016	767863	6235009	-60	035	99	74	76	2	1.02	0.06				
							43	49	6	0.63	0.07				
							59	65	6	0.86	0.06				
							92.5	30	35	5	0.85	0.01			
							incl.	32	33	1	1.35	0.02			
								49	56	7	1.40	0.26			
								50	51	1	4.28	0.31			
								74	90	16	0.60	0.05			
PAC017	767852	6235988	-60	035	80	77	78	1	1.62	0.12					
						incl.	48	58	10	0.82	0.08				
						incl.	48	49	1	3.21	0.52				
						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					
						97	98	1	1.33	0.12					
PAC024	767907	6234978	-60	035	91	38	43	5	1.05	0.06					
						50	60	10	0.73	0.04					
						incl.	51	53	2	1.46	0.08				
						and	59	60	1	1.19	0.02				
Willamulka	WAC135	764981	6243993	-60	135	93	5	30	25	0.44	0.02				
						incl.	15	25	10	0.70	0.04				
							81	30	44	14	1.04	0.32			
	WAC136	764965	6244011	-60	135	incl.	30	35	5	1.94	0.65				
							46	49	3	1.07	0.66				
							64	40	51	11	0.98	0.93			
	WAC143	764703	6243779	-60	135	incl.	40	45	5	0.96	1.75				
61							64	3	0.71	0.22					
WAC144	764687	6243793	-60	135	73	50	64	14	0.29	~					
WAC148	764616	6243715	-60	135	76	35	50	15	0.31	0.26					
						incl.	45	50	5	0.84	0.04				
Copper Hill East	CAC003	764771	6229320	-90	~	52	25	35	10	~	0.21				
	CAC004	764733	6229354	-90	~	60	20	30	10	0.01	1.95				
						incl.	25	30	5	0.02	3.73				
	CAC006	764660	6229430	-90	~	58	5	15	10	0.33	0.01				
	CAC007	764628	6229463	-90	~	60	20	30	10	0.35	0.04				
	CAC012	764624	6229326	-90	~	40	10	20	10	0.39	0.08				
						incl.	10	15	5	0.54	0.12				
	CAC024	764516	6229290	-90	~	60	0	18	18	0.34	0.07				
						incl.	15	16	1	1.16	0.03				
CAC028						764505	6229377	-90	~	60	50	59	9	0.32	0.24
CAC030						764519	6229363	-90	~	60	25	40	15	0.38	0.02
	incl.	37	39	2	0.88					0.04					

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.

Rover Gold Copper Project, NT

Adelaide Resources 100%

The Rover Project is situated about 85 kilometres southwest of Tennant Creek in the Northern Territory (Figure 6). Resource estimates for Adelaide Resources' part of the Rover 1 deposit, and its Rover 4 deposit are planned before commencing further drilling on the Rover Project, and the receipt of results for all but one of the holes drilled in 2011 will now allow resource estimation to commence. Table 2 lists significant intersections received during the quarter.

At Rover 4 narrow zones of significant grade include 5 metres at 3.84% copper and 0.48g/t

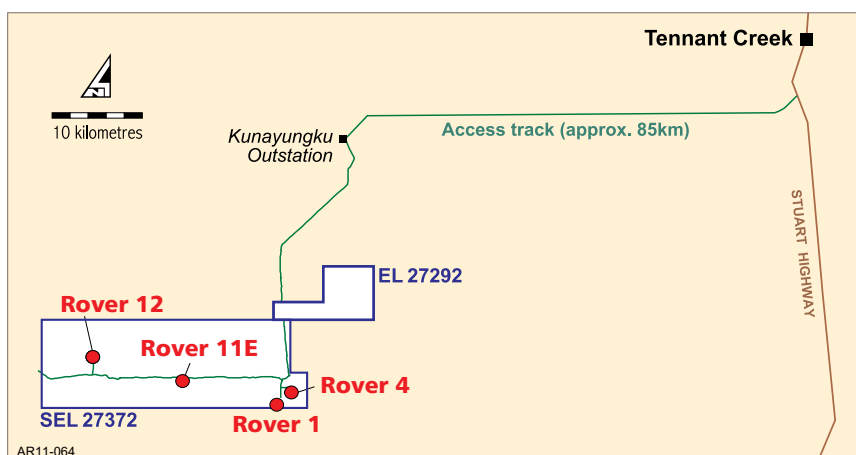


Figure 6: Rover Project Location.

gold from 314 metres in hole R4ARD63. This hole also intersected a significant interval of lower grade mineralisation in the underlying stringer zone of 38 metres at 0.53% copper and 0.19g/t gold including 4 metres at 1.52% copper and 0.81g/t gold from 403 metres. Daughter hole R4ARD63-1 intersected 5 metres at 1.7% copper and 0.43g/t gold from 370 metres.

Table 2: Rover Project significant Copper and Gold intersections.

Prospect	Hole ID	Easting (mga94)	Northing (mga94)	Dip	Azimuth	Final Depth	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
Rover 4	R4ARD58	360472	7789747	-75	020	333.5	229	231	2	1.07	0.04
							266	268	2	0.24	1.28
	R4ARD62	360370	7790110	-80	189	447.4	349	351	2	1.07	~
	R4ARD63	360340	7790120	-65	179	431.9	272	273	1	1.12	0.03
						incl.	314	319	5	3.84	0.48
							317	318	1	7.55	1.52
							346	347	1	0.42	1.39
							369	407	38	0.53	0.19
						incl. and and	369	371	2	1.43	0.17
							377	379	2	1.3	0.07
							403	407	4	1.52	0.81
	R4ARD63-1	360340	7790120	-65	179	420.8	316	318	2	1.30	0.29
							343	345	2	0.28	1.04
							367	368	1	0.94	1.20
							370	375	5	1.70	0.43
Rover 11E	R11ARD65	349526	7790775	-78	185	337.9	292	293	1	0.24	1.04
Rover 12	R12ARD59-1	339683	7793020	-71	342	560.3	417	434	17	0.76	0.02
						incl.	426	429	3	1.16	0.03
						and	432	433	1	1.13	0.06
	R12ARD59-2	339683	7793020	-71	342	620.9	405	409	4	1.22	5.57
						incl.	406	407	1	1.39	13.5
							414	416	2	5.08	0.35
						incl.	414	415	1	8.69	0.31
							484	491	7	0.72	0.01
						incl.	488	489	1	1.41	0.02
	R12ARD64	339850	7793425	-75	165	677.4	566	567	1	1.1	0.07
	R12ARD64-1	339850	7793425	-75	165	621.8	482	483	1	1.31	0.02

Gold determined by fire assay with AA finish. Copper determined by mixed acid digest followed by ICP-AES or AA finish. Assays based on 1 metre cut half core samples of NQ2 core. Core recovery for reported intervals is very high. Intersections are downhole lengths with grades weighted for specific gravity. True widths are not known.

Rover 12 is an early stage target located in the western part of the project. Geophysical modelling suggests the ironstone system at Rover 12 may be similar in size to the Rover 1 system and the target was tested by five holes on two sections (Figure 7).

The first hole on the western section, R12ARD59, intersected a very narrow interval of ironstone prompting the Company to complete deeper daughter holes which intersected a better developed ironstone body (Figure 8). The ironstone system remains open at depth and to the east and west. A shear zone, interpreted to be sub-parallel to the ironstone body, was encountered to the south of the ironstone and remains open down dip and along strike.

Assays confirm that both the shear zone and ironstone encountered in the R12ARD59 series holes contain gold and copper mineralisation (Table 2 and Figure 8). Shear zone hosted intersections include 4 metres at 5.57 g/t gold and 1.22% copper; and 2 metres at 5.08% copper and 0.35 g/t gold in R12ARD59-2. The geological setting of the shear zone hosted mineralisation at Rover 12 is potentially analogous to the setting of the Goanna and Monitor discoveries located in the Tennant Creek Field announced in 2011 by Emmerson Resources Limited.

The ironstone zones in the two daughter holes are uniformly mineralised with copper. A 17 metre ironstone section in hole R12ARD59-1 returned 0.76% copper, including a narrow zone of 3 metres at 1.16% copper, while a 7 metre intersection in R12ARD59-2 assays 0.72% copper.

Two holes tested a gravity anomaly at Rover 11 East intersecting a body of hematite-jasper-dolomite. Assaying of one of these holes

reveals narrow low grade copper and gold mineralisation at the base of the body. This zone also contains significant silver with 1-metre samples assaying up to 197g/t silver.■

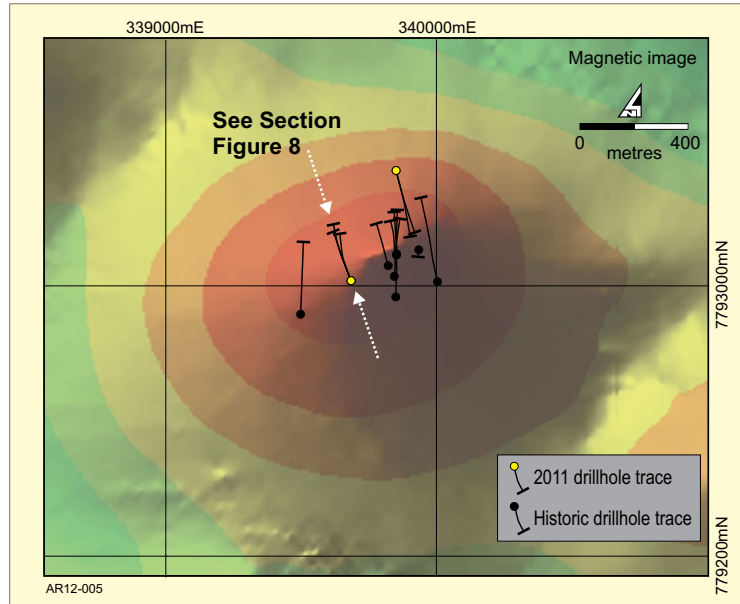


Figure 7: Rover 12 Prospect Plan.

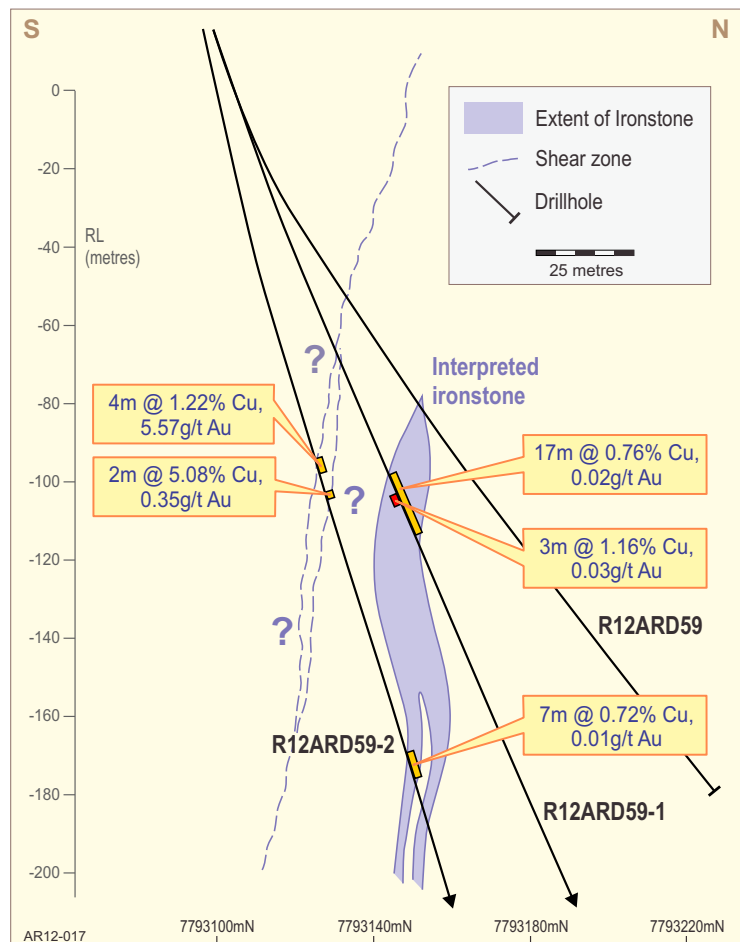


Figure 8: Rover 12 Prospect Section.

Corrobinnie Uranium Joint Venture, SA

Adelaide Resources 32.46%;
Quasar Resources Pty Ltd 67.46%.

The Corrobinnie Uranium Joint Venture ("CUJV"), between Quasar Resources Pty Ltd and Adelaide Resources, is searching for uranium on the northern Eyre Peninsula of South Australia. Quasar Resources acts as the manager and operator of the CUJV.

During the quarter the CUJV received assays for 46 samples submitted following the 2011 drilling program which tested targets in the Narlaby and Thurlga Palaeochannels. Significant results from Narlaby channel holes include 1 metre at 563 ppm U_3O_8 from 91 metres down hole in PDA098, 2 metres at 287 ppm U_3O_8 in PDA079, and 3 metres at 124 ppm U_3O_8 in CBA073.

The 2011 drill program results are being assessed by the Joint Venture manager after which it will present its planned 2012 exploration program for review by Adelaide Resources.■



Chris Drown – Managing Director
Signed on behalf of the
Board of Adelaide Resources Limited
Dated: 26 April 2012

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 is Managing Director of the Company. 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, Managing Director. Ph (08) 8271 0600 or 0427 770 653.■

finance and corporate

The Company had \$4.306 million in cash and term deposits at 31 March 2012.

Exploration and evaluation expenditure by the Company during the March Quarter was \$0.702 million. Exploration and evaluation expenditure incurred during the March Quarter by joint venture parties on tenements in which the Company has an interest totalled \$95,172.■

issued capital

The Company had 144,998,701 ordinary shares, 500,000 unlisted options, and 2,436,667 performance rights on issue at 31 March 2012.

During the quarter 150,000 performance rights and 50,000 options were cancelled due to the resignation of an employee.■