



Australian Securities Exchange Announcement

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Company Announcements Office
Australian Securities Exchange Limited
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EXCEPTIONAL HIGH GRADE COPPER AND GOLD INTERSECTIONS AT ALFORD WEST PROSPECT – MOONTA PROJECT, SA

Hole ALWAC007 intersects:

20 metres at 4.20% copper and 0.27g/t gold

from 32 metres downhole (vertical depth 28 metres below surface).
Copper mineral likely to be chalcocite. Zone includes:

14 metres at 5.80% copper and 0.35g/t gold from 32 metres, or
8 metres at 8.67% copper and 0.49g/t gold from 32 metres.

Hole ALWAC008 intersects:

45 metres at 1.55% copper and 1.81g/t gold

from 15 metres downhole (vertical depth 13 metres below surface)
to end of hole. Native gold, copper carbonates and possible
chalcocite observed. Includes high grade gold zones of:

6 metres at 5.33g/t gold from 19 metres downhole, and
8 metres at 3.96g/t gold from 30 metres downhole.

and high grade copper zones of:

7 metres at 3.61% copper from 18 metres downhole, and
9 metres at 2.11% copper from 43 metres downhole.

Only 300 metres of a plus 3000 metre long auger geochemical anomaly
drilled in any detail to date. Excellent potential exists to grow the Alford
West discovery and to find additional high grade lodes.

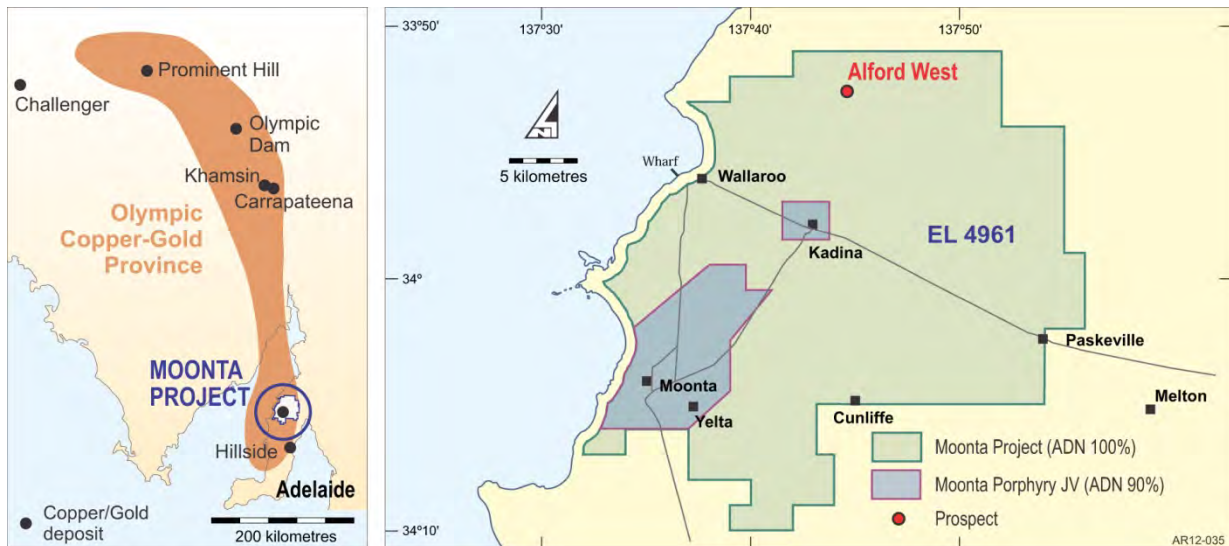


Figure 1: Moonta Copper Gold Project location.

Introduction

The Moonta Copper-Gold Project falls at the southern end of the Olympic Copper Gold Province, a world class mineral belt (Figure 1). The province is highly prospective for Iron Oxide Copper Gold (IOCG) deposits, with Olympic Dam, Prominent Hill and Moonta-Wallaroo the three mines with past or current production. Significant deposits in the pre-development stage include Carrapateena and Hillside, while numerous other prospects exist along the belt.

On 18 March 2013, Adelaide Resources announced significant historical copper and gold exploration results at the 100% owned Alford West Prospect located in the northern part of the project tenement (Figure 1). The company moved quickly to put in place the relevant approvals required to commence exploration and has recently drilled 25 aircore drill holes for a total of 1486 metres (Figure 2). Exceptional new assay results are now at hand.

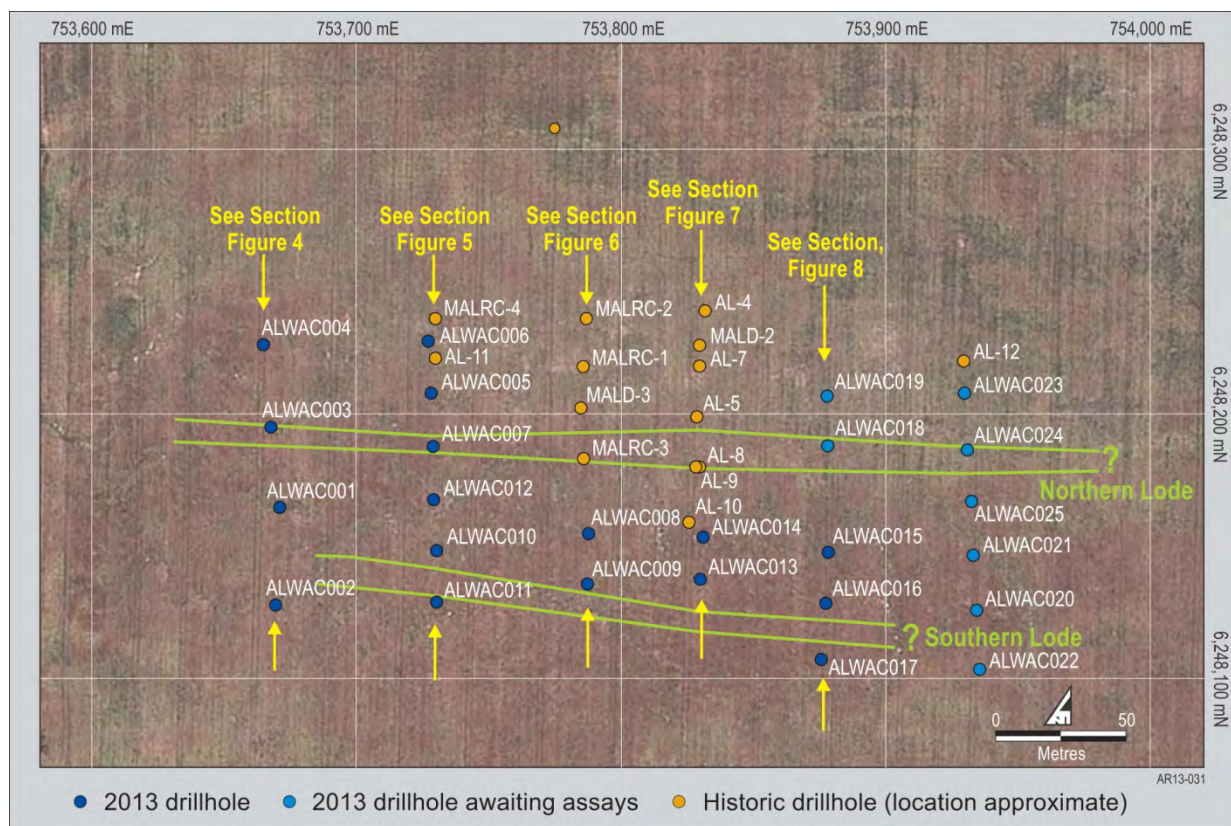


Figure 2: Alford West Prospect drillhole location plan.

Background

Adelaide Resources commenced a significant copper-gold exploration program on its Moonta Copper Gold Project in 2010. Since then it has discovered the Willamulka and Paskeville deposits, and achieved highly encouraging results at prospects including Wombat and Copper Hill. The company believes its exploration successes highlight the outstanding copper-gold prospectivity of the Moonta Project.

In conjunction with its on-ground drill dominated programs, the company has commenced a comprehensive review of the vast amount of historical exploration data collected by past explorers from the project area.

The volume of historical exploration data for the broader Moonta-Wallaroo Project is enormous, and is of very significant value. Adelaide Resources estimates that were it to complete just the diamond and reverse circulation drilling completed by past explorer Western Mining Limited, it would cost in excess of \$20 million and take years to complete.

Recognition that Alford West represented a high quality exploration prospect is the first major success to come out of the historical data review.

The Alford West area came to the attention of Western Mining Corporation in the 1970's when traverses of shallow auger holes outlined a three kilometre long, near-surface geochemical anomaly of significant magnitude (Figure 3). Many auger samples returned assays in excess of 0.1% copper, and rare samples even exceeded 1% copper. Significant molybdenum anomalism is also present, with the molybdenum anomalies semi-coincident with the copper anomaly.

Western Mining Corporation followed up the auger geochemistry with ground based electrical geophysics and some diamond drilling, intersecting significant intervals of low to moderate grade copper and significant molybdenum in many of its drill holes.

Later, the Moonta Mining Joint Venture drilled 12 reverse circulation holes at Alford West, achieving a number of high grade copper and gold intersections. The project was then joint ventured to MIM which drilled just seven further holes at Alford West before assessing the prospect as unlikely to meet its corporate target parameters.

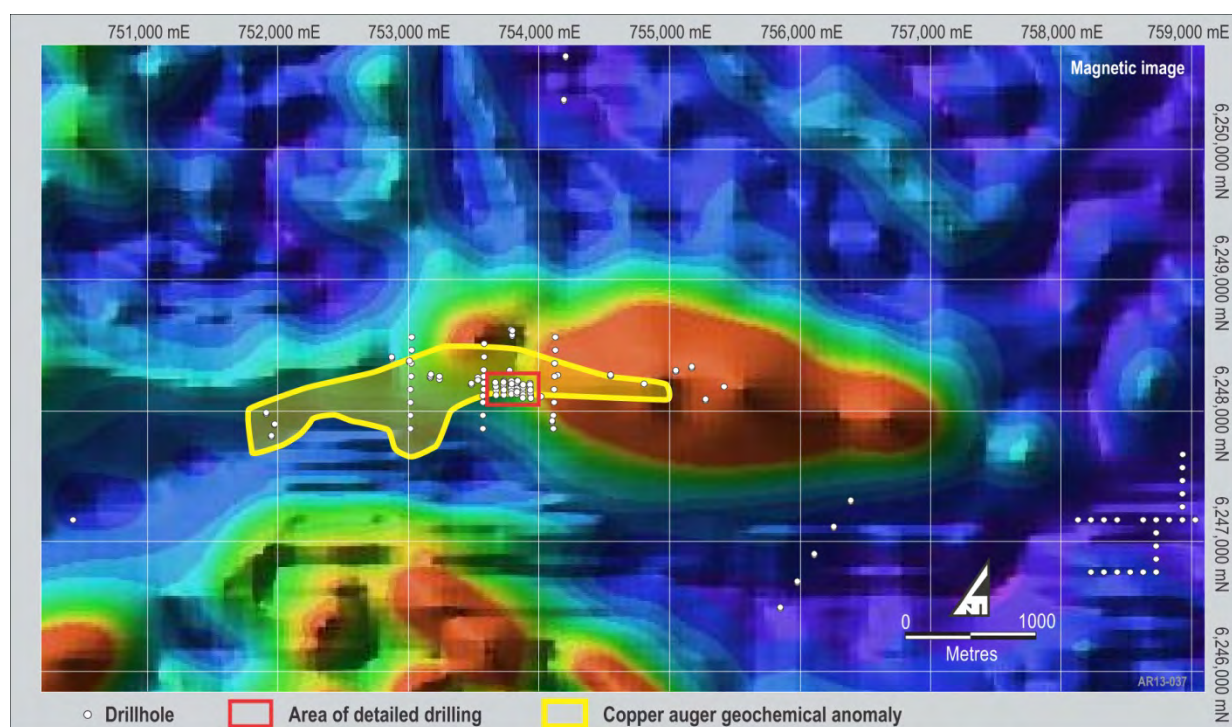


Figure 3: Broader Alford West Prospect area showing auger copper anomaly and drillhole collars.

Results

The results of the first six holes drilled at the Alford West Prospect by Adelaide Resources were announced to the market on 18 April, 2013. Assaying of a further 11 holes is now complete bringing the total number of assayed holes to 17. Included in the results for the 11 newly assayed holes are a number of exceptional intersections of high grade copper and gold.

The 17 holes for which assays are available fall on five of six north-south oriented drill traverses completed at the prospect (Figure 2). The traverses are nominally spaced 50 metres apart and together test approximately 300 metres of strike at Alford West.

Geologically, transported cover sediments at Alford West range in thickness from 2 to 13 metres. Below the cover strongly weathered bedrock comprises both oxidised upper saprolite and un-oxidised lower saprolite.

Partially weathered bedrock, or saprock, is encountered below the saprolite horizons. Fresher bedrock lithologies, where intersected, are interpreted to be dominated by a variety of variably altered meta-sediments.

All recent holes were inclined at 60 degrees, with all but one hole drilled towards the south. Some of the traverses include historical holes, although the collar locations of these holes are considered to be approximate. Results from each of the six traverses are dealt with below.

Traverse 1 (753,665mE – Figure 4)

The results for holes on this traverse were announced on 18 April, but are summarised here to present a complete picture of the emerging Alford West discovery.

Copper mineralisation is present in three of four holes on this traverse. Drillhole ALWAC003 returned a significant intersection of **10 metres at 1.03% copper and 0.40g/t gold** from 50 metres downhole.

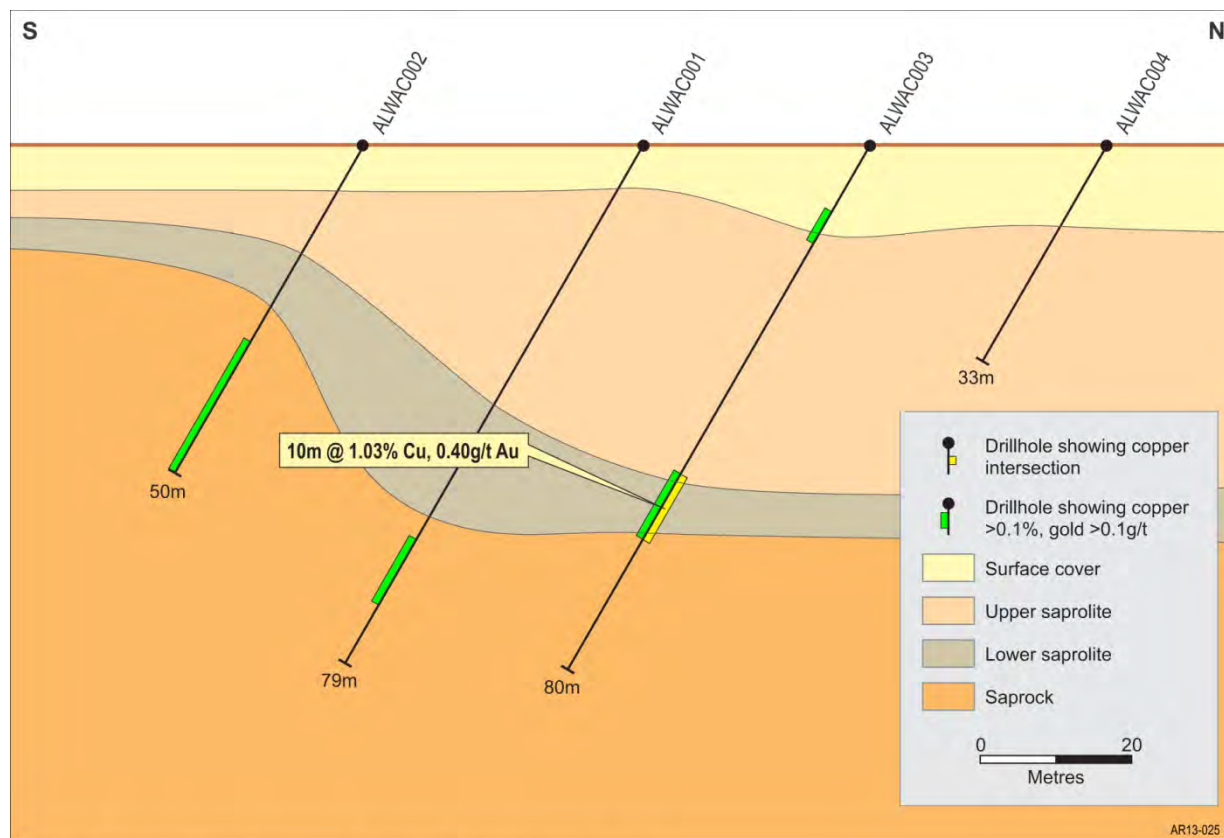


Figure 4: Alford West Prospect Section 753,665 looking west.

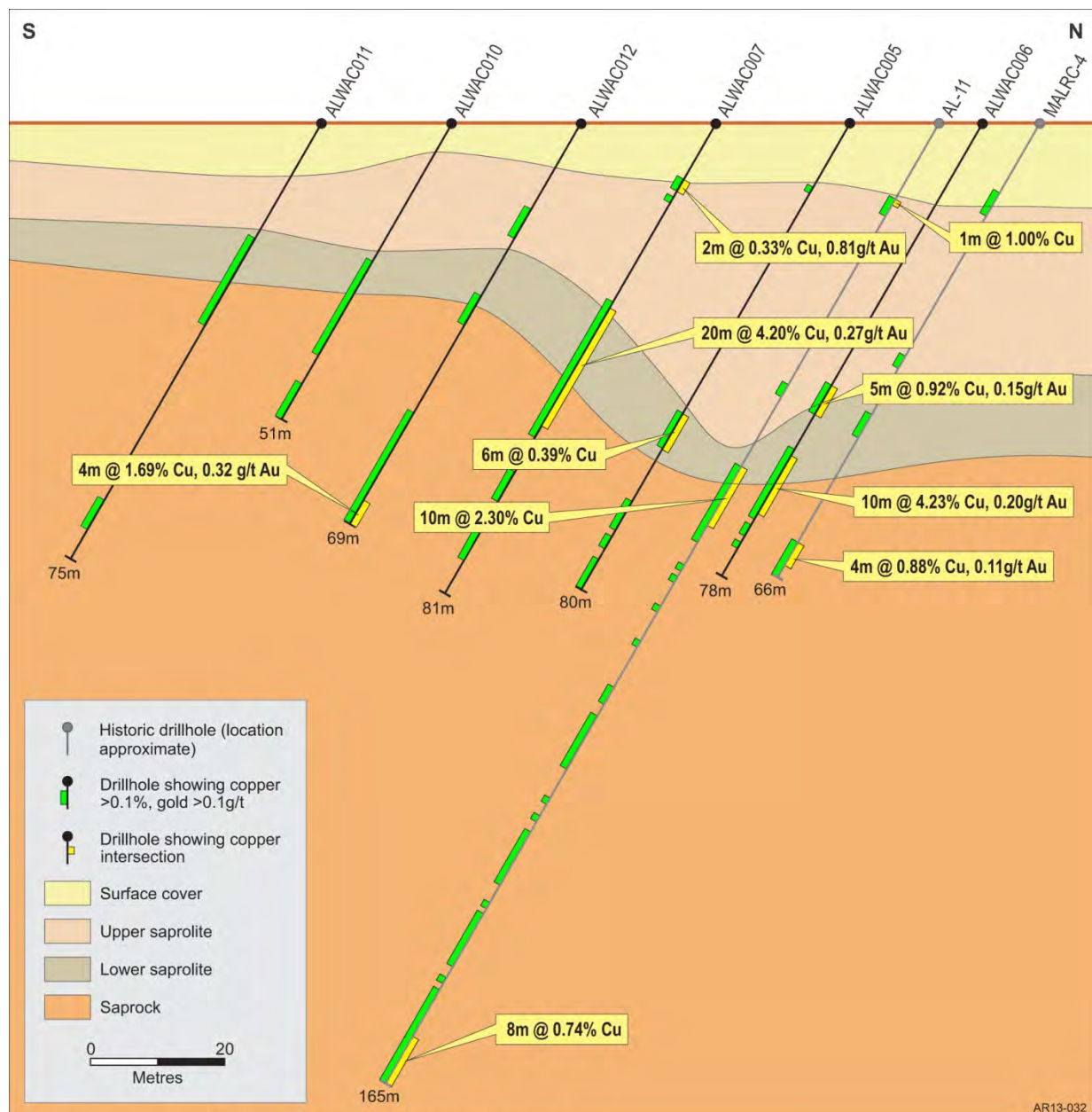
Traverse 2 (753,730mE – Figure 5)

New results from this traverse include a spectacular hit in drillhole ALWAC007 which intersected **20 metres at 4.20% copper and 0.27g/t gold** from a downhole depth of 32 metres, a vertical depth below surface of only about 28 metres. The main copper mineral in this zone is tentatively identified as chalcocite. The intersection in ALWAC007 includes a **bonanza zone of 8 metres at 8.67% copper and 0.49g/t gold** between 32 and 40 metres.

Adjacent hole ALWAC012 finished in mineralisation with assays confirming an intersection of **4 metres at 1.69% copper and 0.32g/t gold**.

Results for holes ALWAC005 and ALWAC006 were reported on 18 April. Significant intersections in ALWAC006 include **5 metres at 0.92% copper and 0.15g/t gold** from 45 metres, and **10 metres at 4.23% copper and 0.20g/t gold** from 57.

While the precise locations of a number of historic holes drilled at the Alford West prospect are uncertain, the company interprets historical hole AL-11 to fall on or about this traverse. AL-11 intersected **10 metres at 2.30% copper** from 59 metres, and bottomed in mineralisation with an intersection from 157 metres to the end of the hole returning **8 metres at 0.74% copper**.



Traverse 3 (753,780mE – Figure 6)

Hole ALWAC008 has returned a standout intersection of **45 metres at 1.55% copper and 1.81g/t gold** from a downhole depth of 15 metres (approximately 13 metres below surface). ALWAC008 remained in mineralisation at its final depth of 60 metres.

A series of over-lapping, high grade gold and copper subzones are present in ALWAC008.

High grade gold zones include 6 metres at 5.33g/t gold from 19 metres, and 8 metres at 3.96g/t gold from 30 metres including 2 metres at 10.19g/t gold.

High grade copper zones in ALWAC008 include 7 metres at 3.61% copper from 18 metres, 9 metres at 1.79% copper from 28 metres, and 9 metres at 2.11% copper from 43 metres.

ALWAC008 and ALWAC009 lie south of the estimated positions of four historical holes drilled by a past explorer. All four of these historic holes drilled mineralisation, with MALRC-1 intersecting **19 metres at 1.19% copper**, MALRC-3 hitting **17 metres at 0.64% copper**, and diamond hole MALD-3 returning **14 metres at 0.67% copper**.

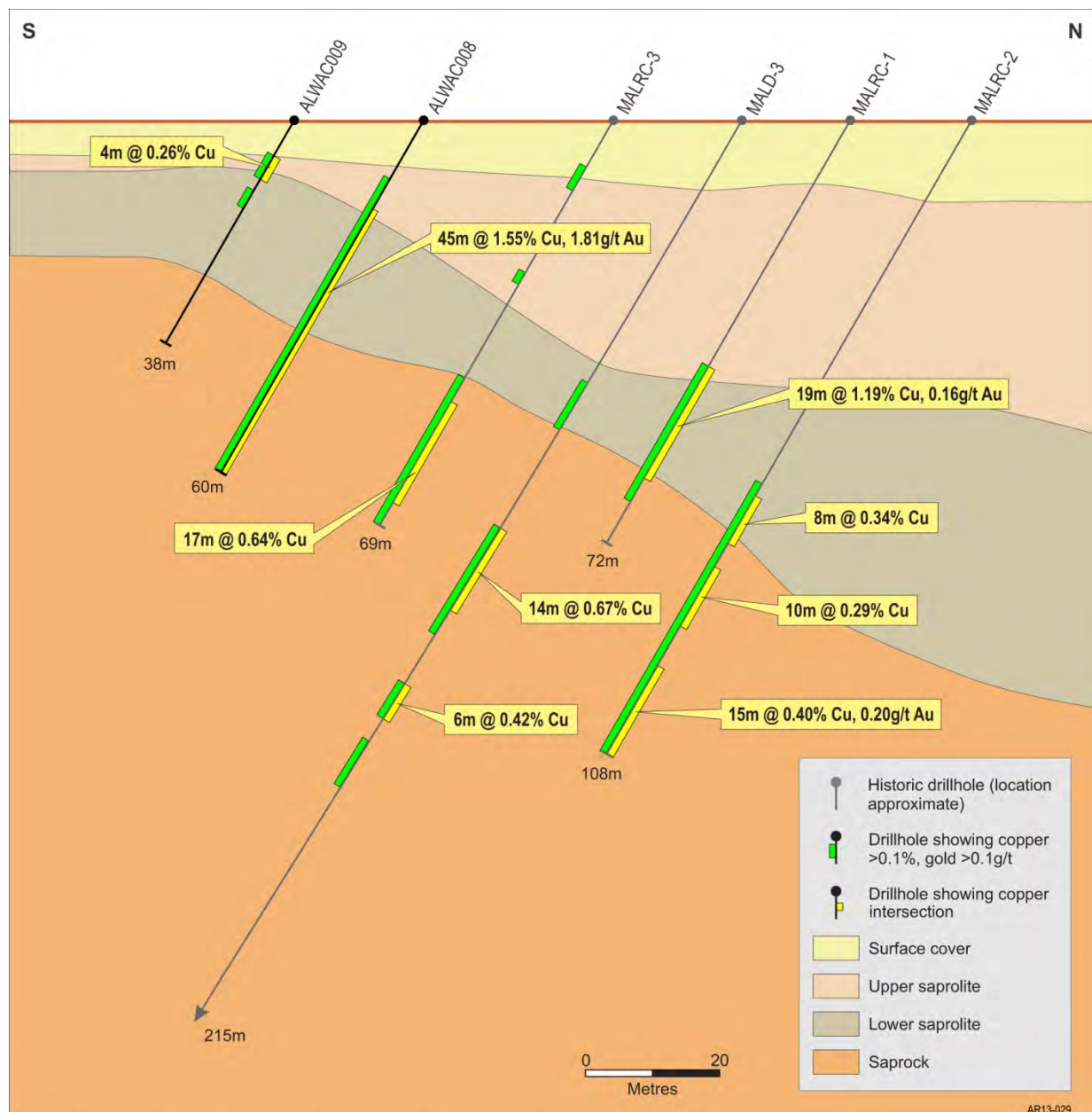


Figure 6: Alford West Prospect Section 753,780 looking west.

Traverse 4 (753,830mE – Figure 7)

Holes ALWA013 and ALWAC014 were drilled to extend a traverse of historical holes. ALWAC013 intersected a shallow zone of **12 metres at 0.64% copper** from just 5 metres downhole, and a deeper zone of **7 metres at 0.74% copper** from 20 metres.

Historical intersections on this traverse include a number of excellent hits tentatively interpreted to be from two steeply north dipping lodes. Intersections from the possible northern lode include **11 metres at 1.09% copper** from 93 metres downhole in AL-4; **20.4 metres at 0.70% copper** in MALD-2, and **29 metres at 1.07% copper** from 44 metres in AL-7.

Intersections from the possible southern lode include **9 metres at 1.83% copper** from 94 metres in AL-9, including **5 metres at 2.78% copper and 3.17g/t gold**; **12 metres at 2.22% copper** from 64 metres in AL-10, and **20 metres at 0.68% copper** in AL-7.

The relationship between the intersection in ALWAC013 and the historic holes is potentially confused by uncertainty in the precise location of the historic holes relative to Adelaide Resources' holes.

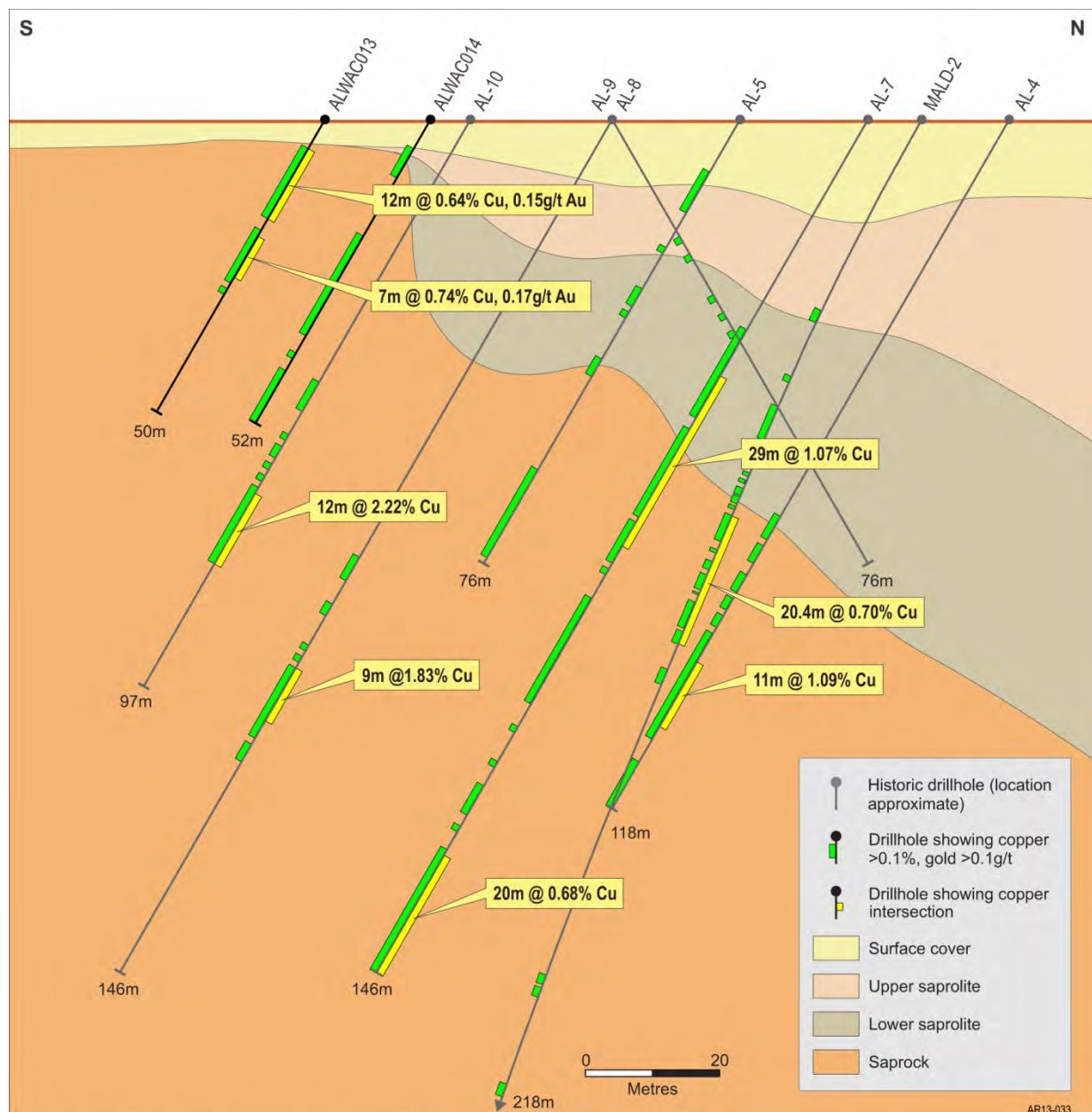


Figure 7: Alford West Prospect Section 753,830 looking west.

Traverse 5 (753,880mE – Figure 8)

Assays for three of five recent holes on this traverse confirm that the deposit continues strongly east. Hole ALWAC016 intersected **23 metres at 0.76% copper and 0.31g/t gold** from 6 metres, including **15 metres at 1.04% copper** from 6 metres. Scissored hole ALWAC017 intersected **10 metres at 1.69% copper and 1.24g/t gold** from 25 metres, including **5 metres at 2.88% copper and 2.17g/t gold**.

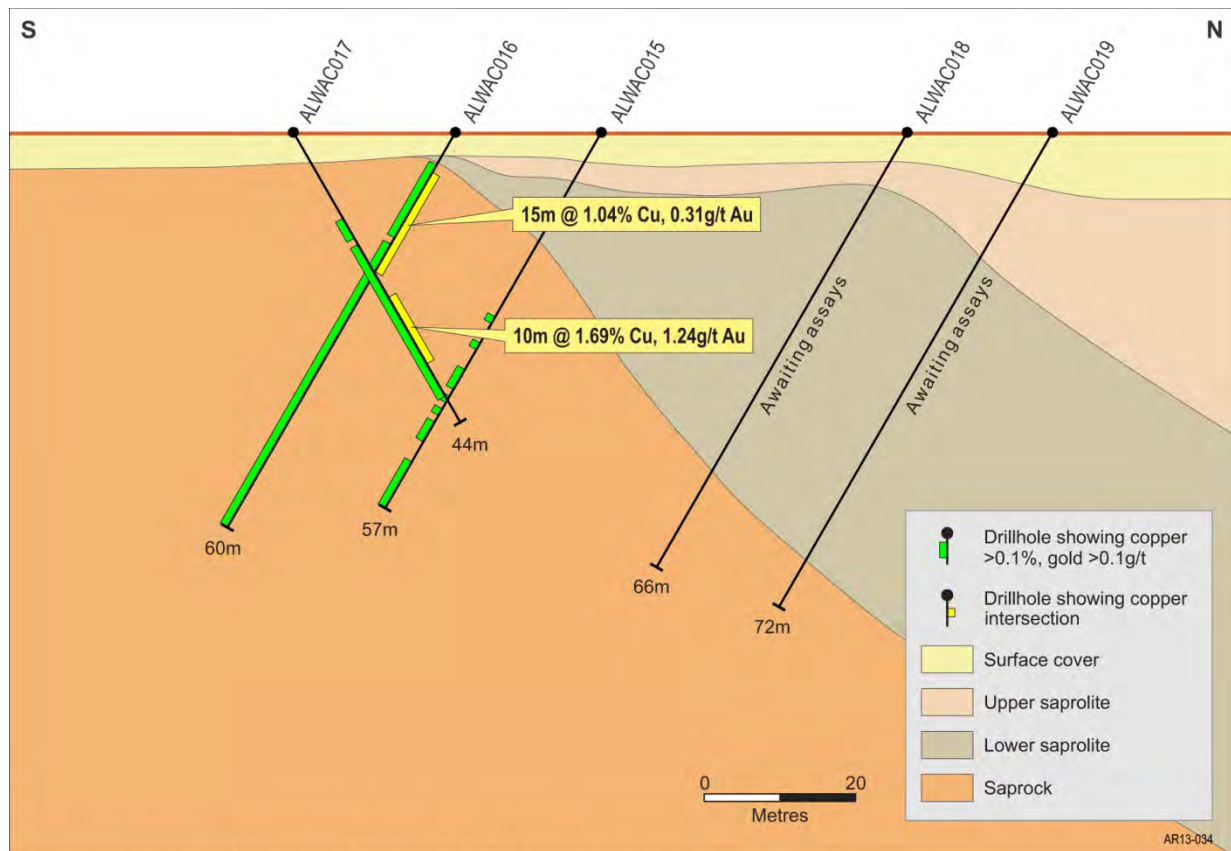


Figure 8: Alford West Prospect Section 753,880 looking west.

Traverse 6 (753930mE – no Figure)

Assay results are not yet at hand for recent holes drilled on this traverse. Historical hole AL-12 intersected **5 metres at 0.74% copper** from 48 metres, **2 metres at 1.20% copper** from 66 metres, and **4 metres at 0.98% copper** from 49 metres.

Table 1 presents a complete list of intersections for Adelaide Resources' recent aircore holes at Alford West for which assaying has been finalised.

Table 1: Alford West Prospect 2013 Drill Program Assays.

Drillhole Name	Easting (GDA94)	Northing (GDA94)	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Interval (m)	Cu %	Au g/t
ALWAC003*	753668	6248195	-60	180	80	10	15	5	0.23	0.03
						50	60	10	1.03	0.40
ALWAC005*	753728	6248208	-60	180	80	11	12	1	0.71	0.03
						50	56	6	0.39	0.03
						71	72	1	0.21	0.05
						77	80	3	0.32	0.15
ALWAC006*	753727	6248227	-60	180	78 <i>incl.</i>	45	50	5	0.92	0.15
						48	49	1	1.59	0.16
						56	67	11	3.87	0.20
						<i>incl.</i> 57	67	10	4.23	0.20
						<i>incl.</i> 57	62	5	5.45	0.25
						69	71	2	0.33	0.03
ALWAC007	753729	6248188	-60	180	80 <i>incl.</i> <i>incl.</i> <i>incl.</i>	10	12	2	0.33	0.81
						10	11	1	0.21	1.36
						32	52	20	4.20	0.27
						32	46	14	5.80	0.35
ALWAC008	753788	6248155	-60	180	60 <i>incl. high grade copper zones</i> <i>and</i> <i>and</i> <i>incl. high grade gold zones</i> <i>and</i> <i>incl.</i>	15	60	45	1.55	1.81
						18	25	7	3.61	4.66
						28	37	9	1.79	3.19
						43	52	9	2.11	1.00
						19	25	6	3.79	5.33
						30	38	8	1.72	3.96
						35	37	2	1.41	10.19
ALWAC009	753788	6248136	-60	180	38	6	10	4	0.26	0.03
						13	14	1	0.21	0.16
ALWAC010	753730	6248148	-60	180	51	25	26	1	0.39	0.02
						50	51	1	0.60	0.33
ALWAC011	753731	6248129	-60	180	75	29	30	1	0.22	~
ALWAC012	753730	6248168	-60	180	69	15	20	5	0.29	0.03
						50	55	5	0.29	0.02
						65	69	4	1.69	0.32
ALWAC013	753830	6248137	-60	180	50 <i>incl.</i> <i>incl.</i>	5	17	12	0.64	0.15
						5	9	4	1.42	0.13
						20	27	7	0.74	0.17
						23	26	3	1.22	0.18
ALWAC014	753831	6248153	-60	180	52	23	25	2	1.05	0.05
						35	37	2	0.23	~
						40	52	12	0.31	0.18
ALWAC015	753879	6248148	-60	180	57	50	51	1	0.21	0.03
ALWAC016	753878	6248129	-60	180	60 <i>incl.</i> <i>incl.</i>	6	29	23	0.76	0.31
						6	21	15	1.04	0.31
						19	20	1	0.65	3.69
						40	45	5	0.23	0.03
ALWAC017	753876	6248107	-60	360	44 <i>incl.</i>	13	16	3	0.23	0.01
						18	21	3	0.35	0.57
						25	35	10	1.69	1.24
						30	35	5	2.88	2.17

* First reported on 18 April 2013. Recalculated using cut-off parameters detailed below.
Intersections calculated by averaging 1m or 5m 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. Cut-off grade of 0.2% Cu applied with up to 2m internal dilution for principal intersections. Introduced QA/QC samples indicate acceptable analytical quality. Intersections are downhole lengths.

Interpretation

Multiple zones of high grade copper, some with significant gold, have been intersected in recent and historical drill holes that fall on each of 6 drill traverses that test 300 metres of strike at Alford West. The deposit remains open to both the east and west, and at depth. The across strike width of the envelope which contains the discrete high grade lodes is so far confirmed to be at least 100 metres wide, but remains open to the north and south. Clear potential to extend the zones of mineralisation defined by current drilling exists.

High grade mineralisation persists to very shallow depths, with the shallowest intersections returned to date commencing less than five vertical metres below the surface. There is a suggestion that geochemical depletion of copper and gold is occurring in the oxidised upper saprolite.

Copper bearing phases identified in the recent and historical drilling include copper carbonates, minor native copper, chalcocite and chalcopyrite. The highly valued copper-bearing mineral chalcocite has been petrologically confirmed in some of the historical intersections, and is considered likely to be the copper phase present in some of Adelaide Resources' high grade intersections.

Results to date are consistent with an over-all east-west mineralisation strike, however the dip of individual lodes is less clear. The somewhat limited historical drilling can be interpreted to reveal steeply north dipping lodes, however this is not so apparent when the recent results are also considered. Interpreting the dip of the high grade mineralised zones is confused by uncertainty in the exact location of the historical holes relative to Adelaide Resources holes, and possibly by lateral remobilisation of metal due to supergene processes operating in the regolith.

The presence of intervals of high grade gold mineralisation in some intersections suggests this metal will make a significant contribution to the value of the deposit. It is noted that only a portion of the historical drill samples were assayed for gold.

Adelaide Resources is aware that the historical exploration drilling completed at Alford West targeted geochemical anomalies defined by shallow auger holes drilled by Western Mining Corporation and its joint venturers. The auger anomaly extends along strike for approximately three kilometres in an east west direction, and reaches widths of up to several hundred metres in the north-south dimension.

A number of wide spaced historical holes have tested the auger anomaly at various places along its strike, with most of these holes returning low to moderate grade intersections. It should be noted, however, that detailed drilling to date has tested only a very small part of the large auger geochemical anomaly (Figure 3), and the potential to discover additional high grade copper and gold lodes within the broader Alford West area is considered excellent.

Comment

Commenting on these latest results, Adelaide Resources' Managing Director Chris Drown said

"Our first drilling program at Alford West has delivered superb results. Indeed, these are likely to be some of the best exploration results that any company, big or small, will achieve in Australia in 2013.

"There are many features at Alford West that excite us. Firstly, every traverse we have drilled on to date has delivered high grade copper intersections. Added to the high grade copper we have also achieved some very significant gold intersections suggesting that gold will be a valuable component at Alford West.

“Coupled with the high grades are the often significant downhole widths of the intersections, with our 20 metre hit at 4.20% copper, and our 45 metre hit at 1.55% copper and 1.81g/t gold standout examples.

“Added to that is the fact that high grade mineralisation persists to very shallow depths, in places less than five metres below surface. Combining high grade, good widths, and shallow depth to the top of the deposit augurs well for its future economics.

“We now see obvious potential to grow this deposit along strike and at depth, and we see tremendous potential to discover more high grade lodes in the broader, three kilometre long geochemical anomaly defined by the historic WMC auger geochemistry.”

Follow-up programme

Following receipt and interpretation of the remaining assay results from the recent aircore drilling programme, further drilling will be designed at Alford West with a number of goals in mind. These goals include:

- extending the known lodes to the east and west along strike, and at depth;
- completing close spaced drilling on one or more traverses to allow confident interpretation of the lode geometries, particularly their dip; and
- extending new drilling on existing traverses into the areas of historic drilling to resolve the uncertainty regarding in the location of the historic intersections, and to present samples for gold assay as this metal was not routinely determined historically.

The auger holes that originally outlined the target at Alford West were drilled on lines generally spaced several hundred metres apart. Commencing this week, the company will undertake a detailed trail surface geochemistry survey, using a field portable XRF instrument, to determine if the mineralisation defined to date gives a surface geochemical response. If the trial is successful, the method can offer a valuable, non-intrusive, and very cost effective means of mapping additional drill targets in far greater detail than the historic auger geochemical survey has done.

The exploration team will also continue to progress its capture and review of the historical data from the project, giving priority to work completed in the Alford West region.

Yours faithfully



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.