



Australian Securities Exchange Announcement

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Company Announcements Office
Australian Securities Exchange Limited
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STAGE TWO AIRCORE DRILLING UNDERWAY AT ALFORD WEST, SA.

A second round of aircore drilling is now underway at the 100% owned Alford West Prospect within the Moonta Copper Gold Project on South Australia's Yorke Peninsula (Figure 1).

The current drill program follows Adelaide Resources' highly successful maiden drill program, completed earlier in 2013, that returned a number of exceptional copper and gold intersections at the prospect. The company's intersections are additional to a number of equally significant historical drill hits achieved by past explorers at Alford West.

Adelaide Resources' maiden drill program comprised 25 holes for a total of 1486 metres, with holes sited on six north-south drill traverses spaced about 50 metres apart. These 25 holes were located in an area where historical drilling had also encountered copper-gold mineralisation, with high grade intersections achieved on all of these six traverses.

The stage two drilling program aims to more than quadruple the number of aircore holes drilled at Alford West by Adelaide Resources, with 91 new holes currently planned.

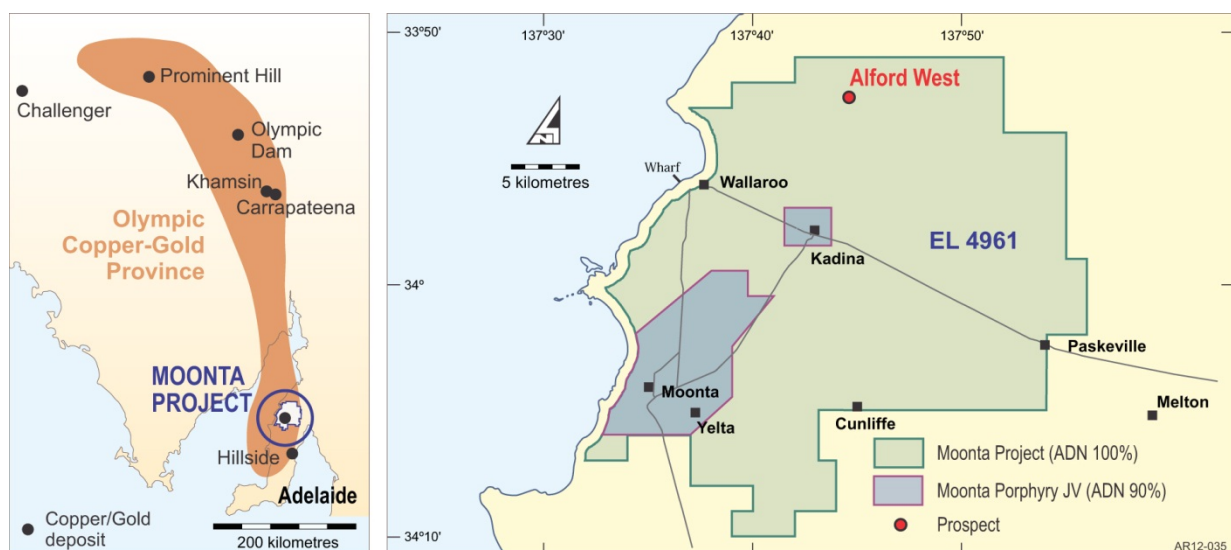


Figure 1: Moonta Copper Gold Project location.

Significant intersections achieved at Alford West by historic explorers and by Adelaide Resources during its maiden drilling program include:

- 7 metres at 1.86% copper and 0.45g/t gold from 51 metres in ALWAC003,
- 10 metres at 4.23% copper and 0.20g/t gold from 57 metres in ALWAC006,
- 20 metres at 4.20% copper and 0.27g/t gold from 32 metres in ALWAC007,
- 45 metres at 1.55% copper and 1.81g/t gold from 15 metres to EOH in ALWAC008,
- 4 metres at 1.69% copper and 0.32g/t gold from 65 metres to EOH in ALWAC012,
- 4 metres at 1.42% copper and 0.13g/t gold from 5 metres to EOH in ALWAC012,
- 15 metres at 1.04% copper and 0.31g/t gold from 6 metres in ALWAC016,
- 10 metres at 1.69% copper and 1.24g/t gold from 25 metres in ALWAC017,
- 7 metres at 0.48% copper and 0.95g/t gold from 38 metres in ALWAC019,
- 7 metres at 1.02% copper and 0.06g/t gold from 65 metres to EOH in ALWAC019,
- 4 metres at 1.20% copper and 0.09g/t gold from 52 metres to EOH in ALWAC023,
- 12 metres at 1.71% copper and 0.12g/t gold from 45 metres in MALRC-1,
- 11 metres at 1.09% copper from 93 metres downhole in AL-4 (*gold not determined*),
- 29 metres at 1.07% copper from 44 metres in AL-7 (*gold not determined*),
- 9 metres at 1.83% copper from 94 metres in AL-9 (*gold not determined*),
- 12 metres at 2.22% copper from 64 metres in AL-10 (*gold not determined*),
- 10 metres at 2.30% copper from 59 metres in AL-11 (*gold not determined*),
- 9 metres at 0.95% copper from 104 metres in DDH224 (*gold not determined*), and
- 11.2 metres at 1.02% copper from 146.9 metres in DDH132 (*gold not determined*).

The planned locations of Adelaide Resources' stage two aircore holes are shown on Figure 2. These holes will extend the strike length tested by detailed shallow drilling at the prospect from 300 metres to about 1100 metres.

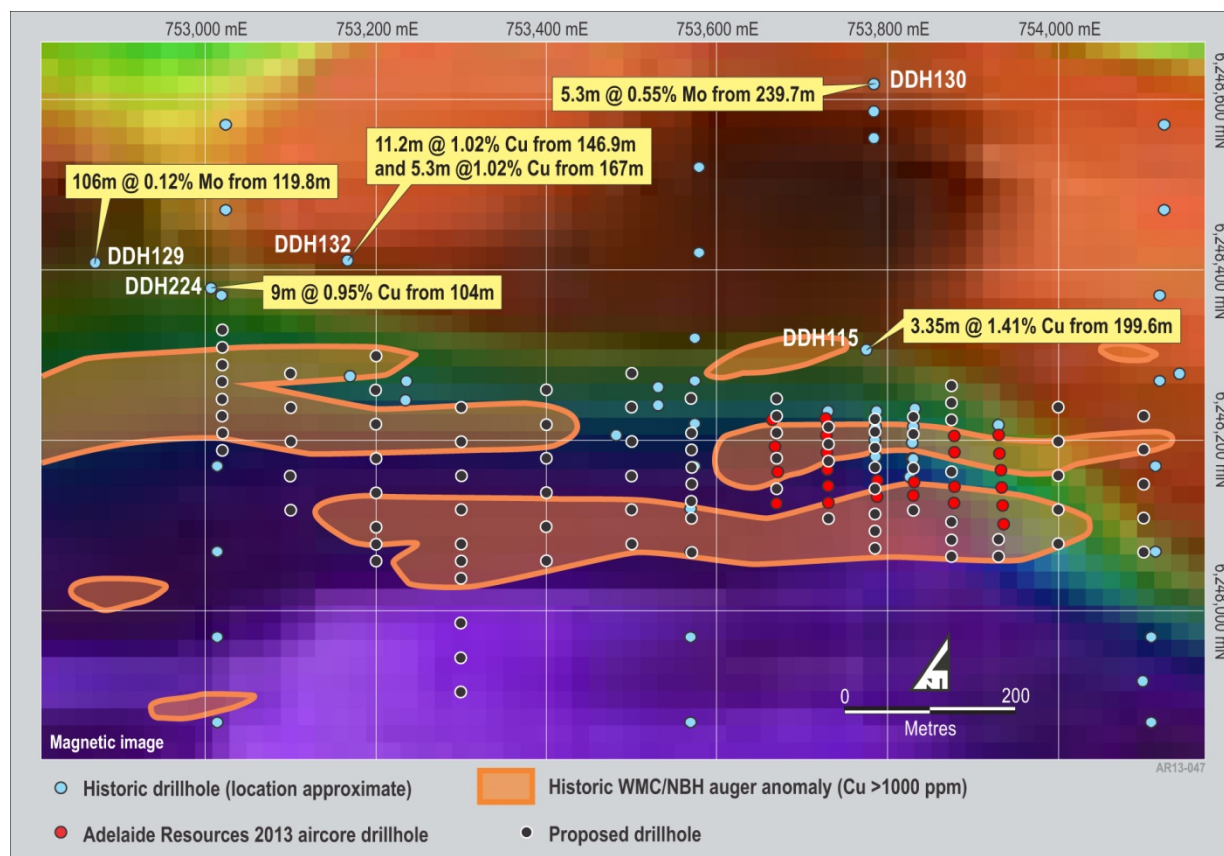


Figure 2: Alford West summary plan showing location of proposed drillholes.

Some holes will also be drilled on existing traverses with the aim of establishing the dip of the high grade copper and gold lodes, and to present samples for gold assay as this metal was not routinely determined by historical explorers.

The stage two drill holes have been designed following interpretation of existing drill results, historical shallow auger geochemistry completed by the Western Mining Corporation/North Broken Hill Joint Venture in the 1970's and 1980's, and the results of a trial Field Portable X-Ray Florescence (FPXRF) geochemical survey completed earlier in May 2013 at Alford West.



Figure 3: Alford West drilling 27 May, 2013

Where auger anomalies along strike from the area of existing detailed drilling are to be explored by the stage two drilling, the new holes will be testing below very significant levels of known shallow copper mineralisation.

The auger anomalies on one traverse include maximum individual assays of 3.4% copper and 13.0% copper, while the auger holes on a second traverse bottomed in mineralisation ranging in grade between 0.12% copper and 0.29% copper.

The auger geochemistry results confirm the high quality of the targets to be tested in the stage two drill program.

Drill samples from the current program will be scanned using the FPXRF instrument to present early indications of copper mineralisation, with first laboratory assays anticipated to be available in around four to six weeks.

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.

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