



Australian Securities Exchange Announcement

Monday 5 August, 2013

ALFORD WEST DELIVERS FURTHER EXCITING DRILL RESULTS

- Latest Alford West assays confirm that **copper and gold mineralisation persists over the central 1100 metres** of the 3200 metre long auger copper anomaly that defines the prospect.
- New drill intersections added to the growing bank of high grade hits at Alford West include:
 - 18 metres at 2.22% copper and 0.17g/t gold** from 46 metres, including
 - 12 metres at 3.21% copper and 0.19g/t gold** from 47 metres in ALWAC044,
 - 9 metres at 1.21% copper and 0.17g/t gold** from 70 metres in ALWAC047,
 - 16 metres at 2.38% copper and 0.18g/t gold** from 60 metres, including
 - 9 metres at 3.97% copper and 0.14g/t gold** from 66 metres in ALWAC048,
 - 12 metres at 0.41% copper and 1.44g/t gold** from 15 metres in ALWAC087, and
 - 11 metres at 1.11% copper and 0.03g/t gold** from 42 metres in ALWAC090
- Drilling in one area has defined **a coherent, continuous, high grade body of copper mineralisation** which extends over at least 400 metres.
- **New zone of molybdenum mineralisation discovered**, with best intersection of **68 metres at 362ppm molybdenum and individual assays to 1180ppm Mo**. The zone is coincident with copper and gold, and may add to the economic value of the deposit.
- Drilling to date has confirmed **Alford West is a major Cu-Au-Mo mineralised system open to the east, west and at depth**, and of Iron Oxide Copper Gold (IOCG) affinity.

Adelaide Resources Limited is pleased to announce further exciting exploration results from its 100% owned Alford West prospect, located on the Yorke Peninsula of South Australia. The latest results are from holes completed during the company's second round of aircore drilling, and add to the growing bank of impressive drill intersections achieved at the prospect.

Commenting on the latest results and their significance to the emerging Alford West discovery, Adelaide Resources' Managing Director, Chris Drown said:

"The latest results have significantly expanded the known dimensions of the Alford West mineralisation. The deposit extends over the entire 1100 metres of strike length tested so far, remains open along strike and at depth, and shows excellent potential to increase further in size.

"Included in the latest results are further copper intersections of very attractive grade, and we can see coherent high grade zones emerging within the large mineralised system. While speculation about the resource grade at Alford West is premature, we are satisfied that the results to date do not preclude achieving a grade comparable to those at operating mines.

"The latest assays also reveal the presence of significant molybdenum mineralisation in one area of the prospect, and molybdenum now presents a third target metal at Alford West.

"We are very satisfied with these new results, and with the positive way this prospect continues to develop for the company's shareholders."

Introduction

Adelaide Resources has received further laboratory assays from aircore holes completed during its second program of drilling (“Stage Two”) at the wholly owned Alford West prospect, located within the Moonta Copper Gold Project on South Australia’s Yorke Peninsula (*Figure 1*).

The Moonta Copper Gold project tenement captures the historical “Copper Triangle” mining district around the towns of Moonta, Kadina and Wallaroo. The tenement falls towards the southern end of the Olympic Copper Gold Province, a geological belt prospective for Iron Oxide Copper Gold (IOCG) deposits which include Olympic Dam, Prominent Hill, Carrapateena and Hillside.

The pedigree of the Olympic Copper Gold Province is evidenced by the fact that all available exploration ground within it is pegged, and that the companies actively exploring the belt include an impressive list of major and emerging mining houses.

Adelaide Resources’ project has a number of significant advantages when compared to other parts of the Olympic Copper Gold Province.

One of these advantages lies in the fact that the Moonta district generally has only a thin blanket of unconsolidated cover sediments obscuring the prospective host rocks, a feature in stark contrast to areas further north where cover depths often exceed hundreds of metres.

A second advantage lies in the existence of a formidable volume of historical exploration data to which the company has access. Adelaide Resources’ reassessment of this data has uncovered several prospects, including the Alford West prospect, that display excellent potential to become significant discoveries with further exploration.

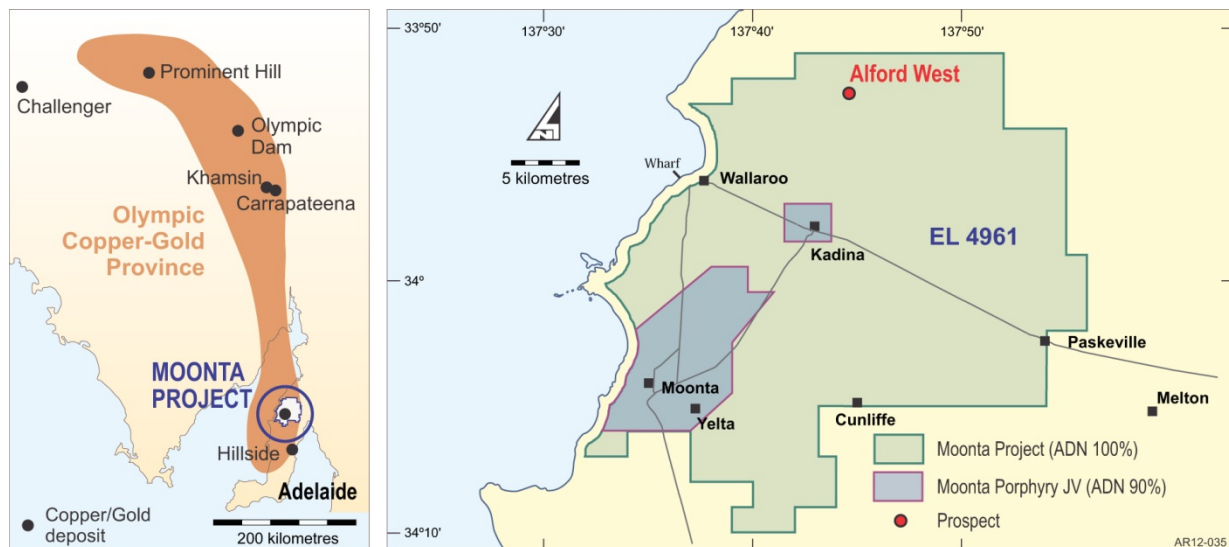


Figure 1: Moonta Copper Gold Project location.

Alford West Prospect

The Alford West prospect is defined as a 3200 metre long copper anomaly outlined by historic shallow auger geochemical drilling completed in the 1970’s by a joint venture between Western Mining Corporation and North Broken Hill. Assays for individual auger samples contain up to 13% copper, while many samples contain copper at levels above 0.1%.

Deeper historic drilling includes aircore, reverse circulation and diamond holes, with a number of holes returning high grade copper intersections. Gold was not routinely determined by some historical explorers, however significant molybdenum was reported in the auger geochemistry and in some deeper historic holes.

A plan showing the location of the Alford West auger geochemical anomaly and the collar locations of all deeper drill holes appears in *Figure 2*, while a detailed plan of the area in which Adelaide Resources has completed drilling appears as *Figure 3*. Cross sections appear as *Figures 4 to 8*.

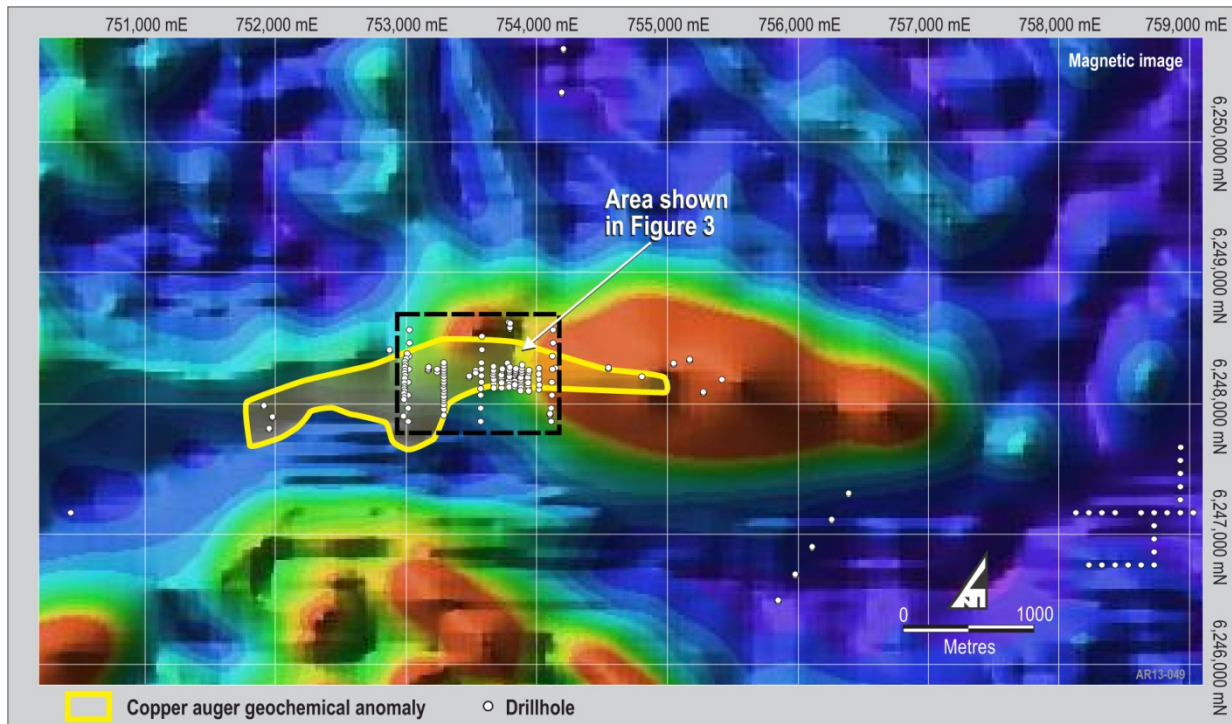


Figure 2: Broader Alford West Prospect showing auger copper anomaly and drillholes.

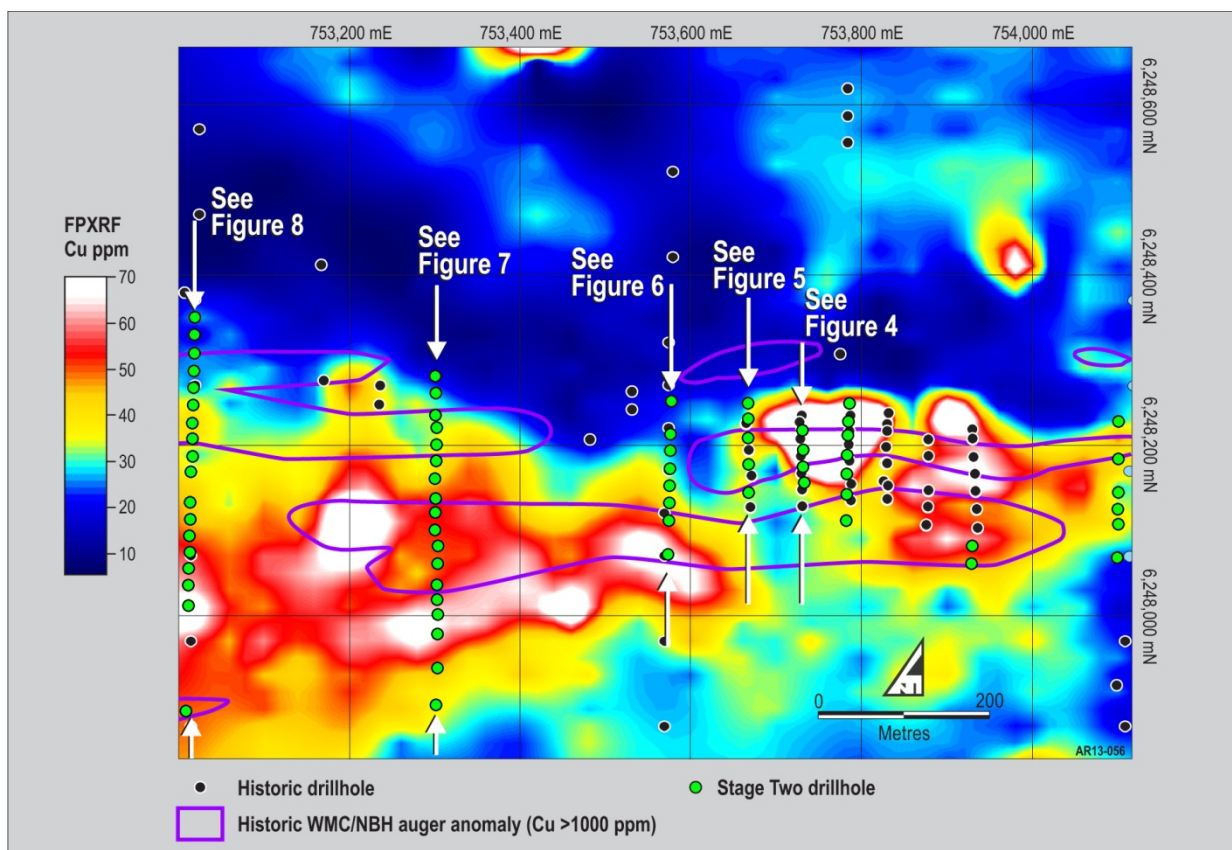


Figure 3: Alford West Prospect summary plan.

Drill Traverse 753,730mE (Figure 4)

Final laboratory assays have been received for hole ALWAC044 which returned an impressive intersection of 18 metres at 2.22% copper and 0.17g/t gold commencing from 46 metres downhole. Included within this zone is an even higher grade interval of 12 metres at 3.21% copper. A deeper zone in ALWAC044 returned 3 metres at 1.22% copper from 75 metres.

The copper bearing mineral present in the main intersection is thought to be chalcocite (Cu_2S) and the zone is interpreted to be one of supergene enrichment which has formed below the base of the copper depleted oxidised upper saprolite weathered horizon.

Drilling on this section is dense enough to confidently interpret a shallowly northern dip to the high grade zone. This shallow dip is significant as it confirms that the various drill intersections reported from it are close to true width.

The high grade supergene zone can be confidently correlated to extend onto drill traverses located both to the east and west of Traverse 753,730mE.

The depth to the top of the supergene zone is controlled by the depth of the upper saprolite horizon. On Traverse 753,730, and on drill lines to the east, the supergene zone commences at a depth of approximately 30 metres below surface.

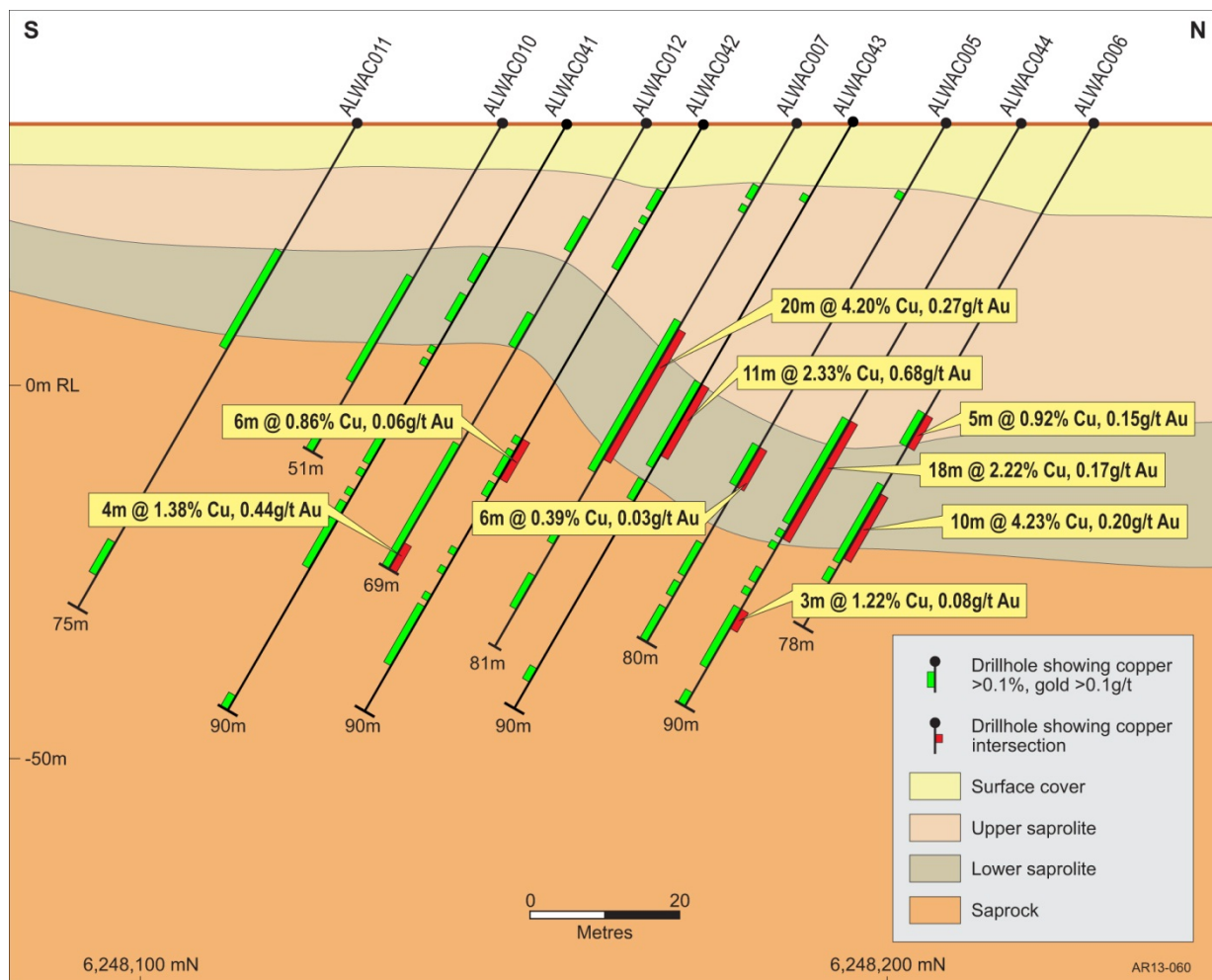


Figure 4: Alford West Prospect Section 753,730 mE looking west.

Drill Traverse 753,670mE (Figure 5)

This traverse lies 60 metres west of the traverse presented in *Figure 4*, and was the western-most line upon which holes were completed in the company's maiden drilling program (holes ALWAC001 to ALWAC004).

Hole ALWAC003 returned an intersection of 7 metres at 1.86% copper and 0.45g/t gold from 61 metres downhole. Maiden program hole ALWAC004 was abandoned at a depth of 33 metres while in upper saprolite.

The exploration team's understanding that copper is depleted in the upper saprolite in this part of the deposit, and the projection of mineralised zones intersected on drill lines to the east, suggested that the area north of the ALWAC003 intersection represented an exciting target zone, and Stage Two holes ALWAC047 to ALWAC049 were completed as a test.

ALWAC047 intersected 9 metres at 1.21% copper and 0.17g/t gold from 70 metres downhole, while ALWAC048 returned an impressive intersection of 16 metres at 2.38% copper and 0.18g/t gold from 60 metres, confirming the company's model. The depth of the depleted upper saprolite is greater on this traverse leading to a deeper supergene zone.

ALWAC047 and ALWAC048 also intersected the first significant zones of molybdenum (Mo) mineralisation in holes drilled by Adelaide Resources. The molybdenum intersections displayed on *Figure 5* and elsewhere in this report are derived from a combination of laboratory assays (where available), and Field Portable X-Ray Fluorescence analyses. The molybdenum mineralisation is coincident with copper and gold, but doesn't display significant depletion in the upper saprolite.

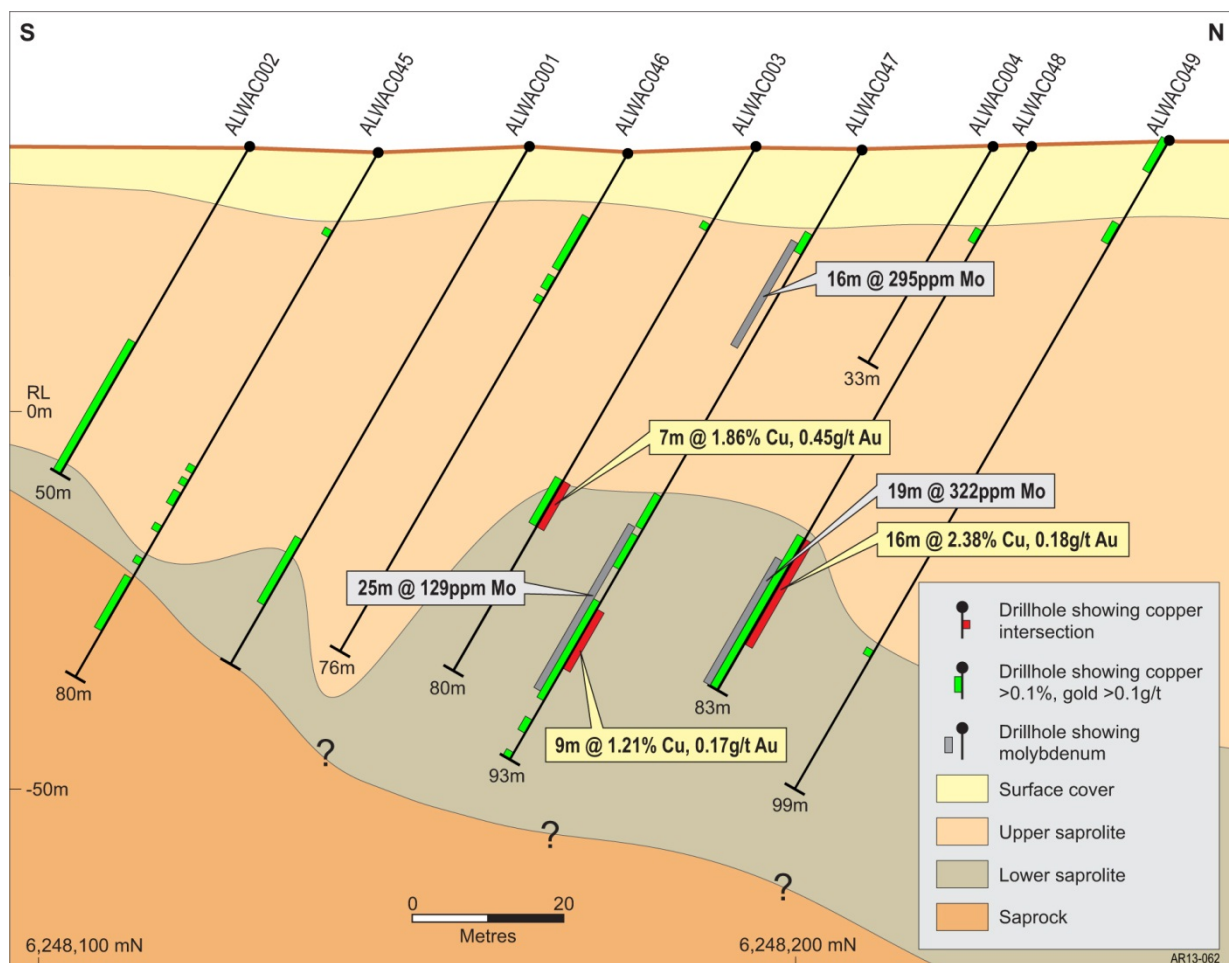


Figure 5: Alford West Prospect Section 753,670 mE looking west.

Drill Traverse 753,570mE (Figure 6)

Traverse 753,570 is located 100 metres west of the traverse presented in Figure 5. All of the holes drilled on this line by Adelaide Resources were Stage Two program holes. A number of historic aircore holes drilled by a past explorer also fall on this line, with four holes falling within the limits of the area presented in Figure 6.

Hole ALWAC056 intersected 33 metres at 0.44% copper and 0.14g/t gold from 70 metres. Hole ALWAC055 encountered only very weak copper, but a long interval of low grade gold above the ALWAC056 intersection.

The strongest molybdenum intersections achieved to date by Adelaide Resources fall on this section. ALWAC056 returned 68 metres at 352ppm molybdenum, with individual assays ranging up to 1180ppm molybdenum. The molybdenum intersections define a broad sub-vertical zone of mineralisation. Molybdenum is coincident with copper and gold below the base of upper saprolite, but persists through the copper depleted upper saprolite to the base of cover. The zone of copper and molybdenum mineralisation on this line is interpreted to be the western continuation of the zone defined on traverse 753,670mE (Figure 5).

This section also demonstrates how an understanding of metal behaviour in the regolith can be crucially important in the task of exploration. Historic hole MPDAC-555 finished in copper depleted upper saprolite at a depth of 27 metres, and therefore made no intersection of note. Had this hole continued to 80 or 90 metres, it would have intersected the main zone of mineralisation. MPDAC-555 probably intersected significant molybdenum, however this metal was not assayed by the past explorer.

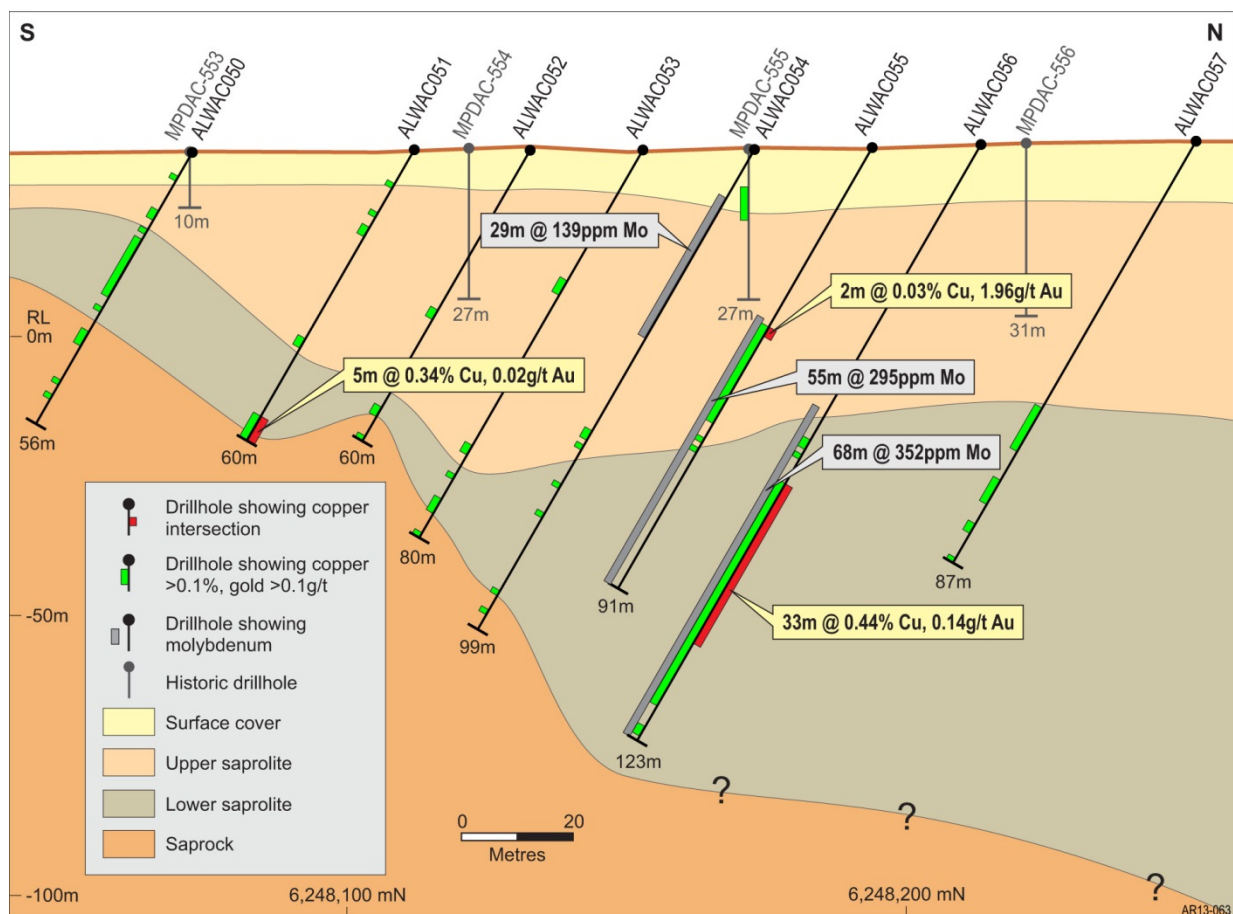


Figure 6: Alford West Prospect Section 753,570 mE looking west.

Drill Traverse 753,300mE (Figure 7)

Traverse 753,300mE lies 270 metres west of the traverse presented in Figure 6. All of the holes drilled on this line by Adelaide Resources were Stage Two program holes.

Adelaide Resources' holes on this section test an across-strike distance of approximately 300 metres. As can be seen on Figure 7 below, most holes intersected zones of mineralisation indicating the presence of a very wide mineralised system.

In the southern part of the traverse, between holes ALWAC060 to ALWAC066, mineralisation persists to shallow depths. The width of the mineralised zone is over 100 metres, however grades are low.

In the northern part of the section, holes ALWAC072 to ALWAC075 intersected mineralisation. Hole ALWAC074 hit 7 metres at 0.92% copper, with native copper observed in the drill sample.

Holes between ALWAC069 and ALWAC073 all failed to penetrate to the lower boundary of the upper saprolite, which is developed to a much greater depth than on other drill lines. The behaviour of copper in the saprolite appears to be somewhat different on this drill line compared with lines further east, as copper can be present in the upper saprolite as seen for example in hole ALWAC073.

Should the main zone of mineralisation evident to the east continue on its westward course, it would cross this traverse in the region of these holes, and the region below the deeply developed upper saprolite represents a prime target for future testing. It is possible that this target will require testing using a deeper penetrating method than aircore, such as reverse circulation or diamond drilling.

Further drilling to determine if the wide, southern zone of low grade mineralisation, evident in holes ALWAC060 to ALWAC066, improves in grade at depth is also warranted.

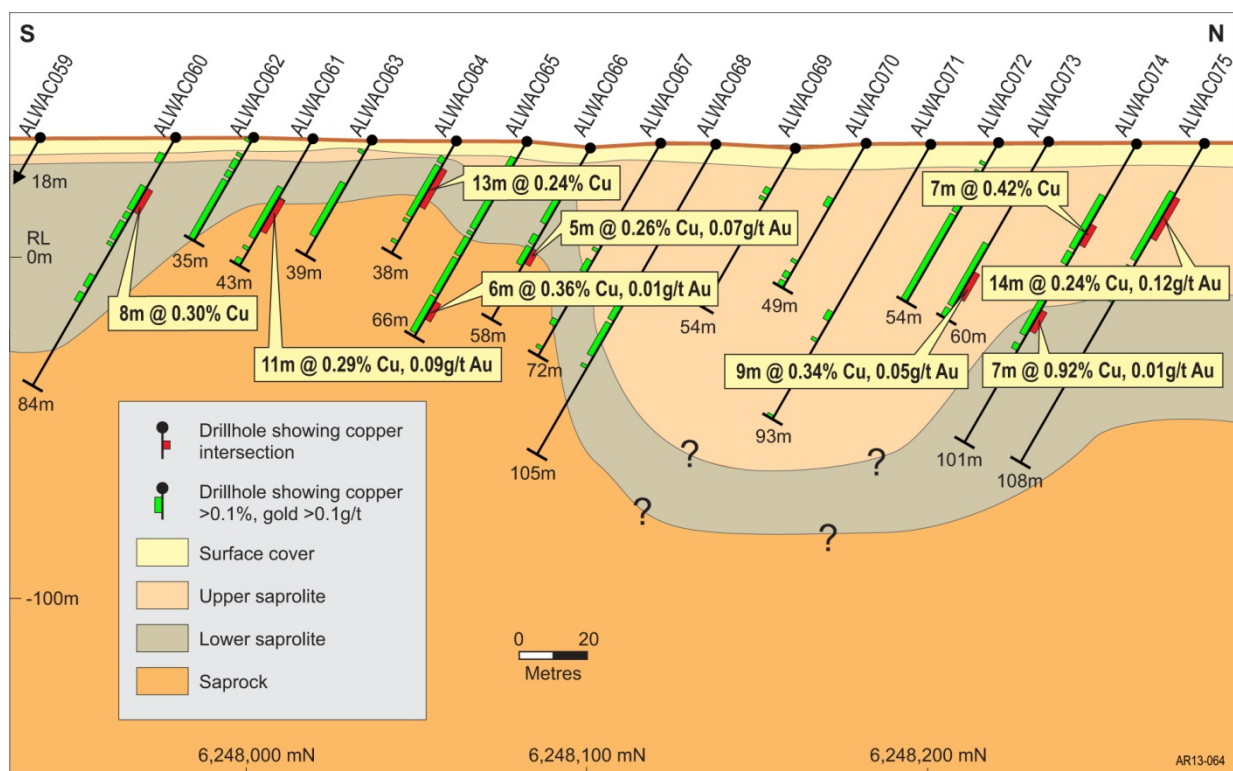


Figure 7: Alford West Prospect Section 753,300 mE looking west.

Drill Traverse 753,015mE (Figure 8)

This traverse is the western-most drill line completed to date by Adelaide Resources and is located 285 metres west of the traverse presented in Figure 7. Three historic vertical aircore holes and an inclined historic diamond drill hole fall in the area tested by Adelaide Resources' recent drilling.

A promising northern zone of mineralisation is evident. Hole ALWAC090 intersected 11 metres at 1.11% copper from 42 metres, with copper carbonate observed in drill samples. Hole ALWAC087 intersected 12 metres at 0.41% copper and 1.44g/t gold. ALWAC089 returning an un-bottomed intersection of 50 metres at 0.44% copper and 0.05g/t gold.

The historic diamond hole includes intersections such as 8 metres at 1.03% copper which may the down dip continuation of the shallower mineralisation intersected in Adelaide Resources holes.

Low grade mineralisation discovered in southern holes on this traverse is considered to be the western extension to the broad low grade zone seen in the southern holes on Traverse 753,300mE (Figure 7).

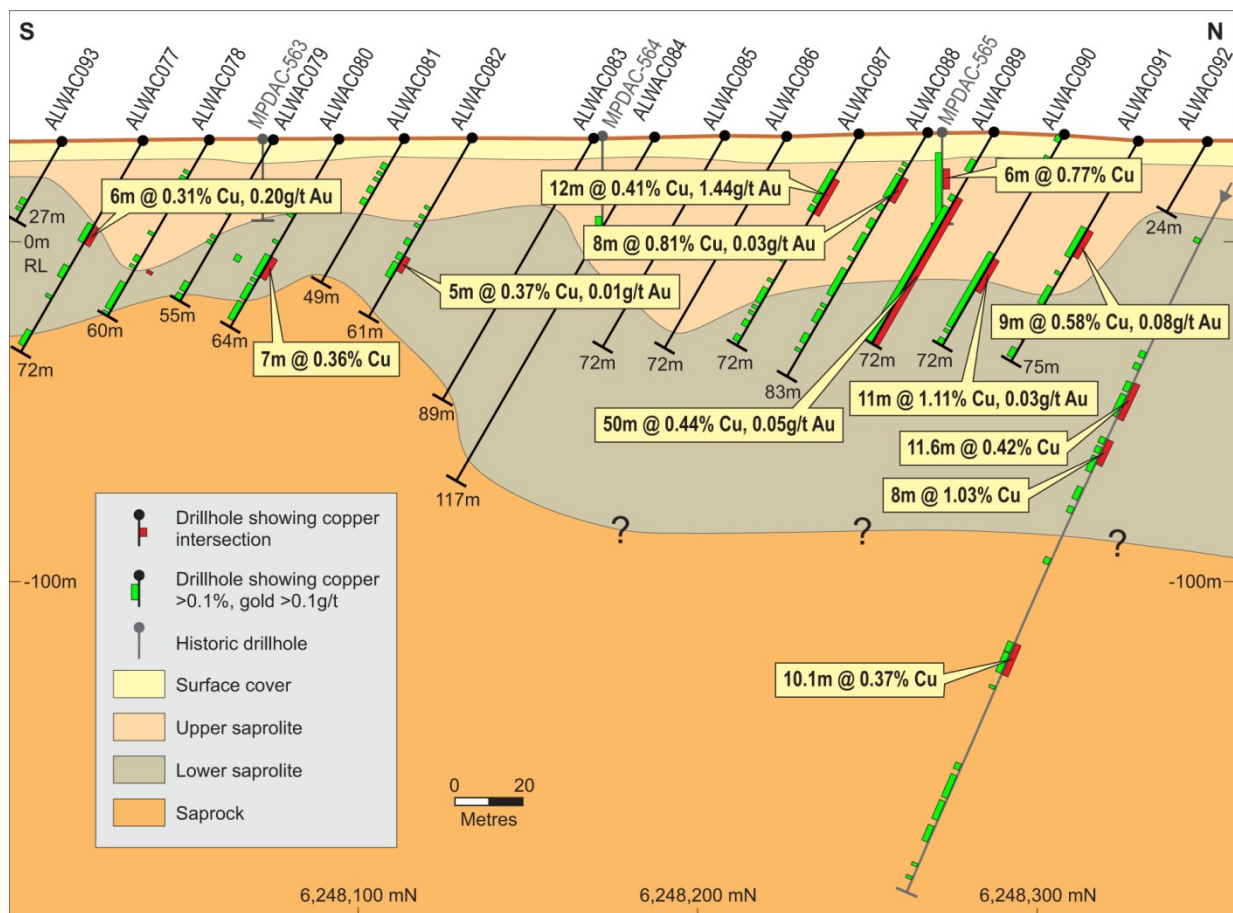


Figure 8: Alford West Prospect Section 753,015 mE looking west.

A list of all intersections achieved in the holes discussed in this report appears in Table 1 on the following pages.

A modest number of holes remain to be drilled to complete the Stage Two drilling program. These holes are anticipated to be completed by the end of August, weather permitting.

Table 1: Alford West Prospect latest drill program assays.

Hole Name	Easting (mga94)	Northing (mga94)	RL (msl)	Dip	Azimuth	Final Depth	From (m)	To (m)	Interval (m)	Cu %	Au g/t
ALWAC044	6248218	753731	35	-60	180	90	46	64	18	2.22	0.17
						<i>incl.</i>	47	59	12	3.21	0.19
						<i>incl.</i>	52	56	4	5.06	0.18
							75	78	3	1.22	0.08
						<i>incl.</i>	75	76	1	3.25	0.18
ALWAC045	6248145	753668	34	-60	180	80	67	73	6	0.26	0.02
ALWAC046	6248178	753668	34	-60	180	76	11	13	2	0.38	0.06
ALWAC047	6248209	753667	35	-60	180	93	13	15	2	0.32	0.03
							59	64	5	0.07	0.34
							69	83	14	0.98	0.15
						<i>incl.</i>	70	79	9	1.21	0.17
ALWAC048	6248231	753667	35	-60	180	83	60	76	16	2.38	0.18
						<i>incl.</i>	66	75	9	3.97	0.14
						<i>incl.</i>	67	71	4	7.03	0.19
ALWAC049	6248249	753667	36	-60	180	99	13	15	2	0.42	0.02
ALWAC051	6248112	753574	33	-60	182	60	39	41	2	0.02	0.31
							55	60	5	0.34	0.02
ALWAC055	6248194	753576	34	-60	182	91	37	39	2	0.03	1.96
							42	53	11	0.08	0.30
ALWAC056	6248213	753576	34	-60	182	123	70	103	33	0.44	0.14
						<i>incl.</i>	70	76	6	0.79	0.12
						<i>and</i>	92	94	2	1.15	0.18
ALWAC057	6248252	753577	35	-60	182	87	55	56	1	0.06	1.32
							59	61	2	0.29	0.02
ALWAC060	6247979	753303	35	-60	180	39	17	25	8	0.30	~
ALWAC061	6248020	753303	35	-60	180	43	20	31	11	0.29	0.09
						<i>incl.</i>	29	31	2	0.12	0.42
ALWAC062	6248002	753304	35	-60	180	84	21	23	2	0.09	0.33
ALWAC063	6248037	753303	34	-60	180	35	17	21	4	0.27	0.01
							27	31	4	0.32	~
ALWAC064	6248062	753304	34	-60	180	38	9	22	13	0.24	~
ALWAC065	6248082	753304	34	-60	180	66	40	43	3	0.21	0.04
							46	51	5	0.22	0.01
							54	60	6	0.36	0.01
ALWAC066	6248101	753300	32	-60	180	58	18	26	8	0.21	0.04
							34	39	5	0.26	0.07
ALWAC068	6248138	753301	33	-60	180	105	65	68	3	0.23	0.01
ALWAC073	6248236	753301	34	-60	180	60	38	41	3	0.19	0.24
							44	53	9	0.34	0.05
							58	60	2	0.30	0.08
ALWAC074	6248261	753301	33	-60	180	101	19	23	4	0.26	~
							27	34	7	0.42	~
						<i>incl.</i>	29	30	1	1.09	~
							53	65	12	0.65	0.01
						<i>incl.</i>	56	63	7	0.92	0.01
ALWAC075	6248281	753301	33	-60	180	108	18	32	14	0.24	0.12
							36	39	3	0.23	~

Table 1: Alford West Prospect latest drill program assays (continued).

Hole Name	Easting (mga94)	Northing (mga94)	RL (msl)	Dip	Azimuth	Final Depth	From (m)	To (m)	Interval (m)	Cu %	Au g/t
ALWAC076	6247889	753009	32	-60	182	35	23	27	4	0.24	~
ALWAC077	6248037	753012	30	-60	182	72 <i>incl.</i>	29	35	6	0.31	0.20
							29	31	2	0.46	0.58
							65	68	3	0.29	~
ALWAC079	6248075	753013	30	-60	182	55	53	55	2	0.28	0.02
ALWAC080	6248094	753013	30	-60	182	64	40	47	7	0.36	~
							53	60	7	0.29	0.02
ALWAC082	6248134	753014	31	-60	182	61	40	45	5	0.37	0.01
ALWAC087	6248248	753017	32	-60	182	72 <i>incl.</i>	15	27	12	0.41	1.44
							18	20	2	1.33	8.23
							43	44	1	0.26	1.27
							54	60	6	0.22	0.19
ALWAC088	6248268	753018	32	-60	182	83 <i>incl.</i>	15	23	8	0.81	0.03
							15	17	2	1.77	0.02
							30	33	3	0.24	0.01
							37	39	2	1.30	0.08
ALWAC089	6248287	753018	33	-60	182	72 <i>incl.</i>	47	54	7	0.24	0.29
							11	14	3	0.41	~
							22	72	50	0.44	0.05
ALWAC090	6248308	753019	32	-60	182	72 <i>incl. and</i>	49	51	2	1.01	0.09
							9	10	1	0.67	0.01
							41	64	23	0.68	0.10
ALWAC091	6248330	753019	30	-60	182	75 <i>incl.</i>	41	42	1	0.13	1.75
							42	53	11	1.11	0.03
							30	39	9	0.58	0.08
							31	33	2	1.78	0.01
							52	54	2	0.24	0.01

Intersections calculated by averaging 1-metre 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 and/or 0.2g/t Au applied with up to 2m internal dilution for principal intersections. Introduced QA/QC samples indicate acceptable analytical quality. Intersections are downhole



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.