



ASX announcement

16 August 2016

Adelaide Resources Limited

ABN: 75 061 503 375

Corporate details:

ASX Code:

ADN (ordinary shares)

ADNO (listed options)

Cash: ~\$0.850 million

Issued Capital:

405,761,313 ordinary shares

37,203,437 listed options

Directors:

Colin G Jackson

Non-executive Chairman

Chris Drown

Managing Director

Nick Harding

Executive Director and
Company Secretary

Jonathan Buckley

Non-executive Director

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Fact: The Carrapateena copper-gold deposit in SA was discovered by a drill hole co-funded through the PACE collaborative drilling programme. Carrapateena is now a \$770 million project OZ Minerals is fast-tracking into production.

Successful PACE Discovery Drilling applications secure \$290,000 in co-funding.

Adelaide Resources' Eyre Peninsula projects will substantially benefit following the award of two PACE Discovery Drilling 2016 grants by the South Australian Government.

The first grant is for up to \$200,000 to test gold targets located in the vicinity of the Barns gold deposit where the Company recently announced a maiden 107,000 ounce Mineral Resource. The co-funding grant will see drilling completed at Baggy Green, Empire, Barns West and Barns South, four prospects which returned gold intersections in drill holes completed more than ten years ago.

Targets to be tested at Baggy Green and Empire include anomalies defined by biogeochemistry and Field Portable X-Ray Fluorescence (FPXRF) soil geochemistry, serving to advance the Company's R&D programme which is investigating the use of biogeochemistry and FPXRF as new exploration methods in the district.

The Thurlga Joint Venture with Investigator Resources Limited is exploring an Eyre Peninsula tenement for silver, gold and other minerals. A second grant of up to \$90,000 will see the Joint Venture drill six recently defined geochemical and geophysical targets.

Changes made to the PACE Discovery Drilling scheme for 2016 increase both the maximum grant value and broaden the base of claimable items to include elements such as assays in addition to contract drilling costs.

The successful grants represent significant and material financial support that will effectively leverage the value of funds raised recently in a modest equity placement.

Plans to commence drilling near Barns were already well advanced, but can now be expanded.

Direct enquiries to Chris Drown. Ph (08) 8271 0600 or 0427 770 653.