



Australian Securities Exchange Announcement

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Company Announcements Office
Australian Securities Exchange Limited
PO Box H224
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DRILLING UNDERWAY AT WILLAMULKA PROSPECT - SA

Adelaide Resources is pleased to announce that the 2011 exploration program on its Moonta Copper-Gold Project, located on the Yorke Peninsula of South Australia, is underway. Drilling commenced yesterday at the Willamulka Prospect, while geochemical sampling is in progress on the broader project area. The Moonta Project falls in the Olympic Copper Gold Province, a belt containing world class copper and gold resources (Figure 1).

Willamulka Drilling Program

Aircore drilling completed in 2010 confirmed that copper and gold mineralisation extends for at least 900 metres of the 1500 metre long Willamulka geochemical anomaly, located in the north-east of the project (Figure 2).

Significant 2010 drill results included a gold intersection of 2 metres at 14.8g/t gold commencing at a downhole depth of 26 metres in drillhole WAC28; and 9 metres at 1.09g/t gold and 2.25% copper commencing at 62 metres downhole in WAC53. The intersection in WAC53, the last hole drilled in the 2010 program, persists to the end of the hole and the mineralisation remains open at depth.

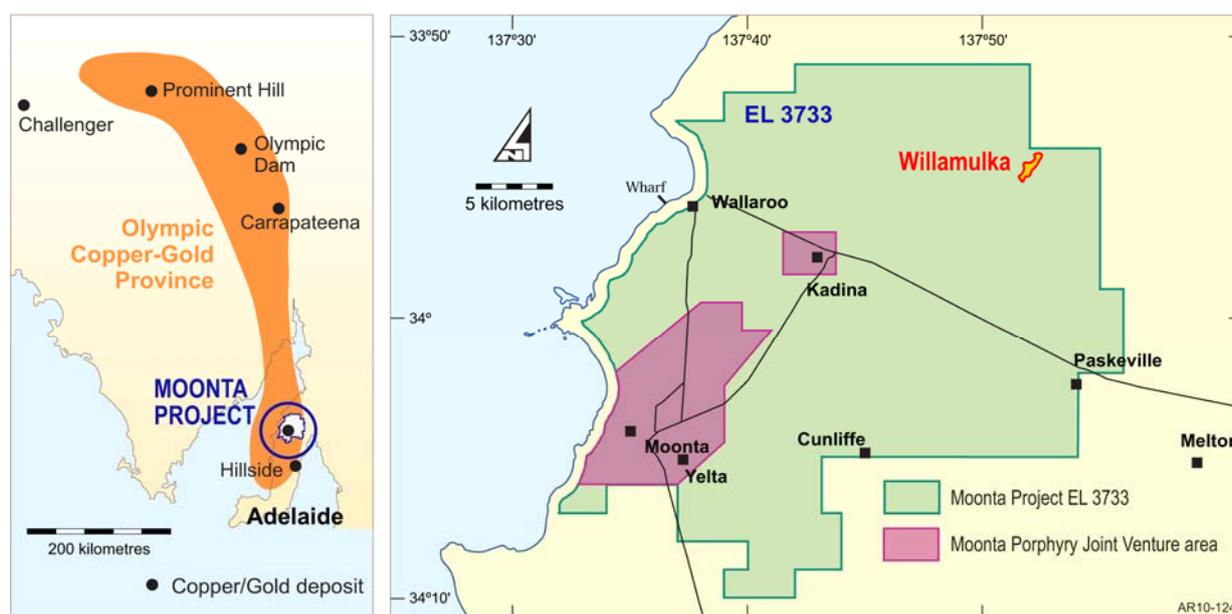


Figure 1: Moonta Copper-Gold Project location

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Cereal cropping activities precluded follow-up exploration at Willamulka in the second half of 2010, however the harvest has recently been completed allowing the resumption of exploration activities.

The planned program at Willamulka includes 2000 metres of reverse circulation drilling and 6500 metres of aircore drilling, with holes located on 20 northwest trending traverses (Figure 2). Reverse Circulation drilling will test fresh rock copper-gold targets, while the aircore drilling will search for mineralisation in the weathered basement.

Calcrete Sampling Program

Calcrete geochemistry is a proven exploration technique in the Moonta district, and has led to the identification of Willamulka and other prospects. Calcrete occurs as a thin sub-surface layer of carbonate-rich soil, and is widely developed in the district.

Some areas of the Moonta Project have never been calcrete sampled, while the sample spacing at a number of recognised copper and gold geochemical anomalies is currently too coarse to accurately define drill targets. The 2011 calcrete sampling program aims to address these issues and define new anomalies and drill targets. The program will comprise the collection of a planned 3500 samples, with over 500 samples already collected in 2011.

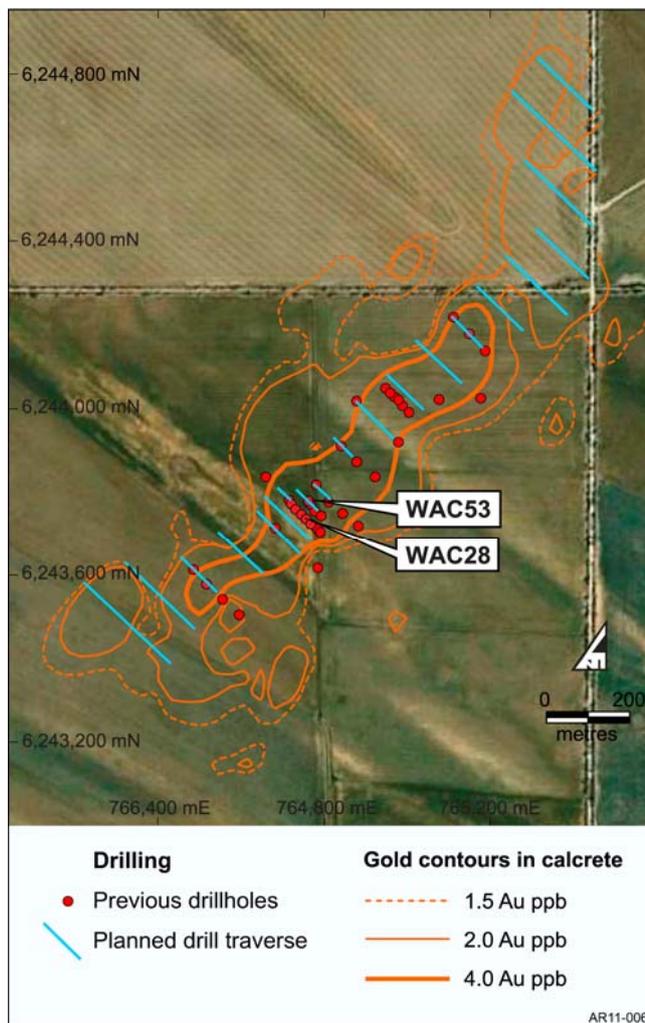


Figure 2: Willamulka Prospect Summary Plan

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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