



ASX announcement

24 September 2015

Adelaide Resources Limited

ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash: \$0.83 million

Issued Capital:

304,545,685 ordinary shares

37,222,104 listed options (ADNO)

750,000 performance rights

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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Fully underwritten Share Purchase Plan

Adelaide Resources Limited (**ASX:ADN**) (the **Company**) is pleased to offer Eligible Shareholders the opportunity to apply for new, fully paid ordinary shares (**New Shares**) in the Company under a Share Purchase Plan to raise \$900,000. The Plan is fully underwritten by Patersons Securities Limited (**Patersons**) who are acting as Lead Manager and Underwriter to the Offer.

The Plan provides the opportunity for shareholders to subscribe for up to \$15,000 in New Shares without incurring brokerage or other transaction costs.

The issue price will be determined at the issue date of New Shares under the Plan based on a 20% discount to the volume weighted average price of ADN's shares traded on the ASX during the five (5) days immediately prior to the issue date of the New Shares.

The directors have determined that offers under the Plan will be made to Eligible Shareholders, being those who are registered holders of fully paid ordinary shares in the Company as at 7:00pm CST on 23 September 2015 (**Record Date**), and whose address in the Company's register is recorded in Australia or New Zealand.

Funds raised under the Plan will be directed principally to advancing the exploration effort on the wholly owned Drummond and Eyre Peninsula gold projects.

Exploration completed on the Drummond Gold Project has delineated a number of epithermal gold prospects, including South West Limey Dam prospect. Rock chip samples taken from outcropping epithermal quartz veins at South West Limey

Dam have recorded high grade assays to a maximum of 55.4g/t gold, while the Company's maiden drilling programme, which is still underway, has to date returned a significant intersection of 0.71 metres at 9.11g/t gold. Further exploratory drilling at South West Limey Dam, and potentially at other prospects on the Drummond tenements, is planned.

On Eyre Peninsula, a recent drilling programme testing the Barns and Baggy Green prospects returned gold intersections in all seven holes drilled, including a result at Barns of 16.1 metres at 3.06g/t gold commencing at a vertical depth of 26 metres below surface. The Company's goal is to establish a mineral resource that will underpin mine development on the Eyre Peninsula Project. Further drilling to allow resource estimation is planned.

Managing Director of Adelaide Resources, Mr Chris Drown said:

“Our exploration to date has shown the Drummond Project to be a highly prospective environment for discovery of epithermal gold mineralisation of Pajingo style. It deserves our increased focus as the potential prize can be transformative, and we will direct funding raised through this Offer to the Drummond Project.

“We have the goal of delineating a gold mineral resource on the Eyre Peninsula that will warrant mine development. Our historical exploration effort at deposits like Barns and Baggy Green represents a significant head start, decreasing exploration risk and presenting clear targets for which funds raised will also be directed toward.

“We are also very pleased with the support shown by Patersons in fully underwriting this \$900,000 issue.”

Timetable

Event	Date
Record Date	7.00pm (CST) on 23 September 2015
Announcement Date	24 September 2015
Despatch of Offer and Application Forms to Eligible Shareholders	29 September 2015
Opening date of Offer (Opening Date)	29 September 2015
Closing date for acceptances (Closing Date)	5.00pm (CST) on 16 October 2015
Determination of issue price	26 October 2015
Issue Date	27 October 2015

The timetable is indicative only and subject to change. The Company reserves the right to change the timetable at any time or cancel the Plan at any time before the Allotment Date, subject to applicable regulatory requirements.

Full details of the Plan will be set out in a letter to shareholders, together with the Plan Booklet and Application Form for Eligible Shareholders. A copy of the Plan Documents will also be lodged with the ASX.

If you have any enquiries in relation to the Plan, please contact the Company Secretary, Mr Nick Harding, on +61 8 8271 0600

Yours sincerely

A handwritten signature in black ink, appearing to read 'CDrown', written over a faint horizontal line.

Chris Drown
Managing Director

Competent Person Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Chris Drown, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Drown is employed by Drown Geological Services Pty Ltd and consults to the Company on a full time basis. Mr Drown has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 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.