

Adelaide Resources Limited

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Media Release – Annual General Meeting

Attached is a media release in relation to presentations made by the Company's Chairman Mr Andrew Brown and Managing Director Mr Chris Drown at the Annual General Meeting held on 27 November 2012.

Nick Harding
Company Secretary

Media Release

Tuesday November 27, 2012

**FLAGGING JUNIOR EXPLORER IPOs IN 2012 INDICATIVE OF
MARKET SENTIMENT: ADELAIDE RESOURCES CHAIRMAN**

Highlights:

- High grade Moonta copper plays to dominate forward expenditure and focus
 - Mid-December decision to prioritize multiple Moonta Cu drill targets
 - New 2013 gold campaign on SA's Eyre Peninsula after 10 year hiatus
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Risk aversion was identified today as the largest single overhang on any efforts by Australia's junior exploration ranks to raise fresh capital or bring new public floats to market.

The comment was made by Sydney-based strategic investment advisor and former funds manager, Mr Andrew Brown, delivering his Non-Executive Chairman's address in Adelaide to shareholders of copper-gold focused explorer, Adelaide Resources Limited (ASX: "ADN").

In a detailed breakdown of market conditions facing the junior explorers over calendar 2013, Mr Brown said while Adelaide Resources had been buoyed through 2012 by its strong copper discoveries in South Australia's historic Moonta province, nonetheless the outlook for the sector was far more bleak for those not able to fund sufficient work to enable discoveries.

Mr Brown also used his address to flag a return by Adelaide Resources next year to fresh new work for the first time in 10 years on the Company's prospective gold tenements on SA's Eyre Peninsula and to assign the bulk of next year's exploration budget for detailed work at Moonta which yesterday delivered new copper intersections grading 1.14% over a 22 metre intersection.

"We are conscious of the fact that the environment for decision making by executives and directors of smaller resource exploration companies was particularly tough in 2012," Mr Brown said.

"In the past year, it has become far harder for these companies to raise any equity capital at all.

"There are structural features at work such as the decline of advisory stockbroking and electronic direct access technology. The key negative features would, however, appear to be more cyclical in nature with risk aversion the major dampening factor.

"This can be seen through investors flocking to hybrid securities, with little regard for the relative pricing of credit risk, and the continued disinterest in new issuance. However, there has been notable enthusiasm for companies which made good discoveries during the year."

Mr Brown pointed to the most recent S&P/ASX Small Resources index performance as reflective of the challenges facing junior explorers.

"This index has fallen from 5279 points at 31 October 2011 to 4074 at the end of October this year – a 23% decline," Mr Brown said.

"At its nadir late in July 2012, the index was actually close to 35% down compared to the previous year and although recovered slightly, remains at the levels of July 2009.

"The impact of this risk aversion can be seen most clearly in the market for initial public offerings in the smaller resources area. In the first 11 months of 2012, only 22 new resources floats on the ASX focused on minerals and raised a total of just \$96.5 million.

"The average offering size was \$4.4 million, and nine of the 22 companies raised \$3 million or less. To compound the misery, half of the 22 securities now trade below their offer price."

"With capital in such short supply, junior resources directors have had little choice but to be as prudent as possible with respect to costs, whilst ensuring an as active a program as possible."

Moonta decisions next month

Adelaide Resources Managing Director, Mr Chris Drown, told shareholders the Company planned a strategic meeting mid next month to decide just which prospects on the Moonta copper holding would be prioritised for further drilling.

"We are in the mixed position of having the upside of multiple high calibre copper targets around Moonta to drill but having to balance that against available and prudent expenditure which dictates that not all prospects, however promising, will necessarily attract near-term drilling scheduling in 2013," Mr Drown said.

Adelaide Resources has made discoveries or returned very promising drill intersections at four locations across its wholly-owned Moonta tenements on SA's Yorke Peninsula.

These include Willamulka, Copper Hill East, the standout Paskeville prospect and at Wombat.

"The results to date demonstrate the Moonta area to be highly prospective in the modern era for our preferred targets of copper and gold and also justify our decision four years ago to focus on these metals, considering their relative price action over the past 12 months."

Renewed Eyre Peninsula gold focus

On reinvigorating Eyre Peninsula's gold prospects, Mr Drown said little had been done on the Company's gold acreage there for a decade, as last work there in JV with Newmont had been when the gold price was one third of its current US\$1,700 plus an ounce price levels.

"In 2013, we aim to reinvigorate our gold exploration effort on the Eyre Peninsula as we have always believed in the highly attractive and prospective nature of these tenements," Mr Drown said.

"We note with interest that with the capital raising scene so moribund, it is not surprising that Adelaide Resources has seen the first signs of consolidation and deal making within the junior sector.

“The Company itself has already been targeted over certain of our tenements from other companies who perceive them as being attractive additions to their portfolios.”

Mr Drown said this could lead next year to some reconfiguration of Adelaide Resources’ asset portfolio.

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