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MEDIA RELEASE

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HIGH GRADE BOOST FOR NEW AUSTRALIAN COPPER DISCOVERY

The prospects of a new Australian copper-gold mine being developed on South Australia's Yorke Peninsula have been further enhanced by another set of outstanding grades announced today by Adelaide Resources Limited (ASX: "ADN").

The latest assay results run as high as 3.97% copper from the most recent holes in a second aircore drilling program on the Company's 100%-owned Alford West prospect near Wallaroo.

Alford West - the newest high grade copper discovery on Yorke Peninsula – is located in the north of the Company's broader tenement area which sits within SA's historic Moonta-Wallaroo mining region.

"Significantly, these latest assay results have provided valuable new information which shows that the Alford West copper-gold mineralisation extends the full length of the 1.1 kilometre target zone we have tested to date, and points to great further potential," Adelaide Resources Managing Director, Mr Chris Drown, said today.

"While it is still early days yet, the copper and gold mineralisation at Alford West remains open along strike and at depth, strongly suggesting that the extent of the mineralisation can be expanded further with additional drilling," he said.

"Significantly, the drilling data for Alford West includes a growing bank of high grade intersections and there is the critical coherency between these intersections that give us confidence that any future estimated mineral resource will include high grade zones."

Alford West's potential was only unlocked earlier this year when Adelaide Resources designed an exploration program to follow up on results it found in historic exploration reports from the Moonta district.

Immediate drill programs were initiated with consistent high grade copper grades being reported since.

Mr Drown described the latest results as being of "very attractive grade". They 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,
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, and
12 metres at 0.41% copper and 1.44g/t gold from 15 metres in ALWAC087

“The results announced today have significantly expanded the known dimensions of the Alford West mineralisation, and we see excellent potential for it to increase further in size.” Mr Drown said.

The latest assays also revealed a new zone of molybdenum mineralisation at Alford West.

“We’ve been assaying for molybdenum at Alford West as it is present in some of the historic holes. The zone of molybdenum we have discovered is coincident with copper-gold mineralisation and has potential to add to the economic value of the deposit, so molybdenum now presents a third target metal at Alford West.” Mr Drown explained.

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 deposits which include Olympic Dam, Prominent Hill, Carrapateena and Hillside.

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

“The Moonta project is advantaged by the fact it has only a thin blanket of unconsolidated cover sediments obscuring the prospective host rocks, in stark contrast to areas further north where cover depths often exceed hundreds of metres,” Mr Drown said.

“Secondly, there exists a formidable volume of historical exploration data to which the company has access and our ongoing reassessment of this data has uncovered several prospects, including the Alford West prospect, that exhibit genuine potential to become significant modern era discoveries through further exploration.”

While Adelaide Resources has only drilled the 1.1km long target area, the broader Alford West prospect is defined as a 3,200 metre long copper anomaly outlined by historic shallow auger geochemical drilling completed in the 1970s by a joint venture between Western Mining Corporation and North Broken Hill. Assays for its individual auger samples contain up to 13% copper, while many samples contain copper at levels above 0.1%.

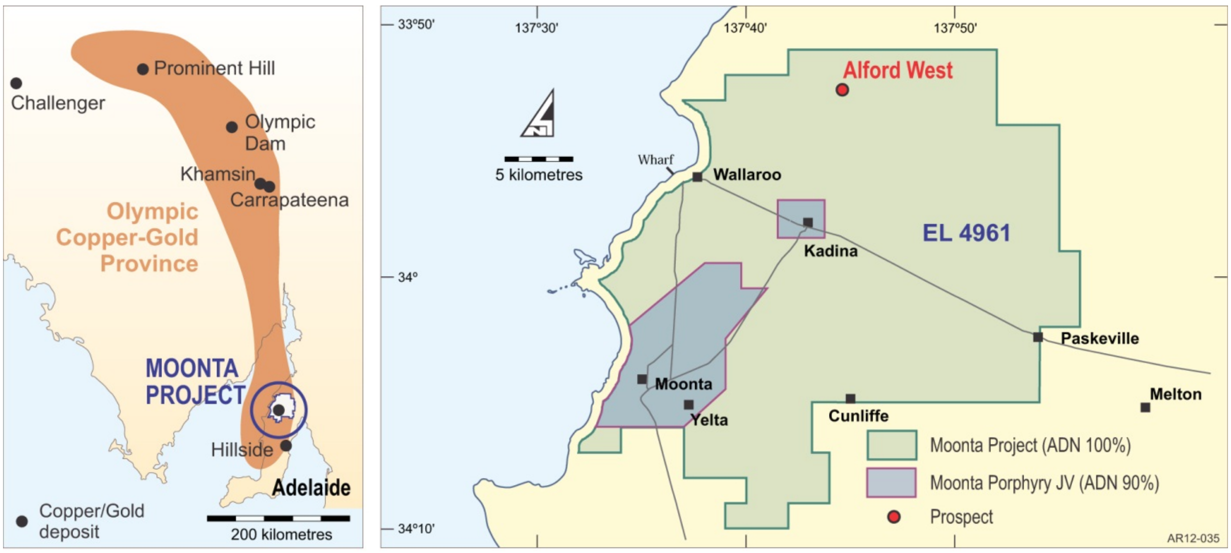

Figure 1: Moonta Copper Gold Project location.

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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.