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No. 12,534

EL 3546 / 4792

MOUNT IVE

**FINAL REPORT AT LICENCE EXPIRY/SURRENDER,
FOR THE PERIOD 19/4/2006 TO 18/10/2013**

Submitted by
Adelaide Resources Ltd
2014

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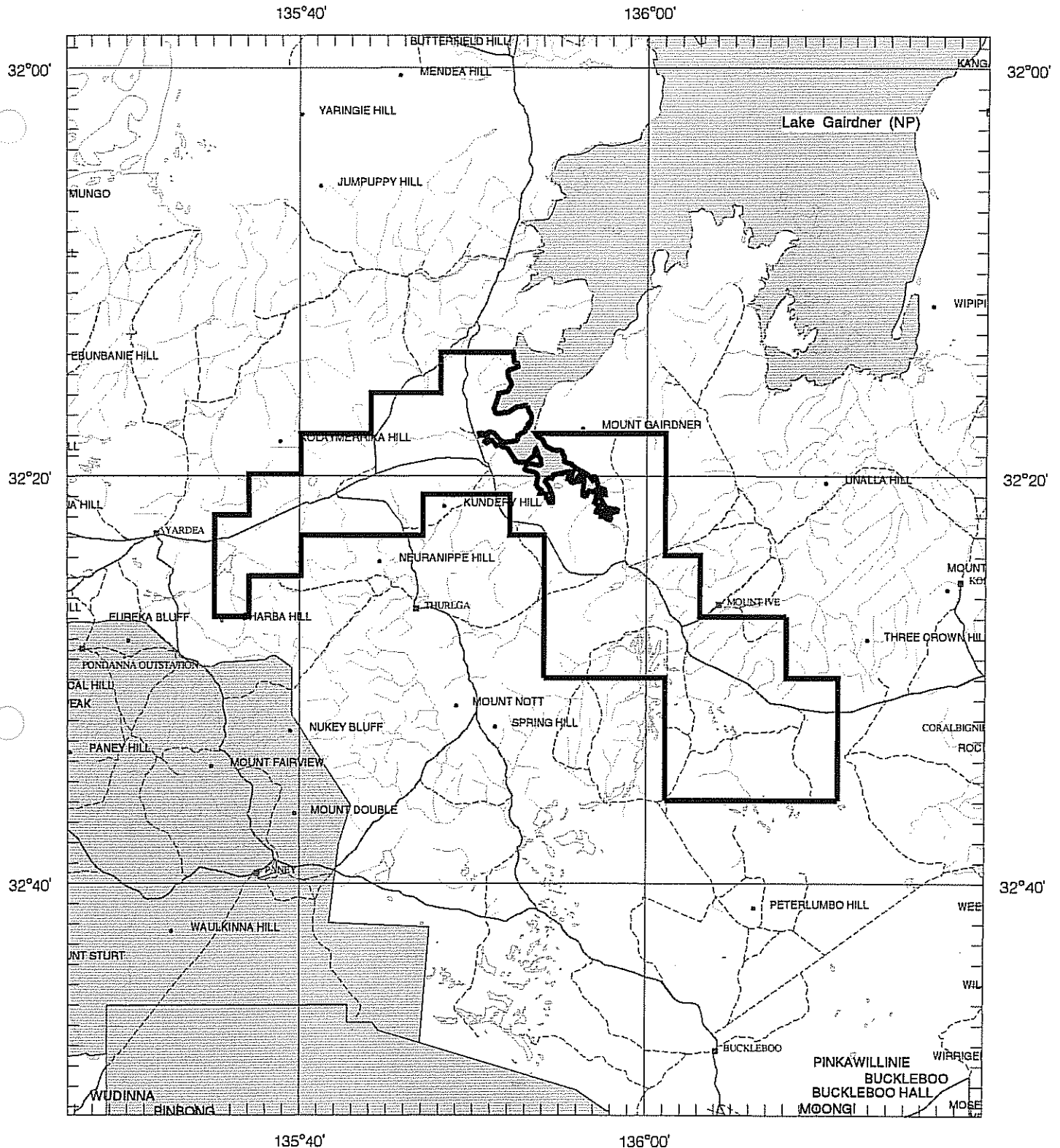
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Government of South Australia

Department for Manufacturing,
Innovation, Trade, Resources and Energy

SCHEDULE A



APPLICANT : **ADELAIDE EXPLORATION LTD**

FILE REF : **249/05**

TYPE : **MINERAL ONLY**

AREA : **792 km² (approx.)**

1:250000 MAPSHEETS : **YARDEA**

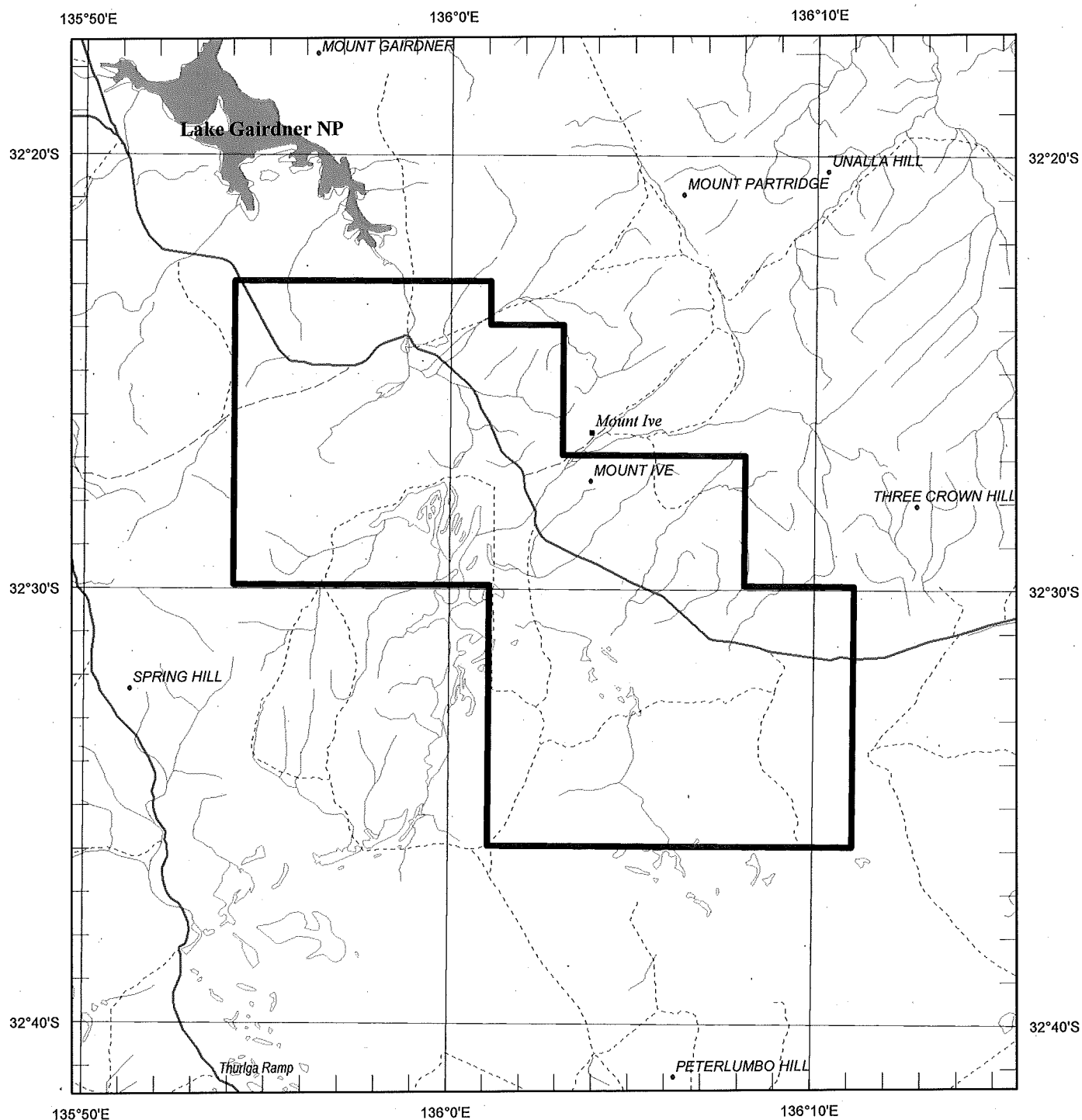
LOCALITY : **MOUNT IVE AREA - Approximately 110 km northwest of Kimba**

DATE GRANTED : **19-Apr-2006**

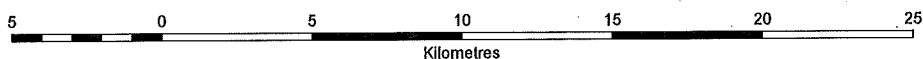
DATE EXPIRED : **18-Apr-2007**

EL NO : **3546**

SCHEDULE A



SCALE 1 : 250 000



LICENCE BOUNDARIES IN : DATUM AGD66



APPLICANT : **PENINSULA RESOURCES LTD**

FILE REF : **30/11**

TYPE : **MINERAL ONLY**

AREA : **394** sq km (approx)

1 : 250 000 MAPSHEETS : **YARDEA**

LOCALITY : **MOUNT IVE AREA - Approximately 110km NW of Kimba**

DATE GRANTED : **19-Oct-2011**

DATE EXPIRED : **18-Oct-2013**

EL NO : **4792**

Adelaide Resources Limited
ACN 061 503 375



FINAL TECHNICAL REPORT
For
Mount Ive, EL4792 / formerly EL3546

And

PARTIAL RELINQUISHMENT REPORT
For
Corrobinnie, EL5120
and for
Yaninee, EL4690

EYRE PENINSULA, South Australia
(Covering areas relinquished in December 2013)

Compiled by: Mark Manly
Adelaide Resources Limited

Report No: AR2014/01
Date: February 2014

Distribution: Adelaide Resources Limited
DMITRE

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CD OF DIGITAL FILES

EL4792_Relinquishment_A_01_CollarLocations.txt
EL4792_Relinquishment_A_02_Assay.txt
EL4792_Relinquishment_A_03_Lithology.txt
EL4792_Relinquishment_A_04_GeophysicsGVS.txt
EL4792_Relinquishment_A_05_GeophysicsAusLog.txt
EL4792_Relinquishment_A_07_lithocodes.txt
EL4792_Relinquishment_A_08_FileListing.txt

1. INTRODUCTION

This report is the Final Technical Report for EL4792 and the Partial relinquishment report for ELs 5120 and 4690.

2. TENURE

Exploration licence 4792 (previously 3546), located 110km North West of Kimba, South Australia, was granted to Peninsula Resources Limited a wholly owned subsidiary of Adelaide Resources Limited on 19/04/2006 with an original area of 792 km². EL 3546 was replaced with EL 4792 on 19/10/11. The area of the tenement was subsequently reduced to 394 km² on 11/07/2010. In this report the remainder of the tenement is surrendered (see **figure 1**).

Exploration Licence 3833 "Corrobinnie" centred 25km northeast of Wudinna, South Australia was granted to Peninsula Resources Limited a wholly owned subsidiary of Adelaide Resources Limited on 27/11/2001 with an original area of 2037 km² and was replaced by EL5120 on the 12/07/2012. In this report EL5120 is reduced by 232 km² leaving 1805 km² remaining (see **figure 1**).

Exploration Licence 3501 "Yaninee" centred 10km north of Wudinna, South Australia was granted to Peninsula Resources Limited a wholly owned subsidiary of Adelaide Resources Limited on 18/01/2006 with an original area of 769 km². It was subsequently replaced by EL4690. In this report EL4690 is reduced leaving 323 km² remaining (see **figure 1**).

Tenement Number	Tenement Name	Area pre relinquishment km ²	Area being Relinquished km ²	New Area km ²
EL4792	Mt Ive	394	394	0
EL4690	Yaninee	769	446	323
EL5120	Corrobinnie	2037	232	1805
Totals		3200	1072	2128

Note also that the

- Eyre Peninsula Joint Venture with Quasar was announced on the 21/11/06
- Eyre Peninsula Amalgamated Expenditure Agreement was granted on the 22/01/07
- EL 3546 was replaced with EL 4792 on 19/10/11
- Eyre Peninsula Joint Venture with Quasar ceased on 19/02/13

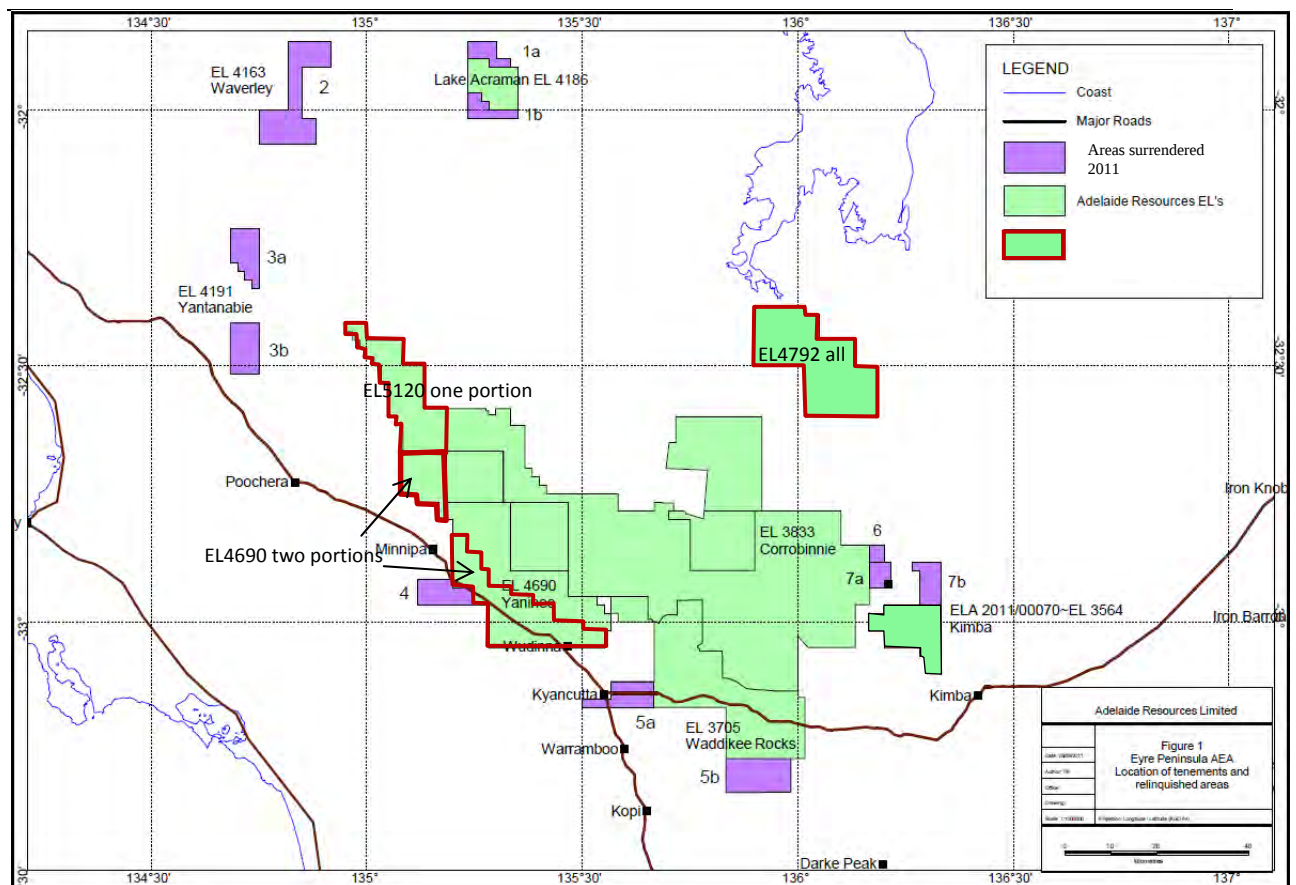


Figure 1: AEA tenement location plan showing areas being surrendered.

3. EXPLORATION STRATEGY

The exploration strategy for the Eyre Peninsula tenements has been to explore predominantly for gold, and uranium.

Adelaide Resources Limited's main target was gold mineralisation of Barns/Tunkillia style. And until early 2013 the Palaeochannel sediments of the Narlaby were targeted by the Corrobinnie Uranium Joint Venture (between Adelaide Resources and Quasar Resources Pty Ltd) for sediment hosted roll front uranium deposits.

Calcrete sampling has been used to identify anomalies that are then followed up with RAB drilling. Further RC and diamond drilling has taken place if RAB drilling results were positive.

4. EXPLORATION UNDERTAKEN

4.1 EL4792

4.1.1 Geophysics

As part of the Newmont Joint Venture a detailed Airborne magnetic and radiometric survey was completed.

4.1.1.1 Gravity

In November 2007 Ground Gravity data totalling 943 readings were collected on Mt Ive by Daishsat Geodetic Surveyors of Murray Bridge, SA (see **figure 2**).

Data was collected over the licence on a 1 x 1km grid in addition to three lines with a station spacing of 250m. Measurements were made using Scintrex CG5 Autograv gravity meters and processed to Bouguer anomaly with Geosoft GRAVRED software. Station surveying was undertaken using a Leica GPS1200 receiver.

A detailed acquisition and processing report not received from Daishsat.

(For dataset see Government of SA Mineral Resources Website)

4.1.1.2 RepTEM survey

A helicopter borne Electromagnetic survey (RepTEM) was conducted between 1st October and 6th October 2008 inclusive. A total of 1695 line km of data were collected over three separate survey areas.

The survey was designed to map the Narlaby palaeochannel system, bedrock conductors and reconnaissance lines over the Thurlga channel. Geosolutions Pty Ltd collected the data based out of both the Minnipa and Wudinna Aerodromes. System and survey parameters that were used are shown in **Table 1**.

Six test lines over EL 3546 Mt Ive were collected to investigate the effectiveness of the RepTEM system in that area.

Two of these lines were on the area being relinquished **see figure 2**.

Other than preliminary QC of the data, no other processing has been carried out. Further processing including layered earth inversions were to be carried out to determine if complete coverage of the tenement area will be undertaken in 2009.

(For dataset see Government of SA Mineral Resources Website)

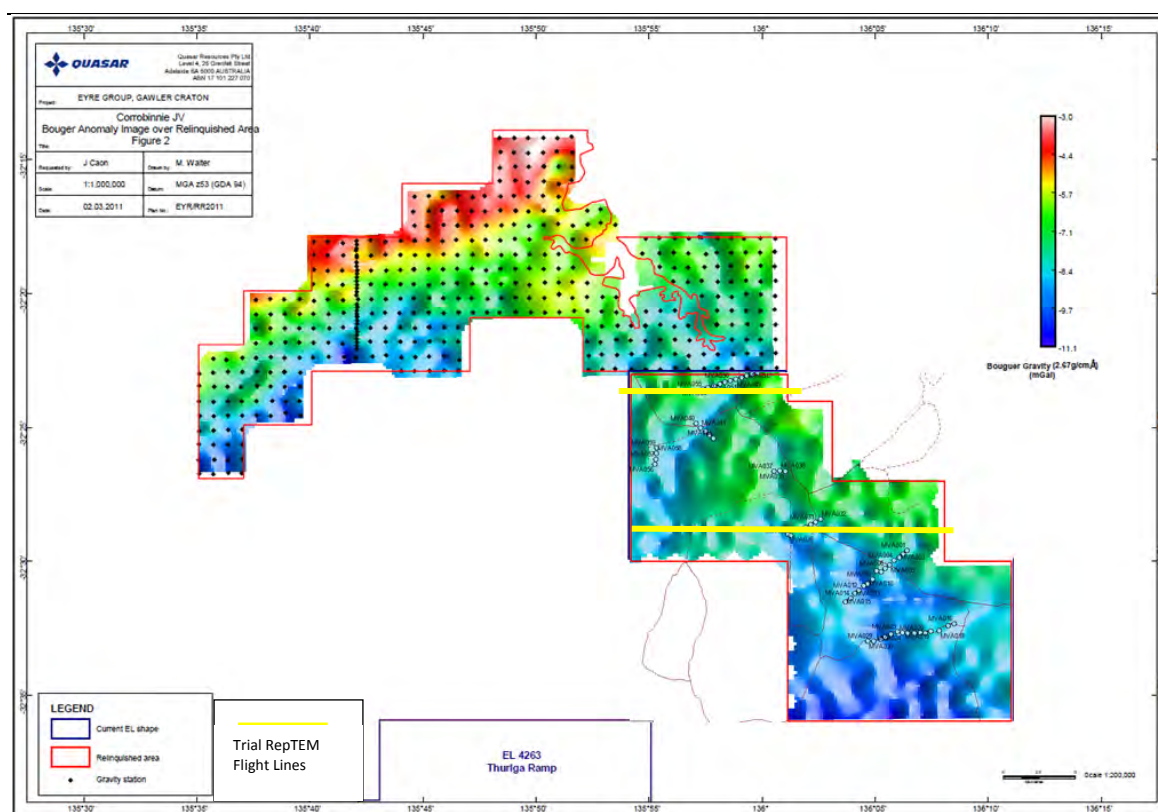


Figure 2: Bouguer Gravity image over all old EL3546 and recent EL4792

4.1.2 Geology

Most of EL4792 is covered by outcropping to subcropping Gawler Range Volcanics.

4.1.3 Surface Sampling

No Calcrete or surface soils taken by Adelaide Resources or Quasar.

4.1.4 Drilling

Quasar drilled 95 holes on the Mt Ive tenement. Of those holes 59 (MVA001-059) were in the portion of EL4792 subject of this report, see **figure 3**. This programme tested for palaeochannel sediments and explored for uranium mineralisation in the Thurlga Palaeochannel in the northern Eyre Peninsula and southern Gawler Ranges. It also tested known regional base metal prospectivity.

The location of drill traverses were determined by palaeovalleys interpreted from the DEM, from previous palaeochannel interpretation and surface geochemistry from previous companies' exploration. Where possible these drill traverses crossed the interpreted palaeovalley, to test the width and thickness of sediments and the prospectivity across the palaeovalley. Traverses tested the prospectivity of lead-zinc mineralisation using geophysical images (gravity and magnetics) and previous mapping and drilling.

Drill collars spacing was 400m along most of the traverses. Location of scrub and slope of the ground along the traverses determined final collar placement.

The maximum depth drilled in the programme was 115m in MVA024 (Table 4). Target depth for each drillhole was basement. Drilling on each drillhole halted on blade refusal where possible.

HoleID	Tenement	East_GDA94_m	North_GDA94_m	RL	Depth_Total_m
MVA001	EL3546	603960.5	6404524	176.6	29
MVA002	EL3546	603675.7	6404296	170.7	68
MVA003	EL3546	603430.6	6404076	164.6	42
MVA004	EL3546	603069.7	6403859	163.1	58
MVA005	EL3546	602763.1	6403560	157.6	89
MVA006	EL3546	602446.3	6403317	158.5	77
MVA007	EL3546	602157	6403060	157.3	16
MVA008	EL3546	601824	6403145	148	17
MVA009	EL3546	601546.8	6402557	152.6	48
MVA010	EL3546	601217.4	6402266	141.2	60
MVA011	EL3546	600944.7	6402109	148.1	57
MVA012	EL3546	600587	6401802	157.3	63
MVA013	EL3546	600292.1	6401592	150.1	45
MVA014	EL3546	600015.1	6401279	134.2	22
MVA015	EL3546	599649.1	6401029	146.8	10
MVA016	EL3546	607199.6	6399428	174.7	23
MVA017	EL3546	606796.9	6399297	170	19
MVA018	EL3546	606165.5	6398947	166.5	12
MVA019	EL3546	605570.4	6398938	167.3	35
MVA020	EL3546	605183.5	6398785	157.3	39
MVA021	EL3546	604831.1	6398848	156.4	16
MVA022	EL3546	604418.6	6398815	147.5	15
MVA023	EL3546	603945.4	6398803	160.1	14
MVA024	EL3546	603592.2	6398853	148.3	14
MVA025	EL3546	603238.4	6398927	145.8	12
MVA026	EL3546	602784.4	6398751	152.3	19
MVA027	EL3546	602383.1	6398557	152	51
MVA028	EL3546	602065	6398427	146.2	10
MVA029	EL3546	601599.5	6398287	150.9	33
MVA030	EL3546	601181.1	6398300	151.1	10
MVA031	EL3546	597621.2	6406572	144.8	20
MVA032	EL3546	597939.7	6406778	151.4	8
MVA033	EL3546	597266	6406405	145.5	8
MVA034	EL3546	596919	6406216	144.9	6
MVA035	EL3546	595865.4	6405643	137.1	34
MVA036	EL3546	595658.3	6405769	138.1	49
MVA037	EL3546	594732.2	6410129	148.7	10

HoleID	Tenement	East_GDA94_m	North_GDA94_m	RL	Depth_Total_m
MVA038	EL3546	595151.7	6410144	132.6	17
MVA039	EL3546	595527.5	6410101	139.9	16
MVA040	EL3546	589312.9	6413474	145.1	43
MVA041	EL3546	589629.2	6413167	128.5	21
MVA042	EL3546	589951.6	6412918	138.2	63
MVA043	EL3546	590249.9	6412693	143.8	60
MVA044	EL3546	590524.4	6412425	139.5	13
MVA045	EL3546	593658.1	6416972	150.6	34
MVA046	EL3546	593278.6	6416875	144.4	15
MVA047	EL3546	592867.8	6416760	136.4	77
MVA048	EL3546	592532.5	6416647	131.3	39
MVA049	EL3546	592127.9	6416552	137.4	42
MVA050	EL3546	591734.2	6416423	134.3	45
MVA051	EL3546	591340.1	6416329	137.1	48
MVA052	EL3546	590998.9	6416198	132.4	16
MVA053	EL3546	590579.2	6416078	126.5	44
MVA054	EL3546	590152.9	6415961	127.4	70
MVA055	EL3546	589810.3	6415862	138.2	28
MVA056	EL3546	586383.9	6410675	149.1	8
MVA057	EL3546	586472.3	6411015	149.2	54
MVA058	EL3546	586495.2	6411424	147.8	58
MVA059	EL3546	586555.7	6411824	144.5	24
MVA060	EL3546	579433.1	6423803	134.7	30
MVA061	EL3546	579298.7	6424171	123.9	13
MVA062	EL3546	579176.3	6424557	126.3	12
MVA063	EL3546	578604.9	6426047	124.2	37
MVA064	EL3546	578612	6426014	120.8	50
MVA065	EL3546	578468.8	6426393	128.1	45
MVA066	EL3546	578357	6426823	129.2	62
MVA067	EL3546	578225.1	6427156	133.2	61
MVA068	EL3546	578121.3	6427583	136.2	37
MVA069	EL3546	578068.7	6428022	137.8	22
MVA070	EL3546	577909.6	6428431	141	10
MVA071	EL3546	579030.9	6424867	124.2	7
MVA072	EL3546	578896.8	6425265	126.3	6
MVA073	EL3546	574014.9	6427070	140.1	37
MVA074	EL3546	573956	6426720	136.9	48
MVA075	EL3546	574062.2	6426252	137.2	39
MVA076	EL3546	574185.8	6425837	129.6	13
MVA077	EL3546	574252.1	6425429	134.5	7
MVA078	EL3546	574619.6	6423832	134.4	49
MVA079	EL3546	574711.1	6423474	143.1	32
MVA080	EL3546	566225.2	6421068	170.2	115
MVA081	EL3546	566544.1	6420730	172.3	12

HoleID	Tenement	East_GDA94_m	North_GDA94_m	RL	Depth_Total_m
MVA082	EL3546	566796.6	6420378	171	6
MVA083	EL3546	569062.9	6422297	148.1	31
MVA084	EL3546	568767.8	6422549	147	51
MVA085	EL3546	568515.4	6422878	151.3	46
MVA086	EL3546	568199.3	6423093	148.9	15
MVA087	EL3546	567882.2	6423338	154.8	49
MVA088	EL3546	569412.9	6422089	161.1	36
MVA089	EL3546	569737.9	6421813	158.1	13
MVA090	EL3546	570045.5	6421583	160	14
MVA091	EL3546	560179.6	6418630	166.2	63
MVA092	EL3546	559938	6418891	171.8	63
MVA093	EL3546	560497.2	6418329	174.1	59
MVA094	EL3546	560781.1	6418056	179.4	33
MVA095	EL3546	561013.3	6417714	176.5	68

Table 4: Drill Collar data

Drilling Methods

All drilling was completed by McLeod Drilling using the Air Core drilling method. All holes were drilled at a diameter of 89mm.

Drill cuttings were collected at one metre increments, with a chip sample collected and archived in plastic sample trays and stored at Beverley Mine Site. Geological sample descriptions were made from these drill cuttings.

Samples for geochemical assay were collected from the drill cuttings, with methodology and results described below.

Downhole Geophysical Logging

Using two methods, Heathgate Resources undertook downhole geophysical logging of most drillholes:

- 1 Open hole using Geovista (95 drillholes), and
- 2 Logging inside the drill rods using Auslog (10 drillholes).

In both cases only one gamma sonde was used to collect data. These data were used to calculate the equivalent uranium grade (eU₃O₈). Samples for geochemical assay tested for radiogenic disequilibrium.

Geological Interpretation

Lithologies were interpreted from each drillhole using the geological logging of the drill cuttings and the gamma response.

Analyses

Sampling/geochem analysis

Composite sampling of drill cuttings was undertaken for each drillhole. Holes were sampled at intervals corresponding to visually logged geology. Maximum composite interval for sampling was 4m. A total of 2432 samples were collected and submitted for

geochemical analysis by ALS, Adelaide. Three different preparation/analytical techniques, each with a specific suite of elements (Table 5), were used. ME-MS62 is a whole rock near-total four acid digest with ICP-AES finish. ME-ICP61 is a four acid digest with ICP-MS finish. TL43 is a gold analysis by aqua regia extraction with ICP-MS finish.

Method ME-MS62			Method ME-ICP61			Method TL43		
Element	Unit	LLD	Element	Unit	LLD	Element	Unit	LLD
U	ppm	0.1	Zn	ppm	2	Au	ppm	0.001
Th	ppm	0.2	Mn	ppm	5			
Cu	ppm	0.2	Sc	ppm	1			
Pb	ppm	0.5	Se	ppm	.5			
Ag	ppm	0.02	Al	%	0.01			
As	ppm	0.2	K	%	0.01			
Bi	ppm	0.01	Ca	%	0.01			
			Fe	%	0.01			
			Mg	%	0.01			
			S	%	0.01			

Table 5: Analytical Method and Element Suite. LLD is the lower level of detection.

Geophysical Assay

Calculations of the equivalent uranium grade are derived from calibrations obtained from data collected at the PIRSA Calibration facility at Glenside, Adelaide, using the two-pit method (Wenk & Dickson, 1981) (Table 6). To correct the calculated grades for gamma attenuation of the rods when using AusLog was calculated. This factor was determined by measuring a known uranium grade with the probe and measuring the response with no rods, a rod thickness of 9 mm and a rod thickness of 10 mm. From these data a linear trend line was calculated to determine the attenuation factor (1.29). The thickness of the rods for this programme was 9 mm.

The equations used to calculate eU_3O_8 are:

$$eU_3O_8 = [(Gamma * KF) / (1 - (Gamma * DT))] * [HSCF] * [DCF] * [RAF]$$

where:

$$HSCF = ([HSC \text{ slope}] * (\ln[\text{hole diameter}])) + [HSC \text{ y-int}]$$

KF = k-factor

DT = deadtime factor

HSC(F) = hole size correction (factor) DCF = density correction factor

RAF = rod attenuation factor

Hole diameter = 89 mm

Tool	K-factor (KF)	Dead-time (DT)	HSC slope	HSC y-int	DCF
GVS_4328	0.00002314	0.0000038	0.1767	0.1818	1.16
Aus_T227	0.00004826	0.00001484	0.0925	0.5628	1.16

Table 6: Calibration constants used to calculate eU_3O_8 .

Results Summary

One drillhole had significant intersections of equivalent uranium grade (Table 7). For this report a significant intersection meets the following criteria:

Minimum grade of 0.010% eU_3O_8 ;
Minimum interval of 0.50 m; and
Maximum internal dilution of 1.00 m.

Hole ID	From (m)	To (m)	Interval (m)	Average Grade (% eU_3O_8)
MVA047	40.50	41.37	0.87	0.013

Table 7 Significant intersections (% eU_3O_8)

Other results were modest with the best vales being:

- Highest copper value was 173ppm in MVA045.
- Highest gold value was 0.026g/t in MVA047.
- Highest Pb value was 314ppm in MVA050.
- Highest Zn value was 148ppm in MVA006.
- Highest Ag value was 4.46g/t in MVA047.
- Highest U value was 41.1ppm in MVA012.

A set of cross sections are available on the CD.

Survey Equipment	
Helicopter	Eurocopter Squirrel BA. VH-HHO.
Towed Array	REPTM TX / RX structure. Receiver – Transmitter Vertical offset = 0m Z Receiver – Transmitter Horizontal offset = 0m X and Y
Transmitter	Geosolutions proprietary REPTM transmitter. 24 bit A-D sampling at 1.25 microseconds
Receiver	Geosolutions proprietary REPTM receiver. Hz Component
Transmitter area	Single turn of 412 square metres.
Receiver area	Single turn of 138 square metres.
Power system	24 HP Honda V-twin alternator system.
Survey Specifications	
Flying Height	120 feet (35 metres) depending upon terrain.
Line Direction	045 /225 – Wudinna, EW & NS Mt. Ive.
Line Spacing	400 /1000 metres – Wudinna, various – Mt. Ive.
Survey Speed	55 Knots - Indicated Air Speed.
Sample Interval	50 per Second.
Map Datum	GDA 94. MGA Zone 53
Survey Resolutions	
ATDEM data	Windowed to 22 channels and re-sampled to 10m across ground.
Laser Altimeter	10 centimetre resolution sampled 80 times per second.
Data Processing	
Airborne TDEM Data	Geosolutions proprietary airborne geophysical survey data processing package.
Navigation Data	Geosolutions proprietary airborne geophysical survey data processing package.

Table 1 RepTEM Survey Details

Survey line kilometre coverage per survey and tenement is shown in Table 2, with total tenement coverage shown in Table 3.

Survey	EL No. - Name	Line Km	Percentage
Mt Ive – Test Lines	EL 3546 – Mt Ive	70.0	4%
TOTAL		70km	4%

Table 2 Line km coverage by survey

EL Number – EL Name	Line Km	Percentage
EL 3546 – Mt Ive	70.0	4%
Total	70km	4%

Table 3 Line km coverage by tenement

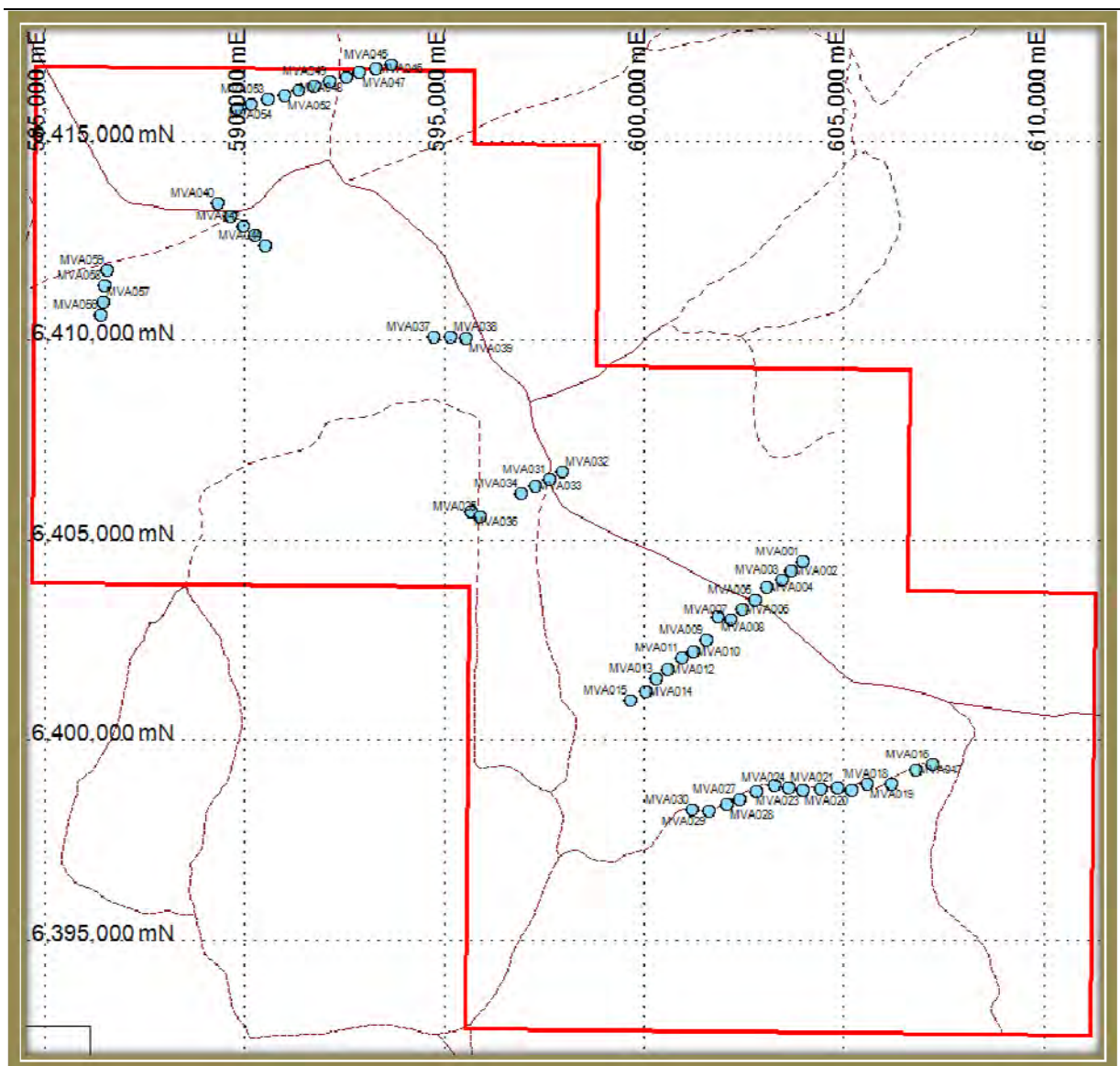


Figure 3: Drill Hole Location Plan

4.2 EL4690 and EL5120

4.2.1 Geophysics

As part of the Newmont Joint Venture a detailed Airborne magnetic and radiometric survey was completed, **none was over the areas being relinquished.**

4.2.2 Geology

Basement outcrop in areas being relinquished from EL5120 and 4690 is restricted to minor exposures of Hiltaba Granite.

4.2.3 Surface Sampling

Adelaide Resources exploration of the areas being from ELs 5120 and 4690 comprised reconnaissance scale surface geochemical (calcrete) sampling totalling approximately 333 samples, 219 samples from EL4690 Yaninee and 114 from EL5120 Corrobinnie, **see figures 4, 5, 6 and 7.**

Two samples were located in the relinquished portions.

Two first pass samples, (one in the mid-eastern portion of the relinquished area on EL4690 and one in the north western portion of the area being relinquished in EL5120), collected on a nominal 1.6km by 1.6km grid, returned anomalous gold results, however infill sampling around both failed to confirm the original results or return additional anomalous results in their vicinity and both anomalies were downgraded (**see figures 4, 5, 6 and 7**).

Digital data was not available or supplied with this report.

Samples in other areas did not identify any gold, copper or other metal anomalies.

Work by the Corrobinnie Uranium Joint Venture failed to locate anomalous palaeochannel hosted uranium in the area proposed for relinquishment.

4.2.4 Drilling

No holes were drilled by Adelaide Resources or Quasar on the areas of the tenements being relinquished.

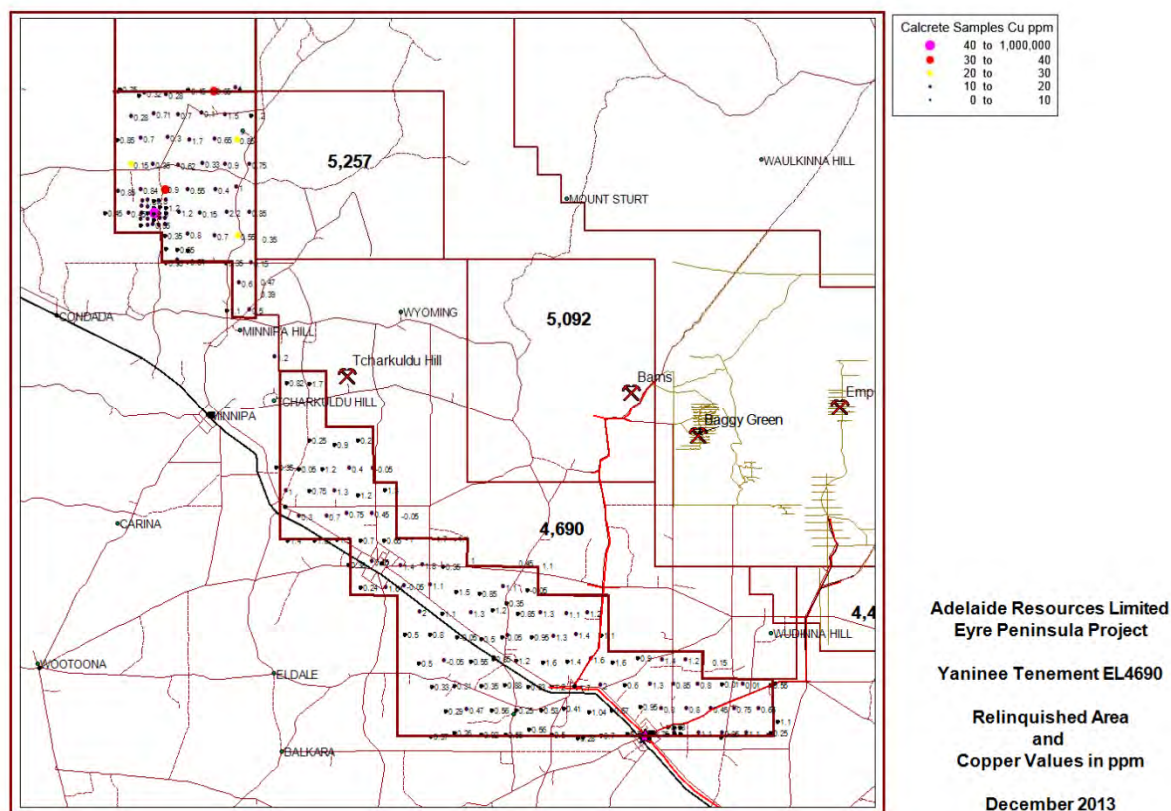


Figure 4: Yaninee Calcrete Cu samples over relinquished portion.

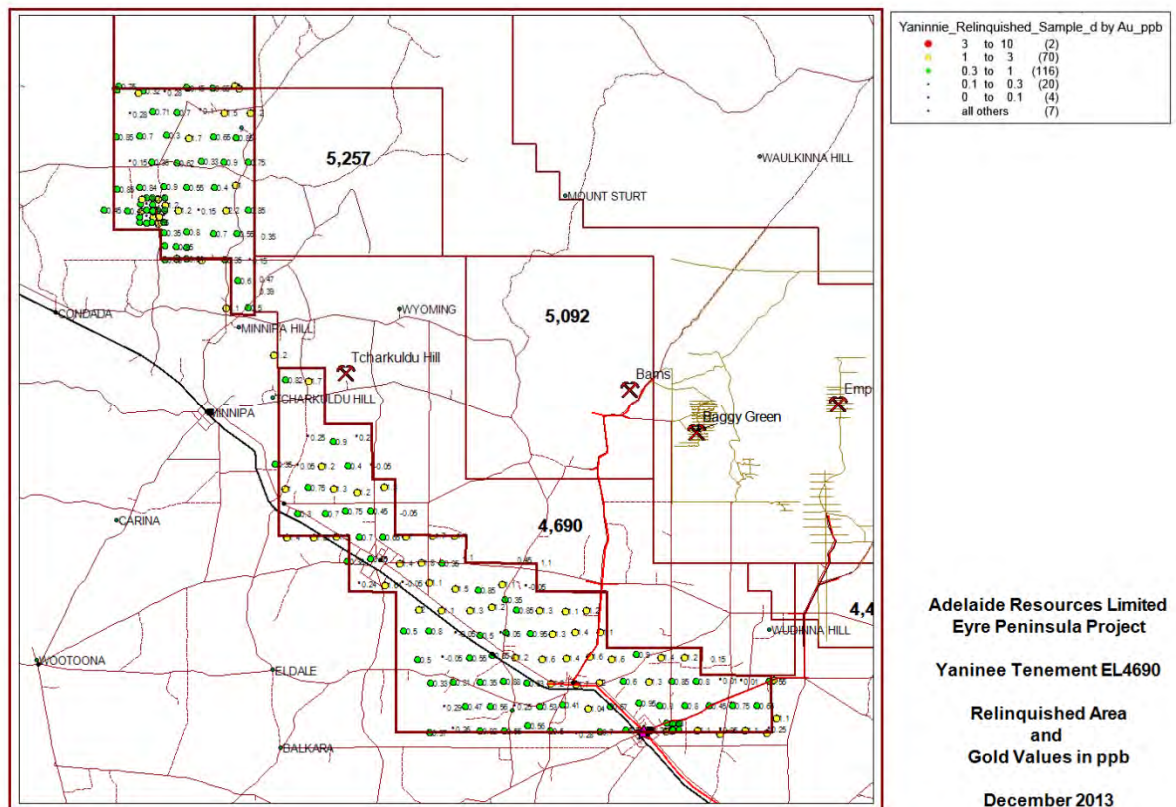


Figure 5: Yaninee Calcrete Au samples over relinquished portion.

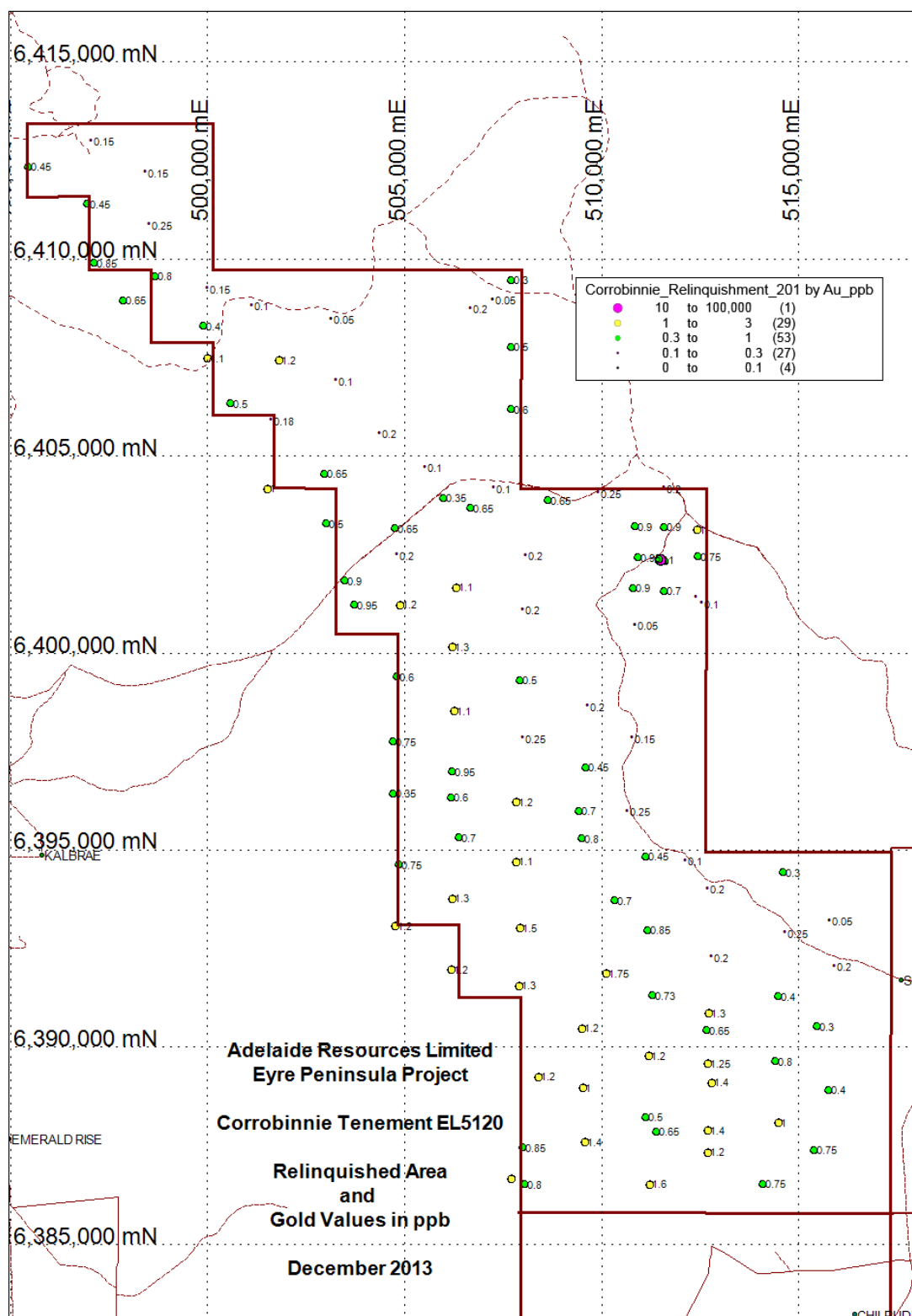


Figure 6: Corrobinnie Calcrete Au samples over relinquished portion.

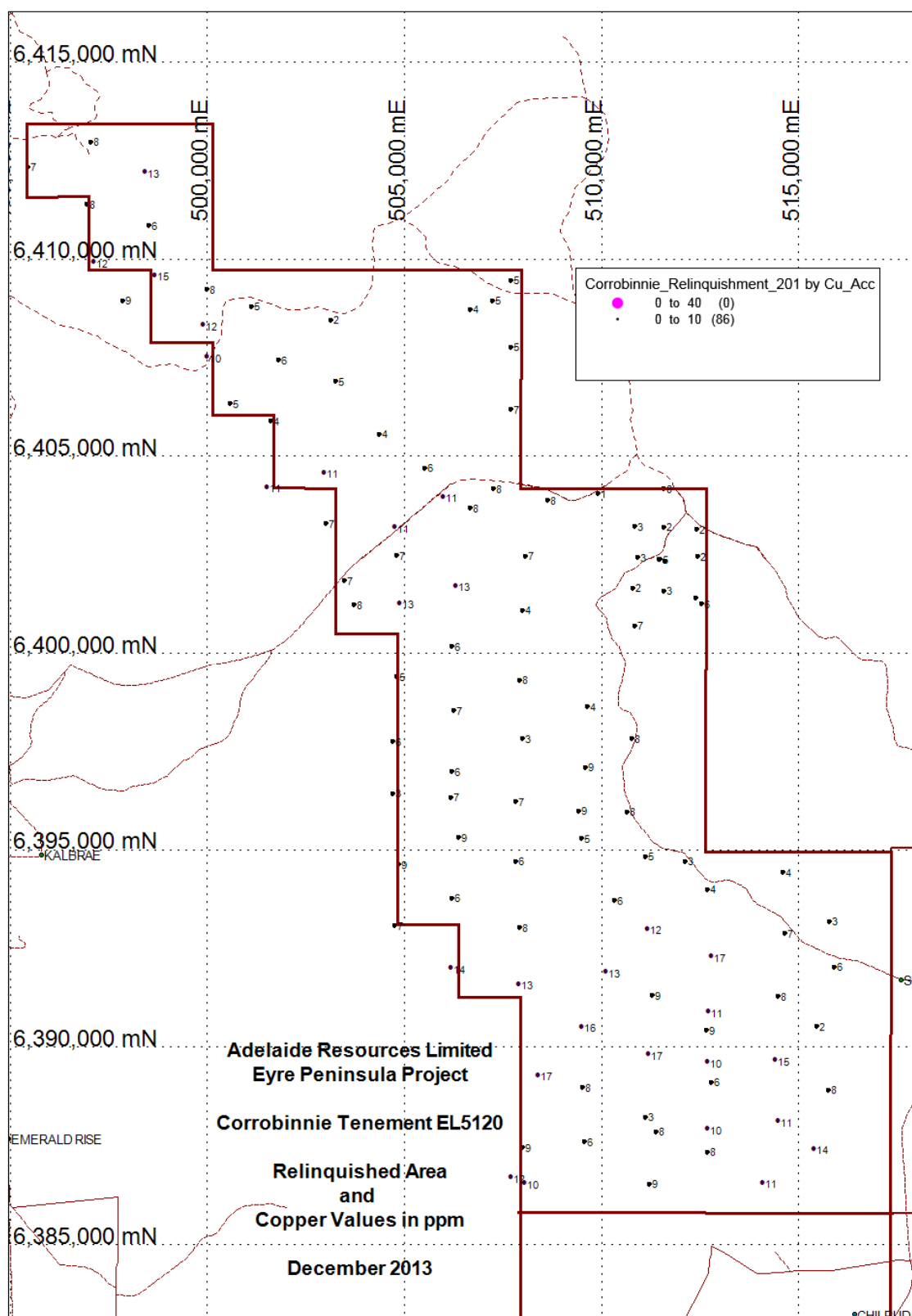


Figure 7: Corrobinnie Calcrete Cu samples over relinquished portion.