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# REVIEW OF HISTORICAL DATA CONFIRMS WEST DOORA AS SIGNIFICANT IOCG PROSPECT – MOONTA PROJECT.

- Modelling and evaluation of recently captured historic WMC/NBH diamond drill hole data **highlights West Doora as another significant IOCG prospect on the Moonta Copper-Gold Project.** Historic copper intersections of note include:

  **7.31 metres at 2.29% copper** from 224.03 metres in DDH 38
  **12.80 metres at 2.07% copper** from 83.21 metres in DDH 65
  **12.80 metres at 1.48% copper** from 85.65 metres in DDH 81
  **83.52 metres at 0.73% copper** from 48.46 metres in DDH 107, and
  **71.02 metres at 0.82% copper** from 276.15 metres in DDH 114.

- Copper has been intersected as shallow as 20 metres from the surface, while intersections as deep as 400 metres occur, presenting **further evidence that mineralisation can persist to significant depths in the Moonta district.**

- 3-D Modeling of the historic West Doora drill data shows copper mineralisation occurs in two main zones. The Eastern Zone is interpreted to be a series of stacked narrow lodes, while the **Western Zone includes a thick mineralised body with internal zones that reach horizontal widths of up to 50 metres.**

- The 3-D modelling suggests that the thick **Western Zone may remain open down-plunge** to the west, presenting a promising exploration target.

- Gold was not routinely assayed when the historic drilling was done, and the company has re-sampled four old holes with assaying for gold and other metals now underway.

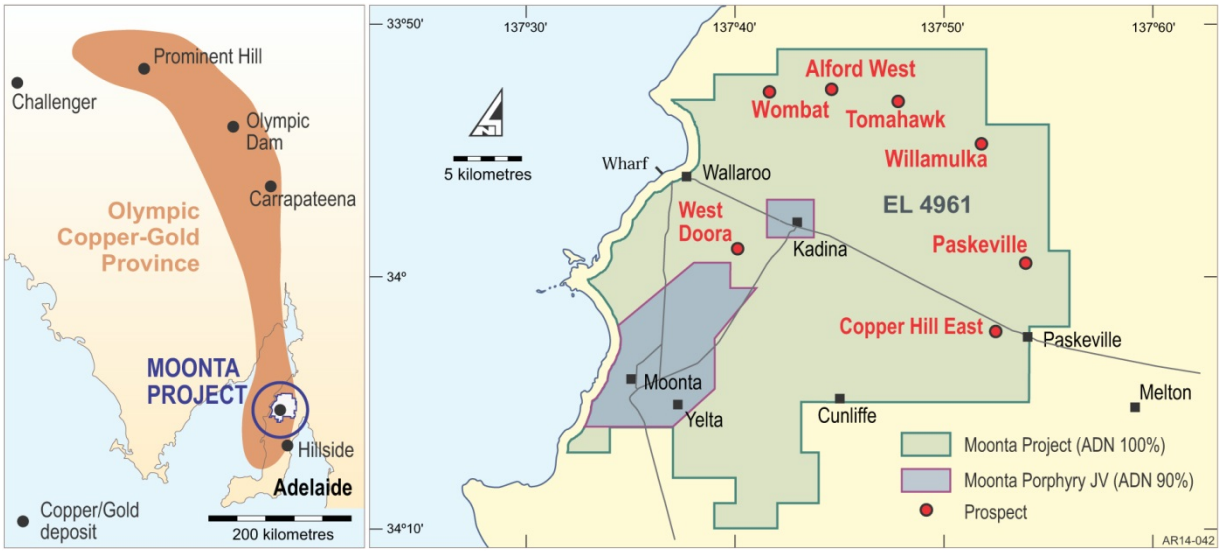


**Figure 1: Moonta Copper-Gold Project location.**

**Background**
Extensive historical exploration was completed by past explorers on the Moonta Copper Gold Project tenement area on South Australia's Yorke Peninsula, with data generated by this work lodged with the South Australian Government.

The review of historical exploration data in early 2013 led to the recognition that the Alford West Prospect represented a high quality target deserving further exploration, with Alford West now a principal focus of the company's current exploration effort on the project.

As further evidence of the value of this historical exploration database, we have digitally captured, from scanned paper records, historic drilling data including assays and lithological logs from the West Doora Prospect, leading to the creation of an interactive, 3 dimensional digital model of that deposit.

**The West Doora Prospect**
The wholly owned West Doora Prospect occurs southwest of the town of Kadina (Figure 1) and was one of the main prospects explored under a joint venture between Western Mining Corporation and North Broken Hill Limited.

Between 1966 and 1974 the joint venturers drilled 41 diamond drill holes for 13,319 metres at the prospect, achieving numerous copper intersections in a program of work that we estimate would cost in excess of $3 million to complete today. The prospect is coincident with a high magnitude magnetic anomaly sourced by variably mineralised magnetite of hydrothermal origin in the host rocks (Figure 2).

Drill core from the historical holes is housed in the South Australian Government's core storage facility located in Moonta, and a number of the old holes have been viewed and re-logged by the company's geological staff.

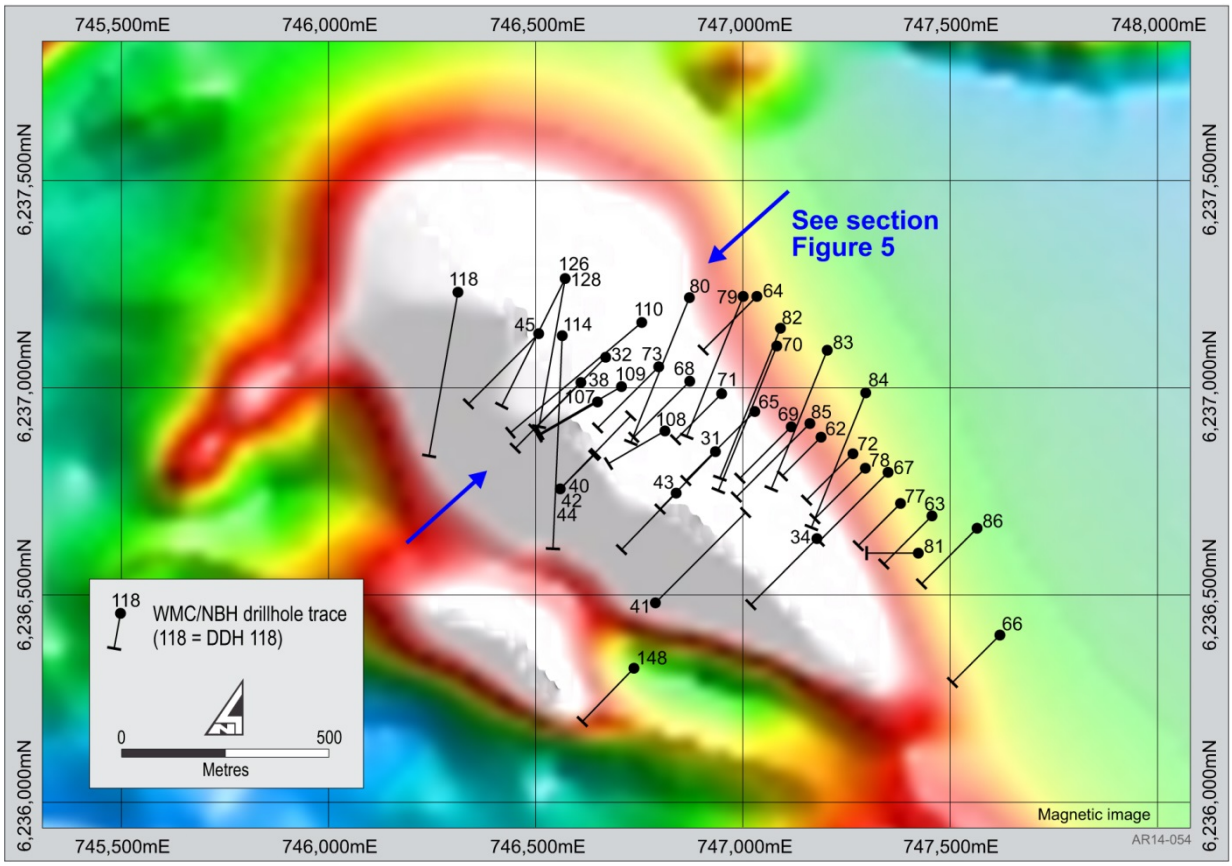


**Figure 2: West Doora Prospect drillhole location plan.**

## West Doora Geology

The West Doora Prospect lies in the Wallaroo Mines Field within the Moonta–Wallaroo district which is in turn a part of the large Proterozoic Olympic Copper Gold Province (Figure 1). The ~1590Ma 'Hiltaba Event' was responsible for the Iron Oxide Copper Gold (IOCG) mineralisation and alteration in the Olympic Copper Gold Province and thus in the Moonta district. It involved synchronous deformation, intrusion of granitoids, heating, metamorphism and gross movement of chemical elements to form metasomatic lithologies and epigenetic sulphide bearing mineral deposits deposited in structural traps.

Mineralisation in the Wallaroo Mines Field is hosted in sheared metasediments of the Doora Member of the Wallaroo Group. Chalcopyrite, pyrite and occasionally pyrrhotite mineralisation occurs in steeply dipping quartz vein lodes and disseminations in strongly foliated magnetite metasomatised metasediments (Figure 3). The abundance of magnetite in the altered host rocks is responsible for the high magnitude magnetic anomaly at West Doora, and consistent with the deposit belonging to the IOCG class.

Oxidised copper mineralisation appears limited to very shallow depths, with the majority of intersections recorded in the old holes being primary sulphides, with chalcopyrite the copper bearing phase.

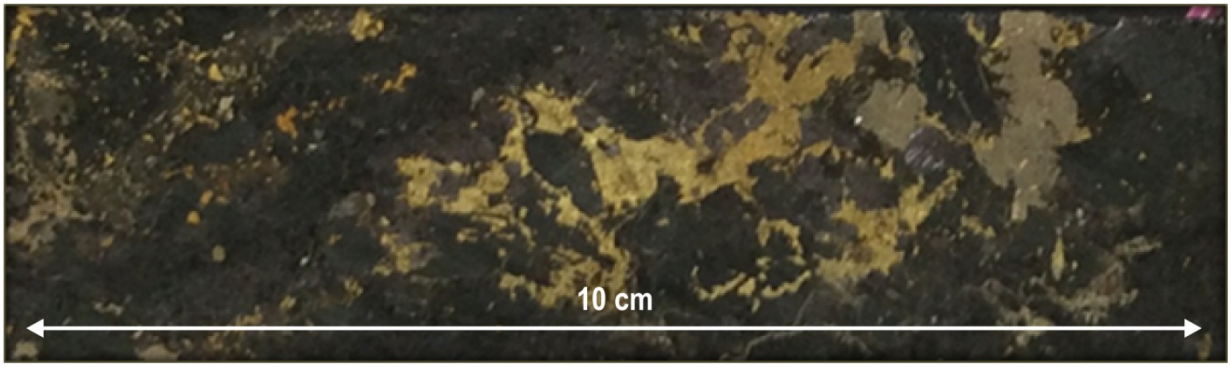


**Figure 3: Pyrrhotite and chalcopyrite in biotite-magnetite groundmass from 252m in DDH 114.**

## West Doora Mineralisation Model

The digitally captured drill data from West Doora has been interpreted in 3 dimensions to produce the mineralisation model shown in Figure 4, with a cut-off grade of 0.2% copper used to define the boundaries of the mineralised volumes. Table 1 of this report presents a comprehensive list of copper intersections achieved in the diamond holes from West Doora.

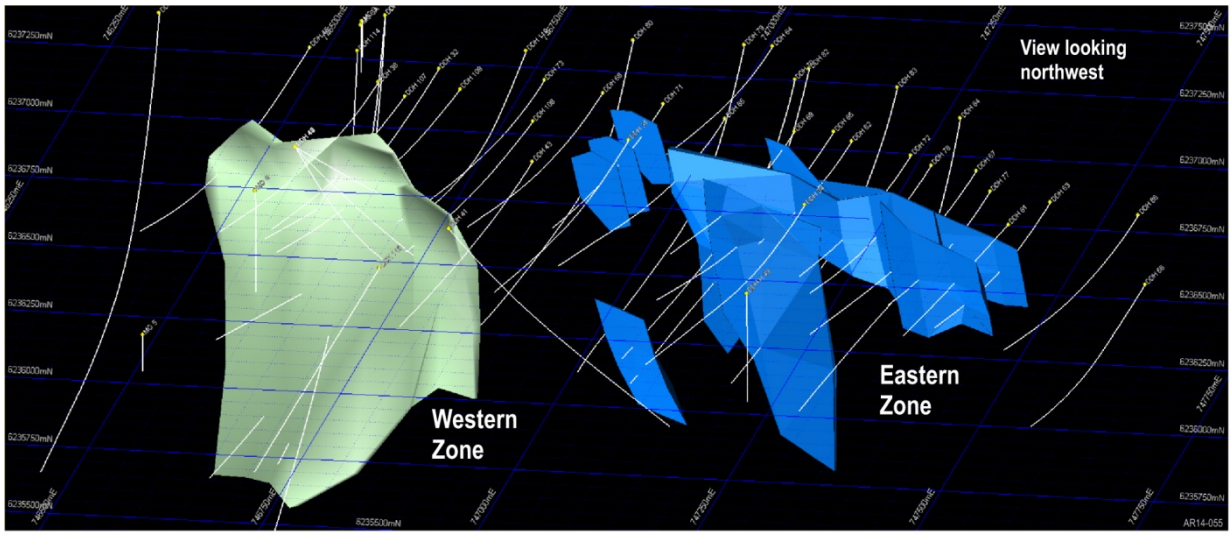


**Figure 4: West Doora Prospect current 3-D model, >0.2% Cu.**

***Table 1:*** *West Doora Prospect – historic WMC/NBH drill intersections.*

| Hole Name | Easting (mga94) | Northing (mga94) | RL (msl) | Dip | Azimuth (mga94) | Depth (m) | Year drilled | From (m) | To (m) | Interval (m) | Cu % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DDH 31 | 746934 | 6236846 | 50 | -50 | 224 | 245.20 | 1966 | 109.07 | 109.37 | 0.30 | 14.89 |
| DDH 32 | 746669 | 6237074 | 50 | -50 | 225 | 300.74 | 1966 | 120.14 | 129.29 | 9.15 | 0.36 |
| | | | | | | | | 174.29 | 240.13 | 65.84 | 0.47 |
| | | | | | | *incl.* | | 216.36 | 220.10 | 3.74 | 1.13 |
| | | | | | | | | 281.03 | 286.51 | 5.48 | 0.53 |
| DDH 38 | 746609 | 6237013 | 50 | -50 | 225 | 267.44 | 1966 | 63.20 | 92.46 | 29.26 | 0.47 |
| | | | | | | *incl.* | | 76.91 | 79.66 | 2.75 | 2.20 |
| | | | | | | | | 118.98 | 160.93 | 41.95 | 0.54 |
| | | | | | | *incl.* | | 147.22 | 160.93 | 13.71 | 0.99 |
| | | | | | | | | 190.20 | 194.16 | 3.99 | 2.12 |
| | | | | | | *incl.* | | 192.94 | 193.55 | 0.61 | 8.50 |
| | | | | | | | | 224.03 | 231.34 | 7.31 | 2.29 |
| | | | | | | *incl.* | | 228.30 | 230.73 | 2.43 | 6.26 |
| DDH 40 | 746559 | 6236756 | 50 | -50 | 44 | 336.65 | 1966 | 67.06 | 69.49 | 2.43 | 1.83 |
| | | | | | | | | 88.70 | 89.92 | 1.22 | 2.54 |
| | | | | | | | | 139.90 | 146.30 | 6.40 | 0.43 |
| | | | | | | | | 240.49 | 249.63 | 9.14 | 0.39 |
| | | | | | | | | 252.37 | 257.86 | 5.49 | 0.51 |
| | | | | | | | | 320.95 | 334.67 | 13.72 | 0.40 |
| DDH 42 | 746559 | 6236756 | 50 | -60 | 45 | 200.33 | 1966 | 142.04 | 151.18 | 9.14 | 0.82 |
| | | | | | | *incl.* | | 147.52 | 148.44 | 0.92 | 4.90 |
| DDH 44 | 746559 | 6236756 | 50 | -35 | 45 | 138.51 | 1966 | 39.32 | 49.83 | 10.51 | 0.36 |
| DDH 62 | 747189 | 6236881 | 50 | -50 | 225 | 166.57 | 1967 | 94.18 | 106.98 | 12.80 | 1.27 |
| | | | | | | *incl.* | | 100.58 | 101.50 | 0.92 | 9.95 |
| DDH 63 | 747457 | 6236691 | 50 | -50 | 225 | 206.98 | 1967 | 176.48 | 180.14 | 3.66 | 0.75 |
| DDH 65 | 747029 | 6236943 | 50 | -50 | 225 | 275.40 | 1967 | 83.21 | 96.01 | 12.80 | 2.07 |
| | | | | | | *incl.* | | 85.95 | 87.78 | 1.83 | 7.10 |
| | | | | | | *and* | | 91.44 | 95.10 | 3.66 | 3.06 |
| DDH 70 | 747082 | 6237101 | 50 | -65 | 202 | 459.64 | 1967 | 231.34 | 244.14 | 12.80 | 0.54 |
| | | | | | | | | 431.29 | 435.86 | 4.57 | 0.96 |
| DDH 71 | 746949 | 6236986 | 50 | -50 | 225 | 200.13 | 1967 | 44.50 | 46.33 | 1.83 | 4.63 |
| | | | | | | | | 86.26 | 89.92 | 3.66 | 3.96 |
| | | | | | | *incl.* | | 87.17 | 89.00 | 1.83 | 7.30 |
| | | | | | | | | 112.17 | 122.22 | 10.05 | 0.39 |
| DDH 72 | 747266 | 6236841 | 50 | -50 | 225 | 199.03 | 1967 | 120.09 | 131.06 | 10.97 | 1.06 |
| | | | | | | *incl.* | | 121.01 | 124.66 | 3.65 | 2.52 |
| DDH 73 | 746797 | 6237051 | 50 | -50 | 225 | 250.85 | 1967 | 221.28 | 231.34 | 10.06 | 0.41 |
| DDH 77 | 747381 | 6236721 | 50 | -50 | 225 | 183.39 | 1967 | 90.53 | 95.10 | 4.57 | 1.50 |
| DDH 78 | 747296 | 6236806 | 50 | -50 | 225 | 213.97 | 1967 | 72.54 | 74.37 | 1.83 | 1.65 |
| | | | | | | | | 78.94 | 93.57 | 14.63 | 0.51 |
| | | | | | | *incl.* | | 80.77 | 85.34 | 4.57 | 0.97 |
| | | | | | | | | 104.55 | 106.38 | 1.83 | 1.45 |
| DDH 80 | 746871 | 6237218 | 50 | -65 | 202 | 485.55 | 1967 | 391.06 | 392.89 | 1.83 | 1.56 |
| DDH 81 | 747424 | 6236601 | 50 | -50 | 270 | 189.13 | 1967 | 85.65 | 98.45 | 12.80 | 1.48 |
| DDH 82 | 747091 | 6237144 | 50 | -65 | 202 | 496.52 | 1967 | 294.13 | 301.45 | 7.32 | 0.57 |
| | | | | | | | | 467.56 | 470.31 | 2.75 | 1.55 |
| DDH 83 | 747204 | 6237091 | 50 | -65 | 202 | 458.11 | 1967 | 381.61 | 388.92 | 7.31 | 1.08 |
| | | | | | | *incl.* | | 385.27 | 388.92 | 3.65 | 1.65 |

***Table 1:*** *West Doora Prospect – historic WMC/NBH drill intersections (continued).*

| Hole Name | Easting (mga94) | Northing (mga94) | RL (msl) | Dip | Azimuth (mga94) | Depth (m) | Year drilled | From (m) | To (m) | Interval (m) | Cu % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DDH 84 | 747297 | 6236988 | 50 | -70 | 202 | 460.98 | 1968 | 346.25 | 351.74 | 5.49 | 1.02 |
| | | | | | | *incl.* | | 349.91 | 350.82 | 0.91 | 4.09 |
| | | | | | | | | 375.51 | 381.91 | 6.40 | 1.52 |
| DDH 85 | 747162 | 6236914 | 50 | -50 | 225 | 301.52 | 1968 | 61.26 | 69.19 | 7.93 | 0.32 |
| DDH 107 | 746649 | 6236966 | 50 | -50 | 240 | 219.84 | 1970 | 27.54 | 42.98 | 15.44 | 0.23 |
| | | | | | | | | 48.46 | 131.98 | 83.52 | 0.73 |
| | | | | | | *incl.* | | 54.86 | 60.35 | 5.49 | 1.05 |
| | | | | | | *and* | | 111.56 | 122.83 | 11.27 | 1.99 |
| | | | | | | *incl.* | | 117.04 | 117.55 | 0.51 | 23.50 |
| | | | | | | | | 134.72 | 147.52 | 12.80 | 0.29 |
| | | | | | | | | 174.04 | 178.61 | 4.57 | 0.60 |
| | | | | | | | | 212.14 | 214.88 | 2.74 | 1.17 |
| DDH 108 | 746812 | 6236896 | 50 | -50 | 240 | 211.91 | 1970 | 82.60 | 91.74 | 9.14 | 0.39 |
| | | | | | | | | 105.46 | 110.03 | 4.57 | 0.58 |
| | | | | | | | | 166.12 | 199.95 | 33.83 | 0.62 |
| | | | | | | *incl.* | | 168.86 | 174.35 | 5.49 | 1.09 |
| | | | | | | *and* | | 187.15 | 190.80 | 3.65 | 1.21 |
| DDH 109 | 746707 | 6237003 | 50 | -50 | 240 | 287.81 | 1970 | 122.22 | 125.58 | 3.36 | 1.04 |
| | | | | | | | | 130.45 | 195.07 | 64.62 | 0.44 |
| | | | | | | *incl.* | | 168.55 | 173.13 | 4.58 | 1.37 |
| | | | | | | | | 211.53 | 221.59 | 10.06 | 0.30 |
| | | | | | | | | 238.96 | 242.62 | 3.66 | 3.11 |
| | | | | | | *incl.* | | 238.96 | 239.88 | 0.92 | 9.25 |
| | | | | | | | | 261.52 | 267.00 | 5.48 | 1.02 |
| DDH 110 | 746756 | 6237158 | 50 | -50 | 230 | 525.02 | 1971 | 270.05 | 276.45 | 6.40 | 1.75 |
| | | | | | | *incl.* | | 275.54 | 276.45 | 0.91 | 10.60 |
| | | | | | | | | 301.14 | 311.20 | 10.06 | 0.48 |
| | | | | | | | | 323.09 | 335.89 | 12.80 | 0.67 |
| | | | | | | | | 365.15 | 375.21 | 10.06 | 0.26 |
| | | | | | | | | 395.33 | 408.13 | 12.80 | 0.46 |
| | | | | | | | | 438.61 | 440.44 | 1.83 | 2.66 |
| DDH 114 | 746564 | 6237126 | 50 | -75 | 184 | 747.64 | 1971 | 206.65 | 229.51 | 22.86 | 0.41 |
| | | | | | | | | 238.66 | 267.92 | 29.26 | 0.49 |
| | | | | | | *incl.* | | 245.97 | 254.20 | 8.23 | 1.02 |
| | | | | | | | | 276.15 | 347.17 | 71.02 | 0.82 |
| | | | | | | *incl.* | | 289.86 | 292.61 | 2.75 | 1.83 |
| | | | | | | *and* | | 308.15 | 346.25 | 38.10 | 1.13 |
| | | | | | | *incl.* | | 326.44 | 332.84 | 6.40 | 3.04 |
| | | | | | | | | 349.91 | 362.71 | 12.80 | 0.23 |
| DDH 126 | 746571 | 6237264 | 50 | -80 | 190 | 605.80 | 1972 | 518.46 | 529.13 | 10.67 | 0.47 |
| | | | | | | | | 532.79 | 536.45 | 3.66 | 0.83 |
| | | | | | | | | 538.89 | 555.35 | 16.46 | 0.42 |
| | | | | | | | | 561.44 | 571.20 | 9.76 | 0.80 |
| | | | | | | *incl.* | | 563.88 | 564.79 | 0.91 | 4.30 |
| DDH 128 | 746571 | 6237264 | 50 | -80 | 207 | 631.24 | 1973 | 483.41 | 525.17 | 41.76 | 0.43 |

*Drillhole collar locations are as reported in the South Australian Government geological database and are estimated to have an accuracy of +/-25m. Collar RLs are unknown and set at an arbitrary height of 50m above sea level. Full copper analytical methods are not recorded but include Atomic Absorption. QA/QC samples were introduced however results are unknown. Cut-off grade of 0.2% Cu applied with up to 2m internal dilution. Intersection grades calculated by length weighted averaging of individual samples. List restricted to intersections >2.5m% Cu. Conversion of Imperial to Metric depths results in minor rounding errors. Intersections are downhole lengths – true widths are not known.*

We interpret the West Doora deposit to comprise two main zones of mineralisation.

The Eastern Zone is a series of steeply dipping, generally narrow, subparallel lodes that extend for approximately 650 metres along strike and to depths of 250 metres below surface. The Eastern Zone lodes appear to be closed along strike but remain open at depth on most sections. Notable drill intersections from the Eastern Zone lodes, calculated using a lower cut-off of 0.2% copper and including not more than 2 metres of internal dilution, include:

- 12.80 metres at 1.27% copper from 94.18 metres downhole in DDH 62
- 12.80 metres at 2.07% copper from 83.21 metres downhole in DDH 65
- 3.66 metres at 3.96% copper from 86.26 metres downhole in DDH 71
- 10.97 metres at 1.06% copper from 120.09 metres downhole in DDH 72
- 12.80 metres at 1.48% copper from 85.65 metres downhole in DDH 81, and
- 7.31 metres at 1.08% copper from 381.61 metres downhole in DDH 83

The Western Zone appears to comprise an “envelope” containing numerous, closely spaced, lodes separated by intervals of un-mineralised rock. The width of this mineralised envelope can be extensive. For example hole DDH 32 intersected approximately 180 metres at ~0.3% copper, DDH 38 intersected about 185 metres at ~0.4% copper, and DDH 114 intersected approximately 189 metres at ~0.5% copper within the envelope.

In places within the Western Zone the internal lodes are interpreted to coalesce, resulting in essentially continuous mineralisation developed over horizontal widths that reach up to about 50 metres (see cross section presented in Figure 5). The Western Zone strikes for approximately 450 metres and has an unclosed vertical extent of over 400 metres.

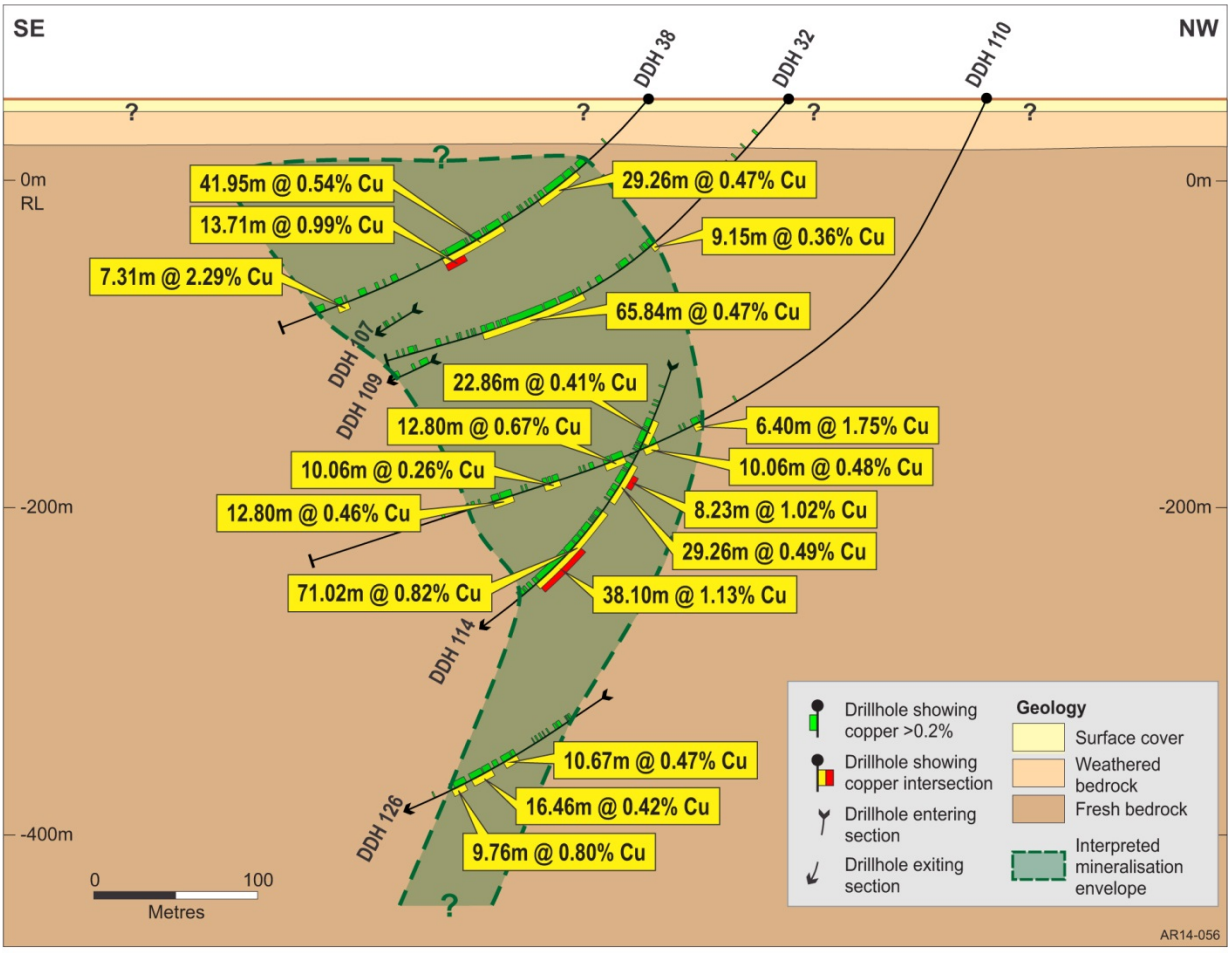


**Figure 5: West Doora Western Zone cross section looking northwest.**

Notable intersections from the Western Zone, calculated using a lower cut-off of 0.2% copper and including not more than 2 metres of internal dilution, include:

- 65.84 metres at 0.47% copper from 174.29 metres downhole in DDH 32
- 29.26 metres at 0.47% copper from 63.20 metres downhole in DDH 38, and
- 41.95 metres at 0.54% copper from 118.98 metres downhole in DDH 38, including
- 13.71 metres at 0.99% copper from 147.22 metres downhole in DDH 38
- 83.52 metres at 0.73% copper from 48.46 metres downhole in DDH 107, including
- 11.27 metres at 1.99% copper from 111.56 metres downhole in DDH 107
- 33.83 metres at 0.62% copper from 166.12 metres downhole in DDH 108
- 64.62 metres at 0.44% copper from 130.45 metres downhole in DDH 109
- 71.02 metres at 0.82% copper from 276.15 metres downhole in DDH 114, including
- 38.10 metres at 1.13% copper from 308.15 metres downhole in DDH 114
- 41.76 metres at 0.43% copper from 483.41 metres downhole in DDH 128

The 3-D model suggests that the Western Zone may plunge to the west. Limited drilling in this area of the deposit does not appear to have tested the possible down-plunge extension of the modelled body presenting an attractive future exploration target.

The West Doora deposit is confirmed to extend vertically to at least 430 metres below the surface. The bulk of the historical intersections achieved at West Doora are considered to be of primary zone mineralisation and unaffected by secondary supergene processes that can both deplete or enrich metal grades.

The presence of deposits, such as West Doora, with extensive vertical dimension and with significant primary grade intersections, adds to the company's confidence that other prospects on the Moonta Project, including the Alford West Prospect, can extend to significant depth at attractive grade thereby presenting target zones with significant tonnage/grade potential.

Gold was not considered a target commodity by the WMC/NBH joint venture in the period West Doora was being explored, and gold assaying of drill samples was only very rarely completed. These sparse assay results do indicate that gold is present in the West Doora mineralisation at concentrations that could potentially contribute to the prospect's economics.

As a first step in its further review of the West Doora prospect, Adelaide Resources has re-sampled four of the historic WMC/NBH holes, with these samples now being assayed for gold and a suite of other metals.

**Chris Drown**
Managing Director

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### *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.*

### *Note on historic down hole surveys.*

*To accurately determine drill hole paths requires regularly spaced down-hole measurements of hole inclination and azimuth information. WMC/NBH collected these measurements using a mechanical bore-hole surveying instrument called a tropari, which includes both an inclinometer to determine hole dip, and a compass to determine hole azimuth.*

*Due to the presence of significant concentrations of magnetite in the host rocks at West Doora, the tropari compass would often be pulled away from magnetic north rendering it impossible to calculate accurate down-hole azimuths. It is likely that the down-hole azimuths of the historic holes will have deviated from the initial azimuths the holes were collared on, however in the absence of reliable downhole azimuth survey information Adelaide Resources has chosen to make the assumption that the drill holes remained on their original collar azimuth throughout their extent. Tropari inclination measurements are not affected by local magnetic fields and hole dips as measured by the tropari have been accepted as accurate and employed during the modelling exercise.*

# 1 JORC CODE, 2012 EDITION – TABLE 1

## 1.1 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or hand held XRF instruments, etc) These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • Sampling protocols for historical holes is not recorded in the historical reports, however it is known that any assays reported from diamond holes were from ½ core samples.<br>• Historical records show some QA/QC measures were undertaken with the inclusion of standard samples to the analytical stream, however the results of this QA/QC work is unknown.<br>• The distribution of copper mineralisation observed in some of the historic holes by company geologists is considered unlikely to result in grade biasing during sampling. |
| *Drilling Techniques* | • *Drill type (air core, reverse circulation, open-hole hammer, rotary air blast , auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other* | • WMC/NBH completed rotary mud precollars prior to diamond coring.<br>• Recorded diamond core |

| | | |
|---|---|---|
| | *type, whether core is orientated and if so, by what method, etc).* | diameters include HQ, HQ triple tube, NQ, BQ and AQ sizes.<br>• Diamond core was not oriented. |
| *Drill Sample Recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the sample.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of coarse/fine material.* | • Core recoveries were not routinely recorded by WMC/NBH for diamond holes.<br>• Diamond core recoveries in historic holes observed by ADN geologists appears to be high. |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Geological logs exist in the historic records for all diamond holes, with all intersections logged.<br>• Geological logging was qualitative.<br>• There are no records of geotechnical logging of historical holes in the reports. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Sub-sampling methods and sample preparation methods for historical holes is unknown<br>• Diamond hole samples are recorded as ½ core.<br>• There are no records of duplicate samples being taken by WMC/NBH, although some samples were assayed more than once.<br>• "Sludge" samples were routinely collected and assayed but these samples are assessed as being of poor quality and no sludge sample results have been incorporated into the study. |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and mode, reading times, calibration factors applied and their derivation, etc.*<br>• *Nature and quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • The nature, quality and appropriateness of the assaying and laboratory procedures for historical holes is unknown, however WMC/NBH are considered to have been competent groups.<br>• WMC/NBH introduced standards into the assay sample stream however the results of this QA/QC exercise is not reported. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry* | • Historical assay data has been digitised by one company employee and verified by another. |

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| | *procedures, data verification, data storage (physical or electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • There are no historical twinned holes.<br>• Historical data was hand or type written, but is now resident as digital data in the company's database.<br>• No adjustments have been made to any historical assays |
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Drill hole collar locations are as advised by WMC/NBH to the South Australian Department of Mines and Energy, converted to GDA94 (Zone 53) datum, and are considered to be accurate to +/- 25 metres. Collar RLs were not recorded by WMC/NBH so have been nominally set at 50m asl.<br>• Downhole surveys were completed using topari instruments. Due to the presence of significant concentrations of magnetite in the host rocks at West Doora, the tropari compass would often be pulled away from magnetic north rendering it impossible to calculate accurate down-hole azimuths. It is likely that the down-hole azimuths of the historic holes will have deviated from the initial azimuths the holes were collared on, however in the absence of reliable downhole azimuth survey information Adelaide Resources has chosen to make the assumption that the drill holes remained on their original collar azimuth throughout their extent. Tropari inclination measurements are not affected by local magnetic fields and hole dips as measured by the tropari have been accepted as accurate and employed during the modelling exercise.<br>• The area of the prospect |

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| | | is flat and topographic control is not considered material to the evaluation of the historic data. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classification applied.*<br>• *Whether sample compositing has been applied.* | • Spacing of historical drilling is considered adequate to allow confident interpretation of lithological and grade continuity of mineralisation envelopes.<br>• No sample compositing has been applied. |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • The majority of the historical WMC/NBH holes were drilled on several azimuths that approximate an across-strike orientation.<br>• The angle of incidence is not considered to result in biased sampling. |
| *Sample security* | • *The measures taken to ensure sample security.* | • No sample security measures are recorded in the historical reports.<br>• Retained core samples are now housed in the South Australian Government's core storage facilities. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data* | • There have not been any audits or reviews of the WMC/NBH sampling techniques and data. |

## 1.2 Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section may apply to this section)

| Criteria | JORC Code explanation | Commentary |
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| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements of material issues with third parties such as joint ventures, overriding royalties, native titles interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.* | • The area the subject of this report falls within EL 4961, in an area of the tenement which is 100% owned by Peninsula Resources limited, a wholly owned subsidiary of Adelaide Resources Limited.<br>• There are no non govt royalties, historical sites or environmental issues. Underlying land title is Freehold land which extinguishes native title.<br>• EL 4961 is in good standing. |
| *Exploration done by other parties* | • *Acknowledgement and appraisal of exploration by other parties.* | • The report deals principally with exploration completed by WMC/NBH, with this fact acknowledged in the report. |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • Deposits in the general region are considered to be of Iron |

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| | | Oxide Copper Gold affinity, related to the 1590Ma Hiltaba/GRV tectonothermal event. Cu-Au mineralisation is structurally controlled and associated with significant metasomatic alteration of host rocks. |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>o *Easting and northing of the drill collar*<br>o *Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill collar.*<br>o *Dip and azimuth of the hole.*<br>o *Down hole length and interception depth.*<br>o *Hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • The summary information on drill holes which returned material intersections is included in Table 1 of the report.<br>• The collar locations of all drill holes the subject of the report are shown on Figure 2 of the report. |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/ or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in some detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • No new Exploration Results are reported in the report.<br>• The method of calculating copper intersections is included as a footnote to table 1 in the report.<br>• Where intersections quoted are largely due to an internal interval of high grade, the high grade interval is also quoted in Table 1. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • The envelopes to mineralised zones are interpreted to be sub-vertically dipping and NW-SE-W striking. The majority of holes were drilled on NE-SW azimuths at inclinations that cut the mineralisation at a high angle.<br>• Table 1 states that intersections are downhole lengths and that true widths are unknown. |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Appropriate plans with scales appear as Figures 1 to 5 in the report. |
| *Balanced Reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should* | • Where intersections quoted are largely due to an internal interval of high grade, the high |

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| | *be practiced to avoid misleading reporting of Exploration Results.* | grade interval is also quoted in Table 1. |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, ground water, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • Observations on basement geology, weathering, alteration, geochemistry, and mineralisation have been included in the report. |
| *Further work* | • *The nature and scale of planned further work (eg tests of lateral extensions or depth extensions or large scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • The report advises that a re-sampling and assaying program of four of the historical holes is underway as a first step. |