

ASX/MEDIA ANNOUNCEMENT

11 March 2010

The Manager
Companies Announcements Office
Australian Securities Exchange



CLOSURE OF QUEENSLAND ACREAGE ACQUISITION

Further to the Company's ASX announcement of 20 January 2010 regarding the acquisition of prospective Queensland acreage, Adelaide Energy Ltd (ADE) is pleased to announce that it has now executed a binding Share Sale Agreement with the shareholders of 2 private companies (Deka Resources Pty Ltd and Well Traced Pty Ltd) with respect to the acquisition of the entire issued share capital of those companies.

The attached map illustrates the permits in which stakes have been acquired.

Closure of the acquisition is expected tomorrow and, as previously foreshadowed, will entail the issuance of 15M shares in ADE and the payment of the balance of the cash proceeds due of \$2M.

Commenting on the transaction, ADE's Managing Director, Mr Carl Dorsch said:

"ADE is pleased to promptly convert this deal from a Letter of Agreement to an executed full form Share Sale Agreement, following a satisfactory due diligence exercise. Each of the assets acquired has a good strategic fit for us and is valuable in its own right. As a whole, the purchase adds significant value to Adelaide Energy's portfolio. With respect to just one of the assets, namely a 20% stake in ATP 849P in the Surat Basin, we note with interest the recent increase in value attributed by the market to coal-bed methane prospective acreage in Queensland."

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ASX Codes : ADE

Acquisition Interests – Cooper and Surat Basin Permits

