

Award of EPCM Contract for Southern Ashanti Gold Project

Lycopodium Limited is pleased to advise that, its subsidiary, Lycopodium Minerals has been awarded the Engineering, Procurement and Construction Management (EPCM) contract for Adamus Resources Limited's Southern Ashanti Gold Project located in Ghana, West Africa.

The announcement that the Southern Ashanti Gold Project would proceed was made by Mark Bojanjac, Managing Director of Adamus Resources on 22 October 2009 as follows:

"Adamus Resources Limited (ASX:ADU, 'Adamus') is pleased to announce that it has selected Lycopodium Minerals as its preferred contractor to build the processing plant for its Southern Ashanti Gold Project in Ghana.

Lycopodium will work closely with Adamus' own engineers with a current target of first production by early 2011.

Detailed contract negotiations are now underway with practical completion expected during November 2010. Detailed design will commence during final contract negotiations. The contract is on an EPCM (Engineering, Procurement and Construction Management) basis. Each major equipment item will be tendered under Adamus' direct supervision.

All tender submissions evaluated by Adamus proposed experienced teams of people dedicated to the build and pricing was surprisingly close and within our June 2009 Optimised Feasibility Study estimates for the plant build.

Lycopodium has an experienced team based in Ghana who have delivered a number of plant implementations in the nation, including the recent expansion of Redback Mining's Chirano Project and the development of the plant and infrastructure for Newmont's Ahafo Project in late 2006.

We selected Lycopodium on the basis of their good reputation and excellent track record in the area. Given that we have already begun the process of purchasing long lead-time items including the SAG mill, we remain confident of becoming a gold producer by early 2011."

Lycopodium has been working on this project's study phases with Adamus Resources and looks forward to developing it through to production. It is not anticipated that this award will have any material effect on Lycopodium's forecast results for this financial year.

For further information:

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