

## **ASX ANNOUNCEMENT**

30 November 2017

### ***CHAIRMAN'S ADDRESS***

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Dear fellow shareholders,

We are currently laying the foundations for the business transformation journey at Adavale Resources Limited. To ensure that the transformation would be executed well and all shareholders can benefit from this, we have appointed three new board members and a new joint corporate secretary.

To support this business transformation, we have proposed several resolutions and we do hope that those resolutions would get your support.

One of the major resolutions that I would like to highlight, is the decision to proceed with the sale of the coal asset in Indonesia.

The board has reviewed our portfolio and consider that the company at this stage is no longer suited to the risks associated with the Indonesian coal asset. On top of that by releasing the Indonesian asset, the proposed transaction will assist the company to improve its financial position by reducing its current liabilities.

As part of the business transformation, the board will continuously seek ways to run the company in a cost-effective manner. One of the areas that board recommends to address is the appointment of the new auditor. The board recommended the appointment of HLB Mann Judd as the auditor to the Company.

Moving forward, the company will maintain focus and actively seek good projects to increase the enterprise value while maintaining its main asset, Lake Surprise Project in South Australia.

Thank you for your continuous support.

Haryono Eddyarto