



8 July 2020

Lin Kang
ASX Listings Compliance
20 Bridge Street
Sydney NSW 2000

RESPONSE TO ASX PRICE QUERY

Dear Lin Kang,

I refer to your letter dated 8 July 2020 regarding the increase in price of Adavale Resources Limited securities today.

Adavale Resources responds as follows:

1. Adavale Resources is not aware of any information that has not been announced to the market which could explain the recent trading in its securities. There is no key information to disclose regarding Joint Venture tendering of the Kabanga Nickel Project. Adavale Resources is still in discussion with potential Joint Venture partners but has not reached any agreements that would have an effect on the value of the securities.
2. Adavale Resources cannot explain the recent trading in securities. We do note that the price increase from \$0.014 to \$0.026 at the time of writing is a significant change in value.
3. Adavale Resources confirms it is compliant with ASX Listing 3.1. It is not aware of any information that would have a material effect on the price of the entity's securities and that ongoing compliance will be made through strict data policies.
4. Adavale Resources confirms that the responses to the above questions have been authorised and approved in accordance with its continuous disclosure policy.

If you have any further questions please do not hesitate to contact me.

Yours sincerely

Stuart Cameron
Company Secretary
Ph: +61 404 267 365



8 July 2020

Mr Stuart Cameron
Company Secretary
CABEL Partners
1 James Place, North Sydney NSW 2060

By email

Dear Mr Cameron

Adavale Resources Limited ('ADD'): Price - Query

ASX refers to the following:

- A. The change in the price of ADD's securities from a low of \$0.014 to a high of \$0.03 today.
- B. The significant increase in the volume of ADD's securities traded from 7 July 2020 to 8 July 2020.

Request for information

In light of this, ASX asks ADD to respond separately to each of the following questions and requests for information:

- 1. Is ADD aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is ADD relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in ADD's securities would suggest to ASX that such information may have ceased to be confidential and therefore ADD may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that ADD may have for the recent trading in its securities?
- 4. Please confirm that ADD is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that ADD's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of ADD with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1 PM AEST Wednesday, 8 July 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ADD's obligation is to disclose the information

‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ADD to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in ADD’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in ADD’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ADD’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that ADD’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Lin Kang
Adviser, Listings Compliance (Sydney)