

NICKEL SULPHIDE EXPLORATION UPDATE

- Adavale applies for the Ruiza NE prospecting licence
- Sampling and mapping completed on the Kabanga East, Kabanga North East and Kabanga West tenements and continues on the Kabanga North tenement
- MSA Group engaged as technical consultants based on their African experience, MSA geologist has arrived on site
- Renowned nickel sulphide expert Dave Dodd appointed as Adavale's JORC Competent Person
- SGS Tanzania laboratory selected to assay samples

Adavale Resources Limited ("Adavale" and or "Company") (ASX:ADD) is pleased to provide an update to shareholders on its initial exploration program.

PROGRESS TO DATE

The exploration program in the Kagera Region, North West Tanzania has seen to date over 31 pits that have been dug to depths of up to 3m and a total of 812 soil and rock chip grab samples collected. Soil samples have been collected with a line spacing of 1000m and a station spacing of 500m. Results will be used to identify unexposed mafic/ultramafic intrusives as well as to potentially directly identify mineralisation. Data is currently being plotted and samples selected for submission to SGS for QAQC purposes. Anomalies detected from this initial broad sampling campaign will be followed up with more detailed sampling.

Adavale CEO Allan Ritchie commented "The initial feedback being received from our exploration team is both exciting and encouraging with sample XRF readings in the range of 100ppm to 500ppm Ni, with some readings even higher. Once plotted the true extent and quality of potential anomalies will be determined. Ruiza NE once granted will be another quality tenement for Adavale's portfolio of assets. We are in a world class Nickel Sulphide region at a time that is seeing nickel prices increasing and we are swiftly working towards a drilling program in H1 2021."



Geologists inspecting outcrops

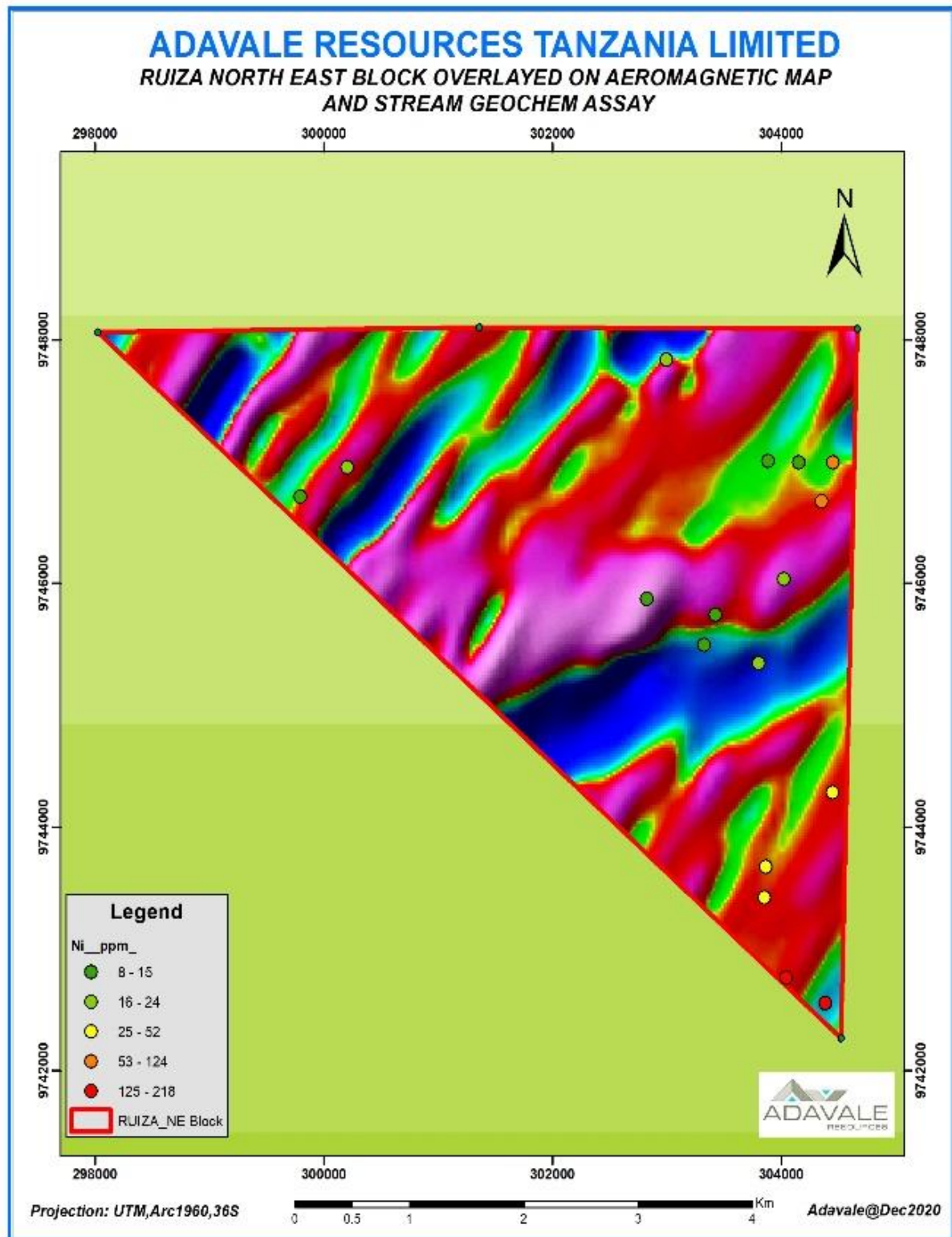


Pit from current exploration program

RUIZA NORTH EAST PROSPECTING LICENCE

Similar to world's largest undeveloped resource of 58Mt @ 2.62% Ni Kabanga Nickel Deposit, Ruiza North East is characterised by a Ni-Cu-Co-Cr stream sediment anomaly proximal to a magnetic low as illustrated in the second figure below and is also associated with a historically identified EM anomaly. This application once granted will be very complimentary to Adavale's rapidly growing portfolio of projects in the prospective Karagwe Ankolean Belt trending NNE from the Kabanga deposit (see image below).





MSA SOUTH AFRICA

MSA Group have been appointed technical consultants for the company. Established in 1983, The MSA Group has grown to become a holistic consulting and contracting company providing specialist technical input into international projects in the resources industry. The MSA team has an in depth understanding of the geology and mineralisation controls of deposits within the East African Nickel belt and a track record of discovery success. The agreement with the MSA Group provides Adavale access to exploration program planning and management, geological modelling and mineral resource evaluation.

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COMPETENT PERSON APPOINTED

Dave Dodd, Head of Geology and principal consultant at the MSA Group in South Africa, has been appointed as the Company's competent person for ASX JORC reporting requirements.

Dave is a geologist with over 22 years' experience primarily in nickel sulphide exploration within Africa, having worked at Falconbridge, African Nickel as Executive Geologist and as MD of a junior company focussed on nickel projects.

He has an in-depth understanding of nickel-sulphide deposits and is considered a leader in his field. Dave's credentials include specialising in the discovery and development of Ni-PGE sulphide projects across Africa, having been involved in over 30 Ni-PGE sulphide projects in multiple jurisdictions.

Dave's experience includes managing joint venture partnerships, exploration target generation, work programs, due diligence studies and exploration projects in across Africa including Tanzania, South Africa, Namibia, Botswana and Mozambique.

SGS SELECTED FOR ASSAYING

Adavale has selected SGS Tanzania to undertake assaying of the samples collected in the program. SGS are a global company with a long history and well-established assay laboratories in Tanzania. SGS is the world's leading inspection, verification, testing and certification company. SGS is recognised as the global benchmark for quality and integrity. With more than 70,000 employees, SGS operates a network of over 1,350 offices and laboratories around the world.

SGS Tanzania's Mwanza laboratory performed analysis services during the exploration phase of the Kabanga Nickel Deposit for the Barrick Joint Venture including Multi Elements by ICP AES (Inductively Coupled Plasma - Atomic Emission Spectroscopy).

This announcement has been authorised for release by the Board of Adavale Resources Limited.

To contact the Company about this announcement please email Julian Rockett, julian@adavaleresources.com. For further information on the Company and our projects please visit www.adavaleresources.com

About Adavale

Adavale Resources Limited (ASX:ADD) is a nickel sulphide exploration company with a portfolio of highly prospective prospecting licences in the Kagera Region of the United Republic of Tanzania. All Adavales' tenements are situated within 110km of the Kabanga Nickel Deposit and were selected based on their strong geochemical and geophysical signatures from previous exploration undertaken by BHP Billiton.