



## Announcement Summary

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**Entity name**

ADAVALE RESOURCES LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Thursday December 31, 2020

**The Proposed issue is:**

☒ A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Unlisted options	6,750,000
n/a	Unlisted options	8,750,000
ADD	ORDINARY FULLY PAID	37,591,868

**Proposed +issue date**

Thursday December 31, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

ADAVALE RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

91008719015

**1.3 ASX issuer code**

ADD

**1.4 The announcement is**

☒ New announcement

**1.5 Date of this announcement**

Thursday December 31, 2020

**1.6 The Proposed issue is:**

☒ A placement or other type of issue



## Part 7 - Details of proposed placement or other issue

### Part 7A - Conditions

#### 7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ Yes

#### 7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Monday December 21, 2020	<input checked="" type="checkbox"/> Actual	Yes

#### Comments

### Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

#### Details of +securities proposed to be issued

##### ASX +security code and description

ADD : ORDINARY FULLY PAID

##### Number of +securities proposed to be issued

27,000,000

##### Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes



**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.04000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes

#### Attaching +Security

**Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?**

☒ New class

#### Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

**Details of attaching +securities proposed to be issued**

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

**Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?**

☒ No

**Will the entity be seeking quotation of the 'new' class of +securities on ASX?**

☒ No

**ASX +security code**

New class-code to be confirmed

**+Security description**

Unlisted options

**+Security type**

Options

**Number of +securities proposed to be issued**

6,750,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ No

**Please describe the consideration being provided for the +securities**

One (1) option issued per four (4) shares subscribed for under the recent placement announced on 11 December 2020.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

0.000001



Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

#### Options details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 0.0600

**Expiry date**

Saturday December 31, 2022

**Details of the type of +security that will be issued if the option is exercised**

ADD : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

One (1) option when exercised will result in one (1) new fully paid ordinary share.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

[https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02321106-2A1269663?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02321106-2A1269663?access_token=83ff96335c2d45a094df02a206a39ff4)

#### Details of attaching +securities proposed to be issued

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

**ASX +security code**

New class-code to be confirmed

**+Security description**

Unlisted options

**+Security type**

Options

**Number of +securities proposed to be issued**

8,750,000

#### Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



**Please describe the consideration being provided for the +securities**

Options issued as an incentive (part of remuneration) for lead broking services.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

0.000001

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

☒ Yes

Options details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 0.0600

**Expiry date**

Saturday December 31, 2022

**Details of the type of +security that will be issued if the option is exercised**

ADD : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

One (1) option when exercised will result in one (1) new fully paid ordinary share.

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

[https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02321106-2A1269663?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02321106-2A1269663?access_token=83ff96335c2d45a094df02a206a39ff4)

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

☒ Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

☒ No

Details of +securities proposed to be issued

**ASX +security code and description**

ADD : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

1,500,201

**Offer price details**



**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ No

**Please describe the consideration being provided for the +securities**

Issued in-lieu of three (3) months for six (3) with a base fee of \$3000 (excluding GST) - calculated using the VWAP formula described (and including the three (3) of the six (6)) current directors in the Explanatory Memorandum of the 2020 AGM Notice for Resolutions 9-11.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

54,741.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

☒ Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

☒ No

Details of +securities proposed to be issued

**ASX +security code and description**

ADD : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

1,725,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ No

**Please describe the consideration being provided for the +securities**

In-lieu of fees (6%) for lead broking services

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

69,000.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes



Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

**ASX +security code and description**

ADD : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

1,575,000

**Offer price details**

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

**Please describe the consideration being provided for the +securities**

Shares issued in-lieu-of fees historical ex-directors described in the Notice of Meeting for resolutions 12 -13.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

50,400.000000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

**ASX +security code and description**

ADD : ORDINARY FULLY PAID





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**Number of +securities proposed to be issued**

3,916,667

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ No

**Please describe the consideration being provided for the +securities**

In-lieu of services as described in resolution 18 of the AGM Notice of Meeting, issued in partial advance, and subject to holding locks pursuant to contract terms.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

150,000.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

☒ Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

☒ No

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Details of +securities proposed to be issued

**ASX +security code and description**

ADD : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

1,875,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.04000



**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes

## Part 7C - Timetable

### 7C.1 Proposed +issue date

Thursday December 31, 2020

## Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

☒ No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

☒ Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

15,500,000 options

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

☒ Yes

**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

6,725,001

**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

The Board felt it was a convenient means to draw institutional interest and sophisticated investors in the Company. It was felt this was appropriate due to these being issued at a 25% premium (excluding an exercise of attaching options at \$0.06) to the prior Share Purchase Plan.

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

☒ Yes

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

☒ No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

☒ Yes



**7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow**

1,250,000 FPO - escrowed until 22 March 2021  
1,000,000 FPO - escrowed until 21 June 2021

Part 7E - Fees and expenses

**7E.1 Will there be a lead manager or broker to the proposed issue?**

☒ Yes

**7E.1a Who is the lead manager/broker?**

As disclosed Ironside, Foster stockbroking and Taylor Collison are acting jointly.

**7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

6% (issued as shares at \$0.04) and 8,750,000 incentive options issued otherwise on the same option terms as other investors.

**7E.2 Is the proposed issue to be underwritten?**

☒ No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Part 7F - Further Information

**7F.01 The purpose(s) for which the entity is issuing the securities**

To accelerate Tanzanian exploration programs and for general working capital.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

☒ No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

22,000,000 ordinary shares (of the 27,000,000 described in this Appendix 3B) were approved under the Resolution 7 of the 2020 AGM.