



Quarterly Activities Report

June 2022

EXPLORATION NICKEL

- Gravity survey concluded at the end of the quarter, generating outstanding success at Kabanga Jirani and Luhuma
- 24,000 gravity readings over ~1,000 sq km have generated a total of 32 newly discovered and unexplored sulphide nickel targets
- Number and order of magnitude of the gravity targets generated confirm the prospectivity and large-scale nickel exploration potential
- Secured a new exploration licence at the Kabanga Jirani Nickel Project, adjoining Target 21 and expanding the total area of the project to ~1,267 sq km
- Heli EM program to commence from July over 9 areas and to assist with optimal drilling trajectories
- RC and Diamond drilling campaign scheduled to commence immediately after the Heli EM

EXPLORATION URANIUM

- 4,500m Air Core uranium drilling program to commence in August 2022, Work Area Clearance and Notice of Entry completed and dispatched
- Drilling contractor identified and confirmed

CORPORATE

- Chairman visited Tanzania and held successful meetings with the Deputy Minister of Minerals, the Mining Commission Chairman and their respective teams
- Site visit assisted with future logistics and expanding exploration activities
- Subsequent to quarter end, securing a strongly supported Placement of \$1.8m as part of a \$3m capital raising program

ASX: ADD

DIRECTORS & OFFICERS

GRANT PIERCE
CHAIRMAN

DAVID RIEKIE
EXECUTIVE DIRECTOR

JOHN HICKS
DIRECTOR

ALLAN RITCHIE
CHIEF EXECUTIVE OFFICER

LEONARD MATH
CFO & COMPANY SECRETARY

ISSUED CAPITAL

Shares: ~357 million
Unlisted options: 26.5 million
Performance rights: 17 million

ABOUT ADAVALE

Adavale Resources is an ASX-listed exploration company targeting projects in the 'battery materials' space. The company is currently focused on both its 100% owned Kabanga Jirani Nickel Project and 2 Farm-in 'Luhuma' licences adjacent and along strike from the world's largest undeveloped high grade NiS resource of 58Mt @ 2.62% Ni. Adavale is also progressing exploration on its 100% owned uranium tenements in South Australia



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Adavale Resources Limited (ASX: ADD) (“**Adavale**” or “**the Company**”) is pleased to provide the following report on its activities for the quarter ended 30 June 2022.

NICKEL EXPLORATION

Kabanga Jirani Nickel Project and Luhuma Nickel Project (Tanzania)

During the quarter, the Company completed its ground-based gravity survey program at its 100% owned Kabanga Jirani Nickel Project (“**Kabanga**”) and the farmed-in Luhuma Nickel Project (“**Luhuma**”) areas, both located within the regionally significant and highly prospective East African Nickel belt.

The three months program used up to four field survey teams for the 1,000km² survey area and generated outstanding success. The gravity readings collected identified a series of discrete strong gravity anomalies over each of Adavale’s four main southern License areas, as well as the Luhuma Nickel Project (farm in). The 32 strong (>1mGal) anomalies have been identified as shown in Figure 1 and have a combined strike length of approximately 55kms.

Initially, 18 of these targets will be tested with deep penetrating Electro Magnetic instruments for the potential of underlying mafic-ultramafic intrusions which are capable of hosting significant nickel sulphide mineralisation.

The completed gravity survey encompassed the collection of approximately 24,000 gravity readings over the Company’s southern licence portfolio comprising Kabanga NE, North, East, Kabanga West and the Luhuma farm-in tenements.

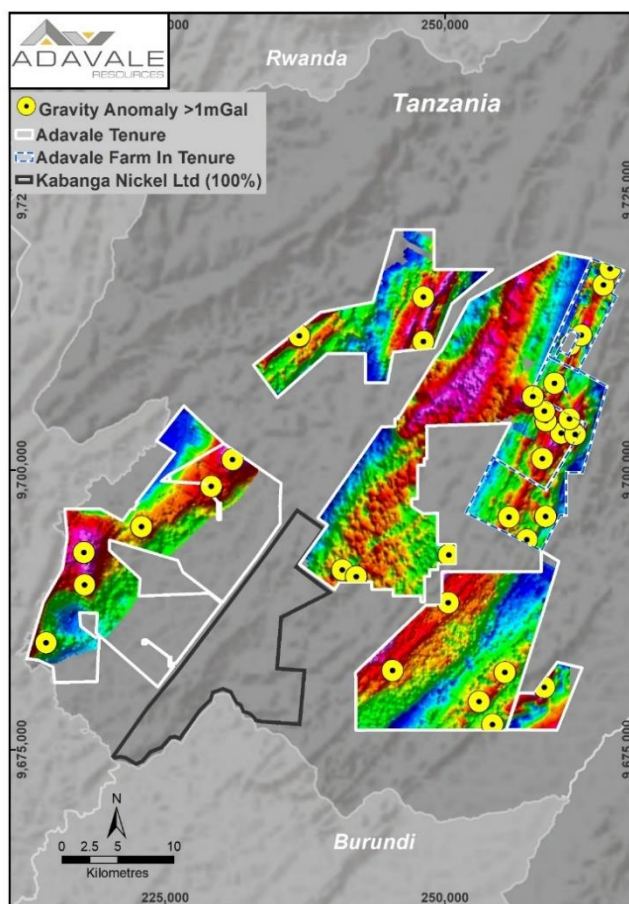


Figure 1: Regional gravity survey areas showing the location of identified targets

As announced early in the quarter, the survey results delivered outstanding results with numerous discrete strong gravity anomalies mapped along a 12km narrow swathe within the broader Luhuma corridor. Results also show indications of several intrusions along strike and directly adjacent to historically drilled mineralisation of 1.14% Ni over 8.4m*. Included in this initial work was the extended (and infill) coverage over Adavale's partially defined 2021 T7 gravity target. The T7 target was subsequently drill tested by the Company and confirmed to be sourced by a sulphide-bearing mafic-ultramafic body at depth.

The extended gravity coverage over T7 now defines a very strong (+2 mGal) "Bullseye" gravity target, which with additionally identified anomalies within the corridor, will be earmarked for follow-up exploration, including detailed "deep penetrating" Electro Magnetic ("EM") surveys prior to scheduled drilling. The large, extensive eastern most anomaly in the corridor shown in Figure 2 is particularly exciting as it has not been recognised previously and therefore never been tested.

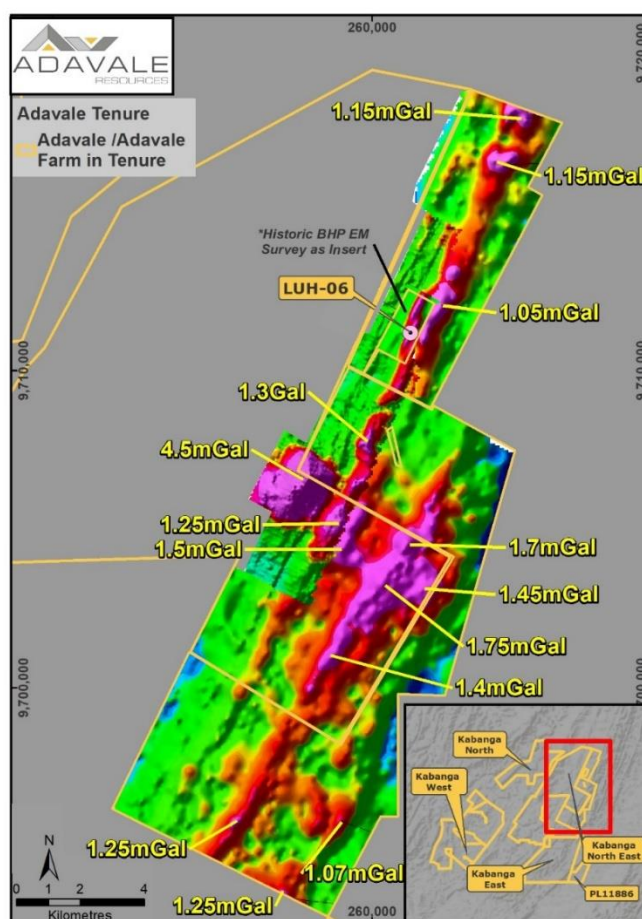


Figure 2: Gravity image of Luhuma Farm-in area showing anomalies along Luhuma Corridor

In addition to the gravity targets identified along the Luhuma Nickel Corridor, high-quality targets have also been identified within Adavale's Kabanga North, West and East Licences (respectively Figures 3, 4 and 5). These targets together with the geochemical anomalies identified within the "Enigma Anomaly" are currently being ranked by Adavale using all available geological data.

* Evans, D. M., Hunt, J. P. P. M. and Simmonds, J. R., 2016. An overview of nickel mineralisation in Africa with emphasis on the Mesoproterozoic East African Nickel belt (EANB). Episodes, 39/2, 319-333. DOI: 10.18814/epiugs/2016/v39i2/95780

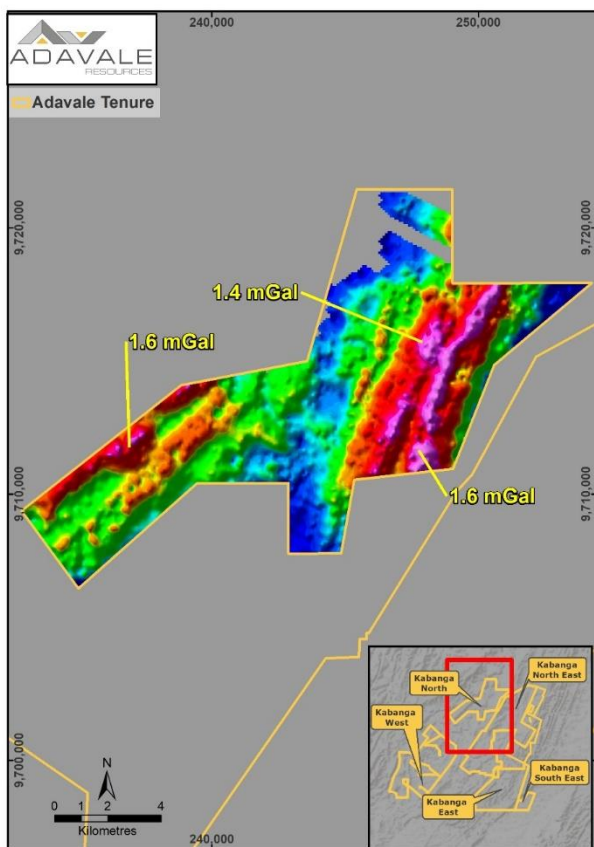


Fig 3 : Gravity image Kabanga North Licence area

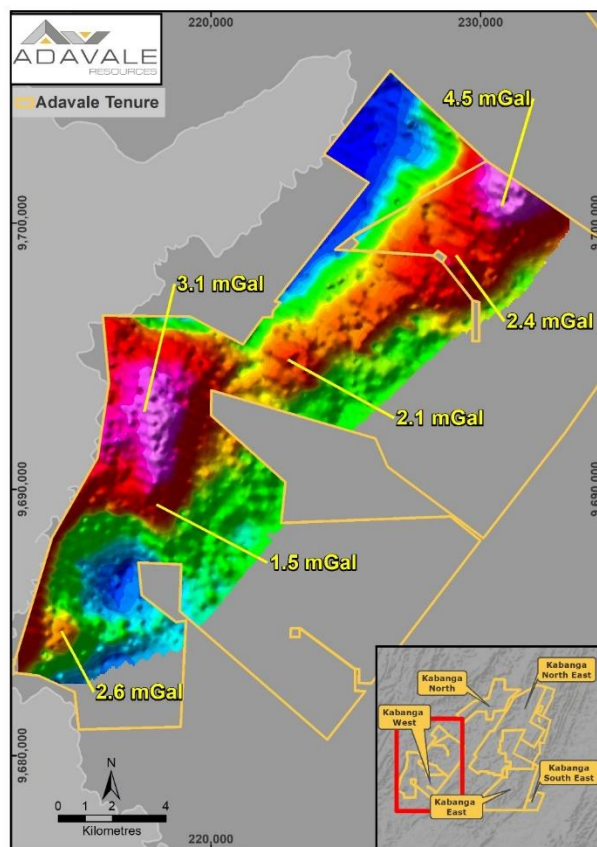


Fig 4: Gravity image Kabanga West Licence area

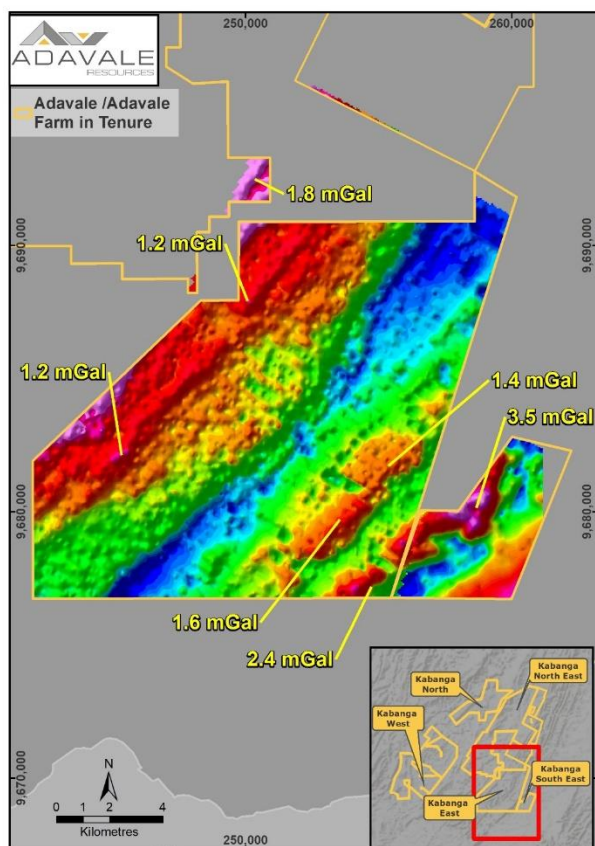


Fig 5: Gravity image Kabanga East Licence area

Nine prioritised target areas will initially be surveyed with deep penetrating Heli-borne EM using a 100m line spacing for detailed resolution. An initial 2,000 line km Heli-borne EM survey program has scheduled to commence in July with the anticipated duration of the survey being between 10 and 14 days.

Once completed and processed, the Heli EM data in conjunction with all other data sets (geophysical and geochemical) will be used to rank and prioritise targets for drill testing. It is anticipated the RC and Diamond drilling campaign will commence from late August.

During the quarter, Adavale secured a new exploration licence at its Kabanga Jirani Nickel Project which adjoins Target 21 in the southern priority exploration corridor PL11886/2022 (22.63km²) and expands the total area of the Kabanga Jirani Nickel Project to ~1,265km² (including farm-in Luhuma tenements). The licence is considered to be a valuable addition, due to its proximity to T21 where a large mafic body was intersected below a strong gravity feature identified by Adavale in 2021. The position of the T21 gravity feature is effectively on the boundary with the new Licence. (Figure 6)

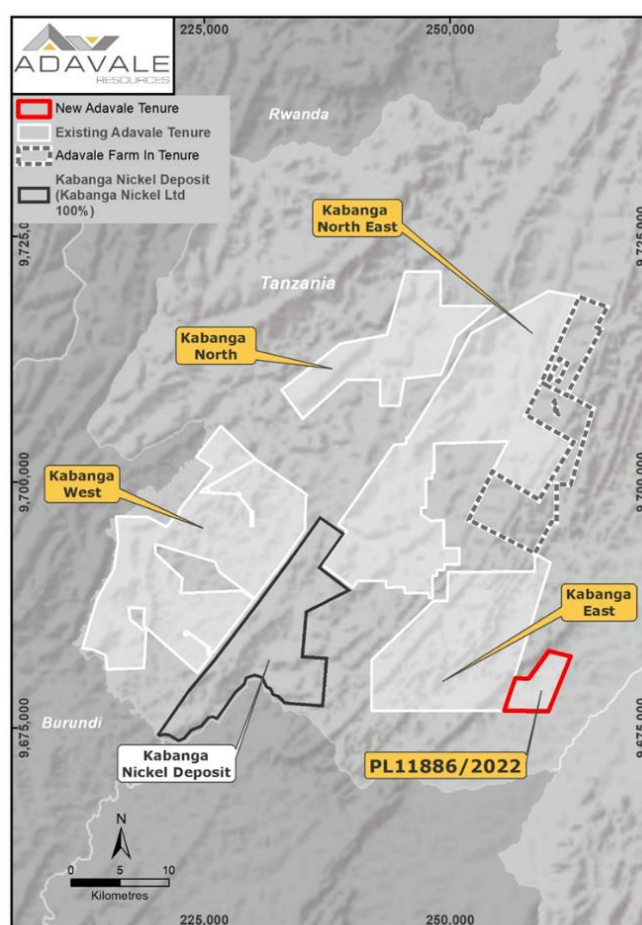


Figure 6: Additional exploration licence PL11886/2022 and proximity to ADD Licences

URANIUM EXPLORATION

Lake Surprise Uranium Project (South Australia)

The Lake Surprise Uranium Project consists of three exploration licenses within part of the highly prospective sedimentary uranium province within the northern part of the Lake Frome Embayment. These tenements lie within a flat, semi-arid landscape located just to the north of the Flinders Range in South Australia. These include EL 5892 comprising 92km², EL 5893 comprising 167km² and EL 6598 of 137km².

During the quarter, the Company has progressed well with planning a 4,500mm air-core drilling program and up to 150 holes. The air-core uranium drilling campaign is anticipated to commence in late August and will focus on the shallow target areas (circa 30m).

The required Work Area Clearance (WAC) was conducted over a 2km x 2km area where the current air-core drilling is proposed. The WAC was granted in May 2022 for the scope of the proposed works. The Notice of Access has now been provided to both the Dieri Aboriginal Corporation Board and the Pastoral Lessee regarding the scope and timing of the proposed program. The balance of the environmental management procedures to support the drilling campaign are now in process.

Adavale is finalising the Radiation Management Plan for Exploration of NORM and Completion of works for Exploration Programs for Environmental Protection and Rehabilitation (PEPR) for approval by the SA Government. The drilling contractor selected is available for the planned duration of work and has the capability to complete the program in a timely and environmentally sensitive manner.

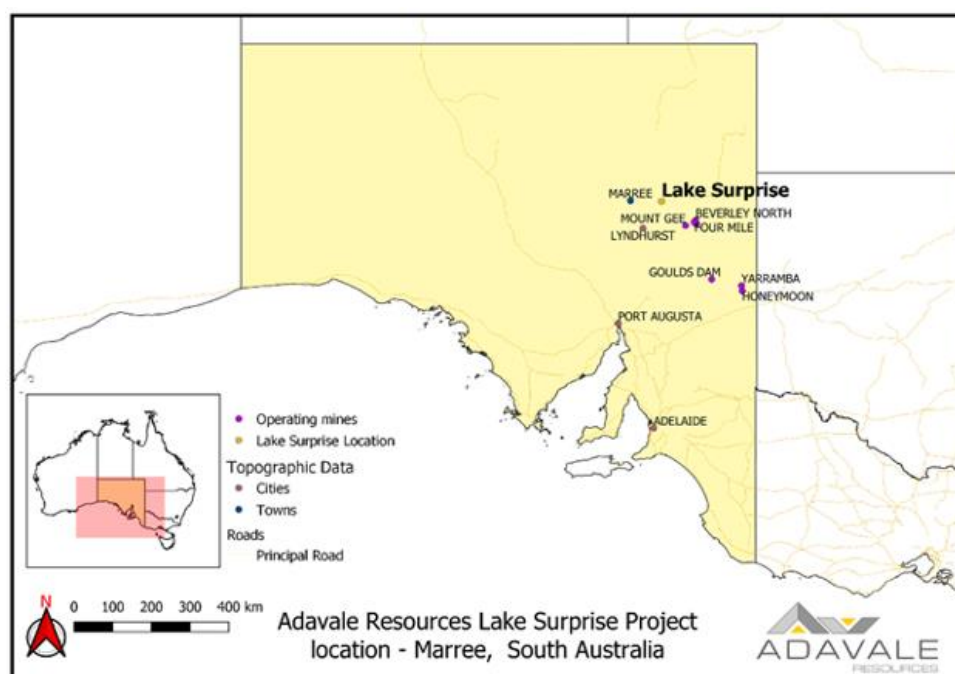


Figure 7 - Location of Adavale's Lake Surprise Uranium Project in South Australia

Lake Surprise Planned drilling vs mapped gamma and rock chip data

Zones of Elevated Gamma

Estimated PPM



Elevation

Metres above Sea Level



Work Area Clearance



Planned drill sites

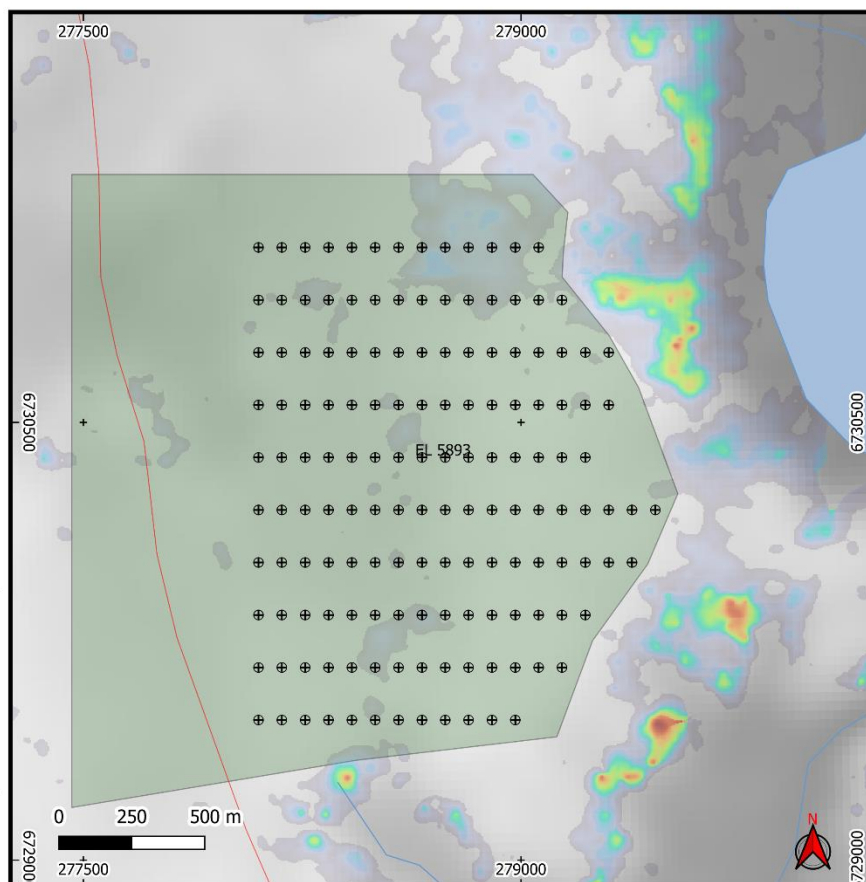
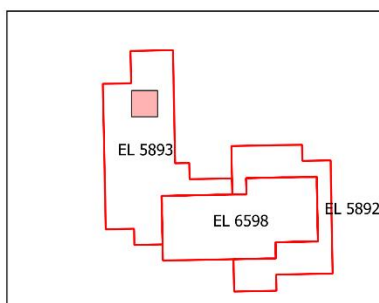


Figure 8: Planned drilling locations for the 150-hole program. Mapped gamma anomalies are shown with drilling targeting the buried extension of these anomalies.

Drilling will target the continuation of the surface anomalies mapped by Adavale in the November 2021 work program. The proposed 150-hole program covers an area of approximately 2km x 2km and targets the buried extension of the surface outcrop hosting elevated uranium.

The focus and goal of this program will be the development of a robust dataset that can be used to rapidly convert drilling results into a JORC-compliant resource, based on underlying mineralisation and economic quantities in accordance with the JORC 2012 Code. Additional but limited drilling to confirm continuity of results between drill holes is anticipated however past surface soil and gamma surveys suggest the current target area demonstrates the highest uranium values at the surface and shallow mineralisation in EL5893.

Acknowledgements to traditional owners

Adavale acknowledges the Dieri as Traditional Custodians of the land on which our current works are located. With respect to Elders past, present and emerging Adavale is committed to conducting its activities with respect to the communities in which it operates.

CORPORATE

During the quarter, the Company's Chairman, Mr Grant Pierce visited Tanzania and met with stakeholders and government officials including the Deputy Minister of Minerals, the Mining Commission Chairman and their respective teams.

Mr Pierce also attended the launching of the Bridge2Aid Kagera Region program of which Adavale is a Platinum Sponsor.



Photo 1: (L to R) Professor Idriss Kikula, Chairman of the Mining Commission; Mr. Grant Pierce Chairman of Adavale; Eng. Yahya Samamba CEO of the Mining Commission; Mr. Gerald Mturi GM Adavale; Ms. Janet Reuben Commissioner responsible for Local Content.



Photo 2: The Honourable Deputy Minister of Minerals, Dr. Steven Kiruswa MP (lower right) with Mr. Grant Pierce, Adavale's GM Mr. Gerald Mturi and members of the Deputy Ministers team.



Photo 3: Adavale's Luhuma farm-in partner Mr. Ally Nahdi and Mr. Grant Pierce meet in person for the first time.


Capital Raising

Subsequent to quarter end, the Company has received binding commitments to raise c.\$1.8 million (before costs) (**Placement**). The Placement will comprise the issue of 90,045,411 new fully paid ordinary shares (**Placement Shares**) in the Company at an issue price of 2.0c per share as follows:

- Tranche 1 of the Placement will raise c.\$1.6 million by the issue of 80,045,411 shares and will be issued pursuant to the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A (**Tranche 1**); and
- Tranche 2 of the Placement will raise \$200,000 through the issue of 10,000,000 shares to ADD Directors and selected cornerstone investors, subject to Shareholder Approval to be sought at a General Meeting on or around early September 2022 (**General Meeting**) (**Tranche 2**).

In addition to the Placement, the Company is launching a one (1) for six (6) non-renounceable Entitlement Offer to raise a total of c.\$1.2 million (before costs) through the issue of up to 59.6 million new shares (**Entitlement Shares**) at 2.0c per New Share (**Entitlement Offer**).

Placement and Entitlements Issue participants will receive one (1) free Attaching Option for every three (3) New Shares subscribed for under the Placement and Entitlement Offer, exercisable at 3.0c each with a 12-month expiry from the date of grant (**Attaching Options**). The Attaching Options will be subject to Shareholder Approval at the General Meeting and are expected to be granted on or around mid-September 2022.



The Company also intends, subject to ASX approval of the timetable and the issue of a Prospectus in compliance with the Corporations Act, to undertake a loyalty option issue of one (1) option for every ten (10) shares held to all shareholders registered on a record date proposed to be on or around late September 2022 (following completion of Tranche 2) (**Loyalty Options**). The Loyalty Options will have the same exercise price and expiry date as the Attaching Options.

Discovery Capital Limited acted as the Lead Manager for the Placement and Entitlements Issue.

The proceeds raised under the Placement and Entitlement Offer position Adavale with a strong cash position to fund accelerated nickel exploration activities in Tanzania and the upcoming uranium drilling program in South Australia including:

- Geophysical survey comprising Heli EM at high-priority targets at the Kabanga Jirani and Luhuma Nickel Sulphide Projects in Tanzania (**Nickel Projects**);
- RC and diamond drill program to test targets identified through the Heli EM at the Nickel Projects;
- Shallow Air-core drill program at the Lake Surprise uranium project in South Australia; and
- General working capital and cost associated with the Placement and Entitlements Issue.

Summary of Cashflow for the Quarter

Adavale held cash reserves and funding availability at end of quarter of approximately \$0.391 million.

During the quarter, approximately \$33,000 was paid (as shown in 6.1 of Appendix 5B) to directors and officers. Other part payment of director and officers fees were satisfied through the issue of Adavale shares as part of a strategy to conserve the Company's cash.

The Company spent approximately \$849,000 on exploration and evaluation activities including consumables, geological consultants, gravity survey costs, Heli EM costs and other costs associated with operating in Tanzania. There were no substantive mining production and development activities during the quarter.

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

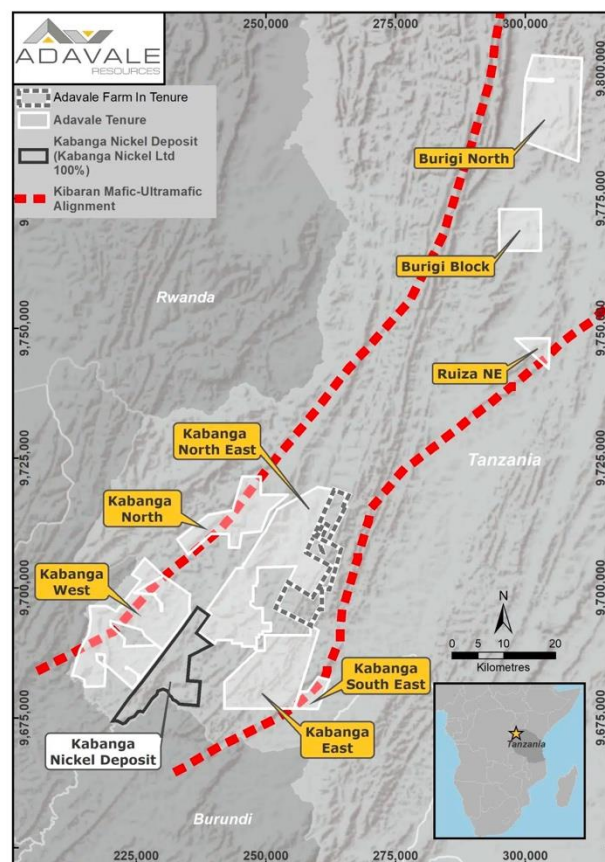
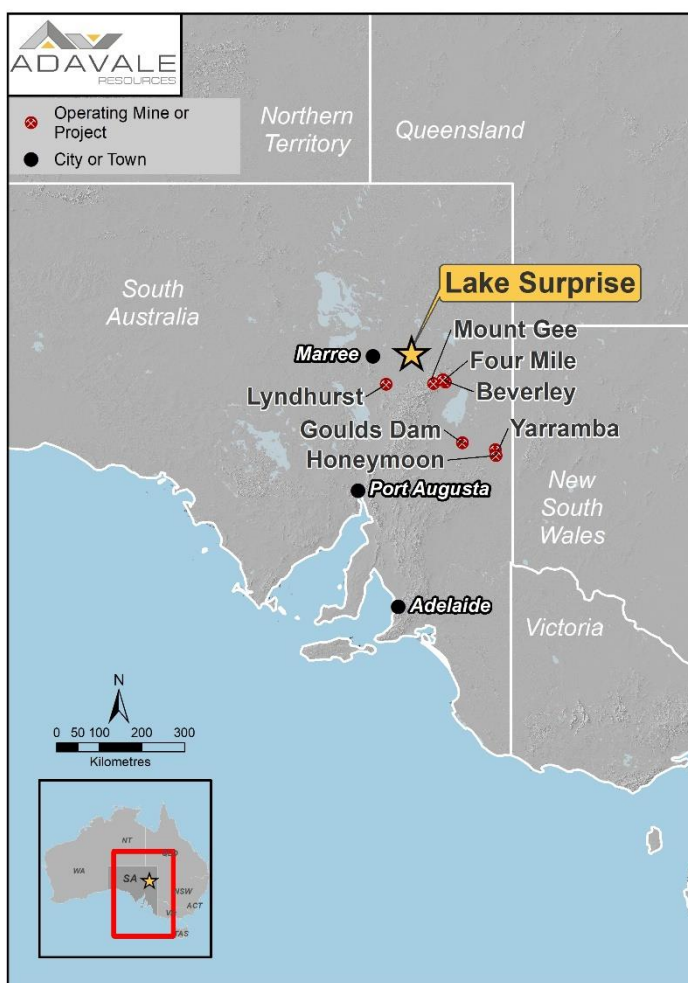
Further information:

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Allan Ritchie
Chief Executive Officer
E: investor@adavaleresources.com

About Adavale

Adavale Resources Limited (ASX:ADD) is a nickel sulphide exploration company that holds 100% of the Kabanga Jirani Nickel Project, a portfolio of 8 highly prospective granted licences covering ~ 1,168km² along the Karagwe-Ankolean belt in Tanzania. The 4 southernmost licences are proximal to the world class Kabanga Nickel Deposit (58Mt @ 2.62% Ni). Adavale has Farmed-in to 2 more highly prospective licences contiguous to our 5 southernmost licences, adding a further 99km² to the portfolio (Luhuma Nickel Project). Adavale's licences were selected based on their strong geochemical and geophysical signatures from previous exploration undertaken by BHP Billiton.



Adavale also holds three exploration licences for their sedimentary uranium potential within the northern part of the highly prospective Lake Frome Embayment in South Australia.



Competent Persons Statement

The information in this release that relates to “exploration results” for the Kabanga Jirani Nickel and Luhuma Nickel Project is based on information compiled or reviewed by Mr David Dodd of MSA, South Africa. Mr Dodd is a consultant for Adavale Resources Limited and is a member of the SACNASP. Mr Dodd has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration as well as to the activity that is being undertaking to qualify as a Competent Person under the ASX Listing Rules. Mr Dodd consents to this release in the form and context in which it appears.

The information in this release that relates to “exploration results” for the Lake Surprise Uranium Project is based on information compiled or reviewed by Mr Patrick Harvey MAppSci, Australia. Mr Harvey is a consultant for Adavale Resources Limited and is a member of the AIG. Mr Harvey has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration as well as to the activity that is being undertaking to qualify as a Competent Person under the ASX Listing Rules. Mr Harvey consents to this release in the form and context in which it appears.

pXRF Analyses

The Ni and MgO readings reported in this announcement and earlier announcements by the Company are based on hand-held (portable pXRF) and desktop XRF devices. While the Company takes every reasonable measure to ensure the reliability and accuracy of the XRF devices by regular calibration checks against certified standards and is confident of the reported values, the readings are point measurements on core or core chips and therefore may not reflect the assayed grade of the broader sampled interval.

Forward looking statements

This document contains forward looking statements concerning Adavale. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company’s actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Adavale’s beliefs, opinions and estimates of Adavale as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of nickel, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company’s publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward- looking statements in this document will actually occur.

Tenement Holdings and Movements

Schedule of Mining Tenements and Beneficial Interests

Held as at the end of the June 2022 Quarter

Project/Location	Country	Tenement	Percentage held/earning
Kabanga Jirani Nickel Project	Tanzania	Kabanga West	100%
		Kabanga North	100%
		Kabanga North East	100%
		Kabanga South East	100%
		Kabanga East	100%
		Ruiza NE	100%
		Burigi Block	100%
		Burigi North	100%

Luhuma Nickel Project	Tanzania	PL11692	0%
		PL11693	0%

The Company entered into a Farm-In Agreement to earn up to 100% of the Luhuma Nickel Project. The Company currently has the exclusive right to explore and evaluate the licenses for a period of 12 months. The Company has yet to earn any interest in the project.

Lake Surprise Uranium Project	Australia	EL 5892	100%
		EL 5893	100%
		EL 6598	100%

Acquired during the June 2022 Quarter

Project/Location	Country	Tenement	Granted/Acquired Date
Kabanga Jirani Nickel Project	Tanzania	Kabanga South East	April 2022

Disposed of during the June 2022 Quarter

Project/Location	Country	Tenement	Withdrawal Date
Nil			

Appendix 5B

Mining exploration entity quarterly cash flow report

Name of entity

ADAVALE RESOURCES LIMITED

ABN

96 008 719 015

Quarter ended ("current quarter")

30 JUNE 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(849)	(3,586)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(63)	(96)
	(e) administration and corporate costs	(70)	(566)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST (Paid)/Received)	(1)	(12)
1.9	Net cash from / (used in) operating activities	(983)	(4,260)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(89)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(89)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,431
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(150)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	3,281

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,345	1,423
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(983)	(4,260)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(89)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,281

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	29	36
4.6	Cash and cash equivalents at end of period	391	391

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	391	1,345
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	391	1,345

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	57
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p>Part of Directors, CEO and CFO/Company Secretary fees are being satisfied through the issue of Adavale fully paid ordinary shares.</p> <p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	250	75
7.3	Other (please specify)	-	-
7.4	Total financing facilities	250	75
7.5	Unused financing facilities available at quarter end		175
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Standby Subscription Agreement The facility arrangement with LKC Technology Pty Ltd (LKC) is a 5 year agreement for \$250,000 as announced on 29 April 2020, with \$175k undrawn. LKC subscribes for shares upon the Company issuing a drawdown notice. Fully paid ordinary shares are issued at 80% of the 5-day VWAP that precedes the drawdown notice.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(983)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(983)
8.4	Cash and cash equivalents at quarter end (item 4.6)	391
8.5	Unused finance facilities available at quarter end (item 7.5)	175
8.6	Total available funding (item 8.4 + item 8.5)	566
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.58
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	The Company will have slightly less than the current level of net operating cash flow due to the conclusion of the ground gravity survey,	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Yes. As announced on 27 July 2022, the Company raised A\$1.8m through a placement to sophisticated and professional investors. The Company has also launched a non-renounceable rights issue to raise a further A\$1.2m.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes as discussed above following the successful capital raising.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: **The Board of Directors of Adavale Resources Limited**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.