Investor Presentation

March 2023

ASX:**ADD**

adavaleresources.com

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Competent Person Statement

The information in this release that relates to "exploration results" for the 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.

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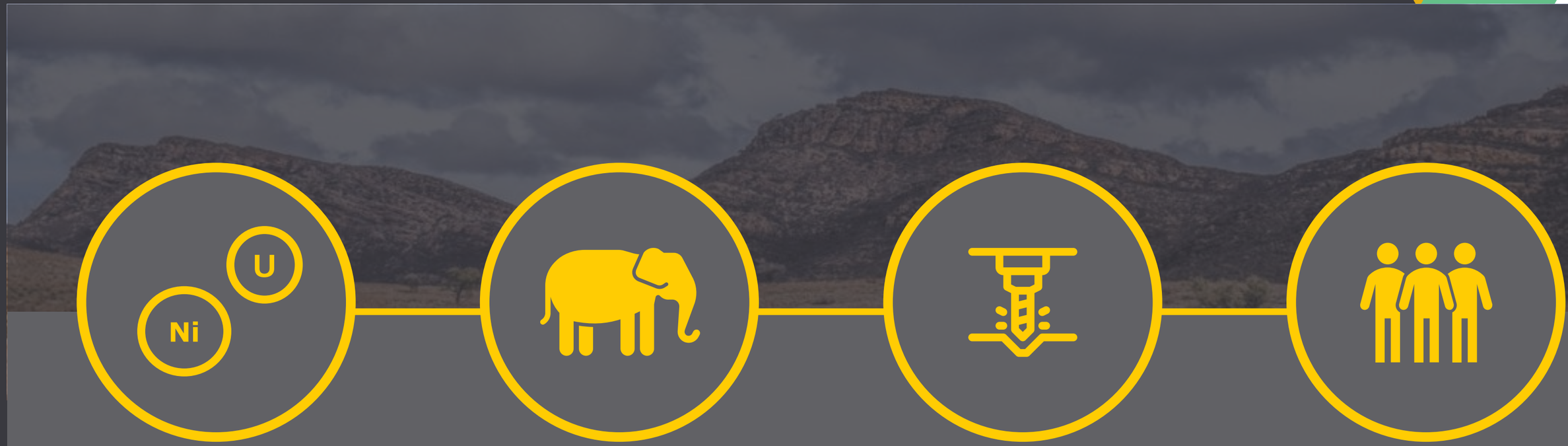
The information in this release that relates to "exploration results" for the Uranium Project is based on information compiled or reviewed by Mr Patrick Harvey MAppSci, Australia. Mr Harvey is a consultant for Adavale Resources Limited and is a member of the AIG. Mr Harvey has sufficient experience that 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.

Investment Highlights



Exposure to critical minerals – Nickel and Uranium

A dominant nickel exploration portfolio surrounding an ‘elephant’

Uranium and nickel drilling campaigns underway with significant upside

Experienced management team with deep African experience and nickel discoveries

Corporate Overview

ADD
ASX Code

519m
Shares

1.7cents
Share Price

~$1.2m
Cash & Liquids (as at 31 Dec)

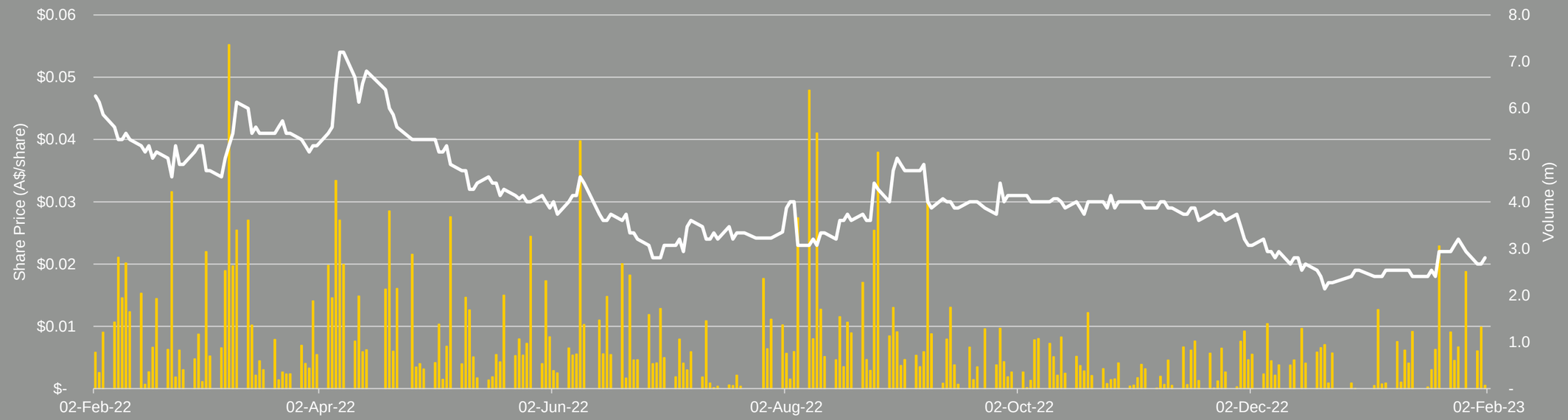
$8.8m
Market Cap

112m
Options

98.3m @ $0.03, exp 9/23
5m @ $0.03, exp 8/25
9m @ $0.15, exp 1/25

17m
Performance Rights

~6%
Board and Management Ownership



Experienced Team

Grant Pierce
Non-Executive Chairman
Mining engineer with ED, NED, GM experience. Strong and long-standing affinity with Tanzania

David Riekie
Executive Director
Corporate experience, ASX roles (NED, MD, ED, CEO) including Nickel, Uranium/Energy, African experience

John Hicks
Non-Executive Director
Accomplished Nickel Sulphide Geologist/ Explorer, 15yrs of GM level Geo/Explorer for ASX listed companies

Allan Ritchie
Chief Executive Officer
Experienced ASX/HKEx Energy and Resources CEO/ED/MD, 30+yr Investment Banking career

Leonard Math
Chief Financial Officer/ Coy Sec
Experienced Resources sector executive, ASX listed ED, CFO, Coy Sec

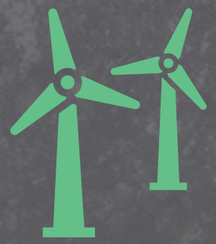
Gerald Mturi
Country Manager (Tanzania)
Accountant with over 25 years' experience at Total, Resolute Mining and the Tanzanian Chamber of Mines & Energy

Pashcal Wadeya
Chief Geologist (Tanzania)
Over 13 years' experience across Tanzania in a range of commodities and geological styles

Exposure to Electrification & Decarbonisation

Nickel

Nickel-based batteries in electric vehicles have a higher energy density than lead-acid batteries



Nickel is used in the production of stainless steel, which is used in wind turbines, gas turbines and solar panels

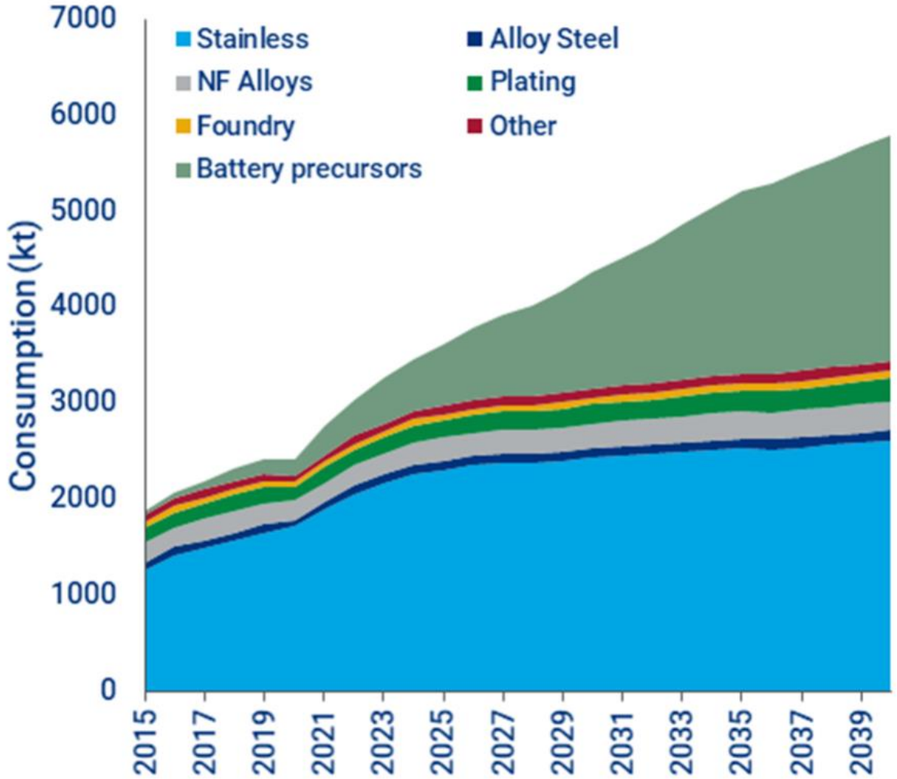
Uranium

Uranium is the fuel source for nuclear power plants, which can generate electricity without emitting CO_2

Used in high-temperature electrolysis to produce hydrogen, a clean fuel source for transportation

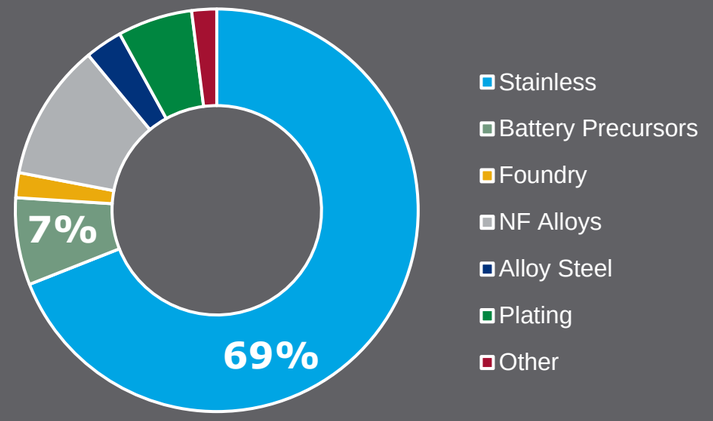
Nickel - Global Demand

Use in batteries will double global nickel demand by 2040

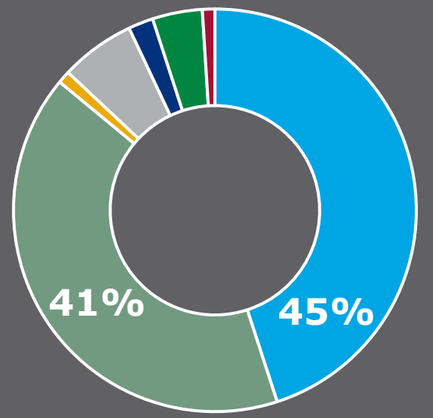


Source: Wood Mackenzie

2021



2040



Tanzania – An Attractive Mining Destination

- Mining is a crucial sector for Tanzania, generating more than US$2.5 billion annually and accounting for over 50% of the country's exports by value
- President Samia Suluhu Hassan, has pledged a "commitment to the development of the mining sector", with the aim of the mining sector accounting for 10% of the country's GDP by 2025, up from 6.7% in 2020
- Renewal of public sector management with focus on project delivery
- Framework Agreements with consistent terms are being executed with international mining company investors
- Clear government ownership interest (16%) established
- Good infrastructure in place, with upgrades underway

Tanzanian Social and Community Focused Initiatives

Commitment to local contract & employment opportunities

Local geological field assistants and contractors

- Drilling
- DHEM Surveys
- Ground Based Surveys (Soil and Gravity Surveys)
- Logistics

Local community and health focused initiatives

Bridge2Aid Australia

- Prevention of infant oral mutilation
- Training, awareness and treatment

Vaka Health Foundation (sponsorship)

- Providing professional development train for 60 nurses at Ngara District Hospital
- AAMEG 2022 award winner:
  Best Workforce & Industry Development Initiative

Kabanga Jirani + Luhuma – Dominance in East African Nickel Belt

Dominant nickel licence portfolio within the **East African Nickel Belt** of Tanzania **covers 1,311 sq km***

Portfolio Overview

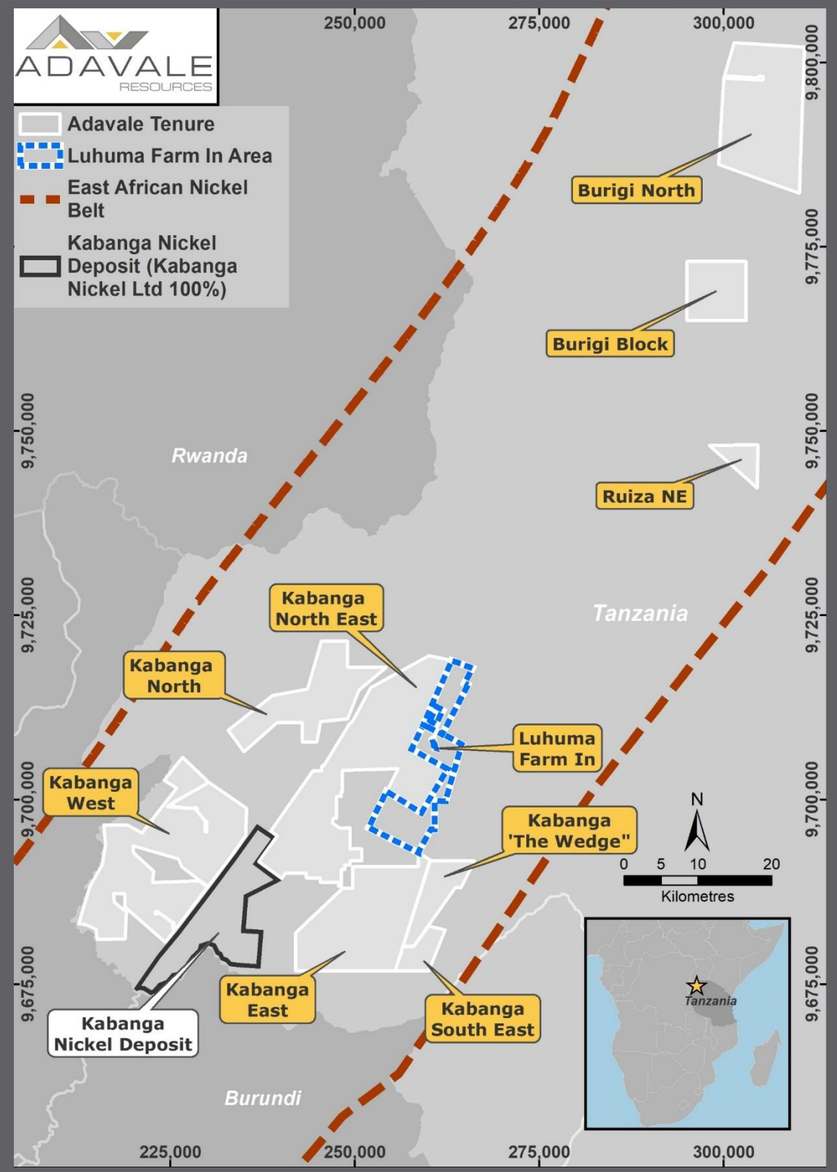
- Located within the Meso-Proterozoic Karagwe-Ankole Belt, prospective for Ni, Cu, Co, Cr and PGE's
- Notable setting similarity with:
  - Thomson Nickel Belt, Raglan and Voisey's Bay deposits in Canada
  - IGO's Nova in the Albany-Fraser Belt in Western Australia

100% owned Licences + Luhuma Farm – In ground (initial 65%, moving to 80%, trigger to 100%)

Licences are adjacent and along strike from the world's largest "under development" high-grade **Kabanga nickel sulphide deposit,**

Adavale is poised to uncover a large-scale Ni sulphide discovery with gravity, magnetics and heli-EM used for prospect targeting

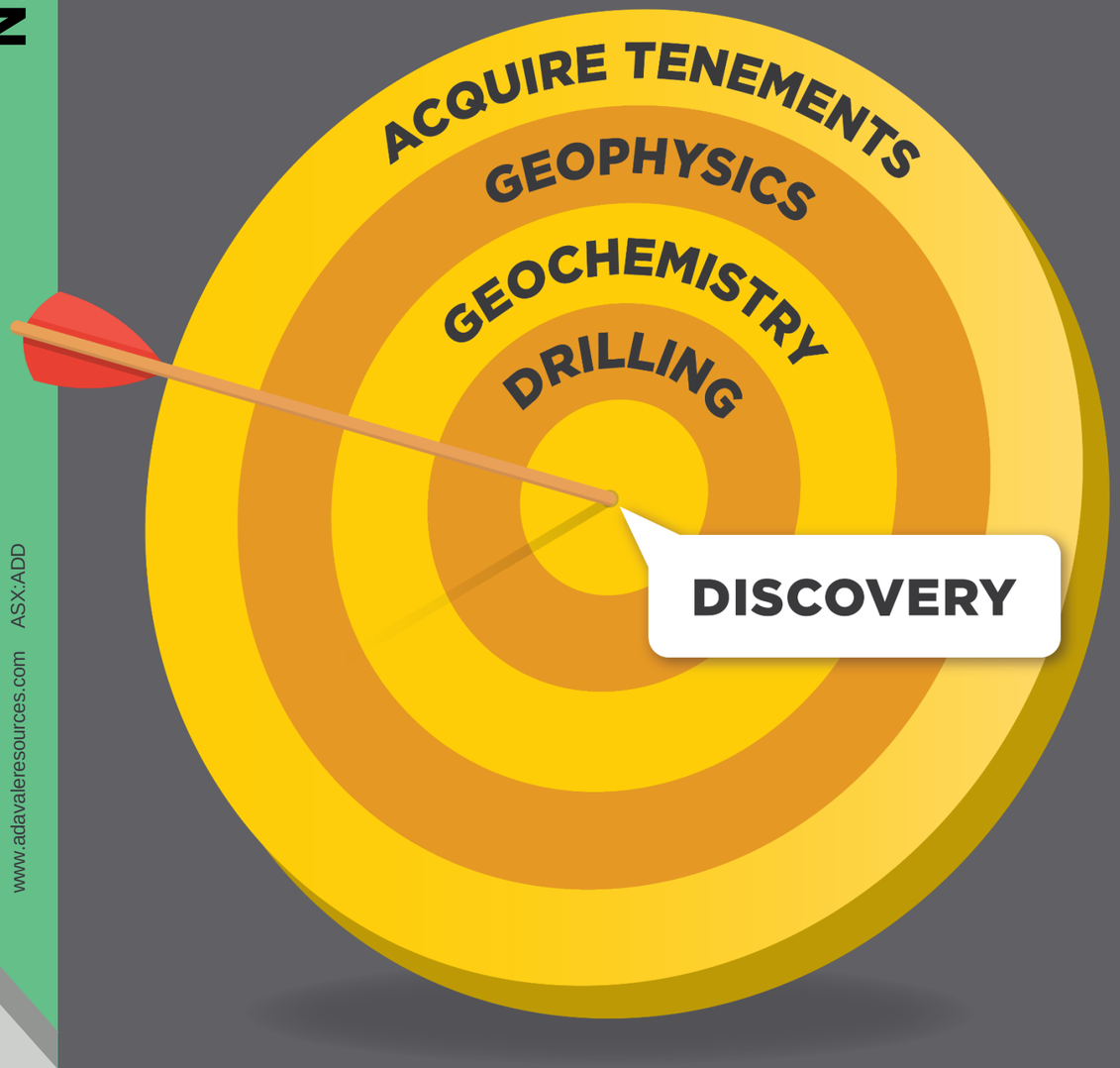
Drilling has commenced targeting high-priority conductors



Adavale's Kabanga Jirani and Luhuma farm-in Licences

**ADD ASX Release dated 24 January 2023 titled "Strategic Expansion of t Kabanga Jirani"*

Methodical, Targeted Approach to Exploration



Ground Based/Field Survey(s)
- Field checking, logistics/Soil sampling (orientation);
- Initial gravity and preliminary drilling

Regional Scale Gravity Survey
- 1,000 sq km- 32 anomalies identified

Prospect Ranking for EM survey
- Hierarchy to identify priority survey areas (200 sq kms)

Heli Airborne EM (HEM) Survey
- 9 HEM areas outlined

Prospect Ranking - Drilling
- Hierarchy of priority and type of drilling recommended
- Coincident/correlation review - gravity targets + HEM signatures

Campaign Drilling Underway
- Targeted (RC/Diamond) over high priority prospects
- Assay results/pXRF readings

Gravity + Heli EM Surveys = Coincident Anomalies

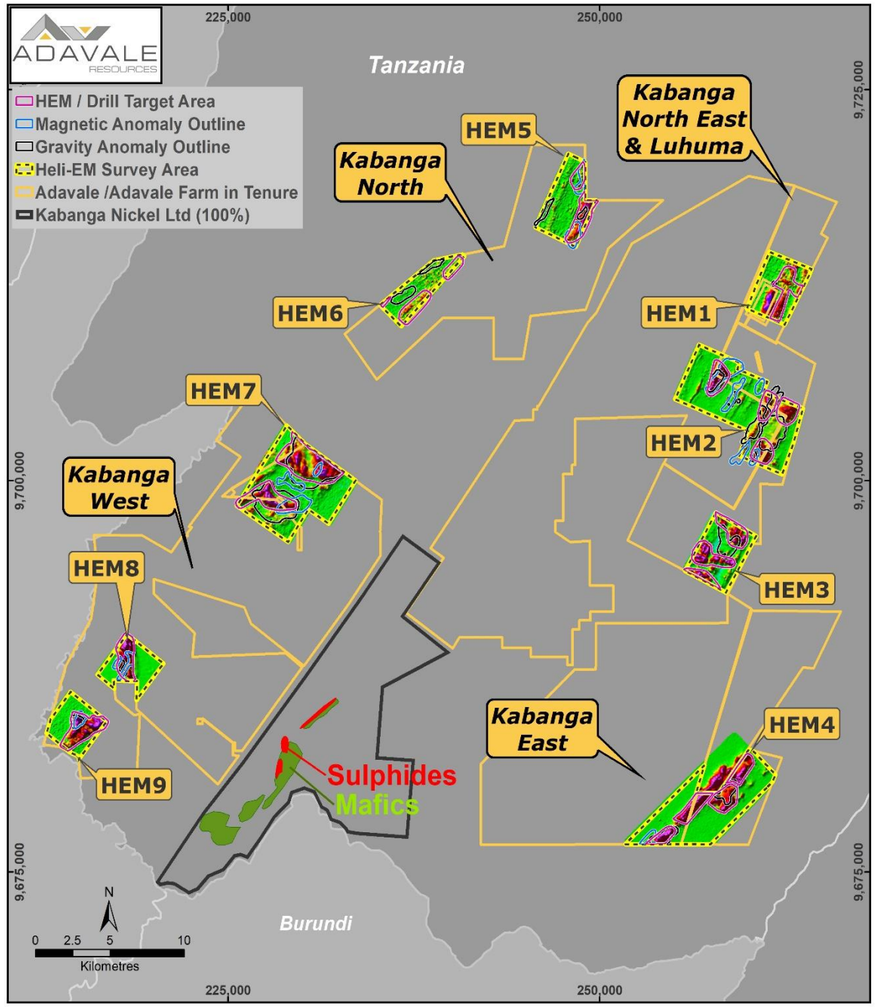
Gravity initiated foundations for exploration success*

- ~1,000 sq km gravity readings with **32 newly discovered and unexplored gravity targets**
- Confirmed prospectivity and large-scale nickel exploration potential **~55 km strike length** became the focus of Adavale's exploration program and **Heli-borne Electro Magnetic (HEM) survey**

Heli Electro Magnetic Surveys – 9 HEM Targets*

- HEM survey has initially focused on 18 higher mGal amplitude anomalies of the 32 identified gravity targets
- **9 HEM target areas were flown using deep penetrating (~500m) high powered** time domain EM (TDEM) and magnetic survey equipment* ~2,100-line kms (210 sq kms) -September 2022
- Objective being **to identify** coincident areas of both strong EM and gravity targets~ conductors

Plan view of the nine HEM target areas flown



**ADD ASX Release dated 7 July 2022 titled 32 Nickel Targets Identified in the East African Nickel Belt" and 13 September 2022 "Multiple Nickel Targets Generated from Successful EM Survey"*

Drilling Campaign Targeting High-Priority Targets*

- High impact **6,000m to 8,000m** “Priority Target Testing” **drilling program** commenced in October 2022

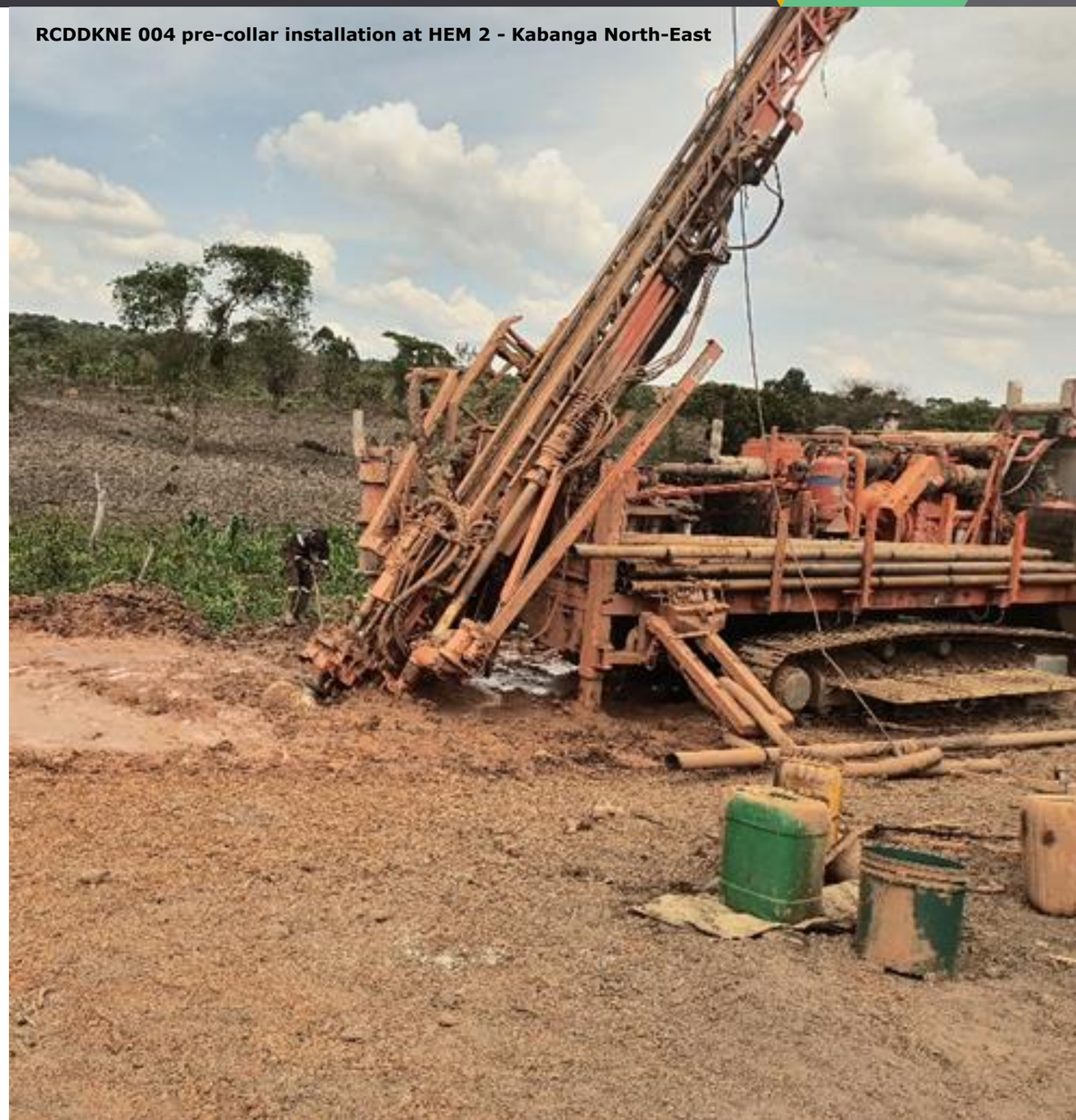
- Multi-purpose RC/DD drill rig(s) in operation:
  - RC pre-collar drilling ~100m
  - Diamond drilling depths up to 500m

- Initial drill program is expected to test approximately 20 initial anomalies within 7 priority HEM/Nickel target areas
  - ✓ Four holes drilled at HEM 2, HEM 4 and HEM 9 prior to onset of wet season

- Downhole EM to commence, aiding ongoing drill targeting

- Geochemical soil surveys to be completed during wet season to vector drilling

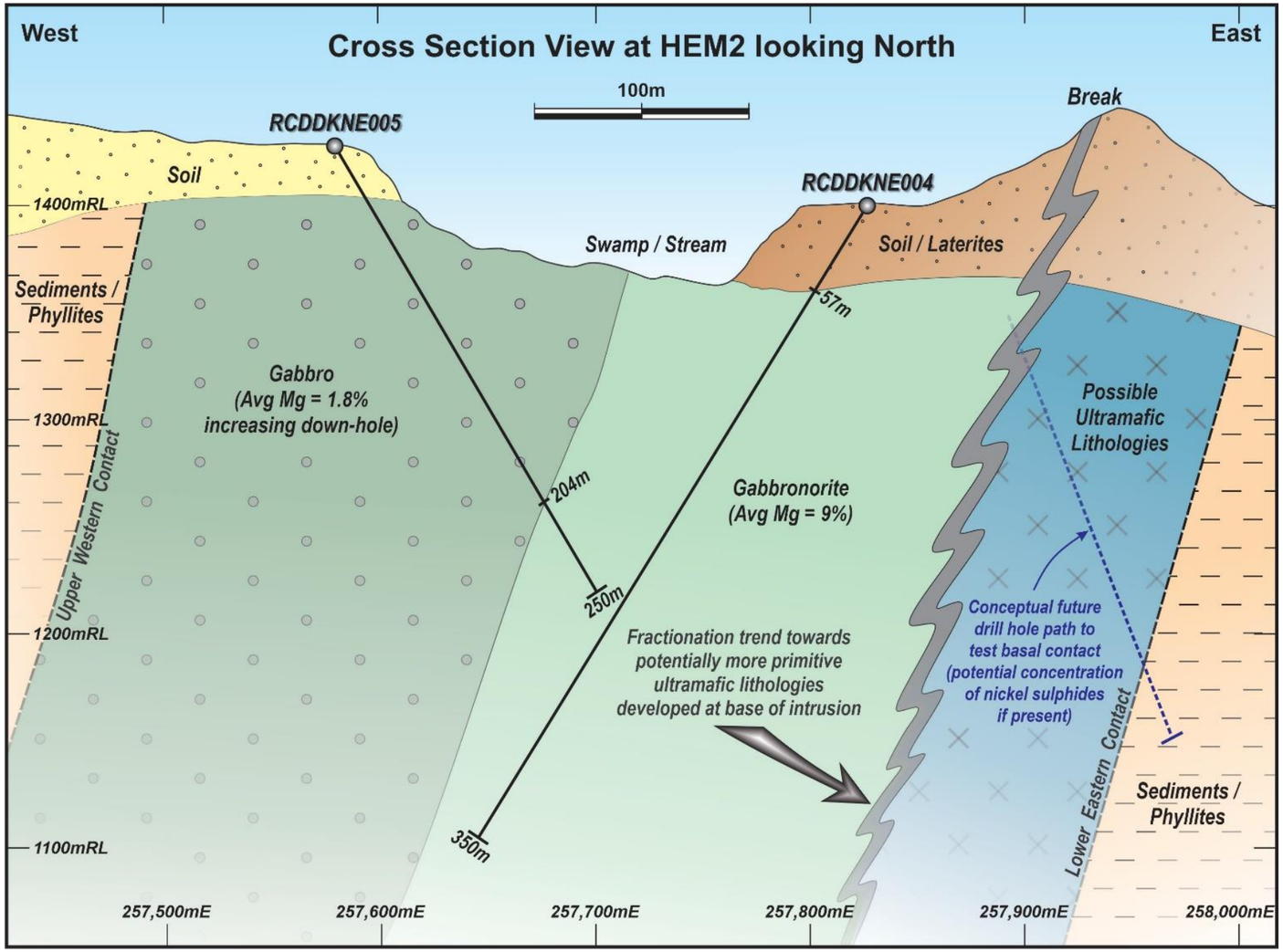
- Drilling to recommence post wet season



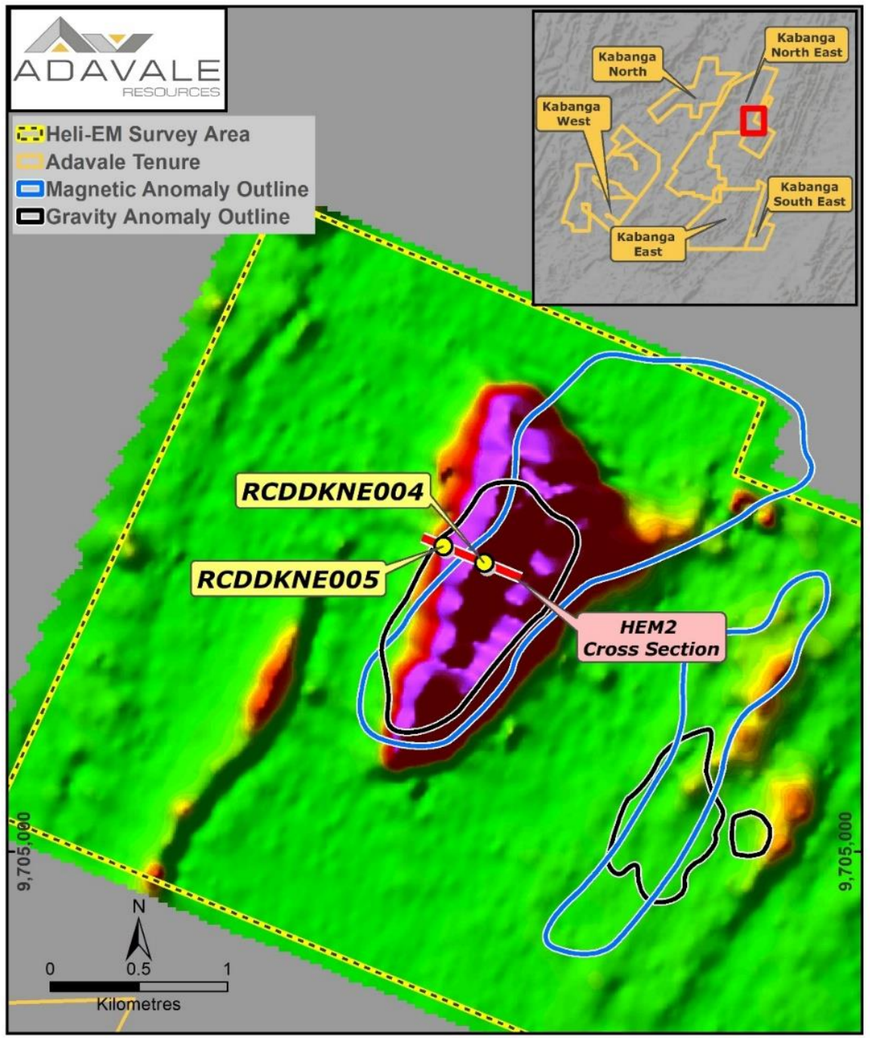
RCDDKNE 004 pre-collar installation at HEM 2 - Kabanga North-East

**ADD ASX Release dated 28 October 2022 titled Diamond Drilling Underway Kabanga Jirani”*

Nickel Sulphide Drill Target - HEM2*



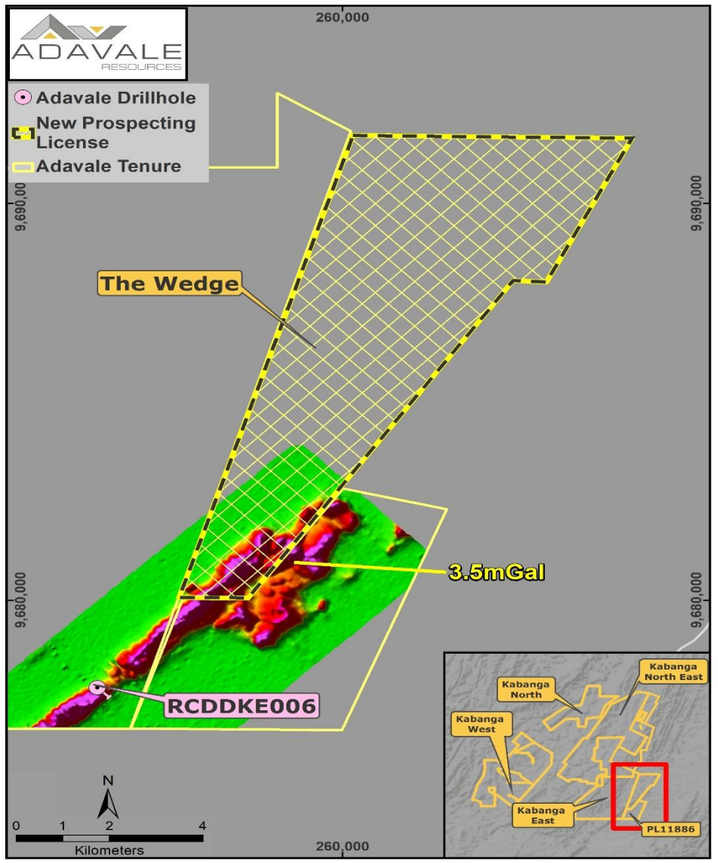
Section view of RCDDKNE004 and RCDDKNE005 (scissor hole).



HEM survey area plan showing broad internal target areas based on gravity and EM signatures, together with the location of the Kabanga nickel sulphide deposits drillholes and cross section ”

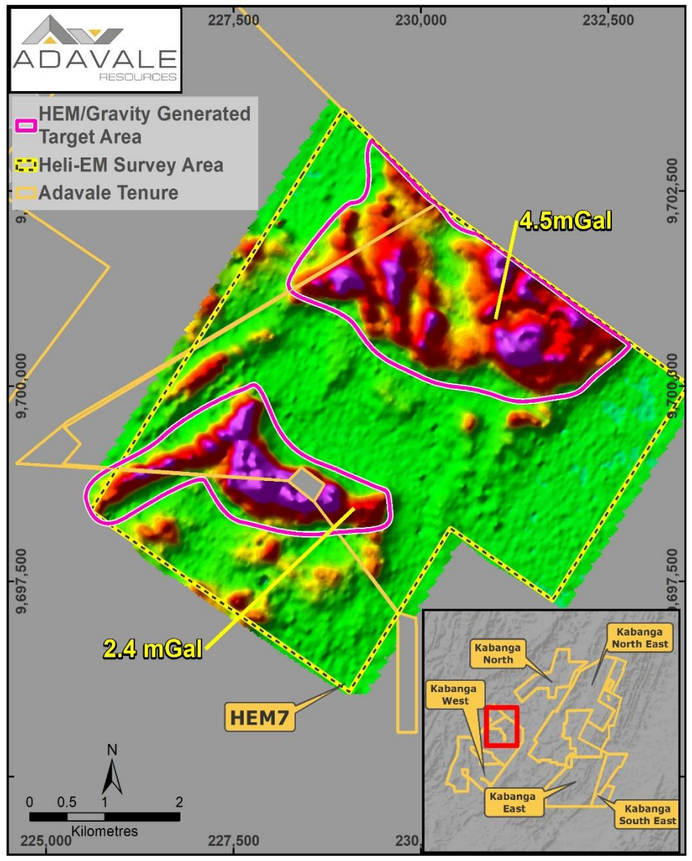
*ADD ASX Release dated 7 December 2022 “Exploration Update - Kabanga Jirani Nickel Project”

Drilling Campaign – Priority Locations and Focus



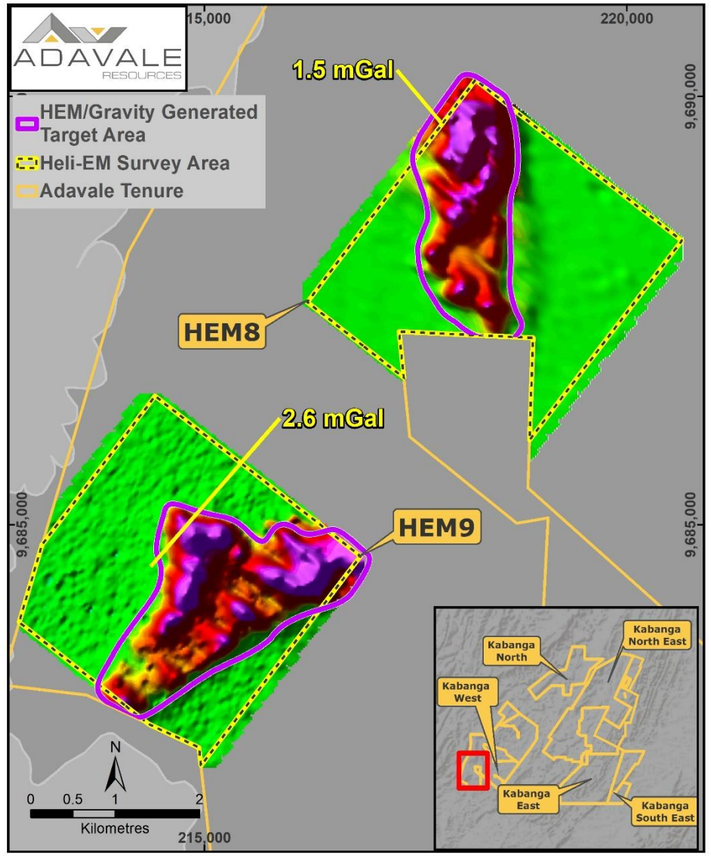
Plan view of HEM survey areas 4 showing background channel 20 data, overlain with colour polygons reflecting areas of associated strong gravity, magnetics and EM

HEM 4



Plan view of HEM survey areas 7 showing background channel 20 data, overlain with colour polygons reflecting areas of associated strong gravity, magnetics and EM

HEM 7



Plan view of HEM survey areas 8 & 9 showing background channel 20 data, overlain with colour polygons reflecting areas of associated strong gravity, magnetics and EM

HEM 8, 9

**ADD ASX Release dated 28 October 2022 titled "Diamond Drilling underway at Kabanga Jirani Nickel Project"*

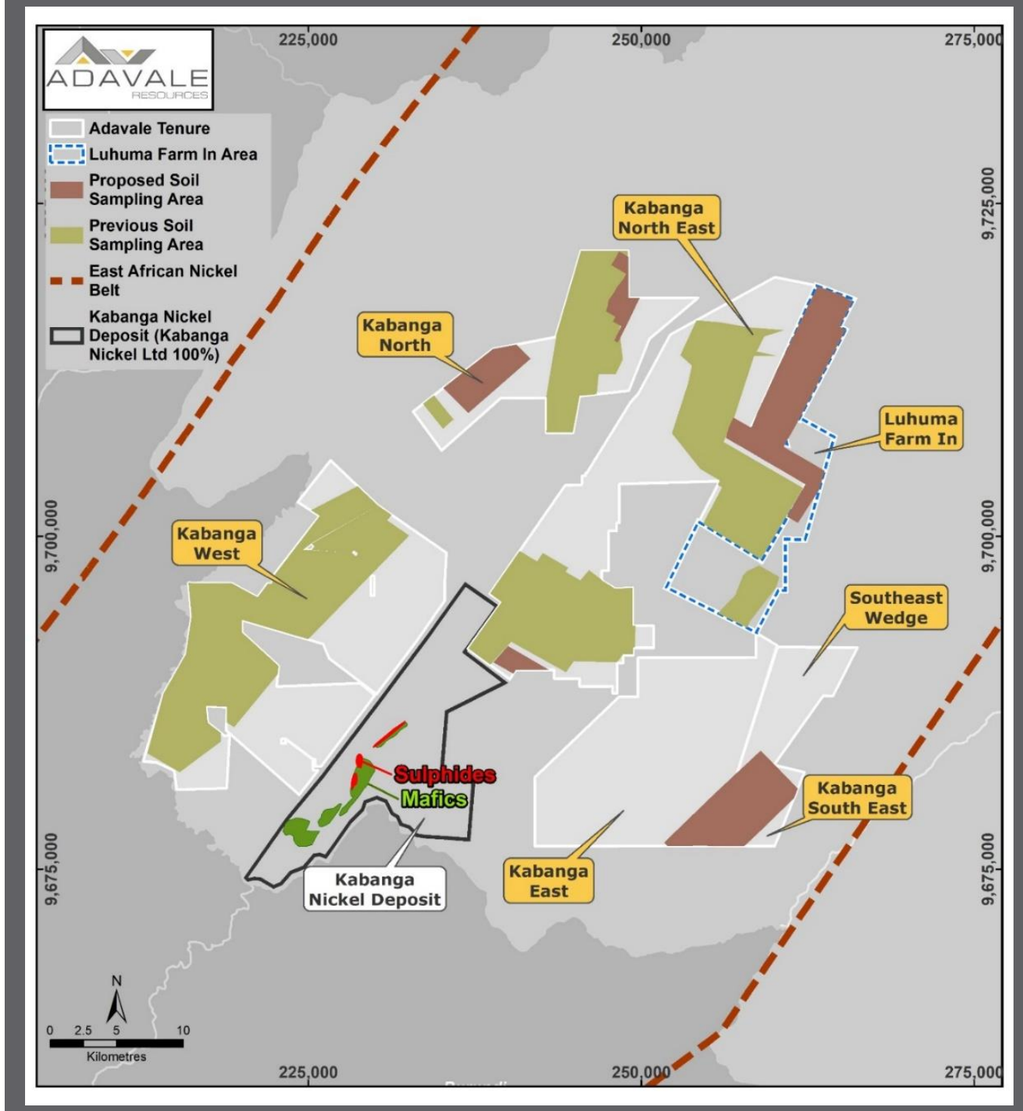
Current Exploration Workstreams

Soil Survey

- Progressing during wet season-135 sq km
- 4-6 weeks for completion in February
- Ongoing drill targeting

Downhole EM (1,400m)

- RCDDKNE 004 + 005 (HEM 2)
- RCDDKE 006 (HEM 4)
- DDKW 007 (HEM9)



Overview of areas of existing soil geochemical surveys (olive green) and proposed areas of geochemical soil surveys (brown) now underway

**ADD ASX Release dated 27 January 2023 titled "Nickel Sulphide host rocks intercepted at Kabanga Jirani "*

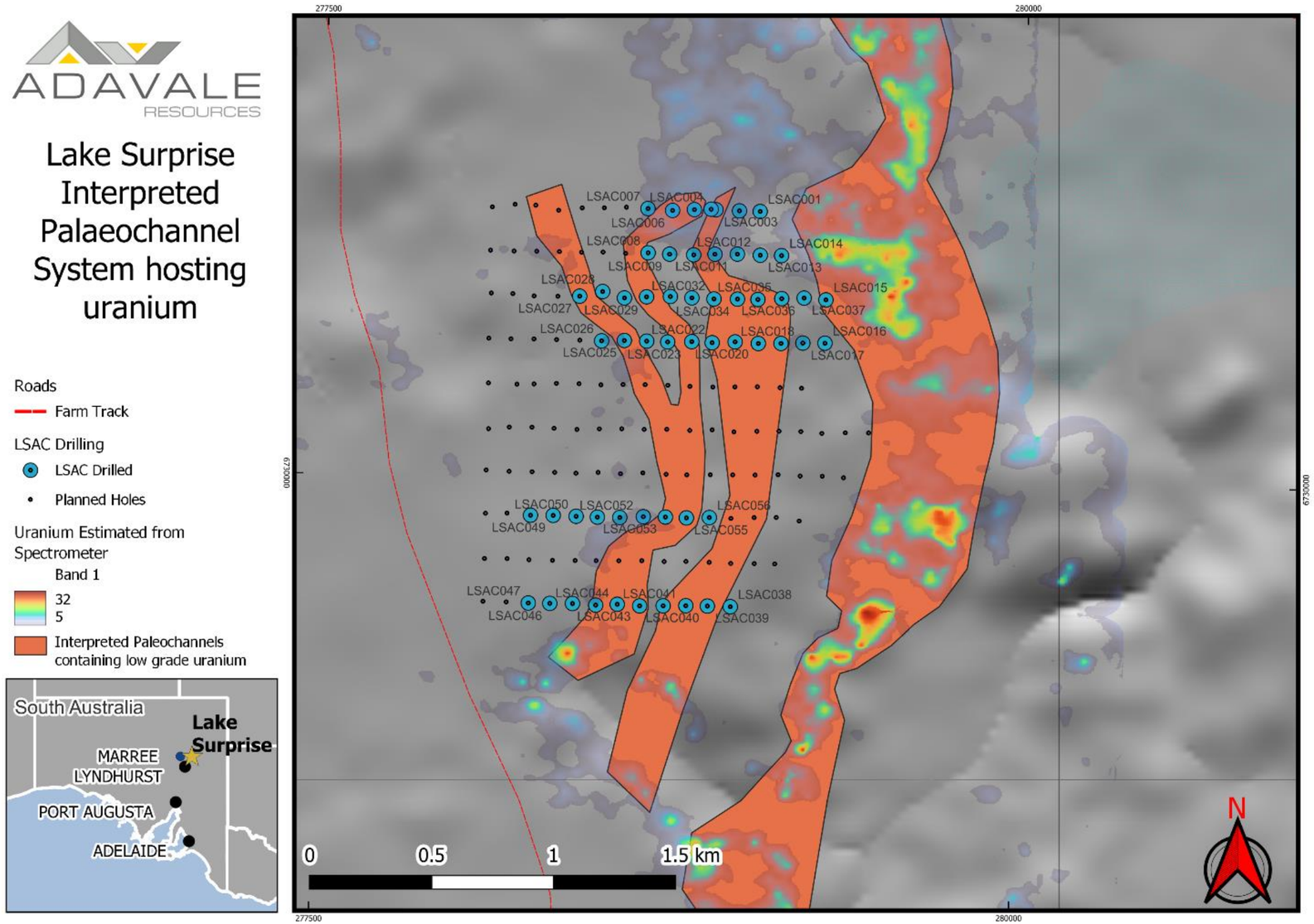
Lake Surprise Uranium Project, South Australia

- Located in South Australia - 550km north of Adelaide and 75km east of Marree
- Proven uranium province hosting multiple mines and deposits - 90km from Beverly Four Mile Uranium mine
- 100% owned tenure comprising 4 granted EL's (~1,080sqkms) on the northern flank of the Flinders Ranges (considered highly uraniferous)
- Helium study from satellite imagery indicated several anomalies coincident with gamma anomalies and better defines uranium targets for exploration.
- 400km gamma survey completed Nov 2021[1] interpreted to be hosted in the silicified sediments of a palaeochannel system discharging from northern Flinders Ranges
- Assay summary from rock chip samples[2] :
  - ✓ Highest uranium content of 356ppm
  - ✓ 11 of 28 rock chip samples with uranium content above 100ppm (7 above 200ppm)
  - ✓ Elevated gamma correlating with the uranium in samples

Location Map Lake Surprise South Australia

*1 ASX release dated 17 December 2021 "Gamma Results Between 5 and 40 Times Background Radiation Levels at Adavale's Uranium Licences" * 2 ASX release dated 7 February "Lake Surprise Uranium Geochemistry Results"

Aircore Drilling Results*



Location plan of the completed drillholesed

- Initial low-cost reconnaissance drilling program confirmed uranium mineralisation
- Uranium mineralisation contained within a complex braided stream environment
- Next step is geophysics to target the mineralised braided channels at Lake Surprise and the Company's Canegrass, Jubilee and Mookwarinna prospects
- 56 holes drilled for a total of 742m in reconnaissance program 4,500m aircore uranium drilling program (~ 150 holes x 30m target depth) commenced at start February 2023

* ASX release dated 3 March 2023 "Initial Lake Surprise Drilling Program yields results)

Investment Highlights

Electrification & Decarbonisation
Exposure to both Nickel & Uranium

Nearology
Proximal to high-grade nickel sulphide resources in the East African Nickel Belt

Nickel Results
High impact RC & DD drilling campaign underway ~8,000m

Uranium Bonus
Initial results within 8 weeks with 8km of strike upside

Appendices

Lake Surprise South Australia

- Located in South Australia - 550km north of Adelaide and 75kms east of Marree
- Proven uranium province hosting multiple mines and deposits - ~90kms from Beverly Four Mile Uranium mine
- 100% owned tenure comprising 4 granted EL's (~1,080sqkms) on the northern flank of the Flinders Ranges (considered highly uraniferous)

Ministry ID	Area (km²)	Project Location
EL 5892	60km2	Lake Arthur East, South Australia
EL 5893	167km2	Lake Arthur, South Australia
EL 6598	137km2	Canegrass Swamp, South Australia
EL 6821	714km2	Mundowdna, South Australia

- Helium study from satellite imagery indicated several anomalies coincident with gamma anomalies and better defines uranium targets for exploration.
- 400km gamma survey completed Nov 2021[1] interpreted to be hosted in the silicified sediments of a palaeochannel system discharging from northern Flinders Ranges
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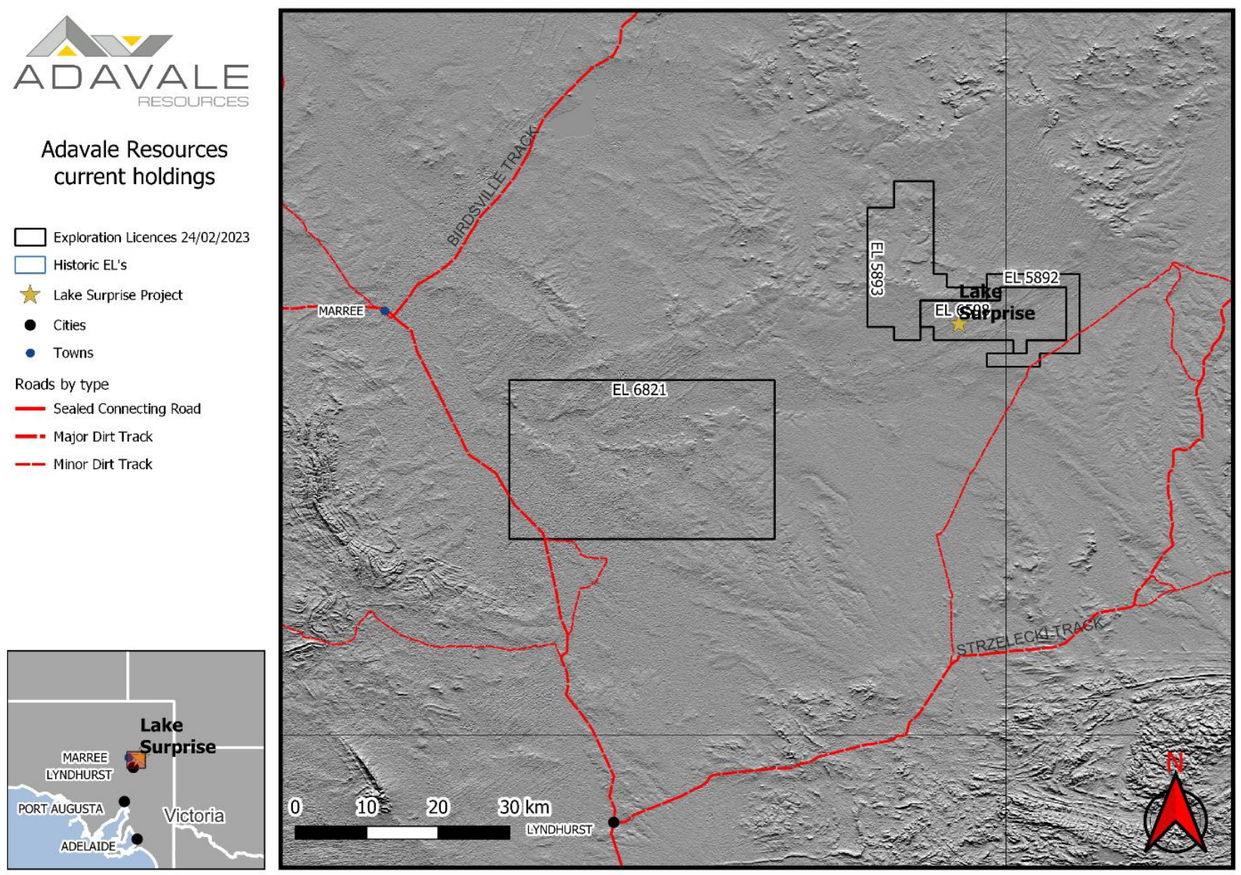

Location Map Lake Surprise South Australia

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Exposure to Electrification & Decarbonisation

Ni

Nickel

- Nickel-based batteries (NiMH, NCA, NCM) are used in electric vehicles as they have a higher energy density than traditional lead-acid batteries.
- Nickel is also used in the production of stainless steel, which is used in the construction of wind turbines and solar panels.
- Nickel-based catalysts are used in the production of hydrogen fuel through the process of steam methane reforming.
- Nickel is used in the production of superalloys, which are high-performance materials used in the construction of gas turbine engines for power generation.
- Nickel-based electrodes are used in the electrolysis process for the production of hydrogen fuel.

U

Uranium

- Uranium is the fuel source for nuclear power plants, which can generate electricity without emitting CO_2.
- Uranium can be used in advanced reactors that can capture carbon dioxide from power plants and store it underground, reducing the amount of CO_2 released into the atmosphere.
- Uranium can be used in a process called high-temperature electrolysis to produce hydrogen, which can be used as a clean fuel source for transportation and other applications.
- Uranium can be used in certain industrial processes, such as cement production, to reduce the amount of carbon dioxide emissions.
- Uranium can be used to power ships and submarines, reducing the need for fossil fuels and the associated carbon emissions.

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