

1 May 2023



Drilling Program Recommences At Kabanga Jirani Nickel Project

- Diamond Drilling (DD) and Reverse Circulation (RC) rigs have been mobilised to the Luhuma trend location.
- Several new DD and RC drill collar locations have been prepared for drilling, following integration of recent soil geochemistry results.
- Audio magnetotelluric (AMT) survey team and equipment on site to assist drilling.
- Exploration team on site for drill core logging and processing.

Adavale Resources Limited (ASX: ADD) (“ADD” or “Company”) is pleased to announce that drilling at its Kabanga Jirani Nickel Project in Tanzania has recommenced.

Adavale’s Executive Director, David Riekie commented:

“The Company is excited to recommence drilling on its high priority targets, including new drill collar locations generated from integrating new geochemical soil data obtained during the wet season. Drilling is expected to include an initial mix of RC and diamond drilling totalling 5,000m over the coming months.”

Stage 1 Drilling Campaign

The initial drilling program has recommenced within the Luhuma Trend situated within a narrow strike extensive zone in Adavale’s Kabanga North-East Licence shown in Figure 1.

Drilling will include an initial RC and DD campaign of 5,000m, comprising 12 RC holes to ~150m depth and 8-10 DD holes to ~350m depth.¹

Priority areas identified for drilling in 2023 include the promising HEM 2 target and confirming a 15km strike extension to the north that sits within the broader Luhuma trend.¹

This trend hosts a series of mafic-ultramafic intrusions from which several historical massive Ni sulphide intersections have been reported and contain prospective host rocks and known sulphide mineralisation and is considered highly prospective.¹

¹ ASX Release 27 January 2023 “Nickel Sulphide host rocks intercepted at Kabanga Jirani”

ASX: ADD

DIRECTORS & OFFICERS

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EXECUTIVE DIRECTOR

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ALLAN RITCHIE
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LEONARD MATH
CFO & COMPANY SECRETARY

ISSUED CAPITAL

Shares: ~520 million
Unlisted options: 112 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



adavaleresources.com



CONTACT

Adavale Resources Limited Level 2,
49 Oxford Close, West Leederville
WA 6007

Tel: +61 2 8003 6733

investor@adavaleresources.com

Audio magnetotelluric (**AMT**) surveys and Downhole Electromagnetics (**DHEM**) will be undertaken during the drilling campaign. DD core and RC chips will initially be assessed at the exploration field camp by the Company's exploration team using pXRF before despatching selected samples for assay.

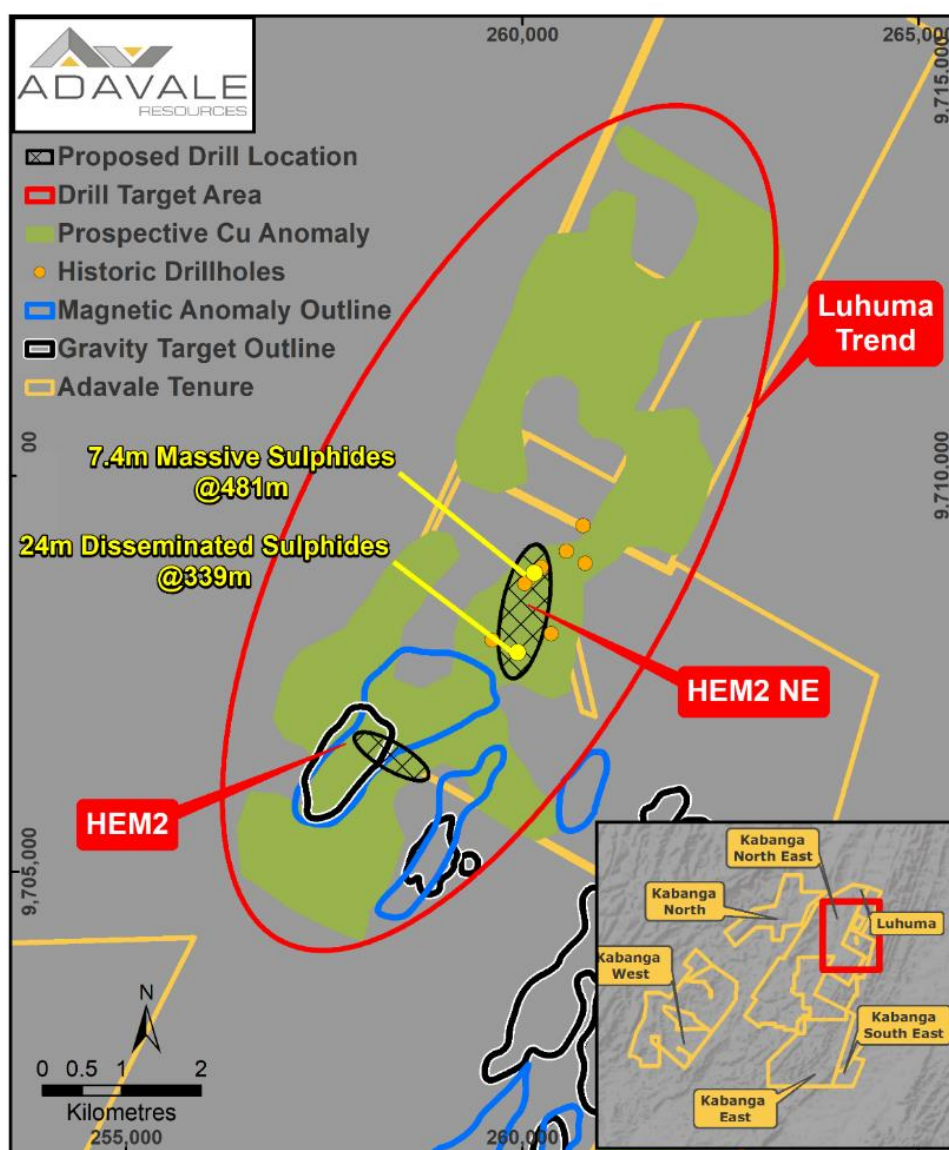


Figure 1: Luhuma Trend soil geochemical survey anomalies, target areas and proposed drill locations

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

Further information:

David Riekie
Executive Director
E: investor@adavaleresources.com

For broker and media enquiries:

Andrew Rowell
White Noise Communications
E: andrew@whitenoisecomms.com
P: +61 400 466 226

Competent Persons Statement

The information in this release that relates to “exploration results” for the 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 undertaken 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.

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.

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 nine highly prospective granted licences covering ~1,212km² along the Karagwe-Ankolean belt in Tanzania. The six southernmost licences are proximal to the world-class Kabanga Nickel Deposit (58Mt @ 2.62% Ni). Adavale has farmed-in to two more highly prospective licences contiguous to our six southernmost licences, adding a further 99km² to the portfolio 1,311sq km). Adavale’s licences were selected based on their strong geochemical and geophysical signatures from the previous exploration undertaken by BHP.

Adavale also holds exploration licences for their sedimentary uranium potential within the northern part of the highly prospective Lake Frome Embayment in South Australia. Drilling is planned for Lake Surprise in early 2023.

