

## ASX ANNOUNCEMENT/MEDIA RELEASE

8 June 2023



### Second Luhuma Central Hole Commenced Following Massive Sulphide Intercept

- Diamond drilling of DDLUHC002 has commenced at Luhuma Central
- Diamond drilling to chase dip and strike extensions to the nickel bearing massive sulphides intersected in DDLUHC001
- DDLUHC002 expected to be drilled to ~400m but may be extended
- Second diamond rig has commenced drilling the high priority targets at HEM2

Adavale Resources Limited (ASX: ADD) ("or the Company") is pleased to advise that two diamond drill rigs are now underway at the Kabanga Jirani Nickel Project in Tanzania (Figure 1).

Following the intersection of 4.15m of massive nickel sulphide associated with a mafic-ultramafic intrusion between 223.35m and 227.50m in drillhole DDLUHC001, the rig has commenced DDLUHC002 in an up dip position, indicated by AMT to be potentially more favourable (Figure 2)<sup>1</sup>.

A second drill rig has also commenced drilling at HEM 2.

#### Adavale's Executive Director, David Riekie commented:

*"Following the excellent intersection in DDLUHC001, we have ramped up exploration with one rig focused on Luhuma Central and the other rig following up the high-priority targets at HEM 2 along the Luhuma trendline 4km to the SSW."*

#### ASX: ADD

##### DIRECTORS & OFFICERS

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CHAIRMAN

**DAVID RIEKIE**  
EXECUTIVE DIRECTOR

**JOHN HICKS**  
DIRECTOR

**ALLAN RITCHIE**  
CHIEF EXECUTIVE OFFICER

**LEONARD MATH**  
CFO & COMPANY SECRETARY

##### ISSUED CAPITAL

Shares: ~520 million  
Unlisted options: 191 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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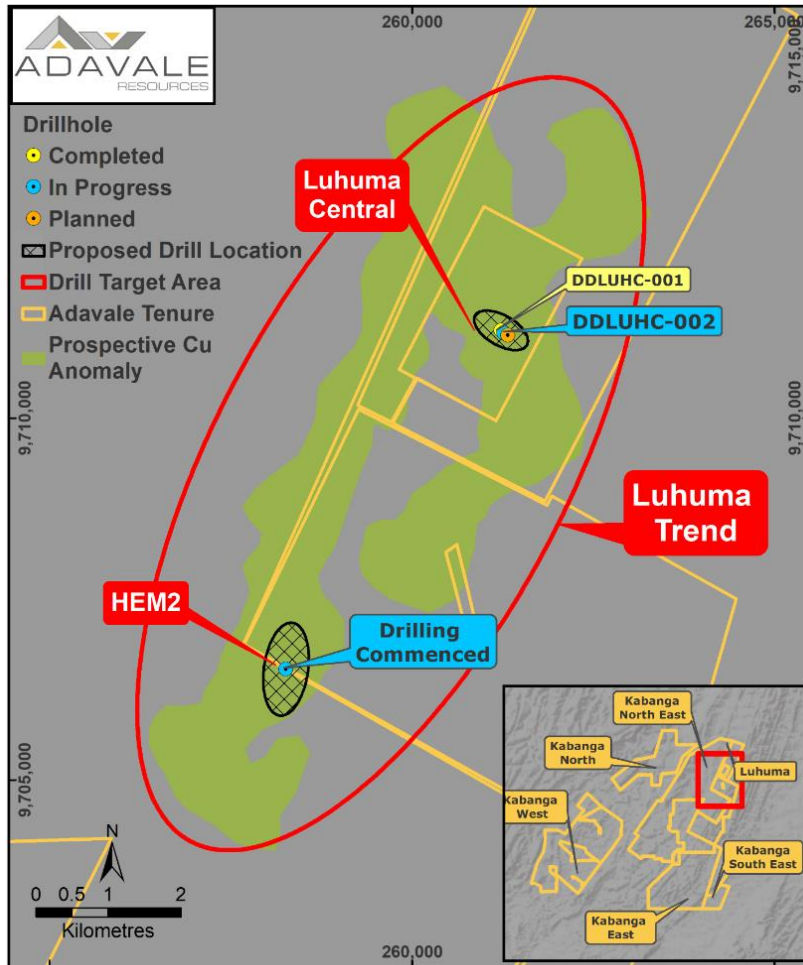


Figure 1 Current drilling locations at Luhuma Central and HEM 2

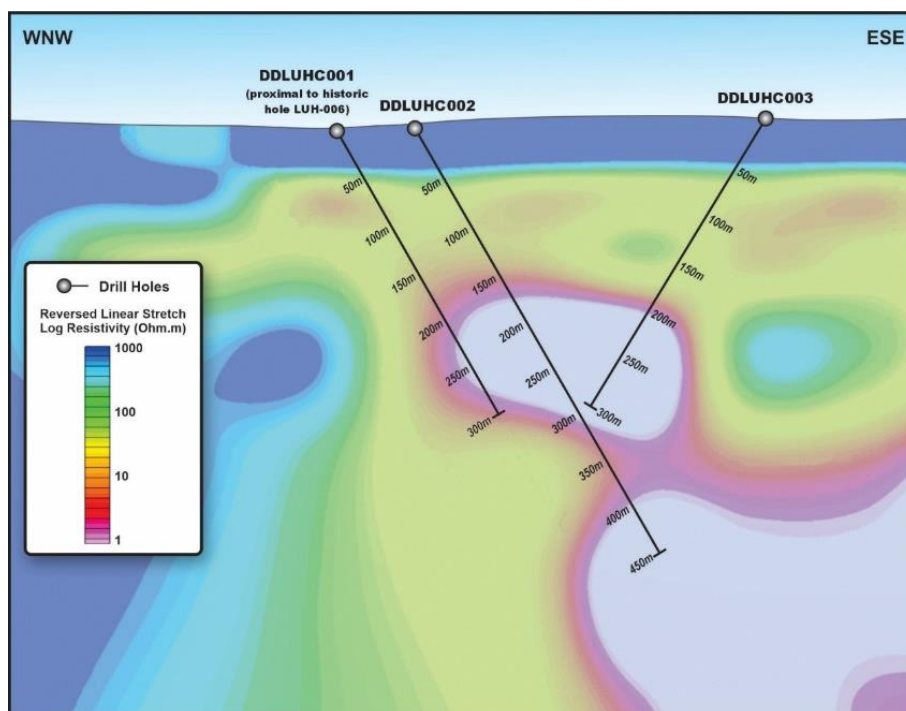


Figure 2 Cross section showing DDLUHC001 and position of new hole DDLUHC002



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

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**References**

<sup>1</sup> See ASX announcement on 6 June 2023 titled "Massive Nickel Sulphides Intersected at Kabanga Jirani".

**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.

**Cautionary Statements**

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

In relation to the disclosure of visual mineralisation and pXRF readings, the Company cautions that visual estimates of mineral abundance and point source pXRF readings should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates and pXRF reading also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

**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 12 highly prospective granted licences covering ~1,216km<sup>2</sup> 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 seven southernmost licences, adding a further 99km<sup>2</sup> to the portfolio 1,315sq 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.

