

## ASX ANNOUNCEMENT/MEDIA RELEASE

25 July 2023

### Entitlement Issue Prospectus

**Adavale Resources Limited (ASX: ADD)** ("or the **Company**") is pleased to provide a copy of the Entitlement Issue Prospectus lodged with ASIC today.

As announced on 19 July 2023, the non-renounceable Entitlement Offer will be offered to existing shareholders on a pro-rata basis of one (1) new share for every five (5) ordinary fully paid shares held in the Company on the Record Date at an issue price of \$0.019 per share to raise up to ~\$2.0M (before costs).

Entitlements may only be exercised by Eligible Shareholders being persons with a registered address on the Company's Share Register in Australia or New Zealand.

Eligible shareholders will be given the opportunity to apply for additional securities in excess of their entitlement, via a shortfall facility which shall be allocated at the absolute discretion of the Adavale Board. The Entitlement Offer is underwritten for \$800,000.

An updated Placement and Entitlement Offer Timetable is provided below.

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

#### Further information:

**David Riekie**  
Executive Director  
E: [investor@adavaleresources.com](mailto:investor@adavaleresources.com)

#### For broker and media enquiries:

**Andrew Rowell**  
White Noise Communications  
E: [andrew@whitenoisecomms.com](mailto:andrew@whitenoisecomms.com)  
P: +61 400 466 226

### 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: ~558 million  
Options: 191 million  
Performance rights: 11.25million

#### 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](http://adavaleresources.com)



#### CONTACT

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

Tel: +61 2 8003 6733

[investor@adavaleresources.com](mailto:investor@adavaleresources.com)

## INDICATIVE PLACEMENT & ENTITLEMENT OFFER TIMETABLE

The indicative timetable below remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules.

Event	Date (AWST)
Announcement of the Placement and Entitlement Offer, and lodgment of Appendix 3B with ASX	Wednesday, 19 July 2023
Announcement of the expanded Placement and lodgment of Appendix 3B with ASX	Friday, 21 July 2023
Entitlement Offer – Appendix 3B Lodgment of Prospectus with the ASIC and ASX	Tuesday, 25 July 2023
Existing Shares quoted on an 'EX' basis	Friday, 28 July 2023
Record Date for determining Entitlements	Monday, 31 July 2023
Anticipated Manual Settlement of new shares issued under the Placement	Tuesday, 1 August 2023
Notice of General Meeting Dispatched	On or around mid-August 2023
Prospectus - Entitlement Offer and Acceptance Form dispatched to Eligible Shareholders	Thursday, 3 August 2023
Closing Date of Entitlement Offer (Offer closes 5:00pm AWST)*	Thursday, 31 August 2023
Securities quoted on a deferred settlement basis from market open	Friday, 1 September 2023
ASX and Underwriter notified under subscriptions under the Entitlement Offer	Monday, 4 September 2023
Underwriter subscribes for Shortfall under terms of Underwriting Agreement	Tuesday, 5 September 2023
Quotation of Securities issued under the Entitlement Offer*	Thursday, 7 September 2023
General Meeting to approve Attaching Options	On or around mid-September 2023

*\*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.*

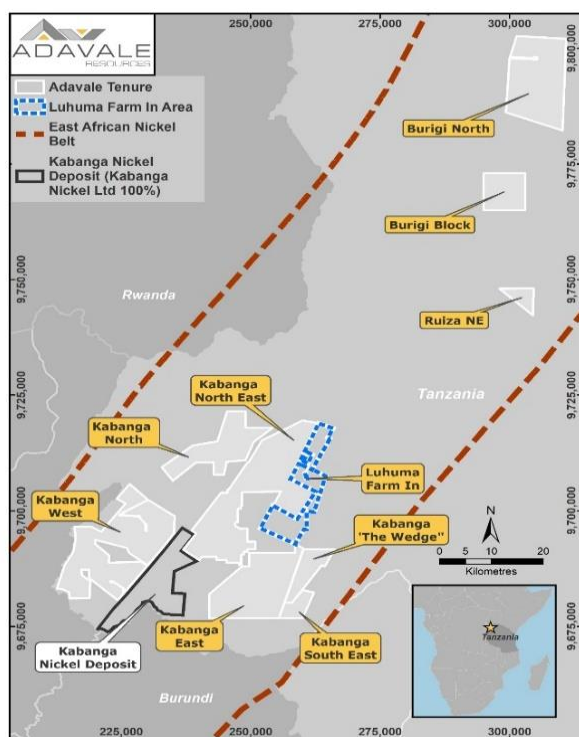
## Forward looking statements

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.



# ADAVALE RESOURCES LIMITED

## ACN 008 719 015

---

### ENTITLEMENT ISSUE PROSPECTUS

---

For the offers of:

- (a) a pro-rata non-renounceable entitlement issue of one (1) fully paid ordinary Share in the capital of the Company (**Share**) for every five (5) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.019 per Share to raise approximately \$2,121,230 (before costs) together with 1 free attaching Option (**Option**) for every 1 Share applied for and issued, exercisable at \$0.03 per Option on or before 31 December 2025 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**);
- (b) 130,000,000 Options to Placement participants (**Placement Offer**); and
- (c) 18,000,000 Options to the Lead Manager of the Placement and Underwriter of the Entitlement Offer (**GBA Capital Offer**),

(together, the **Offers**).

The Placement Offer and GBA Capital Offer are conditional upon Shareholder approval for the issue of Options under the Placement Offer and GBA Capital Offer for the purposes of ASX Listing Rule 7.1, to be sought at the General Meeting. No Options will be issued under the Placement Offer or GBA Capital Offer until that condition is met.

This Entitlement Offer is partially underwritten by GBA Capital Pty Ltd (ACN 643 039 123), Corporate Authorised Representative of AFSL 237549 (**Underwriter**). Refer to Section 2.1 for a summary of the Underwriting Agreement.

#### IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

---

## IMPORTANT NOTICE

---

This Prospectus is dated 25 July 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

### No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

### Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

### Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in

any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.12.

### Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

## Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company and the Underwriter will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website ([www.adavaleresources.com/](http://www.adavaleresources.com/)).

By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

## Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at [www.adavaleresources.com/](http://www.adavaleresources.com/).

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 2 8003 6733 during office hours or by emailing the Company at [investor@adavaleresources.com](mailto:investor@adavaleresources.com).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

## Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

## Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary Section.

All references to time in this Prospectus are references to Australian Western Standard Time.

## Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

## Use of Trademarks

This Prospectus includes the Company's registered and unregistered trademarks.

All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

## Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 2 8003 6733.



---

## CORPORATE DIRECTORY

---

### Directors

Grant Pierce  
(Non-Executive Chairman)

David Riekie  
(Executive Director)

John Hicks  
(Non-Executive Director)

### CEO

Allan Ritchie

### CFO & Company Secretary

Leonard Math

### Registered Office

CBSW Pty Ltd  
Level 2, 49 Oxford Close  
WEST LEEDERVILLE WA 6007

Telephone: + 61 02 8003 6733

Email: [investor@adavaleresources.com](mailto:investor@adavaleresources.com)

Website: [www.adavaleresources.com/](http://www.adavaleresources.com/)

### ASX Code

ADD

### Auditor\*

HLB Mann Judd (WA)  
Level 4  
30 Stirling Street  
PERTH WA 6000

### Share Registry\*

Computershare Investor Services Pty Ltd  
Level 3, 60 Carrington Street  
SYDNEY NSW 2000

Telephone: +61 08 9415 4000 (outside Australia)

Telephone: 1300 850 505 (within Australia)

Website: [www.computershare.com/au](http://www.computershare.com/au)

### Legal Advisers

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Underwriter

GBA Capital Pty Limited  
Level 2, 68 Pitt Street  
SYDNEY NSW 2000

\*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

---

## TABLE OF CONTENTS

---

1.	KEY OFFERS INFORMATION.....	1
2.	DETAILS OF THE OFFERS.....	6
3.	PURPOSE AND EFFECT OF THE OFFERS.....	15
4.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES .....	20
5.	RISK FACTORS .....	25
6.	ADDITIONAL INFORMATION .....	36



---

## 1. KEY OFFERS INFORMATION

### 1.1 Timetable

<b>ASX Announcement of Entitlement Offer and Placement / Resume Trading / Appendix 3B</b>	Wednesday, 19 July 2023
<b>Entitlement Offer – Appendix 3B Lodgement of Prospectus with the ASIC &amp; ASX</b>	Tuesday, 25 July 2023
<b>Ex date</b>	Friday, 28 July 2023
<b>Record Date for determining Entitlements</b>	Monday, 31 July 2023
<b>Anticipated Placement Settlement Date for Shares issued under the Placement</b>	Monday, 31 July 2023
<b>Issue of Shares under Placement</b>	Tuesday, 1 August 2023
<b>Notice of General Meeting dispatched</b>	On or around mid-August 2023
<b>Offers opening date, Prospectus and Acceptance Form sent out to Shareholders and Company announces this has been completed</b>	Thursday, 3 August 2023
<b>Last day to extend the Closing Date for the Entitlement Offer</b>	Monday, 28 August 2023
<b>Closing Date of Offers as at 5:00pm (AWST)</b>	Thursday, 31 August 2023
<b>Securities under the Entitlement Offer quoted on a deferred settlement basis</b>	Friday, 1 September 2023
<b>ASX and Underwriter notified of under subscriptions under the Entitlement Offer</b>	Monday, 4 September 2023
<b>Underwriter subscribes for Shortfall under terms of Underwriting Agreement</b>	Tuesday, 5 September 2023
<b>Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities under the Entitlement Offer (before noon Sydney time)</b>	Thursday, 7 September 2023
<b>General Meeting to approve issue of Options under the Placement Offer and GBA Capital Offer</b>	On or around mid-September 2023

*\*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities are expected to commence trading on ASX may vary.*

*\*\*This timetable is indicative only and subject to change without notice. The Company reserves the right to amend any or all of these dates and times, subject to the ASX Listing Rules, Corporations Act and other applicable laws. In particular, the Company reserves the right to accept late applications under the Offers (either generally or in particular cases) and to withdraw the Offers without prior notice.*

## 1.2 Key statistics of the Offer

### Shares

	Full Subscription (\$2,121,230)
Entitlement Offer Price per Share	\$0.019
Entitlement Ratio (based on existing Shares)	1:5
Shares currently on issue	558,218,340
Shares to be issued under the Entitlement Offer <sup>1,2</sup>	111,643,668
Shares issued under the Placement Offer	130,000,000
Gross proceeds of the issue of Shares under the Entitlement Offer and Placement	\$4,591,230
<b>Total Shares on issue post-Entitlement Offer and Placement</b>	<b>799,862,008</b>

#### Notes:

1. Refer to Section 4.2 for the terms of the Options.
2. Assuming maximum subscription of \$2,121,230 is achieved under the Entitlement Offer.

### Options

	Full Subscription
Entitlement Offer Price per Option	nil
Option Entitlement Ratio (based on Shares subscribed for)	1:1
Options currently on issue	190,659,174
Options to be issued under the Entitlement Offer <sup>1,2</sup>	111,643,668
<b>Options on issue Post-Entitlement Offer</b>	<b>302,302,842</b>
Options to be issued under the Placement Offer (subject to shareholder approval at the General Meeting)	130,000,000
Options to be issued under the GBA Capital Offer (subject to Shareholder approval at the General Meeting)	18,000,000
<b>Options on issue Post-Offers and General Meeting</b>	<b>450,302,842</b>

#### Notes:

1. Refer to Section 4.2 for the terms of the Options.
2. Assuming maximum subscription of \$2,121,230 is achieved under the Offer.

## 1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and

general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

## 1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Options <sup>1</sup>	Performance Rights	Share Entitlement	Option Entitlement	\$
Mr David Riekie <sup>1</sup>	6,040,790	3,142,780 <sup>2</sup>	2,200,000 <sup>3</sup>	1,208,158	1,208,158	22,955
Mr Grant Pierce <sup>4</sup>	4,951,733	2,459,474 <sup>5</sup>	2,200,000 <sup>3</sup>	990,347	990,347	18,816
Mr John Hicks <sup>6</sup>	4,636,287	3,004,113 <sup>7</sup>	2,200,000 <sup>3</sup>	927,257	927,257	17,618

### Notes:

1. Held by Mr Riekie, Wilhaja Pty Ltd as Trustee for the Riekie Family A/C (a company which Mr Riekie is a director and beneficiary), Riekie Superannuation Pty Ltd < Superfund A/C> (a fund which Mr Riekie is a beneficiary) and Equity Plan Services Pty Ltd (a trust which Mr Riekie is a beneficiary).
2. Comprising 1,142,780 Unlisted Options exercisable at \$0.03 each on or before 22 September 2023 and 2,000,000 Unlisted Options exercisable at \$0.15 each on or before 13 January 2025.
3. Comprising 2,200,000 Performance Rights expiring on 31 December 2023.
4. Held by Mr Pierce and Equity Plan Services Pty Ltd (a trust which Mr Pierce is a beneficiary).
5. Comprising 459,474 Unlisted Options exercisable at \$0.03 each on or before 22 September 2023 and 2,000,000 Unlisted Options exercisable at \$0.15 each on or before 13 January 2025.
6. Held by Mr Hicks, Nambour Valley Pty Ltd < Nordes Family A/C> (a company in which Mr Hicks is a director) and Equity Plan Services Pty Ltd (a trust which Mr Hicks is a beneficiary).
7. Comprising 1,004,113 Unlisted Options exercisable at \$0.03 each on or before 22 September 2023 and 2,000,000 Unlisted Options exercisable at \$0.15 each on or before 13 January 2025.

The Board recommends all Eligible Shareholders take up their Entitlements. The Directors intend to participate in the Entitlement Offer and take up their entire Entitlement as set out in the table above.

## 1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Entitlement Offer.

The effect on the control of the Company in the event that Shareholders do not participate in the Entitlement Offer is further described in Section 1.8 below.

## **1.6 Lead Manager**

No lead manager has been appointed to the Entitlement Offer.

The Company notes that the GBA Capital (who is acting as underwriter to the Entitlement Offer) was appointed as the lead manager of the Placement. Pursuant to the Placement Offer under this Prospectus, Placement participants are invited to apply for one free-attaching Option for every one Share subscribed for and issued under the Placement. The material terms of the lead manager mandate with GBA Capital, including total fees payable, are set out in Section 2.1 below.

## **1.7 Underwriter**

This Entitlement Offer is partially underwritten up to \$800,000 by GBA Capital (**Underwriter**). Terms of the underwriting agreement and total fees payable are set out in Section 2.1. The Underwriter is not a related party or substantial shareholder of the Company.

## **1.8 Effect on Control**

The Underwriter is presently not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act. The issue of Shares under this Prospectus to the Underwriter may increase its interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Entitlement Offer or are ineligible to participate in the Entitlement Offer.

In accordance with the terms of the Underwriting Agreement, the Underwriter will allocate the Shortfall to its sub-underwriters and/or clients and people who have otherwise agreed to assist with the completion of the Entitlement Offer such that neither the Underwriter, the sub-underwriters nor any of the Underwriter's clients, individually, will have a voting power in the Company in excess of 19.9% after the issue of the Shortfall.

The Company, in consultation with the Underwriter, will ensure that the Entitlement Offer (including the equitable dispersion of any Shortfall Securities) complies with the provisions of Chapter 6 of the *Corporations Act 2001* (Cth) and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

## **1.9 Potential dilution on non-participating Shareholders**

In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 16.13% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of the Options under this Prospectus. However subsequent exercise of any or all of the Options will result in dilution. Assuming all Options offered pursuant to this Prospectus under the Entitlement Offer are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 24% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date <sup>1</sup>	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	1.91%	2,000,000	10,000,000	1.59%
Shareholder 2	5,000,000	0.96%	1,000,000	5,000,000	0.80%
Shareholder 3	1,500,000	0.29%	300,000	1,500,000	0.24%
Shareholder 4	400,000	0.08%	80,000	400,000	0.06%
Shareholder 5	50,000	0.01%	10,000	50,000	0.01%

**Notes:**

1. This is based on a share capital of 558,218,340 Shares as at the date of the Prospectus and assumes no Options or other Securities on issue are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting and Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

---

## 2. DETAILS OF THE OFFERS

### 2.1 Background to the Offers

#### 2.1.1 Placement and Entitlement Offer

On 19 July 2023, the Company announced that it:

- (a) had received firm commitments from sophisticated and professional investors to raise approximately \$1,650,000 via the issue of 86,842,120 Shares at an issue price of \$0.019 per Share (**Placement**). The Placement will also comprise of the issue of 86,842,120 free-attaching Options on a 1:1 basis, exercisable at \$0.03 on or before 31 December 2025; and
- (b) proposed to undertake a pro-rata non-renounceable entitlement issue of one (1) fully paid ordinary Share for every five (5) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.019 per Share to raise approximately \$2,000,000 (before costs) together with 1 free attaching Option for every 1 Share applied for and issued, exercisable at \$0.03 per Option on or before 31 December 2025.

Subsequently, on 21 July 2023, the Company announced that it had received additional firm commitments from sophisticated and professional investors to raise a further \$820,000 via the issue of 43,157,880 Shares at an issue price of \$0.019 per Share (**Additional Placement**). The Additional Placement will also comprise of the issue of 43,157,880 free-attaching Options on a 1:1 basis, exercisable at \$0.03 on or before 31 December 2025.

The Additional Placement brings the total raising to \$2,470,000, comprising the issue of a total of 130,000,000 Shares at an issue price of \$0.019 per Share and the issue of 130,000,000 free-attaching Options on a 1:1 basis, exercisable at \$0.03 on or before 31 December 2025.

For the avoidance of doubt, the Placement and the Additional Placement are to be referred together as the Placement.

It is anticipated that the Shares under the Placement will be issued on 31 July 2023 pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

The Placement participants are **not** entitled to participate in the Entitlement Offer and the Shares issued under the Placement will be issued after the Record Date of the Entitlement Offer.

As the Options to be issued under the Placement are proposed to be quoted, they are being issued pursuant to this Prospectus via the Placement Offer in order to remove any trading restrictions that may otherwise attach to the Options by virtue of section 707 of the Corporations Act. The issue of the Options under the Placement Offer is also conditional on receipt of Shareholder approval for the purposes of ASX Listing Rule 7.1 (to be sought at the General Meeting scheduled to take place around mid-September 2023).

## 2.1.2 GBA Capital Offer

### (a) GBA Capital – Lead Manager to the Placement

GBA Capital was engaged by the Company to act as lead manager to the Placement pursuant to a lead manager mandate (**Mandate**). Pursuant to the Mandate, the Company agreed to:

- (i) pay GBA Capital a 6% placement fee on the total funds raised under the Placement; and
- (ii) issue to GBA Capital 10,000,000 Options.

### (b) GBA Capital - Underwriter to the Entitlement Offer

GBA Capital was engaged by the Company to act as underwriter to the Entitlement Offer pursuant to an underwriting agreement (**Underwriting Agreement**). The Entitlement Offer is partially underwritten by GBA Capital for an amount of \$800,000 (**Underwritten Amount**). Pursuant to the Underwriting Agreement, the Company agreed to:

- (i) pay to GBA Capital a 6% underwriting fee on the Underwritten Amount; and
- (i) issue to GBA Capital 8,000,000 Options.

As the Options to be issued to GBA Capital are proposed to be quoted, they are being issued pursuant to this Prospectus via the GBA Capital Offer in order to remove any trading restrictions that may otherwise attach to the Options by virtue of section 707 of the Corporations Act. The issue of the Options under the GBA Capital Offer is also conditional on receipt of Shareholder approval for the purposes of ASX Listing Rule 7.1 (to be sought at the General Meeting scheduled to take place around mid-September 2023).

## 2.2 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every five (5) Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.019 per Share together with one (1) free Option for every one (1) Share subscribed for and issued. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 111,643,668 Shares and 111,643,668 Options may be issued under the Entitlement Offer to raise up to approximately \$2,121,230. No funds will be raised from the issue of the Options under the Entitlement Offer.

As at the date of this Prospectus the Company has 190,659,174 Options on issue that may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 3.4 for information on the exercise price and expiry date of the Options on issue.

As at the date of this Prospectus, the Company has 117 convertible notes on issue that may be exercised prior to the Record Date.



As at the date of this Prospectus, the Company has 11,250,000 Performance Rights on issue. None of these Performance Rights are currently eligible for exercise and therefore they cannot enable participation in the Entitlement Offer.

There is no minimum subscription to participate in the Entitlement Offer and all of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. The Options will be exercisable at \$0.03 on or before 31 December 2025 and otherwise on the terms set out in Section 4.2. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 3.

## **2.3 Placement Offer**

This Prospectus includes an offer of up to 130,000,000 Options to be issued to participants in the Placement (**Placement Offer**). The issue of Options under the Placement Offer will be exercisable at \$0.03 on or before 31 December 2025 and otherwise on the terms set out in Section 4.2.

The issue of the Options under the Placement Offer is conditional on receipt of Shareholder approval for the purposes of ASX Listing Rule 7.1 (to be sought at the General Meeting scheduled to take place around mid-September 2023). Accordingly, if Shareholder approval is not received the Company will not issue the Options.

No funds will be raised from the issue of Options (other than funds received on exercise of the Options) pursuant to the Placement Offer as the Options are free attaching to Shares issued under the Placement, on a one for one basis. Fractional entitlements will be rounded down to the nearest whole number.

Only participants in the Placement will be eligible to apply for the Options under the Placement Offer. Accordingly, an Application Form for the Placement Offer will be provided by the Company to these participants only.

## **2.4 GBA Capital Offer**

This Prospectus includes an offer of 18,000,000 Options to be issued to GBA Capital (**GBA Capital Offer**). The issue of Options under the GBA Capital Offer will be exercisable at \$0.03 on or before 31 December 2025 and otherwise on the terms set out in Section 4.2.

The issue of the Options under the GBA Capital Offer is also conditional on receipt of Shareholder approval for the purposes of ASX Listing Rule 7.1 (to be sought at the General Meeting scheduled to take place around mid-September 2023). Accordingly, if Shareholder approval is not received the Company will not issue the Options.

No funds will be raised from the issue of the Options (other than funds received on exercise of the Options) pursuant to the GBA Capital Offer as the Options are being issued for nil cash consideration in part consideration for services provided by GBA Capital to the Company, pursuant to the Mandate and Underwriting Agreement.

Further details regarding the material terms of the Mandate and Underwriting Agreement are set out in Section 2.1. Only GBA Capital (or its nominee) will be eligible to apply for the Options under the GBA Capital Offer. Accordingly, the

Application Form for the GBA Capital Offer will be provided by the Company to GBA Capital only.

## 2.5 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus or can be accessed at [www.computersharecas.com.au/ADDoffer](http://www.computersharecas.com.au/ADDoffer). Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
<b>Take up all of your Entitlement</b>	<p>Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at <a href="http://www.computersharecas.com.au/ADDoffer">www.computersharecas.com.au/ADDoffer</a>.</p> <p><b>Please read the instructions carefully.</b></p> <p>Payment can be made by the methods set out in Section 2.6. As set out in Section 2.6, if you pay by BPAY you do not need to return the Entitlement and Acceptance Form.</p>	Section 2.6 and Section 2.7.
<b>Take up all of your Entitlement and also apply for Shortfall Securities</b>	<p>Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form.</p> <p><b>Please read the instructions carefully.</b></p> <p>Payment can be made by the methods set out in Section 2.6. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying.</p> <p>If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 2.9. Accordingly, your application for additional Shortfall Securities may be scaled-back.</p> <p>The Company's decision on the number of Shortfall Securities to be allocated to you</p>	Sections 2.6, 2.7 and 2.9.

Option	Key Considerations	For more information
	will be final.	
<b>Take up a proportion of your Entitlement and allow the balance to lapse</b>	<p>Should you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalized Entitlement and Acceptance Form for the number of Securities you wish to take up and making payment using the methods set out in Section 2.6 below. As set out in Section 2.6, if you pay by BPAY, you do not need to return the Entitlement and Acceptance Form.</p> <p>If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up that part of your Entitlement.</p>	Section 2.6 and Section 2.7
<b>Allow all or part of your Entitlement to lapse</b>	If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.	N/A

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

## 2.6 Payment options

### (a) **By BPAY®**

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to return the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your**

**responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

### **Guidance where you have more than one CRN (Shareholding of Shares)**

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

#### **(b) By Electronic Funds Transfer (overseas applicants)**

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to return the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (i) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (ii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

#### **(c) Other payment Methods and Refunds**

Payment will only be accepted by BPAY® or EFT (only for overseas Applicants) and receipts for payment will not be issued. Cash, bank drafts and cheques will not be accepted.

## **2.7 Implications of an acceptance**

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

## **2.8 Minimum subscription**

There is no minimum subscription.

## **2.9 Shortfall Offer**

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer. (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.019 being the price at which Shares have been offered under the Entitlement Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Entitlement Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 2.6.

Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement, details of which are set out in Section 2.1. If the Entitlement Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Securities by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. There is no guarantee that Eligible Shareholders will receive Securities applied for under the Shortfall Offer.

The Underwriter notes that no Securities will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Securities would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Securities will be issued via the Shortfall Offer to any related parties of the Company.

## **2.10 ASX listing**

Application for Official Quotation of the Securities offered pursuant to the Entitlement Offer will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

Application for Official Quotation of the Options offered pursuant to the Placement Offer and GBA Capital Offer will also be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to the Placement Offer and GBA Capital Offer before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Options under the Placement Offer and GBA Capital Offer.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

## **2.11 Issue of Securities**

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

## **2.12 Overseas shareholders**

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

### **New Zealand**

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### **Nominees and custodians**

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia, New Zealand,

Singapore, Germany, or the United Kingdom without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

### **2.13 Enquiries**

Any questions concerning the Offer should be directed to the Company Secretary, Leonard Math, on [leonard@adavaleresources.com](mailto:leonard@adavaleresources.com) or by telephone on +61 2 8003 6733.



### 3. PURPOSE AND EFFECT OF THE OFFERS

#### 3.1 Purpose of the Entitlement Offer

The purpose of the Entitlement Offer is to raise up to \$2,121,230 before costs.

In addition, the Company notes that ASIC Corporations (Sale Offers that Do Not Need Disclosure) Instrument 2016/80 provides that if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can also be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer. The Options are being issued with respect to the Entitlement Offer, free attaching to Shares issued under the Entitlement Offer.

The funds raised from the Entitlement Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Entitlement Offer	Full Subscription (\$)	%
1.	Nickel Project in Tanzania <sup>1</sup>	1,821,230	85.86
2.	Working capital <sup>2</sup>	200,000	9.43
3.	Expenses of the Offers <sup>3</sup>	100,000	4.71
	<b>Total</b>	<b>2,121,230</b>	<b>100%</b>

**Notes:**

1. The Company proposes to allocate these funds to the progression and development of the Kabanga Jirani Nickel Project in Tanzania (**Nickel Project**). In particular, the Company proposes to use the funds for a downhole EM (DHEM), RC and diamond drilling at the Nickel Project.
2. Funds allocated to working capital will be used for administration expenses of the Company, including director fees and salaries, and other corporate expenses.
3. Refer to Section 6.7 for further details relating to the estimated expenses of the Offers.

On completion of the Entitlement Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. The Company's primary focus is to continue to accelerate nickel exploration activities in Tanzania.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

In the event the Entitlement Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans. In this event (and after accounting for associated Offers costs) it is likely that the Company will appropriately scale back funds available for project work (item 1 in the Notes above) and general working capital.

The above table is a statement of the Board's current intentions as of the date of this Prospectus. However, Shareholders should note that as with any budget, intervening events including exploration success or failure, market and general economic conditions, as well as new circumstances, have the potential to

affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

### 3.2 Purpose of the Placement Offer and GBA Capital Offer

The issue of Options under the Placement Offer and GBA Capital Offer are being offered pursuant to this Prospectus so that the Options are freely tradeable from their date of issue, having been issued with disclosure for the purposes of section 707 of the Corporations Act.

In addition, the Company notes that ASIC Corporations (Sale Offers that Do Not Need Disclosure) Instrument 2016/80 provides that if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can also be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

The Options are being issued with respect to the Placement Offer, free attaching to Shares issued under the Placement and, with respect to the GBA Capital Offer, as part consideration for GBA Capital acting as lead manager of the Placement and underwriter of the Entitlement Offer. No funds will be raised under the Placement Offer and GBA Capital Offer (other than funds raised if the Options are subsequently exercised).

### 3.3 Effect of the Offers

The principal effect of the Offers (assuming all Entitlements are accepted in relation to the Entitlement Offer) and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$2,021,230 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers;
- (b) increase the number of Shares on issue from 558,218,340 Shares as at the date of this Prospectus to 799,862,008 Shares; and
- (c) increase the number of Options from 190,659,174 Options as at the date of this Prospectus to 302,302,842 Options (not including the Options under the Placement Offer and GBA Capital Offer to be issued following receipt of Shareholder approval at the General Meeting).

### 3.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

#### Shares

	Number
Shares currently on issue	558,218,340
Shares to be issued under the Entitlement Offer	111,643,668
Shares issued under the Placement Offer	130,000,000
<b>Total Shares on issue after completion of the Offers</b>	<b>799,862,008</b>

## Options

	Number
Options currently on issue	
Listed Options - \$0.03 on or before 31 December 2025	78,334,160
Unlisted Options - \$0.03 on or before 22 September 2023	98,325,014
Unlisted Options - \$0.03 on or before 3 August 2023	5,000,000
Unlisted Options - \$0.15 on or before 13 January 2025	9,000,000
<b>Total Options on issue as at the date of this Prospectus</b>	<b>190,659,174</b>
Options to be issued pursuant to the Entitlement Offer	111,643,668
<b>Total Options on issue after completion of the Entitlement Offer</b>	<b>302,302,842</b>
Options offered pursuant to the Placement Offer (subject to shareholder approval at the General Meeting)	130,000,000
Options to be issued under the GBA Capital Offer (subject to shareholder approval at the General Meeting)	18,000,000
<b>Total Options on issue after completion of the Offers and General Meeting</b>	<b>450,302,842</b>

## Performance Rights

	Number
Performance Rights currently on issue	11,250,000
Performance Rights offered pursuant to the Offers	Nil
<b>Total Performance Rights on issue after completion of the Offers</b>	<b>11,250,000</b>

### Notes:

1. The Performance Rights were granted to directors and executives of the Company with the following Classes.
  - a. 9,250,000 Class A Performance Rights expiring 31 December 2023 and will vest upon the Company achieving a Maiden JORC (2012) Inferred Resource of at least 1Mt of Ni at a minimum grade of 1.5% Ni on the Kabanga Jirani Nickel Project on or before 31 December 2023.
  - b. 2,000,000 Class B Performance Rights expiring 31 December 2023 and will vest upon the Company achieving a Maiden JORC (2012) Inferred Resource of at least 5Mlbs of U3O8 at a minimum grade of 300ppm U3O8 on the Lake Surprise Uranium Project on or before 31 December 2023.

## Convertible Notes

	Number
Convertible Notes currently on issue	117
Convertible Notes offered pursuant to the Offers	Nil
<b>Total Convertible Notes on issue after completion of the Offers</b>	<b>117</b>

### Notes:

1. Refer to the Notice of Meeting dated 31 March 2023 and the announcement dated 15 March 2023 for further information regarding the Convertible Notes on issue.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 760,127,631 Shares and on completion of the Offers and (assuming all Entitlements under the Entitlement Offer are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 1,261,414,967 Shares.

No Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

## 3.5 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2023 and the unaudited pro-forma balance sheet as at 30 June 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming the Placement has been completed and all Entitlements under this Offer are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Unaudited 30 June 2023 \$	Proforma Maximum raise \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	893,473	5,236,503
Other current assets	150,912	150,912
<b>Total current assets</b>	<b>1,044,385</b>	<b>5,387,415</b>

	Unaudited 30 June 2023 \$	Proforma Maximum raise \$
<b>Non-current assets</b>		
Plant and equipment	48,720	48,720
<b>Total non-current assets</b>	<b>48,720</b>	<b>48,720</b>
<b>Total assets</b>	<b>1,093,105</b>	<b>5,436,135</b>
<b>Current liabilities</b>		
Creditors and other payables	2,071,904	2,071,904
<b>Total current liabilities</b>	<b>2,071,904</b>	<b>2,071,904</b>
<b>Total liabilities</b>	<b>2,071,904</b>	<b>2,071,904</b>
<b>Net assets (liabilities)</b>	<b>(978,799)</b>	<b>3,364,231</b>
<b>Equity</b>		
Share capital	13,284,233	17,627,263
Options reserve	570,276	570,276
Retained loss	(14,833,308)	(14,833,308)
<b>Total equity</b>	<b>(978,799)</b>	<b>3,364,231</b>

**Notes:**

1. Proforma includes the proceeds from the Placement of 130,000,000 Shares at 1.9 cents per Share, raising a net proceed of \$2,321,800 (broker fees of \$148,200).
2. Proforma includes the maximum amount raised from the Entitlement Offer through the issue of approximately 111,643,668 Shares at 1.9 cents per Share. Net proceeds \$2,021,230 (costs of \$100,000).

---

## **4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES**

### **4.1 Rights and liabilities attaching to Shares**

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

#### **(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### **(c) Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.



(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 4.2 Terms of Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for 1 Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on 31 December 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment

of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Not more than 14 days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Quoted**

The Company will apply for quotation of the Options on ASX subject to meeting all requirements under the ASX Listing Rules.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

---

## 5. RISK FACTORS

### 5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

### 5.2 Company specific

Risk Category	Risk
<b>Potential dilution</b> for	<p>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 16.13% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>No immediate dilution will occur as a result of the issue of Options under this Prospectus pursuant to the Entitlement Offer. However subsequent exercise of any or all of the Options will result in dilution. Assuming all Options offered pursuant to this Prospectus under the Entitlement Offer are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 24% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers being implemented and the</p>

Risk Category	Risk
	<p>Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.025 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offers.</p> <p>The last trading price of Listed Options on ASX prior to the Prospectus being lodged of \$0.008 is not a reliable indicator as to the potential trading price of Listed Options after implementation of the Offers.</p>
<b>Going Concern</b>	<p>The Company's Financial Report for the Half-Year Ended 30 December 2022 (<b>Financial Report</b>) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>The Financial Report was prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Company incurred a net loss from continuing operations of \$2,291,714 for the period ended 31 December 2022.</p> <p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Entitlement Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short-term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long-term working capital costs of the Company.</p> <p>In the event that the Entitlement Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
<b>Political (Tanzania)</b>	<p><b>Risks</b></p> <p>The Company's operations at Kabanga Jirani Nickel Project and Luhuma Nickel Project are both located in Tanzania and will be subject to the various political, economic and other risks and uncertainties associated with operating in that country. These risks and uncertainties include, but are not limited to, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. The Company may also be</p>

Risk Category	Risk
	<p>hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.</p> <p>Any future material adverse changes in government policies or legislation in Tanzania that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on exploration, development, mining production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, local economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds uncertainties that cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.</p> <p>The legal systems in Tanzania may be less developed than in more established countries, which may result in risks such as political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute; a higher degree of discretion on the part of governmental agencies; the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards to local taxation and property rights; inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or relative inexperience of the judiciary and courts in such matters.</p> <p>The commitment by local business people, governmental officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for the Company. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness and enforcement of such arrangements cannot be assured.</p> <p>There can be no guarantee that the Company will be able to generate a positive return for its shareholders if an event occurs in Tanzania which materially adversely</p>

Risk Category	Risk
	affects the value of the Company, its assets and/or its business.
<b>Environmental Health and Safety matters</b>	<p>The Company's mining operations will be subject to extensive Australian health and safety and environmental laws and regulations which could impose significant costs and burdens on the Company (the extent of which cannot be predicted). These laws and regulations provide for penalties and other liabilities for violation of such standards and if established, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety and environmental laws and regulations and even permanently in the case of extreme breaches.</p> <p>Environmental laws in Tanzania are strict. Every activity from exploration through to mining requires compliance with the regulations for environmental protections in section 81 of the Environmental Management Act, 2004. Under section 81, an Environmental Impact Assessment Report is a mandatory requirement and the outcome of the assessment may be negative. It is expected that the Company's activities will have an impact on the environment, particularly at the time of advanced exploration and any mine development.</p> <p>It is in the interest of the Company to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. It is to be expected that there are certain risks inherent to the Company's activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to environmental liability.</p> <p>Tanzanian environmental laws are dynamic and can change over time. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future. Additional laws or regulations may materially increase the Company's cost of doing business or affect its operations. The cost and complexity of complying with any additional environmental laws and regulations may prevent the Company from being able to develop potentially viable mineral deposits.</p>
<b>Additional requirements for capital</b>	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available,</p>



Risk Category	Risk
	<p>may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<b>Exploration Costs</b>	<p>The exploration costs of the Company are based on certain assumptions with respect to method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, as a result, the actual costs may materially differ from these estimates and underlying assumptions will be realised in practice which may materially and adversely affect the Company's viability.</p>
<b>Exploration success</b>	<p>The Company's tenements in both South Australia and in Tanzania are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Company's tenements, or any other licences that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p>
<b>Operational Uncertainties</b>	<p>As with mining and processing operations they are subject to uncertainty with respect to (among other things) ore tonnes, mine grade, ground conditions, recovery and unanticipated metallurgical issues, mining performance, milling performance, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters. The occurrence of any of these circumstances could result in adverse production or financial performance.</p>
<b>Tenement applications and licence renewal</b>	<p>The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all.</p> <p>As announced by the Company on 14 September 2022, the Company has two Uranium Licences in South Australia, EL 5892 and EL 5893 (<b>Licences</b>) which are in a renewal process. The Company confirms that renewal for the Licences has been accepted and approved by the Department and the Company is awaiting receipt of the renewal confirmations.</p> <p>As at the date of this Prospectus, all tenements and licences held in Tanzania and South Australia are currently in good standing.</p>

Risk Category	Risk
<b>“Luhuma” Farm-in licences - Tanzania</b>	<p>The Company entered into a Farm-in Agreement to earn up to 100% of the Luhuma Nickel Project in Tanzania. The Company currently has the exclusive right to explore and evaluate the licenses for a period of 12 months. The licenses are subject to various milestone payments, and ongoing expenditure requirements.</p> <p>As at the date of this Prospectus, the Company has earned 65% interest in the project. The licences are at an early stage of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. The required ongoing expenditures may not result in exploration success from the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The Company is not the registered owner of the licenses and therefore the Company's ability to achieve its objectives in respect of the licenses is dependent upon it and the registered holder of the licenses complying with their obligations under the relevant earn-in agreements giving rise to the Company's interest, and on the registered holder complying with the terms and conditions of the licenses and any other applicable legislation.</p> <p>Any failure to comply with these obligations may result in the Company losing its interest in those licenses, which may have a material adverse effect on the Company's operations and the performance and value of the Shares.</p> <p>The Company has no current reason to believe that the registered owners of the Tenements will not meet and satisfy their respective obligations under the relevant agreements, the tenement conditions and other applicable legislation.</p> <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.</p>

### 5.3 Industry specific

Risk Category	Risk
Environmental	<p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no</p>

Risk Category	Risk
	<p>guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
<b>Mine development</b>	<p>Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its project.</p> <p>The risks associated with the development of a mine will be considered in full should the projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
<b>Occupational health and safety</b>	<p>The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.</p>
<b>Operational</b>	<p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport,</p>

Risk Category	Risk
	<p>difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.</p> <p>In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
<b>Safety</b>	<p>Safety is a fundamental risk for any exploration and production company in relation to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations.</p> <p>Damage occurring to third parties as a result of such risks may give rise to claims against the Company.</p>
<b>Commodity price volatility and exchange rate</b>	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p>
<b>Access</b>	<p>The Company's access to the tenements may be affected by landholder and pastoralist approvals, native title rights and/or the terms of native title agreements. While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to the tenements in which it has an interest will remain unfettered in the future.</p>

#### 5.4 General risks

Risk Category	Risk
<b>Economic conditions and other global or national issues</b>	<p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development, and production activities, as well as on its ability to fund those activities.</p>

Risk Category	Risk
	<p>Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics may have an impact on the Company's exploration, development and production activities, as well as on its ability to fund those activities. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.</p>
<b>Ukraine conflict</b>	<p>The current conflict between Ukraine and Russia (<b>Ukraine Conflict</b>) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.</p> <p>The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.</p>
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook in both Australia and Internationally;</li> <li>(b) introduction of tax reform or other new legislation, regulation or policy;</li> <li>(c) changes in exchange rates, interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) the global security situation and the possibility of terrorist disturbances or other hostilities.</li> </ul> <p>Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
<b>Litigation risks</b>	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and</p>

Risk Category	Risk
	<p>employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.</p> <p>The Company is not currently engaged in any litigation.</p>
<b>Dividends</b>	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
<b>Taxation</b>	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
<b>Reliance on key personnel</b>	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>

## 5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.



---

## **6. ADDITIONAL INFORMATION**

### **6.1 Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### **6.2 Continuous disclosure obligations**

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with the ASIC;
  - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
  - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
25 July 2023	ADD Replicates Maiden Massive Nickel Sulphide Intersection
25 July 2023	Application for quotation of securities - ADD



Date	Description of Announcement
24 July 2023	Trading Halt
21 July 2023	Cleansing Notice
21 July 2023	Application for quotation of securities - ADD
21 July 2023	Update - Proposed issue of securities - ADD
21 July 2023	Drilling Program Benefits from Increased Placement
19 July 2023	Proposed issue of securities – ADD
19 July 2023	Successful Placement Facilitates Ongoing Drilling Program
17 July 2023	Trading Halt
17 July 2023	Third Drillhole for Massive Nickel Sulphides Underway
11 July 2023	Cleansing Notice
11 July 2023	Application for quotation of securities – ADD
11 July 2023	Assays Confirm Massive Nickel Sulphides at Luhuma Central
4 July 2023	Cleansing Notice
4 July 2023	Application for quotation of securities - ADD
4 July 2023	Change of Director's Interest Notice x 3
3 July 2023	Notification of cessation of securities – ADD
29 June 2023	Broker Briefing Mining and Resources Investor Webinar
23 June 2023	ADDOA Top 20 and Distribution Schedule
23 June 2023	Application for quotation of securities – ADD
21 June 2023	Gold Coast Investment Showcase Presentation
19 June 2023	ADD Continues to Intersect Zone of Strong Nickel Sulphide
8 June 2023	Second Luhuma Central Hole Commenced at Kabanga Jirani
7 June 2023	Prospectus
6 June 2023	Investor Webinar – Kabanga Jirani Nickel Project Drilling
6 June 2023	Massive Nickel Sulphides Intersected at Kabanga Jirani
5 June 2023	Trading Halt
25 May 2023	Cleansing Notice
25 May 2023	Application for quotation of securities – ADD
25 May 2023	Notification regarding unquoted securities – ADD
22 May 2023	Geologically Significant Nickel Sulphide Licence Granted
9 May 2023	Investor Presentation

Date	Description of Announcement
3 May 2023	Results of Meeting
1 May 2023	Drilling Program Recommences – Kabanga Jirani Nickel Project
28 April 2023	Quarterly Activities and Cashflow Report
4 April 2023	Nickel Sulphide Drill Targets and 15km Soil Anomaly Defined
31 March 2023	Notice of General Meeting/Proxy Form
28 March 2023	Change of Director's Interest Notice
24 March 2023	Notification regarding unquoted securities – ADD
21 March 2023	Change of Director's Interest Notice
15 March 2023	Half Year Accounts
15 March 2023	Proposed issue of securities – ADD
15 March 2023	Proposed issue of securities – ADD
15 March 2023	Financing secured to Progress Kabanga Jirani Nickel Project
13 March 2023	Investor Presentation
13 March 2023	Trading Health
3 March 2023	Initial Lake Surprise Drilling Project Yield Results
6 February 2023	Investor Presentation – Cape Town
2 February 2023	Cleansing Notice
2 February 2023	Application for quotation of securities – ADD
1 February 2023	Drilling Underway at Lake Surprise Uranium Project
30 January 2023	Quarterly Activities and Cashflow Report
27 January 2023	Nickel Sulphide Host Rocks Intercepted at Kabanga Jirani
24 January 2023	Strategic Expansion of Kabanga Jirani Nickel Project
4 January 2023	Notification of cessation of securities – ADD
23 December 2022	Notification of cessation of securities – ADD
7 December 2022	Exploration Update – Kabanga Jirani Nickel Project
29 November 2022	Annual General Meeting Results
24 November 2022	RIU Resurgence Conference Presentation
23 November 2022	Approval Received for Drilling Lake Surprise Uranium Project
7 November 2022	Change of Director's Interest Notice x 3
3 November 2022	Notification regarding unquoted securities – ADD
31 October 2022	Quarterly Activities and Cashflow Report

Date	Description of Announcement
28 October 2022	Notice of Annual General Meeting/Proxy Form
28 October 2022	Diamond Drilling Underway at Kabanga Jirani Nickel Project
27 October 2022	Corporate Governance Statement and Appendix 4G
27 October 2022	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.adavaleresources.com/](http://www.adavaleresources.com/).

### 6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.034	14 June 2023
Lowest	\$0.011	27 March 2023
Last	\$0.025	24 July 2023

### 6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:

- (i) the formation or promotion of the Company; or
- (ii) the Offers.

### **Security holdings**

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

### **Remuneration**

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2022 and 2023 Annual Report.

Director	FY ending 30 June 2022	FY ending 30 June 2023
Grant Pierce	\$99,500 <sup>1</sup>	\$72,000
David Riekie	\$144,637 <sup>2</sup>	\$150,000
John Hicks	\$86,919 <sup>3</sup>	\$48,000

#### **Notes:**

1. Total remuneration consists of:
  - (a) Salary and fees: \$52,637;
  - (b) Superannuation: \$1,363; and
  - (c) Incentives: \$45,500 comprising 15,000,000 Performance Rights and 9,000,000 Unlisted Options.
2. Total remuneration consists of:
  - (a) Salary and fees: \$90,387; and
  - (b) Incentives: \$54,250 comprising 15,000,000 Performance Rights and 9,000,000 Unlisted Options.
3. Total remuneration consists of:
  - (a) Salary and fees: \$41,419; and
  - (b) Incentives: \$45,500 comprising 15,000,000 Performance Rights and 9,000,000 Unlisted

Options.

## **6.5 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$80,602.50 (excluding GST and disbursements) for legal services provided to the Company.

For services as Underwriter of the Entitlement Offer, GBA Capital will be paid a fee of 6% of the Underwritten Amount and 8,000,000 Options exercisable at \$0.03 each on or before 31 December 2025. For services as lead manager of the Placement, GBA Capital will be paid a 6% placement fee on the total funds raised under the Placement and 10,000,000 Options exercisable at \$0.03 each on or before 31 December 2025.

## **6.6 Consents**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus,

with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

GBA Capital has given its written consent to being named as the Underwriter to the Entitlement Offer in this Prospectus.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

## 6.7 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$100,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	10,000
Legal fees	20,000
Underwriting fee	48,000
Printing and distribution	18,794
<b>Total</b>	<b>100,000</b>

## **6.8 Directors' Authorisation**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

## 6.9 Glossary

**\$** means the lawful currency of the Commonwealth of Australia.

**Applicant** means an Eligible Shareholder who submits and Entitlement & Acceptance Form and/or payment of Application Monies.

**Application Form** means an Entitlement and Acceptance Form or Shortfall Application Form or an application form for the Options offered under the Placement Offer or GBA Capital Offer as the context requires.

**Application Monies** means monies paid by Eligible Shareholders in respect of the Shares the subject of an Application Form.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**CHESS** means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd (ACN 008 504 532).

**Closing Date** means the date specified in the timetable set out at Section 1 (unless extended).

**Company** means Adavale Resources Limited (ACN 008 719 015).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**CRN** means Customer Reference Number in relation to BPAY®.

**Directors** means the directors of the Company as at the date of this Prospectus.

**Eligible Shareholder** means a Shareholder as at the Record Date who is eligible to participate in the Entitlement Offer.

**Entitlement** means the number of Shares for which an Eligible Shareholder is entitled to subscribe for under the Entitlement Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Entitlement Offer** means the non-renounceable entitlement issue the subject of this Prospectus.



**Exercise Price** means the exercise price of the Options being \$0.03.

**General Meeting** means a meeting of the Company's Shareholders to consider resolutions to approve the issue of the Options to Participants in the Placement and the Options to be issued under the GBA Capital Offer intended to be held in mid-September 2023.

**Ineligible Shareholder** means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

**Offer** means the non-renounceable entitlement issue the subject of this Prospectus.

**Official Quotation** means official quotation on ASX.

**Option** means an option issued on the terms set out in Section 4.2 and an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Performance Right** means a right to subscribe for a Share upon vesting of specified performance conditions.

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at Section 1.

**Section** means a section of this Prospectus.

**Securities** means Shares and Options.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Shortfall** means the Securities not applied for under the Offer (if any).

**Shortfall Application Form** means the Shortfall Offer application form either attached to or accompanying this Prospectus.

**Shortfall Offer** means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.9.

**Shortfall Securities** means those Securities not applied for under the Entitlement Offer (if any) and offered pursuant to the Shortfall Offer.

**Underwriter** means GBA Capital Pty Ltd.

**WST** means Western Standard Time as observed in Perth, Western Australia.