ASX ANNOUNCEMENT/MEDIA RELEASE

19 January 2024

Kabanga Jirani 2024 Exploration to Capitalise on Encouraging 2023 Results

- **Exploration program for 2024 at the Kabanga Jirani Nickel Project in Tanzania currently being finalised.**
- **Program being evaluated includes but not limited to:**
    - **Detailed, deep penetrating ground EM at HEM 4 and potential follow-up drill testing;**
    - **Completion of DDLUHC006 at Luhuma Central;**
    - **Testing coincident geochemical and geophysical anomaly at HEM 2E;**
    - **Follow-up evaluation of historical massive sulphide intersections about HEM 2NE;**
    - **Prioritisation of new targets for testing from Adavale's extensive regional geophysical and geochemical data sets.**

Adavale Resources Limited (ASX: ADD) ("**Adavale**" or "the **Company**") is pleased to provide an update on 2024 exploration plans based on this summary of 2023 exploration work undertaken at the Kabanga Jirani Nickel Project in Tanzania. In addition to these activities and targets tested in 2023, a wealth of other targets generated by the regional geophysical surveys completed by Adavale in 2022 and 2023 remain to be followed-up.

Adavale's Executive Director, David Riekie commented:

"The Company's exploration in 2023 provided a valuable understanding of the various exploration targets, in particular the Luhuma Central massive sulphide target. To date, all Luhuma Central drill holes drilled to planned depth have intersected nickel sulphide mineralisation within an EM anomaly with a 700m strike extent.

"HEM 4 was also tested in 2023 involving RC drilling of coincident soil and geophysical anomalies and remains highly prospective. Six of the nine completed RC holes at HEM 4 confirmed the anomalies are associated with prospective mafic rock types, including ultramafic in one of the drill holes.

"The Company looks forward to 2024 where our initial focus will be at Luhuma Central, HEM 4, as well as other potential targets at HEM 2E and HEM2 NE. Longer term, the Company is keen to begin work on the multitude of other target areas identified by our regional geophysical surveys completed in 2022 and 2023."

ASX: ADD

ABOUT ADAVALE

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

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2023 EXPLORATION SUMMARY

Soil Geochemistry

During 2023, a further 10,400 soil samples (shown in pale blue in Figure 1) were collected. In many instances the 2023 programs supplemented earlier Adavale soil programs (shown in dark blue in Figure 1) targeting historic BHP airborne magnetic and EM anomalies to determine possible extensions to the soil anomalies identified from the first phase of sampling.

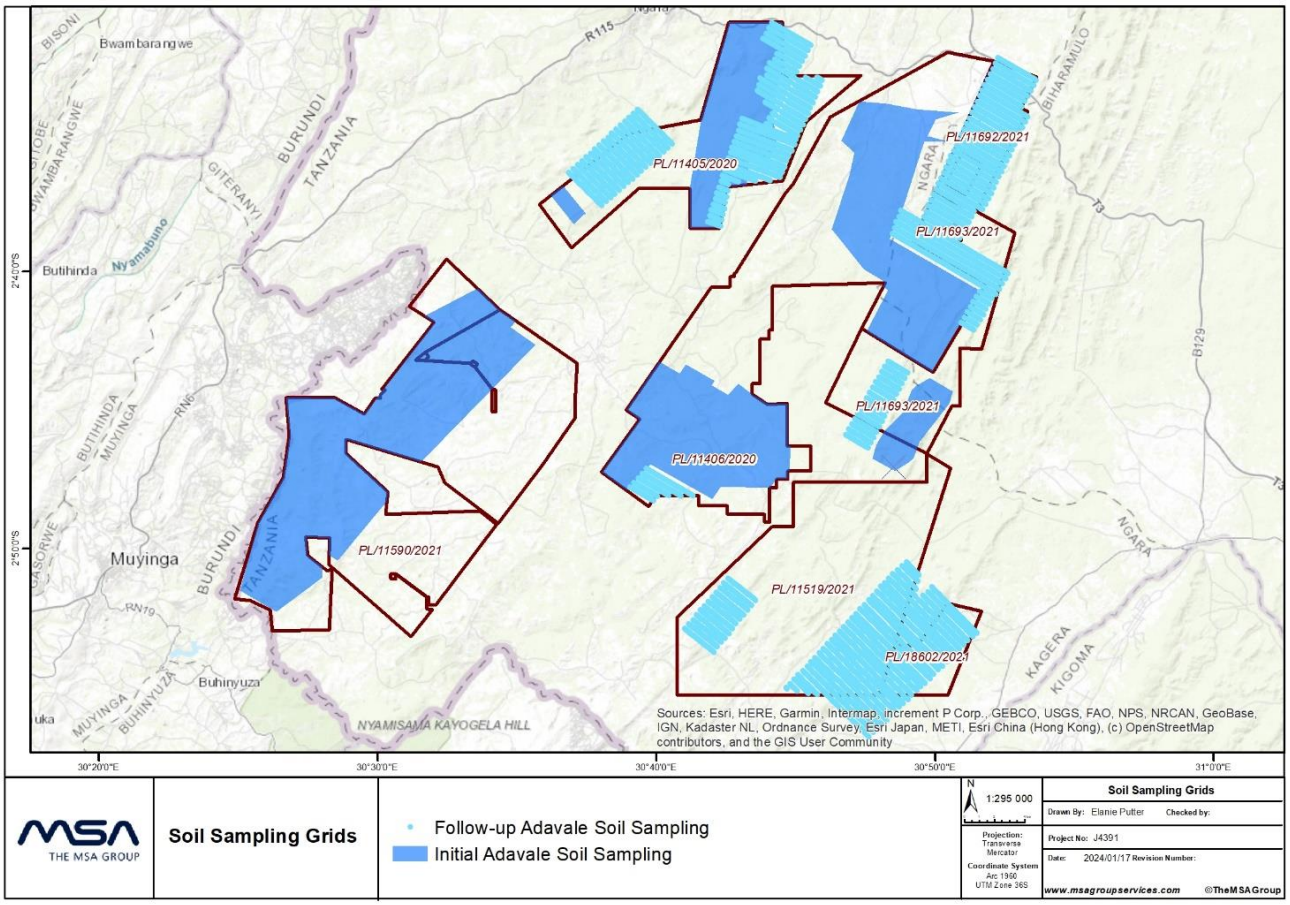

Figure 1: *Location of 2023 soil sample surveys in pale blue*

The combined soil sampling programs enabled the anomalies highlighted in Figure 2 to be identified.

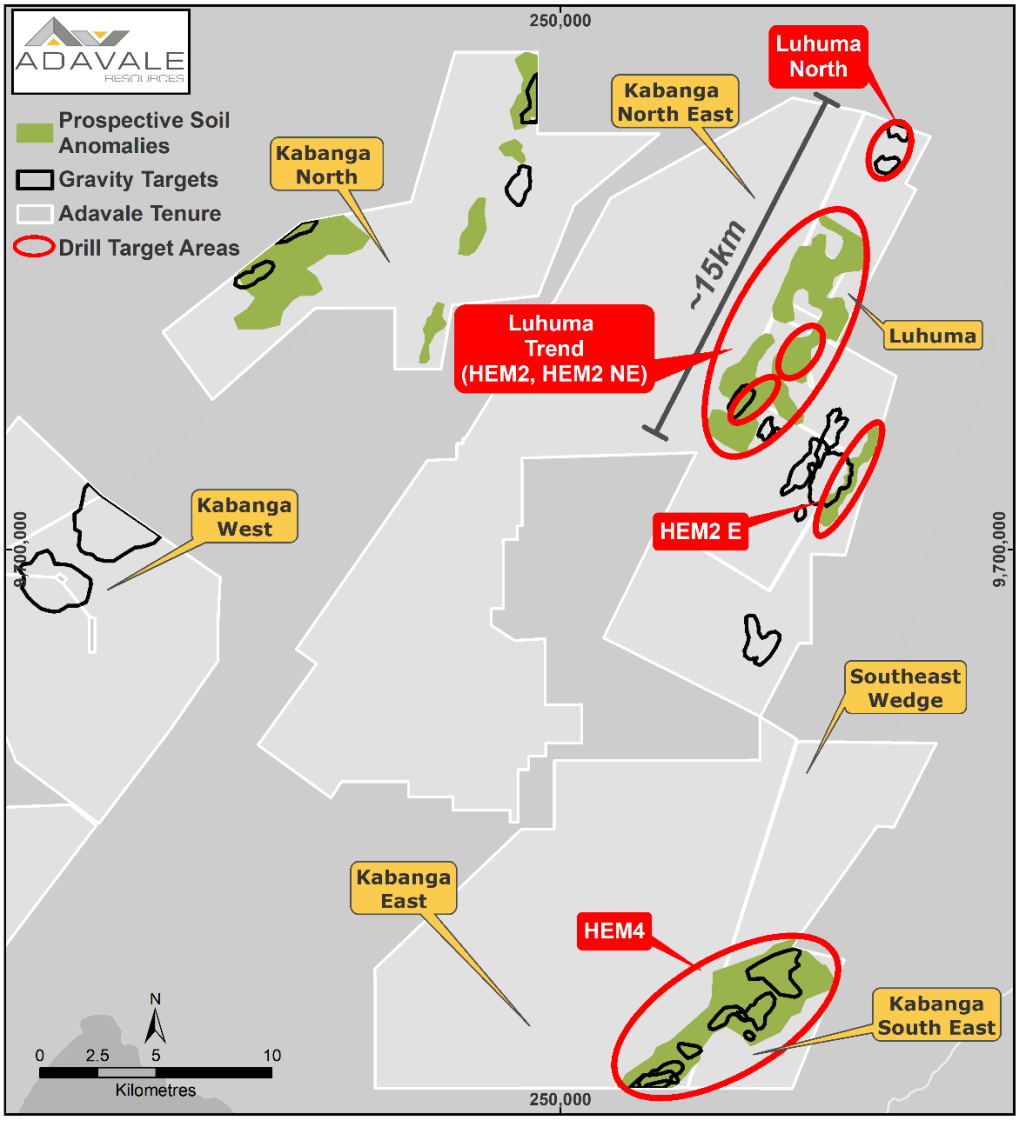

Figure 2: *Geochemical anomalies (based on anomalous Ni and Cu values)*

Diamond Drilling

Diamond drilling during 2023 focussed on testing massive sulphide mineralisation at Luhuma Central (part of the much broader Luhuma Trend – Figure 2). AMT and ground EM data was initially used to guide drill hole positioning. Following subsequent DHEM surveys undertaken on completed drill holes, it was found that the modelled EM plates coincided closely with each subsequent massive sulphide intersection.

The geometry of the massive sulphides and host intrusion has been modelled using Leapfrog as shown below in Figure 3. All five completed Luhuma Central drill holes intersected massive sulphide mineralisation, represented by the red plane that dips more-or-less conformably with the base of the intrusion at approximately 45 degrees to the west. Drill hole traces within the intrusion are purple regardless of lithotype except for the pink section in DDLUHC005 which reflects a broad zone of intersected disseminated sulphide mineralisation. The solid greyish zones reflect hanging and footwall metapelites with surface overburden shown in brown.

Importantly, the downdip extent of the massive sulphide mineralisation remains open.

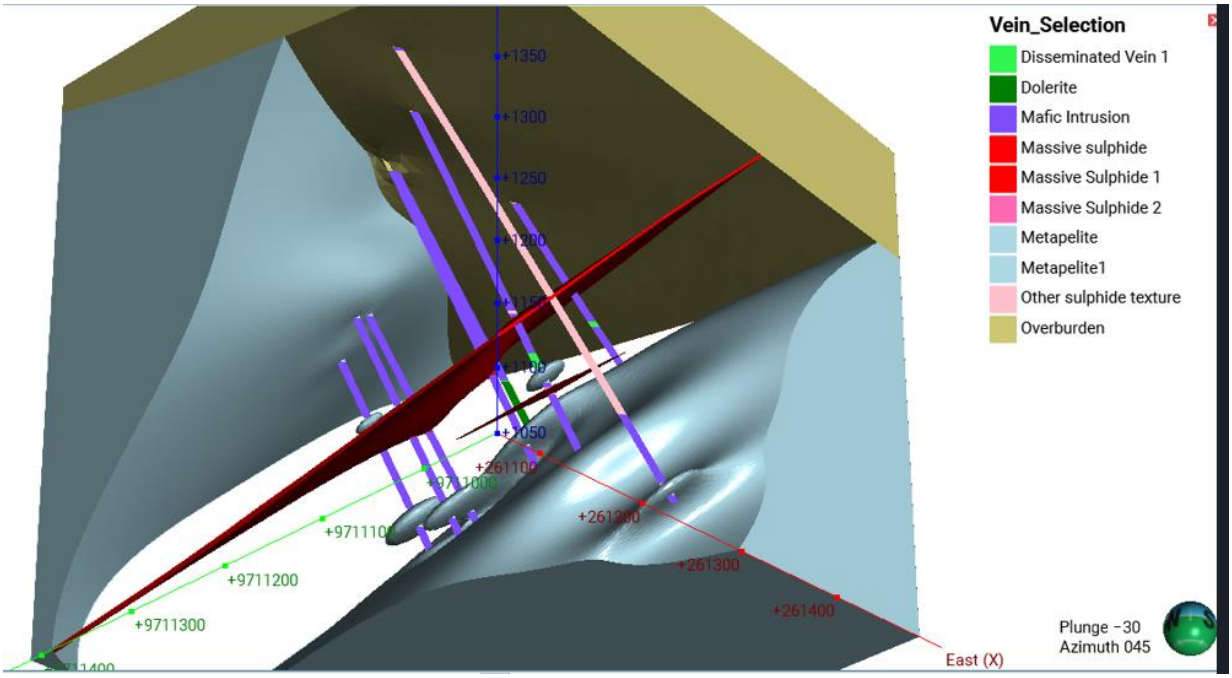

***Figure 3**: Leapfrog model of massive sulphide vein*

Recent petrographic studies performed on samples from drill holes DDLUHC004 and DDLUHC005 confirm the ultramafic character of the Luhuma Central intrusion with thin sections taken over broad intervals being described as either harzburgite or lherzolite which contain up to 50% olivine. Olivine is the source of Ni, making olivine bearing rocks prospective for Ni sulphide deposits.

Importantly, the petrographic descriptions support Adavale's previously reported observation that the magnesium (MgO) content of the Luhuma Central intrusion appears to be increasing towards the south, possibly reflecting increasing prospectivity in this direction (*refer to Adavale ASX announcement dated 2 November 2023 Ground EM Highlights Potential 700m of Strike Extend of Nickel*).

DDLUHC006 located to the south of DDLUHC005 towards the southern end of the 700m long Luhuma Central EM anomaly encountered technical difficulties at the end of the year and will be redrilled in 2024 at no additional cost to the Company.

RC Drilling – HEM 4

Geochemical soil survey coverage was extended during the year to cover a broad series of coincident gravity, magnetic and heliborne EM anomalies previously outlined at HEM 4. The expanded soil sampling program was undertaken to assist planning a RC program to determine if any of the anomalies were underlain by favourable, Ni prospective lithologies (Figure 4). Following completion of the soil sampling program a total of nine RC holes were completed about HEM 4. Six of the nine RC drill holes (RCKE016, 17, 19, 22, 23 and 24) ended in favourable mafic lithologies, with one of the six holes (RCKE022) at HEM 4 West ending in ultramafic (Figure 5).

Adavale considers the RC drill results about HEM 4 to be sufficiently encouraging to justify further work in 2024. A detailed follow-up program of ground EM is currently being planned and budgeted to cover the more prospective HEM 4 areas. The aim of the program will be to explore for and locate any strong EM conductors associated with the more prospective lithologies identified by the RC drill program.

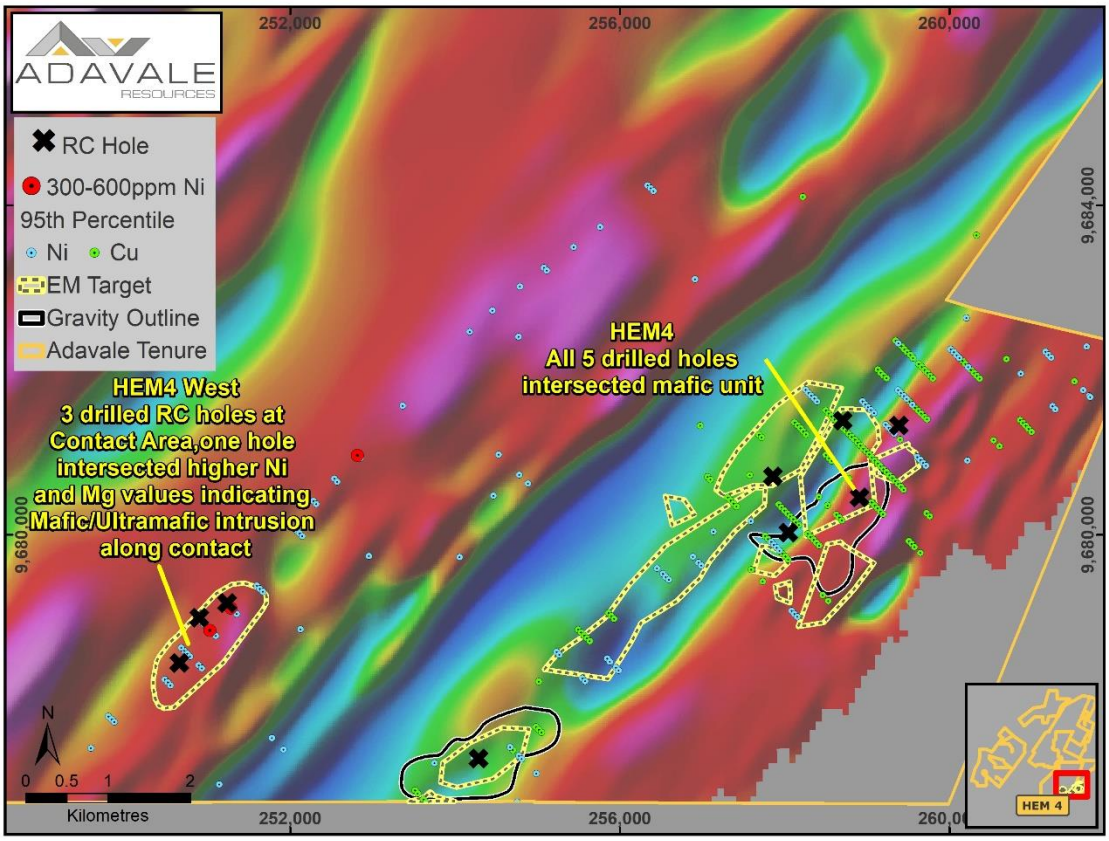

***Figure 4**: Location of RC overlain on airborne magnetics with Ni and Cu soil anomalies*

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

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Competent Persons Statement

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

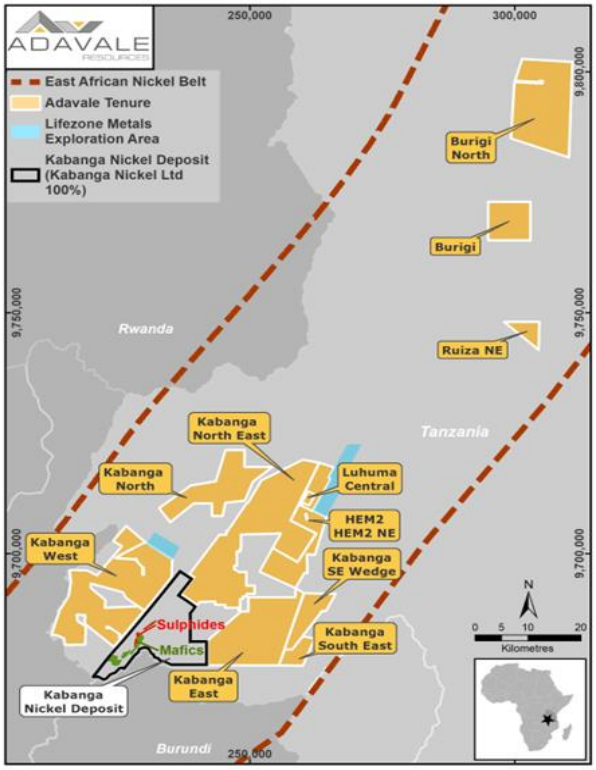
Forward looking statements

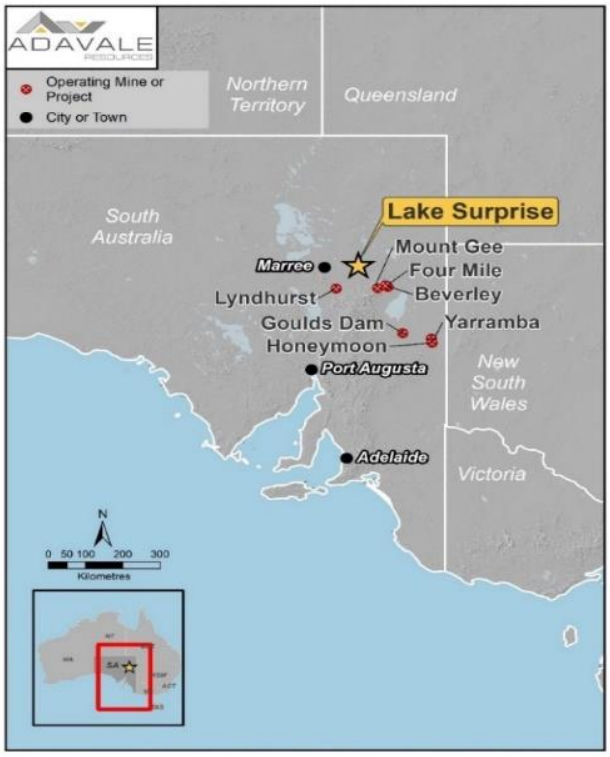
This document contains forward-looking statements concerning Adavale. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other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

ABOUT ADAVALE

Adavale Resources Limited (ASX:ADD) is a nickel sulphide exploration company that holds 100% of the Kabanga Jirani Nickel Project, a portfolio of 12 highly prospective granted licences covering ~1,216km^2 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^2 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.





Appendix 1

Adavale Resources Limited – Reverse Circulation and Diamond Drilling Program - Kabanga Jirani Nickel Project JORC Code Edition 2012: Table 1

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	RC drilling is conducted primarily to identify the presence of mafic/ultramafic intrusions or to pre-collar ahead of converting to diamond drilling. RC chips that are identified as mafic or ultramafic are initially analysed with a pXRF, but representative samples are also submitted to ALS (South Africa) for analyses by ICP MS. For RC analyses sampling is not representative of the broader geological horizons and simply represents values derived from select points. The pXRF has been calibrated using the AMIS standards AMIS0315, AMIS0317, AMIS0319, AMIS0329, AMIS384 and AMIS0367. Standards used to verify quality of results measured include AMIS0317 and AMIS0315. If mineralisation is intercepted with RC drilling than RC material will be captured for every metre drilled. The material is put through a riffler and one third is taken for further analyses where it is sieved to remove the chips which are stored in a chip tray. Both the fines and the chips are logged and analysed using the pXRF to record Ni values. MgO values are also noted for each lithological interval. Any mineralised fines will be submitted for analyses using aqua regia digest. All sampling equipment must be cleaned between samples to prevent contamination. SG is calculated at site using a pycnometer and measurements are taken systematically down the drillhole. This is used to reconcile intercepted lithologies against the modelled gravity anomalies to verify that the causative source has been intercepted. For diamond drilling sampling takes place as follows: Core is aligned and a cutting line is drawn to prevent sampling bias. Samples are marked off in pre-defined intervals of 1 m or smaller if required to honour lithological contacts. The core is split along the china marker reference line. The sampling depth and sample ID are then transferred onto the half core remaining so that the core can be revisited and act as a reference. The remaining sampled half of the core is then submitted to an accredited laboratory (ALS South Africa) along with QAQC samples which will form 15% of all samples submitted and will include certified blanks and Ni standards.

Criteria	JORC Code Explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Combination of RC and diamond drilling using NQ sized core. Current depth limit of RC drilling is 150m and for diamond drilling is 600m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	**For RC Drilling** Bulk sample retrieved from the cyclone, sample is put through the riffler and 2 to 3 kg sample retrieved for analyses (if required). Chips from this sample are extracted by washing some of the sample material – these chips are placed in a chip tray in order to keep a record of lithologies for each metre drilled. The riffler is cleaned with compressed air between sample collection to prevent contamination. **For Diamond Drilling** RQD measurements are taken of core to record recovery. Nature of mineralisation is not nuggety and prone to strong variations in grade that correlate to core loss or loss of fines. Sample length may be compromised when drilling through massive sulphides where core loss is often prevalent.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	The following is recorded for each interval in the lithology log: Borehole ID, From and to depths, lithology code, weathering, colour, grain size, rock texture and contact type and angle. The following is recorded for each mineralized interval in the mineralisation log: borehole ID, from and to depths, mineralisation type, mineralisation style and mineralisation abundance (usually as a sulphide percentage) Chips from RC drilling are stored in a chip tray with a representative sample captured for every metre.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Drill core has been cut in half with half core remaining in the core tray and the other half submitted to the laboratory. Where the lithology is uniform samples are taken at 1 m intervals otherwise sample lengths are dictated by geological contacts. RC material has been captured for every metre drilled. For details of sampling technique see “Sampling techniques” section.

Criteria	JORC Code Explanation	Commentary
	• *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Core samples will be analysed by SGS Tanzania and/or ALS laboratory in South Africa. An aqua regia digest will be used to avoid the inclusion of silicate Ni. CRM's, blanks and standards have been inserted to verify laboratory accuracy, precision or bias. QAQC samples will form 15% of all samples submitted. In some instances a four-acid digest will also be used and some samples may be analysed by SGS in Tanzania.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Chips from RC drilling are stored in a chip tray with a representative sample captured for every metre to enable check sampling to be undertaken. All logging and pXRF readings have been undertaken by a senior exploration personnel. Primary data was collected in the core shed using a set of standard logging templates and entered into a tablet with tailor made dropdown menus. The data is forwarded to their independent data management consultant (MSA) for validation and loading into the company's drilling database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	The drillhole collars were surveyed with a handheld GPS unit with an accuracy of 5m which is considered sufficiently accurate for the purpose of the drillhole. All co- ordinates are expressed in Arc1960.

Criteria	JORC Code Explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	No regular drill hole spacing has been set with individual holes design to intersect specific targets. Diamond drillholes were designed to test coincident gravity, Geochemical and HEM/DHEM and AMT anomalies.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drillholes are designed to intercept conductors orthogonally if possible or alternatively to drill through the EM anomalies.
Sample security	• *The measures taken to ensure sample security.*	Samples are kept in the core shed and then delivered in person by the geologist to the courier company from where they are dispatched to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	Internal audits/reviews of procedures are ongoing, however no external reviews have been undertaken.

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The Kabanga Jirani Nickel Project located in Tanzania covering 1,215.97km^2 comprises of ten granted licences, all are 100% owned by Adavale Resources as follows: PL 11406 298 km^2 Kabanga Northeast PL 11886 23 km^2 Kabanga Southeast PL 11405 114 km^2 Kabanga North PL 11538 64 km^2 Burigi PL 11537 194 km^2 Burigi North PL 11591 182 km^2 Kabanga East PL11590 273 km^2 Kabanga West PL11592 19.4 km^2 Ruiza Northeast PL 12175 44.83 km^2 Southeast Wedge PL 23980/2023 3.74 km^2 Luhuma Central In addition, there are two licences with farm-in agreements (65% ownership interest) PL11692 26 km^2, Luhuma North PL11693 73 km^2, Luhuma South
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Not applicable, not referred to.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The exploration target is a magmatic Ni-Cu-PGE sulphide with the same genesis to the Kabanga N-Cu-PGE sulphide deposit that the licences are adjacent to.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar*	**DDLUHC 001** Easting 261206 Northing 9711222 Elevation 1508 Azimuth: 120

Criteria	JORC Code Explanation	Commentary
	• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Dip: 60° EOH: 300.9m **DDLUHC 002** Easting 261267 Northing 9711177 Elevation 1513 Azimuth: 120 Dip: 60° EOH: 451.3m **DDLUHC 003** Easting 261182 Northing 9711297 Elevation 1515 Azimuth: 115 Dip: 60° Planned EOH: 361.3m **DDLUHC 004** Easting 261149 Northing 9711143 Elevation 1512 Azimuth: 120 Dip: 65° EOH: 386m **DDLUHC 005** Easting 261084.4 Northing 9711109.9 Elevation 1512 Azimuth: 130 Dip: 60° EOH: 501.1m **DDLUHC 006** Easting: 260984 Northing: 9710873 Elevation 1512 Azimuth 115, EOH: 450m

Criteria	JORC Code Explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Assay results from drilling are weighted according to sample length.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Not applicable – insufficient data available at this point to describe relationship between mineralisation widths and intercept length.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Plan views and cross-sections have been provided
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Once laboratory results are received more comprehensive reporting will be submitted.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No other material information that hasn't been reported.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Diamond and RC drilling is continuing, and new drill hole collars will be finalised based on drill results and as new geophysical data is modelled.