

Adavale Continues to Expand Uranium Footprint in South Australia

- Binding agreement executed to acquire EL6890 covering 599km²
- Adavale's South Australian Uranium tenement holdings increase to 2,657km²
- EL6890 contiguous with Adavale's existing Mundowdna South and Lake Surprise Project areas
- Kilonova acquisition now unconditional and subject to shareholder approval in June 2024
- Adavale's technical team to be bolstered by Messrs Terry Topping and Andy Rust (Kilonova) as specialist uranium consultants
- Results from recently completed Mundowdna and Mundowdna South maiden exploration program due in coming weeks
- Preparation of comprehensive follow-up programs underway and will include the Kilonova acquisition grounds (MacDonnell Creek and George Creek)
- Recent passing by the US Senate of the bipartisan bill to ban Russian uranium imports gives further tailwind to the Uranium sector

Adavale Resources Limited (ASX: ADD) ("or the Company") is pleased to advise that it has further expanded its Uranium portfolio in South Australia after executing a binding Heads of Agreement (HoA) with Coast Exploration Pty Ltd to acquire 100% interest on EL6890. The key terms of the HoA are summarised in Appendix 1. The exploration license covers 599km² and is strategically significant, being contiguous to the Company's existing Mundowdna and Lake Surprise project areas.

Adavale's Executive Director, David Riekie commented:

"Following the recent acquisition of EL6553 from Kilonova, we have again strategically expanded our uranium portfolio in South Australia. The acquisition of EL6890 from Coast encompasses the exploration opportunity we identified between the Mundowdna and Lake Surprise project areas that highlighted the continuation of the palaeochannel systems shedding off the northern Flinders Ranges.

"With the results from our recently completed maiden Mundowdna program due over the coming weeks, we are adopting a systematic exploration approach designed to pinpoint the areas of greatest prospectivity for drilling. We intend to scale up our exploration effort over the coming months to encompass the whole of Adavale's uranium tenement package.

"We are also delighted to advise that the Kilonova transaction has gone unconditional, which has enabled Adavale to secure the consulting services of two quality uranium specialists in Terry Topping and Andy Rust to assist with the next stages of our uranium exploration in South Australia."

Directors & Officers

GRANT PIERCE
Chairman

DAVID RIEKIE
Executive Director

JOHN HICKS
Non-Executive Director

ALLAN RITCHIE
CEO

LEONARD MATH
CFO & Company Secretary

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Exploration Licence 6890 “The Hook”

Covering a total area of 599km², EL6890 establishes a contiguous landholding between Adavale’s existing Mundowdna South and Lake Surprise project areas (Figure 1). The renewed interest in the uranium potential about the northern Flinders Ranges in South Australia due to increased uranium price is significant and reflected by the extensive licence coverage over the region (Figure 2).

The acquisition of EL6890 within this emerging uranium region lifts Adavale’s 100% owned tenure to 2,657km², making it one of the largest public-listed licence holders in the region.

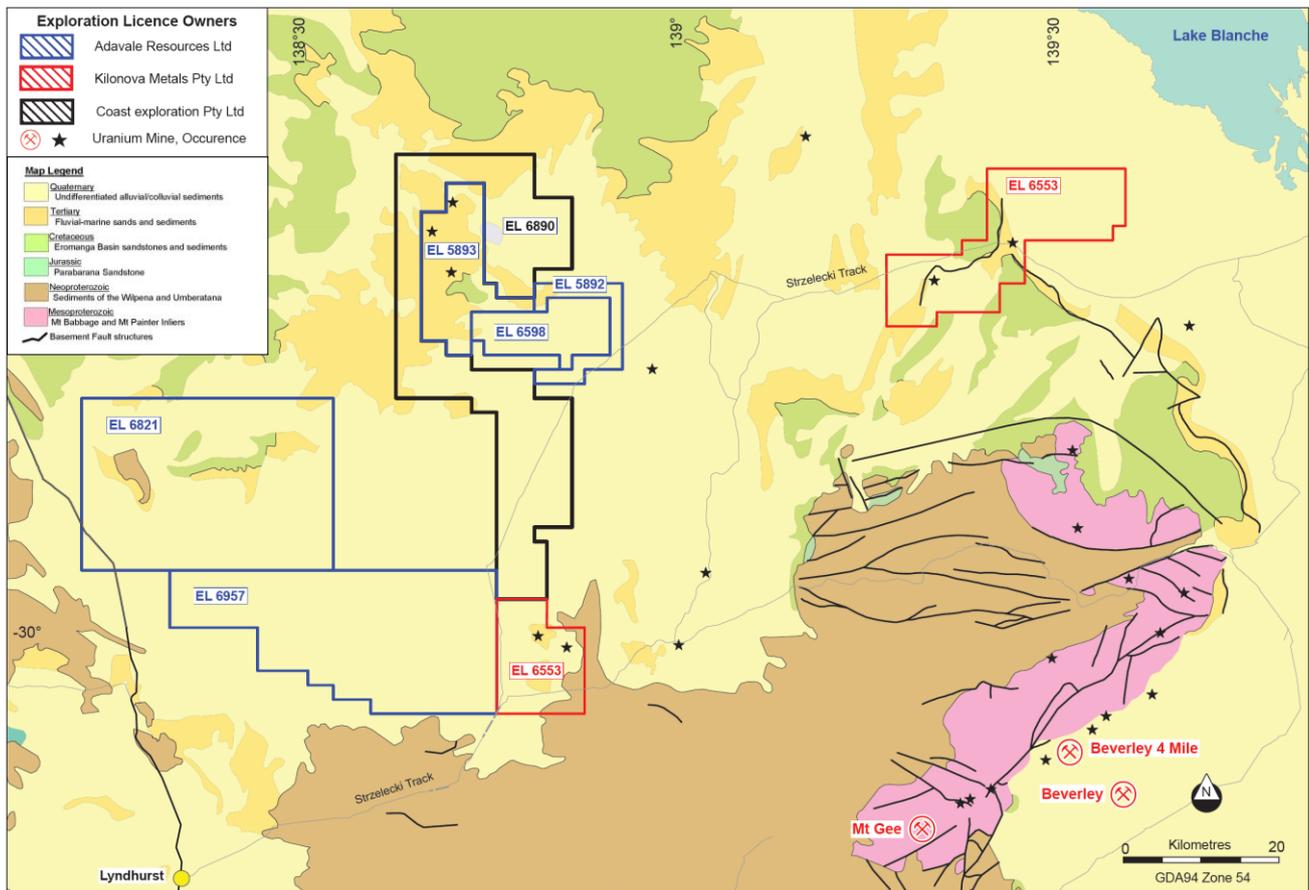


Figure 1: Adavale – Tenement location Plan new EL6890 outlined in black.

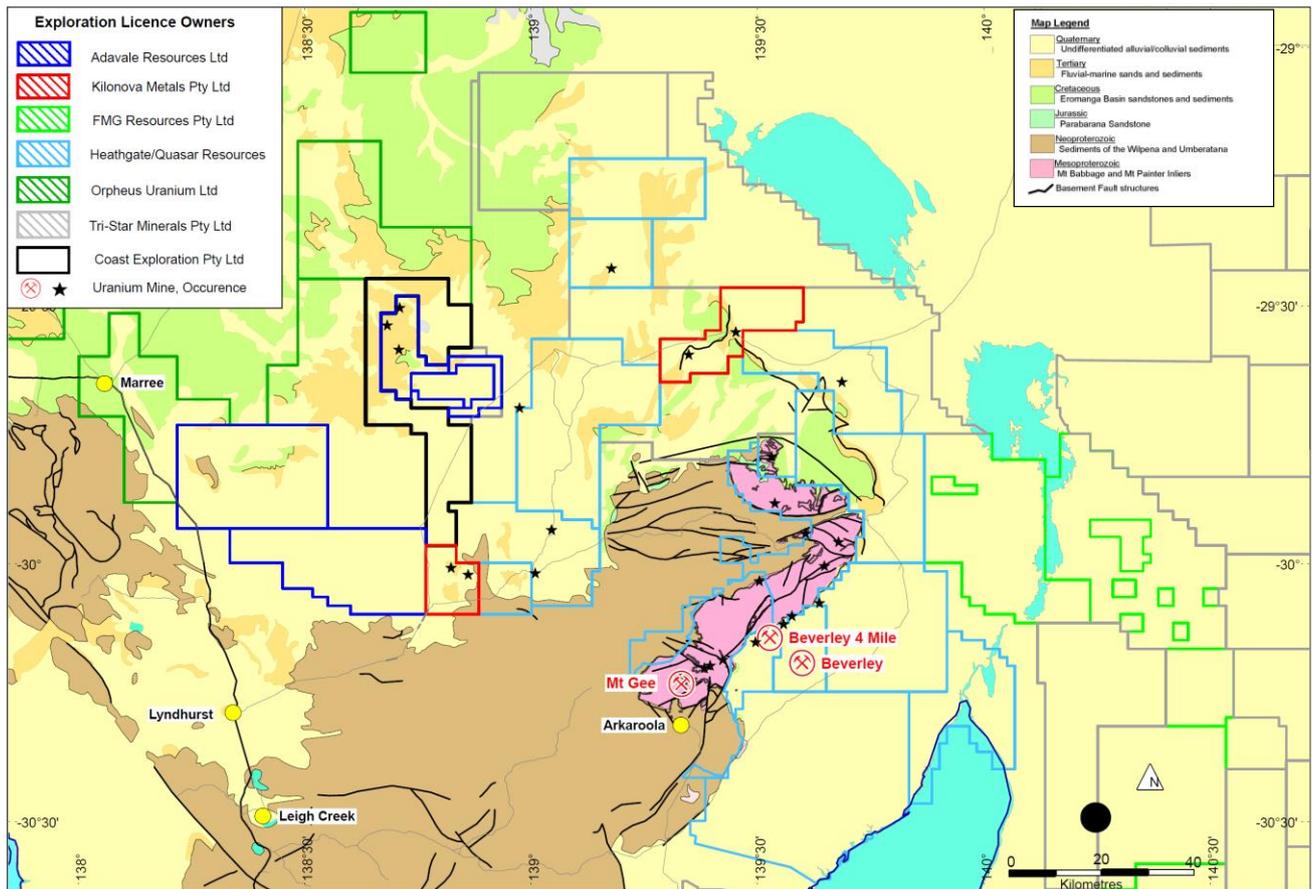


Figure 2: Tenement Overview – Northern Flinders Ranges South Australia.

Geology

EL6890 (The Hook), now part of Adavale’s expanding uranium project area in South Australia, is proximal to the uranium-rich Mount Babbage and Mount Painter Inliers of the northern Flinders Ranges. The area contains the prospective Paleogene-aged Eyre and Neogene-aged Namba Formations that are the host sequences to several sedimentary roll-front uranium occurrences including the Beverley, Beverley Four Mile, and Honeymoon Well uranium mines, located along the north-eastern side of the Flinders Ranges.

These formations are the principal target for uranium mineralisation within the Project area. Underlying the Eyre and Namba Formations and outcropping in places are upper Mesozoic (Maree Subgroup) sediments. To the south, these sequences abut Proterozoic Wilpena and Umberatana (Adelaidean) groups outcrops of the Flinders Ranges.

Work by Adavale to date, including the re-processing and interpretation of historical EM datasets, supported by modern satellite imagery strongly indicates the presence of an extensive outwash and palaeochannel system shedding northern from the Flinders Ranges through the Project area tenements (*refer to Company ASX release titled “Strategic Acquisition to Expand Uranium Portfolio in South Australia” dated 26 March 2024*). A simplified image of the interpreted palaeochannel system is presented in Figure 3.

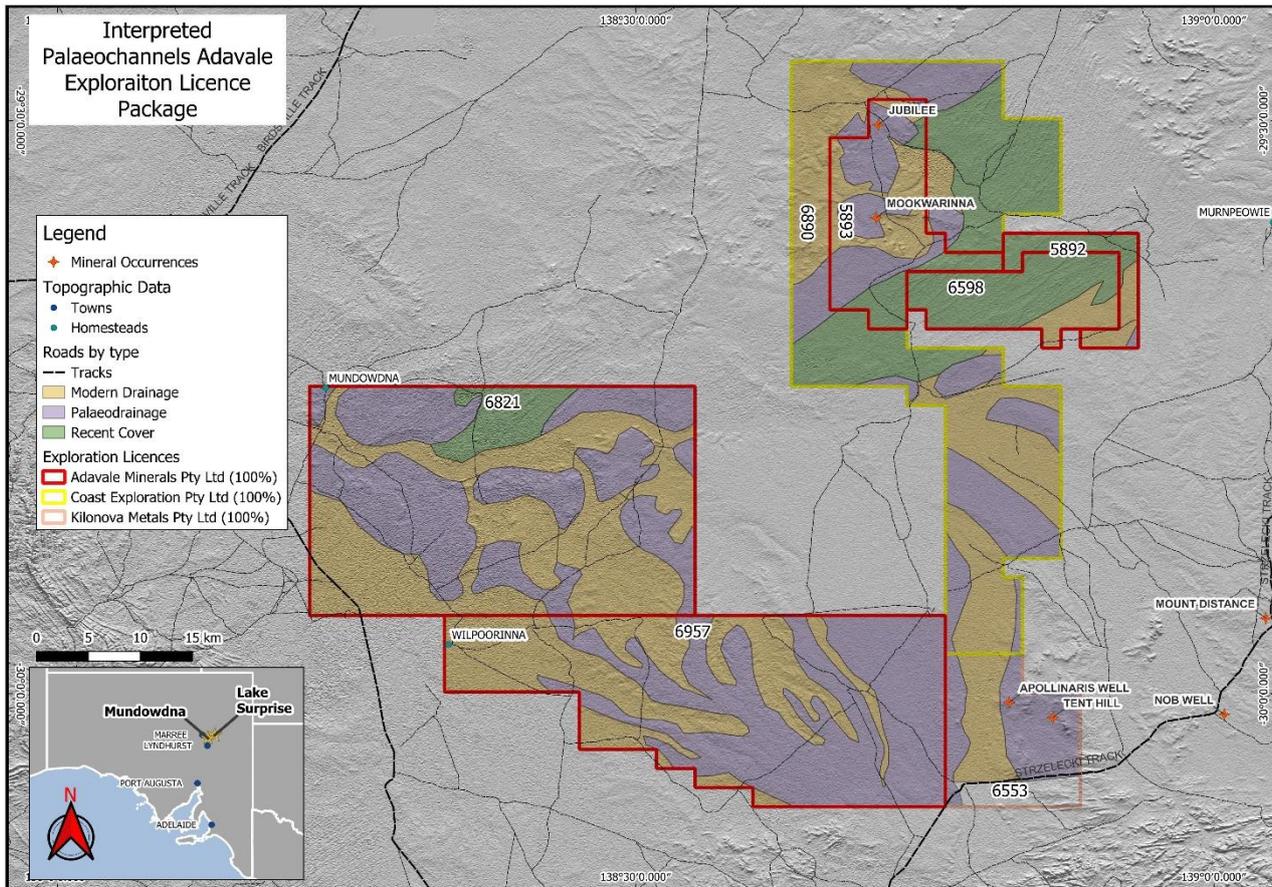


Figure 3: Simplified Plan showing Interpreted palaeochannel system over the Adavale Project Area. EL6890 outlined in yellow.

Kilonova Acquisition now Unconditional

Following the announcement of the Kilonova transaction on 26 March 2024, the Company advises that the Company has completed its due diligence and the transaction is now unconditional. The completion of the transaction is now subject to shareholder approval, anticipated to be sought in June 2024.

Mr Terry Topping and Mr Andrew Rust, from Kilonova are both experienced uranium geologists and previously held executive roles with Cauldron Energy during its uranium exploration phase within this region. They have extensive experience in the exploration and discovery of uranium deposits and a deep understanding of the northern Flinders Ranges geology and the controls on mineralisation in the region.

Adavale is pleased to have appointed Messrs Topping and Rust as specialist consultants to assist with the development of the Company's uranium exploration plans.

Details of Messrs Topping and Rust's experience is provided in Appendix 2.

Next Steps

- Land Access and notice of entry forms for EL6553 and EL6890;
- Results of the recently completed Mundowdna and Mundowdna South maiden exploration program;
- Define areas of greater interest / prospectivity and plan follow-up workstreams prior to drill target selection; and
- Preparation of a drilling program to determine uranium mineralisation potential in conjunction with heritage surveys/submissions of EPEPR and associated statutory documents.

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

Acknowledgements to traditional owners

Adavale acknowledges the Dieri and Adnyamathanha as Traditional Custodians of the land on which our current works are located. With respect to Elders past, present and emerging, Adavale is committed to conducting its activities with respect to the communities in which it operates.

Further information:

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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 Patrick Harvey MAppSci, Australia. Mr Harvey is a consultant for Adavale Resources Limited and is a member of the AIG. Mr Harvey has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration as well as to the activity that is being undertaken to qualify as a Competent Person under the ASX Listing Rules. Mr Harvey consents to this release in the form and context in which it appears.

Forward looking statements

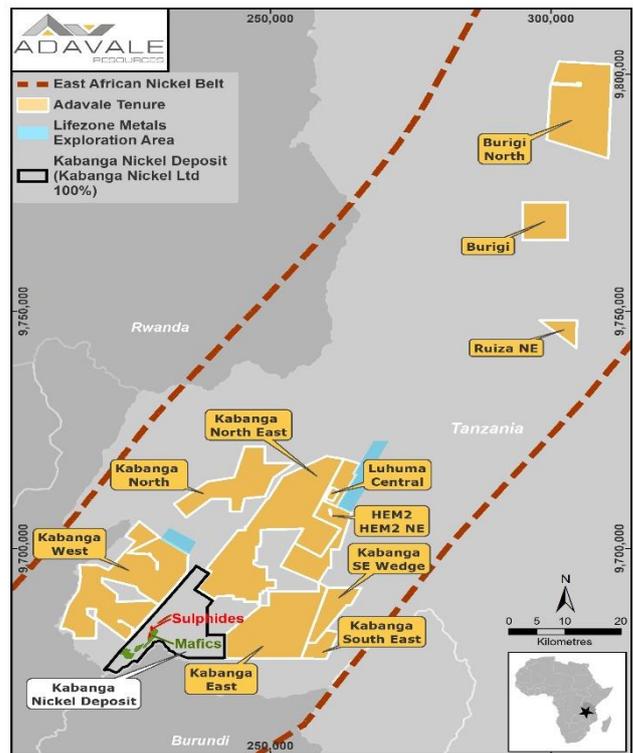
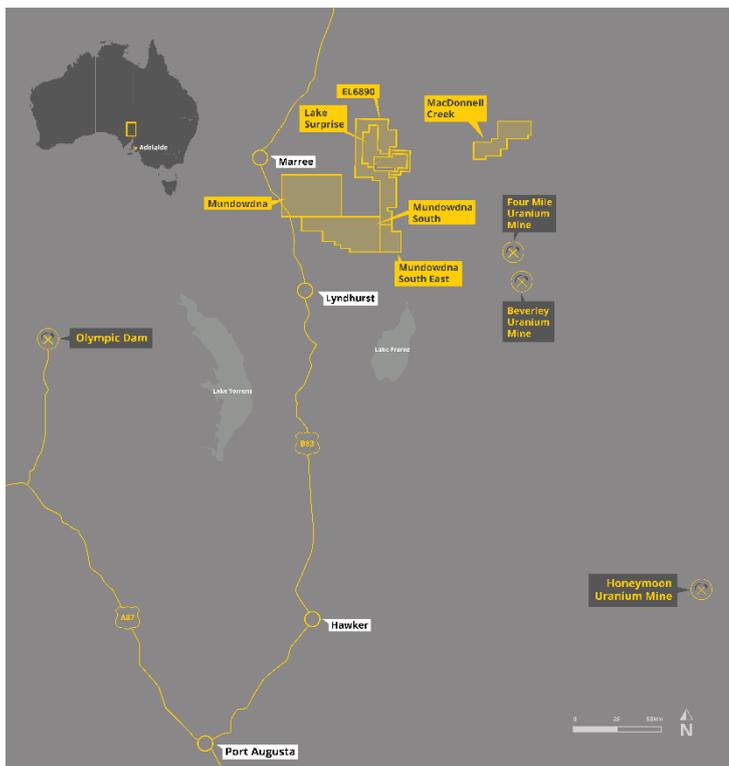
This document contains forward-looking statements concerning Adavale. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other 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 – Uranium and Nickel Sulphide explorer.

Adavale Resources Limited (ASX:ADD) holds the Kabanga Jirani Nickel Project, a portfolio of 12 highly prospective granted licences along the Karagwe-Ankolean belt in Tanzania. The 9 southernmost licences are proximal to the world-class Kabanga Nickel Deposit (87.6Mt @ 2.63% Ni Eq). Adavale holds 100% of all licences except 2 licences known as the Luhuma-Farm-in are held 65% adding a further 99km² bringing the portfolio to 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 5 granted exploration licences prospective for their sedimentary uranium potential within the northern part of the highly prospective Northern outwash from the Flinders Ranges in South Australia. Adavale is in the process of completing the acquisition of exploration licence EL6553 (456km²) and EL6890 (599km²) to increase Adavale’s uranium tenement holdings to 2,657km².



Appendix 1 – Material Terms of Binding Heads of Agreement

Acquisition	Adavale Resources Limited (ASX:ADD) (Adavale) agrees to acquire and Coast Exploration Pty Ltd (Coast) agrees to sell all of its rights, title and interest in exploration licence, EL6890 (Tenement).
Consideration	<p>In consideration for the Acquisition, Adavale agrees:</p> <ul style="list-style-type: none"> • to pay a non-refundable \$30,000 cash to Coast, payable on the execution of the agreement (Cash Consideration); • to issue 10,000,000 Listed Options (ADDOA) to Coast, exercisable at \$0.03 each and expiring 31 December 2025 (Consideration Options). • To issue 10,000,000 fully paid ordinary shares upon transfer of EL6890 to Adavale (Consideration Shares). The Consideration Shares will be subject to a 6 month voluntary escrow.
Conditions Precedent	<ul style="list-style-type: none"> i) The Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth) or any other applicable law by 31 July 2024; ii) The Parties obtaining all third party approvals and consents, including the consent of the Minister responsible for the Mining Act 1971 (SA) and associated Mining Regulations 2020 (SA) by 31 July 2024; and iii) Execution by the Vendor of a Voluntary Escrow Agreement by 31 July 2024. <p>A party may terminate this agreement by written notice to the other party if the conditions precedent are not satisfied (or waived by Adavale) on or before 5pm (Perth time) on 31 July 2024 (or such later date as the Parties may agree).</p>

The binding heads of agreement is otherwise on standard terms and conditions, including confidentiality provisions, and representations and warranties.

The Consideration Shares and Options will be issued utilising the Company's current ASX Listing Rule 7.1 placement capacity.

Appendix 2 – Mr Terry Topping and Mr Andrew Rust corporate biographies

Terry Topping

Mr Topping has more than 35 years of experience in mineral exploration and development worldwide, and has played a key role numerous ASX-listed resource companies over the past two decades. He has a B App Sc in Geology and is a member of AusIMM and has a Grad Dip in Finance and Investment.

He was a founder and Managing Director of ASX-listed uranium explorer Scimitar Resources Ltd (2005) which then merged with Jackson Gold Ltd to form Cauldron Energy (ASX: CXU). During this time Scimitar expanded its uranium portfolio with tenements in Western Australia, South Australia, and the Northern Territory. He negotiated a \$6.2 million Marree Uranium JV Project in SA, between Cauldron and a South Korean Government Consortium comprising Korea Resources Corporation (KORES), Daewoo International Corporation and LG International Corporation. Scimitar/Cauldron also outlined the Yanrey uranium deposit which is a large sedimentary roll front uranium deposit in Western Australia

Previous roles included ASX-listed (1993) gold explorer Taipan Resources (later Intrepid Mines), which discovered the high-grade Paulsens gold deposit, mined by Northern Star Resources (ASX: NST), and now owned by Black Cat Syndicate (ASX: BC8); Executive Chairman of ASX listed Kairos Minerals Ltd (ASX: KAI) Preston Resources Ltd (ASX: PRS), Rumble Resources (ASX: RTR) and Accelerate Resources Ltd (ASX: AX8).

Andrew Rust

Mr Rust is a geologist with over 25 years' experience in mineral exploration in a wide range of commodities including gold, nickel, base metals, REE's and uranium, both within Australia and overseas. Mr Rust has broad experience in grass roots exploration through to feasibility and mining.

Mr Rust was foundation employee and Exploration Manager of Scimitar Resources Ltd (now Cauldron Energy Ltd) and was integral in the acquisition of the company's Australian uranium assets, including the Yanrey Uranium Project in WA, where exploration by the company defined a sandstone hosted uranium resource at Bennet Well. As Exploration Manager of Scimitar/Cauldron between 2005 and 2011, Mr Rust led a dynamic exploration team with projects in WA, SA, the NT and Argentina.

Since 2011, Mr Rust has run a private mineral consultancy company, providing geological and heritage advice and management services to a number of listed exploration companies, including Kairos Resources Ltd, Accelerate Resources and GTI Resources Ltd. Mr Rust has a Bachelor of Applied Science (Geology) from Ballarat University and is a Member of the (AusIMM).