



Future Energy Minerals

Uranium and Nickel Exploration

MAY 2024

ASX:ADD

**RIU
Sydney
Resources
Round-up**

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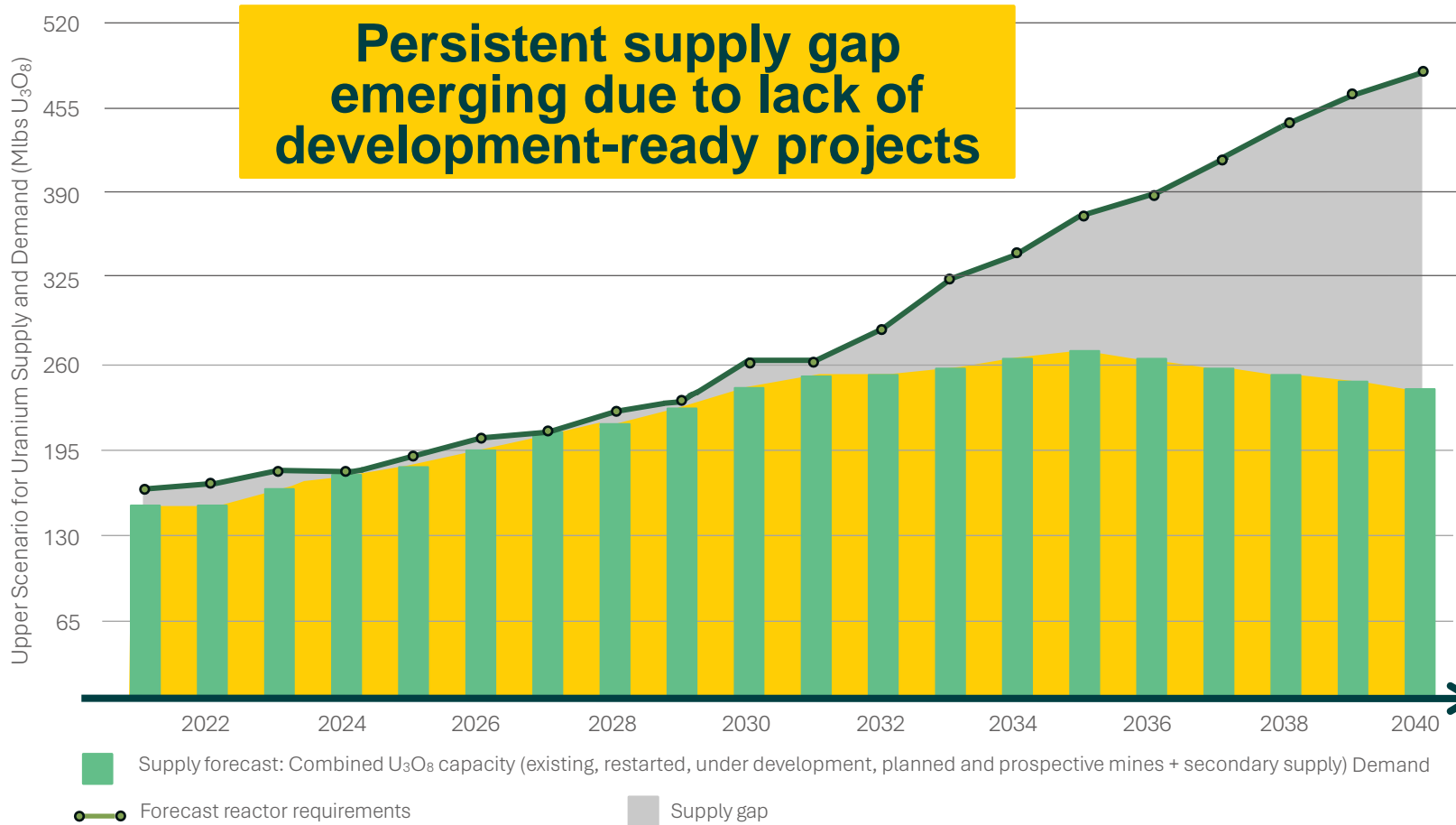
The information in this release that relates to "exploration results" for the Company's Uranium projects is based on information compiled or reviewed by Mr Patrick Harvey MAppSci, Australia. Mr Harvey is a consultant for Adavale Resources Limited and is a member of the AIG. Mr Harvey has sufficient experience 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.

The information in this release that relates to "exploration results" for the Nickel 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.

Uranium Price – Heading towards record prices



Uranium price has strengthened over 100% since early-2023



Source: World Nuclear Association, Nuclear Fuel Report 2023 – 2040

New reactors driving demand

- New reactors, particularly growth in China, driving demand surge
- Emerging Small Modular Reactor (SMR) technology driving further new demand additions

Uranium ETFs amplifying demand

- Speculative Uranium ETF investors are supported by physical uranium, adding another player on the demand side

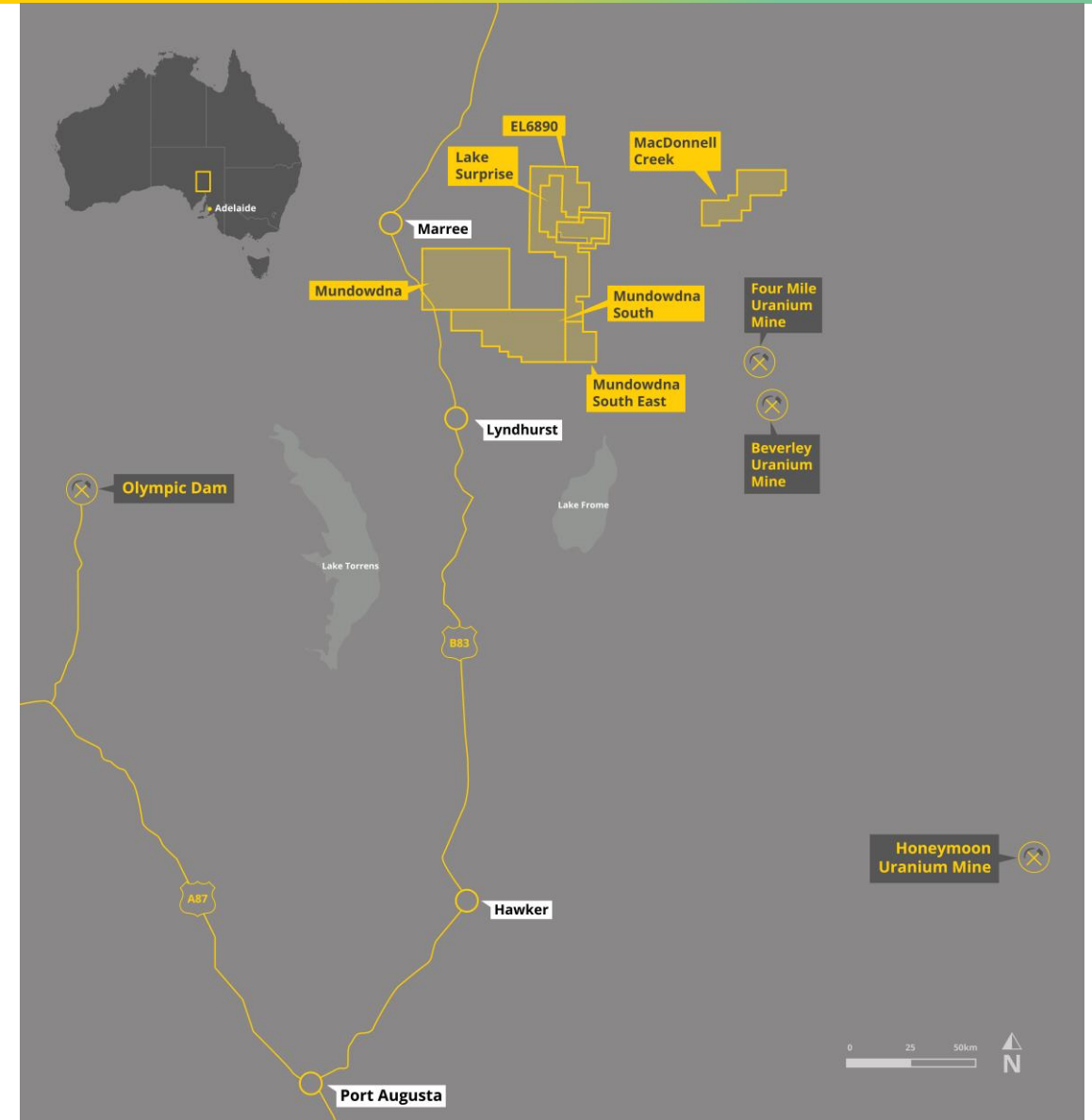
Energy transition changing viewpoint

- Decarbonisation goals and changing attitudes towards fossil fuels is seeing increased conversations about role of nuclear energy

Expanded South Australian Uranium Project Portfolio

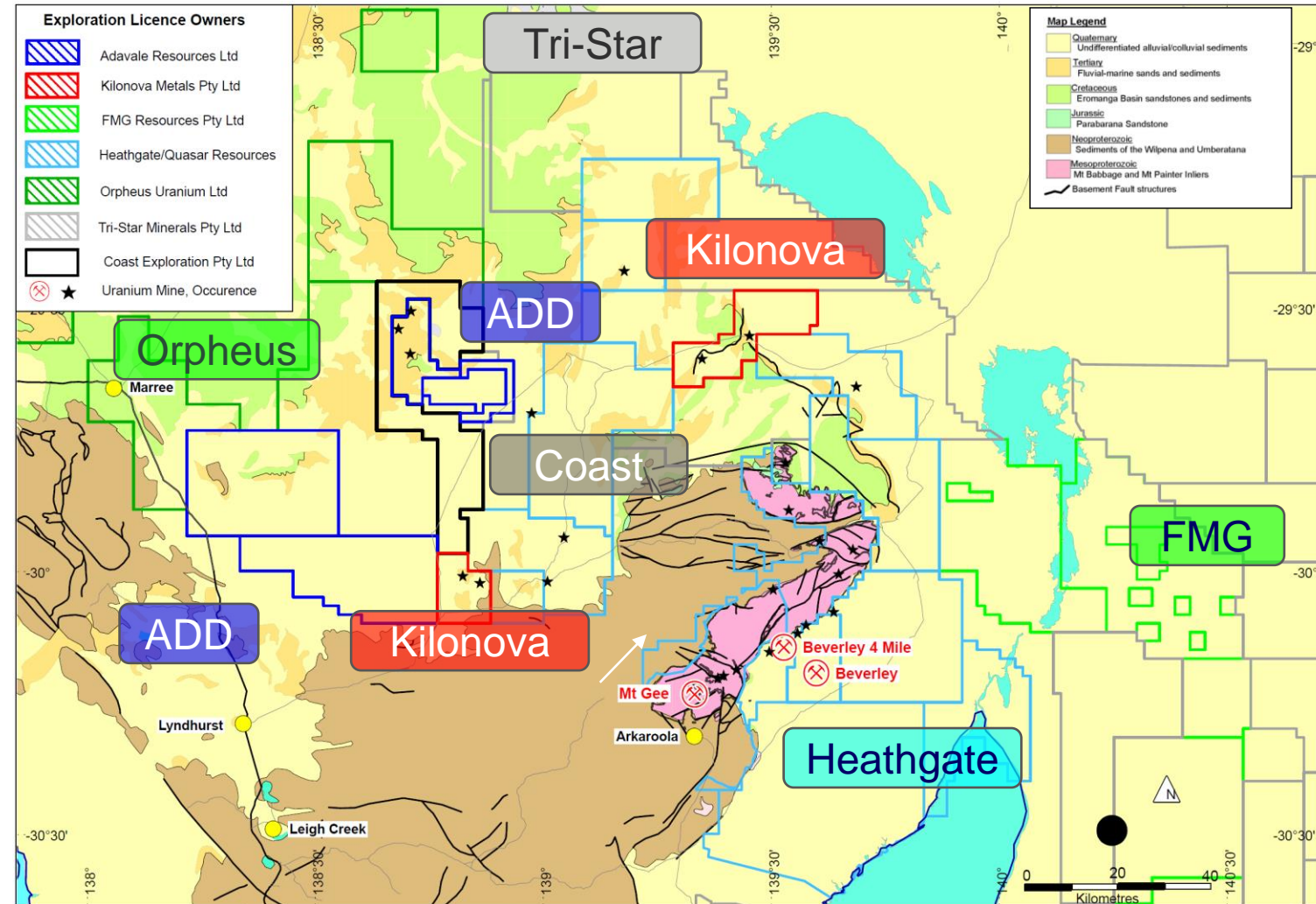
Significant prospective licence package – Uranium in the paleochannel system

- Located in South Australia - 550km north of Adelaide and 75km east of Marree
- Proven uranium province hosting multiple mines and deposits - 90km from Beverly Four Mile Uranium mine
- On completion 100% owned tenure comprising 8 granted EL's (2,657km²) on the northern flank of the Flinders Ranges (considered highly uraniferous)
- ADD has consolidated the licence areas with the addition of EL6890



“No Vacancies” - Regional Prospective Uranium Geology

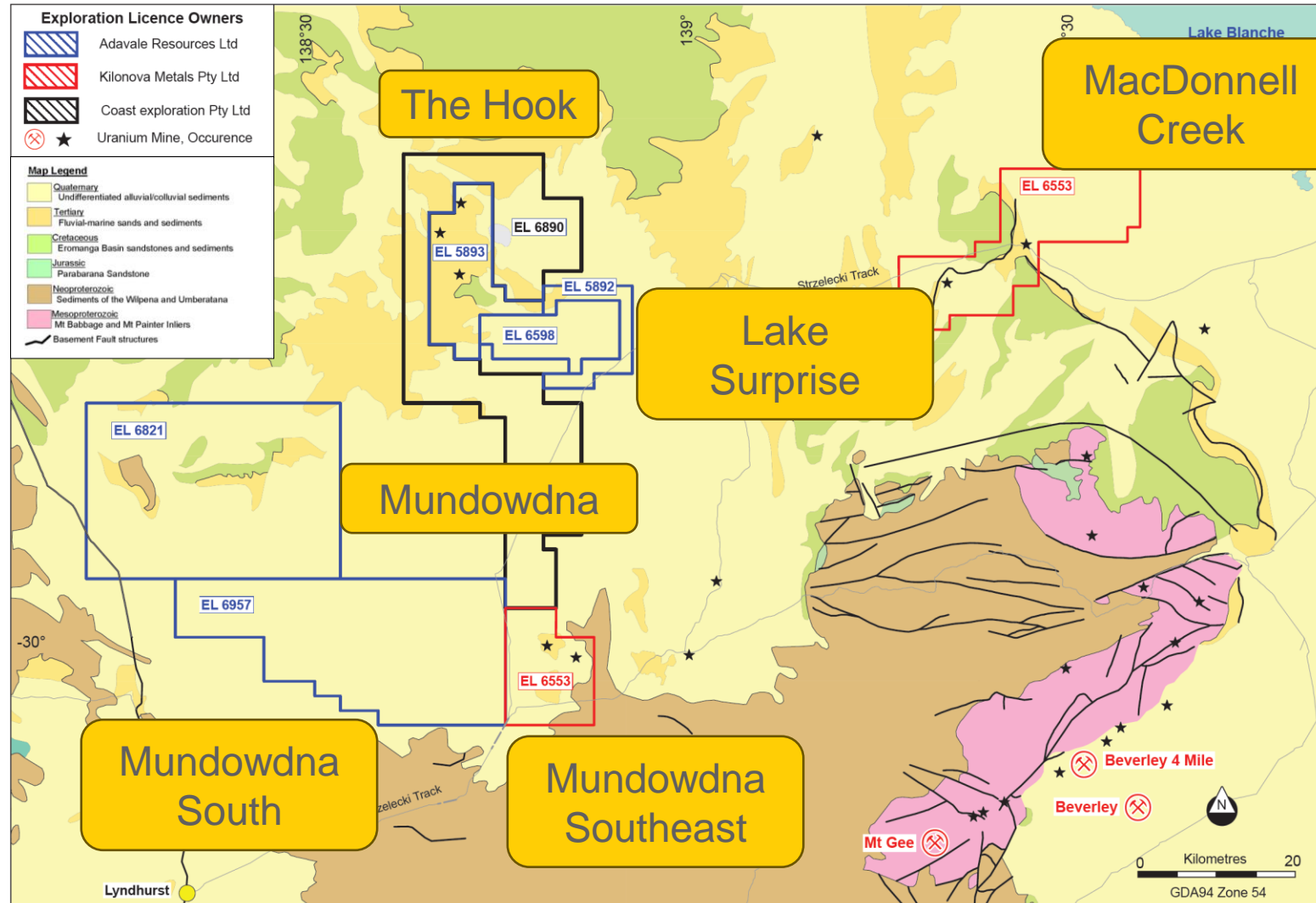
- Majority of tenure in northern Flinders Ranges prospective for Uranium has already been secured
- Major ground holdings are dominated by large private/public unlisted companies (Heathgate/Tri Star).
- Adavale and Orpheus are the ASX listed companies in the northern geological region.
- Historical focus has been on eastern side of Flinders Ranges targeting sediments in the Frome Embayment.
- Adavale is targeting shedding and emplacement of mineralisation from the north and northwest of the Flinders Ranges.



Summary of localised Licence ownership and underlying geology located around the northern Flinders Ranges

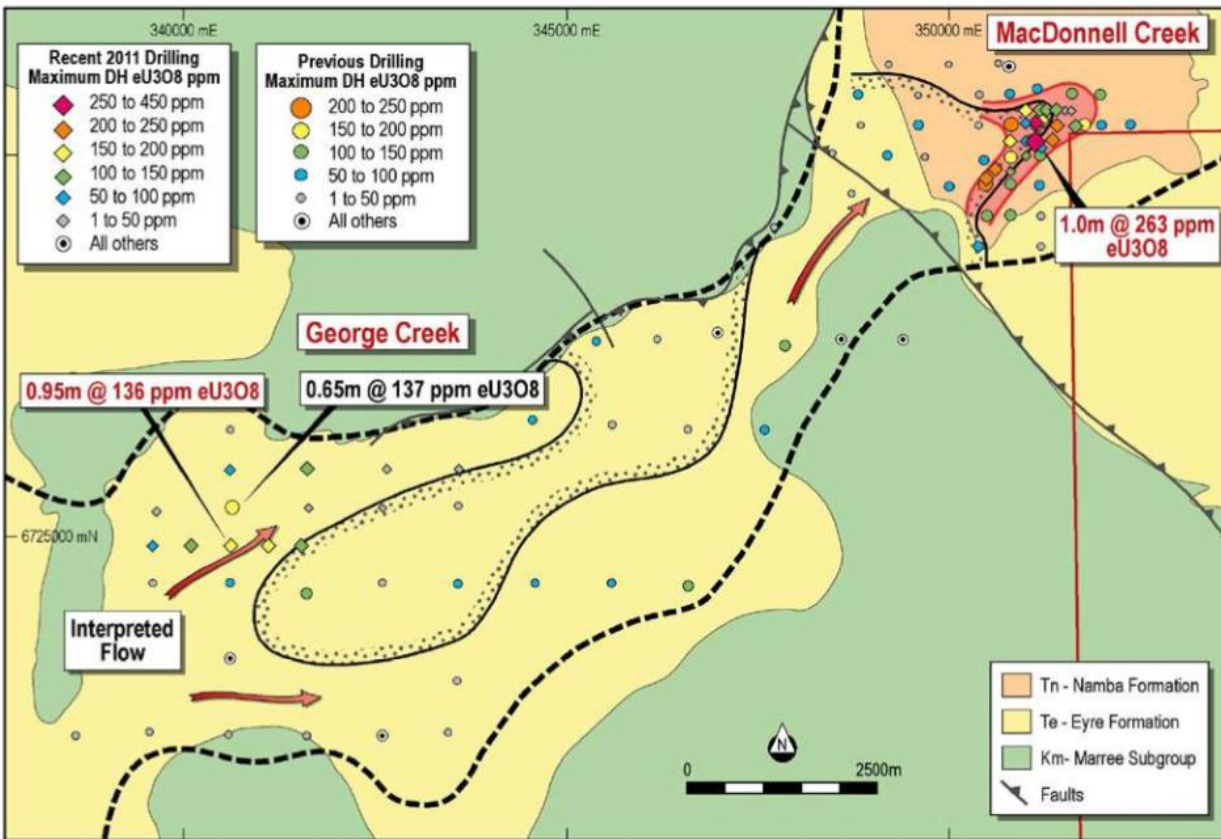
Strategic Acquisitions – EL 6553 and new EL 6890

- Acquisition of EL6553 covering 456km² is strategically located and proximal to the Company’s Mundowdna South and Lake Surprise Uranium Projects.
- Previous exploration activities identified several pathfinder and anomalous uranium target areas including uranium intercepts:
 - 1.0 metre at 263ppm eU₃O₈ and
 - 0.65m at 235ppm eU₃O₈.
- EL6553 includes the Eyre and Namba Formations, that host sedimentary roll-front uranium occurrence including the nearby Beverley and Honeymoon uranium deposits
- The newly acquired EL6890 covering 599km² has secured a contiguous ground holding that includes the extension of the interpreted paleochannels trending north.

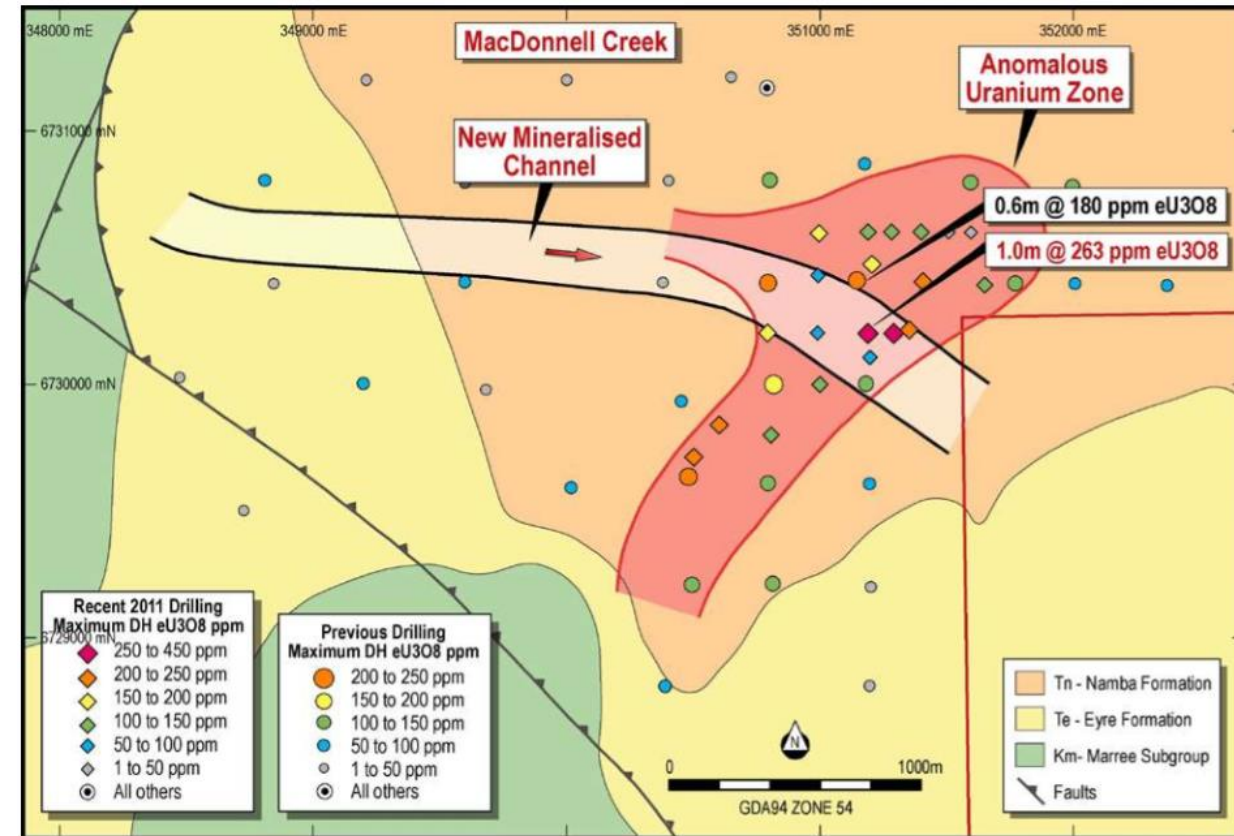


Exploration Licence areas for Adavale (blue), EL6553 (red) and EL6890 (black)

EL 6553 – George Creek and MacDonnell Creek Prospects



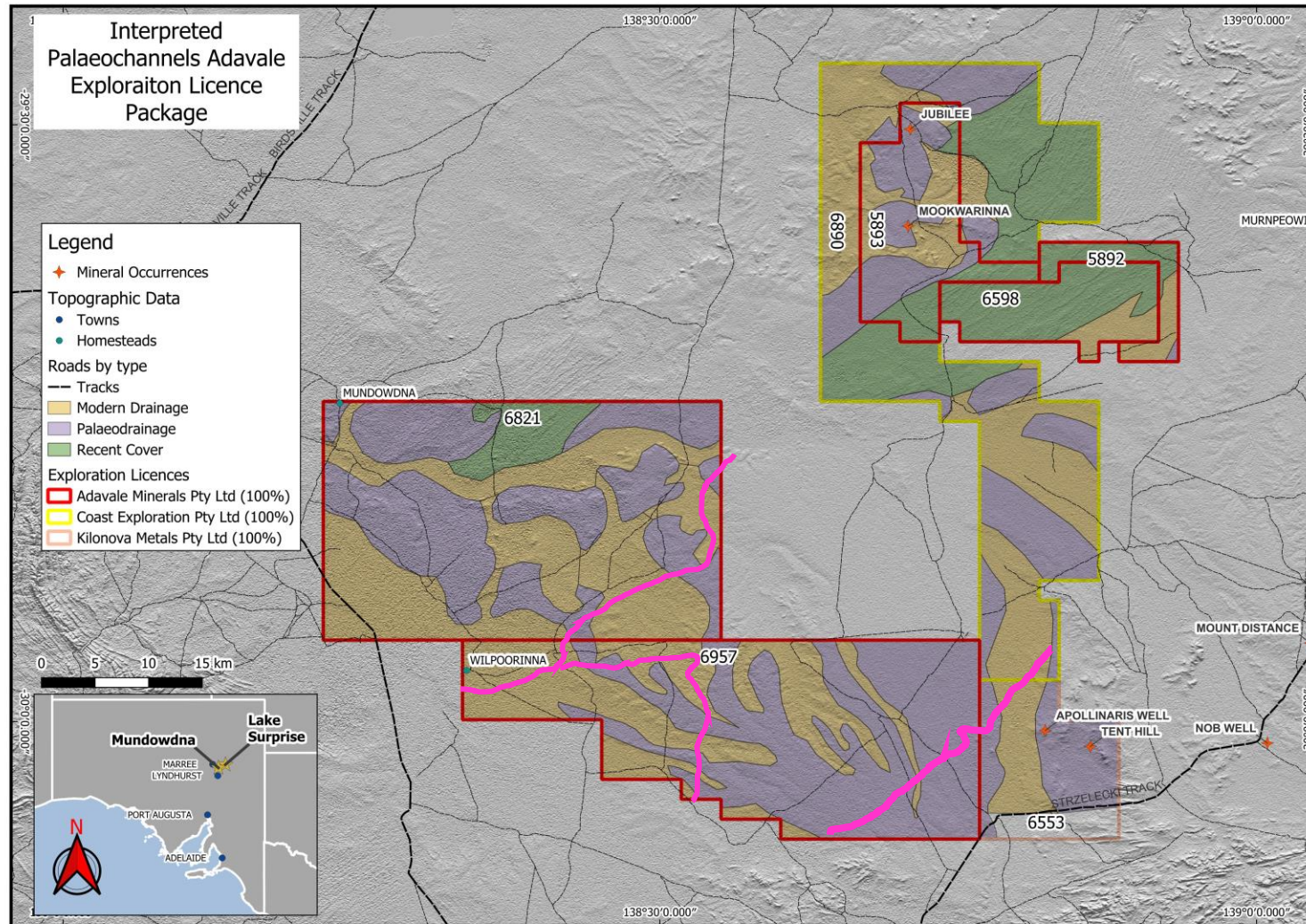
George Creek and MacDonnell Creek prospects identified by Cauldron (within the new MacDonnell Creek tenure) (source CXU 2011 Annual Report)



MacDonnell Creek drilling by Cauldron up to 2011 (Source CXU 2011 Annual Report)

Uranium Target Areas

Sentinel 2 satellite imagery interpretation highlights paleochannels



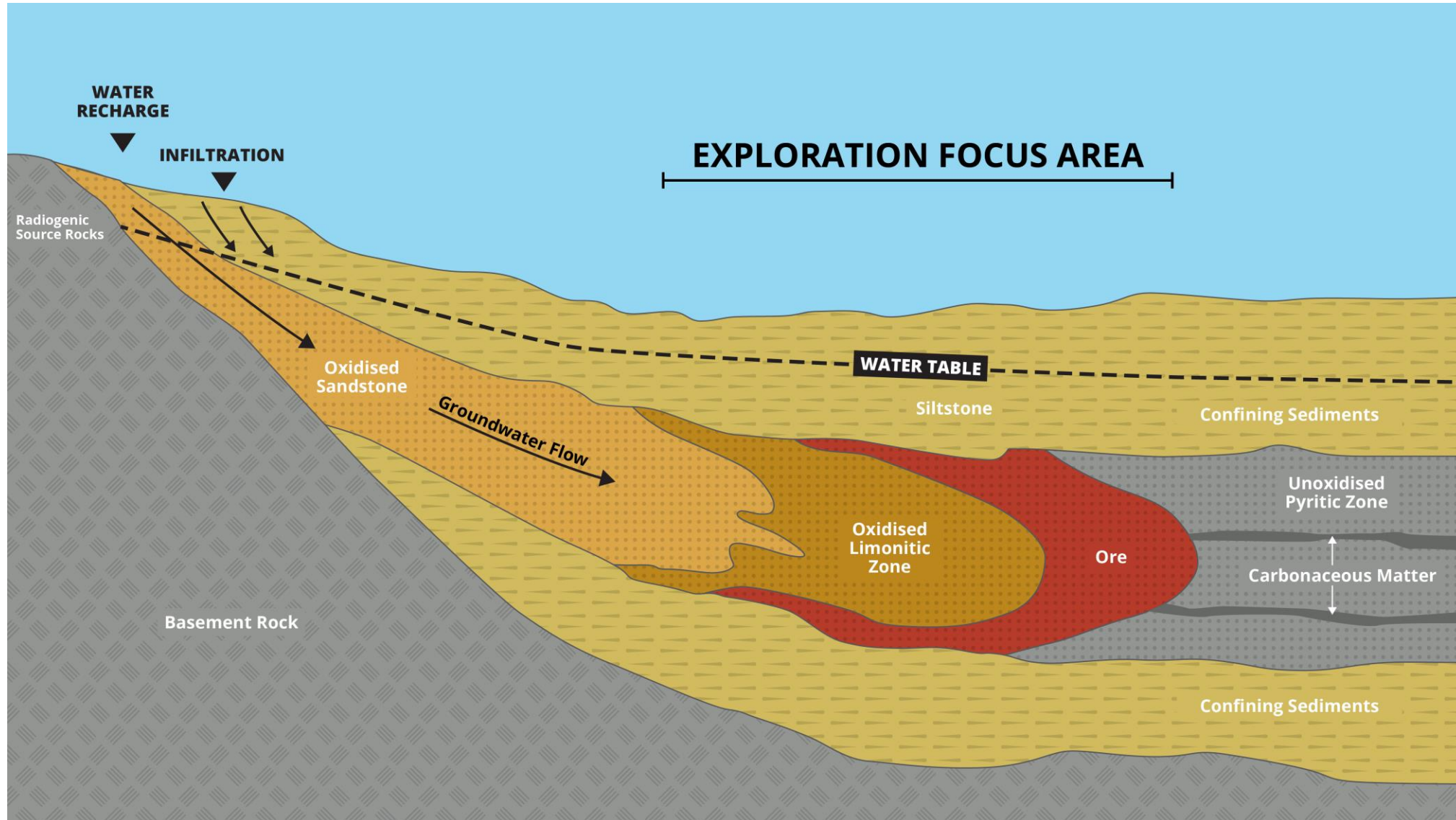
Overview of interpreted palaeodrainage and palaeochannels at surface with modern drainage overprinting sections of the outwash fans

- Originally the Sentinel 2 satellite imagery was analysed and compared with Gravity and Tempest EM anomalies
- Analysis highlights palaeochannels forming fan from northern Ikara -Flinders Ranges
- All major uranium deposits in region are found in this environment
- **JUST COMPLETED** - soil sampling, gravity and gamma surveys to refine targets (results in 3-4 weeks)
- Transects (denoted in pink) utilised existing tracks, no special permits required (covered ~ 80+ line km)
- Ground disturbance applications underway and heritage discussions will enable pathway to next phase of exploration (drilling)

Mundowdna South Fieldwork – April 2024



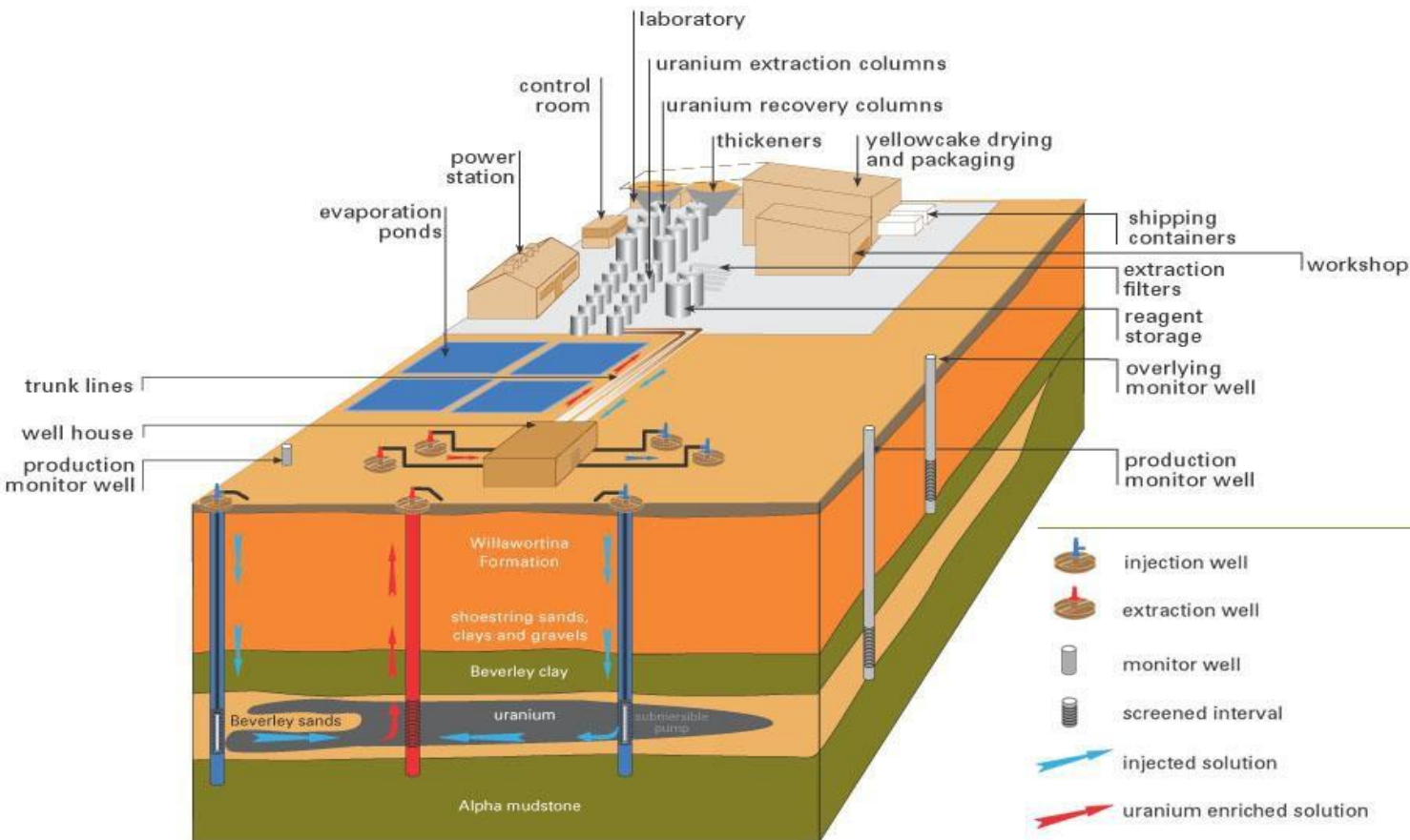
Roll Front Uranium Geology - Schematic Model



Derived from: <https://fasttimesonline.co/using-nmr-to-characterize-aquifer-properties-in-in-situ-mining-an-australian-uranium-case-study/>

Schematic ISR Process Set up

- Example from Beverley, located 80km to the southeast



(Source: Beverley Environmental Impact Statement (1998))

- ISR is a process whereby fluids are injected into the ore zone via wells, the uranium is dissolved, and then the fluid is pumped to the surface for recovery and packaging.
- ISR has been commercially recovering uranium since 1974 and now accounts for ~60% global uranium mined.
- ISR is considered an ESG friendly mining method – no open pits, waste dumps, tailings dams, minimal dust and lower water consumption due to recirculation.
- On average, ISR is about 2/3 of the operating costs of conventional mining and 15-20% lower capital.
- In South Australia, ISR is employed at the Beverley and Four Mile operations of Heathgate Resources and Boss Energy’s Honeymoon operation.

- Confirmation of targets areas on EL6553 followed by preparation of an exploration program
- Interpretation of Exploration program results on Mundowdna Uranium Project (completed April 24)
 - **Terraleach geochemistry**
Surface technique for identifying geology and reduced environments
 - **Gravity surveys**
Aids in the determination of structures and palaeochannels
 - **Scintillometer surveys**
A geophysical prospecting method that is much more sensitive than methods using a Geiger counter and can distinguish different types of radiation.
- Land access and notice of entry forms for EL6553
- Delineation of extensions to the prospective areas - soil sampling/surface sampling to refine drill targets.
- Prepare drill program + cultural surveys/submissions of EPEPR + associated statutory documents.
- Drilling programs designed to determine uranium mineralisation potential (EL 6553/Mundowdna)

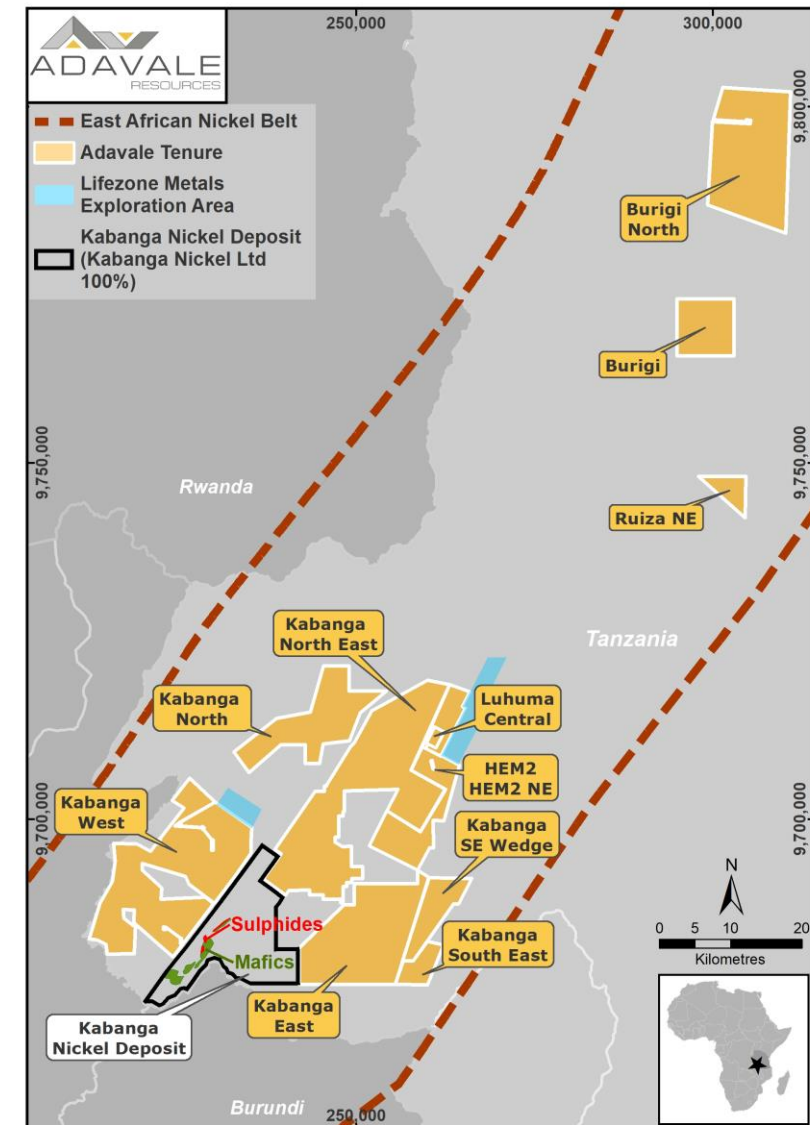
Dominant Position in the East African Nickel Belt

Over 1,315km² of granted licences in Tanzania

Dominant nickel licence portfolio within the East African Nickel Belt of Tanzania

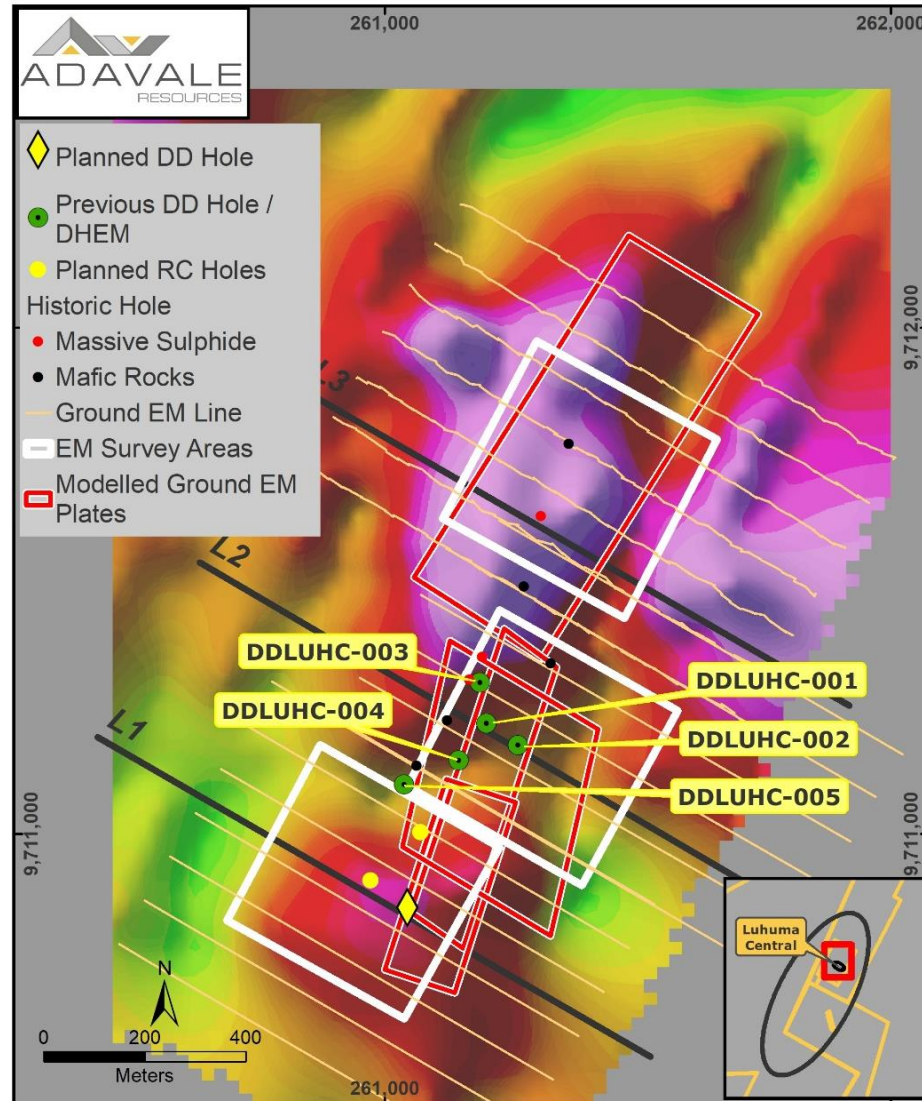
Portfolio Overview

- Combination of 100% owned Licences & Farm-In tenements
- Licences are adjacent and along strike from the world's largest "under development" high-grade **Kabanga nickel sulphide deposit, 87.6Mt @ 2.63% Ni Eq**
- Gravity, magnetics, Heli-EM, soil geochemistry and Audio-Magneto Tellurics (AMT) have been used for prospect targeting
- Drilling has targeted high-priority conductors
- Nickel Sulphides intersected in all five holes at Luhuma Central (over 350m from 2,000m of Diamond Drilling)



Luhuma Central

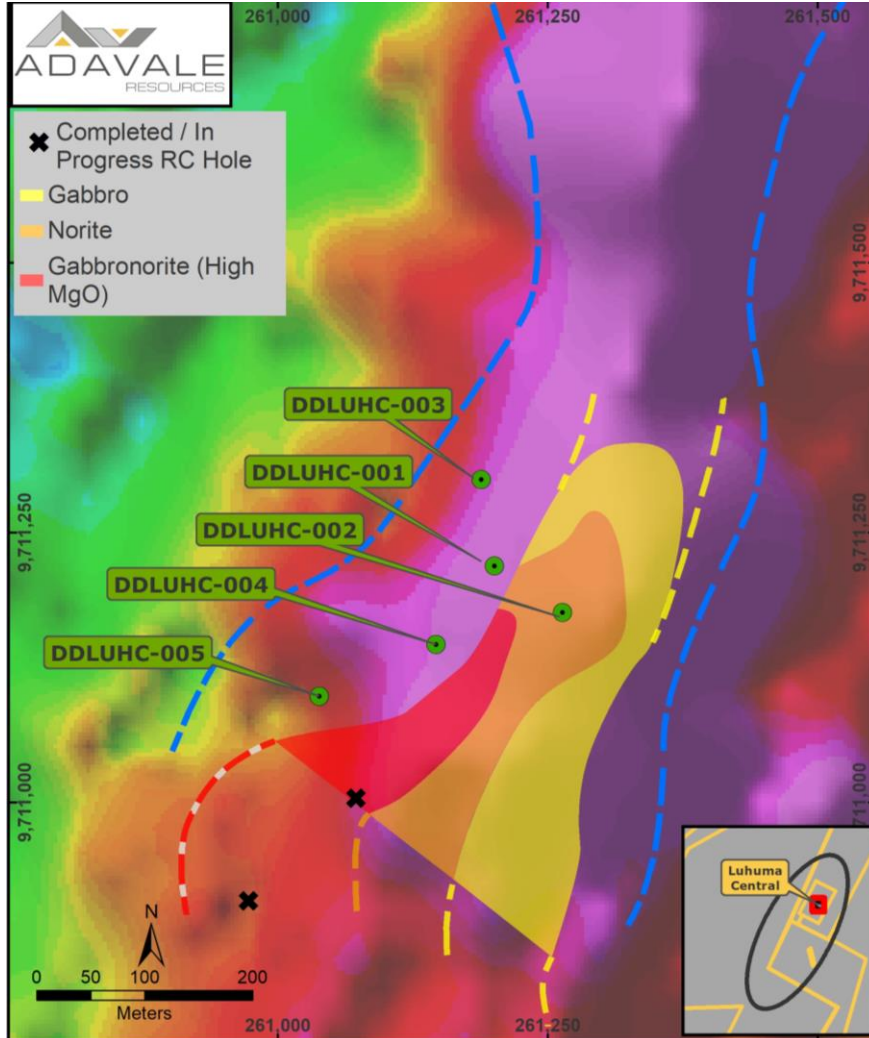
Massive Nickel Sulphides intersected in all diamond drillholes – Potential being unlocked



- Luhuma Central granted to Adavale in May 2023
- Five diamond drillholes completed by Adavale in 2023
 - **ALL** intercepted nickel sulphide units
 - Downhole EM and Ground EM completed
 - Defined strike extent currently 700m (open)
- Prospective mineralisation increasing to the southwest

Luhuma Central - Massive nickel sulphide intersections

Nickel sulphides intersected in all holes and trend extends SW at Luhuma Central



The increasing MgO content towards the SW is illustrated above with the red colour depicting the most primitive rock (Gabbronorite).



Luhuma Trend

Anomalous prospects over 10km strike

LUHUMA CENTRAL

- 700m strike identified from Drilling, DHEM, EM
- Targeting southwest extensions into more primitive/fertile geology

HEM 2

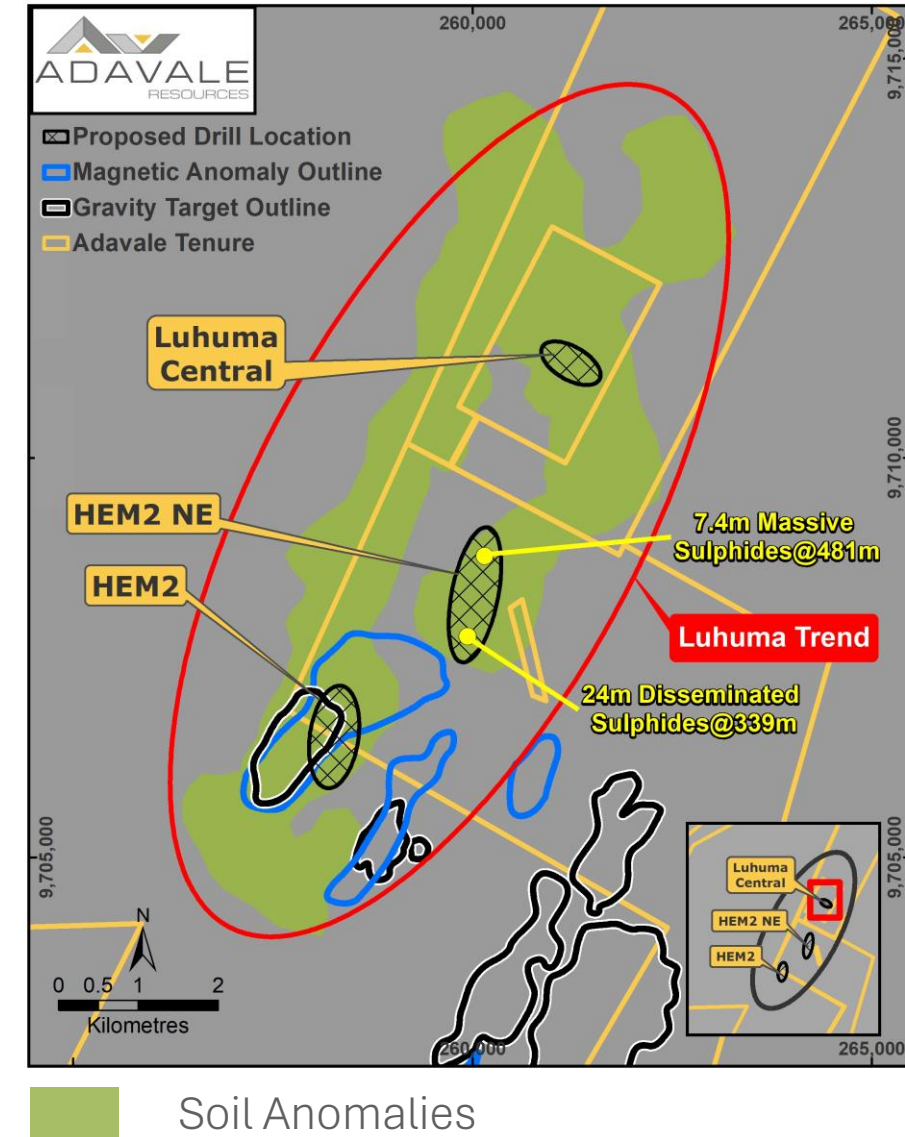
- Initially drilled in 2022
- Sulphides in system and right geology intersected
- Further drilling and assessment required

HEM 2NE

- Potential southern extension of Luhuma Central mineralisation
- Over 7.4m of massive sulphides intersected at depth
- Further drilling required

HEM 4

- Coincident EM, gravity and soil geochemistry
- RC drilling completed, promising results



Tanzania – An Attractive Mining Destination

- Mining is a crucial sector for Tanzania, generating more than US\$2.5 billion annually and accounting for over 50% of the country's exports by value
- President Samia Suluhu Hassan, has pledged a “commitment to the development of the mining sector”, with the aim of the mining sector accounting for 10% of the country's GDP by 2025, up from 6.7% in 2020
- Renewal of public sector management with focus on project delivery
- Framework Agreements with consistent terms are being executed with international mining company investors
- Clear government ownership interest (16%) established
- Good infrastructure in place, with upgrades underway



President Samia Suluhu Hassan and US Vice President Kamala Harris recently met to discuss strengthening ties between the two countries.



Tanzanian Social and Community Focused Initiatives

Local community and health focused initiatives



Vaka Health Foundation

(sponsorship)

- Providing professional development train for 60 nurses at Ngara District Hospital
- AAMEG 2022 award winner: Best Workforce & Industry Development Initiative



Bridge2Aid Australia

- Prevention of infant oral mutilation
- Training, awareness and treatment



Rulenge District School

- Donation of 80 classroom desks



Local Employment

- Graduate positions as field assistants
- Local procurement
- Drilling companies sourced locally

Corporate Overview

ADD
ASX Code

1,016m
Shares*

0.6c
Share Price (6 May 24)

\$6m
Market Cap*

~\$1.6m
Proforma Cash
available 31 Mar 24*

~4%
Board and
Management Ownership

512m
Options

5m (unlisted) @ \$0.03, exp 8/25
9m (unlisted) @ \$0.15, exp 1/25
498m (listed) @ \$0.03, exp 12/25 ADDOA

33m
Convertible Notes
Face value \$10,000 each

60m
Performance
Rights



Grant Pierce

Non-Executive Chairman

Mining engineer with ED, NED, GM experience. Strong and long-standing affinity with Tanzania

David Riekie

Executive Director

Corporate experience, ASX roles (NED, MD, ED, CEO) including Nickel, Uranium/Energy, African experience

John Hicks

Non-Executive Director

Accomplished Nickel Sulphide Geologist/ Explorer, 15yrs of GM level Geo/Explorer for ASX listed companies

Allan Ritchie

Chief Executive Officer

Experienced ASX/HKEx Energy and Resources CEO/ED/MD, 30+yr Investment Banking career

Leonard Math

CFO & Company Secretary

Accountant with over 20 years experience as a CFO, director and Company Secretary for a number of ASX-listed resources companies

Terry Topping

Specialist Uranium Consultant

Geologist with over 35 years' experience in the mining sector, particularly in uranium

Andy Rust

Specialist Uranium Consultant

Geologist with over 25 years' experience in the mining sector. Previously exploration manager at Scimitar Resources and Cauldron Energy

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