

ASX ANNOUNCEMENT

05 January 2017

UPDATE ON STATUS WITH NEW STRATEGIC INVESTOR

Adavale Resources Limited (ASX: ADD) (**Adavale** or **Company**) is pleased to advise that pursuant to the Memorandum of Understanding (**MOU**) between the Company and Jun Moon Limited, documents to effect the following have now been executed between relevant parties:

- Extinguish the existing convertible note facility from Mr Haryono Eddyarto and a new convertible note facility with Jun Moon Limited established;
- Acquisition of 12 million shares by Jun Moon Limited from existing Adavale shareholders;
- Issue of 7 million shares to Jun Moon Limited; and
- Escrow agreements signed.

As previously advised, completion of the transaction is subject to Adavale shareholder approval.

Further details on the transaction will be provided in the Notice of Meeting expected to be dispatched to shareholders end January 2017.

For and on behalf of Adavale Resources Limited

Leanne Ralph
Company Secretary