



30 November 2015

**ADAVALE RESOURCES LIMITED
ANNUAL GENERAL MEETING
CHAIRMAN'S ADDRESS**

Global macroeconomics has not been good for business especially in the area of mineral exploration. The stagnation of the European economy, devaluation of Chinese currency and the drop of coal and most mineral commodity prices, has made almost all initiatives unattractive and has not provided a good return on the investment required.

The civil court trial on Tapan is ongoing and has consumed a large amount of management's time and expenses with Adavale lodging an appeal to the high court. Management has requested the Jakarta High Court annul the South Jakarta District Court decision, reasoning that the Plaintiff's litigation is premature and obscured and therefore inadmissible. The Plaintiff sent a reply to our appeal and, at present, the High Court of Jakarta is yet to issue its final verdict.

Regarding our uranium tenement, the required investment commitment is reasonably high and the company is yet to find the right partner to explore this opportunity. Adavale has already relinquished part of the existing tenement and applied for a more prospective area, with our expert to discuss this further with an identified strategic partner who is interested in investing in our uranium tenements.

These conditions place the company in an overall difficult position to raise capital from the public.

As the executive chairman, I have to ensure the company is afloat and solvent, and that management is actively seeking strategic partners to vend one or more of their assets/projects to increase the enterprise value.

Furthermore, management is still actively conducting feasibility studies exploring other mineral resource projects, including its processing industry, which would provide cash flow and ensure the company's increase in book value for our mutual benefits.

Thank you for your continuous support.

Haryono Eddyarto
Executive Chairman