

ASX ANNOUNCEMENT/MEDIA RELEASE

6 September 2023



Over 340m of Nickel Sulphide Mineralisation intersected in fifth hole at Luhuma Central

HIGHLIGHTS

- Drill hole DDLUHC005 at Luhuma Central intersected:
 - Semi-massive and heavily disseminated sulphides over 15.6 m from 408m to 423.6m including thin massive sulphide veins
 - Significant medium to coarse-grained sulphides (5 to 7%) over 327.7m from 80.3m to 408m downhole
- DDLUHC005 provides validation of the thickening of the sulphide horizon in a southerly direction
- DDLUHC005 provides validation of strike extent of the Luhuma Central mineralisation to over 300m, which remains open both to the north and south
- All five drill holes now completed at Luhuma Central have intersected significant massive and/or semi-massive sulphide mineralisation
- Ground EM survey to commence at Luhuma Central prior to drilling for north and south strike extensions

Adavale Resources Limited (ASX: ADD) ("or the **Company**") is pleased to announce that the fifth drill hole, DDLUHC005 at Luhuma Central has intersected a 15.6m (downhole) zone of semi-massive and heavily disseminated nickel sulphides including thin massive sulphide veins between 408m to 423.6m as well as 327.7m (downhole) of medium to coarse-grained sulphides.

Improved confirmatory assay results have also been received from ALS South Africa for the first two Luhuma Central drill holes. Downhole EM (DHEM) surveys are ongoing together with planned ground Electromagnetic (EM) surveying at Luhuma Central.

Adavale's Executive Director, David Riekie, commented:

"A fifth consecutive drill hole with sulphide mineralisation is a great outcome. What is particularly gratifying is the strike extent being open to both the North and South and drill testing of this is imminent. Ground EM will also be used to trace the interpreted mineralisation over the full 1-1.5km strike extent at Luhuma Central. The Company looks forward to providing ongoing updates to what is a very exciting phase in the program".

ASX: ADD

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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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Technical Summary and interpretation

Drill hole DDLUHC005 is currently being cased in preparation for DHEM surveying while the core is being cut and prepped for assay.

The DHEM survey team is still on site to ensure a quick turnaround for the DDLUHC005 survey and the reporting of results.

The sulphide zone intersected in DDLUHC005 between 408m to 423m is dominated by pyrrhotite with between 1% to 5% pentlandite and minor pyrite and chalcopyrite. Handheld XRF readings returned results between **1.40% and 2.70% Ni** within the massive sulphides and **0.5% to 0.6% Ni** in the disseminated sulphides.

While the Company takes every reasonable measure to ensure the reliability and accuracy of the XRF devices by regular calibration checks against certified standards and is confident of the reported values, the readings are point measurements on core or core chips and therefore may not reflect the assayed grade of the broader sampled interval. Initial assay results expected within 3 to 4 weeks.

Located approximately 90m to the southwest of drill hole DDLUHC004, drill hole DDLUHC005 at Luhuma Central was collared to test the southward extension of the high quality/late channel EM plate modelled from the DDLUHC004 DHEM survey data (Figure 4).

Drill hole DDLUHC004 previously intersected a cumulative thickness of massive and semi-massive sulphides totalling 21.55m (refer to Adavale ASX announcement dated 17 August 2023).

Between 408m and 423m, drill hole DDLUHC005 intersected a zone of semi-massive and heavily disseminated nickel sulphide mineralisation (Figure 1, 2 and 3).



Figure 1 and 2: Zone of semi-massive and heavily disseminated nickel sulphide mineralisation 408m and 423m in DDLUHC005



Figure 3: Massive sulphide unit from 423.4m to 423.6m DDLUHC005

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

The Company regularly uses a portable hand-held XRF analyser to screen drill core for mineralisation before cutting and sampling. This allows for some understanding of the distribution of mineralisation prior to sampling to better ensure that the sampled core is representative of the type and style of mineralisation. Numerous readings are obtained and recorded for future reference. The hand-held XRF provides confirmation that mineralisation is present however it is not an accurate determination of the elemental concentration within the sample analysed. Limitations include very small analysis window, possible inhomogeneous distribution of mineralisation, analytical penetration depth and possible effects from irregular rock surface. The pXRF readings are subject to confirmation by chemical analysis from an independent laboratory.

This intersection broadly coincided with the modelled depth of the targeted EM plate, in addition to the overlying 327.7m of medium to coarse-grained disseminated sulphides intercepted between 80.3 and 408m. This provides further validation for the thickening of the sulphide zone to the south and extends the known strike extent of the Luhuma Central mineralisation to over 300m. The strike remains open both to the north and south (Figure 4). The dip extents of the moderate to steeply west dipping Luhuma Central mineralisation requires further investigation. Geophysical modelling (Audio-magnetotelluric anomalies) suggests the mineralisation could extend upwards of 100m over the dip direction but this needs to be confirmed by additional drilling.

Drilling and DHEM at Luhuma Central has been designed to delineate both the N-S extent of the mineralisation and possible zones of greater sulphide accumulation. To date, approximately 300m strike extent has been drill tested and drill holes DDLUHC004 and now DDLUHC005 have intersected broader cumulative thicknesses of mineralisation in the south compared to the holes located further to the north (Table 1).

An orientation ground EM survey is about to commence over the currently drilled southern portion of Luhuma Central to determine if the highly conductive mineralisation intersected there to date can be better defined and traced more accurately to the north and south.

The EM survey can then be expanded to cover the more northern and southern areas of Luhuma Central where both existing airborne EM and Audio-magnetotelluric (AMT) surveys have indicated mineralisation may extend into these areas. The ground EM survey is anticipated to take two weeks to complete and if successful will determine the extent and location of the next phase of drilling.

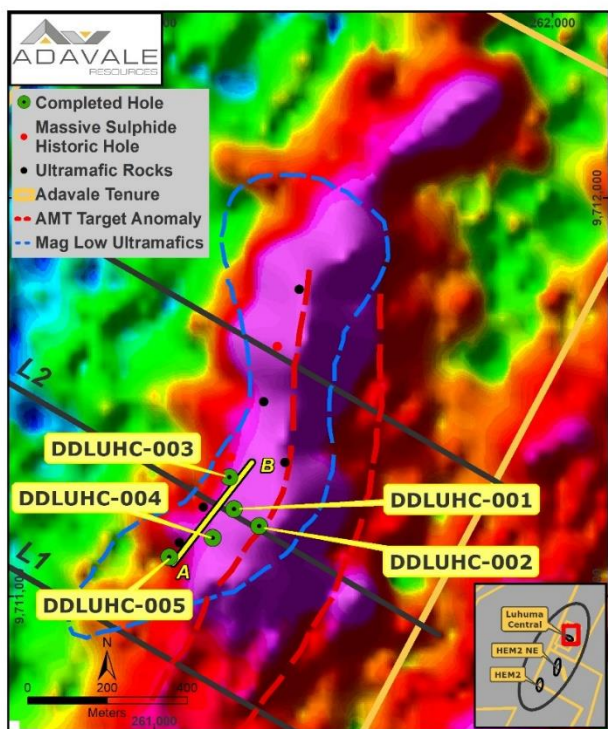


Figure 4: Plan view of current and proposed drill hole locations (yellow dots) at Luhuma Central plus historical holes (red dot massive sulphides intersected, black dots indicate ultramafic rocks intersected) together with location of the AMT lines L1 to L3 that have been surveyed by Adavale. Blue outline reflects the magnetic low interpreted to be the host mafic-ultramafic intrusion and the red corridor is the AMT anomaly projected to surface and interpreted as the mineralised trend. The background Colour image represents gridded C25 (db/dt) from the NRG Xcite airborne EM survey. Section line A-B shown in plan view and cross-sections shown in figure 5.

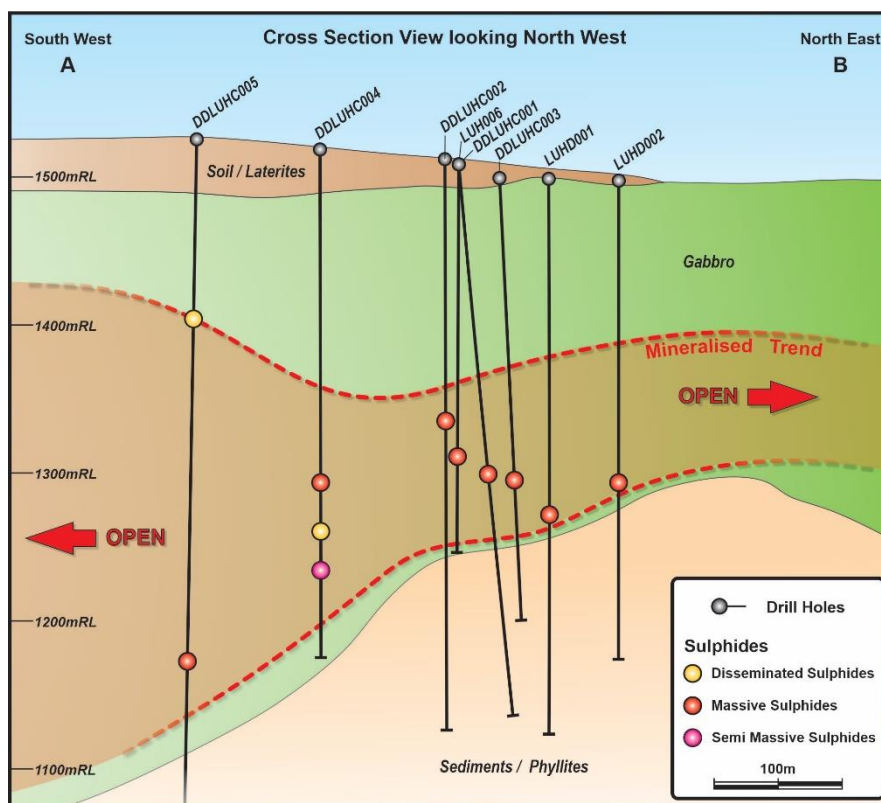


Figure 5: N-S Long Section A-B showing sulphide intercepts and footwall sediments

Adavale has now successfully completed five diamond drillholes at Luhuma Central, all situated within Prospecting Licence, PL 23980/2023 (referred to as **Luhuma Central**). The drilling is part of 5,000m combined diamond (DD) and reverse circulation (RC) drill program designed to test a series of targets within the Company's Kabanga Jirani Nickel Project. The mineralised intercepts to date, including DDLUHC005 are as follows:

Drillhole ID	Nature of Mineralisation	From (m)	To (m)	Thickness (m)
DDLUHC001	Massive Sulphide	223.35	227.5	4.15
DDLUHC002	Blebbly Sulphide	200.7	205.6	4.90
DDLUHC003	Massive Sulphide	261.7	269.25	7.55
DDLUHC004	Semi-Massive Sulphide	250.20	256.42	6.22
DDLUHC004	Massive Sulphide	256.42	257.54	1.12
DDLUHC004	Disseminated Sulphide	286.70	294.20	7.50
DDLUHC004	Alternating interspersed narrow Semi-massive and Massive Sulphide	316.26	323.00	6.74
DDLUHC005	5-7% Medium to Coarse-Grained Disseminated Sulphides	80.3	408	327.7
DDLUHC005	Semi-Massive to heavily Disseminated Sulphide	408	423.6	15.6

Table 1: Mineralised Intercepts in Drillholes DDLUHC001 to DDLUHC005

ALS (South Africa) Laboratory Assay Results

ALS laboratory results have been received for samples from DDLUHC001 and DDLUHC002 as shown in Table 2. The 4.13 m massive sulphide intersection achieved by DDLUHC001 from 223.35m returned a weighted average grade of **1.03% Ni, 0.04% Cu, 0.17% Co and 400ppb combined Pt, Pd and Au.**

Drillhole ID	Nature of Mineralisation	From (m)	To (m)	Thickness (m)	Ni %	Pt + Pd + Au g/t	Cu %	Co %
DDLUHC001	Massive Sulphide	223.35	227.48	4.13	1.03	0.04	0.14	0.17
DDLUHC001	Semi-Massive Sulphide	249.00	250.00	1	0.63	0.01	0.09	0.02
DDLUHC002	Blebbly Sulphide	200.55	205.55	5	0.41	0.19	0.08	0.02
DDLUHC003	Massive Sulphide	261.7	269.25	7.55	pending	pending	pending	pending
DDLUHC004	Semi-Massive	250.20	256.42	6.22	pending	pending	pending	pending
DDLUHC004	Massive Sulphide	256.42	257.54	1.12	pending	pending	pending	pending
DDLUHC004	Disseminated Sulphide	286.70	294.20	7.5	pending	pending	pending	pending
DDLUHC004	Alternating semi and massive sulphide	316.26	323.00	6.74	pending	pending	pending	pending
Historical Drillholes								
LUHD001	Massive Sulphide	255.40	260.85	5.45	0.80		0.15	0.14
LUHD002	Massive Sulphide	233.83	237.76	3.93	0.57		0.10	0.09
LUH006	Massive Sulphide	235.30	244.30	9	1.14			

Table 2: Assay Results for Drillholes in section (DDLUHC001 and DDLUHC002 have current assay results from ALS laboratory, LUHD001, LUHD002 and LUH006 have historically reported assay values)

Drillholes completed to date at Luhuma Central are tabulated below.

Drillhole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
DDLUHC001	261206	9711222	1508	120	-60	300.9
DDLUHC002	261267	9711177	1513	120	-60	451.3
DDLUHC003	261182	9711297	1515	115	-60	361.3
DDLUHC004	261149	9711143	1522	120	-65	386.0
DDLUHC005	261084	9711110	1512	130	-60	501.1
DDKNE015A	258928	9706530	1495	283.5	-60	552.3

HEM 2

Drillhole DDKNE015A at the EM target named HEM2, located SW of Luhuma, tested the eastern side of an intrusion where the contact with the sediments coincided with an AMT anomaly. This drill hole was completed to a depth of 552.3m and cased for DHEM. No significant sulphide mineralisation was observed in the hole.

Next Steps

The Company currently has two drill rigs operating within the Luhuma trend - one diamond rig has been focused on Luhuma Central testing for both depth and strike extensions of the massive nickel sulphide mineralisation. The second, a multipurpose rig has just completed and cased a deeper priority diamond hole at HEM2. This rig has now been re-configured to RC and will begin a series of RC holes designed to test several coincident gravity and EM geochemical anomalies at HEM4.

Included in the upcoming newsflow will be:

- Visual interpretation from drilling planned holes at LUHC and (HEM2E), as appropriate;
- ALS assay results;
- Downhole EM results;
- Ground EM survey results; and
- DD drilling and RC drilling at HEM2 E and HEM4.

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

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References/ Previous ASX Releases

¹See ASX:ADD release on 22 May 2023 titled "Geologically Significant Nickel Sulphide Licence Granted".

²Evans, D. M., Hunt, J. P. P. M. and Simmonds, J. R., 2016. An overview of nickel mineralisation in Africa with emphasis on the Mesoproterozoic East African Nickel belt (EANB). *Episodes*, 39/2, 319-333. DOI: 10.18814/epiugs/2016/v39i2/95780; see also ASX:ADD release 16 December 2021 "Adavale Discovers Significant Mafic-Ultramafic Intrusion".

³See ASX:ADD release on 4 April 2023 titled "Nickel Sulphide Drill Targets and 15km Soil Anomaly Defined".

⁴See ASX:ADD release on 6 June 2023 titled "Massive Nickel Sulphides Intersected at Kabanga Jirani".

⁵See ASX:ADD release on 19 June 2023 titled "ADD Continue to Intersect Zone of Strong Nickel Sulphides".

⁶See ASX:ADD release on 11 July 2023 titled "Assays confirm Massive Nickel Sulphides at Luhuma Central Prospect".

⁷See ASX:ADD release on 25 July 2023 titled "ADD Replicates Maiden Massive Nickel Sulphide Intersection".

⁸See ASX:ADD release on 4 August 2023 titled "DHEM Delivers Massive Sulphides Extensions".

⁹See ASX ADD release on 17 August titled "Multiple Massive and Semi Massive Nickel Sulphide Zones Intersected at Luhuma Central"

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.

Cautionary Statements

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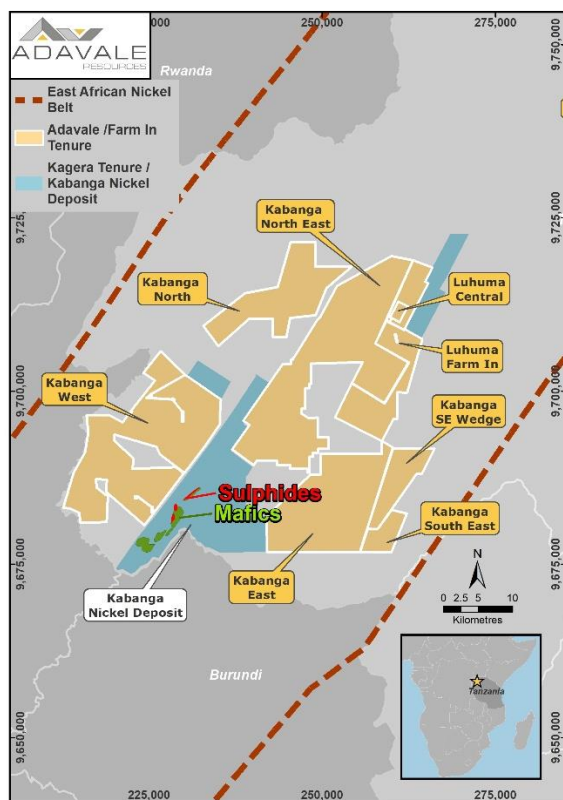
Forward looking statements

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 ~1,216km² 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 99km² 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	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>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.</i> 	<p>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.</p> <p>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.</p> <p>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.</p> <p>All sampling equipment must be cleaned between samples to prevent contamination.</p> <p>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.</p> <p>For diamond drilling sampling takes place as follows:</p> <p>Core is aligned and a cutting line is drawn to prevent sampling bias.</p> <p>Samples are marked off in pre-defined intervals of 1 m or smaller if required to honour lithological contacts.</p> <p>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.</p>

Criteria	JORC Code Explanation	Commentary
		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.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>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).</i> 	Combination of RC and diamond drilling using NQ sized core. Current depth limit of RC drilling is 150m and for diamond drilling is 600m.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> 	<p>For RC Drilling</p> <p>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.</p> <p>For Diamond Drilling</p> <p>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.</p>
<i>Logging</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>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</p> <p>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)</p> <p>Chips from RC drilling are stored in a chip tray with a representative sample captured for every metre.</p>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of</i> 	<p>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.</p> <p>RC material has been captured for every metre drilled. For details of sampling technique see “Sampling techniques” section.</p>

Criteria	JORC Code Explanation	Commentary
	<p><i>the sample preparation technique.</i></p> <ul style="list-style-type: none"> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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.</i> 	Core samples will be analysed by ALS laboratory in South Africa. An aqua regia digest will be used to avoid the inclusion of silicate Ni. CRM's, blanks and standard will be 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	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<p>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.</p> <p>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</p>
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and</i> 	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
	<p><i>other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> <i>• Specification of the grid system used.</i> <i>• Quality and adequacy of topographic control.</i> 	
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>• Data spacing for reporting of Exploration Results.</i> <i>• 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.</i> <i>• Whether sample compositing has been applied.</i> 	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.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <i>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>• 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.</i> 	Drillholes are designed to intercept conductors orthogonally if possible or alternatively to drill through the EM anomalies.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>• The measures taken to ensure sample security.</i> 	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.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>• The results of any audits or reviews of sampling techniques and data.</i> 	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
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> 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. 	<p>The Kabanga Jirani Nickel Project located in Tanzania covering 1,215.97km² comprises of ten granted licences, all are 100% owned by Adavale Resources as follows:</p> <p>PL 11406 298 km² Kabanga North East</p> <p>PL 11886 23 km² Kabanga South East</p> <p>PL 11405 114 km² Kabanga North</p> <p>PL 11538 64 km² Burigi</p> <p>PL 11537 194 km² Burigi North</p> <p>PL 11591 182 km² Kabanga East</p> <p>PL11590 273 km² Kabanga West</p> <p>PL11592 19.4 km² Ruiza North East</p> <p>PL 12175 44.83 km² Southeast Wedge</p> <p>PL 23980/2023 3.74 km² Luhuma Central</p> <p>In addition there are two licences with farm-in agreements (65% ownership interest)</p> <p>PL11692 26 km², Luhuma North</p> <p>PL11693 73 km², Luhuma South</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	Not applicable, not referred to.
<i>Geology</i>	<ul style="list-style-type: none"> 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.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar 	<p>DDLHC 001</p> <p>Easting 261206</p> <p>Northing 9711222</p> <p>Elevation 1508</p> <p>Azimuth: 120</p>

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	<ul style="list-style-type: none"> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> • <i>hole length.</i> • <i>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.</i> 	<p>Dip: 60° EOH: 300.9m</p> <p>DDLUHC 002</p> <p>Easting 261267 Northing 9711177 Elevation 1513 Azimuth: 120 Dip: 60° EOH: 451.3m</p> <p>DDLUHC 003</p> <p>Easting 261182 Northing 9711297 Elevation 1515 Azimuth: 115 Dip: 60° Planned EOH: 361.3m</p> <p>DDLUHC 004</p> <p>Easting 261149 Northing 9711143 Elevation 1512 Azimuth: 120 Dip: 65° EOH: 386m</p> <p>DDLUHC 005</p> <p>Easting 261084.4 Northing 9711109.9 Elevation 1512 Azimuth: 130 Dip: 60° EOH: 501.1m</p> <p>DDKNE015A</p> <p>Easting 258928 Northing 9706530 Elevation 1495 Azimuth: 283.5 Dip: 60° EOH: 552.3m</p>

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Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	Not applicable – no assay results reported in this announcement.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> 	Not applicable – insufficient data available at this point to describe relationship between mineralisation widths and intercept length.
Diagrams	<ul style="list-style-type: none"> <i>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.</i> 	Plan views and cross-sections have been provided
Balanced reporting	<ul style="list-style-type: none"> <i>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.</i> 	Once laboratory results are received more comprehensive reporting will be submitted.
Other substantive exploration data	<ul style="list-style-type: none"> <i>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.</i> 	No other material information that hasn't been reported.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling</i> 	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.



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	<i>areas, provided this information is not commercially sensitive.</i>	