

Adavale to Commence Drilling for Uranium in South Australia

- Drilling and survey contracts now being finalised
- Aircore drilling program designed to test priority Marree Embayment targets
- Stage one drilling (3,000m) to target paleochannel extensions and uranium redox boundaries at MacDonnell Creek and George Creek prospects
- MacDonnell Creek and George Creek prospects highlighted uranium potential from historical broad spaced drill intercepts¹:
 - 1.0 metre at 263ppm eU₃O₈ and
 - 0.65m at 235ppm eU₃O₈.
- Heritage surveys designed to extend localised areas previously cleared at MacDonnell Creek and George Creek prospects also to commence

Adavale Resources Limited (ASX: ADD) ("or the **Company**") is pleased to advise that following the acquisition of 100% interests in EL6553 from Kilonova Metals Pty Ltd², the Company is rapidly moving towards an extensive aircore drilling program. This exploration program has been designed to focus on previous uranium results at the MacDonnell Creek and George Creek prospects, within the Marree Embayment in South Australia.

Adavale's Executive Director, David Riekie commented:

"We are finalising the heritage clearances and associated administration requirements to enable us to shortly commence a cost effective aircore drilling program at MacDonnell and George Creek."

"While the historical drilling outlined the general uranium prospectivity, our current program of up to 40 holes is anticipated to trace, extend and test the uranium redox boundaries that were previously intersected. The average depth of the holes will be around 100m and testing will be conducted on site using pXRF and subsequently verified by laboratory based assays."

"This current drilling program will include both infill drilling (200m x 100m), designed to confirm and extend the previous uranium mineralisation as well as some broader spaced (800m x 400m) drilling anticipated to generate new target areas within this uranium rich paleochannel."

¹ Refer to CXU ASX announcement dated 14 July 2011– "Maree Drilling Results"

² Refer to ADD ASX announcement dated 26 March 2024 – "Strategic Acquisition to Expand Uranium Portfolio in SA"

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Marree Embayment Project

Adavale's 100% owned tenure in the Marree Embayment now sits at 2,258km², making it one of the largest public-listed licence holders in the region (refer **Figure 1**). The Company has also applied for a large uranium project area east of Ceduna in South Australia, covering 2,446km² (Refer to ASX announcement dated 17 June 2024).

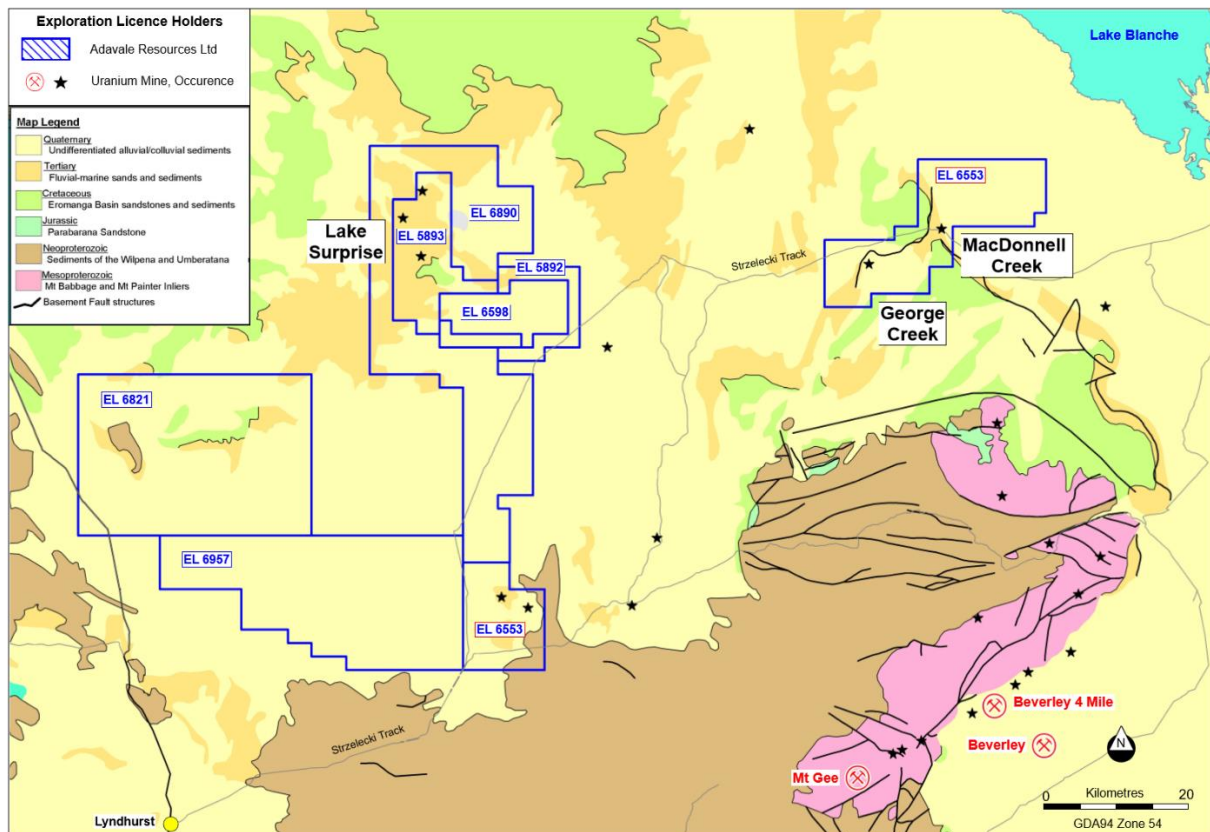


Figure 1: Adavale's expanded Exploration Licence areas in the Marree Embayment South Australia.

Adavale now has 100% ownership of EL6553 and this 3,000m program will be the first drilling at the MacDonnell Creek and George Creek uranium prospects since 2011. The paleochannel at MacDonnell Creek and George Creek is dominated by oxidised sands with the highest-grade uranium mineralisation located in interbedded reduced sands and clays at the bottom of the channel. This initial drill program will target extensions of known mineralisation and roll fronts of oxidised and reduced sediments further downstream (Refer **Figure 2**).

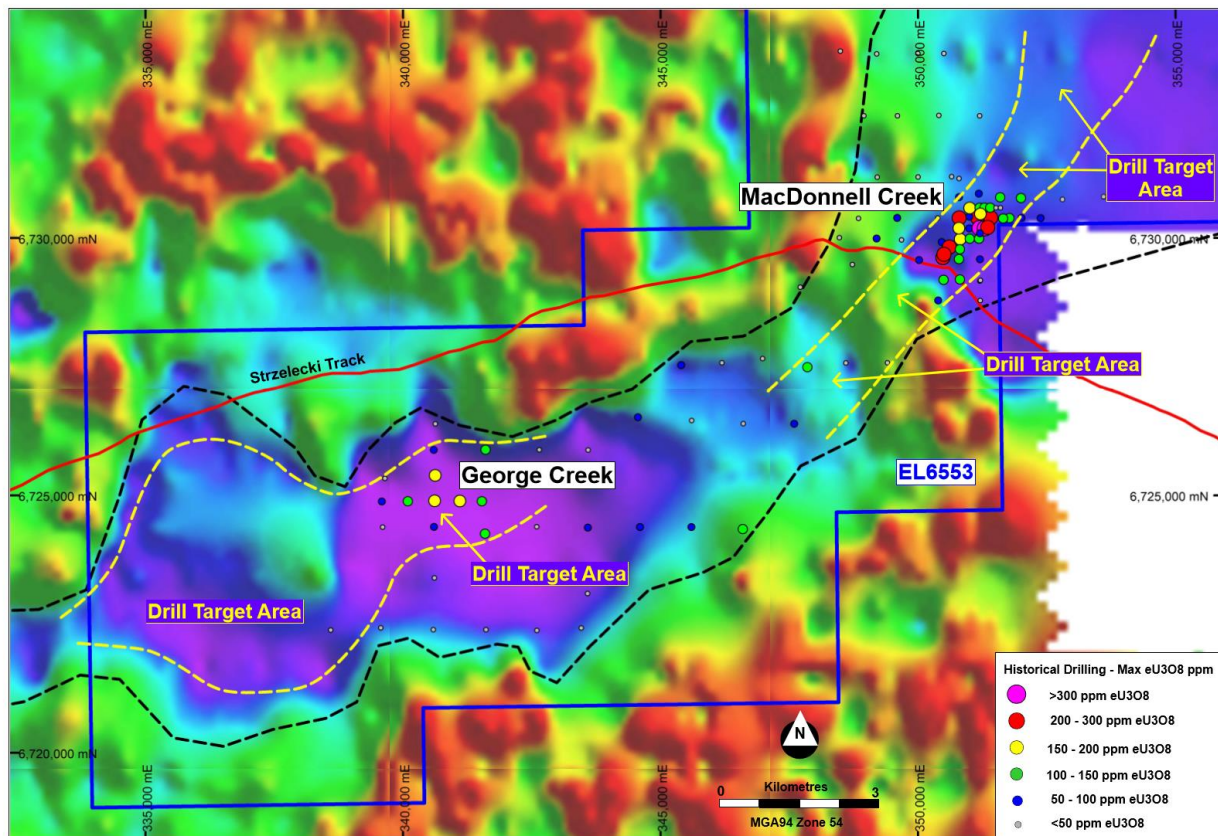


Figure 2: Current exploration and drill target areas at MacDonnell and George Creek.

The MacDonnell Creek and George Creek prospects are proximal to the uranium-rich Mount Babbage and Mount Painter Inliers of the northern Flinders Ranges. Previous exploration by Cauldron Energy Limited (ASX: CXU) (**Cauldron**) from 2008 to 2011 intersected thin Quaternary alluvial/colluvial sediments overlying up to 80m of Namba Formation sediments.

Uranium mineralisation occurs in the underlying Eyre Formation sediments of 30 to 80m thickness, with oxidised and reduced lignitic clays, and lignitic quartz sands. These prospective Paleogene-aged Eyre and Neogene-aged Namba Formations are the host to several sedimentary roll-front uranium occurrences including the Beverley, Beverley Four Mile, and Honeymoon Well uranium mines. These formations are the principal target for uranium mineralisation within the Project area.

Historical exploration drilling targeted a paleochannel outlined by a detailed heliborne electromagnetic survey and extensions of the known mineralised areas remain to be fully explored within the Project area.

NEXT KEY STEPS - EXPLORATION

- Engagement with Traditional Custodians has commenced and timing of Heritage clearance surveys are being finalised.
- Contracts for drilling programs to be finalised.
- Field exploration of the Marree Embayment Project to test for near surface uranium mineralisation.
- Planning of first pass drill programme at the Depocentre prospect, Mundowdna.

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 MAppSc, 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 undertaking 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.

Refer to the Company's ASX announcement dated 26 March 2024, “Strategic Acquisition to Expand Uranium Portfolio in SA” for the historical results referred in this announcement and the JORC Table details. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

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 7 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 and 4 exploration licence applications east of Ceduna on the Eyre Peninsula. This will increase Adavale's uranium tenement holdings to 5,160km²

