

17 October 2022

Dear Shareholder,

Bonus Options Offer – Notification to Ineligible Shareholders

On 27 July 2022, Adavale Resources Limited (ASX: ADD, “**Adavale**” or “**The Company**”) announced that it would be undertaking a bonus options offer (**Bonus Options Offer**) of one (1) option for every three (3) Shares held by eligible Shareholders on the Record Date (**Bonus Options**). The amount payable upon exercise of each Bonus Option will be \$0.03 and each Bonus Option will expire on 22 September 2023.

The Company lodged a prospectus for the Bonus Options Offer (**Prospectus**) with ASIC and ASX on 5 October 2022, which can be accessed at www.adavaleresources.com and on ASX’s website.

Following completion of the Bonus Options Offer, the Company will have issued approximately 50,839,291 Bonus Options, resulting in total options on issue of 132,205,928.

Ineligible Shareholders

A Shareholder who has a registered address outside Australia or New Zealand (**Ineligible Shareholder**) will not be able to participate in the Bonus Options Offer.

You are not eligible to participate in the Bonus Options Offer and will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with the legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of Bonus Options to which they would otherwise be entitled.

If you have any questions in relation to any of the above matters, please contact the Company Secretary on +61 2 8003 6733 at any time between 8.30am to 5.30pm (WST), Monday to Friday.

Yours sincerely,



Leonard Math
CFO & Company Secretary