

15 August 2022

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Commencement of EM Survey at Kabanga Jirani & Luhuma Nickel Projects

HIGHLIGHTS

- Helicopter-borne Electromagnetic Survey (HEM) is now underway at the Kabanga Jirani & Luhuma Nickel Projects located in Tanzania
- HEM to test 9 high-priority areas across 18 conducive targets that were generated from the recent gravity survey
- The survey will cover c.2,000km using deep penetrating (c.500m), high-powered Time Domain EM (TDEM) designed to target nickel mineralised conductors
- The HEM data in conjunction with the existing exploration database, will be used to generate, refine and prioritise targets to be systematically drill tested using RC & Diamond drilling, scheduled to commence in late Q3-CY22

Adavale Resources Limited (ASX: ADD) ("ADD" or "Company") is pleased to advise that the Helicopter-borne Electromagnetic (HEM) survey has commenced at the Kabanga Jirani (**Kabanga**) and Luhuma Nickel Projects (**Luhuma**) located in Tanzania. The survey helicopter, technical equipment and all key personnel have arrived on site for the campaign that will run for 10-14-days.

The HEM survey will be conducted over 9 high-priority areas (**Figure 1**), that cover 18 of the 32 gravity anomalies identified from the recently completed ground-based gravity survey.

Adavale's Executive Director Mr David Riekie commented :

"We are delighted that this Heli EM program is now underway. With c.2,000km being flown over 10 to 14 days; the program has been designed to allow our technical team to receive and interpret the data regularly so we can identify and then prioritise potential drilling locations. Drilling will be coordinated with local drilling contractors for the RC and DD campaign. Funding from the recent capital raise will enable us to be

ASX: ADD

DIRECTORS & OFFICERS

GRANT PIERCE
CHAIRMAN

DAVID RIEKIE
EXECUTIVE DIRECTOR

JOHN HICKS
DIRECTOR

ALLAN RICHIE
CHIEF EXECUTIVE OFFICER

LEONARD MATH
CFO & COMPANY SECRETARY

ISSUED CAPITAL

Shares: ~437 million
Unlisted options: 26.5 million
Performance rights: 17 million

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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actively drilling over the coming months. We look forward to keeping the market informed of these important exploration activities and their outcomes.”

New Resolution Geophysics (**NRG**) based in Cape Town, South Africa will complete the HEM surveys using their high-powered TDEM system which is capable of detecting EM conductors between 500-600m below the surface (subject to local ground conditions).

Adavale will use the HEM data, in conjunction with existing exploration data to rank and prioritise targets for follow-up drill testing. Drill testing of these priority targets identified is anticipated to commence in late Q3 CY22.

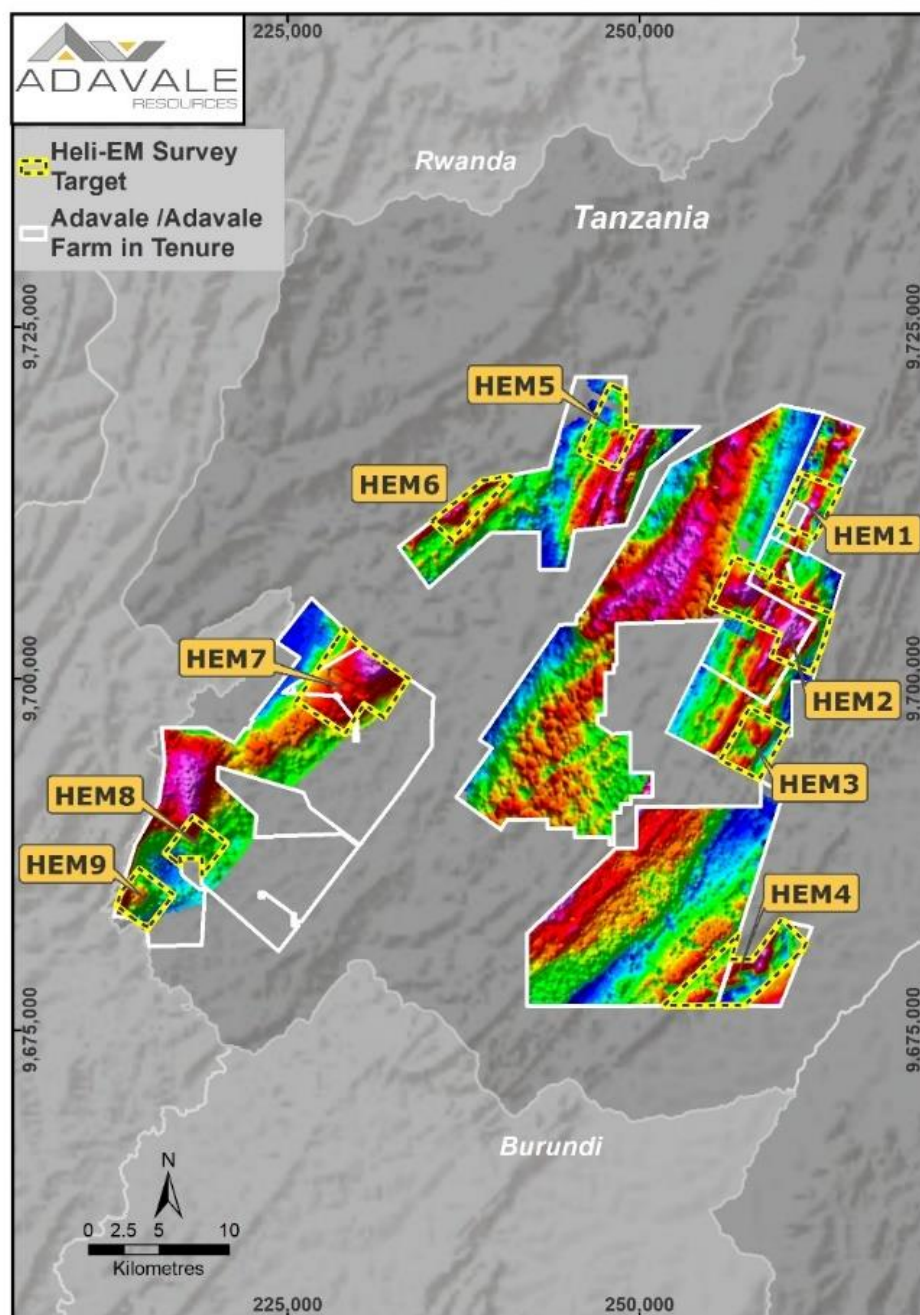


Figure 1: Plan view of the nine HEM target areas



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

Further information:

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Competent Persons Statement

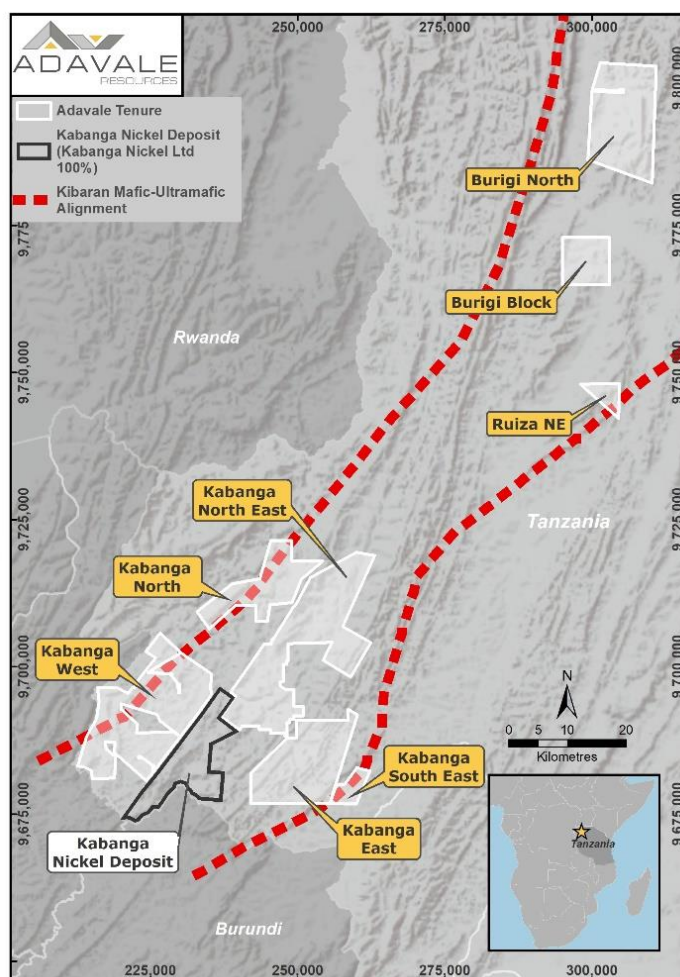
The information in this release that relates to "exploration results" for the Project is based on information compiled or reviewed by Mr David Dodd of MSA, South Africa. Mr Dodd is a consultant for Adavale Resources Limited and is a member of the SACNASP. Mr Dodd has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration as well as to the activity that is being undertaking 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.

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 8 highly prospective granted licences covering ~ 1,168km² along the Karagwe-Ankolean belt in Tanzania. The four 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 5 southernmost licences, adding a further 99km² to the portfolio. Adavale's licences were selected based on their strong geochemical and geophysical signatures from the previous exploration undertaken by BHP.



Adavale also holds three exploration licences for their sedimentary uranium potential within the northern part of the highly prospective Lake Frome Embayment in South Australia.