

23 September 2021



Work to Commence on South Australian Uranium Licences

- 1,100 line-kilometres of ultra-high resolution gamma surveying planned to define known surface anomalies
- Geological sampling, analysis of samples (to calibrate gamma survey with chemical composition) to follow up on historic portable XRF values
- Program also intends to scope further works to upgrade its historic exploration to comply with JORC 2012 standards

Adavale Resources Limited (ASX:ADD "Adavale") is pleased to announce planned work is scheduled to commence in mid-October on the 100% owned Lake Surprise Project tenements (EL5892, EL5893 and EL6598) in South Australia (see Figure 1).

Adavale Chairman Grant Pierce commented:

"We are rather excited to be finally preparing for the commencement of this uranium program in South Australia. We have been in a state of readiness for some 6 months but as experienced by many exploration companies in Australia, COVID cross border travel restrictions disrupted the best laid plans. It will be great to see some new results on these licences that show so much promise".

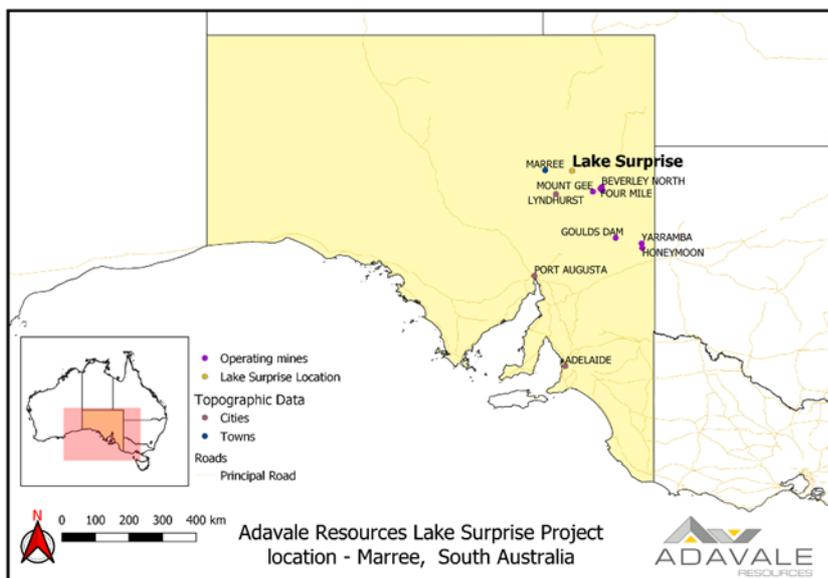


Figure 1. Lake Surprise project location in South Australia

ASX: ADD

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JULIAN ROCKETT
LEGAL & COMPANY SECRETARY

ISSUED CAPITAL

Shares: 288 million
Unlisted options: 17.5 million

ABOUT ADAVALE

Adavale Resources is an ASX-listed exploration company targeting projects in the 'battery materials' space. The company is currently focussed on its 100% owned Kabanga Jirani Nickel Project adjacent and along strike from the world's largest undeveloped high grade NiS resource of 58Mt @ 2.62% Ni.

MORE INFORMATION

adavaleresources.com

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History of the Lake Surprise Project

The Lake Surprise project was first acquired by Adavale in 2006 and at that time exploration focused on several downhole gamma and geochemical anomalies of interest defined to date. A total of 446 drill holes were completed by Adavale prior to 2011¹. These consisted of shallow drill holes, with a maximum depth of approximately 60m. The drilling targeted geological formations that had visible uranium mineralisation.

The identified system forms a continuous underground geophysical and geochemical anomaly along a direction of strike that is coincident with a weak geophysical anomaly. This radiometric anomaly is approximately 600m wide and 2km in length and is relatively smaller and weaker than other anomalies since identified in the tenement package.

The relationship between the underground anomaly found in drilling and the geophysical anomaly at the surface was identified when the project was being reviewed internally in 2018.

Planned works and building into future programs

The current program of works aims to better understand the unexplored 1.8km by 8km geophysical anomaly located to the southeast of historic drilling, and wholly within Adavale's owned Lake Surprise tenement package.

This anomaly is much larger and stronger than the one defined by historic drilling and presents an exciting target for the Company. Limited work had previously been completed on this anomaly, as it was broadly disregarded in the past. There were some surface outcrops of silcrete and sandstone coincident with the large, unexplored geophysical anomaly that had returned highly encouraging uranium readings using a portable XRF. Follow-up work to identify and sample these outcrops is therefore planned for the current program.

The planned works over the anomaly will include a 1,100 line-kilometre ground based radiometric survey including targeted outcrop sampling, focussing on the priority gamma anomalies (as shown in Figure 2 below).

Sampling has the objective of replicating some of the historic rock chip and down hole results from portable XRF, but will be supported and verified via lab analysis to provide a sound foundation for future exploration workstreams.

This work program is also seeking to improve our understanding of the underlying geological controls of the system and establish a robust methodology for future exploration activities on the tenements.

The work programs are scheduled to commence mid-October. Commencement remains subject to no COVID-19 travel restrictions, however an exemption for the scheduled work has been submitted for the proposed field activities.

Work will be conducted over approximately 30 days. Results and assays will be released to ASX when available thereafter.

¹Source: [https://map.sarig.sa.gov.au/Adavale Resources Limited 28/Aug/2014 SARIG open file envelope No. 11,622, Data Release for Annual Reports for the period 2006 – 2014 submitted to Department of State Development, Government of South Australia](https://map.sarig.sa.gov.au/Adavale%20Resources%20Limited%2028/Aug/2014%20SARIG%20open%20file%20envelope%20No.%2011,622,%20Data%20Release%20for%20Annual%20Reports%20for%20the%20period%202006%20-%202014%20submitted%20to%20Department%20of%20State%20Development,%20Government%20of%20South%20Australia).

Adavale Resources proposed Gamma Survey
- Lake Surprise Project, South Australia

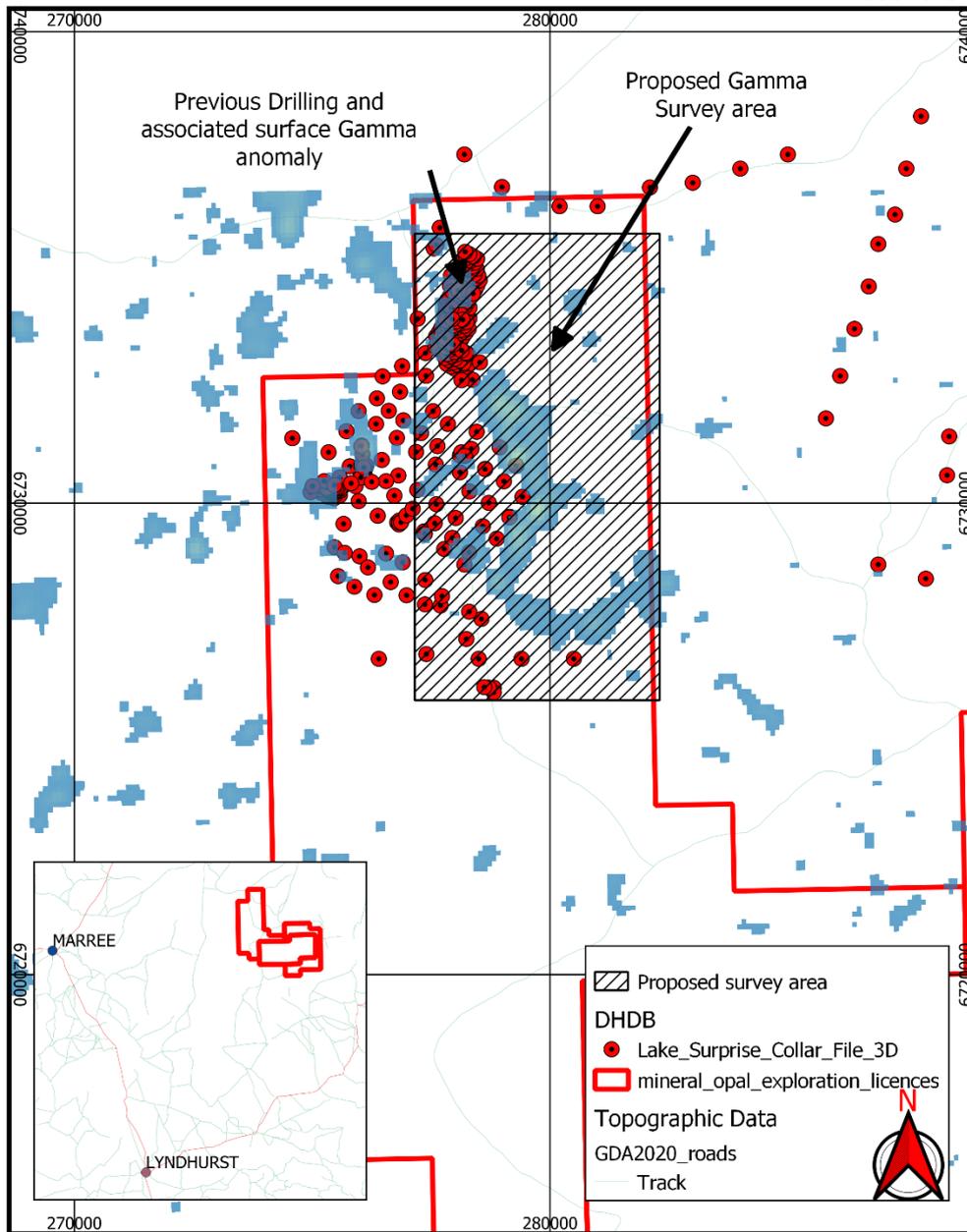


Figure 2: Proposed area of gamma survey and rock chip sampling

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

For further information please contact investor@adavaleresources.com or visit www.adavaleresources.com

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 7 highly prospective granted licences, covering over 1,145km² surrounding and proximal to the world class Kabanga Nickel Deposit (58Mt @ 2.62% Ni) and located along the Karagwe-Ankolean belt in Tanzania. Adavale’s licences were selected based on their strong geochemical and geophysical signatures from previous exploration undertaken by BHP Billiton.

Adavale also holds three exploration licences within part of the highly prospective sedimentary uranium province within the northern part of the Lake Frome Embayment.