

New Uranium Exploration Licences expand uranium footprint in South Australia

HIGHLIGHTS

- Four new Exploration Licence applications to secure 2,446 km² east of Ceduna
- ELA's include palaeochannels with demonstrated high grade uranium prospectivity
- New licence applications will expand ADD's South Australian tenure to 5,103 km²
- Exploration will focus on identifying roll front uranium mineralisation sequences
- Marree Embayment drill program and heritage clearance surveys are advancing

Adavale Resources Limited (ASX: ADD) ("or the Company") is pleased to advise that it has applied for a large uranium project area east of Ceduna in South Australia. The four Exploration Licence Applications (ELA's) covering 2,446 km² were chosen after an extensive review of this region with a focus on known palaeochannel systems, in association with the geologically and regionally significant Hiltaba Suite granites (see Figure1). The Hiltaba Suite granites have been interpreted to be the source for the high-grade Yarranna deposit (850ppm to 3,550ppm U₃O₈)¹ that sits within the Narlaby palaeochannel sequence. The ELA's will significantly expand the Company's regional uranium focus in South Australia and provides a solid foundation for future exploration.

Adavale's Executive Director, David Riekie commented:

"We see these licence applications as a timely and strategic expansion in a region that has demonstrated high grade uranium intersections within the Narlaby palaeochannel and other similar systems shedding from the Hiltaba granites.

Historical drilling primarily focussed on shallow mineral sands potential, which as a consequence, identified a number of regional palaeochannels. A detailed review of this information available from the South Australian Government's Resource Information Gateway was undertaken by our expanded geological team and their strong recommendations to apply for those areas that were both prospective and available.

We anticipate the Ceduna region of the Eyre Peninsula will become an important addition to our expanding exploration plans and a focus after the upcoming drilling programs at the Marree Embayment and MacDonnell Creek. Consequently, our exploration team is busy coordinating the exploration work programs for remainder of the calendar year."

¹ Refer to IsoEnergy Ltd - <https://www.isoenergy.ca/portfolio/australia/yarranna/>

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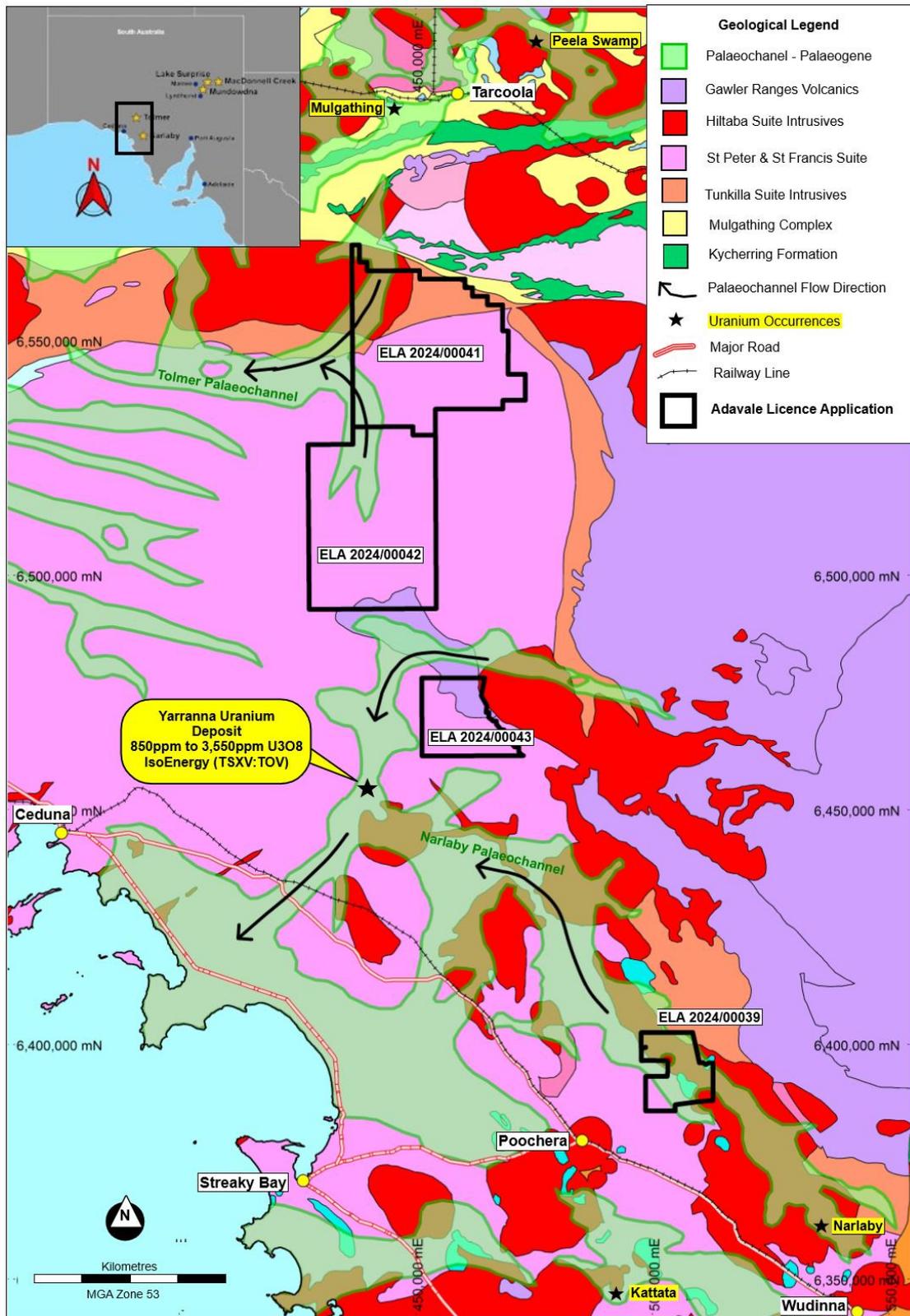


Figure 1: Adavale Exploration Licence application areas and regional palaeochannels and uranium occurrences identified.

Technical Summary and Rationale

Adavale Minerals Pty Ltd has applied for four exploration licences covering 2,446 km², with a central location in the Yellabinna area, ~85km east-northeast of Ceduna. (Figure 1). The Company is specifically targeting palaeochannel, sandstone hosted uranium mineralisation, which may also be associated with basement intersecting faults and buried uranium enriched granites of the underlying and adjacent Hiltaba Suite (Figure 2).

Narlaby Project

The Company has applied for two applications covering 189 km² and 260 km² respectively with one to the northwest of the upper branch of the Narlaby palaeochannel (*ELA 2024/00043*), which hosts the Yarranna roll front uranium deposits, and one southeast of the Yarranna deposits (*ELA 2024/00039*), 16 km northeast of Poochera on the Eyre Peninsula (Figure 1).

The Yarranna Uranium Project is held by ISOenergy Ltd (TSXV:ISO) and is an advanced stage exploration project discovered by Carpentaria Exploration Pty Ltd in the 1980s. Carpentaria completed aircore and mud rotary drilling, which resulted in the intersection of significant uranium mineralisation including IR1306 4m at 859 ppm U₃O₈ from 67m, IR1377 1m at 3,550 ppm U₃O₈ from 66m, and IR1378 1m at 1,400 ppm U₃O₈ from 69m¹. This mineralisation is associated with channel sequences of the Narlaby palaeochannel.

Adavale believes that there is potential for economic uranium mineralisation to be discovered within the application areas where historical drilling is limited, and the potential exists for additional redox fronts where uranium deposition may have occurred.

Tolmer Project

Adavale has also applied for two exploration licences (*ELA 2024/00041*, *ELA 2024/00042*) covering ~1,997km², located in the Yellabinna area, ~90km south of Tarcoola and 95km northeast of Ceduna (Figure 1). The Company is targeting sandstone hosted uranium mineralisation in the Tolmer palaeochannel that may also be associated with basement intersecting faults and buried uranium enriched granites of the underlying Hiltaba Suite (Figure 2).

The application areas cover the upper branches of the Tolmer palaeochannel with historical drilling within the application area limited to coal and heavy minerals exploration (Figure 2).

In 1981, Dampier Mining completed 6 mud rotary holes targeting coal across the northwestern part of the *ELA 2024/00041* application. The drilling intersected carbonaceous sand, lignite and channel fill sediments in hole Nalara NR4, which is located near the centre of the Tolmer palaeochannel (Figure 2).

During 2006, Minotaur Exploration flew Airborne EM (1km line spacings) in the northwestern part of the same *ELA*, which identified the 2 branches of the Tolmer palaeochannel. No exploration for uranium has been conducted on the Tolmer palaeochannel within the application area (Figure 2). Adavale believes that there is potential for economic uranium mineralisation and additional branches and extensions to the Tolmer palaeochannel to be discovered within the application area, where historical drilling is limited.

¹ Refer to IsoEnergy Ltd - <https://www.isoenergy.ca/portfolio/australia/yarranna/>

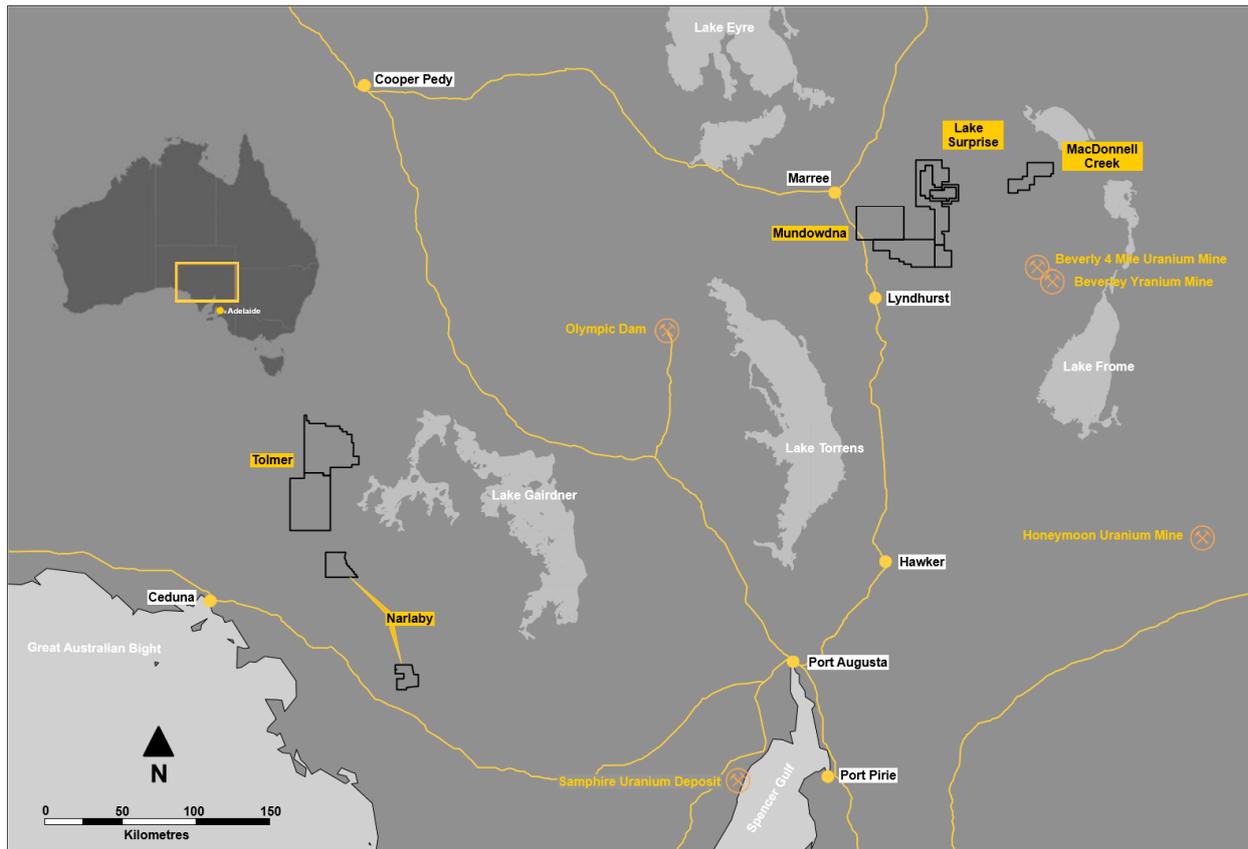


Figure 2: Location plan showing Adavale’s uranium tenure in South Australia

NEXT KEY STEPS - EXPLORATION

- Heritage clearances along tracks and trails crossing interpreted basement low/depocentre on western margin of the Marree Embayment Project and additional possible targets for advanced exploration;
- Co-ordination and design of drilling programs at the Marree Embayment Project to test structures for uranium redox boundaries at MacDonnell Creek and surrounds;
- Development of exploration programs in anticipation of the grant of the new ELA’s.

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.

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

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References

IsoEnergy Ltd - <https://www.isoenergy.ca/portfolio/australia/yarranna/>

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.

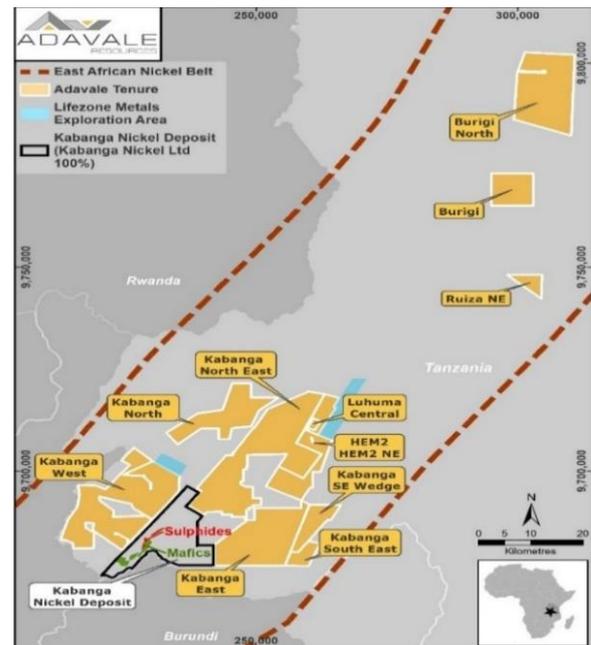
Forward looking statements

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 5 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. Adavale is in the process of completing the acquisition of exploration licence EL6553 (456km²) and EL6890 (599km²) to increase Adavale’s uranium tenement holdings to 2,657km².

