

Adavale Secures Funding to Advance Uranium Exploration in South Australia

- Adavale has received firm commitments to raise a total of \$550,000 via a two tranche Placement to professional and sophisticated investors including Directors and management participation of approximately \$114,000
- Bonus Option issue planned for all Adavale shareholders
- Funding will allow Adavale to aggressively advance its SA uranium exploration strategy
- New strategic acquisition of Uranium rights on the Wirrulla Project, proximal to both Adavale's Narlaby Project and ISOenergy Yarranna Uranium Project
 - Yarranna Uranium Project has significant uranium intercepts of up to 3,550ppm U₃O₈
- Highly experienced mining executive, Nic Matich appointed as a Non-Executive Director
- Aircore drilling program at MacDonnell and George Creek prospects on schedule following positive engagement with traditional owners for heritage clearances

Adavale Resources Limited (ASX: ADD) ("or the Company") is pleased to advise that it has received binding commitments to raise \$550,000 (before costs) through a placement to new and existing professional and sophisticated investors ("Placement"). The Placement will comprise the issue of approximately 183 million new fully paid Ordinary shares at an issue price of \$0.003 per share ("New Shares") and a 1:1 free attaching option exercisable at \$0.005 each, expiring 31 December 2027 ("Attaching Options").

Proceeds from the Placement will be used to accelerate exploration activities within Adavale's highly prospective uranium prospects including an aircore drilling program at MacDonnell and George Creek as well as the Maree Embayment Project.

Adavale's Executive Director, David Riekie commented:

"We are very grateful and thankful for the support of our new and existing shareholders, especially in this difficult market. The funding allows us to advance our uranium exploration activities in our highly prospective grounds. We are very pleased to be able to secure the uranium rights on the Wirrulla Project, expanding our footprint within the Narlaby palaeochannel which hosts the Yarranna uranium deposits.

"We look forward to unlocking shareholder value in the coming months through our maiden drilling program."

Commenting on Mr Nic Matich's appointment, Adavale's Chairman, Grant Pierce said:

"On behalf of the Board I welcome Mr Nic Matich to the Board as a Non-Executive Director. His resource sector experience, market knowledge, along with his intimate understanding of the Wirrulla Project and the nuances of operating in South Australia will greatly benefit Adavale's exploration programs."

Directors & Officers

GRANT PIERCE
Chairman

DAVID RIEKIE
Executive Director

JOHN HICKS
Non-Executive Director

NIC MATICH
Non-Executive Director

ALLAN RITCHIE
CEO

LEONARD MATH
CFO & Company Secretary

 Adavaleresources

 AdavaleL

 investor@adavaleresources.com

 +61 2 8003 6733

ASX: ADD
adavaleresources.com

Adavale Resources Limited
Level 2, 49 Oxford Close
West Leederville, WA, 6007

Wirrulla Uranium Project

Adavale has executed a binding Heads of Agreement with Pinnacle Minerals Limited (ASX:PIM) to acquire 100% of its uranium rights on the Wirrulla Project in South Australia. Wirrulla Project (EL6968) is 957km² of tenure in the northwestern extents of the Eyre Peninsula South Australia.

Desktop studies have highlighted the uranium prospectivity in the northern extents of the tenement where the uranium-bearing Narlaby palaeochannel is mapped continuing into the tenement. The palaeochannel hosts high grade uranium mineralisation at Yarranna, only 10km from the targets identified by satellite and radar imagery analysis conducted by Pinnacle Minerals.

ISOenergy's (TSXV:ISO) Yarranna Uranium Project has significant intercepts including 3,500ppm U₃O₈ over 1m from 66m and 1,400ppm U₃O₈ over 1m from 69m.¹

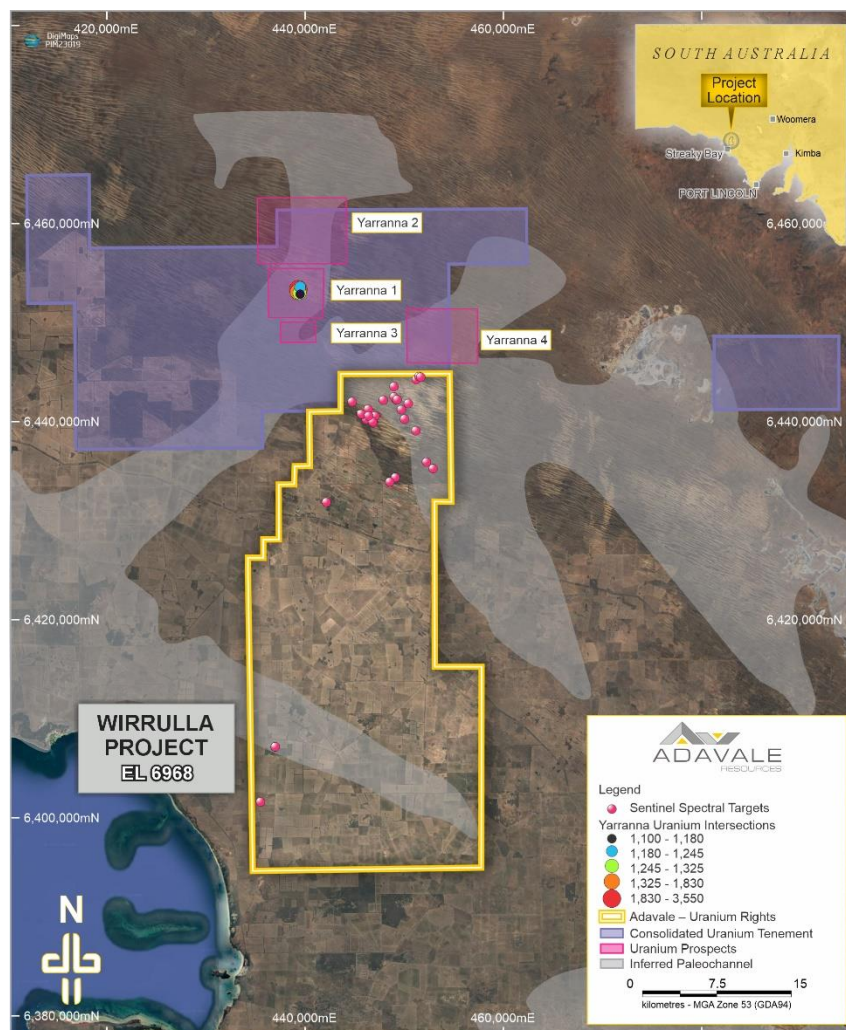


Figure 1: Wirrulla Uranium Project highlighting uranium mineralisation and targets

An Environment Protection and Rehabilitation (EPEPR/PEPR) plan has been submitted to the SA Department for Energy and Mining. Adavale is expecting to receive approval this quarter to conduct a maiden drilling program of the Narlaby palaeochannel within EL6968.

The strategic location of EL6968 relative to Adavale's exploration licence application and the interpreted palaeochannels, is shown below in Figure 2.

¹ Open File Envelope No.4010, Carpentaria Exploration Co. Pty Ltd, 1984

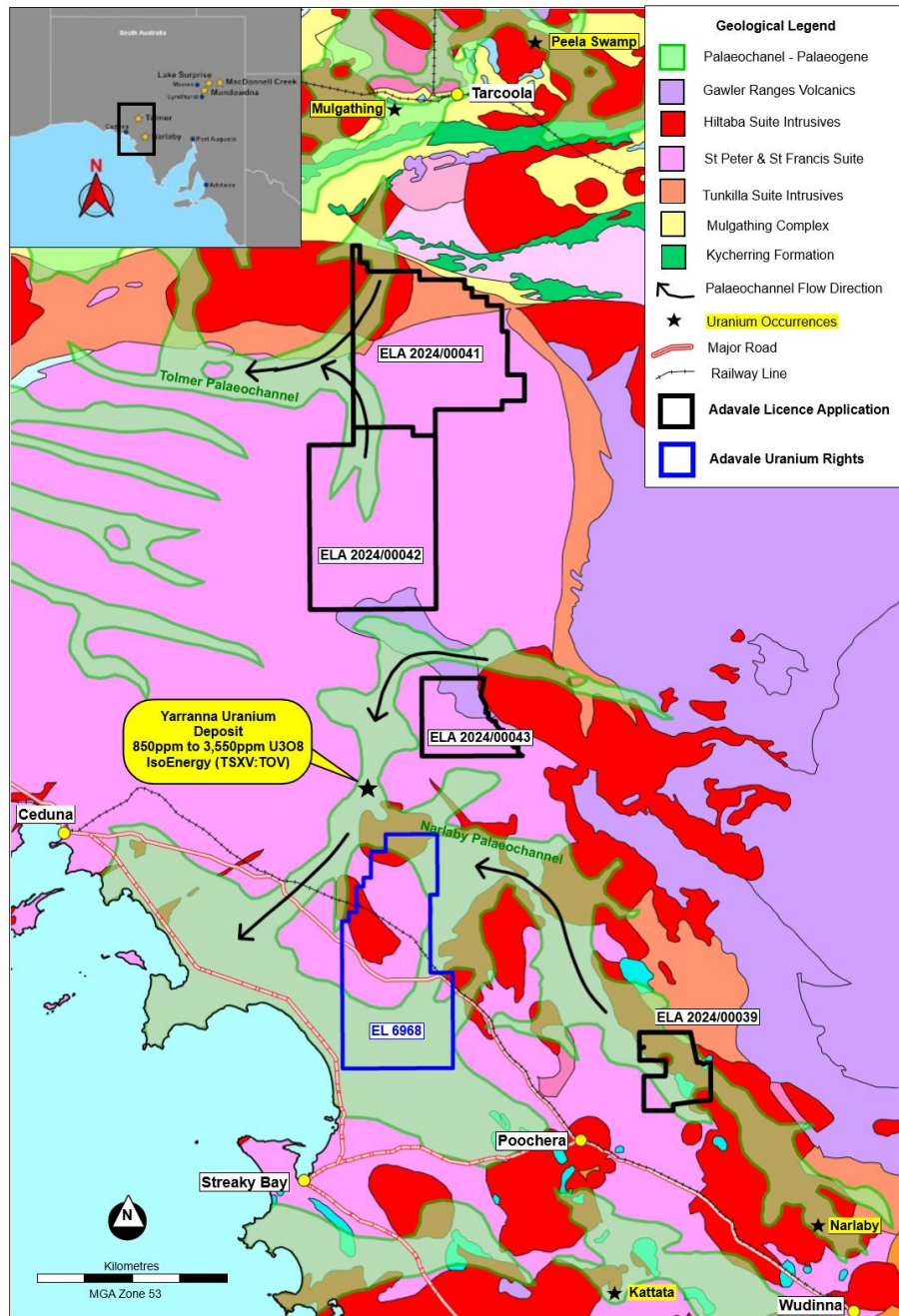


Figure 2: Map showing the location of Adavale ELA's and the Uranium Rights EL6968 on the Eyre Peninsula

Refer to Appendix 1 for the key terms of the acquisition.

Placement Details

The Company will issue 183,333,334 fully paid Ordinary shares at an issue price of \$0.003 per share. Each Placement Share will receive a 1 free attaching Option with an exercise price of \$0.005 each expiring 31 December 2027 (“Attaching Options”).

The Placement of 145,166,667 New Shares will be issued pursuant to the Company’s available placement capacity under ASX Listing Rule 7.1 and is expected to be settled on or about 7 August 2024 (“Tranche 1”). Subject to receipt of shareholder approval at a General Meeting of shareholders

to be convened, a further 38,166,667 New Shares and the Attaching Options will be issued (“**Tranche 2**”).

Directors and management will participate on the same terms of the Placement for \$114,000. The Directors Placement New Shares and Attaching Options will be subject to shareholder approval and, if approved, issued as part of Tranche 2.

The New Shares will rank equally with the Company’s existing shares on issue. GBA Capital acted as Lead Manager to the Placement.

Bonus Option Issue

In recognition of the continuing support received from our shareholders, Adavale intends, subject to ASX approval of the timetable and subject to the issue of a Prospectus in compliance with the Corporations Act, to undertake a Bonus Option issue to all shareholders. The Record Date for the Bonus Option Issue is expected to be post completion of Tranche 2 of the Placement in September 2024 (“**Bonus Option Record Date**”). A further announcement, including the timetable for the entitlement to and issue of the Bonus Options will be provided by the Company on lodgement of the Prospectus.

For every ten (10) shares held at 5.00pm (AWST time) on the Bonus Option Record Date, Eligible Shareholders will be issued with one (1) free Bonus Option.

The Bonus Option will have the same terms as the Attaching Options to the Placement, being an exercise price of \$0.005 and an expiry date of 31 December 2027.

New Board Appointment

Mr Nic Matich has been appointed to the Board of Adavale as Non-Executive Director. Nic is a mechanical engineer and finance professional with over 17 years’ experience in the resources sector. Nic is currently the Managing Director of Pinnacle Minerals Limited (ASX:PIM). His wide industry experience includes the provision of engineering, risk consulting and insurance services to numerous tier 1 mining companies with operations in lithium, iron ore, mineral sands, gold and kaolin. Nic’s familiarity within the Wirrulla Project and operational nuances in South Australia add to Adavale’s aim of discovering an economic uranium deposit in South Australia.

Nic has been appointed as an addition to the Board and will be required to stand for re-election at the Company’s next Annual General Meeting (“**AGM**”).

Reduction in Corporate Overheads

In consideration of the current market condition, Directors and Officers of the Company have decided to receive part cash and part shares for their remuneration in order to conserve cash within the Company. The Board has also taken appropriate measures to reduce corporate overhead costs. The issue of shares to Directors in lieu of fees will be subject to shareholder approval, which will be sought at the General Meeting.

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:

David Riekie
Executive Director
E: investor@adavaleresources.com
P: +61 2 8003 6733

For broker and media enquiries:

Andrew Rowell
White Noise Communications
E: andrew@whitenoisecomms.com
P: +61 400 466 226

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

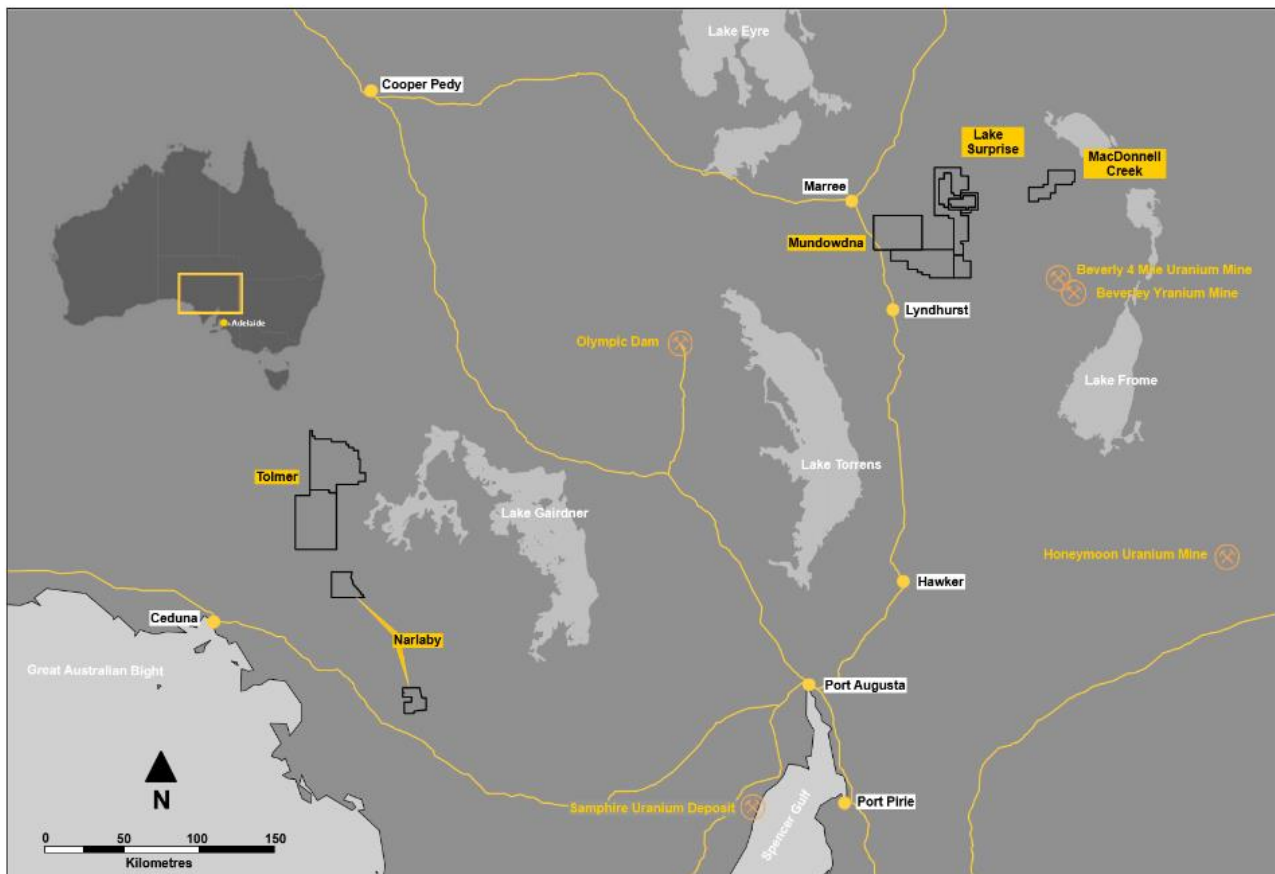
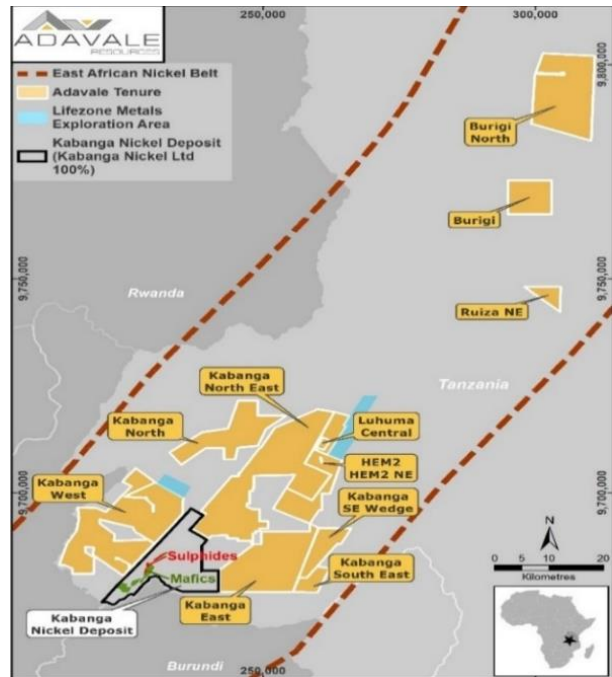
This document contains forward-looking statements concerning Adavale. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other 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 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. The acquisition of the uranium rights over EL 6968 will increase Adavale’s uranium tenement holdings including uranium rights to 6,117km².

Adavale also 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.



Appendix 1 - Material Terms of Binding Heads of Agreement

Agreement	Adavale Resources Limited (ASX:ADD) through its wholly owned subsidiary Adavale Minerals Pty Limited (who will hold the rights)(Adavale), REE Exploration Pty Ltd (REE) and Pinnacle Minerals Ltd (Pinnacle) (which owns REE) have entered into a binding heads of agreement (Agreement) for REE to grant and transfer mineral rights in relation to uranium (Granted Rights) in respect of the EL6968 (Tenement) to Adavale.
Consideration	In consideration for the grant of the Granted Rights, Adavale agrees: <ul style="list-style-type: none"> to pay a non-refundable \$20,000 cash to REE, payable on the execution of the agreement (Cash Consideration); to issue REE (or its nominee) 10,000,000 fully paid Ordinary shares at a deemed price of \$0.003 per share and 5,000,000 Options exercisable at \$0.005 each and expiring 31 December 2027 (Consideration Securities). The issue of Consideration Securities will be subject to shareholder approval.
Completion	Subject to satisfaction (or waiver) of the Conditions Precedent set out below, completion of the grant and transfer of the Granted Rights to Adavale (Completion) will occur on the date which is five (5) business days after the satisfaction or waiver of the last of the Conditions Precedent (or such other date as the Parties may agree).
Conditions Precedent	<p>Due diligence: Completion of financial, legal and technical due diligence by Adavale on the Tenement, to the absolute satisfaction of the Purchaser and confirmed in writing, within a period of 30 days from the date of the Agreement;</p> <p>Regulatory approvals: The Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, <i>Corporations Act 2001</i> (Cth) (Corporations Act) or any other law to allow the Parties to lawfully complete the matters set out in the Agreement by 30 September 2024;</p> <p>Third party approvals: The Parties obtaining all third party approvals and consents necessary to lawfully complete the matters set out in the Agreement, by 30 September 2024; and</p> <p>Shareholder approval: Adavale obtaining all necessary shareholder approvals including for the issue of the Consideration Securities at a general meeting, by 30 September 2024.</p> <p>All Conditions Precedent are for the sole benefit of Adavale and may only be waived in writing by Adavale.</p>
First right of refusal	Adavale will have a first right to acquire the Tenement from REE should REE resolve during the term to surrender or dispose of the Tenement.

The Agreement is otherwise on standard terms and conditions, including confidentiality provisions, and representations and warranties.