

ADAVALE RESOURCES LIMITED
ACN 008 719 015

SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This supplementary prospectus (**Supplementary Prospectus**) is dated 17 September 2025 and is supplementary to the prospectus dated 10 September 2025 (**Original Prospectus**) issued by Adavale Resources Limited (ACN 008 719 015) (**Company** or **ADD**).

The Original Prospectus and the Supplementary Prospectus are together, the **Prospectus**.

This Supplementary Prospectus was lodged with the ASIC on 17 September 2025. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Original Prospectus. Other than as set out below, all details in relation to the Original Prospectus remain unchanged. Terms and abbreviations defined in the Original Prospectus have the same meaning in this Supplementary Prospectus. To the extent of an inconsistency between the Original Prospectus and the Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Original Prospectus as an electronic prospectus, copies of which may be downloaded free of charge from the Company's website at www.adavaleresources.com.

This is an important document and should be read in its entirety. If you do not understand the information presented in this Supplementary Prospectus, you should consult your professional advisers without delay.

2. REASONS FOR THE SUPPLEMENTARY PROSPECTUS

The purpose of this Supplementary Prospectus is to provide investors with updated information in relation to the Original Prospectus.

The amendments to the Prospectus outlined in section 5 of this Supplementary Prospectus should be read in conjunction with the Original Prospectus.

3. TREATMENT OF EXISTING APPLICATIONS

The amendments set out in Section 5 of this Supplementary Prospectus are not considered by the Directors to be materially adverse from the point of view of an investor.

Accordingly, no action needs to be taken if you have already subscribed for New Options under the Prospectus. A copy of this Supplementary Prospectus will be available on the Company's website and the Company will send a copy of this Supplementary Prospectus to all Applicants who have subscribed for New Options under the Prospectus to the date of this Supplementary Prospectus.

4. NEW APPLICATIONS

Applications for New Options under the Offers after lodgement of this Supplementary Prospectus **must** be made using the Application Form attached to or accompanying this Supplementary Prospectus. Applications after the date of this Supplementary Prospectus **must not** be made on the Application Form attached to or accompanying the Original Prospectus and any such applications will not be valid.

Investors should refer to Sections 2.6 and 2.7 of the Prospectus for further details on how to apply under the Prospectus.

5. AMENDMENTS TO THE PROSPECTUS

The Prospectus is amended as set out below:

- (a) Section 2.1.1 of the Prospectus is deleted and replaced as follows:

"2.1.1 Placement

On 27 June 2025, the Company obtained Shareholder approval at a meeting of its Shareholders (**Previous General Meeting**) to raise up to \$2.5 million through the issue of Shares at an issue price per Share which is not more than a 25% discount to the 5-day volume weighted average price of the Company's Shares. The Company also obtained Shareholder approval at the Previous General Meeting to consolidate its Securities on issue on a 20:1 basis (**Consolidation**). As announced on 26 May 2025, the effective date of the Consolidation was 27 June 2025.

On 4 July 2025, the Company announced that it had received firm commitments from key new and existing sophisticated investors (including a cornerstone investor) (**Placement Participants**) to raise up to approximately \$2.5 million (before costs) (**Initial Placement**) through the issue of up to approximately 119 million Shares at an issue price of \$0.021 per Share, together with one (1) New Option for every two (2) Shares subscribed for and issued under the Initial Placement.

On 14 July 2025, the Company issued 68,417,769 Shares under the Initial Placement pursuant to Shareholder approval obtained at the Previous General Meeting.

On 25 July 2025, the Company announced that it had received further firm commitments from new and existing Placement Participants to raise up to approximately \$0.588 million (before costs) (**Further Placement**) through the issue of up to approximately 28 million Shares on the same terms as the Initial Placement, together with one (1) New Option for every two (2) Shares subscribed for and issued under the Further Placement.

On 9 September 2025, the Company issued 22,428,570 Shares under the Further Placement utilising its existing Listing Rule 7.1 and 7.1A placement capacity.

The Initial Placement and the Further Placement are together referred to as the **Placement**.

On 15 September 2025, the Company issued the balance of the Shares under the Placement, comprising:

- (a) 50,629,849 Shares under the Initial Placement pursuant to Shareholder approval obtained at the Previous General Meeting; and
- (b) 5,607,143 Shares under the Further Placement utilising the Company's existing Listing Rule 7.1 and 7.1A placement capacity.

The Company obtained Shareholder approval at a meeting of its Shareholders held on 5 September 2025 (**General Meeting**) for the issue of an aggregate of 73,541,668 New Options to the Placement Participants under the Placement.

The 73,541,668 New Options to be issued to the Placement Participants under the Placement are the subject of the Placement Offer being made under this Prospectus."

- (b) Section 2.1.2 of the Prospectus is deleted and replaced as follows:

"2.1.2 Director Participation

As announced on 4 July 2025, the Company's current Directors, Messrs Allan Ritchie, Maurice Matich and David Ward (**Participating Directors**) have agreed to subscribe for up to approximately \$152,000 worth of Shares (being equal to an aggregate 7,238,094 Shares) on the same terms as the Placement Participants, together with one (1) New Option for every two (2) Shares subscribed for and issued to the Participating Directors (**Director Participation**).

The Company obtained Shareholder approval for the Director Participation at the General Meeting, which comprised:

- (a) 4,285,714 Shares and 2,142,857 New Options to Mr Allan Ritchie, Executive Chairman and Chief Executive Officer of the Company;
- (b) 952,380 Shares and 476,190 New Options to Mr Maurice Matich, Non-executive Director of the Company; and
- (c) 2,000,000 Shares and 1,000,000 New Options to Mr David Ward, Non-executive Director of the Company.

On 15 September 2025, the Company issued 7,238,094 Shares to the Participating Directors, pursuant to the Director Participation.

The 3,619,047 New Options to be issued to the Participating Directors pursuant to the Director Participation are the subject of the Director Offer being made under this Prospectus."

- (c) Section 3.3 of the Prospectus is deleted and replaced as follows:

"3.3 Effect of the Offers on capital structure

The effect of the Offers on the capital structure of the Company, assuming all New Options and no other Securities are issued is set out below.

SHARES	NUMBER
Shares currently on issue ¹	268,684,954
Shares offered pursuant to the Offers ¹	Nil
Total Shares on issue after completion of the Offers¹	268,684,954

Notes:

1. Refer to Section 4.2 for the terms of the Shares.

OPTIONS	NUMBER
Options currently on issue ²	102,769,947
New Options offered pursuant to the Placement Offer ^{1,3}	73,541,668
New Options offered pursuant to the Director Offer ^{1,4}	3,619,047
New Options offered pursuant to the Broker Offer ^{1,5}	5,000,000
Total Options on issue after completion of the Offers²	184,930,662

Notes:

1. Refer to Section 4.1 for the terms of the New Options.
2. Comprising:
 - (a) 45,634,017 listed Options exercisable at \$0.10 each on or before 31 December 2027;
 - (b) 27,135,930 listed Options exercisable at \$0.60 each on or before 31 December 2025;
 - (c) 15,000,000 unlisted Options exercisable at \$0.12 each on or before 15 October 2029; and
 - (d) 15,000,000 unlisted Options exercisable at \$0.24 each on or before 15 October 2029.
3. Refer to Section 2.2 for terms of the Placement Offer.
4. Refer to Section 2.3 for terms of the Director Offer.
5. Refer to Section 2.4 for terms of the Broker Offer.

PERFORMANCE RIGHTS	NUMBER
Performance Rights currently on issue	10,387,500
Performance Rights offered pursuant to the Offers	Nil
Total Performance Rights on issue after completion of the Offers	10,387,500

The capital structure of the Company on a fully diluted basis as at the date of this Prospectus would be 381,842,401 Shares and on completion of the Offers (assuming all New Options offered under this Prospectus are issued and exercised into Shares) would be 464,003,116 Shares."

- (d) The table in Section 3.4 of the Prospectus is deleted and replaced with the table set out below:

SHAREHOLDER	SHARES	%
Agricultural Equity Investments Pty Ltd	19,166,666	7.13%

- (e) The title of Section 4 (and the corresponding reference to the section title in the Table of Contents) is deleted and replaced as follows:

"4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES"

- (f) The table in Section 6.2 of the Prospectus is amended by including the following rows:

DATE	DESCRIPTION OF ANNOUNCEMENT
15 September 2025	Cleansing Notice
15 September 2025	Application for quotation of securities – ADD
10 September 2025	Options Prospectus

- (g) The first table in Section 6.3 of the Prospectus is deleted and replaced with the table set out below:

	(\$)	DATE
Highest	\$0.040	Various dates between 16 June 2025 and 30 June 2025
Lowest	\$0.019	11 July 2025 and 15 July 2025
Last	\$0.026	16 September 2025

- (h) The second table in Section 6.3 of the Prospectus is deleted and replaced with the table set out below:

	QUOTED OPTION	(\$)	DATE
Highest	Option (ASX:ADDO)	\$0.020	16 June 2025 – 30 June 2025
	Option (ASX:ADDOA)	\$0.020	16 June 2025 – 30 June 2025
Lowest	Option (ASX:ADDO)	\$0.000	10 July 2025 – 21 July 2025
	Option (ASX:ADDOA)	\$0.000	10 July 2025 – 15 September 2025
Last	Option (ASX:ADDO)	\$0.007	16 September 2025
	Option (ASX:ADDOA)	\$0.000	16 September 2025

- (i) Section 6.7 of the Prospectus is deleted and replaced as follows:

"6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$35,871 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	4,008
ASX fees	12,863
Legal fees	10,000

	\$
<i>Share registry fees</i>	7,000
<i>Printing and distribution</i>	2,000
Total	35,871"

6. CONSENTS

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Supplementary Prospectus. Steinepreis Paganin has not withdrawn its consent prior to lodgement of this Supplementary Prospectus with the ASIC.

7. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company, and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.