

22 May 2023



## Geologically Significant Nickel Sulphide Licence Granted

- Adavale granted key prospecting licence located in the broad Luhuma trend within its Kabanga Jirani Nickel Project
- New 100% owned prospecting licence named “Luhuma Central” covers 3.74km<sup>2</sup> and contains an historical 8.4m intersection of massive sulphide grading 1.14% Ni
- Luhuma Central is surrounded by Adavale’s 65% owned Luhuma Prospecting Licence with rights to own 100%
- With drilling recommenced, Luhuma Central becomes a high priority target in the current program

Adavale Resources Limited (ASX: ADD) (“or the Company”) is pleased to advise that its wholly owned subsidiary has been granted Prospecting Licence PL12350/2023 covering an area of 3.74km<sup>2</sup> (“Luhuma Central”).

Adavale applied for Luhuma Central, viewing it as a geologically important addition to its exploration tenure, due to its historical results and being within the broader 15km Luhuma trend discovered by Adavale<sup>1</sup>. Historical results included an intercept of 1.14% Ni over 8.4m in massive sulphides<sup>2</sup>. Luhuma Central is fully enclosed within Prospecting Licence PL 11692/2021 of which Adavale has to date earned a majority interest of 65% with rights to earn up to 100%<sup>3</sup>.

### Adavale’s Chairman, Grant Pierce commented:

*“Adavale has from the outset applied for its licences on geological merit rather than nearology alone. The Company recognised Luhuma Central as a coveted area, being within favourable lithologies and with demonstrable nickel sulphide mineralisation. It will play a key role in our broader exploration success.”*

*The granting of Luhuma Central is opportune timing as Adavale has recently recommenced drilling, being a ~5,000m program and Luhuma Central will definitely feature in this program.”*

<sup>1</sup> See ASX:ADD release on 4 April 2023 titled “Nickel Sulphide Drill Targets and 15km Soil Anomaly Defined”.

<sup>2</sup> Evans, D. M., Hunt, J. P. P. M. and Simmonds, J. R., 2016. An overview of nickel mineralisation in Africa with emphasis on the Mesoproterozoic East African Nickel belt (EANB). *Episodes*, 39/2, 319-333. DOI: 10.18814/epiugs/2016/v39i2/95780; see also ASX:ADD release 16 December 2021 “Adavale Discovers Significant Mafic-Ultramafic Intrusion”.

<sup>3</sup> ASX:ADD release 15 December 2021 “Highly Prospective Nickel Sulphide Tenure Expanded”.

### ASX: ADD

#### DIRECTORS & OFFICERS

**GRANT PIERCE**  
CHAIRMAN

**DAVID RIEKIE**  
EXECUTIVE DIRECTOR

**JOHN HICKS**  
DIRECTOR

**ALLAN RITCHIE**  
CHIEF EXECUTIVE OFFICER

**LEONARD MATH**  
CFO & COMPANY SECRETARY

#### ISSUED CAPITAL

Shares: ~520 million  
Unlisted options: 191 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



[adavaleresources.com](http://adavaleresources.com)



#### CONTACT

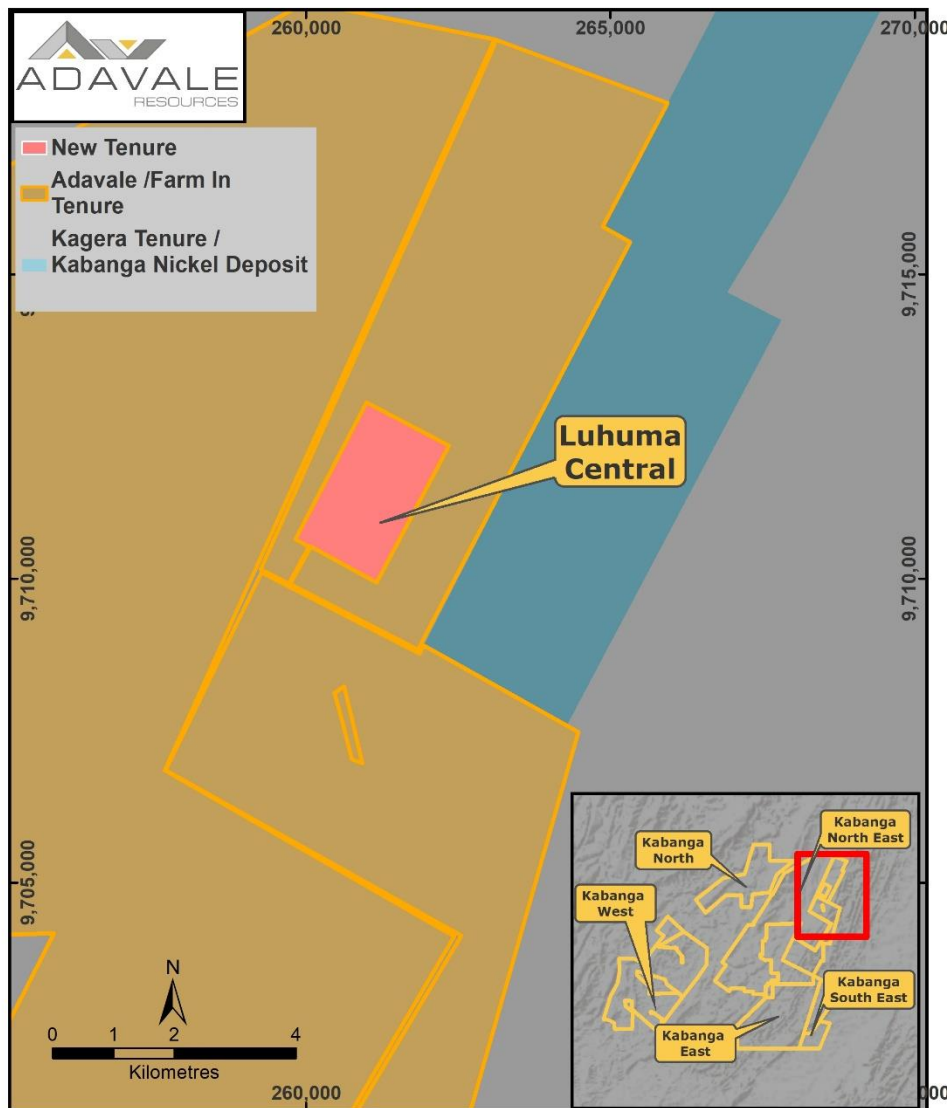
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## Luhuma Central

Adavale's wholly owned subsidiary, Adavale Resources Tanzania Limited, was awarded Prospecting Licence, PL 12350/2023, on 19 May 2023. The tenement covers an area of 3.74km<sup>2</sup> within Adavale's Kabanga Jirani Nickel Project Licence areas (refer Figure 1).



**Figure 1:** Location of the "Luhuma Central" within the Company's southern portfolio of Prospecting Licences

Luhuma Central, despite its small size, is considered geologically and technically significant as the licence contains a coincident magnetic and gravity anomaly based on proximal surveys previously completed by the Company in addition to the historic LUH06 drillhole undertaken by BHP in the 1990's (refer Figure 2).

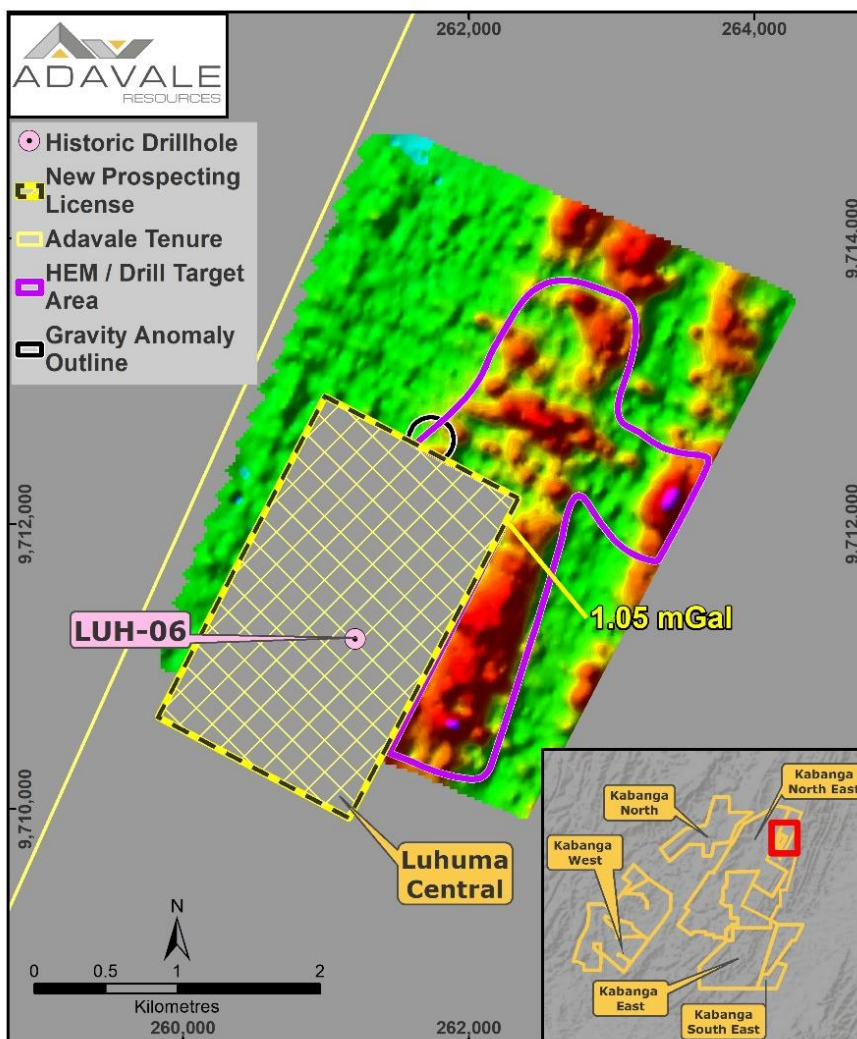


Figure 2: Luhuma Central PL12350/2023, including the location of historic hole LUH06

Adavale plans to initially twin this historical hole and utilise Downhole Electromagnetics (**DHEM**) and audio magnetotelluric (**AMT**) surveys. Adavale will then further assess the potential to step out drilling to fully understand the potential extent of mineralisation and its orientation.

The Company will update the market during the course of the current exploration program.

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

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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 undertaken 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 12 highly prospective granted licences covering ~1,216km<sup>2</sup> along the Karagwe-Ankolean belt in Tanzania. The six 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 seven southernmost licences, adding a further 99km<sup>2</sup> to the portfolio (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 exploration licences for their sedimentary uranium potential within the northern part of the highly prospective Lake Frome Embayment in South Australia.

