A.B.N. 91 008 719 015

22 November 2010

The Company Announcements Platform
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

NON-RENOUNCEABLE ENTITLEMENT ISSUE CLOSED

Adavale Resources Limited **(ASX: ADD)** advises that its recently announced pro rata non-renounceable entitlement issue **(Offer)** has closed. The Offer will result in the issue of 122,395,986 new shares and 61,197,993 new options and will raise approximately $2,447,920 before costs. The Offer is underwritten by Arthur Phillip Pty Ltd (**Underwriter**) and the Underwriter expects to finalise the shortfall allocation shortly.

Eligible shareholders applied for 18,337,116 new ordinary shares **(New Shares).** A shortfall of 104,058,870 new ordinary shares resulted **(Shortfall Shares).** The Shortfall Shares will be allocated pursuant to the underwriting agreement.

Allotment and issue of the New Shares under the Offer will occur on 25 November 2010. The Holding Statements and Option Certificates will be despatched to shareholders on 29 November 2010.

Philip Suriano
Director
Adavale Resources Limited

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