



ADAVALE GRANTED FOUR (4) PROSPECTING LICENCES

- Adavale granted Burigi, Burigi North, Kabanga East and Kabanga West prospecting licences.
- The licences are proximal to the high grade Kabanga Nickel Deposit and brings Adavale's total number of granted nickel sulphide licences to six (6).
- Adavale now holds approximately 1,127 km² of granted tenure inside this globally significant nickel sulphide province.

Adavale Resources Limited ("Adavale" and or "Company") (ASX:ADD) is pleased to announce the Tanzanian Mining Commission has granted the Company four (4) nickel sulphide prospecting licences, namely Burigi, Burigi North, Kabanga East and Kabanga West licences. Adavale's licences now total six (6) with a combined area of 1127 km². The licences are located within the prospective nickel sulphide Karagwe Ankolean Belt and are proximal to the world class Kabanga Nickel Deposit containing 58.2Mt @ 2.62% Ni (Measured, Indicated and Inferred, Glencore 2014).

This belt is considered prospective for the following reasons:

- Meso-Proterozoic circum-cratonic tectonic setting analogous to that which hosts the Thomson Belt, Raglan and Voisey's Bay nickel sulphide deposits in the Circum-Superior Belt of eastern Canada and the Nova-Bollinger deposit in the Albany-Fraser Belt in Western Australia.
- Target mafic-ultramafic layered intrusions have been emplaced into a sulphur bearing package of sediments including pelites, iron sulphides and graphite that provide the sulphur source required for the formation of magmatic nickel sulphide deposits.
- Several of the intrusions along the belt are mineralised either with Ni-sulphides, Ni bearing laterites or both including Kabanga, Musongati, Nyabikere and Waga.

Adavale's licences were targeted within this prospective belt utilizing historical BHP and UNDP data through identifying a combination of stream/soil anomalies and magnetic lows (possibly indicating underlying mafic/ultramafic intrusions).

Adavale CEO Allan Ritchie commented "The granting of these licences is timely as the Adavale geological teams are currently in the field undertaking an initial exploration program (See ASX announcement dated 14 December 2020). This program can now be extended to include Adavale's new tenure and the outcome of this initial phase will allow exploration to focus on anomalous areas which will be targeted with a more detailed soil sampling program and subsequent ground EM leading to initial drilling in 2021."

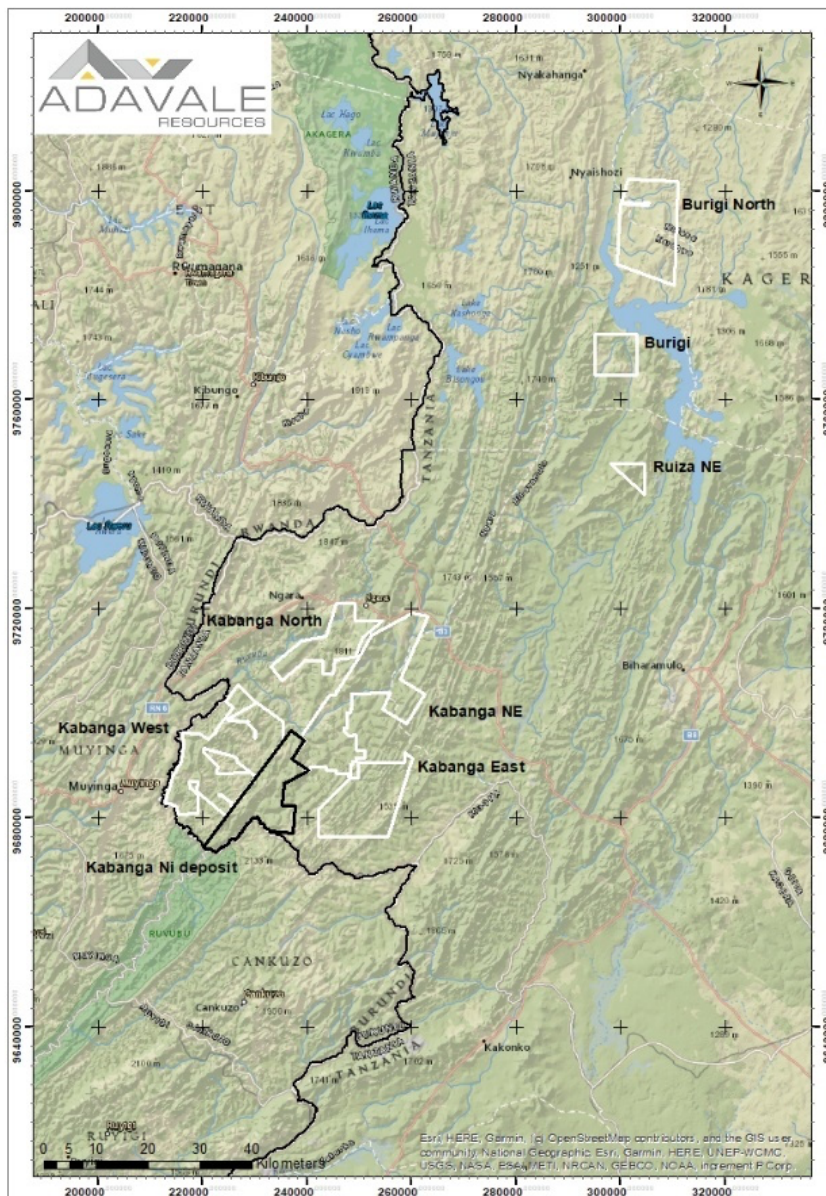


FIGURE 1: Locality of Adavale's Prospecting Licences in white, including Ruiza NE which is under application (not yet granted). Kabanga Nickel Deposit shown in black.

Licence	Area km ²	Associated with Magnetic Low (Potentially indicating an underlying intrusive)	Broadly Orientated along the Kabanga Musongati Mafic/Ultramafic Alignment
Kabanga NE	298	Yes	Yes
Kabanga N	114	Yes	Yes
Kabanga W	273	Yes	Yes
Kabanga E	182	Yes	Yes
Burigi	66	Yes (coincident with a well-defined soil anomaly)	Yes
Burigi N	194	Yes	Yes

TABLE 1: Characteristic features of Adavale's licences.

EXPLORATION PROGRAM

The six licences now owned by Adavale are located within the Karagwe Ankolean Belt along strike from the Kabanga deposit. The Kabanga deposit is characterised by a magnetic low and anomalous stream sediment results. The current exploration program will continue to focus on identifying these same features within all the Adavale licences. (Magnetic lows are significant as they show potential for underlying mafic-ultramafic intrusions which in turn may host Ni-sulphide mineralisation).

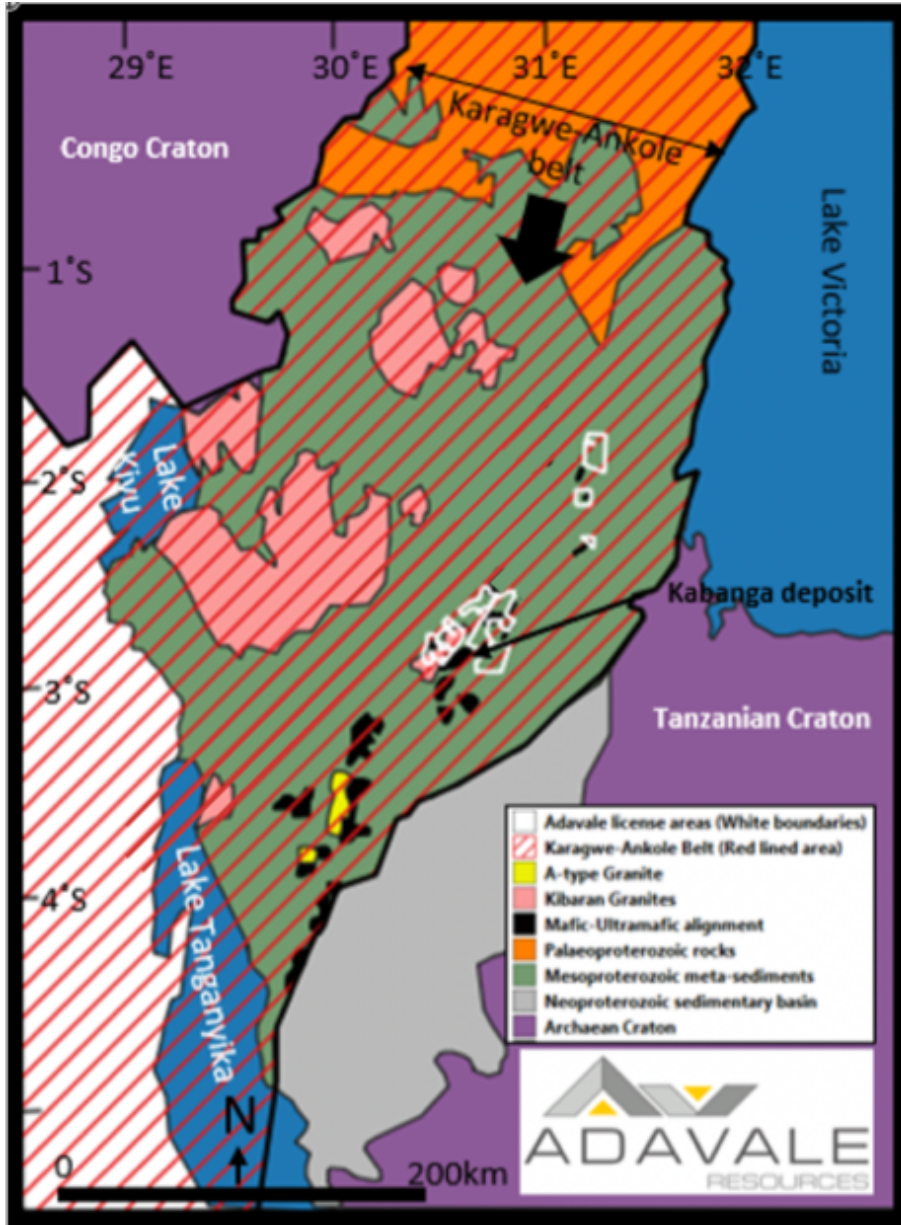


FIGURE 2: Adavale licences shown in white within the prospective Karagwe Ankolean belt (indicated by diagonal red lines) along the broad trend of mafic/ultramafic intrusions. Black polygons show selected intrusions from Maier et. al. (2010) and Duchesne et. al. (2004).

BURIGI AND BURIGI NORTH PROSPECTING LICENCES

Burigi is characterised by a Ni-Cu-Co-Cr stream sediment/soil anomaly proximal to a magnetic low (potentially indicating an underlying mafic/ultramafic intrusion). The Burigi soil anomaly has an extent of about 900m by 250m.

Burigi North features a large magnetic low which could be related to an underlying intrusion. Soil sampling will be implemented to assist in detecting mineralisation that may be associated with this feature.

KABANGA EAST AND KABANGA WEST PROSPECTING LICENCES

These licences, along with the previously granted Kabanga North and Kabanga North East licences, straddle the Kabanga Nickel Deposit. Initial XRF results are encouraging and once selected samples have been cross-checked through SGS Tanzania and data collated the extent of any potential anomalies and their coincidence with magnetic lows will be verified.

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

To contact the Company about this announcement please email Julian Rockett, julian@adavaleresources.com. For further information on the Company and our projects please visit www.adavaleresources.com

Competent Person Statement

The information in this report that relates to Exploration Results (granting of prospecting permits) has been compiled under the supervision of Mr David Dodd, a Competent Person who is registered with the South African Council for Natural Scientific Professionals, a 'Recognised Professional Organisation (RPO)'. Mr David Dodd is a full-time employee of The MSA Group in the role of HOD Geology. Mr David Dodd has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr David Dodd consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Adavale

Adavale Resources Limited (ASX:ADD) is a nickel sulphide exploration company with a portfolio of highly prospective prospecting licences in the Kagera Region of the United Republic of Tanzania. All Adavales' tenements are situated within 110km of the Kabanga Nickel Deposit and were selected based on their strong geochemical and geophysical signatures from previous exploration undertaken by BHP Billiton.

REFERENCES

Glencore (2014). GlencoreXstrata Resources & Reserves, as at 31 December 2013. Downloaded in December 2015 from Glencore website http://www.glencore.com/investors/reports_and_results/reserves_and_resources

Maier, W. D., Barnes, S-J., Sarkar, A., Ripley, E., Li, C. and Livesey, T (2010). The Kabanga Ni sulfide deposit, Tanzania: I. Geology, petrography, silicate rock geochemistry, and sulfur and oxygen isotopes