
ADAVALE RESOURCES LIMITED
ACN 008 719 015
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00am (WST)
DATE: 27 June 2024 (Thursday)
PLACE: Held as a **Virtual Meeting**

Shareholders will be able to participate in the Meeting, ask questions and make comments in real time via the Zoom Teleconference, with online voting conducted via Computershare Meeting Platform. You can participate in the Meeting online via the Zoom Teleconference. To join the Zoom Teleconference from your computer, you will need to enter the URL below into your browser and register your details in advance of the Meeting.

<https://us06web.zoom.us/meeting/register/tZclcOygrzwpH9J18PS5hetaOMgRvo7mlqMy>

After registering, you will receive a confirmation email containing information about how to join the Meeting via the Zoom Teleconference. All shareholders are requested to join the Meeting via the Zoom Teleconference 10 minutes prior to the commencement of the GM so that all participants can be identified and registered for the Meeting prior to the commencement of the Meeting.

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 25 June 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE CONSIDERATION SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 25,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO COAST EXPLORATION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO COAST EXPLORATION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO TERRY TOPPING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO ANDY RUST

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 27 May 2024
By order of the Board

David Riekie
Executive Director

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Approval to issue Consideration Shares	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Kilonova Metals Pty Ltd) or an associate of that person (or those persons).
Resolution 2 – Ratification of prior issue of Options to Coast Exploration	A person who participated in the issue or is a counterparty to the agreement being approved (namely Coast Exploration Pty Ltd) or an associate of that person or those persons.
Resolution 3 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely Coast Exploration Pty Ltd) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Options to Terry Topping	A person who participated in the issue or is a counterparty to the agreement being approved (namely Terry Topping) or an associate of that person or those persons.
Resolution 5 – Ratification of prior issue of Options to Andy Rust	A person who participated in the issue or is a counterparty to the agreement being approved (namely Andy Rust) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Lodging Proxy Form prior to the Meeting

If you are unable to participate in the Meeting, you are encouraged to appoint a proxy to participate and vote on your behalf. If you direct your proxy how to vote, your votes will be cast at the Meeting in accordance with your directions.

You can submit your Proxy Form online by visiting **www.investorvote.com.au**, or by post, fax, or mobile phone.

Completed Proxy Forms (and any necessary supporting documents) must be received by the Company's share registry no later than 10.00am (WST) on 25 June 2024.

Even if you plan to participate in the Meeting online, we encourage you to submit your proxy vote as early as possible so that your vote will be counted if for any reason you cannot participate on the day of the Meeting (for example, if there is an issue with your internet connection that prevents you from participating online).

Meeting Information

How to participate and vote live online You can participate in the Meeting online via the Zoom Teleconference. To join the Zoom Teleconference from your computer, you will need to enter the URL below into your browser and register your details in advance of the Meeting.

<https://us06web.zoom.us/meeting/register/tZclcOygrzwpH9J18PS5hetaOMGrVo7mlqMy>

After registering, you will receive a confirmation email containing information about how to join the Meeting via the Zoom Teleconference.

All Shareholders and visitors are requested to join the Meeting 10 minutes prior to the commencement of the Meeting so that all participants can be identified and registered for the Meeting prior to the commencement of the Meeting.

Arrangements have been made with the Company's share registry for Shareholders who wish to participate in and vote online with Computershare Meeting Platform at the Meeting. To access the Computershare Meeting Platform please follow the instructions below.

To participate in the meeting, you can log in by entering the following URL **<https://meetnow.global/M7RX6WQ>** on your computer, tablet or smartphone. Online registration will open 30 minutes before the meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready.

Proxyholders will need to contact Computershare prior to the meeting to obtain their login details.

To participate in the meeting online follow the instructions below.

Step 1: Click on 'Join Meeting Now'.

Step 2: Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the meetings to obtain their login details.

Step 3: Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop-down list.

Step 4: Accept the Terms and Conditions and 'Click Continue'.

You can cast votes at the appropriate times while the meeting is in progress.

Shareholders will be able to vote and ask questions at the virtual Meeting. Shareholders are also encouraged to submit questions in advance of the Meeting to the Company. Questions must be submitted in writing to Leonard Math, Company Secretary at **leonard@adavaleresources.com** at least 48 hours before the Meeting.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Should you wish to discuss the matters in this notice please do not hesitate to contact the company secretary on +61 2 8003 6733 or by email at leonard@adavaleresources.com.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – APPROVAL TO ISSUE CONSIDERATION SHARES

1.1 General

As announced on 26 March 2024, the Company entered into an agreement with Kilonova Metals Pty Ltd (ACN 622 328 205) (**Kilonova**) (**Kilonova Acquisition Agreement**) pursuant to which Kilonova has agreed to sell, and the Company has agreed to acquire all rights, title and interest in exploration licence EL6553 (**Tenement**) and all associated mining information (**Kilonova Acquisition**).

The Tenement covers 456km² and is proximal to the Company's Mundowdna South and Lake Surprise Uranium Project licences in South Australia.

In consideration for the Kilonova Acquisition, the Company has agreed to pay/issue Kilonova:

- (a) A\$15,000 non-refundable deposit, which has been paid by the Company;
- (b) 25,000,000 Shares at a deemed issue price of \$0.005 per Share, subject to receipt of Shareholder approval (**Consideration Shares**); and
- (c) 25,000,000 Shares subject to the Company completing a maiden drilling program and returning an intercept of a minimum of 1m, combining to at least 10m at 0.05% U₃O₈ on the Tenement within the current tenure of the Tenement (which can be extended by mutual consent of the parties if access is delayed due to heritage and other regulatory approval) (**Deferred Consideration Shares**).

The Company is now seeking Shareholder approval for the issue of the Consideration Shares to Kilonova.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Consideration Shares falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

1.2 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Consideration Shares. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Consideration Shares and may not be able to satisfy its obligations under the Kilonova Acquisition Agreement. The Company will potentially be required to settle the Kilonova acquisition through cash payment.

Resolution 1 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Shares.

1.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 1:

- (a) the Consideration Shares will be issued to Kilonova;
- (b) the maximum number of Consideration Shares to be issued is 25,000,000. The Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;
- (d) the Consideration Shares will be issued at a deemed issue price of \$0.005 per Share, in part consideration for the Kilonova Acquisition;
- (e) the purpose of the issue of the Consideration Shares is to satisfy the Company's obligations under the Kilonova Acquisition Agreement;
- (f) the Consideration Shares are being issued to Kilonova under the Kilonova Acquisition Agreement. A summary of the material terms of the Kilonova Acquisition Agreement is set out in Schedule 1; and
- (g) the Consideration Shares are not being issued under, or to fund, a reverse takeover.

2. BACKGROUND TO RESOLUTIONS 2 AND 3

As announced on 7 May 2024, the Company entered into a binding heads of agreement (the **Coast Acquisition Agreement**) with Coast Exploration Pty Ltd (ACN 650 127 950) (**Coast Exploration**) pursuant to which the Company agreed to acquire, and Coast Exploration agreed to sell its 100% interest in exploration licence EL6890 (**Coast Acquisition**).

In consideration for the Coast Acquisition, the Company has agreed to pay/issue Coast Exploration:

- (a) A\$30,000 non-refundable deposit, which has been paid by the Company;
- (b) 10,000,000 quoted Options at a deemed issue price of \$0.001 per Option within three (3) Business Days of execution of the Coast Acquisition Agreement and which were issued by the Company on 9 May 2024; and
- (c) 10,000,000 Shares at a deemed issue price of \$0.005 per Share, at completion of the Coast Acquisition, and which were issued by the Company on 17 May 2024.

The Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options and Shares under Resolutions 2 and 3, respectively.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO COAST EXPLORATION

3.1 General

As set out in Section 2 above, on 9 May 2024, the Company issued 10,000,000 Options to Coast Exploration's nominee, Weyburn Group Pty Ltd, in part consideration for the Coast Acquisition.

The issue of the Options did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 24 November 2023.

The issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

If Resolution 2 is not passed, the Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

3.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) the Options were issued to Coast Exploration's nominee, Weyburn Group Pty Ltd;
- (b) 10,000,000 Options were issued and the Options were issued on the terms and conditions set out in Schedule 2;
- (c) the Options were issued on 9 May 2024;
- (d) the Options were issued at a deemed issue price of \$0.001, in part consideration for the Coast Acquisition. The Company has not and will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (e) the purpose of the issue of the Options was to satisfy the Company's obligations under the Coast Acquisition Agreement; and
- (f) the Options were issued to Coast Exploration's nominee, Weyburn Group Pty Ltd, under the Coast Acquisition Agreement. A summary of the material terms of the Coast Acquisition Agreement is set out in Schedule 3.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO COAST EXPLORATION

4.1 General

As set out in Section 2 above, on 17 May 2024, the Company issued 10,000,000 Shares to Coast Exploration's nominee, Weyburn Group Pty Ltd, in part consideration for the Coast Acquisition. The Shares will be subject to voluntary escrow for a period of six (6) months in accordance with a voluntary restriction deed entered into by the parties.

The issue of the Shares did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 24 November 2023.

The issue of the Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 3 is not passed, the Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

4.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Shares were issued to Coast Exploration's nominee, Weyburn Group Pty Ltd;
- (b) 10,000,000 Shares were issued and the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares were issued on 17 May 2024;
- (d) the Shares were issued at a deemed issue price of \$0.005 per Share, in part consideration for the Coast Acquisition. The Company has not and will not receive any other consideration for the issue of the Shares;
- (e) the purpose of the issue of the Shares was to satisfy the Company's obligations under the Coast Acquisition Agreement; and
- (f) the Shares were issued to Coast Exploration's nominee, Weyburn Group Pty Ltd under the Coast Acquisition Agreement. A summary of the material terms of the Coast Acquisition Agreement is set out in Schedule 3.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO TERRY TOPPING

5.1 General

On 10 May 2024, the Company issued 10,000,000 Options in consideration for consultancy services provided by Terry Topping.

The issue of the Options did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 24 November 2023.

The issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

If Resolution 4 is not passed, the Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

5.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Options were issued to Terry Topping's nominee, the TTJT Trust;
- (b) 10,000,000 Options were issued and the Options were issued on the terms and conditions set out in Schedule 2;
- (c) the Options were issued on 9 May 2024;
- (d) the Options were issued at a nil issue price, in consideration for consultancy services provided by Mr Topping. The Company has not and will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (e) the purpose of the issue of the Options was to satisfy the Company's obligations under the consultancy agreement with Mr Topping; and
- (f) the Options were issued to Mr Topping under the consultancy agreement. A summary of the material terms of the consultancy agreement between Mr Topping and the Company is set out in Schedule 4.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO ANDY RUST

6.1 General

On 10 May 2024, the Company issued 10,000,000 Options in consideration for consultancy services provided by Andy Rust.

The issue of the Options did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 24 November 2023.

The issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

If Resolution 5 is not passed, the Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

6.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) the Options were issued to Andy Rust's nominee, Shearwater Australia Pty Ltd;
- (b) 10,000,000 Options were issued and the Options were issued on the terms and conditions set out in Schedule 2;
- (c) the Options were issued on 9 May 2024;
- (d) the Options were issued at a nil issue price, in consideration for consultancy services provided by Mr Rust. The Company has not and will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (e) the purpose of the issue of the Options was to satisfy the Company's obligations under the consultancy agreement with Mr Rust; and
- (f) the Options were issued to Mr Rust under the consultancy agreement. A summary of the material terms of the consultancy agreement between Mr Rust and the Company is set out in Schedule.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Coast Exploration means Coast Exploration Pty Ltd (ACN 650 127 950).

Coast Acquisition has the meaning given in Section 2.

Coast Acquisition Agreement has the meaning given in Section 2.

Company means Adavale Resources Limited (ACN 008 719 015).

Consideration Shares has the meaning given in Section 1.1.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Kilonova Acquisition has the meaning given in Section 1.1.

Kilonova Acquisition Agreement has the meaning given in Section 1.1.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Tenement has the meaning given in Section 1.1.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF THE KILONOVA ACQUISITION AGREEMENT

The material terms and conditions of the Kilonova Acquisition Agreement are set out below.

Conditions Precedent	Completion of the Kilonova Acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent: (a) Due diligence: completion of financial, legal and technical due diligence by the Company on the Tenement, to the absolute satisfaction of the Company and confirmed in writing, within a period of 30 days from the date of the Kilonova Acquisition Agreement; (b) Regulatory approvals: the parties obtaining all necessary regulatory approvals or waivers pursuant to the Listing Rules, Corporations Act or any other law to allow the parties to lawfully complete the matters set out in the Kilonova Acquisition Agreement by 31 July 2024 (End Date); (c) Third party approvals: the parties obtaining all third party approvals and consents, including the consent of the Minister responsible for the Mining Act 1971 (SA) and associated Mining Regulations 2020 (SA), necessary to lawfully complete the matters set out in the Kilonova Acquisition Agreement, by the End Date; and (d) Shareholder approval: the Company obtaining all necessary Shareholder approvals including for the issue of the Consideration Shares, by the End Date, (together, the Conditions Precedent). If the Conditions Precedent are not satisfied (or waived by the Company) on or before 5pm (Perth time) on the End Date (or such later date as the parties may agree), then any party may terminate the Kilonova Acquisition Agreement by notice in writing to the other party, in which case the agreement constituted by the Kilonova Acquisition Agreement will be at an end and the parties will be released from their obligations under the Kilonova Acquisition Agreement (other than in respect of any breaches that occurred prior to termination).
Completion	Completion of the Kilonova Acquisition will occur on that date which is five (5) Business Days after the satisfaction or waiver of the last of the Conditions Precedent (Completion).
Consideration	In consideration for the Kilonova Acquisition, the Company agreed to: (a) pay a non-refundable \$15,000 payment to Kilonova, on the execution of the Kilonova Acquisition Agreement; (b) subject to Shareholder approval, issue 25,000,000 Consideration Shares on Completion; and (c) subject to Shareholder approval, issue 25,000,000 Deferred Consideration Shares.
Post-Completion Obligations	(a) Subject to Completion, the Company undertakes to expend not less than \$45,000 per year on exploration expenditure and conduct a minimum of 5,000 meters of a drilling program on the Tenement by 31 December 2025. If the Company is unable to meet the minimum exploration expenditure by 31 December 2024 and 31 December 2025, the Company has the option to

	pay the shortfall in expenditure in cash to Kilonova.
(b)	In the event the Company is unable to meet the minimum exploration expenditure and drilling program by 31 December 2025 directly due to delays caused by land access or heritage clearance outside of the control of the Company (acting reasonably), Kilonova will grant the Company an extension of 6 months to meet the obligation.
(c)	If the Company does not meet the undertaking in clause (b) within the extended time the Company must transfer the Tenement back to Kilonova within 2 Business Days for nil consideration.
(d)	Upon completion of clause (c) the agreement constituted by the Kilonova Acquisition Agreement will be at end and the parties will be released from their obligations under this the Kilonova Acquisition Agreement (other than in respect of any breaches that occurred prior to termination or obligations which are specifically stated to survive termination).
(e)	For the avoidance of doubt, Kilonova will not be required to return the Consideration Shares to the Company in the event of clause (d) and the Company will not have any obligation to issue the Deferred Consideration Shares.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – SUMMARY OF THE COAST ACQUISITION AGREEMENT

The material terms and conditions of the Coast Acquisition Agreement are set out below.

Conditions Precedent	Completion of the Coast Acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent: (a) Regulatory approvals: the parties obtaining all necessary regulatory approvals or waivers pursuant to the Listing Rules, Corporations Act or any other law to allow the parties to lawfully complete the matters set out in the Coast Acquisition Agreement by 31 July 2024 (End Date); (b) Third party approvals: the parties obtaining all third party approvals and consents, including the consent of the Minister responsible for the Mining Act 1971 (SA) and associated Mining Regulations 2020 (SA), necessary to lawfully complete the matters set out in the Coast Acquisition Agreement, by the End Date; and (c) Escrow agreement: Coast Exploration executing a voluntary escrow agreement in respect of the Shares, by the End Date, (together, the Conditions Precedent). If the Conditions Precedent are not satisfied (or waived by the Company) on or before 5pm (Perth time) on the End Date (or such later date as the parties may agree), then any party may terminate the Coast Acquisition Agreement by notice in writing to the other party, in which case the agreement constituted by the Coast Acquisition Agreement will be at an end and the parties will be released from their obligations under the Coast Acquisition Agreement (other than in respect of any breaches that occurred prior to termination).
Completion	Completion of the Coast Acquisition will occur on that date which is five (5) Business Days after the satisfaction or waiver of the last of the Conditions Precedent (Completion).
Consideration	In consideration for the Coast Acquisition, the Company agreed to: (a) pay a non-refundable \$30,000 payment to Coast Exploration, on the execution of the Coast Acquisition Agreement; (b) issue 10,000,000 Options at a deemed issue price of \$0.001 per Option within three (3) Business Days of execution of the Coast Acquisition Agreement; and (c) issue 10,000,000 Shares at a deemed issue price of \$0.005 per Share on Completion, which will be subject to voluntary escrow for a period of six (6) months from the date of issue.

SCHEDULE 4 – SUMMARY OF THE CONSULTANCY AGREEMENT WITH MR TOPPING

The material terms and conditions of the consultancy agreement between the Company and Mr Topping are set out below.

Engagement	The Company agreed to engage Mr Topping to provide the following services to the Company within the Company's uranium projects in South Australia with effect from 6 May 2024: (a) performing geological services including geological mapping, supervising drilling activities, surface sampling, supervising local contractors, collecting, collating and recording data, recording observations, interpreting results and reporting as required; and (b) any other reasonable tasks as notified by the Company, including but not limited to assisting with releases to reporting authorities and assisting with heritage agreement and engagement with Traditional Owners, (the Services).
Fees	In consideration for the provision of the Services, the Company agreed to pay / issue Mr Topping: (a) \$800 per day, with any expenses above \$1,000 associated with performing the Services to be approved by the Executive Director prior to the expenses being incurred; and (b) 10,000,000 quoted Options exercisable at \$0.03 each on or before 31 December 2025.
Termination	(c) The Company may terminate Mr Topping's engagement: (i) without notice if Mr Topping is guilty of series misconduct; or (ii) with notice by giving fourteen (14) days written notice to Mr Topping or by paying Mr Topping compensation in lieu of such notice. (d) Mr Topping may terminate the engagement by giving at least fourteen (14) days written notice to the Company.

SCHEDULE 5 – SUMMARY OF THE CONSULTANCY AGREEMENT WITH MR RUST

The material terms and conditions of the consultancy agreement between the Company and Mr Rust are set out below.

Engagement	The Company agreed to engage Mr Rust to provide the following services to the Company within the Company's uranium projects in South Australia with effect from 6 May 2024: (a) performing geological services including geological mapping, supervising drilling activities, surface sampling, supervising local contractors, collecting, collating and recording data, recording observations, interpreting results and reporting as required; and (b) any other reasonable tasks as notified by the Company, including but not limited to assisting with releases to reporting authorities and assisting with heritage agreements and engagement with Traditional Owners, (the Services).
Fees	In consideration for the provision of the Services, the Company agreed to pay / issue Mr Rust: (a) \$800 per day, with any expenses above \$1,000 associated with performing the Services to be approved by the Executive Director prior to the expenses being incurred; and (b) 10,000,000 quoted Options exercisable at \$0.03 each on or before 31 December 2025.
Termination	(a) The Company may terminate Mr Rust's engagement: (i) without notice if Mr Rust is guilty of series misconduct; or (ii) with notice by giving fourteen (14) days written notice to Mr Rust or by paying Mr Rust compensation in lieu of such notice. (b) Mr Rust may terminate the engagement by giving at least fourteen (14) days' written notice to the Company.



ADAVALE RESOURCES LIMITED
ABN 96 008 719 015

ADDRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Tuesday, 25 June 2024.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

■ Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Adavale Resources Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Adavale Resources Limited to be held as a virtual meeting on Thursday, 27 June 2024 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Approval to issue Consideration Shares	☐	☐	☐
Resolution 2	Ratification of prior issue of Options to Coast Exploration	☐	☐	☐
Resolution 3	Ratification of prior issue of Shares to Coast Exploration	☐	☐	☐
Resolution 4	Ratification of prior issue of Options to Terry Topping	☐	☐	☐
Resolution 5	Ratification of prior issue of Options to Andy Rust	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/

/

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically