

ASX & Media Release

5 June 2018

ASX Symbol

ARL

Ardea Resources LimitedSuite 2, 45 Ord St
West Perth WA 6005PO Box 1433
West Perth WA 6872**Telephone**

+61 8 6244 5136

Emailardea@ardearesources.com.au**Website**www.ardearesources.com.au**Directors**Katina Law
*Chair*Brett Clark
*Managing Director & CEO*Ian Buchhorn
*Executive Director*Wayne Bramwell
*Non-Executive Director***Issued Capital***Fully Paid Ordinary Shares*
104,990,413*Unlisted options
exercisable at \$0.25*
12,310,022*Directors/Employee
Performance Rights*
2,990,000**ABN 30 614 289 342**

Ardea Loyalty Option Conversions Finalised

Ardea Resources Limited (“Ardea” or the “Company”) advises that the Loyalty Options exercisable at 77 cents each expired on 31 May 2018. Over 90% of the total Options issued have been exercised, resulting in a total of 22,755,628 New Shares being issued and raised \$17,521,834 in total.

The Company now holds a treasury in excess of \$21 million which is being used by Ardea to transition to the next stage of development of the Goongarrie Nickel Cobalt Project, a component of the largest cobalt resource in the developed world being the Kalgoorlie Nickel Project.

The next stage of development will include continuation of Definitive Feasibility Study works including drilling for a resource upgrade and sourcing of feed material for various metallurgical programs. Importantly this programme incorporates large diameter drill core for metallurgical variability programs to quantify the efficient processing attributes of the Goongarrie ore bodies.

The pre-feasibility study base case (refer ASX release 28 March, 2018) for the Goongarrie Nickel Cobalt Project is a compelling investment basis but with optionality over much larger throughput due to the size of the Goongarrie resource has seen Ardea commence a process to identify a Strategic Partner to assist in the project’s development. These discussions will include off take rights linked with future funding.

Chairperson Katina Law said:

“The high conversion of Loyalty Options reflects the level of support for Ardea’s strategy. The company is now transitioning towards becoming a developer and the Goongarrie Nickel – Cobalt Project is significant on a world scale. Ardea remains focussed upon unlocking the true scale and value of this strategically located, multi-decade resource”.

Directors Katina Law and Ian Buchhorn exercised all of their available options (refer Appendices 3Y, separate announcement).

Ardea would like to thank all Shareholders for their strong and continued support of the Company.

ABOUT ARDEA RESOURCES

Ardea Resources ("Ardea" – ASX:ARL) is an Australian resources company with an extensive portfolio of nickel, cobalt, gold and zinc assets in Western Australia and New South Wales. Ardea owns 100% of the Kalgoorlie Nickel Project (KNP), a globally significant series of nickel-cobalt laterite deposits which host the largest cobalt resource in the developed world. Ardea is focused on the development of the Goongarrie Nickel Cobalt Project 80km north of Kalgoorlie WA. Ardea has recently released a PFS on this project and has commenced Definitive Feasibility Study programs.

For further information regarding Ardea, please visit www.ardearesources.com.au or contact:

Ardea Resources:

Mr Brett Clark
Managing Director, Ardea Resources Limited
Tel +61 8 6244 5136

Media or Investor Inquiries:

Michael Weir, Citadel Magnus
Tel +61 8 6160 4900