Announcement Summary

Entity name

ADAVALE RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

25/7/2023

The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
ADD	ORDINARY FULLY PAID	111,643,668
ADDOA	OPTION EXPIRING 31-DEC-2025	111,643,668

Ex date

28/7/2023

+Record date

31/7/2023

Offer closing date

31/8/2023

Issue date

7/9/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

ADAVALE RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

008719015

1.3 ASX issuer code

ADD

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

25/7/2023

1.6 The Proposed issue is:

☑ A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

☑ + Non-renounceable

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?
☑ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

ADD : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?
☑ Yes

Details of +securities proposed to be issued

ASX +security code and description

ADD : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued	For a given quantity of +securities held
1	5

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
Fractions rounded up to the next whole number	111,643,668

Offer price details for retail security holders

In what currency will the offer be made?	What is the offer price per +security for the retail offer?
AUD - Australian Dollar	AUD 0.01900

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?
Yes

Describe the limits on over-subscription

No limit and the shortfall allocation is at the Company's absolute discretion

Will a scale back be applied if the offer is over-subscribed?
Yes

Describe the scale back arrangements

At the Company's absolute discretion

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
Existing class

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ASX +security code and description

ADDOA : OPTION EXPIRING 31-DEC-2025

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

1

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

111,643,668

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☑ Yes

Describe the limits on over-subscription

No limit and the shortfall allocation is at the Company's absolute discretion

Will a scale back be applied if the offer is over-subscribed?

☑ Yes

Describe the scale back arrangements

At the Company's absolute discretion

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☑ Yes

Details of company options where holders entitled to participate in the offer

ASX +security code and description

ADDOA : OPTION EXPIRING 31-DEC-2025

Date Option must be exercised by

31/7/2023

Part 3C - Timetable

3C.1 +Record date

31/7/2023

3C.2 Ex date

28/7/2023

3C.4 Record date

31/7/2023

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

3/8/2023

3C.6 Offer closing date

31/8/2023

3C.7 Last day to extend the offer closing date

28/8/2023

3C.9 Trading in new +securities commences on a deferred settlement basis

1/9/2023

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

7/9/2023

3C.12 Date trading starts on a normal T+2 basis

8/9/2023

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

12/9/2023

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?
☑ No

3E.2 Is the proposed offer to be underwritten?
☑ Yes

3E.2a Who are the underwriter(s)?

GBA Capital

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

$800,000

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

6% on the Underwritten amount and 8,000,000 Options ADDOA

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

1) Indices Fall: The S&P ASX 200 Index is at any time 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement
2) Share Price: ADD Share Price trading on a calculated VWAP on any 3 consecutive trading days with a closing price of $0.014
3) Non compliance with disclosure requirements

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?
☑ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?
☑ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Progress the drilling program and DHEM Survey at the Kabanga Jirani Nickel Project, costs of the offer and general working capital.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?
☑ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?
☑ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Shareholders with registered address situated in Australia or New Zealand.

3F.6 URL on the entity's website where investors can download information about the proposed issue

https://www.adavaleresources.com/investor-centre/asx-announcements/

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a +disclosure document or +PDS for the +securities proposed to be issued