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ADAVALE
RESOURCES

ANNUAL REPORT 2025

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ADAVALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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ADAVALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CORPORATE DIRECTORY

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Maurice Matich (Non-executive Director)

David Ward (Non-executive Technical Director)

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LETTER TO SHAREHOLDERS

To our fellow Shareholders,

On behalf of the Adavale's team, we are very pleased to present you with the Annual Report for the 2025 Financial Year alongside a summary of the operational activities and key achievements for the past year.

This last financial year has been truly transformative for Adavale Resources; both in unlocking the potential in its capacity as a corporate entity through new backing and expertise in its leadership, as well as with its strategic direction as it moves toward a new exploration focus.

Most importantly, this was marked by the transformational acquisition of the Parkes Gold and Copper Project, located in the world-class Lachlan Fold Belt region of New South Wales; recognised widely as a Tier-1 mining jurisdiction and renowned for its rich history of exploration and operational activity. This bold step has truly reshaped the Company's exploration focus, and the support from both new and existing investors through recent corporate developments to facilitate the transaction has laid an important foundation for the Company's emerging strategy that would unfold in the months that followed.

The acquisition of the Parkes Project in NSW is not only a significant thematic change and milestone for the Company – with no doubt, it is also a strategic one. The rapid execution that has already taken place is demonstrative of the asset's quality and operational readiness, as well as the team's swift but disciplined approach, guided by extensive experience working in the Lachlan Fold Belt region. We see these as only the first steps of many to come for our work at the Parkes Project, and we are thrilled to join several world-renowned neighbours as part of the broader copper-gold corridor of the region.

Significant early exploration work has already been completed at highly prospective areas within Parkes, such as the Ashes and Myalls Prospects. But perhaps one of the landmark achievements for FY2025 and Adavale's swift progress since gaining access was the rapid conversion of the historic London-Victoria Gold Mine to a initial JORC 2012 Mineral Resource Estimate, delivered only few months after the acquisition in January of this year. The quality and maturity of the London-Victoria deposit, along with the team's educated assessments and readiness to execute quickly, meant that Adavale could publish its independent Inferred Mineral Resource Estimate less than four months since acquiring the Parkes Project. This was rapidly followed by a maiden RC drilling campaign at the turn of the new financial year that has just commenced. With this historic gold resource now in hand, our maiden drilling campaign now completed, further strength in our financial backing, and a range of other promising prospects showing high potential across the Parkes Project, Adavale is well-positioned for this new chapter as a gold and copper explorer in this Tier-1 jurisdiction.

This year, the Board also welcomed Mr David Ward – a seasoned geological practitioner, with a wealth of experience across many major mining operations and corporate teams – to further bolster Adavale's technical expertise as we take these early pivotal steps at the Parkes Project. Mr Ward's appointment, bringing over 25 years of experience across exploration, development, and resource growth for projects around the world, comes at a pivotal point for Adavale and our entry into the highly prospective Lachlan Fold Belt. His experience, including within the region working on the Cadia Gold Mine, has meant that his hands-on technical expertise has already been invaluable to the near-term exploration work at Parkes so far. We are confident that his appointment to the Board has added considerable depth to the technical leadership of the Company for the exploration work to come.

While the primary focus for Adavale has shifted toward gold and copper, we have also continued to responsibly manage our broader asset portfolio and preserve its value as part of the Company's broader ongoing strategy. Adavale's uranium tenements in South Australia remain in good standing, have seen developments in permitting, and even desktop reviews of historical data. The portfolio will continue to provide exposure to an increasingly promising uranium market as part of the Company's longer-term strategy and optionality. While in Tanzania, our Kabanga Jirani and Luhuma nickel projects have been continually assessed for future opportunities. These are situated next to some of the world's largest nickel sulphide deposits. Again, this provides Adavale with exposure to other optionality through additional critical mineral resources as part of its long-term strategy, whilst the team hones its focus on establishing a presence to unlock the potential at Parkes back home in Australia's New South Wales.

Reflecting on the year that has passed, we are proud of the speed and discipline with which the team has mobilised and advanced work at the Parkes Project; moving from acquisition, to early exploration, to resource definition, and even targeted drilling with our maiden campaign at the London-Victoria site, all within the first six months of our tenure. It is a true testament to the commitment and capability of both our executive and technical teams, bolstered by the vision that we have for this new era for Adavale Resources.

As we have now commenced this new chapter and continue making plans to move through it toward several more major milestones, we are especially thankful to you – our shareholders – for your continued support. This bold new direction and our rapid advancement at the Parkes Project is only possible with the backing and confidence from our community of investors.

The Adavale Board looks forward to sharing more news and results in our continued efforts for the 2026 Financial Year, and we hope to continue unlocking the potential at each of our projects.



Allan Ritchie
Executive Chairman & CEO

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REVIEW OF OPERATIONS

NATURE OF OPERATIONS

The principal activities of the Group during the year were mineral exploration in Australia for Gold and Uranium and Tanzania for Nickel. The following sets out the major changes to the Group from both a corporate and operational perspective during the reporting period and up to the date of the Directors' report.

Review of Operations

The 2025 Financial Year (**"FY2025"** or the **"Reporting Period"**) marked a strategic turning point for Adavale Resources, catalysed by the transformational acquisition of The Parkes Project in January of CY2025, followed by several key milestones achieved to date; after the Reporting Period.

Located in the world-class Lachlan Fold Belt of New South Wales in Australia, The Parkes Project has redefined the Company's trajectory and honed its focus. This new strategic acquisition has positioned Adavale firmly as a gold and copper-focused explorer in a Tier-1 mining jurisdiction that is renowned for hosting some of Australia's most significant porphyry related deposits, including Northparkes and Cadia-Ridgeway close by. Therefore, principal operational and geological exploration activities for the Reporting Period took place at the Parkes Project, with the Company prioritising its gold and copper focus.

PARKES GOLD AND COPPER PROJECT
NSW, Australia

Strategic Transformational Acquisition & Expanding Lachlan Fold Belt Footprint

The Acquisition of the Parkes Gold & Copper Project ("Parkes Project") in January of 2025 (the **"Acquisition"**) originally encompassed four granted Exploration Licences (**"EL"**) (EL7242, EL8830, EL8831, EL9711), which cover a combined area of approximately 354 km² neighbouring important and renowned gold mining operations, such as the Northparkes (Evolution Mining Ltd; ASX:EVN) and Cadia-Ridgeway (Newmont Corporation CDI; ASX:NEM) Mines.

The acquired licences span a highly prospective segment of the Macquarie Arc within the Lachlan Fold Belt region of New South Wales (NSW). Notably, the Acquisition also included the historic London-Victoria Gold Mine (**"London-Victoria"**) within EL7242, which has a long history of gold production dating to the early 1900's producing an estimated 145,000 ounces of gold (averaging approximately 1.5 g/t Au) through both open-pit and underground operations. The Parkes Project (**"Parkes"** or the **"Project"**) is also home to other prospective ground surrounding several historic gold and copper sites, including the **Welcome Mine** (EL8830), **Ashes** and **Myalls** (EL8831), and **Parkvale South** (EL8830) prospects, among others.

Over the course of the remainder of FY2025, and since the initial Acquisition of The Parkes Project, Adavale has also continued to expand its landholding in the Lachlan Fold Belt. Most notably, on 16 June 2025[1], the Company announced that it had been granted EL9785, which is a 17.24km² licence that hosts the historically high-grade **Koh-I-Noor** underground gold mine, which had reported production grades of up to 43.8g/t Au previously; bringing Adavale's total landholding to over 371km² and significantly enhancing the Company's tenement footprint before the end of the Reporting Period.

[1] Refer ASX announcement dated 16 June 2025 "Strategic grant EL9785 contains historic High-grade Mine"

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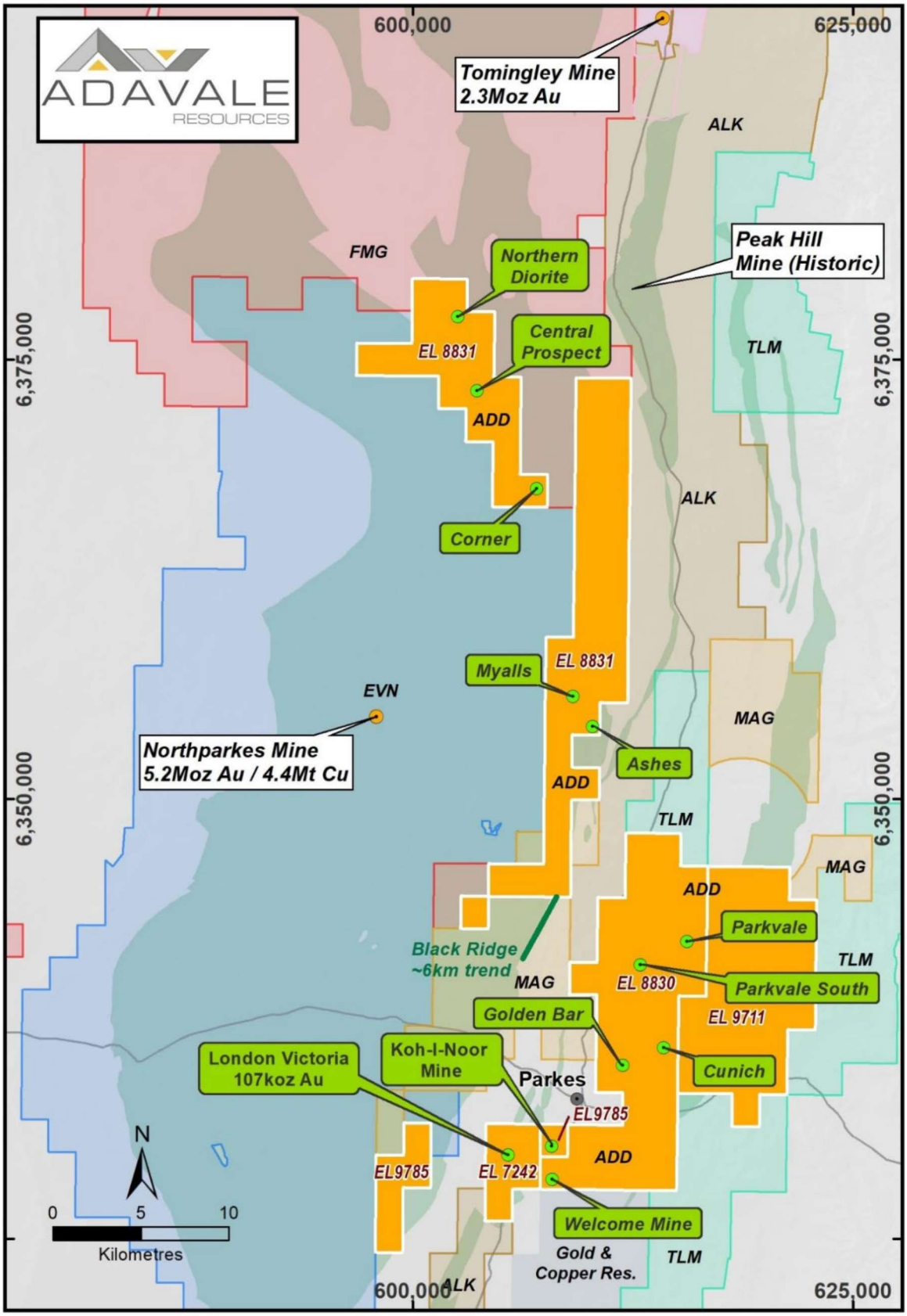


Figure 1: Adavale's Parkes Project Tenements in the Lachlan Fold Belt of NSW

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The London-Victoria Gold Mine

A key operational milestone during FY2025 was the successful conversion of the historic London-Victoria Gold Mine (as part of the initial acquisition of Parkes) to a JORC 2012 Mineral Resource Estimate in early May of 2025.

Located within EL7242, at the southern end of Adavale's Parkes Project landholging, the historic London-Victoria had been mined periodically between 1906 and 1996, producing an estimated 145,000 ounces of gold. Despite this history, no modern JORC resource has ever been established.

In May of 2025[2], Adavale announced its independent maiden JORC (2012) Inferred Mineral Resource Estimate (**"MRE"**) of 115koz Au at the London-Victoria Gold Project. Within this estimate there is a higher-grade mineralised total of **3.14Mt at 1.06g/t Au for 107koz**.

The resource is hosted within a north-south striking shear zone and is constrained within a conceptual open pit shell, extending to approximately 100 metres below surface, which is well-suited for shallow open-pit mining.

Geological modelling was supported by lithological and structural domain interpretations, and variography applied within the key mineralised boudins. Importantly, the established model also included a comprehensive assessment of ongoing gold price sensitivity, with pit shells optimised at a conservative gold price of A$4,500/oz.

The resource remains open along strike to the north and south, and down-dip. Adavale then also immediately commenced planning (as well as then the eventual commencement, post-reporting period, in July of CY2025) of a maiden resource extension RC drilling program (which would also yield its first results following the Reporting Period the first 11 holes of the 14-hole campaign being announced 8 September 2025 and confirming the asset's potential with significant, including some shallow high-grade gold intercepts and strike extension confirmed)[3].

Notable intercepts include:

- 10m @ 1.95g/t Au from 149m including 1m @ 8.3g/t Au (ALRC001)
- 12m @ 1.48g/t Au from 38m (ALRC004)
- 6m @ 1.69g/t Au from 33m (ALRC008)
- 3m @ 1.92g/t Au from 9m (ALRC009)
- 3m @ 6.64g/t Au from 10m including 1m @ 14.6g/t Au (ALRC011)

The conversion of London-Victoria into a JORC resource has established the Project as a legitimate brownfields development opportunity, with immediate exploration upside potential, and underpinning the strategic value of Adavale's Parkes Project Acquisition, as well as supporting the Company's broader shift toward gold and copper exploration in this Tier-1 jurisdiction.

Cut-off Criterion (g/t Au)	Tonnes (Mt)	Gold Grade (g/t)	Contained Gold (oz)
0.25	3.79	0.95	115,388
0.30	3.76	0.95	115,022
0.35	3.70	0.96	114,467
0.40	3.55	0.99	112,572
0.50	**3.14**	**1.06**	**106,541**
0.60	2.65	1.15	97,899
0.70	2.14	1.27	87,304
0.80	1.75	1.38	78,075
0.90	1.44	1.50	69,469
1.00	1.18	1.63	61,548

Table 1: Grade-Tonnes Relationship for in situ Mineralisation Within the Conceptual Open Pit Optimisation

[2] Refer to ASX announcement dated 5 May 2025 "Maiden JORC Resource at London-Victoria Project"

[3] Refer to ASX announcement date 8 September 2025 "Shallow High-Grade Gold Intercepts Confirm Growth Upside"

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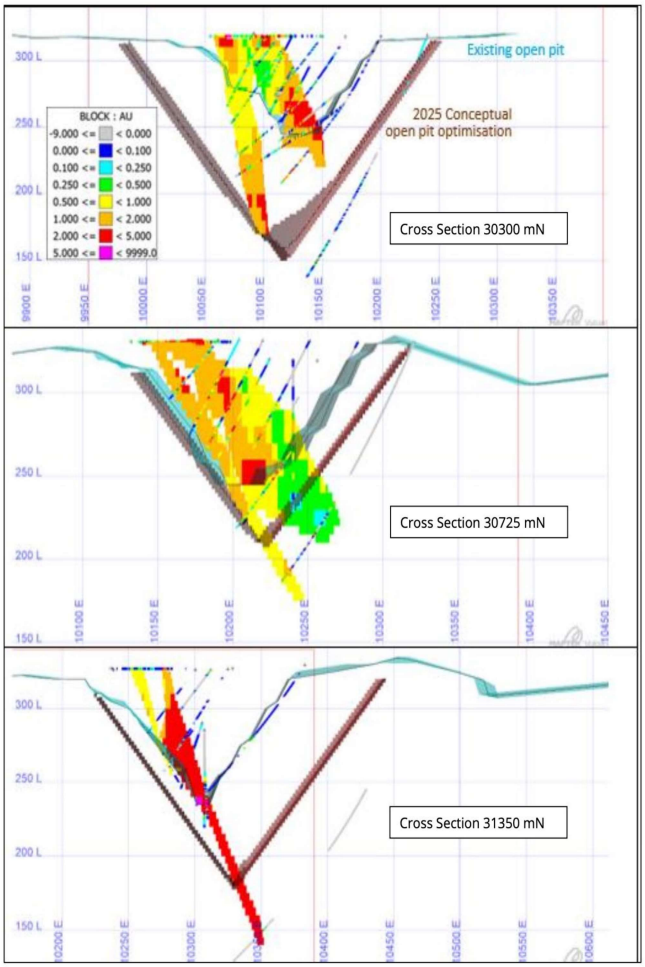


Figure 2: London-Victoria West-East Sections with Drillholes, Resources Model, Existing Open Pit and Conceptual Pit for Reporting

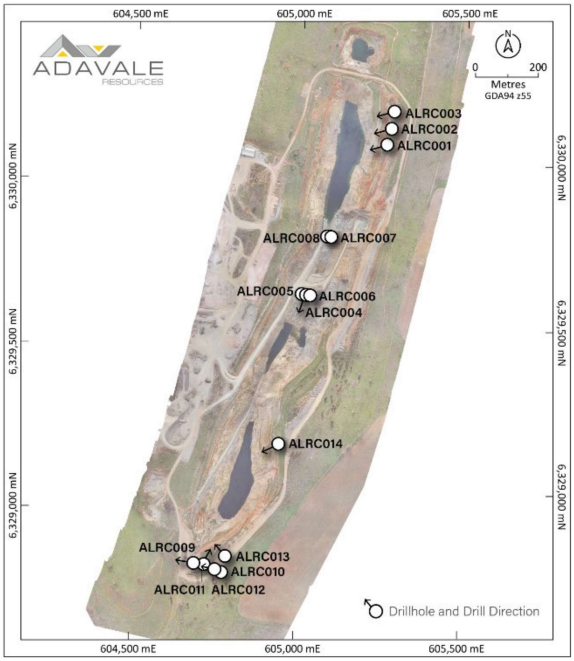


Figure 3: Drill Collars of 14 RC holes drilled at London Victoria Mine

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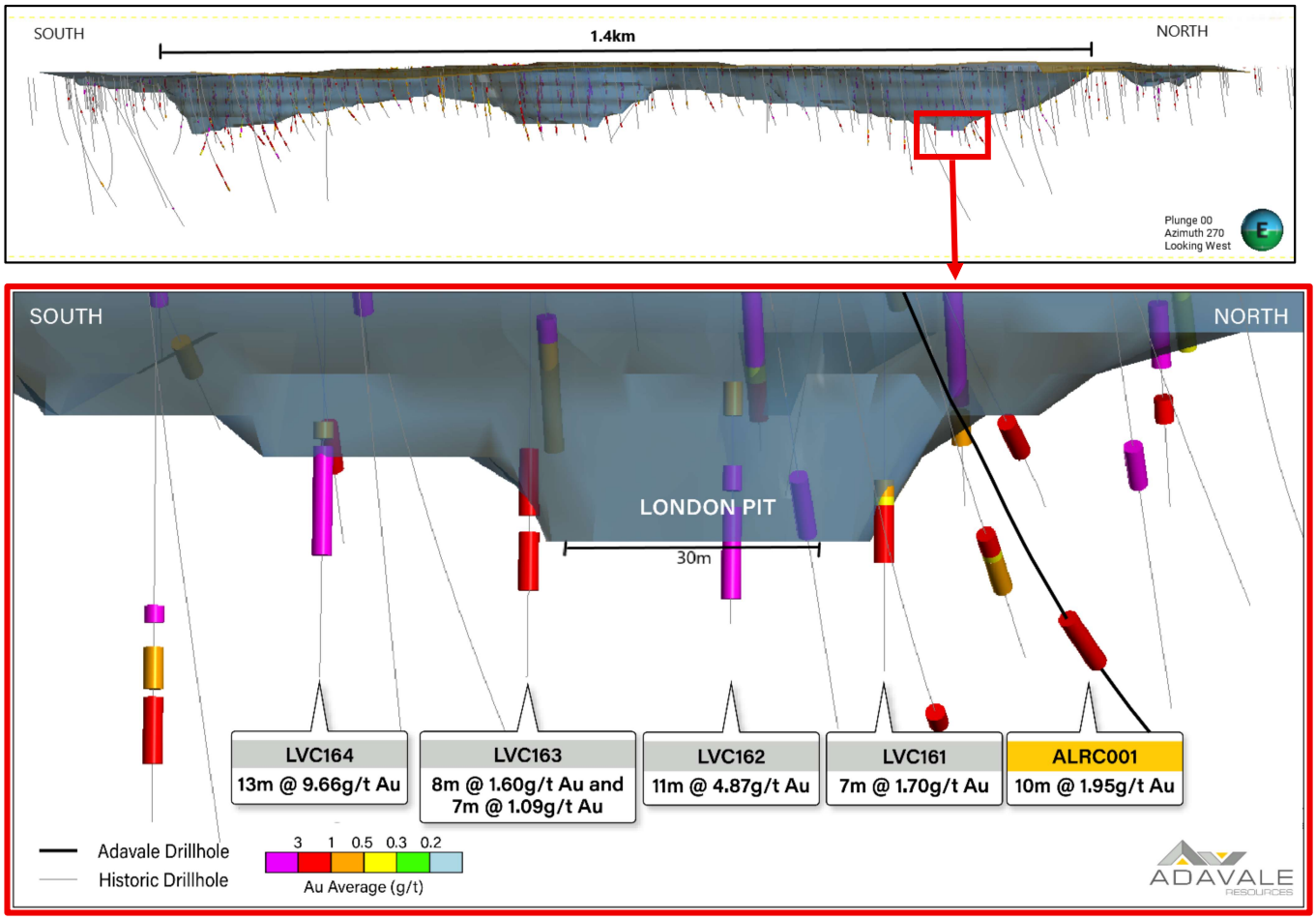


Figure 4: Long Section showing the position of ALRC001 relative to historic drilling and the previously mined open pit

Exploration Work at Ashes & Myalls Prospects

Located within the Parkes Project are the highly prospective **Ashes** and **Myalls Prospects**, situated approximately 10km east of the Northparkes Mine. Since acquiring the project in January of 2025, Adavale has already advanced exploration activities across both prospects, including geological mapping, rock chip sampling, geochemistry work, and geophysical reinterpretations of historic data.

At both Ashes and Myalls, the Adavale team has already completed detailed, multi-element, grid-based geochemical survey work with soil and rock chip samples across ~5km^2 of the area, totalling 276 sample sites (273 soil and 3 rock chip) initially, and then 26 additional rock chip assays that followed. Rock chip sampling results[4] highlights included:

- 10.65 g/t Au, 1.98% Cu & 158 g/t Ag
- 7.95 g/t Au, 2.2% Cu & 96.4 g/t Ag
- 0.74 g/t Au, 0.76% Cu & 58.9g/t Ag

The geochemical survey work confirmed prospectivity indicative of porphyry related copper-gold fertility at Ashes-Myalls. This is supported by pathfinder elements in rock chips with anomalous arsenic (As), bismuth (Bi), and antimony (Sb) along with favourable lithogeochemical trends in soils (using Sc-V-Nb ratioing techniques).

The results of the geochemical work coincided spatially with an Induced Polarisation (IP) anomaly of ~50mV/V that remains open to the north of Ashes zone. This anomaly is defined from reprocessing of geophysical date collected

[4] Refer to ASX announcement dated 26 February 2025 "High-Grade Gold, Copper and Silver Rock Chips at Ashes"

in 2008, and now reinterpreted. Historic drilling carried out in 2009 and 2015 has most likely no effectively tested the main target at Ashes.

Geochemical and geophysical signatures at Ashes and Myalls bear similarities to the Northparkes porphyry system located nearby, enhancing Adavale's confidence in the area's potential. Collectively, these factors further elevate the strategic significance of the Ashes and Myalls prospect areas, positioning it as a highly prospective exploration target with high potential to deliver a new discovery.

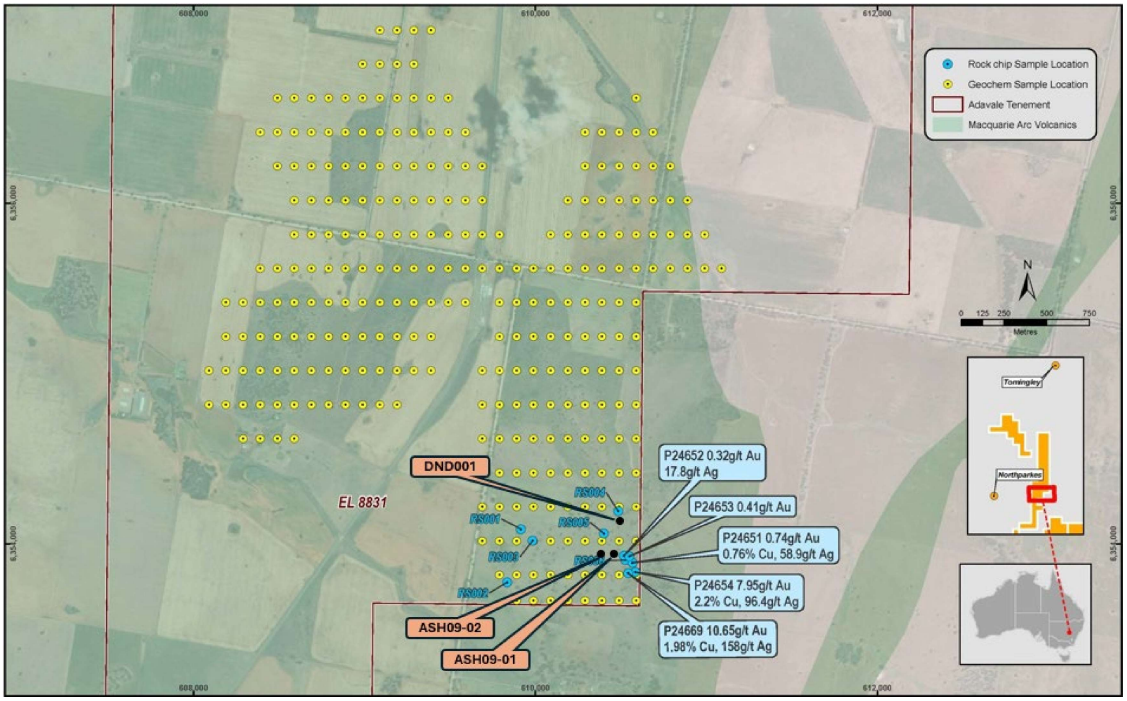


Figure 5: Ashes Prospect – Rock Chip Assay Results and Historical Drillhole Locations

The Koh-I-Noor Mine – Target Expansion & Reconnaissance with EL9785 Granted

On 16 June 2025, Adavale was also granted EL9785, covering 17.24km^2 that is strategically located adjacent to the Parkes Project's London-Victoria Mine (EL7242) and host to several historic mines and prospects, including the high-grade **Koh-I-Noor Mine**.[5]

This underground gold deposit was previously mined to a depth of 304m yielding up to 43.8g/t Au, and its tailings were reprocessed for 545 oz of gold at an average grade of 2.5g/t Au in the early 2000's, highlighting the potential for mineralisation in both gangue material and further quartz veins.

As a result, Adavale also reaffirmed itself as a major ground holder in the Parkes region, with over 371km^2 (at the time of the granting of EL9785) overlaying large sections of the highly prospective Macquarie Arc Volcanics. The addition of this historic location provides the Company with access to a significant gold-bearing structural corridor.

[5] Refer to ASX announcement dated 16 June 2025 "Strategic grant EL9785 contains historic High-Grade Mine

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Figure 6: Adavale Geological Team inspecting historical workings at Koh-I-Noor

Further Prospect Generation – Welcome Mine, Parkvale South & Black Ridge North Prospects

Adavale conducted an initial reconnaissance of additional prospective areas at Parkvale South and the Welcome Mine areas on No Mistake (EL8830), as well as testing for a possible continuation of the Blackridge copper (gold) trend at Blackridge North on Front Gate (EL8831). A total of 25 rock chip samples were taken across the three locations and targeted geological mapping was also completed.

On 21 May 2025, Adavale announced it had received significant grade gold assay results from rock chip sampling at the newly defined Parkvale South and historical Welcome Mine prospects. A standout result includes a high-grade rock chip sample (P24688) from Parkvale South that has returned a gold assay of 22.2g/t Au[6]; marking the highest grade gold assay recorded by the Company to date since commencing reconnaissance exploration activities on the Parkes Project.

Parkvale South Prospect is a newly generated target from desktop studies and represents an underexplored area of interest located between two historical prospects. It is situated within a highly prospective structural zone of interpreted magnetite destruction. Parkvale South Prospect is currently considered a high priority by Adavale, with initial work suggesting a similar geological setting and vein/alteration style to Alkane's (ASX:ALK) Tomingley Mine (1.5Mt Au Resource[7]).

In addition to the assays from Parkvale South, sampling at the Welcome Mine Prospect also returned anomalous gold values. The Welcome Mine is a historical mine located within 5km of Parkes township that had and average reported head grade of 11g/t Au[8] that is untested by drilling for continuation along strike, or at depth. Inspection of the site and surrounds resulted in the collection of two samples of likely lode quartz vein that returned a best result of 1.61g/t Au. This prospect will require further investigation and checking of the historical records for likely future drill targeting.

[6] Refer to ASX announcement date 21 May 2025 "Parkvale South Prospect Returns 22.2g/t Au Rock Chip"
[7] Alkane Resources - Denver gold Forum Europe Presentation 2/4/2025 (https://alkane.com.au/investors/presentations-reports/)
[8] Agricultural Equity Investments Pty Limited. EL8830, First Annual Exploration Report, "About 4.84km NE of Parkes Project", Covering Period 13 April 2019 to 12 April 2020. (Geoscience NSW database [DIGS] report RE0012838 [GS2020/0571]).

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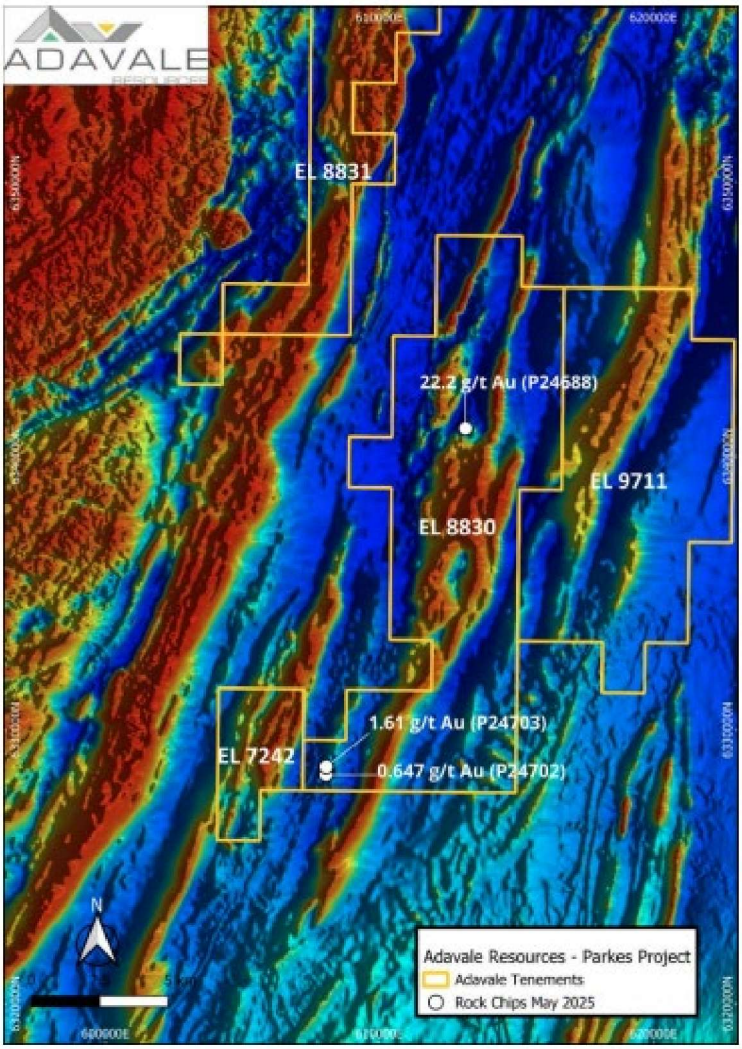


Figure 7: Best Rock Chip Assay Results plotted against Total Magnetic Intensity RTP Image

During the site visit from 23-25 June 2025, Adavale conducted an initial reconnaissance at the Cunich Prospect (EL8830) where previous exploration returned results from surface up to 1.46g/t Au in strongly argillic altered Ordovician volcanics and volcaniclastics coinciding with a magnetic low.

A preliminary site visit was also conducted at the Golden Bar Area, located about 2km southwest from the Cunich area. 16 rock chip samples were taken from both of these areas and submitted for multi-element assay, with results currently pending.

URANIUM PROJECTS

SA, Australia

Throughout FY2025, Adavale maintained its South Australian (**"SA"**) uranium portfolio across eleven granted Exploration Licences that are prospective for their sedimentary uranium potential. Seven Exploration Licences are held within the northern part of the highly prospective northern outwash from the Flinders Ranges in South Australia, as well as 4 granted Exploration Licences east of Ceduna on the Eyre Peninsula, increasing Adavale's uranium tenement holdings to 4,959km^2.

South Australian Uranium Exploration Activity

In the early part of FY2025, Adavale completed a review of historic drill data, radiometric signatures, and basin architecture, and was able to identify several prospective paleochannel systems across EL7437 and EL6553.

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During the year, Adavale also commenced a new desktop targeting program across its tenements to refine high-priority areas for potential reconnaissance work and drilling. This work involved reviewing radiometric datasets, reprocessing legacy data for identifying anomalous trends, as well as utilising regional stratigraphic correlations and interpreting the potential for roll-front-styled uranium deposition along the Namba-Murnpeowie unconformity.

No drilling or geophysical work was conducted on the ground during FY2025, as the Company's efforts would be prioritised at the Parkes Project following its acquisition. However, all licences remain in good standing, all statutory expenditure commitments were met, and the Company has continued to work with the South Australian Department for Energy and Mining to finalise ongoing permit approvals for drilling. The geological team completed the required site surveys and ground access assessment for a drill program. Approximately 17-line kms over three priority areas surveyed to enable the planned stage one (2,000m) aircore drilling program at MacDonnell Creek. Drill hole locations were pegged as per the PEPR requirements and to facilitate the future Dieri Heritage Clearance Survey of the area. Subject to receiving the permit, the Company intends to launch an aircore drilling program at MacDonnell Creek and for further potential paleochannel extensions within the Marree Embayment in South Australia.

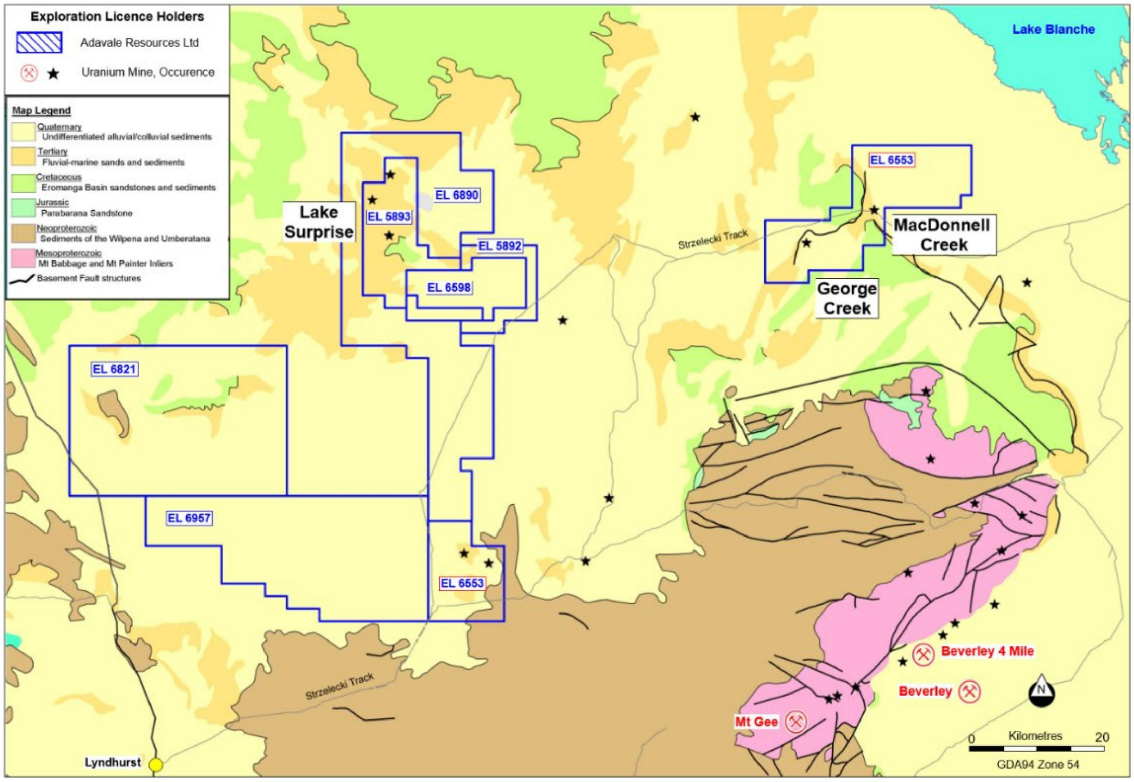


Figure 8: Adavale's Exploration Licence Areas in the Marree Embayment Area of South Australia

KABANGA JIRANI & LUHUMA NICKEL PROJECT

Tanzania

Adavale also holds the Kabanga Jirani Nickel Project, a portfolio of 13 highly prospective granted licences along the East African Nickel belt in Tanzania. The nine southernmost licences are proximal to the world class Kabanga Nickel Deposit (87.6Mt @ 2.63% Ni Eq).

Adavale holds 100% of all licences except for two licences that are known as the Luhuma-Farm-in, which are held at 65%, adding a further 99km^2 and bringing the portfolio to 1,315km^2. Adavale's licences were selected based on their strong geochemical and geophysical signatures from the previous exploration undertaken by BHP.

Due to the current nickel market, no exploration activities were undertaken. The Company has been assessing potential for joint-ventures or partnership opportunities on the nickel projects.

Adavale still maintained its holdings in good standing, as well as progressed its necessary administrative and statutory processes required to renew its licences.

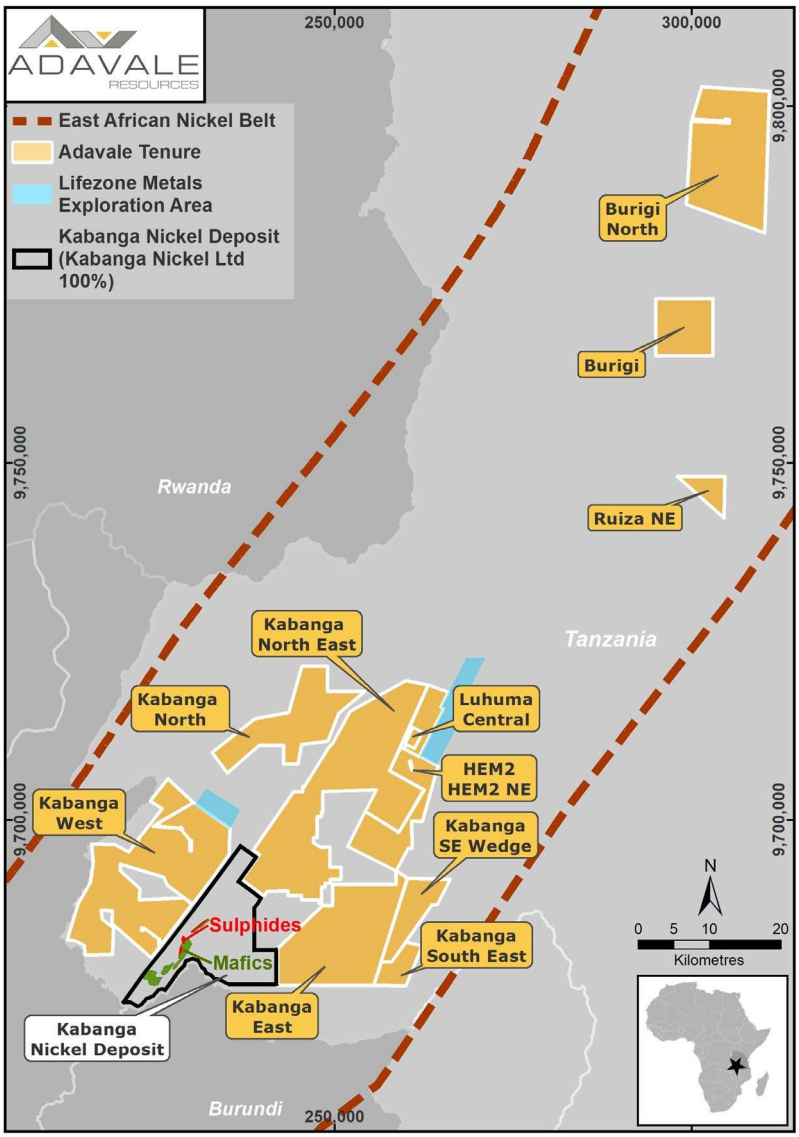


Figure 9: Adavale's tenements within the Kabanga Jirani and Luhuma Nickel Project

CORPORATE SECTION

During the Reporting Period, Adavale completed a number of corporate initiatives that would support not only the acquisition of the Parkes Project and its early exploration work there, but also the Company's new trajectory as a result, as well as establish a more suitable capital structure.

Capital Raise & Placement for Parkes Project Acquisition

To support the Acquisition of the Parkes Project in NSW, Australia and fund initial exploration activities across the acquired tenements there, Adavale completed a $1.675 million (before costs) raising via a placement to new and existing professional and sophisticated investors.

This placement was conducted at an issue price of $0.0025 per share. Each placement share received 1 free attaching Option with an exercise price of $0.005 each expiring on 31 December 2027. Directors and management participated on the same terms of the placement for $95,000.

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Proceeds from this placement were used to accelerate exploration activities within the Parkes Gold and Copper Project with a primarily focus on increasing and upgrading the London-Victoria Historic Resource to JORC-qualifying status.

Earlier in FY2025, the Company raised a total of $632,000 via a two tranche placement to professional and sophisticated investors, including directors and management participation. The raise was completed at a price of $0.003 per share with each placement share receiving 1 free attaching option with an exercise price of $0.005 each expiring on 31 December 2027.

Share Consolidation

In June of 2025, shareholders approved a **20-for-1 share consolidation**, which has taken effect on 3 July 2025. The consolidation of shares has reduced the total number of shares that are on issue for the Company, simplifying the capital structure and improving the Company's ability to engage with institutional investors moving forward. Following the consolidation, the number of fully paid ordinary shares on issue was reduced from approximately 2.3 billion to approximately 114 million shares on issue.

Board Appointments

In July 2024, Mr. Nic Matich was appointed to the Board of Adavale as Non-Executive Director. Nic is a mechanical engineer and finance professional with over 17 years' experience in the resources sector.

Mr. Grant Pierce resigned as Non-Executive Chairman and Director of the Company on 30 September and Mr. Allan Ritchie, the current Chief Executive Officer, was appointed as interim Chairman. Grant joined Adavale in August 2020 and played a key role in restructuring and recapitalisation of the Company. He was also integral in building the Company's significant nickel exploration portfolio.

Subsequently in October 2024, Mr. David Rieke resigned as Executive Director and Mr. Allan Ritchie was appointed as Executive Chairman of the Company.

In April 2025, Adavale Resources appointed Mr. David Ward as a new Non-Executive Technical Director, thus, strengthening the geological and operational leadership within the Company as it entered its new phase and focus on gold and copper in the Lachlan Fold Belt region of NSW, Australia.

David Ward is a seasoned geologist and mining executive with over 25 years of experience spanning early-stage exploration, resource development, and mining operations. He served as Chief Geologist for Bacchus Resources, where he helped the company define a 950,000oz gold resource and advanced several projects across Australia.

Mr. Ward also brings a unique experience from his time with Newcrest Mining, where he worked on the Cadia Gold Mine, and with Clancy Exploration, overseeing porphyry and epithermal exploration programs within the Lachlan Fold Belt. This specific technical expertise, combined with a strong understanding of value creation in the Lachlan Fold Belt region, have made Mr. Ward an incredibly important strategic appointment in this new era for Adavale Resources as a company moving forward.

In the appointment of Mr. Ward, the Company also acknowledged the retirement of Mr. John Hicks from the Board, thanking him for his service to Adavale during some of its formative years.

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ASX Announcement References

29 November 2024: Transformational Gold and Copper Project Acquisition
28 January 2025: Completion of Placement, Parkes Acquisition and Site Visit
18 February 2025: Geochemical Program Proposed at Ashes and Myalls Prospects
26 February 2025: High-Grade Gold, Copper and Silver Rock Chips at Ashes
3 March 2025: Geochemical Survey Commences at Ashes & Myalls Prospects
24 March 2025: Completion of Geochemical Survey at Ashes & Myalls
9 April 2025: Parkes Project Advances in Central NSW Lachlan Fold Belt
22 April 2025: Additional Targets Defined at Parkes Project
5 May 2025: Maiden JORC Resource at London-Victoria Project
7 May 2025: IP Study Generates High Conviction Target at Ashes
21 May 2025: Parkvale South Prospect Returns 22.2g/t Au Rock Chip
26 May 2025: Proposed Share Consolidation
16 June 2025: Strategic EL9785 contains historic High-Grade Mine
19 June 2025: Soil Assy Results show Porphyry Cu-Au Fertility at Ashes
30 June 2025: High Priority Drill Targets Pegged at London Victoria Mine
8 September 2025: Shallow High-Grade Gold Intercepts Confirm Growth Upside

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Information on the Mineral Resources presented on the London-Victoria deposit is contained in the ASX announcement dated 5 May 2025. Where the Company refers to Mineral Resource in this presentation, it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource Estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context with the JORC Table 1 in which the Competent Person's findings are presented have not materially changed from the original announcement.

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RISK MANAGEMENT

Risk management is a key part of improving our business and our aim is to ensure that all business operations are performed within Board approved risk tolerance levels. To achieve this aim, Risk Management standards will be created, maintained and continually improved. This will involve risk identification and risk evaluation linked to practical and cost-effective risk control measures commensurate with our business. Risk Management is a continuous process demanding awareness and proactive action from all Company employees and contractors to reduce the possibility and impact of accidents and losses, whether caused by the Company (and its subsidiaries, collectively "The Group") or externally.

FACTORS AND BUSINESS RISKS AFFECTING FUTURE BUSINESS PERFORMANCE

The following factors and business risks could have a material impact on the Company's success in delivering its strategy:

Funding

The Group is likely to need to raise capital to explore and develop its projects. There is no guarantee that the Group will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to the Group.

Health and Safety

The Group is exposed to potential safety hazards within its operations in Australia and Tanzania.

Political Risks (Tanzania)

The Group's projects - Kabanga Jirani Nickel Project and Luhuma Nickel Project, both are in Tanzania and will be subject to the various political, economic and other risks and uncertainties associated with operating in that country. These risks and uncertainties include, but are not limited to, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. The Group may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Any future material adverse changes in government policies or legislation in Tanzania that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company.

Aboriginal title and consultation issues

Native title claims as well as related consultation issues may impact the ability to pursue exploration, development and mining at its Parkes Gold Project and the South Australia Uranium Projects. Managing relations with traditional owners is a matter of paramount importance to the Group. However, there may be no assurance that title claims as well as related consultation issues will not arise on or with respect to the Group's exploration Licences.

Public Perception

Unique political, technological and environmental factors affect the nuclear industry, exposing it to the risk of public opinion, which could have a negative effect on the demand for nuclear power and increase the regulation of the nuclear power industry. An accident at a nuclear reactor anywhere in the world could affect acceptance of nuclear energy and the prospects for nuclear generation. Debate on the relative dangers and benefits of uranium as an energy source will continue into the foreseeable future.

Commodity Prices, Services and Exchange Rates

Commodity prices (specifically nickel and uranium) and the cost of services fluctuate according to changes in demand and supply. Changes in commodity prices can significantly impact exploration activities and investment decisions. As the Group operates in USD in Tanzania, significant unfavourable movements between AUD and USD impacts the exploration and operational costs in Tanzania.

Key Person and Workforce

The Group's success is to a large extent dependent upon the retention of key personnel and the competencies of its directors, senior management, and personnel. The inability to attract and retain a suitably skilled and diverse

leaders and workforce is a risk to Group performance in the conduct of its business especially in Tanzania and within the Uranium industry.

Tenure and Access risk

While the Group does not anticipate there to be any issues with the grant or renewals of its tenements, there can be no assurance that the application (or future applications) will be granted. Mining and exploration tenements are subject to periodic renewal and reviews. The renewal of the term of granted tenure may be subject to the discretion of the relevant authorities and may include increased expenditure or obligations on the Group or compulsory relinquishment of areas of the tenements.

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The Directors present their report on the Company and its controlled entities for the financial year ended 30 June 2025.

Directors

The Directors of the Company at any time during or since the end of the financial year were as follows. All securities held are stated on a post-consolidation of capital:

Mr Allan Ritchie **Executive Chairman & CEO** *(Appointed as Chairman on 30 September 2024)* *6,945,297 Fully Paid Ordinary Shares* *37,225 Listed Options exercisable at $0.60 each expiring 31 December 2025* *1,374,999 Listed Options exercisable at $0.10 each expiring 31 December 2027* *3,390,000 Performance Rights*	Allan graduated from the University of Technology in Sydney in 1986 with a Bachelor of Business and subsequently attained a post graduate Diploma in Applied Finance from the Financial Services Institute of Australia. Allan's distinguished career spans 30 years in both the energy and resources sectors, in investment banking and leadership roles in both private and publicly listed companies. Allan's investment banking background includes structuring commercial transactions in the energy and resources sector. Senior roles include positions within Westpac, ANZ Bank, HSBC and BNP Paribas in Australia, London, New York and Asia Pacific. Allan's career achievements have been recognised several times in BRW's annual poll of bankers. Directorships in the last 3 years: Nil
Mr Maurice (Nic) Matich **Non-Executive Director** *(Appointed on 31 July 2024)* *2,009,046 Fully Paid Ordinary Shares* *716,666 Listed Options exercisable at $0.10 each expiring 31 December 2027* *1,500,000 Performance Rights*	Nic is a mechanical engineer and finance professional with over 17 years' experience in the resources sector. Nic is currently the Managing Director of Pinnacle Minerals Limited (ASX:PIM). His wide industry experience includes the provision of engineering, risk consulting and insurance services to numerous tier 1 mining companies with operations in lithium, iron ore, mineral sands, gold and kaolin. Nic's familiarity within the Wirrulla Project and operational nuances in South Australia add to Adavale's aim of discovering an economic uranium deposit in South Australia. Directorships in the last 3 years: Pinnacle Minerals Limited (October 2022 – September 2024) Heavy Minerals Limited (February 2021 – September 2022)
Mr David Ward **Non-Executive Technical Director** *(Appointed on 10 April 2025)* *2,430,000 Fully Paid Ordinary Shares* *1,500,000 Performance Rights*	David is a seasoned geologist and mining industry executive with over 25 years of experience encompassing early-stage exploration, project development through to open pit and underground mining. As Chief Geologist of Private Company, Bacchus Resources, David was instrumental in defining over 950Koz of gold resources in the NT, while overseeing the development of other exploration assets in the NT, QLD and NSW. These assets were then incorporated into key projects for multiple ASX-listed exploration companies. David has played key exploration and operational technical roles in several companies, including Newcrest Mining, as Production and Resource Definition Geologist for the Cadia Gold Mine and Clancy Exploration as Senior Exploration Geologist overseeing Porphyry and Epithermal exploration in the Lachlan Fold Belt NSW.

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	Directorships in the last 3 years: Nil
Mr John Hicks **Non-Executive Director** *(Resigned on 10 April 2025)*	John is a geologist and nickel sulphide specialist with over 40 years' experience in the exploration and mining sector, including a 15 year tenure as the General Manager of Exploration for Panoramic Resources Limited (ASX: PAN). Prior to Panoramic, John held various roles with several notable mining companies including Australian Consolidated Minerals Limited, and WMC Limited. John's nickel career highlights include senior exploration and development roles for the Mount Keith, Silver Swan, Lanfranchi and Savannah nickel projects. During his tenure at Panoramic Resources, John was instrumental in discovering the komatiite hosted Deacon orebody at Lanfranchi and the intrusive hosted Savannah North nickel orebodies, in Western Australia.
Mr Grant Pierce **Non-Executive Chairman** *(Resigned on 30 September 2024)*	Grant is a qualified mining engineer with 30 years of operating experience in both Australia and Africa. He has managed both open-pit and underground mines across a range of mineral commodities. In addition, he has held numerous senior development roles, taking green and brown field projects to either shovel ready status or into production. Grant was a member of the development team that built Tanzania's first modern gold mine, Resolute's Golden Pride Project (ASX:RSG) and was Operations Manager of the mine for its first 6 years. Other senior roles include Executive General Manager (Tanzania) for Barrick Gold Corporation (NYSE:GOLD), during which time the Tulawaka Gold Mine was built and subsequently General Manager Operations for Perseus Mining, taking the Edikan Gold Project from the environmental permitting stage to its first gold pour. Grant was an Executive Director of EcoGraf Limited (ASX:EGR) from 2014 – 2020 and played a pivotal role in the development of the Company, leading to the Company receiving the Epanko Graphite Projects' Environmental Certificate, Mining Licence, delivering the Bankable Feasibility Study and subsequent completion of banking independent due diligence. Grant has been publicly recognised within Australia and internationally for his philanthropic work with remote communities in developing nations.
Mr David Riekie **Executive Director** *(Resigned on 31 October 2024)*	David is an experienced listed company director, in both executive and non-executive roles. His career spans multiple continents including within Africa Namibia, Tanzania, Eritrea, South Africa, DRC and Mozambique. He holds a Bachelor of Economics and a Graduate Diploma of Accounting from Flinders University and has been a member of Chartered Accountants Australia and New Zealand since 1986. David has served on the Boards of Zenith Energy Limited, Paladin Energy Limited and also served as interim CEO to Poseidon Nickel Limited. David holds a Bachelor of Economics and a Graduate Diploma of Accounting from Flinders University and has been a member of the Australian Institute of Chartered Accountants since 1986.

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Mr Leonard Math – Chief Financial Officer & Company Secretary

Leonard is a Chartered Accountant with more than 15 years of resources industry experience. He previously worked as an auditor at Deloitte and is experienced with public company responsibilities including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting and shareholder relations.

Mr Math also currently holds other CFO, Company Secretary and directorship roles for a number of ASX listed companies.

Meetings of Directors

The number of Board meetings held and circular resolutions during the financial year and the number of meetings attended by each director. In addition to the Board meetings, the Board and management meets regularly on a fortnightly basis to discuss the operations of the Company.

Director	Eligible to Attend	Attended
Allan Ritchie	6	6
Maurice Matich	8	8
David Ward	1	1
John Hicks	7	7
Grant Pierce	3	3
David Riekie	4	4

Principal Activities

The Company is in the business of mineral exploration for Gold in New South Wales, Nickel in Tanzania and Uranium in South Australia. The Company's primary aim in the near-term is to explore for, discover and develop nickel and uranium deposits on the mineral exploration projects in Tanzania and South Australia. The Group has also been actively reviewing additional projects or mineral resources investment opportunities that would create wealth for the Group and its shareholders.

Review and Results of Operations

The activities of the Company during the period under review are set out above in the Review of Operations.

The consolidated loss of the Company was $4,054,266 which compared with a net loss for the prior year of $4,700,626.

Dividends

No dividends were paid during the financial year and the directors recommend that no dividend be paid in respect of the year ended 30 June 2025.

Significant Changes in the State of Affairs

Except as referred to in this report, there have not been any significant changes in the state of affairs of the Group during the financial year.

Future Developments

The Group expects to continue its exploration and evaluation activities in Africa and Australia into the foreseeable future and will examine options for maximising the value of its mineral interests.

Events Subsequent to Reporting Date

Subsequent to year end, the Company completed a 20 to 1 Consolidation ratio on the Company's securities. The Company also successfully raised $3.24m before costs via the issue of 154.3m shares at a price of $0.021 per share ("Placement"). The Placement includes one free option exercisable at $0.035 expiring on 30 June 2028 for every 2 shares subscribed.

Except for the above there have been no matters or circumstances which have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

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Remuneration Report (audited)

The Directors of Adavale Resources Limited present the Remuneration Report prepared in accordance with the Corporations Act 2001 and Corporations Regulations 2001.

The Remuneration Report is set out under the following main headings:

a. Remuneration Policies
b. Key Management Personnel remuneration
c. Executive Service Agreements
d. Non-Executive Directors
e. Share based compensation
f. Key Management Personnel Compensation – other transactions

(a) Remuneration Policies

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group, including directors of the Company and other executives. Key management personnel comprise of directors of the Company and the Chief Financial Officer/Company Secretary.

The compensation structure takes into account:

- The capability and experience of the key management personnel
- The key management personnel's ability to control the relevant segment performance
- The Group's performance including:
  - The Group's earning
  - The growth of the share price and delivering constant return to stakeholders

Compensation packages may include a mix of fixed and variable compensation and short- and long-term performance-based incentives. Short and long-term performance – based incentives are designed to reward key personnel for meeting or exceeding their financial and personal objectives.

At the Annual General Meeting held on 24 November 2023, the shareholders approved the Adavale Incentive Performance Rights Plan. The stated purpose of the Plan is to provide competitive, incentive-based remuneration supporting the retention, incentive and reward functions of that remuneration.

With regard to any directors' retainer and/or remuneration except as referred to above regarding the issue of incentive rights to the then non-executive directors, there is no relationship between remuneration and performance. Renumeration levels are competitively set to attract and retain qualified and experienced directors, executives and staff, and having regard for the overall performance of the Company. Where necessary the Board obtains independent advice on the appropriateness of remuneration packages, given trends in comparative companies and industry surveys. No such advice from a remuneration consultant was requested or received in the current year.

Currently the Company does not have a Remuneration Committee, but the Board establishes and monitors remuneration packages and policies. When appointed, the Board establishes and monitors the remuneration for the Executive Director and/or Chief Executive Officer.

Group Performance, Shareholder Wealth and Directors' and Executives' Remuneration

No relationship exists between the Group performance, earnings, shareholder wealth and Directors' and Executive remuneration for this financial period. No remuneration is currently performance related.

Overview of Group Performance

The table below sets out information about the Group's earnings and movements in shareholder wealth for the past five years up to and including the current financial year.

	2025	2024	2023	2022	2021
NET (LOSS) AFTER TAX	(4,054,266)	(4,700,626)	(4,947,890)	(4,670,136)	(2,045,665)
SHARE PRICE AT YEAR END (ASX)	0.001	0.004	0.026	0.021	0.092
BASIC (LOSS) PER SHARE (CENTS)	(0.24)	(0.57)	(1.01)	(1.41)	(0.86)
TOTAL DIVIDENDS (CENTS PER SHARE)	-	-	-	-	-

(b) Key Management Personnel remuneration

The remuneration paid to, or incurred for each director and other key management personnel of the Company during the year is as follows. There are no long-term employee benefits or termination benefits. See below relating to service agreements.

2025 Directors	SHORT TERM EMPLOYEE BENEFIT Salary & Fees $	POST EMPLOYEE BENEFIT Super-annuation $	SHARE BASED PAYMENT Incentives $	Total amount $	PERFORMANCE RELATED %
Mr Allan Ritchie (Chairman & CEO)[1]	92,500	-	28,645	121,145	24%
Mr Maurice Matich (Non-executive director)[2]	44,700	-	7,921	52,621	15%
Mr David Ward (Non-executive director)[3]	9,371	-	34	9,405	-
Mr Grant Pierce (Non-executive Chairman)[4]	20,270	2,331	16,661	39,262	42%
Mr David Riekie (Executive director)[5]	96,251	-	16,661	112,912	15%
Mr John Hicks (Non-executive director)[6]	34,167	-	16,661	50,828	33%
Executives					
Leonard Math (CFO and Company Secretary)	97,000	-	24,685	121,685	20%
	394,259	**2,331**	**111,268**	**507,858**	**22%**

[1] Appointed as Executive Chairman on 30 September 2024
[2] Appointed on 31 July 2024
[3] Appointed on 10 April 2025
[4] Resigned on 30 September 2024
[5] Resigned on 31 October 2024
[6] Retired on 10 April 2025

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2024 Directors	SHORT TERM EMPLOYEE BENEFIT Salary & Fees $	POST EMPLOYEE BENEFIT Super-annuation $	SHARE BASED PAYMENT Incentives $	Total amount $	PERFORMANCE RELATED %
Mr Grant Pierce (Non-executive Chairman)	87,973	8,027	10,729	106,729	10.1%
Mr David Riekie (Executive director)	212,500	-	10,729	223,229	4.8%
Mr John Hicks (Non-executive director)	69,000	-	10,729	79,729	13.5%
Executives					
Allan Ritchie (Chief Executive Officer)	95,333	-	10,729	106,062	10.1%
Leonard Math (CFO and Company Secretary)	110,000	-	10,729	120,729	8.9%
	574,806	**8,027**	**53,645**	**636,478**	**8.4%**

(c) Executive Service Agreements

Mr Allan Ritchie entered into a Services Agreement to provide Chief Executive Officer services on 31 January 2022 and received an annual remuneration package of $72,000 per annum. On 1 January 2024, the annual remuneration was reviewed and adjusted to $100,000 per annum. Subsequent to financial year end, the annual remuneration was revised to $70,000 per annum effective from 1 August 2024. The annual remuneration includes the Executive Chairman role. The agreement may be terminated without reason by the Group giving 3 months' notice. The Group may otherwise terminate his employment without notice for cause.

Mr Leonard Math was appointed as Chief Financial Officer and Company Secretary on 1 October 2021 and currently received an annual remuneration package of $60,000 per annum through a Consultancy Agreement. On 1 January 2024, the annual remuneration was reviewed and adjusted to $120,000 per annum. Subsequent to financial year end, the annual remuneration was revised to $84,000 per annum effective from 1 August 2024. The agreement may be terminated without reason by the Group giving 1 month's notice. The Group may otherwise terminate his employment without notice for cause.

(d) Non-Executive Directors

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. In determining competitive remuneration rates, the Board review local and international trends among comparative companies and the industry generally. Typically, the Group will compare non-executive remuneration to companies with similar market capitalisations in the exploration and resource development sector.

(e) Share based compensation

There was $114,177 (FY2024: $53,645) in share-based compensation paid to KMP during the financial year, representing the value of performance rights granted during this year. Further details are set out in Note 13.

(f) Key Management Personnel Compensation – other transactions

(i) Options provided as remuneration and shares issued on exercise of such options.

Other than disclosed above, no further options were provided as remuneration during the year and no shares were issued on exercise of such options.

(ii) Loans to key management personnel

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No loans were made to any director or other key management personnel of the Group, including related parties during the financial year.

(iii) Other transactions with key management personnel

No other transactions with key management personnel occurred during the financial year.

Terms and conditions of related party transactions

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

(g) Securities held by Key Management Personnel

The number of ordinary shares (pre-consolidation of capital) in the Company held during the 2025 reporting period by any of the Key Management Personnel of the Group, including their related parties are set out below.

PERSONNEL	Balance at start of year	Received as part of director / executive entitlement(i)	Purchased/(sold) during the year	Balance at 30 June 2025
Allan Ritchie	15,170,251	-	29,916,666	45,086,917
Nic Matich	-	-	14,333,333	14,333,333
David Ward	-	-	-	-
Leonard Math	2,628,708	-	8,333,333	10,962,041
Grant Pierce	7,737,639	-	1,000,000	8,737,639*
David Riekie	7,482,283	-	-	7,482,283*
John Hicks	5,425,760	-	7,700,000	13,125,760*
TOTAL	**38,444,641**	**-**	**61,283,332**	**99,727,973**

*Held at the date of resignation

The number of Performance Rights (pre-consolidation of capital) in the Company held during the 2025 reporting period by any of the Key Management Personnel of the Group, including their related parties are set out below.

PERSONNEL	Balance at start of year	Received as part of director / executive entitlement	Purchased/(lapsed) during the year	Balance at 30 June 2025
Allan Ritchie	11,100,000	60,000,000	(3,300,000)	67,800,000
Nic Matich	-	30,000,000	-	30,000,000
David Ward[(i)]	-	-	-	-
Leonard Math	11,100,000	45,000,000	(3,300,000)	52,800,000
Grant Pierce	11,100,000	-	(3,300,000)	7,800,000*
David Riekie	11,100,000	-	(3,300,000)	7,800,000*
John Hicks	11,100,000	-	(3,300,000)	7,800,000*
TOTAL	**55,500,000**	**135,000,000**	**(16,500,000)**	**174,000,000**

*Held at the date of resignation

(i) At the General Meeting held on 27 June 2025, shareholders approved the issue of 30,000,000 Performance Rights (pre-consolidation of capital) to Mr. David War. These rights of 1,500,000 (post-consolidation) were issued on 11 July 2025.

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The number of Options (pre-consolidation of capital) in the Company held during the 2025 reporting period by any of the Key Management Personnel of the Group, including their related parties are set out below.

PERSONNEL	Balance at start of year	Received as part of director / executive entitlement	Purchased /(lapsed) during the year	Balance at 30 June 2025
Allan Ritchie	2,744,524	-	19,666,666	22,411,190
Nic Matich	-	-	14,333,333	14,333,333
David Ward	-	-	-	-
Leonard Math	2,167,066		6,333,333	8,500,399
Grant Pierce	2,952,573	-	-	2,952,573*
David Riekie	3,808,160	-	-	3,808,160*
John Hicks	2,789,473	-	5,700,000	8,489,473*
TOTAL	**14,461,796**	**-**	**46,033,332**	**60,495,128**

*Held at the date of resignation

END OF REMUNERATION REPORT

Indemnification of Officers and Auditors

The Company indemnifies, to the extent permitted by law, all current and former Directors and the Company Secretaries of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors or Company Secretary of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company also indemnifies the current Directors and Company Secretary of its controlled entities for all liabilities to another person (other than the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company also indemnifies executive officers of the Company and its controlled entities for all liabilities to another person (other than the Company or a related body corporate) that may arise from their position in the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

The Company does not indemnify its auditors.

Options

During the financial year, the Company issued 912,680,522 options exercisable at $0.005 expiring 31 December 2027. As part of the acquisition of the Parkes Gold Project, the Company issued 300,000,000 options exercisable at $0.006 expiring 15 October 2029 and 300,000,000 options exercisable at $0.012 expiring 15 October 2029. In July 2025, the Company completed the consolidation of securities on a 1 for 20 basis.

As at the date of this report, the current outstanding options on issue (based on post-consolidation) are:

Listed Options exercisable at $0.60 each expiring 31 December 2025	27,135,930
Listed Options exercisable at $0.10 each expiring 31 December 2027	45,634,017
Unlisted Options exercisable at $0.12 each expiring 15 October 2029	15,000,000
Unlisted Options exercisable at $0.24 each expiring 15 October 2029	15,000,000

Environmental Issues

The Company's operations are not impacted by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Non-Audit Services

HLB Mann Judd did not provide any non-audit services during the years ended 30 June 2025 or 30 June 2024.

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Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings for which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

Refer to page 30 for the Auditor's Independence Declaration.

Signed in accordance with a resolution of the Directors:



Allan Ritchie
Executive Chairman & CEO
29 September 2025

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Adavale Resources Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia
29 September 2025

L Di Giallonardo
Partner

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ADAVALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	30 June 2025 $	30 June 2024 $
Revenue			
Revenue from services provided	4	**43,796**	103,640
Expenditure			
Insurance		**(35,829)**	(42,282)
Share registry fees		**(67,839)**	(88,631)
Administration, corporate, consultant fees and salaries		**(785,976)**	(1,156,333)
Share based payments	13	**(114,177)**	(56,085)
Legal expenses		**(45,376)**	(52,328)
Effective interest of convertible notes	11	**-**	(770,879)
Net gain/(loss) on fair value of embedded derivatives	11	**-**	707,615
Interest expense		**(2,298)**	(102,413)
Finance costs		**(10,829)**	**-**
Exploration and evaluation expenditure		**(3,012,518)**	(3,217,363)
Depreciation	9	**(20,827)**	(23,831)
Loss from sale of fixed assets		**(969)**	**-**
Loss from foreign exchange		**(1,424)**	(1,736)
Loss before income tax		**(4,054,266)**	(4,700,626)
Income tax expense	5	**-**	-
Loss after income tax		**(4,054,266)**	(4,700,626)
Other Comprehensive income			
Items that may be reclassified to profit or loss		**-**	-
Total comprehensive loss for the year		**(4,054,266)**	(4,700,626)
Basic and diluted loss per share attributable to the ordinary security holders of the Company (cents per share)	6	**(4.8)**	(11.4)

These consolidated financial statements should be read with the accompanying notes.

ADAVALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Notes	30 June 2025 $	30 June 2024 $
CURRENT ASSETS			
Cash and cash equivalents	7	200,795	280,295
Other assets	8	83,038	55,911
TOTAL CURRENT ASSETS		**283,833**	**336,206**
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,691	24,487
TOTAL NON-CURRENT ASSETS		**2,691**	**24,487**
TOTAL ASSETS		**286,524**	**360,693**
CURRENT LIABILITIES			
Trade and other creditors	10	325,037	72,520
Convertible notes	11	-	-
TOTAL CURRENT LIABILITIES		**325,037**	**72,520**
TOTAL LIABILITIES		**325,037**	**72,520**
NET ASSETS/(LIABILITIES)		**(38,513)**	**288,173**
EQUITY			
Issued capital	12	22,301,129	19,477,276
Reserves	13	2,153,360	1,249,633
Accumulated losses		(24,493,002)	(20,438,736)
TOTAL EQUITY/(DEFICIENCY)		**(38,513)**	**288,173**

These consolidated financial statements should be read with the accompanying notes.

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ADAVALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	30 June 2025 $	30 June 2024 $
Cash flows from operating activities			
Receipts from customers		**43,796**	103,640
Payments to suppliers and employees		**(579,593)**	(1,180,235)
Payments for exploration and evaluation expenditure		**(1,273,838)**	(3,305,628)
Net cash (used in) operating activities	**20**	**(1,809,635)**	(4,382,223)
Cash flow from Investing activities			
Net cash (used in) investing activities		**-**	-
Cash flows from financing activities			
Proceeds from share issues (net of costs) and exercise of options		**1,744,686**	4,480,946
Proceeds from borrowings	24	**110,000**	**-**
Repayment of borrowings	24	**(110,000)**	**-**
Repayment of convertible notes	11	**-**	(580,000)
Interest payment		**(13,127)**	(130,165)
Net cash provided by financing activities		**1,731,559**	3,770,781
Net (decrease) in cash and cash equivalents held		**(78,076)**	(611,442)
Cash and cash equivalents at the beginning of the year		**280,295**	893,473
Foreign exchange differences		**(1,424)**	(1,736)
Cash and cash equivalents at the end of the year	**7**	**200,795**	280,295

These consolidated financial statements should be read with the accompanying notes.

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ADAVALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

2025	Issued Capital $	Share-based Payments Reserve $	Accumulated Losses $	Total $
Opening Balance – 1 July 2024	**19,477,276**	**1,249,633**	**(20,438,736)**	**288,173**
Loss for the year	-	-	(4,054,266)	(4,054,266)
Total comprehensive loss for the year	**-**	**-**	**(4,054,266)**	**(4,054,266)**
Net issue of shares	1,717,686	-	-	1,717,686
Issue of shares for project acquisition	891,667	789,550	-	1,681,217
Issue of shares in lieu of cash to suppliers	214,500	-	-	214,500
Share based payments	-	114,177	-	114,177
Balance as at 30 June 2025	**22,301,129**	**2,153,360**	**(24,493,002)**	**(38,513)**

2024	Issued Capital $	Share-based Payments Reserve $	Accumulated Losses $	Total $
Opening Balance – 1 July 2023	**13,615,292**	**1,061,548**	**(15,738,110)**	**(1,061,270)**
Loss for the year	-	-	(4,700,626)	(4,700,626)
Total comprehensive loss for the year	**-**	**-**	**(4,700,626)**	**(4,700,626)**
Net issue of shares	5,861,984	-	-	5,861,984
Share based payments	-	188,085	-	188,085
Balance as at 30 June 2024	**19,477,276**	**1,249,633**	**(20,438,736)**	**288,173**

These consolidated financial statements should be read with the accompanying notes.

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1. REPORTING ENTITY

Adavale Resources Limited ("the Company") is a for profit company incorporated and domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as "the Group"). The Group is primarily involved in mining exploration in Australia and Tanzania.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards including Accounting Standards interpretations, adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. Compliance with Australian Accounting Standards ensures compliance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements were authorised for issue on 29 September 2025 by the Directors of the Company.

(b) Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. All significant areas of estimation uncertainty and critical judgements in applying accounting policies have been disclosed in the following notes to the financial statements.

Share based payments

Significant management estimates have been made by management in valuation of equity instruments issued during the financial year, in particular the issue of options and performance rights. Details of the valuation methodology used for each of these instruments is set out in Note 13 to the financial statements.

(c) Going Concern Basis of Accounting

The Group is at the exploration and evaluation phase of each of its mining entities. The Group has incurred a loss from continuing operations for the year of $4,054,266 and had a cash outflow from operating activities of $1,809,635, while over the same period raised an amount of $1,744,686 cash (net of cash costs) from placement of shares. At year end, the Group's cash reserves were $200,795. Current liabilities exceeded current assets by $41,204. The Group is committed to payments to maintain rights to perform its continuing exploration and evaluation activity for Gold in New South Wales, Uranium in South Australia and in the Kabanga Jirani Nickel Project and the Luhuma Nickel Project in Tanzania, which entails continued cash outflows from operating activities in the next financial year.

Subsequent to year end, the Company successfully raised $3.24m (before costs) via the issue of 154.3m shares at a price of $0.021 per share ("Placement"). The Placement includes one free option exercisable at $0.035 expiring on 30 June 2028 for every 2 shares subscribed.

On the basis of the above, the Directors consider it is appropriate to prepare the financial statements on a going concern basis. The directors recognise that depending on future capital raisings represents a degree of uncertainty as to the Group's ability to continue as a going concern, however they are confident that the Group will be able to continue its operations into the foreseeable future. Should the Group not be successful in obtaining adequate

funding, there is a material uncertainty that may cast significant doubt as to the ability of the Group to continue as a going concern and whether it will be able to realise its assets and extinguish its liabilities in the ordinary course of business.

3. STATEMENT OF MATERIAL ACCOUNTING POLICIES

Material accounting policies adopted in the preparation of this financial report are presented below. The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by all entities in the Group unless otherwise stated.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Adavale Resources Limited (the parent entity) as at 30 June 2025 and the results of all controlled entities for the year then ended. Adavale Resources Limited and its controlled entities together are referred to in this financial report as the Group or consolidated entity.

Controlled Entities

A controlled entity is any entity controlled by Adavale Resources Limited. Control exists where Adavale Resources Limited is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to offset those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

Where controlled entities have entered or left the Group during the year, their financial statements have been included from the date control was obtained or until the date control ceased.

Transactions Eliminated on Consolidation

Unrealised gains and losses and inter-entity balances resulting from transactions with or between controlled entities are eliminated on consolidation.

(b) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

(c) Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. Adavale's wholly owned subsidiary Adavale Resources Tanzania Limited operates in Tanzania Shilling (TZS) and US Dollar (USD). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction.

Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continued to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at their fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit and loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

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Foreign Operations
The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Transactions are translated to Australian Dollars which is the Company's functional and presentation currency.

(d) Taxation

The income tax expense for the year comprises current income tax expense and deferred tax expense. Current income tax expense is based on the loss for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

(e) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date basis, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Receivables
Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at cost using the effective interest rate method.

Financial Liabilities
Non-derivative financial instruments are recognised at amortised costs, comprising original debt less principal payments and amortisation.

Fair Value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the value of all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

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For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(f) Receivables

The collectability of debts is assessed at reporting date and expected provision is made for any expected credit losses.

(g) Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(h) Cash

For the purposes of the statement of cash flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.'

(i) Earnings per Share

Basic earnings/loss per share

Basic earnings/loss per share is determined by dividing net profit or loss after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings/loss per share

Diluted earnings/loss per share adjusts the figures used in the determination of basic earnings/loss per share to take into account the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(j) Exploration and Evaluation Assets

The current accounting policy is to expense all exploration and evaluation expenditure as incurred.

(k) Segment Reporting

The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. has been identified as the Board of Directors of Adavale Resources Limited.

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transaction with any of the Company's other components.

Unallocated items comprise mainly of head office assets, expenses and liabilities.

(l) Share Based Payments

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant directors become fully entitled to the award (the vesting period).

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

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The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

It is measured by fair value of the equity at the grant date. Fair value is measured by the use of either a Black Scholes or Hoadleys model.

The purpose of performance securities is to provide cost effective consideration to directors for their ongoing commitment and contribution to the Company in their respective roles as Directors.

(m) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end. Depreciation is calculated on a diminishing value basis over the estimated useful life of the assets as follows:

IT equipment – 3 years
Mining equipment – 4 years

(n) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributed to the issue of new shares for the acquisition of a business are not included in the cost of acquisition as part of the purchase consideration.

(o) Convertible Notes

Convertible notes are accounted for as follows:

- Contracts that exhibit the characteristics of equity (ie - they pass the 'fixed for fixed test') are accounted for as equity.
- Contracts that exhibit characteristics of a liability are recognised as a liability in the statement of financial position, net of transaction costs.
- Compound contracts – the embedded derivative is separated from the host contract. The derivative is initially recognised at fair value on the date a derivative contract is entered into and is subsequently remeasured to its fair value at each reporting date. The host contract is accounted for at amortised cost with the effective interest being the difference between the face value of the contract less the embedded derivative. If the contract contains one or more embedded derivatives, the Group may designate the entire contract at fair value through profit or loss.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date.

(p) Parent Entity Financial Information

The financial information for the parent entity, Adavale Resources Limited, disclosed in Note 25 has been prepared on the same basis as the basis of the consolidated financial statements of the Group.

In the Company's financial statements, investments in controlled entities are carried at the lower of cost and recoverable amount. A list of controlled entities is contained in Note 18 of the financial report.

(q) New and Revised Standards and Interpretations

For the year ended 30 June 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2024.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2025. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

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4. REVENUE

	Consolidated	
	2025 $	2024 $
Revenue from services provided	43,796	103,640
	43,796	103,640

Revenue was generated through an agreement to provide geological site work assistance, management and administration oversight services to a Company conducting a drilling campaign in Tanzania. Revenue was recognised over time of services provided.

5. TAXATION

a) Income tax expense

Current Tax	-	-
Deferred Tax	-	-
	-	-

b) Numerical reconciliation of income tax expense to prima facie tax payable

Loss before income tax expense	(4,054,266)	(4,700,626)
Prima facie tax benefit at Australian tax rate of 30% (2024: 30%)	(1,216,280)	(1,410,188)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect on amounts which are not tax deductible	944,216	1,153,145
Tax effect on other deductible items and non-assessable income	(135,645)	(254,515)
Movement in temporary differences	9,289	(12,482)
Tax effect of deferred tax assets not brought to account	396,799	524,040
	-	-
Deferred tax assets (liabilities) not brought to account		
Unused tax losses	18,553,669	17,216,597
Future 'blackhole' deductions	1,119,567	1,293,619
Other timing differences	45,005	51,914
	19,718,241	18,562,130
Tax at 30% (2024: 30%)	5,915,472	5,568,639

The Directors have not recognised a deferred tax asset in respect of losses as they do not believe that the conditions of recognition set out in Note 3(e) have been met. The Directors estimate the carried forward revenue tax losses to be $18,553,670 (2024: $17,225,602) which are available to be offset against future taxable income.

Since 30 June 2017, the Company has not satisfied the continuity of ownership test. Therefore, in order to be able to obtain the benefit of tax losses carried forward, the Company will need to satisfy the Same Business Test (for losses incurred up to 30 June 2015 or the Similar Business Test (for losses from 1 July 2025).

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6. EARNINGS PER SHARE

Continuing Operations	Consolidated 2025 $	2024 $
Loss per share		
- Basic (cents)	(4.8)	(11.4)
- Diluted (cents)	(4.8)	(11.4)
Loss used in the calculation of basic and diluted EPS from continuing operations	(4,054,266)	(4,700,626)

Weighted average number of ordinary shares used in the calculation of basic and diluted EPS (pre-consolidation basis)

- in the calculation of basic EPS	85,083,034	41,555,150
- in the calculation of diluted EPS	85,083,034	41,555,150

As the Group reported a loss for the year ended 30 June 2024, options on issue were not included in the calculation of diluted loss per share.

In accordance with AASB 133 Earnings per Share, the above loss per share amounts and the number of ordinary shares use in the calculation of basic and diluted EPS have been adjusted for both years as a result of the 20 to 1 consolidation of capital post balance date (*see Note 25*).

7. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	200,795	280,295

8. OTHER CURRENT ASSETS

Prepayments	21,724	16,470
Other	61,314	39,441
	83,038	**55,911**

9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment – carrying amount	**2,691**	**24,487**
Movement for the year		
Beginning of financial year at cost	106,091	106,091
Disposal	(969)	-
End of the financial year at cost	**105,122**	**106,091**
Accumulated Depreciation		
Movement for the year		
Beginning of financial year	81,604	57,773
Depreciation	20,827	23,831
End of the financial year	**102,431**	**81,604**
Carrying amount at the end of the financial year	**2,691**	**24,487**

10. TRADE AND OTHER CREDITORS

Trade creditors	273,380	23,975
Other creditors and accruals	51,657	48,545
	325,037	**72,520**

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11. CONVERTIBLE NOTES

	Consolidated	
	2025	2024
	$	$
Convertible Notes		
Financial Liabilities at amortised cost	-	-
Embedded Derivatives at FVTPL	-	-
	-	-
Financial Liabilities at amortised cost		
Opening balance	-	1,299,120
Conversion of convertible notes	-	(1,420,000)
Transaction costs	-	(69,999)
Effective interest of host liability	-	770,879
Repayment of convertible note	-	(580,000)
	-	-
Embedded Derivative		
Opening balance	-	707,615
Fair value movement	-	(707,615)
	-	-

In the 2023 financial year, the Company secured funding of up to $2 million (before costs) through the issue of unsecured Convertible Notes. The Convertible Notes were issued to both new and existing groups of sophisticated and professional investors and were issued in two tranches.

The Convertible Notes were unsecured with a face value of $10,000 each and were issued in two tranches:

- Tranche 1: 99 Convertible Notes raising $990,000
- Tranche 2: 101 Convertible Notes raising $1,010,000

Tranche 1 comprised of $990,000 (99 Convertible Notes at $10,000 each) were issued pursuant to the Company's available placement capacity under ASX Listing Rule 7.1. Tranche 1 was completed on 24 March 2023.

The balance of the funding comprising Tranche 2, $1,010,000 (101 Convertible Notes at $10,000 each) was completed on 19 May 2023 following receiving shareholder approval at a general meeting.

The Notes had a term of 12 months, with interest payable quarterly at 12% per annum. Noteholders received 32.49708 free attaching options per $1 subscribed. The Options have an exercise price of $0.03 each expiring 31 December 2025 ("Options").

The Convertible Notes were only allowed to be converted after 30 June 2023 at a 15% discount to the 15 day VWAP prior to the conversion date, with a ceiling price of $0.03. Each share issued upon conversion would equally with the Company's existing shares on issue. At the end of the term, a Noteholder may elect to redeem the Note and seek repayment of monies advanced, rather than converting to Adavale shares.

During the 2024 financial year, 142 notes ($1,420,000 face value) were converted to Adavale shares and 58 notes ($580,000 face value) were repaid by the Company.

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12. ISSUED CAPITAL

(a) Share capital

	Consolidated	
	2025	2024
	$	$
2,287,279,222 ordinary fully paid shares (June 2024: 1,040,265,367)	**22,301,129**	**19,477,276**

	30 June 2025	
	Number of shares	$
Movements in share capital during the financial year		
Balance at beginning of the financial year	**1,040,265,367**	**19,477,276**
Issued during the year:		
Acquisition of EL6553[1]	25,000,000	125,000
Placement at 0.3 cents per share	169,666,666	509,000
Placement at 0.25 cents per share	305,900,000	764,750
Acquisition of Parkes Gold Project[1]	383,333,333	766,667
Placement at 0.21 cents per share	288,813,856	722,035
Issue of shares in lieu of services provided[2]	74,300,000	214,500
Share issue cost	-	(145,349)
Share issue cost – share based payment	-	(132,750)
Balance at end of the financial year	**2,287,279,222**	**22,301,129**

[1] The value has been determined using the share price at the date of grant.
[2] The value has been determined based on the price agreed with the supplier.

	30 June 2024	
	Number of shares	$
Movements in share capital for the financial year		
Balance at beginning of the financial year	519,543,000	13,615,292
Issued during the year:		
Shares issued on conversion of convertible notes including interest	124,281,114	1,433,038
Placement and rights issue at 1.9 cents per share	172,105,264	3,270,001
Placement at 0.7 cents per share	214,285,714	1,511,773
Exercise of Options at 3 cents per option	50,275	1,508
Shares issued to acquire EL6890*	10,000,000	50,000
Share issue cost	-	(302,336)
Share issue cost – share based payment	-	(102,000)
Balance at end of the financial year	**1,040,265,367**	**19,477,276**

*On 17 May 2024, the Company issued 10,000,000 fully paid ordinary shares and 10,000,000 Listed Options (ADDOA) exercisable at $0.03 each expiring on 31 December 2025 to Coast Exploration Pty Ltd for the acquisition of EL6890.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share when a poll is called or else one vote each on a show of hands. In the event of a winding up of the Company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

There are no externally imposed capital requirements for the Company.

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13. RESERVES

	Consolidated	
	2025	2024
	$	$
Share based payments reserve	**2,083,083**	**1,249,633**
Movement for the year		
Beginning of financial year	**1,249,633**	**1,061,548**
Share based payments (options – cost of share issue)	132,750	102,000
Share based payments (options - consultancy)	56,800	20,000
Share based payments (performance rights)	114,177	56,085
Issue of options to acquire Parkes Gold Project	600,000	-
Issue of options to acquire EL6890	-	10,000
End of the financial year	**2,153,360**	**1,249,633**

Ordinary Performance Rights on issue for the financial year

During the financial year, 165,000,000 Performance Rights (pre-consolidation) were granted to Directors and executives of the Company:

Participants	Class A	Class B	Class C	TOTAL
Allan Ritchie	20,000,000	20,000,000	20,000,000	60,000,000
Nic Matich	10,000,000	10,000,000	10,000,000	30,000,000
David Ward	10,000,000	10,000,000	10,000,000	30,000,000
Leonard Math	15,000,000	15,000,000	15,000,000	45,000,000

Class A Performance Rights would vest upon the Company achieving a 20-day VWAP of at least $0.005 on or before 23 January 2028.

Class B Performance Rights would vest upon the Company achieving a 20-day VWAP of at least $0.01 on or before 23 January 2028.

Class C Performance Rights would vest upon the Company achieving a 20-day VWAP of at least $0.015 on or before 23 January 2028.

These rights have been valued using a Hoadleys model with the valuation assumptions below:

Share based payments for the Performance Rights granted to Messrs Allan Ritchie, Nic Matich and Leonard Math (pre-consolidation).

	Class A	Class B	Class C
Number Issued	45,000,000	45,000,000	45,000,000
Expiry Date	23 January 2028	23 January 2028	23 January 2028
Grant Date	16 January 2025	16 January 2025	16 January 2025
Share price at grant date	$0.002	$0.002	$0.002
Volatility	157.92%	157.92%	157.92%
Risk Free Rate (%)	3.94%	3.94%	3.94%
Underlying Fair Value on Grant Date	$0.0019	$0.0017	$0.0016
Total Fair Value ($) – Life of rights	$83,578	$77,845	$73,712
Total Fair Value ($) – expensed to 30 June 2025	$12,670	$11,801	$11,175
Method of valuation	Hoadley	Hoadley	Hoadley

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Share based payments for the Performance Rights granted to Mr David Ward (pre-consolidation).

	Class A	Class B	Class C
Number Issued	10,000,000	10,000,000	10,000,000
Expiry Date	23 January 2028	23 January 2028	23 January 2028
Grant Date	27 June 2025	27 June 2025	27 June 2025
Share price at grant date	$0.001	$0.001	$0.001
Volatility	100%	100%	100%
Risk Free Rate (%)	3.24%	3.24%	3.24%
Underlying Fair Value on Grant Date	$0.0005	$0.003	$0.0002
Total Fair Value ($) – Life of rights	$5,120	$3,170	$2,234
Total Fair Value ($) – expensed to 30 June 2025	$16	$10	$7
Method of valuation	Hoadley	Hoadley	Hoadley

In the prior financial year, the group issued 60,000,000 performance rights. During the current year, 17,250,000 rights lapsed on expiry and were expensed up to 31 December 2024. These rights included market-based vesting conditions and were expensed over the vesting period. A further 17,250,000 performance rights had similar market-based conditions with an expiry date of 31 December 2025. As the vesting conditions are market-based, the expense is also recognised over the vesting period. Following the resignations of Messrs Grant Pierce, David Riekie, and John Hick, the remaining expense on their performance rights was accelerated and recognised immediately in the current period.

This resulted in an expense of $78,498 being recognised.

Options issued during the financial year

The Company issued 41,250,000 options exercisable at $0.005 each expiring 31 December 2027 to GBA Capital as Lead Manager Options for the placement. These options were valued at $82,500 utilising a Black & Scholes option pricing model with the following inputs and were included as part of share issue costs:

Grant date:	29 October 2024
Expiry date:	31 December 2027
Share price at grant date:	0.3 cents
Exercise price:	0.5 cents
Risk-free rate:	4.35%
Volatility:	100%

In January 2025, the Company issued 107,050,000 options exercisable at $0.005 each expiring 31 December 2027 to GBA Capital for Corporate Advisor fee, Facilitation Fee and as Lead Manager Options for the placement. These options were valued at $107,050 utilising a Black & Scholes option pricing model with the following inputs and were account for as follows:

- $50,250 was included as part of share issue costs;
- $40,000 was included as part of exploration costs; and
- $16,800 was included as part of consulting costs.

Grant date:	16 January 2025
Expiry date:	31 December 2027
Share price at grant date:	0.2 cents
Exercise price:	0.5 cents
Risk-free rate:	4.35%
Volatility:	100%

As part of the acquisition of the Parkes Gold Project completed in January 2025, the Company issued 300,000,000 options exercisable at $0.006 expiring 15 October 2029 and 300,000,000 options exercisable at $0.012 expiring 15 October 2029.

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These options were valued at $600,000 utilising a Black & Scholes option pricing model with the following inputs:

Number of options:	300,000,000
Grant date:	16 January 2025
Expiry date:	15 October 2029
Share price at grant date:	0.2 cents
Exercise price:	0.6 cents
Risk-free rate:	4.35%
Volatility:	100%

Number of options:	300,000,000
Grant date:	16 January 2025
Expiry date:	15 October 2029
Share price at grant date:	0.2 cents
Exercise price:	1.2 cents
Risk-free rate:	4.35%
Volatility:	100%

During the year, the Company issued 764,380,522 options exercisable at $0.005 each expiring 31 December 2027 as part of the free attaching options to the placement.

Options Movement

2025	Balance at the beginning of the financial year	Issued during the financial year	Exercised during the financial year	Lapsed during the financial year	Balance at the end of the financial year
(i) Option exercisable at $0.15 expiring 13 January 2025	9,000,000	-	-	(9,000,000)	-
(ii) Option exercisable at $0.03 expiring 3 August 2025	5,000,000	-	-	-	5,000,000
(iii) Option exercisable at $0.03 expiring 31 December 2025	542,720,571	-	-	-	542,720,571
(iv) Option exercisable at $0.005 expiring 31 December 2027	-	912,680,522	-	-	912,680,522
(v) Option exercisable at $0.006 expiring 15 October 2029	-	300,000,000	-	-	300,000,000
(vi) Option exercisable at $0.012 expiring 15 October 2029	-	300,000,000	-	-	300,000,000
	556,720,571	**1,512,680,522**	**-**	**(9,000,000)**	**2,060,401,093**

2024	Balance at the beginning of the financial year	Issued during the financial year	Exercised during the financial year	Lapsed during the financial year	Balance at the end of the financial year
(i) Option exercisable at $0.15 expiring 13 January 2025	9,000,000	-	-	-	9,000,000
(ii) Option exercisable at $0.03 expiring 22 September 2023	98,325,014	-	(45,708)	(98,279,306)	-
(iii) Option exercisable at $0.03 expiring 3 August 2025	5,000,000	-	-	-	5,000,000
(iv) Option exercisable at $0.03 expiring 31 December 2025	78,334,160	464,390,978	(4,567)	-	542,720,571
	190,659,174	**464,390,978**	**(50,275)**	**(98,279,306)**	**556,720,571**

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Share Based Payments Reserve

Share based payments reserve represents the value of options and performance rights issued to KMP and other parties.

14. DIVIDENDS

The Directors do not recommend a dividend for the year ended 30 June 2025. No dividend was paid for the year ended 30 June 2024.

15. FINANCIAL INSTRUMENTS

Financial Risk Management

The Company's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the Board of Directors under policies approved by the Board. The Board identifies and evaluates financial risks and provides principles for overall risk management.

(a) Interest Rate Risk

The Group is not exposed to interest rate fluctuations as presently there are no interest bearing loans.

Interest Rate Risk Exposures
The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Weighted Average Fixed Interest Rate	Floating Interest Rate	Fixed interest maturing in: 1 year or less	1 to 5 years	more than 5 years	Non-Interest Bearing	Total
		$	$	$	$	$	$
2025							
Financial Assets							
Cash and cash equivalents	0%	200,795	-	-	-	-	200,795
Receivables		-	-	-	-	83,038	83,038
		200,795	**-**	**-**	**-**	**83,038**	**283,833**
Financial Liabilities							
Trade and other payables		-	-	-	-	325,037	325,037
Borrowings	0%	-	-	-	-	-	-
		-	**-**	**-**	**-**	**325,037**	**325,037**
2024							
Financial Assets							
Cash and cash equivalents	0%	280,295	-	-	-	-	280,295
Receivables		-	-	-	-	55,911	55,911
		280,295	**-**	**-**	**-**	**55,911**	**336,206**
Financial Liabilities							
Trade and other payables		-	-	-	-	72,520	72,520
Borrowings	0%	-	-	-	-	-	-
		-	**-**	**-**	**-**	**72,520**	**72,520**

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Interest Rate Sensitivity Analysis
As there are no present floating interest rate, interest-bearing loans, and previous loan interest rates were fixed there is no sensitivity to changes in interest rate.

(b) Fair Values of Financial Assets and Liabilities

Valuation Approach

Fair values of financial assets and liabilities are determined by the Group on the following basis:

Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts due from customers (reduced for expected credit losses) or due to suppliers. Cash flows are discounted using standard valuation techniques at the applicable market yield having regard to the timing of the cash flows. The carrying amounts of bank term deposits, trade debtors, other debtors, accounts payable, bank loans and lease liabilities approximate net fair value.

The balances of financial assets and liabilities approximate their fair value.

(c) Unrecognised Financial Instruments

The Company and controlled entities do not have any unrecognised financial instruments.

(d) Foreign Currency Risk

Foreign exchange risk arises from future commitments and recognised assets and liabilities that are denominated in a currency that is not the functional currency of the Group. The Australian dollar is the reporting currency for the Group and the functional currency for the parent company; however during the financial year, the Group currently held foreign currency in US dollars and Tanzanian schillings. The Group also makes certain payments in US$ and Tanzanian schillings in Tanzania. Based on the above the impact of any change in foreign exchange rates is not material.

The Group's exposure to foreign currency risk at balance date was as follows, based on notional amounts:

	30 June 2025		30 June 2024	
	Assets	Liabilities	Assets	Liabilities
	$	$	$	$
United States dollar	969	-	44,325	-
Tanzanian schillings	38	-	11,805	-

(e) Credit Risk Exposure

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Company measures credit risk on a fair value basis. The credit risk on financial assets, excluding investments, of the consolidated entity, which have been recognised on the statement of financial position, is the carrying amount, net of any provision for doubtful debts.

The Company has no significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

(f) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through credit facilities or other fund-raising initiatives, to meet commitments as and when they fall due.

Management monitors rolling forecasts of the Group's liquidity on the basis of expected cash flow. The Group's cash reserves of $200,795 as at 30 June 2025 (2024: $280,295) and subsequent successful capital raisings post 30 June 2025 will meet liquidity requirements.

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As at 30 June 2025 the Group's non-derivative financial liabilities have contractual maturities as summarised below:

	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
30 June 2025				
Trade and other payables	325,037	-	-	-
TOTAL	**325,037**	**-**	**-**	**-**

This compares to the maturity of the Group's non-derivative financial liabilities in the previous reporting period as follows:

	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
30 June 2024				
Trade and other payables	72,520	-	-	-
TOTAL	**72,520**	**-**	**-**	**-**

(g) Capital Risk Management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing less cash and cash equivalents. Total capital is calculated as equity shown in the statement of financial position plus net debt. As the Company is in a transitionary stage the gearing ratio has been monitored as a secondary matter to total borrowings and maturity.

16. COMMITMENTS

	Consolidated	
	2025 $	2024 $
Exploration lease commitments		
Minimum expenditure commitments on exploration licences		
Committed but not provided for and payable:		
Within one year	1,051,346	829,894
One year or later and no later than for five years	1,310,000	45,000
	2,361,346	**874,894**

Minimum expenditure commitments include annual rates and exploration commitments to date of expiry of current licence term. This includes all licences in New South Wales, South Australia and Kabanga and Luhuma Nickel Projects in Tanzania.

17. SEGMENT INFORMATION

The Company has identified its operating segments based on internal reports that are reviewed by the Board and management. The Company operated in one operating segment during the year, being mineral exploration and in two geographical areas, being Australia and Africa. Expenditure, assets and liabilities not directly related to either is referred to as "Corporate".

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The segment reporting is detailed below:

	Mineral Exploration $ Australia	Mineral Exploration $ Africa	Corporate $	Total $
Year ended 30 June 2025				
Income				
Revenue from services provided	-	43,796	-	43,796
Total Segment Income	**-**	**43,796**	**-**	**43,796**
Segment Result				
(Loss) before income tax	(2,614,733)	(363,887)	(1,075,646)	(4,054,266)
Net (Loss)	**(2,614,733)**	**(363,887)**	**(1,075,646)**	**(4,054,266)**
Total Segment Assets	**28,644**	**2,735**	**255,145**	**286,524**
Total Segment Liabilities	**(156,642)**	**-**	**(168,395)**	**(325,037)**
Year ended 30 June 2024				
Income				
Revenue from services provided	-	103,640	-	103,640
Total Segment Income	**-**	**103,640**	**-**	**103,640**
Segment Result				
(Loss) before income tax	(462,570)	(2,743,769)	(1,494,287)	(4,700,626)
Net (Loss)	**(462,570)**	**(2,743,769)**	**(1,494,287)**	**(4,700,626)**
Total Segment Assets	**-**	**38,844**	**321,849**	**360,693**
Total Segment Liabilities	**-**	**-**	**(72,520)**	**(72,520)**

18. CONTROLLED ENTITIES

Particulars in relation to controlled entities

	Ordinary Shares Interest 2025 %	Ordinary Shares Interest 2024 %
Company:		
Adavale Resources Limited		
Controlled Entities:		
Adavale Gold Pty Ltd	100	-
Adavale Minerals Pty Ltd	100	100
Adavale Resources Tanzania Limited	100	100
Adavale Africa Pty Ltd	100	100
Adavale Burundi Pty Ltd	100	100
Adavale Resources Burundi SU	100	100

Adavale Gold Pty Ltd, Adavale Minerals Pty Ltd and Adavale Africa Pty Ltd are incorporated in Australia and are wholly owned subsidiaries of Adavale Resources Limited. Adavale Resources Tanzania Limited is incorporated in Tanzania and is a wholly owned subsidiary of Adavale Africa Pty Ltd. Adavale Resources Burundi is incorporated in Burundi and is a wholly owned subsidiary of Adavale Burundi Pty Ltd.

19. CONTINGENT LIABILITIES

There are no known contingent liabilities as at 30 June 2025.

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20. NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated 2025 $	2024 $
Cash at bank (Note 7)	200,795	280,295
Reconciliation of the operating loss after tax to the net cash flow from operations		
(Loss) after income tax	(4,054,266)	(4,700,626)
Add (less) non-cash items:		
Depreciation	20,827	23,831
Other non-cash items	969	1,736
Interest compounded	-	102,413
Interest and finance costs considered as financing activities	13,127	-
Effective interest of Convertible Notes	-	770,879
Net fair value loss/(gain) – embedded derivatives	-	(707,615)
Shares issued in lieu of exploration & corporate expenditure	1,211,917	50,000
Options issued in lieu of exploration & corporate expenditure	656,800	10,000
Foreign exchange	1,423	20,000
Share based payments (incentive rights)	114,177	56,085
	(2,035,026)	**(4,373,297)**
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(27,128)	69,205
Increase/(Decrease) in trade creditors and accruals	252,519	(78,131)
Net cash (used in) operating activities	**(1,809,635)**	**(4,382,223)**
Changes in liabilities arising from financing activities:		
Opening balance	-	1,936,735
Financial Liabilities at amortised cost	-	(1,229,120)
Embedded Derivatives at FVTPL	-	(707,615)
Closing balance (See Note 11)	-	-

Non-cash financing and investing activities:
Shares were issued during the year to acquire EL6553 and Parkes Gold Project (see Note 12(a)). Options were issued during the year to brokers, consultants and for the acquisition of the Parkes Gold Project (see Note 13).

21. KEY MANAGEMENT PERSONNEL REMUNERATION

The table below sets out Key Management Personnel remuneration during the year.

	Consolidated 2025 $	2024 $
Short-term employee benefits	396,590	582,833
Share based payments	111,268	53,645
	507,858	**636,478**

Details of payments to directors and key management personnel is set out in the Remuneration Report section of the Directors' Report. The detail related to share based payments is set out in Note 22 below. Apart from the details disclosed in this note and elsewhere in the financial report, no director or other related party has entered into a material contract with the Company or the consolidated entity since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

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22. RELATED PARTY TRANSACTION – PERFORMANCE RIGHTS

During the financial year, 165,000,000 Performance Rights were granted to Directors and executives of the Company:

Participants	Class A	Class B	Class C	TOTAL
Allan Ritchie	20,000,000	20,000,000	20,000,000	60,000,000
Nic Matich	10,000,000	10,000,000	10,000,000	30,000,000
David Ward	10,000,000	10,000,000	10,000,000	30,000,000
Leonard Math	15,000,000	15,000,000	15,000,000	45,000,000

Class A Performance Rights would vest upon the Company achieving a 20-day VWAP of at least $0.005 on or before 23 January 2028.

Class B Performance Rights would vest upon the Company achieving a 20-day VWAP of at least $0.01 on or before 23 January 2028.

Class C Performance Rights would vest upon the Company achieving a 20-day VWAP of at least $0.015 on or before 23 January 2028.

Share based payments for the Performance Rights granted to Messrs Allan Ritchie, Nic Matich and Leonard Math (pre-consolidation).

	Class A	Class B	Class C
Number Issued	45,000,000	45,000,000	45,000,000
Expiry Date	23 January 2028	23 January 2028	23 January 2028
Grant Date	16 January 2025	16 January 2025	16 January 2025
Volatility	157.92%	157.92%	157.92%
Risk Free Rate (%)	3.94%	3.94%	3.94%
Underlying Fair Value on Grant Date	$0.0019	$0.0017	$0.0016
Total Fair Value ($) – Life of rights	$83,578	$77,845	$73,712
Total Fair Value ($) – expensed to 30 June 2025	$12,670	$11,801	$11,175
Method of valuation	Hoadley	Hoadley	Hoadley

Share based payments for the Performance Rights granted to Mr David Ward (pre-consolidation).

	Class A	Class B	Class C
Number Issued	10,000,000	10,000,000	10,000,000
Expiry Date	23 January 2028	23 January 2028	23 January 2028
Grant Date	27 June 2025	27 June 2025	27 June 2025
Volatility	100%	100%	100%
Risk Free Rate (%)	3.24%	3.24%	3.24%
Underlying Fair Value on Grant Date	$0.0005	$0.003	$0.0002
Total Fair Value ($) – Life of rights	$5,120	$3,170	$2,234
Total Fair Value ($) – expensed to 30 June 2025	$16	$10	$7
Method of valuation	Hoadley	Hoadley	Hoadley

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23. AUDITOR'S REMUNERATION

	Consolidated	
	2025 $	2024 $
Audit and review of financial statements		
Auditors of Adavale Resources Limited – HLB Mann Judd	57,415	58,238
Remuneration for audit and review of financial statements	**57,415**	**58,238**
Other services	**-**	**-**
Total other service remuneration	**-**	**-**
Total auditor's remuneration	**57,415**	**58,238**

24. BORROWINGS

Borrowings	**-**	**-**
Movement for the year		
Beginning of financial year	-	-
Proceeds from borrowings	110,000	-
Repayment of borrowings	(110,000)	-
End of the financial year	**-**	**-**

25. EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to year end, the Company completed a 20 to 1 Consolidation ratio on the Company's securities. The Company also successfully raised $3.24m (before costs) via the issue of 154.3m shares at a price of $0.021 per share ("Placement"). The Placement includes one free option exercisable at $0.035 expiring on 30 June 2028 for every 2 shares subscribed.

Except for the above there have been no matters or circumstances which have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

26. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

	2025 $	2024 $
Statement of financial position		
Current Assets	251,687	304,281
Non-Current Assets	1,432	15,124
Total Assets	253,119	319,405
Current Liabilities	325,037	72,520
Non-Current Liabilities	-	-
Total Liabilities	325,037	72,520
Net Assets/(Liabilities)	**(71,918)**	**246,885**
Issued Capital	22,301,129	19,477,276
Share based payment reserve	2,153,359	1,249,633
Accumulated losses	(24,526,406)	(20,480,024)
Total Equity	**(71,918)**	**246,885**
Statement of profit or loss and other Comprehensive Income		
Total (loss)	(4,046,382)	(4,367,292)
Total comprehensive (loss)	**(4,046,382)**	**(4,367,292)**

(b) Commitments

The parent entity did not have any contractual commitments or contingencies as at 30 June 2025.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2025

Name of Entity	Type of Entity	Trustee, partner of JV Participant	% Share Capital	Country of incorporation	Australian or foreign resident	Foreign jurisdiction of foreign residents
Adavale Resources Limited (Parent)	Body corporate	-	N/A	Australia	Australian	N/A
Adavale Gold Pty Ltd	Body corporate	-	100%	Australia	Australian	N/A
Adavale Minerals Pty Ltd	Body corporate	-	100%	Australia	Australian	N/A
Adavale Africa Pty Ltd	Body corporate	-	100%	Australia	Australian	N/A
Adavale Burundi Pty Ltd	Body corporate	-	100%	Australia	Australian	N/A
Adavale Resources Tanzania Limited	Body corporate	-	100%	Tanzania	Australian	Australia
Adavale Resources Burundi SU	Body corporate	-	100%	Burundi	Australian	Australia

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

Consolidated entity

This CEDS includes onto those entities consolidated as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of Tax Residency

Section 295.3A of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involved judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

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DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2025

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 31 to 53 are in accordance with the Corporations Act 2001 including:

   (a) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements, and

   (b) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. Note 2 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

4. The information disclosed in the attached Consolidated Entity Disclosure Statement is true and correct.

5. This declaration has been made after receiving declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Allan Ritchie

Allan Ritchie
Executive Chairman and CEO
Date: 29 September 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of Adavale Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Adavale Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there no other key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Adavale Resources Limited for the year ended 30 June 2025 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
29 September 2025

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ADDITIONAL SHAREHOLDER INFORMATION
FOR THE YEAR ENDED 30 JUNE 2025

Additional information included in accordance with the Listing Rule 4.10 and are not shown elsewhere in this Annual Report are as follows:

1. SHAREHOLDER INFORMATION

(a) Distribution of holders at 23 September 2025

	Number of holders	Fully paid ordinary shares	Percentage
Distribution is:			
1 – 1,000	920	211,457	0.08%
1,001 – 5,000	520	1,474,518	0.55%
5,001 – 10,000	237	1,828,585	0.68%
10,001 – 100,000	584	21,767,609	8.10%
100,001 and Over	246	243,402,785	90.59%
	2,507	**268,684,954**	**10.00%**

(b) Less than marketable parcels of ordinary shares

There are 1,815 shareholders with unmarketable parcels totalling 5,325,277 shares.

(c) Voting rights

In accordance with the Constitution each member present at the meeting whether in person, or by proxy, or by power of attorney, or in a duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll. Performance rights and Options have no voting rights.

(d) Substantial shareholders (as at 23 September 2025)

Shareholder	Number of shares	%
GLENEDEN NOMINEES PTY LTD	53,736,992	20.00
AGRICULTURAL EQUITY INVESTMENTS PTY LTD	19,166,666	7.13

(e) Distribution of Listed Option holders (ADDOA) exercisable at $0.60 expiring 31 December 2025 at 23 September 2025

	Number of holders	ADDOA	Percentage
Distribution is:			
1 – 1,000	42	17,959	0.07%
1,001 – 5,000	52	107,541	0.40%
5,001 – 10,000	21	168,535	0.62%
10,001 – 100,000	138	7,072,036	26.06%
100,001 and Over	49	19,769,859	72.85%
	302	**27,135,930**	**100.00%**

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(f) Distribution of Listed Option holders (ADDO) exercisable at $0.10 expiring 31 December 2027 at 23 September 2025

	Number of holders	ADDO	Percentage
Distribution is:			
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	11	789,166	1.73%
100,001 and Over	67	44,844,851	98.27%
	78	**45,634,017**	**100.00%**

(g) Shareholders

The twenty largest shareholders hold 30.64% of the total issued ordinary shares in the Company as at 23 September 2025 are as follows:

RANK	NAME	NUMBER OF SHARES	% OF SHARES ISSUED
1	GLENEDEN NOMINEES PTY LTD	53,736,992	20.00
2	AGRICULTURAL EQUITY INVESTMENTS PTY LTD	19,166,666	7.13
3	SYK CONSOLIDATED PTY LTD	10,000,000	3.72
4	BILPIN NOMINEES PTY LTD	13,435,967	5.00
5	ALLAN RITCHIE & ASSOCIATED ENTITIES	6,945,297	2.58
6	WILMOS PTY LTD <JACKSON FAMILY A/C>	5,500,000	2.05
7	MURTAGH BROS VINEYARDS P/L	4,761,905	1.77
8	NOBLE INVESTMENTS SUPERANNUATION FUND PTY LTD <NOBLE INVESTMENTS S/F A/C>	4,761,905	1.77
9	TORNADO NOMINEES PTY LTD <ANGUS MIDDLETON S/F A/C>	4,761,905	1.77
10	BOWDEN MINERALS PTY LTD <BOWDEN A/C>	3,715,000	1.38
11	VALIAN NOMINEES PTY LTD <MCDONAGH S/F A/C>	3,000,000	1.12
12	WESTLIME PTY LTD	2,857,143	1.06
13	VERA FIDES HOLDINGS PTY LTD <VERA FIDES INVESTMENT A/C>	2,360,462	0.88
14	MR DAVID ANTHONY WARD + MS JENNIFER ANN NASH <PEEL TOUT A/C>	2,250,000	0.84
15	MR FARIS SALIM CASSIM	2,142,857	0.80
16	CIGAR SHARK INVESTMENTS PTY LTD	2,009,046	0.75
17	CITICORP NOMINEES PTY LIMITED	2,008,883	0.75
18	MR XIN FANG + MRS QIUYI LIN <DDXX SMSF A/C>	2,000,738	0.74
19	MR PETER ANDREW PROKSA	2,000,000	0.74
20	SUPER SECRET PTY LIMITED <TKOCZ SF A/C>	2,000,000	0.74
Top 20 holders of ORDINARY FULLY PAID SHARES		**149,414,766**	**55.61**
Total Remaining Holders Balance		**119,270,188**	**44.39**

(h) Restricted Securities

There are no shares subject of any mandatory restrictions.

(i) On-Market Buy-Backs

There is no current on-market buy back in relation to the Company's securities.

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(j) Listed Option holders (ADDOA) exercisable at $0.60 expiring 31 December 2025

The twenty largest listed option holders (ADDOA) in the Company as at 23 September 2025 are as follows:

RANK	NAME	NUMBER OF ADDOA	% OF ADDOA ISSUED
1	MS CHUNYAN NIU	3,583,628	13.21
2	10 BOLIVIANOS PTY LTD	1,764,285	6.50
3	M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	1,418,750	5.23
4	BILPIN NOMINEES PTY LTD	732,621	2.70
5	GOFFACAN PTY LTD	697,803	2.57
6	BOWDEN MINERALS PTY LTD <BOWDEN A/C>	628,161	2.31
7	K-SUM CAPITAL PTY LTD	625,000	2.30
8	SIZZ PTY LTD <JH SUPERFUND A/C>	521,428	1.92
9	MR PETER ANDREW PROKSA	500,000	1.84
10	SHEARWATER AUSTRALIA PTY LTD	500,000	1.84
11	MR TERENCE KENNETH TOPPING <TTJT A/C>	500,000	1.84
12	TRINITY DIRECT PTY LTD	500,000	1.84
13	WEYBURN GROUP PTY LTD	500,000	1.84
14	JAMBER INVESTMENTS PTY LIMITED <THE AMBER SCHWARZ FAM A/C>	442,857	1.63
15	PAUL THOMSON FURNITURE PTY LTD <THOMSON S/F A/C>	397,857	1.47
16	YUCAJA PTY LTD <THE YOEGIAR FAMILY A/C>	373,520	1.38
17	MR DEAN ROBERT MELLERS <DAHRC A/C>	357,142	1.32
18	P AND N BAKARIC P/L <P AND N BAKARIC SF A/C>	339,563	1.25
19	PYNMIST PTY LIMITED <THE S MARSHALL FAMILY A/C>	262,500	0.97
20	METAL TIGER PLC	260,526	0.96
Top 20 holders of ADDOA		**14,905,641**	**54.93**
Total Remaining Holders Balance		**12,230,289**	**45.07**

(k) Listed Option holders (ADDO) exercisable at $0.10 expiring 31 December 2027

The twenty largest listed option holders (ADDO) in the Company as at 23 September 2025 are as follows:

RANK	NAME	NUMBER OF ADDO	% OF ADDO ISSUED
1	BOWDEN MINERALS PTY LTD <BOWDEN A/C>	7,415,000	16.25
2	MCNEIL NOMINEES PTY LIMITED	2,000,000	4.38
3	MR PETER ANDREW PROKSA	2,000,000	4.38
4	TIM TOPHAM PTY LTD <TIM TOPHAM FAMILY A/C>	2,000,000	4.38
5	WILMOS PTY LTD <JACKSON FAMILY A/C>	2,000,000	4.38
6	UBS NOMINEES PTY LTD	1,666,666	3.65
7	BILPIN NOMINEES PTY LTD	1,500,000	3.29
8	STRATA INVESTMENT HOLDINGS PLC	1,500,000	3.29
9	PARKRANGE NOMINEES PTY LTD	1,200,000	2.63
10	SABA NOMINEES PTY LTD <SABA A/C>	1,100,000	2.41
11	7 ENTERPRISES PTY LTD	1,000,000	2.19
12	BILPIN NOMINEES PTY LTD	1,000,000	2.19
13	RIYA INVESTMENTS PTY LTD	1,000,000	2.19
14	M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	967,500	2.12

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15	PALM BEACH NOMINEES PTY LIMITED	833,333	1.83
16	WYNTON CAPITAL PTY LTD	800,000	1.75
17	CHALLNEY TECHNOLOGY VENTURES PTY LTD <DIRUPO INVESTMENT A/C>	600,000	1.31
18	COLVIC PTY LTD	600,000	1.31
19	MR LUKE GREGORY KYPREOS + MRS MARIA KYPREOS	600,000	1.31
20	LKC TECHNOLOGY PTY LTD	600,000	1.31
Top 20 holders of ADDO		**30,982,499**	**67.89**
Total Remaining Holders Balance		**14,651,518**	**32.11**

(l) Application of funds

During the financial year, Adavale Resources Limited confirms that it has used its cash and assets (in a form readily convertible to cash) in a manner which is consistent with the Company's business objectives.

(m) Unquoted Equity Securities

The Company has no unquoted fully paid ordinary shares on issue as at 23 September 2025.

The Company has the following unquoted securities on issue as at 23 September 2025:

ADDAAI: Option exercisable at $0.12 expiring 15 October 2029

	Number of holders	ADDAAI	%
Distribution is:			
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and Over	1	15,000,000	100
	1	**15,000,000**	**100**

ADDAAJ: Option exercisable at $0.24 expiring 15 October 2029

	Number of holders	ADDAAJ	%
Distribution is:			
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and Over	1	15,000,000	100
	1	**15,000,000**	**100**

ADDAAB: Performance Rights

	Number of holders	ADDAAE	%
Distribution is:			
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and Over	9	10,387,500	100
	9	**10,387,500**	**100**

QUOTATION

Listed securities in Adavale Resources Limited are quoted on the Australian Securities Exchange.

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Schedule of Mining Tenements and Beneficial Interests

Project/Location	Country	Tenement	Percentage held/earning
Parkes Gold-Copper Project	Australia	EL7242	72.5%
		EL8830	72.5%
		EL8831	72.5%
		EL9711	72.5%
		EL9785	100%
Kabanga Jirani Nickel Project	Tanzania	Kabanga West (PL11590/2021)	100%
		Kabanga North (PL 11405/2020)	100%
		Kabanga North East (PL 11406/2020)	100%
		Kabanga East (PL 11591/2021)	100%
		Ruiza NE (PL 11592/2021)	100%
		Kabanga South East (PL11886/2022)	100%
		Southeast Wedge (PL12175/2023)	100%
		Luhuma Central (PL12350/2023)	100%
Luhuma Nickel Project	Tanzania	PL11692/2021	65%
		PL11693/2021	65%
The Company entered into a Farm-In Agreement to earn up to 100% of the Luhuma Nickel Project. The Company currently has achieved a 65% interest in the project on 8 February 2023.			
Nachingwea Prospect	Tanzania	PL11887/2022	100%
Lake Surprise Uranium Project	Australia	EL5892 EL5893 EL6598	100%
Maree Embayment Uranium Project	Australia	EL6821 EL6957 EL6890	100%
MacDonnell/George Creek Uranium Project	Australia	EL6533	100%
Narlaby and Tolmer Uranium Project	Australia	EL7014 EL7024 EL7026 EL7025	100%

Corporate Governance

The Board of Adavale Resources Limited is committed to Corporate Governance. The Board is responsible to its Shareholders for the performance of the Company and seeks to communicate with Shareholders. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report. Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at https://adavale resources.com/corporate/corporate-policies/.

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Mineral Resource

London Victoria JORC 2012 Mineral Resource Estimate

Mineral Resource Category	Tonnes (million)	Gold Grade (g/t)	Contained Gold (oz)
Inferred	3.8	0.95	115,000
TOTAL	**3.8**	**0.95**	**115,000**

Notes: 1. *All of the Mineral Resource is in situ and reported at a cut-off criterion of 0.25 g/t Au.*
2. *Resources are reported inside a conceptual pit shell developed using an assumed gold price of AUD 4,500/oz.*

Information on the Mineral Resources presented on the London-Victoria deposit is contained in the ASX announcement dated 5 May 2025. Where the Company refers to Mineral Resource in this presentation, it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context their with JORC Table 1 in which the Competent Person's findings are presented have not materially changed from the original announcement.

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