



24th April 2008

ASX Code: **ADD**

ASX ANNOUNCEMENT FOR ADAVALE RESOURCES LIMITED

EXPLORATION UPDATE APRIL 2008

HIGHLIGHTS

- **Drilling at Lake Surprise continues to return positive results**
- **Widespread uranium and radioactivity observed from gamma logs and XRF analysis**
- **XRF assays to 680ppm U3O8**
- **Native title clearance on Queensland project has been obtained.**
- **Positive results from data research on new leases acquired. Leases prospective for uranium and base metals.**



LAKE SURPRISE

CLAYTON BASIN PROSPECT

- During the first quarter of 2008 the company completed a further 17 core holes (LSC14 to LSC30) and 74 rotary air blast (RAB) holes (LS 100 to LS 173). Results continue to show widespread uranium and radiation from XRF analysis and gamma ray logs. XRF assays for core holes LSC14 to LSC30 are attached in Appendix 1.
- Core holes LSC14 to LSC24 were drilled alongside RAB holes from which samples were sent to Western Radiation. Analysis of core holes showed much greater uranium than seen in the RAB holes. Western Radiation and ANSTO were commissioned to carry out tests on the levels of radiation and disequilibrium. ANSTO results are expected in the next few weeks. Results have been delayed due to an overwhelming work load.
- Western Radiation results indicated equilibrium. However analysis of cores and other data along with ANSTO results will be studied before any accurate analysis of equilibrium/disequilibrium can be made.
- Core holes LSC25 to LSC30 form part of a 100m grid drilled over resistivity lines 6, 7 and 8 in the Jubilee area. The holes were cored to allow assays to be taken and a comparison made to gamma logs. Drilling and logging of RAB holes LS100 to LS173 also along 100m grids at the Plastic Tank and Jubilee areas has just finished and the data is being reviewed. Further coring will take place alongside holes with significant gamma readings. Results will follow.
- All data gathered from gamma logging and XRF analysis continues to show uranium and radioactivity are widespread.
- All indications to date show a significant amount of uranium exists in the system and drilling, logging and assaying are a part of the ongoing process required to identify a resource. It is expected drilling will resume in the third quarter.

MUMPIE PROSPECT

- Drilling, logging and assaying is programmed to start in the next few weeks. Approximately 80 RAB holes will be drilled and gamma logged in areas identified from initial reconnaissance drilling and radiometric surveys. 8 of the better holes will be cored and logged to establish correlation between gamma radioactivity and assays.

SPRINGVALE

- Native title clearance has been received and air photo interpretation and mapping completed. A field trip is planned to follow up on structures identified.
- Geologists will commence field investigations and carry out rock chip sampling and regional geophysics in mid April.
- Drilling will follow and focus on targets identified by the field trip.



NEW PROJECTS

The company continues to be aggressive in the search for quality exploration acreage. The Finnis Springs and Mt Flint projects are recent acquisitions. Initial exploration and data research of these new projects is encouraging.

FINNISS SPRINGS

- The project consists of 3 approved Exploration License Applications totaling 1,897 km² in area approximately 100 km west of the Lake Surprise project.
- The area is reported as having potential for strata bound copper-zinc deposits and Olympic Dam type deposits at depth. The diaper hosted Clara St Dora copper mine and an associated large gravity anomaly situated north-west of the mine are significant targets. Mine records for the period 1890-1910 state the ore was high grade with large quantities of low grade ore present.
- Drill chip samples from Western Mining Corporation water bores returned encouraging assays for copper and zinc. Previous exploration by Central Coast and the Shell Co. of Australia between 1980 and 1983 examined the large gravity anomaly situated on the western edge of the Mt Nor'West fault and reported encouraging assays from limited sampling for copper, gold, zinc, lead and uranium.
- Anaconda Australia carried out comprehensive exploration immediately to the South East in 1965-67 and reported extremely high levels of tellurium, selenium and bismuth. These elements are associated with some styles of large and rich precious metal ore bodies the better known of which are in the Carlin group of sediment hosted gold mines in Nevada.
- Air photo interpretation and mapping is complete and a field trip to follow up on the mapping and identify drill locations is planned for the third quarter. Drilling is subject to native title clearances.

MT FLINT

- The project consists of 4 granted Exploration Licenses and one approved Exploration License Application total 3,020km² in area and lie to the north and north west of Lake Surprise.
- The targets are surficial and paleochannel uranium, and phosphate rock. The uranium identified by the very large (1,000 km²) surface uranium radiometric anomaly at Lake Surprise is likely to have shed sizable quantities of uranium into the drainage of the project area.
- The lithology seen in the logs and cuttings from drill hole CA-3 indicates suitable conditions for the presence of paleochannels for roll front style uranium orebodies.
- High phosphate assays were found in library samples of core and cuttings from CA-3. XRF analyzer showed an assay of 27.0% P₂O₅ over a one meter interval.
- Air photo interpretation and mapping has been completed. Field trips are planned for the third quarter to follow up on mapping and to identify drill locations. Drilling is subject to obtaining native title clearance.



EXPLORATION FOR THE SECOND QUARTER

LAKE SURPRISE

CLAYTON BASIN

- Process and evaluate data from the RAB holes as well as Western Radiation and ANSTO laboratory results.

MUMPIE PROSPECT

- Carry out drilling, logging and assaying of approximately 80 RAB and 8 core holes.

NEW PROJECTS

FINNISS SPRINGS/MT FLINT

- Field trips planned to follow up on air photo interpretation and mapping to select drill locations

John Risinger
Managing Director
(08) 9467 2049

Adavale Resources Limited ("Adavale") is a junior mineral explorer focused on identifying and evaluating projects that present significant potential. Adavale has access to a technical team with decades of experience along with all necessary geophysical instruments and a drilling business that help optimise a philosophy of consistent effective exploration.



APPENDIX 1

HOLE #	DEPTH TO GAMMA (M)	WIDTH OF GAMMA	CORE INTERVAL	XRF ppm U ₃ O ₈	COMMENTS
LSC 14	2.7	1.4	3.0-6	71, 167, 157	
	4.3	1.2		202, 257	
LSC 15	Nil	Nil			
LSC 16	2.6	0.3	7	53	
	7	0.4	13.5	72, 78, 117	
	13.3	0.4			
LSC 17	4.8	0.5	4.5-6	104, 151	
	6.8	0.5	6-7.5	97, 78	
	8.5	0.2			
	13.5	0.4			
LSC 18	1.9	1.7	0-1.5	64, 73	
	11.7	0.2	1.5-3	90, 52, 78, 124	
			3-4.5	59	
LSC 19	7.7	1.6	4.5-6	84, 90, 75, 80	
			7.5-9	108, 91, 83, 98, 91, 83	
LSC 20	2.1	5.2	1.5-3	353, 257, 151, 288, 387, 186	
			3.0-4.5	248, 191, 241, 167, 150, 190, 189, 182, 197, 110, 91	
			4.5-6.0	72, 66, 65, 50, 57, 80, 91, 177, 80	
			6.0-7.5	105, 104, 130, 60, 70	
LSC 21	Nil	Nil			
LSC 22	0	3	0-1.5	680, 593	
			1.5-3	535, 65	
LSC 23	2.1	1.3	1.5-3	144	
	5.4	0.4	3-4.5	177	
	6.5	>0.5	6-7.5	167, 205	
LSC 24	8.5	0.5	7.5-9	413, 281	
			9-10.5	83	
LSC 25	2.5	1.2	3-4.5	118	
LSC 26	0	3.1	0-1.5	126	
			1.5-3	226, 143, 62	
LSC 27	nil	nil			
LSC 28	7	8	7.5-9	462, 442	
LSC 29	5	6.5			
LSC 30	3.8	4.5			

Table 1: Core Hole Data