

CARNAVALE RESOURCES

(A.C.N 119 450 243)

ASX Code:	CAV
Shares:	256.7M
Options:	186.2M (Nov 2016 @ \$0.03)
Perf Shares	42.0M
Cash:	\$0.28M (31 Dec 2015)
M. Cap	\$1.5M (@ \$0.006)

Directors

Ron Gajewski (Chairman)

Andrew Beckwith (MD)

Rhett Brans (NED)

Andrew Chapman (NED)

Carnavale Resources Limited is an exploration and development company based in Perth, Western Australia.

Exploration is currently advancing two prospective gold-silver-copper projects located in Arizona and Nevada, USA.

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Appointment of Cicero Advisory and \$1.6M Capital Raising

Carnavale Resources Limited (ASX: CAV; "Carnavale" or the "Company") is pleased to advise that it has entered into a corporate advisory and capital raising mandate ("Mandate") with Cicero Advisory Services Pty Ltd ("Cicero").

Cicero is a highly successful boutique Australian based advisory firm headed by experienced market participants, Mathew Walker and James Robinson. It has been instrumental in numerous recent ASX domiciled transactions including NexGen Networks (ASX: VTX), Intiger Asset Management (ASX: SRT), Yojee (ASX: SWR), Ziptel (ASX: ZIP) and Phytotech MMJ (ASX: MMJ). Further details regarding Cicero can be found at www.ciceroadvisory.com.au

To provide funding for ongoing working capital, existing project funding and the assessment of new investment opportunities in both the resource and non-resource sectors, CAV proposes to issue 201,214,652 fully paid shares ("Shares") at an issue price of \$0.008 to raise approximately \$1,609,717 (before costs of the issue). This issue will comprise two tranches:

- Up to 113,714,652 Shares will be issued immediately pursuant to CAV's existing placement capacity; and
- Up to 87,500,000 Shares to be issued subject to shareholder approval, to clients and or principals of Cicero and Directors of Carnavale, at a meeting planned in March 2016.

The capital raising price of \$0.008 represents a 28.5% premium to the volume weighted average market price ("VWAP") for the Company over the five trading days prior to this announcement.

Under the terms of the Mandate, Carnavale has received firm commitments for the full \$1.6 million and the 1st tranche of the capital raising is expected to settle on or around 5 February. For managing the capital raising (including obtaining the firm commitments) and an ongoing advisory role Cicero (or its nominee) will receive a 6% capital raising fee and (subject to shareholder approval) 40 million unlisted options exercisable at 2 cents each on or before 30 December 2019.

At the March 2016 meeting, shareholder approval will be sought for CAV Directors and officers to be issued a total of up to 20 million unlisted options exercisable at 2 cents each on or before 30 December 2019.

For further information contact:

Ron Gajewski

Chairman

Carnavale Resources Ltd

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