

## **CARNAVALE RESOURCES**

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

*The Company is currently actively assessing various new opportunities in the resources sector.*

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## **ASX Release**

### **High grade supergene gold from Lake Roe**

Carnavale Resources Limited ("CAV" or "the Company") is pleased to report the final results and assessment of the recent maiden Lake Roe RC drilling programme at the Stag and Triumph Prospects on E28/2303.

#### **STAG SHEAR ZONE TARGET**

- **High grade supergene gold mineralisation confirmed associated with the Stag Shear on section 6616500N**

SRC003 **11m @ 2.39g/t from 108m**

including **1m @ 20.8g/t from 112m**

and **1m @ 1.32g/t from 117m**

- Anomalous supergene gold mineralisation remains open to north along the interpreted Stag Shear Zone extensions in historical RAB drilling
- Stag Shear Zone is interpreted to be sub vertical to steeply east dipping, however remains essentially untested in the fresh bedrock position due to the deep weathering profile associated with shear zone and lack of deeper drilling along this target.
- Drilling indicates the prospect area is covered with approximately 30-40m of transported sediments with highly leached and gold depleted saprolite clays to around 80m depth transitioning into partially weathered rock to approximately 100-120m depth and fresh bedrock beyond at depth.

#### **TRIUMPH TREND TARGET**

- Triumph Trend is parallel and to the east of the Stag Shear
- Drill hole SRC011 was drilled further to the east closer to the granite intrusion with significant result

SRC011 **7m @ 0.52g/t from 95m**

including **1m @ 1.55g/t from 98m**

- This zone remains untested along strike and at depth
- Additional parallel zones of anomalous supergene gold are evident and remain untested

Carnavale plans to assess the potential to use various geophysical methods to better define the structural targets prior to further drilling.

## Lake Roe RC drilling Programme (E28/2303, CAV 100%)

Carnavale's Lake Roe Gold Project is located approximately 120km east of Kalgoorlie and 10-15km north of Breaker Resources (ASX: BRB) new gold discovery at the Bombora Prospect (Figure 1).

**Figure 1 Lake Roe Gold Project Location Plan**



The recently completed Lake Roe RC drilling programme consisted of 12 holes for a total advance of 1,360m. The programme targeted the northwest southeast trending Stag Shear Zone where previous vertical RAB and aircore drilling located on 200m spaced drill traverses intersected a series of anomalous zones over a total strike length of over 600m (Figure 2). Limited historic follow-up RC and diamond drilling comprised of 2 RC and 2 diamond holes.

An additional zone of anomalous supergene gold, termed the Triumph Trend (Figure 2), was also defined to the east of the Stag Shear Zone closer to the granite intrusion to the east. This anomalous zone is parallel to the Stag Shear, also trending southeast northwest, with no previous follow-up drilling undertaken along this target.

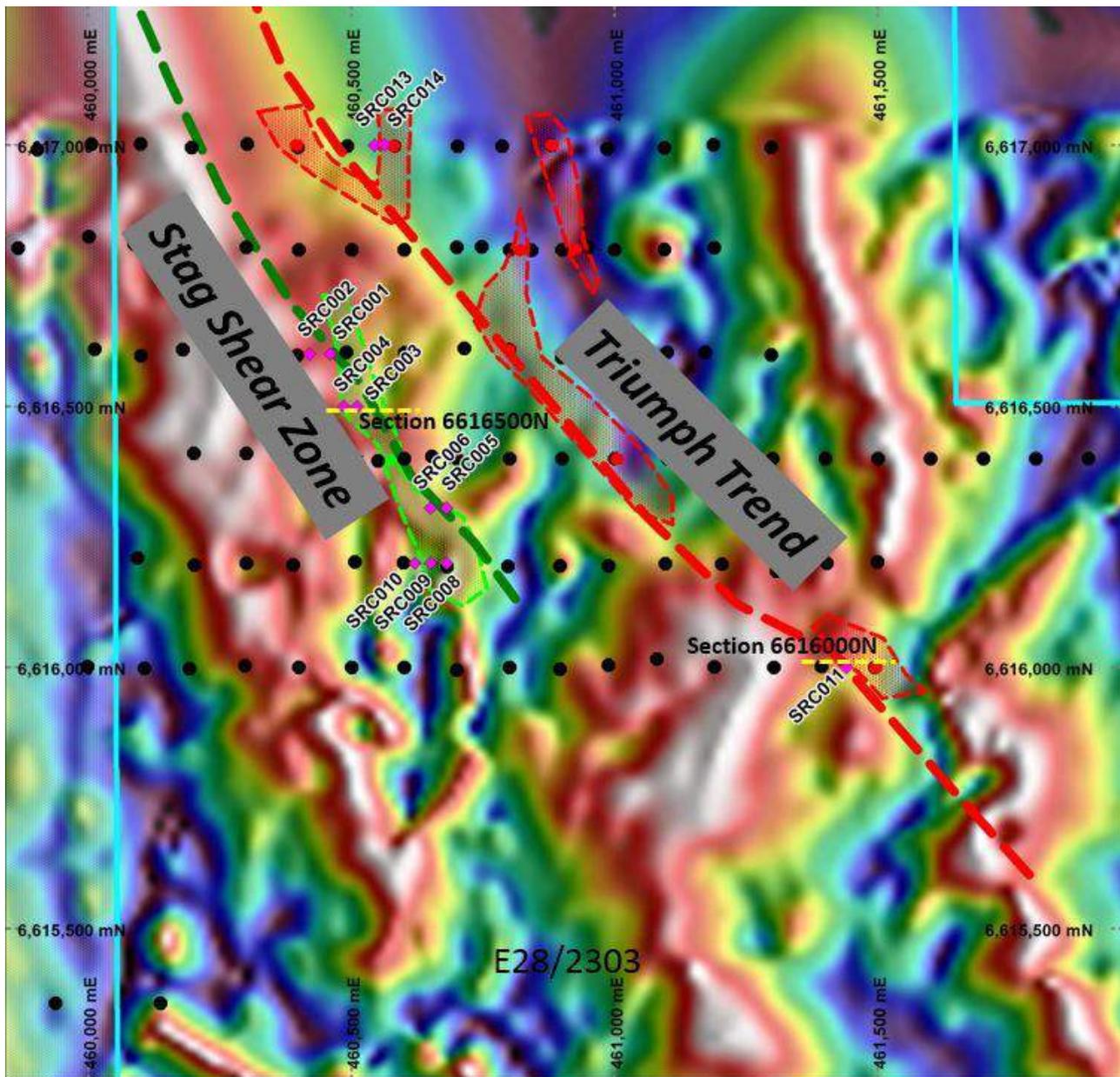
Nine of the RC holes targeted mineralisation associated with the Stag Shear and three holes targeted the Triumph Trend. Difficult drilling conditions through approximately 30-40m of unconsolidated transported material resulted in 3 holes failing to test the nominated target and further drilling will be required to satisfactorily test these target areas.

### Stag Shear Zone Target

The Stag Shear Zone is a second order southeast northwest trending structure off the major north south trending first order Claypan Shear, that hosts Breaker's Bombora Prospect. The structure is highlighted in airborne magnetics and coincident with anomalous gold (>50ppb) over a >600m strike length as defined by anomalous gold in earlier vertical reconnaissance RAB and aircore drilling, nominally spaced on traverses 200m apart with holes 50m apart.

Carnavale's RC drilling programme concentrated dominantly on testing the Stag Shear Zone on five east west sections. The drilling aimed to confirm previous mineralisation and better define the nature and tenor of gold mineralisation and host. All holes were angled to the east along east west sections to test an interpreted west dipping lode structure.

Figure 2 Location Plan - STAG and TRIUMPH Targets showing drill hole locations



Drilling on Section 6616500N, targeted strong anomalous gold mineralisation in the earlier aircore hole MRAC0013 and encouraging shearing in the previous diamond hole CPD001. Interpretation of this earlier drilling indicated a west dipping shear or potential back thrust may be present through MRAC0013 and CPD001.

Results of the recent RC drilling showed the area is blanketed by 30-40m of barren and unconsolidated transported sediments and lateritic gravels followed by deep saprolite clays to approximately 70-80m depth and then partially weathered and fresh basement rocks. This deeply weathered nature and thick transported barren overburden compounds the difficulties in exploring and targeting the mineralised structures.

The gold mineralisation was confirmed and is hosted in partially weathered, sheared and foliated sericite-chlorite schist with minor thin quartz and carbonate rich veining. This shearing is interpreted to represent the Stag Shear Zone. Figure 3 is a photograph of SRC003 drill chips showing the gold mineralisation.

The results of drill hole SRC003 confirmed the shear hosted mineralisation with

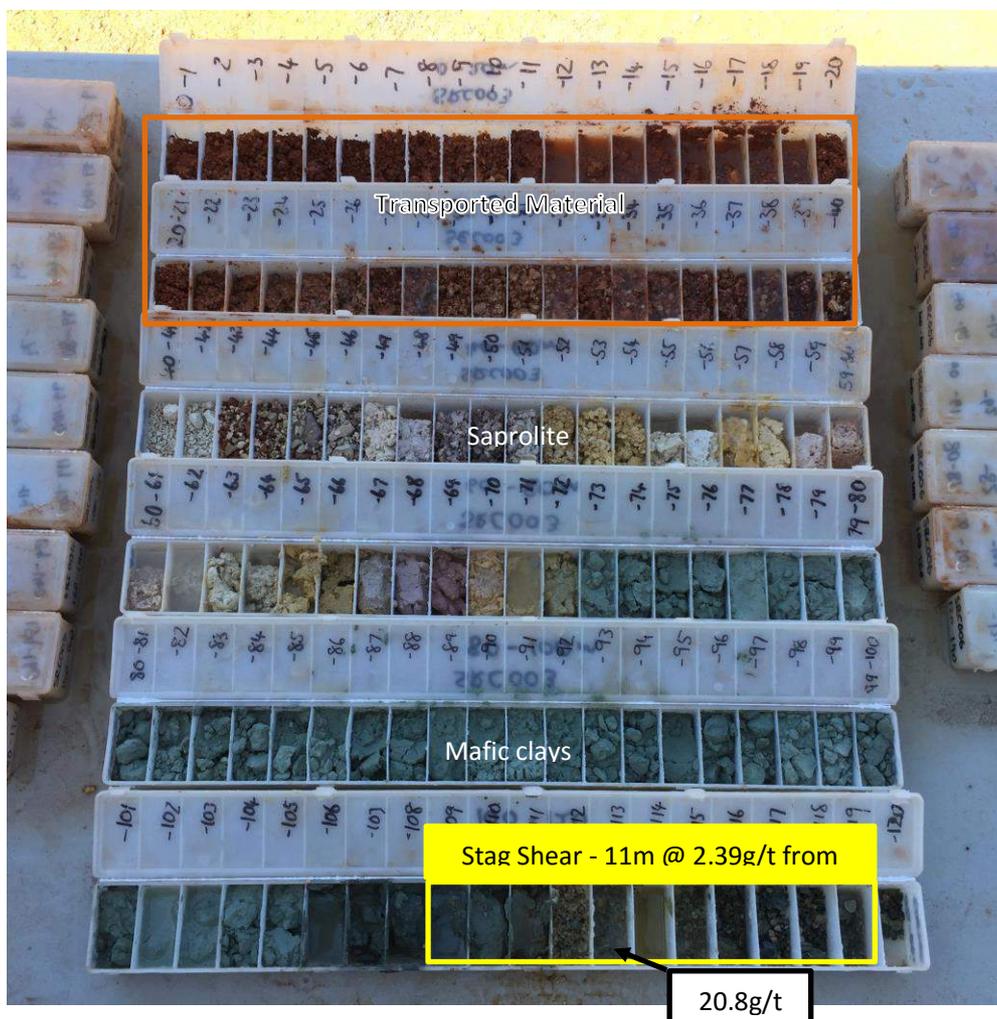
**11m @ 2.39g/t from 108m**

including **1m @ 20.8g/t from 112m**

and **1m @ 1.32g/t from 117m.**

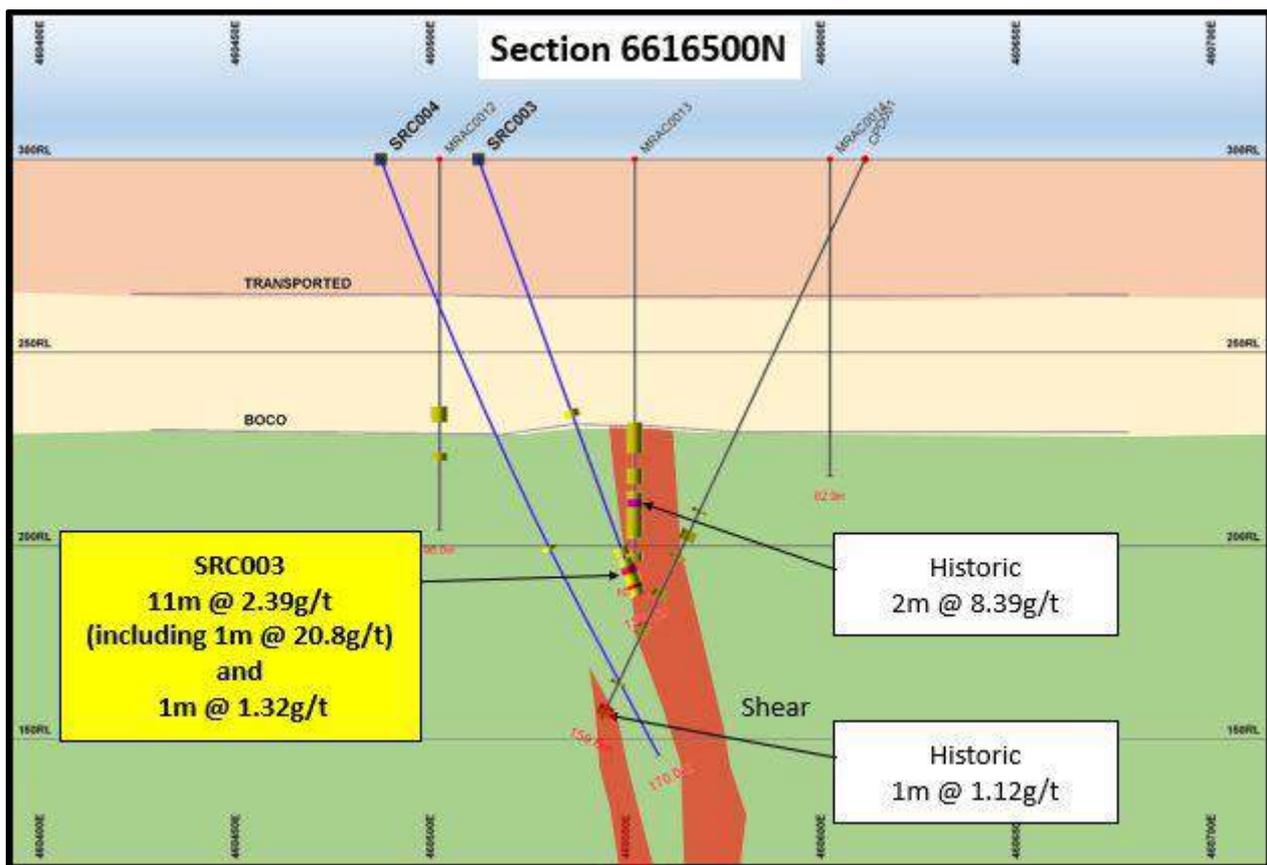
Drill hole SRC004 did not confirm the interpreted west dipping shear zone, suggesting there is a significant supergene enrichment in the mineralisation intersected by holes MRAC0013 and SRC003 and strong depletion through the area of the diamond hole CPD001. The shear zone is also now interpreted to be sub-vertical in orientation and remains open at depth below the zone of depletion evident in the deepest drilling to date.

**Figure 3 Photograph of SRC003 drill chips**



The remaining drilling along the Stag Shear Zone proved inconclusive due to a failed hole (SRC001) on section 6616600N which leaves the anomaly remaining untested on this section. On Section 6616300N, two RC holes (SRC005 and 006) were completed with no significant results and failed to intersect the shear zone or supergene halo. Drilling on Section 6616200 included three holes (SRC008, 009 and 010) which also failed to confirm the previous broad and highly anomalous supergene gold mineralisation define in the previous RAB drilling.

Figure 4 Section 6616500N on Stag Shear Zone



### Triumph Trend

The northwest southeast trending Triumph Trend is a parallel trend/structure to the Stag Shear (Figure 2) and is defined by a structure in magnetic imagery and to a lesser extent by anomalous results in earlier reconnaissance RAB and aircore drilling.

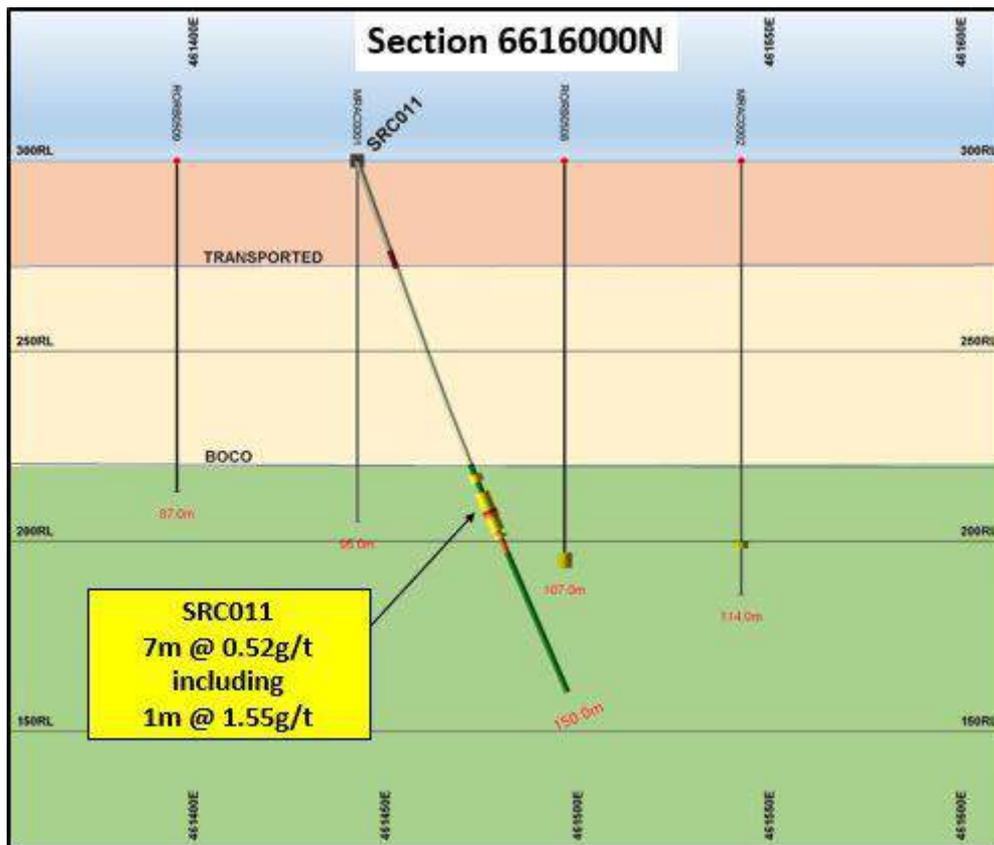
The trend was tested with two lines of RC drilling. On section 6616000N (Figure 5), drilling intersected significant supergene gold mineralisation in the weathering saprock just prior to the fresh bedrock interface in the SRC011.

SRC011 **7m @ 0.52g/t from 95m**  
 including **1m @ 1.55g/t from 98m**

This mineralisation is considered to be remobilised in the weathered bedrock and currently the actual Triumph structure remains untested in the fresh bedrock.

At the northern end of this trend on Section 6617000N, two drill holes failed to reach target depth due to difficult drilling conditions through the transported sediments and therefore the structure remains untested at this location.

Figure 5 Section 6616000N on Triumph Trend



### Future programmes

Carnavale is currently assessing various geophysical techniques that may aid targeting of the structures prior to committing to further drilling.

### For further information contact:

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*The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Beckwith is a director of Carnavale. Mr Beckwith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Beckwith consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

**Table 1 – Drill Hole Location Data**

| Hole_ID | Northing (m) | Easting(m) | RL  | Grid     | Type | Depth | Dip | Azimuth | Comment            |
|---------|--------------|------------|-----|----------|------|-------|-----|---------|--------------------|
| SRC001  | 6616600      | 460460     | 300 | GDA94_51 | RC   | 90    | -70 | 090     | target not reached |
| SRC002  | 6616600      | 460420     | 300 | GDA94_51 | RC   | 132   | -70 | 090     |                    |
| SRC003  | 6616500      | 460510     | 300 | GDA94_51 | RC   | 120   | -70 | 090     |                    |
| SRC004  | 6616500      | 460485     | 300 | GDA94_51 | RC   | 170   | -70 | 090     |                    |
| SRC005  | 6616305      | 460680     | 300 | GDA94_51 | RC   | 120   | -70 | 090     |                    |
| SRC006  | 6616305      | 460650     | 300 | GDA94_51 | RC   | 130   | -70 | 090     |                    |
| SRC007  | not drilled  |            |     |          |      |       |     |         |                    |
| SRC008  | 6616200      | 460680     | 300 | GDA94_51 | RC   | 120   | -70 | 090     |                    |
| SRC009  | 6616200      | 460650     | 300 | GDA94_51 | RC   | 100   | -70 | 090     |                    |
| SRC010  | 6616200      | 460620     | 300 | GDA94_51 | RC   | 108   | -70 | 090     |                    |
| SRC011  | 6616000      | 461440     | 300 | GDA94_51 | RC   | 150   | -70 | 090     |                    |
| SRC012  | not drilled  |            |     |          |      |       |     |         |                    |
| SRC013  | 6617000      | 460543     | 300 | GDA94_51 | RC   | 60    | -70 | 090     | target not reached |
| SRC014  | 6617001      | 460562     | 300 | GDA94_51 | RC   | 60    | -80 | 090     | target not reached |

**Table 2 – Significant Drill Results**

| Hole_ID          | From (m)   | To (m)     | Au Intercept (0.1g/t lower cut off) |
|------------------|------------|------------|-------------------------------------|
| SRC003           | 70         | 71         | 1m @ 0.34g/t                        |
| <b>SRC003</b>    | <b>108</b> | <b>119</b> | <b>11m @ 2.39g/t</b>                |
| <b>including</b> | <b>112</b> | <b>113</b> | <b>1m @ 20.8g/t</b>                 |
| SRC004           | 109        | 110        | 1m @ 0.12g/t                        |
| SRC011           | 88         | 89         | 1m @ 0.17g/t                        |
| <b>SRC011</b>    | <b>95</b>  | <b>102</b> | <b>7m @ 0.52g/t</b>                 |
| <b>including</b> | <b>98</b>  | <b>99</b>  | <b>1m @ 1.55g/t</b>                 |

## JORC Code, 2012 Edition

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria                     | JORC Code explanation  | Commentary  |
|------------------------------|--|---|
| <b>Sampling techniques</b>   | <p><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p> | <p>The programme comprises RC drilling.</p> <p>The drill holes have been sampled on a 4m composite basis and 1m basis direct from the drilling rig cyclone system while drilling occurred.</p> <p>Initially the 4m composite samples were submitted to the laboratory to be analysed for gold. On receipt of the 4m composite sample results, the anomalous intervals (&gt;0.1g/t) were resubmitted on a continuous 1m sample basis.</p> <p>Samples were then routinely assayed using 50 gram charge fire assay. This methodology is considered "industry standard":</p> <p>The drilling is of a standard that could be used in a resource estimation, however insufficient drilling has occurred to warrant a resource estimation.</p> |
| <b>Drilling techniques</b>   | <p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i></p>  | <p>The drilling programme comprises RC (reverse circulation) drill holes, typical of the exploration industry</p>   |
| <b>Drill sample recovery</b> | <p><i>Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>   | <p>The RC drilling uses face sampling bits which reduces the possibility of downhole contamination.</p> <p>All samples were visually inspected for relative recovery. Generally the samples were considered of good recovery.</p> <p>Currently there is no evidence for bias based on recovery or recovery losses.</p>  |
| <b>Logging</b>               | <p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>  | <p>The entire hole has been geologically logged on site, chip trays collected, stored and photographed.</p> <p>Systematic sampling has been undertaken on a 1 metre basis with 4metre composite samples initially submitted to the laboratory.</p> <p>1m samples have been resubmitted where anomalous gold (&gt;0.1g/t) was received from the 4m composite samples.</p> <p>Review of the logging and sampling has been undertaken by the CP.</p>   |

| Criteria  | JORC Code explanation  | Commentary   |
|---|--|--|
|   |  | The drilling is of a standard that could be used in a resource estimation, however insufficient drilling has occurred to warrant a resource estimation.  |
| <b>Sub-sampling techniques and sample preparation</b> | <p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p> | <p>Systematic sampling using a rig based cyclone and splitter has been undertaken on a 1 metre basis with 4 metre composite samples initial submitted to the laboratory.</p> <p>1m samples have been resubmitted where anomalous gold (&gt;0.1g/t) were received from the 4m composite samples.</p> <p>Industry prepared independent standards are inserted approximately 1 in 20 samples on the 1 metre samples.</p> <p>Sample sizes are considered appropriate for the material sampled.</p> |
| <b>Quality of assay data and laboratory tests</b>     | <p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></p>  | <p>Sample analysis is considered appropriate and a total technique.</p> <p>Samples were assayed for gold by fire assay technique in an independent industry laboratory</p> <p>Independent standards are inserted into the sample batch at the ratio of 1 in 20 samples and the laboratory adds further internal standards</p>  |
| <b>Verification of sampling and assaying</b>          | <p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>   | <p>Sample results have been entered and checked by a second company geologist / CP.</p> <p>Results have been uploaded into the company database, checked and verified.</p> <p>No adjustments have been made to the assay data.</p> <p>Where sample loss is measured, the interval has been assigned a zero-gold value</p>  |
| <b>Location of data points</b>                        | <p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>  | <p>Drill hole locations are located by hand held GPS to an accuracy of +/-3m GDA94, Zone 51</p>  |

| <b>Criteria</b>  | <b>JORC Code explanation</b>  | <b>Commentary</b>  |
|--|---|--|
| <b>Data spacing and distribution</b>                           | <p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <p><i>Whether sample compositing has been applied.</i></p>                            | <p>The RC drilling was designed to test specific anomalous gold zones in previous wide spaced drill traverses.</p> <p>Although the RC drilling is of an acceptable standard for resource estimation, the spacing is considered insufficient to determine a resource estimate.</p> <p>Initial 4m composite samples were used to define anomalous intervals and then resampled on individual 1m sample basis. All results reported are based on the 1m samples unless noted.</p> |
| <b>Orientation of data in relation to geological structure</b> | <p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p> | <p>The RC drilling technique does not allow direct orientation of the geology.</p> <p>Drill density may allow for a geological interpretation of geological feature where sufficient density and continuity can be logged.</p> <p>RC drilling was all orientated towards 090 (east). The drilling was planned approximately perpendicular to the interpreted structure to be tested, however this cannot be confirmed at this stage.</p>                                       |
| <b>Sample security</b>   | <p><i>The measures taken to ensure sample security.</i></p>   | <p>Sample intervals were logged and sampled by company personnel or contractor and delivered direct to the laboratory.</p>   |
| <b>Audits or reviews</b>                                       | <p><i>The results of any audits or reviews of sampling techniques and data.</i></p>   | <p>No audits have been completed.</p> <p>The CP has checked the standards and has previous used and monitored the laboratory used.</p>   |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria                                       | JORC Code explanation  | Commentary  |
|--|--|---|
| <b>Mineral tenement and land tenure status</b> | <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i>   | The drilling is on E28/2303 which is located approximately 120km east of Kalgoorlie and is 100% owned by Carnavale Resources Limited.   |
| <b>Exploration done by other parties</b>       | <i>Acknowledgment and appraisal of exploration by other parties.</i>   | The tenements have had a number of earlier exploration programmes completed by various companies.<br><br>Carnavale has used this historic work and results to assess this tenement prior to drilling. |
| <b>Geology</b>                                 | <i>Deposit type, geological setting and style of mineralisation.</i>   | The mineralisation targeted is hydrothermally emplaced and structurally controlled gold mineralisation within a shear zone and is similar in style to many other Western Australian gold deposits.    |
| <b>Drill hole Information</b>                  | <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> | Drill hole location and directional information provide in the tables within the report.  |
| <b>Data aggregation methods</b>                | <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>   | Results are reported to a minimum cutoff grade of 0.1g/t gold with an internal dilution of 2m maximum.<br><br>Intercepts are length weighted averaged   |

| <b>Criteria</b>   | <b>JORC Code explanation</b>  | <b>Commentary</b>   |
|---|---|---|
| <b>Relationship between mineralisation widths and intercept lengths</b> | <p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></p> | <p>The results reported are downhole intercepts only as currently there is insufficient data to determine host stratigraphy widths and true widths.</p> <p>The mineralisation reported is considered to mostly be remobilised supergene mineralisation with the source gold host unknown or not well defined at this stage.</p> |
| <b>Diagrams</b>   | <p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>  | <p>Plans are provided within the report which provides an overview of the hole location relative to other drill holes. Sections are provided where considered appropriate to demonstrate the discussed geology or mineralisation.</p>   |
| <b>Balanced reporting</b>   | <p><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></p>   | <p>This report provides the assay results for the entire Lake Roe drilling programme.</p>   |
| <b>Other substantive exploration data</b>                               | <p><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>                     | <p>Other data is discussed and presented in plans and sections were considered meaningful and appropriate.</p>  |
| <b>Further work</b>   | <p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>  | <p>Carnavale is currently assessing if geophysical techniques may be suitable to better target the mineralised structures prior to committing to further drilling.</p>  |