

## ASX ANNOUNCEMENT

10<sup>th</sup> Feb 2022

### **Carnavale Raises \$2.64M in Heavily Oversubscribed Placement to Accelerate Exploration**

#### **Highlights**

- Commitments received for a capital raising from high net worth overseas, sophisticated and professional investors, along with existing shareholders to raise \$2.24 million (before costs) ('Placement').
- CAV Directors, Mr Ron Gajewski and Mr Andrew Beckwith have committed to subscribe for a total of \$400,000 which will be additional to and on the same terms as the Placement ('Director Placement Securities') and subject to shareholder approval.
- Placement size was increased due to overwhelming demand
- Carnavale is now in a strong financial position to accelerate exploration campaigns, including aircore and RC drilling, across all three of our exciting WA projects

Carnavale Resources Limited ("Carnavale" or the "Company") announces it has received binding commitments for a Placement to raise A\$2.64M (before costs).

The Placement was strongly supported by existing shareholders and will introduce a number of new, high net worth overseas, sophisticated and professional investors to the Carnavale share register.

Placement proceeds along with existing cash (A\$2.06M)<sup>1</sup>, ensures Carnavale is well funded to execute the planned exploration strategy of testing for extensions of high-grade gold mineralisation at Kookynie, better delineate gold targets along the 15km long Carnage Shear Zone at Ora Banda and test for Ni-Cu sulphide mineralisation at Grey Dam. The second 12,000m aircore drilling program at Ora Banda is planned to commence in February and follow-up RC drilling of approximately 4,000m at Kookynie is booked for March.

#### **CEO Humphrey Hale commented:**

*"We are extremely pleased with the strong demand from new institutional and sophisticated investors, I would also like to thank our existing shareholders for their strong continued support. This is a validation of the asset portfolio we have assembled, coupled with our management team who has extensive knowledge of the projects and their potential. The Placement puts Carnavale in a strong financial position to accelerate exploration programs across our tenure, in particular at Kookynie and Ora Banda where drilling is imminent."*

<sup>1</sup> Unaudited cash at 31 December 2021.

## **Capital raising**

CAV has received support for the Placement from overseas and Australian, sophisticated and professional investors to raise \$2.24 million ('Placement'). CAV proposes to issue 203.64 million shares at an issue price of \$0.011 per share, together with 101.82 million free attaching options (exercisable at \$0.016 on or before 31 July 2023).

Golden Triangle Capital Pty Ltd ('GTCap') has been appointed as Lead Manager for the Placement. For managing the Placement (including obtaining the firm commitments), GTCap (or its nominee) will receive a 6% capital raising fee and will subscribe for 40 million options (exercisable at \$0.016 on or before 31 July 2023) at an issue price of \$0.00001.

The funds raised will be used to fund ongoing and planned exploration programs at the Company's existing projects and provide working capital.

203.64 million ordinary shares will be issued under the Company's existing placement capacity under Listing Rule 7.1A and 141.82 million Options under Listing Rule 7.1. The Placement is scheduled to close on or around 15 February 2022.

## **Director participation**

Carnavale Chairman, Mr Ron Gajewski and non-executive director, Mr Andrew Beckwith have each committed to subscribe for 18.182 million new ordinary shares (and 9.091 million attaching options) totalling \$400,000 ("Director Placement Securities"). The Director Placement Securities require the approval of shareholders pursuant to Listing Rule 10.11.

All new shares issued pursuant to the Placement will rank equally with existing fully paid ordinary shares in the Company.

This release is approved by the Board of Carnavale Resources Limited.

## **For further information contact:**

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