

ASX ANNOUNCEMENT

30th August 2022







Aircore program completed at Ora Banda South Gold Project

Carnavale Resources Ltd (CAV) is pleased to provide an update to its exploration activities. CAV has completed a third aircore program at the Ora Banda South Gold Project following up on high grade gold in the regolith at the Carnage and Highlander Prospects.

Aircore program completed at Ora Banda South Gold Project


CAV has completed a third program of 105 aircore holes for 8,885m following up strong gold grades intercepted at the Highlander and Carnage prospects in previous aircore programs conducted by CAV.

The previous aircore had significant shallow bedrock gold results that confirmed a gold bearing system with a strike length of **15km**. Significant results from previous CAV aircore drilling at Ora Banda South include:

-  **4m @ 8.82g/t** from 40m in OBAC022
-  **8m @ 2.74g/t** from 48m hole OBAC089 (*inc. 4m @ 5.10g/t from 52m*)
-  **4m @ 2.69g/t** from 36m in OBAC306
-  **4m @ 2.49g/t** from 48m in OBAC175
-  **8m @ 0.58g/t** from 32m in OBAC295
-  **4m @ 0.97g/t** from 36m in OBAC310

 Follow up aircore has targeted two high priority gold targets.

- Carnage Prospect - **2.5km strike and up to 500m wide** and remains open.
- Highlander Prospect - **2km strike and up to 400m wide** also remains open.

 Analogous geological setting target to the +2.5Moz @ +4g/t Invincible Gold Mine¹, discovered by Gold Fields Limited near Kambalda in 2012.

CEO Humphrey Hale commented:

“We are excited about the third aircore program at Ora Banda. This program starts to tighten up the line spacing on the substantial anomalies that cover multiple kilometres of strike. We have demonstrated that the system is gold bearing, now we have to zoom in on the highest grade so that we can target the fresh rock source with RC drilling. We have been able to drill deeper into the sediments with this rig which will help us define the gold anomalies in more detail.”

<https://www.goldfields.com/pdf/investors/integrated-annual-reports/2020/mmr-2020.pdf>

Previous aircore drilling at the Ora Banda South Gold Project tested targets identified by CAV's soil sampling program, previous aircore gold anomalies and structural targets under alluvial cover. CAV's complete aircore drilling program has confirmed the prospective Carnage Shear occurs along the **15km** long tenement package and shows anomalous gold, arsenic, bismuth and lead. Three new gold prospects have been identified in CAV's aircore drilling that contain high-grade gold intercepts (Figure 1).

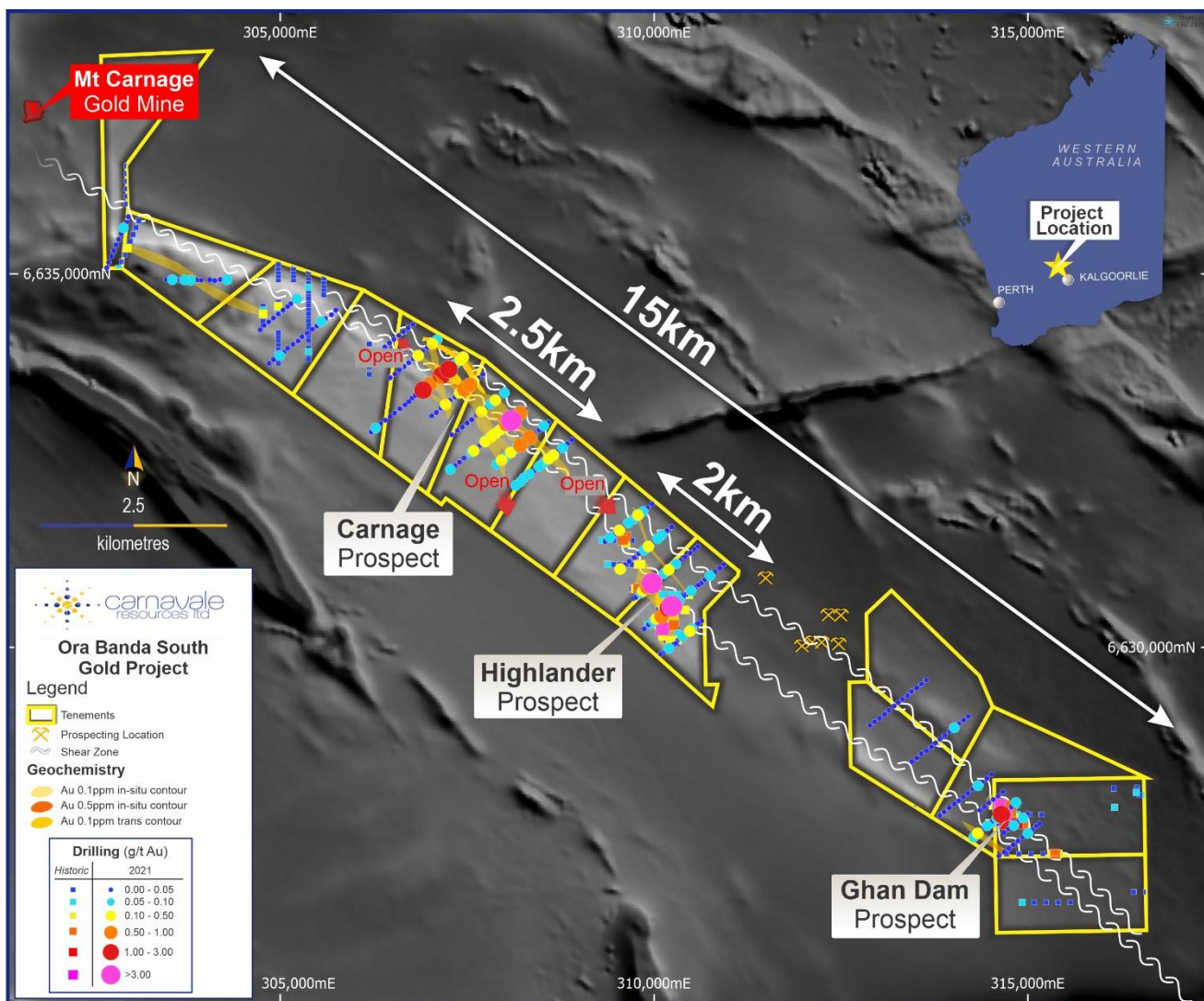


Figure 1, Plan of Ora Banda South Gold project with Prospect location with CAV aircore drilling

Previous CAV aircore has been drilled on wide spaced lines, 360m apart, across the new gold prospects with holes drilled on 40m to 80m drill centres. Results received from this earlier drilling, outlined significant gold mineralisation in the regolith geochemistry and gained improved understanding of the geology and structure, the depth of transported material as well as the depth of weathering within the regolith profile across the tenement package.

CAV's previous aircore drilling programs have successfully confirmed the scale of the anomalies and provided additional resolution to these new gold Prospects, noting that previous drilling was very wide spaced and considered reconnaissance geochemical drilling. The current program of aircore drilling was planned to close up the drill spacing at the local prospects targeting the geochemical footprint of concealed gold mineralisation in the regolith.

Carnage Prospect

The geology of the Carnage prospect is dominated by a sequence of sedimentary rocks crosscut by the Carnage Shear. The area is overlain with a layer of transported material that is up to 40m in places. The transported cover has prevented any surface sampling such as soils or auger sampling from being effective at detecting concealed gold anomalism in earlier exploration.

CAV reviewed the structural information from the aero magnetics and extrapolated the gold in soil anomalism which suggested there could be concealed gold targets beneath the transported cover.

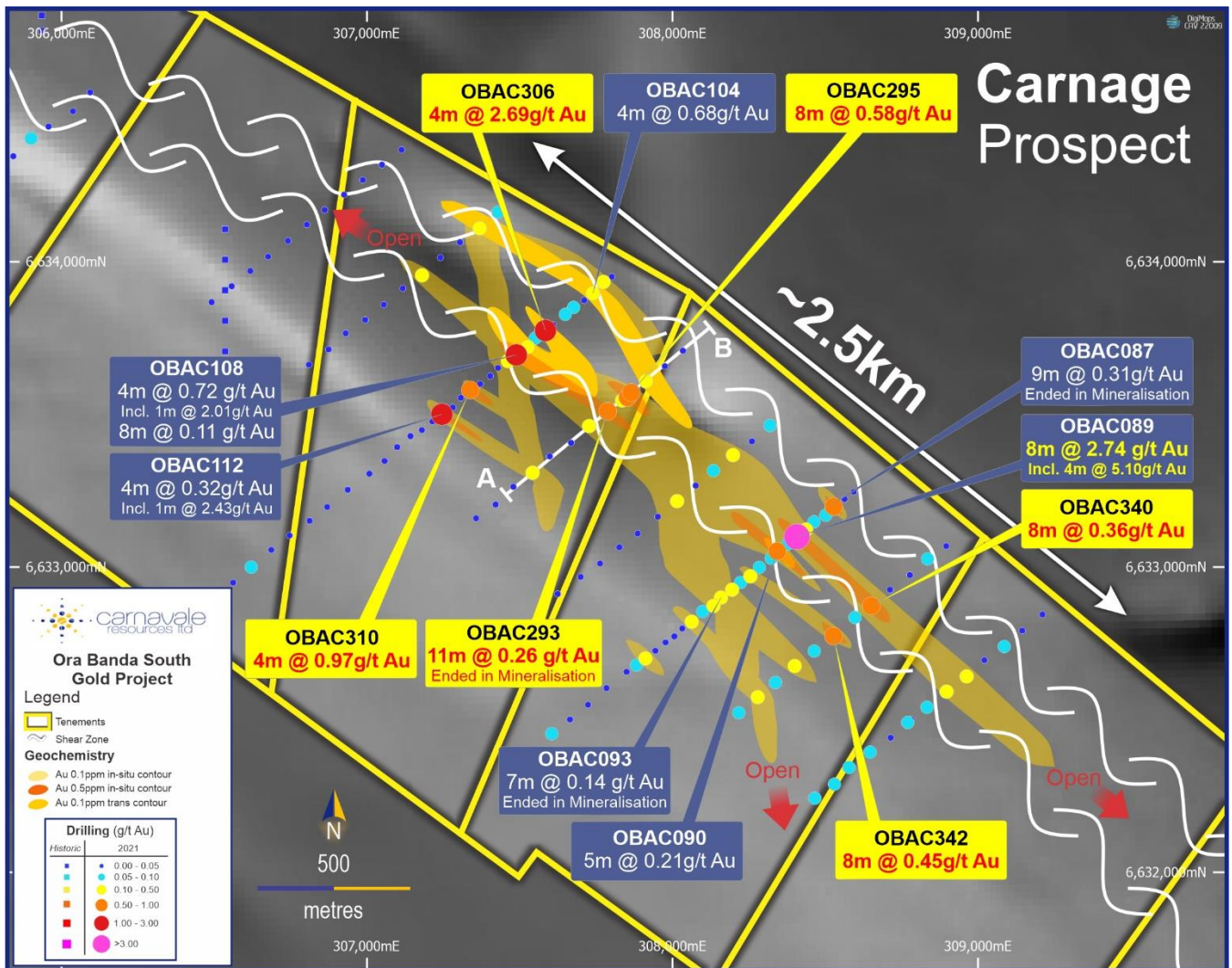


Figure 2, Plan of Carnage shear with gold contours outlining a 2.5 km anomaly open along strike

The Carnage Prospect has a confirmed gold anomaly that is up to **500 m wide and 2.5km long** within the sediment package along the Carnage shear that is open to the northeast south and southwest (Figure 2).

The mineralisation at Carnage is interpreted to be orientated North- East along the Carnage Shear and is modified to have a more North-South trend by the geology. The strike extent of this prospect is over **2.5km** and is open along both strike trends. Both trends are evident within the interpreted gold contours that are shown in (Figure 2).

The current aircore program was designed to find the extents of the mineralisation and refine the RC drill targets.

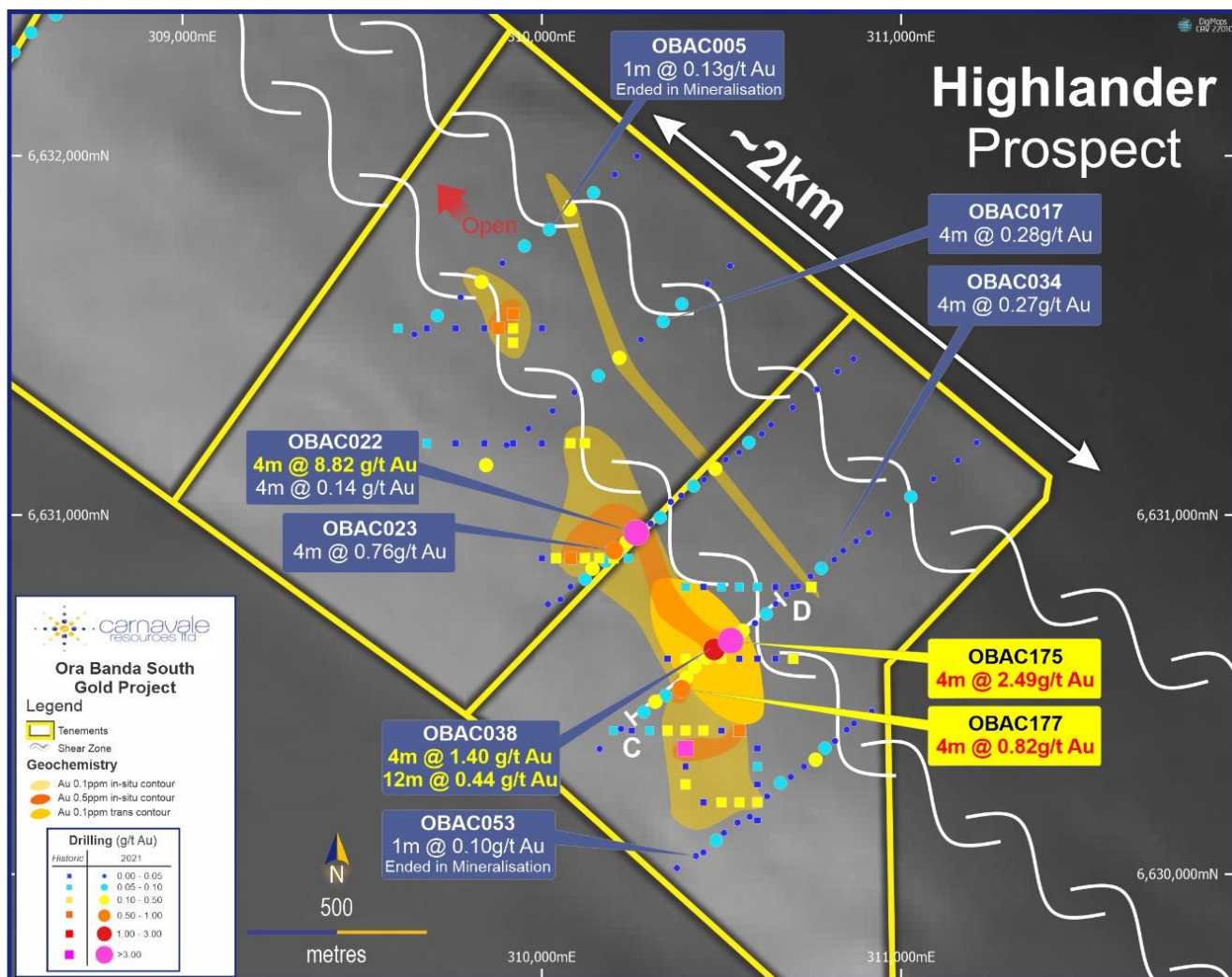


Figure 3: Plan of the Highlander Prospect

Highlander Prospect

The geology of the Highlander Prospect is similar to the Carnage Prospect with sediments intersected by the Carnage shear and other associated fault structures. The depth of transported cover is not as extensive as at the Carnage Prospect, which is approximately 3km to the Northwest.

The Highlander Prospect has a blanket of anomalous gold and arsenic in the soil geochemistry that was the target for CAV's initial broad spaced aircore drilling which intersected high-grade gold mineralisation. The second aircore program has confirmed this anomaly in more detail and has outlined more than **2km** of strike extent which remains open to the Southwest and Northeast.

Gold mineralisation has been associated with the same Carnage Shear and similar North-South modifying influences as the Carnage prospect. The supergene gold anomaly extends over **400m** in width and is made up of anomalous gold in the transported horizon directly associated with and overlying gold anomalism in the underlying residual saprolite. Highlander Prospect has a strike length of over **2km**.

The turnaround time for the release of assay results has been unpredictable across the industry recently. CAV is confident that this will improve with results from this aircore campaign expected in early Q4 2022. CAV plans to drill test the deeper extensions of the regolith anomalies with RC drilling to 200m subject to the results of the current aircore program and rig availability.

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

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Competent Persons Statement

The information that relates to Exploration Results for the projects discussed in this announcement represents a fair and accurate representation of the available data and studies; and is based on, and fairly represents information and supporting documentation reviewed by Mr. Humphrey Hale, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr. Hale is the Chief Executive Officer of Carnavale Resources Limited and 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. Hale consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding Carnavale's plans with respect to the mineral properties, resource reviews, programs, economic studies and future development are forward-looking statements. There can be no assurance that Carnavale's plans for development of its mineral properties will proceed any time in the future. There can also be no assurance that Carnavale will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Carnavale's mineral properties.

Information relating to Previous Disclosure

Previously reported material Information relating to the Ora Banda Gold Project includes:

Exploration

CAV expands gold in soil anomalies at Ora Banda South Project 29 July 2021

Initial Aircore drilling commenced at the Ora Banda South Gold Project 2 September 2021

Initial Aircore drilling completed at the Ora Banda South Gold Project 29th September 2021

High-grade gold along 15km of the Carnage shear at Ora Banda 13th December 2021

Aircore drilling to define large gold system at Ora Banda commenced 15th February 2022

Second aircore program completed at the Ora Banda South Gold Project 21 March 2022

Exploration Update 10 August 2022