

ASX ANNOUNCEMENT

21st Nov 2022

Maiden RC drilling to commence at Ora Banda Gold Project

Carnavale Resources Ltd (CAV) is pleased to provide an update to its exploration activities at the Ora Banda South Gold Project. CAV has commenced the first program of RC drilling at the Carnage Prospect following up on excellent high-grade gold results from CAV aircore drilling in the regolith.

Previous significant results from CAV aircore drilling at the Carnage Prospect include:

- **4m @ 30.20g/t** from 44m in OBAC413
- **7m @ 5.95g/t** from 80m in OBAC379 (*ends in mineralisation*)
- **8m @ 2.74g/t** from 48m in OBAC089
- **4m @ 2.69g/t** from 36m in OBAC306
- **12m @ 0.43g/t** from 44m in OBAC406
- **12m @ 0.33g/t** from 40m in OBAC435

Commencement of a 10 hole, **wide-spaced** 2,000m RC drilling program targeting the **2.1km** strike extent.

Favourable geology to host a significant gold deposit, with major shear structures crosscutting a sedimentary basin with an identified felsic intrusion that correlates to a substantial regolith gold anomaly identified by CAV in aircore.

Prospective geochemistry in arsenic, tin, tungsten and bismuth that correlates with the best gold anomalism suggesting an intrusion related source for the gold system.

The best gold anomalism identified in the saprock profile at the Carnage Prospect is overlain by a significant gold anomaly in the transported material, interpreted to be derived from the local, primary bedrock gold source.

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:

“Exciting times at Carnavale as we return to the Ora Banda Gold Project to drill test the substantial gold anomaly at the Carnage Prospect with an RC rig. No previous RC drilling has been done at Carnage. Previous explorers ignored this area as the Project area is covered by transported material overlying a sedimentary sequence. The excellent CAV aircore programs have defined a substantial gold anomaly with associated complimentary geochemistry, a major shear and a newly mapped intrusion.”

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

Aircore drilling by CAV at the Ora Banda South Gold Project has identified gold anomalies and structural targets under alluvial cover. The aircore drilling programs confirmed the prospectivity of the Carnage Shear along the **15km** long tenement package. Three new gold prospects were identified in CAV's earlier aircore drilling that contain high-grade gold intercepts (figure 6). This first RC drilling program is targeting the substantial anomaly at the Carnage Prospect.

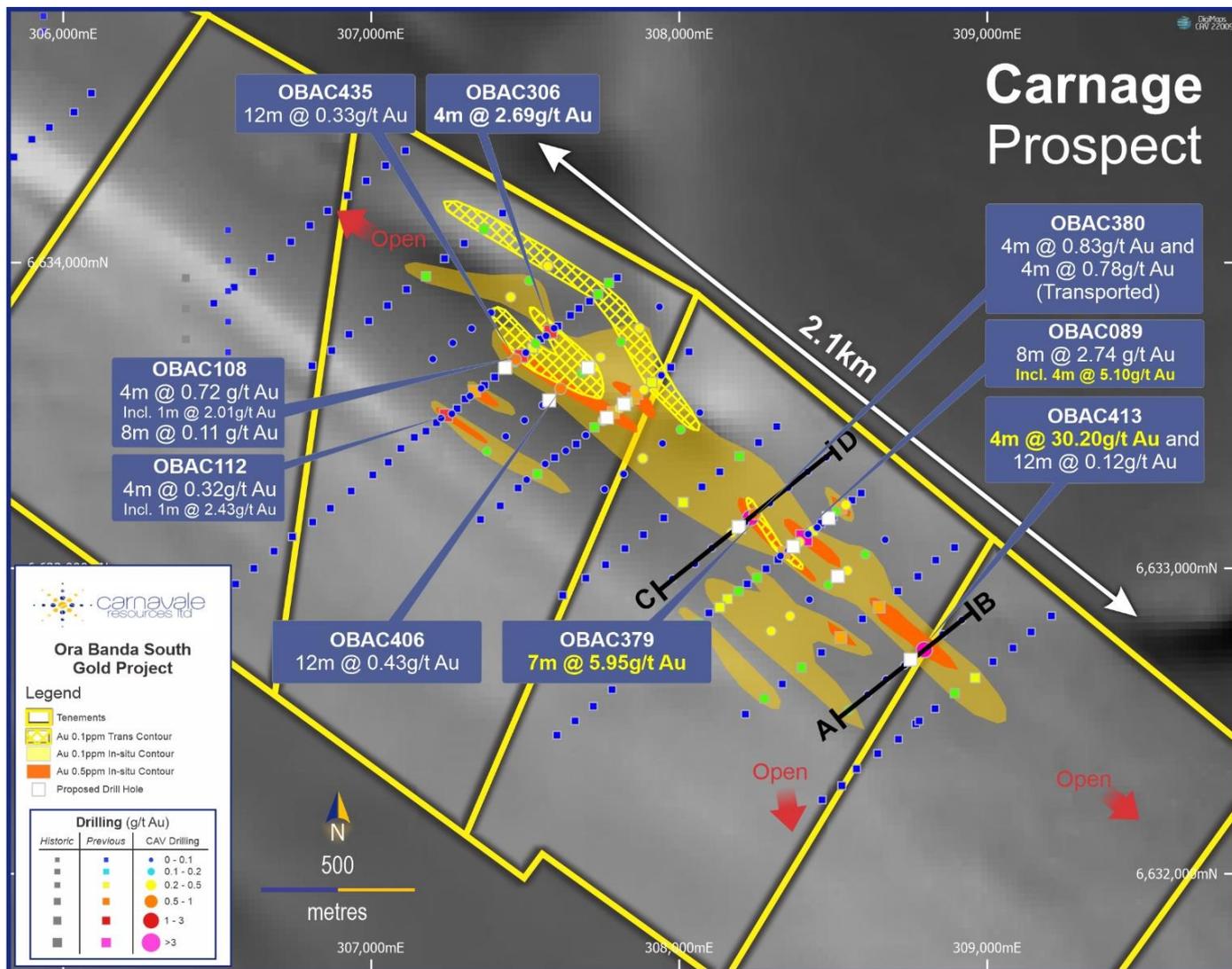


Figure 1, Plan of The Carnage Prospect at the Ora Banda South Gold Project with CAV aircore drilling and selected significant CAV drilling in blue callouts. Proposed RC drilling in white

To date, aircore has been drilled on wide spaced lines, across the new gold prospects with holes drilled on 40m to 80m drill centres. From this drilling CAV has gained an improved understanding of the geology and structure as well as the depth of weathering within the regolith profile across the tenement package. This knowledge has refined the targeting process for RC drilling at Ora Banda. The initial RC drilling program at Ora Banda is planned to be a **wide spaced** 100m x 200m program targeting the central part of the Carnage Prospect gold anomaly.

The exploration aim at Ora Banda is to discover a large-scale gold deposit within the sedimentary package on the Carnage shear analogous to the St Ives Discovery.

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.

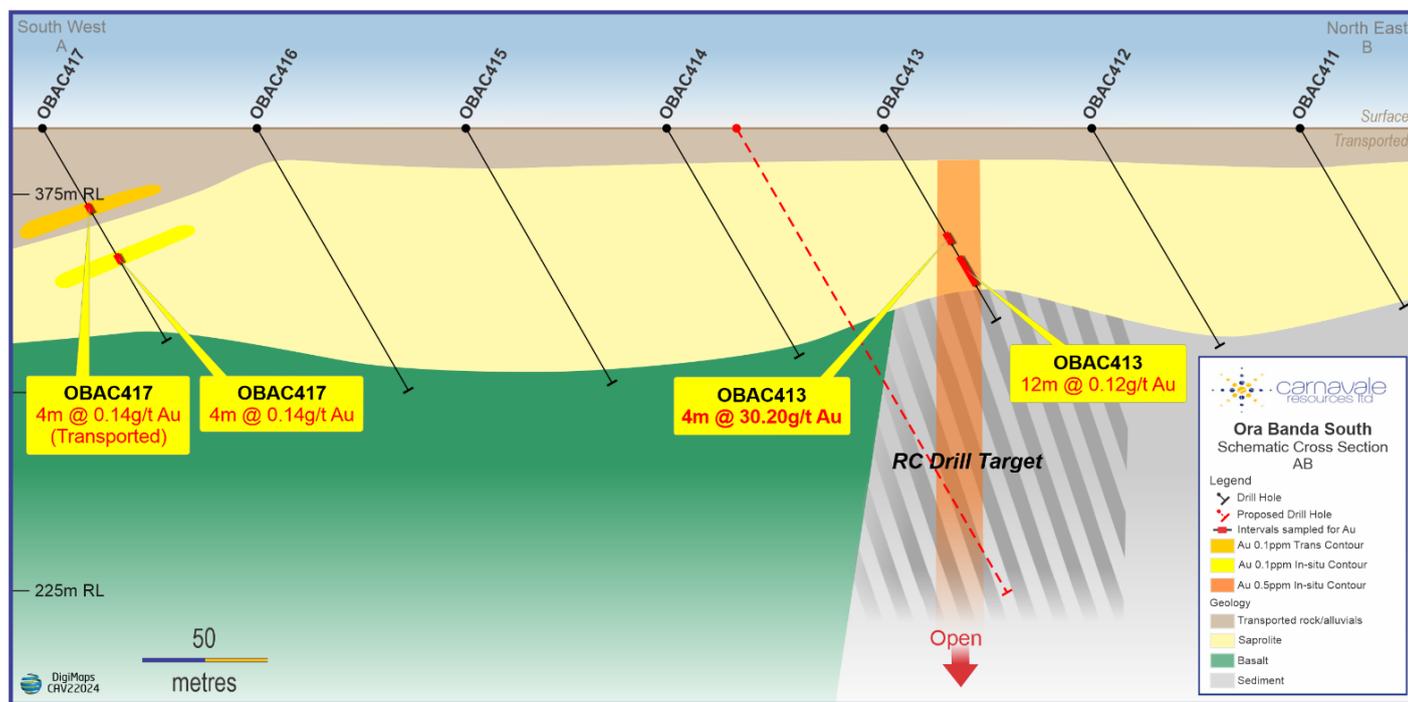


Figure 2, Section A-B across The Carnage Prospect

The Carnage Prospect has a confirmed gold anomaly that has a strike length of **2.1km long** within the Currawong sediment package along the Carnage shear, that is open to the northwest, south and southeast (Figure 1). The mineralisation at Carnage is interpreted to be orientated northwest along the Carnage Shear and is modified to have a more north-south trend by the geology. Both trends are evident within the interpreted gold contours and geochemistry.

Carnavale has systematically explored the Ora Banda Gold Project with surface sampling, where appropriate, and carefully planned, sequential aircore drilling to discover gold anomalies under cover. Gold mineralisation has been intersected in both the transported material and the residual saprolite and saprock. The gold anomalies in the transported material are spatially related to the bedrock mineralisation as can be seen in plan and cross section (figure 1 and 3). CAV have interpreted that the gold anomalism in the transported horizon is derived from the primary bedrock source beneath. This provides an additional vector to identify further mineralisation at depth with the RC program.

The high-grade mineralisation of **4m @ 30.2g/t** in OBAC413 appears to be related to the sediment mafic boundary and it is interpreted that a gold bearing structure is present at this interface. This high-grade zone provides will be tested by the RC program (Figure 2).

In section C-D through Carnage (Figure 3) the high grade in OBAC379 ended in mineralisation with an intercept of **7m @ 5.95g/t**. This intercept is surrounded by strong gold anomalism both in the residual saprolite and the transported cover overlying and adjacent to it. This shallow bedrock gold mineralisation will be tested by RC drilling to unlock the potential fresh rock mineralisation at depth.

As part of CAV's detailed exploration, CAV has collected detailed geochemistry along with the gold within the assay suite. This multi-element geochemistry has demonstrated that the gold anomalism at Carnage is coincident with arsenic, tin, tungsten and bismuth, indicating a possible intrusive related source for the gold mineralisation. (figure 4 and 5)

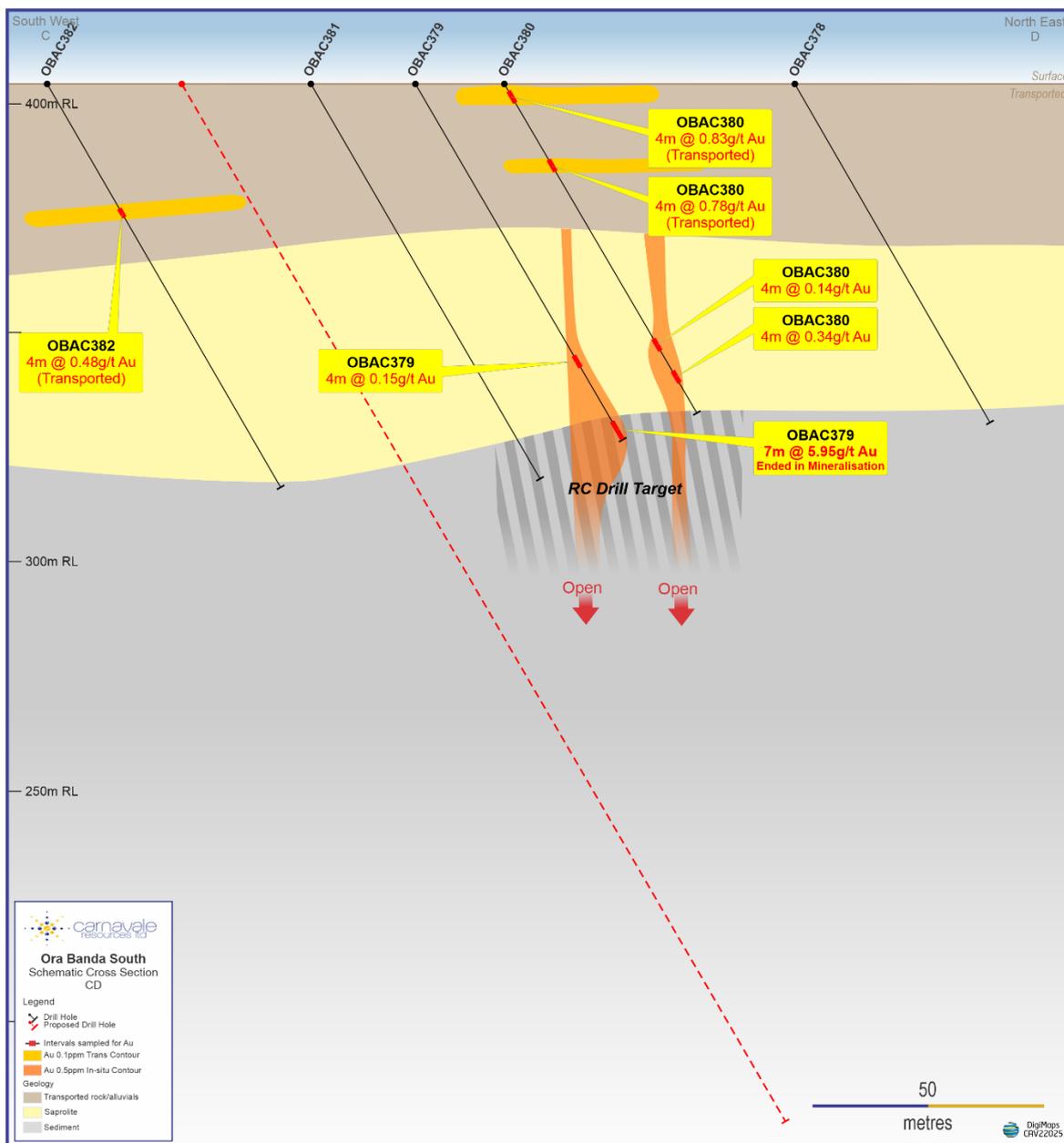


Figure 3, Section C-D across The Carnage Prospect

Central and north of the Carnage prospect, CAV has identified a fractionated felsic porphyry and granophyre intrusion (figure 4 and 5) that is interpreted to influence the strike and morphology of the gold anomalism intersected in the CAV aircore. The intrusive felsic porphyry and granophyre rock package provides for a rheological contrast that could provide a preferential host to focus gold mineralisation at the Carnage Prospect.

Within the sediment package adjacent to the Carnage Shear structure, CAV has also identified a conglomerate sequence that strikes northwest/southeast, within the intermediate sediments, that is spatially associated with the regolith gold mineralisation. The conglomerates may also prove to be a favourable host for gold at depth.

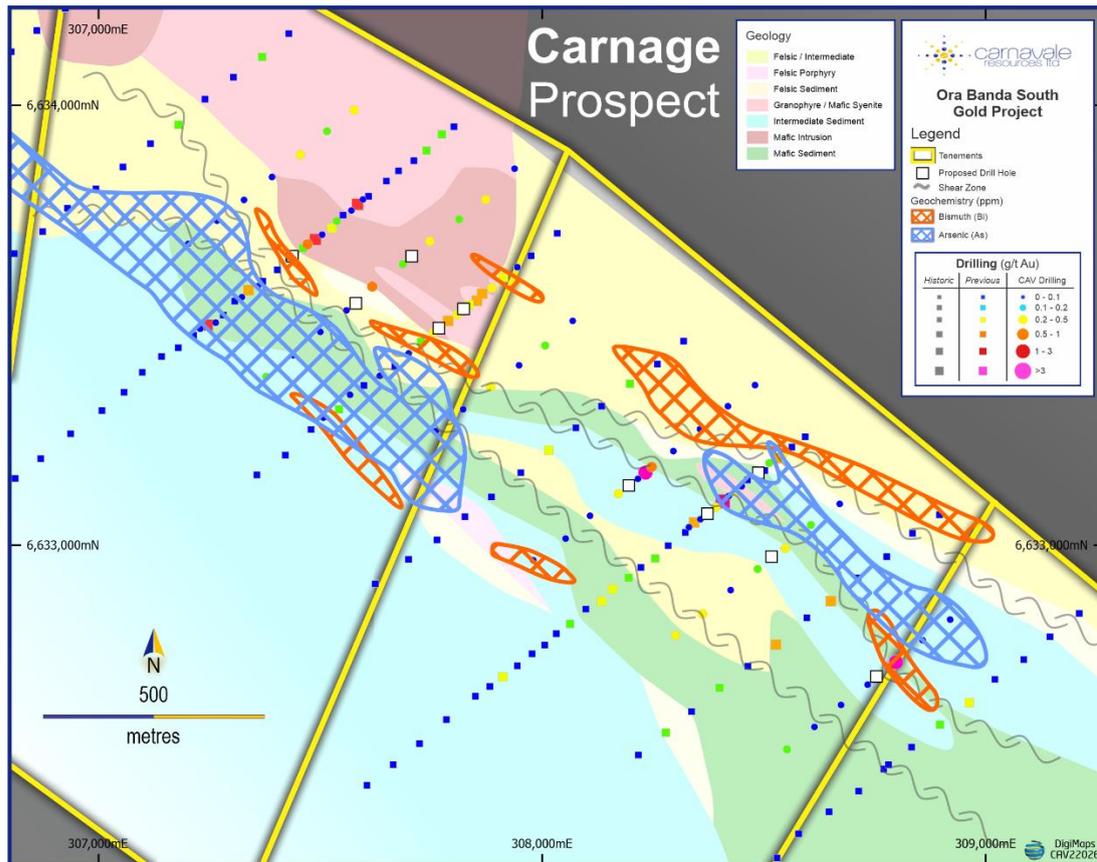


Figure 4, Interpreted geology with bottom of hole geochemistry Bismuth (red) Arsenic (grey)

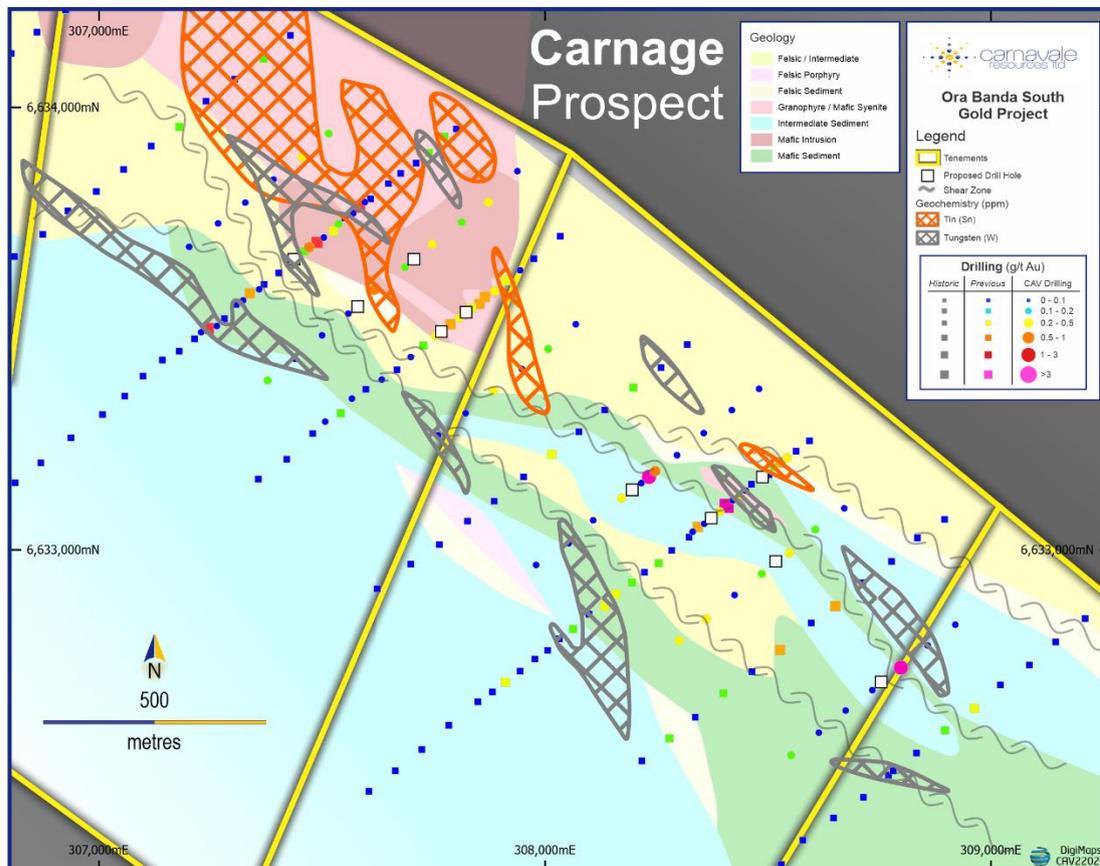


Figure 5, Interpreted geology with bottom of hole geochemistry Tin (grey) Tungsten (red)

The bottom of hole geochemistry, in bismuth and arsenic is associated with the gold mineralisation (figure 4). The bismuth appears to be related to the contact of the intrusion and the shear structures associated with the major gold anomalism, the arsenic profile aligns with the gold and the sediment package close to the Carnegie Shear structure.

The tin anomalism is associated with the main shear structures adjacent to the intrusion and also is spatially synchronous to the gold anomalism found at Carnegie (figure 5). The tungsten anomalism is more proximal to the intrusion with leakage along the shear structures that are interpreted to host the gold mineralisation.

This combination of geochemistry suggests that the differentiated felsic porphyry intrusion within the sediment system is associated with the gold mineralisation.

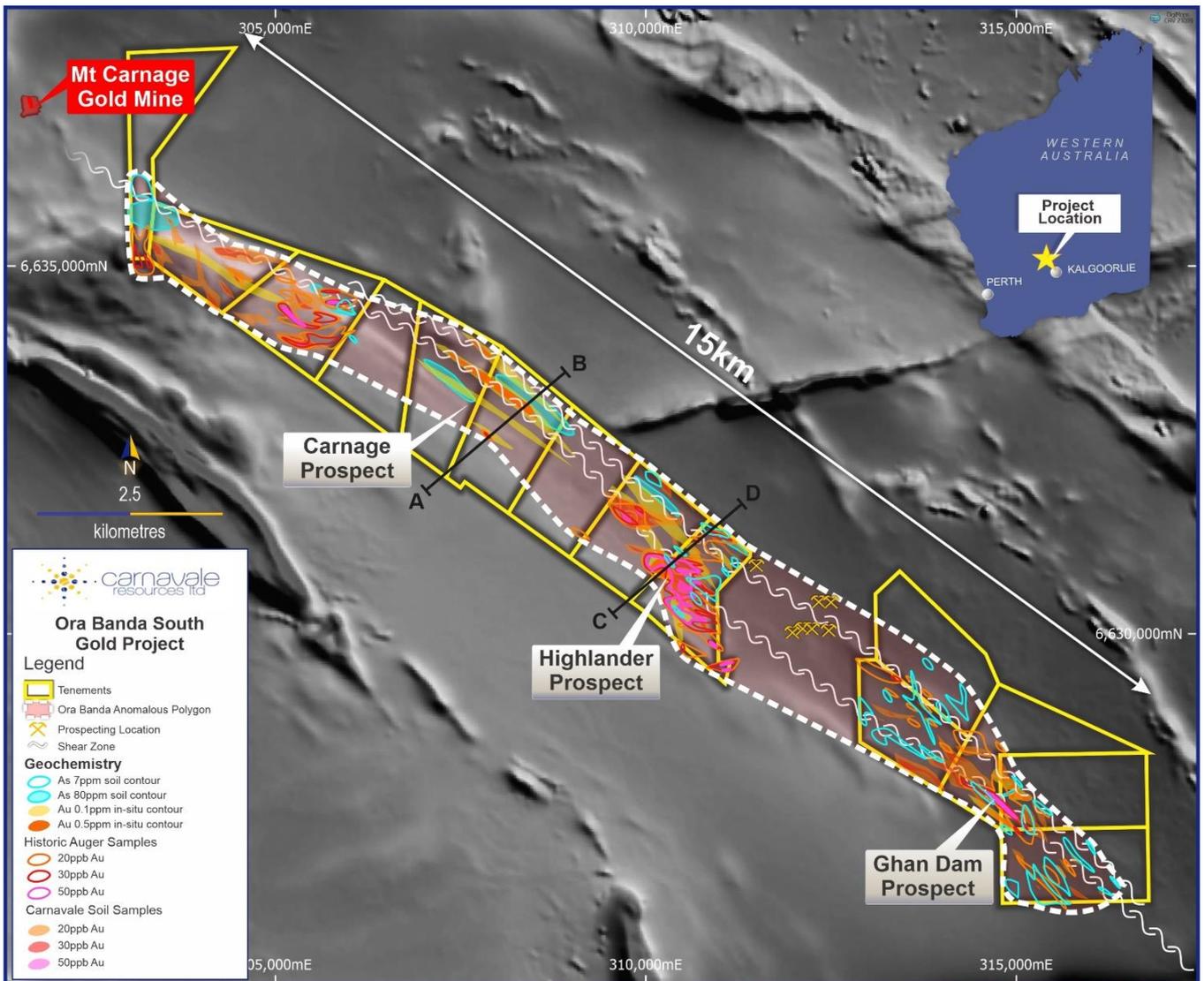


Figure 6, Location map with geochemical contours over regional aero magnetics.

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 29 September 2021

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

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

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

Exploration Update 10 August 2022

Aircore program completed at Ora Banda South Gold Project, 30 August 2022

CAV Acquires 80% of Ora Banda South Gold Project, 4 October 2022

Ora Banda South aircore delivers high-grade gold, 11 October 2022