ACN 119 450 243
Australian Securities Exchange (ASX): CAV
Frankfurt: WKN: A0MJ31

**ASX ANNOUNCEMENT** 23rd Jan 2025

# New high grade gold lode defined at Tiptoe and depth extensions increase potential at Swiftsure

Carnavale Resources Ltd (CAV) is pleased to advise it has received final results for an extensional drilling program at the high-grade Kookynie Gold Project 60km south of Leonora and 180km north of Kalgoorlie in Western Australia.

- **Three high grade gold lodes now defined at Kookynie over a strike length of 1,500m** - Swiftsure, Swiftsure South and the newly discovered Tiptoe Lode.
- **All lodes remain open and provide scope to expand resources and potential to improve upon the previously released scoping study.**
- **Tiptoe - newly discovered defined over 200m of strike and 120m of depth, immediately north-east along strike from Swiftsure**. Mineralisation remains open with significant high grade shallow intercepts including:
  - **10m** @ **5.5g/t** from 73m (inc. **7m** @ **7.6g/t**) in MERC130
  - **5m** @ **7.5g/t** from 93m in MERC128
  - **5m** @ **4.3g/t** from 103m in MERC133
  - **2m** @ **5.0g/t** from 130m (inc. **1m** @ **9.4g/t**) in MERC129
- **Swiftsure Lode extended down dip by 150m to approximately 350m vertical depth and along strike to the southwest**. Significant new intercepts include:
  - **2m** @ **11.3g/t** from 318m and **3m** @ **37.1g/t** from 323m in MERC127
  - **2m** @ **19.3g/t** (inc. **1m** @ **37.9g/t**) from 210m in MERC125
  - **0.8m** @ **28.9g/t** from 314.6m in MEPC010
  - **4m** @ **5.4g/t (inc. 1.1m** @ **14.4g/t)** from 382m in MEPC014
  - **3m** @ **5.2 g/t (inc. 0.7m** @ **19.3g/t)** from 361m MEPC015
  - **3m** @ **5.1g/t** from 352m MEPC013
  - **3m** @ **3.5g/t (inc. 1m** @ **9.0g/t)** from 304m MEPC012
- **Extensions southwest** of Swiftsure (**Swiftsure South**), not included in previous resource estimates, include:
  - **7m** @ **3.1g/t** from 146m **(inc. 1m** @ **13.3g/t)** and
  - **2m** @ **12.4g/t** from 155m (**inc. 1m** @ **23.3g/t**) in MERC121.

**CEO Humphrey Hale commented:**

"The drilling continues to discover more gold mineralisation at Kookynie with significant extensions at Swiftsure and the new Tiptoe discovery expanding the mineralised strike of these lodes to 1.2km with all lodes remaining open.

We have demonstrated that the high-grade mineralisation at Swiftsure continues at depth and is located directly below the development conceptualized in the Scoping Study (13th June 2024). This deposit, like many other smaller, shallow high-grade deposits in the district, provides a potential near term mining and toll treating opportunity in the current high gold price environment.

Accordingly, we plan to increase our resources with further drilling and carry out mining studies on the Project to optimise the economics and advance toward approvals."

## Exploration program at Kookynie

The recent reverse circulation (RC) and diamond drilling program consisted of 21 holes that included 4,798m of RC drilling with 8 diamond tails for 545m of diamond drilling. The program was directed towards:

- Swiftsure - 13 RC holes, with 8 diamond tails testing down-dip extensions to the high-grade shoots,
- Tiptoe - 6 RC holes targeted the Tiptoe prospect 200m northeast of Swiftsure, and
- Southern extensions (Swiftsure South) - 2 RC holes targeted the southern extension to the Swiftsure mineralisation.

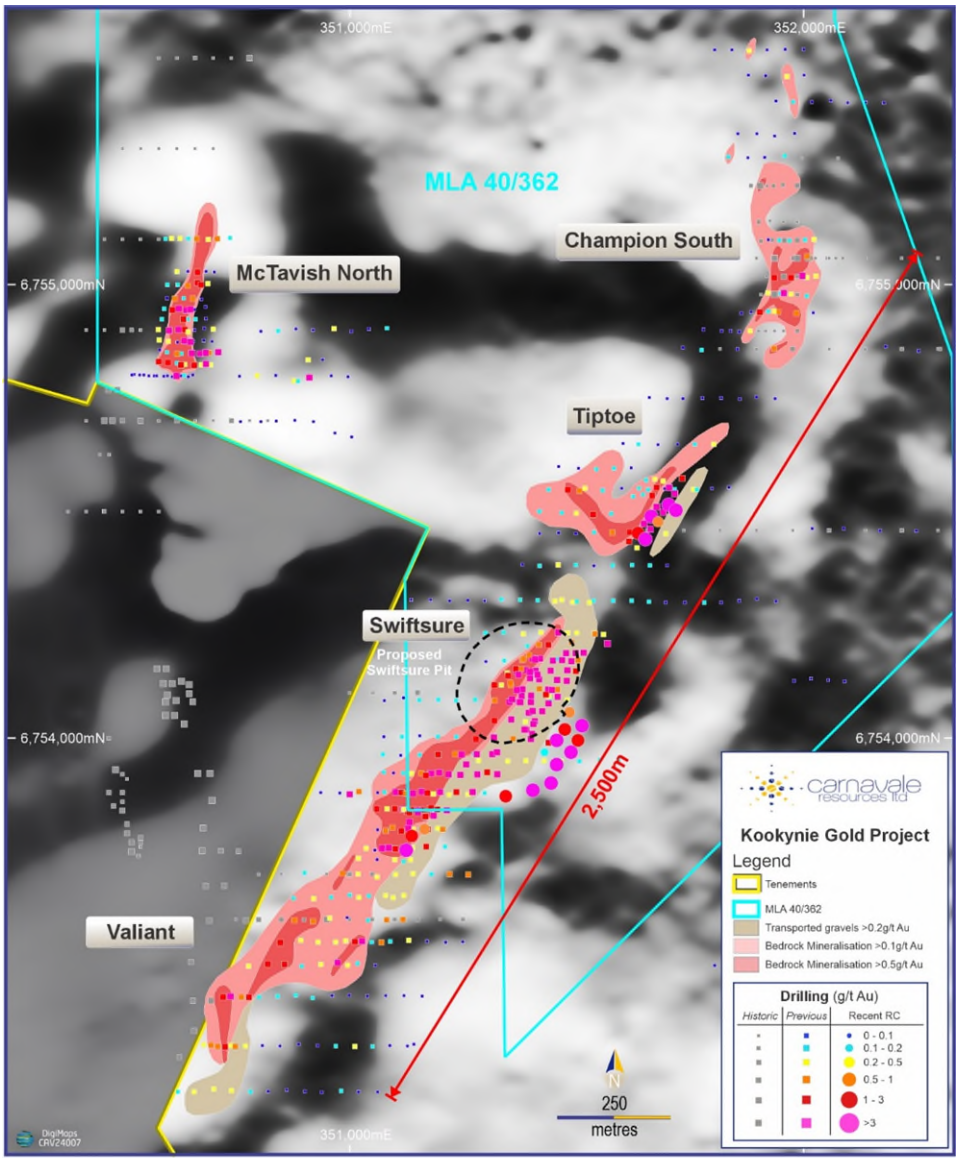


***Figure 1,*** *Plan of Kookynie Gold Project showing collar locations of recent drilling with MLA, prospect locations over aeromagnetics.*



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## Drilling down dip at Swiftsure

Carnavale has defined indicated and inferred resources at the Swiftsure deposit to approximately 200 - 250m below surface (refer ASX release 13 June 2024 – “Robust Maiden Resource and Positive Scoping Study for Kookynie”). The current extensional exploration drilling program confirms high-grade zones continue below the current resource zone from to +350m below surface.

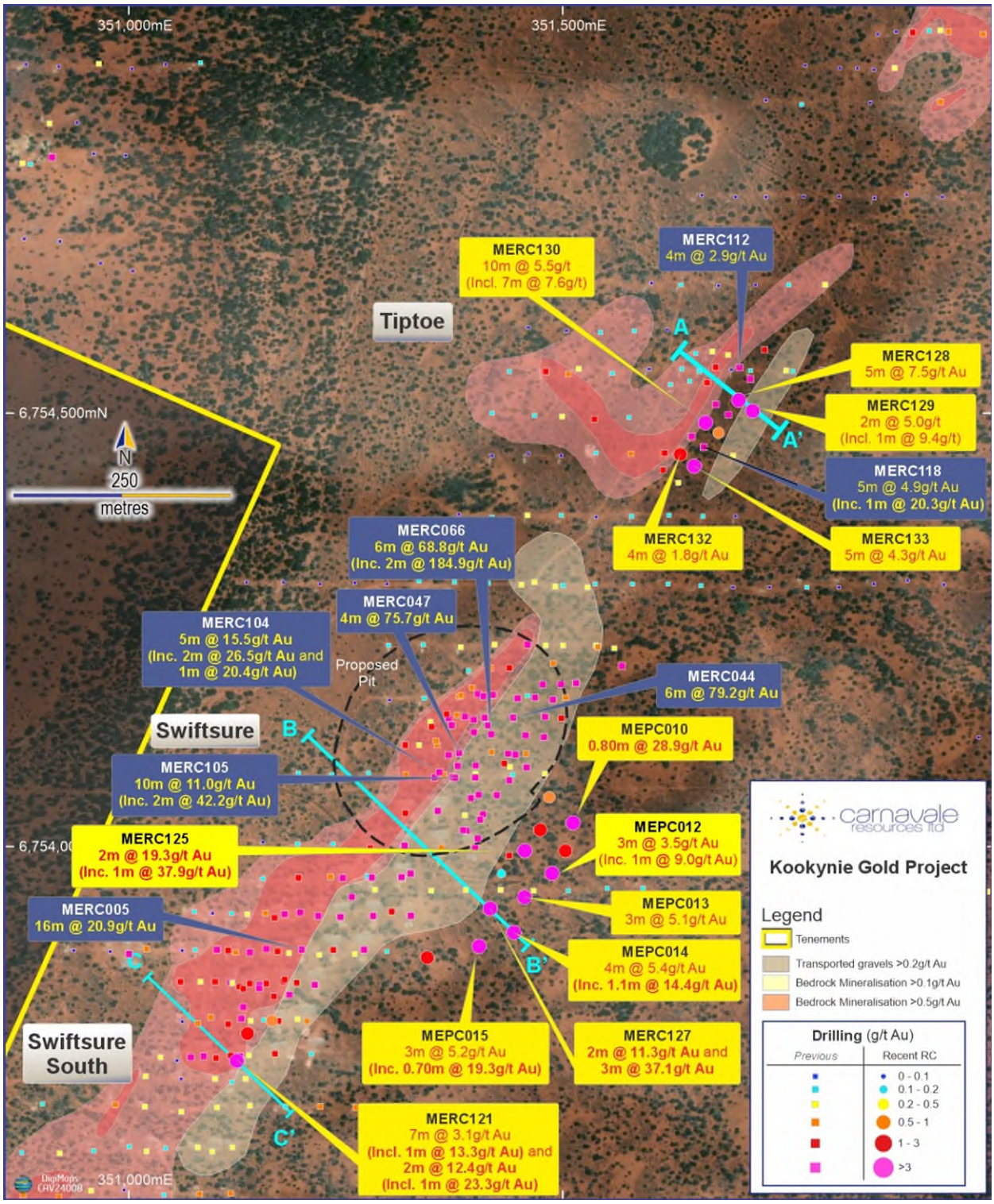


**Figure 2,** *Plan of RC and Diamond drilling collar locations over aerial photography with contoured grade projected to surface and conceptual Pit 9 (Latest drilling in yellow callouts. Previous drilling in blue callouts)*



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Drilling has extended the high-grade structures at Swiftsure 150m down dip and 100+m of strike. Significant intercepts include:

- **2m @ 11.3g/t** from 318m and **3m @ 37.1g/t** from 323m in MERC127
- **2m @ 19.3g/t** (inc. **1m @ 37.90g/t**) from 210m in MERC125
- **0.8m @ 28.9g/t** from 314.6m in MEPC010
- **4m @ 5.4g/t (inc. 1.1m @ 14.4g/t)** from 382m in MEPC014
- **3m @ 5.2 g/t (inc. 0.7m @ 19.3g/t)** from 361m MEPC015
- **3m @ 5.1g/t** from 352m MEPC013
- **3m @ 3.5g/t (inc. 1m @ 9.0g/t)** from 304m MEPC012

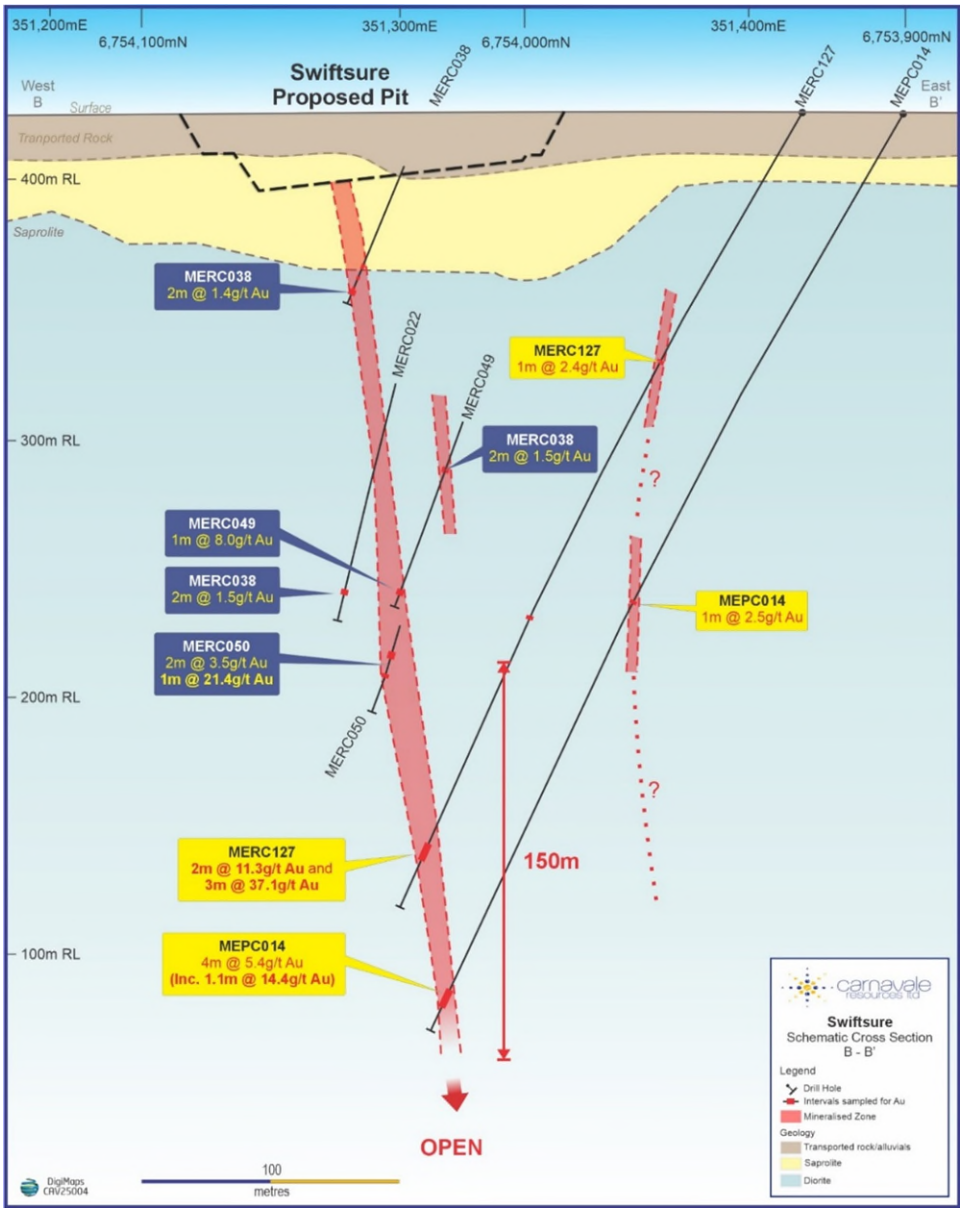


**Figure 3**, *Section B – B' through Swiftsure Lode Showing 150m depth extension with Scoping Study Pit 9 Latest drilling in yellow callouts. Previous drilling in blue callouts*



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The exploration drilling was wide spaced at 40x40m and intersected high-grade gold beneath the conceptualized underground development that was published in the June 2024 Scoping Study. This demonstrates the high-grade Swiftsure mineralisation is part of a large system that remains open at depth and along strike. Further drilling in the area will be on a 20 x 20m pattern to identify areas of dilation that will provide additional width and ounces to the high-grade zones.

Mineralisation at Swiftsure is located in quartz veins associated with pyrrhotite and pyrite with sericite alteration in the sheared wallrock. Scheelite has also been observed proximal to the mineralisation. The contact between the quartz diorite and the fine-grained dolerite appears to provide the best location for high grade mineralisation.

## Exploration drilling Tiptoe Prospect

Tiptoe represents a newly discovered lode, defined over 200m of strike and 120m of depth, that is located immediately north-east along strike from the Swiftsure Lode that hosts bonanza grade gold. Mineralisation at Tiptoe remains open along strike and at depth. Carnavale initially identified Tiptoe as a structural target under alluvial cover hosted on the main mineralising structure that hosts Swiftsure, Champion South and Valiant. This structure has a strike length of +2.5km.

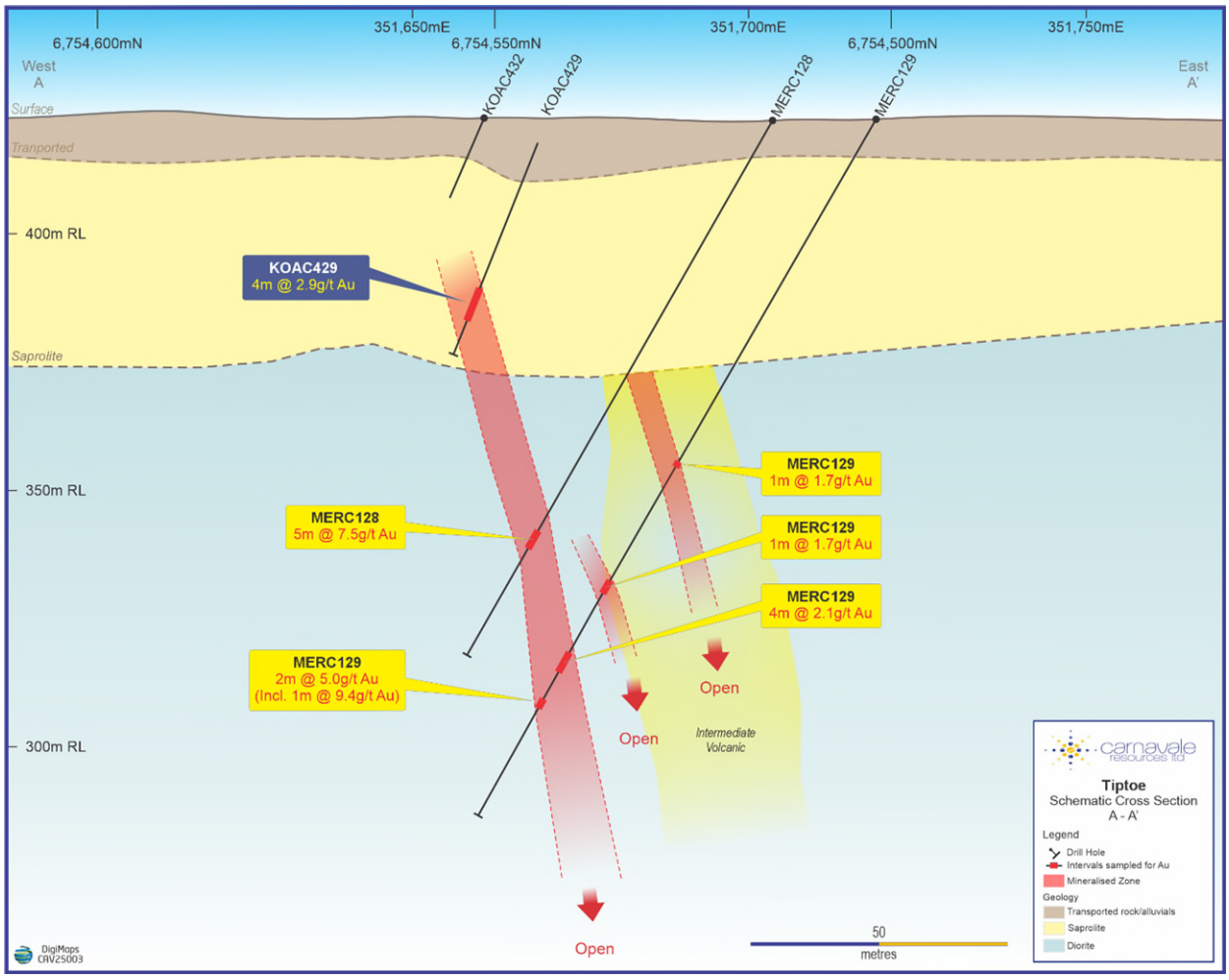


**Figure 4**, *Section A – A' through Tiptoe deposit showing morphology of the structure and geology. Latest drilling in yellow callouts. Previous drilling in blue callouts*



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The recent drilling program comprised 6 shallow RC holes for 756m into the Tiptoe Prospect chasing high grade mineralisation in fresh rock below strong regolith anomalies. Significant high grade shallow intercepts including:

- **10m @ 5.5g/t** from 73m (**inc. 7m @ 7.6g/t)** in MERC130
- **5m @ 7.5g/t** from 93m in MERC128
- **5m @ 4.3g/t** from 103m in MERC133
- **2m @ 5.0g/t** from 130m **(inc. 1m @ 9.4g/t)** in MERC129

Previous significant results at Tiptoe include:

- **5m @ 4.9g/t** Au from 87m in MERC118 **(inc. 1m @ 20.3g/t*)**
- **4m @ 2.9g/t** Au from 80m in MERC112
- **3m @ 3.1g/t** Au from 97m in MERC114

Mineralisation encountered at Tiptoe has the same quartz, disseminated sulphides and free gold mineral assemblage as the high-grade zones within the Swiftsure lode and could represent a repeat of this style of mineralisation. **Tiptoe has not been included in the mineral resource estimate and represents an opportunity to add ounces to the resource at the Kookynie Project**.

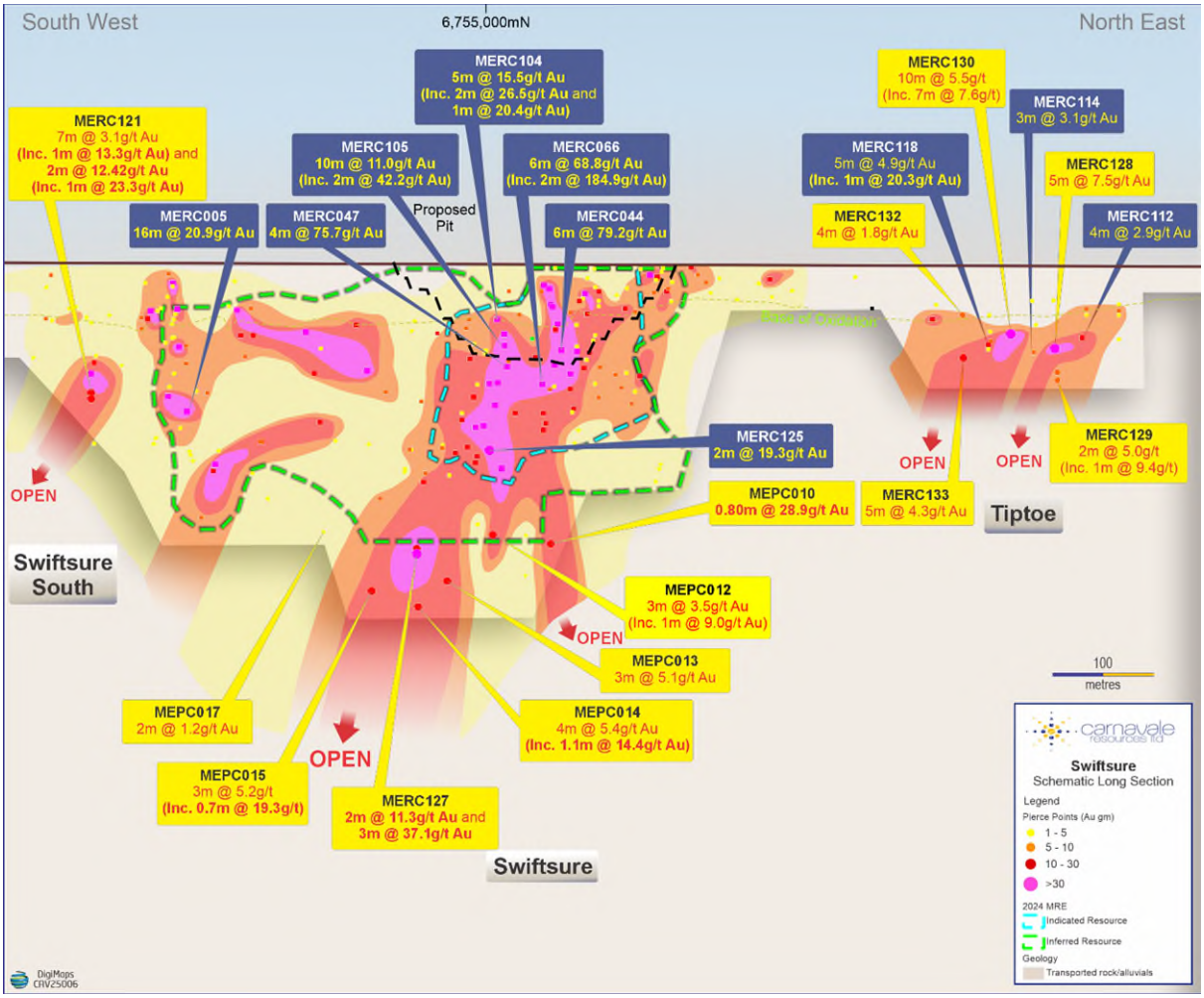


**Figure 5**, *Long section through Swiftsure and Tiptoe showing contoured grade resource outlines and limit of drilling with conceptual Pit 9. Latest drilling in yellow callouts.*

The cross section at Tiptoe (Figure 4) shows the shallow mineralised zone and depth extent into fresh rock to 120m and remains open along strike and down dip.



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## Exploration drilling South of Swiftsure

Two shallow RC drill holes for 316m were completed to extend and support mineralisation identified south of the Swiftsure deposit that was not included in the mineral resource estimate. The recent drilling has extended the mineralisation down dip by 30m. This lode lies southwest of the Swiftsure lode along the main mineralising structure and remains open down dip and along strike. This new zone represents the potential for a repeat of the Swiftsure lode. Significant intercepts include:

- **7m @ 3.1g/t** from 146m **(inc. 1m @ 13.3g/t)** and
- **2m @ 12.4g/t** from 155m **(inc. 1m @ 23.3g/t)** in MERC121**.**

Previous intercepts include:

- **4m @ 6.4g/t** from 114m **(inc. 1m @ 23.3g/t)** and
- **4m @ 12.9g/t** from 126m **(inc. 1m @ 34.2g/t**) in MERC009

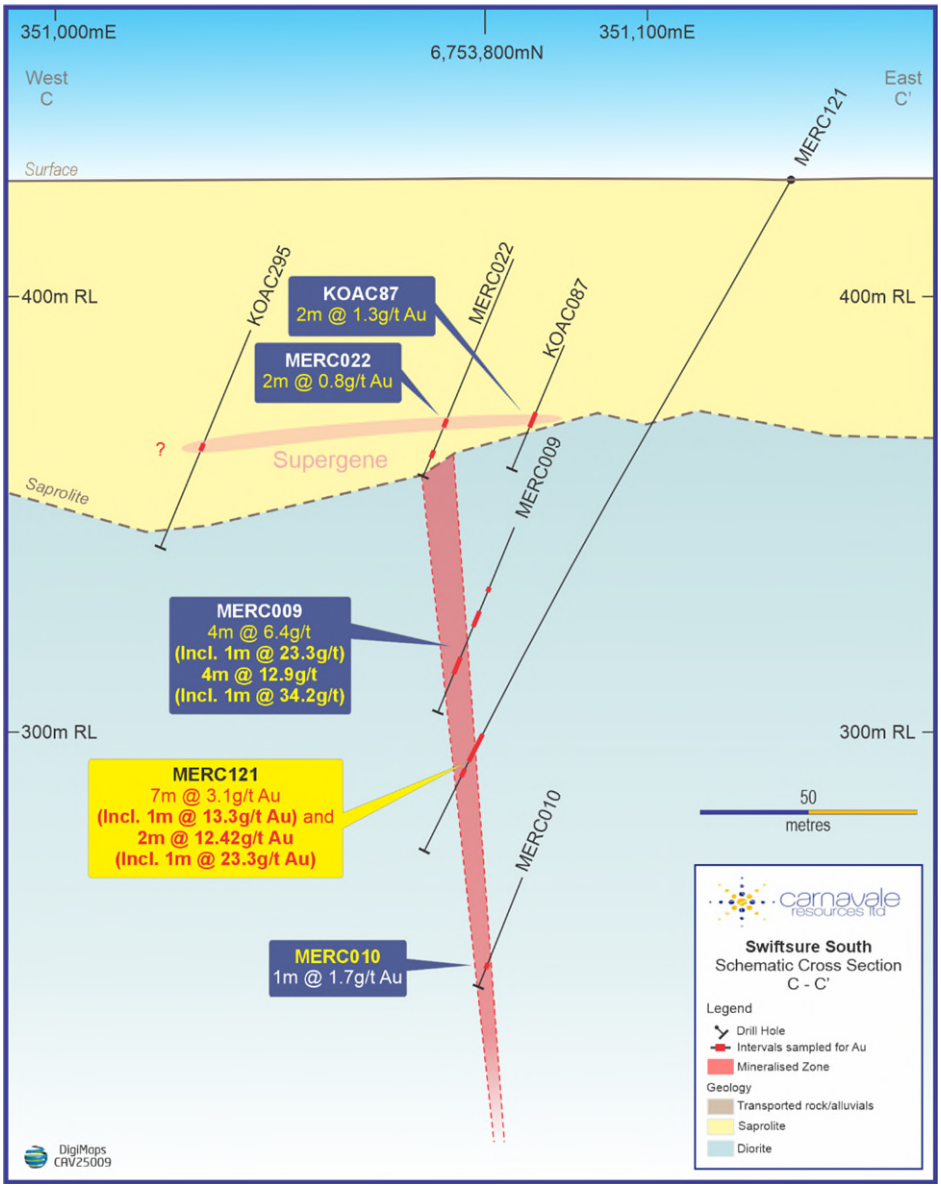


**Figure 6**, *Section C- C' south of Swiftsure showing MERC121and MERC009 Latest drilling in yellow callouts. Previous drilling in blue callouts*



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## Tenement scale structure

The major mineralising structure strikes northeast southwest and hosts mineralisation at Swiftsure with the new prospects of Tiptoe and Valiant, including Champion South, along strike.

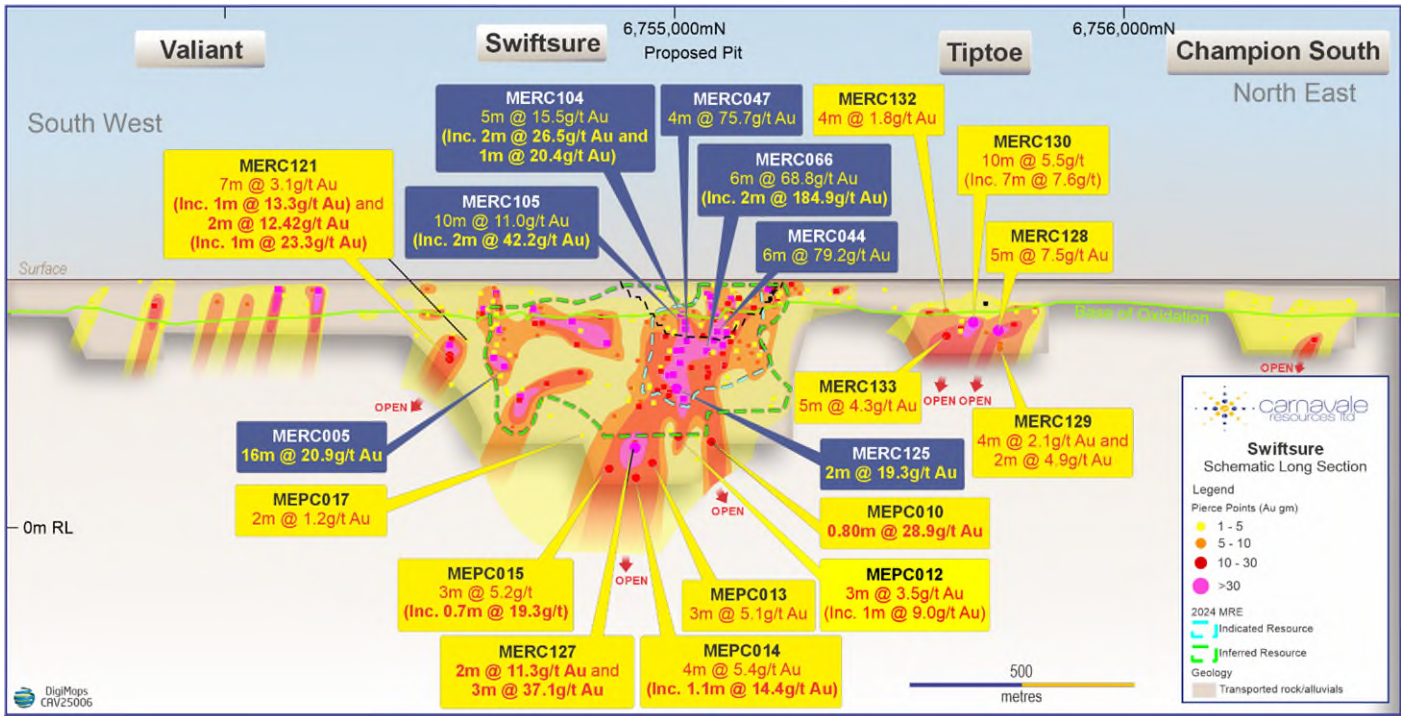


**Figure 7**, *Tenement scale long section with Valiant, Swiftsure, Tiptoe and Champion South prospects with contoured grade resource outlines and limit of drilling with conceptual Pit 9. Latest drilling in yellow callouts. Previous drilling in blue callouts*

The morphology of this major structure changes along its length with variable dips to the East and the potential to split into parallel structures as the major structure interacts with the bedrock geology and associated north northwest striking structures. This variation in the major structure provides the geometry for bonanza grade gold zones as steeply dipping shoots in fresh rock.

Drilling at depth has shown indications of the proximity of a granite intrusion to mineralisation. The high-grade gold mineralisation has associations with tungsten and bismuth in scheelite as well as quartz, gold and carbonate. This would suggest a magmatic origin for the gold bearing fluids.

The presence of a granite intrusion and the interaction of the main mineralising structure that hosts the Kookynie Gold project provides an exciting exploration target at depth. It has been seen in the region that the Puzzle granite provides a favourable host to mineralisation within brittle fractures that produce wider gold intersections. CAV intends to undertake a gravity survey over the local area to investigate the location of the granite at depth close to Swiftsure.

CAV is excited about the exploration upside and expects to discover further high-grade gold shoots at depth and along strike. **All of the prospects discovered so far remain open along strike and at depth with additional exploration targets that remain untested, including the new conceptual granite target at depth**. These areas of potential resource growth are expected to add significant value to the economics of the Kookynie Gold Project.



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## About the Scoping Study

The Company published a maiden resource estimate (MRE) and initial Scoping Study in June 2024 for the Swiftsure deposit at the Kookynie Gold Project. The Scoping Study used a gold price of AU$3,500/oz to evaluate the economics. The current gold price is in excess of AU$4,300/oz. Carnavale continues to add ounces to the project through discovery and extension of existing lodes. As a result of this exploration success CAV continues to evaluate the mine plan at Kookynie to enhance the economics through the addition of resource ounces and revised mine planning.

This report contains references to Carnavale's JORC mineral resources, extracted from the ASX announcement titled "Robust Maiden Resource and Positive Scoping Study for Kookynie" dated 13th June 2024. Summary details for the resource include:

- Initial Swiftsure MRE of **457kt @ 5.8g/t for 85koz** Au at mineable cutoff grades.
- MRE includes bonanza **"ounce dirt" gold zone** containing approx. **53koz @ 31.2g/t** Au.
- MRE only includes drilling at the Swiftsure deposit and remains open at depth and along strike.

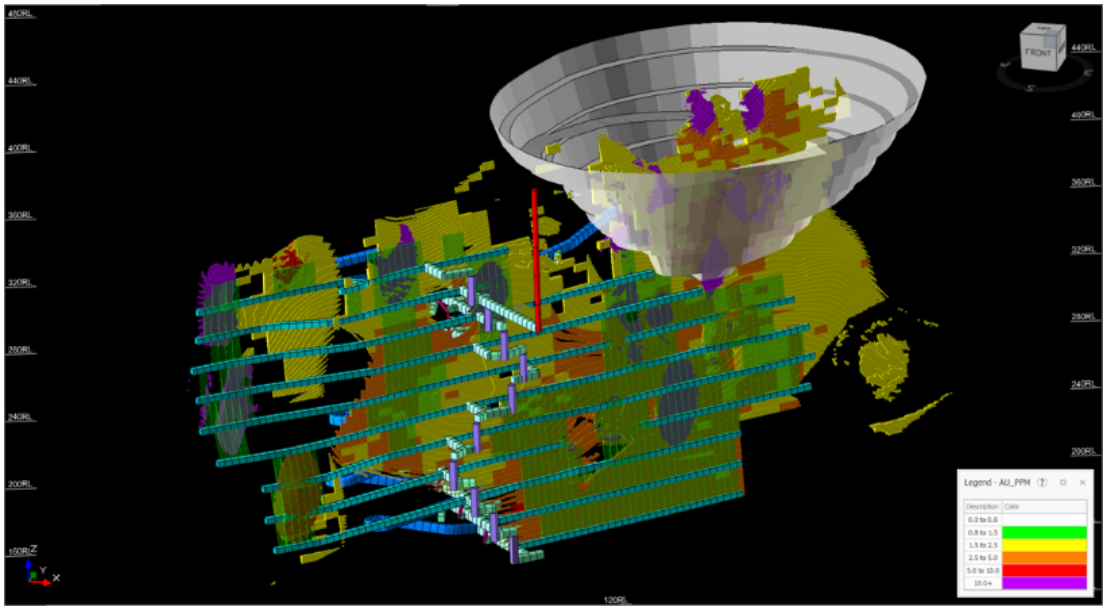

**Figure 8,** *Proposed Scoping study development showing high grade plunging shoots in purple.*

A highly positive Scoping Study (Study) was released for the Swiftsure deposit that included open pit and underground development. The Study has robust financials and a competitive cost profile utilising conservative mining parameters and current cost assumptions. Summary details include:

- Net Present Value (pre-tax NPV[8]) of approximately **A$91m with an IRR of 192%** at Au$3,500/oz.
- Initial mine production target inc. mine dilution of approx. **421kt @ 4.6g/t for 62koz Au.**
- Undiscounted Cashflow of approximately **A$105m**
- Pre-production Capital of approximately **$3m with** maximum drawdown in the order of **$12.9m**
- Payback of Capital in **month 14** of operations.



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

**For further information contact:**

**Humphrey Hale – CEO**

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**Table 1:** *JORC Resources of Swiftsure deposit at the Kookynie Gold Project*

| Classification | kTonnes | Au ppm | Au k Ounces |
|---|---|---|---|
| **Measured** | | | |
| **Indicated** | 221.7 | 7.40 | 52.7 |
| **Inferred** | 235.5 | 4.28 | 32.4 |
| **Total** | **457.1** | **5.79** | **85.1** |

**Note 1**: This Announcement contains references to Carnavale's JORC mineral resources, extracted from the ASX announcement titled "Robust Maiden Resource and Positive Scoping Study for Kookynie" dated 13th June 2024.

| Location | CoG | Class | VOLUME | TONNES | DENSITY | AU_PPM | Au Oz |
|---|---|---|---|---|---|---|---|
| O/C | 0.8 | Ind | 50,340 | 132,466 | 2.63 | 8.35 | 35,553 |
| O/C | 0.8 | Inf | 4,662 | 11,654 | 2.50 | 1.76 | 659 |
| **O/C** | **0.8** | **All** | **55,002** | **144,120** | **2.62** | **7.81** | **36,211** |
| U/G | 1.5 | Ind | 33,047 | 89,218 | 2.70 | 5.99 | 17,177 |
| U/G | 1.5 | Inf | 83,337 | 223,803 | 2.69 | 4.41 | 31,744 |
| **U/G** | **1.5** | **All** | **116,384** | **313,021** | **2.69** | **4.86** | **48,921** |
| Both | | Ind | 83,387 | 221,684 | 2.66 | 7.40 | 52,730 |
| Both | | Inf | 87,998 | 235,457 | 2.68 | 4.28 | 32,402 |
| **Both** | | **All** | **171,385** | **457,141** | **2.67** | **5.79** | **85,132** |

A lower Au cut-off grade of 0.8 g/t is used for material within the optimised pit shell, and 1.5 g/t Au for material below the pit shell. These figures broken down by open cut or underground location.



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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.*

*The information in this announcement that relates to Estimation and Reporting of Mineral Resources at the Kookynie Gold Project is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Job consents to the inclusion in the report of the matters based on the 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.*

**No New Information**

*With reference to previously reported Exploration results and Minerals resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case off estimates of mineral resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.*

*The Company confirms that all material assumptions underpinning the Production Targets, or the forecast information derived from the Production Targets, included in the original ASX announcement dated 13 June 2024 continue to apply and have not materially changed.*

*The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original reports.*



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## ***Information relating to Previous Disclosure***

Information relating to Exploration Results and Mineral Resources associated with previous disclosures relating to the Grey Dam Project, Ora Banda South Project and the Kookynie Gold Project in this announcement has been extracted from the following ASX announcements:

*Carnavale acquires a High-Grade Gold Project - Kookynie, 4 August 2020*
*Carnavale secures additional ground at Kookynie Gold Project, 14 September 2020*
*Strategic Acquisition and Intensive Exploration to commence at Kookynie High-Grade Gold Project, 22 Oct 2020*
*Kookynie Exploration update, 9 November 2020*
*Kookynie Gold Project – Aircore Drilling commenced, 1 Dec 2020*
*Kookynie Gold Project – Drilling update, 17 Dec 2020*
*Kookynie Gold Project – Aircore drilling success, 9 Feb 2021*
*Kookynie Gold Project – Second phase of Aircore Drilling commenced 3 March 2021*
*High grade Gold discovered at Kookynie Gold Project, 19 April 2021*
*Kookynie Gold Project – Aircore continues at Kookynie targeting high-grade gold, 11 May 2021*
*Kookynie Gold Project – Phase 3 aircore drilling at Kookynie Gold Project complete, 28 May 2021*
*Kookynie Gold Project delivers Bonanza Gold grades, 15 July 2021*
*CAV Acquires 80% of Kookynie Gold Project, 26 July 2021*
*RC drilling commenced at the high-grade Kookynie Gold Project, 28 October 2021*
*Initial RC drilling completed at the Kookynie Gold Project, 16 Nov 2021*
*RC drilling intersects Bonanza Gold at Kookynie Gold Project, 17 Jan 2022*
*Kookynie Delivers Further High-Grade Gold Results and Expands Potential, 31 Jan 2022*
*Kookynie RC drilling recommences at McTavish East targeting high grade gold extensions, 29 March 2022*
*Aircore to test 1km prospective structure at high grade Kookynie Gold Project completed, 20 June 2022*
*Diamond drilling commenced at Kookynie,15 July 2022*
*New high-grade gold discovery at Kookynie Gold Project. 1 August 2022*
*Exciting new zones discovered along high-grade corridor at Kookynie Gold Project, 8 September 2022*
*Diamond drilling extends down dip extensions to high-grade gold zone at Kookynie, 18 October 2022*
*New high-grade gold discovery at Kookynie Gold Project. 1 August 2022*
*Exciting new zones discovered along high-grade corridor at Kookynie Gold Project, 8 September 2022*
*Diamond drilling extends down dip extensions to high-grade gold zone at Kookynie, 18 October 2022*
*RC drilling testing high-grade aircore results at Kookynie, 23 May 2023*
*Bumper grades in RC drilling at Kookynie Gold Project, 5 July 2023*
*RC drilling chasing extensions to bumper high-grade gold at Kookynie, 14 Aug 2023*
*RC drilling chasing extensions high-grade gold at Kookynie completed, 12 Sept 2023*
*Initial metallurgical test work demonstrates outstanding recoveries, 19 Sept 2023*
*Outstanding high-grade gold results continue to flow from the Kookynie Gold Project, 30 Oct 2023*
*Carnavale Divests Non-Core Grey Dam asset as it maintains WA gold focus, 19 Dec 2023*
*RC and Diamond Drilling program completed at Kookynie, 20 Dec 2023*
*Drilling continues as Kookynie delivers further outstanding gold results 19 Feb 2024*
*New shallow high-grade gold discovery at Kookynie, 2 April 2024*
*Kookynie aircore discovers new gold zones and extends Tiptoe footprint, 20th May 2024*
*Robust Maiden Resource and Positive Scoping Study for Kookynie, 13th June 2024*
*Outstanding Metallurgical testwork results for Kookynie Gold Project, 5th August 2024*
*Drilling program started at Swiftsure within the Kookynie Gold Project targeting bonanza gold grades down-dip, 21st October 2024*
*Drilling completed at Swiftsure within the Kookynie Gold Project, 15th November 2024*


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## Appendix 1
## Significant intercepts

*(Greater than 0.5g/t with no included waste). NSR No Significant result*

| Hole ID | Depth From m | Width m | Au g/t | Intercept |
|---|---|---|---|---|
| MEPC010 | 314.6 | 0.8 | 28.9 | 0.8m @ 28.9g/t Au |
| MEPC011 | 220 | 1 | 0.56 | 1.0m @ 0.6g/t Au |
| | 242 | 1 | 1.61 | 1.0m @ 1.6g/t Au |
| | 347.29 | 0.71 | 1.58 | 0.7m @ 1.6g/t Au |
| MEPC012 | 198 | 1 | 5.93 | 1.0m @ 5.9g/t Au |
| | 245 | 1 | 0.84 | 1.0m @ 0.8g/t Au |
| | 259 | 1 | 0.59 | 1.0m @ 0.6g/t Au |
| | 274 | 1 | 0.61 | 1.0m @ 0.6g/t Au |
| | 304 | 3 | 3.52 | 3.0m @ 3.52g/t Au (inc. 1m @ 9.0g/t from 304m) |
| | 350 | 1.4 | 0.99 | 1.4m @ 1.0g/t Au |
| | 352.75 | 0.48 | 0.59 | 0.5m @ 0.6g/t Au |
| MEPC013 | 352 | 3 | 5.08 | 3.0m @ 5.1g/t Au |
| | 356.66 | 1.34 | 0.71 | 1.3m @ 0.7g/t Au |
| MEPC014 | 93 | 1 | 0.61 | 1.0m @ 0.6g/t Au |
| | 215 | 1 | 2.5 | 1.0m @ 2.5g/t Au |
| | 335 | 1 | 2.54 | 1.0m @ 2.5g/t Au |
| | 382 | 4 | 5.4 | 4.0m @ 5.4g/t Au (inc. 1.1m @ 14.4g/t from 383.8m) |
| MEPC015 | 292 | 1 | 3.08 | 1.0m @ 3.1g/t Au |
| | 361 | 3 | 5.22 | 3.0m @ 5.2g/t Au (inc. 0.7m @ 19.3g/t from 361m) |
| MEPC016 | 63 | 2 | 1.61 | 2.0m @ 1.6g/t Au |
| | 91 | 1 | 1.17 | 1.0m @ 1.2g/t Au |
| | 119 | 2 | 1.02 | 2.0m @ 1.0g/t Au |
| | 129 | 1 | 0.56 | 1.0m @ 0.6g/t Au |
| MEPC017 | 300.86 | 1.99 | 1.27 | 2.0m @ 1.3g/t Au |
| MERC121 | 146 | 7 | 3.07 | 7.0m @ 3.1g/t Au (inc. 1m @ 13.3g/t) |
| | 155 | 2 | 12.42 | 2.0m @ 12.4g/t Au (inc. 1m @ 23.3g/t) |
| MERC122 | 29 | 1 | 0.79 | 1.0m @ 0.8g/t Au |
| | 71 | 1 | 0.76 | 1.0m @ 0.8g/t Au |
| MERC123 | 243 | 1 | 0.59 | 1.0m @ 0.6g/t Au |
| MERC124 | 276 | 1 | 1.87 | 1.0m @ 1.9g/t Au |
| | 299 | 3 | 0.99 | 3.0m @ 1.0g/t Au |
| | 305 | 1 | 0.62 | 1.0m @ 0.6g/t Au |
| MERC125 | 160 | 2 | 0.88 | 2.0m @ 0.9g/t Au |
| | 202 | 1 | 1.2 | 1.0m @ 1.2g/t Au |
| | 210 | 2 | 19.34 | 2.0m @ 19.3g/t Au (inc. 1m @ 37.9g/t from 210m) |
| | 233 | 1 | 0.64 | 1.0m @ 0.6g/t Au |
| | 290 | 1 | 2.03 | 1.0m @ 2.0g/t Au |
| | 298 | 2 | 1.32 | 2.0m @ 1.3g/t Au |
| MERC126 | | | | NSR |
| MERC127 | 109 | 1 | 2.4 | 1.0m @ 2.4g/t Au |
| | 222 | 1 | 0.85 | 1.0m @ 0.9g/t Au |
| | 310 | 1 | 0.51 | 1.0m @ 0.5g/t Au |



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| Hole ID | Depth From m | Width m | Au g/t | Intercept |
|---|---|---|---|---|
| | 318 | 2 | 11.31 | 2.0m @ 11.3g/t Au |
| | 323 | 3 | 37.14 | 3.0m @ 37.1g/t Au |
| MERC128 | 92 | 5 | 7.54 | 5.0m @ 7.5g/t Au |
| MERC129 | 77 | 1 | 1.74 | 1.0m @ 1.7g/t Au |
| | 81 | 1 | 0.53 | 1.0m @ 0.5g/t Au |
| | 104 | 3 | 1.07 | 3.0m @ 1.1g/t Au |
| | 120 | 4 | 2.11 | 4.0m @ 2.1g/t Au |
| | 130 | 2 | 4.96 | 2.0m @ 5.0g/t Au (inc. 1m @ 9.4g/t from 131m) |
| MERC130 | 21 | 1 | 2.44 | 1.0m @ 2.4g/t Au |
| | 53 | 1 | 0.58 | 1.0m @ 0.6g/t Au |
| | 73 | 10 | 5.5 | 10.0m @ 5.5g/t Au (inc. 7m @ 7.6g/t from 73m) |
| MERC131 | 47 | 1 | 0.98 | 1.0m @ 1.0g/t Au |
| | 106 | 1 | 0.52 | 1.0m @ 0.5g/t Au |
| | 108 | 1 | 0.81 | 1.0m @ 0.8g/t Au |
| MERC132 | 41 | 1 | 0.63 | 1.0m @ 0.6g/t Au |
| | 55 | 4 | 1.77 | 4.0m @ 1.8g/t Au |
| | 61 | 1 | 0.94 | 1.0m @ 0.9g/t Au |
| | 67 | 1 | 0.6 | 1.0m @ 0.6g/t Au |
| | 85 | 1 | 0.65 | 1.0m @ 0.7g/t Au |
| MERC133 | 103 | 5 | 4.29 | 5.0m @ 4.3g/t Au |



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***Appendix 2***
*Collar table.*

| Hole ID | Type | Depth | Grid | East | North | RL | Survey | Dip | Azim MGA |
|---|---|---|---|---|---|---|---|---|---|
| MEPC010 | DD | 339.3 | MGA94_Z51 | 351513 | 6754027 | 425 | RTK | -60.3 | 310 |
| MEPC011 | DD | 366.2 | MGA94_Z51 | 351504 | 6753995 | 425 | RTK | -60.4 | 311 |
| MEPC012 | DD | 396.1 | MGA94_Z51 | 351488 | 6753969 | 425 | RTK | -60.1 | 310 |
| MEPC013 | DD | 390.2 | MGA94_Z51 | 351457 | 6753942 | 425 | RTK | -60.3 | 310 |
| MEPC014 | DD | 399.22 | MGA94_Z51 | 351444 | 6753901 | 426 | RTK | -60.2 | 311 |
| MEPC015 | DD | 420.2 | MGA94_Z51 | 351404 | 6753885 | 426 | RTK | -60.2 | 310 |
| MEPC016 | DD | 132.2 | MGA94_Z51 | 351137 | 6753784 | 427 | RTK | -60.2 | 310 |
| MEPC017 | DD | 312.2 | MGA94_Z51 | 351344 | 6753872 | 426 | RTK | -60.7 | 308 |
| MERC121 | RC | 176 | MGA94_Z51 | 351125 | 6753753 | 427 | RTK | -60.0 | 309 |
| MERC122 | RC | 140 | MGA94_Z51 | 351165 | 6753799 | 427 | RTK | -60.0 | 309 |
| MERC123 | RC | 260 | MGA94_Z51 | 351485 | 6754057 | 425 | RTK | -60.0 | 309 |
| MERC124 | RC | 308 | MGA94_Z51 | 351475 | 6754019 | 425 | RTK | -60.0 | 309 |
| MERC125 | RC | 314 | MGA94_Z51 | 351457 | 6753995 | 425 | RTK | -60.0 | 309 |
| MERC126 | RC | 316 | MGA94_Z51 | 351430 | 6753969 | 425 | RTK | -60.0 | 309 |
| MERC127 | RC | 344 | MGA94_Z51 | 351415 | 6753927 | 426 | RTK | -60.0 | 309 |
| MERC128 | RC | 120 | MGA94_Z51 | 351703 | 6754515 | 422 | RTK | -60.0 | 309 |
| MERC129 | RC | 156 | MGA94_Z51 | 351719 | 6754502 | 422 | RTK | -60.0 | 309 |
| MERC130 | RC | 96 | MGA94_Z51 | 351665 | 6754489 | 422 | RTK | -60.0 | 309 |
| MERC131 | RC | 144 | MGA94_Z51 | 351680 | 6754477 | 422 | RTK | -60.0 | 309 |
| MERC132 | RC | 114 | MGA94_Z51 | 351636 | 6754452 | 423 | RTK | -60.0 | 309 |
| MERC133 | RC | 126 | MGA94_Z51 | 351652 | 6754439 | 423 | RTK | -60.0 | 309 |


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***APPENDIX 3 – REPORTING OF EXPLORATION RESULTS - JORC (2012) TABLE 1***
***Section 1: Sampling Techniques and Data***

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| Sampling techniques | • 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.<br>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.<br>• Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information. | • Reverse Circulation (RC) drilling rig supplied by Challenge Drilling Pty Ltd.<br>• RC Drilling was used to obtain 1m samples. 1m samples were submitted to the laboratory for analysis.<br>• RC Samples submitted for analysis weighed approx. 3kg.<br>• Sampling and analytical procedures detailed in the sub-sampling techniques and sample preparation section.<br><br>• A Diamond Drilling rig was supplied by Terra Drilling.<br>• The rig was configured for diamond drilling with wireline retrieval<br>• Drilling was used to obtain NQ2 core samples that were placed in core trays. The core was cut with a saw down the orientation line and half the core was sampled on 1m intervals subject to geology with a minimum sample size of 20cm prior to submission to the laboratory for analysis.<br>• Sampling and analytical procedures detailed in the sub-sampling techniques and sample preparation section. |
| Drilling techniques | • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). | • Face sampling RC drilling achieved hole diameter size of (5 1/2 inch).<br>• Holes were drilled at an angle of 60 degrees.<br>• NQ2 diamond drilling with wireline retrieval<br>• Holes were pre-collared by RC drilling at a nominal angle of 60 degrees.<br>• Diamond holes were surveyed by Gyro. |
| Drill sample recovery | • Method of recording and assessing core and chip sample recoveries and results assessed.<br>• Measures taken to maximise sample recovery and ensure representative nature of the samples.<br>• 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. | • Sample recovery size and sample conditions (dry, wet, moist) were recorded.<br>• Drilling with care (e.g. clearing hole at start of rod, regular cyclone cleaning) if water encountered to reduce incidence of wet samples.<br>• Drilling with care (to ensure complete core recovery) |
| Logging | • Whether core and chip samples have been geologically and | • Logging carried out by inspection of washed cuttings at time of drilling. A |


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| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| | geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.<br>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.<br>• The total length and percentage of the relevant intersections logged. | representative sample was collected in plastic chip trays for future reference.<br><br>• Logging carried out by inspection of Drill core at time of drilling. Core was orientated and collected in core trays.<br>• All of the core was photographed, and SG measurements were taken to establish density. |
| Sub-sampling techniques and sample preparation | • If core, whether cut or sawn and whether quarter, half or all core taken.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.<br>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.<br>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.<br>• 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.<br>• Whether sample sizes are appropriate to the grain size of the material being sampled. | • 1m samples were collected in pre-numbered calico bags. Samples weighed between approximately 2.5 - 3 kg. 1m samples collected in poly weave bags for dispatch to assay laboratory.<br>• The core was cut down the orientation line with an automated core saw.<br>• Sampling was done on 1m samples varied for geological contacts and mineralisation with a minimum sample length of 20cm.<br>• Samples are dried (nominal 110 degrees C), crushed and pulverized to produce a homogenous representative sub-sample for analysis. All samples are pulverised utilising ALS preparation techniques CR-21, PUL-23. A grind quality target of 85% passing 75µm has been established and is relative to sample size, type and hardness.<br>• The sample size and sample preparation prior to analysis are considered to be appropriate for the expected mineralisation. |
| Quality of assay data and laboratory tests | • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.<br>• 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.<br>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | • Samples were collected at ALS, Kalgoorlie. The samples were transported to the ALS facility in Perth by courier. Following the sample preparation outlined in the previous section above, samples were analysed by ALS using 4-Acid Digest & Assay [ME-MS61] plus a specific assay for Gold [Au-AA24 and Au-GRA22 for assays above 10g/t] by ALS.<br>• Gold intercepts are calculated with a 0.5g/t Au lower cut, no upper cut and no internal dilution.<br>• In addition to the Quality control process and internal laboratory checks Carnavale inserted standards and blanks at a rate of 1 to 20 samples. Standards were selected based on oxidation and grade relevant to the expected mineralisation. This process of QA/QC demonstrated acceptable levels of accuracy. |



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| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| Verification of sampling and assaying | • The verification of significant intersections by either independent or alternative company personnel.<br>• The use of twinned holes.<br>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.<br>• Discuss any adjustment to assay data. | • A review of the assay data against the logged information by the field technician and geologist has been completed to verify intercepts.<br>• Internal laboratory standards are completed as a matter of course as well as introduced blind standards/CRM by the Company.<br>• Sample data was captured in the field and data entry completed. Sample data was then loaded into the Company's database and validation checks completed to ensure data accuracy.<br>• No twinned holes have been completed at this stage.<br>• No adjustments have been made to the assay data. |
| Location of data points | • 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.<br>• Specification of the grid system used.<br>• Quality and adequacy of topographic control. | • Drill holes were surveyed using Topcon Hyper II GNSS base/rover kit (Easting and Northing values) of +-2cm.<br>• Grid System – MGA94 Zone 51. |
| Data spacing and distribution | • Data spacing for reporting of Exploration Results.<br>• 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.<br>• Whether sample compositing has been applied. | • Holes were drilled to target structural features identified in aeromagnetic survey and geochemical anomalies identified by previous aircore drilling. Holes were located accurately by Handheld GPS.<br>• No mineral classification is applied to the results at this stage.<br>• RC Samples were collected on 1m intervals from a rig mounted cone splitter |
| Orientation of data in relation to geological structure | • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.<br>• 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. | • No bias has been introduced from the sampling technique. Drilling has been designed to target the stratigraphy normal to bedding.<br>• Drilling data appears to locate the strike and approximate dip of structures. No direct structural measurements have been taken. |
| Sample security | • The measures taken to ensure sample security. | • Samples were securely stored in the field and transported to the laboratory by an authorised company representative or an authorised transport agency. |
| Audits or reviews | • The results of any audits or reviews of sampling techniques and data. | • No audits or reviews completed. |



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### *Section 2: Reporting of Exploration Results*

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| Mineral tenement and land tenure status | • 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.<br>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | • The Tenement package includes 4 granted exploration tenements (E40/355, P40/1480, P40/1380, and P40/1381).<br>• Carnavale (80%) has entered into a joint venture with Western Resources Pty Ltd (20%) on tenements E40/355 P40/1380 and. P40/1381 commencing after exercising an option agreement with Western Resources Pty Ltd. Western Resources Pty Ltd is free carried until completion of a Bankable Feasibility Study.<br>• Carnavale owns 100% of P40/1480<br>• A Program of Works was approved by DMIRS for exploration work in the area.<br>• The Nyalpa Pirniku people have had their native title claim confirmed. A heritage survey has been completed with no sites of significance identified. |
| Exploration done by other parties | • Acknowledgment and appraisal of exploration by other parties. | • Previous Exploration across the project area was limited to historic prospecting and small-scale mining with limited RAB/aircore drilling on wide spaced lines and only 2 RC holes drilled.<br>• The deepest historic hole was 108m downhole.<br>• Two historic programs of drilling were completed on E40/355, one in 2001 by Diamond Ventures NL in JV with Kookynie Resources NL which consisted of 41 aircore holes, plus 4 RAB holes and 2 RC holes.<br>• The second, earlier program was in 1997 by Consolidated Gold Ltd which consisted of 85 RAB holes and 50 aircore holes.<br>• Five historic holes were drilled in 2002 by Barminco-Kookynie Resources NL on P40/1380, immediately to the north of the McTavish Prospect<br>• Refer to WAMEX reports A065275 “Annual Report for the period ending 30th June 2002” by Kookynie Resources NL, 31 August 2002).<br>• (Refer to WAMEX reports A66379 “Annual Report for the period ending 30th June 2002” by Kookynie Resources NL, 31 August 2002). |
| Geology | • Deposit type, geological setting and style of mineralisation. | • Target is shear hosted gold mineralisation and the associated supergene enrichment. |
| Drill hole Information | • 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: | • A Collar table is supplied in the Appendices.<br>• A table of significant intercepts is supplied in the Appendices. |



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| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| | • easting and northing of the drill hole collar<br>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar<br>• dip and azimuth of the hole<br>• down hole length and interception depth<br>• hole length.<br>• 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. | |
| Data aggregation methods | • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.<br>• 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.<br>• The assumptions used for any reporting of metal equivalent values should be clearly stated. | • Intercepts are reported as down-hole length and average gold intercepts are calculated with a 0.5g/t Au lower cut no upper cut no internal dilution.<br>• No metal equivalent values, or formulas used. |
| Relationship between mineralisation widths and intercept lengths | • These relationships are particularly important in the reporting of Exploration Results.<br>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.<br>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | • RC results are based on whole down-hole metres. True width not known. |
| Diagrams | • 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. | • Appropriate summary diagrams with Scale and MGA 94 coordinates are included in the accompanying report above. |
| Balanced reporting | • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both | • Diagrams show all drill holes completed. |



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| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| | low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | |
| Other substantive exploration data | • 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. | • Historical drill programs have defined Au geochemical anomalies within the tenement package.<br>• Aeromagnetic data and geology have been drill verified. |
| Further work | • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).<br>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • Planning has commenced on a follow up drilling to expand the extent of the Au mineralisation discovered in the drilling campaigns. |


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