

ASX RELEASE

21 October 2025

Dear Shareholder

UNDERWRITTEN PRO-RATA NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on 6 October 2025, **Carnavale Resources Limited (ASX: CAV) ("Carnavale" or the "Company")** is undertaking a pro-rata non-renounceable entitlement issue to Eligible Shareholders of one (1) new fully paid ordinary share in the capital of the Company (**Share**) for every four (4) Shares held at an issue price of \$0.004 per Share, together with one (1) free-attaching Share for every seven (7) Shares subscribed for and issued to raise approximately \$4,090,218 (before costs) (**Offer**).

The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC on 10 October 2025 and ASX on 13 October 2025 and the Prospectus is available on the ASX website, www.asx.com.au.

The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (**Underwriter**) and partially sub-underwritten by associates of Ron Gajewski and Andy Beckwith, Directors of the Company. The Company must pay the Underwriter a fee of 6% of the total proceeds raised under the Offer. Refer to Section 6.4.1 of the Prospectus for details regarding the terms of the underwriting.

This letter is to inform you about the Offer and to explain why you will **not** be able to participate in the Offer, as the Offer is only open to Eligible Shareholders (defined below).

Eligible Shareholders are those persons who:

- are registered as a holder of Shares in the Company at 4:00pm (WST) on Thursday, 16 October 2025 (**Record Date**);
- have a registered address in Australia or New Zealand; and
- are not in the United States and are not acting for the account or benefit of a person in the United States to the extent such persons hold Shares for the account or benefit of persons in the United States.

A shareholder who is not an Eligible Shareholder will be an **Ineligible Shareholder** and is consequently unable to participate in the Offer.

According to our records, you do not satisfy the criteria for an Eligible Shareholder and are therefore an Ineligible Shareholder. You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

Annual General Meeting and proposed Consolidation

The Company has convened an annual general meeting of shareholders to be held on 27 November 2025 (**AGM**) at which the Company is seeking shareholder approval for a number of resolutions, including a resolution seeking shareholder approval to undertake a consolidation of its issued capital on a fifteen (15) to one (1) basis (**Consolidation**).

The proposed Consolidation, if approved by shareholders at the AGM, will take effect following completion of the Offer and after the AGM. Details of the proposed Consolidation are set out in the Company's announcement on its ASX platform dated 6 October 2025 and will be further detailed in the notice of AGM to be released on the Company's ASX platform.

The Company expects to complete the issue of the new Shares under the Offer prior to the date of the AGM and before the Consolidation becomes effective (if approved at the AGM).

Accordingly, it should be noted that if the Consolidation is approved at the AGM, any new Shares issued under the Offer will be consolidated on a 15:1 basis. However, the Offer is being undertaken on a pre-Consolidation basis and is not conditional on shareholders approving the Consolidation at the AGM.

For further information on the impacts of the Consolidation, please refer to the Company's announcement on its ASX platform dated 6 October 2025 and the Company's notice of AGM once available.

If you have any queries concerning the Offer, please contact your financial adviser or Paul Jurman, the Company Secretary, on +61 8 9380 6789.

Yours faithfully



Paul Jurman
Company Secretary