



5 November 2007  
ASX Announcement

## **CARNAVALE ARRANGES SHARE PLACEMENT TO FUND AGGRESSIVE EXPLORATION CAMPAIGN ON BRAZILIAN PROJECTS**

The Board of Carnavale Resources Limited (ASX: CAV) is pleased to announce that the Company has entered into subscription agreements with International and Australian investors, many of whom are institutional funds, for the issue of up to 6.7 million shares at an issue price of \$1.40 per share.

The funds raised of up to **\$9.38 million** will be used for intensive exploration programs planned for the Company's Brazilian iron ore, molybdenum and gold projects in calendar year 2008 and to provide working capital.

The Company anticipates completing the placement and issuing the securities by 7 November 2007. The Company confirms that the participants in this share placement will be entitled to participate in the non-renounceable entitlement offer of options on the basis of one option for every one share held at an issue price of one cent per option as per the ASX announcement on 22 October 2007.

*For further information in respect of Carnavale, please contact:*

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