



31 March 2009

The Manager  
ASX Ltd  
Level 4, 20 Bridge Street  
Sydney, NSW 2000

Dear Sir

### **Carnavale Acquires Shares in KILO Goldmines Ltd.**

- Cdn\$2,000,000 investment for 4,000,000 shares and 2,000,000 warrants.
- Carnavale with a 10% shareholding post listing in KILO Goldmines Ltd.

Carnavale Resources Limited (ASX :CAV) today announces it has acquired 4.0m shares and 2.0m warrants in an initial public offer by KILO Goldmines Ltd (TSX Venture: KGL). Each warrant entitles CAV to acquire one common share of KILO Goldmines Ltd ("Kilo") at a price of Cdn \$0.60 for a period of two years.

Kilo is expected to make its debut on the TSX Venture Exchange on 1 April 2009, after completing a Cdn\$5.03 million IPO.

Kilo holds mineral rights over 15,065 square km of property prospective for Gold and Iron mineralisation in the Orientale Province and 401 square km in the North Kivu Province of the north eastern Democratic Republic of Congo (DRC).

Rio Tinto Mining and Exploration Limited has an option over the iron ore rights on Kilo's properties and it is currently completing due diligence simultaneously with exploration activities.

Kilo plans to carry out extensive exploration programs including diamond drilling during Q3 and Q4 of 2009 on its holdings in the DRC.

Carnavale Non-Executive Director Klaus Eckhof has been appointed to the Board of Kilo. He was formerly President and Chief Executive Officer of Moto Goldmines Limited ("Moto"), a company which is listed on the Toronto Stock Exchange and within 4 years from Mr Eckhof's appointment discovered just under 20,000,000 ounces of gold and completed a Bankable Feasibility Study (BFS) in the DRC. Moto will hold approximately 20% of the common shares in Kilo upon listing.

Yours faithfully

A handwritten signature in black ink, appearing to read "Ron Gajewski".

Ron Gajewski  
Executive Director

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