



Carnavale secures additional ground at Kookynie Gold Project

Highlights

- Carnavale Resources Ltd (ASX: CAV) has agreed to purchase 100% of tenement P40/1480 at the Kookynie Gold Project covering approximately 6km², located only 60km south of Leonora.
- The tenement is strategically located between Carnavale's Kookynie Gold Project and Metalicity's Leipold and McTavish Projects.
- The Kookynie gold mining camp has historically produced **>650,000 oz** of high-grade gold since 1890's.
- Multiple prospective structures are interpreted to extend into the new tenement area with limited systematic modern exploration completed on the tenement.
- Detailed aeromagnetic survey to be undertaken in December quarter over the Project.

Tenement abuts historic high-grade gold deposits

- P40/1480 located immediately adjacent to the Leipold and McTavish deposits currently being successfully drilled by Nex Metals (ASX: NME, 100%) and Metalicity (ASX: MCT, earning 51%).
- Metalicity have intersected high grade lodes at Leipold including: ▪ **10m @ 7.44 g/t Au** from 108m, ▪ **2m @ 35.23 g/t Au** from 124m and **4m @ 16.3g/t Au** from 42m. (Refer ASX: MCT ASX release dated 7 Sept 2020) and McTavish including: **5m @ 17.9 g/t Au** from 48m (Refer ASX: MCT ASX release dated 2 Sept 2020).

Executive Chairman Ron Gajewski commented:

"Carnavale is growing a pipeline of West Australian gold and nickel exploration opportunities.

Our latest acquisition demonstrates the Company's strong belief in the prospectivity of the Kookynie area, targeting shallow high-grade gold mineralisation.

Drilling is underway at Grey Dam targeting nickel sulphides and a planned aeromagnetic survey is well advanced for the Kookynie project."

Carnavale Resources Limited (ASX: CAV) is pleased to advise it has agreed to acquire 100% of tenement P40/1480 from owner Duane Briggs. This new tenement is a strategic addition to Carnavale's existing Kookynie Gold Project ("KGP", "Project"), located 60km south of Leonora and 150km north of Kalgoorlie in Yilgarn Craton, Western Australia (Figure 1). P40/1480 covers an area of approximately 6km² and is contiguous with Carnavale's existing 21 km² tenure (Figure 2).

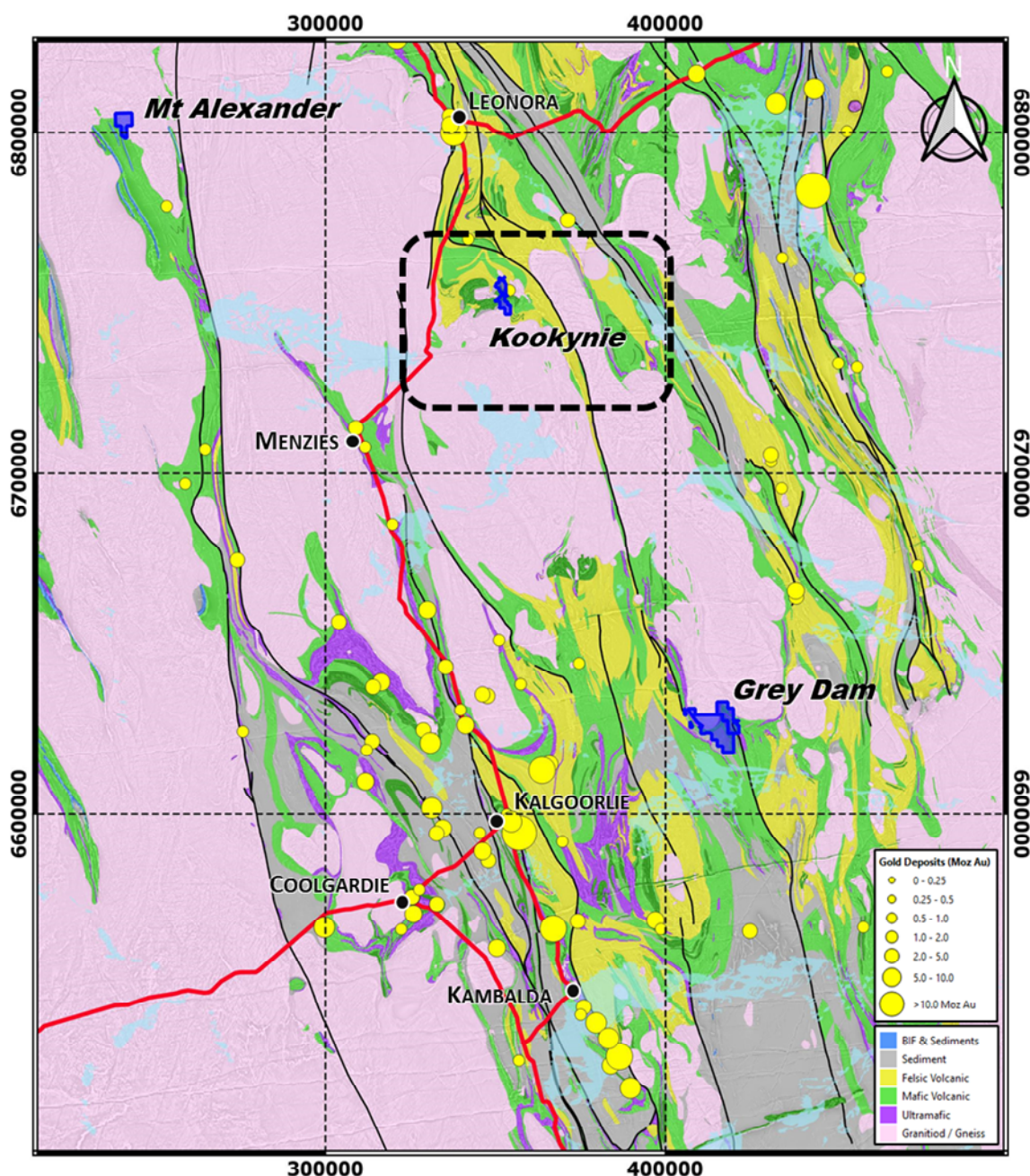


Figure 1 Location of Carnavale's Kookynie Gold Project
Simplified geology and significant Gold deposits

This acquisition demonstrates the Company's belief in the prospectivity of the Kookynie Mining Camp. P40/1480 is situated immediately adjacent to the high grade Leipold and McTavish prospects that are being successfully explored by Metalicity Ltd.

Cautionary Statements on Exploration Results

Material Information

Under ASX Listing Rule 3.1, Carnavale discloses Material Information on the tenement P40/1480 that is considered material to the project, the transaction and the Company. This Material Information however does not comply with current statutory JORC 2012 reporting requirements and the Company considers the information as "material". Refer to statements below.

Competent Persons Statement

The information that relates to Exploration Results for P40/1480 in this announcement represents a fair and accurate representation of the available data and studies for P40/1480; 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 a Consultant to Carnavale Resources Limited. Mr. Hale 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 report that relates to Exploration Results for P40/1480 have not been reported in accordance with the JORC Code 2012.

- Carnavale has reviewed the exploration results as listed in WAMEX reports that outlines the work completed by Kookynie Resources NL at P40/1480 and considers the results fairly represent information and supporting documentation that would be expected to be compliant to JORC 2012 reporting standards.*
- The Competent Person has not done sufficient work to disclose the Exploration Results in accordance with the JORC Code 2012.*
- Carnavale intends to complete further work including additional soil sampling and drilling to support these results to JORC 2012 reporting standards. The Company will use existing company funds to complete this work.*
- it is possible that following further evaluation and/or exploration work that the confidence in the prior reported Exploration Results may be reduced when reported under the JORC Code 2012;*
- nothing has come to the attention of the acquirer that causes it to question the accuracy or reliability of the former owner's Exploration Results; but*
- the acquirer has not independently validated the former owner's Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results.*

Carnavale is currently reviewing and evaluating the gold potential of P40/1480 and the rest of the Project. As Carnavale advances the Project it is the Company's intention to then carry out further geochemical sampling and geophysical surveys with a view to drill testing priority targets. It is planned that these programs will be funded from the Company's existing working capital. Investors should note that even when these steps are undertaken, there is uncertainty that the Company will be able to report exploration in accordance with the JORC Code 2012.

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.

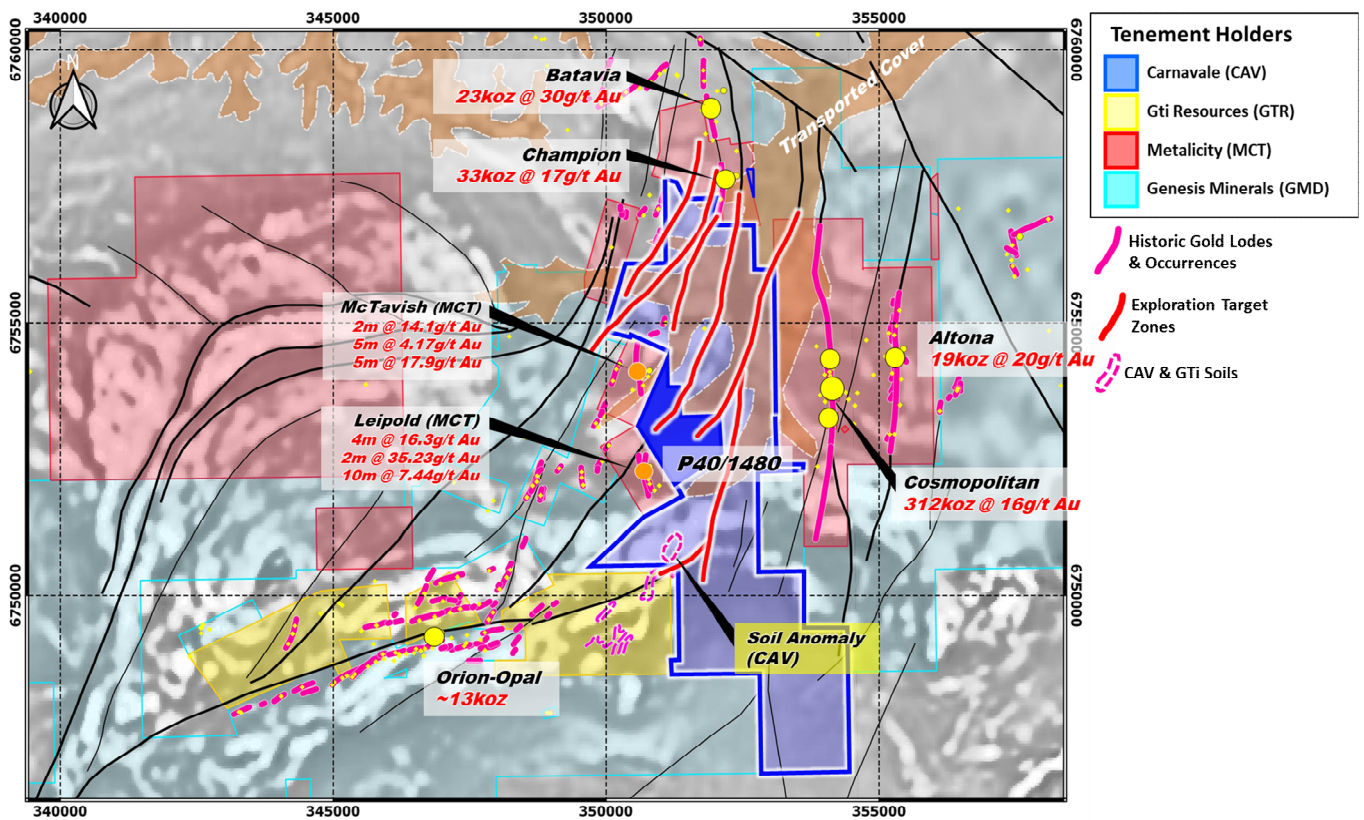


Figure 2 Kookynie mineralised trends showing new tenement acquisition

Previous Exploration on P40/1480

Exploration across P40/1480 has been dominated by historic prospecting and remains largely under explored by modern exploration, as the geology is dominated by sheetwash and transported alluvium which hampered early explorers.

A review of the open file data on the tenement within the WAMEX system, indicates that there has been 16 RAB holes, drilled in 1999 and 2 RC drill holes drilled in 2005 to a maximum depth of 80m, by Kookynie Resources NL. The best gold result in this drilling was 1.04g/t gold from 54m in KHARB14. (Refer Appendix 1: Collar table and significant intercept table)

The historic, high-grade gold mines that have been exploited in the Kookynie area, are all located in sub cropping or outcropping areas. Carnavale aims to unlock the potential for high-grade gold mineralisation beneath the cover utilizing modern exploration techniques including a detailed aeromagnetic survey and modern aircore drilling with follow-up RC drilling planned.

There are six significant NNE-SSW target structures, that have been identified from the existing coarse aeromagnetic survey data within the KGP. These structures are interpreted to host the historic, high-grade gold production in the area. The strike extents of the structures that host the high-grade Champion and Batavia mines also extend into the KGP. Carnavale interprets that at least two of these gold bearing structures run into P40/1480 under thin transported cover (Figure 2).

Carnavale has planned a detailed aeromagnetic survey to occur in the December quarter over the Project. The high-grade gold mineralisation within the Kookynie mining camp is located within discrete structures that can be potentially identified in aeromagnetics. The new aeromagnetic survey aims to provide increased resolution of these discrete structures allowing the Company to efficiently target the planned aircore drilling.

The KGP is located in the central portion of the historic mining centre, which has produced over 650,000oz from high-grade gold lodes. Carnavale's strategy is to explore and define sufficient high-grade gold resources that can be mined and transported to one of the five nearby processing plants.

Programs going forward

Carnavale is excited to commence targeted and systematic exploration of the KGP tenements utilising modern exploration techniques that have been effective in areas of cover.

The planned program includes:

- a new detailed aeromagnetic survey and interpretation during the December quarter.
- aircore drilling aiming to test the interpreted structural trends bedrock gold mineralisation under the thin transported cover.
- Follow-up RC drilling, subject to positive aircore drilling results

Acquisition Terms

Carnavale has agreed to acquire 100% of P40/1480, from Duane Briggs (a non-related party to Carnavale or its Directors) for a total consideration of \$10,000 payable in cash plus the issue of 1.5 million ordinary shares in CAV (pursuant to CAV's existing placement capacity under Listing Rule 7.1).

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

For further information contact:

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Information relating to Previous Disclosure

References

ASX release Kookynie Project acquisition 4 August 2020

Kookynie Resources and Diamond Ventures reports

WAMEX Report A072537, Annual Technical Report for the period ending 31 December 2005

WAMEX Report A060581, Annual Technical Report for the period ending 31 December 1999

WAMEX Report A048243, Annual Technical Report for the period ending 31 December 1995

WAMEX Report A043958, Annual Technical Report for the period ending 31 December 1994

WAMEX reports can be viewed on the Department of Mines, Industry Regulation and Safety website and found the following address <https://www.dmp.wa.gov.au/Geological-Survey/Mineral-exploration-Reports-1401.aspx>

Appendix 1

Significant Intercepts (>0.1g/t) in P40/1480

Hole ID	Northing AMG	Easting AMG	Dip	Az.	Depth (m)	From (m)	To (m)	Width (m)	Grade (g/t Au)
KHARB016	6753600	351000	-90		62			Maximum value	0.19
KHARB019	6753600	351150	-90		40			Maximum value	0.15
KHARB12	6753600	359800	-90		61			Maximum value	0.21
KHARB13	6753600	350850	-90		53			Maximum value	0.13
KHARB14	6753600	350900	-90		48			Maximum value	0.14
KHARB15	6753600	350950	-90		54			Maximum value	1.04
KHARB16	6753600	351000	-90		62			Maximum value	0.19
KHARB17	6753600	351050	-90		71			Maximum value	0.13
KHARB18	6753600	351100	-90		40			Maximum value	0.18
KHARB19	6753600	351150	-90		40			Maximum value	0.15

Collars table for Holes Drilled into P40/1480

HOLE	AMG_E	AMG_N	RL	DEPTH	DIP	AZ_AMG	Date	Company	Drill type	WAMEX Report
KPLNRC01	6752893	350528	-60	80	60	270	2005	Kookynie Resources NL	RC	A72537
KPLNRC02	6752884	350578	-60	80	60	270	2005	Kookynie Resources NL	RC	A72537
CHR22	6752800	350680	-90	46	90		1999	Kookynie Resources NL	RAB	A60581
CHR40	6752800	351100	-90	35	90		1999	Kookynie Resources NL	RAB	A60581
CHR41	6752800	351150	-90	28	90		1999	Kookynie Resources NL	RAB	A60581
CHR42	6752800	351200	-90	50	90		1999	Kookynie Resources NL	RAB	A60581
CHR43	6752800	351253	-90	48	90		1999	Kookynie Resources NL	RAB	A60581
KHARB016	6753600	351000	-90	62	90		1999	Kookynie Resources NL	RAB	A60581
KHARB019	6753600	351150	-90	40	90		1999	Kookynie Resources NL	RAB	A60581
KHARB11	6753600	350750	-90	62	90		1999	Kookynie Resources NL	RAB	A60581
KHARB12	6753600	359800	-90	61	90		1999	Kookynie Resources NL	RAB	A60581
KHARB13	6753600	350850	-90	53	90		1999	Kookynie Resources NL	RAB	A60581
KHARB14	6753600	350900	-90	48	90		1999	Kookynie Resources NL	RAB	A60581
KHARB15	6753600	350950	-90	54	90		1999	Kookynie Resources NL	RAB	A60581
KHARB16	6753600	351000	-90	62	90		1999	Kookynie Resources NL	RAB	A60581
KHARB17	6753600	351050	-90	71	90		1999	Kookynie Resources NL	RAB	A60581
KHARB18	6753600	351100	-90	40	90		1999	Kookynie Resources NL	RAB	A60581
KHARB19	6753600	351150	-90	40	90		1999	Kookynie Resources NL	RAB	A60581