

ASX ANNOUNCEMENT**18th October 2022**

Diamond drilling extends down dip extensions to high-grade gold zone at Kookynie

Carnavale Resources Ltd. (CAV) is pleased to provide an update to the diamond drilling program that was completed in July 2022 at the high-grade Kookynie Gold Project. CAV drilled 3 diamond tails for 490m at McTavish East to test depth extensions of the mineralisation and provide detailed geological information, which is generally not available from RC drilling. The information gathered from the diamond drilling has provided important information on the orientation of the mineralizing structures and their interaction with the host geology in the local area at McTavish East as well as detail on the rock strength and density.

Highlights



Significant intercepts include:

- **0 7m @ 10.14g/t** from 265.7m (**inc.0.5m @ 13.35g/t**) in MEPC002
- **1m @ 3.02g/t** from 140m in MEPC001
- **2.0m @ 4.32g/t** from 217m (**inc. 1m @ 8.33g/t**) in MEPC001
- **1.7m @ 2.16g/t** from 270m in MEPC001
- **1.8m @ 1.73g/t** from 235m (**inc.1m @ 2.89g/t**) in MERC036
- **1m @ 1.94g/t** from 239m in MERC036
- **4.2m @ 0.55g/t** from 243m (**inc. 1m @ 1.59g/t**) in MERC036



Mineralised zone at **McTavish East** extended by 50m downdip on two sections.



McTavish East Prospect strikes over 700m and has been defined to a depth of over 250m vertically. The zone remains open at depth and along strike.

CEO Humphrey Hale commented:

"The recent diamond tail drilling program at McTavish East has successfully provided CAV with important density, metallurgical and structural detail to progress the development at McTavish East.

In addition, the drilling has extended the major mineralised structure down dip by a further 50m with the mineralisation unconstrained at depth. CAV plans to further develop McTavish East with RC drilling targeting the high-grade shoots within the main mineralizing structure."

The Kookynie Gold Project is located in the central portions of the historic Kookynie mining centre 20km south of Leonora. Carnavale's strategy is to explore and define sufficient high-grade, high value resources and reserves that can be mined and transported to a processing plant nearby.



Figure 1, Density measurement onsite at Kookynie Gold Project

At McTavish East high-grade gold mineralisation has been confirmed by previous CAV aircore, 2 phases of RC drilling over a strike extent of 700m (Figure 2). The CAV RC and diamond drilling defined a high-grade lode in fresh rock that has a strike of 500m and a vertical extent of 250m (Figure 3) open at depth and along strike. This is within a broader envelope that has a 700m strike length. (See CAV ASX release *New high-grade gold discovery at Kookynie Gold Project 1 August 2022*)

CAV followed up the RC drilling with 3 diamond tails for 490m to test depth extents of the mineralizing structure and provide additional geological and structural information not available from RC drilling. The core was orientated and logged onsite before being transported to Kalgoorlie for cutting and sampling prior to being submitted to the laboratory.

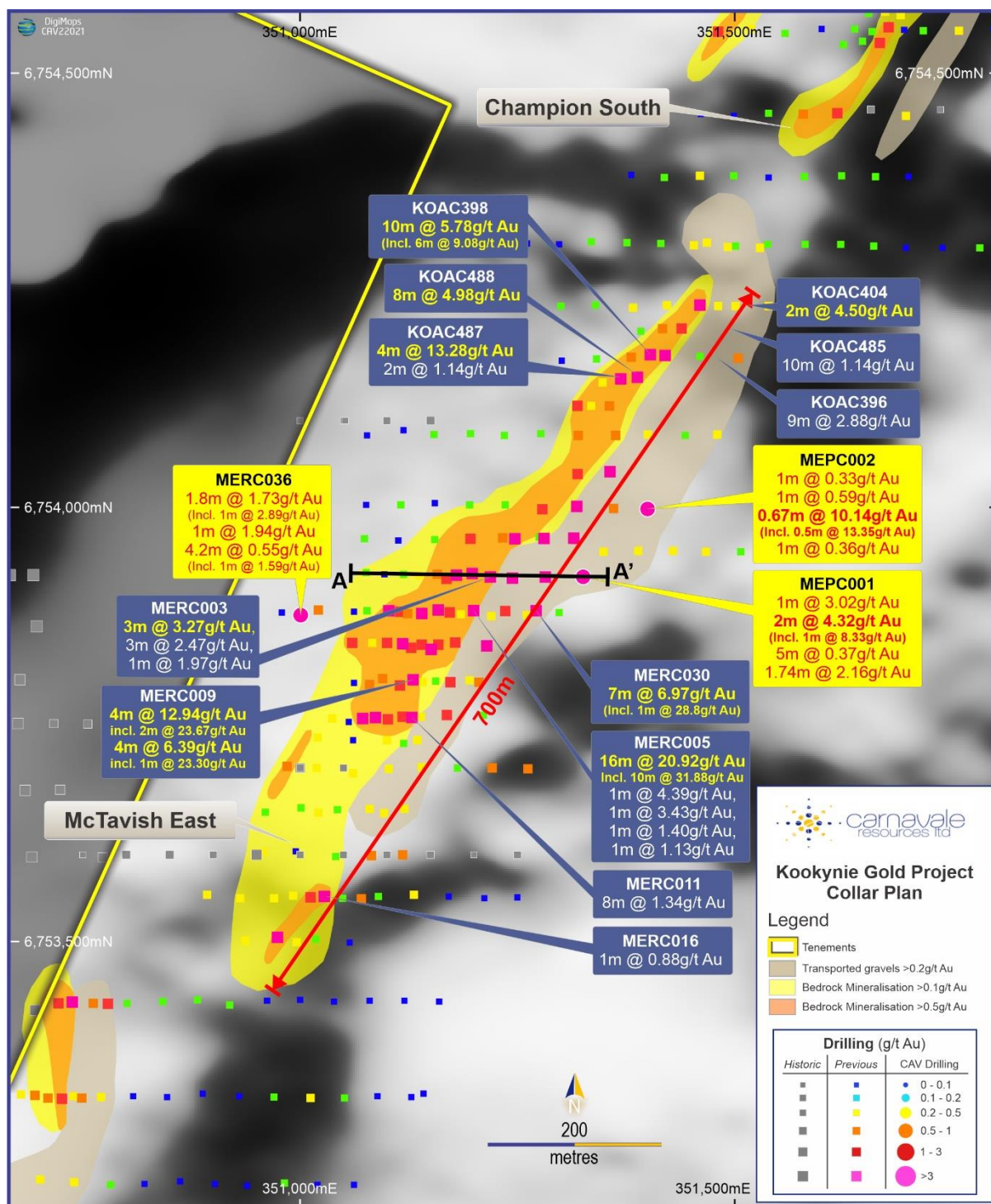


Figure 2, Plan of drilling at Kookynie

(Yellow callout recent Diamond Drilling program - blue callouts represent a selection of significant results from previous CAV Aircore and RC drilling)

The strike length of the McTavish East Prospect was expanded by the most recent aircore program 200m northeast towards the Champion South prospect. This new zone remains untested in the fresh rock at depth and provides further exciting opportunities to expand the footprint of the high grade zones at McTavish East.

The mineralisation at McTavish East is characterized by quartz, pyrite, gold with trace tungsten hosted within an extensive mineralizing structure that strikes northeast to Champion South. Within this mineralised

structure are zones of very high-grade gold as characterized by the intercepts such as 16m @ 20.92g/t in in MERC005 and 4m @ 12.94g/t in MERC009 (figure 3). These very high-grade zones are contained with shoot like structures within the main mineralised zone.

Figure 3 shows that the main structure has further mineralised structures as splays in the hanging wall. It is expected that these structures may extend to the north beneath the recent aircore drilling that defined a 200m extension to the McTavish prospect in the regolith.

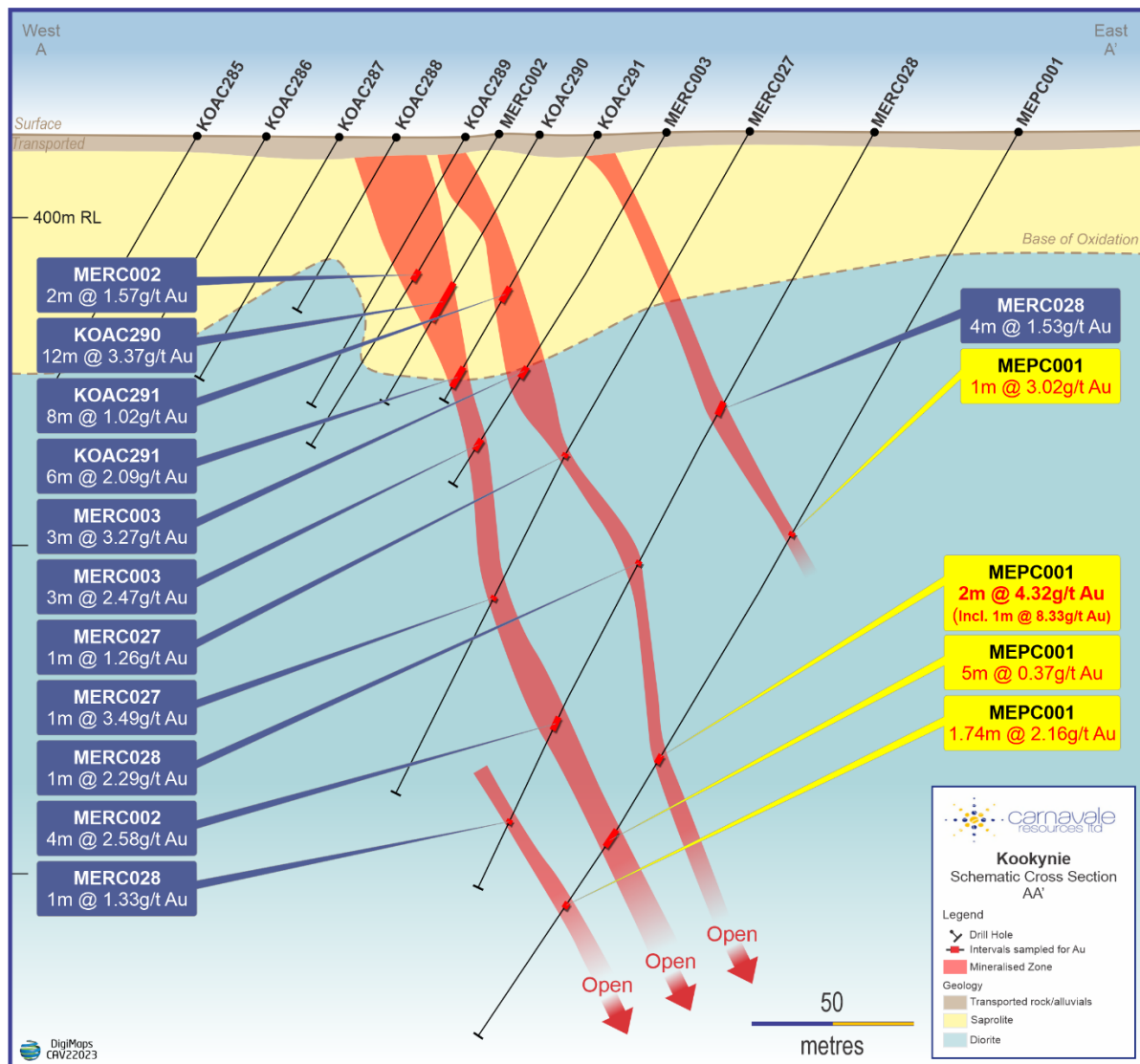


Figure 3, Section A_A' through McTavish East

Exploration Strategy

CAV's planned work program at the Kookynie Gold Project includes:

- RC drilling testing at depth and along strike from the shallow high-grade gold mineralisation defined by the recent aircore drilling.
- Grow resources and reserves providing an asset base to CAV; and
- Identify additional targets within the Kookynie tenement package

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

For further information contact:**Humphrey Hale**

Chief Executive Officer P: +61 8 9380 9098

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.

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.

Information relating to Previous Disclosure

Previously reported material Information relating to the Kookynie Gold Project includes:

Exploration

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

Aircore Drilling commenced, 1 Dec 2020

Drilling update, 17 Dec 2020

Aircore drilling success, 9 Feb 2021

Second phase of Aircore Drilling commenced, 3 March 2021

High grade Gold discovered at Kookynie Gold Project, 19 April 2021

Aircore continues at Kookynie targeting high-grade gold, 11 May 2021

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

New high-grade gold discovery at Kookynie Gold Project 1 August 2022

Diamond drilling commenced at Kookynie, 15 July 2022

Exciting new zones discovered along high-grade corridor at Kookynie Gold Project 8 September 2022

Appendix 1

Significant intercepts

(Greater than 0.2g/t with inclusions greater than 1g/t with no included waste)

NSR - No Significant Results

Hole ID	Depth From	Width	Intercept >0.2g/t Au	Depth From	Width	Intercept >1g/t Au
MEPC001	140	1	1.0m @ 3.02g/t Au	218	1	1.0m @ 8.33g/t Au
MEPC001	217	2	2.0m @ 4.32g/t Au			
MEPC001	245	5	5.0m @ 0.37g/t Au			
MEPC001	270.36	1.74	1.74m @ 2.16g/t Au			
MEPC002	179	1	1.0m @ 0.33g/t Au	265.87	0.5	0.5m @ 13.35g/t Au
MEPC002	261	1	1.0m @ 0.59g/t Au			
MEPC002	265.7	0.67	0.67m @ 10.14g/t Au			
MEPC002	278	1	1.0m @ 0.36g/t Au			
MERC036	235	1.8	1.8m @ 1.73g/t Au	235	1	1.0m @ 2.89g/t Au
MERC036	239	1	1.0m @ 1.94g/t Au		1	
MERC036	243	4.2	4.2m @ 0.55g/t Au	246	1	1.0m @ 1.59g/t Au

Appendix 2

Collar table

Hole	Total Depth	Grid	Easting	Northing	RL	Dip	Azim
MEPC001	320.8	MGA94_Z51	351325.7	6753920	425.853	-60	270
MEPC002	296.8	MGA94_Z51	351399.7	6753998	425.52	-60	270
MERC036	351.25	MGA94_Z51	351000.7	6753876	426.277	-60	90

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. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - 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.	- A Diamond Drilling rig was supplied by Topdrive Drilling. - The rig was configured for diamond drilling with wireline retrieval - 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 15cm prior to submission to the laboratory for analysis. - 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).	- NQ2 diamond drilling with wireline retrieval - Holes were pre-collared by RC drilling at a nominal angle of 60 degrees. - Diamond holes were surveyed by Gyro.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - 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. - Drilling with care (to ensure complete core recovery)
Logging	Whether core and chip samples have been geologically and	Logging carried out by inspection of Drill core at time of drilling. Core was

Criteria	JORC Code Explanation	Commentary
	geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	orientated and collected in core trays. 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. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - 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. - Whether sample sizes are appropriate to the grain size of the material being sampled.	- The core was cut down the orientation line with an automated core saw. - Sampling was done on 1m samples varied for geological contacts and mineralisation with a minimum sample length of 15cm - 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. - 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. - 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. - 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.	- The composite 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, all samples were analysed by ALS using a specific assay for Gold [Fa AU AA24] by ALS laboratories in Perth. - Every 5th sample was analysed for, multi element geochemistry using ALS 4 acid digest ICP MS technique ME MS61. - Gold intercepts are calculated with a 0.20g/t Au lower cut, no upper cut and 2m of internal dilution. - Intercepts were also calculated from assays with a 1g/t lower cut, no upper cut and no internal dilution. - 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.

Criteria	JORC Code Explanation	Commentary
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - 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. - Internal laboratory standards are completed as a matter of course as well as introduced blind standards/CRM by the Company. - 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. - No twinned holes have been completed at this stage. - 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. - Specification of the grid system used. - Quality and adequacy of topographic control.	- Drill holes were surveyed by handheld GPS with horizontal accuracy (Easting and Northing values) of +/-5m. - Grid System – MGA94 Zone 51.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - 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. - Whether sample compositing has been applied.	- Holes were drilled to target structural features identified in aeromagnetic survey and were located accurately by Handheld GPS. - No mineral classification is applied to the results at this stage. - No sample compositing occurred.
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. - 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. - Insufficient data to determine orientation of mineralised structures.
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.

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. - 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. - Carnavale Ltd has 80% ownership of E40/355 P40/1380 and. P40/1381 - Carnavale owns 100% of P40/1480 - A Program of Works was approved by DMIRS for exploration work in the area. - The Nyalpa Pirniku people have the sole registered native title claim 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.	- Carnavale has drilled a total of 491 aircore holes into the tenement package to date. - 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. - 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. - The second, earlier program was in 1997 by Consolidated Gold Ltd which consisted of 85 RAB holes and 50 aircore holes. - Five historic holes were drilled in 2002 by Barmenco-Kookynie Resources NL on P40/1380, immediately to the north of the McTavish Prospect - Refer to WAMEX reports A065275 "Annual Report for the period ending 30th June 2002" by Kookynie Resources NL, 31 August 2002). (Refer to WAMEX reports A66379 "Annual Report for the period ending 30th June 2002" by Kookynie Resources NL, 31 August 2002). - Carnavale has completed 2 RC drill programs at the Kookynie project.
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: - easting and northing of the drill hole collar	- A Collar table is supplied in the Appendices. - A table of significant intercepts is supplied in the Appendices.

Criteria	JORC Code Explanation	Commentary
	- elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - 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. - 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. - 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 0.2g/t Au lower cut, no upper cut and 2m internal dilution. - In addition intercepts were calculated from assays with a 1g/t lower cut and no internal dilution - 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. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - 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').	All 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 low and high grades and/or widths should be practiced to	Diagrams show all drill holes completed.

Criteria	JORC Code Explanation	Commentary
	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. - Aeromagnetic data and geology has 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). - 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 program to test the extent of the gold mineralisation discovered in the RC and aircore drilling campaigns.