



# CARNAVALE RESOURCES LIMITED

ASX RELEASE 10 OCTOBER 2014

## **CARNAVALE RESOURCES**

### **A.C.N 119 450 243**

ASX Code: **CAV**

Shares: 201.7M

Options: 166.5M

Cash: \$1.56M Sept 2014

M.Cap \$4.84M (@ \$0.024)

### **Directors**

Ron Gajewski (Chairman)

Andrew Beckwith (MD)

Klaus Eckhof (NED)

Rhett Brans (NED)

Carnavale Resources Limited is an exploration and development company based in Perth, Western Australia.

Carnavale has entered an option to acquire Tojo Minerals Pty Ltd, which has rights to acquire two highly prospective gold-silver-copper projects in Arizona and Nevada, USA.

### **Office**

Level 1, Suite 5  
The Business Centre  
55 Salvado Rd.  
Subiaco, WA 6008

### **Post**

PO Box 131  
Subiaco, WA 6008

### **Contact Details**

Ph +61 8 9380 9098  
Fax +61 8 9380 6761  
admin@carnavaleresources.com

## **ISSUE OF SECURITIES**

Carnavale Resources Limited (**ASX: CAV**) ("Carnavale" or the "Company") is pleased to advise that, following receipt of shareholder approval on 26 September 2014 it has issued the following securities:

- 28,663,202 attaching options have been issued to the participants of the Tranche 1 placement, which was undertaken in August 2014;
- 5,969,182 shares at 1.5 cents each together with 5,969,182 free attaching options were issued to nominees of directors, Mr Gajewski and Mr Beckwith raising \$89,537; and
- 720,000 shares were issued to a nominee of director, Mr Gajewski pursuant to the terms of the Implementation agreement with Tojo Minerals Pty Ltd ("Tojo"), with the shares issued subject to voluntary escrow for a 6 month period. CAV had previously issued 9,780,000 shares to the non-related Tojo shareholders as consideration for the grant of an option to acquire 100% of the share capital of Tojo on or before 28 February 2015, and required shareholder approval before issuing the shares to a nominee of Mr Gajewski.

An Appendix 3B is attached with respect to the new securities issued and the Company gives notice that:

- it issued the securities without disclosure to investors under Part 6D.2 of the Corporations Act 2001 ("Act");
- this notice is being given under section 708A(5)(e) of the Act;
- as at today's date, the Company has complied with:
  - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
  - (ii) section 674 of the Act; and
- as at today's date there is no other information that is excluded information which is required to be set out in this notice pursuant to section 708A(6)(e) of the Act.

Yours faithfully

Paul Jurman

Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

**Carnavale Resources Limited**

ABN

49 119 450 243

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | <ol style="list-style-type: none"><li>1. Ordinary shares and unlisted options.</li><li>2. Ordinary shares</li><li>3. Unlisted options</li></ol>   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | <ol style="list-style-type: none"><li>1. 5,969,182 Ordinary shares and 5,969,182 unlisted options.</li><li>2. 720,000 Ordinary shares</li><li>3. 28,663,202 Unlisted options.</li></ol>                           |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>Fully paid ordinary shares ranking equally with existing shares.</p> <p>Each unlisted option is to subscribe for one ordinary share at an issue price of 3 cents, with an expiry date of 30 November 2016.</p> |

---

+ See chapter 19 for defined terms.

4	<p>Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>The ordinary shares rank equally with existing quoted shares (CAV).</p> <p>The unlisted options do not rank equally with an existing class of quoted securities.</p>
5	Issue price or consideration	<ol style="list-style-type: none"> <li>1. Ordinary shares at 1.5 cents each with free attaching options.</li> <li>2. Non-cash issue - shares comprise consideration for the grant of an option to acquire 100% of the share capital of Tojo Minerals Pty Ltd (refer ASX announcement dated 30 July 2014).</li> <li>3. Non-cash issue – options issued free as part of the securities placement completed on 4 August 2014.</li> </ol>
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> <li>1. To assist with funding the expenditure required to satisfy the initial commitment amount in relation to the Tojo Projects and general working capital.</li> <li>2. Issued pursuant to settlement of Tojo Implementation Agreement (refer ASX announcement dated 30 July 2014).</li> <li>3. Non-cash issue – options issued free as part of the securities placement completed on 4 August 2014.</li> </ol>
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	12 November 2013.

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

6c	Number of +securities issued without security holder approval under rule 7.1	Nil	
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<div>1. 5,969,182 Ordinary shares and 5,969,182 unlisted options.</div> <div>2. 720,000 Ordinary shares</div> <div>3. 28,663,202 Unlisted options.</div> <div>The securities have been issued pursuant to prior shareholder approval granted at a meeting held on 26 September 2014.</div>	
6f	Number of +securities issued under an exception in rule 7.2	Nil.	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A.	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Listing rule 7.1 – 30,267,802. Listing rule 7.1A –20,178,534.	
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	10 October 2014.	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		201,785,348*	Ordinary Shares (CAV).
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		166,458,836	Unlisted Options exercisable at 3 cents on or before 30 November 2016.

+ See chapter 19 for defined terms.

\* Includes 9,780,000 ordinary shares that are subject to a voluntary escrow for a period of six months from issue, expiring on 14 February 2015 and 720,000 ordinary shares that are subject to a voluntary escrow for a period of six months from issue, expiring on 10 April 2015.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No plans to pay dividends at this stage.
----	--	--

## Part 2 - Pro rata issue – Not Applicable

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	

---

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

---

- |    |   |  |
|----|---|--|
| 23 | Fee or commission payable to the broker to the issue  |  |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders  |  |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting   |  |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled   |  |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders |  |
| 28 | Date rights trading will begin (if applicable)  |  |
| 29 | Date rights trading will end (if applicable)  |  |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker?  |  |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?   |  |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)?  |  |
| 33 | +Issue date   |  |

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of +securities  
(tick one)
- (a) ☒ +Securities described in Part 1 – Ordinary shares only.
- (b) ☐ All other +securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

---

+ See chapter 19 for defined terms.

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000  
 10,001 - 100,000  
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 

---

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

---

- 41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another <sup>+</sup>security, clearly identify that other <sup>+</sup>security)

--

- 42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (*including* the <sup>+</sup>securities in clause 38)

Number	<sup>+</sup> Class

---

<sup>+</sup> See chapter 19 for defined terms.



### Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 10 October 2014.  
(Director/Company secretary)  
Print name: P Jurman  
== == == == ==

---

+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	87,739,708
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> </ul>	<p>13,930,661 fully paid ordinary shares issued on 28 October 2013 to holders of securities who participated in the Non-Renounceable Entitlement Issue.</p> <p>15,315,908 fully paid ordinary shares issued on 4 November 2013 to investors who participated in the shortfall arising out of the Non-Renounceable Entitlement Issue.</p> <p>20 fully paid ordinary shares issued on 26 November 2013 on conversion of options.</p> <p>3,000,000 fully paid ordinary shares issued on 4 November 2013, shareholder approval given at the annual general meeting on 12 November 2013.</p> <p>36,666,667 fully paid ordinary shares issued on 27 November 2013 pursuant to a placement, shareholder approval given at the annual general meeting on 12 November 2013.</p> <p>28,663,202 fully paid ordinary shares issued on 4 August 2014 as part of a private placement to sophisticated investors, shareholder approval given at the general meeting on 26 September 2014.</p> <p>9,780,000 fully paid ordinary shares issued on 14 August 2014 and 720,000 fully paid ordinary shares issued on 10 October 2014 as payment of the Option fee to acquire Tojo Minerals Pty Ltd. Shareholder approval given at the general meeting on 26 September 2014.</p>

+ See chapter 19 for defined terms.

<ul style="list-style-type: none"> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	<p>5,969,182 fully paid ordinary shares issued to Directors, Mr Gajewski and Mr Beckwith on 10 October 2014 as part of a private placement to sophisticated investors, shareholder approval given at the general meeting on 26 September 2014.</p>
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	201,785,348
<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	<p>0.15</p> <p><i>[Note: this value cannot be changed]</i></p>
<b>Multiply</b> “A” by 0.15	30,267,802
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>Under an exception in rule 7.2</li> <li>Under rule 7.1A</li> <li>With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>This applies to equity securities, unless specifically excluded – not just ordinary securities</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of</li> </ul>	<p>Nil.</p>

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

<i>securities on different dates as separate line items</i>	
<b>“C”</b>	<b>Nil.</b>
<b><i>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</i></b>	
<b>“A” x 0.15</b> <i>Note: number must be same as shown in Step 2</i>	30,267,802
<b><i>Subtract “C”</i></b> <i>Note: number must be same as shown in Step 3</i>	Nil.
<b><i>Total [“A” x 0.15] – “C”</i></b>	30,267,802 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

---

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	201,785,348
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	20,178,534
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of <sup>+</sup> equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li><i>This applies to equity securities – not just ordinary securities</i></li> <li><i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li><i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li><i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil.
<b>“E”</b>	Nil.
<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b>  <i>Note: number must be same as shown in Step 2</i>	20,178,534
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	Nil.

<sup>+</sup> See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

<b>Total</b> [“A” x 0.10] – “E”	20,178,534.  <i>Note: this is the remaining placement capacity under rule 7.1A</i>
---------------------------------	--

---

+ See chapter 19 for defined terms.