

WEST PATERSON DRILLING COMMENCES

KEY POINTS

- **Rio Tinto has commenced reverse circulation (“RC”) drilling at the West Paterson JV’s Red Dog tenement in the Paterson Province of Western Australia**
- **Approximately 2,000m of RC drilling is planned at the Ghost and Zulu prospects, defined from geological and geophysical data as follows:**
 - **Ghost is a magnetic anomaly adjacent to an interpreted granitoid intrusion**
 - **Zulu comprises an alteration zone interpreted from an anomalously non-conductive section of Broadhurst Formation shale (Nifty copper deposit host unit)**
- **The two prospects to be drilled are the first of seven identified by Rio Tinto at Red Dog**
- **Helicopter-borne XCITE™ electromagnetic (“EM”) survey completed over Baton tenements, preliminary results expected in November 2021**
- **Carawine now has drill rigs operating on two of its exploration projects in Western Australia**

Gold and base metals explorer Carawine Resources Limited (“Carawine” or “the Company”) (ASX:CWX) is pleased to provide an update on exploration at its West Paterson JV, with the commencement of RC drilling at Red Dog and the completion of a helicopter-borne EM survey over the Baton tenements, targeting gold and copper mineralisation in the highly prospective Paterson Province of Western Australia.

The Company’s “West Paterson JV” is subject to a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd (“Rio Tinto” or “RTX”), a wholly-owned subsidiary of Rio Tinto Limited (ASX:RIO), whereby RTX has the right to earn up to an 80% interest in Carawine’s Baton and Red Dog tenements (Figure 2). RTX is managing and operating the exploration activities whilst it is farming-in.

The RC drilling program is designed to test the Ghost and Zulu prospects on the Red Dog tenement, located approximately 15km northeast of the Nifty copper mine and 50km west of Telfer in the Central Paterson region. Ghost and Zulu are targets generated by Rio Tinto based on interpretation of geological and geophysical data. The program is planned to comprise eight RC holes for at least 2,000m of drilling, and is expected to take approximately four weeks to complete, subject to ground conditions.

Provision has been made to immediately follow-up encouraging geology or alteration intersected in the first eight drill holes with additional drilling. Results from the program will also be used to refine and prioritise future exploration programs within the West Paterson JV tenements.

A helicopter-borne EM survey utilising NRG’s XCITE™ system was recently completed over the Baton tenements. The survey is aimed at generating new targets and refining existing target areas for further exploration, including direct drill testing. Preliminary results are expected in coming weeks.

Commenting on the start of the Red Dog drilling program, Carawine Managing Director David Boyd said:

“Rio Tinto has identified, developed and advanced several compelling targets within our Red Dog tenement, so it is exciting to see the first two of these being drill-tested. The heli-borne EM survey over Baton is also an important step in advancing exploration on these tenements, especially given Rio Tinto’s specific in-house knowledge of these systems and their successful application to discovery in the Paterson region. We are pleased to be making some material progress in the Paterson Province and are looking forward to updating the market with results of both programs as they become available.”

“Also, with the start of this program at West Paterson and ongoing diamond drilling at our Hercules prospect, we now have drill rigs operating at two of our exploration projects. In coming months we expect drilling will commence at two more projects, at the Fraser Range JV and Oakover JV, so we are looking at a very active period between now and the end of the year.”

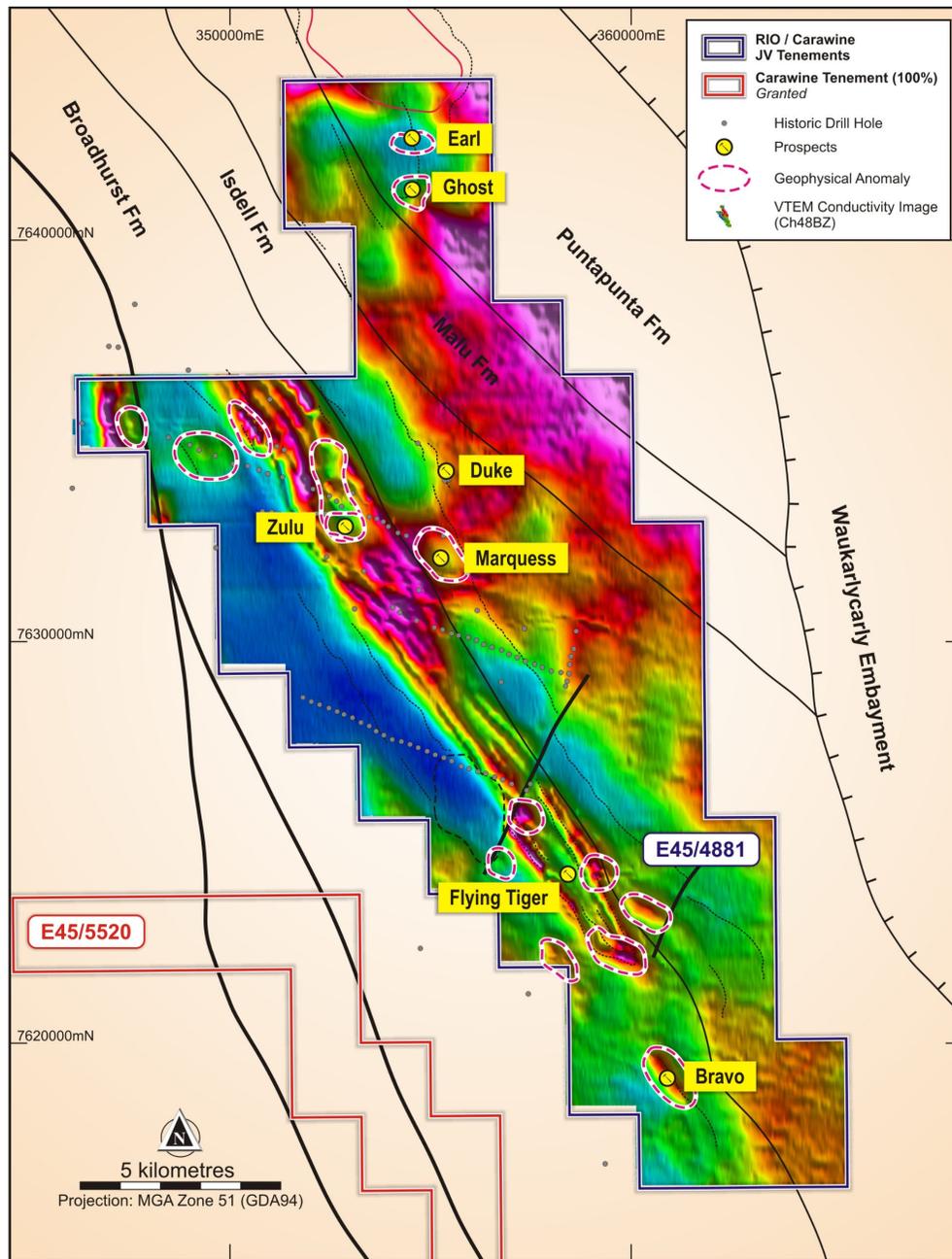


Figure 1: Red Dog tenement E45/4881 anomaly and prospect plan.

The RC drilling program has been designed to test the Ghost and Zulu prospects on the Red Dog tenement E45/4881 (Figure 1). Eight holes with an average planned depth of 250m are planned in phase 1 of the program, for a total of approximately 2,000m. Additional RC drill holes have been designed and access-cleared to allow for immediate follow up of any encouraging results identified in the Phase 1 drill holes. Phase 1 drilling is expected to take approximately four weeks to complete, with results to follow.

Ghost is a magnetic anomaly within, and related to, the nearby Earl prospect and target area which comprises discrete magnetic and EM anomalies on the edge of a large interpreted felsic intrusion within the Malu and Puntapunta Formations. The Zulu prospect is at the southern end of a broader target area previously referred to as “Leatherneck” and comprises resistive EM anomalies within Broadhurst Formation shales, which are typically represented in EM data as continuous conductive units. The anomalously resistive zones may therefore represent alteration associated with mineralisation. Zulu is

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also associated with anomalous zinc and lead in limited historic drilling (refer ASX announcements 19 February and 29 July 2019; and, 30 July 2021).

The helicopter-borne EM survey completed by Rio Tinto over the Baton tenements utilised NRG’s XCITE™ system, comprising approximately 650 line-km flown at a nominal 400m line spacing, with selected areas in-filled at 200m line spacing, on lines oriented northeast-southwest. Preliminary results from the survey are expected in coming weeks.

Baton contains a number of prospects and target areas previously identified by Carawine, including the Javelin, Discus and Wheeler coincident magnetic/gravity targets (refer ASX announcement 27 August 2019). The objectives of the XCITE™ EM survey are to define new conductive anomalies and anomalous resistive zones that may indicate alteration associated with mineralisation, and provide important subsurface geological and structural information. This information can then be used to generate new targets and refine existing targets for further exploration which may include direct drill testing, in addition to that already planned at Javelin, Discus and Wheeler during the 2022 field season.

About the Paterson Project

The Company’s Paterson Project is located in the Paterson Province of Western Australia, host to the world-class Telfer gold and copper deposit (Newcrest Mining Ltd) and the Nifty copper and Maroochydore copper-cobalt deposits (Cyprium Metals Ltd). Recent discoveries in the region include Rio Tinto’s Winu copper-gold deposit and Ngapakarra gold prospect, and Havieron, an intrusion-related gold and copper deposit discovered by AIM-listed Greatland Gold PLC, now being advanced in joint venture with Newcrest Mining Ltd (Figure 2).

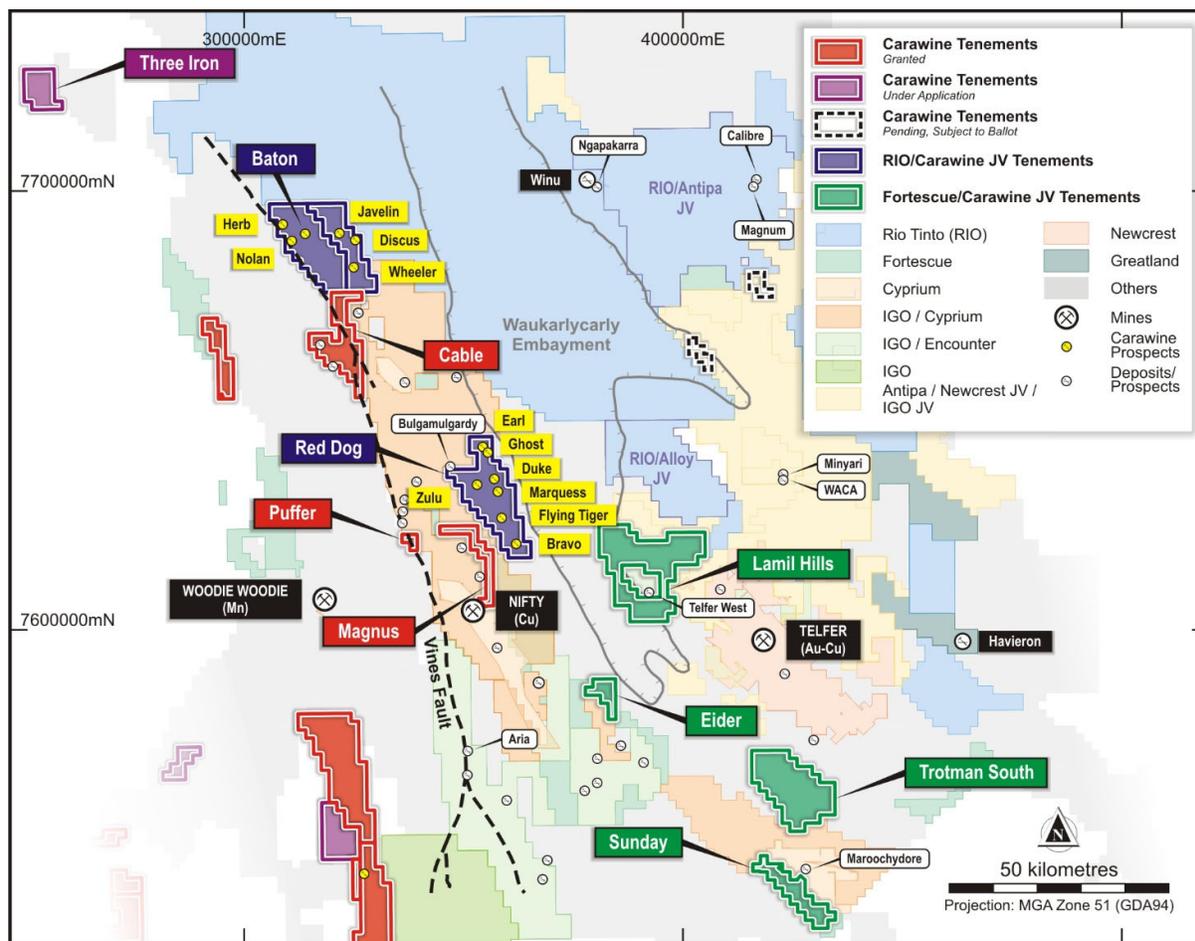


Figure 2: Carawine’s Paterson Project.

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The project comprises ten granted exploration licences and three active exploration licence applications (two subject to ballot) over an area of about 1,500km² across ten tenement groups. These are named Red Dog and Baton (“West Paterson JV” tenements; Rio Tinto earn-in right to 80%); Lamill Hills, Trotman South, Eider and Sunday (“Coolbro JV” tenements; Fortescue Metals Group Ltd earn-in right to 75%), and; Cable, Puffer, Magnus and Three Iron (Carawine 100% with no third party rights or interests to date).

These Paterson Project tenements contain host formations and structures common to the major mineral deposits in the area, are proximal to known mineralisation, have relatively shallow depths to basement and contain regionally and locally prospective stratigraphy and geophysical anomalies. The Company is primarily targeting copper and copper-gold deposits in the Paterson region.

This announcement was authorised for release by the Company’s Board of Directors.

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For further information please contact:

David Boyd
Managing Director
Tel: +61 8 9209 2703
info@carawine.com.au

Media: Paul Ryan
Citadel-MAGNUS
Tel: +61 409 296 511
pryan@citadelmagnus.com

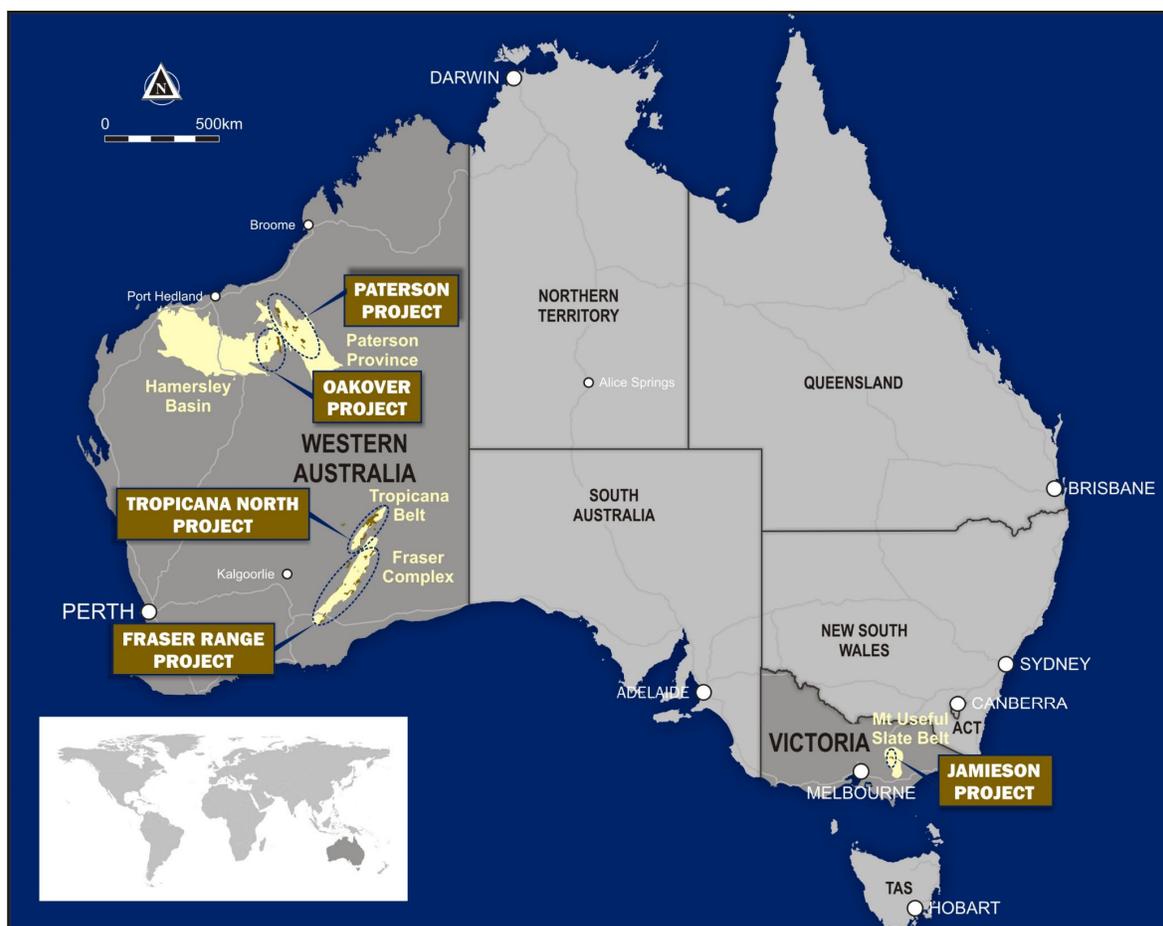


Figure 3: Carawine's project locations.

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COMPLIANCE STATEMENTS

REPORTING OF EXPLORATION RESULTS AND PREVIOUSLY REPORTED INFORMATION

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Michael Cawood, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Cawood holds shares and options in, and is a full-time employee of, Carawine Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the "JORC Code (2012)"). Mr Cawood consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

This announcement includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's previous ASX announcements (with the Competent Person for the relevant original market announcement indicated in brackets), as follows:

- "Six New High Priority Prospects in the Paterson Province" 19 February 2019 (M Cawood)
- "Sixteen EM Targets Identified at the Paterson Project" 29 July 2019 (M Cawood)
- "Paterson Gravity Survey Prioritises Baton Targets" 27 August 2019 (M Cawood)

A copy of these announcements are available from the ASX Announcements page of the Company's website: www.carawine.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement. Where the information relates to Exploration Results, the Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the relevant original market announcement.

FORWARD LOOKING AND CAUTIONARY STATEMENTS

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "predict", "foresee", "proposed", "aim", "target", "opportunity", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. There can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

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ABOUT CARAWINE RESOURCES

Carawine Resources Limited is an exploration company whose primary focus is to explore for and develop economic gold, copper and base metal deposits in Australia. The Company has five projects, each targeting high-grade deposits in active and well-established mineral provinces throughout Australia.

TROPICANA NORTH PROJECT (Au)

Carawine's Tropicana North Project comprises eight granted exploration licences and four exploration licence applications over an area of 1,800km² in the Tropicana region of Western Australia. Two of the granted exploration licences ("Neale" and "Don King") are the subject of a joint venture between Carawine (90%) and Thunderstruck Investments Pty Ltd (10%; "Thunderstruck"), with Carawine to free-carry Thunderstruck to the completion of a BFS after which Thunderstruck may elect to contribute to further expenditure or dilute. The remaining tenements are held 100% by Carawine.

JAMIESON PROJECT (Au-Cu, Zn-Au-Ag)

The Jamieson Project is located near the township of Jamieson in the northeastern Victorian Goldfields and comprises granted exploration licences EL5523 and EL6622, covering an area of about 120 km² and containing the Hill 800 gold-copper and Rhyolite Creek copper-gold and zinc-gold-silver prospects within Cambrian-aged felsic to intermediate volcanics. Carawine is testing the strike and dip extents of the Hill 800 mineralisation which are currently open and is searching the region for a potential copper-gold porphyry source to the Hill 800 mineralisation.

PATERSON PROJECT (Au-Cu, Cu-Co)

The Paterson Project, situated in the Paterson Province at the eastern edge of the Pilbara Craton, is dominated by Proterozoic age rocks of the Rudall Metamorphic Complex and the overlying Yeneena Supergroup. The Paterson area is host to the Telfer Au-Cu deposit, and the Nifty and Maroochydore stratabound Cu-(Co) deposits. The Paterson Project comprises ten granted exploration licences and three active exploration licence applications (two subject to ballot) over an area of about 1,500km² across ten tenement groups in the Paterson. These are named Red Dog, Baton (West Paterson JV tenements); Lamil Hills, Trotman South, Sunday and Eider (Coolbro JV tenements), and; Cable, Puffer, Magnus and Three Iron (no earn-in/JV agreements).

Carawine has a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd ("RTX"), a wholly owned subsidiary of Rio Tinto Limited ("Rio Tinto") (ASX:RIO), whereby RTX has the right to earn up to an 80% interest in the Baton and Red Dog tenements by spending \$5.5 million in six years from November 2019 to earn a 70% interest and then sole funding to a prescribed milestone (the "West Paterson JV"). Carawine also has a farm-in and joint venture agreement with FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") (ASX:FMG), whereby Fortescue has the right to earn up to a 75% interest in the Lamil Hills, Trotman South, Sunday and Eider tenements by spending \$6.1 million in seven years from November 2019 (the "Coolbro JV"). The Company retains full rights on its remaining Paterson tenements.

FRASER RANGE PROJECT (Ni-Cu-Co)

The Fraser Range Project includes six granted exploration licences in five areas: Red Bull, Bindii, Big Bullocks, Aries and Big Bang, four active exploration licence applications named Willow, Bullpen, Shackleton and Zanthus plus six exploration licence applications subject to ballot, in the Fraser Range region of Western Australia. The Project is considered prospective for magmatic nickel-sulphide deposits such as that at the Nova nickel-copper-cobalt operation. Carawine has a joint venture with IGO Limited ("IGO") (ASX:IGO) over five granted tenements at Red Bull, Bindii, Big Bullocks, and Aries (the Fraser Range Joint Venture). IGO currently holds a 70% interest in these tenements and can earn up to a further ~6% interest by 30 June 2022 (depending on actual exploration expenditure up to ~\$1.3 million). The remaining tenements are held 100% by Carawine.

OAKOVER PROJECT (Mn, Cu, Fe, Co)

Located in the East Pilbara region of Western Australia, the Oakover Project comprises eight granted exploration licences and two exploration licence applications with a total area of about 920km², held 100% by the Company. Carawine has a farm-in and joint venture agreement with Black Canyon Ltd ("Black Canyon") (ASX:BCA) who has the right to earn up to a 75% interest in eight granted Oakover Project tenements by spending \$4 million in five years from May 2021. The Oakover Project is considered prospective for manganese, copper and iron.

ASX Code:	CWX	Market Capitalisation (at \$0.20/share):	A\$22 million
Issued shares:	109 million	Cash (at 30 Jun 2021):	A\$3.9 million