

ASX ANNOUNCEMENT

15th Feb 2022

Aircore drilling to define large gold system at Ora Banda commenced



Figure 1: Prospect drilling onsite at Ora Banda South Gold Project

Highlights

- ✦ Second **+11,000m** aircore program underway at the Ora Banda South Gold Project targeting extensions of gold mineralisation identified in the initial aircore drilling program.
- ✦ First wide spaced, reconnaissance, aircore drilling campaign generated three broad zones of gold mineralisation along the 15km long Carnage Shear zone which remains open along strike and at depth. Significant results included:
 - **4m @ 8.82g/t** from 40m in OBAC022
 - **8m @ 2.74g/t** from 48m in OBAC089 (*inc. 4m @ 5.1g/t from 52m*)
 - **12m @ 0.44g/t** from surface in OBAC038 and
 - **4m @ 1.40g/t** from 24m in OBAC038
 - **4m @ 0.76g/t** from 56m in OBAC023
- ✦ CAV is exploring for structurally controlled gold mineralisation under cover that has an analogous geological setting target to the +2.5Moz @ +4g/t Invincible Gold Mine¹, discovered by Gold Fields Limited near Kambalda in 2012.

CEO Humphrey Hale commented:

“We are excited to back at Ora Banda with the aircore rig this week. The results from the initial aircore program were outstanding and better than we expected. We are following up on broad high-grade gold mineralisation identified by the initial aircore drilling over many kilometres of strike.”

¹ <https://www.goldfields.com/pdf/investors/integrated-annual-reports/2020/mmr-2020.pdf>

Carnavale Resources Limited (ASX: CAV) is pleased to advise it has commenced a second aircore drilling program consisting of approximately 11,000m designed to follow up strong mineralisation identified in the initial program. CAV is exploring the Ora Banda South Gold Project ("OBSP", "Project") for structurally controlled gold analogous to Goldfields Invincible Deposit at St Ives, south of Kalgoorlie. The Ora Banda Project covers an area of approximately 25km², located 65km northwest of Kalgoorlie in the Yilgarn Craton, Western Australia (Figure 4).

CAV Exploration

Exploration by CAV to date has included a program of soil sampling that followed a review of existing and publicly available geophysical aeromagnetic surveys to define stratigraphic and structural target zones that have the potential to host gold mineralisation.

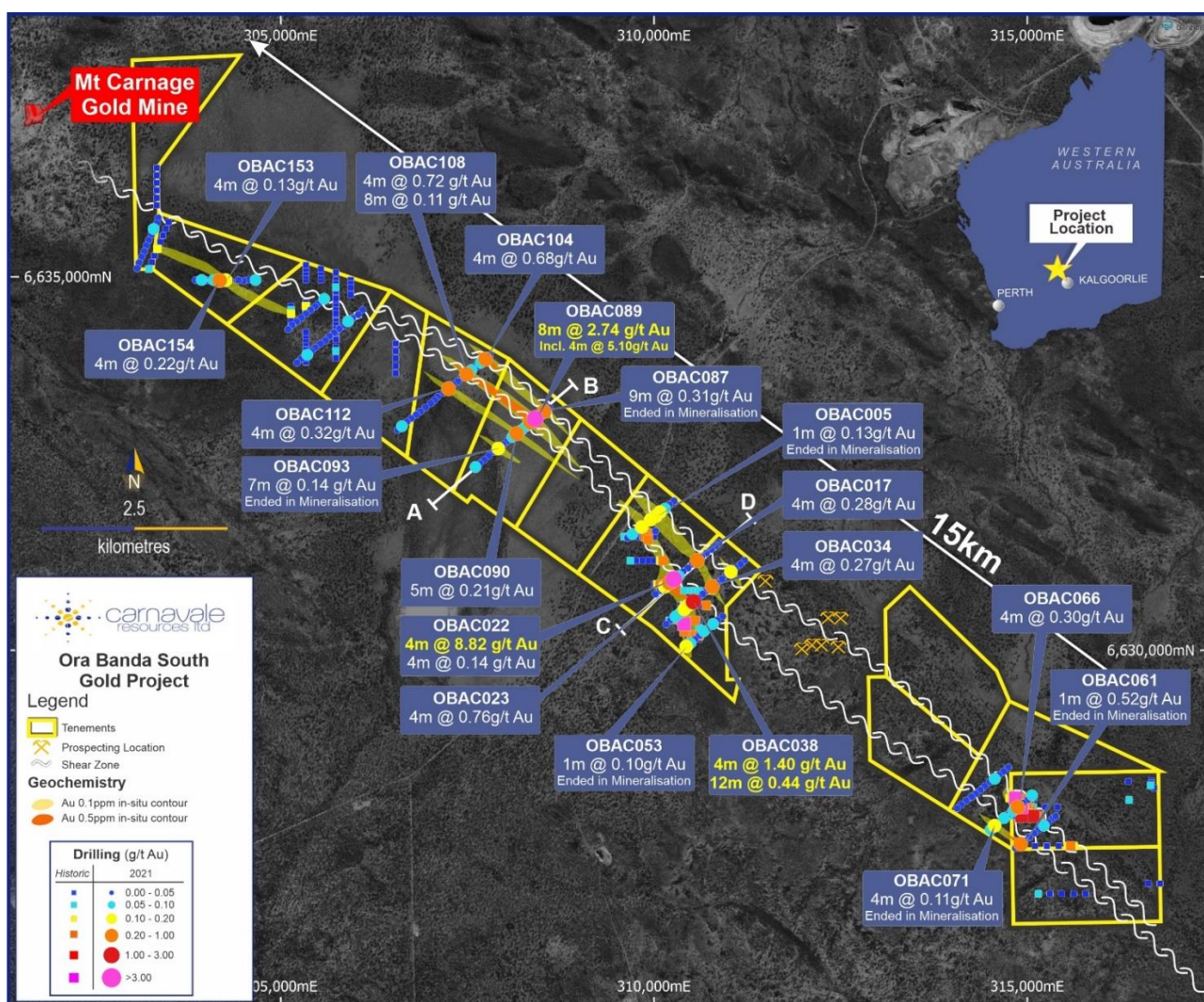


Figure 2: CAV tenure in yellow and with significant intercepts along a 15km long mineralised trend

The 2021 phase one aircore drilling program, comprised 168 holes for 10,869m, successfully identified bedrock gold anomalism along the Carnage Shear. The Carnage shear was identified from aeromagnetics. The initial aircore program confirmed the prospective Carnage Shear occurs along the 15km long tenement package and shows anomalous gold, arsenic, bismuth and lead with three

new gold prospects identified that contain high grade gold intercepts – Carnage, Highlander and Ghan Dam (Figure 3).

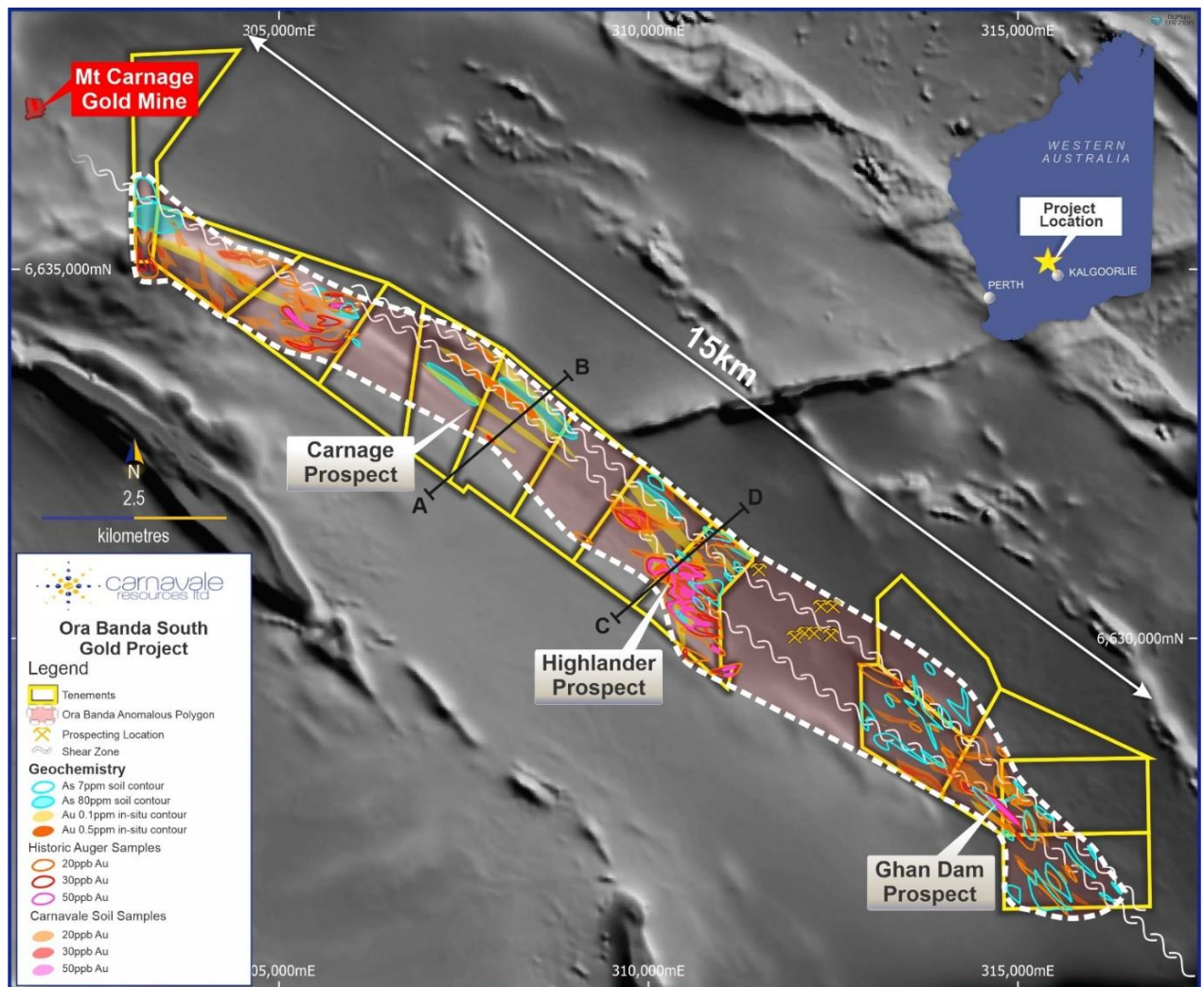


Figure 3: Three new Prospects defined; Geochemistry indicates a 15km mineralised trend

The previous gold and arsenic in soil as well as the downhole gold and arsenic data from the recent aircore drilling has been contoured and defines the targeted Carnage Shear (Figure 3). This data supports the interpretation of a semi-continuous envelope of coincident multi-element anomaly that extends from the Mount Carnage Gold mine in the northwest along the Carnage Shear for the length of the tenement package.

This represents a large 15km long prospective corridor, with high-grade gold already intercepted at the Carnage Prospect and the Highlander Prospect (Figure 3).

In addition to outlining significant gold mineralisation in the regolith, CAV has gained an improved understanding of the geology and structure, the depth of transported material as well as the depth of weathering within the regolith profile across the tenement package. The second aircore drilling program is designed to extend and expand these new gold Prospects.

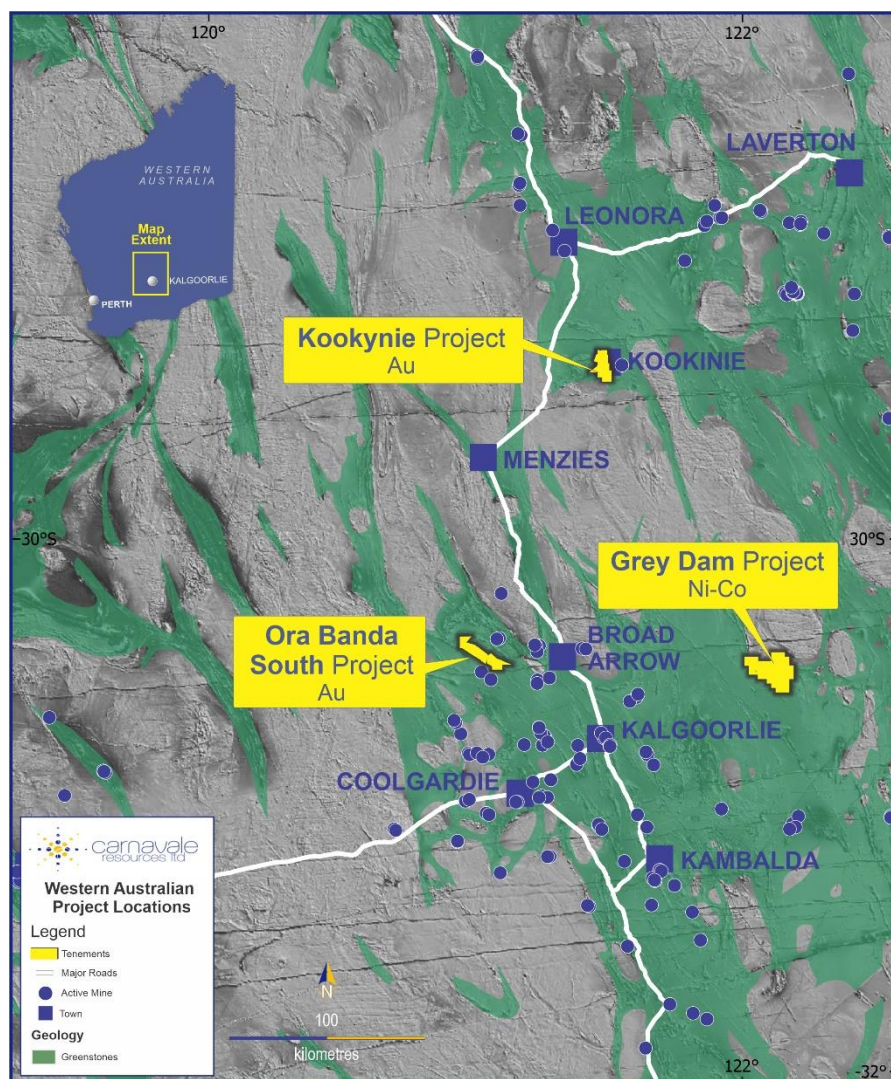


Figure 4: Location of Carnavale's Projects

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

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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 Ora Banda Gold Project includes:

Exploration

Carnavale Bolsters Gold Portfolio with New Acquisition Ora Banda South 5 October 2020

CAV expands gold in soil anomalies at Ora Banda South Project 29 July 2021

Initial Aircore drilling commenced at the Ora Banda South Gold Project 2 Sept 2021

Initial Aircore drilling completed at the Ora Banda South Gold Project 29 Sept 2021

High-grade gold along 15km of the Carnage shear at Ora Banda 13 Dec 2021