

ASX ANNOUNCEMENT

1 August 2022

New high-grade gold discovery at Kookynie Gold Project**Highlights**

- ✦ Substantial second RC program of **30 holes** for **5,210m** was completed at the newly discovered, shallow, high-grade gold lodes at the Kookynie Gold Project.
- ✦ **A new high-grade zone** has been discovered in fresh rock following up previous high-grade aircore results at **McTavish North**, representing the first RC drilling exploration at this prospect. 9 RC holes were completed at McTavish North. High-grade results include:
 - ✦ **11m @ 14.30g/t** from 51m in MNRC005
(Including **1m @ 43.3g/t** from 52m and **2m @ 44.17g/t** from 55m*)
 - ✦ **1m @ 9.03g/t** from 80m in MNRC004
 - ✦ **1m @ 8.60g/t** from 107m in MNRC004
- ✦ 16 RC holes, 2 re-entries and 3 pre-collars were completed at the **McTavish East** prospect targeting extensions to the high-grade gold zone along strike and at depth. High grade results from this program include:
 - ✦ **4m @ 18.59g/t** from 122m in MERC024
 - ✦ **7m @ 6.98g/t** from 225m in MERC030
(Including **1m @ 28.8g/t** from 225m*)
 - ✦ **2m @ 18.77g/t** from 168m in MERC036
 - ✦ **4m @ 10.67g/t** from 55m in MERC031
(Including **1m @ 21.3g/t** from 55m*)
 - ✦ **5m @ 3.85g/t** from 64m MERC0031
 - ✦ **3m @ 5.11g/t** from 234m in MERC030
- ✦ **McTavish East** has mineralisation now defined over 350m X 200m
- ✦ A separate aircore drilling program has been completed to expand the high-grade **McTavish East** discovery along the **1.1km long** prospective structure between **McTavish East** and **Champion South**, results expected during Q3 2022.
- ✦ 3 diamond holes for a total of 491m have been completed targeting extensions of existing mineralisation, result expected Q3 2022.

CEO Humphrey Hale commented:

"We are delighted to have discovered a new high-grade lode at McTavish North with the first RC drill holes into the prospect. In addition, we are pleased with the results from the second RC program at the newly discovered McTavish East prospect which continues to deliver high-grade gold hits and grow this prospect. In the meantime, CAV hasn't slowed down and has recently completed aircore and diamond drilling targeting the prospective corridor between McTavish East to Champion South."

*Inclusion calculated with a 10g/t cut-off with no waste included.

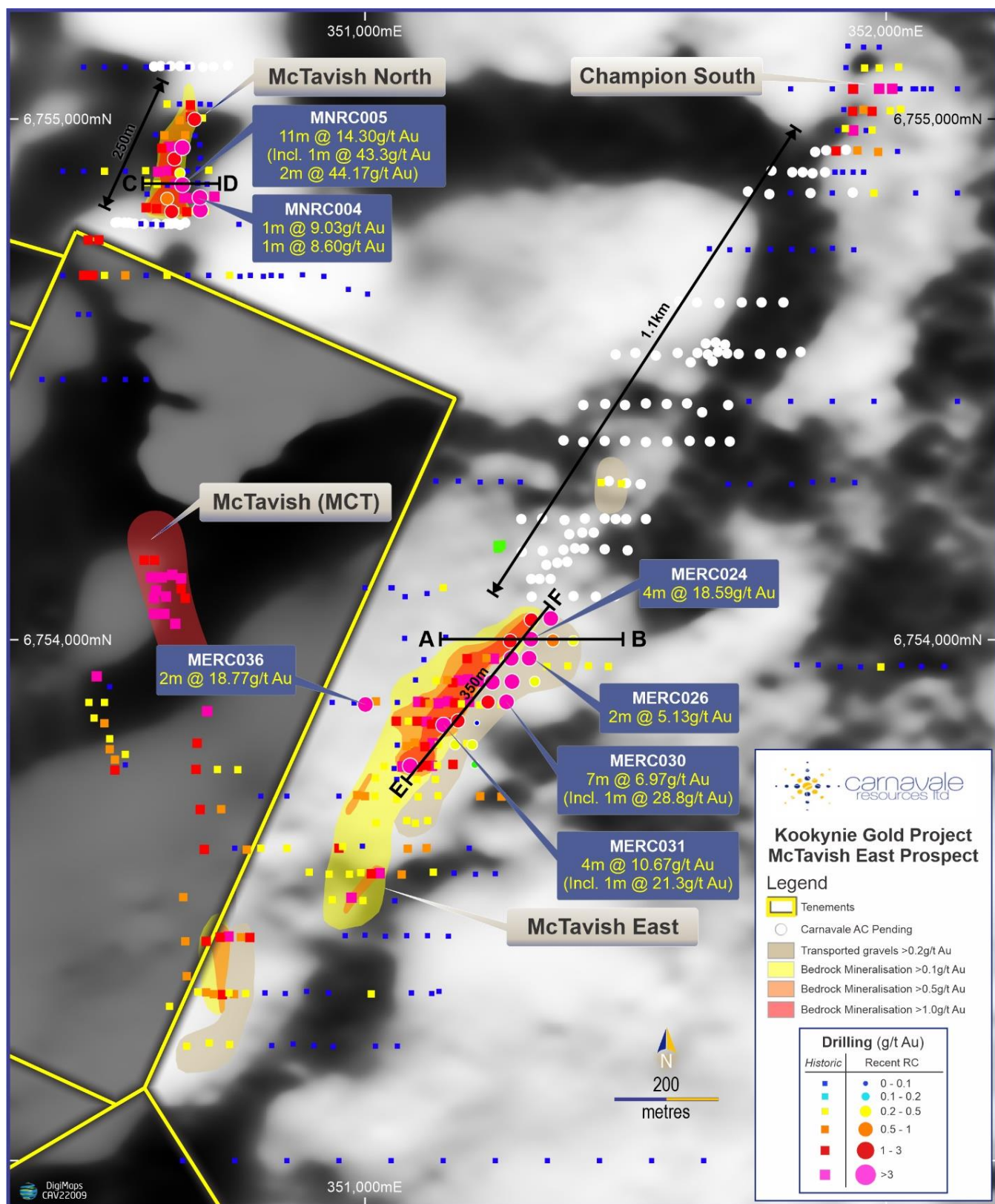


Figure 1, Plan of McTavish North, McTavish East and Champion South

The RC drill program at McTavish East and McTavish North was managed closely, with drill targets updated regularly as information was received from logging geology and alteration encountered within the RC chips. As a result of this monitoring CAV was able to optimise the exploration program in the field.

The first RC program at McTavish North has discovered a new, broad, high-grade zone of gold mineralisation located close to surface following up on previous aircore drilling by CAV. CAV will review the geology and geochemistry to plan a follow up program to expand this new discovery.

CAV drilled 16 RC holes at McTavish East to expand the limits of the previously discovered high grade lodes on a 40m spacing down to 250m below surface. This drilling has outlined the morphology of the large-scale mineralising structure and intersected high-grade gold in the drilling.

CAV also drilled 3 diamond pre-collars, targeting depth extensions to the mineralised structures encountered. and has recently completed the 3-hole diamond drilling program in July 2022, with assay results in Q3 2022.

McTavish North

CAV drilled 9 RC holes into the McTavish North prospect during the recent drilling program. This represents the first RC drilling into the prospect by any Company. CAV previously identified a number of gold anomalies in the regolith with detailed aircore drilling. The high-grade gold anomalies were followed up with RC drilling in this campaign which has resulted in a shallow high grade new fresh rock gold discovery with an intersection of **11m @ 14.30 g/t** in MNRC005 from 51m Including **1m @ 43.3g/t** from 52m and **2m @ 44.17g/t** from 55m (figure 2).

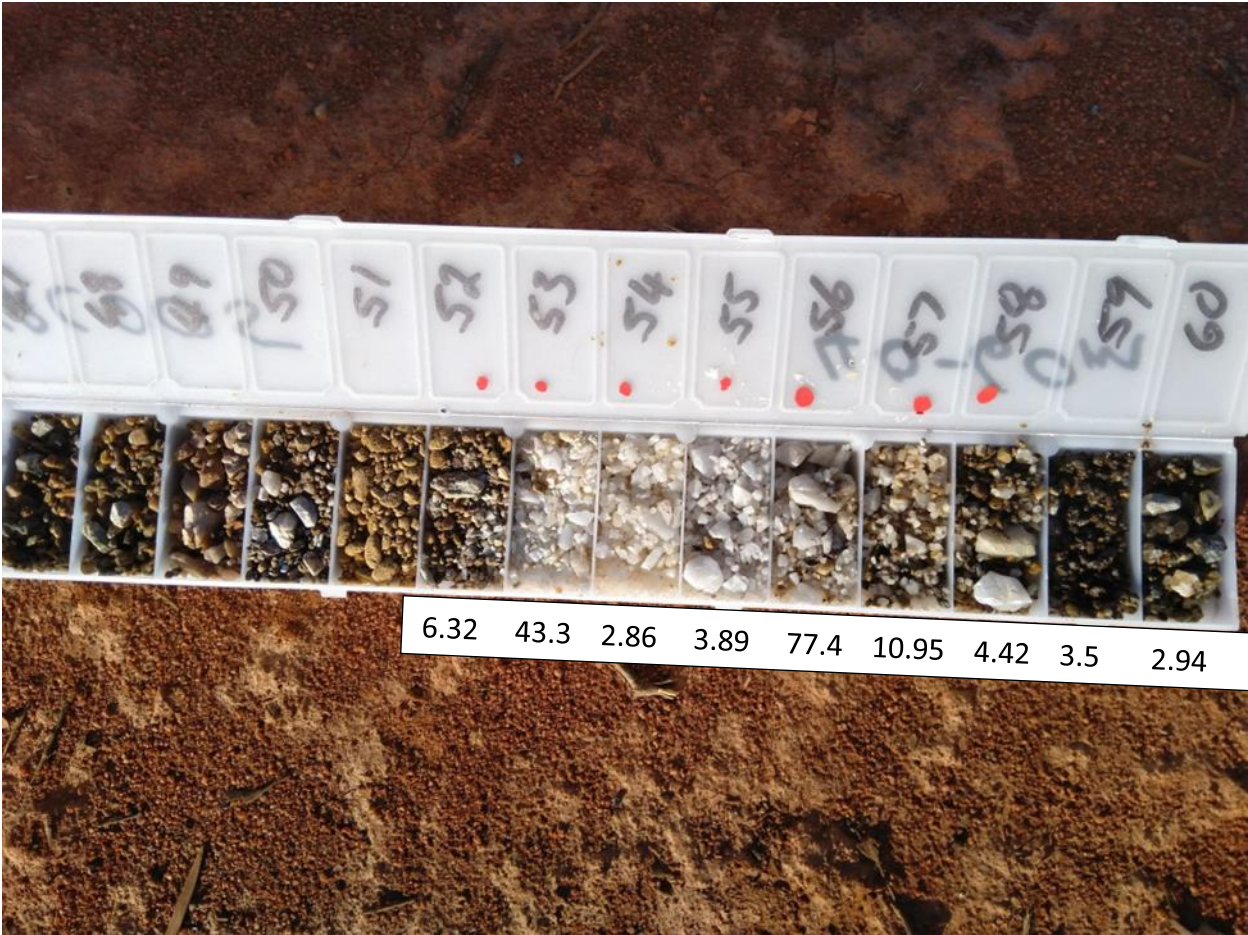


Figure 2, Chip tray from MNRC005 with high grade AU intercept with grades in g/t per m

The high-grade intercept in MNRC005 is within a steeply dipping quartz vein 25m directly beneath the high-grade intercept in aircore hole KOAC356 of 2m @ 4.64g/t in the regolith (figure 3).

The surface gold anomalies at McTavish North are characterised by a number of shallow old workings and pits developed by historic prospectors that CAV has targeted with modern exploration techniques. The third

aircore drilling program at the Kookynie Gold Project intercepted high-grade shallow gold mineralisation in weathered rock. The mineralised zone in the regolith is substantial and strikes 240m to the north remaining untested further to the North. The mineralisation in the regolith profile provided a vector to the newly discovered, shallow, high-grade gold mineralisation intersected by MNRC005 at depth (Figure 3).

The primary gold mineralisation at McTavish North strikes north/south on a major structure that hosts MCT and NME's McTavish project to the South. Additional structures within McTavish North strike northeast, and the Company notes both regolith anomalies have not been closed off and the gold system remains open.

The gold is hosted in broad sulphidic quartz veins and the altered selvage to the veins. The host quartz diorite is typically altered with white mica or sericite plus carbonate with a geochemical signature that suggests a deep-seated magmatic source. The mineralised structures are interpreted to dip steeply to the east and are influenced by the contact between the intermediate and the mafic volcanics.

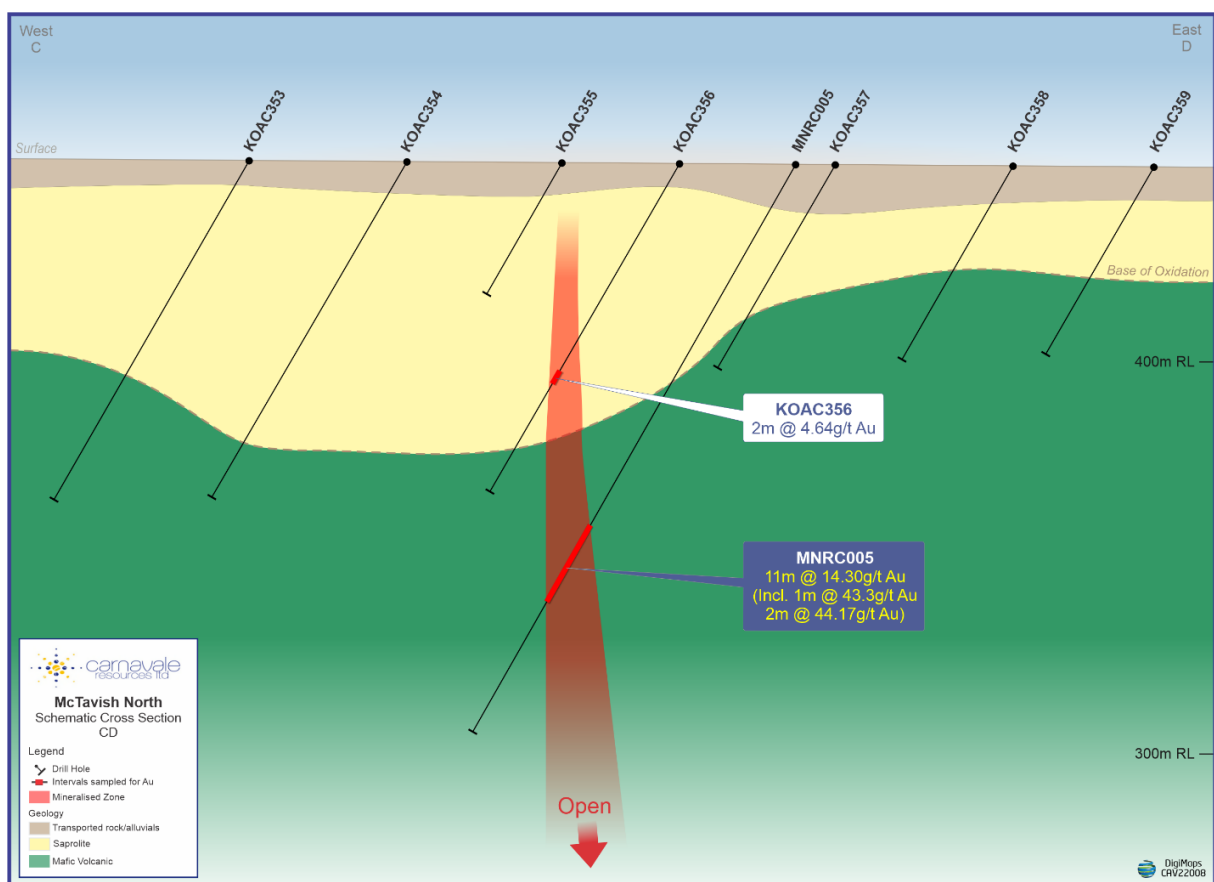


Figure 3, Section through McTavish North with MNRC005 and earlier aircore hole

McTavish East

16 RC holes were drilled into McTavish East in the most recent RC drilling campaign. The program has expanded and defined the high-grade mineralisation within the large-scale mineralising structure that trends across the Kookynie tenement package to Champion South. The holes were planned to intersect the lode on 40m centres.

The high-grade mineralisation defined by the drilling is hosted within plunging shoots along the large-scale structure. This is shown on the contoured long section (figure 5). As a result of this recent drilling CAV has increased the mineralized by an **extra 100m** of strike to define and area of **350m by 200m** on the large-scale structure that remains open at depth.

The **high-grade gold** mineralisation at McTavish East is characterised by the same quartz, carbonate, pyrite mineral assemblage as McTavish North. The distribution of the gold within the structure is nuggety as demonstrated on the long section and the cross section (figure 4). The mineralisation pinches and swells on the structure as plunging shoots. As a result of this morphology the potential for mineralisation on the main structure is not considered closed off by lower grade intersections in down dip drilling.

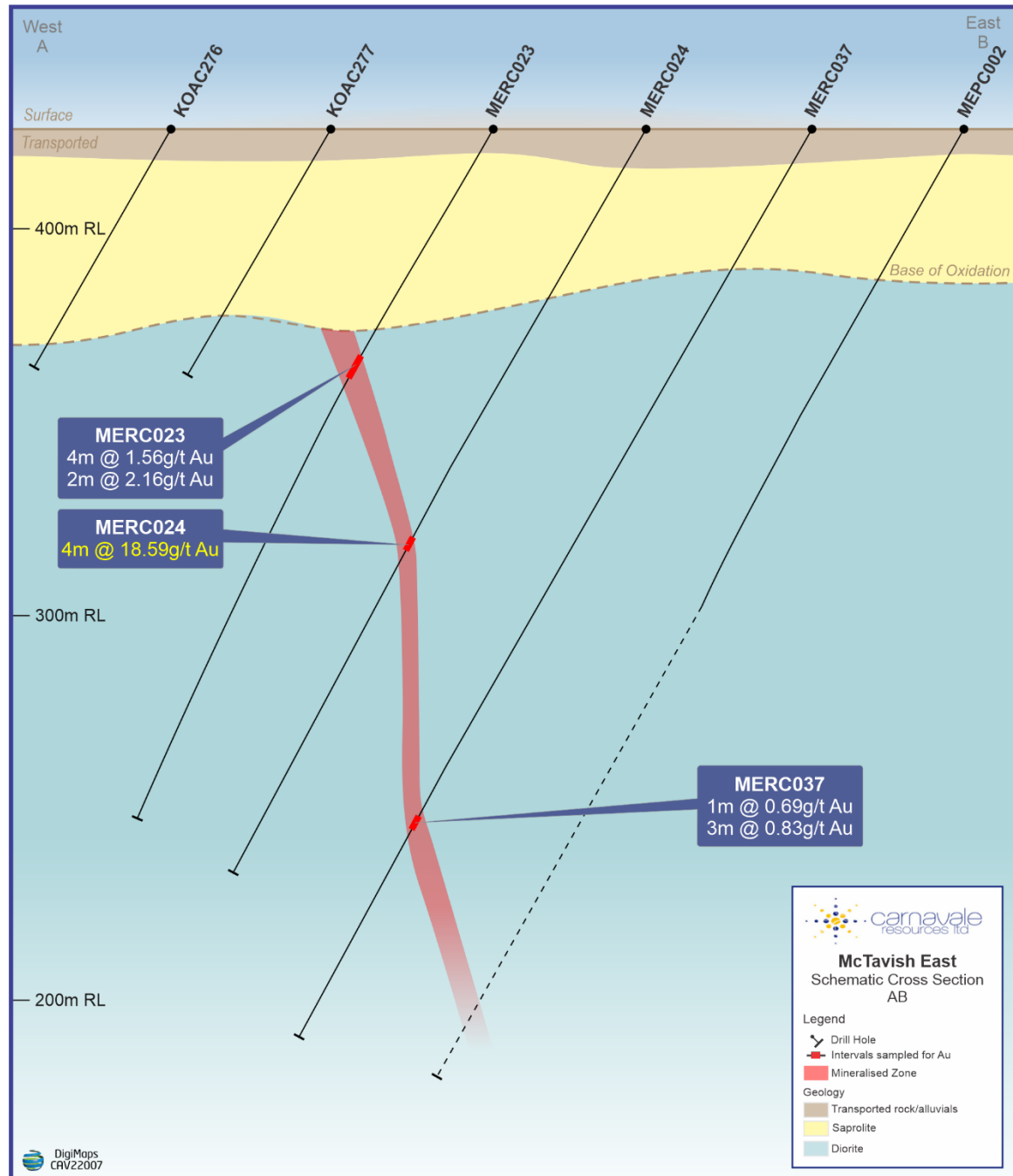


Figure 4, Section through McTavish East with MERC024

The geology of McTavish East is dominated by quartz diorite and doleritic intrusions with a syenite close to and within the large-scale mineralising structure. CAV believes that the presence of this intrusion is associated with the high-grade mineralisation.

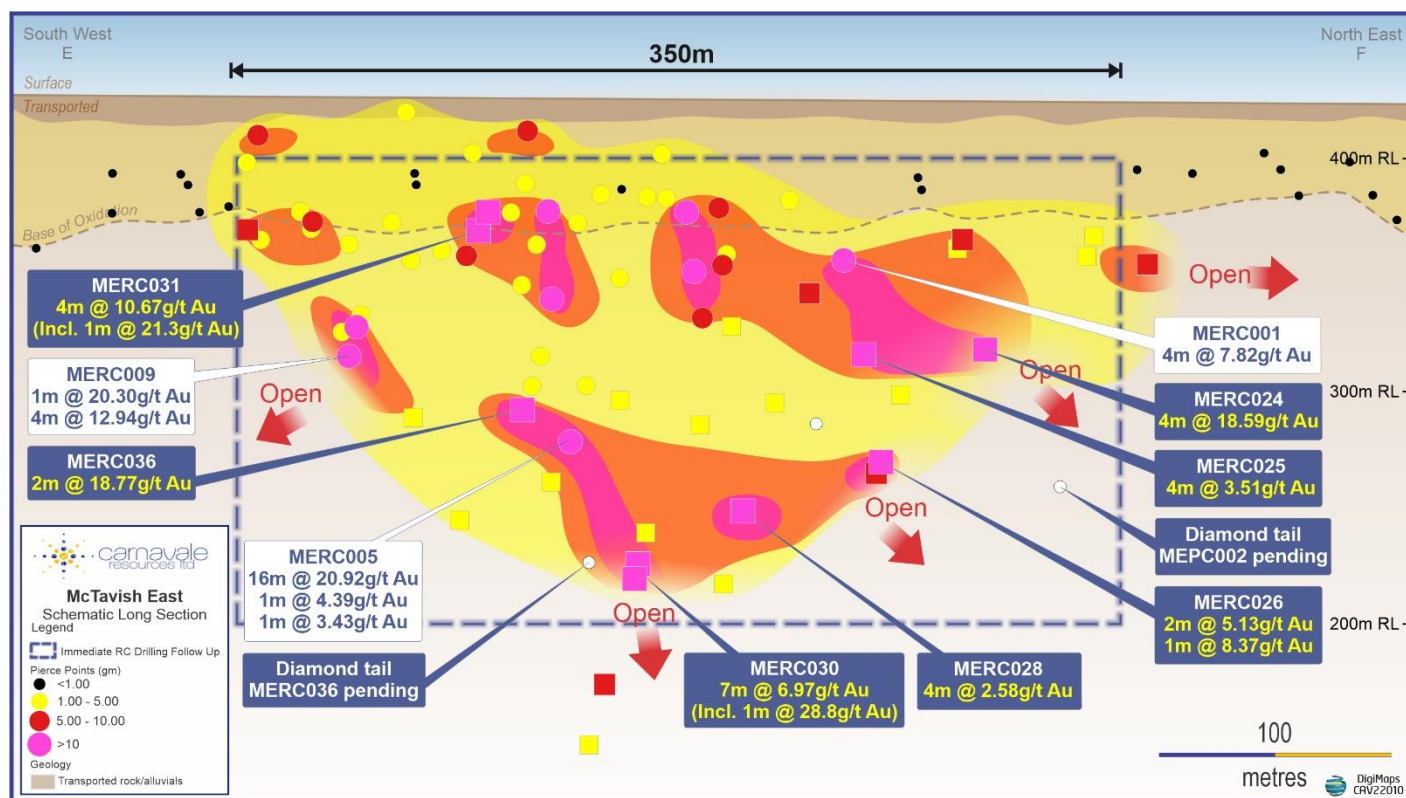


Figure 5, Long section through McTavish East
latest RC drilling in blue callouts previous RC drilling in white callouts

Next steps

The aircore drilling along the **1.1km** long prospective corridor has been completed (figure 1). This program is exploring for repeat structures similar to McTavish East and McTavish North along the large-scale mineralising structure. Of interest is the low-level gold anomaly that lies along this structure in the transported, alluvial material. A similarly low-level gold anomaly was defined in the regolith above the McTavish East prospect. All the aircore samples have been submitted to the lab with results expected in Q3 2022.

In addition to the aircore program CAV completed the 3 diamond tails into the McTavish East prospect. 2 holes were designed to extend the mineralisation along the large-scale structure down dip and a scissor hole was drilled across the structure to provide detailed structural information in the high-grade mineralised zone.

The diamond drilling will provide important structural and textural information to allow CAV to continue to be successful exploring for the extensions to these high-grade structures at McTavish East and McTavish North.

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

For further information contact:

Ron Gajewski
Chairman

Humphrey Hale
CEO
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 Ora Banda 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

Diamond drilling commenced at Kookynie, 15 July 2022

Appendix 1 Significant intercepts

(Greater than 1g/t with up to 1m of included waste). NSI No Significant Intercepts

Hole ID	Depth From	Depth To	Width (m)	Au (g/t)	Intercept
MEPC001					NSI
MEPC002					NSI
MERC022	79	81	2	3.61	2.0m @ 3.61g/t Au
MERC022	201	202	1	1.54	1.0m @ 1.54g/t Au
MERC023	68	72	4	1.56	4.0m @ 1.56g/t Au
MERC023	73	75	2	2.16	2.0m @ 2.16g/t Au
MERC024	122	126	4	18.59	4.0m @ 18.59g/t Au
MERC025	124	128	4	3.51	4.0m @ 3.51g/t Au
MERC026	147	148	1	2.35	1.0m @ 2.35g/t Au
MERC026	179	181	2	5.13	2.0m @ 5.13g/t Au
MERC026	185	186	1	8.37	1.0m @ 8.37g/t Au
MERC027	113	114	1	1.26	1.0m @ 1.26g/t Au
MERC027	161	162	1	3.49	1.0m @ 3.49g/t Au
MERC028	94	98	4	1.53	4.0m @ 1.53g/t Au
MERC028	149	150	1	2.29	1.0m @ 2.29g/t Au
MERC028	200	204	4	2.58	4.0m @ 2.58g/t Au
MERC028	236	237	1	1.33	1.0m @ 1.33g/t Au
MERC029	53	55	2	1.37	2.0m @ 1.37g/t Au
MERC029	151	153	2	2.35	2.0m @ 2.35g/t Au
MERC030	105	106	1	2.57	1.0m @ 2.57g/t Au
MERC030	213	214	1	1.34	1.0m @ 1.34g/t Au
MERC030	225	232	7	6.97	7.0m @ 6.97g/t Au
MERC030	234	237	3	5.11	3.0m @ 5.11g/t Au
MERC030	285	286	1	5.49	1.0m @ 5.49g/t Au
MERC030	314	316	2	1.44	2.0m @ 1.44g/t Au
MERC031	55	59	4	10.67	4.0m @ 10.67g/t Au
MERC031	64	69	5	3.85	5.0m @ 3.85g/t Au
MERC031	160	161	1	1.56	1.0m @ 1.56g/t Au
MERC032					NSI
MERC033					NSI
MERC034	66	67	1	5.68	1.0m @ 5.68g/t Au
MERC034	110	111	1	1.66	1.0m @ 1.66g/t Au
MERC035					NSI
MERC036	168	170	2	18.77	2.0m @ 18.77g/t Au
MERC036	207	209	2	2.44	2.0m @ 2.44g/t Au
MERC037					NSI
MERC038	67	68	1	1.1	1.0m @ 1.10g/t Au
MERC038	77	78	1	2.31	1.0m @ 2.31g/t Au
MNRC001	53	54	1	1.03	1.0m @ 1.03g/t Au
MNRC002	21	22	1	1.04	1.0m @ 1.04g/t Au
MNRC002	26	27	1	1.2	1.0m @ 1.20g/t Au
MNRC002	32	33	1	1.17	1.0m @ 1.17g/t Au

MNRC002	63	64	1	5.93	1.0m @ 5.93g/t Au
MNRC002	67	68	1	1.09	1.0m @ 1.09g/t Au
MNRC002	72	75	3	1.01	3.0m @ 1.01g/t Au
MNRC002	80	81	1	1.69	1.0m @ 1.69g/t Au
MNRC003					NSI
MNRC004	14	15	1	3.9	1.0m @ 3.90g/t Au
MNRC004	40	41	1	1.32	1.0m @ 1.32g/t Au
MNRC004	59	60	1	1.15	1.0m @ 1.15g/t Au
MNRC004	65	66	1	3.98	1.0m @ 3.98g/t Au
MNRC004	80	81	1	9.03	1.0m @ 9.03g/t Au
MNRC004	107	108	1	8.6	1.0m @ 8.60g/t Au
MNRC004	112	113	1	1.98	1.0m @ 1.98g/t Au
MNRC005	51	62	11	44.30	11.0m @ 44.30g/t Au
MNRC006					NSI
MNRC007	42	43	1	2.74	1.0m @ 2.74g/t Au
MNRC008	71	72	1	3.56	1.0m @ 3.56g/t Au
MNRC009	44	45	1	1.51	1.0m @ 1.51g/t Au
MNRC009	46	47	1	1.11	1.0m @ 1.11g/t Au

Appendix 2

Collar table

Hole ID	Type	Depth	Grid MGA	East MGA	North MGA	RL	Dip	Azim
MEPC001	RC	100	MGA94_Z51	351325.7	6753920	425.853	-60	270
MEPC002	RC	150	MGA94_Z51	351399.7	6753998	425.52	-60	270
MERC022	RC	250	MGA94_Z51	351356.5	6754041	425.694	-60	270
MERC023	RC	200	MGA94_Z51	351278.7	6753998	426.066	-60	270
MERC024	RC	220	MGA94_Z51	351318.3	6754001	425.746	-60	270
MERC025	RC	170	MGA94_Z51	351280.6	6753964	426.117	-60	270
MERC026	RC	220	MGA94_Z51	351314.9	6753965	425.964	-60	270
MERC027	RC	230	MGA94_Z51	351244.4	6753919	426.408	-60	270
MERC028	RC	260	MGA94_Z51	351282.1	6753920	426.269	-60	270
MERC029	RC	270	MGA94_Z51	351236.1	6753881	426.336	-60	270
MERC030	RC	330	MGA94_Z51	351271.6	6753881	426.299	-60	270
MERC031	RC	200	MGA94_Z51	351150.7	6753837	427.08	-60	270
MERC032	RC	250	MGA94_Z51	351214.7	6753840	426.554	-60	270
MERC033	RC	300	MGA94_Z51	351205.8	6753799	426.792	-60	270
MERC034	RC	150	MGA94_Z51	351086.7	6753758	427.452	-60	270
MERC035	RC	200	MGA94_Z51	351210.8	6753761	426.772	-60	270
MERC036	RC	228	MGA94_Z51	351000.7	6753876	426.277	-60	90
MERC037	RC	270	MGA94_Z51	351360.7	6753999	425.641	-60	270
MERC038	RC	200	MGA94_Z51	351319.2	6754039	425.69	-60	270
MNRC001	RC	80	MGA94_Z51	350629	6754822	422.619	-60	270
MNRC002	RC	100	MGA94_Z51	350683.9	6754825	422.415	-60	270
MNRC003	RC	90	MGA94_Z51	350620.4	6754847	422.523	-60	270
MNRC004	RC	150	MGA94_Z51	350683.3	6754850	422.299	-60	270
MNRC005	RC	80	MGA94_Z51	350649.6	6754874	422.362	-60	270
MNRC006	RC	100	MGA94_Z51	350644.8	6754896	422.271	-60	270
MNRC007	RC	102	MGA94_Z51	350634.4	6754924	422.539	-60	270
MNRC008	RC	120	MGA94_Z51	350649.6	6754945	422.553	-60	270
MNRC009	RC	70	MGA94_Z51	350673	6755000	422.679	-60	270

APPENDIX 3 – REPORTING OF EXPLORATION RESULTS - JORC (2012) TABLE 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Reverse Circulation (RC) drilling rig supplied by Challenge Drilling Pty Ltd. Drilling was used to obtain 1m samples. 1m samples were submitted to the laboratory for analysis. Every 5th sample was analysed for multi elements. Samples submitted for analysis weighed approx. 3kg. Sampling and analytical procedures detailed in the sub-sampling techniques and sample preparation section.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Face sampling RC drilling achieved hole diameter size of (5 1/2 inch). Holes were drilled at an angle of 60 degrees.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Sample recovery size and sample conditions (dry, wet, moist) were recorded. Drilling with care (e.g. clearing hole at start of rod, regular cyclone cleaning) if water encountered to reduce incidence of wet samples.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level 	<ul style="list-style-type: none"> Logging carried out by inspection of washed cuttings at time of drilling. A representative sample was collected in

Criteria	JORC Code Explanation	Commentary
	<p>of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<p>plastic chip trays for future reference.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 1m samples were collected in pre-numbered calico bags. Samples weighed between approximately 2.5 - 3 kg. 1m samples collected in poly weave bags for dispatch to assay laboratory. Samples are dried (nominal 110 degrees Celsius), crushed and pulverized to produce a homogenous representative sub-sample for analysis. All samples are pulverised utilising ALS preparation techniques 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The 1m 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, samples were analysed by ALS using 4-Acid Digest & Assay [ME-MS61] plus a specific assay for Gold [Au-AA24 and Au-GRA22 for assays above 10g/t] by ALS laboratories in Brisbane. Gold intercepts are calculated with a 1g/t Au lower cut, no upper cut and 1m of 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill holes were surveyed using Topcon Hyper II GNSS base/rover kit (Easting and Northing values) of +- 2cm. Grid System – MGA94 Zone 51.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Holes were drilled to target structural features identified in aeromagnetic survey and geochemical anomalies identified by previous aircore drilling. Holes were located accurately by Handheld GPS. No mineral classification is applied to the results at this stage. Samples were collected on 1m intervals from a rig mounted cone splitter
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No bias has been introduced from the sampling technique. Drilling has been designed to target the stratigraphy normal to bedding. Drilling data appears to locate the strike and approximate dip of structures. No direct structural measurements have been taken.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews completed.

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Tenement package includes 4 granted exploration tenements (E40/355, P40/1480, P40/1380, and P40/1381). Carnavale (80%) has entered into a joint venture with Western Resources Pty Ltd (20%) on tenements E40/355 P40/1380 and. P40/1381 commencing after exercising an option agreement with Western Resources Pty Ltd. Western Resources Pty Ltd is free carried until completion of a Bankable Feasibility Study. 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	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> 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. The deepest historic hole is 108m downhole. 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).
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Target is shear hosted gold mineralisation and the associated supergene enrichment.
Drill hole Information	<ul style="list-style-type: none"> 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: 	<ul style="list-style-type: none"> A Collar table is supplied in the Appendices. A table of significant intercepts is supplied in the Appendices.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> easting and northing of the drill hole collar 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Intercepts are reported as down-hole length and average gold intercepts are calculated with a 1g/t Au lower cut no upper cut and 1m internal dilution. No metal equivalent values, or formulas used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> All results are based on whole down-hole metres. True width not known.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Appropriate summary diagrams with Scale and MGA 94 coordinates are included in the accompanying report above.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both 	<ul style="list-style-type: none"> Diagrams show all drill holes completed.

Criteria	JORC Code Explanation	Commentary
	low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Historical drill programs have defined Au geochemical anomalies within the tenement package. Aeromagnetic data and geology have been drill verified.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Planning has commenced on a follow up drilling to expand the extent of the Au mineralisation discovered in the drilling campaigns.