

ASX ANNOUNCEMENT

23 May 2023

RC drilling testing high-grade aircore results at Kookynie.

Carnavale Resources Ltd (CAV) is pleased to provide an update to its exploration activities at the Kookynie Gold Project. CAV has commenced a program of RC drilling at **McTavish East** following up on excellent, extensional high-grade gold results from previous aircore drilling in the regolith.



Figure 1, Challenge Drilling RC rig onsite at Kookynie Gold Project

- ✦ 8 hole, **1,400m RC drilling program** targeting the Northern extensions to the **McTavish East** Prospect identified by CAV aircore has commenced.
- ✦ RC drilling targets fresh rock extensions beneath high-grade gold in the regolith.
- ✦ Extensional aircore drilling at McTavish East results included:
 - **10m @ 5.78g/t** from 32m (inc. **6m @ 9.08g/t** and **2m @ 1.4g/t**) in KOAC398
 - **4m @ 13.28g/t** from 24m and **2m @ 1.14g/t** from 32m in KOAC487
 - **8m @ 4.98g/t** from 44m (inc. **6m @ 6.37g/t**) in KOAC488
 - **9m @ 2.88g/t** from 54m in KOAC396 (*ends in mineralisation*)
- ✦ High-grade gold mineralisation identified by aircore beneath transported cover.
- ✦ High grade mineralised zone at **McTavish East** identified over **700m of strike**.

CEO Humphrey Hale commented:

“We are excited to be drilling at Kookynie again. The high-grade gold shoots can be difficult to predict at Kookynie, with this in mind CAV has reviewed the geochemistry and structural morphology of the high-grade gold shoots to optimise the location of the latest exploration efforts. This new RC program is designed to extend the known high-grade mineralisation in the fresh rock at McTavish East by over 150m to the North along the major 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 gold resources and reserves that can be mined and transported to a processing plant nearby.

CAV has defined two new prospects at Kookynie that were concealed by a layer of transported cover. The mineralised zone at **McTavish East** has been defined by RC and diamond drilling with over 500m of strike in fresh rock and 250m down dip that is open in both directions. Aircore has extended the high-grade gold mineralisation in the regolith an additional 200m to the north, for a regolith anomaly strike extent of 700m. This northeastern regolith anomaly is the target of the current RC drilling program which has been designed to test for extensions of mineralisation into the fresh rock.

Further northeast of the high-grade regolith zone there is an additional +200m anomaly that will be RC drill tested in the future (Figure 2).

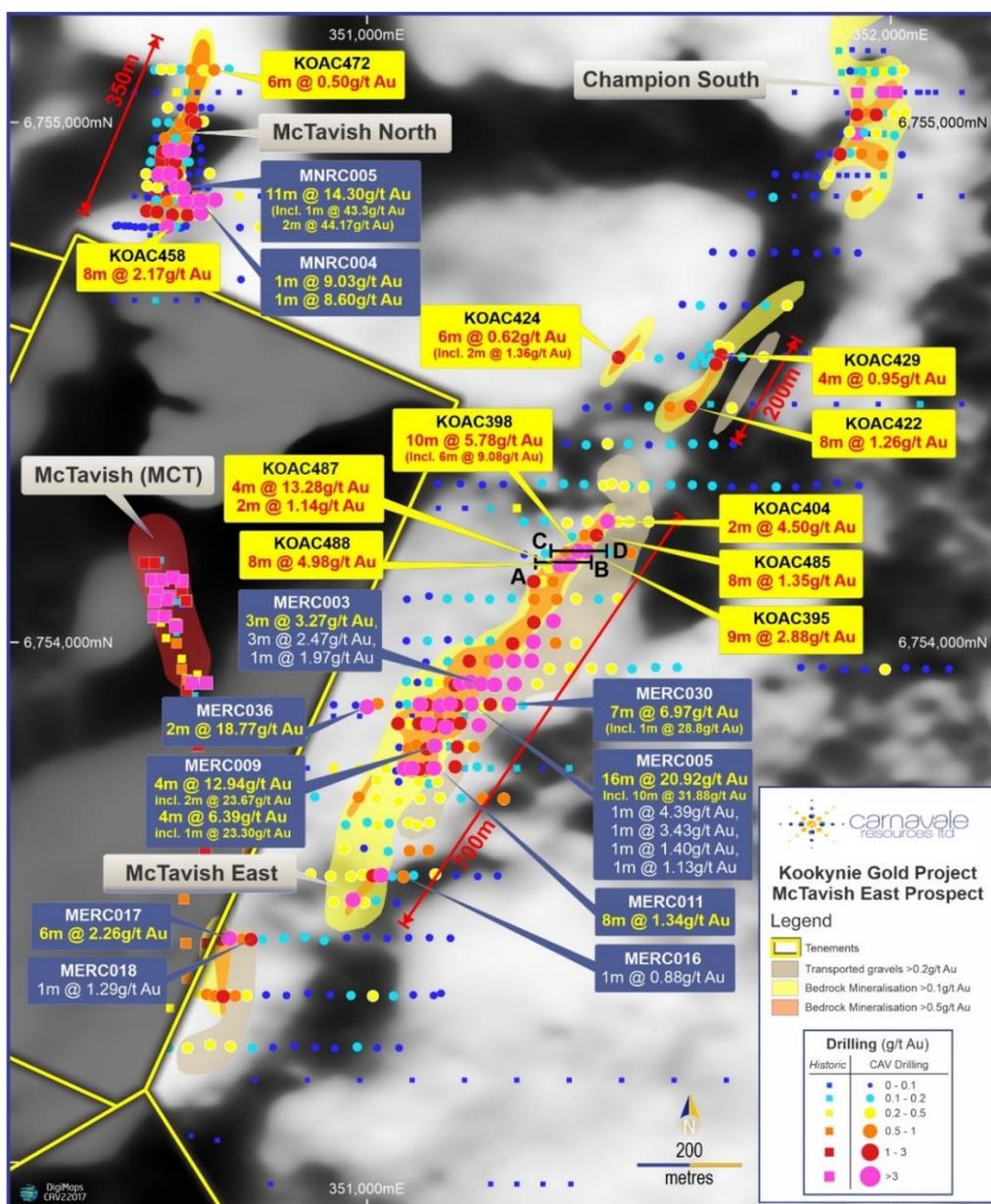


Figure 2, Plan of drilling at Kookynie
 (Yellow - extensional aircore program - blue - significant results from previous CAV RC drilling)

The earlier extensional aircore program significantly increased the regolith anomaly at **McTavish East** with over **700m of strike**. It is anticipated that this newly discovered regolith mineralisation overlies significant high-grade gold mineralisation at depth that can expand the fresh rock opportunities at the McTavish East prospect. (Figure 3 and 4) Significant intercepts within the extensional aircore include:

- **10m @ 5.78g/t** from 32m (inc. **6m @ 9.08g/t** and **2m @ 1.4g/t**) in KOAC398
- **4m @ 13.28g/t** from 24m and **2m @ 1.14g/t** from 32m in KOAC487
- **8m @ 4.98g/t** from 44m (inc. **6m @ 6.37g/t**) in KOAC488
- **9m @ 2.88g/t** from 54m in KOAC396 (ends in mineralisation)

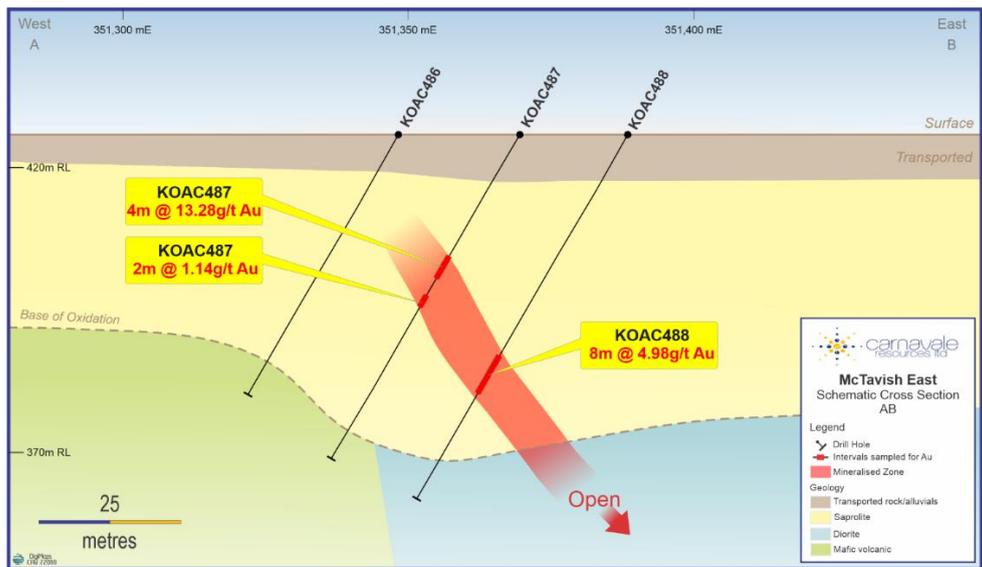


Figure 3, Section 6754150mN A_B through McTavish East trend showing phase 4 aircore.

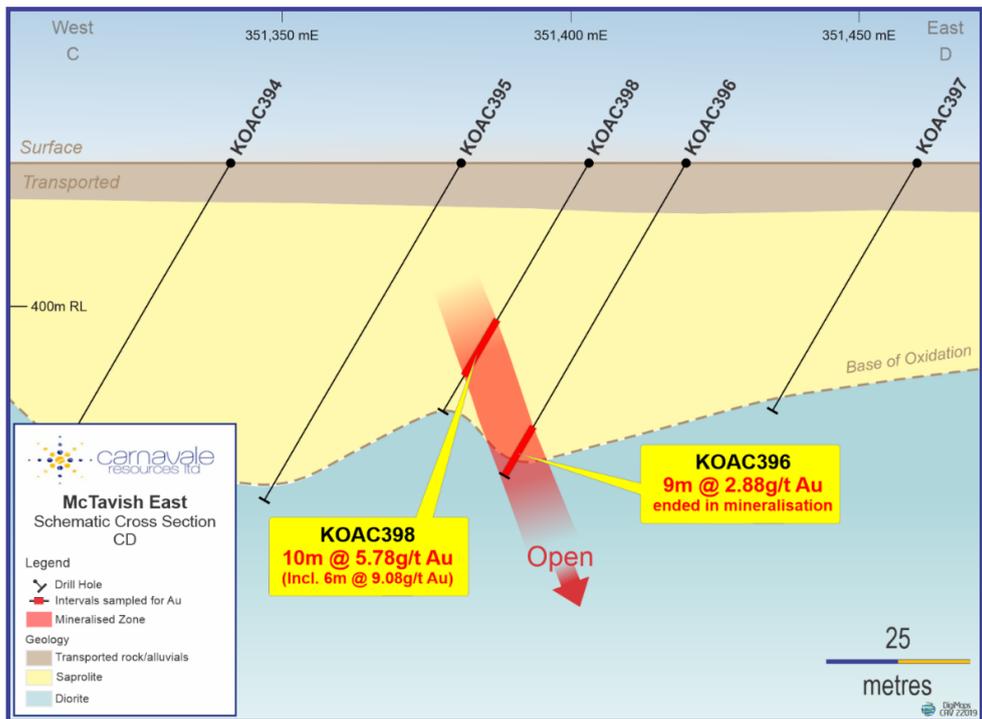


Figure 4, Section 6724175mN C_D through McTavish East trend showing phase 4 aircore.

The mineralisation along the 2.5km **McTavish East** trend is steeply dipping to the east and is structurally controlled by northeast striking structures that can be interpreted from the aeromagnetic images flown by Carnavale in late 2020. Continuity of the structure is demonstrated in figures 3 and 4. It is noted that mineralisation is depleted from the surface layers making surface sampling in this area ineffective.

A long section of the main mineralizing structure is shown that provides detail of drilling from the McTavish East to the Champion South Prospect for 2.2km (figure 5). The RC drilling program will test the fresh rock beneath KOAC487 and KOAC 396 considering the high-grade gold shoot geometry that plunges Northeast on the Northeast major mineralizing structures. The target zone is shown within the red outline in figure 5.

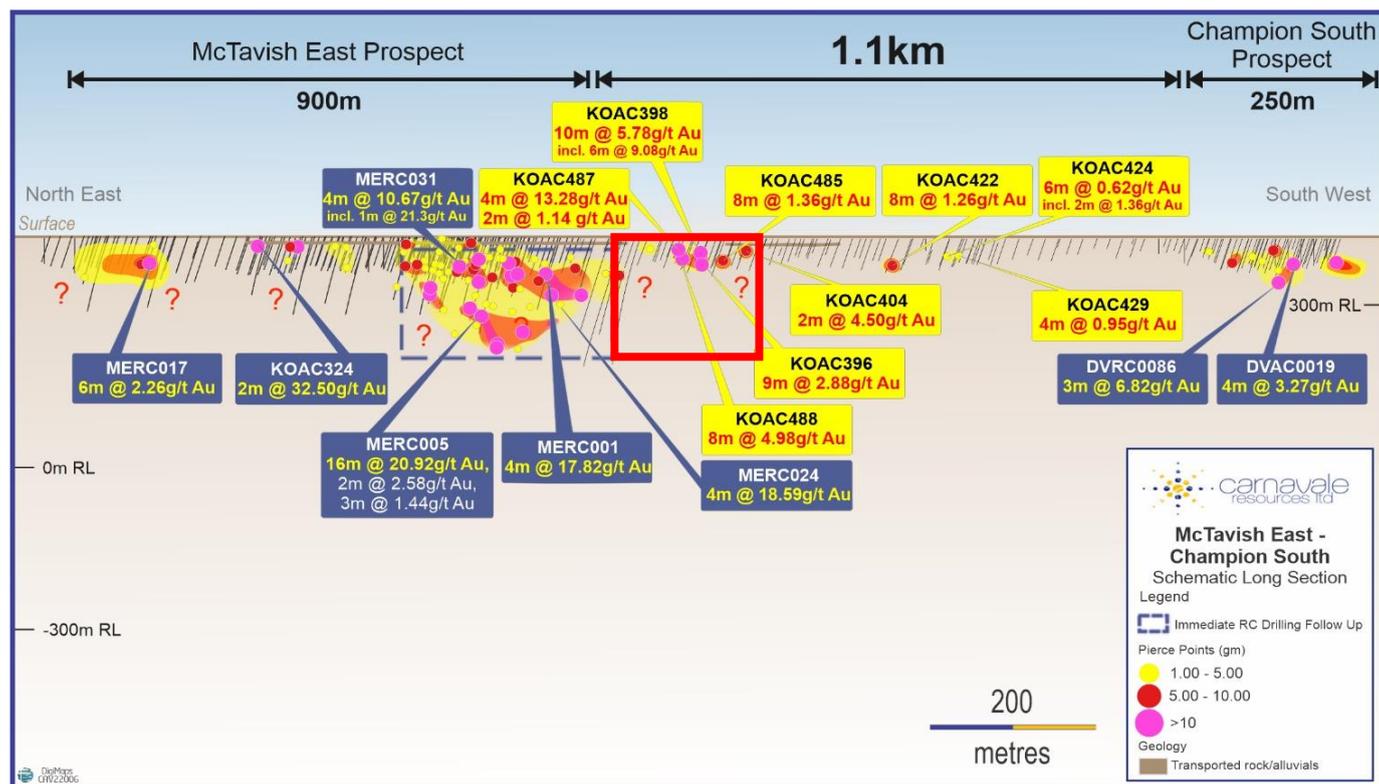


Figure 5, Long section through McTavish East trend
(Yellow callout extensional aircore program blue callouts previous CAV RC drilling)

Previous drilling at Kookynie identified that the anomalous gold hosted in the transported material is directly attributable to high-grade gold within the saprock horizon in the regolith profile. Drilling with RC beneath these regolith gold anomalies has been successful in discovering the fresh rock source to the regolith anomalies. This effect has been confirmed again along the **McTavish East** trend to the Northeast with deeper high-grade gold anomalies discovered in the saprock beneath the weak transported anomalies.

The continued exploration success at Kookynie along the 2.5km **McTavish East** trend opens up the opportunity to discover further repeats at Champion South and North-East of Champion South along this major structure.

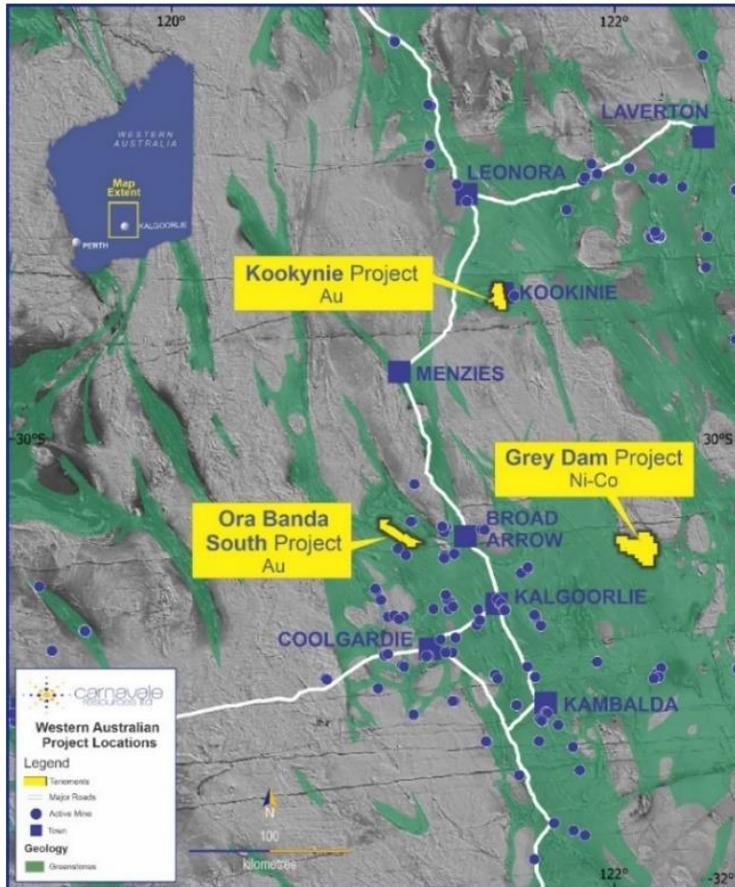


Figure 6: Location plan of CAV Projects

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

For further information contact:

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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

Information relating to Exploration Results and Mineral Resources associated with previous disclosures relating to the Kookynie Gold Project in this announcement has been extracted from the following ASX announcements:

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

Kookynie Gold Project – Aircore Drilling commenced, 1 Dec 2020

Kookynie Gold Project – Drilling update, 17 Dec 2020

Kookynie Gold Project – Aircore drilling success, 9 Feb 2021

Kookynie Gold Project – Second phase of Aircore Drilling commenced 3 March 2021

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

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

Kookynie Gold Project – 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

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

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

Diamond drilling extends down dip extensions to high-grade gold zone at Kookynie, 18 October 2022

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.