

ASX ANNOUNCEMENT

5th Aug 2024

Outstanding Metallurgical testwork results for Kookynie Gold Project

Carnavale Resources Ltd (CAV) is pleased to announce the results of ongoing metallurgical testwork for its headline Swiftsure Deposit within the Kookynie Gold Project which is located 3km northwest of the Kookynie townsite and 60km south of Leonora in Western Australia's Eastern Goldfields.

Highlights:

- High overall gold recovery rates ranging from **98.9% - 99.5%**
- High recovery of gravity gold averaging **87.1%**
- High recovery from carbon in Leach (CIL) test **99.7%**
- Rapid leach kinetics shows **90.6% to 91.6%** recovery after **4 hours** of leaching
- The optimum grind size was found to be course by industry standards, being 106 micron.
- Low cyanide consumption and no lime consumption in leach testwork
- Confirms earlier metallurgical testwork recoveries of 97-99% recoveries from Leachwell testwork at ALS laboratories (ASX: *Initial metallurgical testwork demonstrates outstanding recoveries 19th Sept 2023*)

CAV engaged Independent Metallurgical Operations Pty Ltd (IMO) to follow up previous Leachwell testwork that indicated outstanding gold recoveries could be achieved at the Kookynie Gold Project.

IMO conducted a program of metallurgical testwork on samples of mineralised material that represents the high-grade zone within the Swiftsure Deposit. A composite sample of 28kg was collected from RC drilling chips that represented the high-grade gold zone. The Swiftsure Deposit is characterized by bonanza grade zones of mineralisation contained within plunging shoots.

CAV recently released a Scoping Study (Study) for the Swiftsure Deposit with (*refer ASX release 13 June 2024: Robust Maiden Resource and Positive Scoping Study Kookynie*). The Study indicated that the project could deliver a **Pre-tax NPV** of approximately **A\$91m with an IRR of 192%** at **AU\$3,500 gold price**. Notably this Study assumed a metallurgical recovery of 95%, compared to results from this current testwork which suggests that recoveries greater than **99%** may be possible.

CEO Humphrey Hale commented:

"CAV is delighted with the results of the metallurgical work carried out by IMO. The improvement in recovery upgrades the profitability of the Swiftsure Deposit and confirms the results of the earlier Leachwell testing. The testwork has delivered exceptional results with the latest results revealing an enviable +99% gold recovery with the easily recovered gravity portion representing about 87%. These test work results support the geologist's observations of abundant course free milling gold in the drill chips."

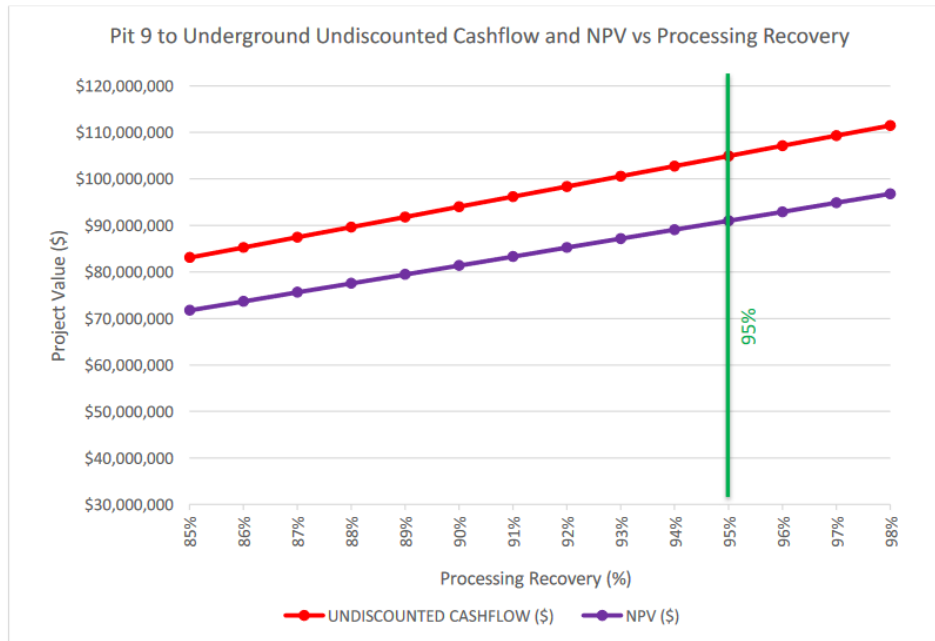


Figure 1, Undiscounted cashflow and NPV vs Processing recovery

Variability work completed during the Study indicates that a **1% variation** in recovery generates a **\$2.2 million variation** in undiscounted cashflow and a **\$1.9 million variation in the project NPV**. The sensitivity outcomes show that the project remains viable across the range of recoveries considered.

Introduction

CAV requested IMO to conduct metallurgical test work on the Swiftsure Deposit. A single composite sample of 28kg of mineralised material was generated from RC chips that represented the high-grade gold zone of the Swiftsure deposit. The Swiftsure deposit is characterized by plunging shoots that contain bonanza grade zones of mineralisation in excess of 31g/t. That composite sample had a head grade of 27.60 g/t and was processed via the following steps:

- ✦ Comprehensive assay analysis.
- ✦ Gravity concentration via a Knelson Concentrator.
- ✦ Three (3) cyanide leach tests to study the effect of varying grind size.
- ✦ Two (2) cyanide leach tests to study the effect of varying leach conditions, and
- ✦ One (1) Carbon in Leach (CIL) test to study the performance of the carbon in the leach.

Head Assay Analysis

A sub split of the testwork composite was pulverised and submitted to Intertek for head assay analysis with results provided in Table 1. The following observations can be made:

- ✦ The head grade of the composite sample has an average gold grade of 27.60 g/t with little variation in the repeat assay.
- ✦ Sulphur grade of 1.40% with the majority existing as sulphides, confirming a fresh rock source.
- ✦ Arsenic and copper grades are low at 1.2 ppm and 48.4 ppm respectively.
- ✦ Antimony grade of 0.6 ppm which is low and is not expected to cause passivation issues in the leach.

Gravity Concentration and Cyanide leach testwork

Gravity recoverable gold was assessed prior to the cyanide leach test as presented in Figure 2. For the gravity test a 15 kg sub sample was ground to 80% passing 300µm and passed as a single pass through a 3" standard Knelson concentrator. The Knelson concentrate was subsequently intensively leached to emulate industry standard gravity concentrate leach conditions.

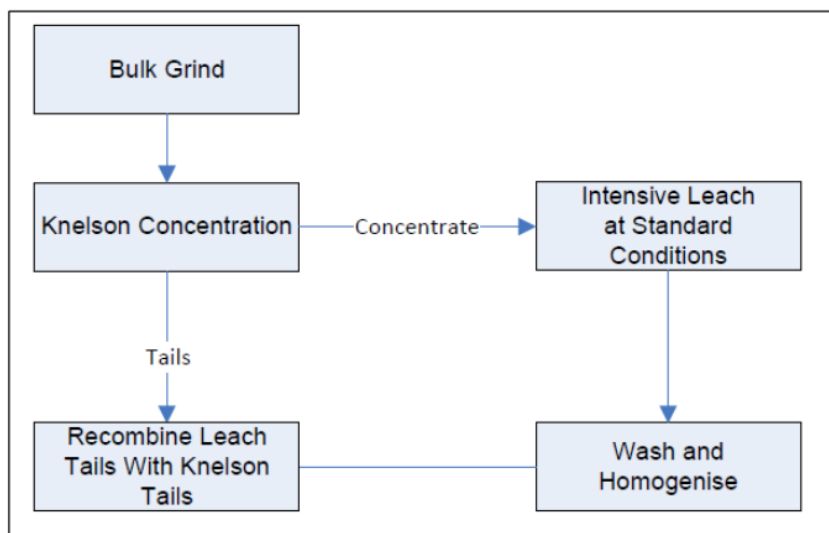


Figure 2, Gravity test flowsheet

Gravity gold recovery is presented in Table 1. This has been back calculated from the intensive leach solution assay and calculated head grade from the gravity tailing leach tests. Results indicate a mass recovery of 0.56% and average gravity recoverable gold of 87.1% (25.0 g/t) calculated from the five (5) leach tests. The mass of concentrate collected was 82.7 g from the Knelson run.

Results	Units	LT01	LT02	LT03	LT04	LT05
Calculated Head Grade	g/t	28.86	28.83	28.94	28.67	28.43
Concentrate Mass Recovery	%	0.56%	0.56%	0.56%	0.56%	0.56%
Gravity Gold Recovery	%	86.6%	86.7%	86.5%	87.6%	88.2%
Gravity Gold Grade	g/t	24.99	25.00	25.03	25.11	25.08
Concentrate Gold Grade	g/t	4,511	4,511	4,511	4,511	4,511
Calculated Leach Feed Grade	g/t	3.87	3.83	3.91	3.56	3.35

Table 1, Gravity results summary

Grind Size Optimisation Cyanide Leaching Test Work

Cyanide leach test work was conducted on 1 kg subsamples of the recombined Knelson tails and intensive leach tails. Three (3) initial cyanide leach tests were conducted to study the effect of grinding to the following particle sizes: P80 75 µm (LT01), P80 106 µm (LT02) and P80 150 µm (LT03). Conditions utilised for the tests were as follows:

- ☀ 48-hour duration with kinetic points at 2, 4, 8, 24, 30 and 48 hours;
- ☀ pH maintained at 10 – 9.5;

- ✦ Initial cyanide of 500 ppm, maintained at 300ppm.
- ✦ Dissolved oxygen maintained between 15 – 20ppm through oxygen sparging; and
- ✦ 40% solids in Perth Tap Water.

The grind size optimisation cyanide leach results are presented in Table 2 and kinetic leach curves shown in Figure 3. The following observations can be made:

- ✦ The 48-hour gold extraction was 99.4%, 99.5% and 98.9% respectively at P80 75, 106 and 150µm.
- ✦ The optimum grind size was found to be 106µm.
- ✦ Residue grade was slightly higher in the coarsest sample (P80 150µm) at 0.33 g/t (compared to 0.18g/t and 0.16g/t at respective grind size P80's of 106 and 75µm) which IMO concluded is due to reduced gold liberation.
- ✦ The cyanide consumptions ranged from 0.36kg/t to 0.39kg/t and IMO considers the cyanide consumption to be low; and
- ✦ No lime was added to maintain a pH of 9.

Sample ID	Units	Bucket #1	Bucket #1	Bucket #1
Grind Size (P ₈₀)	µm	75 µm	106 µm	150 µm
Leach Test Number		LT01	LT02	LT03
Calc'd Head Grade	g/t	28.86	28.83	28.94
Assayed Head Grade	g/t	27.60	27.60	27.60
0 Hour Extracted Au	%	86.6%	86.7%	86.5%
2 Hour Extracted Au	%	89.4%	89.8%	88.9%
4 Hour Extracted Au	%	91.2%	91.6%	90.6%
8 Hour Extracted Au	%	94.4%	94.9%	93.6%
24 Hour Extracted Au	%	98.7%	98.6%	97.7%
30 Hour Extracted Au	%	99.0%	98.8%	98.0%
48 Hour Extracted Au	%	99.4%	99.5%	98.9%
Gravity Recovery	%	86.6%	86.7%	86.50%
Overall Recovery	%	99.4%	99.5%	98.9%
Residue Grade	g/t	0.176	0.157	0.326
Lime Consumption	kg/t	0	0	0
Cyanide Consumption	kg/t	0.36	0.39	0.38

Table 2, Grind Optimisation Cyanide Leach Tests Results Summary

Reagent Optimisation Cyanide Leaching Test Work

Cyanide leach test work was conducted on 1kg subsamples of the recombined Knelson tails and intensive leach tails ground to P80 106µm. Two (2) cyanide leach tests were conducted to study the effect of reducing reagent concentrations in the leach. Conditions utilised for the tests were as follows:

LT04 – Reduced oxygen concentration:

- 48-hour duration with kinetic points at 2, 4, 8, 24, 30 and 48 hours;
- pH maintained at 10 – 9.5;
- Initial cyanide of 500 ppm, maintained at 300ppm.
- Dissolved oxygen maintained between 6 – 10 ppm through air sparging; and
- 40% solids in Perth Tap Water.

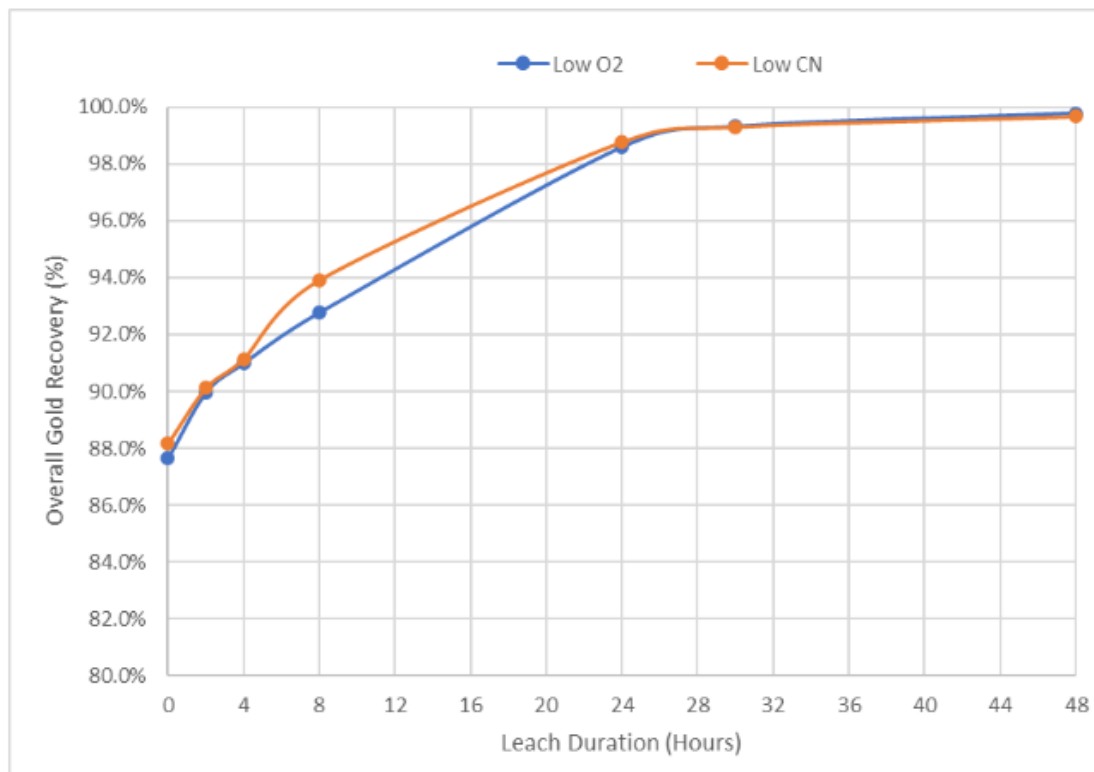


Figure 3, Reagent Optimisation Cyanide Leach Tests Kinetic Curves.

LT05 – Reduced cyanide concentration:

- 48 hour duration with kinetic points at 2, 4, 8, 24, 30 and 48 hours;
- pH maintained at 10 – 9.5;
- Initial cyanide of 300 ppm, maintained at 200 ppm;
- Dissolved oxygen maintained between 15 – 20 ppm through oxygen sparging; and
- 40% solids in Perth Tap Water.

The reagent optimisation cyanide leach results are presented in the kinetic leach curve shown in Figure 3. The following observations can be made:

- The 48-hour gold extraction was 99.8 and 99.7% respectively in LT04 and LT05;
- The optimum conditions were those in LT05 with the reduced cyanide consumption;
- The kinetics up to 24 hours were faster in LT05 due to the higher oxygen concentration using oxygen sparging.
- Cyanide consumption was reduced from 0.361kg/t to 0.23kg/t which still maintained very high extraction of gold in the leach.
- No lime was added to maintain a pH of 9.5

Carbon in Leach testwork

- High gold recovery of 99.7%
- High carbon absorption of dissolved gold with only 0.03 ppm or 0.1% of the gold remaining in solution; and
- Low final leach solids residue grade of 0.08g/t.

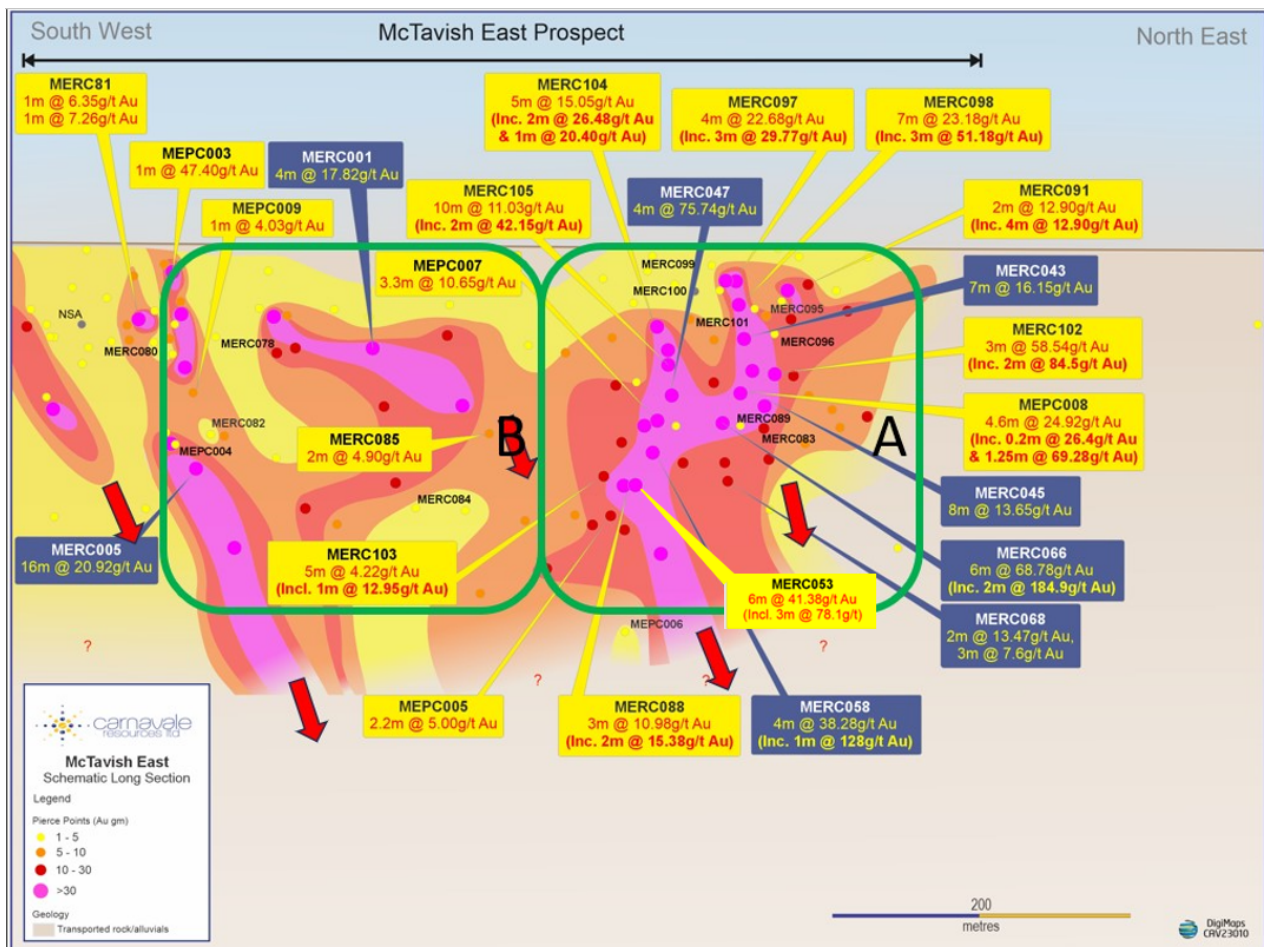


Figure 4, Long section through Swiftsure Deposit showing location of met samples in Hole MERC053 and MERC105 within the green square A.

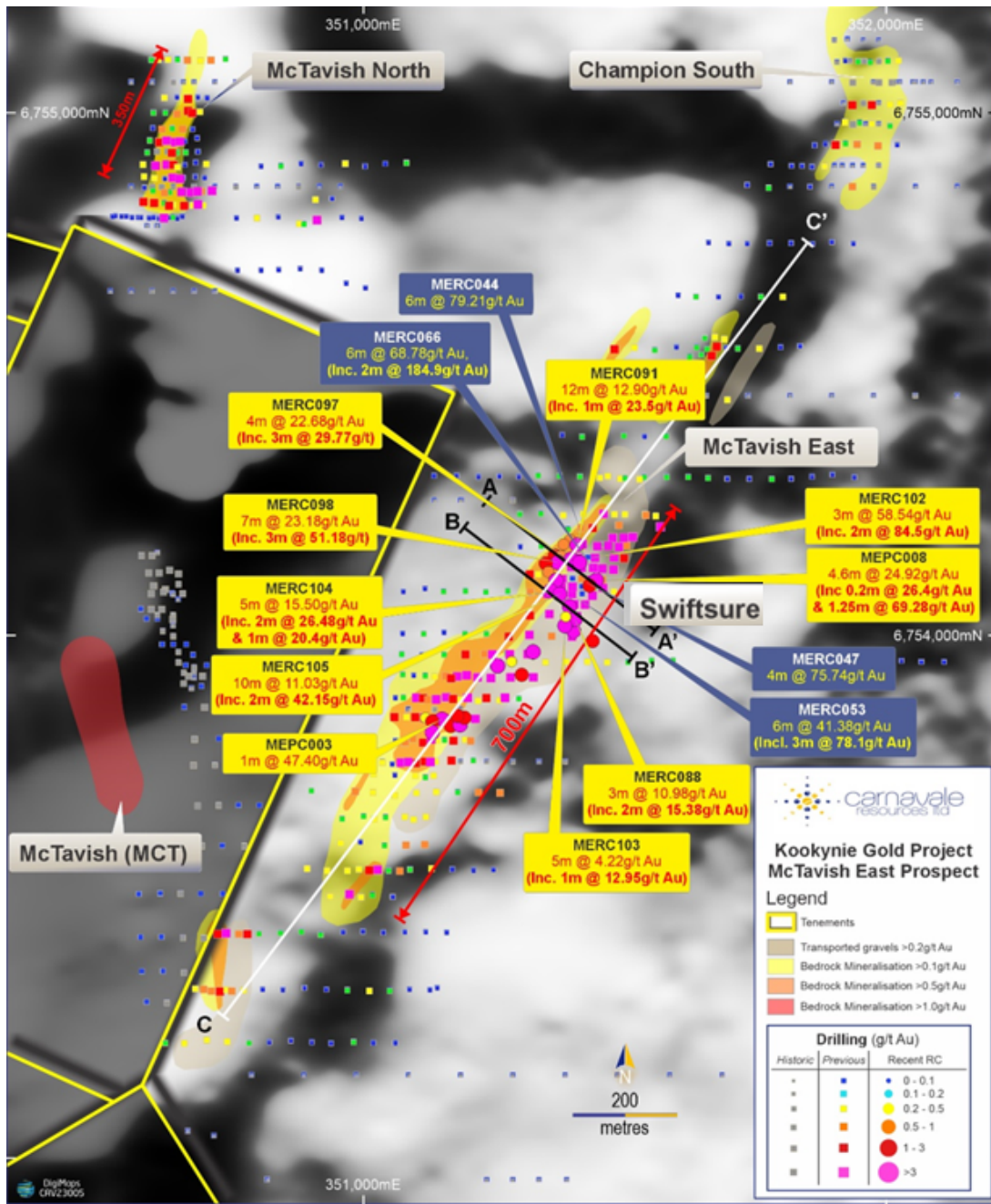


Figure 5, Plan of McTavish East including the Swiftsure deposit showing location of met samples in Hole MERC053 and MERC105.

Initial metallurgical test work.

CAV completed an initial metallurgical testwork program to establish baseline gold recoveries from the Swiftsure Prospect in September 2023. (ASX *Initial metallurgical testwork demonstrates outstanding recoveries 19th Sept 2024*) Samples were taken from previous aircore drilling and RC drilling that identified high grade gold shoots at the Project.

Sixteen 200-250gm ore grade samples were selected from Oxide and fresh rock material and leach tested for 24 hours. Conventional leach test work yielded recoveries in the Oxide were 99% and in the fresh rock between 97% and 99%

Hole ID	Depth m	Head grade g/t	Leach grade g/t	Tail grade g/t	Recovery %
KOAC487	24 - 26	23.73	23.5	0.23	99%
KOAC487	26 - 28	2.75	2.72	0.03	99%
KOAC488	44 - 46	4.19	4.16	0.03	99%
KOAC488	46 - 48	9.84	9.76	0.08	99%
MERC043	48 - 50	5.76	5.69	0.07	99%
MERC043	67 - 68	3.83	3.77	0.06	98%
MERC043	68 - 69	14.23	14.05	0.18	99%
MERC043	69 - 70	2.61	2.56	0.05	98%
MERC043	70 - 71	81.04	79.9	1.14	99%
MERC043	71 - 72	9.69	9.54	0.15	98%
MERC043	72 - 73	0.75	0.73	0.02	97%
MERC044	97 - 98	10.05	9.92	0.13	99%
MERC044	98 - 99	191.38	189.5	1.88	99%
MERC044	90 - 91	229.36	227	2.36	99%
MERC044	91 - 92	20.53	20.2	0.33	98%
MERC044	92 - 93	12.55	12.4	0.15	99%

Table 3, Results from 24-hour cyanide bottle roll leach test work.

Recommendations and further work

Based on the results to date of the Swiftsure Leach Amenable Test Work program CAV will continue metallurgical work to include additional leach test work on multiple composite samples representing the variability in gold grade, ore type and depth / weathering profile throughout the Swiftsure deposit.

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

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Table 1: JORC Resources of Swiftsure deposit at the Kookynie Gold Project

Classification	kTonnes	Au ppm	Au k Ounces
Measured			
Indicated	221.7	7.40	52.7
Inferred	235.5	4.28	32.4
Total	457.1	5.79	85.1

Note 1: This Announcement contains references to Carnavale’s JORC mineral resources, extracted from the ASX announcement titled “Robust Maiden Resource and Positive Scoping Study for Kookynie” dated 13th June 2024.

Location	CoG	Class	VOLUME	TONNES	DENSITY	AU_PPM	Au Oz
O/C	0.8	Ind	50,340	132,466	2.63	8.35	35,553
O/C	0.8	Inf	4,662	11,654	2.50	1.76	659
O/C	0.8	All	55,002	144,120	2.62	7.81	36,211
U/G	1.5	Ind	33,047	89,218	2.70	5.99	17,177
U/G	1.5	Inf	83,337	223,803	2.69	4.41	31,744
U/G	1.5	All	116,384	313,021	2.69	4.86	48,921
Both		Ind	83,387	221,684	2.66	7.40	52,730
Both		Inf	87,998	235,457	2.68	4.28	32,402
Both		All	171,385	457,141	2.67	5.79	85,132

A lower Au cut-off grade of 0.8 g/t is used for material within the optimised pit shell, and 1.5 g/t Au for material below the pit shell. These figures broken down by open cut or underground location.

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.

The information in this announcement that relates to Estimation and Reporting of Mineral Resources at the Kookynie Gold Project is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Job consents to the inclusion in the report of the matters based on the 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.

Compliance Statement – Kookynie Gold Project

With reference to previously reported Exploration results and Minerals resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of mineral resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

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
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
RC drilling testing high-grade aircore results at Kookynie, 23 May 2023
Bumper grades in RC drilling at Kookynie Gold Project, 5 July 2023
RC drilling chasing extensions to bumper high-grade gold at Kookynie, 14 Aug 2023
RC drilling chasing extensions high-grade gold at Kookynie completed, 12 Sept 2023
Initial metallurgical test work demonstrates outstanding recoveries, 19 Sept 2023
Outstanding high-grade gold results continue to flow from the Kookynie Gold Project, 30 Oct 2023
Carnavale Divests Non-Core Grey Dam asset as it maintains WA gold focus, 19 Dec 2023
RC and Diamond Drilling program completed at Kookynie, 20 Dec 2023
Drilling continues as Kookynie delivers further outstanding gold results 19 Feb 2024
New shallow high-grade gold discovery at Kookynie, 2 April 2024
Kookynie aircore discovers new gold zones and extends Tiptoe footprint, 20th May 2024
Robust Maiden Resource and Positive Scoping Study for Kookynie, 13th June 2024
Aircore completed at Ghan Dam Prospect within Ora Banda Gold Project, 24th July 2024
Swiftsure Mining License Application submitted, 1st August 2024

APPENDIX 1**Exploration samples selected for composite metallurgical sample bucket #1
(previously reported)**

HOLE ID	From m	To m	Oxide/Fresh	Au g/t
MERC053	181	182	Fresh	5.37 g/t
MERC053	182	183	Fresh	55g /t
MERC053	183	184	Fresh	129.5 g/t
MERC053	184	185	Fresh	49.8 g/t
MERC053	185	186	Fresh	7.43 g/t
MERC105	90	91	Fresh	2.7 g/t
MERC105	91	92	Fresh	1.795 g/t
MERC105	92	93	Fresh	17.4 g/t
MERC105	93	94	Fresh	66.9 g/t
MERC105	94	95	Fresh	2.86 g/t

APPENDIX 2**Collar location**

Hole ID	Type	Depth M	Grid	Easting	Northing	RL	Dip	Azimuth
MERC053	RC	200	MGA94_Z51	351419	6754079	425	-60	269.3
MERC105	RC	110	MGA94_Z51	351376	6754079	425	-61	308.9

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 	<ul style="list-style-type: none"> Reverse Circulation (RC) drilling rig supplied by Challenge Drilling Pty Ltd. RC Drilling was used to obtain 1m samples. 1m samples were submitted to the laboratory for analysis. Every 5th sample was analysed for multi elements. RC Samples submitted for analysis weighed approx. 3kg. Sampling and analytical procedures detailed in the sub-sampling techniques and sample preparation section. The composite samples were created for metallurgical testing were created from second 1m splits that were collected at the time of original drilling. The 1 m samples were combined into a 20-litre plastic container to produce a high-grade composite sample. Samples were chosen to represent the high-grade centre of the orebody based upon geology and original assay results. The composite samples were delivered to IMO laboratories for the program of testwork outlined in this release.

Criteria	JORC Code Explanation	Commentary
	warrant disclosure of detailed information.	
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 of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Logging carried out by inspection of washed cuttings at time of drilling. A representative sample was collected in plastic chip trays for future reference.
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. 28 kg composite samples created from 1 m exploration samples. were supplied to Independent Metallurgical Operations (IMO) for the testwork program.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying 	<ul style="list-style-type: none"> Head assay analysis - A sub split of

Criteria	JORC Code Explanation	Commentary
	<p>and laboratory procedures used and whether the technique is considered partial or total.</p> <ul style="list-style-type: none"> 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. 	<p>the testwork composite was pulverised and submitted to Intertek for head assay analysis</p> <ul style="list-style-type: none"> Gravity concentrations and cyanide leach testwork - For the gravity test a 15 kg sub sample was ground to 80% passing 300 µm and passed as a single pass through a 3" standard Knelson concentrator. The Knelson concentrate was subsequently intensively leached to emulate industry standard gravity concentrate leach conditions. Grind size optimisation and cyanide leach testwork - Cyanide leach test work was conducted on 1 kg subsamples of the recombined Knelson tails and intensive leach tails. Three (3) initial cyanide leach tests were conducted to study the effect of grinding to the following particle sizes: P80 75 µm (LT01), P80 106 µm (LT02) and P80 150 µm (LT03). Cyanide leach test work was conducted on 1 kg subsamples of the recombined Knelson tails and intensive leach tails ground to P80 106 µm. Two (2) cyanide leach tests were conducted to study the effect of reducing reagent concentrations in the leach The laboratory that carried out the assays is ISO certified. It conducts its own QA/QC process.
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. 	<ul style="list-style-type: none"> Holes were drilled to target structural features identified in aeromagnetic

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<p>survey and geochemical anomalies identified by previous aircore drilling. Holes were located accurately by Handheld GPS.</p> <ul style="list-style-type: none"> No mineral classification is applied to the results at this stage. RC 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. 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.

Criteria	JORC Code Explanation	Commentary
		<ul style="list-style-type: none"> • The deepest historic hole was 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: • 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. 	<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
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 0.5g/t Au lower cut no upper cut no 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"> RC 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 low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Diagrams show all drill holes completed.
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.

Criteria	JORC Code Explanation	Commentary
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.