

JOINT VENTURE COMMITMENT FROM FORTESCUE INCREASED WITH ADDITION OF PATERSON TENEMENT

KEY POINTS

- **Granted exploration licence E45/5528 (“Eider”) added to \$6 million Coolbro Farm-In and Joint Venture Agreement (“Coolbro JVA”) with Fortescue Metals Group Ltd (“Fortescue”)¹**
- **Fortescue to pay \$50,000 cash up front, complete a helicopter-borne electromagnetic (“Heli-EM”) survey and 1,000m of drilling on Eider**
- **Stage 1, 51% earn-in for Coolbro JVA tenements increased to \$1.6 million**
- **Expanded Coolbro JVA tenements all within 40km of Newcrest Mining’s Telfer mine**
- **Carawine is well positioned to share in the benefits of any discovery**

Gold and base metals explorer Carawine Resources Limited (“Carawine” or “the Company”) (ASX:CWX) is pleased to announce it has entered into an agreement (the “Amended Agreement”) to include Carawine’s “Eider” tenement in the Coolbro JVA with FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue (ASX:FMG).

Eider is 35km southwest of Newcrest’s Telfer gold operations and 35km southeast of Metals X’s Nifty copper operations in the highly prospective Paterson province of Western Australia (Figure 1).

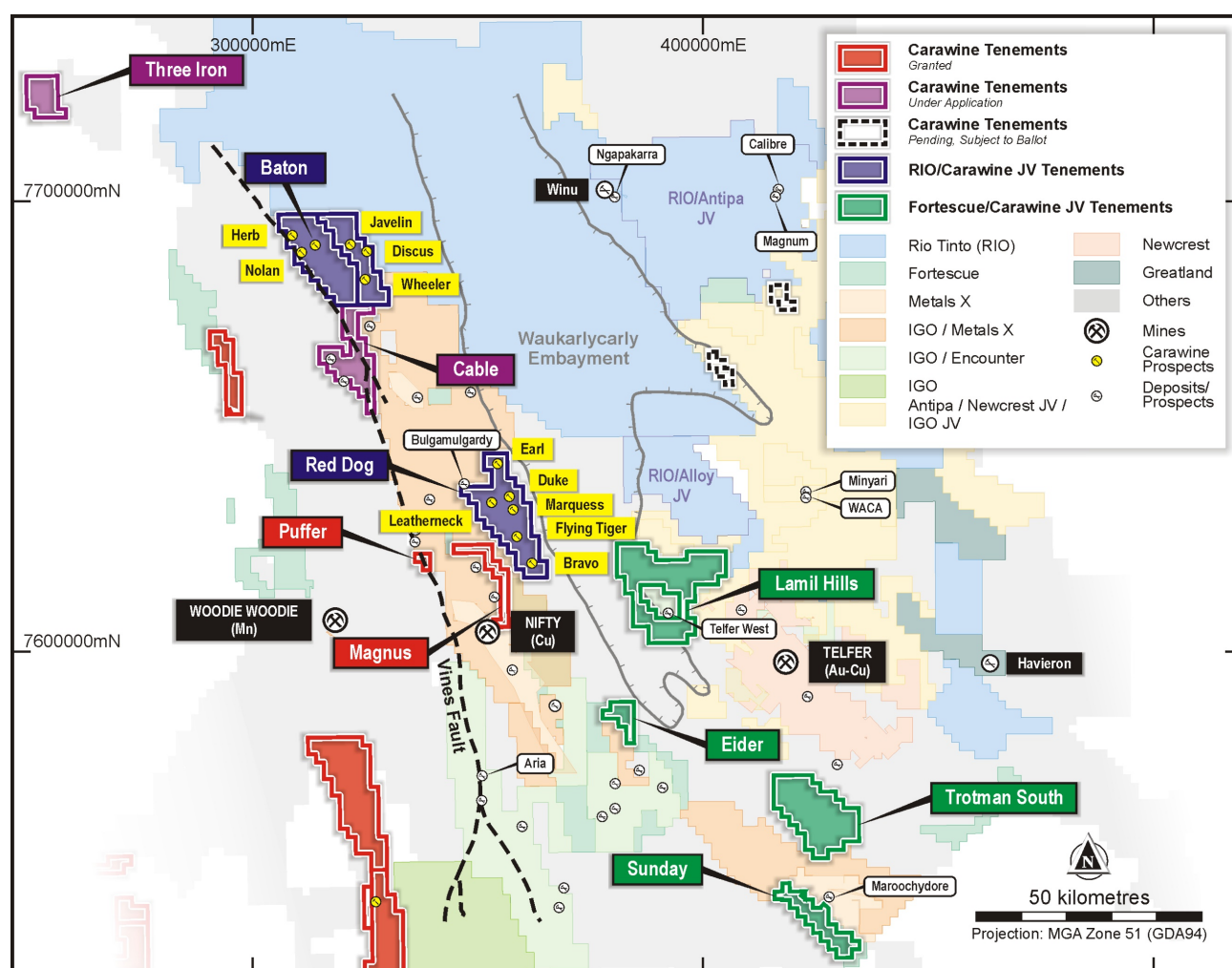


Figure 1: Carawine’s Paterson Project, Coolbro JVA tenements highlighted green.

¹ Key terms are summarised on page 2 of this announcement and Carawine’s ASX announcement dated 13 November 2019

18 September 2020

Carawine Managing Director David Boyd said this addition to the Coolbro JVA maximises the chances of discovery on the Eider tenement, being immediately adjacent to exploration licences already held by Fortescue.

“Although at an early exploration stage, Eider has an excellent address and is considered highly prospective. Fortescue have agreed to complete an airborne geophysical survey and drilling program before they can earn an interest in the tenements, thereby providing a commitment to exploring the tenement along with our other Coolbro JVA tenements” Mr Boyd said.

“The first stage of Fortescue’s exploration program is expected to commence soon, with Fortescue indicating its intention to include the tenement in upcoming Heli-EM surveys planned over the Coolbro JVA tenements, expected to commence during Q3/Q4 2020.”

Key terms of the Amended Agreement are summarised as follows:

- Fortescue will pay Carawine A\$50,000 in cash within 30 days of the later of execution of the Amended Agreement and receipt of a tax invoice (“**E45/5528 Payment**”).
- Fortescue has the right to earn a 51% interest in the expanded Coolbro JVA tenements by spending an additional \$100,000 on exploration, inclusive of the E45/5528 Payment (total Stage 1 earn-in amount increased to A\$1.6 million, to be spent within three years from 12-Nov-2019).
- Before earning a 51% interest in Eider Fortescue must also (either as part of, or in addition to, spending the Stage 1 earn-in amount) complete a helicopter electromagnetic survey of a minimum of 60-line kilometres and a minimum of 1,000 metres of drilling on Eider.
- Other key terms of the Coolbro JVA as described in Carawine’s ASX announcement dated 13 November 2019 remain unchanged.

Paterson Project Update

The Company’s Paterson Project is located in the Paterson Province of Western Australia, host to Newcrest’s world-class Telfer gold and copper deposit, and Metals X’s Nifty copper and Maroochydore copper-cobalt deposits. Recent discoveries in the region include: Rio Tinto’s Winu copper-gold deposit, where a maiden Inferred Mineral Resource of 503Mt at 0.45% copper equivalent (CuEq) (above a 0.2% CuEq cut-off) was recently reported, along with a nearby gold discovery named Ngapakarra²; and Havieron, an intrusion-related gold and copper deposit discovered by AIM-listed Greatland Gold PLC and now being advanced in joint venture with Newcrest Mining (Figure 1).

The project comprises nine granted exploration licences and seven exploration licence applications (five subject to ballot) over an area of about 1,500km² across ten tenement groups. These are named Red Dog, Baton (West Paterson JV tenements - refer ASX announcement 28 October 2019); Lamil Hills, Trotman South, Sunday and Eider (Coolbro JVA tenements – refer this announcement and ASX announcement 13 November 2019), and; Cable, Puffer, Magnus and Three Iron (Carawine 100%) (Figure 1).

Carawine’s West Paterson JV comprises a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd (“Rio Tinto Exploration” or “RTX”), a wholly owned subsidiary of Rio Tinto Limited (ASX:RIO), whereby RTX have the right to earn up to an 80% interest in the Baton and Red Dog tenements by spending \$5.5 million in six years to earn 70% interest and then sole funding to a prescribed milestone.

Mobilisation of a drill rig to test targets on the Baton tenements was expected to occur in late August with the drill program to be conducted through September (refer ASX announcement 30 July 2020). RTX have advised that the start of the program has been delayed and is now expected to commence once the drill

² Rio Tinto (ASX:RIO) announcement “Rio Tinto reveals maiden Resource at Winu and new discovery” 28 July 2020.

18 September 2020

rig suitable for the program becomes available during Q4 2020. Carawine will continue to keep the market informed in respect of material updates regarding the program as further information becomes available.

Carawine's two granted exploration licences (Puffer and Magnus) and two exploration licence applications (Cable and Three Iron) are not subject to any farm-in or joint venture agreements. Evaluation and target generation work is continuing on these tenements, with results determining whether the Company will explore these tenements in its own right or seek partners as it has done for its other Paterson tenements.

Additional details of the Company's exploration projects are available from the Company's website: www.carawine.com.au.

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

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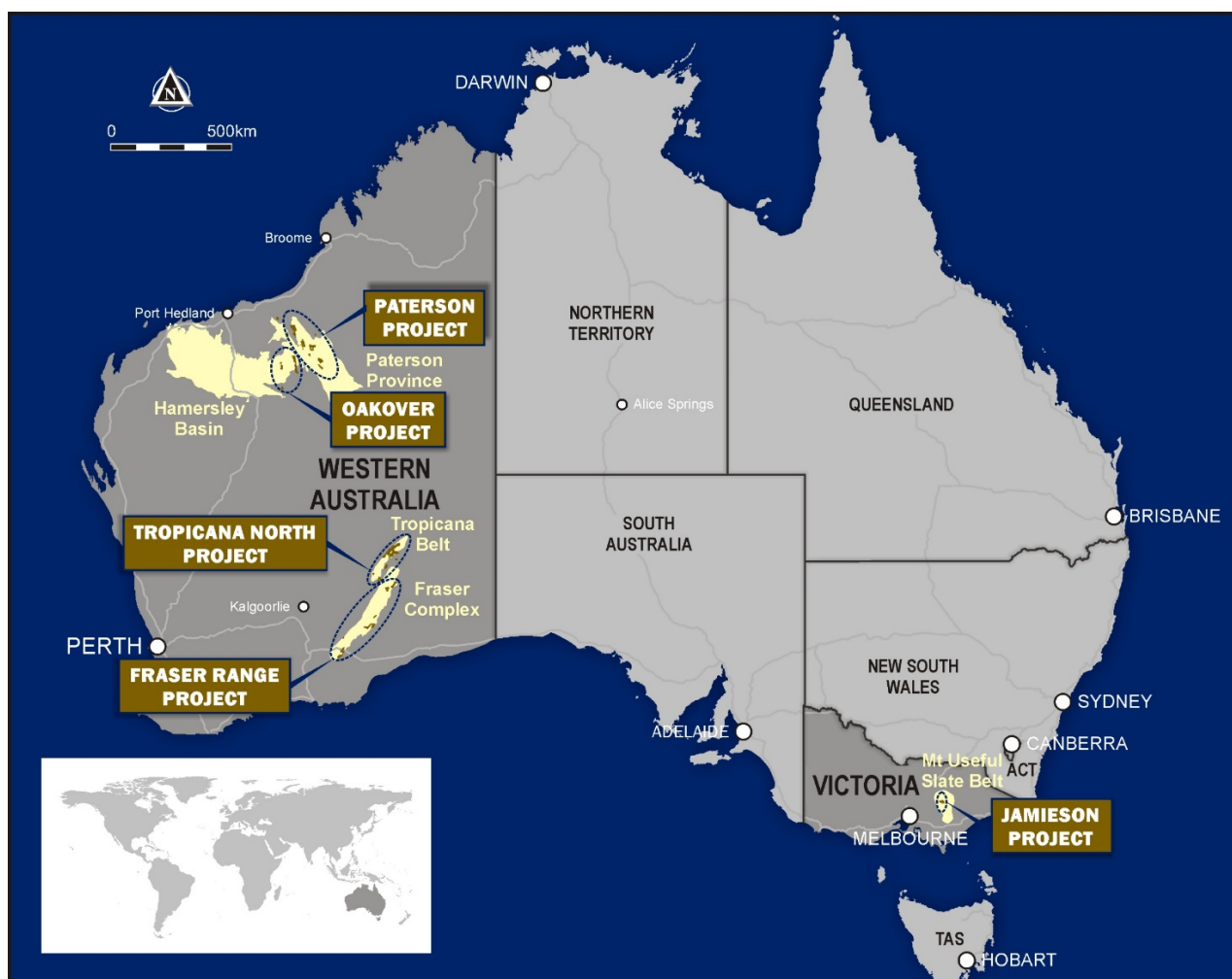


Figure 2: Carawine's project locations.

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 italics, as follows:

- Tropicana North "Carawine Acquires New Gold Project in Western Australia" 3 September 2020 (*M Cawood*)

This announcement refers to information extracted from, and first disclosed in the Company's previous ASX Announcements as follows:

- Paterson: "Quarterly Activities Report for the Period Ended 30 June 2020" 30 July 2020
- Paterson: "\$6 Million Paterson Farm-In and Joint Venture Agreement with Fortescue" 13 November 2019
- Paterson: "\$6 Million Paterson Farm-In with Rio Tinto" 28 October 2019

Copies of these 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 announcements. 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 announcements.

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. So, there can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

18 September 2020

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 within Australia. The Company has five projects, each targeting high-grade deposits in well-established mineralised provinces throughout Australia.

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 nine granted exploration licences and seven exploration licence applications (five 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 (Carawine 100%).

Carawine has a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd ("RTX"), a wholly owned subsidiary of Rio Tinto Limited (ASX:RIO), whereby RTX have the right to earn up to 80% interest in the Baton and Red Dog tenements by spending \$5.5 million in six years to earn 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 have the right to earn up to 75% interest in the Lamil Hills, Trotman South, Sunday and Eider tenements by spending \$6.1 million in seven years (the "Coolbro JV"). The Company retains full rights on its remaining tenements.

FRASER RANGE PROJECT (Ni-Cu-Co)

The Fraser Range Project includes 6 granted exploration licences in five areas: Red Bull, Bindii, Big Bullocks, Similkameen and Big Bang, and three exploration licence applications Willow and Fern (subject to ballot) and Bullpen, 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 the Red Bull, Bindii, Big Bullocks and Similkameen tenements (the Fraser Range Joint Venture). IGO currently hold a 51% interest in these tenements and can earn an additional 19% interest by spending \$5 million by the end of 2021. The remaining tenements are held 100% by Carawine.

TROPICANA NORTH PROJECT (Au)

Carawine's Tropicana North Project will comprise ten exploration licence applications and two granted exploration licences covering an area of more than 1,800km² in the Tropicana region of Western Australia (subject to completion of the Phantom and Thunderstruck acquisitions as detailed in the Company's ASX announcement of 3 September 2020). At completion the granted exploration licences will be the subject of a joint venture between Carawine (90%) and Thunderstruck Investments Pty Ltd ("Thunderstruck") (10%), with Carawine to free-carry Thunderstruck to the completion of a BFS, at which point Thunderstruck may elect to contribute to further expenditure or dilute. The Project is considered highly prospective for gold.

OAKOVER PROJECT (Cu, Co, Mn, Fe)

Located in the highly prospective Eastern Pilbara region of Western Australia, the Oakover Project comprises eight granted exploration licences with a total area of about 800km², held 100% by the Company. The Oakover Project is centred on the Proterozoic Oakover Basin and is prospective primarily for copper and manganese.

ASX Code:	CWX	Market Capitalisation (at \$0.26/share):	A\$20 million
Issued shares:	77.3 million	Cash (at 30 June 2020):	A\$1.8 million