

RENOUNCEABLE ENTITLEMENT OFFER

Carawine Resources Limited (ACN 611 352 348) (ASX:CWX) (**Carawine** or the **Company**) is pleased to announce a pro rata renounceable entitlement offer of two (2) fully paid ordinary shares in the capital of the Company (**Shares**) for every nine (9) Shares held by eligible shareholders on Monday, 30 October 2023 at an issue price of \$0.11 per Share to raise up to approximately \$4,811,094 (before costs) (**Entitlement Offer**). The minimum subscription in respect of the Entitlement Offer is \$3,700,000 (**Minimum Subscription**).

Summary of the Entitlement Offer

1. The Entitlement Offer comprises two (2) Shares for every nine (9) Shares held by existing eligible shareholders on the record date (Monday, 30 October 2023) at \$0.11 per new Share.
2. The issue price of \$0.11 per Share represents a 20.4% discount to the 30-day VWAP, and a 14.9% discount to the 15-day VWAP of Shares traded on ASX prior to today.
3. All shareholders of the Company are eligible to participate in the Entitlement Offer, Shareholders can also trade their rights from Friday, 27 October 2023.
4. The Company's major shareholder QGold Pty Ltd has indicated it intends to take up its full subscription under the Entitlement Offer which is equivalent to approximately \$4.28 million.
5. The Entitlement Offer is not underwritten.
6. Any fractional entitlements arising from the Entitlement Offer will be rounded up.
7. The Shares issued under the Entitlement Offer will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the Shares proposed to be issued under the Entitlement Offer. Share entitlements are renounceable and shareholders can trade their rights on ASX. Shareholders should consult their professional advisers as necessary in relation to trading their rights.
8. Up to approximately 43,737,216 Shares will be issued pursuant to the Entitlement Offer. Shareholders who do not trade their rights or take up all or any part of their entitlement will not receive any payment or value in respect of their entitlement and their equity interest in the Company will be diluted.
9. No Shares will be issued pursuant to the Entitlement Offer unless the Minimum Subscription of \$3,700,000 has been received.

Indicative use of proceeds of Entitlement Offer

The Company proposes to use the proceeds of the Entitlement Offer to advance exploration across its projects and meet its joint venture obligations, as set out in the table in Annexure A.

Timetable

Further details of the Entitlement Offer, including details on how to accept and key risks of the Entitlement Offer, will be set out in a prospectus which is expected to be released to the ASX on Wednesday, 25 October 2023 and dispatched to shareholders on Thursday, 2 November 2023. Outlined below is a timetable of relevant events and dates relating to the Entitlement Offer. These events and dates are indicative only and subject to change. Subject to the ASX Listing Rules, the Corporations Act and other applicable laws, the Company's Board reserves the right to modify all dates, including the Entitlement Offer closing date.

| EVENT | DATE |
|---|--|
| Announcement of Offer & Appendix 3B | Pre-market open Wednesday, 25 October 2023 |
| Lodgement of Prospectus with ASIC & ASX | Pre-market open Wednesday, 25 October 2023 |
| Ex date | Friday, 27 October 2023 |
| Rights start trading | Friday, 27 October 2023 |
| Record Date for determining Entitlements (5:00pm WST) | Monday, 30 October 2023 |
| Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders | Thursday, 2 November 2023 |
| Rights trading ends at close of trading | Monday, 6 November 2023 |
| Securities quoted on a deferred settlement basis | Tuesday, 7 November 2023 |
| Last day to extend the Closing Date (before noon Sydney time) | Wednesday, 8 November 2023 |
| Closing Date (5:00pm WST)* | Monday, 13 November 2023 |
| Announcement of results of issue | Wednesday, 15 November 2023 |
| Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares (before noon Sydney time) | Monday, 20 November 2023 |
| Quotation of Securities issued under the Offer | Tuesday, 21 November 2023 |

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

The Company invites all eligible Shareholders to participate in the Entitlement Offer. Application for Shares under the Entitlement Offer may only be made by completing the Application Form which accompanies the prospectus. Shareholders eligible to participate in the Entitlement Offer should read the prospectus carefully and consult professional advisers as necessary.

Enquiries

Any enquiries regarding the Entitlement Offer should be directed to:

Martin Lackner

Non-Executive Director and Company Secretary

Carawine Resources Limited

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

ENDS

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ANNEXURE A – USE OF FUNDS TABLE

The Company proposes to use the proceeds of the Entitlement Offer as set out in the table below:

| Item | Proceeds of the Offer | Minimum Subscription (\$) | % | Maximum Subscription (\$) | % |
|------|---|---------------------------|-------------|---------------------------|-------------|
| 1. | Tropicana North Gold Project: targeted geophysical survey programs; regional-scale AC drilling to generate new targets (Neale tenement); follow-up prospect scale diamond drilling at Hercules and Big Freeze Prospects (Neale tenement); heritage survey and land access costs; additional target generation and early-stage exploration activities | \$710,000 | 19.2% | \$1,400,000 | 29.1% |
| 2. | Paterson Project: airborne geophysical survey and scout AC drilling on the Cable tenement; additional target generation and early-stage exploration activities ¹ | \$720,000 | 19.5% | \$920,000 | 19.1% |
| 3. | Fraser Range Nickel Project: ground geophysical surveys (gravity & moving loop electromagnetic ("MLEM")) at Bindii & Big Bang; additional target generation and early-stage exploration activities | \$60,000 | 1.6% | \$231,094 | 4.8% |
| 4. | Oakover Project: target generation and early-stage exploration activities (e.g. mapping, surface sampling) | \$20,000 | 0.5% | \$20,000 | 0.4% |
| 5. | Jamieson Project: Hill 800 Resource estimate; mapping & sampling; target reviews | \$30,000 | 0.8% | \$80,000 | 1.7% |
| 6. | Fraser Range Joint Venture: contribution to work program and budget to maintain JV interest ² | \$40,000 | 1.1% | \$40,000 | 0.8% |
| 7. | Carawine Joint Venture, Oakover Project: provision to contribute to work program and budget to maintain JV interest ^{1,3} | \$250,000 | 6.8% | \$250,000 | 5.2% |
| 8. | Working capital | \$1,800,000 | 48.6% | \$1,800,000 | 37.4% |
| 9. | Expenses of the Offer ⁴ | \$70,000 | 1.9% | \$70,000 | 1.5% |
| | Total | \$3,700,000 | 100% | \$4,811,094 | 100% |

Notes:

1. Refer to Section 5.2 of the Prospectus for a description of certain risks specific to the use of the proceeds of the Entitlement Offer related to the Carawine Joint Venture and Paterson Project.
2. The Company's share of the current approved work program and budget to 30 June 2024.
3. The Carawine Joint Venture parties are yet to approve a work program and budget for 2024. A nominal budget of \$1,000,000 (the Company's share \$250,000) has been reasonably assumed for 2024, and it is considered prudent to include this as a potential use of funds despite the degree of uncertainty as to its quantum. If no work program and budget is approved by the joint venture parties for 2024, then it is more likely than not that a tenement maintenance work program and budget in the order of \$400,000 (the Company's share \$100,000) will eventuate. In such case the Company intends to deploy surplus funds to its other exploration Projects. If a work program and budget of more than \$1,000,000 is approved, then the Company may look to divert funds from its other projects.
4. Refer to Section 6.7 of the Prospectus for further details relating to the estimated expenses of the Entitlement Offer.

The above expenditure budget is indicative only and may change according to circumstances prevailing at the time.

25 October 2023

ABOUT CARAWINE RESOURCES

Carawine Resources' primary focus is to explore for and develop economic gold, copper and base metal deposits in Australia. The Company has five projects, each targeting deposits in active and well-established mineral provinces.

TROPICANA NORTH GOLD PROJECT (Au)

The Tropicana North Gold Project comprises 13 granted exploration licences and four exploration licence applications over an area of 2,500km² in the Tropicana and Yamarna regions of Western Australia. Two exploration licences are subject to a joint venture between Carawine (90%) and Thunderstruck Investments Pty Ltd (10%; "Thunderstruck"), with Carawine to free-carry Thunderstruck to the completion of a BFS after which Thunderstruck may elect to contribute to further expenditure or dilute. The remaining tenements are held 100% by Carawine.

FRASER RANGE PROJECT (Ni-Cu-Co, Au)

The Fraser Range Project includes 16 granted exploration licences, and 12 active exploration licence applications (one subject to ballot) in the Fraser Range region of Western Australia. The Project is considered prospective primarily for magmatic nickel-sulphide deposits such as that at IGO's Nova operation. Carawine has a joint venture with IGO Limited ("IGO") (ASX: IGO) over one tenement at Big Bullocks (the Fraser Range Joint Venture), IGO holds a 76% interest in this tenement. The remaining tenements are held 100% by Carawine.

PATERSON PROJECT (Au-Cu, Cu-Co)

The Paterson Project, in the Paterson Province in northern Western Australia is dominated by Proterozoic aged rocks which host the Telfer Au-Cu, and Nifty and Maroochydore stratabound Cu-(Co) deposits. The Paterson Project comprises 11 granted exploration licences and five active exploration licence applications (one subject to ballot) over an area of about 1,500km².

Carawine has a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd ("RTX"), a wholly owned subsidiary of Rio Tinto Limited ("Rio Tinto") (ASX: RIO), whereby RTX has the right to earn up to an 80% interest in the Baton and Red Dog tenements by spending \$5.5 million in six years from November 2019 to earn a 70% interest and then sole funding to a prescribed milestone (the "West Paterson JV").

Carawine has a joint venture with FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") (ASX: FMG). Fortescue has earned the right for a 51% interest in the Lamil Hills, Trotman South, Sunday and Eider tenements, and has elected to sole-fund an additional \$4.5 million in exploration expenditure to earn a further 24% interest by November 2026 (the "Coolbro JV").

Carawine retains 100% interest in its remaining Paterson Project tenements.

JAMIESON PROJECT (Au-Cu, Zn-Au-Ag)

The Jamieson Project, located near the township of Jamieson in the northeastern Victorian Goldfields, comprises exploration licences EL5523 and EL6622, containing the Hill 800 gold-copper and Rhyolite Creek copper-gold and zinc-gold-silver prospects within Cambrian-aged felsic to intermediate volcanics.

OAKOVER PROJECT (Mn, Cu, Fe, Au)

Located in the East Pilbara region of Western Australia, the Oakover Project comprises ten granted exploration licences and one mining lease application ("MLA") covering a total area of about 800km². Six tenements are held 100% by Carawine, with the remaining four tenements and the MLA subject to the "Carawine JV" (Carawine 25% interest) in joint venture with Black Canyon Ltd. The Oakover Project tenements are considered prospective for manganese, copper, iron and gold.

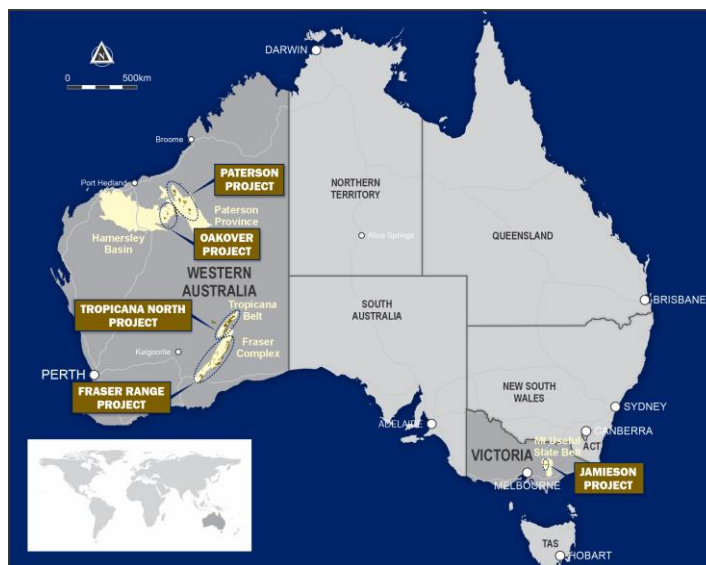


Figure 1: Carawine's project locations.