ACN 119 450 243
Australian Stock Exchange (ASX): CAV
Frankfurt: WKN: A0MJ31

ASX ANNOUNCEMENT 6th October 2025

Placement and underwritten rights issue to accelerate growth

- Firm commitments received to raise approximately **$3 million** (before costs) via a placement of approximately 857.1 million shares.
- Eligible shareholders to be offered the opportunity to participate in a **non-renounceable pro rata entitlement offer** to raise up to approximately an additional **$4.09 million** (before costs).
- Directors, **Ron Gajewski** and **Andy Beckwith** have committed to take up their full Entitlement and sub-underwrite for an additional $500,000 each.
- Board restructure with **Andy Beckwith** moving to Non-Executive Chairman.
- Immediate commencement of a **Bankable Feasibility Study** (BFS). Carnavale has engaged key experienced consultants to deliver our goal to bring the Kookynie Gold Project to shovel ready status.
- **Consolidation of capital** subject to shareholder approval.

Placement

Carnavale Resources Limited (ASX: CAV) (**Carnavale** or the **Company**) is pleased to announce it has received firm commitments from professional and sophisticated investors to raise **$3m** (before costs) via a placement (**Placement**) of approximately 857.1 million shares at an issue price of $0.0035 per share (**Placement Shares**). Allotment of the placement shares is expected on 20 October 2025. The Placement Shares will be issued under the Company's existing capacity to issue securities provided in ASX Listing Rule 7.1 (457.1 million shares) and Listing Rule 7.1A (400 million shares).

Canaccord Genuity (Australia) Limited (Canaccord) acted as lead manager to the Placement.

CEO Humphrey Hale commented:

We are delighted with the results of the recently released updated Scoping Study for the Kookynie Gold Project (KGP). The Study demonstrates strong economic potential for development of the Project into a mineable operation. Carnavale's Board has initiated this total $7.09 million capital raise to fund the next chapter in the development of the KGP that centers on the completion of a bankable feasibility study (BFS) to take the Project to a shovel ready status.

The Company is already in discussions with Mining Contractors to determine the best way to unlock the contained value in the Project. We have already engaged the services of some experienced key personnel with proven track records in their field and are restructuring the Board to reflect our mining intentions.

For personal use only

Scoping Study highlights

The updated Study highlights robust financials with a competitive cost profile utilising conservative mining parameters and current cost assumptions. The KGP is located within trucking distance to many operating gold processing plants in the Eastern Goldfields. The Scoping Study was assessed using a gold price of A$5,500. Scoping Study Highlights include:

- Strong economic case to develop the Kookynie Gold Project as contract mine, toll treat operation.
- Undiscounted free cashflow of approximately **A$237m.**
- Net Present Value (pre-tax NPV[8]) of approximately **A$188m** with an **IRR of 165%.**
- Initial production target (inc. mine dilution) of approx. **970kt** @ **3.1g/t** for **93koz Au** recovered. (inc. bonanza zone of **60 kt** @ **28.3g/t Au for 55koz**).
- Total pre-production Capital of approximately **$3m** with maximum drawdown in the order of **$21m** in month 9 of operations.
- Initial mine life of **5 years** with payback of Capital in **month 14** of operations.
- **50%** of production from the Open pits, with an initial **305kt** @ **4.32g/t and 42koz** coming from the Swiftsure pit.

Carnavale's development strategy

As a result of the strong economic outcomes suggested by the Scoping Study, the Company's immediate goal and prime focus is to advance the KGP to mine ready and be approved for mining during 2026. Capital raised from the placement and rights issue will be used for:

- **Immediate commencement of a Bankable Feasibility Study** (BFS) based on initial open pit mining and a toll treatment ore processing strategy with a completion date during 2026-HY2.
- Definition of "**maiden open pit mining reserves.**
- **Execution of a Mining Heritage Agreement** with Traditional owners.
- Finalise **grant of mining lease** and associated access licenses;
- Advancement of discussions / negotiations **on potential third party mining and milling options;**
- Advancement of **necessary technical studies** for inclusion in the BFS;
- **Funding options** for the development of the mine;
- Stronger risk management and **enhanced scheduling** to enhance future cashflow; and
- **Additional exploration** within the KGP area.

The BFS will ultimately enable Carnavale (80%) and joint venture partner Western Resources (20%) to implement an agreed mining and processing strategy to provide best value for shareholders.

The BFS work will include detailed studies that will allow the Company to derisk and have more finance options to develop the project. Upon completion of the study the KGP will be shovel ready. Study work will include:

- Geotech drilling to define optimum safe slope angles for the Open pit development. There is potential to reduce the strip ratio and enhance the economics over the Scoping Study outcomes.
- Further Metallurgical testwork will be completed to complement the initial studies. Initial studies suggest that recoveries can be between 97% and 99%. The additional metallurgical work will focus on variability testwork across the orebody and characterizing the ore for processing by a third party mill.

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

- Infill/grade control drilling may be required to define the initial mining during the payback period to reduce operational risks.
- Geochemical ore and waste management studies to ensure that the waste storage both onsite and tailings produced at a third-party processor are understood and can be stored environmentally safely. Initial work does not suggest any significant issues.
- Hydrology and hydrogeological assessment including water bore drilling to plan water management from mine dewatering and surface water management after rain.
- Environmental, social and community engagement are an essential part of the BFS to ensure that the environmental requirements are met or exceeded and that the Company has a social license to operate in the Kookynie area.
- Mining, Milling and Processing options will be established by gaining detailed quotes from contractors and operators to refine costings.
- Review Capital costings for pre-production capital requirements such as workshops and contractor accommodation.

Board re-structure and engagement of key personnel

Corporately, the Company aims to progressively realign the Board and increase the necessary management skills to take the Company into the next and exciting mining phase. As part of this evolution, Ron Gajewski will step down as Non-Executive Chairman and remain on the board as a Non-Executive Director. Andy Beckwith, formerly a Director of De Grey Mining, will succeed Ron as Non-Executive Chairman following completion of the Annual General Meeting to be held in November 2025.

To progress the BFS and advance the KGP to be mine ready, Carnavale has engaged a number of experienced consultants. Lead consultants include:

Rod Smith - Study Manager
Rod brings extensive experience in resource development and metallurgical studies to the Company. He is a qualified metallurgist with about 40 years of experience. His most recent experience was as the Studies Manager for De Grey Mining and the Hemi Gold Project, prior to the takeover of De Grey Mining by Northern Star. Previous experience includes, Principal Metallurgical Consultant for Coffey Mining, General Manager for Regis Resources, Processing manager at MIM and Registered Manager at Samantha Gold.

Allan Kneeshaw – Consulting Geologist
Allan has worked most recently with De Grey Mining. Allan was pivotal in the discovery of several gold deposits, most notably the 11Moz Hemi Gold Deposit in the Pilbara – going from the initial target generation, through discovery and growth before the takeover by Northern Star in 2025. Allan's 30 year experience has included senior exploration geology roles across a diverse range of commodities and geological terranes with companies including Anglo American, AngloGold Ashanti, Acacia Resources and MIM Exploration.

Bronwyn Campbell – ESG and Community Liaison Officer
Bronwyn is a sustainability and ESG executive with over 15 years of experience working with governments and communities in Australia and internationally. A background in sustainable development, carbon accounting and external affairs, Bronwyn has led teams of sustainability professionals and managed ESG reporting for small and large companies through various roles including most recently De Grey Mining, Rio Tinto and EY.

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | www.carnavaleresources.com

Underwritten Non-Renounceable Entitlement Offer

In addition to the successful Placement, Carnavale will offer eligible shareholders the opportunity to participate in a non-renounceable pro-rata entitlement offer to raise up to approximately $4.09 million (before costs) on the basis of one (1) new share for every four (4) shares held at the record date at an issue price of $0.004 per share, together with one (1) free-attaching share for every seven (7) shares subscribed for and issued **(Entitlement Offer**).

The structure of the pricing and free-attaching shares makes the effective cost of acquiring new shares subscribed for under the Entitlement Offer as $0.0035 per share.

Only shareholders with a registered address in Australia or New Zealand will be eligible to participate in the Entitlement Offer (**Eligible Shareholders**).

The proposed record date for the Entitlement Offer is 5:00pm WST on 16 October 2025 (**Record Date**) (refer to the Indicative Timetable set out below for further information).

The Entitlement Offer will be non-renounceable. This means the rights cannot be traded on the ASX and are not otherwise transferable. New shares issued under the Entitlement Offer will rank equally with the Company's existing shares.

Further information on the Entitlement Offer will be contained in a transaction-specific prospectus, scheduled to be issued by the Company on Monday 13 October 2025. Eligible Shareholders should consider the prospectus carefully before deciding whether to participate in the Entitlement Offer and consult with their professional advisors if they have any queries.

The prospectus will be available on the ASX's website at www.asx.com.au following lodgement with ASIC and release to ASX.

Canaccord has agreed to underwrite the Entitlement Offer pursuant to an underwriting agreement entered into between Canaccord and the Company The obligations of Canaccord to underwrite the Entitlement Offer are subject to satisfaction of certain conditions precedent that are customary for an agreement of this nature. If those conditions precedent are not satisfied (or waived by Canaccord) or if certain termination events occur, Canaccord may terminate the underwriting agreement. A summary of the termination events is set out in Annexure 1 to this announcement.

Mr Gajewski and Mr Beckwith have agreed to sub-underwrite the Entitlement Offer up to a maximum of $500,000 each.

Consolidation of Capital

The Company also intends to seek shareholder approval to consolidate its issued capital at a ratio of 15:1 (**Consolidation**). The purpose of the Consolidation is to reduce the Company's issued capital to a more appropriate and effective capital structure to facilitate continued growth and investor interest.

Where the Consolidation results in a fractional entitlement to a share, performance right or option, that fractional entitlement will be rounded down.

The Consolidation is expected to be carried out following the issue of the Placement Shares and the issue of the shares under the Entitlement Offer, subject to shareholder approval being obtained.

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

For personal use only

Incentive Securities

As an incentive, key personnel retention and to better align the interests of Board members, key staff and Kookynie Gold Project technical consultants with increased Shareholder value from the potential development of KGP, the Company proposes to issue the following incentive securities after Shareholder approval at the forthcoming AGM:

(a) 25 million Performance Rights to the CEO, Humphrey Hale, which will have vesting conditions that are performance related to outcomes at the KGP over the next two years. Subject to satisfaction of the vesting conditions, each Performance Right will convert to one Share;
(b) 120 million options in aggregate to the CEO, Board members and the Company Secretary. The options will be exercisable at $0.006 each over a three-year period.
(c) 37.5 million options in aggregate to technical consultants working on the KGP. The options will be exercisable at $0.006 each over a three-year period.

Further information in relation to these incentive securities will be provided in the Entitlement Offer Prospectus. It should be noted that incentive securities numbers and exercise prices noted above are on a pre-Consolidation basis and will be adjusted accordingly subject to Shareholder approval of the Consolidation.

Capital Structure on Completion of Placement, Entitlement Offer and Consolidation

Upon completion of the Placement, the Entitlement Offer and the Consolidation (assuming shareholders approve all matters to be proposed for consideration at the annual general meeting (including, the Consolidation)), the Company's indicative capital structure is set out below, subject to rounding and reconciliation of Entitlements:

Security	Pre-Consolidation Issued Capital	Post Consolidation Issued Capital (15:1)
Shares		
Shares currently on issue	4,090,218,394	272,681,226
New Placement Shares	857,142,857	57,142,857
New Shares to be issued pursuant to the Entitlement Offer (ratio 1:4) before Placement settles	1,022,554,599	68,170,307
Free-Attaching Shares to be issued pursuant to the Entitlement Offer (ratio 1:7)	146,079,228	9,738,615
Total Shares on issue on completion	**6,115,995,078**	**407,733,005**
Options and Incentive Securities to be Issued		
Lead Manager and Underwriter	30,000,000	2,000,000
Directors, CEO, Company Secretary and KGP technical consultants	157,500,000	10,500,000
Performance Rights	25,000,000	1,666,666
Total Options and Incentive Securities	**212,500,000**	**14,166,666**

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

Indicative Timetable

The indicative timetable for the Placement, Entitlement Offer and Consolidation is set out below:

EVENT	DATE
Announcement of Placement and Intention to undertake Entitlement Offer, lodgement of Appendix 3Bs with ASX	Monday, 6 October 2025
Lodgement of Entitlement Offer Prospectus with ASIC and ASX	Monday, 13 October 2025
Ex date for Entitlement Issue Offer	Wednesday, 15 October 2025
Record Date for determining Eligible Shareholders entitled to participate in the Entitlement Offer	Thursday, 16 October 2025
Issue of Placement Shares	Monday, 20 October 2025
Prospectus and Application Forms despatched to Eligible Shareholders and Company announces that this has occurred	Tuesday, 21 October 2025
Opening date of the Entitlement Offer	Tuesday, 21 October 2025
Last day to extend Closing Date of the Entitlement Offer (Before 12pm EST)	Tuesday, 28 October 2025
Closing Date (5:00pm WST)* of the Entitlement Offer	Friday, 31 October 2025
Securities for Entitlement Offer quoted on a deferred settlement basis	Monday, 3 November 2025
Entitlement Offer Shortfall Notice Deadline Date	Wednesday, 5 November 2025
Entitlement Offer Underwriting/Sub-Underwriting Settlement Date	Thursday, 6 November 2025
Last day for the Company to issue the Shares under the Entitlement Offer and lodge an Appendix 2A	Friday, 7 November 2025
Issue of Consolidation Appendix 3A.3	Monday, 10 November 2025
Annual General Meeting held, including for approval of the Consolidation and issue of Incentive Securities.	Thursday, 27 November 2025
Effective date of Consolidation	Thursday, 27 November 2025
Last day for trading in pre-Consolidation securities	Friday, 28 November 2025
Trading in post-Consolidation securities commences on a deferred settlement basis	Monday, 1 December 2025
Record Date (Last day for entity to register transfers on a pre-Consolidation basis)	Tuesday, 2 December 2025
Entity to send holding statements for consolidated securities (dispatch)	Friday, 5 December 2025
Normal (T+2) trading in consolidated securities commences	Monday, 8 December 2025
First settlement of trades conducted on a T+2 basis	Wednesday, 10 December 2025

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | www.carnavaleresources.com

** The above timetable is indicative only and all dates are subject to change. The Directors reserve the right to vary any of these dates, including the Closing Date for the Entitlement Offer, at their sole discretion and without prior notice. Any extension of the Closing Date for the Entitlement Offer will have a consequential effect on the anticipated date of issue of the new shares under the Entitlement Offer.*

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

For further information contact:

Humphrey Hale
CEO
P: +61 8 9380 9098

For personal use only

Mineral Resource Estimate Tables for Kookynie Gold Project

A summary of the Mineral Resource Estimate reported by classification is shown (Table 1) – a lower Au cut-off grade of 0.8 g/t is used for open pittable material above the 320m RL and 1.5 g/t Au for underground material below the 320m RL.

Classification	K Tonnes	Au g/t	Au k Ounces
Measured			
Indicated	426.0	5.6	77.2
Inferred	416.3	3.0	39.7
Total	**842.3**	**4.3**	**116.9**

***Table 1**, July 2025 Kookynie MRE including Swiftsure and Tiptoe lodes*

Classification	K Tonnes	Au g/t	Au k Ounces
Measured			
Indicated	86.8	3.6	10.0
Inferred	42.4	1.1	1.5
Total	**129.2**	**2.8**	**11.5**

***Table 2**, July 2025 Kookynie MRE Tiptoe lodes only*

The figures broken down by open cut or underground location are shown (Table 3).

sw250707m. CoG 0.8 > 320 mRL, 1.5 < 320 mRL							
Location	**CoG**	**Classification**	**Volume**	**tonnes**	**density**	**Au g/t**	**Au Oz**
O/C	0.8	Indicated	92,055	240,519	2.61	5.25	40,623
O/C	0.8	Inferred	63,044	162,865	2.58	2.26	11,843
O/C	**0.8**	**All**	**155,099**	**403,383**	**2.60**	**4.05**	**52,467**
U/G	1.5	Indicated	68,684	185,445	2.70	6.13	36,570
U/G	1.5	Inferred	93,881	253,478	2.70	3.42	27,876
U/G	**1.5**	**All**	**162,564**	**438,923**	**2.70**	**4.57**	**64,445**
Both		Indicated	160,738	425,964	2.65	5.64	77,193
Both		Inferred	156,925	416,343	2.65	2.97	39,719
Both		**All**	**317,663**	**842,307**	**2.65**	**4.32**	**116,912**

***Table 3**, MRE for Swiftsure and Tiptoe lodes by Location*
(open pit above 320m RL and underground below 320m RL).

Detailed reports by sub-domain at various cut off grades for the entire model (regardless of open cut or underground) are shown in Table 4,5 and 6.

- Lodes 1,2 and 22 represent Swiftsure lodes
- Lodes 3 and 4 represent Tiptoe lodes

Sub Domains 1 = low grade 2 =Medium Grade 3 = High Grade

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

For personal use only

Global Report (No Lower CoG, so includes sub-grade)							
Classification	Lode	Subdom	Volume	Tonnes	Density	Au g/t	Au Oz
Indicated	1	1	16,163	42,804	2.65	0.10	143
Indicated	1	2	122,267	324,717	2.66	2.16	22,566
Indicated	1	3	14,060	37,520	2.67	32.57	39,292
Indicated	2	1	1,637	4,306	2.63	0.22	30
Indicated	2	2	5,191	13,597	2.62	1.44	629
Indicated	2	3	3,024	7,935	2.62	24.66	6,291
Indicated	3	2	32,622	86,751	2.66	0.75	2,098
Indicated	3	3	12,287	33,076	2.69	6.59	7,010
Indicated	4	1	3,190	8,496	2.66	0.04	12
Indicated	4	2	31,645	82,949	2.62	0.58	1,542
Indicated	4	3	4,384	11,837	2.70	4.50	1,714
Indicated			246,470	653,987	2.65	**3.87**	**81,326**
Inferred	1	1	21,364	56,766	2.66	0.08	137
Inferred	1	2	143,966	384,910	2.67	2.11	26,161
Inferred	1	3	2,525	6,740	2.67	28.03	6,075
Inferred	2	1	154	407	2.65	0.22	3
Inferred	2	2	17,039	45,235	2.65	1.45	2,104
Inferred	2	3	2,785	7,446	2.67	11.61	2,780
Inferred	3	2	36,172	95,521	2.64	0.79	2,414
Inferred	3	3	409	1,104	2.70	5.71	202
Inferred	4	1	531	1,433	2.70	0.03	1
Inferred	4	2	20,256	54,472	2.69	0.51	892
Inferred	4	3	358	967	2.70	5.18	161
Inferred	22	2	20,315	54,080	2.66	2.90	5,050
Inferred			265,872	709,081	2.67	**2.02**	**45,980**
Indicated + Inferred			512,342	1,363,068	2.66	**2.90**	**127,306**

Table 4, *Detailed MRE Cut-off grade <0ppm*

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

For personal use only

Global Report > 0.8 ppm Au							
Classification	Lode	Subdom	Volume	Tonnes	Density	Au g/t	Au Oz
Indicated	1	2	117,343	311,646	2.66	2.22	22,267
Indicated	1	3	14,060	37,520	2.67	32.57	39,292
Indicated	2	2	5,191	13,597	2.62	1.44	629
Indicated	2	3	3,024	7,935	2.62	24.66	6,291
Indicated	3	2	11,600	30,461	2.63	0.93	906
Indicated	3	3	12,287	33,076	2.69	6.59	7,010
Indicated	4	2	6,121	15,725	2.57	0.91	458
Indicated	4	3	4,384	11,837	2.70	4.50	1,714
Indicated			174,010	461,797	2.65	**5.29**	**78,566**
Inferred	1	2	129,991	347,394	2.67	2.27	25,323
Inferred	1	3	2,525	6,740	2.67	28.03	6,075
Inferred	2	2	17,030	45,212	2.65	1.45	2,104
Inferred	2	3	2,785	7,446	2.67	11.61	2,780
Inferred	3	2	19,888	51,723	2.60	0.90	1,497
Inferred	3	3	409	1,104	2.70	5.71	202
Inferred	4	2	1,371	3,593	2.62	0.88	101
Inferred	4	3	358	967	2.70	5.18	161
Inferred	22	2	20,315	54,080	2.66	2.90	5,050
Inferred			194,672	518,259	2.66	**2.60**	**43,293**
Indicated + Inferred			368,681	980,056	2.66	**3.87**	**121,859**

***Table 5**, Detailed MRE Cut-off grade >0.8ppm*

Global Report > 1.5 ppm Au							
Classification	Lode	Subdom	Volume	Tonnes	Density	Au g/t	Au Oz
Indicated	1	2	93,792	249,613	2.66	2.48	19,905
Indicated	1	3	14,060	37,520	2.67	32.57	39,292
Indicated	2	2	1,466	3,775	2.58	1.69	206
Indicated	2	3	3,024	7,935	2.62	24.66	6,291
Indicated	3	3	12,287	33,076	2.69	6.59	7,010
Indicated	4	3	4,384	11,837	2.70	4.50	1,714
Indicated			129,013	343,756	2.66	**6.73**	**74,417**
Inferred	1	2	87,821	236,420	2.69	2.76	20,978
Inferred	1	3	2,525	6,740	2.67	28.03	6,075
Inferred	2	2	6,589	17,022	2.58	2.07	1,134
Inferred	2	3	2,785	7,446	2.67	11.61	2,780
Inferred	3	3	409	1,104	2.70	5.71	202
Inferred	4	3	358	967	2.70	5.18	161
Inferred	22	2	18,802	50,264	2.67	3.03	4,894
Inferred			119,289	319,963	2.68	3.52	**36,225**
Indicated + Inferred			248,302	663,719	2.67	5.18	**110,641**

***Table 6**, Detailed MRE cutoff grade >1.5ppm*

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

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 off 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.

Reasonable Basis for Forward Looking Statements

No Ore reserve has been declared. This ASX release has been prepared in compliance with the JORC code (2012) and the ASX listing rules. All the material assumptions on which the Scoping Study production target and projected financial information are based have been included in this release and disclosed.

Consideration of modifying factors in the format specified by JORC Code (2012) Section 4 is contained above.

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

Annexure 1 – Termination Events for Underwriting Agreement

(a) (**Offer Documents**):

i. it transpires that a statement contained in the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive (including by omission) in any material respect, or a matter required by the Corporations Act is omitted from the Prospectus or the issue of the Offer Documents becomes misleading or deceptive or likely to mislead or deceive in any material respect; or

ii. any amendment or update to a Placement Shares Cleansing Statement which is issued or is required under the Corporations Act to be issued is materially adverse from the point of view of an investor;

(b) (**new circumstance**) an obligation arises on the Company to give ASX a notice in accordance with section 708A(9) of the Corporations Act or a new circumstance arises or becomes known which, if known at the time of issue of the Placement Shares Cleansing Statement or the Offer Documents would have been required to be included in any one or more of the foregoing;

(c) (**section 730 notice**) a person gives a notice to the Company under section 730 of the Corporations Act in relation to the Prospectus (other than the Underwriter);

(d) (**withdrawal of consent**): any person (other than the Underwriter) whose consent to the issue of the Prospectus or any Supplementary Prospectus is required and who has previously consented to the issue of the Prospectus or any Supplementary Prospectus withdraws such consent;

(e) (**Supplementary Prospectus**) the Company lodges a Supplementary Prospectus without the consent of the Underwriter or fails to lodge a Supplementary Prospectus in a form acceptable to the Underwriter or, in the Underwriter's reasonable opinion (acting reasonably), becomes required to lodge a Supplementary Prospectus;

(f) (**material adverse change**) any material adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company or any Group member (in so far as the position in relation to the Group member affects the overall position of the Company), from the position disclosed in the Entitlement Offer Announcement, the Prospectus or a duly completed Appendix 3B on the Announcement Date or as most recently disclosed to ASX by the Company before the date of this agreement;

(g) (**gold price fall**) the A$ Gold Price falls, at any time, to a level that is 10% or more below its level as at 5.00pm on the Business Day immediately preceding the date of this agreement;

(h) (**ASX market fall**) the S&P/ASX Small Ordinaries Resources Index has fallen, at any time, to a level that is 10% or more below its level as at 5.00pm on the Business Day immediately preceding the date of this agreement;

(i) (**Material Contracts**): any contract, deed or other agreement to which the Company is a party and which is material to the making of an informed investment decision in relation to the Entitlement Offer is terminated, rescinded, altered, amended or is subject to any waiver of any term without the prior written consent of the Underwriter (in its sole and absolute discretion) or is found to be void or voidable;

(j) (**Listing**)

i. the Company ceases to be admitted to the official list of ASX or the Shares cease trading or are suspended from quotation on ASX other than in connection with a trading halt in respect of the Placement and Entitlement Offer;

ii. ASX makes any official statement to any person, or indicates to the Company or the Underwriter that official quotation on ASX of the Shares will not be granted; or

iii. approval is refused or approval is not granted which is unconditional (or conditional only on customary listing conditions which would not, in the opinion of the Underwriter, have

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

a material adverse effect on the success of the Entitlement Offer), to the official quotation of the Shares on ASX on or before the dates referred to in the Timetable, or if granted, the approval is subsequently withdrawn, qualified or withheld;

(k) (**notifications**) any of the following notifications are made in relation to the Entitlement Offer or an Offer Document:

i. ASIC applies for an order under sections 1324B or 1325 of the Corporations Act in relation to an Offer Document or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Company; or

ii. an application is made by ASIC for an order under Part 9.5 in relation to the Entitlement Offer or an Offer Document or ASIC commences, or gives notice of an intention to hold, any investigation or hearing under Part 3 of the ASIC Act or other applicable laws;

(l) (**Timetable**) an event specified in the Timetable is delayed by more than one Business Day without the prior written consent of the Underwriter, other than events within the control of the Underwriter;

(m) (**withdrawal**) the Company withdraws an Offer Document or the Entitlement Offer or indicates that it does not intend to proceed with the Entitlement Offer;

(n) (**unable to issue**) the Company is prevented from granting the Entitlements or issuing Entitlement Offer Shares within the time required by the Timetable or by or in accordance with ASX Listing Rules, applicable laws, a Government Agency or an order of a court of competent jurisdiction;

(o) (**ASIC Modifications**) ASIC withdraws, revokes or amends any ASIC Modification;

(p) (**Waiver**) ASX withdraws, revokes or amends any ASX Waiver;

(q) (**prosecution**) any of the following occur:

i. a director of the Company is charged with an indictable offence;

ii. any Government Agency commences any public proceedings against the Company or any of the Directors in their capacity as a director of the Company, or announces that it intends to take such action; or

iii. any director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;

(r) (**fraud**) a director or officer of the Company or the Company is charged in relation to fraudulent conduct, whether or not in connection with the Entitlement Offer;

(s) (**change in management**) a change in the board of directors of the Company or the Company's Chairman, CEO or CFO;

(t) (**Insolvency**) the Company or a Group Member is or becomes Insolvent or there is an act or omission which is likely to result in the Company or a Group Member becoming Insolvent;

(u) (**charge**) a person charges or Encumbers or agrees to charge or Encumber, the whole, or a substantial part of the business or property of the Company or the Group;

(v) (**force majeure**) there is an event or occurrence, including an official directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any Government Agency which makes it illegal for the Underwriter to satisfy any obligation under this agreement, or to market, promote or settle the Entitlement Offer;

(w) (**debt facilities**) a Group Member breaches, or defaults under (including potential event of default or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing), any provision, undertaking covenant or ratio of a material debt or financing arrangement or any related documentation to which that entity is a party which has or is likely to have a material adverse effect on the Group;

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

(x) (**Certificate**) a Certificate is not given by the Company in accordance with this agreement or a statement in a Certificate is untrue or incorrect, or misleading or deceptive or contains omissions of any required information; and

(y) (**application**) there is an application to a government agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy in connection with the Entitlement Offer (or any part of it) or any agreement entered into in respect of the Entitlement Offer (or any part of it).

Part B – Events subject to 'materiality'

(a) (**mining tenements**): all or any portion of any of the Company's tenements have been revoked, forfeited or surrendered or the Company receives written notice that any of the foregoing will occur;

(b) (**renewals**): any tenement renewals which the Company has applied for are not granted or are not granted on terms acceptable to the Underwriter (in its sole and absolute discretion);

(c) (**Public Information**) a statement in any of the Public Information is or becomes misleading or deceptive or likely to mislead or deceive;

(d) (**future matters**) any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an Offer Document or Public Information is or becomes incapable of being met or, in the opinion of the Underwriter, unlikely to be met in the projected timeframe;

(e) (**changes to the Company**) the Company or a Group Member:

i. varies any term of the Constitution;

ii. alters the issued capital or capital structure of the Company other than in connection with the Entitlement Offer, as contemplated by the Offer Documents or under the Company's planned capital consolidation as disclosed in the Management Questionnaire or the Prospectus; or

iii. disposes, attempts or agrees to dispose of a substantial part of the business or property of the Company (including any material Subsidiary),

without the prior written consent of the Underwriter;

(f) (**Offer to comply**) the Company or an entity in the Group, any Offer Document or any aspect of the Entitlement Offer, does not or fails to comply with the Constitution, the Corporations Act, the ASX Listing Rules, any ASX Waivers, any ASIC Modifications or any other applicable law or regulation;

(g) (**default**) a default by the Company in the performance of any of its obligations under this agreement occurs;

(h) (**representations and warranties**) a representation and warranty contained in this agreement on the part of the Company was or is not true or correct or becomes untrue or incorrect;

(i) (**information**) the Due Diligence Committee Sign-Off, Management Sign-Offs or the information provided by or on behalf of the Company to the Underwriter in relation to the Due Diligence Investigations, the Offer Documents or the Entitlement Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission);

(j) (**disruption in financial markets**) either:

i. a general moratorium on commercial banking activities in Australia, New Zealand, the United States of America, Canada, the United Kingdom, Hong Kong, Singapore, the People's Republic of China or any member of the European Union or the North Atlantic Treaty Organisation is declared by the relevant central banking authority in any of those

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**

countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or

ii. trading in all securities quoted or listed on ASX, NZX, the London Stock Exchange, the Hong Kong Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended or limited for more than 1 trading day;

(k) (**change in laws**) any of the following occurs which does or is likely to prohibit, materially restrict or regulate the Entitlement Offer or materially reduce the likely level of Valid Applications or materially affects the financial position of the Company or has a material adverse effect on the success of the Entitlement Offer:

i. the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or

ii. the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory or the Reserve Bank of Australia; or

iii. the adoption by ASX or their respective delegates of any regulations or policy;

(l) (**hostilities**) major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or a escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the members of the North Atlantic Treaty Organisation, Finland, Sweden, Russia, Ukraine, Africa, Australia, New Zealand, New Zealand, the United States, Canada, the United Kingdom, China, Hong Kong, Singapore, Japan, any member of the European Union, Israel, Palestine or Iran or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world;

(m) (**political or economic conditions**) the occurrence of any adverse change or disruption to financial, political or economic conditions, or controls or financial markets in any one or more of the members of the North Atlantic Treaty Organisation, Finland, Sweden, Russia, Ukraine, Australia, New Zealand, the United States, Canada, the United Kingdom, China, Hong Kong, Singapore, Japan or any member of the European Union or elsewhere or any change or development involving a prospective adverse change in any of those conditions or markets.

For personal use only

Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 | PO Box 281 Mount Hawthorn WA 6915
Phone: +61 8 9380 9098 | @Carnavale_Res | Email: info@carnavaleresources.com | **www.carnavaleresources.com**