



Strategic Acquisition and Intensive Exploration to commence at Kookynie High-Grade Gold Project

Carnavale Resources Ltd (“CAV”, “Carnavale” or the “Company”) is pushing forward with its exploration plans on the Company’s expanded tenement portfolio. The Company has a systematic exploration program planned for the high-grade Kookynie Gold Project that includes:

- A detailed, multi-element soil sampling program to test strike extensions of known gold mineralisation including Metalicity Ltd.’s (ASX: MCT) Leipold, McTavish and Cosmopolitan projects, where transported cover is not well developed.
- Flying a detailed aeromagnetic survey over the Kookynie project to identify structural targets with potential for gold mineralisation.
- POW approved and Drill rig booked for the end of November.
- 6,000m of aircore planned to test structural, geochemical and aeromagnetic targets.
- Acquisition of additional strategic prospective ground to add to the Kookynie Gold project.

It is anticipated that the field work component will be completed prior to Christmas, with results following thereafter.



Figure1 - Old workings at Kookynie Gold Project

Executive Chairman Ron Gajewski commented:

“Carnavale continues to expand its holdings at the Kookynie Gold project as part of the Company’s strategic exploration plan for the area. We have taken a systematic approach to exploring the ground by analyzing the information available and applying an integrated program of geochemistry, geophysics, and geology.

Carnavale is wasting no time in getting on the ground to search for high grade gold within this very under explored tenement package. The Company is well funded with approximately \$3.5 million cash at 30 September 2020 to execute this fast tracked program.”

Carnavale Resources Limited (ASX:CAV) is pleased to advise that the Company's exploration programs are moving forward swiftly, with a program of modern and structured exploration planned for the next quarter at the Kookynie high-grade gold project, which includes the acquisition of new exploration opportunities.

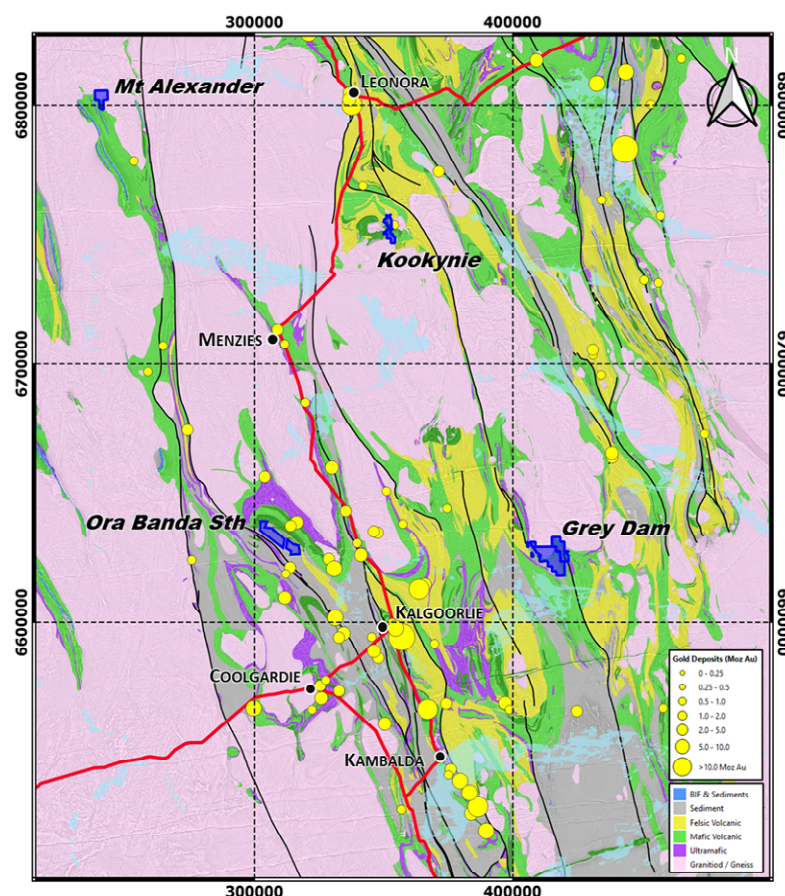


Figure 2 - Location of Carnavale's Projects
Simplified geology and significant Gold deposits

As part of Carnavale Resources strategic exploration plan at Kookynie, the Company has acquired 100% of tenement application E40/394, which represents 4,500ha of exploration ground, within the prospective Melita formation from prospector Bruce Legendre, who acquired the tenement through the DMIRS ballot process. Competing applicants in the ballot were Metalicity Limited with tenement application E40/395 which has subsequently been withdrawn. (Refer *Metalicity Limited ASX release significant and strategic tenement application for the Kookynie Gold Project and update on assays and drone survey dated 22 June 2020*)

E40/394 is located 5km west of the historic Ulysses Mining Camp that is being successfully developed by Genesis Minerals Ltd and 40km south-southwest of Leonora in the Eastern goldfields of Western Australia (Figure 3).

E40/394 is situated within the Melita formation, that is the host sequence to the Ulysses-Orient-Well mining Camp that has produced over 1.5Moz of gold (Figure 3). The tenement has been explored by two phases of recent exploration, one in the 1990's and the most recent in 2012. This exploration included an extensive soil geochemistry program completed within the tenement and over 10,000m of drilling. Open file data is available from WAMEX reports A062530 and A094841. Carnavale is in the process of reviewing this data to establish a modern exploration plan, targeting Ulysses style gold mineralisation.

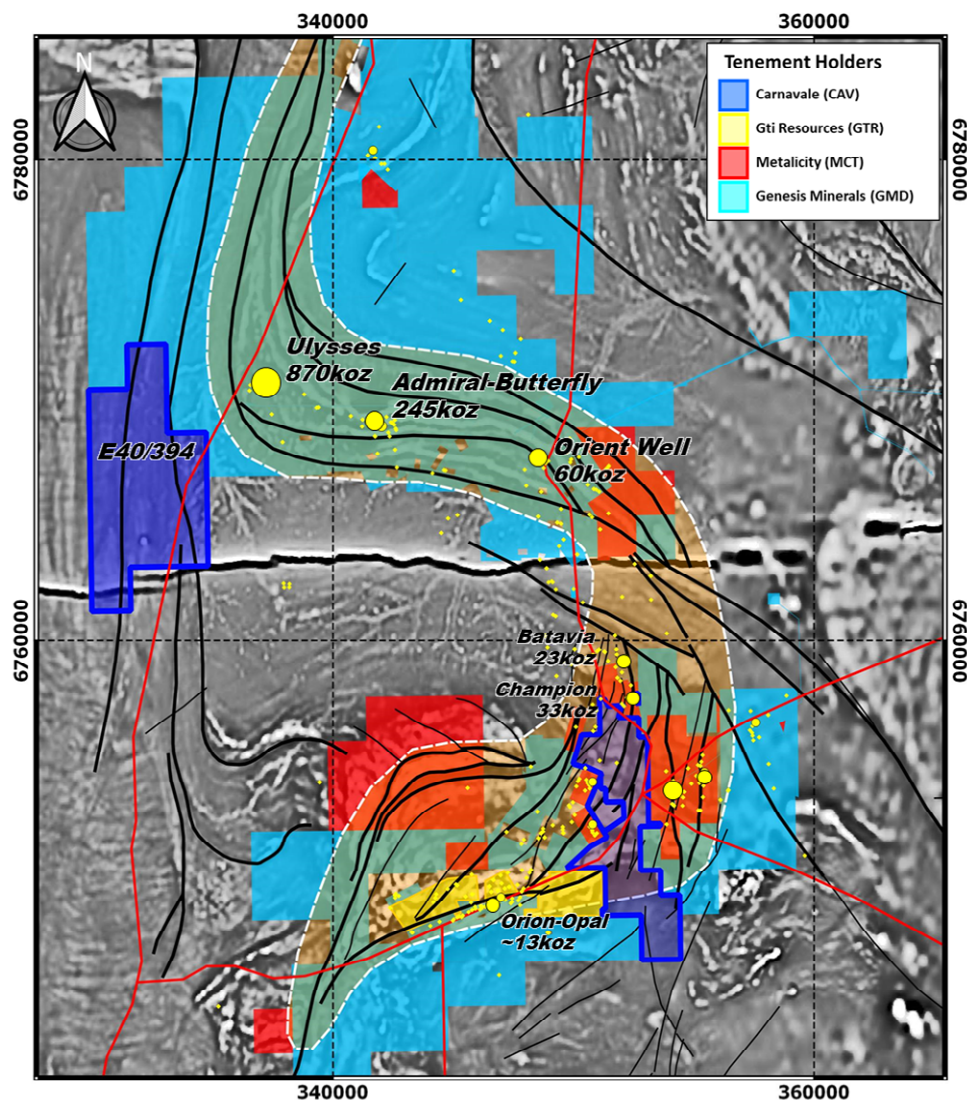


Figure 3 Location of new tenement acquisition E40/394

Kookynie Gold Project Exploration

Carnavale has planned a program of detailed, targeted exploration in the first phase of exploration at the Kookynie Gold project. The program includes systematic soil sampling, detailed aeromagnetic survey over the whole tenement package and an estimated 6,000m aircore drilling program, targeting structurally hosted high-grade gold mineralisation.

The Company has planned a program of soil sampling that will cover five target areas (Figure 4), where the transported cover is not well developed. These areas include:

- Champion – Strike extensions of the historic high-grade Champion mine.
- McTavish – the northwestern tenement areas along strike from the McTavish project being developed by Metalicity.
- Leipold - the southwest soil anomaly along strike from Metalicity's Leipold project and north of GTI Resources soil anomaly.
- Mt Niagara - The southeast part of the tenement along strike from Metalicity's Cosmopolitan trend.
- Southern Granite – Further extensions of the Cosmopolitan trend.

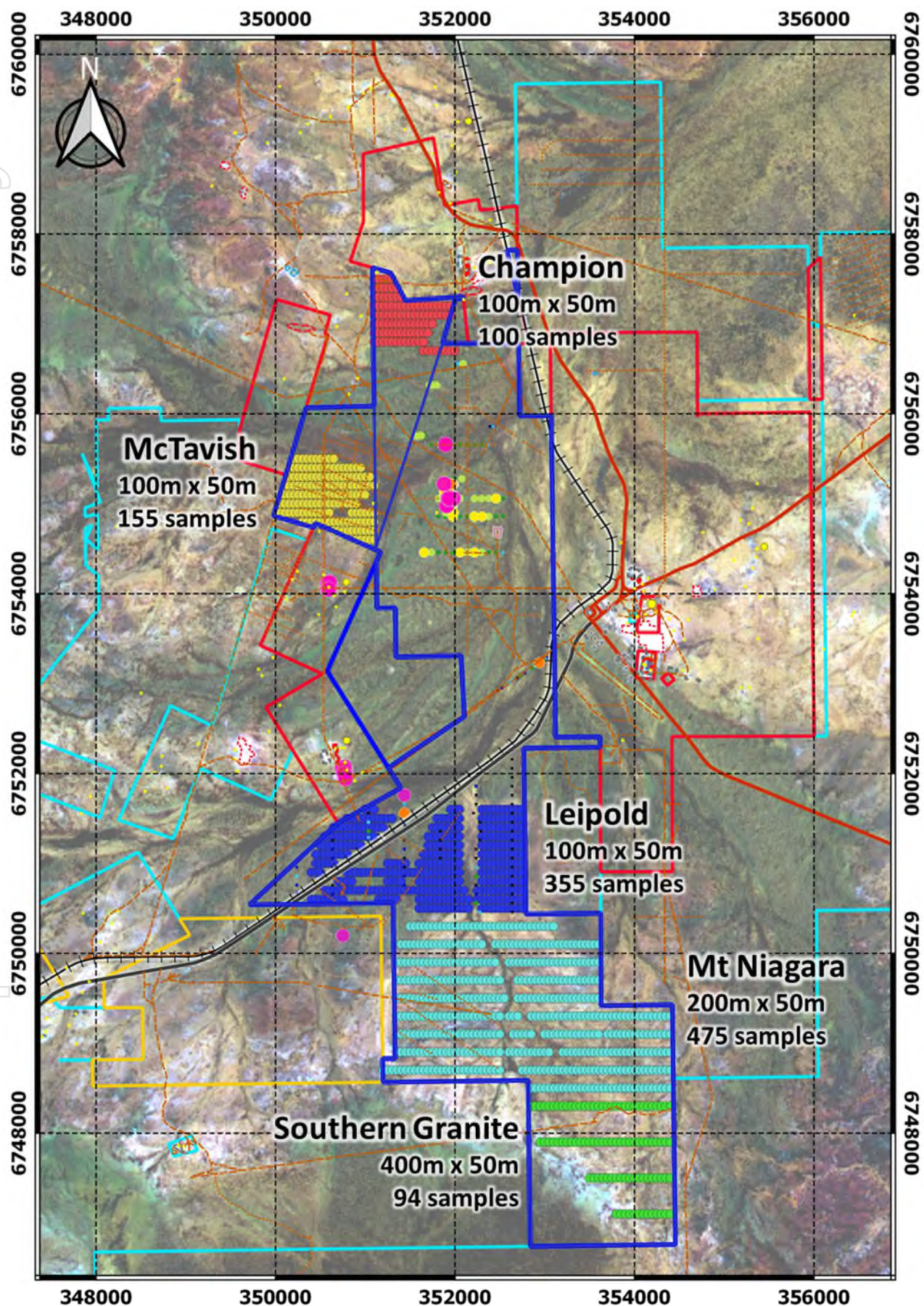


Figure 4 Plan of soil sampling areas at Kookynie Gold project.

CAV tenement - Dark blue, Metalicity Ltd – Red, Genesis Minerals - Light Blue, GTi Resources - yellow.

The gold mineralisation at Kookynie is high grade and structurally controlled by faults and shears within the bedrock, which can often be identified by aeromagnetic surveys. Carnavale will fly a detailed aeromagnetic survey at 20m line spacing over the Kookynie project to identify discrete structural targets that have potential to host significant high-grade gold mineralisation. It is anticipated that the Company will complete this survey in November. The systematic soil program matched with the detailed aeromagnetic survey is designed to pinpoint the structures that have anomalous gold and provide focused targeting for aircore drilling programs.

In addition to the systematic soil programs and the detailed aeromagnetic survey, the Company has contracted an aircore rig to commence an initial program of 6,000m of aircore drilling that is expected to start in December this year. The aircore drilling will test existing anomalies identified by previous explorers including Champion south and test other potentially gold bearing structural targets identified by geochemistry and the detailed aeromagnetic survey.

E40/394 Acquisition Terms

Carnavale has agreed to acquire 100% of E40/394, from Bruce Legendre (a non-related party to Carnavale or its Directors) for a total cash consideration of \$5,000 +GST plus a 1% royalty on gross revenue.

Grey Dam Exploration update

The RC and diamond drilling at Grey Dam targeting nickel sulphide has been completed. Seven holes were drilled for 1,701m. Three of these holes were drilled with diamond core tails allowing deeper targets to be tested (See ASX release *Grey Dam drilling commenced 10 September 2020*).

The RC samples were sent directly to the ALS lab in Kalgoorlie for transport to the ALS facility in Perth after being logged by the geologists. The core was logged, cut, and sampled in Kalgoorlie prior to being dispatched to ALS's facility in Kalgoorlie for transport to Perth for analysis. The samples are being analyzed for a spectrum of multi elements, nickel, gold, and platinum as required.

It is expected that the Company will receive all of the results from this program within the next three weeks. Turnaround time at the laboratory is under pressure from increased exploration recently.

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

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Competent Persons Statement

The information that relates to Exploration Results for the projects discussed in this announcement represents a fair and accurate representation of the available data and studies; and is based on, and fairly represents information and supporting documentation reviewed by Mr. Humphrey Hale, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr. Hale is a Consultant to Carnavale Resources Limited. Mr. Hale has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Hale consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding Carnavale's plans with respect to the mineral properties, resource reviews, programs, economic studies and future development are forward-looking statements. There can be no assurance that Carnavale's plans for development of its mineral properties will proceed any time in the future. There can also be no assurance that Carnavale will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Carnavale's mineral properties.

References

WAMEX Report A062530, Annual Report for the period ending 4 November 2000

WAMEX Report A094841 Annual Report for the period ending 12 July 2012

WAMEX reports can be viewed on the Department of Mines, Industry Regulation and Safety website and found the following address <https://www.dmp.wa.gov.au/Geological-Survey/Mineral-exploration-Reports-1401.aspx>