

ASX ANNOUNCEMENT

19th April 2021

High grade Gold discovered at Kookynie Gold Project

Highlights

- Aircore drilling identifies high-grade, structurally controlled gold mineralisation under cover.
- High-grade gold mineralisation was intersected at McTavish East. Significant intercepts include:

Hole KOAC210	2m @ 16.25g/t from 54m
	8m @ 0.90g/t from 70m <i>inc. 4m @ 1.52g/t</i>
	7m @ 0.32g/t from 81m
Hole KOAC209	2m @ 3.11g/t from 14m
Hole KOAC230	2m @ 2.27g/t from 50m
Hole KOAC216	4m @ 1.80g/t from 70m <i>inc. 2m @ 3.40g/t</i>
	2m @ 1.11g/t from 30m
Hole KOAC217	2m @ 1.64g/t from 54m
- McTavish East anomaly consists of 500m of strike length and remains open to the northeast.
- High grade gold mineralisation was intersected at McTavish North. Significant intercepts include:

Hole KOAC183	6m @ 1.54g/t from 2m <i>inc. 2m @ 3.43g/t and 2m @ 1.01g/t</i>
	10m @ 0.74g/t from 12m <i>inc. 6m @ 1.09g/t</i>
Hole KOAC184	6m @ 1.08g/t from 8m
Hole KOAC185	1m @ 4.54g/t from 31m
- McTavish North anomaly consists of 160m of strike length and remains open to the north.
- The Kookynie Gold Project is along strike and adjacent to Nex Metals Ltd (ASX: NME) and Metalicity Ltd.'s (ASX: MCT) high-grade Leipold, McTavish Cosmopolitan and Champion deposits, being successfully explored by MCT under an earn in agreement.

Carnavale Resources Limited (ASX: CAV) is pleased to report on results received from the second round of aircore drilling at the Kookynie Gold Project. The drilling program was designed to follow up on the three gold anomalies identified by the first round of drilling in December 2020. The anomalies at McTavish East and McTavish North have been extended and expanded by this recent drilling program.

Chairman Ron Gajewski commented:

"The Company continues to explore at a fast pace at the Kookynie Gold Project. The recent round of drilling has extended the anomalous areas first identified in December and has now intersected the high-grade gold mineralisation analogous to the historic gold mines that the Kookynie Mining District is famous for. The anomalies are growing in scale and grade by an order of magnitude from their initial identification."

The Kookynie Gold Project

The Project is in the central portions of the historic Kookynie mining centre, which has produced over 650,000oz from high-grade gold lodes (Figure 1). Carnavale's strategy is to explore and define sufficient high-grade gold resources that can be mined and transported to a processing plant nearby.

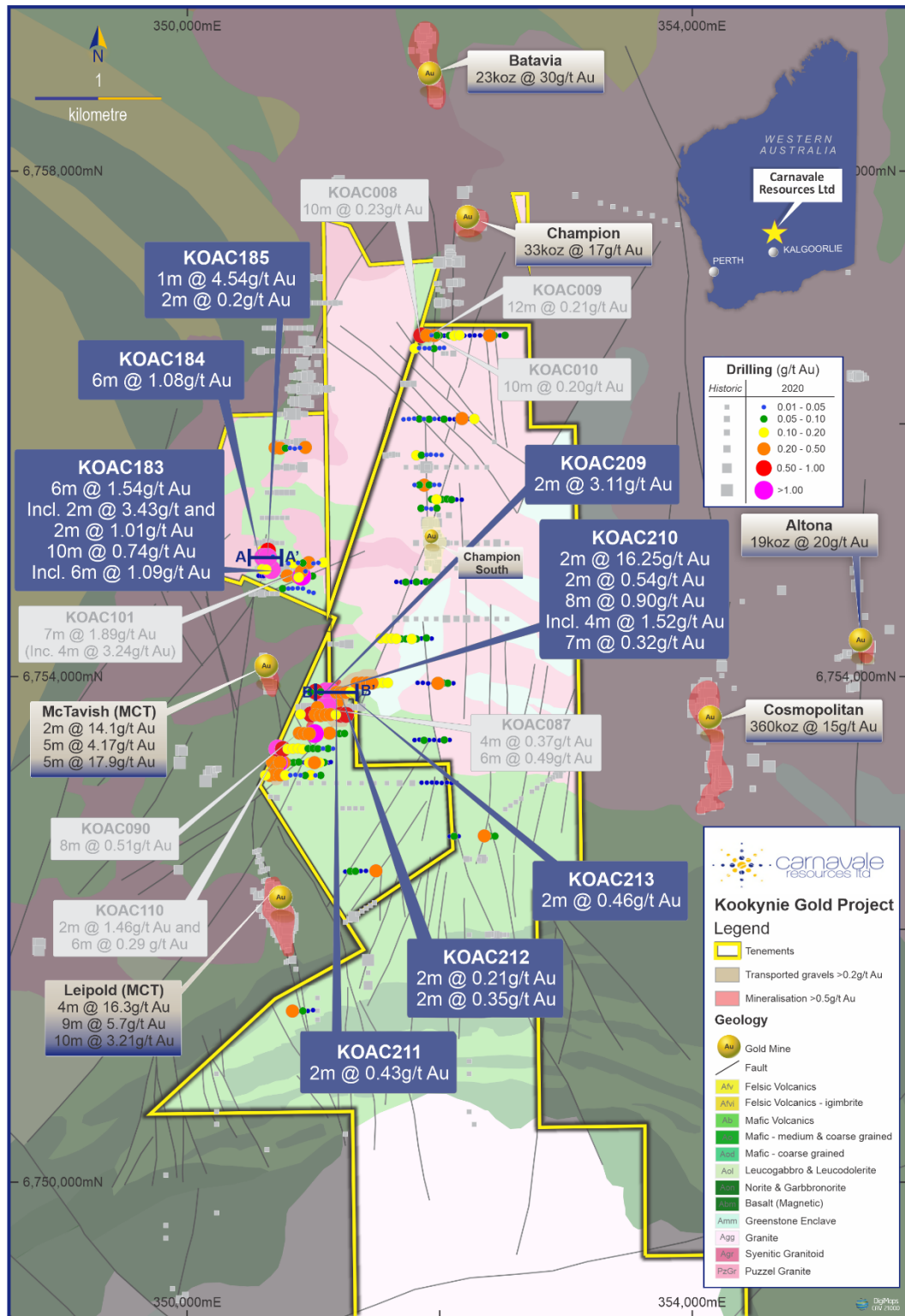


Figure 1, Carnavale tenement holding with production from historic deposits.

Two types of gold mineralisation occur in the Kookynie area, high-grade gold associated with pyritic quartz veins hosted within north to northeast dipping structures crosscutting favourable lithologies and high-grade gold associated in fault zones within magnetic, differentiated fractions of the granite plutons.

Aircore Drilling Program

Bostech Drilling completed a second program of 117 aircore holes at the Kookynie Gold Project for 5,967m. This program tested the extents and potential of the multiple gold anomalies and structural features identified the Company's first round of aircore drilling completed in December 2020.

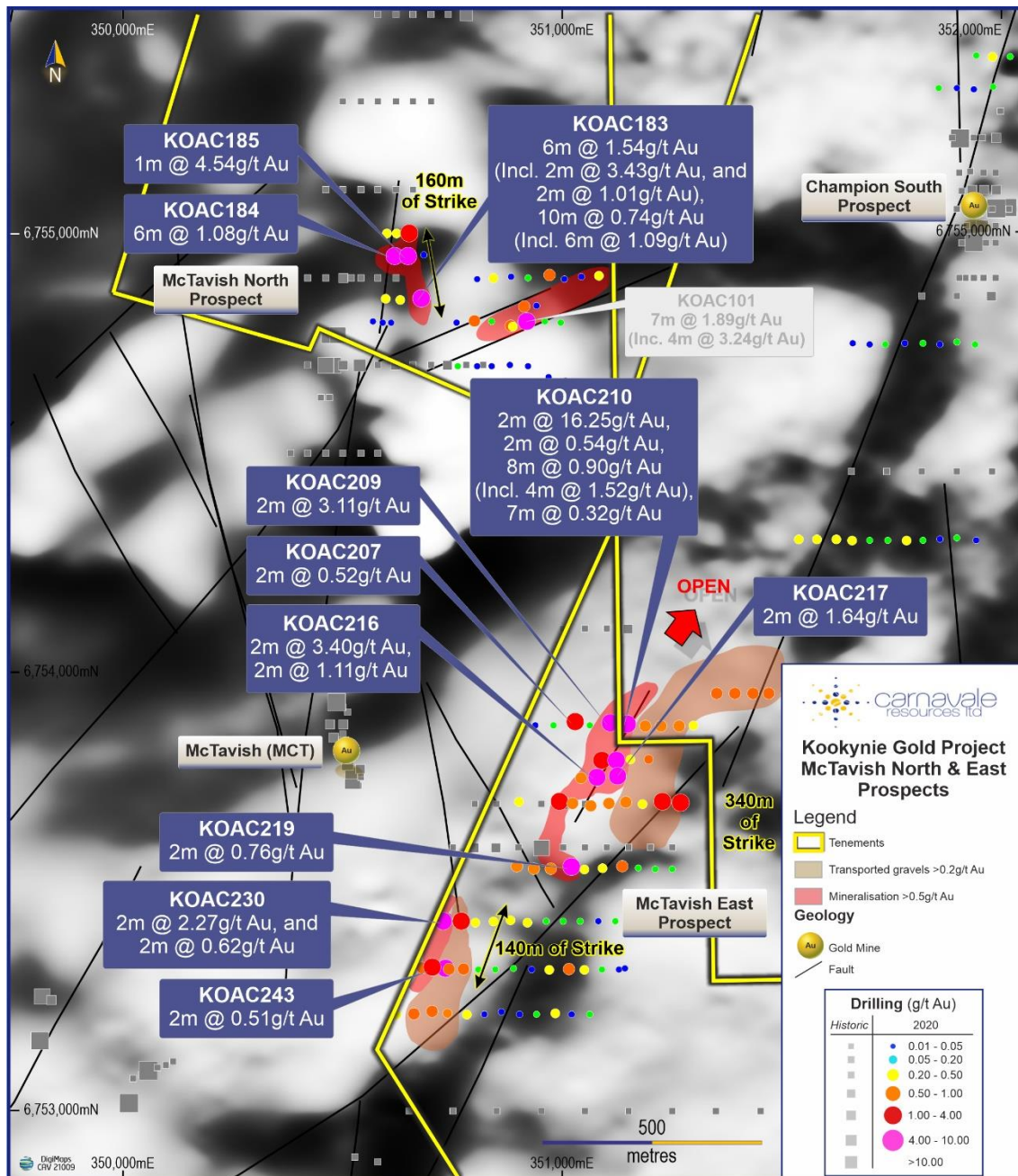


Figure 2, Plan of McTavish North and McTavish East mineralization over Aeromagnetic image

The second phase of drilling at the Kookynie Gold Project is part of a systematic exploration approach employed by the Company targeting high-grade gold mineralisation associated with structural corridors.

The drilling successfully used the strong gold anomalism detected in the first round of drilling as a vector to high-grade mineralisation, similar to that hosted by the historic mines such as Cosmopolitan, Leipold, and McTavish. The second phase of aircore drilling has also significantly expanded the footprint of this gold anomalism in the weathered profile.

Samples were taken on 2 metre composite intervals downhole, finishing with a 1 metre sample at the bottom of hole (BoH) in the freshest material. All samples were analysed for multi-element geochemistry and the BoH samples were also analysed for trace element geochemistry to help with further interpretation.

Exploration results

McTavish East

Immediately to the east of NME and MCT's McTavish tenement (McTavish East), Carnavale has discovered gold mineralisation with the anomaly striking over 500m remaining open to the northeast (Figure 2). Significant intercepts include:

Hole KOAC210	2m @ 16.25g/t from 54m 8m @ 0.90g/t from 70m <i>inc. 4m @ 1.52g/t</i> 7m @ 0.32g/t from 81m
Hole KOAC209	2m @ 3.11g/t from 14m
Hole KOAC230	2m @ 2.27g/t from 50m
Hole KOAC216	4m @ 1.80g/t from 70m <i>inc. 2m @ 3.40g/t</i> 2m @ 1.11g/t from 30m
Hole KOAC217	2m @ 1.64g/t from 54m

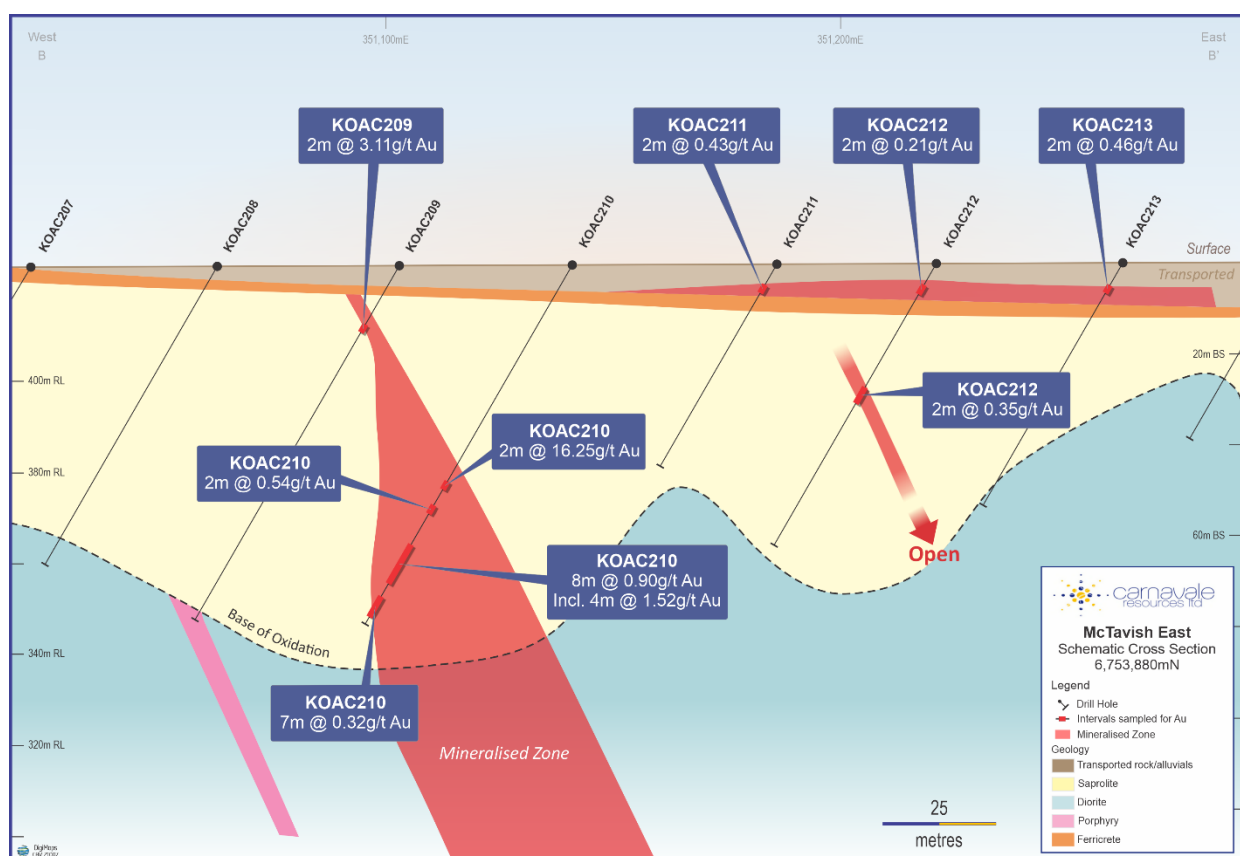


Figure 3, Section through McTavish East showing geology and mineralisation.

In the second phase the aircore drilling was extended along strike of the original anomaly to the northeast to expand the extent of the gold mineralisation prior to RC drilling. The second phase of aircore has successfully extended the mineralized zone by over 100m to the northeast and remains open (Figure 1).

The mineralisation at the McTavish East prospect is steeply dipping to the east and is structurally controlled by northeast striking structures that can be interpreted from the aeromagnetic images flown by Carnavale in late 2020. These mineralizing structures have been the subject of deeper weathering that can be seen in the section through McTavish East (Figure 3). It is of note that intrusive, felsic porphyries have been logged within these structural zones, which may indicate that the mineralizing structures have been active for a long time.

Gold mineralization, interpreted to be of alluvial origin, has been identified near the surface at McTavish East within the transported material. It can be seen on the section (Figure 3) that the paleo surface slopes to the east and that the alluvial gold in the transported horizon lies to the east and downslope of the identified gold mineralization at depth. It is interpreted that the primary mineralisation identified by the aircore drilling, at depth, is the source of the transported gold to the east and downslope.

The transported gold has been plotted on plan (Figure 2) showing the relationship to the deeper primary mineralization. The transported gold mineralization extends to the northeast and to the east of the primary mineralization. This shallow gold anomalism in the transported material provides an additional pathfinder and vector for the deeper primary high-grade mineralisation.

It is notable that the upper regolith profile, over the primary gold mineralization, appears to be depleted in gold for the first few metres, with significant gold mineralisation identified in the lower saprolite.

Primary gold mineralisation at McTavish East is found in northeast trending structures that have a deeper weathering profile and are characterized by an alluvial gold anomaly to the east. McTavish East remains open to the northeast for 2km.

McTavish North

The gold anomalies to the north of NME and MCT's McTavish tenement (McTavish North) are characterized by a number of shallow old workings and pits. The recent aircore drilling intercepted high-grade gold mineralisation in weathered rock. Significant intercepts include:

Hole KOAC183	6m @ 1.54g/t from 2m inc. 2m @ 3.43g/t and 2m @ 1.01g/t 10m @ 0.74g/t from 12m inc. 6m @ 1.09g/t
Hole KOAC184	6m @ 1.08g/t from 8m
Hole KOAC185	1m @ 4.54g/t from 31m

The McTavish North Prospect has abundant old workings and pits developed by historic miners that have not been tested by modern exploration techniques until now. Rock chips from around these old workings have returned gold assays that include **33.21g/t** and **9.93g/t**.

The recent aircore drilling has identified wide zones of gold mineralization in the regolith profile that provides a vector to potential high-grade mineralization at depth (Figure 4). The new zone identified by recent drilling strikes 160m to the north and remains open.

The primary gold mineralisation at McTavish North strikes to the north and northeast and remains open. The mineralized structures appear to dip to the east and are adjacent to the contact between the intermediate volcanics and the mafic volcanics (Figure 4). The high-grade gold is found within the saprock close to the fresh rock boundary indicating dispersion and depletion within the upper saprolite.

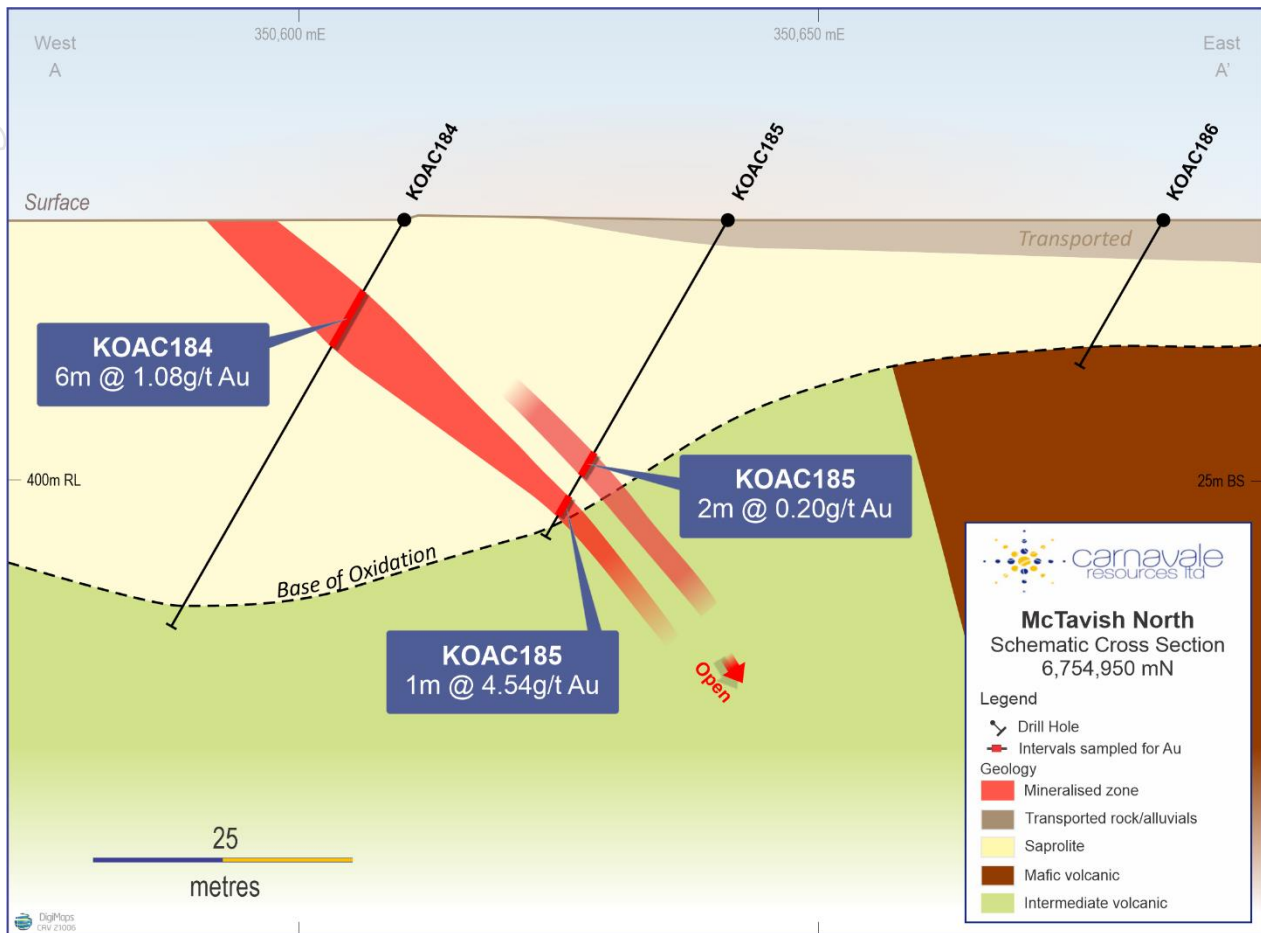


Figure 4, Section through McTavish North showing geology and mineralisation.

There have been two gold zones identified at McTavish North (Figure 2) that remain open to the north and northeast. Carnavale is excited to discover that the McTavish North Prospect appears to have multiple stacked gold bearing structures within each zone.

Exploration Strategy

CAV's proposed work program includes:

- Additional aircore drilling to define the extents of the new anomalies at McTavish East and McTavish North.
- Infill aircore drilling to outline the detail of the new anomalies
- RC drilling for the bed rock source of these regolith anomalies.
- Interpretation of the multi-element geochemistry and drainage anomalies to provide further understanding of the morphology of the mineralising systems

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

For further information contact:

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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.

Information relating to Previous Disclosure

Previously reported material Information relating to the Kookynie Gold Project includes:

Exploration

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

Kookynie Gold Project – Aircore drilling success 9 February 2021

Appendix 1

Significant intercepts (>0.2g/t with 2m of <0.2g/t included waste)

Intercept table for Aircore drilling showing intercepts greater than 0.2g/t Au.

Hole_ID	Interval	Au g/t	M From	M To	including intercepts greater than 0.5g/t.
KOAC140	4m	0.26	32	36	
KOAC141	2m	0.23	26	28	
KOAC146	2m	0.35	38	40	
KOAC147	4m	0.33	20	24	
	4m	0.58	36	40	inc. 2m @ 0.86g/t from 38m
KOAC148	2m	0.21	34	36	
KOAC173	1m	0.29	28	29	
KOAC183	6m	1.54	2	8	inc. 2m @ 3.43g/t from 2m and 2m @ 1.01g/t from 6m
	10m	0.74	12	22	inc. 6m @ 1.09g/t from 12m
	1m	0.22	26	27	
KOAC184	6m	1.08	8	14	
KOAC185	2m	0.20	26	28	
	1m	4.54	31	32	
KOAC191	1m	0.24	12	13	
KOAC203	1m	0.50	34	35	
KOAC207	2m	0.52	78	80	
KOAC209	2m	3.11	14	16	
KOAC210	2m	16.25	54	56	
	2m	0.54	60	62	
	8m	0.90	70	78	inc. 4m @ 1.52g/t from 70m
	7m	0.32	81	88	inc. 1m @ 0.51g/t from 83m
KOAC211	2m	0.43	4	6	
KOAC212	2m	0.21	4	6	
	2m	0.35	32	34	
KOAC213	2m	0.46	4	6	
KOAC215	2m	0.24	40	42	
	1m	0.20	70	71	
KOAC216	4m	1.80	16	20	inc. 2m @ 3.40g/t from 16m
	2m	1.11	30	32	
	1m	0.31	62	63	
KOAC217	2m	1.64	54	56	
	2m	0.46	60	62	
KOAC219	2m	0.20	12	14	
	2m	0.76	66	68	
KOAC220	4m	0.43	72	76	
KOAC221	2m	0.38	36	38	
KOAC222	2m	0.30	54	56	
KOAC223	2m	0.20	4	6	
KOAC225	4m	0.47	2	6	inc. 2m @ 0.52g/t from 2m
KOAC226	4m	0.46	2	6	inc. 2m @ 0.57g/t from 2m
KOAC227	2m	0.29	66	68	

KOAC228	2m	0.36	4	6	
KOAC229	2m	0.20	26	28	
	2m	0.48	60	62	
KOAC230	6m	0.31	2	8	
	2m	0.23	18	20	
	2m	2.27	50	52	
	2m	0.47	62	64	
	2m	0.62	68	70	<i>inc. 1m @ 0.80g/t from 68m</i>
KOAC231	6m	0.47	2	8	<i>inc. 2m @0.68g/t from 2m</i>
	2m	0.33	20	22	
	2m	0.29	54	56	
	2m	0.21	72	74	
KOAC242	1m	0.26	72	73	
KOAC243	2m	0.28	4	6	
	2m	0.51	42	44	
	4m	0.29	50	54	
KOAC244	2m	0.49	26	28	
	2m	0.22	48	50	
	1m	0.28	65	66	
KOAC246	2m	0.37	44	46	
KOAC247	1m	0.22	44	45	
KOAC248	2m	0.20	34	36	

Appendix 2

Collar table

HOLE_ID	GDA94_Z51 East	GDA94_Z51 North	RL	EOH Depth (m)	Dip	Azimuth (Magnetic)
KOAC140	350701	6755812	425	48	-60	270
KOAC141	350740	6755809	425	56	-60	270
KOAC142	350782	6755809	425	74	-60	270
KOAC143	350818	6755810	425	75	-60	270
KOAC144	350856	6755806	425	69	-60	270
KOAC145	350897	6755812	425	62	-60	270
KOAC146	350940	6755815	425	71	-60	270
KOAC147	351857	6756702	425	43	-60	270
KOAC148	351901	6756701	425	39	-60	270
KOAC149	351939	6756703	425	36	-60	270
KOAC150	351981	6756701	425	32	-60	270
KOAC151	351805	6756598	425	47	-60	270
KOAC152	351841	6756601	425	42	-60	270
KOAC153	351885	6756600	425	31	-60	270
KOAC154	351922	6756599	425	29	-60	270
KOAC155	351958	6756597	425	32	-60	270
KOAC156	352003	6756601	425	36	-60	270
KOAC157	352038	6756603	425	48	-60	270
KOAC158	351717	6756037	425	37	-60	270

KOAC159	351760	6756040	425	50	-60	270
KOAC160	351802	6756043	425	10	-60	270
KOAC161	351842	6756040	425	17	-60	270
KOAC162	351879	6756040	425	24	-60	270
KOAC163	351920	6756038	425	27	-60	270
KOAC164	351962	6756041	425	31	-60	270
KOAC165	351819	6755752	425	24	-60	270
KOAC166	351859	6755753	425	23	-60	270
KOAC167	351900	6755756	425	11	-60	270
KOAC168	351933	6755758	425	17	-60	270
KOAC169	351976	6755756	425	21	-60	270
KOAC170	352019	6755755	425	23	-60	270
KOAC171	351805	6755518	425	45	-60	270
KOAC172	351843	6755518	425	34	-60	270
KOAC173	351881	6755516	425	30	-60	270
KOAC174	351920	6755518	425	34	-60	270
KOAC175	351960	6755519	425	40	-60	270
KOAC176	352001	6755519	425	28	-60	270
KOAC177	351856	6755333	425	63	-60	270
KOAC178	351898	6755333	425	60	-60	270
KOAC179	351937	6755328	425	28	-60	270
KOAC180	351981	6755334	425	48	-60	270
KOAC181	350598	6754851	425	39	-60	270
KOAC182	350630	6754848	425	27	-60	270
KOAC183	350671	6754848	425	27	-60	270
KOAC184	350610	6754944	425	45	-60	270
KOAC185	350641	6754944	425	35	-60	270
KOAC186	350683	6754951	425	16	-60	270
KOAC187	350805	6754897	425	48	-60	270
KOAC188	350843	6754898	425	56	-60	270
KOAC189	350882	6754902	425	66	-60	270
KOAC190	350920	6754900	425	69	-60	270
KOAC191	350966	6754903	425	13	-60	270
KOAC192	351004	6754897	425	8	-60	270
KOAC193	351043	6754902	425	23	-60	270
KOAC194	351083	6754904	425	27	-60	270
KOAC195	350887	6754787	425	25	-60	270
KOAC196	350760	6754698	425	9	-60	270
KOAC197	350805	6754698	425	17	-60	270
KOAC198	350839	6754699	425	21	-60	270
KOAC199	350880	6754701	425	19	-60	270
KOAC200	350921	6754698	425	6	-60	270
KOAC201	350968	6754673	425	7	-60	270
KOAC202	351005	6754664	425	13	-60	270
KOAC203	350909	6754834	425	40	-60	270
KOAC204	350941	6754835	425	24	-60	270

KOAC205	350937	6753880	425	43	-60	270
KOAC206	350979	6753879	425	69	-60	270
KOAC207	351021	6753882	425	87	-60	270
KOAC208	351062	6753880	425	75	-60	270
KOAC209	351102	6753881	425	89	-60	270
KOAC210	351140	6753878	425	90	-60	270
KOAC211	351185	6753877	425	50	-60	270
KOAC212	351220	6753875	425	70	-60	270
KOAC213	351261	6753876	425	60	-60	270
KOAC214	351298	6753879	425	43	-60	270
KOAC215	351037	6753757	425	71	-60	270
KOAC216	351072	6753757	425	63	-60	270
KOAC217	351118	6753759	425	69	-60	270
KOAC218	350901	6753703	425	71	-60	270
KOAC219	350985	6753702	425	75	-60	270
KOAC220	351019	6753700	425	78	-60	270
KOAC221	351061	6753694	425	66	-60	270
KOAC222	351102	6753699	425	64	-60	270
KOAC223	351140	6753701	425	52	-60	270
KOAC224	351181	6753700	425	68	-60	270
KOAC225	351221	6753700	425	67	-60	270
KOAC226	351262	6753699	425	66	-60	270
KOAC227	350893	6753554	425	80	-60	270
KOAC228	350931	6753550	425	79	-60	270
KOAC229	350970	6753550	425	80	-60	270
KOAC230	350722	6753429	425	87	-60	270
KOAC231	350762	6753429	425	90	-60	270
KOAC232	350801	6753429	425	91	-60	270
KOAC233	350842	6753431	425	72	-60	270
KOAC234	350882	6753433	425	99	-60	270
KOAC235	350919	6753427	425	96	-60	270
KOAC236	350962	6753432	425	63	-60	270
KOAC237	351000	6753433	425	71	-60	270
KOAC238	351039	6753431	425	72	-60	270
KOAC239	351080	6753432	425	67	-60	270
KOAC240	351120	6753432	425	61	-60	270
KOAC241	351160	6753431	425	72	-60	270
KOAC242	350679	6753324	425	73	-60	270
KOAC243	350695	6753323	425	54	-60	270
KOAC244	350739	6753322	425	66	-60	270
KOAC245	350622	6753220	425	69	-60	270
KOAC246	350658	6753220	425	67	-60	270
KOAC247	350701	6753226	425	69	-60	270
KOAC248	350740	6753223	425	63	-60	270
KOAC249	350782	6753220	425	67	-60	270
KOAC250	350821	6753221	425	69	-60	270

KOAC251	350862	6753224	425	63	-60	270
KOAC252	350902	6753221	425	69	-60	270
KOAC253	350939	6753219	425	71	-60	270
KOAC254	350982	6753222	425	81	-60	270
KOAC255	351020	6753220	425	63	-60	270
KOAC256	351062	6753220	425	84	-60	270

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 warrant disclosure of detailed information. 	<ul style="list-style-type: none"> An Aircore rig was supplied by Bostech Drilling Services The rig was configured for Aircore and RC drilling Drilling was used to obtain 1 m samples and 2m composites samples from a cone splitter attached to the drill rig. 2m composites were submitted to the laboratory for analysis. 1m bottom of hole samples were collected for multi element analysis Samples submitted for analysis were approx. 3kg Sampling and analytical procedures detailed in the sub-sampling techniques and sample preparation section.
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 aircore drilling by Bostech Drilling achieved hole diameter size of (3 1/4 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. 	<ul style="list-style-type: none"> 2m Composite samples were collected from pre-numbered calico bags. Sample weight 2.5 - 3 kg. 2m composite samples were bagged in polyweave bags for dispatch to assay laboratory

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> 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"> Samples are dried (nominal 110 degrees C), crushed and pulverized to produce a homogenous representative sub-sample for analysis. All samples are pulverised utilising ALS preparation techniques PUL-23. A grind quality target of 85% passing 75µm has been established and is relative to sample size, type and hardness. In areas of interest one metre samples were taken instead of 2m samples for assay The sample size and sample preparation prior to analysis are considered to be appropriate for the expected mineralisation.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 	<ul style="list-style-type: none"> The composite samples were collected at ALS, Kalgoorlie. The samples were transported to the ALS facility in Perth by courier. Following the Sample Preparation outlined in the previous section above, all samples were analysed by ALS using 4-Acid Digest & Assay [ME-ICP61] plus a specific assay for Gold [Au-ICP21] by ALS laboratories in Perth 1m Bottom of hole samples were collected and analysed by ME-MS61 and Au ICP-21 by ALS laboratories. Gold intercepts are calculated with a 0.20g/t Au lower cut, no upper cut and up to 2m of internal dilution. Additional >0.5g/t intercepts were calculated with no internal dilution. In addition to the Quality control process and internal laboratory checks Carnavale inserted standards and blanks at a rate of 1 to 20 samples. Standards were selected based on oxidation and grade relevant to the expected mineralisation. This process of QA / QC demonstrated acceptable levels of accuracy.

Criteria	JORC Code Explanation	Commentary
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 by handheld GPS with horizontal accuracy (Easting and Northing values) of +/-5m. Grid System – GDA94 Zone 51.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 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. 	<ul style="list-style-type: none"> Holes were drilled to target structural features identified in aeromagnetic survey and were located accurately by Handheld GPS No mineral classification is applied to the results at this stage. Samples were collected on 1m and 2m intervals from spoil piles
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. Insufficient data to determine orientation of mineralised structures.
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 	<ul style="list-style-type: none"> The Tenement package includes 4 granted exploration tenements (E40/355, P40/1480, P40/1380, and P40/1381. Carnavale has entered into an option

Criteria	JORC Code Explanation	Commentary
	<p>sites, wilderness or national park and environmental settings.</p> <ul style="list-style-type: none"> 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. 	<p>agreement with Western Resources Ltd to earn 80% of E40/355 P40/1380 and. P40/1381.</p> <ul style="list-style-type: none"> 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"> Exploration across the Project area is limited to historic prospecting and small-scale mining with limited RAB / aircore drilling on wide spaced lines and only 2 RC holes drilled. The deepest hole is 108m downhole. Two programs of drilling have been 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 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) and 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: <ul style="list-style-type: none"> 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 0.2g/t Au lower cut, no upper cut and up to 2m of 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"> All 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 has been drill verified.
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 planning a follow up aircore drilling program to test the extent of the Au anomalies discovered in this drilling campaign.