



# **Carnavale Resources Limited**

**ASX:CAV**

## **US Gold and Silver Projects Arizona and Nevada Exploration Update**



# Statements



## Competent Persons Statement

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Beckwith is a Director of Carnavale Resources Limited. Mr Beckwith 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 Beckwith 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 Statement

This presentation has been prepared by Carnavale Resources Limited (“Carnavale” or the “Company”) and should not be considered as an offer or invitation or inducement to subscribe for or the purchase of any securities in the Company. This presentation contains forecasts and forward looking statements. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied.

This overview of Carnavale does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

## Exploration Targets

The information in this report that relates to exploration targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

# CAV - Capital Structure

## CARNAVALE RESOURCES LIMITED

ASX Code: CAV

Shares: 195.1M

Options: 131.8M (@ \$0.03)

Cash: \$1.65M (Sept 2014)

M. Cap: \$2.9M (@ \$0.015)

Top 20: 59.7%

Manag't: 12.6%

### Directors

Ron Gajewski (Chairman)

Andrew Beckwith (MD)

Klaus Eckhof (NED)

Rhett Brans (NED)

## TOJO Transaction

Exploring US Au-Ag and Base Metal projects

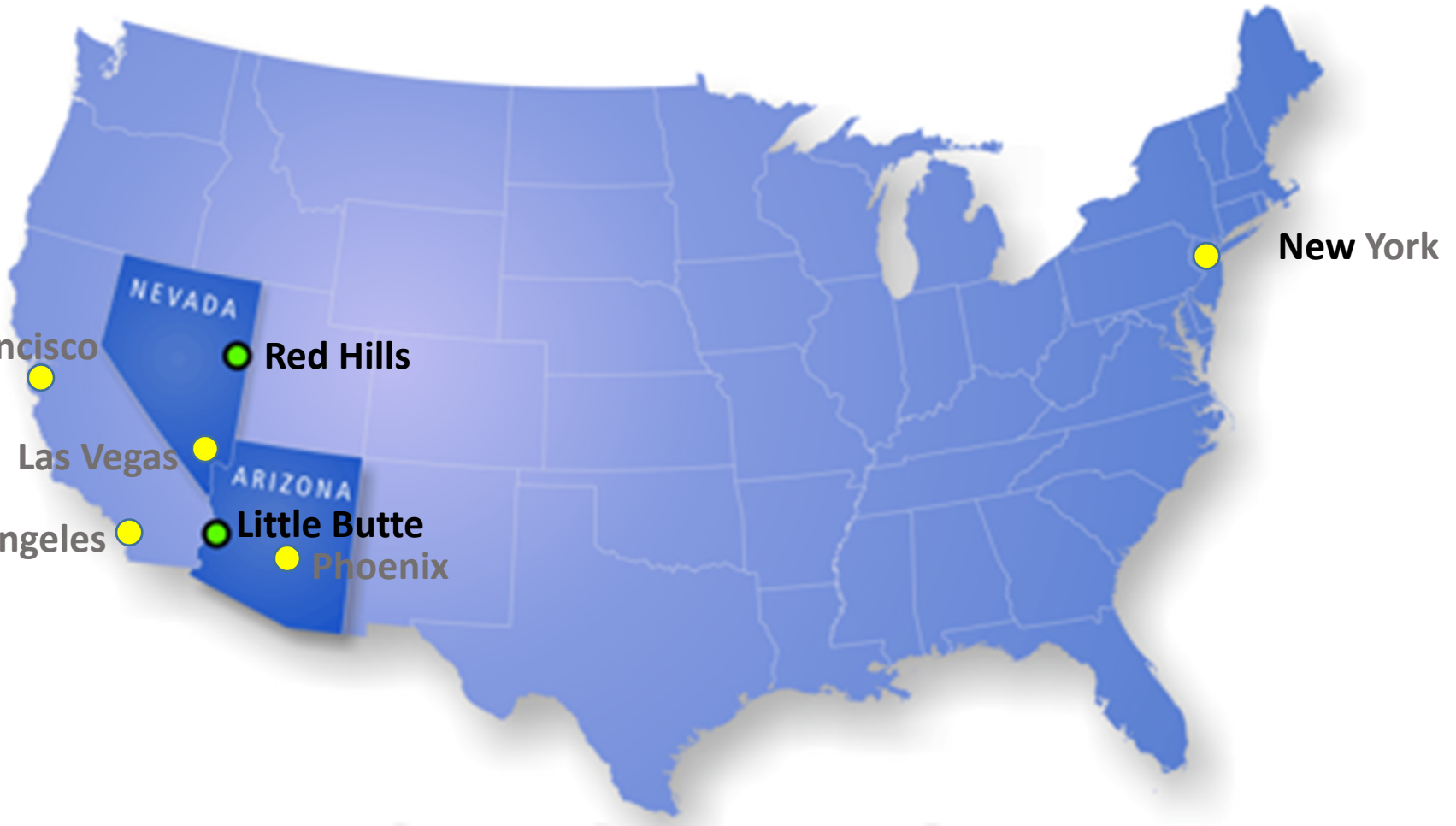
Option to Acquire Tojo

- ❖ US\$500,000 project expenditure
- ❖ Decision by Feb 2015
  - 21.0M CAV shares
  - 21.0M CAV A Class Perf Shares\*
  - 21.0M CAV B Class Perf Shares\*

(\* Perf Shares convertible on Resource Definition milestones)

# Project Locations

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# Why the US – You can find and build BIG MINES

## “World Class” Gold Copper Silver Deposits and Mines

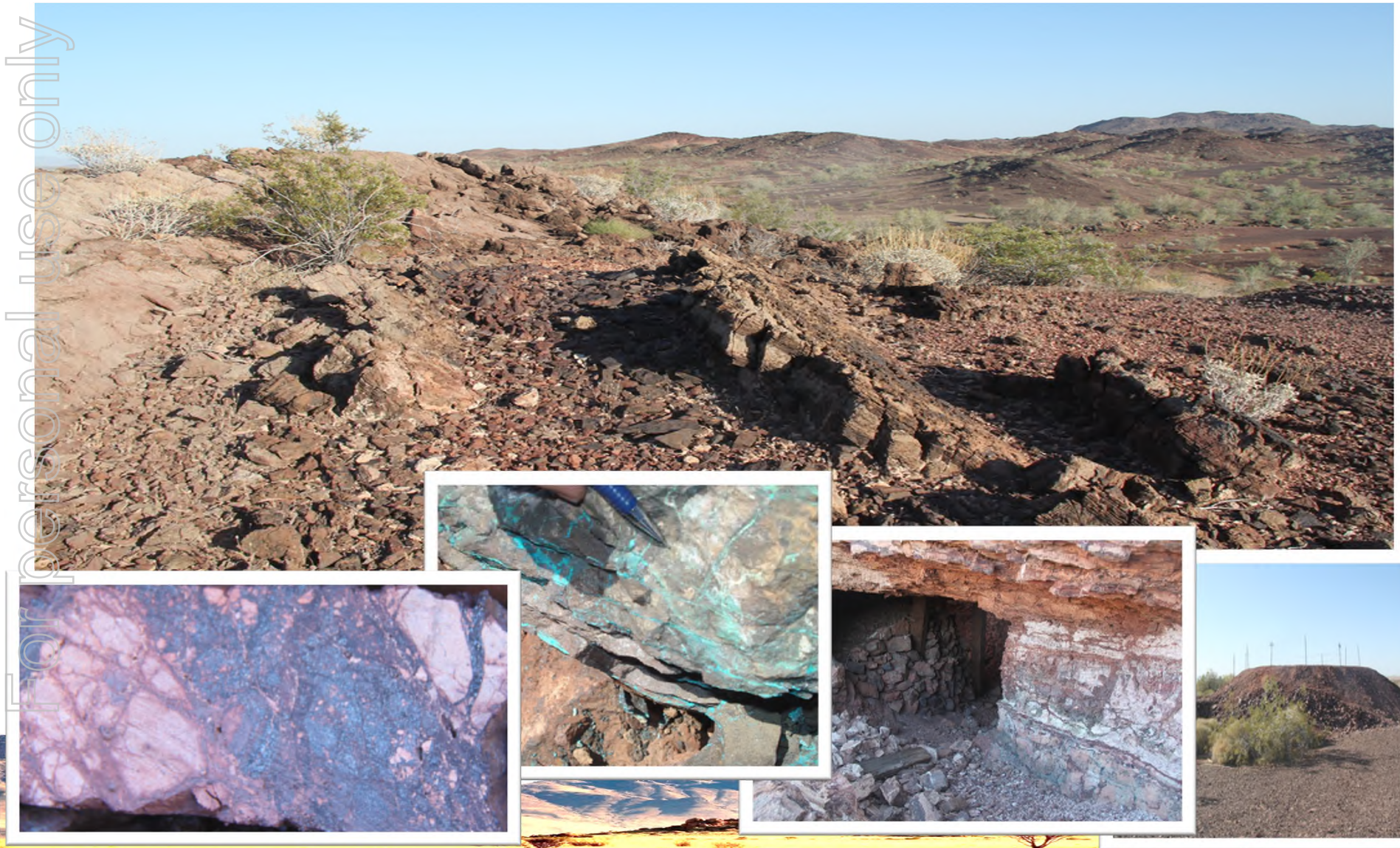
- Carlin, Epithermal, Intrusion related, Porphyry, Orogenic
- 3<sup>rd</sup> Ranked World Gold Producer
- 5<sup>th</sup> Ranked World Mining Jurisdiction
- **Proven Large Scale Operations**
- Operating and Capex Cost Advantages
- **Security of Tenure**
- Educated and available workforce
- Excellent Infrastructure

(1) Source: Nevada Bureau of Mines and Geology, NWMA Update 2011  
(2) Source: Fraser Institute Annual Survey of Mining Companies 2009/2010



# Little Butte - Arizona

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# Railway Prospect – Oxide Gold Target

**Two high grade shallow oxide gold targets**

## West Zone Significant Intercepts

**44.2m @ 1.04 g/t Au from 32m,  
13.7m @ 2.02 g/t Au from 67.1m**

**Positive prelim  
metallurgical testwork**



## East Zone Significant Intercepts

22.9m @ 1.44 g/t Au from 19.8m,  
4.6m @ 33.65 g/t Au from 22.9m  
**22.9m @ 4.06 g/t Au from 6.1m,**  
10.1m @ 2.59 g/t Au from 1.4m  
**10.7m @ 4.65 g/t Au from 39.6m**  
9.1m @ 2.21 g/t Au from 54.9m  
12.2m @ 2.2g/t from 48.7m  
**24.4m @ 3.4g/t from 48.7m**

**Drilling planned for  
October 2014**

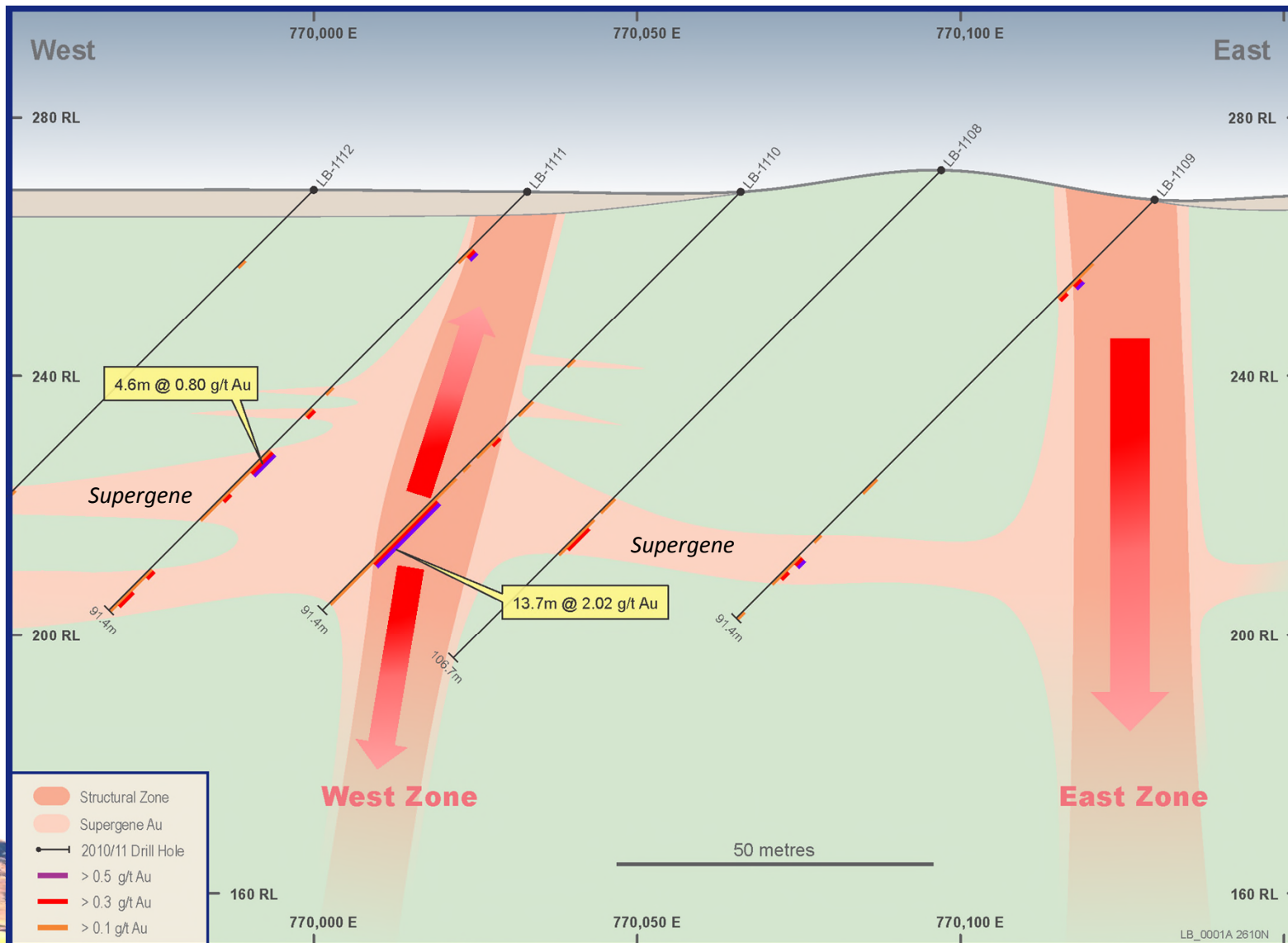






# Little Butte – Section 2830mN

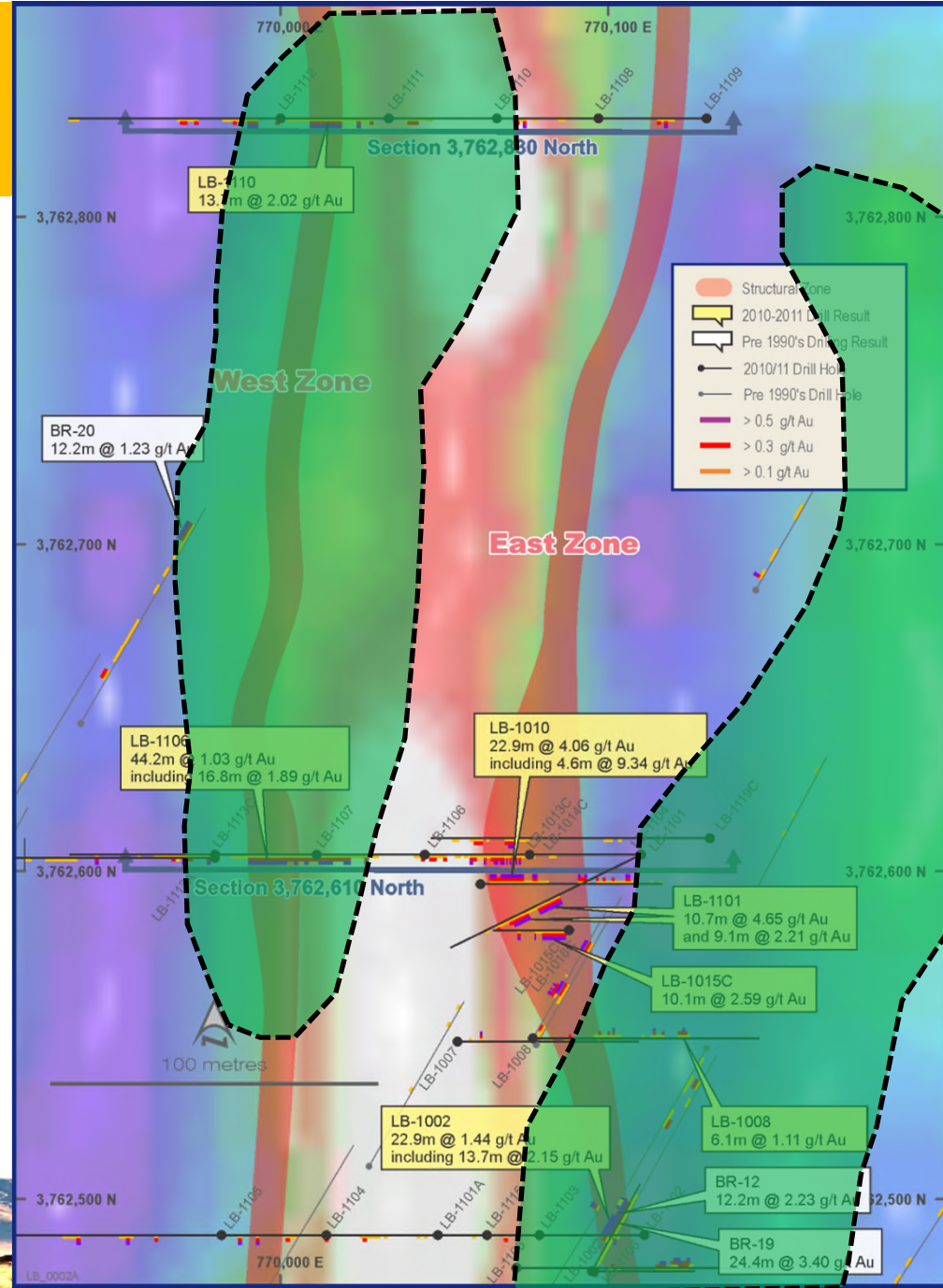
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# Little Butte

## Potential sulphide targets at depth

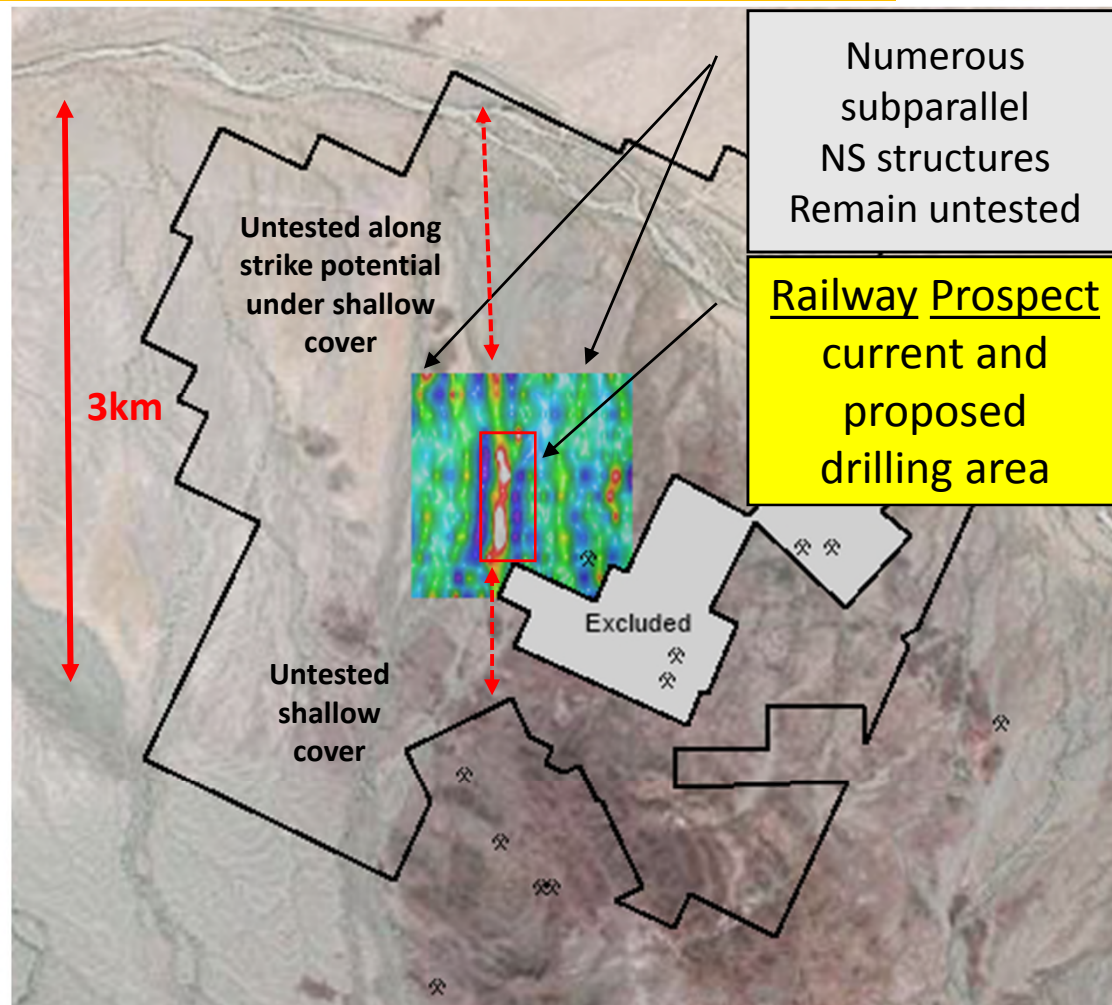
- “High Chargeability” coincident anomalies (green areas)
- Potential plunging “shoots” at depth
- Possible copper-gold rich sulphide



# Little Butte – Project Upside

**Large portion of  
Project Area  
untested**

- Only 12% of Project Area has IP coverage (data poor)
- Along strike potential from Railway prospect undefined by IP and untested by drilling
- Sub-parallel NS structures remain untested
- Shallow cover => no previous prospecting



# Red Hills, Nevada - "Carlin" Au-Ag Target

## Carlin Gold Trend

Produced >70Moz Au

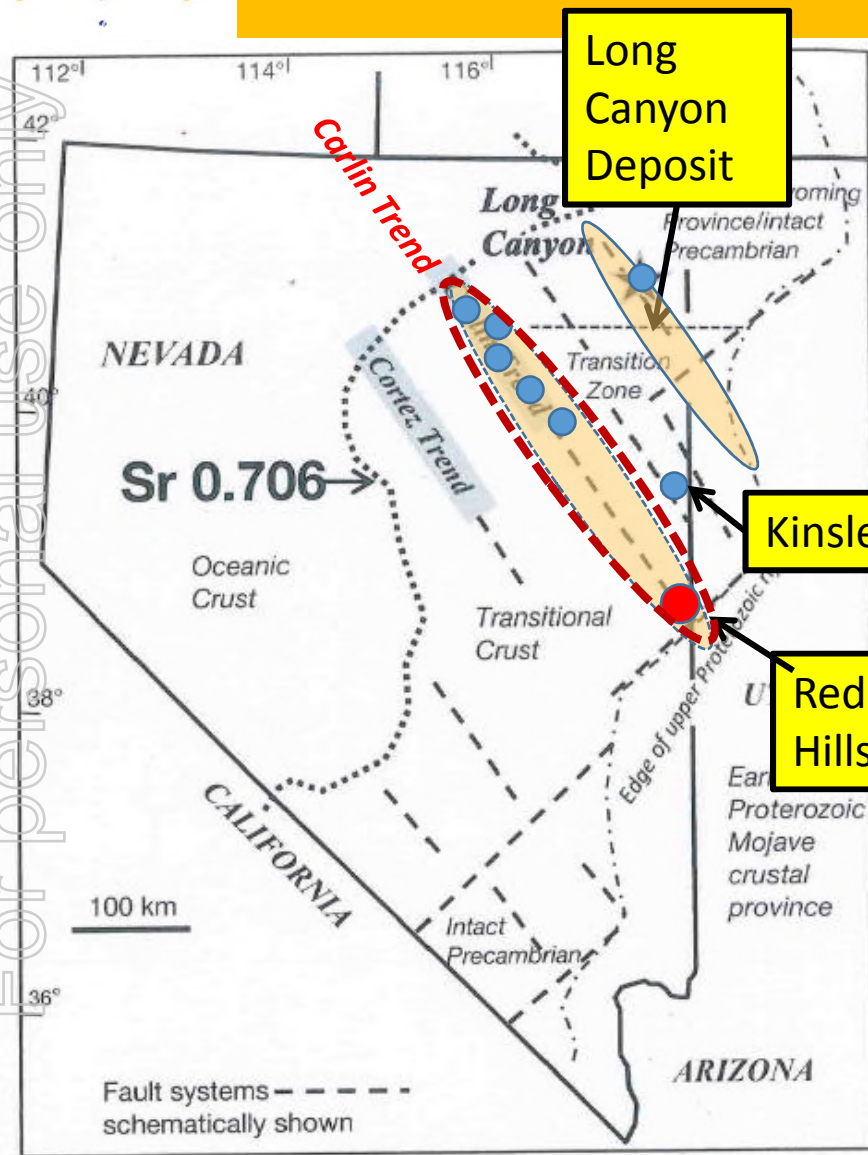
Discovered >150Moz Au

Nevada 2013 Production ~5M oz Au

Carlin style mines dominate Nevada's production



# Red Hills, Nevada – Tier 1 Target



- Large “Carlin” 1-20Moz Target (Tier 1)
- Under explored and over-looked prospective rock units
- Long Canyon (>2.6Moz Au) recent discovery has changed perception
- Long Canyon (+2.6Moz @ 3g/t)
  - Recent “major” Carlin discovery
  - Newmont acquired for \$2.6B (2011)
  - Newmont expectation 10M oz
- Kinsley, same rocks, same discovery team
  - 36.6m @ 8.53g/t (Nov 2013)
  - 53.3m @ 7.5 g/t (March 2014)
  - 45.7m @ 6.2 g/t (Sept 2014)(Pilot Gold public releases)

# Red Hills, Nevada

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## ➤ Targeting Tier 1 scale discovery

- Excellent structural setting akin to “Carlin-Betze” mine area (+50Moz)
- Strong Au-Ag mineralizing system evident
- Historical Zn-Cu-Ag-Au mining
- Highly prospective Pogonip Limestone and Notch Peak rock units as seen at Long Canyon
- Same rocks, alteration, breccias styles

## ➤ Highly anomalous Au and Ag in rock chip sampling to date

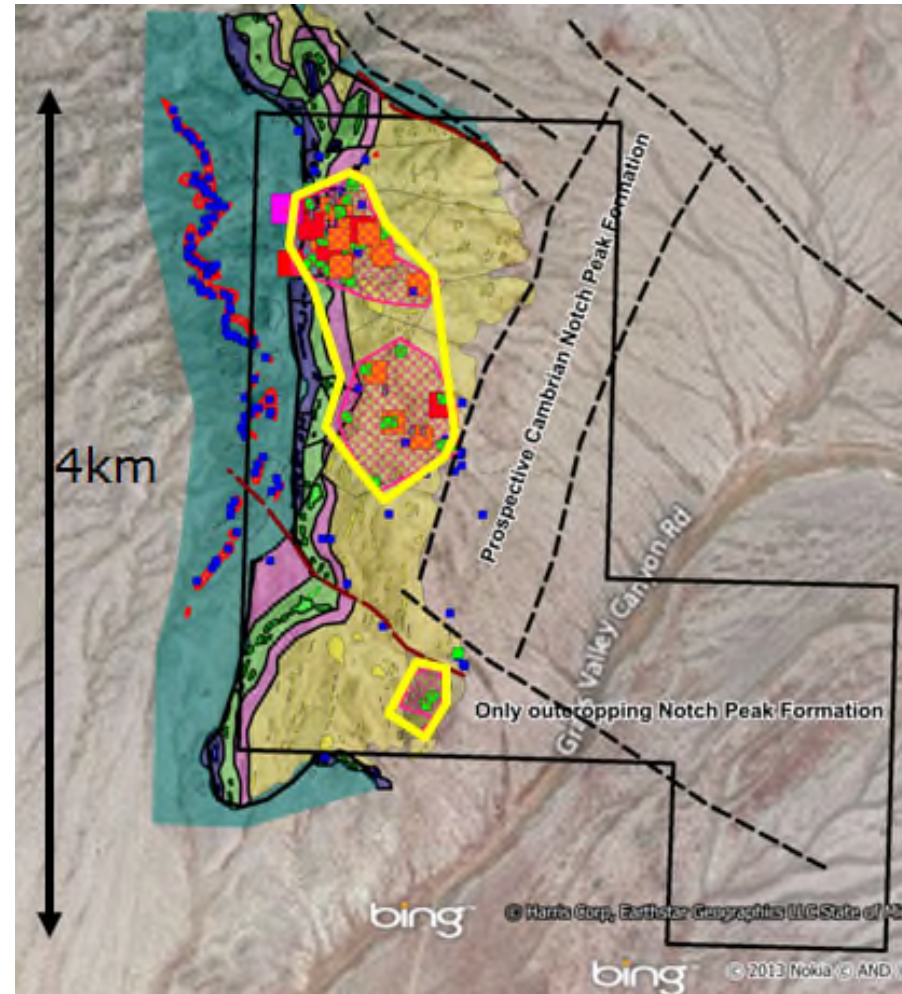
- Carlin gold is “invisible” therefore prospectors overlooked potential



# Red Hills - 2km of anomalous geochem

- Anomalous Au-Ag in rockchips
- Target zone ~2km
  - Gold - 38 samples > 0.1g/t Au to peak of 2.44g/t
  - Silver - 33 samples > 50g/t Ag to peak of 2439g/t (78 oz/t)
  - Multi-element support

**Recent geochem sampling -  
results pending**





# Programme and News Flow



- Red Hills - Geochem sampling results (Sept)
- Little Butte - Drilling approval (Sept/Oct)
- Little Butte - Drilling commencement (Oct)
- Little Butte - Metallurgical testwork (Nov/Dec)
  
- Flow-up sampling at Red Hills (Oct/Nov)
- Flow-up drilling at Little Butte, subject to initial results (Dec)

**Company is actively exploring**

**“Walk-up” Oxide Gold Targets**

**Large Carlin Target**

**Results Sept/Oct**

**Experienced ASX Management and Successful Explorers**



# Little Butte Terms



- For personal use only
- 10 Year Option to earn 100% equity from Minquest
  - \$6M total project expenditure
  - \$150k first year commitment, escalating on yearly basis
  - Small cash payments to vendor per year, totaling \$400k over 10yrs. (1<sup>st</sup> yr \$10K, 2<sup>nd</sup> \$20k, 3<sup>rd</sup> \$20K, \$50k thereafter)
  - Three final payments to purchase third party tenements 100% (on signing \$30k, 1<sup>st</sup> yr \$40k, 2<sup>nd</sup> \$175k) included as 'project expenditure'
  - Vendor 3% NSR royalty over project and surrounding Aol.
  - Vendor to provide technical, on-ground and contractor support



# Red Hills Terms



**Tojo has right to earn 75% in Joint Venture with Columbus Gold Corp (TSX-V: CGT)**

- \$2M to earn initial 51% within 3yrs (decision point)
- Additional \$7M to increase to 75% within further 4 yrs
- At 75%, Columbus has right to fund pro rata or revert to 2% NSR. Tojo has right to buy down to 1% NSR for \$2M
- 2<sup>nd</sup> vendor retains 2% NSR. Tojo has right to buy down to 1% NSR for \$2M.