

CARAWINE TO RAISE \$6M TO ADVANCE TROPICANA NORTH, FRASER RANGE AND JAMIESON PROJECTS

KEY POINTS

- **\$6 million capital raising in a two-tranche placement at \$0.20 per share**
- **Cornerstone support from large existing shareholders and affiliates of the Sprott Group**
- **Significant number of new institutional and sophisticated investors, both offshore and domestic**
- **Proceeds from the placement will enable the Company to embark on the most aggressive drilling program in its history**
- **Priority targets include gold, copper and nickel prospects at the Company's Tropicana North and Fraser Range Projects in Western Australia and the Jamieson Project in Victoria**

Gold and base metals explorer Carawine Resources Limited ("Carawine" or "the Company") (ASX:CWX) is pleased to announce it has received commitments to raise a total of \$6.0 million (before costs) through a two-tranche placement of 30,000,000 ordinary shares ("Shares") at an issue price of 20 cents per Share ("the Placement"). The issue price represents a 13.2% discount on the 30-day volume weighted average price of the Company's traded shares.

The Placement was strongly supported by Carawine's existing professional and sophisticated investors, as well as several new institutional and sophisticated investors with the Company's major shareholders increasing their holdings. Carawine is also pleased to welcome affiliates of the Sprott Group to the share register.

Bridge Street Capital Partners acted as sole lead manager of the Placement.

Proceeds from the Placement will be used to advance exploration at Carawine's Tropicana North and Fraser Range Projects in Western Australia, and the Jamieson Project in Victoria, with drilling programs planned to commence at Tropicana North and Jamieson in late October and November 2020.

Drilling of down-plunge extensions to high-grade gold intervals at the Hercules and Atlantis prospects is planned, along with testing additional gold anomalies along the Hercules Shear Zone at the Tropicana North Project (refer ASX announcement 3 September 2020).

Drilling of the M2 porphyry copper-gold target, followed by extensions to high grade gold and copper mineralisation defined earlier this year at Hill 800 is also planned at the Jamieson Project (refer ASX announcement 14 May 2020).

Carawine Managing Director Mr David Boyd said the placement is a transformational event for Carawine, providing more than two years of expected exploration funding and allowing the Company to embark on its most aggressive drilling program to date with a clear focus on making a major new discovery.

"In the past month we have added a major new gold exploration project at Tropicana North, generated nickel targets in the Fraser Range and prepared our return to Jamieson to continue the hunt for porphyry copper-gold deposits, so there is no shortage of quality prospects for us to drill," Mr Boyd said.

"We appreciate the strong support of our existing shareholder base, and welcome new institutional and sophisticated investors from both offshore and onshore who have joined our share register. We look forward to commencing our program of high impact gold and copper exploration in the coming months."

Placement

The Placement will be completed in two tranches, with the first tranche (**"Tranche 1"**) of approximately 18 million Shares raising \$3.6 million (before costs). Tranche 1 will be completed using Carawine's existing placement capacity under ASX Listing Rules 7.1 (10,590,330 Shares) and 7.1A (7,409,670 Shares). The Company expects that the Tranche 1 Placement Shares will be issued on or about 5 October 2020 and once issued, the Shares will rank equally with the existing class of Shares on issue.

The second tranche of the Placement (**"Tranche 2"**) will be completed subject to obtaining shareholder approval at the Company's annual general meeting which is intended to be held on or about 24 November 2020. Tranche 2 will result in the issue of approximately 12 million Shares to raise a further \$2.4 million (before costs), being \$2.35 million from unrelated shareholders (subject to shareholder approval in accordance with ASX Listing Rule 7.1) and an aggregate of \$50,000 from the Company's Directors (or related parties of Directors) (subject to shareholder approval in accordance with ASX Listing Rule 10.11).

Following the receipt of the relevant shareholder approvals, the Company expects that the Tranche 2 Shares will be issued on or about 1 December 2020 and once issued, the Shares will rank equally with the existing class of Shares on issue.

The Company is currently preparing its annual notice of meeting which will be distributed to shareholders with the final details of the shareholder approvals and the date and time of the meeting once finalised. In accordance with Listing Rule 3.13.3, the Company confirms that the closing date for the receipt of nominations from persons wishing to be considered for election as a director is 5.00pm (WST) on Monday 5 October 2020.

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

ENDS

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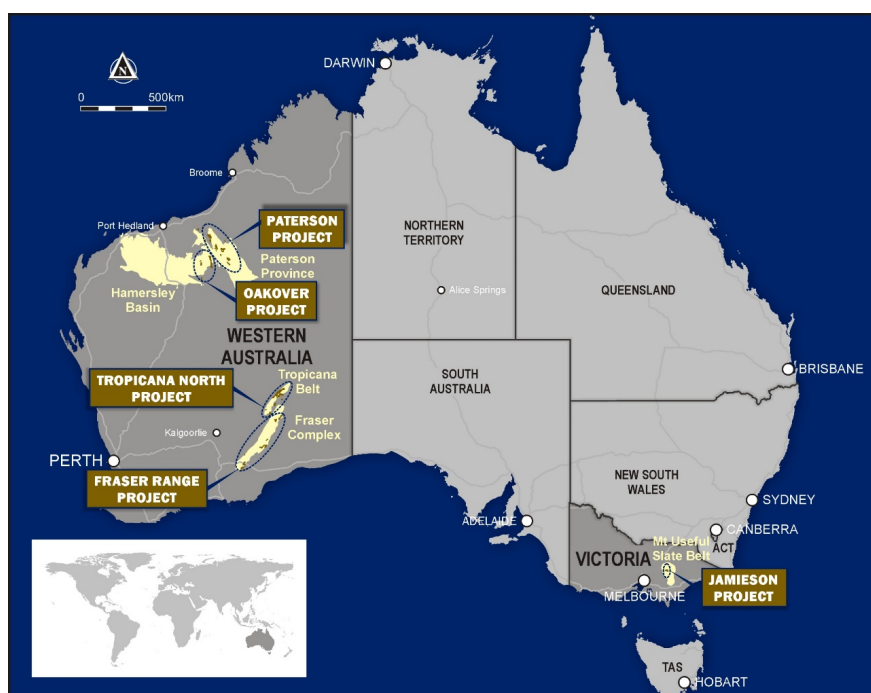


Figure 1: Carawine's project locations.

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COMPLIANCE STATEMENTS

REPORTING OF EXPLORATION RESULTS AND PREVIOUSLY REPORTED INFORMATION

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Michael Cawood, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Cawood holds shares and options in and is a full-time employee of Carawine Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken 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' (the "JORC Code (2012)"). Mr Cawood consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

This announcement includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's previous ASX announcements, with the Competent Person for the relevant original market announcements indicated in italics, as follows:

- Fraser Range: Nickel and Gold Targets Outlined at the Big Bang Project in the Fraser Range" 15 September 2020 (*M Cawood*)
- Tropicana North "Carawine Acquires New Gold Project in Western Australia" 3 September 2020 (*M Cawood*)
- Jamieson: "High Gold Grades at Hill 800 Continue" 14 May 2020 (*M Cawood*)

A copy of these announcements are available from the ASX Announcements page of the Company's website: www.carawine.com.au

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. Where the information relates to Exploration Results the Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the relevant original market announcements.

FORWARD LOOKING AND CAUTIONARY STATEMENTS

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "predict", "foresee", "proposed", "aim", "target", "opportunity", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. So, there can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

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ABOUT CARAWINE RESOURCES

Carawine Resources Limited is an exploration company whose primary focus is to explore for and develop economic gold, copper and base metal deposits within Australia. The Company has five projects, each targeting high-grade deposits in well-established mineralised provinces throughout Australia.

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

The Jamieson Project is located near the township of Jamieson in the northeastern Victorian Goldfields and comprises granted exploration licences EL5523 and EL6622, covering an area of about 120 km² and containing the Hill 800 gold-copper and Rhyolite Creek copper-gold and zinc-gold-silver prospects within Cambrian-aged felsic to intermediate volcanics. Carawine is testing the strike and dip extents of the Hill 800 mineralisation which are currently open, and is searching the region for a potential copper-gold porphyry source to the Hill 800 mineralisation.

PATERSON PROJECT (Au-Cu, Cu-Co)

The Paterson Project, situated in the Paterson Province at the eastern edge of the Pilbara Craton, is dominated by Proterozoic age rocks of the Rudall Metamorphic Complex and the overlying Yeneena Supergroup. The Paterson area is host to the Telfer Au-Cu deposit, and the Nifty and Maroochydore stratabound Cu-(Co) deposits. The Paterson Project comprises nine granted exploration licences and seven exploration licence applications (five subject to ballot) over an area of about 1,500km² across ten tenement groups in the Paterson. These are named Red Dog, Baton (West Paterson JV tenements); Lamil Hills, Trotman South, Sunday and Eider (Coolbro JV tenements), and; Cable, Puffer, Magnus and Three Iron (Carawine 100%).

Carawine has a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd ("RTX"), a wholly owned subsidiary of Rio Tinto Limited (ASX:RIO), whereby RTX have the right to earn up to 80% interest in the Baton and Red Dog tenements by spending \$5.5 million in six years from November 2019 to earn 70% interest and then sole funding to a prescribed milestone (the "West Paterson JV"). Carawine also has a farm-in and joint venture agreement with FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") (ASX:FMG), whereby Fortescue have the right to earn up to 75% interest in the Lamil Hills, Trotman South, Sunday and Eider tenements by spending \$6.1 million in seven years from November 2019 (the "Coolbro JV"). The Company retains full rights on its remaining Paterson tenements.

FRASER RANGE PROJECT (Ni-Cu-Co)

The Fraser Range Project includes 6 granted exploration licences in five areas: Red Bull, Bindii, Big Bullocks, Similkameen and Big Bang, and five exploration licence applications Willow and Fern (subject to ballot) and Bullpen, Python and Shackleton in the Fraser Range region of Western Australia. The Project is considered prospective for magmatic nickel-sulphide deposits such as that at the Nova nickel-copper-cobalt operation. Carawine has a joint venture with IGO Limited ("IGO") (ASX:IGO) over the Red Bull, Bindii, Big Bullocks and Similkameen tenements (the Fraser Range Joint Venture). IGO currently hold a 51% interest in these tenements and can earn an additional 19% interest by spending \$5 million by the end of 2021. The remaining tenements are held 100% by Carawine.

TROPICANA NORTH PROJECT (Au)

Carawine's Tropicana North Project comprises of two granted exploration licences and 5 exploration licence applications in the northeastern goldfields, Tropicana, region of Western Australia. Subject to the completion of the Phantom acquisition (as detailed in the Company's ASX announcement of 3 September 2020) the Project will include a further 4 exploration licence applications. If the Phantom acquisition completes and all applications are granted, the Project will cover an area of more than 1,800km². The two granted exploration licences are the subject of a joint venture between Carawine (90%) and Thunderstruck Investments Pty Ltd ("Thunderstruck") (10%), with Carawine to free-carry Thunderstruck to the completion of a BFS, at which point Thunderstruck may elect to contribute to further expenditure or dilute (refer ASX announcement 3 September for further details).

OAKOVER PROJECT (Cu, Co, Mn, Fe)

Located in the Eastern Pilbara region of Western Australia, the Oakover Project comprises eight granted exploration licences with a total area of about 800km², held 100% by the Company. The Oakover Project is centred on the Proterozoic Oakover Basin and is prospective primarily for copper and manganese.