

MAJOR GEOPHYSICAL PROGRAM TO COMMENCE IN THE PATERSON

KEY POINTS

- **Helicopter-borne VTEM™ Max electromagnetic survey to be flown over entire Red Dog project**
 - Similar surveys have led to major discoveries in the Paterson Region (e.g. Rio Tinto's large Winu copper-gold prospect)
- **Detailed low-level airborne magnetic survey over Baton tenements, 50km west of Winu**
- **Follow-up detailed ground gravity survey over the Javelin and Wheeler bullseye magnetic targets and any new targets identified from airborne magnetic data**
 - Coincident magnetic and gravity anomalies targeted (e.g. Greatland's Havieron prospect)
- **Results will be used to identify drill targets for testing this year**
- **Commencement of Carawine's exploration campaign in the Paterson Province follows a successful drilling campaign at the Company's Jamieson gold project in Victoria**

Gold and base metals explorer Carawine Resources Limited ("Carawine" or "the Company") (ASX:CWX) today announced the commencement of a major geophysical program at the Company's Paterson Project located in the Paterson Province of Western Australia, one of Australia's hottest new exploration regions (Figure 1).

Managing Director Mr David Boyd said the results of the program would be used to identify targets for drill testing later this year.

"Our Paterson tenements were pegged prior to the recent increase in activity within the region, so we were able to secure areas with the right host rocks, under shallow cover, and limited historic exploration. The commencement of our Paterson exploration campaign therefore represents an important and exciting stage for the Company. We are using geophysical methods proven to be successful in the region, particularly on ground similar to ours, and which have led to several major discoveries in the region."

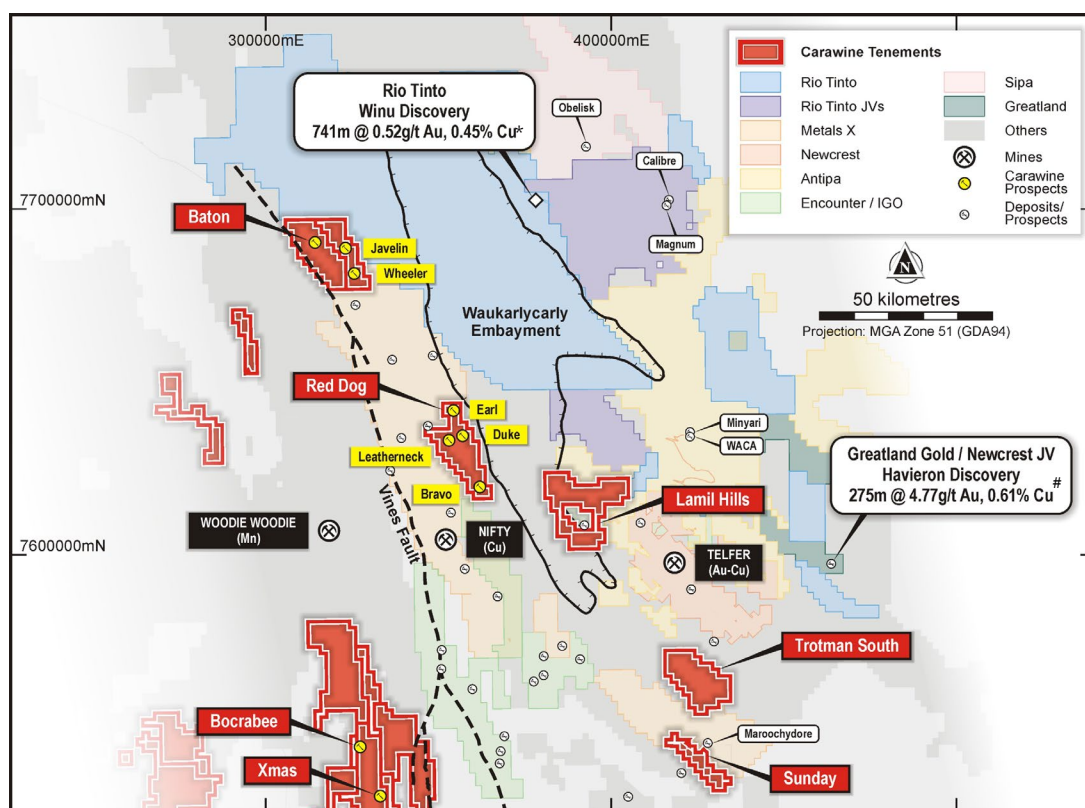


Figure 1: Carawine's Paterson tenements.

* ASX:RIO announcement 27 February 2019 "Rio Tinto Exploration Update"; # Greatland Gold PLC (AIM:GGP) announcement dated 12 March 2019 "Greatland Gold Signs US\$65m Farm-In Agreement with Newcrest to Advance Havieron"

On 19 February this year the Company announced the identification of six priority target areas at the Red Dog and Baton Projects from a combination of historic drill and geological data and re-processing of airborne magnetic and electromagnetic (EM) geophysical data (Figures 2 to 4). Each prospect contains many elements common to the major deposits and recent discoveries in the Paterson region, including prospective host rocks, geophysical anomalies, and intrusion-related (skarn-style) alteration.

Baton Project

The Baton Project is located approximately 100km north of the Nifty copper deposit and 50km west of Rio Tinto's Winu copper-gold discovery (Figure 1). Two discrete, "bullseye" magnetic highs named Javelin and Wheeler have been recognised as high priority targets at Baton, and have similar anomalies and host rocks to Rio Tinto's (ASX:RIO) Winu and Greatland Gold PLC's (AIM:GGP) Havieron discoveries.

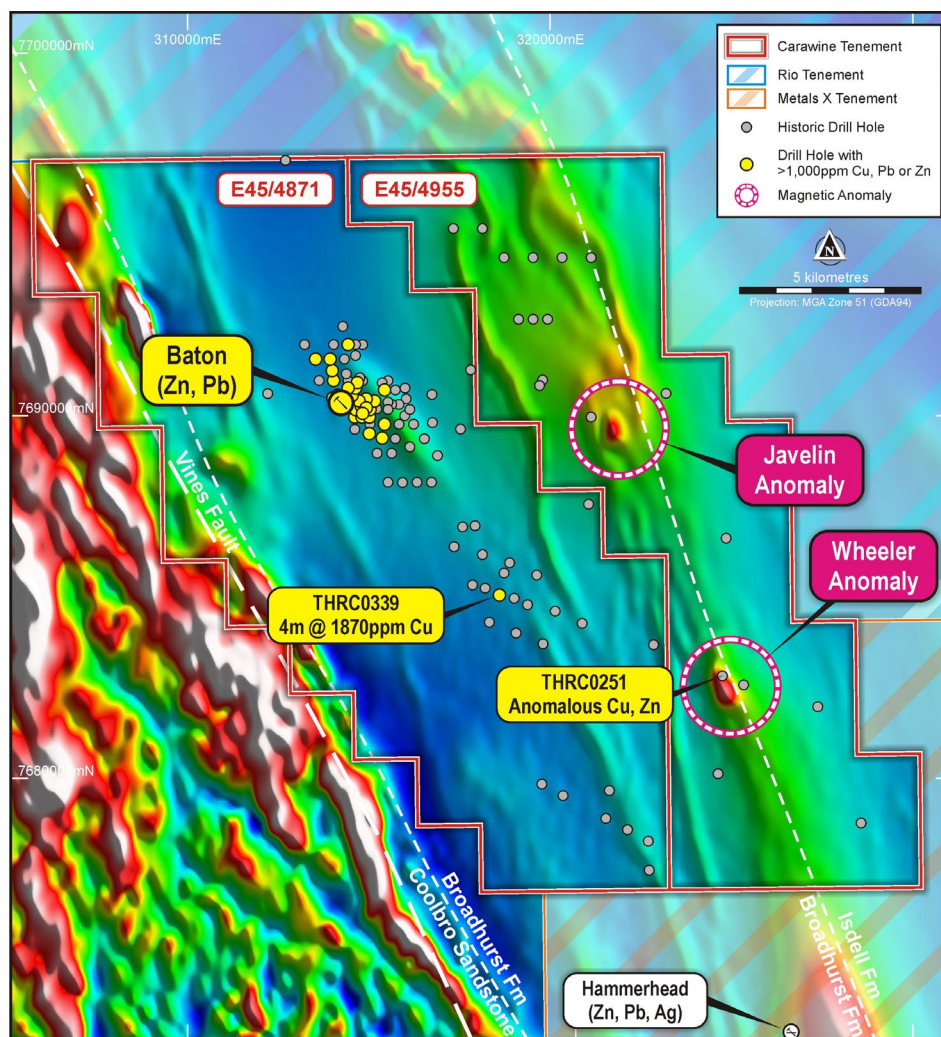


Figure 2: Baton prospects (RTP magnetic image).

The existing magnetic data over Baton at 400m line spacing is not detailed enough to accurately target drilling and may not have detected other, hidden, magnetic anomalies. A detailed (50m to 100m line spacing) fixed-wing airborne magnetic survey has therefore been planned over the entire tenement. This will be followed with ground gravity surveys over Javelin and Wheeler, and any new bullseye magnetic anomalies identified from the airborne magnetic survey.

The data from the surveys will be used to model the size and depth of the sources of the Javelin and Wheeler anomalies, enabling them to be directly tested with drilling during H2 2019. Results from the geophysical surveys are expected from late May through to June.

Red Dog Project

The Red Dog tenement is located approximately 16km northeast of Metals X's Nifty copper deposit. Four priority prospects have been identified at Red Dog to date, as follows:

- **Earl Prospect:** magnetic and EM anomalies on the edge of a large interpreted felsic intrusion within interpreted Malu and Puntapunta Formations (host to the Telfer gold-copper deposit)
- **Leatherneck Prospect:** Alteration zone within Broadhurst Formation (host to the Nifty copper deposit), associated anomalous zinc (to 2,380ppm) and copper (to 375ppm) in limited drilling
- **Bravo Prospect:** EM anomalies within interpreted altered and faulted Nifty host rocks
- **Duke Prospect:** discrete "bullseye" magnetic anomaly and coincident gravity anomaly, magnetite-bearing calc-silicate skarn, around a quartz monzonite intrusive. Anomalous copper (to 965ppm) and tin (indicative of skarn mineralisation) grades in limited drilling.

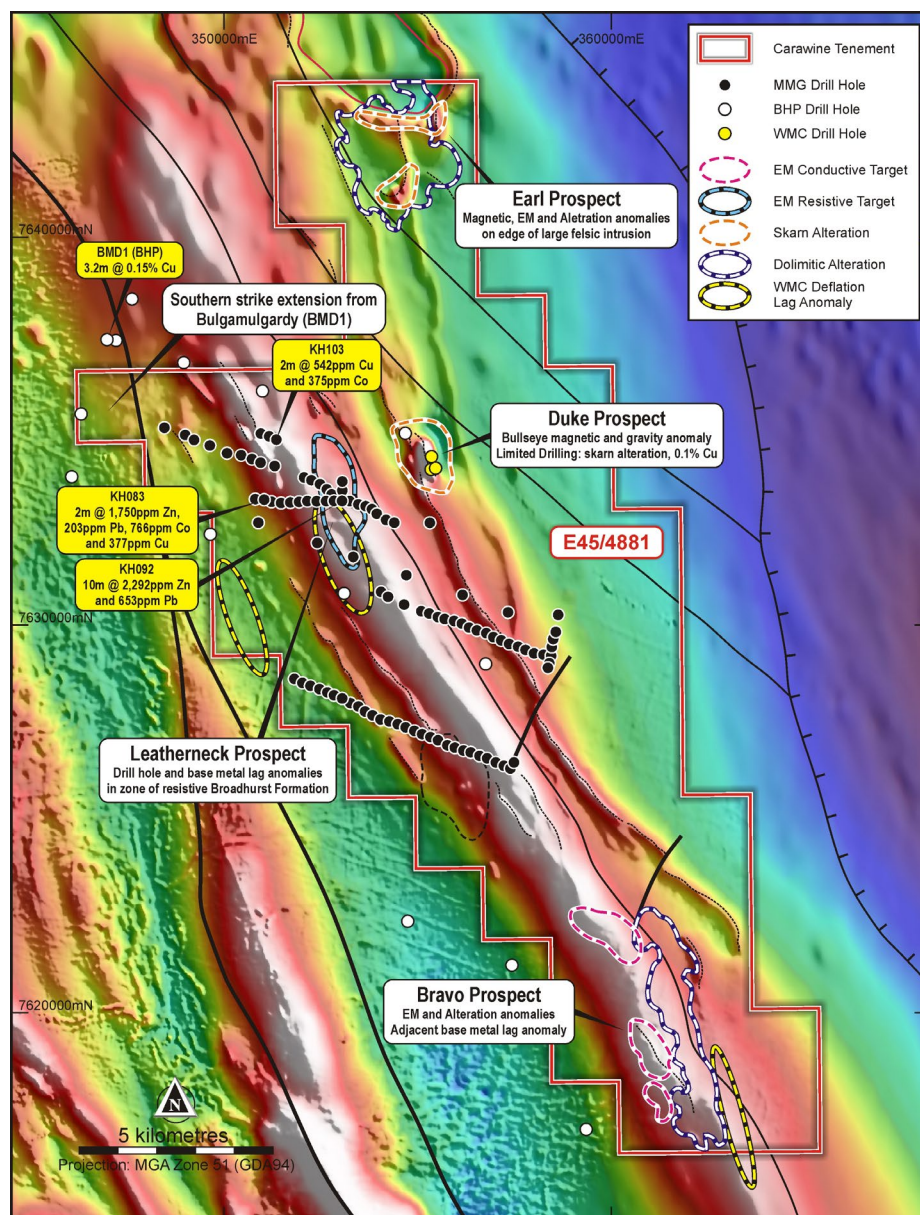


Figure 3: Red Dog prospects (RTP magnetic image).

The entire tenement area, including the prospects above will be flown with the VTEM™ Max (Versatile Time Domain Electromagnetic) helicopter-borne electromagnetic (EM) system. VTEM™ Max and similar helicopter-borne EM systems have been successfully used to detect anomalies associated with subsequent discoveries in the Paterson province recently, for example at Winu Magnum, as well as defining discrete resistive alteration zones within conductive sequences such as that associated with Nifty, and Encounter Resources' BM series base metal prospects (Figure 1).

Carawine's VTEM™ Max survey is expected to refine the historic EM anomalies at Earl and Bravo, detect new conductive anomalies, and identify resistive zones within otherwise conductive host units (e.g. parts of the Broadhurst formation) (Figure 4). Data from the survey will be used to model the size, orientation and depth of any conductive sources with detail suitable for direct drill targeting. Results are expected from late June through to July.

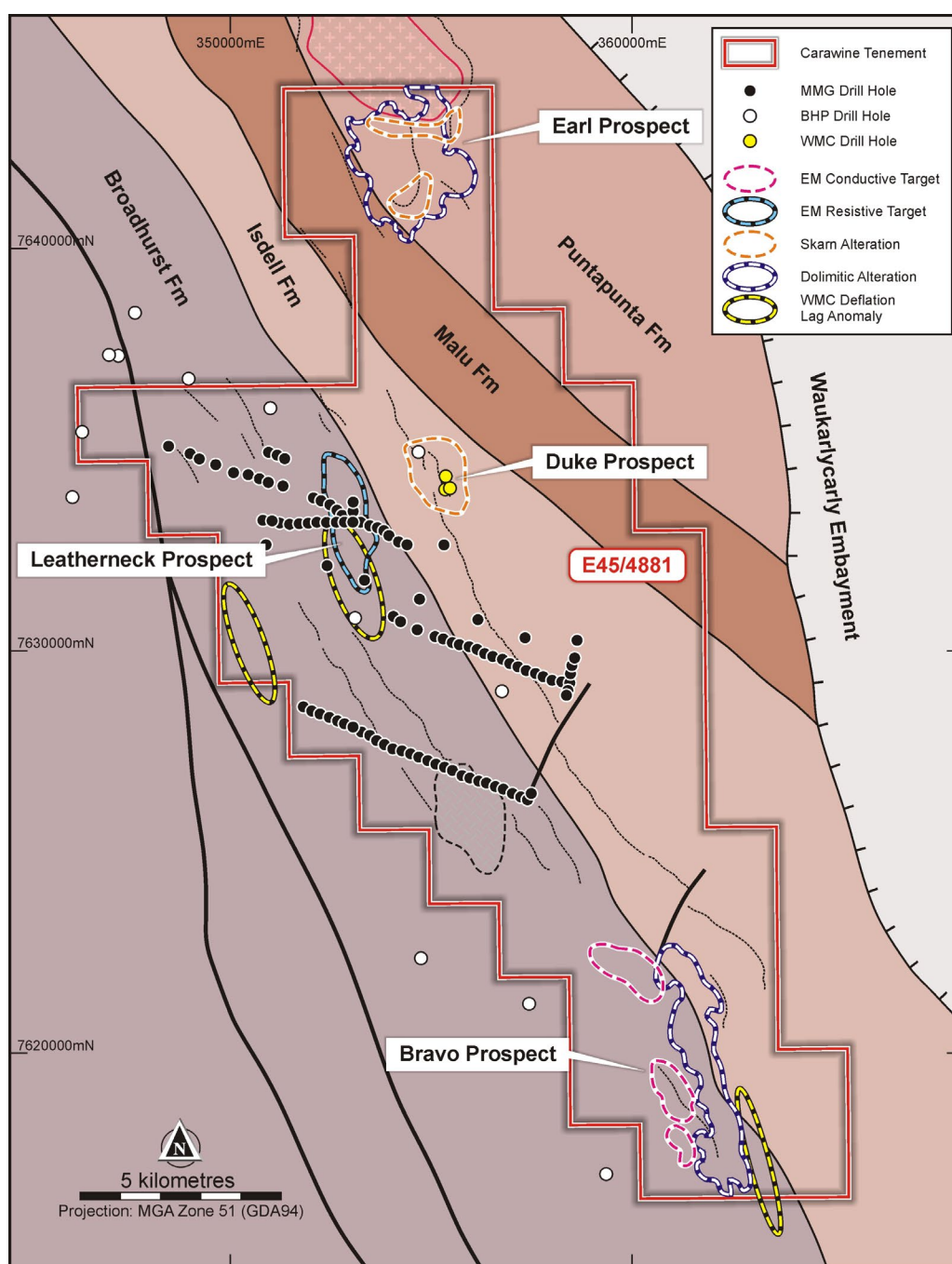


Figure 4: Red Dog interpreted geology (after Geoscience Australia, 2009).

About the Paterson Project

The Company's Paterson Project is located in the Paterson Province of Western Australia, a region which is host to a number of world-class gold and copper deposits, including Newcrest's Telfer gold and copper deposit and Metals X's Nifty copper deposit. The region has seen a marked increase in exploration activity recently, following two major new finds within 12 months: Winu, a potentially large sediment-hosted copper, gold and silver deposit discovered by Rio Tinto (ASX:RIO); and Havieron, an intrusion-related gold and copper deposit discovered by AIM-listed Greatland Gold PLC (AIM:GGP).

Carawine's Paterson tenements are known to contain host formations and structures common to the major mineral deposits in the area. The tenements were applied for prior to the significant increase in exploration and tenement activity in recent times, and were selected on the basis of proximity to known mineralisation, shallow depth to basement, hosting prospective stratigraphy and geophysical anomalies.

The Company's tenement holding is one of the few remaining, and largest, 100%-owned tenement packages in the region. Additional details of the Paterson project are available on the Company's website: www.carawine.com.au.

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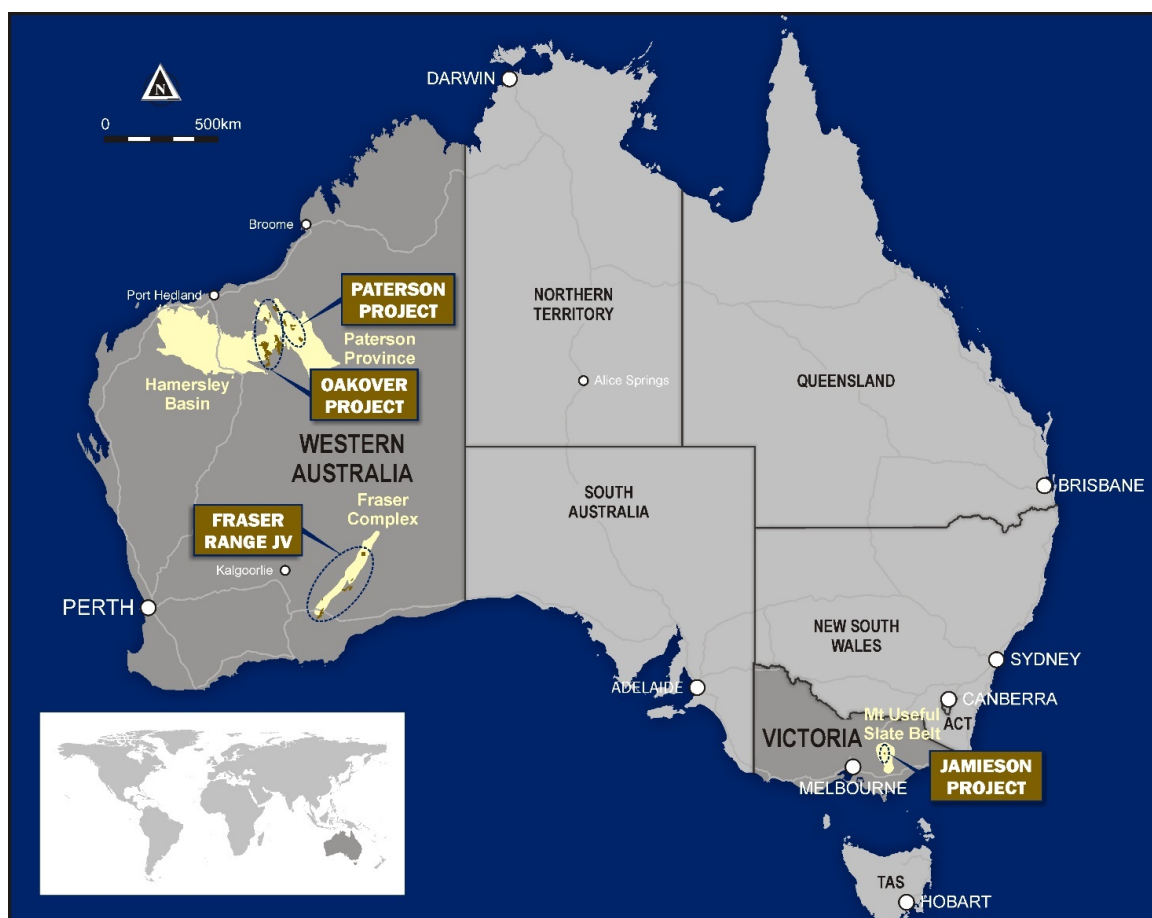


Figure 5: Carawine's project locations.

COMPLIANCE STATEMENTS

PREVIOUSLY REPORTED INFORMATION

This announcement includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012). The information was extracted from the Company's previous ASX Announcements as follows:

- "Quarterly Activities Report for the Period Ended 31 March 2019" 29 April 2019
- "Six New High Priority Prospects in the Paterson Province" 19 February 2019

Copies of these 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. 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.

ABOUT CARAWINE RESOURCES

Carawine Resources Limited is an exploration company whose primary focus is to explore for, and ultimately develop, economic gold, copper and base metal deposits within Australia. The Company has four 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 EL5523, covering an area of 34 km² and containing the Hill 800 gold and Rhyolite Creek zinc-gold-silver prospects.

Hill 800 was discovered by New Holland Mining NL (New Holland) in 1994, following sampling of outcropping gold-rich gossans, with drilling returning results with significant widths and high gold grades. The deposit is a volcanic-hosted massive sulphide (VHMS) gold-copper system with similar host rock, age and mineralisation style to the 1.5Moz Henty gold deposit in Western Tasmania. The Rhyolite Creek Prospect, located about 5km south of Hill 800, was discovered in 2008, with diamond drilling intersecting a zone of strong alteration and sulphide mineralisation returning high grade zinc, gold and silver from an interpreted seafloor VHMS system.

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. Carawine's Paterson Project comprises four granted exploration licences and two exploration licence applications over an area of about 1,137km² held 100% by the Company across five regions: Lamil Hills, Trotman South, Red Dog, Baton and Sunday.

OAKOVER PROJECT (Cu-Co)

Located in the highly prospective Eastern Pilbara region of Western Australia, the Oakover Project comprises nine granted exploration licences and six exploration licence applications with a total area of about 2,740km², held 100% by the Company. The Oakover Project is centred on the Proterozoic Oakover Basin and is prospective for copper, cobalt, manganese and iron.

FRASER RANGE PROJECT (Ni-Cu-Co)

The Fraser Range Project includes 5 granted exploration licences in four areas: Red Bull, Bindii, Big Bullocks and Similkameen; and one exploration licence application Big Bang, 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 Independence Group NL (IGO) for the five granted tenements (the Fraser Range Joint Venture). IGO currently hold a 51% interest and can earn an additional 19% interest in the tenements by spending \$5 million by the end of 2021.

ASX Code:	CWX	Market Capitalisation:	A\$7.2 million
Issued shares:	55.8 million	Cash (at 31 March 2019):	A\$2.0 million