ABN 49 119 450 243

AND CONTROLLED ENTITIES

# ANNUAL REPORT

# FOR THE YEAR ENDED 30 JUNE 2026

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# CARNAVALE RESOURCES LIMITED
# CORPORATE DIRECTORY

| | |
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## Introduction

Carnavale Resources Limited ("Carnavale" or "Company") is an Australian based mineral exploration company with a strategy to acquire and explore high-quality advanced exploration and development projects. Carnavale is currently focused on finalising the Bankable Feasibility Study (BFS) for the high-grade, truckable resources at the **Kookynie Gold Project** (**KGP**), that can be processed at an existing third-party nearby processing plant.

During the period, KGP owners, Carnavale (80%) and Western Resources Ltd (20%) signed a Mining and Heritage Agreement (Agreement) with Wangkatja Tjungula Aboriginal Corporation (WTAC) for the Nyalpa Pirniku native title holders.

In addition, Carnavale updated its JORC 2012 Mineral Resource Estimate (MRE) and released a revised Scoping Study for the KGP in October 2025. The July 2025 MRE was superseded with an updated MRE in May 2026 that included infill and grade control drilling at Swiftsure and Tiptoe as part of the BFS.

The mining lease M40/362, that hosts all the KGP resources, was granted in February 2026. M40/362 contains the Swiftsure and Tiptoe high grade gold resources and is surrounded by the larger, prospective exploration tenement E40/355. Carnavale applied for L40/53 miscellaneous lease to access the road network and applied for a minor prospecting lease P40/1616 adjacent to E40/355.

During the period, Carnavale completed a metallurgical diamond drilling program to support the additional BFS drilling programs.

Results from the detailed metallurgical results have been reported as part of the BFS work. Outcomes from the work are exceptional with recoveries in excess of 97% for fresh intermediate and oxide material types at a moderate grind size.

Carnavale has completed the planned technical work for the BFS with final reports expected imminently. The final reports provide information to complete the detailed financial modelling that is being prepared for the BFS.

**Mining and Heritage agreement**

The Mining and Heritage Agreement signed with the Nyalpa Pirniku people includes an Aboriginal Heritage Protocol that creates a framework for the Company to undertake the KGP in a manner that respects and protects Nyalpa Pirniku Cultural Heritage. The protocol provides for the identification, protection and management of cultural heritage throughout the development and operation of the KGP.

The Agreement recognises the project area, including those tenements where the KGP is located including mining lease M40/362. The Agreement provides compensation to WTAC and the Nyalpa Pirniku people and sets out how the KGP may provide WTAC and the Nyalpa Pirniku people with potential employment and contracting opportunities. The Agreement also provides for milestone payments upon mining license approval and environmental approval as well as a royalty-based payment once gold production is achieved.

***Figure 1,*** *Carnavale CEO Humphrey Hale and Bronwyn Campbell with Chairman of WTAC David Canning and members of the WTAC board, WTAC Office manager Langton Chirinda and WTAC legal representation Vanessa Malu present at the signing of the Heritage and Mining Agreement.*

**Mineral Resource Estimate**

The high grade KGP is a virgin discovery below barren cover. The discovery was a result of chasing strong aircore anomalies defined by Carnavale in January 2022. Further drilling expanded the bonanza grades considerably during 2023 and 2024. The Company published a maiden MRE and Scoping Study in June 2024. Additional RC and diamond drilling conducted in 2024 and 2025 has allowed Carnavale to increase the overall ounces reported in the July 2025 MRE. This has been superseded by a further MRE in May 2026.

The revised Scoping Study includes a 38% increase in total resources, which has benefited from a 46% increase in the indicated category.

The July 2025 MRE presented has been reported with a cut-off grade of 0.8g/t for mineralisation that lies above the 320m RL for open pit mining and a cut-off grade of 1.5g/t for mineralisation expected to be developed by an underground mining scenario below the 320m RL. A summary of the Resource is tabulated in Table 1.

| Swiftsure and Tiptoe Lodes CoG 0.8 > 320 mRL, 1.5 < 320 mRL | | | |
|---|---|---|---|
| | Kt | Au g/t | Au K oz |
| Indicated | 426 | 5.6 | 77 |
| Inferred | 416 | 3.0 | 40 |
| Total (Indicated + Inferred) | 842 | 4.3 | 117 |

***Table 1****, MRE (July 2025) for KGP including Swiftsure and Tiptoe lodes*

The Total MRE (July 2025) for the KGP as presented in Table 1 includes Swiftsure lodes 1, 2 and 22 and Tiptoe lodes 3 and 4. Tiptoe was not included in the previous MRE or Scoping Study and represents potential for new, shallow, open pittable resources, with further underground (U/G) potential.

**Scoping Study Summary**

Carnavale released an updated Scoping Study (Study) for the Swiftsure and Tiptoe deposits in October 2025. The positive Study has highlighted the strong economics that support developing the Swiftsure deposit into a mine. The Swiftsure and Tiptoe deposits are hosted wholly within mining license M40/362.

The Study used revised parameters including increased ounces in the July 2025 MRE, an updated cost profile for the development to include a higher treatment cost for the ore and an increase in gold price reflective of gold pricing at time of preparation. The pit optimisation software suggested two open pits be developed. The larger one eclipses the original scoping study pit at Swiftsure, and an additional pit will be developed at the newly discovered Tiptoe deposit.

The high-grade shoots characteristic of the KGP extends beneath the base of the Swiftsure pit and are to be developed by an integrated underground mine. The Study provides an outline of the economic potential of this proposed mine plan.

The total gold revenue for the project is estimated at A$501 million using a gold price of A$5,500. Total costs (inclusive of capital, operating and royalty cost) for the project are estimated at A$264 million, with total costs per ounce including capital of A$2,824/oz produced.

The estimated pre-tax free cash generated by the project with an initial mine life of 61 months is A$237 million with the maximum negative cashflow of A$21m occurring in month 9. The mine production used in the Study is generated from 70% of the JORC compliant resources in the Indicated category. 84% of the mineral resources extracted during the payback period are classified as Indicated from the Swiftsure open pit.

Cube Consulting produced the Study for the Swiftsure and Tiptoe resource within the KGP, which is based on contract miner, toll treatment operation.

The scope of work included: collation of input parameters, open pit and underground optimisation studies, conceptual design and basic economic evaluation.

The completed economic evaluation provided the basis for recommending an initial open pit transitioning to underground operational strategy for the BFS.

Mining of an open pit design before transitioning to an underground operation has been identified as the preferred strategy for the Swiftsure and Tiptoe deposits based on ore production continuity during the initial phases of the project, followed by underground mining of the orebody at depth.

After adding dilution factors for both open pit and underground mining methods, the total planned mined material from both the open pit and the underground is 970kt @ 3.1g/t containing 96koz ounces of gold. Total produced gold after processing recoveries is estimated to be 93koz ounces. The mining production schedule, applying this conservative approach, is provided in figure 3.

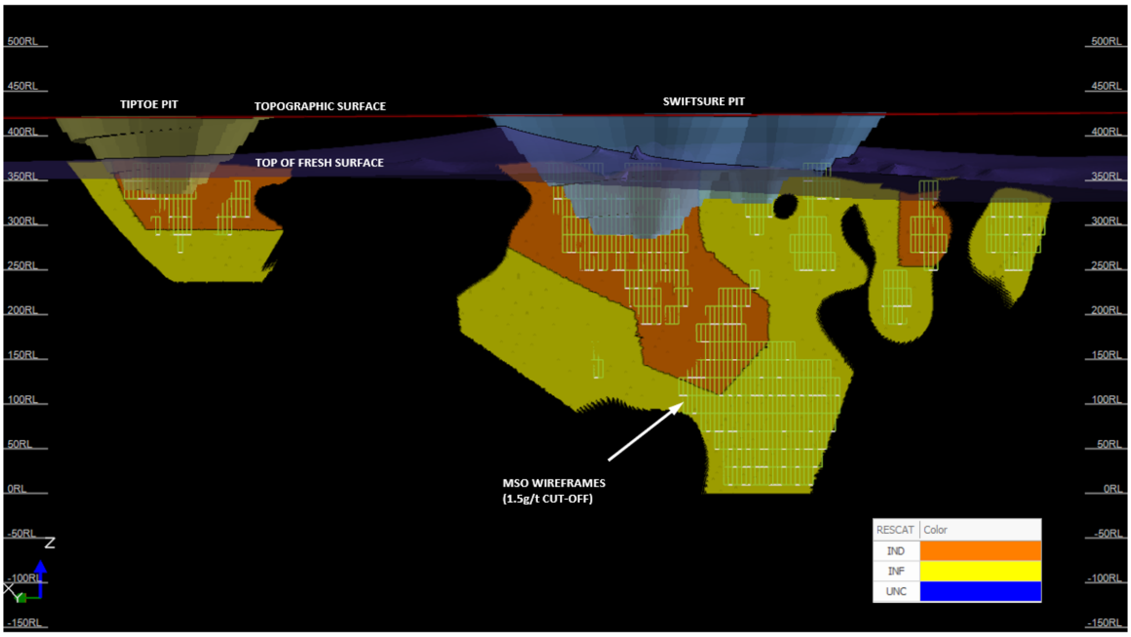



***Figure 2**, Mineralised lodes looking East - resources classified by colour.*
(orange – indicated, yellow – inferred, Blue – unclassified not present.)

The Swiftsure pit is forecast to be mined first in the development schedule, with the Swiftsure underground mine commenced during the operation of the Swiftsure open pit in month 23. Ore tonnes produced from the underground are delivered in month 27 with the Tiptoe pit being brought online in month 44 once the Swiftsure pit is exhausted and expected to be exhausted at the completion of underground mining at Swiftsure.

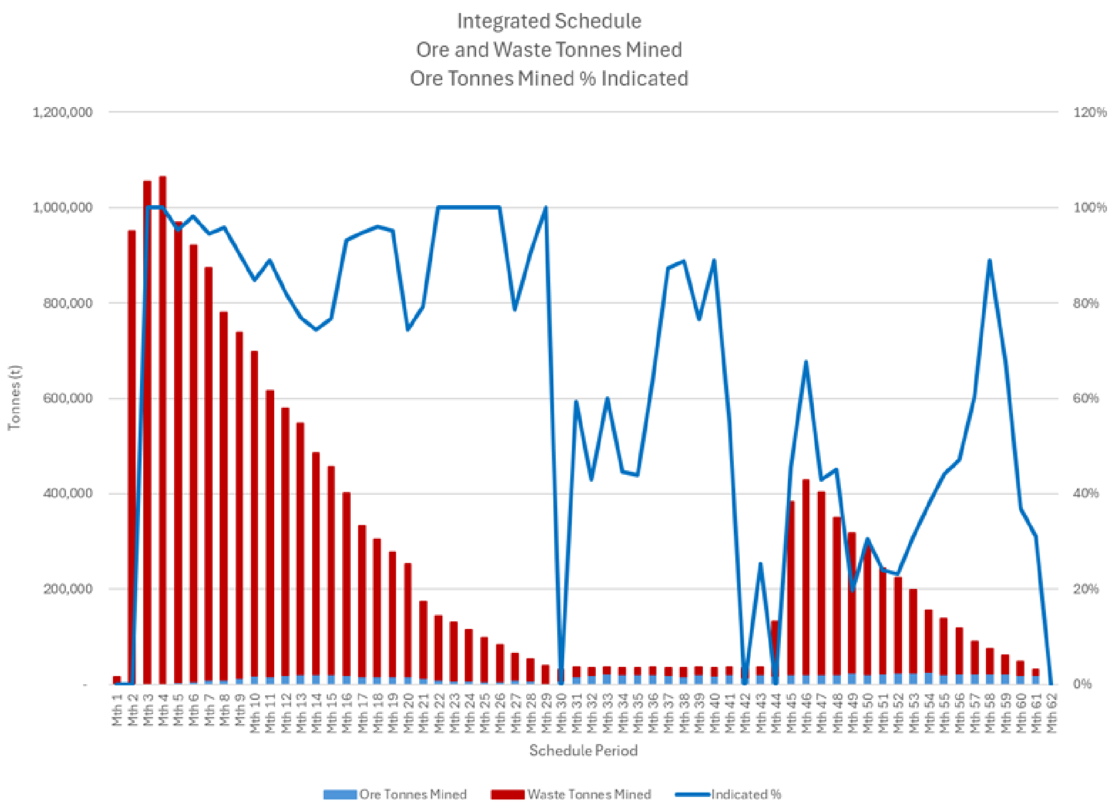



***Figure 3**, Ore and waste per month with % indicated category - transition to underground in month 27*

The mining operation at the KGP, proposed in the Study, will be based 60km south of Leonora and 2km west of the Kookynie township. Facilities located at the mine will consist of vehicle and machinery workshops, mining offices, explosive magazine and fuel depot. It is expected that accommodation will be within the Kookynie township adjacent to the mine or alternative nearby camp locations.

| Project Cost Summary | A$ million |
|---|---|
| Open Pit Capital Cost | 3.0 |
| Open Pit Operating Cost inc. G/A | 86.3 |
| Underground Capital Cost | 30.4 |
| Underground Operating Cost inc. G/A | 66.6 |
| Ore Processing and Transport | 77.6 |
| Total Cost | ~A$264 million |

***Table 2**, Project Cost Summary – 2025 Scoping Study*

| Open pit Capital Cost element | Value $k |
|---|---|
| Site offices/change house/ablutions/crib facility | 250 |
| Shipping container and Dome based workshop facility | 300 |
| Washdown bay with hydrocarbon separation | 200 |
| General site earthworks and ground water storage dam | 450 |
| Explosives and detonator magazines | 200 |
| Stores/ laydown facility/ diesel storage | 400 |
| Communications infrastructure and IT | 200 |
| Site vehicles | 1,000 |
| TOTAL | $3,000k |

***Table 3,** Pre-production Open Pit Capital Requirement – 2025 Scoping Study.*

Understanding the Project sensitivity to the realised gold price is critical in understanding both project robustness and also the potential for improved financial outcomes from rising prices.

The gold price sensitivity has been considered in A$500 per ounce increments between a base of A$4,000 per ounce and an upper limit of A$6,500 per ounce. The outcomes are presented in Table 5. The A$5,500 gold price used for the evaluation is highlighted in green.

| Project Financials | |
|---|---|
| Gold Price (oz) | A$5,500 |
| Discount rate | 8% |
| Gross revenue | A$501m |
| Net Operating Cashflow (after all Capital, Pre-tax) | A$237m |
| Project duration | 61 months |
| Payback period | 14 months |
| Maximum negative cashflow (month 8) | A$21 m |
| Pre-Tax NPV8 | A$188m |
| Pre-Tax IRR | 165% |

***Table 4**, 2025 Scoping Study financial metrics*

The gold price sensitivity indicates (Table 5) that every A$500 per ounce variation in the gold price generates an A$45 million variation in the undiscounted cashflow and an A$37 million variation in the Project NPV. The sensitivity outcomes show that the Project remains viable across the range of gold prices considered.

| Au price ($/oz) | Undiscounted Cashflow | NPV8 | Payback (month) |
|---|---|---|---|
| 4,000 | $101m | $78m | 17 |
| 4,500 | $146m | $115m | 16 |
| 5,000 | $192m | $151m | 15 |
| 5,500 | $237m | $188m | 14 |
| 6,000 | $283m | $225m | 13 |
| 6,500 | $328m | $261m | 13 |

***Table 5**, Project sensitivity to varying gold price – 2025 Scoping Study.*

**BFS**

On completion of the Scoping Study in October 2025, Carnavale moved to undertake a BFS for the KGP. Detailed technical work commenced in December 2025 and completion of the BFS is due to be completed in Q3 2026.

**BFS infill and grade control program**

Significant drilling was completed during Q1 2026 across the Swiftsure and Tiptoe proposed open pit developments. Excellent results were received from the 138 RC holes drilled as infill resource drilling on a 10m x 10m pattern for approximately 8,384m These results were included in the May 2026 MRE and upgraded Indicated resources to Measured within the Scoping Study proposed pit areas and support the estimation of Reserves for the BFS. The BFS aims to define a derisked, shovel ready project in Q3 2026. This drilling was designed to provide detailed information on the orebody and reduce operational risks during the payback period of the mine's operation.

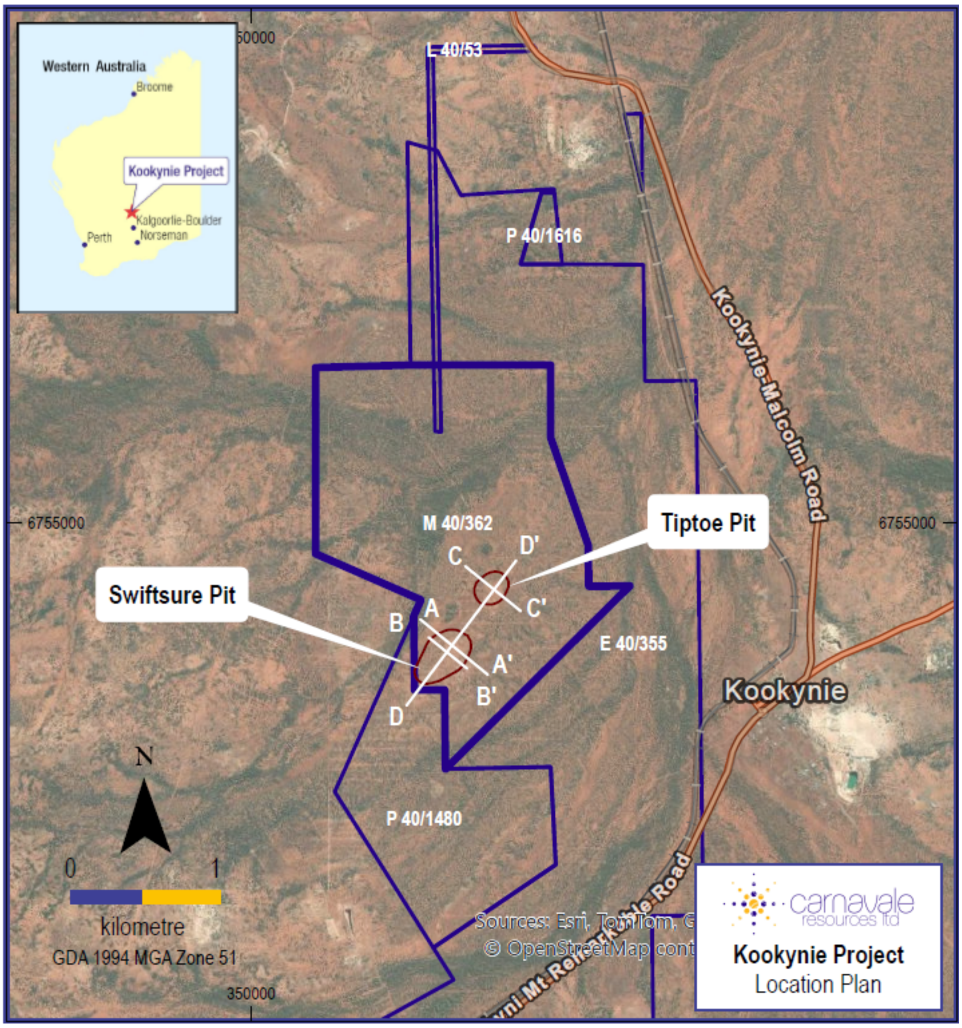



***Figure 4,*** *Location plan of the* ***KGP*** *in the Eastern Goldfields, with proposed open pit developments at Swiftsure and Tiptoe.*

**Swiftsure mineralisation**

The drill plan at the Swiftsure deposit above (Figure 5) shows the collar locations of the infill drilling coloured by grade as gram metres from the downhole intercept. Exceptional results are shown as callouts on the plan with earlier drilling shown as black squares and also the outline of the October 2025 Scoping Study proposed pits (brown linework).

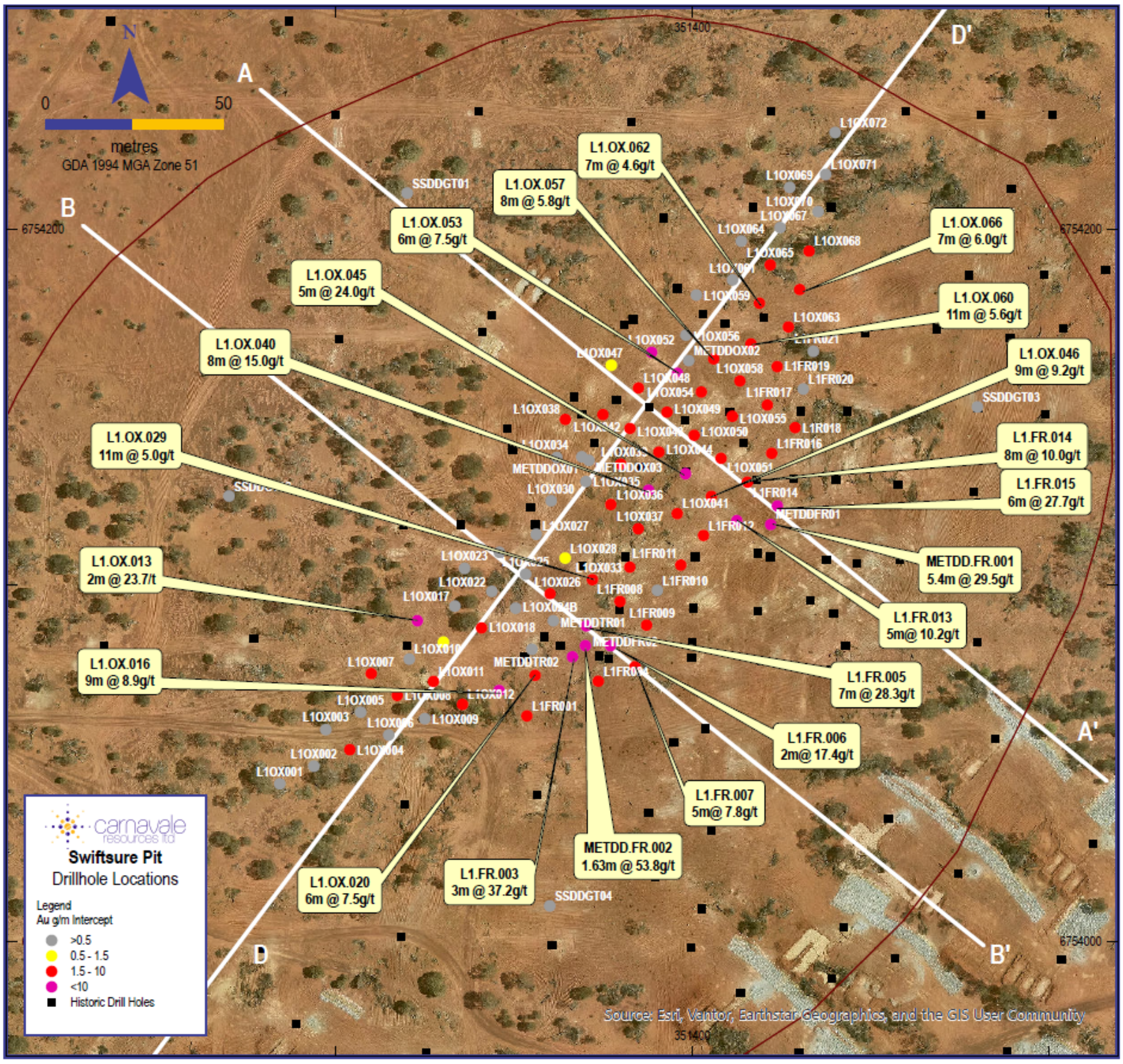



**Figure 5,** *Plan view of infill drilling at* ***Swiftsure*** *showing the highest-grade intercepts. Further details of significant intercepts for each hole are listed in the Appendix.*

In section A - A' below (Figure 6) high grade mineralisation **6m @ 2.4g/t** starts from within 20m of surface and is continuous to the base of the proposed pit and beyond. The highest-grade mineralisation **6m @ 27.7g/t** is within the fresh rock at the base of the pit and extends underground beneath the pit. The infill grade control at Swiftsure was designed to drill to 100m below surface. The depth of the proposed pit on this section is 120m from surface.

Geotech drilling completed is shown as green either side of the proposed pit development as SSDD.GT01 and SSDD.GT.03. Four large diameter HQ3 cored geotechnical holes were drilled into the proposed pit wall areas at Swiftsure and two geotechnical holes were completed at Tiptoe. This drilling provided detailed geotechnical information on pit wall strength that allows design of the final walls of the proposed pits at Swiftsure and Tiptoe. No assays were taken from this drilling as the holes were drilled in waste rock domains.

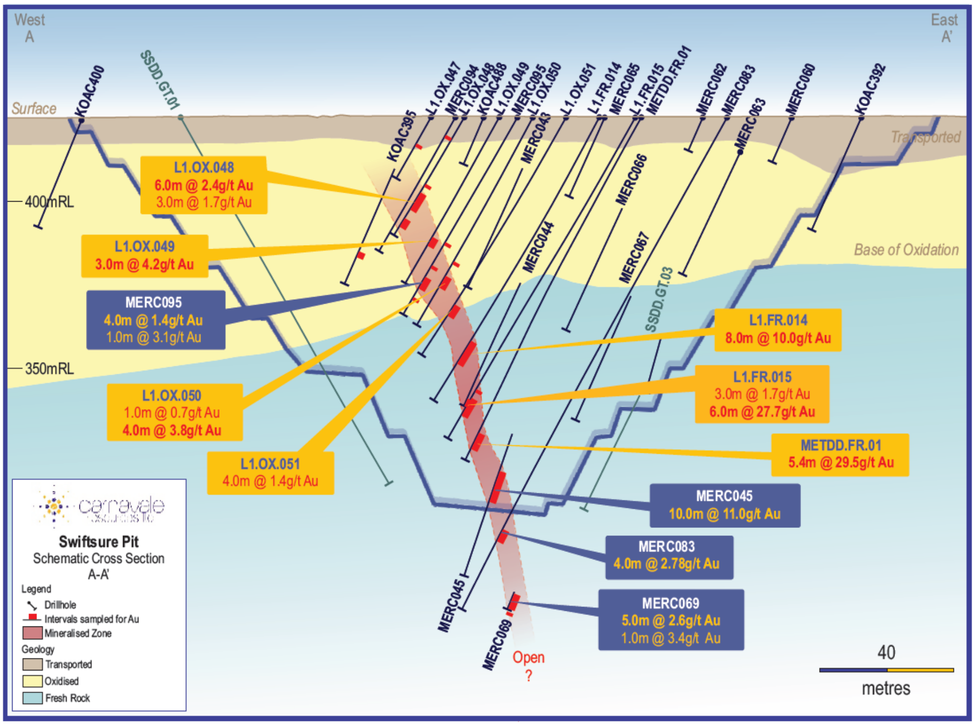



***Figure 6.*** *Section A-A' through* ***Swiftsure*** *mineralisation with proposed pit outline from October 2025 Scoping Study. New drilling labelled orange.*

Further south, in section B – B' (Figure 7) the bonanza grades continue in the fresh rock with grades of **7m @ 28.3g/t in L1.FR.005** and also **6m @ 50.7g/t in MERC047** from historical drilling at 110m below surface in the open pit. The proposed pit at Swiftsure is designed to reach a total depth of 140m. Mineralisation remains open beneath the pit and will be developed by underground mining methods.

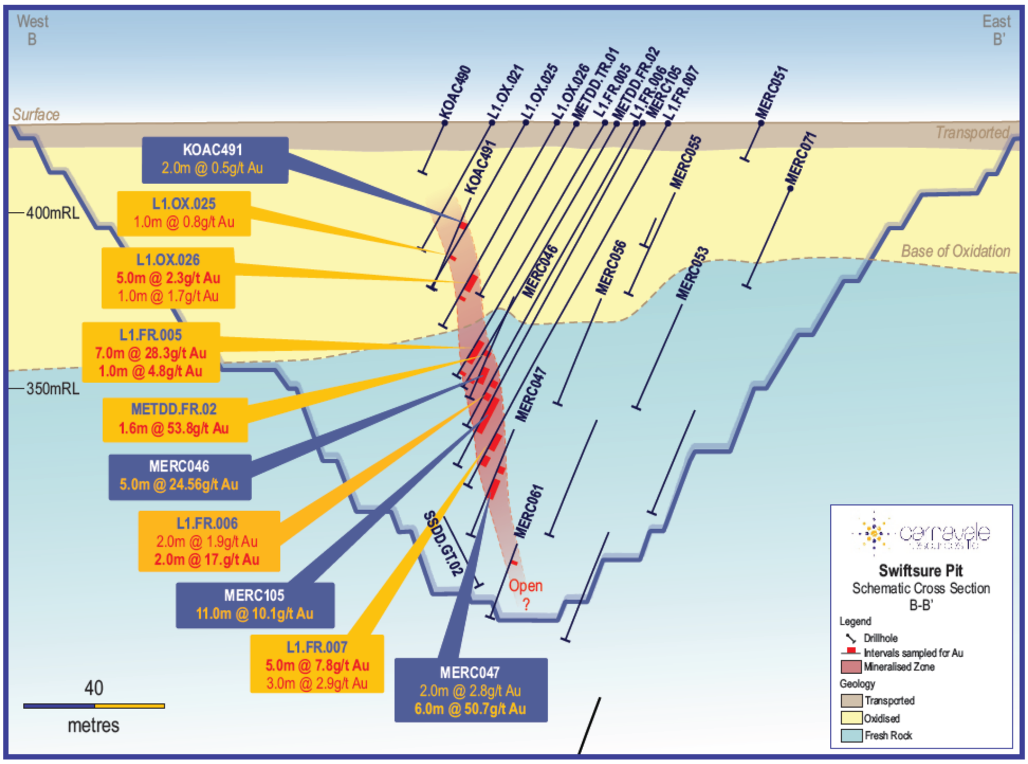



***Figure 7****. Section B-B' through* ***Swiftsure*** *mineralisation with proposed pit outline from October 2025 Scoping Study. New drilling labelled orange.*

**Tiptoe Mineralisation**

Mineralisation within the Tiptoe pit has the same characteristic quartz, carbonate, sulphide, scheelite and sericite alteration assemblage as Swiftsure and is hosted within the similar structures.

The gold grades discovered at Tiptoe remain very high within the pit and are accessed at similar levels to the southern part of Swiftsure at about 35m below surface in the saprolite profile with grades of **7m @ 3.2g/t** and fresh rock intercepts of **5m @ 7.5g/t** in earlier drilling MERC128 (Figure 8). Infill drilling was designed to confirm the mineralisation to 80m below surface.

The transported alluvial material and upper saprolite near surface is characteristically lacking in mineralisation, at Tiptoe and Swiftsure, although there are local spikes at the base of transported representing alluvial gold accumulations.

The depleted saprolite provided challenges to early exploration at Kookynie and it was important to drill to the fresh rock interface to evaluate the prospect effectively.

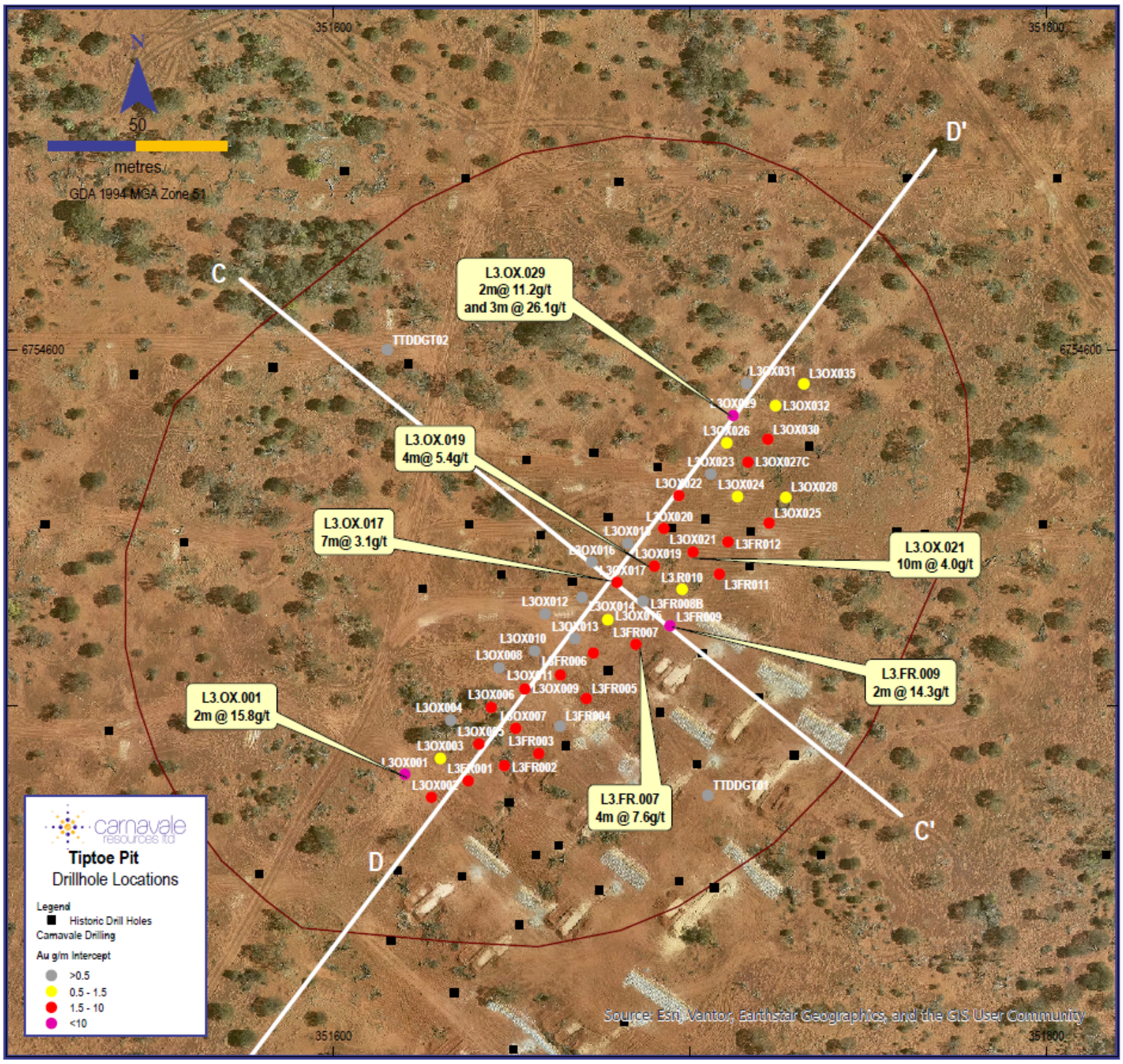



***Figure 8,*** *Plan view of infill drilling at* ***Tiptoe*** *showing the highest-grade intercepts.*

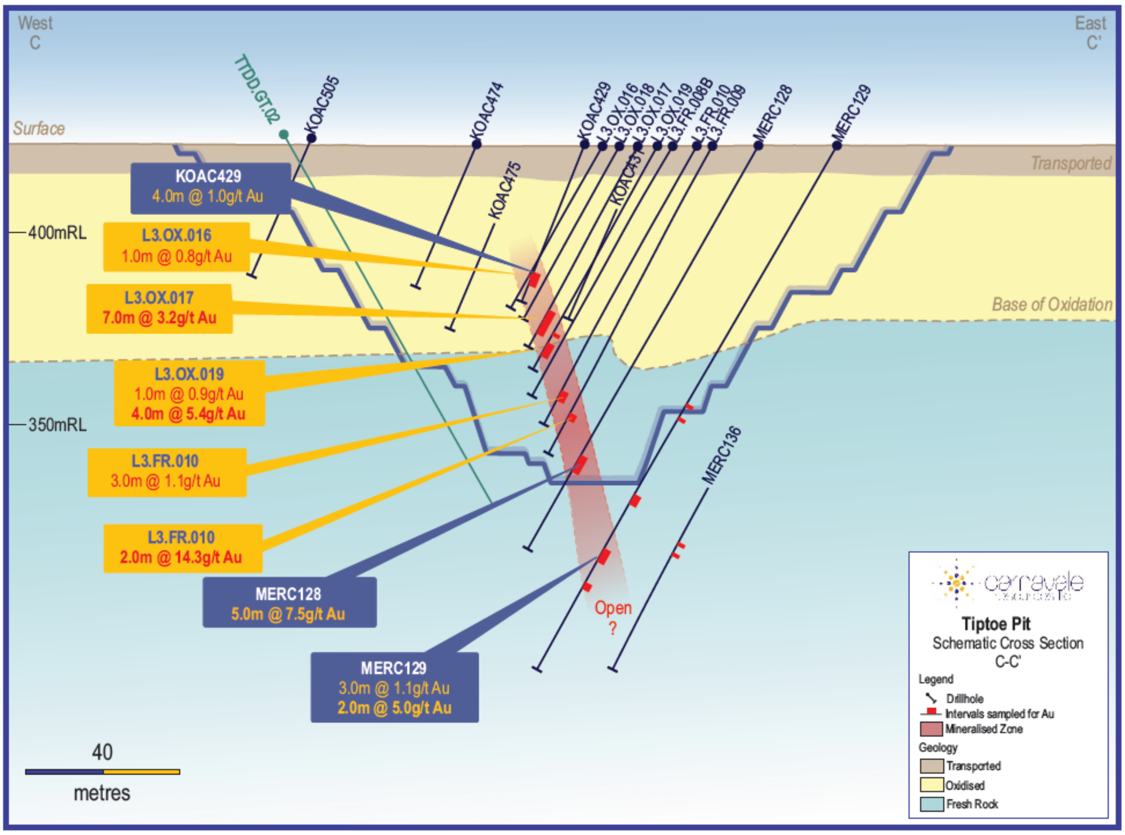



***Figure 9**. Section C-C' through **Tiptoe** mineralisation with proposed pit outline from October 2025 Scoping Study. New drilling labelled orange. Geotech hole TTDD.GT.02 shown*

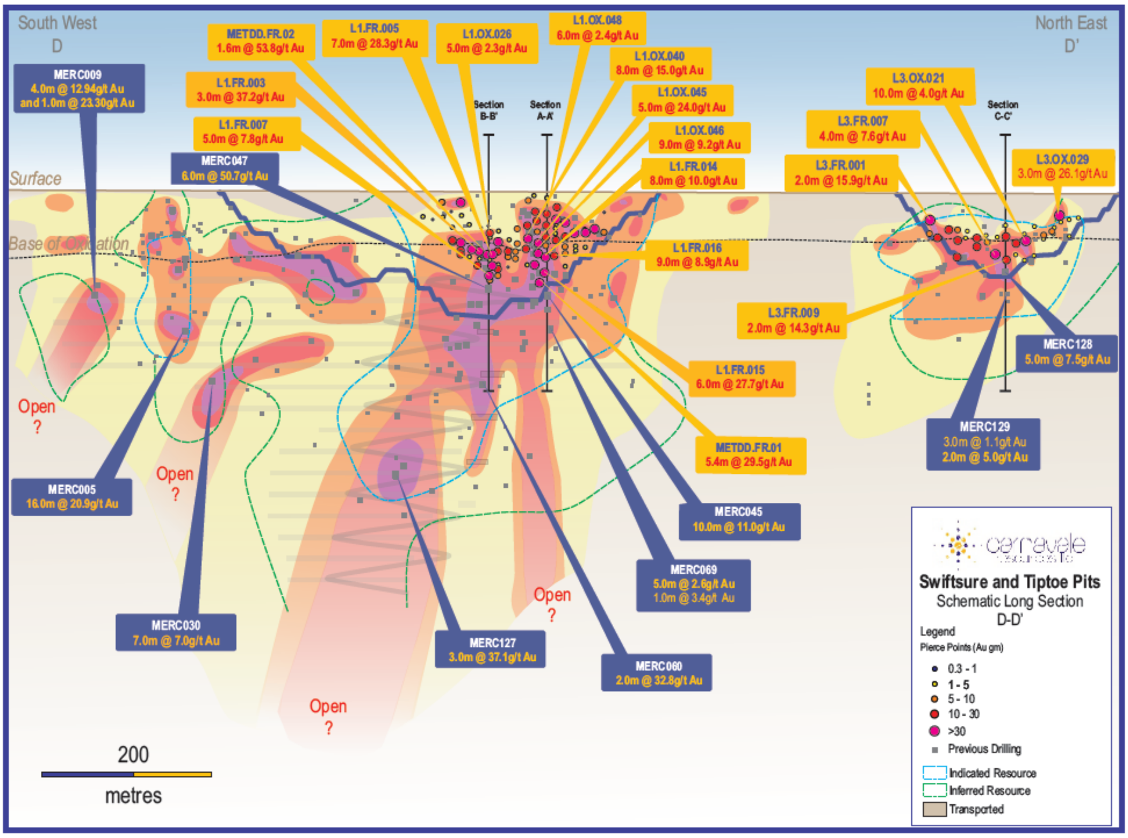



***Figure 10**, KGP long section showing best intercepts, proposed pits and underground development, indicated resources outlined in blue with inferred resources outlines in green*

**Revised Mineral Resource Estimate for BFS (May 2026)**

The updated MRE *(ASX: Updated MRE Significantly De-Risks Project with Measured Open Pit Resource and High-Grade Bonanza Core Confirmed, 20 May 2026)* was based on detailed 10m x 10m drilling that was focused on strengthening confidence in the shallow resources within the initial proposed open pit areas. The updated resource underpins the BFS and significantly derisks the early open pit mining stage, ore scheduling and financial outcomes particularly during the initial payback period.

The revised MRE includes a modest increase in total resources, which have benefited from the addition of Measured resources. 58% of the resources above the 320mRL are in the Measured category, this represents resources that would be included in possible open pit development. The increase in resource and resource confidence, combined with improved economics, signal positive outcomes for the BFS.

The MRE presented was reported with a cut-off grade of 0.8g/t for mineralisation that lies above the 320mRL and for mineralisation that would be developed by an underground mining scenario below the 320m RL a cut-off grade of 1.5g/t has been applied.

A summary of the Resource (2026) is tabulated in Table 6, 7 and 8 below.

| Swiftsure and Tiptoe lodes CoG 0.8 > 320 mRL, 1.5 < 320 mRL | | | | | | |
|---|---|---|---|---|---|---|
| Location | CoG | Classification | Volume K m3 | K tonnes | Au g/t | Au K oz |
| O/C | 0.8 | Measured | 75 | 182 | 5.1 | 30 |
| O/C | 0.8 | Indicated | 39 | 101 | 3.6 | 12 |
| O/C | 0.8 | Inferred | 52 | 126 | 2.5 | 10 |
| **O/C** | **0.8** | **All** | **166** | **409** | **3.9** | **52** |
| U/G | 1.5 | Measured | 0 | 0 | 0 | 0 |
| U/G | 1.5 | Indicated | 66 | 177 | 6.7 | 38 |
| U/G | 1.5 | Inferred | 100 | 269 | 3.5 | 30 |
| **U/G** | **1.5** | **All** | **165** | **446** | **4.8** | **68** |
| Both | | Measured | 75 | 182 | 5.1 | 30 |
| Both | | Indicated | 105 | 278 | 5.6 | 50 |
| Both | | Inferred | 151 | 394 | 3.2 | 40 |
| **(Measured, Indicated + Inferred)** | | **All** | **331** | **855** | **4.3** | **120** |

***Table 6**, MRE (2026) for the KGP including Swiftsure and Tiptoe lodes by Location*

| Swiftsure and Tiptoe Lodes CoG 0.8 > 320 mRL, 1.5 < 320 mRL | | | |
|---|---|---|---|
| | Kt | Au g/t | Au K oz |
| Measured | 182 | 5.1 | 30 |
| Indicated | 278 | 5.6 | 50 |
| Inferred | 394 | 3.2 | 40 |
| **(Measured, Indicated + Inferred)** | **855** | **4.4** | **120** |

***Table 7**, MRE (2026) for the KGP including Swiftsure and Tiptoe lodes*

The MRE for the KGP is presented in Table 6 and 7. This includes Swiftsure lodes 1, 2 and 22 and also Tiptoe lodes 3 and 4. This represents the total resource for the KGP.

Table 8 represents Tiptoe lodes 3 and 4 located 160m north along strike from Swiftsure lodes. Tiptoe represents a shallow, open pittable resource, with further u/g potential.

| Tiptoe lodes CoG 0.8 > 320 mRL, 1.5 < 320 mRL | | | |
|---|---|---|---|
| | Kt | Au g/t | Au K oz |
| Measured | 58 | 2.4 | 4.5 |
| Indicated | 63 | 3.5 | 7.2 |
| Inferred | 19 | 1.5 | 0.9 |
| **(Measured, Indicated + Inferred)** | **140** | **2.8** | **12.6** |

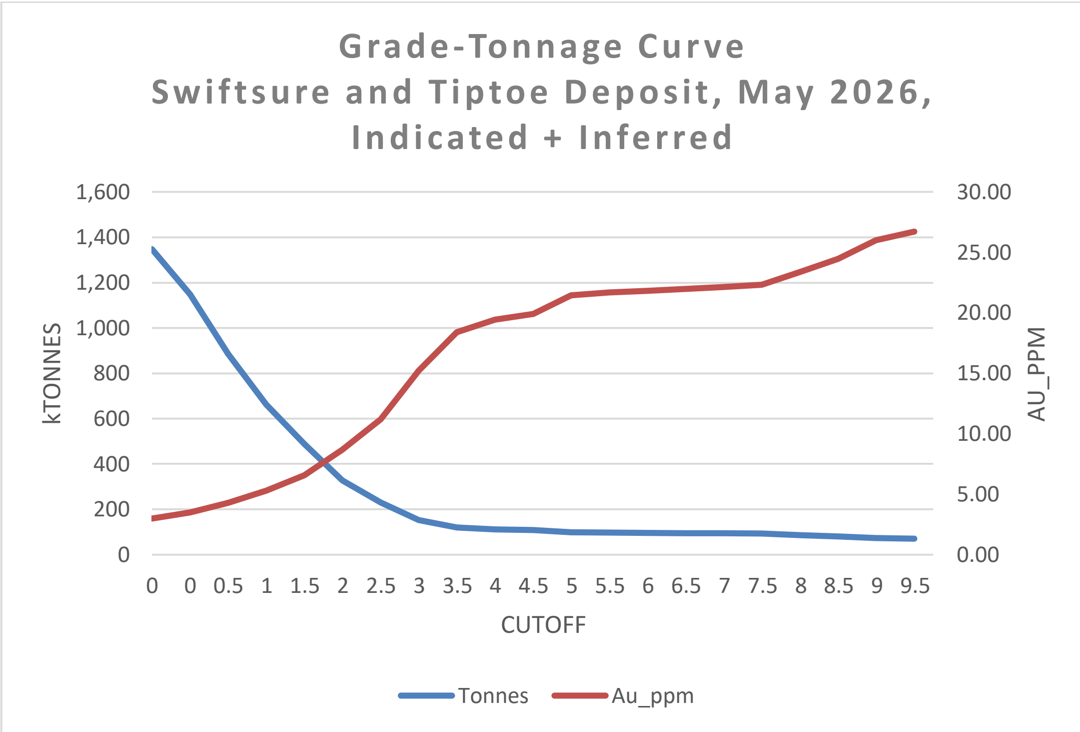
***Table 8**, Subset of MRE (2026) for Tiptoe lodes*

The shallow high-grade nature of mineralisation lends itself to a number of mining development scenarios with early access to ore. The Swiftsure and Tiptoe lodes are expected to be developed by compact open pits with underground access to extract deeper ore from the base of the Swiftsure pit.

Carnavale commissioned Cube Consulting to update the MRE to understand the impact of the infill RC drilling campaign completed in Q1 2026. 138 RC holes were drilled as infill resource drilling on a 10m x 10m pattern for approximately 8,384m across the Swiftsure and Tiptoe proposed open pit developments.

This drilling was designed to infill the proposed open pit areas to a depth of 100m below surface. The drilling was completed on a 10m x 10m pattern and has upgraded Indicated resources to Measured within the proposed pit shells at Swiftsure and Tiptoe.

The updated MRE supports the estimation of Reserves within the open pit in the BFS. The BFS aims to define a derisked, shovel ready project in Q3 2026. This drilling provided detailed information on the orebody and reduced operational risks during the payback period of the mine's operation.




| Grade tonnage (Measured, Indicated + Inferred) | | | |
|---|---|---|---|
| Au g/t cutoff | K Tonnes | Au g/t | Au K oz. |
| 0 | 1,345 | 3.0 | 129 |
| 0.5 | 1,148 | 3.5 | 129 |
| 1 | 886 | 4.3 | 122 |
| 1.5 | 662 | 5.3 | 113 |
| 2 | 487 | 6.6 | 103 |
| 3 | 230 | 11.2 | 83 |
| 4 | 119 | 18.4 | 71 |
| 5 | 108 | 19.9 | 69 |
| 10 | 69 | 26.7 | 60 |
| 15 | 56 | 30.2 | 55 |

***Table 9**, Supporting data for the KGP grade-tonnage chart (MRE 2026).*

**Technical work status for the BFS**

The BFS at the KGP is progressing well, with the technical studies being completed and final contractor quotes waiting to be received and intergrated. The results of the studies form the basis of the final BFS report. Financial models for the open pit developments and final mine layouts are being created to complete the economic evaluation to be included in the study. CAV expects to publish the final BFS in Q3 2026. The progress of each of the technical study areas is discussed below.

**Geotechnical studies - Completed**

Six geotechnical diamond holes surrounding the proposed pits were completed to provide additional detailed geotechnical information to support the BFS assumptions at the Swiftsure and Tiptoe pits. Geotechnical information from all the drill core, hydrogeology and field observations have been used by Peter O'Bryan & Associates Pty Ltd to establish the design criteria for the open pit optimisations and final pit designs. Geotechnical ground conditions for the mine development are considered good to very good in the fresh rock.

***Figure 11**, Carnavale Chairman, Andrew Beckwith at the IMO laboratory inspecting metallurgical samples.*

**Metallurgy and waste rock characterization – Completed.**

Carnavale delivered 212kg of diamond drill core to IMO for the creation of three master composite samples to represent oxide, transitional and fresh ore types at the KGP. In addition, the Company provided 825kg of RC drilling samples to create nine variability samples to establish the variation in ore characteristics across the deposit and ore types.

The three master composite samples were subjected to a full suite of physical testwork followed by cyanidation leach testwork at two grind sizes; a **$P_{80}$ of 106µm and a $P_{80}$ of 130µm**. These two grind sizes represent the most probable scenarios for third party processing facilities.

Cyanidation leach testwork was **completed utilising process water** that was sourced from a typical Goldfields gold processing operation to ensure that cyanidable gold recoveries and reagent consumption figures would be accurately reflected. The detailed cyanidation leach testwork results are shown in Table 10.

In summary, gold recoveries **in excess of 96% were achieved at both of the grind sizes** for all three mineralogical domains. Gravity gold recoveries from a laboratory scale Knelson concentrator exceeded 70% for all domains, which is not unexpected given the high-grade nature of the Kookynie deposit.

| Domain | Head Grade. g/t Au | Gravity Recovery % | Recovery (@ 24 hrs) % | Recovery (After LeachWell) % | Cyanide Consumption Kg/t | Lime Consumption Kg/t |
|---|---|---|---|---|---|---|
| Oxide - $P_{80}$ 106µm | 16.78 | 71.2 | 97.7 | 99.5 | 0.44 | 3.00 |
| Oxide - $P_{80}$ 130µm | 16.81 | 71.1 | 96.3 | 99.0 | 0.38 | 5.94 |
| Trans. - $P_{80}$ 106µm | 20.09 | 75.9 | 98.1 | 99.6 | 0.41 | 2.54 |
| Trans. - $P_{80}$ 130µm | 20.29 | 75.2 | 98.1 | 99.7 | 0.41 | 2.42 |
| Fresh - $P_{80}$ 106µm | 5.99 | 81.7 | 99.0 | 99.5 | 0.35 | 1.66 |
| Fresh - $P_{80}$ 130µm | 6.03 | 81.2 | 97.8 | 99.3 | 0.20 | 1.73 |

***Table 10**, Cyanidation Leach Testwork Results for the KGP*

In addition to this, the metallurgical testwork results indicated that **all three mineralogical domains could be successfully processed at any typical Goldfields CIL gold processing plant** and that the ore samples tested did not present any issues in relation to preg-robbing, refractory mineralisation, or the presence of deleterious elements.

The physical and geochemical properties of the tailings samples (cyanidation leach residues) are currently being assessed, and initial results indicate that there would be **no negative impacts on a typical tailings facility** that is part of a conventional CIL gold processing operation.

To define the waste rock management and dump design criteria CAV collected samples from the grade control RC drilling program for waste rock characterization studies. The waste rock study has been completed by SRK Consulting (Australia) Pty Ltd and is being used to create final dump designs. CAV is waiting for the final reports to be included in the study.

**Hydrogeology - Completed**

A detailed LIDAR survey was flown over the water catchment area of the KGP. This enabled accurate surface water flow modelling and this work in conjunction with the heritage surveys has allowed Carnavale to plan a practical layout for the mine site development that includes waste dumps, soil dumps, road infrastructure, magazines, workshops and office sites.

An evaluation of the subsurface water potential and dewatering requirements for the pits has been completed. A production water bore with associated monitoring bores at the KGP has been established as part of the BFS. This drilling is wholly located on the granted mining lease M40/362.

**Environmental - Completed**

Carnavale used specialist consultants to complete a variety of environmental surveys at the KGP. All the required environmental surveys have been completed on the mining lease and the miscellaneous access lease for the development of the open pit mine and infrastructure with no restrictions to development anticipated.

**Archaeological and Heritage Survey – Completed**

Carnavale has developed a good relationship with the traditional owners of the land that hosts the KGP. After negotiating a Mining and Heritage agreement with the Nyalpa Pirniku people to develop the project, Carnavale was granted the Mining Lease M40/362. CAV has collaborated with the traditional owners and completed detailed ethnographic and archaeological surveys across the entire mining lease and miscellaneous license that contains the KGP. Initial site layout plans have been drafted that consider the mine infrastructure, surface water flows and drainage along with heritage considerations. The final layout of the proposed development can be completed when the final pit designs and dumps are included.

**Pit optimisations and Pit designs - Completed**

Cube Consulting Pty Ltd is assisting Carnavale in developing the open pit mine plan to develop the Swiftsure and Tiptoe deposits for the BFS. Pit optimisations have been run utilising the outputs of the technical studies including the updated MRE. Cube will use pricing from contract mining groups in the optimisations and has created detailed, updated pit designs for Swiftsure and Tiptoe. These detailed designs provide schedule information for ore production and information to establish definitive financial models.

**Site layout, Mine schedule and financial modelling– in progress**

Carnavale has all the detailed information to complete the open pit mine schedule and establish a final site layout to be included in the BFS. The schedule forms the basis of the financial model and is subject to final cost and revenue inputs. Carnavale is developing the BFS financial model in conjunction with Cube on a contract mining, toll treatment basis for the KGP. This work is in progress and is nearing completion.

**Financing, toll treatment and implementation – in progress**

Carnavale has engaged Strategic Metallurgical Consultants (SM) to assist in the establishment of a toll treatment or ore purchase agreement (OPA) with a third-party processing plant. SM have extensive experience of processing plants in the Eastern Goldfields and negotiating toll treatment and OPA for clients. SM has been involved in the design of the metallurgical testwork program to ensure that Carnavale has all of the required details to negotiate an agreement for the sale of KGP ore. SM have commenced the process of assessing processing plants performance, distance from KGP and having discussions with potential processing opportunities. Further discussions will be had when the final detailed metallurgy and timing of ore supply from the development is available.

The KGP is expected to have a low capital requirement (*ASX: Study doubles value of Kookynie Gold Project 1 Oct 2025.)*, as the project does not have to construct a processing plant. Carnavale has commenced discussions with potential financiers to find a funding solution for the capital required to develop the project prior to the mine being cash positive. Final details of the total capital required, and the timing of drawdowns are dependent on the final schedule being completed and the completion of the project financial model. Carnavale is exploring all funding solutions that provide best shareholder outcomes.

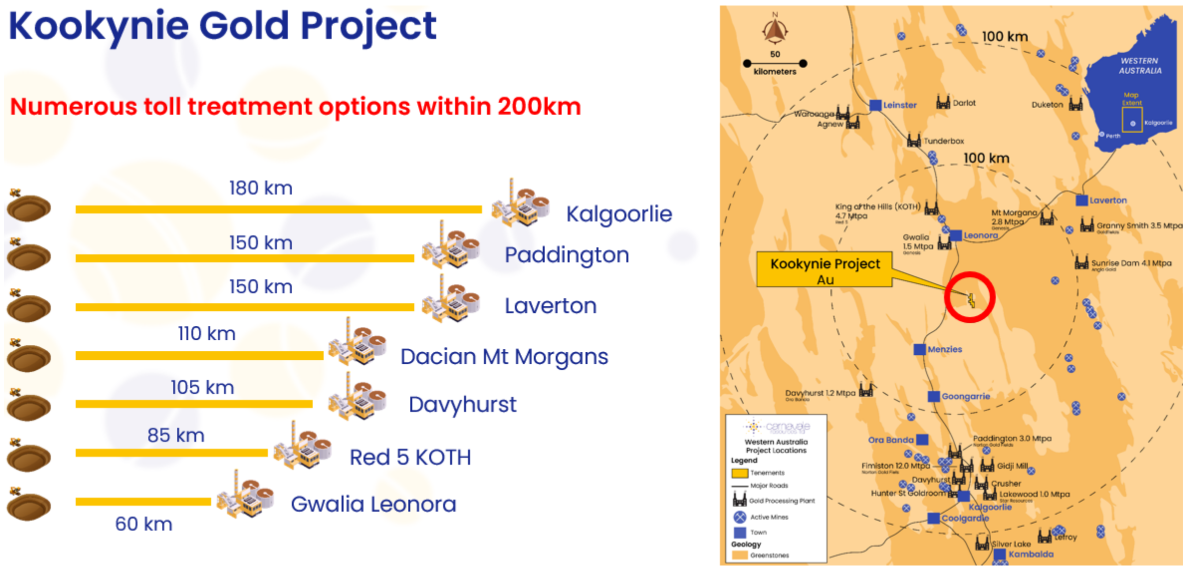



***Figure 12**, Plan of processing plants and operating gold mines within trucking distance*

**Underground development**

The Company intends to develop the underground portion of the mine in conjunction with production from the open pits. The October 2025 Scoping Study outlined the resources and how the underground mine would be developed (*ASX: Study doubles value of Kookynie Gold Project 1 Oct 2025.).* It is intended that underground production and infill drilling will be completed during production from the open pits and paid for by cashflow from operations. This will provide the most economical way to unlock the future underground potential at the KGP.

Access to the proposed portal to the underground mine is proposed to be from within the open pit development at Swiftsure. Gold production from the underground mine is expected to flow immediately after the Swiftsure pit has been completed.

**Further exploration planned at the KGP**

Our geological team is excited to explore the additional targets within the KGP. Exploration drilling has been planned during the quarter targeting additional resources and new discoveries East and Northeast of the proposed Swiftsure pit on the greenstone granite boundary. Exploration targeting has used geological information from earlier exploration drilling combined with the recent detailed infill drilling at the Swiftsure and Tiptoe proposed pits in conjunction with aeromagnetic imagery and gravity modelling to target the contact with the Puzzle granite. 19 rows of exploration aircore for +5000m of aircore will be drilled targeting priority targets. This drilling is expected to be completed in Q4 2026 (figure 13).

Exciting exploration potential also remains at Swiftsure and Tiptoe that have bonanza grade shoots that remain open at depth. Exploration success here would add resource ounces to the development in the future.

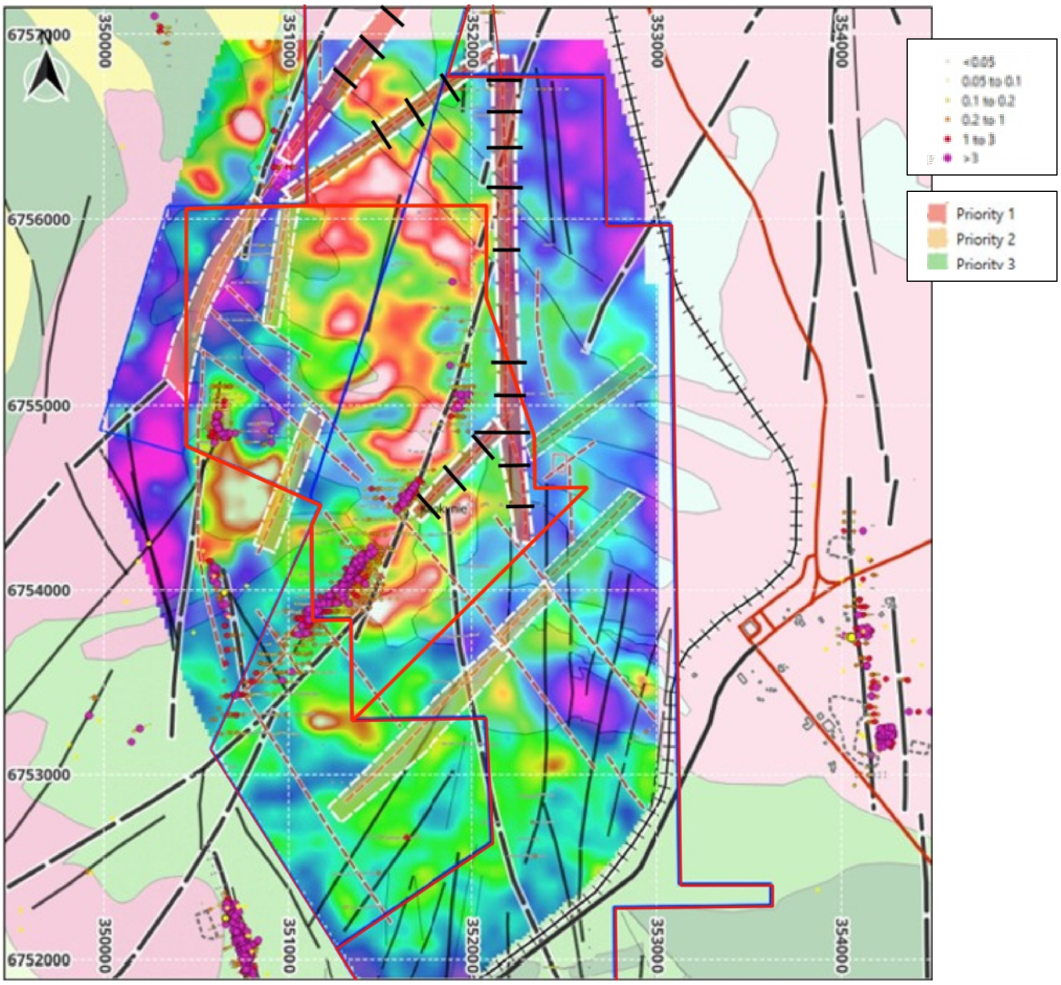



***Figure 13**, Plan of proposed Priority exploration targets with proposed aircore lines (black) over structural interpretation and airborne gravity.*

**Mining license granted and tenement amalgamation at Kookynie**

As part of ongoing tenement management and the requirements of the BFS to take the Swiftsure and Tiptoe deposits towards mining, changes have been made to the tenement holding hosting the KGP. M40/362 provides sufficient area for all the project development requirements including open pits, waste dumps ROM handling and crushing areas, workshops and offices.

The tenements comprising the KGP have changed as follows. The majority of the area that was held as prospecting licence P40/1380 has been included in the new mining licence M40/362. The whole prospecting licence P40/1381 has been amalgamated into exploration licence E40/355. The new mining licence M40/362 has been granted over a portion of the earlier exploration licence E40/355.

As part of the mine development process Carnavale has applied for a miscellaneous licence L40/53 that will provide a corridor from the mining licence to the Kookynie - Malcolm Road that leads to Leonora and access to the mine site and transport of ore to third party treatment options.

In addition, Carnavale has added a small prospecting licence P40/1616 to the tenement package that has the potential for further exploration success. Figure 14 details the current tenement holdings.

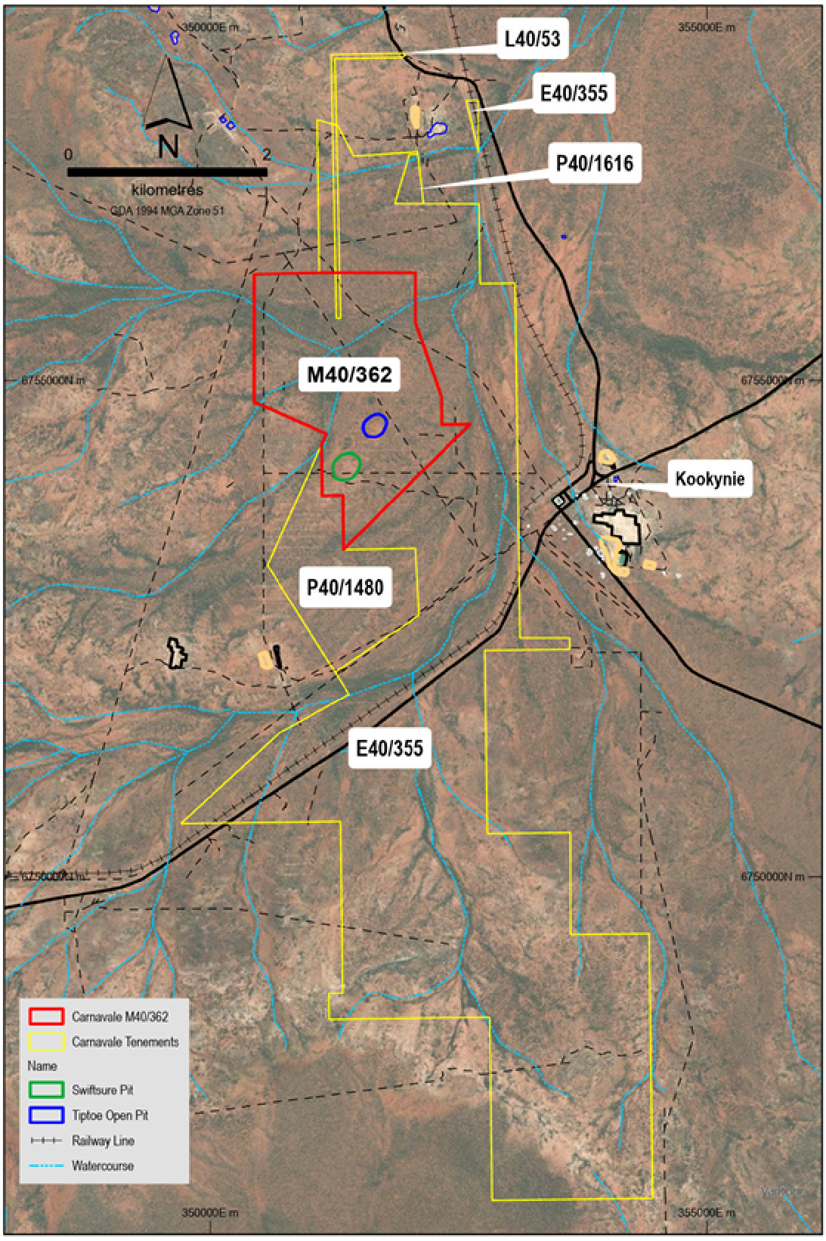



***Figure 14**, Carnavale tenement plan showing location of **M40/362**.*

**Other Projects**

During the prior period Carnavale entered into an Asset Sale Agreement for the sale of 100% of CAV's license E40/394, to KoBold Tanura Pty Ltd. The sale formed part of our strategy of crystallising value from non-core exploration assets while maintaining a strong focus on gold exploration and development at our Kookynie Gold Project. The Company, through its wholly owned subsidiary Tojo Minerals Pty Limited, entered into the agreement with KoBold under which KoBold has an exclusive right to acquire 100% of Tojo's interests in the Leonora tenement for $405,000. During the current year, KoBold advised it would not pursue the arrangement.

Carnavale continues to review the exploration information at the Ora Banda South Gold Project to determine the next steps for the project. The exploration aim at Ora Banda is to discover a large-scale gold deposit within the sedimentary package on the Carnage shear analogous to the St Ives Discovery.

Carnavale is always reviewing possible new projects that fit the Company profile and may provide opportunities for shareholders.

**Corporate**

**Capital Raisings**

In October 2025, Carnavale completed a capital raising from professional and sophisticated investors of $3 million (before costs) via a placement (Placement) of approximately 857.1 million shares at an issue price of $0.0035 per share (Placement Shares).

In addition to the Placement, Carnavale offered eligible shareholders the opportunity to participate in a non-renounceable pro-rata entitlement offer to raise up to approximately $4.09 million (before costs) on the basis of one (1) new share for every four (4) shares held at the record date at an issue price of $0.004 per share, together with one (1) free-attaching share for every seven (7) shares subscribed for and issued (Entitlement Offer).

The Entitlement Offer was fully underwritten by Canaccord Genuity (Australia) Limited (Underwriter).

Applications received under the Entitlement Offer raised $2,661,495 (before costs) with the balance of $1,428,725 subscribed for by the Underwriter (and sub-underwriters), including directors, Mr Beckwith and Mr Gajewski (resigned 30 June 2026).

The Company convened an annual general meeting of shareholders on 27 November 2025 (AGM) at which the Company received shareholder approval for a number of resolutions, including a resolution seeking shareholder approval to undertake a consolidation of its issued capital on a fifteen (15) to one (1) basis (Consolidation). The Consolidation became effective on 27 November 2025.

**Board and Management Changes**

Following the AGM, Mr Gajewski transitioned from Non-Executive Chairman to a Non-Executive Director and Mr Beckwith was appointed the Non-Executive Chairman (formerly a Non-Executive Director).

On 5 May 2026, the Company announced the appointment of Mr Hale as Managing Director ("MD"), effective immediately. The Company is pleased that Mr Hale has agreed to continue to lead the Company through the next phase of growth and development. Mr Hale is familiar to the Company and CAV investors, having led the executive team as CEO over the last number of years.

On 30 June 2026, Mr Gajewski retired as a Director of the Company, having served as a Director prior to the Company's Initial Public Offer in early 2007 and has played a pivotal role in Carnavale's evolution from its inception to its current growth position and near-term development of the Kookynie Gold Project, Western Australia.

The Board acknowledges Mr Gajewski's significant contribution over many years and thanks him for his dedication, guidance and commitment to the Company and its shareholders.

**Competent Person's Statement**

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Humphrey Hale, who is a Member of the Australasian Institute of Geoscientists. Mr Hale is the Managing Director of Carnavale and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Hale consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

The information in this report that relates to Estimation and Reporting of Mineral Resources at the Kookynie Gold Project is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Job consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

**Information relating to Previous Disclosure**

The technical and financial information in this report that relates to the Grey Dam Project has been previously reported by the Company in compliance with JORC 2012 in various releases between 19 March 2018 and 19 December 2023. The technical and financial information in this report that relates to the Kookynie Gold Project has been previously reported by the Company in compliance with JORC 2012 in various releases between 2 August 2024 and 3 August 2026.

With reference to previously reported Exploration results and Minerals resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case off estimates of mineral resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

The Company confirms that all material assumptions underpinning the Production Targets, or the forecast information derived from the Production Targets, included in the original ASX announcement dated 2nd October June 2025 continue to apply and have not materially changed.

The Company confirms that it is not aware of any new information or data that materially affects the information included in these earlier 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 original market announcements.

Statements regarding Carnavale Resources' plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Carnavale Resources' plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Carnavale Resources' will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Carnavale Resources' mineral properties.

The Directors of Carnavale Resources Limited submit herewith the annual financial report of Carnavale Resources Limited ("Company") and its controlled entities ("Group") for the year ended 30 June 2026 and the independent auditor's report thereon. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

**DIRECTORS**

The names and particulars of the directors of the Company during or since the end of the financial year are as follows.

Directors were in office for the entire period unless otherwise stated.

**Andrew Beckwith,** BSc Geology, AusIMM

Independent Non-Executive Chairman – from 27 November 2025

Appointed 29 July 2014

Mr Beckwith is a geologist, with a career spanning 40 years across the Australian mining industry. Roles include senior technical and management roles within a range of companies from large gold producers to small explorers through to corporate positions in ASX listed companies including Managing Director at Westgold and was formerly a technical director at De Grey Mining, a company which grew from being a sub $1M market capitalisation when he was first involved to being in the ASX 200 before being acquired by Northern Star Resources Limited (ASX: NST) in an all scrip scheme of arrangement which valued De Grey at ~ A$6Bn. He has been involved in many successful exploration teams including the early stages of the multi-million ounce Tropicana gold discovery (AngloGold Ashanti) and oversaw the growth in resources at Westgold, through a combination of organic exploration and corporate acquisition to established ~5.0M ounces in gold resources, which has gone on to become a leading Australian gold producer.

During the past three years he has also served as a director of the following listed companies:

| *Company* | *Date appointed* | *Date ceased* |
|---|---|---|
| De Grey Mining Limited | 26 October 2017 | 5 May 2025 |

**Humphrey Hale,** BSc. MAIG

Managing Director

Appointed 1 May 2026

Mr Hale joined Carnavale in July 2020 with a focus on exploration success for CAV. Prior to joining CAV, Mr Hale's experience included Exploration Manager at the Sunrise Dam Gold Mine for AngloGold Ashanti (AGA), Managing Director at Wolf Minerals Ltd and Technical Director for Infinity Lithium. Mr Hale has direct experience in the acquisition, management, and development of exploration opportunities taking assets from initial exploration to construction.

Mr Hale holds no other listed company directorships and has held no other listed company directorships in the last 3 years

**Rhett Brans,** MIEAust CPEng

Independent Non-Executive Director

Appointed 17 September 2013

Mr Brans is a civil engineer with more than 50 years of experience in project development of treatment plants and mine developments and an experienced director having fulfilled directorship responsibilities in a number of ASX listed mining companies since 2004.

Throughout his career, Mr Brans has been involved in the co-ordination and management of scoping and feasibility studies and the design and construction of mineral treatment plants across a range of commodities and geographies including gold in Ghana, copper and lithium in the DRC, graphite in Mozambique, gold, copper, coal and mineral sands in Australia. He has extensive experience as an owner's representative for several successful mine feasibility studies and project developments.

During the past three years he has also served as a director of the following ASX listed companies:

| *Company* | *Date appointed* | *Date ceased* |
|---|---|---|
| Australian Potash Limited | 9 May 2017 | 2 February 2024 |
| AVZ Minerals Limited | 5 February 2018 | - |

**Ron Gajewski,** BBus

Independent Non-Executive Chairman

Appointed 18 October 2006, resigned 30 June 2026

Mr Gajewski is an accountant by profession, with many years of experience as a director of public listed companies and as a corporate advisor to public companies.

Mr Gajewski has previously held directorships with mining companies listed in both Canada and Australia.

Mr Gajewski has not held any other listed company directorships in the last 3 years.

## COMPANY SECRETARY

**Paul Jurman,** BCom, CPA
Appointed 22 November 2006

Mr Jurman is a Certified Practising Accountant with over 20 years' experience and has been involved with a diverse range of Australian public listed companies in company secretarial and financial roles. He is also company secretary of Tempest Minerals Limited, Diablo Resources Limited, Lord Resources Limited, Desert Metals Limited and Platina Resources Limited.

### Directors' interests

The relevant interests in the shares, options and performance rights of the Company at the date of this report are as follows:

| *Name* | *Ordinary shares* | *Unlisted Options* | *Performance Rights* |
|---|---|---|---|
| A Beckwith | 13,000,000 | 2,000,000 | - |
| H Hale | 852,813 | 2,000,000 | 1,333,333 |
| R Brans | 428,571 | 1,000,000 | - |

No director has an interest, whether directly or indirectly, in a contract or proposed contract with the Group.

## PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the year was exploring mineral interests, prospective for precious metals and energy.

## RESULTS AND DIVIDENDS

The consolidated loss after tax for the year ended 30 June 2026 was $1,233,478 (2025: $3,026,950). No dividends were paid during the year and the Directors do not recommend payment of a dividend.

## LOSS PER SHARE

Basic loss per share for the year was 0.34 cents (30 June 2025: 1.15 cents restated).

## REVIEW OF OPERATIONS / OPERATING AND FINANCIAL REVIEW

The Group is currently engaged in mineral exploration for metals in Australia. A review of the Group's operations, including information on exploration activity and results thereof, financial position, strategies and projects of the Group during the year ended 30 June 2026 is provided in this Annual Report and, in particular, in the "Review of Operations" section immediately preceding this Directors' Report. The Group's financial position, financial performance and use of funds information for the financial year is provided in the financial statements that follow this Directors' Report.

As an exploration entity, the Group has no operating revenue or earnings and consequently the Group's performance cannot be gauged by reference to those measures. Instead, the Directors consider the Group's performance based on the success of exploration activity, acquisition of additional prospective mineral interests and, in general, the value added to the Group's mineral portfolio during the course of the financial year.

Whilst performance can be gauged by reference to market capitalisation, that measure is also subject to numerous external factors. These external factors can be specific to the Group, generic to the mining industry and generic to the stock market as a whole and the Board and management would only be able to control a small number of these factors.

## REVIEW OF OPERATIONS / OPERATING AND FINANCIAL REVIEW (continued)

The Group's business strategy for the financial year ahead and, in the foreseeable future, is to continue exploration and evaluation activity on the Group's existing mineral projects, identify and assess new mineral project opportunities throughout the world and review development strategies where individual projects have reached a stage that allows for such an assessment. Due to the inherently risky nature of the Group's activities, the Directors are unable to comment on the likely results or success of these strategies. The Group's activities are also subject to numerous risks, mostly outside the Board's and management's control. These risks can be specific to the Group, generic to the mining industry and generic to the stock market as a whole. The key risks, expressed in summary form, affecting the Group and its future performance include but are not limited to:

- Geological and technical risk posed to exploration and commercial exploitation success;
- Sovereign risk, change in government policy, change in mining and fiscal legislation;
- Prevention of access by reason of political or civil unrest, outbreak of hostilities, inability to obtain regulatory or landowner consents or approvals, or native title issues;
- Force majeure events;
- Change in metal market conditions;
- Mineral title tenure and renewal risks; and
- Capital requirement and lack of future funding.

This is not an exhaustive list of risks faced by the Group or an investment in it. There are other risks generic to the stock market and the world economy as a whole and other risks generic to the mining industry, all of which can impact on the Group.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's objective is to maximise shareholder value through the discovery and delineation of significant gold, cobalt, nickel, tin, copper, silver and other mineral deposits throughout the world.

The Directors are unable to comment on the likely results from the Company's planned exploration activities due to the speculative nature of such activities.

## SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There has not been any significant changes in the state of affairs of the company and its controlled entities during the financial year, other than as noted in this Annual Report.

## SUBSEQUENT EVENTS

No matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

## ENVIRONMENTAL ISSUES

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out exploration work.

## DIRECTORS' MEETINGS

The number of meetings of the Directors and the number of meetings attended by each Director during the year ended 30 June 2026 were:

| *Name* | *Eligible to attend* | *Attended* |
|---|---|---|
| A Beckwith | 4 | 4 |
| R Gajewski | 4 | 4 |
| H Hale – appointed 1 May 2026 | 1 | 1 |
| R Brans | 4 | 4 |

There were 4 directors' meetings held during the year. However, matters of Board business have also been resolved by circular resolutions of Directors, which are a record of decisions made at a number of informal meetings of the Directors held to control, implement and monitor the Group's activities throughout the period.

At present, the Company does not have any formally constituted committees of the Board. The Directors consider that the Group is not of a size nor are its affairs of such complexity as to justify the formation of special committees.

## REMUNERATION REPORT – AUDITED

This report outlays the remuneration arrangements in place for the Key Management Personnel (as defined under section 300A of the Corporations Act 2001) of Carnavale Resources Limited.

The following were Key Management Personnel of the Company during or since the end of the financial period.

| ***Directors*** | | |
|---|---|---|
| A Beckwith | Non-Executive Chairman | Appointed 29 July 2014, Non-Executive Chairman from 27 November 2025 |
| H Hale | Managing Director | Appointed 1 May 2026, Chief Executive Officer from 1 June 2021 to 30 April 2026 |
| R Brans | Non-Executive Director | Appointed 17 September 2013 |
| R Gajewski | Non-Executive Chairman / Director | Appointed 18 October 2006, resigned 30 June 2026 |

There have been no other changes of Key Management Personnel after the reporting date and up to the date the financial report was authorised for issue.

***Remuneration policy***

The remuneration policy of Carnavale Resources Limited has been designed to align directors' objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates. The Board of Carnavale Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

- The remuneration policy and setting the terms and conditions for the Executive Directors and other senior staff members is developed and approved by the Board based on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice is obtained when considered necessary to confirm that executive remuneration is in line with market practice and is reasonable within Australian executive reward practices.
- All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation.
- The Group is an exploration entity and is, therefore, speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly as the Group moves from an exploration to a producing entity and key performance indicators such as profit and production and reserves growth can be used as measurements for assessing executive performance.
- The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was at a shareholders' meeting on 27 November 2025 when the shareholders approved an aggregate remuneration of $400,000 per year. Fees for non-executive directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.
- Executive Directors' remuneration and other terms of employment are reviewed annually by the non-executive directors having regard to performance against goals set at the start of the year, relative comparative information and independent expert advice.

Except as detailed in the Remuneration Report, no director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Group or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Group.

***Remuneration Structure***

In accordance with best practice corporate governance, the structure of remuneration for Non-Executive Directors and Executive Directors is separate and distinct.

***Details of Remuneration***

Details of the remuneration of the Directors and other Key Management Personnel of the Company are set out in the following table. The Key Management Personnel of the Company are the Directors of Carnavale Resources Limited. Detail of the employment contract with the Managing Director is as follow:

| ***Name*** | ***Term of Agreement*** | ***Base Salary including Superannuation*** | ***Termination Benefit*** |
|---|---|---|---|
| Humphrey Hale Managing Director / Chief Executive Officer | Ongoing commencing 1 June 2021, Managing Director from 1 May 2026 | $280,000 plus statutory superannuation | May be terminated by either Mr Hale by providing three months' notice or the Company providing 6 months' notice |

**Voting and comments made at the Company's 2025 Annual General Meeting (AGM)** – At the 2025 AGM, 98.83% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

**Remuneration of KMP:**

*Remuneration for the year ended 30 June 2026*

| | **Short-term benefits** | | **Post-employment** | **Equity-based compensation** | **Total** | **Proportion related to performance** |
|---|---|---|---|---|---|---|
| | **Directors' fees** | **CEO fees** | **Super-annuation** | | | |
| | **$** | **$** | **$** | **$** | **$** | **%** |
| **Directors** | | | | | | |
| A Beckwith | 56,667 | - | 6,800 | 99,431 | 162,898 | 61.04 |
| H Hale (i) | 46,666 | 191,667 | 28,600 | 182,445 | 449,378 | 40.60 |
| R Brans | 41,042 | - | 4,925 | 49,715 | 95,682 | 51.96 |
| R Gajewski | 51,567 | - | - | 99,431 | 150,998 | 65.85 |
| **Total, Directors** | 195,942 | 191,667 | 40,325 | 431,022 | 858,956 | |

(i) H Hale acted as CEO to 30 April 2026 and was appointed Managing Director on 1 May 2026.

**Remuneration of KMP:**

*Remuneration for the year ended 30 June 2025*

| | **Short-term benefits** | | **Post-employment** | **Equity-based compensation** | **Total** | **Proportion related to performance** |
|---|---|---|---|---|---|---|
| | **Directors' fees** | **Consulting fees** | **Super-annuation** | | | |
| | **$** | **$** | **$** | **$** | **$** | **%** |
| **Directors** | | | | | | |
| R Gajewski | 51,680 | - | 1,840 | - | 53,520 | - |
| A Beckwith | 36,000 | - | 4,140 | - | 40,140 | - |
| R Brans | 36,000 | - | 4,140 | - | 40,140 | - |
| **Total, Directors** | 123,680 | - | 10,120 | - | 133,800 | |
| **Other KMP** | | | | | | |
| **Chief Executive Officer** | | | | | | |
| H Hale | - | 230,000 | 26,450 | - | 256,450 | - |
| **Total KMP** | 123,680 | 230,000 | 36,570 | - | 390,250 | |

Accounting, secretarial and corporate service fees of $85,562 (2025: $53,522) and rental fees of $30,000 (2025: $30,000) were paid or payable during the year ended 30 June 2026 on normal terms and conditions to Corporate Consultants Pty Ltd, a company in which Mr Gajewski is a director and has a beneficial interest.

***Remuneration Options granted as part of remuneration for the year ended 30 June 2026***

| Key Management Personnel | Grant date | Number granted | Number vested at year end | Average fair value per option at grant date | Maximum total value of grant yet to vest |
|---|---|---|---|---|---|
| A Beckwith | 27 Nov 2025 | 2,000,000 | 2,000,000 | 4.97 cents | - |
| H Hale | 27 Nov 2025 | 2,000,000 | 2,000,000 | 4.97 cents | - |
| R Brans | 27 Nov 2025 | 1,000,000 | 1,000,000 | 4.97 cents | - |
| R Gajewski | 27 Nov 2025 | 2,000,000 | 2,000,000 | 4.97 cents | - |

Assumptions used in valuing the options issued are as follows (post-consolidation):

| Grant Date | Expiry Date | Fair value per option | Exercise price | Price of shares on grant date | Expected Volatility | Risk free interest rate | Dividend yield |
|---|---|---|---|---|---|---|---|
| 27 Nov 2025 | 26 Nov 2028 | 4.97 cents | 9 cents | 9 cents | 83% | 3.5% | - |

Each option entitles the holder to purchase one ordinary share in the Company. The estimated value disclosed above is calculated at the date of grant using the Black-Scholes option pricing model.

No options over unissued ordinary shares in Carnavale Resources Limited were exercised by key management personnel of the Company.

***Remuneration Options granted as part of remuneration for the year ended 30 June 2025***

No remuneration options were granted to directors or key management personnel during the year ended 30 June 2025.

***Performance Rights granted as part of remuneration for the year ended 30 June 2026***

| Key Management Personnel | Grant date | Number granted | Number vested at year end | Average fair value per performance right at grant date | Maximum total value of grant yet to vest |
|---|---|---|---|---|---|
| H Hale | 27 Nov 2025 | 1,666,666 | - | 9 cents | $66,986 |

Assumptions used in valuing the performance rights issued are as follows (post-consolidation):

| Grant Date | Expiry Date | Fair value per right | Exercise price | Price of shares on grant date | Expected Volatility | Risk free interest rate | Dividend yield |
|---|---|---|---|---|---|---|---|
| 3 December 2025 | 3 Dec 2028 | 9 cents | Nil | 9 cents | 83% | 3.5% | - |

In December 2025, the Company issued Chief Executive Officer (CEO), Mr Humphrey Hale a total of 1,666,666 performance rights, with an expiry date of 3 December 2028. In February 2026, 333,333 Performance Rights vested and were exercised into ordinary shares as the grant of the mining lease at the Kookynie Gold Project (KGP) occurred, 666,666 Performance Rights will vest and become exercisable on completion of a bankable feasibility study at KGP, accepted by the Board and 666,667 Performance Rights will vest and become exercisable upon the delivery of first 50,000t of ore from KGP to a processing facility or first 2,000oz gold refined by mint, whichever comes first.

As the above vesting conditions are non-market conditions, the value of the performance rights was based on the Company's share price at the date of grant, $0.09 (post-consolidation). The Directors consider it probable that the vesting conditions will be met and therefore, the total value of the performance rights is being expensed up to the expiry date.

When exercised, each performance right is convertible into one ordinary share of the Company.

The Company has not granted any performance rights since the end of the financial year to any Directors or officers as part of their remuneration.

***Performance Rights granted as part of remuneration for the year ended 30 June 2025***

No performance rights were granted to directors or key management personnel during the year ended 30 June 2025.

***Shareholdings of key management personnel***

In December 2025, the Company completed a consolidation of the Company's share capital on a 1 for 15 basis. All balances disclosed below are on a post-consolidation basis.

*Year ended 30 June 2026*

| | Balance at 1 July 2025 | Granted as remuneration | Net other change | Balance at 30 June 2026 |
|---|---|---|---|---|
| ***Directors*** | | | | |
| A Beckwith | 6,636,212 | - | 6,363,788 | 13,000,000 |
| H Hale | 404,040 | - | 448,773 | 852,813 |
| R Brans | 333,333 | - | 95,238 | 428,571 |
| R Gajewski | 13,260,681 | - | 7,055,458 | 20,316,139 |
| ***Total*** | 20,634,266 | - | 13,963,257 | 34,597,523 |

***Option holdings of key management personnel***

*Year ended 30 June 2026*

| | Balance at 1 July 2025 | Granted as remuneration | Net other change | Balance at 30 June 2026 |
|---|---|---|---|---|
| ***Directors*** | | | | |
| A Beckwith | - | 2,000,000 | - | 2,000,000 |
| H Hale | - | 2,000,000 | - | 2,000,000 |
| R Brans | - | 1,000,000 | - | 1,000,000 |
| R Gajewski | - | 2,000,000 | - | 2,000,000 |
| ***Total*** | - | 7,000,000 | - | 7,000,000 |

***Performance rights of key management personnel***

*Year ended 30 June 2026*

| | Balance at 1 July 2025 | Granted as remuneration | Exercised on vesting | Balance at 30 June 2026 |
|---|---|---|---|---|
| ***Directors*** | | | | |
| A Beckwith | - | - | - | - |
| H Hale | - | 1,666,666 | (333,333) | 1,333,333 |
| R Brans | - | - | - | - |
| R Gajewski | - | - | - | - |
| ***Total*** | - | 1,666,666 | (333,333) | 1,333,333 |

**End of Remuneration report**

**SHARE OPTIONS**

As at the date of this report, there are 12,800,000 options and 1,333,333 performance rights on issue.

| | Number | Exercise Price (cents) | Expiry Date |
|---|---|---|---|
| Unlisted Options | 10,800,000 | 9 | 26 November 2028 |
| Unlisted Options | 2,000,000 | 9 | 31 October 2028 |
| Performance Rights | 1,333,333 | - | 3 December 2028 |

These options and performance rights do not entitle the holder to participate in any share issue of the Company or any other body corporate.

During the financial year, the Company issued options and performance rights as follows:

- In October 2025, Canaccord Genuity (Australia) Limited was appointed as Underwriter for a pro-rata non-renounceable entitlement offer to raise $4.09 million. For acting as Underwriter, Canaccord Genuity (Australia) Limited subscribed for 30 million options (2,000,000 options post consolidation) exercisable at $0.09 at an issue price of $0.00001. Refer to Note 18 for further details.
- In December 2025, following shareholder approval received at the annual general meeting of shareholders, a total of 7 million options were issued to directors Mr Beckwith (2 million options), Mr Hale (2 million options, Mr Gajewski (2 million options) and Mr Brans (1 million options) on a post-consolidation basis. In December 2025, the Company issued a further 3.8 million unlisted options to the company secretary and other consultants. Refer to Note 18 for further details.
- In December 2025, the Company issued Chief Executive Officer, now Managing Director, Mr Hale a total of 1,666,666 performance rights, with an expiry date of 3 December 2028. In February 2026, 333,333 Performance Rights vested and Mr Hale exercised into ordinary shares as the grant of the mining lease at the Kookynie Gold Project (KGP) occurred. 666,666 Performance Rights will vest and become exercisable on completion of a bankable feasibility study at KGP, accepted by the Board and 666,667 Performance Rights will vest and become exercisable upon the delivery of the first 50,000t of ore from KGP to a processing facility or first 2,000oz gold refined by mint, whichever comes first.

There were no options issued after 30 June 2026 and up to the date of this report. 67,500,000 options (4,500,000 options post-consolidation) expired unexercised on 31 July 2025.

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer or agent of the Group shall be indemnified out of the property of the Group against any liability incurred by him in his capacity as Officer or agent of the Group or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

During the period, the Company agreed to pay an annual insurance premium of $10,817 in respect of directors' and officers' liability and legal expenses' insurance contracts, for directors, officers and employees of the Company. The insurance premium relates to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever the outcome.
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty.

## NON - AUDIT SERVICES

There have been no non-audit services provided by the Group's auditor during the year (2025: Nil).

## AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2026 has been received and forms part of the directors' report and can be found on the following page of the annual report.

## PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

**CORPORATE GOVERNANCE STATEMENT**

The Board of Directors of the Company is responsible for the corporate governance of the Company and guides and monitors the business and affairs on behalf of the shareholders by whom they are elected and to whom they are accountable. The Company's governance approach aims to achieve exploration, development and financial success while meeting stakeholders' expectations of sound corporate governance practices by proactively determining and adopting the most appropriate corporate governance arrangements.

ASX Listing Rule 4.10.3 requires listed companies to disclose the extent to which they have followed the recommendations set by the ASX Corporate Governance Council during the reporting period. The Company has disclosed this information on its website at www.carnavaleresources.com/corporate-governance. The Corporate Governance Statement is current as at 30 June 2026, and has been approved by the Board of Directors.

The Company's website at www.carnavaleresources.com contains a corporate governance section that includes copies of the Company's corporate governance policies.

Signed in accordance with a resolution of the directors made pursuant to s 298(2) of the Corporations Act 2001.

On behalf of the Directors.

**ANDY BECKWITH**
Chairman
Dated this 17th day of September 2026.
Perth, Western Australia

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the consolidated financial report of Carnavale Resources Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit,

have occurred other than the following:

During the financial year, the spouse of a recently appointed partner of the audit firm held a financial interest in Carnavale Resources Limited. This was discovered subsequent to the independence declaration in relation to the Group's half-year financial report for the period ended 31 December 2025 being issued to the directors. The partner was not a member of the audit engagement team, did not provide services to Carnavale Resources Limited and was not in a position to influence the conduct or outcome of the audit engagement.

The financial interest was identified through the firm's independence monitoring procedures and was determined to constitute a contravention of the firm's independence requirements and applicable professional standards. Upon identification, the financial interest was disposed of and the matter was investigated in accordance with the firm's quality management and independence policies.

Appropriate remedial actions were implemented and the firm determined that the breach did not compromise the objectivity of the audit engagement.

**Perth, Western Australia**
**17 September 2026**

**L Di Giallonardo**
**Partner**

**hlb.com.au**

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# CARNAVALE RESOURCES LIMITED
# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
# FOR THE YEAR ENDED 30 JUNE 2026

| | Note | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|---|
| Revenue | 3 | 246,291 | 151,839 |
| | | 246,291 | 151,839 |
| Expenditure | | | |
| Administrative expenses | | (798,311) | (590,147) |
| Exploration expenditure impaired | 11 | (61,529) | (2,588,666) |
| Foreign exchange gain / (loss) | | 12 | 24 |
| Share-based payments expense | 14 | (619,941) | - |
| Loss before related income tax benefit | | (1,233,478) | (3,026,950) |
| Income tax benefit | | - | - |
| Net loss attributable to members of the parent entity | | (1,233,478) | (3,026,950) |
| Other comprehensive income for the period, net of tax | | - | - |
| Total comprehensive loss for the year | | (1,233,478) | (3,026,950) |
| Loss per share | | | |
| Basic – cents | 16 | (0.34) | (1.15)[1] |
| Diluted – cents | 16 | (0.34) | (1.15)[1] |

[1] Restated as a result of the consolidation of the Company's share capital in December 2025.

The accompanying notes form part of these financial statements

## CARNAVALE RESOURCES LIMITED
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2026

| | Note | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|---|
| **Current assets** | | | |
| Cash and cash equivalents | 17(a) | 2,991,140 | 777,602 |
| Receivables | 8 | 196,735 | 117,439 |
| Other | 9 | 26,376 | 23,665 |
| **Total current assets** | | 3,214,251 | 918,706 |
| **Non-current assets** | | | |
| Other | 10 | 20,000 | 20,000 |
| Exploration and evaluation expenditure | 11 | 13,323,857 | 9,464,958 |
| **Total non-current assets** | | 13,343,857 | 9,484,958 |
| **Total assets** | | 16,558,108 | 10,403,664 |
| **Current liabilities** | | | |
| Trade and other payables | 12 | 448,660 | 224,619 |
| **Total current liabilities** | | 448,660 | 224,619 |
| **Total liabilities** | | 448,660 | 224,619 |
| **Net assets** | | 16,109,448 | 10,179,045 |
| **Equity** | | | |
| Issued capital | 13 | 50,877,591 | 44,380,048 |
| Reserves | 14 | 4,362,621 | 3,696,283 |
| Accumulated losses | 15 | (39,130,764) | (37,897,286) |
| **Total equity** | | 16,109,448 | 10,179,045 |

The accompanying notes form part of these financial statements

| | Issued capital $ | Reserves $ | Accumulated losses $ | Total $ |
|---|---|---|---|---|
| Balance at 1 July 2024 | 42,327,313 | 3,696,283 | (34,870,336) | 11,153,260 |
| Loss attributable to members of the parent entity | - | - | (3,026,950) | (3,026,950) |
| Total comprehensive loss for the year | - | - | (3,026,950) | (3,026,950) |
| Shares and options issued during the year (net of issue costs) | 2,052,735 | - | - | 2,052,735 |
| Balance at 30 June 2025 | 44,380,048 | 3,696,283 | (37,897,286) | 10,179,045 |

| | Issued capital $ | Reserves $ | Accumulated losses $ | Total $ |
|---|---|---|---|---|
| Balance at 1 July 2025 | 44,380,048 | 3,696,283 | (37,897,286) | 10,179,045 |
| Loss attributable to members of the parent entity | - | - | (1,233,478) | (1,233,478) |
| Total comprehensive loss for the year | - | - | (1,233,478) | (1,233,478) |
| Shares and options issued during the year (net of issue costs) | 6,543,640 | 300 | - | 6,543,940 |
| Fair value of options and performance rights issued | (76,097) | 696,038 | - | 619,941 |
| Transfer on conversion of performance rights | 30,000 | (30,000) | - | - |
| Balance at 30 June 2026 | 50,877,591 | 4,362,621 | (39,130,764) | 16,109,448 |

The accompanying notes form part of these financial statements

## CARNAVALE RESOURCES LIMITED
## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 30 JUNE 2026

| | Note | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Payments to suppliers | | (797,183) | (547,663) |
| Payments for due diligence expenses | | - | (50,000) |
| Interest received | | 146,861 | 71,839 |
| Other income | | 90,000 | 80,000 |
| Other income – R & D tax offset received | | - | 57,536 |
| **Net cash outflows from operating activities** | 17(b) | (560,322) | (388,288) |
| **Cash flows from investing activities** | | | |
| Payments for exploration and evaluation expenditure | | (3,770,081) | (2,131,690) |
| **Net cash outflows from investing activities** | | (3,770,081) | (2,131,690) |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares and options | | 7,090,520 | 2,200,000 |
| Issue costs - shares and options | | (546,579) | (147,265) |
| **Net cash inflows from financing activities** | | 6,543,941 | 2,052,735 |
| **Net increase / (decrease) in cash and cash equivalents held** | | 2,213,538 | (467,243) |
| Cash and cash equivalents at the beginning of the financial year | | 777,602 | 1,244,845 |
| **Cash and cash equivalents at the end of the financial year** | 17(a) | 2,991,140 | 777,602 |

The accompanying notes form part of these financial statements

## 1. CORPORATE INFORMATION

Carnavale Resources Limited is a company limited by shares, incorporated in Australia. The Company's shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activity of the Group is mineral exploration and development.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

### *(a) Basis of preparation*

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law. The financial statements have also been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial report is presented in whole Australian dollars.

*Going Concern*

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the commercial realisation of the Group's assets and the settlement of liabilities in the normal course of business.

The Group has incurred a loss for the year after tax of $1,233,478 (2025: $3,026,950) and experienced net operating and investing cash outflows of $4,330,403 (2025: $2,519,978). As at 30 June 2026, the Group has net current assets of $2,765,591.

Management has prepared a detailed cash flow forecast for the next 12 months from the date of this report, and the directors are satisfied that the going concern basis of preparation is appropriate.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the Group consisting of Carnavale Resources Limited and its subsidiaries.

### *(b) New, revised or amending Accounting Standards and Interpretations adopted*

*Standards and Interpretations applicable to 30 June 2026*

In the year ended 30 June 2026, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. As a result of this review the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group.

*Standards and Interpretations on issue not yet effective*

The Directors have also reviewed all Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2026.

As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations on issue not yet effective on the Group and, therefore, no change is necessary to Group accounting policies.

### *(c) Statement of compliance*

The financial statements of Carnavale Resources Limited (the Company) for the year ended 30 June 2026 were authorised for issue on the date the director's report was signed.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### *(d) Basis of consolidation*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Carnavale Resources Limited ('Company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Carnavale Resources Limited and its subsidiaries are referred to in this financial report as the Group.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

### *(e) Income tax*

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither that accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

***(f) Exploration and evaluation expenditure***

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and
(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
(b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

***(g) Revenue***

Revenue is recognised to the extent that control of the goods or services has passed, and it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

***Interest***

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

***(h) Cash and cash equivalents***

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

***(i) Employee benefits***

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date (where applicable). Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred (where applicable).

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### *(j) Impairment of assets*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired and makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether any previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### *(k) Earnings / (loss) per share*

Basic earnings / (loss) per share is calculated as net profit / (loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

### *(l) Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### *(m) Financial Instruments*

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. For financial liabilities, the portion of the change in fair value that relates to the Group’s credit risk is presented in other comprehensive income.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either be: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

***(n) Plant and equipment***

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end. Depreciation is calculated on a diminishing value basis over the estimated useful life of the assets as follows:

Plant and equipment – 4 years

***(o) Trade and other payables***

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

***(p) Issued capital***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

***(q) Segment Reporting***

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Carnavale Resources Limited.

***(r) Share based payments***

For equity-settled share-based payment transactions, the Group shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

The Group, from time to time, provides compensation benefits to employees (including directors) and consultants of the Group in the form of share-based payment transactions, whereby employees and consultants render services in exchange for shares or rights over shares (‘equity-settled transactions’).

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined by a Black-Scholes model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the recipient become fully entitled to the award (‘vesting date’).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### *(r) Share based payments (continued)*

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

### *(s) Critical accounting estimates and judgements*

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

*Exploration and evaluation expenditure*

The Group's accounting policy for exploration and evaluation expenditure is set out in Note 2 (f). The application of this policy necessarily requires the Board to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under this policy, it is concluded that the expenditures are unlikely to be recoverable by future exploitation or sale, then the relevant capitalised amount will be written off to the statement of comprehensive income.

The Board determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The Directors' decision is made after considering the likelihood of finding commercially viable reserves.

*Share-based payment transactions*

The Group measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using a Black-Scholes model, using various assumptions.

### *(t) Parent Entity Financial Information*

The financial information for the parent entity, Carnavale Resources Limited, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements.

## 3. REVENUE

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| ***Other revenue*** | | |
| Interest earned | 156,291 | 71,839 |
| Other income – option fee received | 90,000 | 80,000 |
| | 246,291 | 151,839 |

## 4. EXPENSES

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| ***Loss before income tax includes the following specific expenses:*** | | |
| Exploration expenditure impaired (Note 11) | 61,529 | 2,588,666 |

## 5. INCOME TAX

**(a) Prima facie tax benefit at 30% (2025: 30%) on loss from ordinary activities is reconciled to the income tax provided in the financial statements**

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| Loss before income tax | (1,233,478) | (3,026,950) |
| Prima facie income tax benefit at 30% (2025: 30%) | 370,043 | 908,085 |
| Tax effect of amounts which are not tax (deductible) / taxable in calculating taxable income: | | |
| Exploration expenses incurred | 1,176,128 | 600,731 |
| Exploration expenses impaired | (18,459) | (776,600) |
| Tax effect of capitalised share issue costs | 105,593 | 82,891 |
| Share-based payment expense | (185,982) | - |
| Other non-assessable items | 27,000 | 24,000 |
| Other non-deductible items | - | (15,000) |
| Income tax benefit adjusted for non (deductible) / taxable items | 1,474,323 | 824,107 |
| Deferred tax asset not brought to account | (1,474,323) | (824,107) |
| Income tax benefit | - | 57,536 |

**(b) Deferred tax assets**

The potential deferred tax asset arising from tax losses and temporary differences has not been recognised as an asset because recovery of tax losses is not yet considered probable.

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| Carry forward revenue losses | 13,958,521 | 12,527,890 |
| Carry forward capital losses | 2,717,459 | 2,744,459 |
| Capital raising costs | 252,737 | 119,938 |
| | 16,928,717 | 15,392,287 |

The benefits will only be obtained if:

(i) the companies in the Group derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;

## 5. INCOME TAX (continued)

### (b) Deferred tax assets (continued)

(ii) the companies in the Group continue to comply with the conditions for deductibility imposed by the Law; and

(iii) no changes in tax legislation adversely affect the companies in realising the benefits from the deductions for the losses.

### (c) Deferred tax liabilities

The potential deferred tax liability arising from capitalised exploration expenditure has not been recognised as a liability. This would reduce the potential deferred tax asset noted at (b) above.

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| Deferred exploration and evaluation expenditure | 3,629,671 | 2,429,306 |

## 6. AUDITOR'S REMUNERATION

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| The auditor of Carnavale Resources Limited is HLB Mann Judd. | | |
| Amounts received or due and receivable by the Company's auditors for: | | |
| Auditing or reviewing the Company's financial statements | 35,577 | 45,257 |
| | 35,577 | 45,257 |

## 7. KEY MANAGEMENT PERSONNEL

### (a) Details of key management personnel

***Directors***
A Beckwith
H Hale
R Brans
R Gajewski

### (b) Compensation of key management personnel

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| Short-term employee benefits | 387,609 | 353,680 |
| Post-employment benefits | 40,325 | 36,570 |
| Share-based payments | 431,022 | - |
| | 858,956 | 390,250 |

Information regarding individual directors' and key management personnel compensation is provided in the Remuneration report on pages 26 to 29.

### (c) Other key management personnel transactions

Accounting, secretarial and corporate service fees of $85,562 (2025: $64,302) and rental fees of $30,000 (2025: $30,000) were paid or payable during the year ended 30 June 2026 on normal terms and conditions to Corporate Consultants Pty Ltd, a company in which Mr Gajewski is a director and has a beneficial interest.

## 8. CURRENT RECEIVABLES

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Other receivables | 196,735 | 117,439 |
| | 196,735 | 117,439 |

Other receivables represent amounts outstanding for goods and services tax (GST) and interest receivable on cash held.

## 9. OTHER CURRENT ASSETS

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Prepayments | 26,376 | 23,665 |

## 10. OTHER NON-CURRENT ASSETS

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Credit card bond | 20,000 | 20,000 |

## 11. EXPLORATION AND EVALUATION EXPENDITURE

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Exploration and evaluation costs carried forward in respect of exploration areas of interest (i) | 13,323,857 | 9,464,958 |
| | | |
| Opening balance | 9,464,958 | 10,051,189 |
| Exploration expenditure incurred | 3,920,428 | 2,002,435 |
| Exploration expenditure impaired (i) | (61,529) | (2,588,666) |
| | 13,323,857 | 9,464,958 |

(i) The impairment of exploration expenditure in both periods relates to carried forward expenditure in respect of relinquished tenements or where the Directors have formed the view that successful development of the projects is not likely based on results achieved to date. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

## 12. TRADE AND OTHER PAYABLES

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| **Current** | | |
| Trade and other payables | 448,660 | 224,619 |

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## 13. ISSUED CAPITAL

### (a) Issued capital

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

### (b) Movements in issued capital

| | 2026 *Number* | 2025 *Number* | 2026 *$* | 2025 *$* |
|---|---|---|---|---|
| Balance at beginning of year | 4,090,218,394 | 3,423,551,728 | 44,380,048 | 42,327,313 |
| Share placement at an issue price of $0.0033 each in September 2024 | - | 666,666,666 | - | 2,200,000 |
| Share placement at an issue price of $0.0035 each in October 2025 | 857,142,857 | - | 3,000,000 | - |
| Non-renounceable rights issue in November 2025 at an effective issue price of $0.035 | 1,168,634,261 | - | 4,090,220 | - |
| Consolidation of capital (15 for 1 basis) – reduce by 5,708,263,288 shares | (5,708,263,288) | - | - | - |
| Shares issued during period on conversion of performance rights | 333,333 | - | 30,000 | - |
| Transaction costs arising from issue of securities | - | - | (622,677) | (147,265) |
| Balance at end of year | 408,065,557 | 4,090,218,394 | 50,877,591 | 44,380,048 |

### (c) Share options

In December 2025, the Company completed a consolidation of the Company's share capital on a 1 for 15 basis. All balances disclosed below in this section are on a post-consolidation basis.

Options to subscribe for ordinary shares in the capital of the Company have been granted as follows:

**2026**

| Exercise Period | Exercise Price | Opening Balance 1 July 2025 (restated) *Number* | Options Issued 2025/2026 *Number* | Options Exercised / Expired 2025/2026 *Number* | Closing Balance 30 June 2026 *Number* |
|---|---|---|---|---|---|
| On or before 31 July 2025 (i) | $0.105 | 4,500,000 | - | (4,500,000) | - |
| On or before 31 October 2028 (ii) | $0.09 | - | 2,000,000 | - | 2,000,000 |
| On or before 26 November 2028 (iii) | $0.09 | - | 10,800,000 | - | 10,800,000 |
| Total | | 4,500,000 | 12,800,000 | (4,500,000) | 12,800,000 |

(i) All options noted in (i) above expired unexercised.

## 13. ISSUED CAPITAL (continued)

### (c) Share options (continued)

(ii) In October 2025, Canaccord Genuity (Australia) Limited was appointed as Underwriter for a pro-rata non-renounceable entitlement offer to raise $4.09 million. For acting as Underwriter, Canaccord Genuity (Australia) Limited subscribed for 30 million options (2,000,000 options post consolidation) exercisable at $0.09 at an issue price of $0.00001.

(iii) In December 2025, following shareholder approval received at the annual general meeting of shareholders, a total of 7 million options were issued to directors Mr Beckwith (2 million options), Mr Hale (2 million options), Mr Gajewski (2 million options) and Mr Brans (1 million options) on a post-consolidation basis. In December 2025, the Company issued a further 3.8 million unlisted options to the company secretary and other consultants.

**2025**

| Exercise Period | Exercise Price | Opening Balance 1 July 2024 | Options Issued 2024/2025 | Options Exercised / Expired 2024/2025 | Closing Balance 30 June 2025 |
|---|---|---|---|---|---|
| | | *Number* | *Number* | *Number* | *Number* |
| On or before 31 July 2025 | $0.105 | 4,500,000 | - | - | 4,500,000 |
| On or before 31 March 2025 (i) | $0.12 | 5,833,333 | - | (5,833,333) | - |
| Total | | 10,333,333 | - | (5,833,333) | 4,500,000 |

(i) All options noted in (i) above expired unexercised.

### (d) Performance Rights

Performance rights in the capital of the Company have been granted as follows:

**2026**

| Grant Date | Expiry Date | Opening Balance 1 July 2025 | Rights Issued 2025/2026 | Rights Exercised 2025/2026 | Closing Balance 30 June 2026 |
|---|---|---|---|---|---|
| | | *Number* | *Number* | *Number* | *Number* |
| 3 Dec 2025 (i) | 3 Dec 2028 | - | 1,666,666 | (333,333) | 1,333,333 |
| Total | | - | 1,666,666 | (333,333) | 1,333,333 |

(i) In December 2025, the Company issued Chief Executive Officer (CEO), Mr Humphrey Hale a total of 1,666,666 performance rights, with an expiry date of 3 December 2028. In February 2026, 333,333 Performance Rights vested and were exercised into ordinary shares as the grant of the mining lease at the Kookynie Gold Project (KGP) occurred, 666,666 Performance Rights will vest and become exercisable on completion of a bankable feasibility study at KGP, accepted by the Board and 666,667 Performance Rights will vest and become exercisable upon the delivery of first 50,000t of ore from KGP to a processing facility or first 2,000oz gold refined by mint, whichever comes first.

## 14. RESERVES

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Option premium and share-based payments reserve (a) | 4,362,621 | 3,696,283 |
| Total | 4,362,621 | 3,696,283 |

**(a) Option premium and share-based payments reserve**

The option premium and share-based payments reserve represents amounts received in consideration for the issue of options to subscribe for ordinary shares in the Company and the value of options and performance rights issued to parties for services rendered. Refer to Note 18 for further details.

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Opening balance | 3,696,283 | 3,696,283 |
| Fair value of options issued and subscribed for by Lead Manager included in capital raising costs | 76,397 | - |
| Fair value of options and performance rights issued to directors, company secretary and consultants expensed | 619,941 | - |
| Shares issued on conversion of performance rights by employee (transfer to issued capital) | (30,000) | - |
| Balance at end of year | 4,362,621 | 3,696,283 |

## 15. ACCUMULATED LOSSES

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Accumulated losses at the beginning of the year | (37,897,286) | (34,870,336) |
| Loss for the year | (1,233,478) | (3,026,950) |
| Accumulated losses at the end of the year | (39,130,764) | (37,897,286) |

## 16. LOSS PER SHARE

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Net loss after income tax attributable to members of the Company | (1,233,478) | (3,026,950) |

| | Number | Number (restated) (i) |
|---|---|---|
| Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share | 362,823,386 | 262,913,217 |
| Effect of dilution | - | - |
| Weighted average number of ordinary shares for diluted earnings per share | 362,823,386 | 262,913,217 |

(i) The number of shares in the previous year have been restated to reflect the consolidation of the Company's share capital in December 2025.

**Effect of Dilutive Securities - Share Options**

The Company has 12,800,000 share options and 1,333,333 performance rights at 30 June 2026 (30 June 2025: 4,500,000 post-consolidation). Options and performance rights are considered to be potential ordinary shares. However, in periods of a net loss, share options and performance rights are anti-dilutive, as their exercise will not result in lower earnings per share. The options and performance rights have therefore not been included in the determination of diluted earnings per share.

## 17. NOTES TO THE STATEMENT OF CASH FLOWS

### (a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consists of cash at bank and in hand and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| Cash at bank | 2,991,140 | 777,602 |
| | 2,991,140 | 777,602 |

### (b) Reconciliation of loss after tax to net cash outflows from operations

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| Loss after income tax | (1,233,478) | (3,026,950) |
| Depreciation | - | - |
| Exploration expenditure impaired / expensed | 61,529 | 2,588,666 |
| Share-based payments expense | 619,941 | - |
| (Increase) / decrease in assets | | |
| Trade and other receivables | (18,147) | 56,554 |
| Increase / (decrease) in liabilities | | |
| Trade and other payables | 9,833 | (6,558) |
| Net cash outflows from operations | (560,322) | (388,288) |

### (c) Non-cash investing activities

There were no non-cash investing activities during the period.

## 18. SHARE-BASED PAYMENTS

The Company makes share-based payments to Directors, consultants and/or service providers from time to time, not under any specific plan.

The expense recognised in the Statement of Comprehensive Income in relation to share-based payments is $619,941 (2025: Nil), relating to options.

In December 2025, the Company completed a consolidation of the Company's share capital on a 1 for 15 basis. All balances disclosed below in this section are on a post-consolidation basis.

The following tables illustrates the number and weighted average exercise prices of and movements in share options issued during the year:

| Options | 2026 Number | 2026 Weighted average exercise price | 2025 Number (restated) | 2025 Weighted average exercise price (restated) |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 4,500,000 | $0.105 | 10,333,333 | $0.114 |
| Issued during the year | 12,800,000 | $0.09 | - | - |
| Exercised during the year | - | - | - | - |
| Forfeited / lapsed during the year | (4,500,000) | $0.105 | (5,833,333) | $0.12 |
| Outstanding at the end of the year | 12,800,000 | $0.09 | 4,500,000 | $0.105 |
| Exercisable at the end of the year | 12,800,000 | $0.09 | 4,500,000 | $0.105 |

Refer to Note 13 c) for details of the movement in options during the year ended 30 June 2026 and 30 June 2025.

Assumptions used in valuing the options issued in the current period are as follows:

## 18. SHARE-BASED PAYMENTS (continued)

**2026**

| Number of Options | Grant Date | Expiry Date | Fair value per option | Exercise price | Price of shares on grant date | Expected Volatility | Risk free interest rate | Dividend yield |
|---|---|---|---|---|---|---|---|---|
| 2,000,000 | 10 Nov 2025 | 31 Oct 2028 | $0.038 | $0.09 | $0.075 | 83% | 3.5% | - |
| 10,800,000 | 27 Nov 2025 | 26 Nov 2028 | $0.0497 | $0.09 | $0.09 | 83% | 3.5% | - |

Each option entitles the holder to purchase one ordinary share in the Company. The estimated value disclosed above is calculated at the date of grant using the Black-Scholes option pricing model.

**2026**

| Number of Performance Rights | Grant Date | Expiry Date | Fair value per option | Exercise price | Price of shares on grant date | Expected Volatility | Risk free interest rate | Dividend yield |
|---|---|---|---|---|---|---|---|---|
| 1,666,666 | 3 Dec 2025 | 3 Dec 2028 | $0.09 | - | $0.09 | 83% | 3.5% | - |

As the above vesting conditions for the performance rights are non-market conditions, the value of the performance rights was based on the Company's share price at the date of grant, $0.09 (post-consolidation). The Directors consider it probable that the vesting conditions will be met and therefore, the total value of the performance rights is being expensed up to the expiry date.

## 19. COMMITMENTS AND CONTINGENCIES

### (a) Commitments

In order to maintain current contractual rights concerning its mineral projects, the Group has certain commitments to meet minimum expenditure requirements on the mineral exploration assets in which it has an interest.

The current annual minimum lease expenditure commitments on tenements wholly owned by the Group comprising E28/1477 and M28/378, which covers the Grey Dam Project is $62,300 (2025: $82,300). The Company has entered into an option agreement for the sale of 80% of the Grey Dam Project to Trans Pacific Energy Group Pty Ltd (TPEG). During the Option Term and in the event of exercise of the Option, then until Completion, TPEG shall be solely responsible for maintaining E28/1477 and M28/378 in good standing in accordance with all applicable laws including meeting the minimum lease expenditure commitments.

The Company owns 80% of the Kookynie Gold Project, comprising tenements E40/355 and M40/362. In order to maintain current contractual rights, the Group has certain commitments to meet minimum expenditure requirements. The current annual minimum lease expenditure commitments on this tenement package is $105,600 (2025: 80,920).

In September 2020, the Company agreed to purchase 100% of P40/1480 at the Kookynie Gold Project and in order to maintain current contractual rights, the Group must spend $6,560 (2025: $6,560) to meet minimum lease expenditure commitments.

In October 2020, the Company agreed to purchase 100% of E40/394 at the Kookynie Gold Project and in order to maintain current contractual rights, the Group must spend $30,000 (2025: $20,000) to meet minimum lease expenditure commitments.

During the prior period Carnavale entered into an Asset Sale Agreement for the sale of E40/394 to KoBold Tjantjuru Pty Ltd (KoBold) under which KoBold has an exclusive right to acquire 100% of Tojo's interests in the Leonora tenement for $405,000. For the duration of the Agreement, ending on the Completion Date (or termination of this Agreement), KoBold shall be solely responsible for maintaining E40/394 in good standing in accordance with all applicable laws including meeting the minimum lease expenditure commitments. Kobold terminated the Agreement in May 2026 and Carnavale is now solely responsible for maintenance of the tenement.

## 19. COMMITMENTS AND CONTINGENCIES (continued)

The Company owns 80% of the Ora Banda South Gold Project and in order to maintain current contractual rights, the Group has certain commitments to meet minimum expenditure requirements. The current annual minimum lease expenditure commitments on this tenement package is $63,680.

In April 2021, the Company agreed to purchase 100% of the Barracuda Platinum-Palladium-Nickel-Copper (PGE-Ni-Cu) Project (granted license E58/551) and in order to maintain current contractual rights, the Group must spend $50,000 to meet minimum lease expenditure commitments. During the prior period, the Company entered into an option agreement for the sale of its Barracuda PGE-Ni-Cu Project with Midas Resources Ltd (ASX MM1) (Midas). During the Option Term and in the event of exercise of the Option, then until Completion, Midas shall be solely responsible for maintaining E58/551 in good standing in accordance with all applicable laws including meeting the minimum lease expenditure commitments. Midas must contribute the minimum lease expenditure commitments regardless of whether or not it exercises the Option and all rehabilitation of E58/551 including all costs relating to rehabilitation of the tenement.

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale, transfer, or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

### (b) Contingent liabilities

The Group does not have any contingent liabilities at balance date other than as below:

In accordance with the tenement acquisition agreements and option agreements entered into by the Group the following deferred consideration may become payable in future periods:

*M28/378 - Grey Dam Project*

- A 2% gross royalty is payable comprising a 1% gross revenue payable on all nickel, copper, cobalt value if any profit from them is derived and a 1% total gold production royalty.

*Barracuda Platinum-Palladium-Nickel-Copper (PGE-Ni-Cu) Project*

- A 0.5% Net Smelter Return ('NSR') royalty is payable on all minerals produced from the tenement.

*Kookynie Gold Project*

- In December 2025, the Company and Joint venture partner, Western Resources Pty Ltd (20%) signed a Mining and Heritage Agreement (Agreement) with Wangkatja Tjungula Aboriginal Corporation (WTAC) for the Nyalpa Pirniku native title holders, for the Kookynie Gold Project 60km south of Leonora in the Eastern Goldfields, WA. The Agreement provides compensation to WTAC and the Nyalpa Pirniku people and sets out how the Kookynie Gold Project may provide WTAC and the Nyalpa Pirniku people with employment and contracting opportunities. The Agreement also provides for milestone payments including environmental approval ($50,000) as well as a 1% royalty on gross revenue payable once gold production is achieved.
- A 1% royalty on gross revenue payable on all minerals produced from E40/394.

## 20. EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

## 21. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

**Overview**

The activities of the Company expose it to a variety of financial risks, including:

- market risk;
- credit risk; and
- liquidity and capital risks.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. Carnavale will use different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

**(a) Market risk**

***(i) Foreign exchange risk***

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The Australian dollar is the reporting currency for the Group and the functional currency for the parent company; however, during the financial year, the Group currently held foreign currency, namely US dollars. At period end, the Group did not have any foreign exchange risk that was material to the Group.

***(ii) Exposure to currency risk***

The Group's exposure to foreign currency risk at balance date was nil.

***(iii) Interest rate risk***

The Group is exposed to movements in market interest rates on short term deposits.

The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

| | Note | Floating interest rate | Fixed interest rate | Non-interest bearing | Total | Weighted average interest rate |
|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | % |
| **2026** | | | | | | |
| ***Financial assets*** | | | | | | |
| Cash and cash equivalents | 17(a) | 2,903,394 | - | 87,746 | 2,991,140 | 4.21 |
| Trade and other receivables | 8 | - | - | 196,735 | 196,735 | |
| | | 2,903,394 | - | 284,481 | 3,187,875 | |
| ***Financial liabilities*** | | | | | | |
| Trade and other payables | 12 | - | - | 448,660 | 448,660 | |

## 21. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

| | Note | Floating interest rate<br>$ | Fixed interest rate<br>$ | Non-interest bearing<br>$ | Total<br>$ |
|---|---|---|---|---|---|
| **2025** | | | | | |
| ***Financial assets*** | | | | | |
| Cash and cash equivalents | 17(a) | 763,351 | - | 14,251 | 777,602 |
| Trade and other receivables | 8 | - | - | 117,439 | 117,439 |
| | | 763,351 | - | 131,690 | 895,041 |
| ***Financial liabilities*** | | | | | |
| Trade and other payables | 12 | - | - | 224,619 | 224,619 |

**Cash flow sensitivity analysis for variable rate instruments**

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below, where interest is applicable. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2025.

| Consolidated | Profit or (Loss) | | Equity | |
|---|---|---|---|---|
| | 100bp increase<br>$ | 100bp decrease<br>$ | 100bp increase<br>$ | 100bp decrease<br>$ |
| **30 June 2026** | | | | |
| Variable rate instruments | 37,083 | (37,083) | 37,083 | (37,083) |
| Cash flow sensitivity (net) | 37,083 | (37,083) | 37,083 | (37,083) |
| **30 June 2025** | | | | |
| Variable rate instruments | 16,510 | (16,510) | 16,510 | (16,510) |
| Cash flow sensitivity (net) | 16,510 | (16,510) | 16,510 | (16,510) |

**Financial assets**

Trade receivables from other entities are carried at nominal amounts less any allowance for doubtful debts. Other receivables are carried at nominal amounts due. Interest is recorded as income on an accruals basis.

**Financial liabilities**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the group.

**Net fair value of financial assets and liabilities**

The carrying amount of financial assets and liabilities approximates fair value because of their short-term maturity.

***(iv) Commodity price risk***

As Carnavale explores for a variety of minerals including gold, tin, nickel, copper and cobalt, it will be exposed to the risks of fluctuation in prices for those minerals. The market for all of these minerals has a history of volatility, moving not only with the standard forces of supply and demand, but also in the case of gold, to investment and disinvestment. Prices fluctuate widely in response to changing levels of supply and demand but, in the long run, prices are related to the marginal cost of supply.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group’s receivables from customers and cash and investment deposits. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

## 21. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

The main risks the Group is exposed to through its financial instruments are the depository banking institution itself, holding the funds, and interest rates. The Group does not have significant exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk.

The Company and Group have established an allowance for impairment that represents their estimate of incurred losses in respect of other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures. The management does not expect any counterparty to fail to meet its obligations.

### (c) Liquidity and capital risk

The Group's total capital is defined as the shareholders' net equity plus any net debt. The objectives when managing the Company's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

The Group does not have a target debt / equity ratio but has a policy of maintaining a flexible financing structure so as to be able to take advantage of investment opportunities when they arise. There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

If the Company anticipates a need to raise additional capital in the next 12 months to meet forecasted operational activities, then the decision on how the Company will raise future capital will depend on market conditions existing at that time.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below analyses the Group's financial liabilities into maturity groupings based on the remaining period from the balance date to the contractual maturity date.

| 2026 | Within 1 year | Between 1 and 5 years | After 5 years |
|---|---|---|---|
| Financial liabilities | $ | $ | $ |
| Trade and other payables | 448,660 | - | - |
| Total Financial Liabilities | 448,660 | - | - |

| 2025 | Within 1 year | Between 1 and 5 years | After 5 years |
|---|---|---|---|
| Financial liabilities | $ | $ | $ |
| Trade and other payables | 224,619 | - | - |
| Total Financial Liabilities | 224,619 | - | - |

## 22. INVESTMENT IN CONTROLLED ENTITIES

### (a) Particulars in relation to subsidiaries

| Entity | Country of incorporation | Equity holding 2026 % | Equity holding 2025 % | Class of Shares |
|---|---|---|---|---|
| **Parent Entity** | | | | |
| Carnavale Resources Limited | | | | |
| **Subsidiaries** | | | | |
| Carnavale Petroleum Pty Ltd | Australia | 100 | 100 | Ord |
| Tojo Minerals Pty Ltd | Australia | 100 | 100 | Ord |

### (b) Risk exposure

Refer to Note 21 for information on the Group's and parent entity's exposure to credit, foreign exchange and interest rate risk.

## 23. SEGMENT REPORTING

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that there are no separate identifiable business segments. The operations and assets of Carnavale Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Australia.

## 24. PARENT ENTITY DISCLOSURES

### (a) Summary financial information

***Financial Position***

| | 2026 $ | 2025 $ |
|---|---|---|
| **Assets** | | |
| Current assets | 2,951,778 | 668,429 |
| Non-current assets | 13,268,226 | 9,611,339 |
| **Total assets** | 16,220,004 | 10,279,768 |
| **Liabilities** | | |
| Current liabilities | 110,556 | 100,723 |
| **Total liabilities** | 110,556 | 100,723 |
| **Net assets** | 16,109,448 | 10,179,045 |
| **Equity** | | |
| Issued capital | 50,877,591 | 44,380,048 |
| Share-based payment reserve | 4,362,621 | 3,696,283 |
| Accumulated losses | (39,130,764) | (37,897,286) |
| **Total equity** | 16,109,448 | 10,179,045 |

## 24. PARENT ENTITY DISCLOSURES (continued)

***Financial performance***

| | 2026<br>$ | 2025<br>$ |
|---|---|---|
| Loss for the year after income tax | (1,233,478) | (2,910,558) |
| Total comprehensive loss | (1,233,478) | (2,910,558) |

### (b) Guarantees entered into by the parent entity in relation to the debts of its subsidiary

Carnavale Resources Limited has not entered into any guarantees in relation to the debts of its subsidiary.

### (c) Contingent liabilities of the parent

The parent entity did not have any contingent liabilities as at 30 June 2026 or 30 June 2025 other than as disclosed in Note 19.

### (d) Contractual commitments for the acquisition of property, plant or equipment

As at 30 June 2026 (30 June 2025 – $Nil), the parent entity did not have any contractual commitments for the acquisition of property, plant or equipment.

**Basis of Preparation**

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001.* It includes certain information for each entity that was part of the Consolidated Entity at the end of the financial year.

**Determination of Tax Residency**

Section 295 (3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Consolidated Entity has applied the following interpretations:

*Australian tax residency*
The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

*Foreign tax residency*
Where necessary, the Consolidated Entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

*Partnerships and Trusts*
Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow-through basis, so there is no need for a general residence test. Some provisions treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax.

**Details of entities within the consolidated entity**

| Name of Entity | Type of Entity | Trustee, partner or participant in joint venture | Country of incorporation | % of share capital held | Australian resident or foreign resident (for tax purposes) | Foreign tax jurisdiction of foreign residents |
|---|---|---|---|---|---|---|
| | | | | | | |
| Carnavale Resources Limited | Body Corporate | N/A | Australia | N/A | Australian | N/A |
| Tojo Minerals Pty Ltd | Body Corporate | N/A | Australia | 100 | Australian | N/A |
| Carnavale Petroleum Pty Ltd | Body Corporate | N/A | Australia | 100 | Australian | N/A |

In the opinion of the Directors of Carnavale Resources Limited:

(a) The accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year then ended; and
(ii) complying with Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

(d) The information disclosed in the attached Consolidated entity disclosure statement is true and correct.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2026.

Signed in accordance with a resolution of the Directors made pursuant to s 295(5) of the Corporations Act 2001.

On behalf of the Board.

**ANDY BECKWITH**
Chairman

Dated this 17th day of September 2026
Perth, Western Australia

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Carnavale Resources Limited

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of Carnavale Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key Audit Matter | How our audit addressed the key audit matter |
|---|---|
| **Carrying value of exploration and evaluation expenditure**<br>Note 11 to the financial statements | |
| The Company has capitalised exploration and evaluation expenditure of $13,323,857 as at 30 June 2026.<br><br>Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements. | Our procedures included but were not limited to the following:<br><br>- We obtained an understanding of the key processes and relevant controls associated with management's review of the carrying value of exploration and evaluation expenditure;<br>- We obtained evidence that the Company has current rights to tenure of its areas of interest;<br>- We considered the existence of any indicators of impairment;<br>- We substantiated a sample of additions to exploration expenditure during the year;<br>- We ensured that the Company had not decided to discontinue exploration and evaluation at any areas of interest; and<br>- We ensured the adequacy of the disclosures made within the financial statements. |

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**REPORT ON THE REMUNERATION REPORT**

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Carnavale Resources Limited for the year ended 30 June 2026 complies with Section 300A of the *Corporations Act 2001*.

*Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

**HLB Mann Judd**
**Chartered Accountants**

**Perth, Western Australia**
**17 September 2026**

**L Di Giallonardo**
**Partner**

The shareholder information set out below was applicable as at 14 September 2026.

**1. Distribution of holders of listed equity securities**

| Size of holding | | | Ordinary Shares | % of Securities issued |
|---|---|---|---|---|
| 1 | - | 1,000 | 166 | 0.01% |
| 1,001 | - | 5,000 | 237 | 0.19% |
| 5,001 | - | 10,000 | 362 | 0.67% |
| 10,001 | - | 100,000 | 804 | 7.42% |
| 100,001 | and over | | 396 | 91.71% |
| | | | 1,965 | 100% |

**2. Voting rights**

The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present, who is a member or representative of a member shall have one vote and, on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options or performance rights have any voting rights.

**3. Substantial Shareholders**

An extract of the Company's register of substantial shareholders is set out below.

| ***Shareholder*** | **Number of Shares** |
|---|---|
| Philip John Coulson | 38,469,041 |
| Cremorne Capital Ltd at the RE for Lowell Resources Fund | 23,211,688 |
| Philip David Reese | 21,339,618 |

**4. Unmarketable parcels**

As at 14 September 2026 there were 440 shareholders with unmarketable parcels of shares.

**5. Top 20 shareholders (CAV)**

The names of the twenty largest shareholders as at 14 September 2026, who hold 49.43% of the fully paid ordinary shares of the Company were as follows:

| | Name of holder | Number of Shares | Percentage held |
|---|---|---|---|
| 1 | Troca Enterprises Pty Ltd <Coulson Super A/C> | 38,469,041 | 9.43% |
| 2 | Equity Trustees Limited <Lowell Resources Fund A/C> | 23,211,688 | 5.69% |
| 3 | Mr Michael Lynch & Mrs Susan Lynch <Lynch Superannuation A/C> | 21,629,548 | 5.30% |
| 4 | Mr Philip David Reese | 21,339,618 | 5.23% |
| 5 | Vienna Holdings Pty Ltd <The Ronjen Super A/C> | 14,632,305 | 3.59% |
| 6 | Penand Pty Ltd <Beckwith Super Fund A/C> | 13,000,000 | 3.19% |
| 7 | BNP Paribas Nominees Pty Ltd Acf Clearstream | 10,533,752 | 2.58% |
| 8 | Bilge & Co Pty Ltd | 6,653,384 | 1.63% |
| 9 | Mrs Xiaoyan Xia | 5,635,029 | 1.38% |
| 10 | Mrs Jennifer Gajewski <Donegal Investment A/C> | 5,255,263 | 1.29% |
| 11 | Chin Nominees Pty Ltd <Chin Nominees No 2 S/F A/C> | 5,100,000 | 1.25% |
| 12 | Jayleaf Holdings Pty Ltd <The Pollock Investment A/C> | 4,761,904 | 1.17% |
| 13 | Mr Matthew Caudle | 4,353,811 | 1.07% |
| 14 | Western Resources Pty Ltd | 4,333,333 | 1.06% |
| 15 | Citicorp Nominees Pty Limited | 4,150,529 | 1.02% |
| 16 | Wersman Nominees Pty Ltd | 4,025,000 | 0.99% |
| 17 | Lichita Pty Ltd <MLC Superfund A/C> | 3,750,000 | 0.92% |
| 18 | Mr William Donald Lloyd | 3,741,758 | 0.92% |
| 19 | BNP Paribas Noms Pty Ltd | 3,528,147 | 0.86% |
| 20 | Jetosea Pty Ltd | 3,527,447 | 0.86% |
| | | 201,631,557 | 49.43% |

**6. Unquoted equity securities**

Unquoted equity securities on issue at 14 September 2026 were as follows:

| Class | Number | Number of Holders | Note |
|---|---|---|---|
| Unlisted Options exercisable at $0.09 each on or before 31 October 2028 | 2,000,000 | 1 | 1 |
| Unlisted Options exercisable at $0.09 each on or before 26 November 2028 | 10,800,000 | 11 | 2 |
| Performance Rights | 1,333,333 | 1 | 3 |

Note 1: Holders of more than 20% of this class of options:

CG Nominees (Australia) Pty Ltd 2,000,000 options

Note 2: There are no holders of more than 20% of this class of options

Note 3: Holders of more than 20% of this class of performance rights:

H Hale 1,333,333 performance rights

**7. Securities subject to escrow**

There are no ordinary shares subject to escrow.

## Annual Mineral Resources Statement

Carnavale reviews and reports its Mineral Resources at least annually. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to the Mineral Resource estimates for our projects over the course of the year we are required to report these changes.

**Kookynie Gold Project, Swiftsure deposit, Western Australia.**

The Kookynie Gold Project mineral resource estimate announced on 20th May 2026 is reported in Table 1. The mineral resources as announced on the ASX 17th August 2025 is reported in Table 2. Mineral resources are 80% owned by Carnavale Resource Ltd and 20% owned by Western Resources Ltd. No reserves have been calculated for the Swiftsure deposit.

A summary of the MRE, reported by classification, is shown– a lower Au cut-off grade of 0.8 g/t is used for material above 320mRl, and 1.5 g/t Au for material below 320mrl.

| Swiftsure and Tiptoe Lodes CoG 0.8 > 320 mRL, 1.5 < 320 mRL | | | |
|---|---|---|---|
| | Kt | Au g/t | Au K oz |
| Measured | 182 | 5.1 | 30 |
| Indicated | 278 | 5.6 | 50 |
| Inferred | 394 | 3.2 | 40 |
| **(Measured, Indicated + Inferred)** | **855** | **4.4** | **120** |

***Table 1***, *20th May 2026 MRE for the Kookynie Gold Project including Swiftsure and Tiptoe lodes*

| Swiftsure and Tiptoe Lodes CoG 0.8 > 320 mRL, 1.5 < 320 mRL | | | |
|---|---|---|---|
| | Kt | Au g/t | Au K oz |
| Indicated | 426 | 5.6 | 77 |
| Inferred | 416 | 3.0 | 40 |
| **Total (Indicated + Inferred)** | **842** | **4.3** | **117** |

***Table 2***, *17th August 2025 MRE for Kookynie Gold Project including Swiftsure and Tiptoe lodes*

**Review of material changes**

The updated Mineral Resource (announced 20 May 2026) incorporates data from infill RC and metallurgical diamond drilling in Q1 2026 which allowed Carnavale to commission Cube Consulting to produce an update to the MRE. The infill RC drilling program was designed to increase the confidence of the bonanza grade zones within the open pit resource, derisking the pit development and bringing the project closer to early production.

The revised MRE includes a modest increase in total resources, which have benefited from the addition of measured resources. 58% of the resources above the 320mRL are in the measured category, this represents resources that would be included in possible open pit development. The new MRE represents a 2.5% increase in the size of the gold resource to 120koz (up from 117koz), with 67% of the MRE in Measured or indicated. The overall grade has improved from 4.3g/t to 4.4g/t. There still remains bonanza grades of 60kt @ 29g/t for 56koz as a core to the Swiftsure lodes, slightly improved over the previous resource.

**Grey Dam Ni-Co Deposit, Kurnalpi, Western Australia.**

In February 2019, a maiden JORC 2012 compliant Mineral Resource estimate was announced on the Grey Dam Ni-Co deposit. The estimate included all available historic drilling as well as 85 reverse circulation holes drilled by Carnavale during the 2018 calendar year. The total inventory for the Grey Dam Project now stands at 14.6 Mt at 0.75% Ni and 0.049% Co for 110,000t of nickel and 7,200t of cobalt.

There has been no change to the Mineral Resources at the Grey Dam Ni-Co deposit from June 2026 to June 2025.

## Grey Dam June 2025 and June 2024 Mineral Resource Inventory

| Domain | Class | Tonnes Mt | Ni % | Co % | Ni Metal Tonnes | Co Metal Tonnes |
|---|---|---|---|---|---|---|
| High Ni | Indicated | 10.0 | 0.77 | 0.049 | 77,100 | 4,900 |
| >0.5% Ni | Inferred | 3.9 | 0.76 | 0.043 | 30,100 | 1,700 |
| | **Sub Total** | **14.0** | **0.77** | **0.048** | **107,300** | **6,700** |
| Low Ni | Indicated | 0.3 | 0.46 | 0.093 | 1,600 | 300 |
| <0.5% Ni, >0.05% Co | Inferred | 0.3 | 0.45 | 0.100 | 1,200 | 300 |
| | **Sub Total** | **0.6** | **0.46** | **0.092** | **2,800** | **600** |
| **Total** | Indicated | 10.4 | 0.76 | 0.050 | 78,700 | 5,200 |
| **>0.5% Ni or >0.05% Co** | Inferred | 4.2 | 0.74 | 0.047 | 31,300 | 2,000 |
| | **Sub Total** | **14.6** | **0.75** | **0.049** | **110,000** | **7,200** |

***Table 6**, Detailed Mineral Resource Estimate – Grey Dam*
*(Rounding discrepancies may occur in summary tables)*

**COMPETENT PERSON STATEMENT**

In relation to Mineral Resources, the Company confirms that all material assumptions and technical parameters that underpin the relevant market announcements continue to apply and have not materially changed.

The information in this Annual Mineral Resources Statement that relates to Estimation and Reporting of Mineral Resources at the Kookynie Gold Project is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Job consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this Annual Mineral Resources Statement relating to the Grey Dam Resources is based on, and fairly represents information and supporting documentation prepared by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Payne consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

## Governance and Internal Control

The Company's procedures for the sample techniques and sample preparation are regularly reviewed and audited by independent experts.

Assays are performed by independent internationally accredited laboratories with a QAQC program showing acceptable levels of accuracy and precision.

The exploration assay results database is maintained and appropriately backed-up internally.

**Group mineral concession interests at 14 September 2026**

| ***Concession name and type*** | ***Registered Holder*** | ***File Number*** | ***Carnavale's current equity interest*** | ***Maximum equity interest capable of being earned*** |
|---|---|---|---|---|
| ***Location: Australia*** | | | | |
| Grey Dam Project, WA | Tojo Minerals Pty Ltd | M28/378, E28/1477[4] | 100% | 100% |
| Kookynie Gold Project, WA | Tojo Minerals Pty Ltd (80%) Western Resources Pty Ltd (20%) | E40/355, M40/362,<br>P40/1616 (Application)<br>L40/53 (Application)[1] | 80%<br>-<br>- | 80%<br>100%<br>100% |
| Kookynie Gold Project, WA | Tojo Minerals Pty Ltd | P40/1480 | 100% | 100% |
| Kookynie Gold Project, WA | Tojo Minerals Pty Ltd | E40/394 | 100% | 100% |
| Barracuda Project, WA | Tojo Minerals Pty Ltd | E58/551[3] | 100% | 100% |
| Ora Banda Gold Project, WA | Tojo Minerals Pty Ltd (80%) Western Resources Pty Ltd (20%) | P16/3081, P16/3082, P16/3077, P24/5274, P24/5275, P24/5276, P24/5277, P24/5278, P24/5279, P24/5280, P24/5281 and P24/5282[2] | 80% | 80% |

* Carnavale has the right to earn up to this level on expending the funds stated in the relevant Agreements.

1. In July 2020, Carnavale secured an option with Western Resources Pty Ltd to earn 80% of tenements comprising the Kookynie Gold Project. Under the terms of the agreement, Carnavale having explored the tenement area, elected to earn 80% of the tenements in July 2021 and formed a Joint Venture ("JV") (CAV 80%, Western Resources 20%), where Carnavale will free carry Western Resources Pty Ltd to the completion of a Bankable Feasibility Study (BFS) and on completion of a BFS Western Resources Pty Ltd will be obliged to contribute to future costs on a pro-rata basis or be diluted, or alternatively elect to convert its 20% equity interest to a 1.5% NSR ("Royalty") within 30 days of Carnavale notice of the completion of the BFS. Thereafter, no party to dilute to less than 10% equity in the Project, otherwise deemed to have no further interest and will assign the remaining interest to the other party.
2. In October 2020, Carnavale signed an exclusive and binding Option Agreement with Western Resources Pty Ltd to acquire 80% of the Ora Banda South Gold Project. Under the terms of the agreement, Carnavale having explored the tenement area, elected to earn 80% of the tenements in October 2022 and formed a JV (CAV 80%, Western Resources 20%), where Carnavale will free carry Western Resources Pty Ltd to the completion of a Bankable Feasibility Study (BFS) and on completion of a BFS Western Resources Pty Ltd will be obliged to contribute to future costs on a pro-rata basis or be diluted, or alternatively elect to convert its 20% equity interest to a 1.5% NSR ("Royalty") within 30 days of Carnavale notice of the completion of the BFS. Thereafter, no party to dilute to less than 10% equity in the Project, otherwise deemed to have no further interest and will assign the remaining interest to the other party.
3. Option agreement with Midas Resources Limited (ASX: MM1) - refer ASX release dated 23 August 2022.
4. Option agreement with Trans Pacific Energy Group Pty Ltd – refer ASX release dated 19 December 2023.