

EASTERN PILBARA DRILLING COMMENCES

KEY POINTS

- Drilling has commenced at Carawine's Western Star prospect
- Copper, manganese and cobalt targets to be tested, including:
 - Outcropping copper mineralisation up to 43.7% Cu in rock chip samples coincident with IP anomalism over 400m strike
 - Outcropping cobalt up to 0.11% Co and manganese up to 50% Mn in rock chip samples coincident with strong IP anomalism over 300m strike and extending beyond 150m depth
 - Surface manganese up to 53.8% Mn in rock chip samples coincident with IP anomalism over 500m strike
- Results expected mid-Q4 2018

Minerals explorer **Carawine Resources Limited** ("**Carawine**" or "**the Company**") (**ASX:CWX**) announced today that drilling has commenced at the Western Star prospect at its Oakover project in Western Australia's Eastern Pilbara region.

The drilling program is designed to test a number of copper, cobalt and manganese targets defined from induced-polarisation ("IP") geophysical surveying, rock chip sampling and geological mapping (Figures 1 & 2; see ASX announcement dated 28 August 2018 for details). Approximately 1,500m of reverse-circulation drilling is planned over a 10-day period, with results expected during Q4 2018.

Carawine Managing Director David Boyd said the recent geophysical surveys and sampling programs highlighted the potential for outcropping mineralisation to extend at depth.

"We have identified multiple copper, manganese and cobalt targets at Western Star that we're looking forward to drill testing and see this program as an excellent opportunity to establish the potential of the prospect to host significant mineral deposits."



Figure 1: Drilling commences at Western Star.

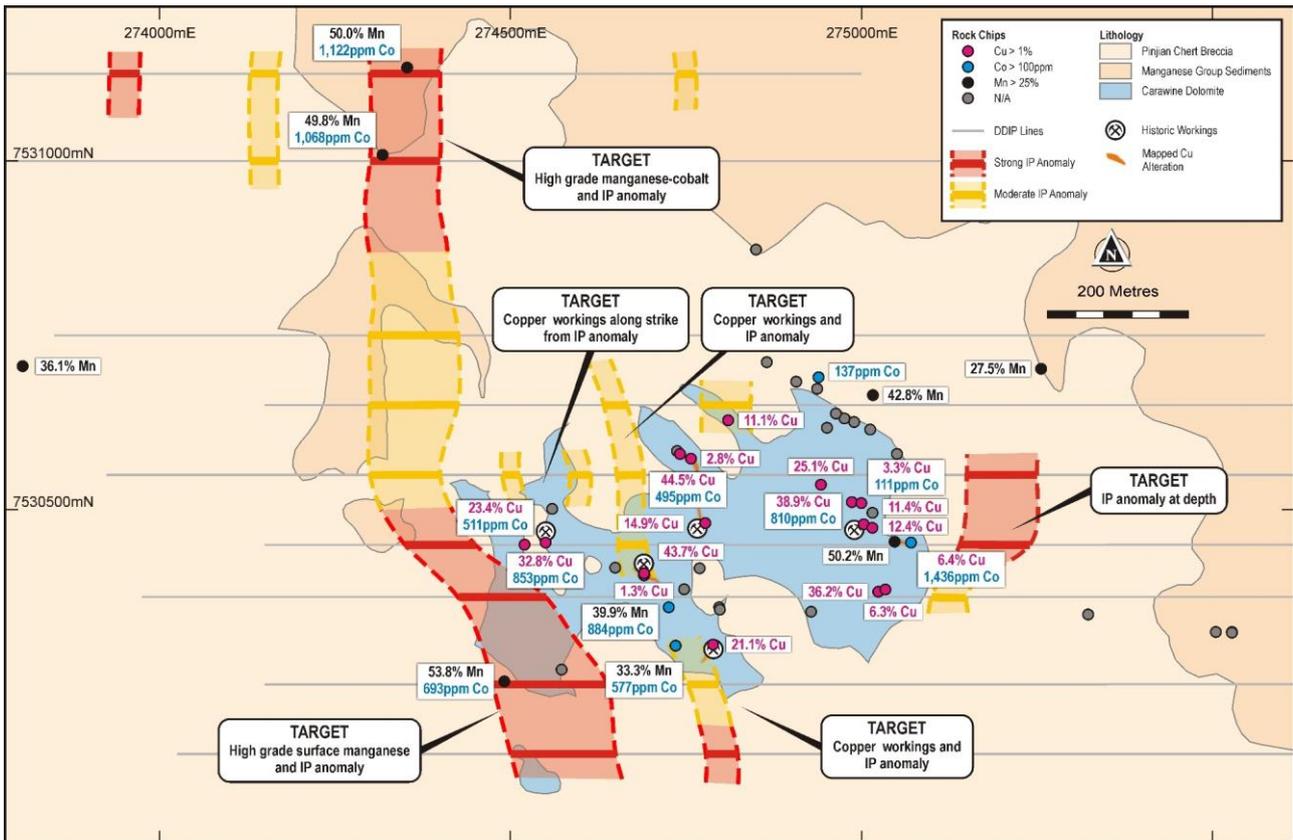


Figure 2: Western Star prospect plan showing drill targets, modelled IP anomalies, outcrop geology and summary of rock chip assay results.

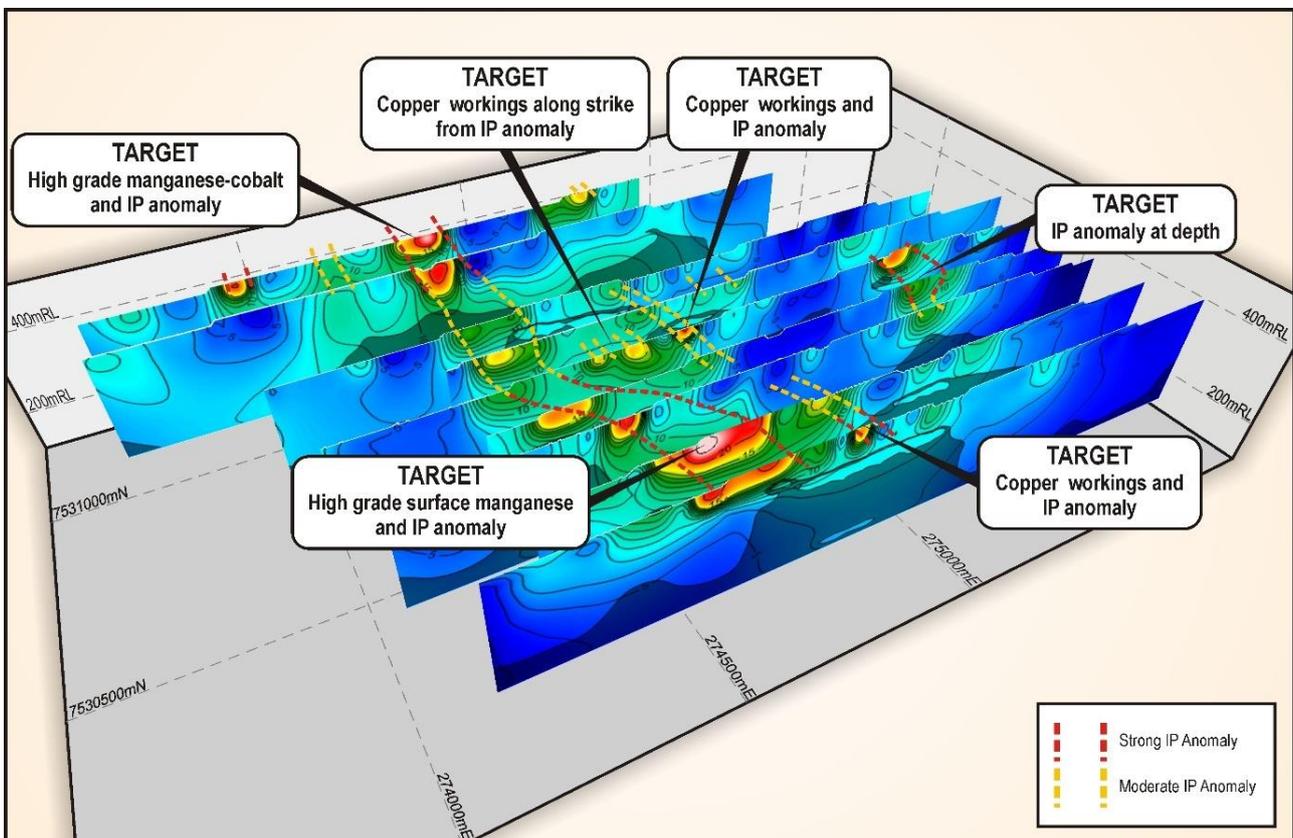


Figure 3: Western Star prospect modelled IP chargeability sections (mV/V; 3D isometric view looking from above towards the northeast).

About Western Star

The Western Star prospect is part of Carawine's Oakover project, located about 160km northeast of Newman in the Eastern Pilbara region of WA (Figure 4). The prospect comprises an area of about 2km x 1km of Carawine Dolomite, Pinjian Chert Breccia and Manganese Group sediments which host a number of historic copper workings and exploration costeans. Historic copper production from the area is reported at 179t of ore grading 20% Cu¹.

Detailed geological mapping and rock chip sampling by the Company's geologists has identified several mineralised trends of high-grade copper mineralisation in breccia and vein stockworks in dolomite (Figures 2 and 3). Rock chip samples of dolomite, altered wall rock and mineralisation exposed in outcrop and in historic workings have returned assay values ranging from 0.03% up to 43.7% Cu, and 7.8ppm up to 1,436ppm (0.14%) Co (Figure 2). Petrological examination of the samples identified copper mineralisation typical of that associated with weathering of copper-sulphides at depth in carbonate-rich host rocks.

Mapping has also identified a number of manganese outcrops away from the main area of historic copper workings. These have returned assay values ranging from <0.1% to 53.8% Mn, with cobalt values ranging from 244ppm up to 1,122ppm (0.11%) Co (associated with manganese assay values above 25% Mn). The Company considers cobalt-manganese mineralisation such as that identified at Western Star, and elsewhere within the Oakover Project as a potentially significant new source of cobalt and manganese, both important feedstocks for the growing global battery market.

The results of ground geophysical (Induced Polarisation ("IP") surveys) completed at Western Star identified several anomalies either coincident with, or along strike from surface mineralisation, indicating the potential for the mineralisation to extend below surface, defining targets for drill testing. For further details see the Company's ASX announcement dated 28 August 2018.

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¹ Marston, R., J., 1979. Mineral Resources Bulletin 13, Geol. Survey of WA.

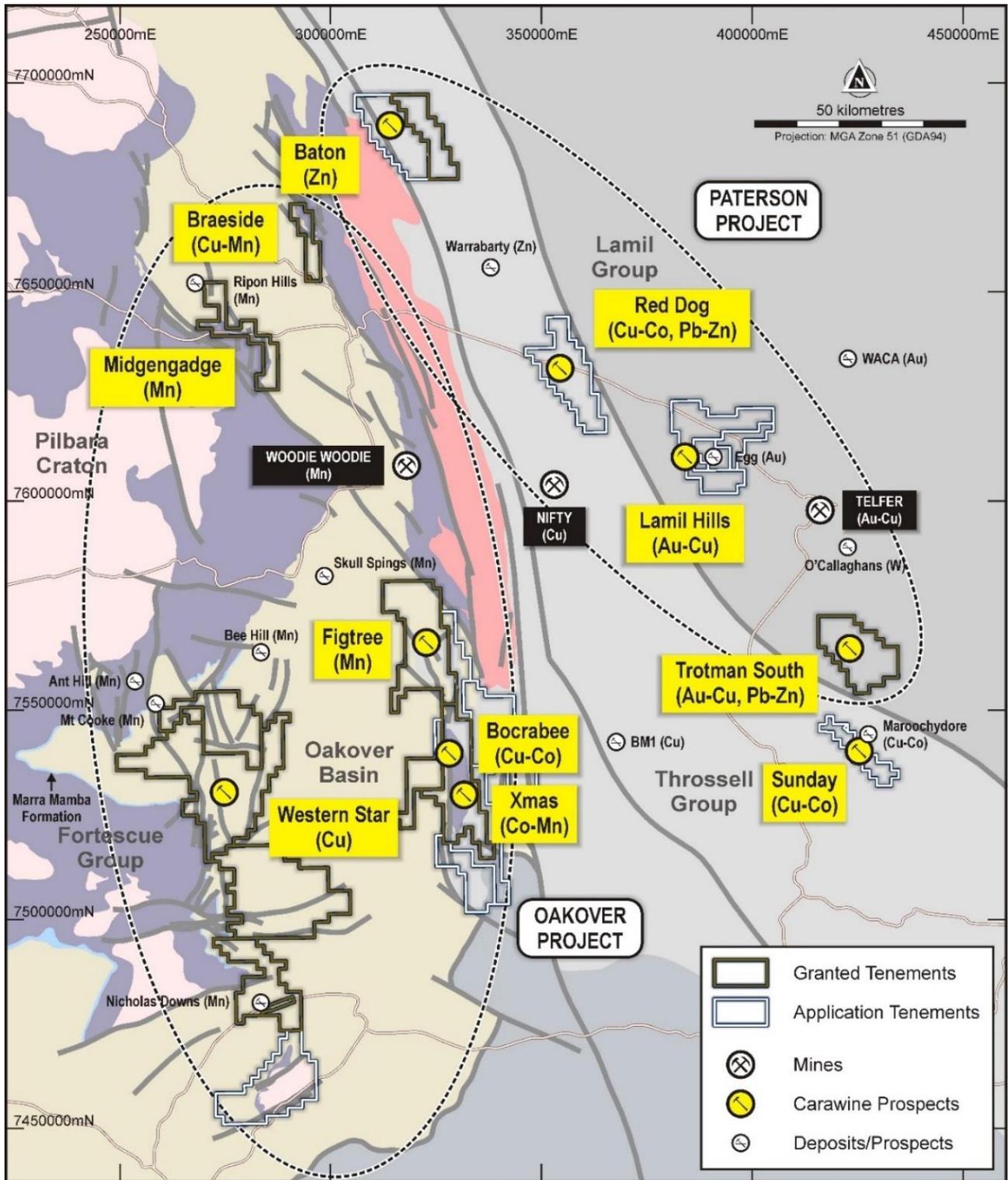


Figure 4: Oakover and Paterson Project tenement location plan.

COMPLIANCE STATEMENTS

PREVIOUSLY REPORTED INFORMATION

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

- Western Star: "Eastern Pilbara Geophysical Survey Outlines New Drill Targets" 28 August 2018
- Eastern Pilbara Projects: "Quarterly Activities Report for the Period Ended 30 June 2018" 25 July 2018
- Xmas region: "New Cobalt Targets Identified in Eastern Pilbara" 26 March 2018
- Western Star: "Significant IP Anomaly Identified Beneath Surface Copper Cobalt Mineralisation" 19 December 2017

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

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

FORWARD LOOKING AND CAUTIONARY STATEMENTS

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

ABOUT CARAWINE RESOURCES

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

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

The Jamieson Project is located near the township of Jamieson in the northeastern Victorian Goldfields and comprises granted EL5523, covering an area of 34 km² and containing the Hill 800 gold and Rhyolite Creek zinc-gold-silver prospects.

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

OAKOVER PROJECT (Cu-Co)

Located in the highly prospective Eastern Pilbara region of Western Australia, the Oakover Project comprises nine granted exploration licences and six exploration licence applications with a total area of about 3,270km², held 100% by the Company. The Oakover Project is centred on the Proterozoic Oakover Basin and is prospective for copper, cobalt, manganese and iron.

PATERSON PROJECT (Au-Cu, Cu-Co)

The Paterson Project, situated in the Paterson Province at the eastern edge of the Pilbara Craton, is dominated by Proterozoic age rocks of the Rudall Metamorphic Complex and the overlying Yeneena Supergroup. The Paterson area is host to the Telfer Au-Cu deposit, and the Nifty and Maroochydore stratabound Cu-(Co) deposits. Carawine's Paterson Project comprises two granted exploration licences and four exploration licence applications over an area of about 1,137km² across five regions: Lamil Hills, Trotman South, Red Dog, Baton and Sunday.

FRASER RANGE PROJECT (Ni-Cu-Co)

The Fraser Range Project includes 5 granted exploration licences in four areas: Red Bull, Bindii, Big Bullocks and Similkameen; and one exploration licence application Big Bang, in the Fraser Range region of Western Australia. The Project is considered prospective for magmatic nickel-sulphide deposits such as that at the Nova nickel-copper-cobalt operation. Carawine has a joint venture with Independence Group NL (IGO) for the five granted tenements (the Fraser Range Joint Venture). IGO currently hold a 51% interest and can earn an additional 19% interest in the tenements by spending \$5 million by the end of 2021.

ASX Code:	CWX	Market Capitalisation:	A\$13 million
Issued shares:	55.8 million	Cash (at 30 June, 2018):	A\$5.0 million