Carnaby

ASX Announcement

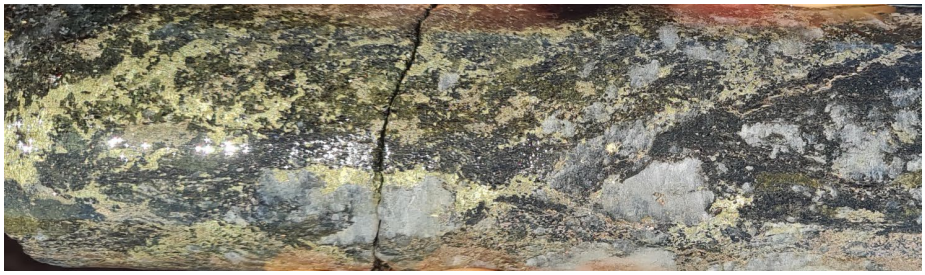
22 July 2021

FURTHER BROAD ZONES OF COPPER SULPHIDES INTERSECTED IN MULTIPLE HOLES AT NIL DESPERANDUM

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to provide a drilling update for the Greater Duchess Copper Gold Project in Mount Isa, Queensland.

Highlights – NIL DESPERANDUM COPPER SULPHIDES INTERSECTED

- **NLDD024** diamond tail extension has intersected **21m of copper sulphide** mineralisation in the Footwall Zone (Figure 1 & 2)



- **NLRC029** RC hole has intersected very broad and shallow zones of copper sulphide mineralisation over a **95m downhole interval** (Fig 3).
- **NLRC026, NLRC027, NLRC030** RC holes also completed, all holes intersecting broad zones on copper sulphide mineralisation (Figure 4).
- RC and diamond drilling is ongoing and samples are being dispatched to laboratories for analysis, all results are awaited.

The Company's Managing Director, Rob Watkins commented:

"Nil Desperandum is rapidly becoming a very significant copper gold deposit with scale and economic potential. We look forward to receiving further results from the ongoing drilling program which has been expanded in line with what we are witnessing."

Fast Facts

Shares on Issue 117.9M

Market Cap (@ 31.5 cents) $37.1M

Cash $8.0M[1]

[1]As of 31 March 2021

Board and Management

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Greg Barrett, Non-Exec Director & Company Secretary

Paul Payne, Non-Exec Director

Company Highlights

- Proven and highly credentialed management team
- Tight capital structure and strong cash position
- Projects near to De Grey's Hemi gold discovery on 442 km^2 of highly prospective tenure
- Greater Duchess Copper Gold Project, numerous camp scale IOCG deposits over 323 km^2 of tenure
- 100% ownership of the Tick Hill Gold Project (granted ML's) in Qld, historically one of Australia highest grade and most profitable gold mines
- Past production of 511 koz at 22 g/t gold
- Indicated and Inferred Mineral Resource of 845,000 t @ 2.47 g/t gold for 67,100 ounces[2]
- Proven and Probable Ore Reserves of 459,900 t @ 1.89 g/t gold for 28,000 ounces[2]

[2]Refer ASX release 5 June 2020, to be adjusted following Tailings Sale & NSR Royalty Agreement, refer ASX release 3 August 2020

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NIL DESPERANDUM PROSPECT

A recently commenced RC and diamond drilling program at Nil Desperandum has continued to intersect very impressive broad zones of copper-gold mineralisation in what appears to be a highly continuous southwest plunging high grade pipe-like shoot geometry. The mineralisation forms a coherent and subparallel hangingwall and footwall zone that remains completely open at depth.

All samples from the recently commenced RC and diamond drilling program are being prepared to be dispatched to ALS laboratories in Mt Isa.

The drilling program is ongoing and continues to expand the size and scale of the mineralised zones intersected.

NLDD024 (RESULTS PENDING)

Previously reported RC drill hole NLRC024 intersected 53m @ 0.5% copper including 18m @ 0.9% copper from the Hangingwall Zone, however the hole stopped short of testing the higher grade Footwall Zone. The hole has been extended with a diamond core tail and re-named NLDD024.

NLDD024 has intersected a 21m downhole zone of disseminated to quartz copper sulphide breccia mineralisation in the high grade Footwall Zone (Figure 1, 2 & 4). Mineralisation is hosted in a biotite schist with chalcopyrite-pyrite-pyrrhotite sulphide mineralogy.

The 21m of Footwall Zone copper mineralisation intersected in NLDD024 is approximately 70m down dip of the Footwall Zone intersected in NLRC017 which intersected 30m @ 1.8% copper and 0.3 g/t gold (See ASX release 24 June 2021) and remains completely open at depth (Figure 2).

Figure 1. Photo of NLDD024 diamond drill core at approximately 310m downhole.

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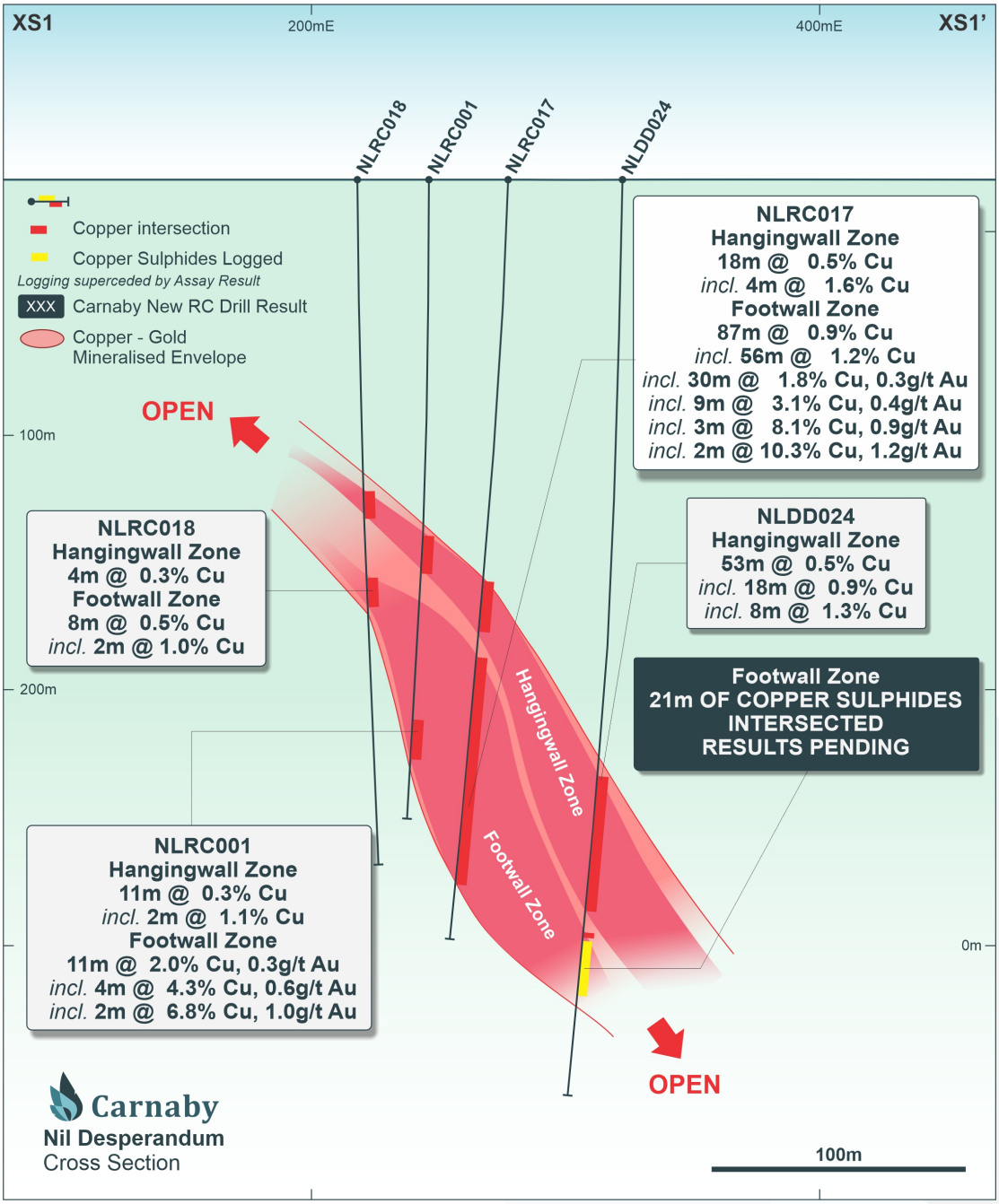

Figure 2. Nil Desperandum Drill Cross Section Showing NLDD024.

NLRC029 (RESULTS PENDING)

NLRC029 was drilled to target the potential up plunge position of wide and high grade zones of copper mineralisation historically intersected (**50m @ 1.1% copper including 19m @ 2.3% copper** in NDR017) and to test the lateral extent of the broad zones of copper mineralisation intersected by Carnaby in NLRC002 of **52m @ 0.7% copper including 6m @ 2.5% copper** (See ASX release 24 June 2021).

NLRC029 has intersected very broad zones of shallow copper sulphide mineralisation over a downhole width of 95m confirming a significant up plunge position of the copper mineralisation which is open and untested to the surface and to the north.

A stronger zone of disseminated to quartz copper sulphide breccia mineralisation over a 46m downhole length from 73m is present and confirms the approximate true width geometry of the mineralisation in a south east dipping zone (Figure 3 & 4).

Further drilling is underway, and all results are pending.

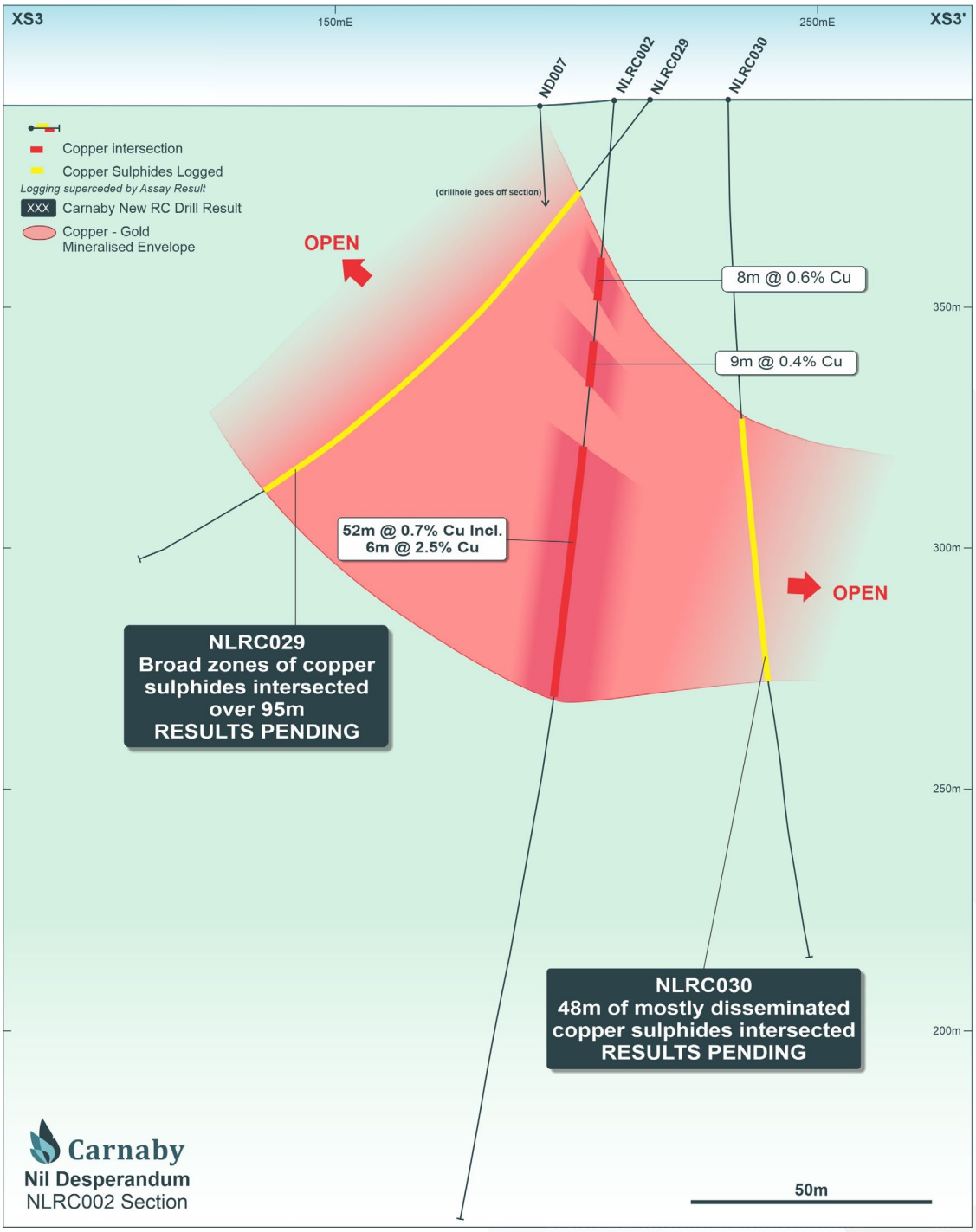

Figure 3. Nil Desperandum Drill Cross Section Showing New RC Drill Holes.

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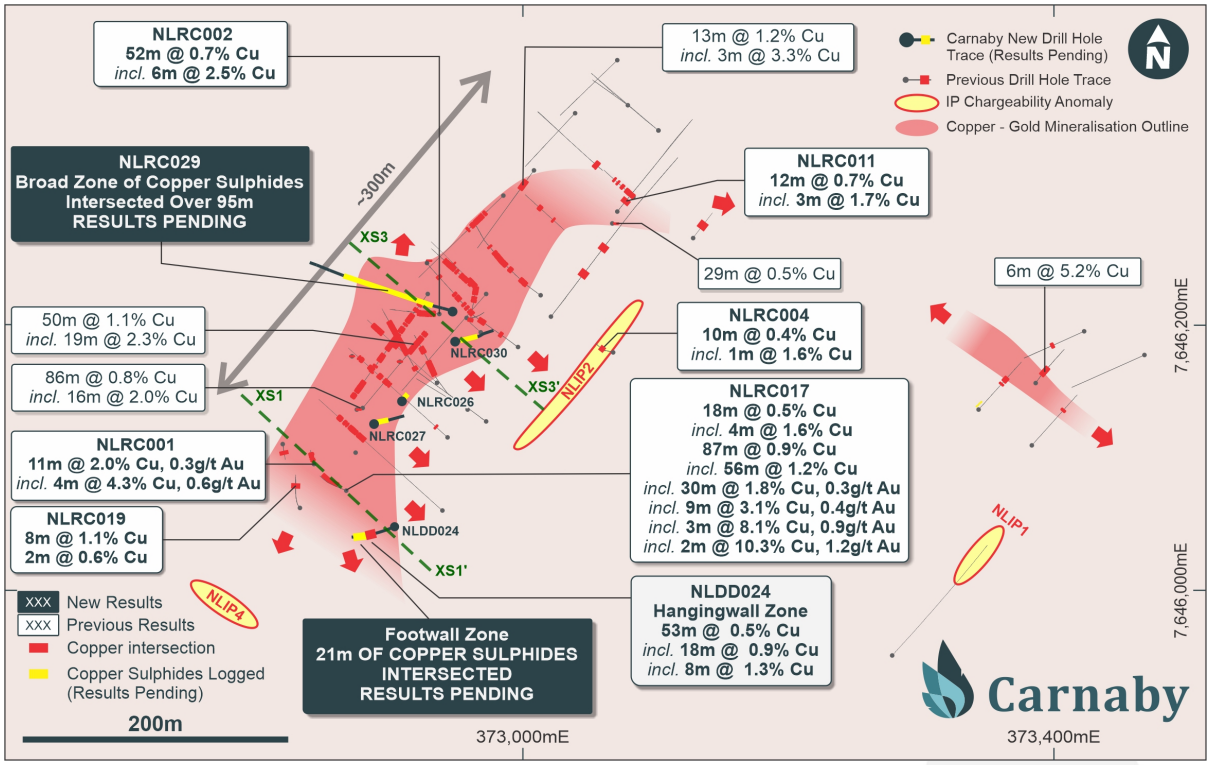

Figure 4. Nil Desperandum Plan Showing Location of New RC Drill Holes.

OTHER NEW RC DRILL HOLES COMPLETED (RESULTS PENDING)

Three other RC drill holes have been completed to date at Nil Desperandum and results are pending from all holes. Mineralised zones in the RC holes include;

NLRC026 32m down hole of disseminated and quartz copper sulphide breccia logged

NLRC027 35m and 17m of disseminated and quartz copper sulphide breccia logged

NLRC030 48m of mostly disseminated copper sulphides logged

These holes all hit encouraging broad zones of copper sulphide mineralisation extending the mineralisation down dip and all intersections remain completely open at depth (Figure 4).

Additional drilling is underway and results are awaited for all holes.

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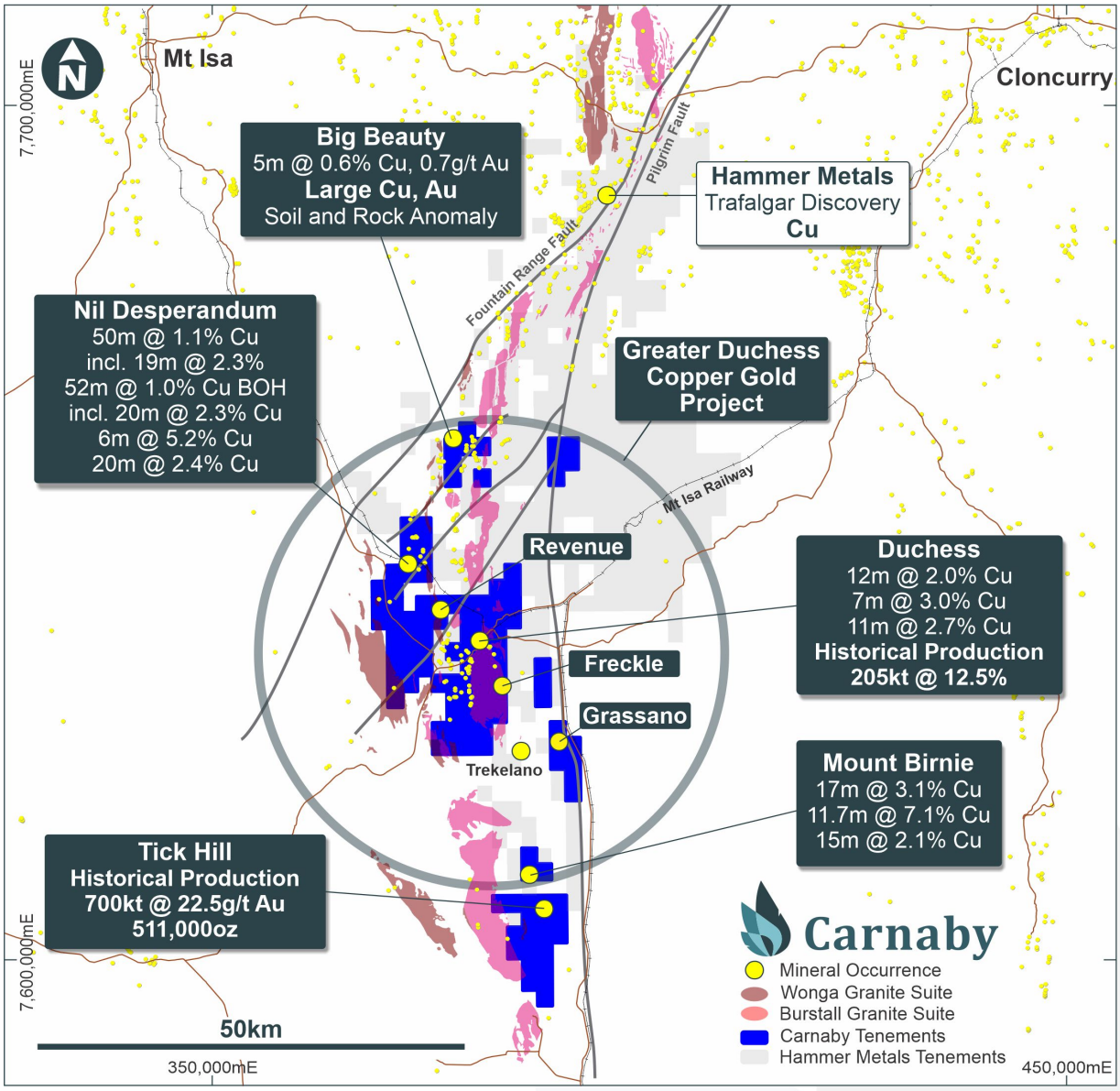

Figure 5. Greater Duchess Copper Gold project location map.

Further information regarding the Company can be found on the Company's website www.carnabyresources.com.au

For further information please contact:
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Competent Person Statement

The information in this document that relates to exploration results is based upon information compiled by Mr Robert Watkins. Mr Watkins is a Director of the Company and a Member of the AusIMM. Mr Watkins consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Watkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

Disclaimer

References may have been made in this announcement to certain ASX announcements, including references regarding exploration results, mineral resources and ore reserves. For full details, refer to said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and the mentioned announcements, 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 of estimates of Mineral Resources, Exploration Target(s) or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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 announcement.

Previously released ASX Material References that relates to announcement include:

Greater Duchess Copper Project Continues to Grow, 5 July 2021

Outstanding Drill Results at Nil Desperandum, 24 June 2021

Quality Results At Mt Birnie, Sulphides Hit Nil Desperandum, 10 June 2021

Nil Desperandum Strong IP Conductors, 7 May 2021

Greater Duchess Copper Gold Project Update, 17 February 2021

Spectacular Historical Drill Results – 11m @ 7.1% Cu, 11 June 2019

Tick Hill Key Target Area Update, 16 May 2019

Acquisition of Tick Hill Gold Project, Past Production 511koz @ 22.5g/t Gold, New Board Appointments, 12 March 2019