Carnaby

ASX Announcement

13 December 2021

EXPLORATION UPDATE

SIGNIFICANT COPPER INTERSECTED AT GREATER DUCHESS PROJECT

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to provide an exploration update for the Greater Duchess Copper Gold Project in Mt Isa, Queensland and the Strelley Gold Project in the Mallina Basin, Pilbara, WA.

Highlights

- First diamond hole NLDD042 in the new program has extended the main **Nil Desperandum** shoot intersecting an **80m downhole zone of copper sulphide** mineralisation, including a 0.9m wide semi massive copper sulphide breccia zone (see photo below left), results pending.

- A second step out diamond hole to target the as yet untested IP anomaly down plunge of NLDD042 will commence this week.
- First RC drill holes at the 100% owned **Lady Fanny Prospect** have intersected **strong zones of copper sulphide mineralisation**, results pending (see photo above right).
- At the **Strelley Gold Project**, RC drilling is progressing well with 19 RC holes completed to date for 3,150m. Results pending from all holes.

The Company's Managing Director, Rob Watkins commented:

"Drilling at Greater Duchess Copper Gold and Strelley Gold projects is progressing apace with both drill rigs double shifting whilst endeavouring to complete the planned programs prior to end of year. While we are waiting on results from all drill holes completed so far, we are extremely encouraged by the broad zones of copper sulphide mineralisation we are seeing at Nil Desperandum and Lady Fanny from the first holes drilled in this current program. We look forward to receiving the ensuing copper and gold results."

Fast Facts

Shares on Issue 118.1M

Market Cap (@ 27 cents) $31.9M

Cash $5.6M[1]

[1]As of 31 September 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 207,000 t @ 6.71 g/t gold for 44,600 ounces
- Proven and Probable Ore Reserves of 48,600 t @ 6.53 g/t gold for 10,200 ounces

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GREATER DUCHESS COPPER GOLD PROJECT (Carnaby 82.5 - 100%)

A universal drilling rig commenced RC and diamond drilling at the Greater Duchess Copper Gold project in the first week of December. The rig is double shifting and to date a total of 6 holes for 872m of drilling has been completed of a 4,000m planned program. Results pending from all holes completed.

NIL DESPERANDUM PROSPECT (CARNABY 82.5%)

At Nil Desperandum the first diamond hole in the current program has intersected an **80m downhole interval of intermittently disseminated, semi massive to breccia hosted copper sulphide mineralisation** in NLDD042, results pending (Figure 1 & 2).

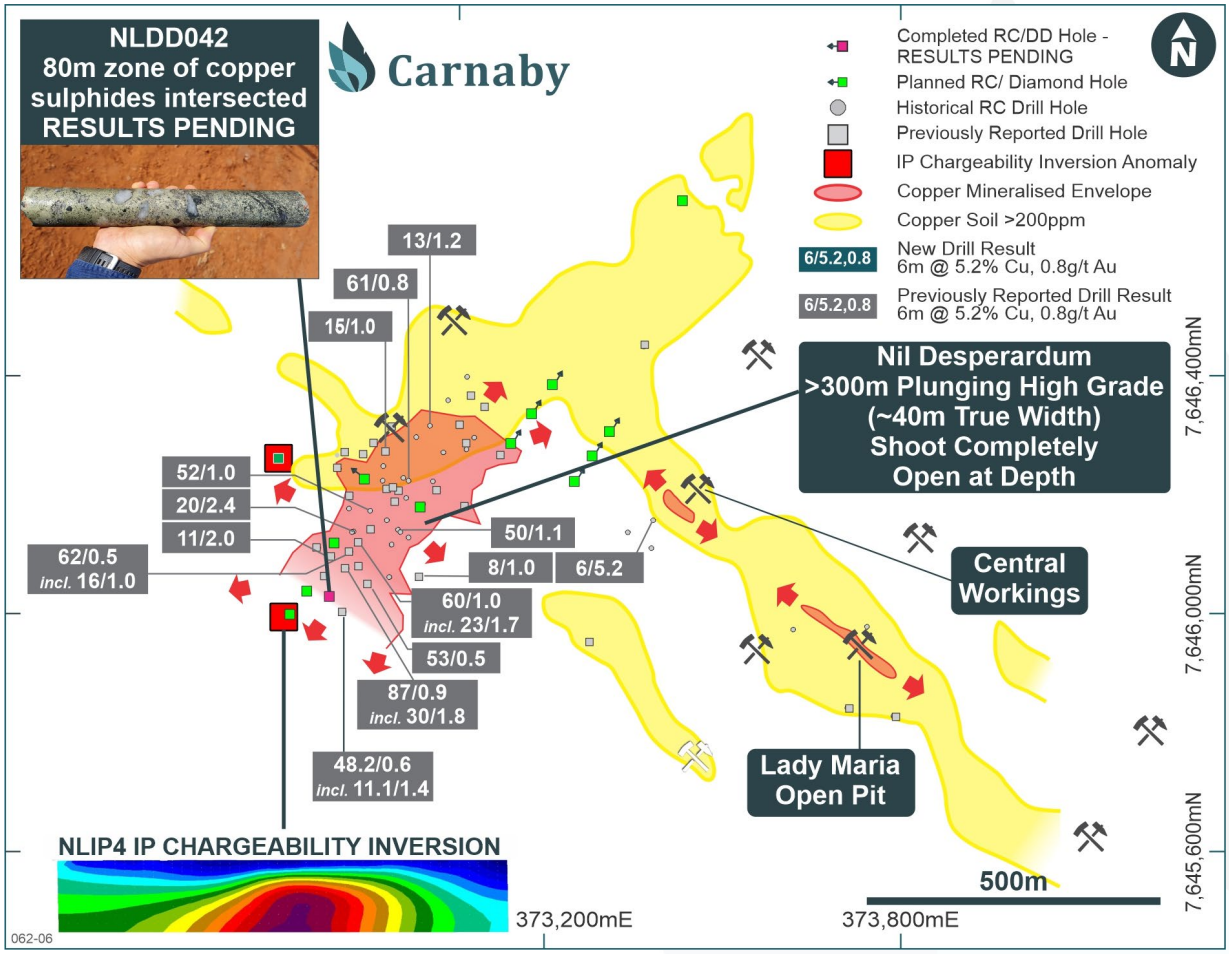

Figure 1. Plan of Nil Desperandum Showing location of NLDD042.

The upper intervals of the copper mineralisation in NLDD042 appear to form an overall transition from lower grade disseminated zones with narrower zones of semi massive copper sulphides towards the lower sections, where more breccia hosted copper sulphide mineralisation is present towards the base of a sharp footwall contact. An example of high grade breccia hosted copper mineralisation is shown in Figure 2 below.

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Visually the southwest plunge of the Nil Desperandum shoot appears to be robustly continuing at depth and remains completely open down plunge from NLDD042 (Figure 1).

The next hole to be drilled at Nil Desperandum will be a step out hole to test the NLIP4 IP anomaly which is coincident with the interpreted plunge of the main shoot down plunge from the mineralisation intersected in NLDD042 (Figure 1). The diamond hole will commence this week.

Figure 2. Photo of breccia copper mineralisation from NLDD042.

LADY FANNY PROSPECT (CARNABY 100%)

At the **Lady Fanny Prospect,** a total of 5 RC holes have been completed to date with results pending from all holes drilled (Figure 4). The first RC holes at the Lady Fanny Prospect targeting beneath the historical open pits and channel results (see ASX release 25 October 2021), have intersected strong copper sulphide mineralisation in several holes (Figure 3).

Figure 3. Lady Fanny RC drill chips from LFRC013.

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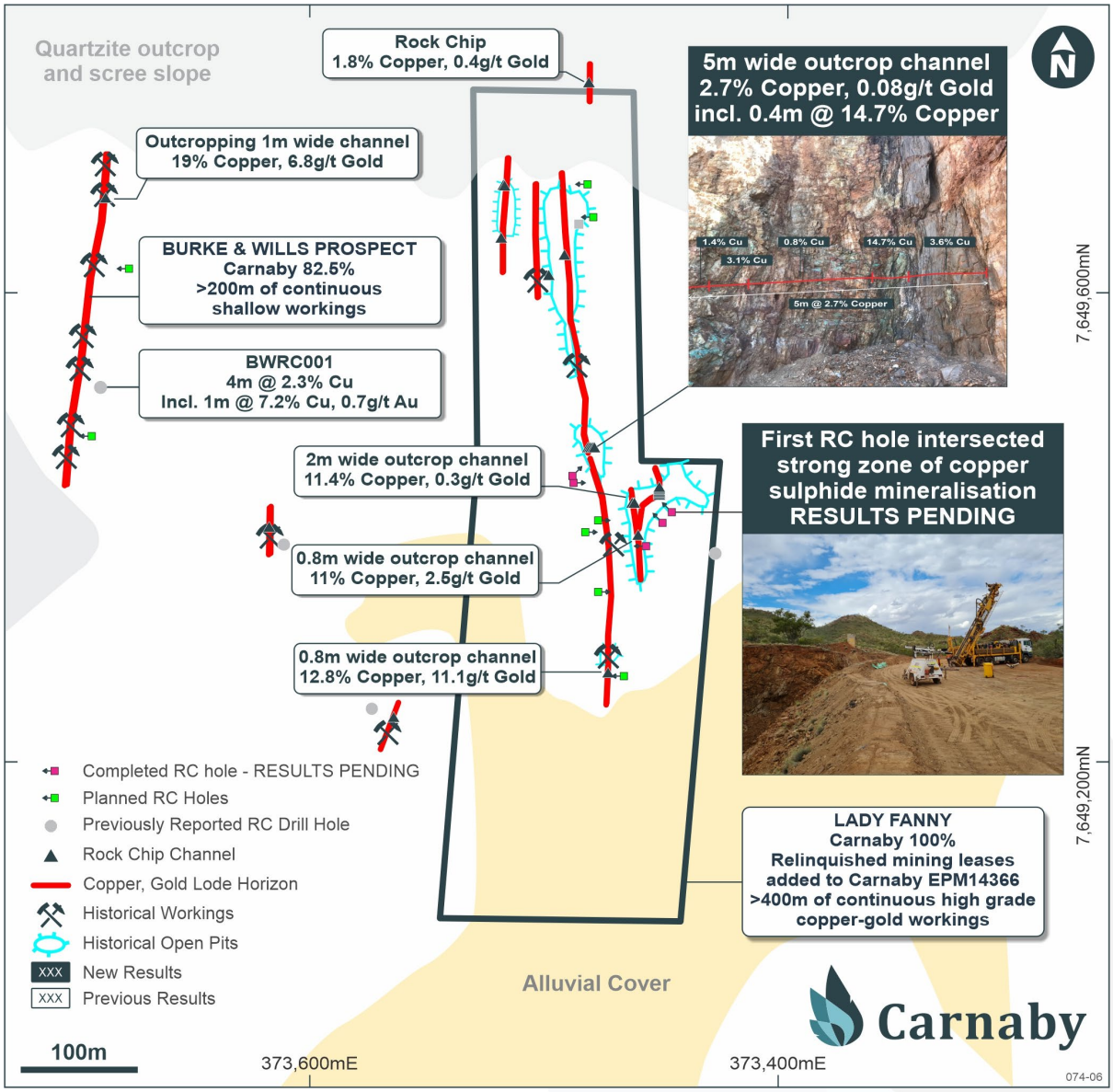

Figure 4. Plan of Lady Fanny Prospect showing location of new and planned RC holes.

STRELLEY GOLD PROJECT (Carnaby 100%)

A total of 19 RC holes for 3,150m has been completed to date of a planned 6,000 m drilling program (Figure 5). Results are pending from all holes drilled.

Drilling moved to double shift in an attempt to complete the program before the end of the year.

The RC drilling program at the >4km long Strelley Gold Corridor is targeting the newly identified Bastion, Stockade and Alcazar Prospects where significant high grade gold mineralisation was intersected in the previous RC drilling program in wide spaced drilling (See ASX release 27 October 2021).

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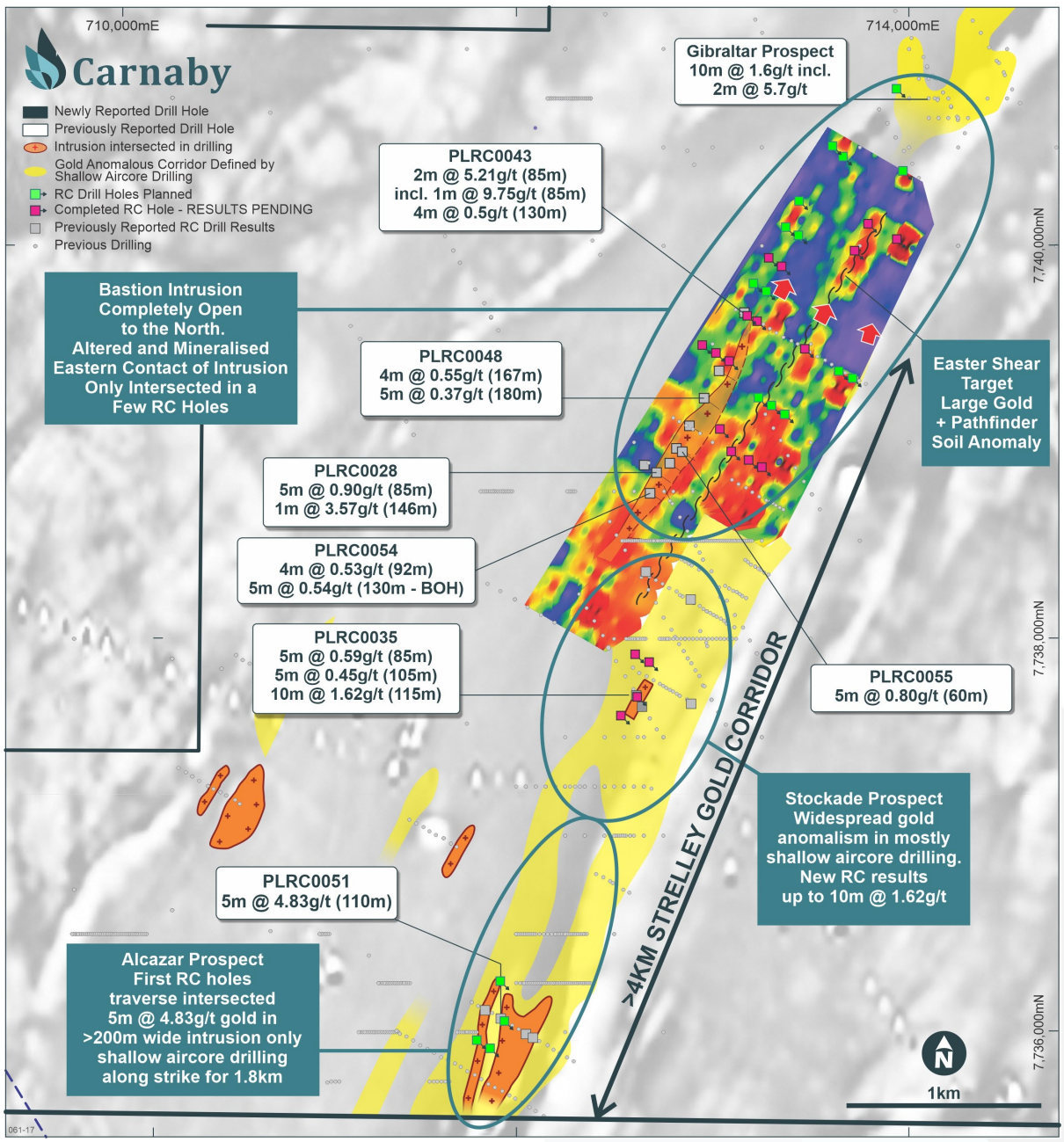

Figure 5. Strelley Gold Corridor showing location of planned and completed RC holes.

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:

Strelley Gold Corridor Extended to Over 4km Strike, 27 October 2021

Greater Duchess Copper Gold Project Grows, 25 October 2021

Strelley Gold Project Interim Exploration Update, 15 October 2021

Mineralisation Extended Greater Duchess Copper-Gold Project, 16 September 2021

Significant Intrusion Hosted Gold Discovery 5m @ 8.55gt Gold, 8 September 2021

60m @ 1% copper at Greater Duchess, 13 August 2021

Further Broad Zones of Copper Sulphides at Greater Duchess, 22 July 2021

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

Bastion Intrusion Extended to 1.4 km Strike, 28 May 2021

Nil Desperandum Strong IP Conductors, 7 May 2021

Intrusion Hosted Gold up to 3.2 g/t Intersected at Strelley, 5 May 2021

8,000m Drilling Program Commenced at Strelley, 4 March 2021

Greater Duchess Copper Gold Project Update, 17 February 2021

Compelling Strelley and Tick Hill Drill Results, 27 January 2021

Key Land Access Agreement Signed at Strelley, 23 December 2020

First Aircore Results Define Anomaly, 14 December 2020

Outstanding Historical Gold Drill Results at Strelley, 22 July 2020

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