Carnaby

ASX Announcement

17 December 2021

SPECTACULAR COPPER DISCOVERY - GREATER DUCHESS PROJECT

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to announce a spectacular copper discovery at the Nil Desperandum Prospect within the Greater Duchess Copper Gold Project in Mt Isa, Queensland.

Highlights

- The RC pre-collar to NLDD044 has intersected a **34m down hole zone of copper sulphide including a 24m zone of mostly semi massive copper sulphide** (see photo below), results pending.

- **NLDD044 is the first drill hole to test the NLIP4 Induced Polarisation (IP) chargeability inversion anomaly (Figure 1 & 2). The IP anomaly is almost certainly attributable to copper sulphide mineralisation.**
- **The high-grade copper intersection in NLDD044 remains completely open at depth and along strike to the southwest where the plunge of the mineralisation appears to be flattening (Figure 2).**
- **Drilling is ongoing and additional IP will be fast tracked to target the extensions to the southwest.**

The Company's Managing Director, Rob Watkins commented:

"Nil Desperandum is rapidly emerging as a major copper gold discovery in one of Australia's premier copper districts located only 70km from Mt Isa and surrounded by world class infrastructure. The deposit appears to be getting bigger and better at depth and we are now fast-tracking further IP geophysical surveys to help guide a follow-up drilling program which will commence in Q1 2022."

Fast Facts

Shares on Issue 118.1M

Market Cap (@ 29 cents) $34.2M

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

NIL DESPERANDUM PROSPECT (CARNABY 82.5%)

An RC / diamond hole, NLDD044 has intersected a **34m downhole interval of strong copper sulphide (chalcopyrite) mineralisation which includes a 24m downhole zone of semi massive copper sulphide** (Figures 1 - 4).

NLDD044 was designed to target an Induced Polarisation (IP) chargeability inversion anomaly coincident with the predicted plunge of the Nil Desperandum main shoot breccia zone. **NLDD044 intersected the very strong zones of copper mineralisation at the exact location of the IP chargeability anomaly**.

It is almost certain that the IP anomaly is being caused by the copper sulphide mineralisation intersected in NLDD044. **The mineralisation remains completely open at depth to where the IP chargeability anomaly is getting stronger (Figure 1) and completely open to the southwest along strike and down plunge (Figure 2).**

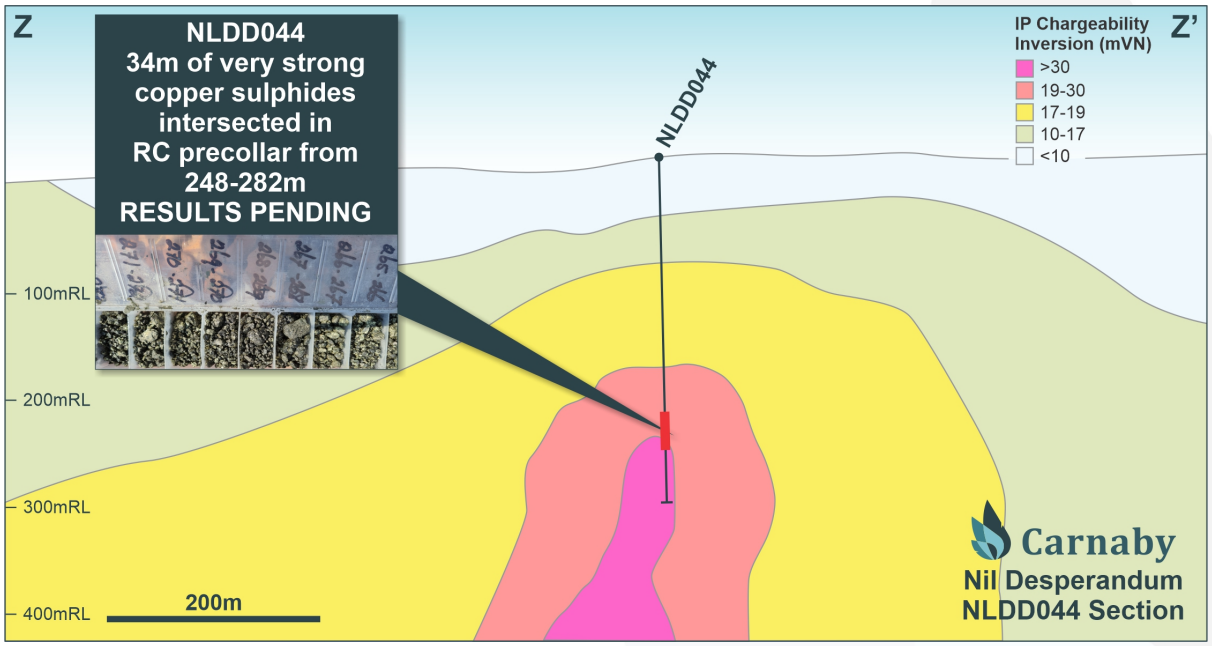

Figure 1. Drill Section showing NLDD044 and IP chargeability anomaly.

NLDD044 is approximately 80 to 100m along strike from the nearest drilling which includes NLDD042, announced only 4 days ago to have intersected an **80m downhole zone of copper sulphide mineralisation from 235m to 315.7m (RESULTS PENDING)** (see ASX release 13 December 2021).

Continuous high grade copper mineralisation hosted in a wide (~40m true width) tabular southeast dipping and southwest plunging breccia shoot has now been defined over 500m and remains completely open to the southwest and at depth from the new intersection in NLDD044.

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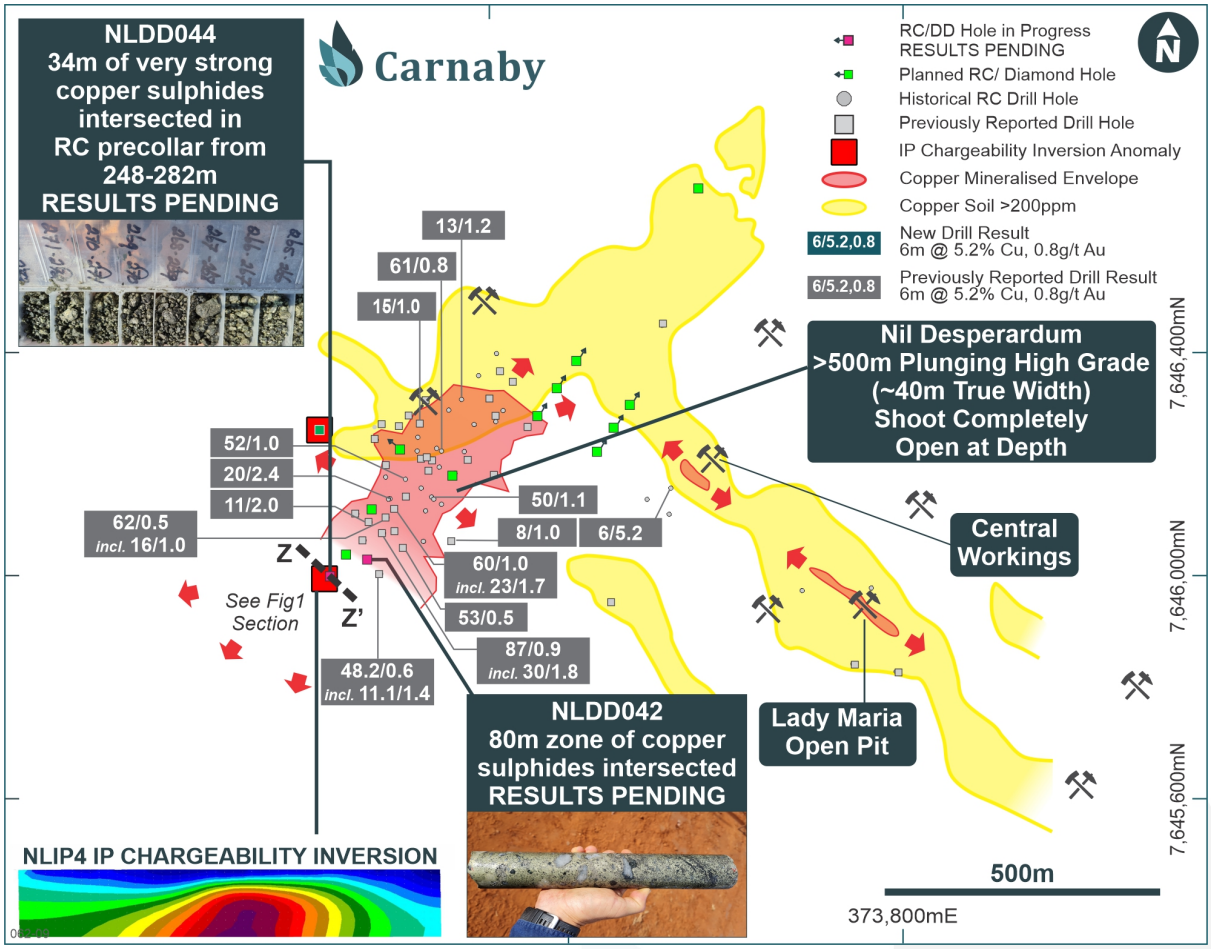

Figure 2. Plan of Nil Desperandum Showing location of NLDD044 and IP anomaly.

Further extensional and infill drilling is required to confirm the orientation and true width of the copper mineralisation intersected in NLDD044. However, the 24m of semi massive copper sulphide mineralisation intersected is by far the widest downhole zone of semi massive copper sulphide mineralisation yet interested at Nil Desperandum.

Drilling at Nil Desperandum is continuing until 20 December 2021 and will restart early in the new year. Carnaby now plans to accelerate exploration by completing further IP surveys as soon as possible and securing additional drill rigs to help target the southwest extension to the copper mineralisation, which is completely open and untested by drilling or geophysics.

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Figure 3. Photo of RC drill chips from NLDD044 showing intervals of semi massive copper sulphide mineralisation.

Figure 4. Photo of RC drill chips from NLDD044 showing intervals of semi massive copper sulphide mineralisation.

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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:

Exploration Update - Significant Copper Intersected, 13 December 2021

Greater Duchess Copper Gold Project Grows, 25 October 2021

Mineralisation Extended Greater Duchess Copper-Gold Project, 16 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

Nil Desperandum Strong IP Conductors, 7 May 2021

Greater Duchess Copper Gold Project Update, 17 February 2021