Carnaby

MOUNT HOPE DELIVERS 30m @ 3.0% COPPER BOH And 65m @ 2.1% COPPER (pXRF)

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is delighted to announce further exceptional drill results from the Mount Hope Prospect at the Greater Duchess Copper Gold Project in Mt Isa, Queensland.

Highlights

Mount Hope Central Prospect:

- **MHRC003 composite drill results of;**
  - **30m @ 3.0% Cu, 0.4 g/t Au from 60m to bottom of hole**
- **MHRC008 composite drill results of;**
  - **35m @ 1.7% Cu, 0.2g/t Au from 60m including 15m @ 2.9% Cu, 0.3g/t Au And 30m @ 1.8% Cu, 0.2g/t Au from 110m including 15m @ 3.2% Cu, 0.3g/t Au**
- **MHRC010 composite drill results of;**
  - **30m @ 1.2% Cu, 0.1g/t Au from 60m including 12m @ 2.5% Cu, 0.2g/t Au**
- **MHRC029 portable XRF results of;**
  - **65m @ 2.1% Copper from 102m including 13m @ 5.1% Copper from 108m**

The Company's Managing Director, Rob Watkins commented:

"We are only at the start of unlocking what lies beneath the ground at Mount Hope and believe that this could rapidly unfold and link up into a very large discovery with numerous IP anomalies and outcropping mineralisation about to be drilled for the first time. The outstanding results announced today show that the wide and high-grade zones of mineralisation at Mount Hope Central are continuous over greater than 200m strike length and are completely open in all directions. The potential economic significance of these results speak for themselves. We are eagerly awaiting the laboratory assay results from MHRC029 in particular, from which the pXRF results indicate an intersection of at least 65m @ 2.1% copper (analysis of past samples has shown actual Assay grades can exceed pXRF readings by up to 30%)."

For personal use only

ASX Announcement

28 September 2022

Fast Facts

Shares on Issue 144.6M

Market Cap (@ 72 cents) $104M

Cash $18.3M[1]

[1]As of 30 June 2022

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
- Nil Desperandum and Lady Fanny Iron Oxide Copper Gold discoveries within the Greater Duchess Copper Gold Project, Mt Isa inlier, Queensland.
- Greater Duchess Copper Gold Project, numerous camp scale IOCG deposits over 1,022 km^2 of tenure
- Projects near to De Grey's Hemi gold discovery on 442 km^2 of highly prospective 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 producing 511 koz at 22 g/t gold

Registered Office

78 Churchill Avenue Subiaco Western Australia 6008

T: +61 8 9320 2320

www.carnabyresources.com.au

For personal use only

GREATER DUCHESS COPPER GOLD PROJECT

Exploration at the Greater Duchess Copper Gold Project is currently focussed on the Mount Hope Prospect where the new results announced today point to a very significant discovery which is detailed below.

The Mount Hope historical open pits were mined in the late 1960's and early 1970's to a maximum depth of approximately 35m and were processed in Mt Isa as a quartz flux with copper credits. Very limited historical records are available however production of 322,000t @ 1.9% copper has been recorded (See ASX release dated 11 April 2022).

Remarkably there is no record of any historical drilling at Mount Hope, presumably due to the area being mostly held as privately owned mining leases.

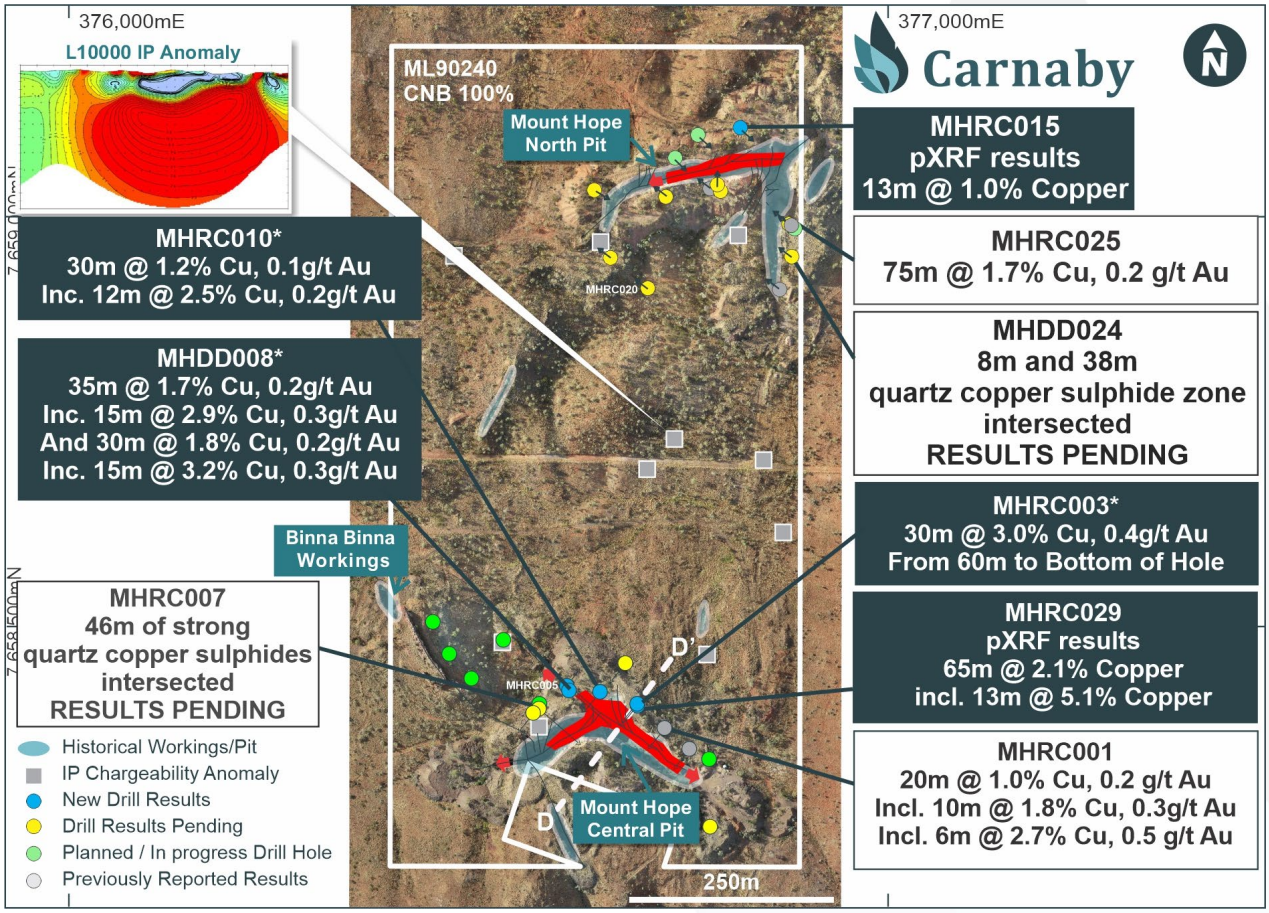

Figure 1. Mount Hope Plan Showing Location of New Drill Results.

For personal use only

MOUNT HOPE CENTRAL PROSPECT (CNB 100%)

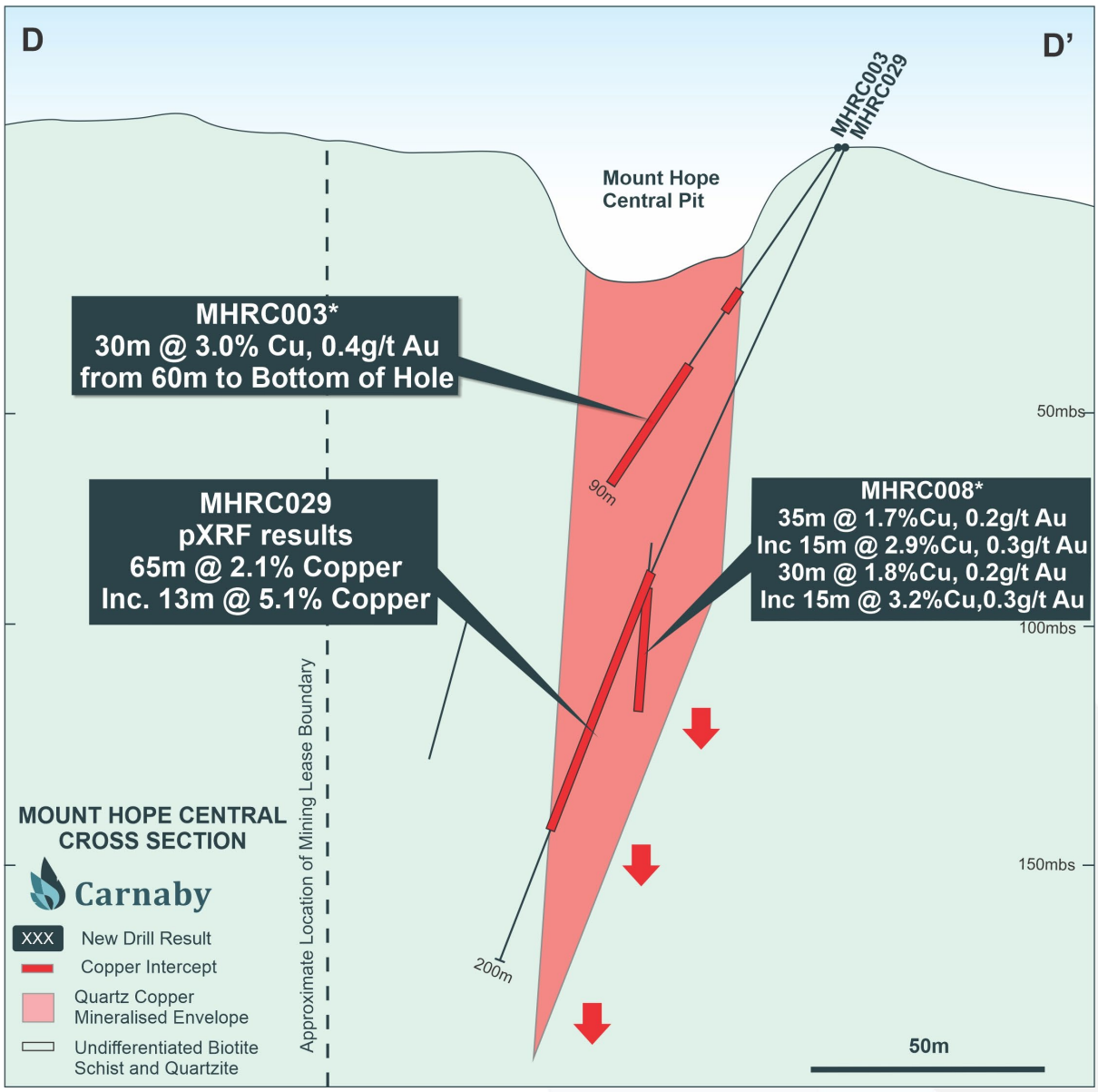

Figure 2. Mount Hope Central MHRC003 and MHRC029 drill cross section.

RC drilling beneath the historical Mount Hope Central Prospect has unearthed a continuous mineralised quartz-copper sulphide zone in excess of 200m strike length and completely open (Figure 1). The mineralisation is hosted in a steeply dipping quartz vein lode structure which strikes ESE and intersects another steeply dipping NE striking lode. The intersection of these lode structures appears to have developed into a very broad and high-grade core zone which remains completely open at depth. Detailed mapping prior to drilling has highlighted a strong structural control to the mineralisation (Figure 1).

The quartz-copper sulphide lode mineralisation intersected in drilling to date is of a transitional nature, whereby chalcopyrite is commonly partially oxidised but remains present

For personal use only

throughout the mineralised zones. Oxide minerals are yet to be confidently identified but include minor malachite.

Carnaby has just acquired a portable XRF (**pXRF**) machine after a long ~6 month wait due to off the shelf availability delays. Due to the ongoing assay delays from slow laboratory turnaround, Carnaby now intends to systematically release pXRF results where possible to replace the visual sulphide logs as preliminary indications of copper grades prior to receiving assay results. The first outstanding series of pXRF results are presented below where indicated. It is advised that the pXRF results are not definitive and act only as a guide to actual laboratory assay results which will be received and released at a later date. It should be noted that pXRF results are taken through green plastic bags from the individual meter residues. Further correlation studies need to be completed however early indications suggest actual Assay grades can exceed pXRF readings by up to 30%.

MHRC003

MHRC003 was drilled to target the ESE striking lode directly beneath the Mount Hope Central historical open pit. Drilling difficulties forced the hole to be terminated prematurely at 90m depth ending in mineralisation with the bottom of hole (**BOH**) composite result returning 2.4% copper (Figure 1 & 2).

Composite assay results from MHRC003 have outlined a very broad and high-grade zone of;

MHRC003	5m @ 0.6% copper, 0.1 g/t gold from 40m
And	**30m @ 3.0% copper, 0.4 g/t gold from 60m to BOH**

The mineralisation in MHRC003 consists of a transitional sulphide zone of quartz-chalcopyrite-pyrite vein style mineralisation which is partially to strongly oxidised in places but with copper sulphides visible throughout the mineralised zone.

MHRC029

MHRC029 was drilled directly beneath MHRC003 in an attempt to drill across the true width of the mineralised zone. MHRC029 intersected a highly encouraging 65m downhole zone of transitional quartz copper sulphide mineralisation (Figure 2). Copper sulphides (chalcopyrite) are present throughout the intersection with some oxidation present mostly in the form of oxide coating on primary chalcopyrite. The mineralised zone in MHRC029 remains completely open at depth and is being followed up with step out extension drilling.

Laboratory assay results are pending however pXRF analysis of individual meter residue bags from the mineralised zone have returned a preliminary intersection of;

For personal use only

MHRC029 **65m @ 2.1% copper from 102m**

including **13m @ 5.1% copper from 108m**

It should be noted that pXRF results have been taken through green plastic bags and that actual Assay grades can exceed pXRF readings by up to 30% .

MHRC008

MHRC008 was drilled to target the NE striking lode directly beneath the historical open pit. Drilling difficulties also forced the hole to be terminated prematurely at 150m depth.

Broad zones of quartz copper sulphides were intersected in a transitional sulphide zone of mostly partially oxidised mineralisation.

Composite assay results from MHRC008 are;

MHRC008 **35m @ 1.7% copper, 0.2 g/t gold from 60m**

including **15m @ 2.9% copper, 0.3 g/t gold from 70m**

And **30m @ 1.8% copper, 0.4 g/t gold from 110m**

including **15m @ 3.2% copper, 0.3 g/t gold from 115m**

MHRC008 was drilled orthogonal to drill holes MHRC003 and MHRC029 and ended crossing into that drill section as shown in Figure 2. The results indicate that the intersection of the main ESE striking lode and the NE striking lode has produced a very broad and high-grade core zone of copper gold mineralisation. This core zone remains completely open at depth and is a focus of ongoing drilling.

MHRC010

MHRC010 was drilled to target the interpreted continuation of the ESE striking vein lode structure WNW of the intersection with the NE striking lode structure (Figure 1). Excellent continuity of the mineralised ESE structure was recorded in a composite results of;

MHRC010 **30m @ 1.2% copper, 0.1 g/t gold from 60m**

including **12m @ 3.0% copper, 0.2 g/t gold from 78m**

The mineralisation in MHRC010 remains completely open to the WNW.

For personal use only

MHRC005

MHRC005 was drilled to target a potential continuation of the ESE striking vein lode structure WNW of the intersection with the NE striking lode structure (Figure 1). MHRC005 is now interpreted to have collared close to the surface position of the ESE structure up dip from the result in MHRC010 and therefore has not tested the continuation of the ESE structure. Results are;

MHRC005 4m @ 0.7% copper, 0.1 g/t gold from surface

MOUNT HOPE NORTH PROSPECT (CNB 100%)

Results from several RC and diamond drill holes remain outstanding at Mount Hope North including from the strong visual copper sulphide mineralisation in diamond core tail MHDD024 (see ASX release 7 September 2022).

Copper gold mineralisation at Mount Hope North is hosted in a strongly continuous quartz lode structure which strikes ENE and dips steeply to the south. Evidence of this mineralised vein structure has been mapped at the bottom of the historical Mount Hope North open pit, forming a remnant skin on both sides of the pit which was mined to a maximum depth of approximately 20m over 60 years ago.

MHRC015

MHRC015 was drilled to target the potential up plunge position of the outstanding drill results of **75m @ 1.7 % copper** from 221m in MHRC025 (see ASX release 7 September 2022). MHRC015 intersected a transitional quartz copper sulphide zone with partially to strongly oxidised zones and copper sulphides present throughout broad intervals. Assay results are pending however pXRF analysis of the hole has recorded indicative values of;

MHRC015 13m @ 1.0% copper, 0.1 g/t gold from 88m

For personal use only

MOUNT HOPE OTHER TARGETS (CNB 100%)

The drilling completed to date at Mount Hope targeting the Mount Hope Central and North Prospects suggests a very large and growing mineral deposit which is strongly controlled by structure. Numerous targets are yet to be tested including the entire Binna Binna Hill quartz lode hill where drilling will take place shortly. Drill pad preparation at Binna Binna has uncovered significant outcropping copper mineralisation (Figure 3) which bodes well for the upcoming drilling.

Numerous IP chargeability anomalies in the central part of the Mining Lease are yet to be drill tested and are outstanding drill targets given the magnitude of the IP anomalies and track record of success in IP vectoring to copper sulphide mineralisation (Figure 1).

Figure 3. Photo of copper mineralisation (green malachite) exposed in drill pad preparation at Binna Binna Prospect. Photo is facing west.

For personal use only

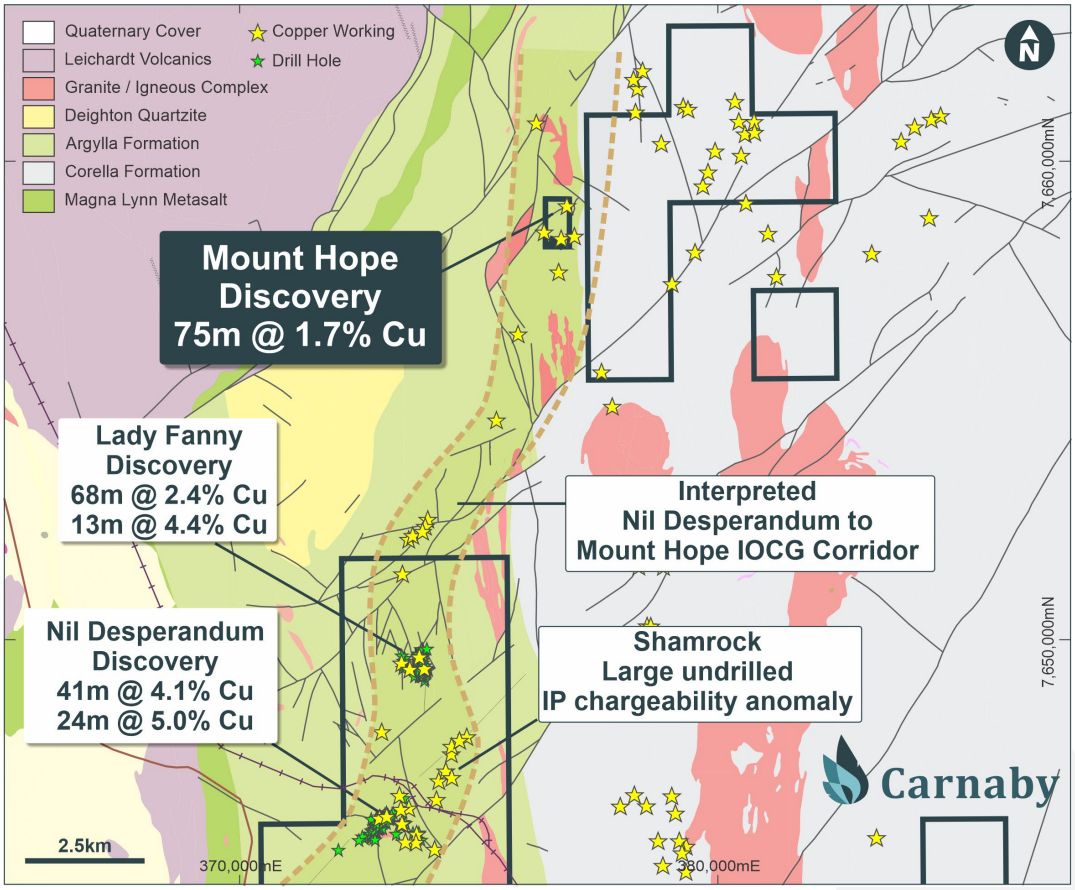

Figure 4. Mount Hope, Nil Desperandum and Lady Fanny IOCG corridor plan.

Further information regarding the Company can be found on the Company's website

www.carnabyresources.com.au

For further information please contact:
Robert Watkins, Managing Director
+61 8 9320 2320

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

For personal use only

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.

Recently released ASX Material References that relate to this announcement include:

Mount Hope Discovery – 75m @ 1.7% Copper, 7 September 2022

Greater Duchess Update - 75m Copper Sulphide Vein at Mt Hope, 18 August 2022

Copper Sulphides Intersected at Mt Hope & Lady Fanny South, 29 July 2022

Greater Duchess Update - Booming IP Anomaly at Mount Hope, 14 July 2022

Major New IP Anomalies Light Up 3km Greater Duchess Corridor, 23 June 2022

High Grades Continue at Greater Duchess, 17 June 2022

Lady Fanny Growth Continues,32m @ 2.6% Cu at Greater Duchess, 20 May 2022

Stunning Drill Results 68m @ 2.4% Copper at Greater Duchess, 9 May 2022

Acquisition of Mount Hope Mining Lease, 11 April 2022

Exceptional Drill Results at Greater Duchess 24m @ 5% Copper, 4 April 2022

Step Out Drilling Hits South West Extension of Nil Desperandum, 8 March 2022

APPENDIX ONE

Details regarding the specific information for the drilling discussed in this news release are included below in Tables 1 – 2.

Table 1. Drill Hole Details

MOUNT HOPE PROSPECT (CNB 100%)

Hole ID	Easting	Northing	RL	Azimuth	Dip	Total Depth (m)	Depth From (m)	Interval (m)	Cu %	Au (g/t)
MHRC003*	376695	7658403	470	224.7	-54.5	90	**40** **60**	**5** **30**	**0.6** **3.0**	0.1 0.4
MHRC005	376608	7658427	465	41.7	-54.5	120	Surface	4.0	0.7	0.1
MHRC008*	376611	7658421	465	131.3	-55.3	150	**60** **Incl 70** **110** **Incl 115**	**35** **15** **30** **15**	**1.7** **2.9** **1.8** **3.2**	0.2 0.3 0.2 0.3
MHRC010*	376649	7658420	466	222.6	-55.2	150	**60** **Incl 78**	**30** **12**	**1.2** **2.5**	0.1 0.2
MHRC020	376706	7658916	446	310.8	-54.7	218	151 155 211	1 5 2	0.3 0.2 0.4	0.04 0.03 0.05

Hole ID	Easting	Northing	RL	Azimuth	Dip	Total Depth (m)	Depth From (m)	Interval (m)	pXRF Cu %
MHRC015**	376820	7659109	462	128.5	-55.0	160	88	13	1.0
MHRC029**	376694	7658405	470	221.9	-63.9	200	**102** **Incl 108**	**65** **13**	**2.1** **5.1**

**5m composite assay results*

***pXRF intersection, Assay Results Pending*

For personal use only

Table 2. pXRF Results

In relation to the disclosure of pXRF results, the Company cautions that estimates of sulphide mineral abundance from pXRF results should not be considered a proxy for quantitative analysis of a laboratory assay result. Assay results are required to determine the actual widths and grade of the visible mineralisation.

MOUNT HOPE PROSPECT (CNB 100%)

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	pXRF Cu%
MHRC015	79	80	1	0.0146
MHRC015	80	81	1	0.0149
MHRC015	81	82	1	0.0134
MHRC015	82	83	1	0.0108
MHRC015	83	84	1	0.0136
MHRC015	84	85	1	0.0293
MHRC015	85	86	1	0.0505
MHRC015	86	87	1	0.1814
MHRC015	87	88	1	0.3345
MHRC015	88	89	1	**0.6305**
MHRC015	89	90	1	**0.7021**
MHRC015	90	91	1	**0.7226**
MHRC015	91	92	1	**1.0434**
MHRC015	92	93	1	**0.7097**
MHRC015	93	94	1	**1.6871**
MHRC015	94	95	1	**1.4877**
MHRC015	95	96	1	**1.6568**
MHRC015	96	97	1	**1.6128**
MHRC015	97	98	1	**0.4234**
MHRC015	98	99	1	**0.9891**
MHRC015	99	100	1	0.4314
MHRC015	100	101	1	**0.5215**
MHRC015	101	102	1	0.1362
MHRC015	102	103	1	0.0504
MHRC015	103	104	1	0.0234
MHRC015	104	105	1	0.0264
MHRC015	105	106	1	0.0289
MHRC029	67	68	1	0.1594
MHRC029	68	69	1	0.1364
MHRC029	69	70	1	0.0763
MHRC029	70	71	1	0.0358
MHRC029	71	72	1	0.0437
MHRC029	72	73	1	0.0755
MHRC029	73	74	1	0.1631
MHRC029	74	75	1	0.0816
MHRC029	75	76	1	0.0154
MHRC029	76	77	1	0.0078

For personal use only

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	pXRF Cu%
MHRC029	77	78	1	0.0179
MHRC029	78	79	1	0.0054
MHRC029	79	80	1	0.0199
MHRC029	80	81	1	0.0168
MHRC029	81	82	1	0.0040
MHRC029	82	83	1	0.0041
MHRC029	83	84	1	0.0036
MHRC029	84	85	1	0.0061
MHRC029	85	86	1	0.0033
MHRC029	86	87	1	0.0022
MHRC029	87	88	1	0.0023
MHRC029	88	89	1	0.0037
MHRC029	89	90	1	0.0029
MHRC029	90	91	1	0.0778
MHRC029	91	92	1	0.0545
MHRC029	92	93	1	0.0389
MHRC029	93	94	1	**0.5447**
MHRC029	94	95	1	**0.6067**
MHRC029	95	96	1	**0.5059**
MHRC029	96	97	1	0.1315
MHRC029	97	98	1	0.0874
MHRC029	98	99	1	0.0280
MHRC029	99	100	1	0.0622
MHRC029	100	101	1	0.0540
MHRC029	101	102	1	0.0731
MHRC029	102	103	1	**0.5720**
MHRC029	103	104	1	0.0636
MHRC029	104	105	1	0.2690
MHRC029	105	106	1	0.1346
MHRC029	106	107	1	0.1172
MHRC029	107	108	1	**1.6066**
MHRC029	108	109	1	**5.5123**
MHRC029	109	110	1	**7.2679**
MHRC029	110	111	1	**6.0499**
MHRC029	111	112	1	**6.2609**
MHRC029	112	113	1	**5.9765**
MHRC029	113	114	1	**5.6205**
MHRC029	114	115	1	**6.6776**
MHRC029	115	116	1	**7.4440**
MHRC029	116	117	1	**5.7411**
MHRC029	117	118	1	**2.3899**
MHRC029	118	119	1	**1.2519**
MHRC029	119	120	1	**2.4858**

For personal use only

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	pXRF Cu%
MHRC029	120	121	1	**3.3246**
MHRC029	121	122	1	**1.5367**
MHRC029	122	123	1	**0.9019**
MHRC029	123	124	1	**1.2983**
MHRC029	124	125	1	**2.1472**
MHRC029	125	126	1	**0.8986**
MHRC029	126	127	1	**0.6129**
MHRC029	127	128	1	**1.7492**
MHRC029	128	129	1	**1.5494**
MHRC029	129	130	1	**2.2036**
MHRC029	130	131	1	**1.1008**
MHRC029	131	132	1	**2.2006**
MHRC029	132	133	1	**1.5169**
MHRC029	133	134	1	**0.7602**
MHRC029	134	135	1	**0.8324**
MHRC029	135	136	1	**1.8713**
MHRC029	136	137	1	**2.5241**
MHRC029	137	138	1	**1.8297**
MHRC029	138	139	1	**1.9047**
MHRC029	139	140	1	**1.1813**
MHRC029	140	141	1	**2.4001**
MHRC029	141	142	1	**1.6789**
MHRC029	142	143	1	**1.7123**
MHRC029	143	144	1	**1.3592**
MHRC029	144	145	1	**2.2233**
MHRC029	145	146	1	**2.1353**
MHRC029	146	147	1	**1.3945**
MHRC029	147	148	1	**0.8970**
MHRC029	148	149	1	**1.5519**
MHRC029	149	150	1	**0.8840**
MHRC029	150	151	1	**0.9745**
MHRC029	151	152	1	**1.2922**
MHRC029	152	153	1	**0.8048**
MHRC029	153	154	1	**1.1165**
MHRC029	154	155	1	**1.2728**
MHRC029	155	156	1	**0.6877**
MHRC029	156	157	1	**1.0829**
MHRC029	157	158	1	**2.2854**
MHRC029	158	159	1	**2.5997**
MHRC029	159	160	1	**3.0482**
MHRC029	160	161	1	**2.5548**
MHRC029	161	162	1	**2.3556**
MHRC029	162	163	1	**1.0501**

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	pXRF Cu%
MHRC029	163	164	1	**1.5613**
MHRC029	164	165	1	**1.3595**
MHRC029	165	166	1	**0.6222**
MHRC029	166	167	1	0.3071
MHRC029	167	168	1	0.0755

APPENDIX TWO

JORC Code, 2012 Edition | 'Table 1' Report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• The RC drill chips were logged and visual abundances estimated by suitably qualified and experienced geologist. • Recent RC samples were collected via a cone splitter mounted below the cyclone. A 2-3kg sample was collected from each 1m interval. • pXRF results of RC chips were reported using an Olympus Vanta M Series portable XRF. Readings were taken through the green plastic bag containing the reminder of split material through the cyclone. The outside surface of the green plastic bag was thoroughly cleaned to prevent contamination of the XRF results. • Limited comparison data indicates Assay results can be up to 30% higher compared to when taking the pXRF measurement through the green bag and that more comparison testwork is being conducted. • pXRF blanks and a Geostats 5015ppm copper standard packet were tested at approximately every 50 readings. All blank readings were below detection limit for copper and the Geostats standard reported below the expected value for copper, likely due to the influence of the plastic packet on the XRF analysis.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• All recent RC holes were completed using a 5.5'' face sampling bit.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• For recent RC drilling, no significant recovery issues for samples were observed. • Drill chips collected in chip trays are considered a reasonable visual representation of the entire sample interval.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral	• RC holes have been logged for lithology, weathering, mineralisation, veining, structure and alteration. • All chips have been stored in chip trays on 1m intervals and logged in the field.

For personal use only

For personal use only

Criteria	JORC Code explanation	Commentary
	Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	• Quantitative portable XRF analyses were conducted on metre intervals on site.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• All RC samples are cone split at the cyclone to create a 1m sample of 2-3kg. The remaining sample is retained in a plastic bag at the drill site. • For mineralised zones, the 1m cone split sample is taken for analysis. For non-mineralised zones a 5m composite spear sample is collected and the individual 1m cone split samples over the same interval retained for later analysis if positive results are returned.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• For lab assays, company inserted blanks are inserted as the first sample for every hole. A company inserted gold standard and a copper standard are inserted every 50th sample. No standard identification numbers are provided to the lab. • Standards are checked against expected lab values to ensure they are within tolerance. No issues have been identified. • pXRF results of RC chips were reported using an Olympus Vanta M Series portable XRF in Geochem mode (2 beam) and a 20 second read time for each beam. No calibration factors were applied. Readings were taken through the green plastic bag containing the reminder of split material through the cyclone. The outside surface of the green plastic bag was thoroughly cleaned to prevent contamination of the XRF results. • Limited comparison data indicates Assay results can be up to 30% higher compared to pXRF measurements taken through the green bag. More comparison test work is being conducted. • pXRF blanks and a Geostats 5015ppm copper standard packet were tested at approximately every 50 readings. All blank readings were below detection limit for copper and the Geostats standard reported below the expected value for copper, likely due to the influence of the plastic packet on the XRF analysis.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Historic production data has been collated from government open file reports. • A Maxgeo SQL database is currently used in house for all historic and new records. Recent results have been reported directly from lab reports and sample sheets collated in excel. Results reported below the detection limit have been stored in the database at half the detection limit – eg <0.001ppm stored as 0.0005ppm
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• All hole locations were obtained using a Trimble SP60 GPS in UTM MGA94. Current RC and Diamond holes were downhole surveyed by Reflex True North seeking gyro.
Data spacing and distribution	• Data spacing for reporting of Exploration Results.	• Further extensional and infill drilling is required to confirm the orientation and true width of the copper mineralisation intersected.

Criteria	JORC Code explanation	Commentary
	• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• All holes were considered to intersect the mineralisation at a reasonable angle.
Sample security	• The measures taken to ensure sample security.	• Recent RC drilling has had all samples immediately taken following drilling and submitted for assay by supervising Carnaby geology personnel.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not conducted

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section).

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Lady Fanny Prospect area encompassed by historical expired mining leases have been amalgamated into EPM14366 and is 100% owned by Carnaby. • The Nil Desperandum, Shamrock and Lady Fanny South Prospects are located on EPM14366 (82.5% interest acquired from Discovex Resources Limited (**Discovex, ASX: DCX**). • Discovex retain a 17.5% free carried interest in the project through to a Decision To Mine. • At a Decision to Mine, Carnaby has the first right of refusal to acquire the remaining interest for fair market value. • The Mount Hope Mining Lease ML90240 is 100% owned by Carnaby Resources. The exact location of the mining lease boundary is currently being evaluated by the Queensland Department of Minerals as part of a normal process and may therefore be subject to small scale changes.
Acknowledgment and appraisal of exploration by other parties.	• Acknowledgment and appraisal of exploration by other parties.	• There has been exploration work conducted over the Queensland project regions for over a century by previous explorers. The project comes with significant geoscientific information which covers the tenements and general region, including: a compiled database of 6658 drill hole (exploration and near-mine), 60,300 drilling assays and over 50,000 soils and stream sediment geochemistry results. This previous exploration work is understood to have been undertaken to an industry accepted standard and will be assessed in further detail as the projects are developed.
Geology	• Deposit type, geological setting and style of mineralisation.	• The prospects mentioned in this announcement are located in the Mary Kathleen domain of the eastern Fold Belt, Mount Isa Inlier. The Eastern Fold Belt is well known for copper, gold and copper-gold deposits; generally considered variants of IOCG deposits. The region hosts several long-lived mines and numerous historical workings. Deposits are structurally controlled, forming proximal to district-scale structures which are observable in mapped geology and geophysical images. Local controls on the distribution of mineralisation at the

For personal use only

For personal use only

Criteria	Explanation	Commentary
		prospect scale can be more variable and is understood to be dependent on lithological domains present at the local-scale, and orientation with respect to structures and the stress-field during D3/D4 deformation, associated with mineralisation. • Consolidation of the ground position around the mining centres of Tick Hill and Duchess and planned structural geology analysis enables Carnaby to effectively explore the area for gold and copper-gold deposits.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• Included in report Refer to Appendix 1, Table 1.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• pXRF estimates given in Appendix 1, Table 2 represent the intervals as sampled and to be assayed. • No metal equivalent values have been reported
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• All intervals are reported are downhole width and true widths are not definitively known. At Lady Fanny and Nil Desperandum drilling intersection angles are generally good and are a good representation of the thickness of the mineralised zones. At Nil Desperandum true thickness is generally about 70% of downhole width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• See the body of the announcement.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to	• pXRF estimates of copper contained by individual meters are presented in Appendix 1, Table 2

Criteria	Explanation	Commentary
	avoid misleading reporting of Exploration Results.	
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• As discussed in the announcement
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Planned exploration works are detailed in the announcement.

For personal use only