Carnaby

2 April 2024

Re-release of ASX Announcement dated 2 April 2024

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) wishes to advise that its ASX announcement dated 2 April 2024 entitled 'Mount Hope Development And Exploration Footprint Expands' has been amended to include:

- Appendix 1, containing full assay results and drill hole details relating to holes previously drilled by Hammer Metals Limited at the South Hope and Stubby prospects which are referenced in the body of the announcement as well as in Figures 2 & 3;
- Appendix 2, containing JORC Code 2012 Edition 'Table 1' disclosures, and;
- Updated versions of Figures 2 & 3 with a corrected South Hope assay results list.

The amended announcement is attached.

Steven Bowler

Joint Company Secretary

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Carnaby

MOUNT HOPE DEVELOPMENT AND EXPLORATION FOOTPRINT EXPANDS

Highlights

- Carnaby expands its footprint adjacent to and surrounding its 100% owned Mount Hope Mining Lease which hosts the Mount Hope copper gold deposit (10.3Mt @ 1.7%CuEq for 173kt contained CuEq).
- Acquisition provides flexibility to optimise the Mount Hope open pits to their full extents by enabling a significantly larger open pit development.
- Scoping Study for the Greater Duchess Copper-Gold Project will now be refocussed to the larger optimised open pit scenario which is expected to considerably enhance project economics.
- Acquisition includes over 5km of strike along the Mount Hope IOCG corridor with strong potential for direct lode extensions and satellite deposits to be discovered and developed.

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to announce that it has entered into a binding agreement with Hammer Metals Limited (**HMX** or **Hammer**) and its wholly owned subsidiary Mt. Dockerell Mining Pty Ltd, pursuant to which Carnaby will acquire an initial 51% beneficial interest in three (3) sub-blocks covering 9 km^2 within exploration permit EPM26777, immediately adjoining and surrounding the Company's Mount Hope Central and Mount Hope North deposits (**Sub-Blocks**). Carnaby has the right to acquire an additional 19% beneficial interest to take its total beneficial interest in the Sub-Blocks to 70% (the **Transaction**).

The Transaction allows Carnaby to optimise the Mount Hope open pits to their full extents given preliminary unconstrained open pit optimisations encroach ~80m outside of Carnaby's 100% owned mining lease. The benefits of being able to mine these larger open pits are expected to be significant for the Mount Hope development in respect to scheduling, capital expenditure and life of mine cashflow (Figure 2). Carnaby's Greater Duchess Scoping Study will now focus on this enlarged optimised open pit scenario. The late change to the Scoping Study will delay its release by approximately one month, to May 2024.

Carnaby's Non-Executive Chairman, Peter Bowler, commented:

"This is a great transaction for both companies and their shareholders. For Carnaby it ensures we now have the unfettered ability to develop the Mount Hope Central and Mount Hope North deposits in the most optimal and unconstrained manner. We look forward to advancing the Mount Hope development and the broader Greater Duchess Scoping Study which is expected to highlight the significant value our projects can deliver to Carnaby shareholders.

We are also highly encouraged by the exploration potential along the Mount Hope corridor both in the near mine environment for direct extensions of the lodes into the area acquired and for mineable satellite deposits like South Hope and The Stubby where significant historical drill results have been recorded."

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ASX Announcement

2 April 2024

Fast Facts

Shares on Issue 162.8M

Market Cap (@ 59.5 cents) $96.9M

Cash $18.4M[1]

[1]As at 31 December 2024

Directors

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Greg Barrett, Non-Exec Director & Joint Company Secretary

Paul Payne, Non-Exec Director

Company Highlights

- Proven and highly credentialed management team.
- Tight capital structure and strong cash position.
- Greater Duchess Copper Gold Project, numerous camp scale IOCG deposits over 1,921 km^2 of tenure.
- Maiden interim Mineral Resource Estimate at Greater Duchess: 21.8Mt @ 1.4% CuEq for 315kt CuEq.[1]
- Mount Hope, Nil Desperandum and Lady Fanny Iron Oxide Copper Gold discoveries within the Greater Duchess Copper Gold Project, Mt Isa inlier, Queensland.
- Projects near to De Grey's Hemi gold discovery on 442 km^2 of highly prospective tenure.

[1]Refer to ASX release dated 27 October 2023.

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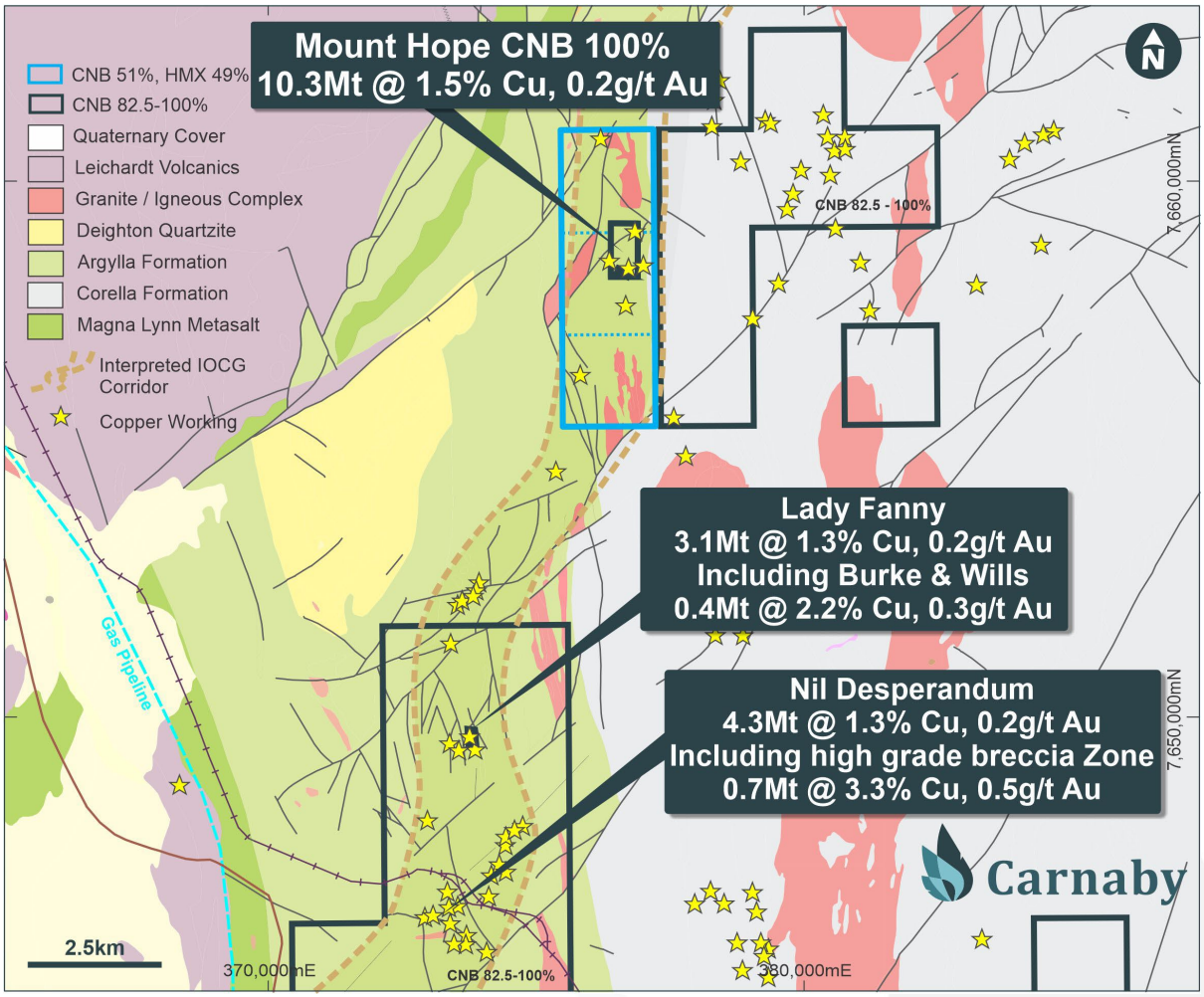

Figure 1. Plan showing the Nil Desperandum to Mount Hope IOCG corridor and 3 Sub-Blocks to be acquired surrounding Mount Hope.

Acquisition Rationale

Mount Hope Open Pit Development

The acquisition of the 3 Sub-Blocks surrounding Carnaby's 100% owned Mount Hope mining lease ML90240 which contains a Mineral Resource of 10.3Mt @ 1.7% CuEq for 173,000t CuEq, allows Carnaby to optimise the Mount Hope Central and Mount Hope North open pits to their full extents, unrestricted by the current mining lease boundary.

The unconstrained Mount Hope Central Open Pit encroaches approximately 80m into the Sub-Blocks allowing for a significantly larger open pit that reaches to a depth of approximately 170m below surface as opposed the previous Mining Lease constrained open pit that reached only approximately 90m below surface.

As shown in Figure 2, the unrestricted optimised open pits encroach well into the areas of the Sub-Blocks and these optimised open pits will now be incorporated into the current Scoping Study for the Greater Duchess Project. It is expected that this change to the Scoping Study parameters will delay the release of the results by approximately one month, which are now anticipated to be reported in May 2024.

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The large unrestricted open pits are expected to considerably enhance the project economics of a Mount Hope open pit development in respect to scheduling as well as life of mine cashflow and capital expenditure.

In addition, there remains potential for additional mineralisation to be discovered within the area of the optimised open pits as shown in Figure 2 where both Mount Hope Central and Mount Hope North contain undrilled historical open pits which are clearly mineralised to some extent.

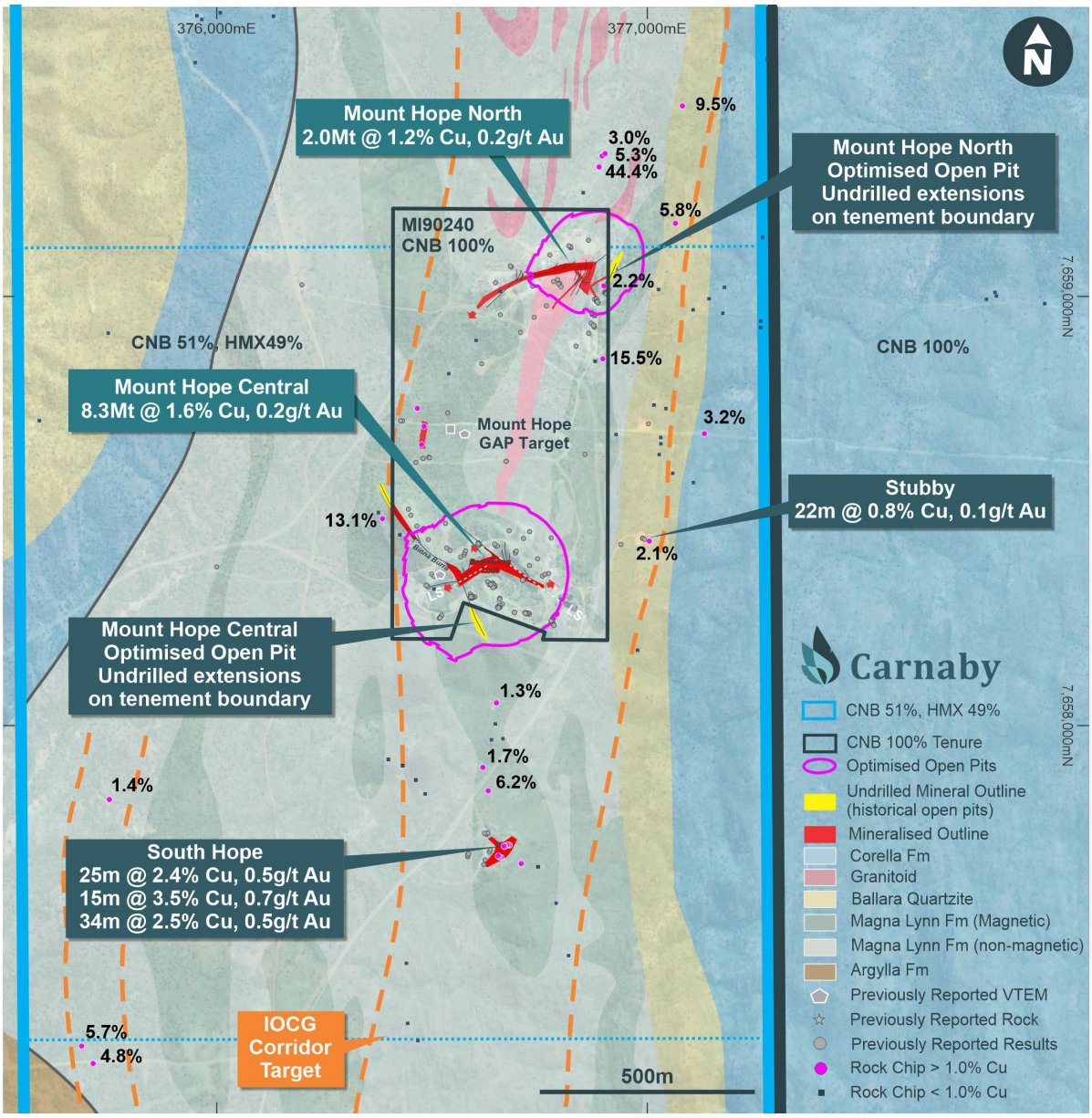

Figure 2. Plan showing the 100% owned Mount Hope Mining Lease optimised open pits that encroach into the surrounding 3 Sub-Blocks in which an initial 51% interest is to be acquired.

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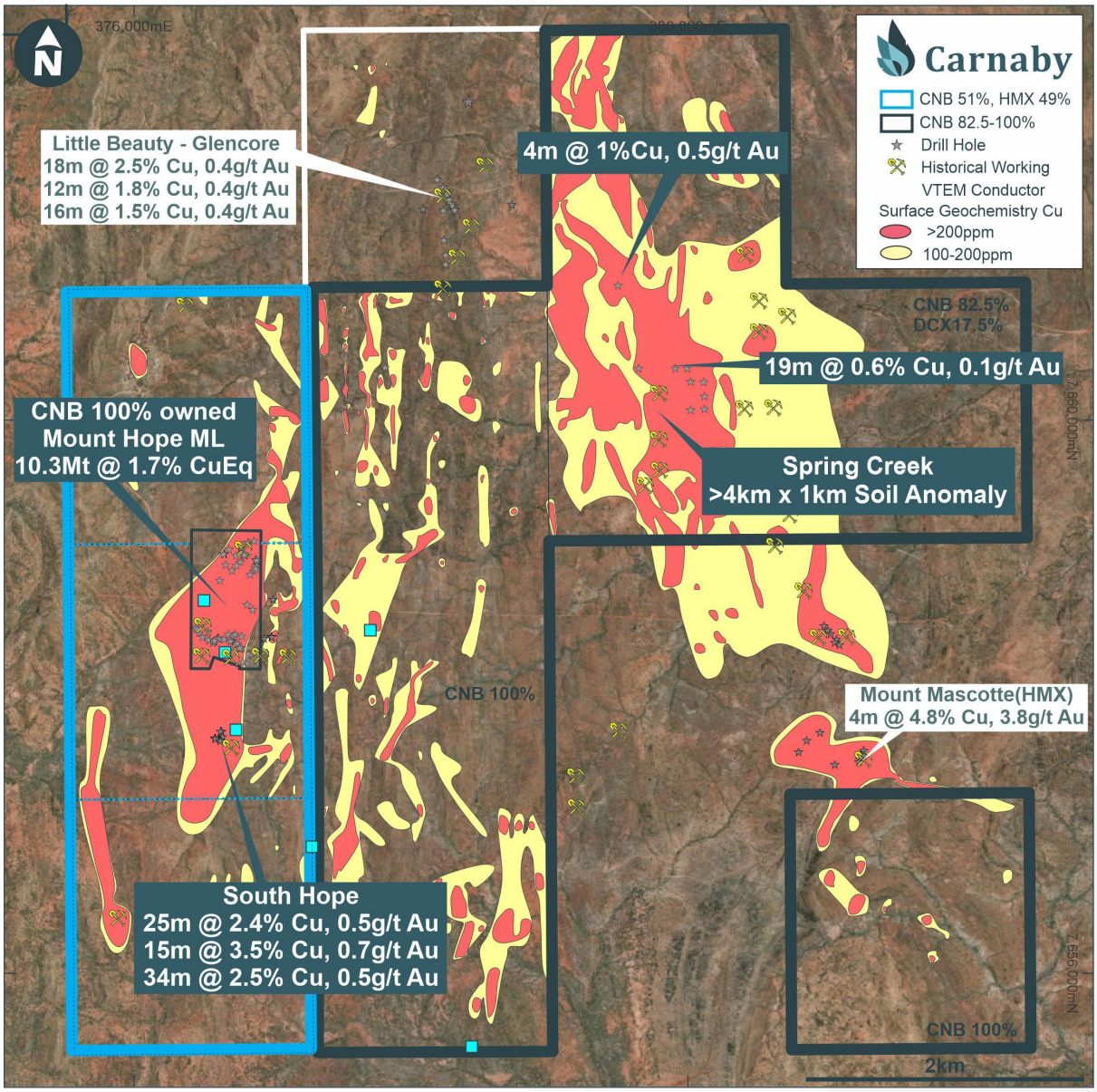

Figure 3. Mount Hope Plan showing new tenure to be acquired and Carnaby's existing tenure.

Exploration Upside

The Sub-Blocks encompass over 5km strike of the Mount Hope IOCG corridor surrounding Mount Hope and amalgamate Carnaby's other adjacent exploration tenure to form a large block of highly prospective contiguous ground which includes the large Spring Creek soil anomaly (Figure 3).

There is also significant potential for direct lode extensions and repetitions of the Mount Hope Central and Mount Hope North lodes extending from the Mount Hope mining lease into the Sub-Blocks. Carnaby intends to test these near mine exploration targets shortly.

The 5 km strike of the Mount Hope IOCG corridor contains several high priority targets which will be evaluated in more detail. These include South Hope and Stubby satellite deposits where significant drill results have recently been recorded by Hammer Metals including 34m @ 2.5% Cu, 0.5g/t Au and 25m @ 2.4% Cu, 0.5g/t Au (Figure 2). Assay results for each of the South Hope and Stubby Prospect drill holes referenced in Figure 2 which were completed by Hammer

Metals, and have subsequently been verified by the Company, are presented in Table 1 of Appendix 1.

Carnaby considers it has a strong structural and geological understanding of the controls of IOCG mineralisation that it can apply along the Mount Hope corridor, utilising electrical geophysics to help vector to and prioritise targets. The 5km Mount Hope IOCG corridor strike within the Sub-Blocks is located on a major deformed lithological boundary between the Corella Formation and the Magna Lynn mafics and is intruded by numerous granitic dykes. Carnaby considers this geological setting to be one of the most prospective target areas within the Greater Duchess region and forms part of the wider Nil Desperandum IOCG corridor where Carnaby has successfully discovered three significant IOCG deposits in the last two years (Figure 1).

Transaction Details

The Transaction provides for Carnaby to acquire a direct beneficial interest in the Sub-Blocks as well as formation of an unincorporated joint venture in respect of the area of the Sub-Blocks.

Acquisition of interest in Sub-Blocks and grant of rights to Carnaby

On completion of the Transaction, Carnaby will hold an initial 51% beneficial interest in the Sub-Blocks (Figure 1 & 3) for upfront consideration comprising A$4 million in cash and the issue of 9.091m Carnaby shares which will be escrowed for 12 months from the date of issue.

Importantly, upon acquiring its initial 51% interest, Carnaby will have:

- the right to access and conduct exploration activities on the Sub-Blocks which it considers necessary or desirable for the future development, exploitation and optimisation of any Mount Hope open pit development; and
- unfettered access to incorporate the Sub-Blocks into any open pit cut back for a development at Mount Hope.

Carnaby will acquire an additional 19% interest in the Sub-Blocks (taking its interest to 70%) where Carnaby makes a positive final investment decision (**FID**) at either of the Mount Hope Central or Mount Hope North open pits, at which point Carnaby is to pay an additional A$5 million in cash to Hammer. Carnaby also has the option to elect to acquire the additional 19% interest prior to making any FID at either of the Mount Hope Central or Mount Hope North open pits by making the cash payment of A$5 million to Hammer.

Upon acquiring the additional 19% interest, the rights granted to Carnaby will extend to also allow for development and mining operations on the Sub-Blocks.

Profit Share Arrangement

Any ore extracted by Carnaby that falls within the Mount Hope open pit development that is located within the Sub-Blocks (and not on Carnaby's current mining lease ML 90240), will be subject to a profit share arrangement with Hammer according to the ownership split at that time (i.e. Carnaby 70%, Hammer 30%).

Formation of Joint Venture for Sub-Blocks

Carnaby and Hammer will form an unincorporated joint venture in respect of the Sub-Blocks for exploration and potential development of any new ore body or deposit discovered within

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the area of the Sub-Blocks (that is distinct and separate from the Mount Hope open pit development).

The interests of the parties in the joint venture will be equivalent to their interests in the Sub-Blocks at the time of Carnaby's acquisition of the initial 51% interest and will adjust accordingly at the time of Carnaby's acquisition of the additional 19% interest.

In the event that Carnaby makes a positive FID to mine ore from a separate new open pit or underground development within the Sub-Blocks (which is separate to the Mount Hope Central or Mount Hope North open pit developments), for the purposes of the joint venture (**New Sub-Blocks Development**), Carnaby is to make a further A$6 million cash payment to Hammer. Hammer's remaining 30% interest will be free carried to production from any New Sub-Blocks Development.

Following the end of the free carried period, Hammer can elect to contribute to joint venture expenditure or dilute its remaining 30% interest. If Hammer is diluted to 10% or less, Hammer's interest in the Sub-Blocks will revert to a 1.5% net smelter return royalty.

If Hammer does not vote in favour of any decision to mine in respect of a New Sub-Blocks Development, Hammer will be deemed to offer to sell its interest in the area the subject of the New Sub-Blocks Development to Carnaby at fair market value.

Conditions precedent

Completion of the Transaction is subject to certain conditions precedent being satisfied or waived, including EPM26777 being renewed on substantially the same terms and conditions as currently apply and the parties entering into a voluntary escrow agreement in respect of the Carnaby shares to be issued at completion of the Transaction.

As a consequence of entering into the Transaction, the discussions regarding a potential corporate transaction between Carnaby and Hammer referred to in the Company's ASX release dated 14 February 2024 have now concluded.

Euroz Hartleys Limited acted as Financial Advisor and Steinepreis Paganin acted as Legal Advisor to Carnaby in respect to the Transaction.

This announcement has been authorised for release by the Board of Directors.

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

www.carnabyresources.com.au

For additional information please contact:
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+61 8 6500 3236

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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 and shareholder 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).

Forward Looking Statements

Some statements in this document 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"," could"," nominal"," and similar expressions. Forward looking statements, opinions and estimates included in this document 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.

These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct. The Board has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Presentation, except where required by law or the ASX listing rules.

The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this document, including with respect to any production targets and financial estimates, based on the information contained in this document.

This document does not constitute investment advice and has been prepared without considering the recipients investment objectives, financial circumstances or particular needs and the opinions and recommendations in this document are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. To the fullest extent of the law, the Company, its officers, employees, agents and advisors do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of any information, statements, opinion, estimates, forecasts or other representations contained in this document No responsibility for any errors or omissions from the document arising out of negligence or otherwise is accepted.

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.

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Recently released ASX Material References from Carnaby or Hammer that may relate to this announcement include:

CNB:

Corporate Update, 14 February 2024

High Grade Discovery 4m @ 7.0% Cu - Exploration Update, 2 February 2024

Mount Hope Results 38m @ 3.0% Cu, 5 December 2023

Greater Duchess Project Scoping Study Update, 4 December 2023

Greater Duchess Chalcus Lode Extension 87m @ 2.3% Cu, 17 November 2023

Greater Duchess Maiden Mineral Resource, 27 October 2023

Re-release of ASX Announcement dated 18 September 2023, 2 October 2023

Mount Hope Strikes 116m @ 2.1% Cu, 18 September 2023

Mount Hope Drill Results 72m @ 4% Cu, 7 August 2023

Rio Tinto Devoncourt Project Farm-in Agreement, 2 August 2023

HMX:

South Hope Continues To Shine; 34m @ 2.5% Cu and 0.5g/t Au, 4 December 2023

South Hope Continues to Expand with 15m @ 3.47% Copper, 4 July 2023

Mount Hope Area Delivers High Grade Copper Across Multiple Targets, 19 December 2022

25m @ 2.41% Copper Confirmed at South Hope, 22 November 2022

APPENDIX ONE

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

Table 1. Drill Hole Details

Drill hole intersections presented in Table 1 below have been compiled from assay results using a 0.1% copper nominal cut-off with no greater than 5m downhole dilution included.

Prospect	Hole ID	Easting	Northing	RL	Dip	Azimuth	Total Depth (m)	Depth From (m)	Interval (m)	Cu %	Au (g/t)
South Hope	**HMHSRC001**	376625	7657751	467	-55.0	127.5	138	Surface	1	0.37	0.31
								8	5	0.32	0.01
								74	**28**	**2.16**	0.42
								Incl 74	**25**	**2.41**	0.47
								Incl 79	**3**	**3.99**	1.52
								85	**6**	**3.12**	0.36
								95	**2**	**3.18**	0.83
	HMHSRC007	376636	7658428	458	-58.0	87.0	130	**18**	**56**	**1.12**	0.20
								Incl 18	**1**	**1.21**	0.01
								29	**1**	**1.01**	0.01
								44	**15**	**3.47**	**0.67**
								Incl 46	**2**	**12.35**	**0.88**
	HMHSRC010	376583	7657705	461	-55.0	81.6	190	4	1	0.16	0.06
								111	**34**	**2.5**	0.46
								Incl 113	**14**	**3.34**	**0.72**
								141	**4**	**4.26**	**0.61**
								178	1	0.26	0.01
								185	1	0.12	0.01
Stubby	HMHSRC002B	376993	7658434	460	-64.0	113.0	78	Surface	2	0.18	0.04
								9	32	0.62	0.05
								Incl 12	22	0.84	0.06

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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 (e.g., 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 drilling was conducted using reverse circulation. **Drilling** Drill chip samples were taken at dominantly 1m intervals. When multiple metre intervals were sampled, a riffle split of each metre interval was conducted with the split portions then being combined to produce a composite sample. Where mineralisation was anticipated or encountered, the sample length was reduced to 1m with lab submission of the 1m samples. Lab analyses were conducted on a 2-3kg subset of the drill interval which corresponds to the sample eventually submitted for lab analysis. **Drilling Analysis** All samples reported underwent fine crush with 1kg riffled off for pulverising to 75 microns. Samples were submitted to ALS for: • Fire assay with AAS finish for gold. • 4 acid digest followed by ICP-MS for a comprehensive element suite. Portable XRF analysis was conducted in the field on each 1m interval to provide guidance on sampling. Re-analyses will be conducted as required to investigate element repeatability.
Drilling techniques	• Drill type (e.g., 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).	**Drilling** Hole HMSHRC001 & HMSHRC002B were drilled by Bullion Drilling using a Schramm 685 drilling rig using the reverse circulation drilling method. Hole HMSHRC010 & HMSHRC007 were drilled by Remote drilling using a Hydco 70 drilling rig using the reverse circulation drilling method.
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.	**Drilling** Sample recoveries were generally in excess of 80%. Recoveries are typically low in the first 5m of each hole and in areas of strong water inflow. In holes where recovery issues, excessive water, or significant sampling bias occurred, the hole was terminated. No sample recovery bias has been noted.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	**Drilling** All drilling was geologically logged by Hammer Metals Limited Geologists and has been subsequently verified by Carnaby Resources Geologists. Quantitative portable XRF analyses were conducted on metre intervals on site.

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Criteria	JORC Code explanation	Commentary
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	All metres drilled were analysed by the lab methods listed above and lab assays are reported herein.
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.	**Drilling** Samples consist of RC drill chips. Samples from the hole were collected by a three-way splitter with A and B duplicates taken for every sample. Samples were taken at dominantly one metre intervals however where 2 or 4 metre composites were created, samples were composited by riffle splitting material from each one metre sample bag. Where evidence of mineralisation was encountered or anticipated, the sample length was reduced to 1m. **Drilling QA/QC** Standard reference samples and blanks were each inserted into the laboratory submissions at a rate of 1 per 25 samples. Duplicate samples were taken at an interval of approximately 1 in 50 samples. **Sampling Comment** The sample collection methodology and sample size are considered appropriate to the target-style and drill method, and appropriate laboratory analytical methods were employed.
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.	**Drilling Analysis** All samples were analysed for gold by flame AAS using a 50gm charge in addition to 4-acid multielement ICP MS. In addition to the Hammer in-house certified reference materials, the assay laboratory maintains a comprehensive QAQC regime, including check samples, duplicates, standard reference samples, blanks, and calibration standards.
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.	**Drilling and Rock Chip Sampling** All lab analyses were verified by alternate HMX personnel. Assay files were received electronically from the laboratory.

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Criteria	JORC Code explanation	Commentary
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.	**Drilling and Rock Chip Sampling** Datum used is GDA 94 Zone 54. RL information was derived from a LIDAR DTM. Drillholes will also be surveyed by DGPS prior to rehabilitation.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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.	**Drilling** This release documents results from the South Hope and Stubby Prospects. The drill density is not sufficient to establish mineralisation continuity. Sample compositing has been applied to calculate intercepts.
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.	**Drilling** Drill holes and sample sites are generally oriented as close to perpendicular as possible to the orientation of the targets based on interpretation of previous exploration.
Sample security	• The measures taken to ensure sample security.	**Samples** Pre-numbered bags were used, and samples were transported to ALS by company personnel. Samples were packed within sealed polywoven sacks.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	**Drilling** The dataset associated with this reported exploration has been subject to data import validation. All assay data has been reviewed by two Hammer Metals Limited personnel and subsequently verified by Carnaby personnel. No external audits have been 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 South Hope and Stubby prospects are contained in three (3) sub-blocks covering 9 km^2 within exploration permit EPM26777, immediately adjoining and surrounding the Company's Mount Hope Central and Mount Hope North deposits. Carnaby has entered into binding agreement with Hammer Metals Limited (**Hammer, ASX: HMX**) and its wholly owned subsidiary Mt. Dockerell Mining Pty Ltd, pursuant to which Carnaby will acquire an initial 51% beneficial interest in the sub-blocks (see ASX release 2 April 2024). Carnaby

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Criteria	Explanation	Commentary
		has the right to acquire an additional 19% beneficial interest to take its total beneficial interest in the Sub-Blocks to 70%. • The Mount Hope Mining Lease ML90240 is 100% owned by Carnaby Resources Ltd. • The Nil Desperandum, Shamrock, Burke & Wills and Lady Fanny South Prospects are located on EPM14366 (82.5% interest acquired from Discovex Resources Limited (**Discovex, ASX: DCX**). • Discovex retains 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 Lady Fanny Prospect area encompassed by historical expired mining leases have been amalgamated into EPM14366 and is 100% owned by Carnaby. Discovex Resources Limited (**Discovex, ASX: DCX**) are in dispute with Carnaby and claim that Lady Fanny is part of the Joint Venture area (see ASX release 18 September 2023).
Acknowledgment and appraisal of exploration by other parties.	• Acknowledgment and appraisal of exploration by other parties.	• Hammer Metal Limited (**HMX**) has conducted numerous drilling and geophysical exploration programs over the 3 sub-blocks. HMX has released such exploration results to the ASX in compliance with JORC 2012 requirements. References to relevant ASX releases by HMX are listed in the body of this Announcement. • 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 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. • Most of the mineralised zones are primary with chalcopyrite being the main copper bearing mineral.

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Criteria	Explanation	Commentary
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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o 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 (e.g., 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.	• No metal equivalent values have been reported. • All reported intersections have Cu% weight averaged by sample interval length and reported by total downhole width of the intersection. • Drillhole intercepts with a Cu focus are quoted at a 0.1% Cu cut-off with included intercepts quoted to highlight zones of increased width or grade.
Average 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 (e.g., 'down hole length, true width not known').	• At South Hope and Stubby, as few holes have been drilled at each prospect it is not possible at this time to determine true widths with confidence.
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 avoid misleading reporting of Exploration Results.	• As discussed in the announcement
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	• As discussed in the announcement

Criteria	Explanation	Commentary
	survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
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.

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