

# DIVESTMENT OF LAINEJAUR PROJECT IN SWEDEN FOR \$1.5M

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to announce the signing of a binding Sale and Purchase agreement for the sale of the Lainejaur Project in Sweden to private equity group Bayrock Cobalt Ltd.

## Highlights

- Total Consideration of \$1.5 million for the sale of the Lainejaur project is summarised as follows;
  - (a) **Cash payment of \$500,000** at settlement subject to completing Conditions Precedent which includes establishment of a new Swedish subsidiary to facilitate the transfer of the project and other customary conditions for this type of transaction;
  - (b) issue of an unsecured convertible note with a face value of \$500,000 convertible into securities of an initial public offer (IPO) or cash equivalent payable within 18 months from settlement; and
  - (c) issue of an unsecured convertible note with a face value of \$500,000 convertible into securities of the purchaser or cash equivalent payable within 36 months from settlement.
- Carnaby continues to be strongly funded with **\$8.3M cash** as at 31 December 2020 plus the **\$0.5M cash** announced above and the additional proceeds from the Tick Hill Tailings Dam Sale of **\$2.75M** (final part payment of \$0.75M just received plus an estimated \$2.0M in royalty payments).

The Company's Managing Director, Rob Watkins, commented:

"The sale of the Lainejaur Project into an experienced group like Bayrock Cobalt Ltd makes sense and allows Carnaby to focus on our high impact **Pilbara gold** and **Tick Hill copper gold** exploration projects in Australia, both of which are aggressively ramping up drilling programs over the coming weeks and months. Our ability to internally fund ongoing exploration programs while maintaining a tight share registry is a key strength to position ourselves for rapid growth"

## ASX Announcement

18 March 2021

### Fast Facts

Shares on Issue 117.8M

Market Cap (@ 22 cents) \$25.9M

Cash \$8.3M<sup>1</sup>

<sup>1</sup>As of 31 December 2020

### 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
- Commenced exploration at the Mallina Basin in the Pilbara of WA
- Projects near to De Grey's Hemi gold discovery on 442 km<sup>2</sup> 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
- Past production of 511 koz at 22 g/t gold
- Indicated and Inferred Mineral Resource of 845,000 t @ 2.47 g/t gold for 67,100 ounces<sup>2</sup>
- Proven and Probable Ore Reserves of 459,600 t @ 1.89 g/t gold for 28,000 ounces<sup>2</sup>
- 384 km<sup>2</sup> surrounding exploration package containing numerous gold and copper targets

<sup>2</sup>Refer ASX release 5 June 2020, to be adjusted following Tailings Sale & NSR Royalty Agreement, refer ASX release 3 August 2020

### Registered Office

78 Churchill Avenue Subiaco Western Australia 6008

T: +61 8 9320 2320

[www.carnabyresources.com.au](http://www.carnabyresources.com.au)

Further information regarding the Company can be found on the Company's website [www.carnabyresources.com.au](http://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 and Exploration Targets 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).

**Previously released ASX Material References that relates to announcement include:**

Sale of Tick Hill Tailings Stockpiles for \$6M, 3 September 2020

**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.