

Fast Facts

Shares on Issue 117.8M

Market Cap (@ 32 cents) \$37.7M

Cash \$8.6M¹¹As of 30 October 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 km² 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 ounces²
- Proven and Probable Ore Reserves of 459,900 t @ 1.89 g/t gold for 28,000 ounces²
- 323 km² surrounding exploration package containing numerous gold and copper targets

²Refer 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

KEY LAND ACCESS AGREEMENT SIGNED AT STRELLEY AND GROUND HOLDINGS INCREASED TO 442 km² IN THE MALLINA BASIN, PILBARA WA

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to provide an update for the Mallina Basin projects in the Pilbara of Western Australia.

Highlights

- Key Land Access Agreement signed for the Strelley Project.
- The agreement provides access to the highly prospective southern extension of the Stockade Prospect for the first time where several high priority targets exist (Figure 2).
- Results from recently completed Aircore and RC drilling at Strelley and Tick Hill are eagerly awaited.
- An RC drill rig has been secured to start a phase 2 drilling program in late January 2021.
- Ground holdings in the Mallina Basin have increased to 442 km² as a result of the 100% acquisition of the **"Big Hill"** tenement from privately held Lawla Resources Pty Ltd. Consideration for Big Hill comprises 95,239 fully paid Carnaby Shares and a 1% NSR royalty.
- The Big Hill project is contiguous with Carnaby's 100% owned Strelley project located along the Berghaus Shear Zone (Figure 1).

The Company's Managing Director, Rob Watkins commented:

"The signed land access agreement at Strelley has opened a key part of the Strelley project for the first time containing the southern half of the Stockade prospect and hosting several high priority targets for follow up drill testing in early 2021. The addition of the Big Hill project continues to build our strategic land position in the Mallina Basin targeting the major fault structures we believe are important controls and hosts of gold mineralisation."

BIG HILL PROJECT (Carnaby 100%)

Carnaby has increased its land holdings in the Mallina Basin of the Pilbara in Western Australia to 442 km² with the 100% acquisition of granted exploration license E45/4801 named the **Big Hill Project**.

Consideration for 100% of the tenement is 95,239 fully paid shares in Carnaby Resources Ltd and a 1% NSR royalty.

The Big Hill project is favourably located on the Berghaus Shear Zone considered to be a major structural corridor northeast of the Hemi gold discovery by De Grey Mining Ltd (Figure 1).

Minimal historical exploration has been completed on the tenement.

On ground exploration at Big Hill will commence in the 2021 field season.

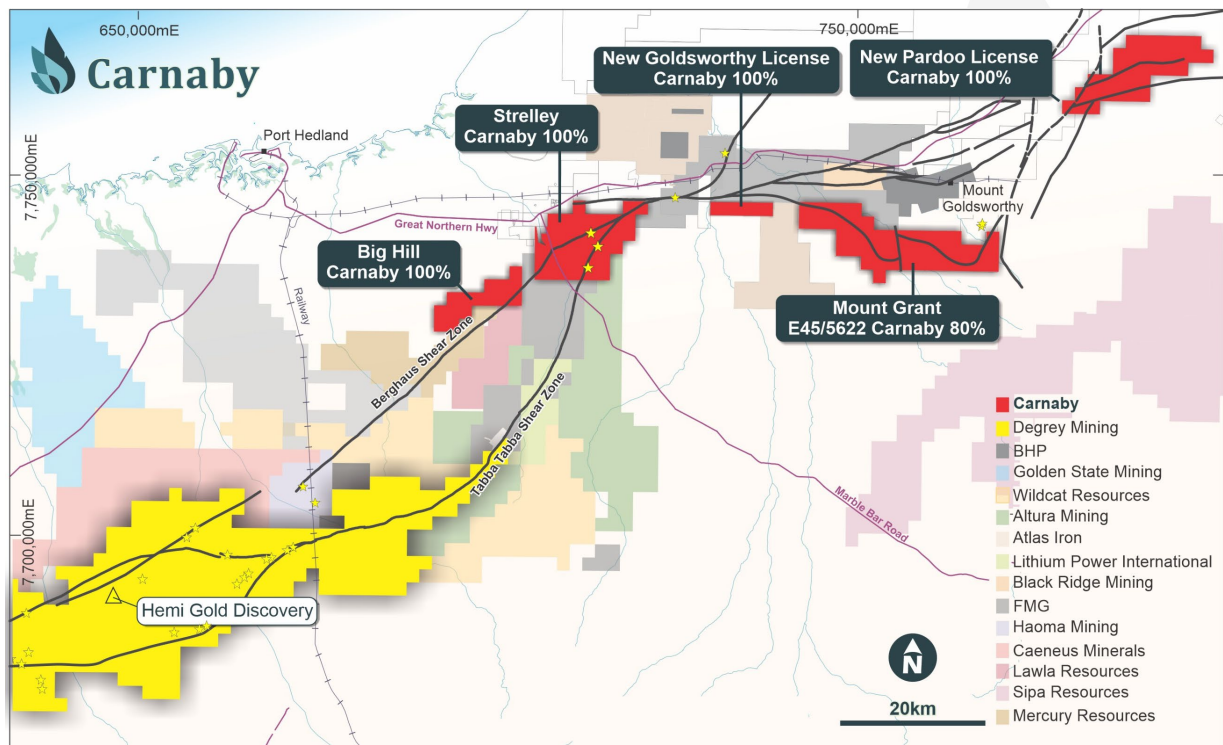


Figure 1 Carnaby Mallina Basin projects showing location of the Big Hill Project.

STRELLEY SPECIAL LEASE ACCESS AGREEMENT (Carnaby 100%)

Carnaby and Strelley Housing Incorporated have signed a Land Access Agreement allowing Carnaby access to a key area of Special Lease N101498 covering the southern extent of the Tappa Tappa Shear Zone greenstone belt within the Strelley tenement E45/4638 (Figure 2).

The special lease is an area of freehold land associated with the Strelley School and Strelley community. Carnaby is committed to good working relations with the local community and will be completing further heritage surveys early in the new year prior to drilling.

The Strelley Special Lease contains over 2 km strike of the main Tabba Tabba Shear Zone including the southern part of the Stockade prospect where historical results up to **1 m @ 6.65 g/t gold** and **8 m @ 0.69 g/t gold** including **3m @ 1.82 g/t gold** have been intersected in wide spaced RC drilling. The Stockade gold anomaly is also coincident with a large and high tenor arsenic anomaly.

Other targets within the special lease area include an end of line historical RAB anomaly of **1 m @ 0.89 g/t gold** from 5m and a distinct "Intrusive style" magnetic high anomaly located a further 1 km to the north (Figure 2).

Other targets include the western edge of the Tabba Tabba Greenstone where historical RAB hole STAC149 intersected **1 m @ 0.1 g/t gold** from 14 m to bottom of hole on 250-500m hole spacing and open for greater than 1 km along strike north and south (Figure 2).

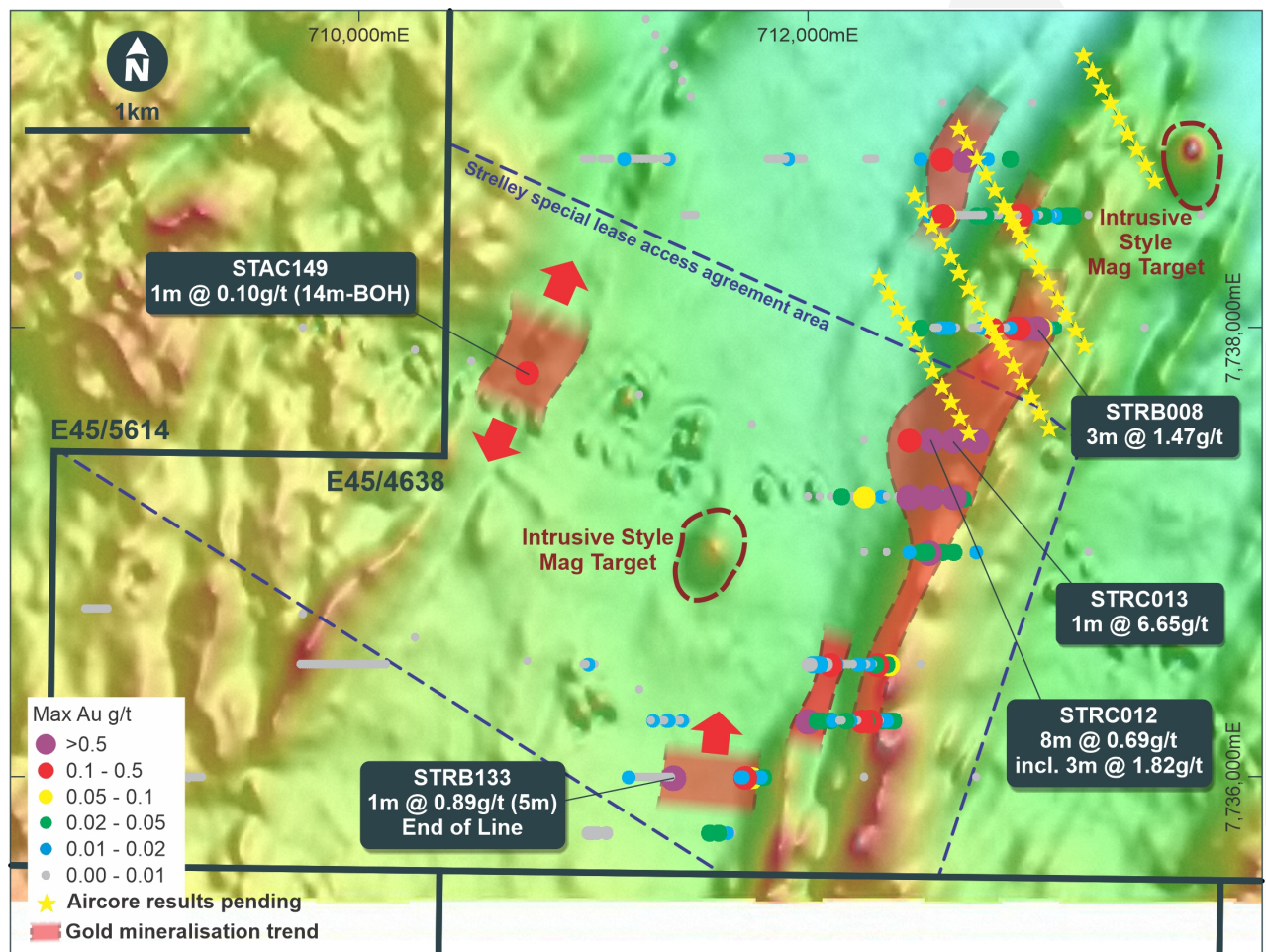


Figure 2 Strelley Special Lease Land Access Agreement area showing gold targets.

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).

The historical results are extracted from the report entitled Outstanding Historical Gold Drill Results at Strelley created on 22 July 2020 and is available to view on the Carnaby Resources Ltd website www.carnabyresources.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement. 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.

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.