

GOLD EXPLORATION DRILLING COMMENCES IN THE PILBARA

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to announce the commencement of gold exploration drilling in the Pilbara, WA.

Highlights

Mount Grant Prospect (CNB 80%):

- **Maiden gold exploration RC drilling program has commenced in the Pilbara targeting the northeast structural / stratigraphic corridor 100km from De Grey Mining Limited's (ASX: DEG) (De Grey) world class Hemi gold deposit.**
- **The 5 RC hole program is 50% funded by the WA government as part of an Exploration Initiative Scheme (EIS) award.**



The Company's Managing Director, Rob Watkins commented:

"Whilst our focus remains firmly on the Greater Duchess Copper Gold Project in Queensland, this low-cost maiden drilling program in the Pilbara to advance our Mount Grant Prospect within the Mallina Gold Project is extremely exciting given the location and potential to discover a new gold system under shallow cover in a completely unexplored greenstone belt. Carnaby is possibly the only company to have discovered intrusion hosted gold mineralisation of similar style to the Hemi gold deposit outside of De Grey Mining Limited's vast tenure. The Mount Grant project, located along a major structural and stratigraphic corridor ~100km northeast of Hemi is completely masked at the surface by shallow cover and has never previously been targeted for gold. The first drill hole completed over the weekend has confirmed shallow cover and intersected favourable host rock lithologies including an altered intrusion and disseminated sulphides and we look forward to completing the drill program and receiving and reporting the results."

ASX Announcement

25 September 2024

Fast Facts

Shares on Issue 171.9M

Market Cap (@ 35 cents) \$60.2M

Cash \$10.8M¹

¹As at 30 June 2024

Directors

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Greg Barrett, Non-Exec Director

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 1,946 km² 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 397 km² of highly prospective tenure.

¹Refer to ASX release dated 27 October 2023.

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MALLINA GOLD & LITHIUM PROJECTS

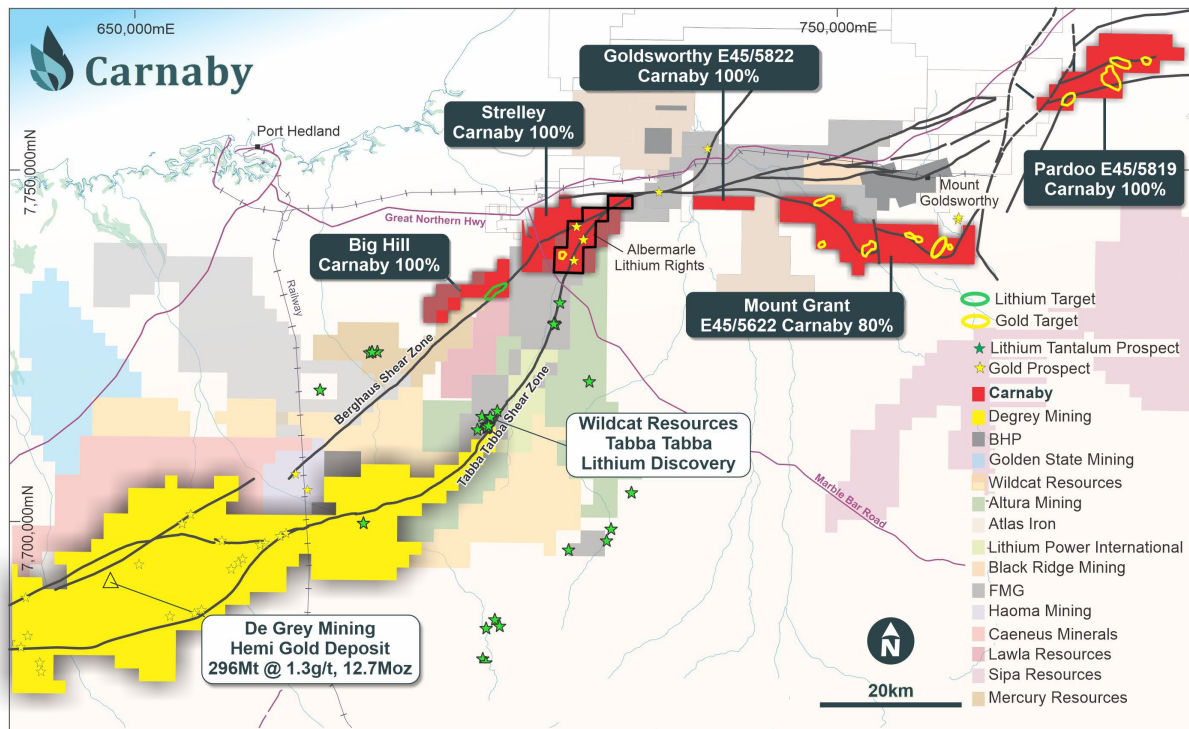


Figure 1. Mallina Project showing the location of the Mount Grant tenement and Hemi style gold targets.

MOUNT GRANT PROSPECT (CNB 80%)

A five hole RC drilling program has commenced at the Mount Grant Prospect which is part of Carnaby's Mallina gold and lithium group of projects (Figure 1). The drilling program is 50% funded by the WA government as part of an EIS award and is expected to cost approximately \$100,000.

The Mount Grant tenement is located on a major structural and stratigraphic domain boundary between the older East Pilbara granite terrain to the south and younger De Grey Supergroup to the north which includes the Mallina Basin. The Tabbatabba Shear Zone is located on this same stratigraphic horizon. Carnaby flew a detailed aeromagnetic survey in 2020, which highlighted several potential "Hemi style" intrusions (Figure 2).

No previous exploration drilling has been completed over the ~30km of strike of the completely untested greenstone within the Mount Grant tenement which is masked by shallow cover.

Carnaby has just completed the first drill hole (MGRC004) over the weekend and intersected shallow cover (~30m) and encouragingly intersected a sericite-silica-chlorite altered intrusion and mafic / ultramafic rocks with weak disseminated sulphides (pyrite). It should be noted that

the presence of sulphides is not necessarily an indication of gold grade nor an indication that gold mineralisation is present.

Assays results are expected to take approximately four weeks to be received once submitted.

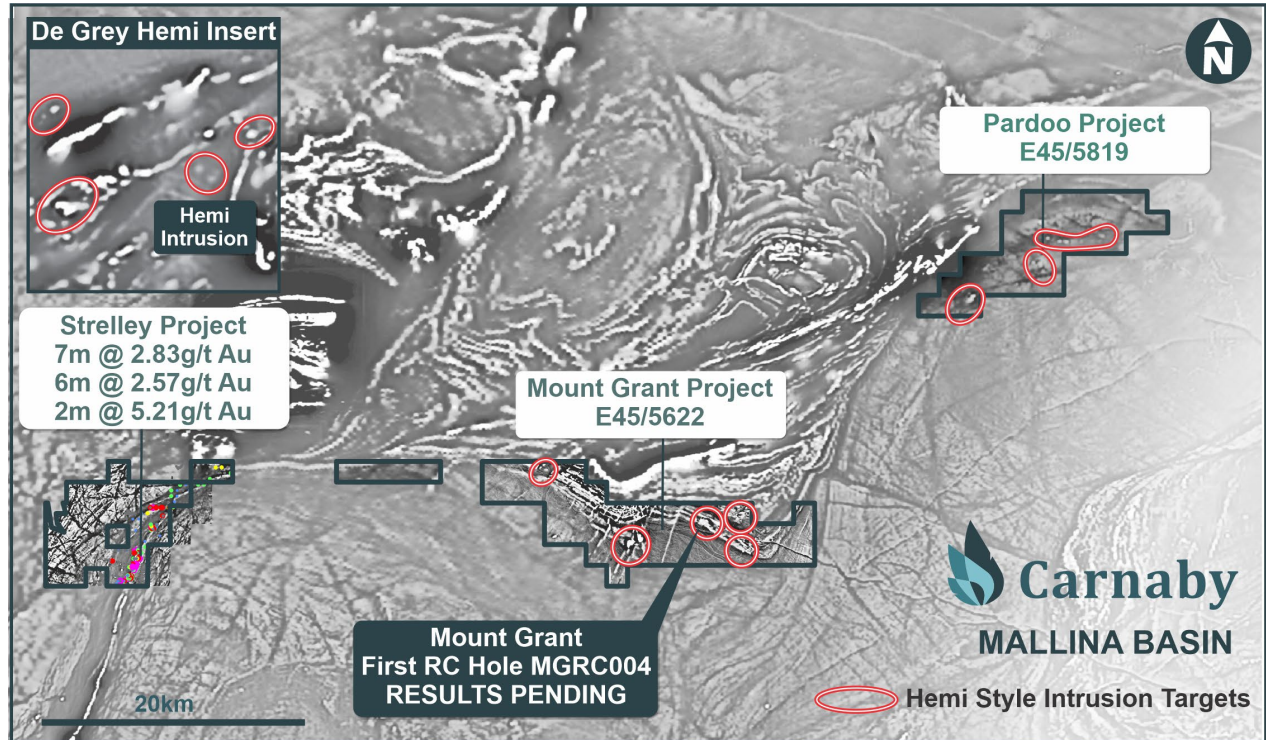


Figure 2. Mallina Project showing the Carnaby tenure and Hemi style gold targets on regional magnetics.

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:

Robert Watkins, Managing Director

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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).

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.

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 Information.

Prospect	Hole ID	Easting	Northing	RL	Dip	Azimuth	Total Depth (m)
Mt Grant	MGRC004	761577	7740176	205	-89.5	14.2	154

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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. RC samples submitted to ALS labs are pulverised to obtain a 25g charge then analysed for trace level gold analysis using aqua regia digest and AAS/ ICP finish. Multi element analysis on selected samples will be undertaken by 4 acid digest with an ICP-MS finish.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> All recent RC holes were completed using a 5.5" face sampling bit.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<ul style="list-style-type: none"> For recent RC drilling, ground water was encountered however no significant recovery issues for samples were observed.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill chips collected in chip trays are considered a reasonable visual representation of the entire sample interval.
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> 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.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> For lab assays, company inserted blanks are allocated 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. Field duplicates are taken in mineralised zone every 50th sample. Standards are checked against expected lab values to ensure they are within tolerance. No issues have been identified.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Basement geology has not previously been tested by historic drilling. Samples from the current programme are yet to be submitted to the lab. Single holes only have been assigned each target area in the first pass drilling. A Maxgeo SQL database (Datashed) is currently used in house for all historic and new records. The database is maintained on the Maxgeo Server by a Carnaby database administrator. Recent results have been reported directly from lab reports and sample sheets collated in excel.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Results reported below the detection limit have been stored in the database at half the detection limit – e.g., <0.001ppm stored as 0.0005ppm
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All hole locations were obtained using a Garmin handheld GPS (+/-3m accuracy) Current RC holes were downhole surveyed by Reflex True North seeking gyro.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Current drilling is of a first pass nature and only.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drilling orientation has been planned either as vertical or dipping 60 degrees, orthogonal to the interpreted strike of stratigraphy and structures based on the aeromagnetic imagery. MGRC004 (Table 1) has been drilled as a vertical hole. The orientation of the drill holes to mineralised structures has not yet been established.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples are taken to a secured storage at the end of shift and dispatched for analysis by the supervising geologist.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Sample practices and Lab QAQC were internally audited by PayneGeo and externally audited by Snowden Optiro Pty Ltd in 2023 for the Greater Duchess Project (Qld) and found to be satisfactory. The sample lab company (ALS) and internal sampling practices are used for Carnaby's WA exploration projects.

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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Mount Grant Prospect is located on a granted exploration licence E45/5622 (80% interest acquired from Shumwari Pty Ltd (Shumwari)). Shumwari retains a 20% free carried interest in the project through to delivery of a Definitive Feasibility Study (DFS) in respect of any part of the licence, upon which they must contribute to Joint Venture Expenditure in proportion to their respective participating interests.
Acknowledgment and appraisal of	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> In 2012 API Management Pty Ltd completed 2 RC holes to 22 and 24m depth but failed to penetrate through the cover sequence. No

Criteria	Explanation	Commentary
exploration by other parties.		<p>other historic drilling has been completed on the tenement.</p> <ul style="list-style-type: none"> Outside of the Mt Grant tenement, soil sampling by Top Iron Pty Ltd in 2013 identified a >2km long soil anomaly associated with the historic Illareen gold workings with up to 544ppb gold. The gold soil anomaly tracks south-east towards the Mount Grant tenement where the basement goes under Quaternary cover.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Mt Grant is situated in the Pilbara Region of WA. It is located on major structural and stratigraphic domain between older granitic rocks of the East Pilbara terrain to the south and the younger Degrey Supergroup Malina Basin to the north. The NE continuation of the Tabbatabba Shear Zone (TTSZ) occurs along this same stratigraphic horizon. The Mt Grant prospect contains several circular magnetic highs which may possibly represent the magnetic expression of Hemi style diorite or quartz diorite intrusives related to gold mineralisation.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. <p>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.</p>	<ul style="list-style-type: none"> Included in report Refer to Appendix 1, Table 1.
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No assay results have been reported.
Average Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> The geometry of the mineralisation with respect to drill hole angle is currently unknown.

Criteria	Explanation	Commentary
	to this effect (e.g., 'down hole length, true width not known').	
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See the body of the announcement.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> As discussed in the announcement.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> As discussed in the announcement.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Planned exploration works are detailed in the announcement.