

Tick Hill Exploration Underway 10,000 m Drilling Program

Berkut Minerals Ltd (ASX: BMT), soon to be renamed Carnaby Resources Ltd ('Company'), is pleased to announce commencement of exploration activities following completion of the company transforming acquisition of the Tick Hill Gold Project ('Tick Hill'), located in the Mt Isa region of Queensland, Australia.

Highlights

- **On ground field exploration activities have commenced at Tick Hill with mapping and sampling of key target areas**
- **Geophysical surveys (Sub-Audio Magnetics 'SAM') over Tick Hill and Mount Birnie to commence this week**
- **Maiden 10,000 metre drilling project planned**
- **Drilling at Tick Hill planned to commence in June, being the first exploration drilling at Tick Hill in 14 years**
- **Drilling at Tick Hill to target shallow extensions and potential offsets based on interpretation of structural controls of mineralisation**
- **Drilling program to also test highest priority regional copper gold targets at Mount Birnie located 4 km north of Tick Hill**

The Company's Managing Director, Rob Watkins commented:

"Now that the Tick Hill transaction has been completed, we are excited to be able to start aggressively exploring our extensive landholding. The SAM geophysical survey commencing this week over Tick Hill and Mount Birnie aims to delineate important fault network pathways at Tick Hill and will be used to define and refine targeting for the upcoming drilling programs in June. We also look forward to rapidly progressing the extensive copper-gold targets in the Duchess area north of Tick Hill that form part of the planned 10,000 m of drilling to be completed in 2019".

Fast Facts

Shares on Issue 96M

Market Cap (@ 14 cents) \$13.5M

Cash \$4.7M¹

¹As of 31 March 2019 adj. for \$1.6M placement

Board and Management

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Neil Inwood, Non-Exec Director

Justin Tremain, Non-Exec Director

Paul Payne, Non-Exec Director

Aaron Bertolatti, Company Secretary

Company Highlights

- Proven and highly credentialled management team
- 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
- 323 km² surrounding exploration package containing numerous gold and copper targets
- Tight capital structure and strong cash position

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STRATEGIC EXPLORATION PLAN

The company is pleased to announce the implementation and commencement of its on-ground exploration program following completion of the transformational Tick Hill gold mine acquisition.

It is anticipated that over the next 8 months approximately **10,000 m of drilling** will be completed at Tick Hill and surrounding copper-gold targets within the 15 km long Duchess to Tick Hill Iron Oxide Copper-gold ('IOCG') corridor (Figure 1).

The Company has immediately commenced exploration at Tick Hill with planned SAM geophysical surveys, soil sampling and mapping. Shallow reverse circulation ('RC') drilling is expected to commence in June 2019. The Company is concurrently commencing a district scale geological evaluation of the controls of mineralisation at Tick Hill and the numerous IOCG deposits that exist within the 323 km² of tenure. Renowned structural geologist Brett Davis has been engaged to undertake a detailed structural review and interpretation of Tick Hill which will lead to deeper drill testing of Tick Hill targets in Q4 2019.

Figure 1: Proposed work program for 2019



TICK HILL - QUEENSLAND

Initial field work including mapping and rock chip sampling has commenced at key target areas within the Tick Hill project, along with verification of historical exploration records. The Company is compiling results from this initial field work which will be announced shortly along with greater details on specific high priority targets that have been identified.

SUB AUDIO MAGNETICS SURVEY

The Company has commissioned a Sub-Audio Magnetics ('SAM') survey over the Tick Hill (Figure 3) and Mt Birnie targets which will commence this week and take two weeks to complete at a cost of approximately \$110,000. SAM surveys have been found to be highly

successful in the Mt Isa region with the capability to delineate both structural and conductivity targets as well as provide detailed ground magnetics.

A key geological control of mineralisation at Tick Hill is thought to be the late fault network that has caused the Tick Hill orebody to be truncated at only 235 m below surface. A SAM survey over Tick Hill will highlight these late faults and in conjunction with detailed structural mapping and re-logging of core will generate high priority near mine exploration targets for potential offset or repetitions of the Tick Hill orebody.

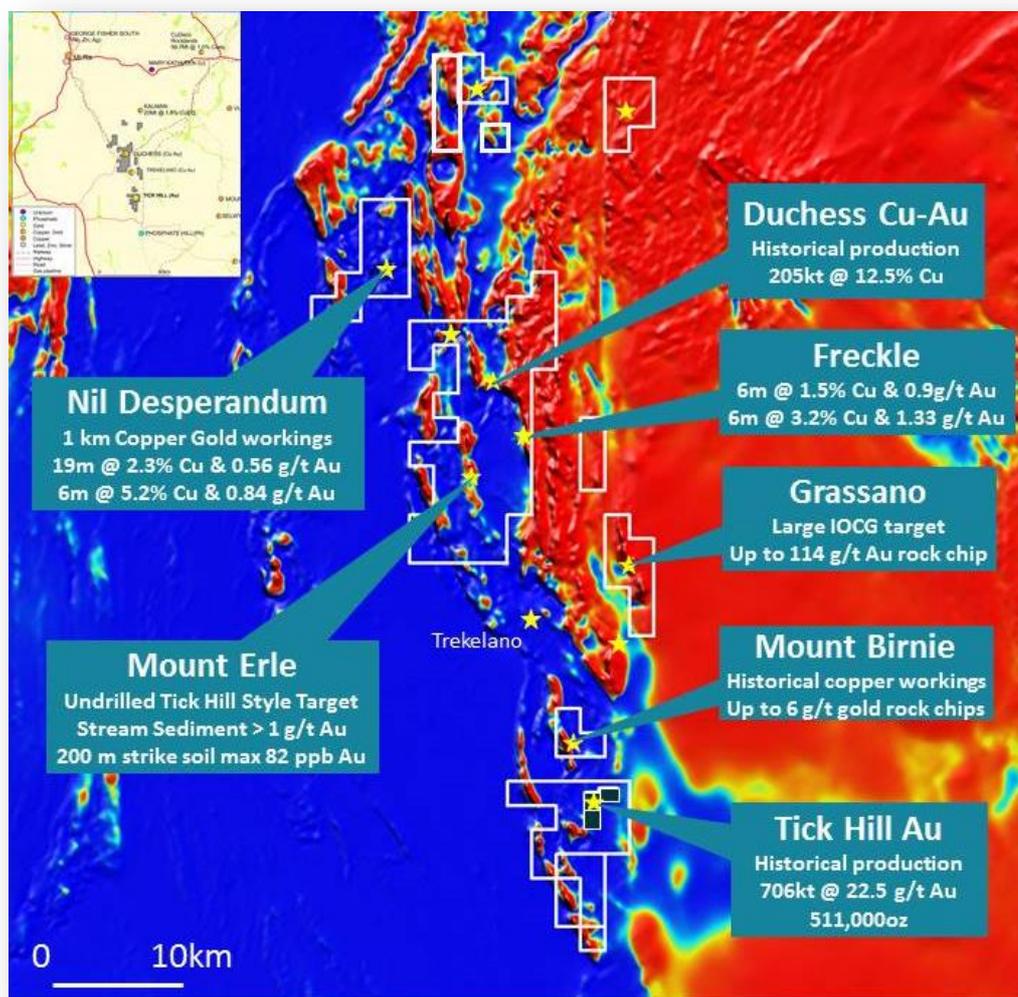


Figure 2. Tick Hill project area on magnetics

TICK HILL DRILL TARGETS

The Company's maiden exploration drill program is planned to commence at Tick Hill in June 2019. Remarkably, this will be the first exploration drilling at Tick Hill in 14 years at what was one of Australia's highest grade and most profitable gold mines. The discovery of the offset location of the orebody or discovery of a satellite lode within the Tick Hill mine corridor is the highest priority target and offers enormous leverage if successful.

The Tick Hill deposit has an average strike length of only 80 m and abruptly terminates against cross cutting breccia faults with minimal halo gold dispersion on either side of the bounding faults (Figure 4). While this creates a difficult exploration target to intersect with drilling, it equally means that the direct extension or a faulted offset of the orebody can and probably has been missed.

An initial reverse circulation drill program of approximately 4,000 m at an all in cost of approximately \$150 per metre will target shallow gold mineralization. Additional adjacent targets include Tick Hill South, Tick Hill SE and Tick Hill East (See Figure 3). The SAM geophysical survey over Tick Hill will be an important drill targeting tool along the Tick Hill mine corridor.

The Tick Hill South target is located 600 m south of the Tick Hill open pit, underneath the tailings dam and original plant site infrastructure where little historical drilling has been completed. Tick Hill South has a strong network of late cross cutting brittle faults considered to be an important control of the Tick Hill deposit. The Tick Hill hanging wall quartzite position at this location is poorly tested and has moderate level gold leakage anomalism (Figure 4).

The Tick Hill East and SE targets represent potential D3/D4 linkage structures into the footwall of the Tick Hill mine corridor, where 'galahstone' type ore host rocks and repetition of the footwall biotite schist has been mapped.

The Tick Hill Deeps target represents a potential down plunge / fault offset of the main Tick Hill orebody (Figure 3 & 4). A structural interpretation is being undertaken with core re-logging and pit mapping to allow for a deeper diamond drilling program in Q4 2019.

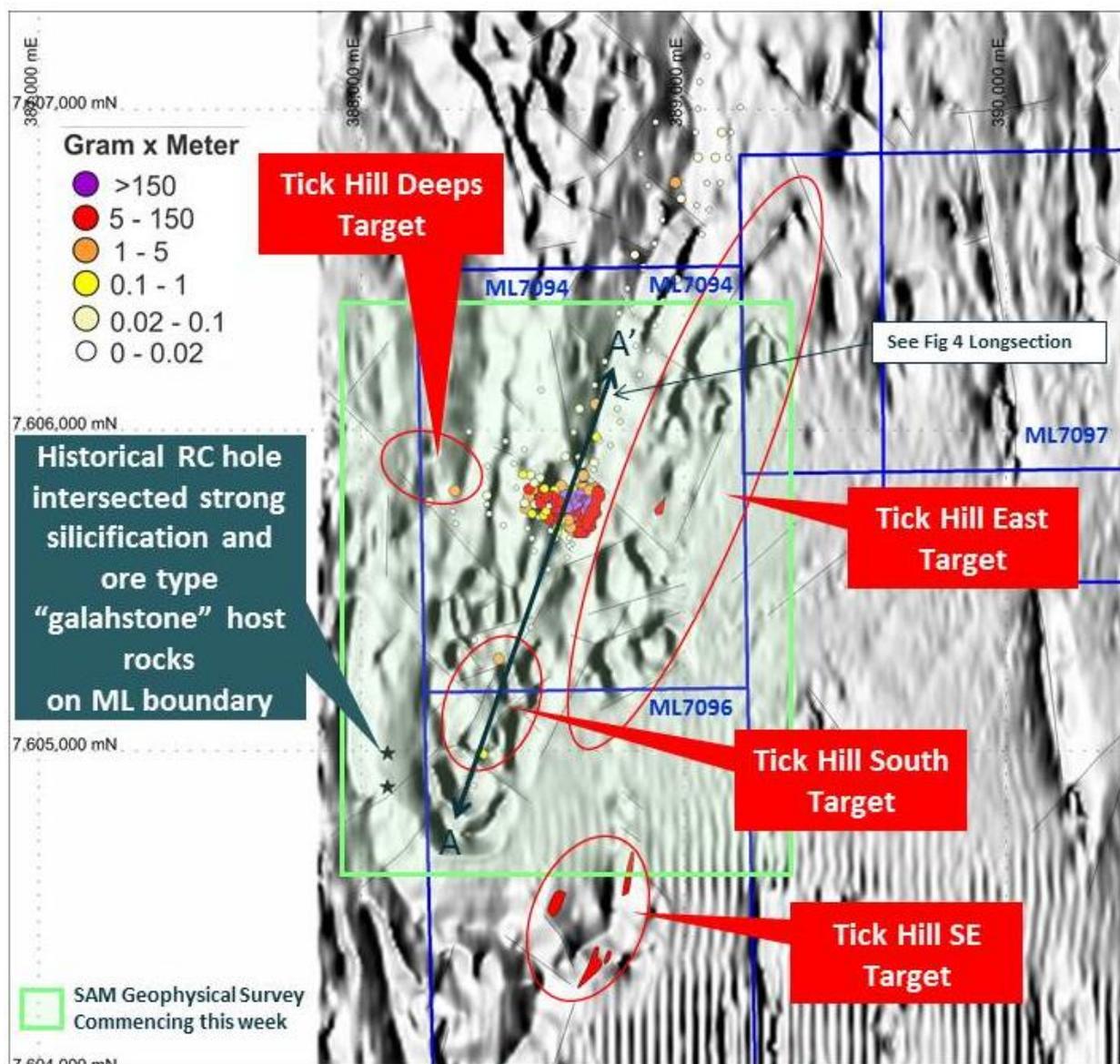


Figure 3. Tick Hill Near Mine Targets on magnetics showing planned SAM survey

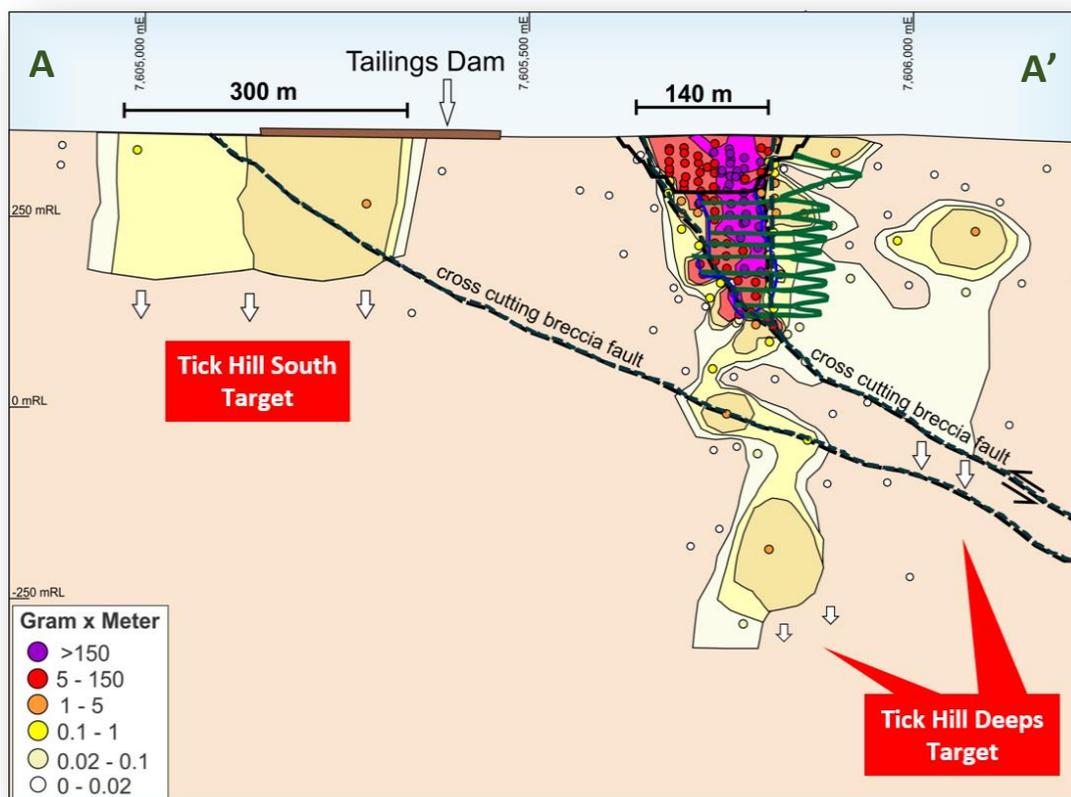


Figure 4 Tick Hill long section showing Tick Hill South and Tick Hill Deeps targets

TICK HILL REMNANTS

The Tick Hill orebody was mined between 1991 and 1995 at a time when gold prices were ~\$350 oz. It is believed that significant un-mined remnant mineralization remains immediately beneath the open pit and adjacent to existing underground development.

The southern extension of the main lode has not been mined immediately below the open pit. Un-mined true width underground drill results from the southern extension include:

- 2 m @ 104.2 g/t gold
- 5 m @ 20.6 g/t gold
- 3 m @ 16.9 g/t gold
- 1 m @ 16.8 g/t gold

Additionally, hanging wall lode mineralisation remains in place as historically only one stope was mined in the hanging wall lode.

DISTRICT SCALE TARGET GENERATION

Renowned structural geologist, Mr Brett Davis, has been engaged to interpret structural and other controls of mineralisation at Tick Hill by re-logging core, pit mapping, and complete key outcrop mapping at other known deposits / key locations throughout the IOCG belt.

The primary aim of this study is to determine high priority drill targets for potential offset locations and repetitions of the Tick Hill orebody which is faulted off at only 235 m below surface. The other key aim of this study is to determine the highest priority regional targets based on the district scale synthesis on what are the key structural, timing and other controls of mineralisation.

Extensive existing geophysical, geochronology, imagery and geochemistry datasets will be utilized to determine whether Tick Hill style epigenetic IOCG mineralisation (gold rich with sub-economic copper and cobalt) represents the same style, age and controls of mineralisation as the more typical Cloncurry style IOCG mineralisation (copper rich with gold and cobalt) that is found at Duchess and elsewhere in the belt.

Highest priority regional targets generated, will be explored systematically using conventional mapping, soil and rock chip sampling, geophysics and drilling.

REGIONAL COPPER TARGETS

The northern part of the Tick Hill project contains several known IOCG deposits within a 20 km radius of the historical Duchess copper mine which produced 205 kt at 12.5% copper (Figure 5). These copper rich IOCG deposits form a camp scale deposit cluster and have mostly not been drill targeted for shallow copper oxide potential. Most of these deposits have had minimal historical drilling and remain open and several have reported off-hole conductors that have not been followed up.

Specific targets include

- Duchess copper gold deposit is the most advanced of the copper dominant targets in the district where the Ivanhoe lode has been drilled over 1 km of strike
- Macgregor approximately 1 km SE of Duchess, where results up to 11 m @ 2.71% copper has been intersected from only four holes drilled
- Nil Desperandum where wide zones of mineralisation have been intersected up to 20 m @ 2.4% copper
- Spring Creek where a very large copper and gold surface geochemical footprint in excess of 5 km length has minimal drilling intersecting up to 5 m @ 0.60% copper and 0.65 g/t gold

- Dronefield, Revenue, Mt Birnie and Freckle which have extensive surface copper and gold geochemical anomalism with minimal follow up drilling that has intersected significant copper and gold results including Freckle hole FR-1, 6 m @ 1.45% copper, 0.9 g/t gold and 6 m @ 3.15% copper, 1.33 g/t gold).

The copper rich IOCG deposits north of Tick Hill represent an attractive target for stand-alone, large scale IOCG deposit discovery; however will also be assessed for a camp scale cluster of copper oxide heap leach targets. Both these target styles will be systematically advanced based on defined economic parameters.

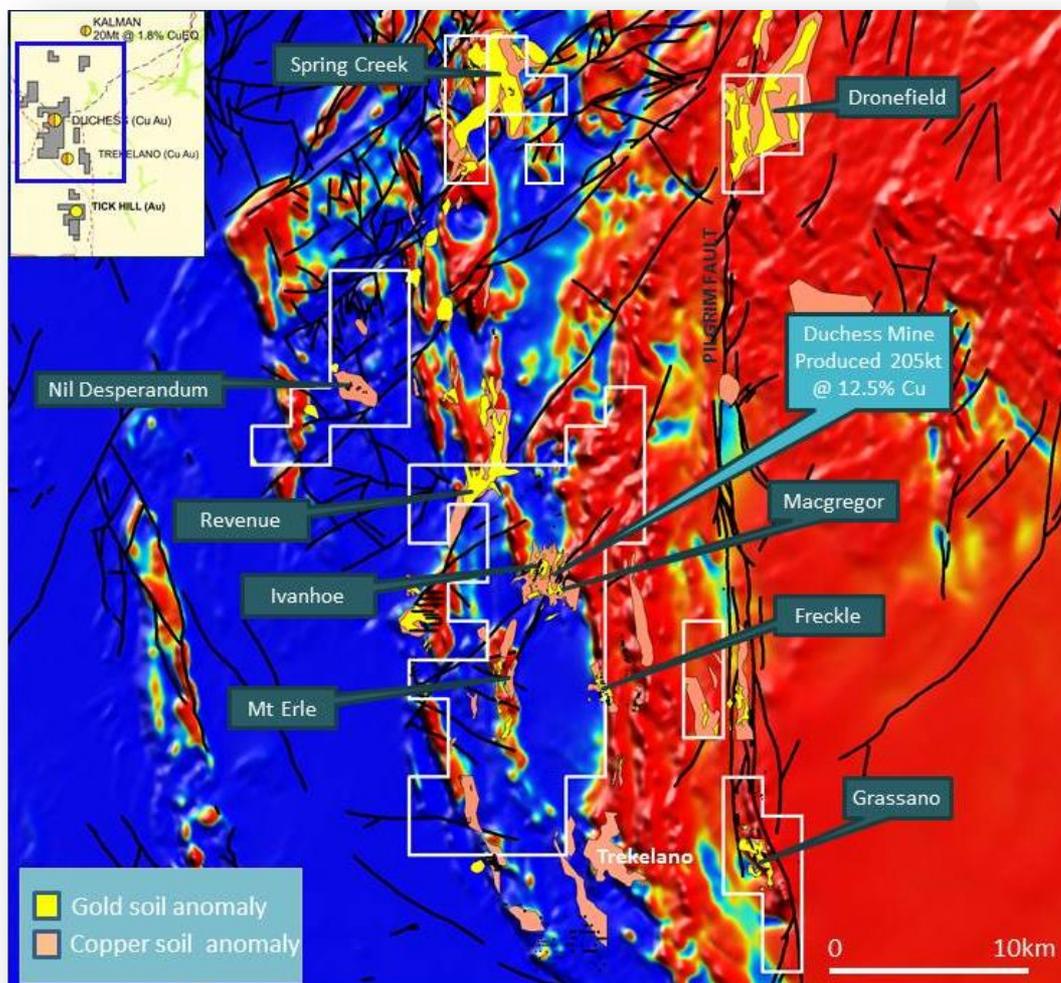


Figure 5 IOCG targets showing interpreted faults and copper and gold soil anomalies

Detailed information on all aspects of the Company's projects can be found on the Company's website www.berkutminerals.com.au.

**For further information please contact:
Robert Watkins, Managing Director**

Competent Persons 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).

Notes regarding reporting of Exploration Results in this announcement

¹ For full details of exploration results refer to ASX announcements on 12 March 2019. 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 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 announcements. The Company confirms that the information in the announcement relating to exploration results is based upon, and fairly represents the information and supporting documentation prepared by the named Competent Persons.