Carnaby

ASX Announcement

1 December 2021

SIGNIFICANT LITHIUM SOIL ANOMALY - BIG HILL, PILBARA WA

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to provide an exploration update for the 100% owned Big Hill Project in the Mallina Basin, Pilbara, WA.

Highlights

- **Soil sampling results from the Big Hill Project have highlighted a large 1.5 km by 0.5 km lithium soil anomaly with soil results up to 179 ppm Li (Figure 2, Table 1).**
- **The lithium soil anomaly is associated with elevated caesium (Cs) and tantalum (Ta) confirming a LCT pegmatite type anomaly target.**
- **Big Hill is located 60 and 80 kms north of the giant world class Pilgangoora and Wodgina lithium mines respectively (Figure 1).**
- The Big Hill lithium soil anomaly is coincident with a discrete magnetic high unit located on a major fault structure (Berghaus Shear Zone) on the edge of the large Split Rock Supersuite intrusion, considered to be a similar geological setting to Pilgangoora and Wodgina lithium deposits.
- First pass reconnaissance mapping and rock chip sampling of the lithium anomaly has identified occasional outcrop of pegmatite and mafic greenstone at the soil anomaly (samples submitted to labs).
- First pass drill testing of the Big Hill lithium and gold soil anomalies are being planned. Heritage clearances are complete and drilling will take place as soon as practicable.

The Company's Managing Director, Rob Watkins commented:

"We are in unexplored lithium and gold elephant country at Big Hill and look forward to first pass drilling of the Big Hill soil anomalies as quickly as possible. While we remain extremely excited about our gold prospects in the Pilbara, we cannot ignore a walk up lithium drill target of this ilk which has presented itself at Big Hill. Carnaby has significant exposure to energy metals with our Duchess Copper Gold project and considers lithium a long term metal of the future that we are compelled to explore for in conjunction with the gold exploration in the Pilbara of WA."

Fast Facts

Shares on Issue 118.1M

Market Cap (@ 24.5 cents) $28.9M

Cash $5.6M[1]

[1]As of 30 September 2021

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
- Projects near to De Grey's Hemi gold discovery on 442 km^2 of highly prospective tenure
- Greater Duchess Copper Gold Project, numerous camp scale IOCG deposits over 323 km^2 of 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 207,000 t @ 6.71 g/t gold for 44,600 ounces
- Proven and Probable Ore Reserves of 48,600 t @ 6.53 g/t gold for 10,200 ounces

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BIG HILL PROJECT (Carnaby 100%)

The Big Hill project is located on the Berghaus Shear Zone, a major northeast structure which can be traced for over 100 km and is potentially an important structure for the giant Hemi gold discovery by De Grey Mining, 70 km to the southwest (Figure 1).

No historical mineral exploration of any significance has been recorded over the Big Hill area.

The Big Hill project is located 60 and 80 kms north of the giant world class Pilgangoora and Wodgina lithium mines respectively (Figure 1).

The Big Hill area is considered highly prospective for hard rock lithium mineralisation associated with LCT pegmatites of the Pilgangoora and Wodgina style deposits.

The presence of Split Rock Supersuite granites adjacent to the Berghaus Shear Zone at Big Hill is significant as these granites are considered to be a likely source of the LCT pegmatites at Pilgangoora and Wodgina (Figure 1).

Several occurrences of lithium and tantalum along the Tabba Tabba Shear Zone north of Pilgangoora and Wodgina around the margins of the Split Rock Supersuite granites further supports the potential for lithium mineralisation in the area around Big Hill (Figure 1).

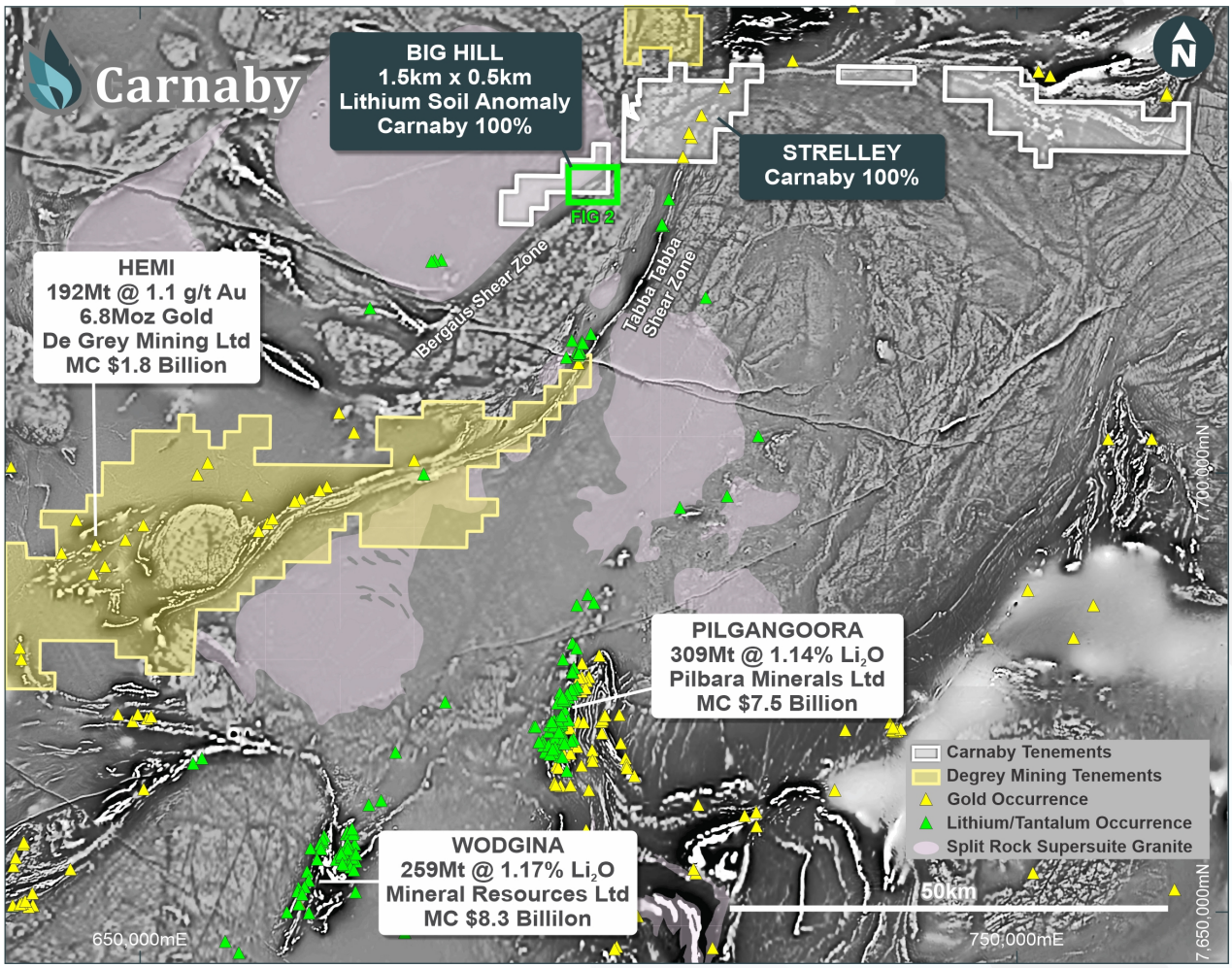

Figure 1. Regional Location Plan of Big Hill Project on Aeromagnetics.

BIG HILL LITHIUM SOIL ANOMALY

The Big Hill tenement is characterised by mostly shallow cover with occasional isolated outcrop and subcrop of basement.

First pass soil sampling was recently completed by Carnaby across the Big Hill Prospect targeting a magnetic high anomaly located on the Berghaus Shear Zone (Figure 2).

A total of 157 soil samples were taken on a nominal 320m x 80m grid spacing, closed down to 320m x 40m spacing in the southwest corner of the tenement and analysed using an Ultrafine assay method. Soil results are presented in Table 1.

The results have revealed a large 1.5 km by 0.5 km lithium soil anomaly coincident with the magnetic high unit (Figure 2). Reconnaissance mapping and rock chip sampling over the anomaly indicates most of the area is characterised by shallow cover with occasional outcrop and subcrop of basement.

Encouragingly both pegmatite and mafic greenstone occurrences have been found outcropping over parts of the anomaly with several rock chip samples taken for analysis.

A vast majority of the 1.5km by 0.5km soil anomaly is covered by thin soil cover.

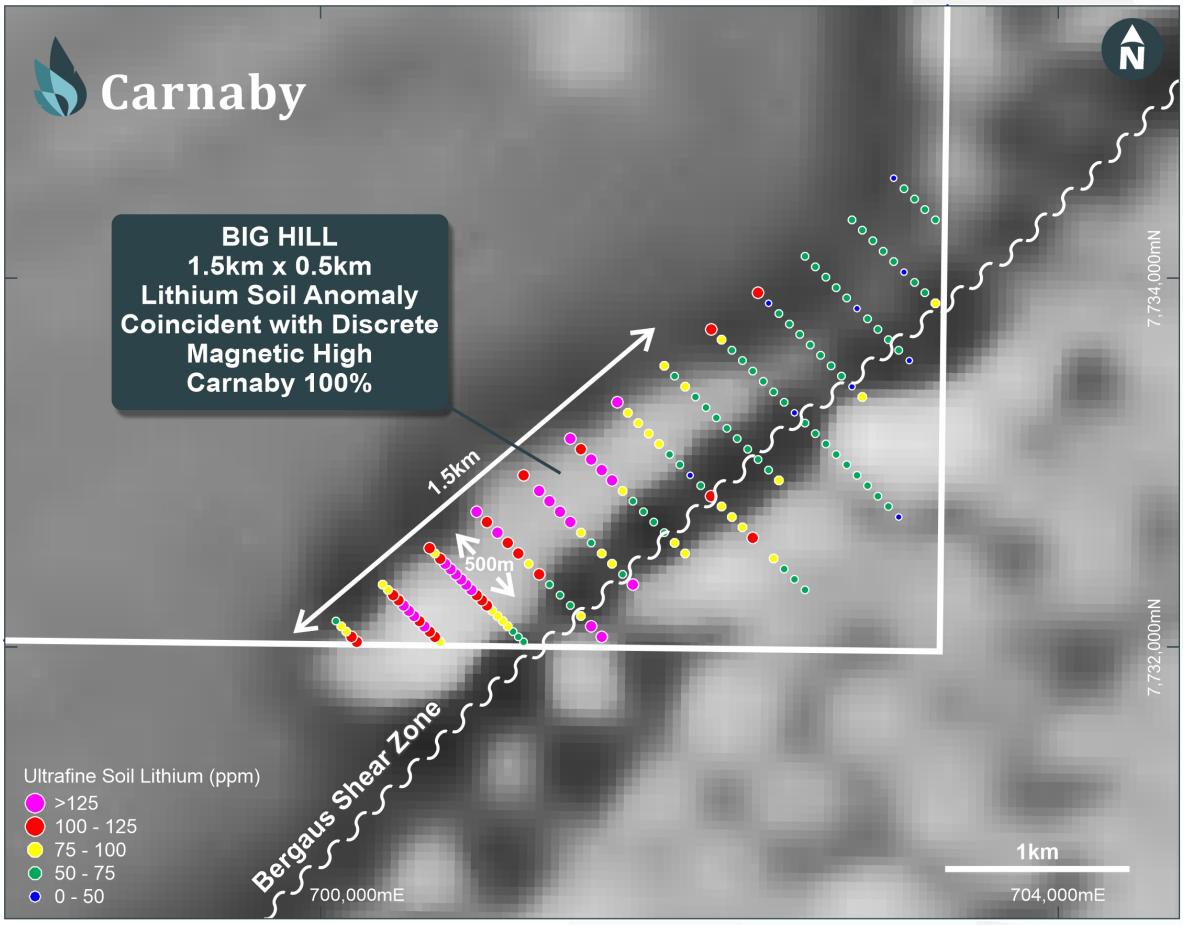

Figure 2. Big Hill Lithium Soil Anomaly Coincident With A Discrete Aeromagnetic High.

Further mapping and sampling is underway at Big Hill whilst first pass drilling programs are being planned with a commencement date as soon as practicable.

BIG HILL GOLD SOIL ANOMALIES

The Big Hill project was originally acquired as a gold project targeting Hemi style intrusion hosted and shear controlled gold mineralisation along the regionally significant Berghaus Shear Zone which is known to host significant gold mineralisation within De Grey Mining's tenure 70 km to the southwest (Figure 1).

Recently completed first pass soil sampling (See ASX release 15 October 2021) has defined 2 significant parallel gold soil anomalies, each over 2 km in strike within the Berghaus Shear Zone (Figure 3).

A maximum soil result of 25.3 ppb gold is considered highly anomalous against a background of approximately 1 ppb gold.

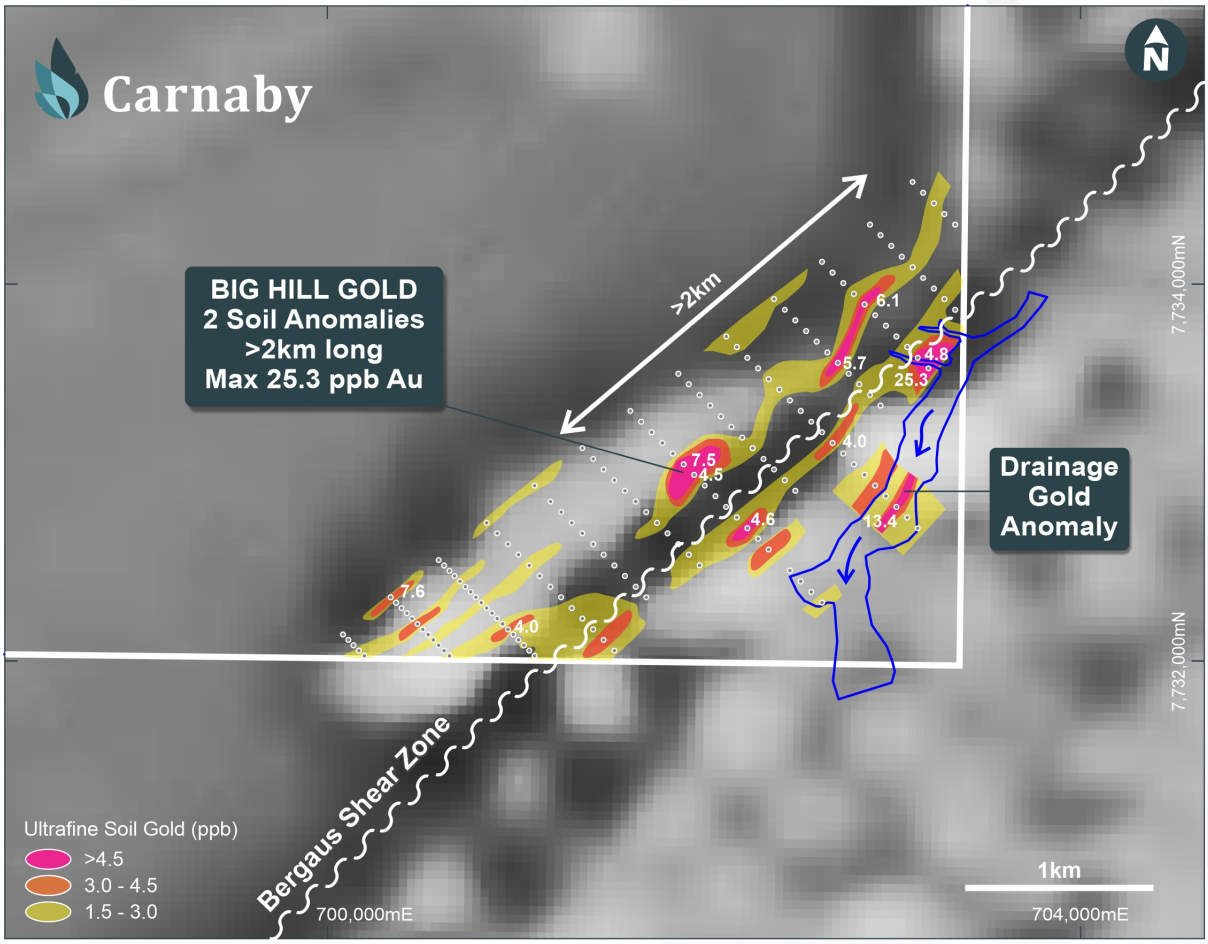

Figure 3. Big Hill Gold Soil Anomalies on Aeromagnetics.

Several occurrences of strongly altered mafic greenstone subcrop have been identified at Big Hill. The previously unrecognised presence of greenstone rocks at Big Hill within the Berghaus Shear Zone is a very encouraging sign for potential gold mineralisation.

Carnaby is currently completing follow up mapping and sampling and is planning first pass drilling of the gold and lithium soil anomalies as soon as practicable.

Further information regarding the Company can be found on the Company's website www.carnabyresources.com.au

For further information please contact:
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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 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.

Previously released ASX Material References that relates to announcement include:

Strelley Gold Project Interim Exploration Update, 15 October 2021

Key Land Access Agreement Signed at Strelley, 23 December 2020

Table 1. Big Hill Soil Sample Li, Cs, Ta Results

SampleID	NAT_Grid_ID	NAT_North	NAT_East	Li_ppm	Cs_ppm	Ta_ppm
WA01231	MGA94_50	7733865.13	703334.02	87.5	10.6	0.021
WA01232	MGA94_50	7733921.71	703277.41	67.9	8.78	0.02
WA01233	MGA94_50	7733978.31	703220.9	54.6	9.5	0.028
WA01234	MGA94_50	7734034.79	703164.29	43.3	7.03	0.039
WA01235	MGA94_50	7734091.39	703107.68	57.8	9.4	0.02
WA01236	MGA94_50	7734147.98	703051.17	60.4	11.3	0.031
WA01237	MGA94_50	7734204.57	702994.56	59.3	8.89	0.031
WA01238	MGA94_50	7734261.15	702938.05	60.5	10.8	0.037
WA01239	MGA94_50	7734317.64	702881.44	62.8	11.8	0.026
WA01240	MGA94_50	7733554	703192.59	42.1	7.88	0.011
WA01241	MGA94_50	7733610.59	703135.98	73.2	10.2	0.032
WA01242	MGA94_50	7733667.18	703079.47	63.9	9.82	0.026
WA01243	MGA94_50	7733723.66	703022.85	51.6	7.87	0.022

SampleID	NAT_Grid_ID	NAT_North	NAT_East	Li_ppm	Cs_ppm	Ta_ppm
WA01244	MGA94_50	7733780.25	702966.25	52.9	9.44	0.023
WA01245	MGA94_50	7733836.84	702909.74	48.6	11.7	0.059
WA01246	MGA94_50	7733893.44	702853.13	56	11	0.06
WA01247	MGA94_50	7733950.03	702796.62	51.8	12.1	0.053
WA01248	MGA94_50	7734006.51	702740	58.3	14.5	0.08
WA01249	MGA94_50	7734063.09	702683.5	61.7	15.4	0.042
WA01250	MGA94_50	7734119.68	702626.89	74.5	13.6	0.029
WA01801	MGA94_50	7732026.6	700194.39	112	13.4	0.04
WA01802	MGA94_50	7732054.94	700166.14	108	13.2	0.021
WA01803	MGA94_50	7732083.18	700137.88	85.8	11.2	0.028
WA01804	MGA94_50	7732111.53	700109.63	75.1	9.26	0.018
WA01805	MGA94_50	7732139.77	700081.27	67.6	9.47	0.022
WA01806	MGA94_50	7732026.6	700646.98	88.6	9.67	0.009
WA01807	MGA94_50	7732054.94	700618.72	118	13.4	0.033
WA01808	MGA94_50	7732083.18	700590.36	107	12.4	0.014
WA01809	MGA94_50	7732111.53	700562.11	137	15.8	0.036
WA01810	MGA94_50	7732139.77	700533.85	111	11	0.025
WA01811	MGA94_50	7732168.11	700505.6	140	12.1	0.016
WA01812	MGA94_50	7732196.34	700477.25	172	16	0.026
WA01813	MGA94_50	7732224.58	700448.99	129	15	0.025
WA01814	MGA94_50	7732252.93	700420.74	114	13.7	0.023
WA01815	MGA94_50	7732281.17	700392.48	108	12.6	0.03
WA01816	MGA94_50	7732309.51	700364.12	91.8	11.8	0.018
WA01817	MGA94_50	7732337.75	700335.86	76	8.26	0.018
WA01818	MGA94_50	7732026.69	701099.56	68.6	7.78	0.018
WA01819	MGA94_50	7732054.93	701071.2	68.8	6.17	0.024
WA01820	MGA94_50	7732083.17	701042.95	61.8	7.3	0.023
WA01821	MGA94_50	7732111.51	701014.69	81.2	9.3	0.015
WA01822	MGA94_50	7732139.76	700986.44	78	8.5	0.014
WA01823	MGA94_50	7732168.1	700958.09	75.6	7.5	0.016
WA01824	MGA94_50	7732196.33	700929.84	82.1	9.4	0.017
WA01825	MGA94_50	7732224.69	700901.58	105	12.7	0.021
WA01826	MGA94_50	7732252.92	700873.22	103	12.9	0.024
WA01827	MGA94_50	7732281.16	700844.97	108	10.8	0.013
WA01828	MGA94_50	7732309.5	700816.71	179	15.4	0.021
WA01829	MGA94_50	7732337.75	700788.46	157	14.2	0.023
WA01830	MGA94_50	7732366.09	700760.1	133	16.3	0.024
WA01831	MGA94_50	7732394.32	700731.84	125	11.3	0.025
WA01832	MGA94_50	7732422.67	700703.59	130	12.5	0.014
WA01833	MGA94_50	7732450.91	700675.24	160	15.5	0.016
WA01834	MGA94_50	7732479.15	700646.98	118	12.2	0.022
WA01835	MGA94_50	7732507.49	700618.72	99.7	10.2	0.05
WA01836	MGA94_50	7732535.73	700590.47	121	12	0.023

SampleID	NAT_Grid_ID	NAT_North	NAT_East	Li_ppm	Cs_ppm	Ta_ppm
WA01837	MGA94_50	7732733.71	700844.97	153	13	0.025
WA01838	MGA94_50	7732677.24	700901.59	117	10.6	0.018
WA01839	MGA94_50	7732620.65	700958.09	151	13	0.029
WA01840	MGA94_50	7732564.07	701014.71	120	9.31	0.019
WA01841	MGA94_50	7732507.48	701071.22	104	10.4	0.041
WA01842	MGA94_50	7732450.89	701127.83	95.7	10.3	0.03
WA01843	MGA94_50	7732394.31	701184.34	101	12.4	0.015
WA01844	MGA94_50	7732337.73	701240.95	51.2	7.23	0.023
WA01845	MGA94_50	7732281.25	701297.56	71.1	7.45	0.021
WA01846	MGA94_50	7732224.66	701354.07	61.5	6.14	0.015
WA01847	MGA94_50	7732168.08	701410.68	87	7.84	0.012
WA01848	MGA94_50	7732111.49	701467.18	135	19	0.018
WA01849	MGA94_50	7732054.9	701523.79	129	13.3	0.038
WA01850	MGA94_50	7732931.8	701099.59	118	15.6	0.036
WA01851	MGA94_50	7732846.86	701184.35	138	13.9	0.027
WA01852	MGA94_50	7732790.27	701240.97	146	16.4	0.037
WA01853	MGA94_50	7732733.81	701297.48	141	18.5	0.04
WA01854	MGA94_50	7732677.22	701354.08	130	12.6	0.019
WA01855	MGA94_50	7732620.63	701410.7	90.9	10.9	0.012
WA01856	MGA94_50	7732564.04	701467.21	62.9	7.78	0.016
WA01857	MGA94_50	7732507.45	701523.82	79	7.37	0.016
WA01858	MGA94_50	7732450.87	701580.33	80.6	6.61	0.009
WA01859	MGA94_50	7732394.39	701636.93	69	8.52	0.022
WA01860	MGA94_50	7732337.81	701693.54	127	14.5	0.024
WA01861	MGA94_50	7733129.76	701354.11	131	16.8	0.024
WA01862	MGA94_50	7733073.18	701410.62	120	15.1	0.026
WA01863	MGA94_50	7733016.6	701467.23	129	15.8	0.035
WA01864	MGA94_50	7732960.01	701523.84	136	14.3	0.018
WA01865	MGA94_50	7732903.42	701580.35	133	14	0.021
WA01866	MGA94_50	7732846.94	701636.96	79.6	10.7	0.021
WA01867	MGA94_50	7732790.35	701693.47	73.5	9.91	0.03
WA01868	MGA94_50	7732733.77	701750.08	68.6	7.58	0.016
WA01869	MGA94_50	7732677.19	701806.58	63.2	8.08	0.031
WA01870	MGA94_50	7732620.6	701863.2	61.8	9.16	0.022
WA01871	MGA94_50	7732564.01	701919.81	88.3	16.2	0.03
WA01872	MGA94_50	7732507.53	701976.32	96.5	14.3	0.031
WA01873	MGA94_50	7732309.47	702626.89	50.4	9.44	0.034
WA01874	MGA94_50	7732366.06	702570.28	63.3	8.46	0.028
WA01875	MGA94_50	7732422.65	702513.77	71.7	14.8	0.028
WA01876	MGA94_50	7732479.24	702457.16	89.3	12.8	0.034
WA01877	MGA94_50	7732592.31	702344.06	106	12.3	0.02
WA01878	MGA94_50	7733327.73	701608.63	158	20.4	0.029
WA01879	MGA94_50	7733271.15	701665.24	76.7	11.8	0.031

SampleID	NAT_Grid_ID	NAT_North	NAT_East	Li_ppm	Cs_ppm	Ta_ppm
WA01880	MGA94_50	7733214.56	701721.75	87.2	15.5	0.027
WA01881	MGA94_50	7733157.97	701778.37	86.1	13	0.02
WA01882	MGA94_50	7733101.38	701834.97	76	11.3	0.017
WA01883	MGA94_50	7733044.91	701891.48	64.7	10.4	0.027
WA01884	MGA94_50	7732988.32	701948.1	61.3	13.8	0.015
WA01885	MGA94_50	7732931.74	702004.6	43.2	10.5	0.009
WA01886	MGA94_50	7732875.15	702061.22	60.8	8.19	0.022
WA01887	MGA94_50	7732818.56	702117.72	101	11.7	0.019
WA01888	MGA94_50	7732762.08	702174.33	94.4	14.7	0.016
WA01889	MGA94_50	7732705.49	702230.94	91.1	17.2	0.028
WA01890	MGA94_50	7732648.9	702287.45	85.4	15.5	0.024
WA01891	MGA94_50	7732903.44	702485.46	94.8	13.1	0.038
WA01892	MGA94_50	7732960.04	702428.86	66.9	10.8	0.041
WA01893	MGA94_50	7733016.63	702372.36	65	9.98	0.02
WA01894	MGA94_50	7733073.22	702315.74	52.6	8.11	0.021
WA01895	MGA94_50	7733129.69	702259.23	65.5	8.88	0.028
WA01896	MGA94_50	7733186.28	702202.62	59.9	9.07	0.031
WA01897	MGA94_50	7733242.87	702146.02	56.5	11.1	0.031
WA01898	MGA94_50	7733299.46	702089.51	68.3	12.6	0.031
WA01899	MGA94_50	7733356.05	702032.89	68.7	14.4	0.038
WA01900	MGA94_50	7733412.64	701976.38	76.6	14.9	0.033
WA01901	MGA94_50	7733469.12	701919.77	55.7	8.3	0.006
WA01902	MGA94_50	7733525.7	701863.16	75.5	14.7	0.031
WA01903	MGA94_50	7733723.66	702117.8	112	24.6	0.036
WA01904	MGA94_50	7733667.19	702174.31	79	16.3	0.03
WA01905	MGA94_50	7733610.6	702230.92	66.3	17.2	0.027
WA01906	MGA94_50	7733554.01	702287.42	70	17.6	0.036
WA01907	MGA94_50	7733497.42	702344.04	62.6	15.6	0.022
WA01908	MGA94_50	7733440.83	702400.65	71.7	12.7	0.032
WA01909	MGA94_50	7733384.24	702457.16	57	8.57	0.024
WA01910	MGA94_50	7733327.75	702513.77	59.6	8.09	0.016
WA01911	MGA94_50	7733271.17	702570.28	49	7.9	0.018
WA01912	MGA94_50	7733214.58	702626.89	53.1	8.45	0.03
WA01913	MGA94_50	7733157.99	702683.5	63.8	13.3	0.027
WA01914	MGA94_50	7733101.4	702740	68.6	11.1	0.039
WA01915	MGA94_50	7733044.91	702796.61	62.8	9.93	0.016
WA01916	MGA94_50	7732988.32	702853.11	67.2	11.2	0.024
WA01917	MGA94_50	7732931.74	702909.73	73.8	7.8	0.01
WA01918	MGA94_50	7732875.15	702966.34	54.1	13.2	0.025
WA01919	MGA94_50	7732818.55	703022.84	55.9	10.6	0.008
WA01920	MGA94_50	7732762.07	703079.44	53.8	9.67	0.023
WA01921	MGA94_50	7732705.48	703136.05	31.7	8.53	0.01
WA01922	MGA94_50	7733356.05	702938.04	78.3	13.2	0.015

SampleID	NAT_Grid_ID	NAT_North	NAT_East	Li_ppm	Cs_ppm	Ta_ppm
WA01923	MGA94_50	7733412.53	702881.43	34.1	10.8	0.018
WA01924	MGA94_50	7733469.12	702824.92	52.1	7.54	0.024
WA01925	MGA94_50	7733525.71	702768.31	59.5	9.25	0.022
WA01926	MGA94_50	7733582.3	702711.7	56.3	9.44	0.019
WA01927	MGA94_50	7733638.89	702655.2	52.7	9.6	0.03
WA01928	MGA94_50	7733695.37	702598.58	68.7	14.5	0.03
WA01929	MGA94_50	7733751.96	702542.07	55.4	12.2	0.03
WA01930	MGA94_50	7733808.56	702485.46	54.7	12.6	0.022
WA01931	MGA94_50	7733865.15	702428.85	49.3	11	0.019
WA01932	MGA94_50	7733921.73	702372.34	113	20.1	0.027
WA01933	MGA94_50	7734543.94	703107.74	36.8	7.72	0.015
WA01934	MGA94_50	7734487.35	703164.25	63.5	11.4	0.029
WA01935	MGA94_50	7734430.75	703220.86	70.5	12.1	0.03
WA01936	MGA94_50	7734374.27	703277.37	50.2	8.57	0.022
WA01937	MGA94_50	7734317.68	703333.99	60.4	10.4	0.035

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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	**Soils Samples** • Soil samples collected by Carnaby Staff. Involved the removal of 10cm of surface material and the collection of soil at the "B Horizon". Approximately 1kg of soil was sieved to collect -2mm grain size fraction. Approximately 200g of the sieved soil was collected in soil geochemistry packets for analysis at the lab. • Sample submitted to Labwest for Ultrafine + method developed by the CSIRO for exploration of blind deposits

Criteria	JORC Code explanation	Commentary
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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).	Not Relevant
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.	• Not Relevant
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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	**Soil Samples** • Soils samples were logged in the field with respect to the regolith type and landform features.
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.	• Soil samples were carefully collected from B horizon where possible. Logging of regolith type was recorded to assist with interpretation of the consistency between sample locations and whether there were residual, erosional or depositional sites.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Soil Samples • The Ultrafine + method developed by the CSIRO for exploration of blind deposits was considered an appropriate method for detecting gold and base metals given the shallow transported cover most of the Malmac project. • No standards were used in the reporting of results.

Criteria	JORC Code explanation	Commentary
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.	• At the prospect scale the quality of the data is currently considered acceptable for exploration purposes. Further investigation and validation will be undertaken as work programs progress.
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.	• Grid systems used for Strelley was MGA94/50. • Soil Location points were collected using a Garmin handheld GPS with an accuracy of +/-3m.
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.	• Soil sampling was undertaken on lines spaced at 160m x 40m at Bastion Prospect and mostly 320m x 80m spacing at Big Hill Prospect.
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.	• The soil sample lines are oriented at right angles to the regional shear zone and are considered to be an appropriate angle to best reflect the orientation of any anomalies.
Sample security	• The measures taken to ensure sample security.	• Soil and rock chip samples were transported from the field to the lab by Carnaby Staff.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No external audits or reviews have been undertaken of the recent sampling techniques and data.

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.	• E45/4801 is a granted exploration license which is being transferred from Lawla Resources Pty Ltd to Carnaby Resources Ltd. Carnaby Resources own 100% of the mineral rights and are liable for a 1% NSR royalty. Heritage surveys have been completed.
Acknowledgment and appraisal of exploration by other parties.	• Acknowledgment and appraisal of exploration by other parties.	• No previous exploration of any note has been completed on the tenement.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Big Hill project is located in the northern part of the Archean Pilbara Craton. The tenement is located within the Mallina basin group greenstone and intrusives on the district scale Berghaus Shear zone which hosts significant gold mineralisation to the SW within De Greys Mining Ltd's tenure. The recent discovery of the intrusion related Hemi gold discovery by De Grey Mining Ltd has generated significant new interest in the Mallina Basin.
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: • 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. • 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 the report and 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.	• Soil results are reported in full in Table 1
Relationship between mineralisation	• 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.	• Not relevant as only soil sampling results

Criteria	Explanation	Commentary
widths and intercept lengths	• 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').	
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.	• All soil results have been reported.
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 survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• As discussed in the announcement
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 in the process of being prepared.