

\$500,000 CASH PAYMENT RECEIVED FROM TICK HILL TAILINGS DAM SALE AND POSITIVE RESULTS FROM BULK METALLURGICAL SAMPLE PIT

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or the **Company**) is pleased to provide the following update regarding the Tick Hill Tailings Dam Sale.

Highlights

- \$500,000 cash payment received as part of upfront consideration (\$3.25M cash received to date).
- \$750,000 remaining cash payment to be received 44 days after full scale commercial production of the tailings commences (forecast late January 2021).
- 6,000 tonne bulk metallurgical sample pit successfully collected and processed (Figure 1 & 2). Preliminary mill feed sample results and quality control sampling shows positive grade and ounce reconciliation to resource model (23% higher grade than the resource model)
- 5% royalty payment from tailings processing (estimated to be approximately \$2M³) to start being received in January 2021.
- Strong consolidated cash position of \$9.1M (cash at 31 October 2020 plus the \$500,000 cash just received) puts Carnaby in an enviable position to be able to fund ongoing exploration programs and growth opportunities into the future.

The Company's Managing Director, Rob Watkins commented:

"It is pleasing that the proceeds from the successful sale of the Tick Hill Tailings stockpile are flowing in, allowing Carnaby to aggressively pursue exploration and growth opportunities into the future. We also look forward to receiving drill results from Tick Hill and Strelley with great anticipation for another strong year of growth for the company."

ASX Announcement

30 December 2020

Fast Facts

Shares on Issue 117.8M

Market Cap (@ 38.5 cents) \$45.4M

Cash \$9.1M¹

¹As of 30 October 2020 plus \$500,000 received from tailings dam sale proceeds

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

³Refer ASX release 3 August 2020 Tailings Sale & NSR Royalty Agreement

Registered Office

78 Churchill Avenue Subiaco Western Australia 6008



Figure 1 6,000t bulk metallurgical sample pit collected from the Tick Hill Tailings Dam Stockpile.



Figure 2 Tick Hill Tailings Dam Stockpiles being loaded and hauled to 3rd party processing facility.

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).

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.