

Carbine Tungsten Limited

ASX Code: CNO



Jim Morgan, Managing Director & CEO

2015 Annual General Meeting

24 November 2015



CARBINE TUNGSTEN



CARBINE TUNGSTEN

2015 ANNUAL GENERAL MEETING

DISCLAIMER

Forward Looking Statements

Some statements in this presentation relate to the future and are forward looking statements. Such statements may include, but are not limited to, statements with regard to intention, capacity, future production and grades, projections for sales growth, estimated revenues and reserves, targets for cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside Carbine Tungsten Limited’s (“Carbine” or “the Company”) control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation.

Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements and intentions which speak only as at the date of the presentation. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, Carbine does not undertake any obligation to publicly release any updates or revisions to any forward looking statements contained in this presentation, whether as a result of any change in Carbine’s expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.

Certain statistical and other information included in this presentation is sourced from publicly available third party sources and has not been independently verified.

Ore Reserves and Mineral Resources Reporting Requirements

As an Australian company with securities listed on the Australian Securities Exchange (“ASX”), Carbine is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code”) and that Carbine’s ore reserve and mineral resource estimates comply with the JORC Code.

Competent Person’s Statement

The information in this document relating to Exploration Targets, Exploration Results, Mineral Resources, Production Targets and Ore Reserves is based on information compiled by Dr Andrew White, who is a Fellow of the Australian Institute of Geoscientists and a Consultant to Carbine. Dr White has sufficient experience relevant to the style of mineralisation, mining and processing the type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (the JORC code). Dr White consents to the inclusion of matters based on his information in the form and context in which it appears in this presentation. The potential quantity and grade of exploration targets is conceptual in nature. Where Exploration Targets are stated, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



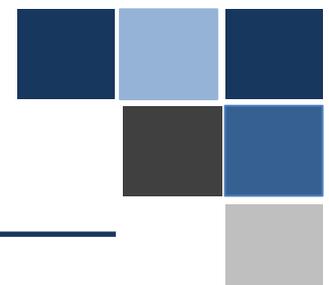
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AGENDA

1. Chairman's Welcome
2. Housekeeping
3. Notice of Meeting to be Read or Taken as Read
4. Minutes of 2014 AGM
5. Chairman's Address
6. Managing Director / CEO Report
7. Resolutions
8. Other Business
9. Meeting Close



CHAIRMAN'S INTRODUCTION



Board of Directors

Board Member	Experience
	<p>Russell Krause, Non-Executive Chairman</p> <p>Russell Krause has over 25 years Executive Management and Director level experience in a range of corporate advisory, stockbroking, and investment banking roles with some of Australia's leading financial services firms. Mr Krause also has extensive experience in the resources sector providing equity capital markets, capital raising and corporate advisory services to a range of ASX listed mining and energy companies. Mr Krause is currently a Director of ASX-listed Oil & Gas producer, Austex Oil Ltd (ASX:AOK), Red Sky Energy Limited and Elk Petroleum Limited.</p>
	<p>Jim Morgan, CEO & Managing Director</p> <p>Jim Morgan has over 30 years experience in the Australian and international mining and construction industries, most recently as General Manager - Project Development for ASX-listed Paladin Energy Ltd. Before joining Paladin, he held senior positions and played key roles in the mine development of Lafayette Mining Limited (Owner's Representative), Rapu Rapu mine in the Philippines and Ticor (Owner's Representative) at the Richards Bay mineral sands mining and titanium smelter project in South Africa.</p>
	<p>Roland Nice, Non-Executive Director</p> <p>Roland Nice is a metallurgical engineer with over 45 years experience. Mr Nice has a strong track record in mineral processing and metallurgy, most recently as a consulting metallurgical engineer in the role of Senior Associate for Behre Dolbear Australia. Prior to this, Mr Nice was the Principal at technical consulting firm, R. W. Nice and Associates, which followed approximately 20 years in a range of roles with Pancontinental Mining Limited. Mr Nice has a B.Sc (Metallurgical Engineering) from Queen's University, Canada, and is a member of the Australian Institute of Engineers and the Canadian Institute for Mining, Metallurgy and Petroleum, and a fellow of the Australian Institute of Mining and Metallurgy.</p>



CARBINE TUNGSTEN

TUNGSTEN... INDUSTRIAL ENABLING METAL WITH STRATEGIC IMPORTANCE



Aeronautical & Automobile Manufacturing



Rail & Heavy Earthmoving



Military & Mining



With a density of 19.25 g/cm^3 , tungsten is also among the heaviest metals.



Highest melting point of all metals at $3,422 \pm 15 \text{ }^\circ\text{C}$ and a boiling point which corresponds approx. to the temperature of the sun's surface, $5,700 \pm 15 \text{ }^\circ\text{C}$.



CARBINE TUNGSTEN

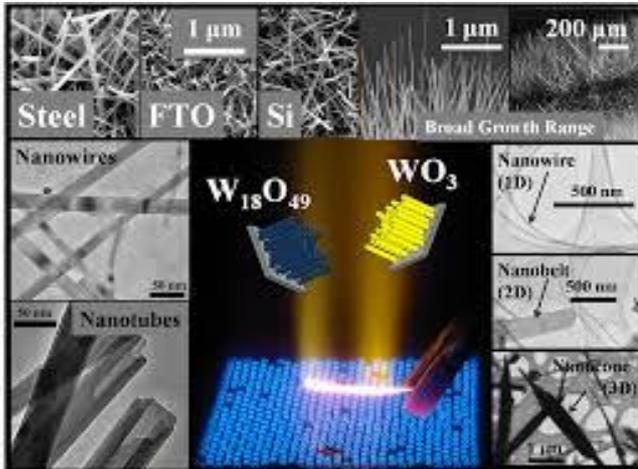
TUNGSTEN... INDUSTRIAL ENABLING METAL WITH STRATEGIC IMPORTANCE



Tungsten anodes are used in X-ray machines



Electronics



New Generation Solar Cells



Virtually no substitute for many of its applications



MT CARBINE MINE - OVERVIEW

CARBINE TUNGSTEN



Mt Carbine Mining Leases cover ~367 hectares.

The historical Mt Carbine tungsten mine is located 130km by sealed highway from the port of Cairns in North Queensland, Australia.





CARBINE TUNGSTEN

EVOLUTION OF CARBINE TUNGSTEN LIMITED



Junior Diversified
Exploration Company



2012-2014
Pure Play Tungsten Mining &
Production Company



2018 Onwards**
Significant Mine Development
Major Tungsten Producer



2016 - 2017 Onwards**
Tungsten Stockpile
Development & Production

** Development & Production Dates Contingent Upon Funding & Tungsten Market Conditions



CARBINE TUNGSTEN

MT CARBINE TUNGSTEN PROJECT - OVERVIEW

Key Findings Re-Cap

- 2012 Feasibility Study confirmed the technical and financial feasibility of the Mt Carbine Project.
- Pre-tax Internal Rate of Return (IRR) of 60%.
- Net Present Value (NPV) AUD \$161 million using a discount rate of 8% and an average product concentrate sales price of USD \$290 per metric tonne unit (MTU).
- Payback period 1.5 years.
- Includes previously stockpiled material readily available at the surface (~12 million tonnes at 0.075% WO₃).
- Capital Requirements = \$55 Million

Feasibility Study findings reported in ASX announcement 28/08/2012. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported

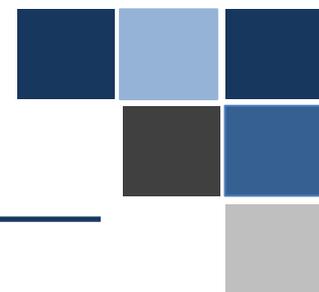
The resource estimates for the Mt Carbine tungsten deposit were updated to comply with the 2012 JORC Code for reporting of resources in November 2013 (Carbine ASX announcements 22/11/2013; 04/12/2013 and 13/01/2014). Carbine is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant announcements continue to apply and have not materially changed.

Mt Carbine Project Outline	
NPV	\$161 million
Resource	
Mine	47Mt @ 0.13% WO ₃
Stockpile	12Mt @ 0.075% WO ₃
Tailings	2Mt @ 0.1% WO ₃
Mine	18Mt @ 0.14% WO ₃
Rock Feed Rate	3 Mtpa
Rock Feed Grade	0.12% WO ₃
Ore Sorted Feed Rate	350 ktpa
Ore Sorted Feed Grade	0.7% WO ₃
Processing Recovery	76%
Production WO ₃	>2,000,000 MTU
Project Capital	\$55M
Operating Costs	130 \$/MTU
Budgeted Sale Price	290 \$/MTU



CARBINE TUNGSTEN

OUR COMMITMENT TO: ENVIRONMENT, SAFETY & COMMUNITY



- Continually modified to keep pace with the Company's changing operational activities.
- Carbine endeavours to engender and promote the values of a safe work place and work culture for all its employees and contractors.
- Responsible environmental management is a basic and fundamental principle of Carbine's current and future business activities.
- Engages locally based staff and contractors where possible.
- Aims to fairly spread the economic benefits of its future growth with the local and regional communities within which it operates.

2014– 2015 Safety Statistics

Total Hours Worked	Lost Time Injuries
7,085.5	0





CARBINE TUNGSTEN

2014-2015 FUNDING INITIATIVES

Capital Raising Activities

- \$645,227 raised through the exercise of 6,452,273 unlisted options during October and November 2014. Options were issued as part of the placement to professional and sophisticated investors on 15 November 2013 with an exercise price of \$0.10 and an expiry of 15 November 2014.
- \$195,818 raised via a share placement of 1,388,400 fully paid ordinary shares to professional and sophisticated investors at a price of \$0.14 cents per share.

R&D Tax Incentive Refund

- \$1,546,780



CARBINE TUNGSTEN

2015-2016 FUNDING INITIATIVES

Non-Renounceable Entitlements Offer

Revised Non-renounceable Pro-rata Entitlements Offer announced on 18 November 2015 on the basis of 1 new share for every 4 shares held at the record date at an issue price of \$0.025 per new share. If fully subscribed the Entitlements Offer will raise \$2,206,050 which the Company proposes to use as follows:

Description of Cash Outflows	AUD \$	%
Expansion and Support of the Mt Carbine Stockpile and Open Pit Projects	600,000	27%
Repayment of Existing Loan Facility with Mitsubishi RtMJ	750,000	34%
Environmental Compliance Early Works Rehabilitation	250,000	11%
Working Capital to Fund the Company's Operations	200,000	9%
Exploration Drilling at Mt Carbine	200,000	9%
Mt Carbine & Mossman Quarry Purchase – Audit & Evaluation	175,000	8%
Expenses of Entitlements Offer	31,050	2%
Approximate Total Funds Raised under the Entitlements Offer	\$2,206,050	100%



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2015-2016 FUNDING INITIATIVES

Placement to Institutional Investment Fund – Lanstead Capital LP (“Lanstead”)

- Binding Agreements finalised with Lanstead, an intentional institutional investment fund, to **invest AUD\$2 million** in return for 80,000,000 ordinary shares issued over two tranches at a price of \$0.025 per share.
- Carbine will retain \$150,000 of the aggregate \$1,000,000 subscription upfront from each tranche with the balance invested in a Sharing Agreement entitling Carbine to receive 18 monthly cash settlements.
- Carbine’s economic interest in these cash settlements will be determined by its share price performance as measured against a benchmark price of A\$0.0333 per share.
- If Carbine’s share price exceeds the Benchmark Price for a particular month the Company will receive more than 100% of the monthly settlement due on a pro rata basis. However, should the share price fall below the Benchmark Price the Company will receive less than 100% of the expected monthly settlement on a pro rata basis.
- In no event would a decline in Carbine’s share price result in any increase in the number of Ordinary Shares received by Lanstead or any other advantage accruing to them.
- Carbine has agreed to make a value payment of 8,000,000 ordinary shares to Lanstead in consideration for the Sharing Agreement.
- The Board of Carbine welcomes Lanstead as a shareholder and looks forward to working closely with them to ensure the ongoing viability of the Company.



CARBINE TUNGSTEN

Hard Rock Stockpile Project

~12 million tonnes of at-surface stockpiled material with an annual processing capacity of up to 3 million tonnes per annum (MTPA)





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HARD ROCK STOCKPILE PROJECT

Project Ready Status Maintained

- ✓ **Funding:** Technical due diligence phase of the funding negotiations with Mitsubishi RtMJ completed in April 2014. US\$15 million secured loan (including prepayment fund of previous US\$1 million loan) approved by Mitsubishi RtMJ Board in late September 2014.

Loan agreement to be finalised upon:

- completion of conditions precedent; and
 - an improvement in tungsten market conditions
- ✓ **Off-take:** MoU in place with Mitsubishi for 80% off-take of the stockpiles' output.
 - ✓ **Environmental:** Environmental Authority for EPML00956913 issued August 2013.
 - ✓ **Bonds and Permits:** Plan of Operations (2014-2015) approved by Department of Environment and Heritage Protection. Financial assurances in place.





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Hard Rock Open Pit Project



**Funding Options Continue
to be Explored**



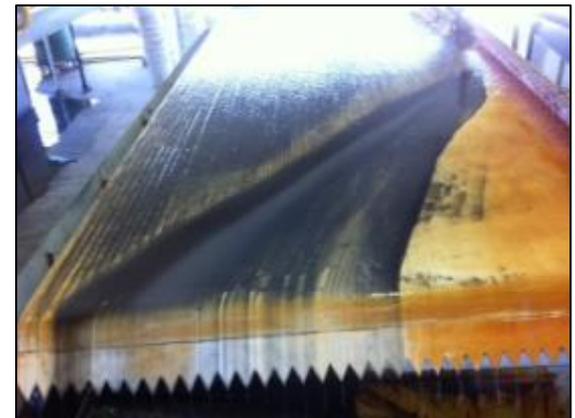
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TAILINGS RETREATMENT PLANT



**Research &
Development
Activities
Continuing**

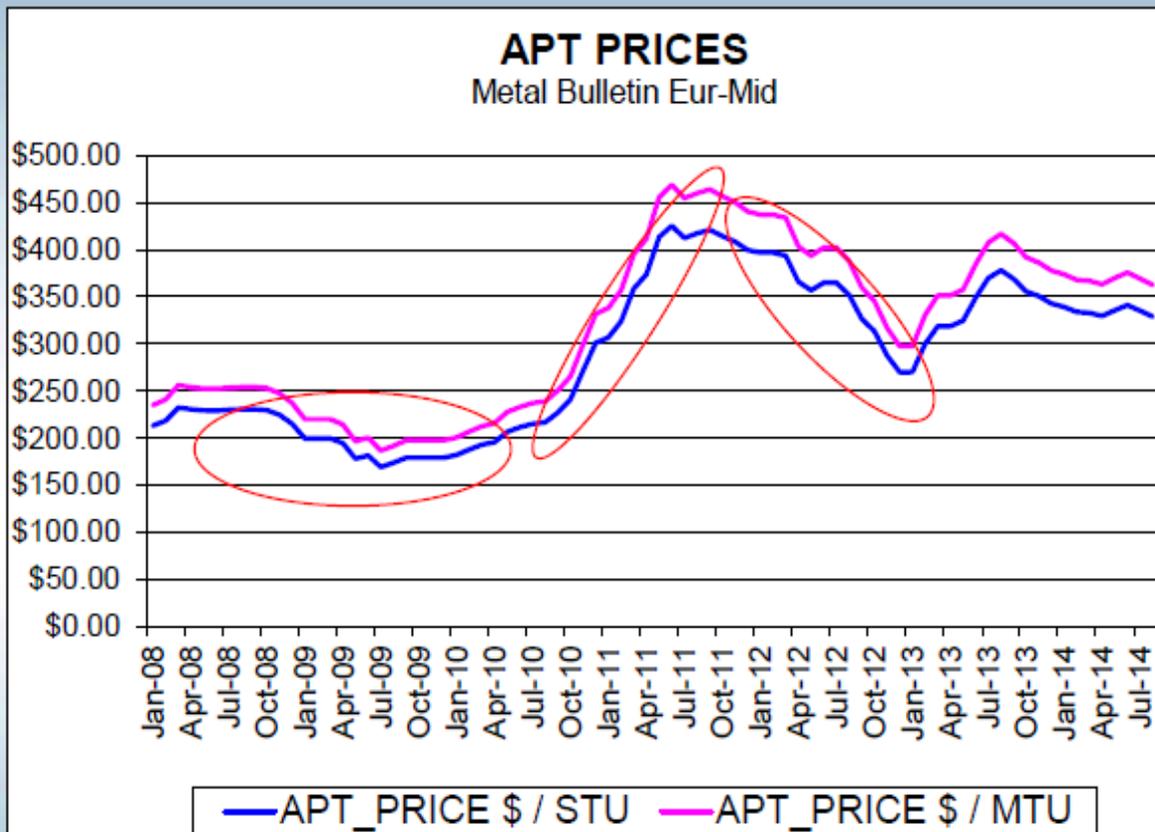
Continues to provide invaluable technical and marketing knowledge through ongoing research and development activities.





TUNGSTEN MARKET

The tungsten market has significant changed from this in 2014:-



Source: Metal Bulletin

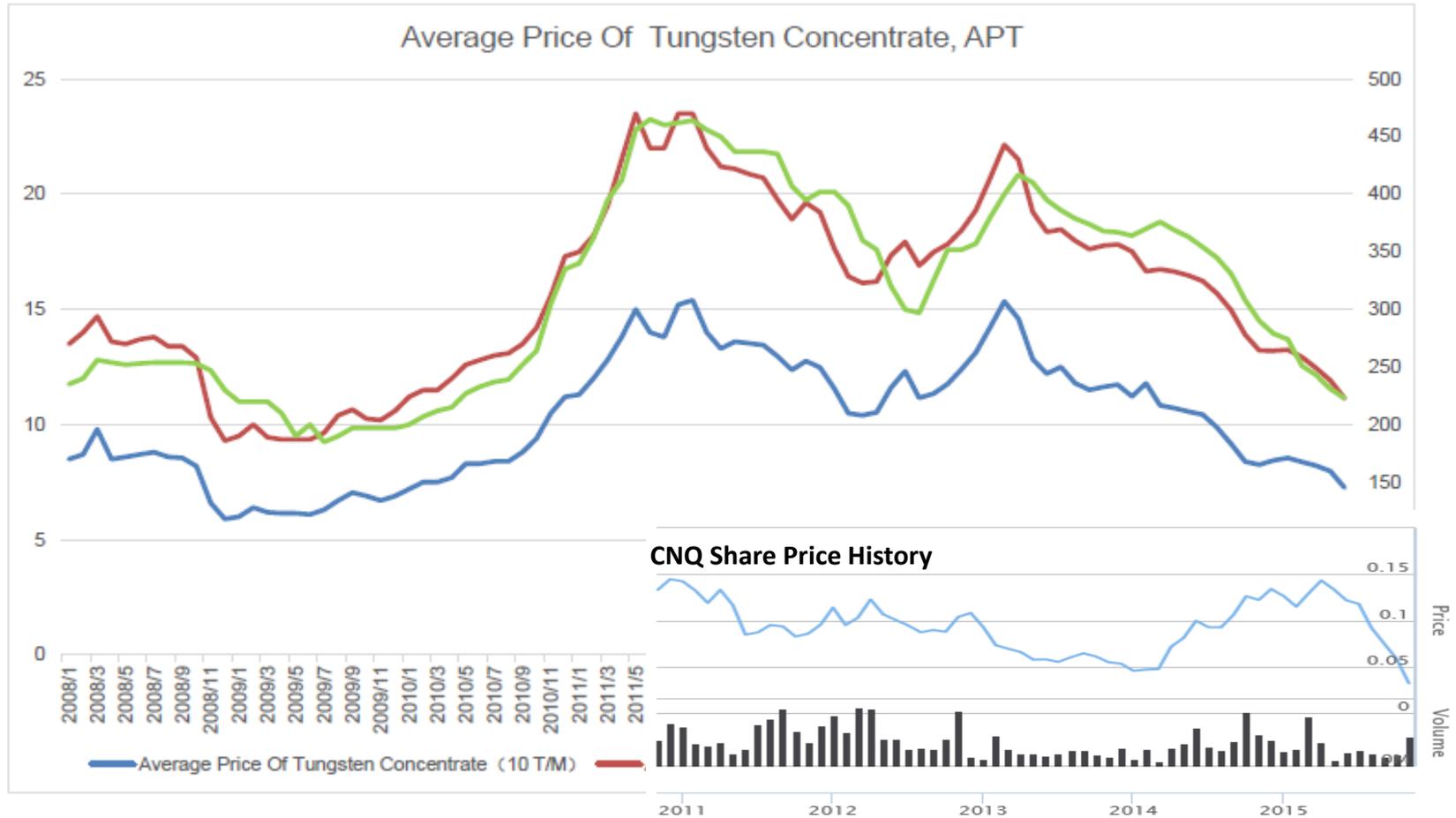
Major Phases:

- Price Stabilization
 - 2008 - 2010
- Metals Increase
 - 2010-2011
- Price Deterioration
 - 2012
- Price Increase
 - 2013
- Price Stabilization
 - 2014



TUNGSTEN MARKET

To this as at July 2015:-

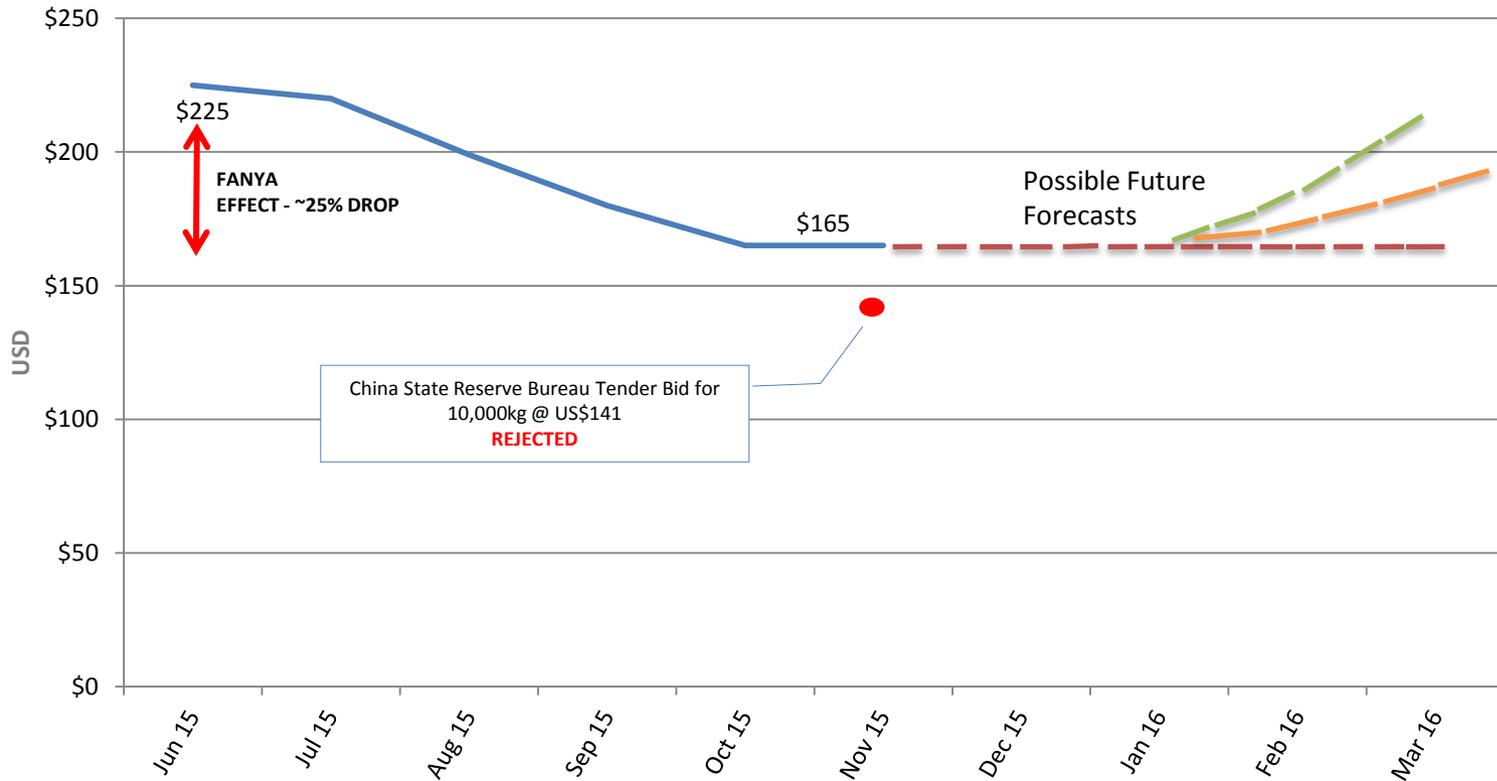




TUNGSTEN MARKET

To this now:-

Average European APT Price - July to November 2015



VERY FEW MINES WORLDWIDE WOULD BE PROFITABLE AT THESE PRICES



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TUNGSTEN MARKET

- Global tungsten market appears to be over-supplied with FANYA stockpile overhanging the market.
- Sustained low Ammonium Paratungstate (“APT”) prices significantly impairing the profitability and operating margins of many current and near-term tungsten producers.
- Chinese specialty metals exchange, FANYA, has a reported APT stockpile of 29,000 tonnes. The uncertainty surrounding their financial survival has significant short and potentially long-term repercussions for the pricing of APT and tungsten concentrates globally.
- Global tungsten consumption is broadly estimated to be increasing at the same rate as global GDP. The 2015 ITIA Conference reported that:

The current consensus of the forecasts suggest that emerging economies’ overall GDP will hit ~4.4% growth in 2015 and the advanced economies are targeted to hit 2.3% GDP growth in order to achieve global GDP growth of 3.3%. With China’s current economic woes, it is most likely that this will not occur.

- Carbine will continue to closely monitor the market to ensure that prudent development decisions are made in relation to the Mt Carbine Tungsten Project.
- However, in the interim the Board is exploring other options to secure Carbine’s ongoing viability.



CARBINE TUNGSTEN

PLANNED ACQUISITION

MT CARBINE & MOSSMAN QUARRIES

- Memorandum of Understanding entered into for the potential acquisition of the Mt Carbine and Mossman Quarries.
- Due Diligence phase will commence upon the completion of the Non-renounceable Entitlements Offer.
- If successful, this purchase will provide a means of:-
 - ✓ Generating an invaluable source of cash flow from the existing quarry business and eventually from the waste by-product generated by the Company's future mining operations;
 - ✓ Strategically position the commissioning of the Mt Carbine Stockpile Project to coincide with the recovery in the tungsten market; and
 - ✓ Taking advantage of many of the synergies between the two Companies.





CARBINE TUNGSTEN

PLANNED ACQUISITION

MT CARBINE & MOSSMAN QUARRIES

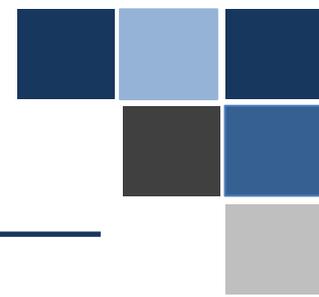
- Established business operating for over 20 years within the Mt Carbine Mining Leases.
- Mt Carbine Quarries has a stockpile of mined rock that has been processed through an optical ore sorter amounting to ~6Mt, plus access to the mined rock in the Low Grade Stockpile (~12Mt), of which approximately 90% will be available for future quarry feed after processing.
- Material is drawn from this stockpile to sort, crush and screen as required to fill orders for local construction projects and maintaining council and state roads as well as remote communities.
- Mossman quarry located close to coast road and Port Douglas.





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LONG TERM STRATEGIC IMPORTANCE MT CARBINE & MOSSMAN QUARRIES



- White Paper on Developing Northern Australia released by the Federal Government in June 2015 offers many strategic business opportunities, such as:-
 - Commonwealth Government providing a new \$5 billion Northern Australian Infrastructure Facility to provide concessional loans for the construction of major infrastructure such as ports, roads, rail, pipelines, and electricity and water supply.
 - \$600 million for priority road projects in northern Australia including consideration of the Great Northern Highway, Arnhem Highway, Flinders Highway, Barkly Highway, Hann Highway, the Outback Way and the Tanami Road.
- \$8.15bn Aquis Casino Development - Yorkey's Knob, Cairns

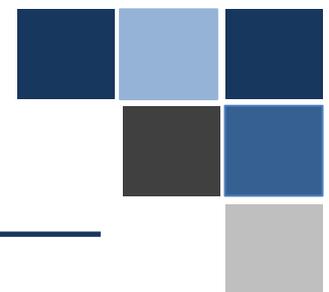
However, in the interim Carbine intends to implement a number of austerity measures.





CARBINE TUNGSTEN

PROPOSED COST REDUCTION PROGRAM



Even though the Company significantly reduced its cost structure during 2014:-

*Expenditure Reduced by \$0.8m
from \$3.7m (2013/2014)*



to \$2.9m (2014/2015)

The Board intends to continue its cost reduction and review program with the following additional measures being assessed:-

- Cairns office operations to be located to the Mt Carbine Mine Site;
- Relocate all other operations to modest rental office in Melbourne;
- Termination of non-essential contractor arrangements;
- Termination of Leased Accommodation Arrangements;
- Minimise on-site activities at Mt Carbine;
- Director and employee remuneration to be capped at current levels;
- All other expenditure kept to an absolute minimum; and
- Permit suspensions.



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ENVIRONMENTAL COMPLIANCE



2015-2016 Wet Season Water Management Strategies





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MT CARBINE MINERAL RESOURCE

MT CARBINE MINERAL RESOURCE SUMMARY - JULY 2014 TUNGSTEN RESOURCE AS WO₃

Resource	Resource	Cut-off Grade (%)	Tonnes (Mt)	WO ₃ (%)	WO ₃ (mtu)
Low Grade Stockpile	Indicated	0.00	12.0	0.075	840,000
Main Zone Hard Rock	Indicated	0.05	18.0	0.140	2,520,000
Main Zone Hard Rock	Inferred	0.05	29.3	0.120	3,516,000
Total			59.3		6,876,000

The resource estimates for the Mt Carbine tungsten deposit were updated to comply with the 2012 JORC Code for reporting of resources in November 2013 (Carbine ASX announcements 22/11/2013; 4/12/2013 and 13/01/2014). Carbine is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant announcements continue to apply and have not materially changed.





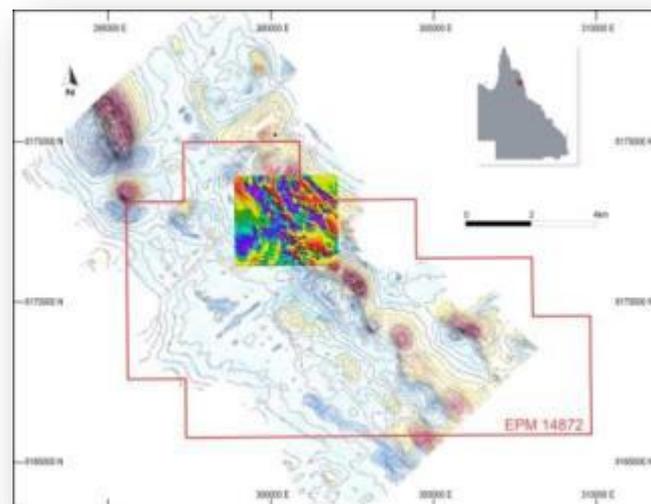
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FUTURE EXPLORATION ACTIVITIES

MT CARBINE, QUEENSLAND

- Two prospects, Iron Duke and Petersen's Lode, exist within EPM 14871 and 14872 and in the case of Iron Duke, the mining leases.
- These prospects are dominated by scheelite mineralisation.
- Mapping and sampling indicate both prospects have extensive strike length.
- If the Non-Renounceable Entitlements Offer is fully subscribed \$200,000 has been committed to exploration which includes drilling adjacent to the Inferred and Indicated Mineral Resources in the Mt Carbine sheeted quartz vein tungsten deposit.

Figure 1 - Diagram of stitch of 1986 airborne magnetic survey data (contours) with high resolution Helimag survey data acquired from Kangaroo Metals Ltd in 2010.

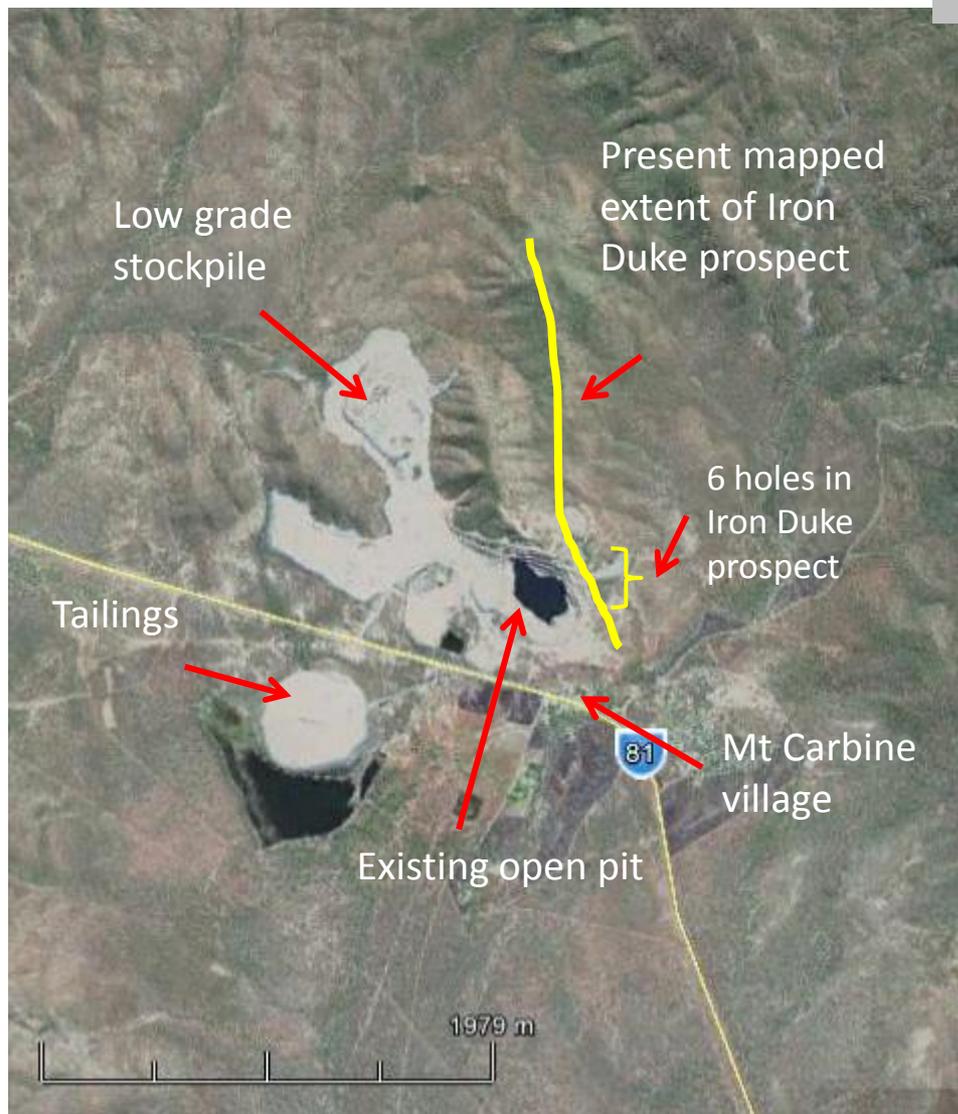




FUTURE EXPLORATION ACTIVITIES

Iron Duke - Mt Carbine, Qld

- Present resource estimate does not include any Iron Duke mineralisation.
- Lies within the planned open-cut envelope.
- Average true width 8m from 6 drill holes with an average weighted grade of .32% WO_3 .
- Mapping indicates a strike length of at least 2.2km.
- Drilling is planned to establish the resource prior to the commencement of open-cut mining.

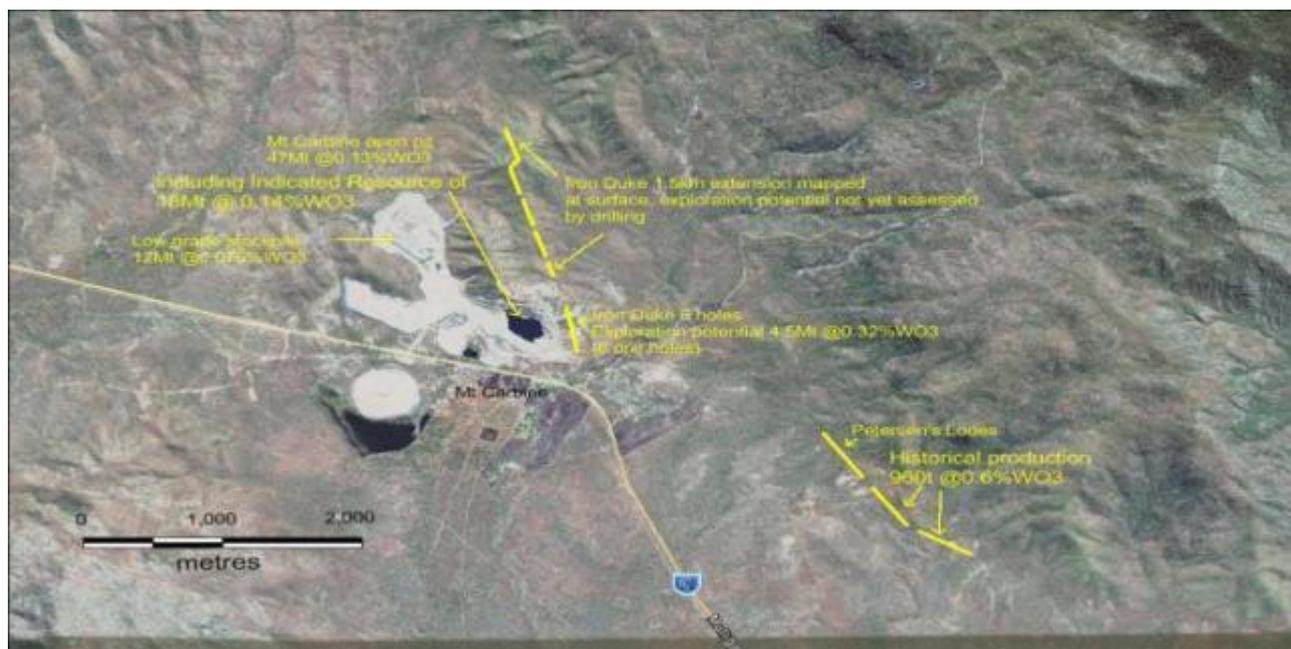




FUTURE EXPLORATION ACTIVITIES

Petersen's Lodes - Mt Carbine, Qld

- Lies within EPM 14872 and is ~1-2km south-east of Mt Carbine.
- Sub-vertical zone of scheelite mineralisation hosted by sheared and altered metasediments traced for 1.3 km along the strike.
- More detailed exploration is planned.
- Only record of production is 950 tonnes of scheelite concentrate from ore with a grade of 0.6% WO_3 .





CARBINE TUNGSTEN

TENEMENT SCHEDULE

State	Ownership	Area	Status	Notes	Expiry Date
Queensland					
ML 4867	Mt Carbine Quarries Pty Ltd 100%	358.5 ha	Granted	Subject to sub-lease agreement with Carbine Tungsten Limited with pre-emptive right to purchase.**	31/07/2022
ML 4919	Mt Carbine Quarries Pty Ltd 100%	7.891 ha	Granted	Subject to sub-lease agreement with Carbine Tungsten Limited with pre-emptive right to purchase.**	31/08/2023
EPM 14871	Carbine Tungsten Limited 100%	32 sub blocks	Granted	Renewal Application Lodged.	12/12/2015
EPM 14872	Carbine Tungsten Limited 100%	35 sub blocks	Granted	Renewal Application Lodged.	11/12/2015

ML = Mining Lease

EPM = Exploration Permit for Minerals

** The transfer of Sub-lease Agreement for ML4867 and ML4919 from Tungsten Resources Pty Ltd to Carbine Tungsten Limited was approved by the Department of Natural Resources and Mines on 1 June 2015. This transfer was undertaken to satisfy one of the conditions precedent associated with the Mitsubishi RtMJ US\$15 million loan



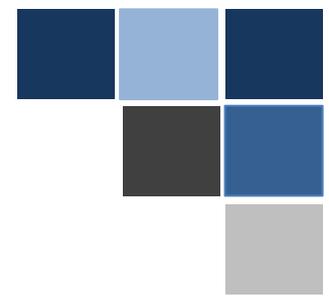
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2015-2016 Outlook

- Metal Bulletin article released on 16 November 2015 suggests that the concentrate price may have stabilised:
“SHANGHAI TUNGSTEN SNAPSHOT: Concentrate price stable; SRB (“China State Reserve Bureau”) supports sentiment. “
- Initiate due diligence process for the proposed purchase of the Mt Carbine and Mossman Quarries.
- Continue working towards securing the necessary approvals and permitting for open pit mining operation and move to development phase.
- Ongoing exploration should funds permit.
- Promote Non-renounceable Entitlements Offer and seek new investments.



CARBINE TUNGSTEN



Thank-you

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