



## CARBINE TUNGSTEN

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### ASX ANNOUNCEMENT

22 September 2016

Company Announcements Office  
ASX Limited  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

### Carbine Tungsten Acquires Gold Prospects

As part of its diversification strategy Carbine Tungsten Limited (ASX: CNQ, "Carbine" or "the Company") is pleased to announce that it has acquired two gold prospects from Frontier Capital Group Ltd. Both properties are located in NSW, one being the Crow Mt Exploration Licence 6648 and the other Panama Hat Exploration Licence 8024.

#### Crow Mountain EL 6648

EL6648 lies approximately 20km south east of Barraba in northern NSW, and straddles part of the Peel Fault, a major structure that geologically separates the New England Province from the Tamworth Trough to the west. Within EL6648, over an area of approximately 9 km<sup>2</sup>, there are numerous historical shallow gold workings dating from 1868 with historical records indicating that high to bonanza grade gold occurred in quartz veins up to 38cm wide and 12m long. In modern times the licence has been partly investigated by 3D-IP survey, drilling and surface sampling.

This licence was previously held by CNQ's precursor company, Icon Resources Ltd, who drilled three holes in the Magnesite Hill target in 2010, with the following results:

Drill hole	From (m)	To (m)	Interval (m)	Au g/t
ICK 001	76.3	78.45	2.15	1.85
	117.4	172	54	0.45
Including	140	148	8	1.27
ICK 002	113.4	119.4	6	0.67
Including	119	121	2	1.19
	137	151	14	1
Including	139	141	2	3.69
ICK 003	113.6	117	3.4	1.2

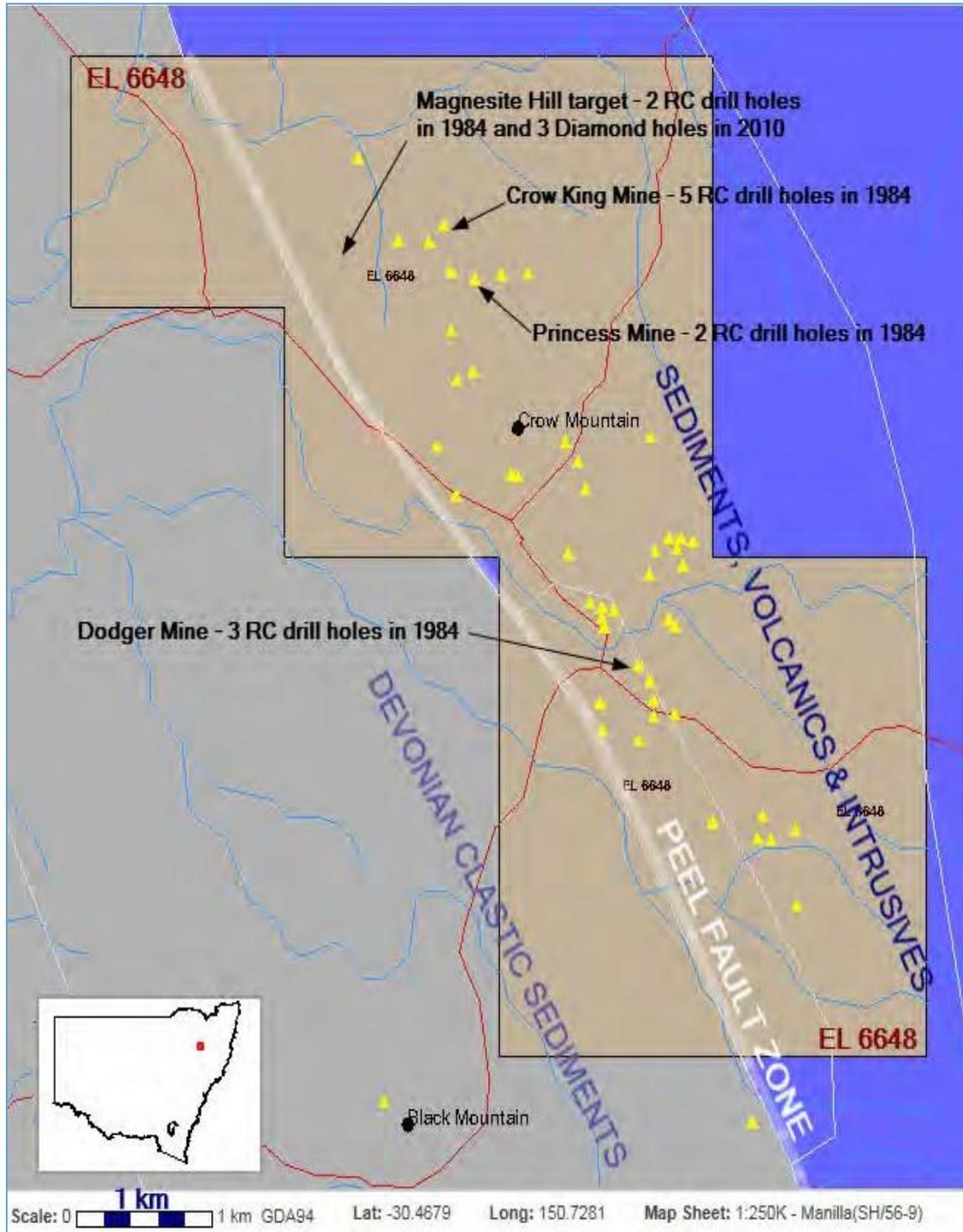
(See table below for drill hole details.)

The licence was a key component of a proposed listing of Icon's prior gold prospects that it reluctantly sold in 2011. Carbine is very pleased to have been able to re-acquire the tenement as it still strongly believes that it holds significant exploration potential.



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CNQ's plan for exploration of the tenement is based around the concept that high to bonanza grade small vein quartz occurrences, together with background low grade gold mineralisation, may constitute a bulk-mineable resource.



Location of EL 6648, showing historical gold workings (yellow triangles) adjacent to the Peel Fault



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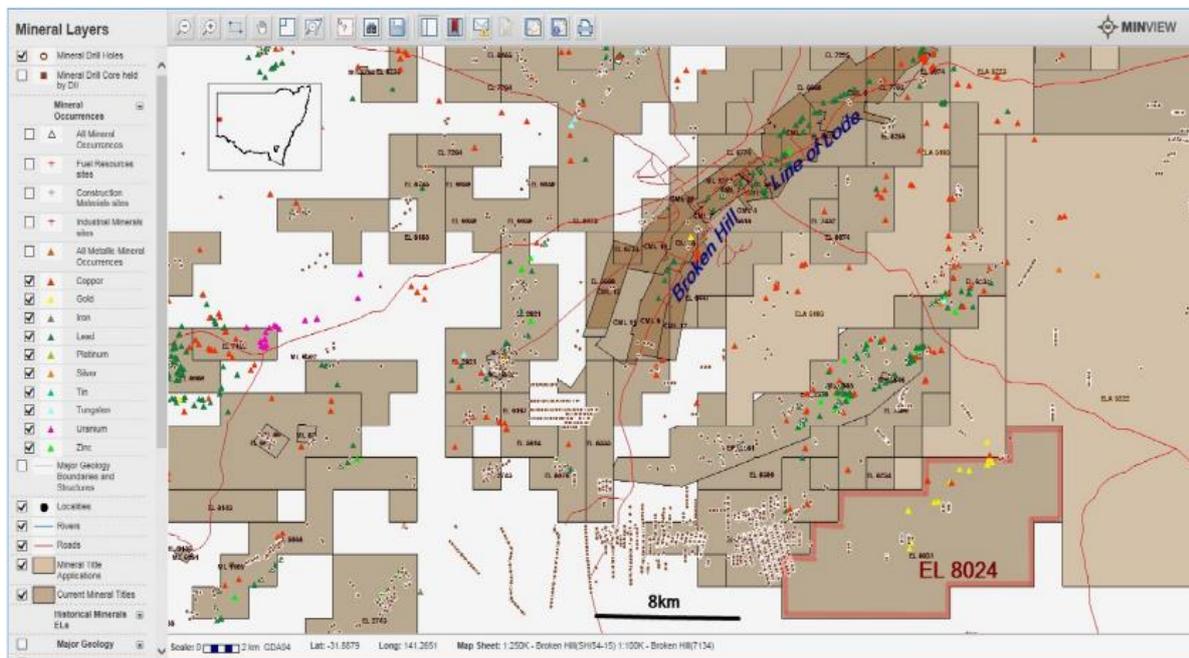
Hole No	Azimuth	Dip	Easting	Southing	RL	Total depth	Hole size
ICK 001	235 <sup>0</sup> mag	55 <sup>0</sup>	284491m	6627615m	582m	344.5m	NQ2
ICK 002	235 <sup>0</sup> mag	60 <sup>0</sup>	284541m	6627507m	585m	190.3m	NQ2
ICK 003	235 <sup>0</sup> mag	60 <sup>0</sup>	284590m	6627413m	582m	149.6m	NQ2

Table 2. Drill hole details, Icon Resources drillholes.

Panama Hat EL 8024

The Panama Hat EL 8024 covers 80% of the historical gold workings in the Broken Hill district, about 30km south east of Broken Hill (see map below). The workings mostly date from 1931-1935, and occur along an arcuate line of quartz veining with associated iron oxides. Sericitic alteration of the host metamorphic rocks accompanies the quartz veining. The iron oxides are interpreted to result from weathering of sulphide mineralisation at depth. Hand-picked iron oxide-bearing quartz samples were recorded as assaying up to 34g/t, and this has been confirmed by recent sampling as part of a due diligence study of the licence by CNQ. Previous exploration in modern times includes an MMR/EIP geophysical survey and several percussion drill holes, but CNQ’s opinion is that the licence area is underexplored.

The following map shows maximum gold values obtained by rock chip or mineralised rocks by previous explorers.



CNQ’s exploration objective is to determine the extent of oxide gold mineralisation, with the intent of establishing an open pit mineable resource in the weathered zone, in the first instance, and secondly to determine gold mineralisation and grade in the primary zone below the historical workings.

Jim Morgan

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COMPETENT PERSON’S STATEMENT

The information in this announcement that relates to Exploration Results 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”. Dr White consents to the inclusion of the matters based on his information in the form and context in which it appears.

# 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"> <li>Nature and quality of sampling (eg 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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Soil and rock chip sampling has been carried out by previous licence holders, and assays carried out at NATA registered laboratories with appropriate check assaying.</li> <li>Drilling in EL 6648 by Icon Resources Ltd was NQ core drilling with &gt;95% core recovery. Sampling of core was carried out after logging over selected intervals of mineralized rock at 1m sample intervals and samples assayed by fire assay for gold.</li> <li>Mineralisation: Insufficient work has been done to determine the nature of the gold mineralization at both prospects and there are several possible mineralization types based on historical data.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg 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).</li> </ul>	<ul style="list-style-type: none"> <li>In EL 6648 previous explorers used core drilling (NQ2).</li> <li>In EL 8024 previous explorers used RAB (Broken Hill Metals) and RC drilling (Carpentaria Exploration).</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>EL 6648: the three Icon holes had more than 95% core recovery.</li> <li>EL 8024: Historical reports do not contain sufficient data to determine details of sampling.</li> <li>Relationship between sample recovery and grade: not applicable at this stage.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically</li> </ul>	<ul style="list-style-type: none"> <li>EL 6648: the Icon Resources cores were logged geologically and</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>geotechnically (RQD) on oriented core, and petrological studies carried out on the several mineralized rock types. All the cores were photographed.</p> <ul style="list-style-type: none"> <li>• EL 6648: logging quantitative and qualitative, cores photographed.</li> <li>• EL8024: insufficient records to comment.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Icon Resources: Cores halved, quartered and quarters taken for analysis.</li> <li>• EL 8024: sampling reported by Broken Hill Metals and Carpentaria Exploration according to good industry practice.</li> <li>• In general, historical and consultant reports indicate that modern (post 1990) sampling was competent and reliable with respect to lack of bias, sample size and sample preparation.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Standard gold assays and check assays at reputable laboratories for all modern (post 1990) analytical work.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> </ul>	<ul style="list-style-type: none"> <li>• EL 6648 Icon holes: significant intersections verified by alternative company personnel.</li> <li>• Twinned holes not drilled.</li> <li>• Full documentation in company reports available to CNQ.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• EL 8024: relying on consultant's report on historical exploration.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• EL 6648: GPS location of drill hole collars. Downhole surveys at 50m intervals.</li> <li>• EL8024: some discrepancy between reported drill hole locations and later GPS location of identified drill collars.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable at this stage</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable at this stage.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Some samples still available and securely stored, (Icon drilling).</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable at this stage.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 100% ownership by Carbine Tungsten Limited, no royalties or any other agreements pertaining to ELs 6648 and 8024. Freehold land and no Native Title issues, landowner agreements in place.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The licences were taken up after detailed appraisal of previous exploration results.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• EL 6648: quartz vein hosted gold mineralization but several mineralization types identified: intrusion related gold, Carlin type gold mineralization in Devonian carbonate-rich sedimentary rocks.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• EL 6648: the three Icon Resources holes the first test of altered serpentinite zones, but very preliminary in terms of understanding the shallow oxide gold potential.</li> <li>• EL 8024: the probability that RAB holes failed to intersect the target quartz vein systems, also very preliminary in terms of understanding the shallow oxide gold potential.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable at this stage.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>True widths not known at this stage.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See diagrams in announcement.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Context of reported grades clearly enunciated in Announcement.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>EL 6648: geophysical data has previously been reported in full by past tenement holders, but is judged immaterial to this announcement. For each prospect materiality of past geophysical and geochemical results will be examined as part of the planned exploration.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>See text of announcement.</li> </ul>