



## CARBINE TUNGSTEN

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8 February 2013

Dear Shareholder

### **CARBINE TUNGSTEN LIMITED SHARE PURCHASE PLAN**

Carbine Tungsten Limited (“Carbine”) (“The Company”) continues to progress the development of The Company’s 100% owned Mt Carbine Tungsten Project in far north Queensland. The Company’s current program of developing the existing hard rock stock piles and historical hard rock open pit (“the hard rock project”) has reached the permitting and approvals phase with the submission of the Environment Management Plan (EMP) and associated engineering works required to advance the hard rock stockpiles to the next construction execution phase. The Company expects that the approvals and permitting process will be complete for the hard rock stockpiles by the end of the third quarter of calendar 2013, followed by the hard rock open pit by the end of the fourth quarter 2013. To achieve this objective and ensure that the Company has sufficient working capital, Carbine is seeking to raise a total of \$3 million.

The project approvals, once obtained, will allow the Company to better determine the potential of the hard rock project to support increased supply of product to off taker partners, with processing of the stock piles scheduled to commence as the open pit development program continues.

Through the planned program, the Company’s objective is to provide greater certainty to investors and off take partners regarding potential production scenarios initially from the hard rock stock piles and therefore provide more definitive timeframes around cash flow timing. This increased certainty will also assist Carbine to secure ongoing capital from project funding partners to support the capital expenditure requirements to enter the production phase for the hard rock project once the appropriate work has been completed.

To complete the aforementioned work during 2013 relating to permitting and approvals and associated engineering works, additional funds are required and the Directors would like to offer all shareholders the opportunity to acquire shares through a Share Purchase Plan (SPP).

#### **Invitation to Participate in the Carbine Share Purchase Plan**

Your Board of Directors has decided to offer Carbine’s shareholders the opportunity to acquire shares at a price of 7.5 cents per share. The Offer will be via a SPP, through which all Carbine shareholders will be entitled to apply for up to \$15,000 worth of Carbine shares free of brokerage. If fully subscribed to the maximum allowable 30% of issued capital, this would raise roughly \$6 million through the issue of 82,788,815 shares at a price of 7.5 cents.

The purchase price of the new shares is an 18.5 % discount on the Company’s value average weighted price (VWAP) share price over the last 30 days on which sales in the Company’s shares were recorded.



## CARBINE TUNGSTEN

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The right to participate in the Offer is available only to persons who were registered as Carbine shareholders at 7:00pm on the record date of 1 February 2013 and whose registered address is in Australia or New Zealand.

Application for shares under the Offer must be made in the Application Form accompanying this letter. The maximum investment per registered shareholder is \$15,000, representing 200,000 shares. The minimum investment is \$500, representing 6,667 shares. Shareholders may apply for any number of shares between these limits.

### **Use of Funds**

Funds raised will be used to advance the hard rock mining approval process with the view to increase the value of the Company's world class hard rock project. The Board has agreed that this is the most important step to driving shareholder value following the development of the tailings processing plant which continues to deliver improved production and will add significant value to the hard rock processing plant once operational. The Tailings retreatment plant has demonstrated the ability to recover and produce high grade product from the historical low grade ultra fines tailings dumps and will further increase recovery of the hard rock processing plant once connected directly to the hard rock processing plant's tailings slurry stream. While the output from the tailings retreatment operations did not meet the historical expectation of the Company, Carbine's existing management team has continued to pursue options to optimise the processing operation and has continuously improved the plant's economic performance.

Having been advised that CNQ will not need an Environmental Impact statement (EIS) to process the hard rock stock piles, the Board has revised the time line to hard rock mining which has significantly brought forward our plans to develop this part of our hard rock project strategy. This is material and significant as it will allow for the larger quantity of consistent grade product to be sold into the market. The Board expects this to positively impact revenues of Carbine and in turn add value to our shareholders.

As part of the ongoing assessment of Carbine's corporate and operational strategy, the Company will continue to review the skills and capabilities of the Board and management team.

Whilst the Board has every confidence in the future of the Company, and believes the work completed to-date has significantly de-risked the company as an investment, I must point out that owning shares in an exploration company such as Carbine is regarded as a speculative form of investment. Shareholders should be aware there is a risk that the market price of the shares may change between the date of this offer and the date when the new shares are issued under the SPP. The value of the shares you receive may rise or fall in market value accordingly.

### **Additional Information and Key Dates**

If you would like to participate in the SPP, please return your completed application form, together with your cheque representing the purchase price by the closing date of Wednesday 27 February 2013.

The issue price is 7.5 cents per share. The maximum investment per shareholder is \$15,000 (representing 200,000 shares) and the minimum investment is \$500 (representing 6,667 shares). Shareholders may apply for any number of shares between these two limits. Shares allotted under the SPP will be issued no later than Wednesday 6 March 2013. The rights attaching to the SPP Shares are identical in all respects to the existing (ordinary) shares in the capital of the Company.



**CARBINE TUNGSTEN**

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Friday 1 February 2013	Record Date
Wednesday 13 February 2013	Documents mailed to Eligible Shareholders
Wednesday 13 February 2013	Offer under SPP opens
Wednesday 27 February 2013	Offer under SPP closes
Wednesday 6 March 2013	Issue of shares under the SPP
Wednesday 6 March 2013	Expected dispatch of holding statements and confirmation advices
Thursday 7 March 2013	Quotation of Shares on ASX

Carbine reserves the right to change the timetable at any time. Any changes to the timetable will be lodged with ASX. Accordingly, shareholders are encouraged to submit their Acceptance Forms as early as possible.

**Applications will be considered on a first-come, first-served basis**

If applications in excess of 30% of the issued capital, or 82,788,815 shares, in total are received, then these applications will be allotted on a first-come, first-served basis. All extra applications will be returned, so that the maximum allowed number of shares is issued.

A full copy of the Terms of the Carbine Shareholder Share Purchase Plan is available on request from the Company and is on the Carbine website. If you have any questions on the SPP, please call the Company's office on (07) 4052 2400 during business hours.

Yours sincerely

**Carbine Tungsten Limited.**

**A James Morgan**  
Managing Director

# TERMS OF THE CARBINE TUNGSTEN LIMITED SHAREHOLDER SHARE PURCHASE PLAN

## DEFINITIONS

In this plan, unless the context otherwise indicates:

**ASX** means the Australian Securities Exchange or ASX Limited;

**ASIC** means the Australian Securities and Investments Commission;

**Board** means the Board of Directors of the Company;

**Closing Date** means the date specified as such in an Offer or such later date as may be determined by the Board;

**Company** means Carbine Tungsten Limited, ABN 77 115 009 106;

**Eligible Members** means members of the Company eligible to participate in the Offer as determined under clause 1;

**Market Price** has the same meaning as that term is defined in the Listing Rules of the Australian Securities Exchange Limited;

**Offer** means a non-renounceable offer of ordinary fully paid shares in the Company to Eligible Members under the Plan from time to time;

**Plan or SPP** means the Icon Resources Ltd Shareholder Share Purchase Plan approved by the Board from time to time; and

**Purchase Price** means the subscription price for each Share determined in accordance with clause 2 and specified in each Offer;

**Record Date** means the date specified as such in an Offer made pursuant to the Plan;

**Shares** means fully paid ordinary shares in the Company.

## **1. ELIGIBILITY TO PARTICIPATE**

- 1.1 Those members of the Company who will be eligible to apply for Shares under an Offer ("the Eligible Members") are those who:
- are recorded in the Company's register of members at 7:00pm on the relevant Record Date for that Offer; and
  - have an address (as recorded in the Company's register of members) in a Australia or New Zealand.
- 1.2 An Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.
- 1.3 Each Eligible Member may apply for Shares in allotment sizes ranging from \$500 to \$15,000. The maximum amount of \$15,000 worth of Plan Shares will apply even if an Eligible Member receives more than one Offer – for example, if that Eligible Member has more than one shareholding.

## **2. CALCULATION OF PURCHASE PRICE**

- 2.1 The Purchase Price of Shares will be determined by the Board, but will not be less than 80% of the weighted average sale price of the Company's Shares on the ASX over the five (5) trading days immediately prior to the date of the Company announcing its intention to make an Offer, unless a lesser amount is approved by the ASX.
- 2.2 By accepting an Offer and applying for Shares under the Plan, each Eligible Member acknowledges that although the Purchase Price is at a discount to the weighted average sale price of the Company's Shares on the ASX during the period described in clause 2.1, the Shares are a speculative investment and the price of the Shares quoted on the ASX may change between the date of the Offer and the date of issue of the Shares and that the value of the Shares received under the Plan may rise or fall accordingly.

## **3. TERMS OF ISSUE OF SHARES**

- 3.1 The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms of the Plan or for any other reason. If an application is refused, the application monies received will be refunded without interest.
- 3.2 Subject to clause 3.1, Shares issued under the Plan will be issued no later than 15 business days after the Closing Date stipulated in respect of an Offer.
- 3.3 Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of issue.
- 3.4 The Company will apply for quotation on the ASX of Shares issued under the Plan.

#### **4. GENERAL**

- 4.1 The Plan will be administered by the Board or a committee of the Board and will have an absolute discretion to:
- (a) determine appropriate procedures for administration of the Plan consistent with these Terms;
  - (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan or these Terms; and
  - (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of their powers or discretions under the Plan or these Terms.
- 4.2 The Plan and these Terms may be suspended, terminated or amended at any time by the Board;
- 4.3 These Terms are governed by and construed in accordance with the laws for the time being in force in the State of New South Wales.



**CARBINE TUNGSTEN**

ABN 77 115 009 106

**For all enquiries:**

**Phone:**



(within Australia) 1300 850 505  
(outside Australia) 61 3 9415 4000

**Web:**



[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



┌ 000001 000 CNQ  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

**Make your payment:**



See over for details of the Offer and how to make your payment

## Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (AEDT) Wednesday 27 February 2013**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Carbine Tungsten Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Carbine Tungsten Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by submitting the slip below you certify that the aggregate of the application price paid by you for:

- the shares the subject of the slip below; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the slip below does not exceed A\$15,000.

Carbine Tungsten Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Carbine Tungsten Limited will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. Carbine Tungsten Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all eligible shareholders even where Carbine Tungsten Limited does not notify you of that event.

### Step 1: Registration Name

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

Note that shares to be purchased may not exceed the maximum value. The amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the slip with **BPAY** payment.

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque or bank draft payable in Australian dollars to "**Carbine Tungsten Limited - Offer Account**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the slip below as indicated. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Carbine Tungsten Limited Share Purchase Plan Application Form  
Payment must be received by 5:00pm (AEDT) Wednesday 27 February 2013

© Registered to BPAY Pty Limited ABN 69 079 137 518

**Turn over for details of the Offer →**

# Share Purchase Plan Application Form

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STEP 1

## Registration Name & Offer Details

 For your security keep your SRN/  
HIN confidential.

Registration Name: MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **7:00pm (AEDT) Friday 1 February 2013**

Minimum value available to purchase: **\$500**

Maximum value available to purchase: **\$15,000**

STEP 2

## Make Your Payment



Billers Code: 209411  
Ref No: 1234 5678 9123 4567 89

### Pay by Mail:



Make your cheque, money order or bank draft payable to  
**"Carbine Tungsten Limited - Offer Account"**.

Return your cheque with the below slip to:

**Computershare Investor Services Pty Limited**  
**GPO BOX 505 Melbourne Victoria 3001 Australia**

Contact your financial institution to make your payment from your cheque or savings account.

### Lodgement of Acceptance

If you are applying for shares and your payment is being made by **BPAY®**, you do not need to return the slip below. Your payment must be received by no later than **5:00pm (AEDT) on Wednesday 27 February 2013**. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor accepts any responsibility for loss incurred through incorrectly completed **BPAY®** payments. It is the responsibility of the applicant to ensure that funds submitted through **BPAY®** are received by this time. If you are paying by cheque, bank draft or money order the slip below must be received by CIS by no later than **5:00pm (AEDT) on Wednesday 27 February 2013**. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the slip below with cheque attached. Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.

### Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

[Detach here](#)

## Purchase Details for Carbine Tungsten Limited

Amount between \$500 and \$15,000

A\$



You may apply for securities from a minimum of \$500 up to a maximum of \$15,000.

Entitlement No: 12345678

**Payment must be received by 5:00pm (AEDT) Wednesday 27 February 2013**

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

### Contact Details

Contact Name \_\_\_\_\_ Daytime Telephone \_\_\_\_\_

### Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+0000000001-3051+14