CARBINE TUNGSTEN

ASX ANNOUNCEMENT

13 January 2014

Company Announcements Office
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SYDNEY NSW 2000

Update to Mineral Resource and JORC 2012 Compliance

Carbine Tungsten Limited (ASX:CNQ) ("Carbine") wishes to provide the following additional information relating to the updated 2012 JORC compliant Resource Statement (see ASX Announcement on 22nd November and 4th December 2013).

It is required under the 2012 JORC Code for reporting of Exploration Results, Mineral Resources and Ore Reserves that mineralisation reported as Exploration Target be clearly separated from estimates of Inferred, Indicated or Measured Mineral Resources. Further, it is necessary under the Code to clearly separate categories of Mineral Resource.

For clarification, Carbine wishes to re-state its Exploration Targets at Mt Carbine.

1. Exploration targets adjacent to Inferred and Indicated Mineral Resources in the Mt Carbine sheeted quartz vein tungsten deposit.

This Exploration Target is now reported as 12 to 16Mt at grades expected to range between 0.08% WO_3 and 0.16% WO_3 (Table 1). The potential quantities and grades of the exploration target are based on drilling adjacent to or down dip from known or previously mined mineral resources. However, the potential quantities and grades stated are still conceptual in nature and there remains a degree of uncertainty whether further drilling will result in the estimation of mineral resources.

Exploration drilling to date suggests that the Mt Carbine tungsten deposit may plunge to the north, and the deposit is open in this direction, to the south east and at depth. The deposit contains an Indicated Mineral Resource of 18Mt at 0.14% WO_3 (at a cut-off of 0.05% WO_3), and exploration of the depth extensions of the deposit will be carried out after production from this resource has commenced.

2. The Iron Duke prospect.

The Iron Duke prospect on the eastern side of the planned open pit has now been intersected in 6 drill holes (Table 2), and has recently been mapped in detail on the surface and shown to extend more than 2km to the north of where it has been drilled. Surface width of the sub-vertical zone that hosts the Iron Duke mineralisation ranges from 10 to 20m over this strike length. Scheelite and minor wolframite mineralisation have been observed in rock chips along the entire length of surface exposure.

The Iron Duke mineralisation is dominated by scheelite (whereas the main Mt Carbine sheeted quartz vein tungsten deposit is dominated by wolframite) and the weighted average grade of the 6 drill intercepts in the Iron Duke is 0.32%WO_3 over an average true width of 8 metres. The 6 drill holes cover a strike length of 300m, and the shallowest intersection of the prospect is at a depth of 100m immediately adjacent to the planned open pit. Although the surface expression of the Iron Duke adjacent to the open pit is now covered by mine dumps, historical maps indicate that it was recognised as a scheelite prospect at the surface here in 1917, and therefore there is a reasonable expectation that the prospect will extend from the surface to below its present maximum drilled depth of 195m. The Iron Duke mineralisation is not included in either the present Inferred or Indicated Mineral Resources although it will be uncovered and mined in the planned open pit.

Exploration of the Iron Duke is planned in 2014 to test grade, width and continuity. The Exploration Target for the Iron Duke over a strike length of 400m immediately adjacent to the planned open pit (based on present drilling data) is 3.5Mt to 6.5Mt with possible grades ranging from 0.13%WO_3 to 0.59% WO_3 (Table 1), with the weighted average grade of drill hole intersections of 0.32%WO_3 possibly reflecting the average grade. This Exploration Target does not include the potential for further mineralisation along the recently established northern continuation of the prospect. The potential quantities and grades of the exploration target are based on significant drilling and surface geological mapping. The potential quantities and grades stated here are still conceptual in nature and there remains a degree of uncertainty whether further drilling will result in the estimation of mineral resources.

The Exploration Targets at Mt Carbine are summarised in Table 1 below:

Mineralisation system	Exploration target tonnes	Exploration target grades
Main sheeted quartz vein system – wolframite dominated	12Mt-16Mt	0.08% WO_3 to 0.16%WO_3
Iron Duke prospect – scheelite dominated	3.5Mt -6.5Mt	0.13% WO_3 to 0.59% WO_3

Hole No.	From (m)	To (m)	Interval (m)	%WO_3 (XRF analysis)
CB18	163	198	35	0.299%
CB51	130.25	146.5	8.73	0.57%
CB52	94.5	112.5	18	0.18%
CB53	160.5	172.5	12	0.49%
CB54	162.5	169.35	6.85	0.59%
CB66	113.3	127.62	14.32	0.13%

Table 2. Drill intersections in the Iron Duke prospect adjacent to the open pit at Mt Carbine.

In the case of the Mt Carbine sheeted quartz vein, wolframite-dominated tungsten deposit, the mineralisation reported as Exploration Target is immediately adjacent to Inferred Mineral Resource estimated on the basis of a geostatistically-derived block model of mineralisation intersected in drill holes both within and beneath the existing open pit at Mt Carbine. The mineralisation described as Exploration Target is so described because there is insufficient drill sampling for it to be included in the Inferred Mineralisation estimate, although there is evidence from historical mining records that some mineralisation that could be categorised on this basis as Exploration Target was mined as ore during the period 1974 -1987.

2. Clarification of Indicated and Inferred Mineral Resources

The current resource estimates for the Mt Carbine tungsten deposit applying a lower cut-off grade of 0.05% WO_3 and a top cut of 4% WO_3 is tabulated as follows:

Table 3.

Mt Carbine - Mineral Resource Summary - March 2013

Resource	Resource	Cut-off Grade (%)	Tonnes (Mt)	WO3 (%)	WO3 (mtu)
Low Grade Stockpile	**Indicated**	**0**	**12**	**0.07**	**840,000**
Main Zone hard rock	**Indicated**	**0.05**	**18**	**0.14**	**2,520,000**
Main Zone hard rock	**Inferred**	**0.05**	**29.3**	**0.12**	**3,516,000**
	Total		**59.3**		**6,876,000**

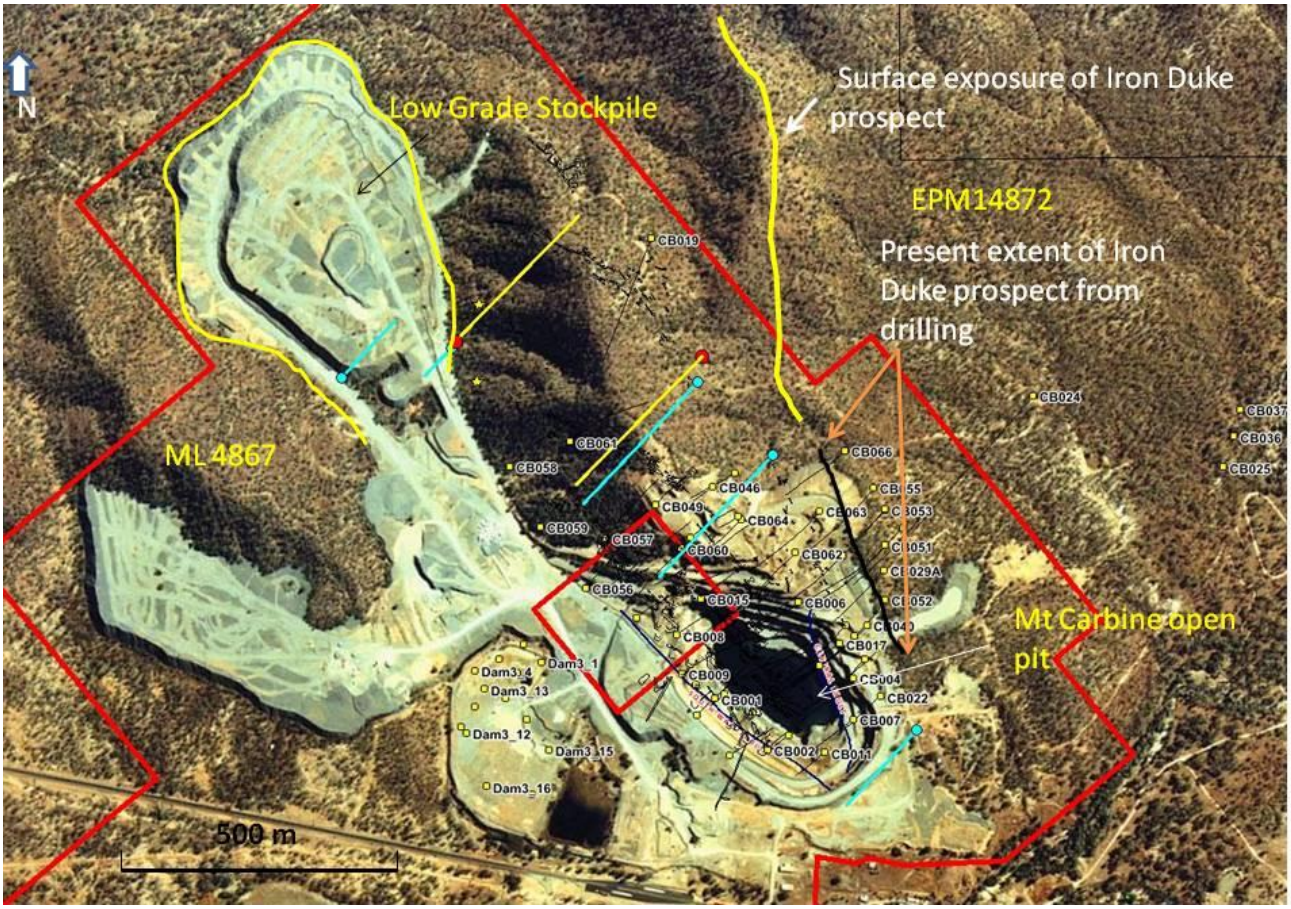

Figure 1. Plan of Mt Carbine surface mine workings showing the location of the Iron Duke prospect. The Indicated Mineral Resource and Inferred Mineral Resource referred to in Table 2 lie beneath and on the north east side of the Mt Carbine open pit. The Indicated Resource that constitutes the Low Grade Stockpile is outlined in yellow in the upper north west corner of ML 4867.

Yours sincerely
Carbine Tungsten Limited

A James Morgan
CEO and Managing Director

Competent Person's Statement The information in this document relating to Exploration Targets and Mineral Resources is based on information compiled by Dr Andrew White, who is a Fellow of the Australian Institute of Geoscientists and principal consultant for Andrew White & Associates. 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.