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**ASX / MEDIA ANNOUNCEMENT** **29 June 2016**



# Strong Results Continue at Mount Morgan Gold-Copper Project, Queensland

***Latest drill intersections further extend known mineralisation outside Resource boundaries; Resource update and Feasibility Study both on track for release in September quarter, 2016***

## Highlights

- Assays from the Mundic Gully tailings dump at Mount Morgan confirm further high-grade extensions outside the current Mineral Resource boundary. Results include:
  - **19m at 3.24g/t gold and 0.28% copper from 1m in MTC095**
- Assays from Shepherds Gully (the youngest tailings dump at Mount Morgan) confirm thick tailings mineralisation extends significantly below the current Mineral Resource boundary. Results include:
  - **44m at 0.74g/t gold and 0.16% copper from 2m in SHC005**
  - **42m at 0.76g/t gold and 0.16% copper from 4m in SHC017**
  - **30m at 0.75g/t gold and 0.18% copper from 1m in SHC027**
  - **29m at 1.10g/t gold and 0.22% copper from 1m in SHC008**
  - **25m at 0.86g/t gold and 0.20% copper from 1m in SHC015**
- Assays are still pending for 81 holes at Shepherds Gully, Mundic Gully and Red Oxide tailings dumps
- All results will be included in the updated Mineral Resource estimate, which will form part of Mount Morgan Definitive Feasibility Study due in the September quarter 2016.

**Carbine Resources Limited (ASX:CRB)** is pleased to announce that the impending Mineral Resource update at its Mount Morgan gold-copper tailings treatment project in Queensland has received a significant boost from a series of strong drilling results outside the current Resource boundaries.

The assay results, which come from drilling at the Mundic and Shepherds Gully Tailings Dumps at Mount Morgan, also demonstrate consistency in grade and volume.

The Mineral Resource upgrade is set to be released in the September quarter as an integral part of the Definitive Feasibility Study (DFS) due for completion in the same period.

carbine@carbineresources.com.au
www.carbineresources.com.au

ABN 81 122 976 818
Suite 23, 513 Hay Street
Subiaco WA 6008
PO Box 1311 Subiaco WA 6904
phone +61 8 6142 0986
fax +61 8 9388 8824

Mount Morgan has a Mineral Resource of 8.4 million tonnes at 1.23g/t gold and 0.15 per cent copper for 329,000 ounces of gold and 12,300 tonnes of copper (see Table 3, Norton Goldfields Limited ASX announcement 28 October, 2009). This comprises several tailings dumps which make up the project.

The initial drilling program at the Mount Morgan Gold-Copper Project in Queensland was completed in May 2016 (ASX: 1 June, 2016). Following review of the Shepherds Gully drilling and identified depth extensions, Carbine recently drilled an additional 9 holes (339m), taking the total drilling program to 162 holes (3,421 m). The Company also decided to assay 40 holes drilled for metallurgical test work in 2008 by Norton and in 2015 by Carbine to be also included in the Mineral Resource estimation work.

The current drilling program, which is now complete, is designed to upgrade the existing Mineral Resource and test some of the previously nominated Exploration Targets. The drilling samples will also be stored for use in any ongoing metallurgical optimisation test work associated with the project.

Assays from drilling at the Mundic Gully tailings dump have yielded further thick, high-grade tailings outside the current Mineral Resource boundary. Assays from drilling at the Shepherds Gully tailings dump have yielded thick tailings mineralisation from outside the current Inferred Resource boundary and highlight the potential for additional Mineral Resources.

All recent assay results and drill hole information is summarised in Table 1 and Table 2 and pictorially in a plan view in Figure 1.

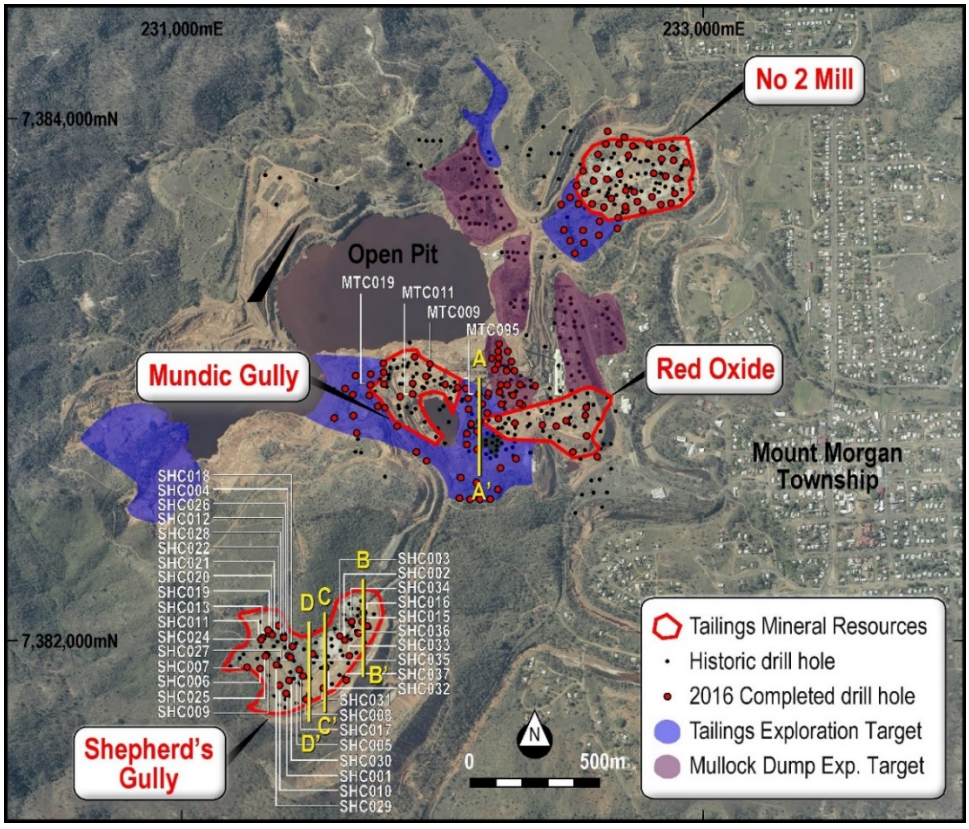


***Figure 1: Completed drill holes at Mount Morgan indicating drill hole locations from Shepherds Gully and Mundic Gully (Plan view with cross section references A-A', B-B', C-C' and D-D')***

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**Mundic Gully**

The Mundic Gully tailings dump has a total Mineral Resource of 1.2Mt at 1.89g/t gold, including 0.8Mt at 1.93g/t gold in the Indicated Resource Category and 0.4Mt at 1.82g/t gold in the Inferred Resource Category as shown in Table 3 (see Norton Gold Fields Limited ASX announcement of 28 October, 2009). A total of 46 drill holes have been completed at the Mundic tailings dump, designed to both convert the Inferred Resources to Indicated Resources and to increase the overall resource by testing for potential extensions.

Assay results have now been received for the next four holes from Mundic Gully.

Hole MTC095 intersected 19m at 3.24g/t gold and 0.28% copper from 1m (Figure 2). This drill hole lies 50m east of previous high grade results of 31m at 2.85g/t in MTC025 and 14m at 3.45g/t in MTC013 (ASX: 1 June, 2016). All holes are located outside the existing Mineral Resource boundary, confirming a significant eastern extension to the current high grade Mundic Gully tailings mineralisation.

Hole MTC019 intersected 8m at 0.98g/t gold and 0.06% copper from 34m. MTC019 also lies outside the current Mineral Resource boundary, confirming a western extension to the Mundic tailings mineralisation.

Drill holes MTC009 and MTC011 lie within the current Inferred Resource Boundary and confirm both width and grade in line with expectations.

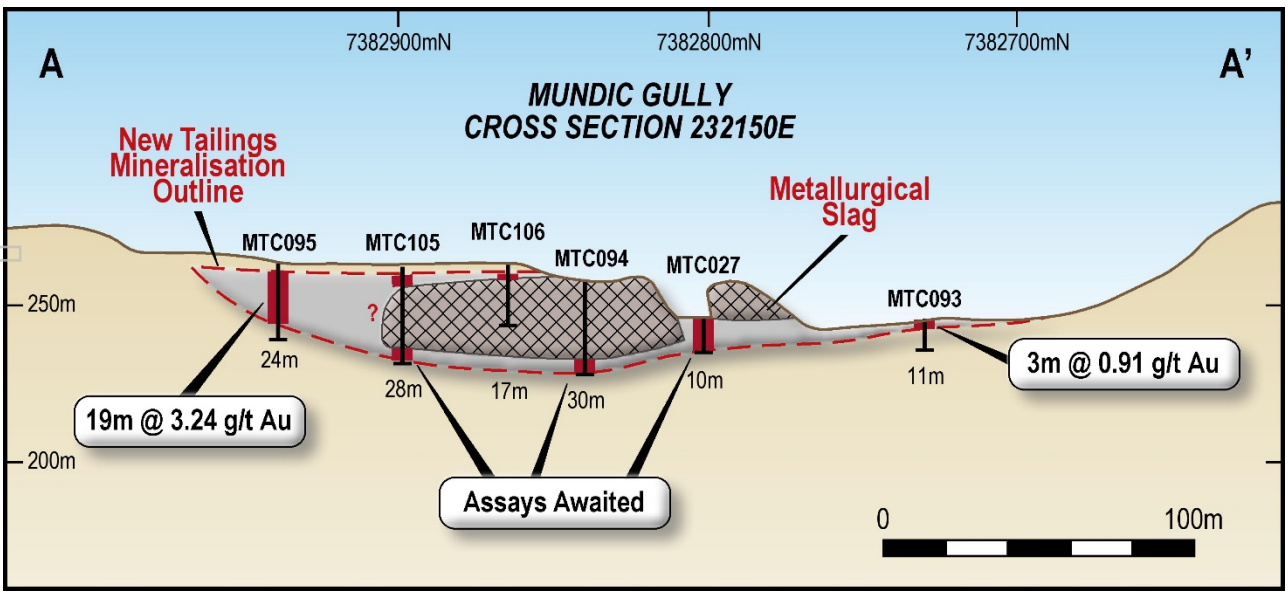


***Figure 2: Cross Section 232150E (A-A') at Mundic Gully tailings dump showing additional tailings mineralisation outside of the current Mineral Resource Boundary.***
***Thickness of tailings as intersected in Carbine Resources drill holes is shown in red on the drill traces. Assay results for MTC093 released previously (ASX: June 1, 2016)***

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**Shepherds Gully**

The Shepherds Gully tailings dump has a total Inferred Mineral Resource of 3.9Mt at 0.86g/t gold as shown in Table 3 (see Norton Gold Fields Limited ASX announcement of 28 October, 2009). A total of 37 drill holes have been completed at the Shepherds Gully tailings dump, designed to convert the Inferred Resources to Indicated Resources.

Assay results have now been returned from all but the latest nine drill holes completed at the Shepherds Gully tailings dump. Results are confirming the consistency of the thick tailings and the tonnage and consistent grade of the current resource. Significantly, drilling has identified thicker tailings than previously indicated, extending tailings mineralisation below the Inferred Resource boundary. One-third of all historical drill holes used in the previous resource estimate at Shepherds Gully did not reach the base of the tailings.

Three cross sections are shown in Figures 3, 4 and 5. These show some of the new drill results across the Shepherds tailings dump. These sections highlight the consistently thick tailings mineralisation, with drilling confirming significant extensions outside the current Inferred Resource Boundary.

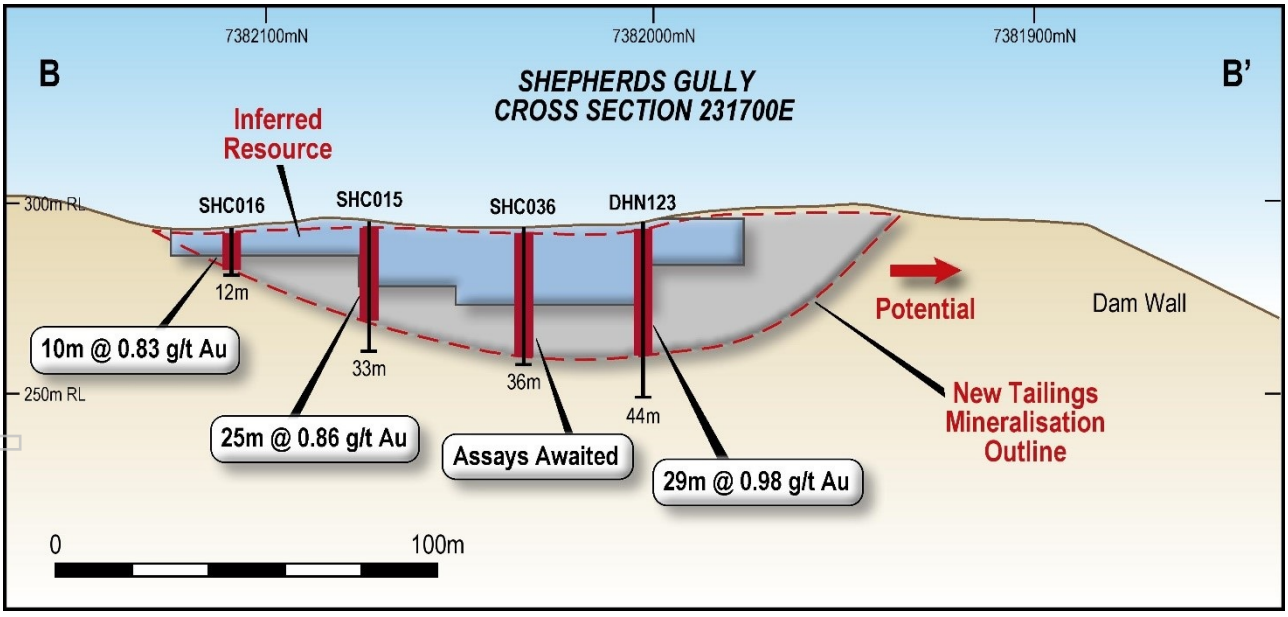


***Figure 3: Cross Section 231700E (B-B') at Shepherds Gully Tailings dump showing additional tailings mineralisation outside of the current Inferred Resource Boundary. Thickness of tailings as intersected in Carbine Resources drill holes is shown in red on the drill traces, with the current Inferred Resource boundary in blue. Carbine drill hole results for DHN123 (ASX: 20 April, 2015) reported previously by Carbine.***

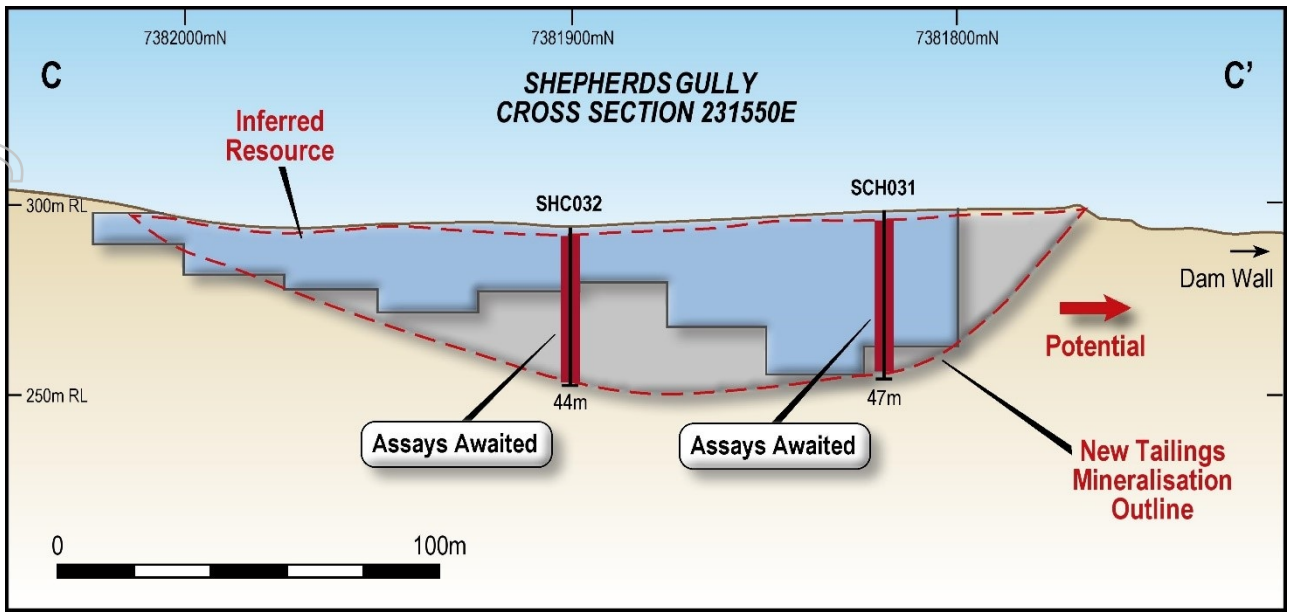


*Figure 4: Cross Section 231550E (C-C') at Shepherds Gully Tailings dump showing additional tailings mineralisation outside of the current Inferred Resource Boundary. Thickness of tailings as intersected in Carbine Resources drill holes is shown in red on the drill traces, with the current Inferred Resource boundary in blue.*

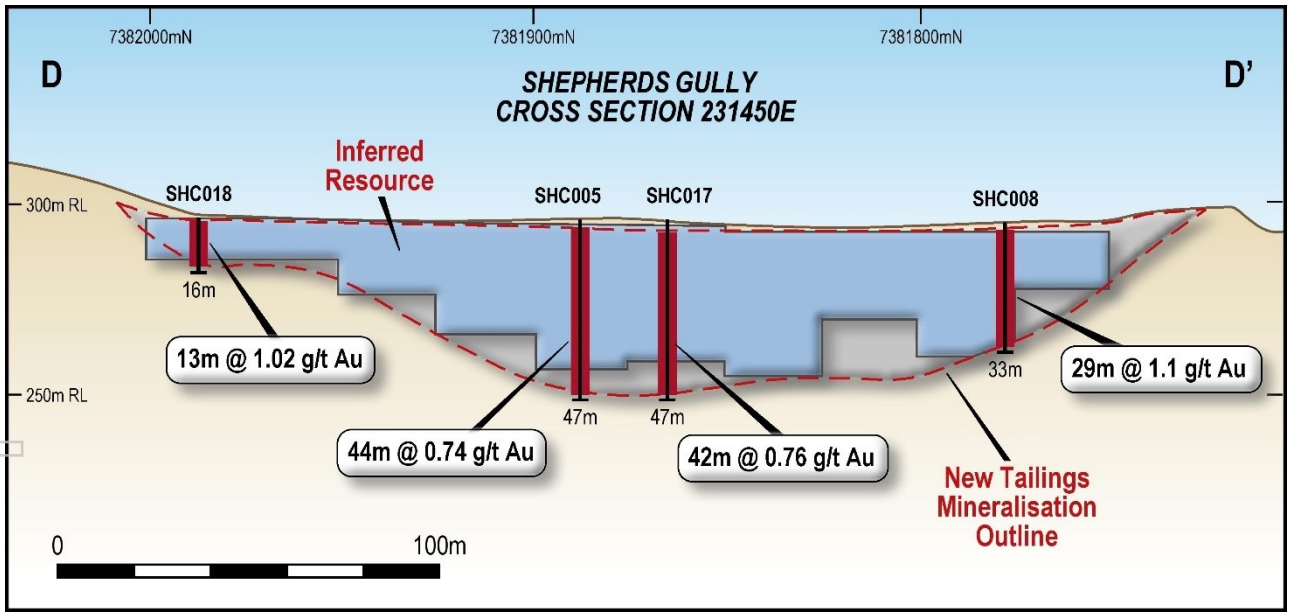


*Figure 5: Cross Section 231450E (D-D') at Shepherds Gully tailings dump showing the continuous nature of the tailings mineralisation with additional tailings mineralisation identified below the current Inferred Resource Boundary. Thickness of tailings as intersected in Carbine Resources drill holes is shown in red on the drill traces with the current Inferred Resource boundary in blue.*

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**Table 1: Drilling Summary**

| HOLE ID | LOCATION | DRILL TYPE | EAST | NORTH | RL | Dip | EOH DEPTH |
|---|---|---|---|---|---|---|---|
| MTC009 | Mundic | RC | 231953 | 7383053 | 287 | -90 | 23 |
| MTC011 | Mundic | RC | 231887 | 7382941 | 263 | -90 | 22 |
| MTC019 | Mundic | RC | 231724 | 7382975 | 292 | -90 | 47 |
| MTC095 | Mundic | RC | 232139 | 7382939 | 262 | -90 | 24 |
| SHC001 | Shepherds | RC | 231398 | 7381800 | 293 | -90 | 22 |
| SHC002 | Shepherds | RC | 231623 | 7382001 | 292 | -90 | 23 |
| SHC003 | Shepherds | RC | 231602 | 7382020 | 293 | -90 | 11 |
| SHC004 | Shepherds | CORE | 231411 | 7381945 | 295 | -90 | 30 |
| SHC005 | Shepherds | RC | 231449 | 7381887 | 294 | -90 | 47 |
| SHC006 | Shepherds | RC | 231298 | 7381895 | 297 | -90 | 11 |
| SHC007 | Shepherds | RC | 231248 | 7381899 | 299 | -90 | 7 |
| SHC008 | Shepherds | RC | 231476 | 7381778 | 293 | -90 | 33 |
| SHC009 | Shepherds | RC | 231324 | 7381946 | 295 | -90 | 26 |
| SHC010 | Shepherds | RC | 231372 | 7381830 | 294 | -90 | 14 |
| SHC011 | Shepherds | RC | 231306 | 7382011 | 296 | -90 | 21 |
| SHC012 | Shepherds | CORE | 231385 | 7382012 | 296 | -90 | 10 |
| SHC013 | Shepherds | RC | 231330 | 7382038 | 296 | -90 | 23 |
| SHC015 | Shepherds | RC | 231710 | 7382058 | 294 | -90 | 33 |
| SHC016 | Shepherds | RC | 231697 | 7382109 | 291 | -90 | 12 |
| SHC017 | Shepherds | RC | 231463 | 7381863 | 293 | -90 | 47 |
| SHC018 | Shepherds | RC | 231422 | 7381980 | 296 | -90 | 16 |
| SHC019 | Shepherds | CORE | 231327 | 7382044 | 296 | -90 | 19 |
| SHC020 | Shepherds | CORE | 231334 | 7382036 | 296 | -90 | 22 |
| SHC021 | Shepherds | CORE | 231336 | 7382029 | 296 | -90 | 5 |
| SHC022 | Shepherds | CORE | 231359 | 7382064 | 297 | -90 | 6 |
| SHC024 | Shepherds | CORE | 231301 | 7382006 | 296 | -90 | 21 |
| SHC025 | Shepherds | CORE | 231318 | 7381942 | 295 | -90 | 26 |
| SHC026 | Shepherds | CORE | 231385 | 7382017 | 297 | -90 | 7 |
| SHC027 | Shepherds | RC | 231415 | 7381939 | 295 | -90 | 32 |
| SHC028 | Shepherds | RC | 231380 | 7382012 | 296 | -90 | 16 |
| SHC029 | Shepherds | RC | 231360 | 7381910 | 293 | -90 | 35 |
| SHC030 | Shepherds | RC | 231410 | 7381850 | 292 | -90 | 29 |
| SHC031 | Shepherds | RC | 231540 | 7381820 | 296 | -90 | 47 |
| SHC032 | Shepherds | RC | 231550 | 7381900 | 291 | -90 | 44 |
| SHC033 | Shepherds | RC | 231640 | 7381945 | 292 | -90 | 38 |
| SHC034 | Shepherds | RC | 231650 | 7382075 | 292 | -90 | 26 |
| SHC035 | Shepherds | RC | 231500 | 7381950 | 294 | -90 | 28 |
| SHC036 | Shepherds | RC | 231675 | 7382030 | 292 | -90 | 35 |
| SHC037 | Shepherds | RC | 231630 | 7381850 | 297 | -90 | 57 |



carbine@carbineresources.com.au
www.carbineresources.com.au

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**Table 2: Assay Results Summary (true width approximates down hole width)**

| HOLE ID | FROM (m) | TO (m) | INTERCEPT (m) | GOLD (g/t) | COPPER (%) | IRON (%) | SULPHUR (%) | SILVER (g/t) |
|---|---|---|---|---|---|---|---|---|
| MTC009 | 13 | 16 | 3 | 1.61 | 0.27 | 13.4 | 12.1 | 0.6 |
| MTC011 | 11 | 20 | 9 | 1.40 | 0.08 | 15.0 | 10.5 | 1.1 |
| MTC019 | 34 | 42 | 8 | 0.98 | 0.06 | 7.9 | 6.6 | 0.5 |
| MTC095 | 1 | 20 | 19 | 3.24 | 0.28 | 11.1 | 5.6 | 0.6 |
| *includes:* | *1* | *8* | *7* | *6.04* | *0.58* | *10.4* | *9.9* | *1.1* |
| SHC001 | 5 | 20 | 15 | 0.88 | 0.19 | 17.2 | 16.4 | 1.6 |
| SHC002 | 3 | 21 | 18 | 0.73 | 0.14 | 17.2 | 16.1 | 1.4 |
| SHC003 | 3 | 10 | 7 | 0.89 | 0.19 | 14.5 | 11.0 | 1.8 |
| SHC004 | *Poor Core Sample (Not Sampled),Redrill as RC hole SHC027* | | | | | | | |
| SHC005 | 2 | 46 | 44 | 0.74 | 0.16 | 14.5 | 10.6 | 1.7 |
| SHC006 | 0 | 9 | 9 | 0.59 | 0.15 | 9.2 | 5.5 | 2.7 |
| SHC007 | 1 | 5 | 4 | 0.47 | 0.14 | 7.6 | 3.8 | 2.2 |
| SHC008 | 1 | 30 | 29 | 1.10 | 0.22 | 17.9 | 16.4 | 1.5 |
| SHC009 | *Poor RC Sample (Not Sampled),Redrill as Core hole SHC025* | | | | | | | |
| SHC010 | 1 | 12 | 11 | 0.84 | 0.17 | 13.2 | 9.9 | 1.5 |
| SHC011 | *Poor RC Sample (Not Sampled),Redrill as Core hole SHC024* | | | | | | | |
| SHC012 | *Poor Core Sample (Not Sampled),Redrill as Core hole SHC026* | | | | | | | |
| SHC013 | 2 | 21 | 19 | 0.64 | 0.18 | 12.4 | 7.8 | 2.7 |
| SHC015 | 1 | 26 | 25 | 0.86 | 0.20 | 17.3 | 15.8 | 1.3 |
| SHC016 | 1 | 11 | 10 | 0.83 | 0.26 | 18.9 | 21.4 | 1.7 |
| SHC017 | 4 | 46 | 42 | 0.76 | 0.16 | 14.3 | 11.4 | 1.4 |
| SHC018 | 1 | 14 | 13 | 1.02 | 0.17 | 14.4 | 10.0 | 1.6 |
| SHC019 | *Poor Core Sample (Not Sampled), Redrill as RC hole SHC013* | | | | | | | |
| SHC020 | *Part Sample Only* | | | | | | | |
| SHC021 | *Poor Core Sample (Not Sampled), Redrill as RC hole SHC013* | | | | | | | |
| SHC022 | 0 | 5 | 5 | 0.54 | 0.21 | 7.9 | 3.8 | 4.5 |
| SHC024 | 4 | 20 | 16 | 0.63 | 0.18 | 12.8 | 8.6 | 2.6 |
| SHC025 | 5 | 25 | 20 | 0.65 | 0.19 | 14.7 | 10.2 | 2.4 |
| SHC026 | *Poor Core Sample (Not Sampled),Redrill as RC hole SHC028* | | | | | | | |
| SHC027 | 1 | 31 | 30 | 0.74 | 0.18 | 12.8 | 8.7 | 2.0 |
| SHC028 | 2 | 15 | 13 | 0.75 | 0.13 | 13.1 | 10.0 | 1.6 |



carbine@carbineresources.com.au
www.carbineresources.com.au

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**Table 3: Mount Morgan Tailings JORC 2004 Resource Table**

| DEPOSIT | CATEGORY | TONNES (kt) | GRADE (g/t) | OUNCES (koz) |
|---|---|---|---|---|
| No2 Mill | Indicated | 1,264 | 1.16 | 47 |
| | Inferred | 1,099 | 1.17 | 41 |
| Mundic | Indicated | 833 | 1.93 | 52 |
| | Inferred | 357 | 1.82 | 21 |
| Red Oxide | Indicated | 390 | 2.23 | 28 |
| | Inferred | 445 | 2.15 | 31 |
| Shepherds | Indicated | - | - | - |
| | Inferred | 3,960 | 0.86 | 106 |
| **Total** | | **8,348** | **1.23** | **326** |

*(Norton Gold Fields Limited ASX announcement 28 October, 2009)*

Further assay results will be reported as they become available.

## For further information, please contact:

**Investors**

Tony James – Carbine Resources
+61 8 6142 0986

**Media**

Paul Armstrong – Read Corporate
+61 8 9388 1474

***Competent Person Statement***

*The information in this report that relates to the Exploration Results is based upon information compiled by Mr Chris Newman, who is a fulltime employee of the Company and is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Newman has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity in which he is undertaking to qualify as a Competent Person under 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Newman consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Results initially reported to the ASX on 9 May and 1 June 2016 have not materially changed.*

*The information in this report that relates to the Mineral Resources of the Mount Morgan Mine project was prepared in accordance with the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") by Troy Lowien, Resource Geologist, of consultants Coffey Mining Pty Ltd, who is a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM") and has a minimum of five years of experience in the estimation, assessment and evaluation of Mineral Resources of this style and is the Competent Person as defined in the JORC Code. Troy Lowien conducted the geological modelling, statistical analysis, variography, grade estimation, and report preparation. This report accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context in which it appears. 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.*

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**Reporting criteria presented in the Section 1 of the JORC Table 1**

**(Sampling techniques and data)**

| Criteria of JORC Code 2012 | Explanation given in the JORC Code 2012 | Comments / Findings |
|---|---|---|
| *(1.1.) Sampling techniques* | ☐*Nature and quality of sampling (eg cut channels, random chips, or specific specialized 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.* | Drilling was completed by a Universal RC/Diamond drill rig (UDR650) equipped to collect full sample through cyclone or alternatively by PQ triple tube coring. Hole diameter 4.75 inches in the case of RC and PQTT (83mm). Samples are collected regularly, at 1m intervals. |
| | ☐*Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | Drilling is vertical, which is optimal for flat lying tailings mineralization.<br>1m samples are well suited for estimation of resources for the mineralised tailings |
| | ☐ *Aspects of the determination of mineralisation that are Material to the Public Report. 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.* | Drilling and sampling procedures were performed using above industry standard techniques and equipment.<br>1m samples were collected in total with average sample size around 20kg and transported in its entirety to Preplab at Rockhampton. The split of the sample was obtained in the initial sample preparation stage following drying of entire sample, crushing to 2mm and rotary splitting to 2 x 3kg splits and duplicate.<br>Entire subsample (3kg) is pulverised using LM5 pulveriser requiring manual feeding.<br>Sampling protocol is based on sampling nomogram constructed using theoretically deduced fundamental sampling error. |
| *Drilling techniques (1.2.)* | ☐ *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,* | Universal RC/diamond drill rig. UDR650 model, Mounted on 6X6 Truck. Hole diameter 4.75 inch for RC and PQTT triple tube for core holes. Coring was preferred where tailings were unconsolidated and overly soft for effective collection by RC technique. Nine of the 37 holes completed at |

| | | |
|---|---|---|
| | *whether core is oriented and if so, by what method, etc).* | Shepherds in this announcement are core drillholes. All other holes are RC. |
| *Drill sample recovery (1.3.)* | ☐*Method of recording and assessing core and chip sample recoveries and results assessed.* | Obtained samples were weighed in the preparation laboratory in Rockhampton which was used as a non-direct control for possible sample loss. |
| | ☐*Measures taken to maximise sample recovery and ensure representative nature of the samples.* | This was based on adjusting the drilling parameters to obtain the best recovery by collection and processing of the entire sample. Coring was preferred where tailings were unconsolidated and overly soft for effective collection by RC technique. Only three of the nine core holes were used where better recovery was observed against RC drilling. |
| | ☐ *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.* | No bias is expected as tails mineralization is relatively uniform in grainsize and nature. |
| *Logging (1.4.)* | ☐ *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* | Geological logging concentrated on the diagnostic of tailing materials. Tails had to be logged separate from the surficial material, which was classified as either 'mixed', mullock waste rock, subsurface gravels, metallurgical slag or basement rocks. Oxidised or Sulphidised tailings were identified separately. |
| | ☐ *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | Qualitative logging, primarily focused on the diagnostic of tailing materials. Core samples were photographed. |
| | ☐*The total length and percentage of the relevant intersections logged.* | 100% of intersections were logged |
| *Sub-sampling techniques and sample preparation (1.5.)* | ☐ *If core, whether cut or sawn and whether quarter, half or all core taken* | Where applicable, Full PQ core samples were collected, after being photographed after extraction. |
| | ☐ *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | RC samples were collected in entirety to be subsequently dried, then crushed and split by rotary splitting into 3kg sub-samples for assay. |
| | ☐ *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | Initial sample preparation involving drying, crushing and rotary splitting was undertaken by Preplab of Rockhampton. 3kg splits were freighted to ALS Townsville for remaining preparation |

| | | |
|---|---|---|
| | | following the standard post-crushing preparation technique. Samples (3kg) are pulverised using LM5 pulveriser requiring manual feeding.<br><br>Aliquots are dissolved using 4 acid digest (near complete dissolution) and peroxide fusion (complete dissolution). Results are compared one digest against the other<br><br>The preparation approach, is standard and commonly used for medium grade gold mineralisation |
| | ☐*Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | For all subsampling stages, duplicate samples are collected and analysed. Namely, these coarse field duplicates (5-7%) after first splitting make 2mm size fraction, and pulp duplicates (>3%) after entire collected subsample is pulverized. QA/QC procedures also include using standard samples and blanks. |
| | ☐ *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.* | Field duplicates and twin holes have been incorporated into the entire drill program. Four twin holes are present from the drill holes in this announcement and have acceptable correlation. |
| | ☐ *Whether sample sizes are appropriate to the grain size of the material being sampled.* | Sample size is 20kg. Further subsampling is made strictly following optimal sampling protocols. According to estimates, this will achieve precision error less than 10% which is considered excellent for gold mineralisation. |
| *Quality of assay data and laboratory tests (1.6.)* | ☐ *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | Samples were assayed at the ALS laboratory. Gold was assayed using conventional fire-assay method with ICP-OES finish. Reported detection limit is 0.02 g/t Au.<br><br>Cu, Ag, Fe and S have been analysed by ICP-AES by ALS Townsville by method ME-ICP41 (post aqua regia digestion) to determine levels of chalcopyrite and pyrite. Detection limits are Ag-0.2ppm; Cu-1ppm; Fe- 0.01% and S- 0.01%. Sulphur results >10%S have lower accuracy and precision.<br><br>For all Shepherds drilling, an additional 31 elements were analysed by method ME-ICP41 to |

| | | |
|---|---|---|
| | | investigate any potential contaminates from non - Mount Morgan Tailings (Mt Chalmers). |
| | ☐ *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.* | Not applicable |
| | ☐ *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.* | Internal standards were used by ALS laboratory.<br>Pulp duplicates have been assayed in the current program showing the excellent repeatability of the assay results.<br>Standards and blanks are incorporated into batches at greater than one standard or blank per 10 samples. Three moderate grade standards reported high and are being investigated. |
| *Verification of sampling and assaying (1.7.)* | ☐ *The verification of significant intersections by either independent or alternative company personnel.* | Verification of all results was undertaken after a site visit by the Geology Manager – Carbine. |
| | ☐*The use of twinned holes.* | Four twin holes have been completed in the Shepherds Gully drill program. Good repeatability is observed. |
| | ☐ *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | Assays are obtained from the ALS laboratory in electronic form and stored in a special folder created on the Carbine Resources Server |
| | ☐ *Discuss any adjustment to assay data.* | No adjustments were needed. Assay results are reported as obtained from the lab |
| *Location of data points (1.8.)* | ☐ *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.* | Hole collars were surveyed in MGA94 Zone 56 grid using differential GPS. The final nine holes at Shepherds are yet to have final survey pickup. |
| | ☐ *Specification of the grid system used.* | MGA94 Zone 56 grid |
| | ☐ *Quality and adequacy of topographic control.* | Pre-mining topographic surface prepared from detailed ground and mine surveys completed |

| | | |
|---|---|---|
| | | historically. Current topographic surface prepared from 2016 airborne Lidar survey. |
| *Data spacing and distribution (1.9.)* | ☐ *Data spacing for reporting of Exploration Results.* | Distance between drill holes is approximately 50m which is sufficient for accurately reporting the Exploration Results and likely sufficient for estimation of Indicated Resources |
| | ☐ *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.* | Distance of 50 m is likely to be sufficient for estimation of Indicated Resources. The purpose of this drilling is to convert Inferred to Indicated Resources and add additional Mineral Resources through near-mine extensions. |
| | ☐ *Whether sample compositing has been applied.* | No sample compositing has been applied. All samples assayed by 1m intervals. |
| *Orientation of data in relation to geological structure (1.10.)* | ☐*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | All drill holes were drilled vertically which provides the best possible intersection to the flat lying mineralised tailings. |
| | ☐ *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.* | Not applicable. Drill hole intersect the tailings at 90 degrees. |
| *Sample security (1.11.)* | ☐ *The measures taken to ensure sample security* | Sample bags were collected by the Carbine Resources representative and delivered to the lab. The samples was not left unattended on site |
| *Audits or reviews (1.12.)* | ☐*The results of any audits or reviews of sampling techniques and data.* | Not applicable |

CARBINE RESOURCES
LIMITED

**Reporting criteria presented in the Section 2 of the JORC Table 1**

**(Reporting of Exploration Results)**



| Criteria of JORC Code 2012 | Explanation given in the JORC Code 2012 | Comments / Findings |
|---|---|---|
| *Mineral tenement and land tenure status (2.1)* | ☐*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.* | The *Mount Morgan* project has been secured by *Mining Leases: ML 5589, ML 5602, ML 5608 – ML 5069, ML 5612 – ML 5628, ML 5633 – ML 5635, ML 5648, ML 5649, ML 5658 – ML 5660, ML 6692 issued to the* Norton Gold Fields Limited. Carbine Resources entered inti JV agreement with Norton Gold Fields Limited.<br><br>There is no known native title related restrictions nor known environmental or social obstructions. Some areas of the site are currently listed on the Queensland Heritage Register. |
| | ☐ *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.* | *All MLs expire on the 31/08/2025* |
| *Exploration done by other parties (2.2)* | ☐ *Acknowledgment and appraisal of exploration by other parties.* | The tailings have been deposited from over a hundred years of mining and processing. In-pit tailings have been historically processed in the 1980's. Several parties have explored and tested the remaining untreated tails over the last twenty years. Most recently (2009) Norton Gold Fields Limited completed preliminary due diligence of treating the tails mineralization, however the tailings were only partially drill tested and the economic significance was not fully assessed. |
| *Geology (2.3)* | ☐*Deposit type, geological setting and style of mineralisation.* | The historic tailings from the processing of primary and oxide gold-copper-pyrite ores from the Mount Morgan mine and Mt Chalmers |
| *Drill hole Information (2.4)* | ☐ *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:* | |

carbine@carbineresources.com.au
www.carbineresources.com.au

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|---|---|---|
| | ☐*Easting and Northing of the drill hole collar.* | All relevant data is reported in the tables of the ASX announcement |
| | ☐*Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.* | All relevant data is reported in the tables of the ASX announcement |
| | ☐*dip and azimuth of the hole.* | All relevant data is reported in the tables of the ASX announcement |
| | ☐ *down hole length and interception depth* | All relevant data is reported in the tables of the ASX announcement |
| | ☐*hole length.* | All relevant data is reported in the tables of the ASX announcement |
| | ☐ *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.* | No exclusions have been made |
| *Data aggregation methods (2.5)* | ☐*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.* | Intersection grade is estimated as arithmetic mean, no weighting was applied because all samples were 1m long and composed of the same material (i.e. tailings). The entire intersection of tailings is reported only, and is not extended to incorporate mineralised basement or overlying waste rock unless tailings are reported as 'Mixed' within the 1m sample.<br><br>High grade cut off was not needed because distribution of the gold grade is relatively uniform. Grade in tailings at Shepherd generally lies in the narrow range from 0.4-1.5 g/t. Two individual assays reported greater than 2.0g/t with the highest assay result of 2.8g/t.<br><br>Grade in Mundic tailings is more widely spread, with assays generally lying between 0.5 and 5g/t. Three individual assays in MTC095 reported |

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| | | higher than 5g/t, with the highest assay of 11.75g/t from 7 to 8m depth. |
| | ☐ *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.* | Not applicable as grade in tails is relatively uniform in grade within a narrow range between 0.4 and 1.5g/t at Shepherds and 0.5g/t and 5.0g/t at Mundic. |
| | ☐ *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | Not applicable |
| *Relationship between mineralisation widths and intercept lengths (2.6)* | ☐ *These relationships are particularly important in the reporting of Exploration Results.*<br>☐ *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* | Tailings occur as a flatbed filling the topographic depression, therefore geometry of mineralisation is well understood. Drill holes are drilled vertical which provides the optimal intersection at right angle to the mineralisation plane with downhole width estimating true width. The entire intersection of tailings is reported only, and is not extended to incorporate mineralised basement or overlying waste rock unless tailings are reported within the 1m sample. |
| | ☐ *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').* | Orientation of the drill hole and geometry of the tailings are well known. Reported intersections represents a true width of mineralised tailings |
| *Diagrams (2.7)* | ☐ *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.* | See Figures within the ASX announcement |
| *Balanced reporting (2.8)* | ☐ *Where comprehensive reporting of all Exploration Results is not practicable, representative* | All assay results received that pertain to tailings are presented. |

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| | *reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | |
| *Other substantive exploration data (2.9)* | ☐ *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.* | Not applicable |
| *Further work (2.10)* | ☐*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* | These results are part of a series of expected assay results from a recently completed drill program (see Figure 1). Further exploration for mineralized tailings and historic mineralized waste dumps will be ongoing in future exploration programs. |
| | ☐ *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Figure 1 highlights the key exploration target areas for both mineralized tailings and historic mineralized waste dumps. Areas of possible extension at Shepherds Gully are clearly indicated on the cross sections within this announcement. |