CARBINE TUNGSTEN

8 June 2017

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

HIGH GRADE GOLD ASSAYS, PANAMA HAT EL8024

Carbine Tungsten Limited (ASX: CNQ, "Carbine" or "the Company") is pleased to advise that further surface sampling of old workings in Panama Hat EL8024, SE of Broken Hill, NSW (100% CNQ) has confirmed consistency of high grade gold assays ranging up to 84.4g/t Au obtained in previous sampling, with the latest sample assays ranging up to 35.1g/t gold. The sampling and surface geological investigations carried out by Carbine lead to the conclusion that there is significant potential for shallow, oxide gold mineralisation that up till now has not been tested by drilling. EL8024 covers an area of flat to gently undulating semi desert grazing country with low salt bush cover.

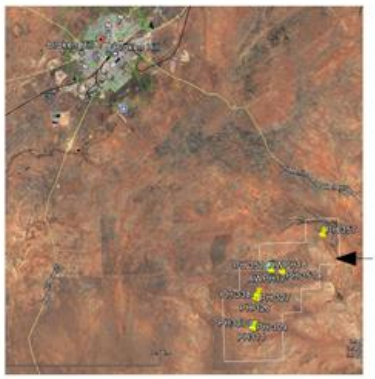
Carbine carried out a sampling and mapping programme in April 2017, aimed at further testing and understanding the gold distribution and grades found in earlier sampling in EL8024. A significant number of historical workings occur in an arc extending for 10km in the tenement, approximately 25km south east of Broken Hill in NSW. The workings date from the 1930's depression era and are all in quartz veins ranging up to 2m in width at the surface. Four clusters of workings occur in the Exploration Licence ("EL"), as shallow fallen-in pits on gentle mounds, separated by desert sandy cover. Although the overall trend of the workings in north – north east, quartz veins and groups of pits trend at 90^0 to 145^0.


Typical exposure of historical workings, EL8024

Several companies have carried out exploration of the area in the past including vein quartz sampling and percussion and core drilling. Recent research indicates that that surface sampling of vein quartz alone was not an indicator of gold mineralisation and that the drill holes were not sited to test the lines of the lodes.

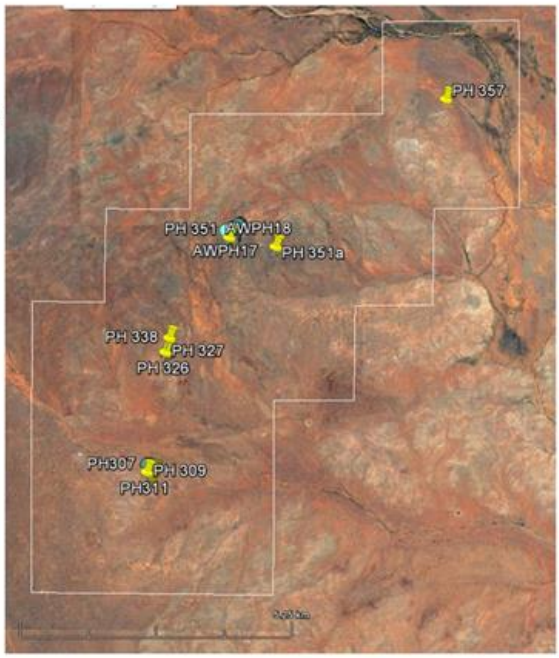
Carbine's sampling appears to confirm that gold mineralisation is closely associated with sulphides (pyrite) mineralisation on the margins of the quartz veins. CNQ has found in a recent petrological study of remnant sulphides in vein quartz samples that free gold occurs close to quartz vein margins where sulphides occur.

Although surface exposure is poor, around historical workings, sampling has shown that quartz vein material containing limonite, (hydrous iron oxides) after sulphides consistently contains gold, with samples ranging from 1.24g/t Au up to a grade of 84.4g/t Au. The latest sampling has extended the strike length over which high gold values have been obtained.



EL8024

EL8024 25km SE
Broken Hill



EL 8024 showing location of four main areas of historical workings and recent sampling.

South west cluster of historical workings showing sample numbers (assays in Table 1).

Group of historical workings in north central part of EL8024, showing recent sample locations. Samples from around a timbered shaft at AWPH22 contained fresh sulphide encased in vein quartz, as well as limonite replacing sulphides. Samples assayed as follows:
AWPH17, 4g/t gold,
AWPH18, 9.72g/t gold,
AWPH19, 19.15g/t gold
AWPH22, 29.2g/t gold,
AWPH23, 3.47g/t gold. The workings are situated on vertical quartz veins striking at 145^0

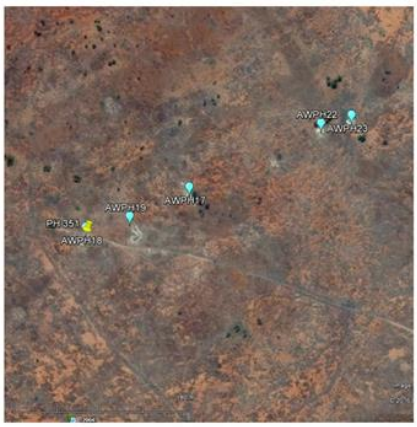


Table 1. Summary of gold analyses, Panama Hat EL8024

				WEI-21	PUL-QC	Au-AA21	Au-AA25
SAMPLE				Recvd Wt.	Pass75um	Au	Au
DESCRIPTION	Northing WGS84	Easting WGS84	Elevation	kg	%	ppm	ppm
AW PH 10	6441161	554105	191	0.33		>1.00	35.1
AW PH 11	6441200	554593	188	0.52		0.119	
AW PH 12	6441086	554686	182	0.36		0.004	
AW PH 13	6441166	6441166	188	0.58		>1.00	5.4
AW PH 14	6441166	6441166		0.52		>1.00	2.43
AW PH 15	6444406	554418	203	0.98		0.008	
AW PH 16	6445719	555740	212	0.54		0.516	
AW PH 17	6445719	555740	212	0.43	99	>1.00	4
AW PH 18	6445677	555631	212	0.77		>1.00	9.72
AW PH 19	6445689	555677	213	0.94		>1.00	19.15
AW PH 20	6445688	555681	213	0.76		0.467	
AW PH 21	6445678	555633	212	0.69		0.025	
AW PH 22	6445785	555877	213	0.66		>1.00	29.2
AW PH 23	6445794	555909	213	0.77		>1.00	3.47
AW PH 24	6446008	555936	216	0.6		0.038	

Jim Morgan
Chief Executive Officer & Managing Director
Carbine Tungsten Limited
E: info@carbinetungsten.com.au
W: www.carbinetungsten.com.au

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Mineral Resources 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". 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 template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• Sampling of surface rubble including but not limited to rubble associated with historical workings, 2kg samples, specifically sampling iron oxide in association with vein quartz. • Samples crushed, pulverized to pass 75um, split and analysed by ICPMS, where gold values >1ppm, re-assayed by fire assay.
Drilling techniques	• *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).*	• This does not apply.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• This does not apply.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• This does not apply.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• This does not apply.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• Standard laboratory internal check assays employed.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Sampling carried out to verify previous high grade gold assays.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Samples located by GPS (UTM).
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.*	• This does not apply.

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• This does not apply.
Sample security	• *The measures taken to ensure sample security.*	• Samples hand delivered to laboratory receiving depot.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• This does not apply.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• EL 8024, 100% Carbine Tungsten Limited. Sampling on freehold land, agreement with landowner in place,
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Reported in previous announcements.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Quartz vein-hosted, sulphide associated mineralisation
Drill hole Information	• *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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	• Current field work indicates historical drilling failed to test mineralization.

Criteria	JORC Code explanation	Commentary
	• *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.*	
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• This does not apply.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Insufficient exposure to determine mineralized widths.
Diagrams	• *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.*	• Maps in announcement text.
Balanced reporting	• *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.*	• Only gold results tabulated.
Other substantive exploration data	• *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.*	• See announcement text.