



ASX / MEDIA ANNOUNCEMENT

14 June 2023

Additional Information regarding the Acquisition of Down South Silica

Carbine Resources Limited (ASX: CRB) (the **Company**) provides the following additional information with respect to the announcement dated 25 May 2023 regarding the acquisition of the Bunbury Silica Sands Project via the 100% acquisition Down South Silica Pty Ltd (**DSS**), subject to various conditions precedent (**Acquisition**).

DSS holds 100% of the Bunbury Silica Sands Project which covers a land area of 5,800Ha consisting of three granted exploration licences, E70/5823, E70/6414 and E70/6415.

Historical Resources on Bunbury Silica Sands Project

The E70/5823 area was explored for mineral sands from the 1970s to 2013 by Westralian Sands (Pty Ltd and Ltd) (**WSL**), Cable Sands (WA) Pty Ltd, RGC Mineral Sands Ltd, Doral Mineral Sands Pty Ltd and ISK Minerals.

It was explored for silica sand by Westralian Sands Ltd (1970-88) and Australian United Silica Corporation Pty Ltd (2017-18) (**Ausco**).

Work completed by WSL was, in general, drilling and mapping. Some mining had been undertaken in the area for mineral sands and a mining licence (M70/88, WSL) existed for silica sand but it is not clear how much, in total, was mined. The report (A24743) states that 12,500 tonnes were mined and processed through WSL's North Yoganup wet separation plant and 8,036 tonnes of product were transported to Bunbury and shipped to Japan as a bulk sample. It is unclear if that was the sum total of mining on this lease.

WSL auger drilled a number of areas of which three (A, B & C) are contained, wholly or partially, within E70/5823. The WSL drilling led to resource estimations (Table 1) for these three areas and these resources have been the focus of interest since then (1983) by both Ausco and the vendors.

Ausco, in their report, outlined the resource areas A, B and C from the WSL reports and outlined three Bassendean Sand locations (1, 2, 3) that extend from, or are proximal to, Areas A, B and C (Figure 1).

The Company advises that the historical estimates set out below have been sourced from public reports (WAMEX A34268, Sofoulis 1971, WAMEX A24743, Tyler, 1988) and are not reported in accordance with the JORC Code. The Company is unaware of any information subsequent to these reports that would materially change these historical estimates. A competent person has not done sufficient work to classify the historical estimates as mineral resources in accordance with the JORC Code and it is uncertain that following evaluation and further exploration work that the historical estimates will be able to be reported as mineral resource in accordance with the JORC Code.

The relevance of these historical reports is to show Carbine areas of sand locations allowing Carbine to propose drilling programmes early in the exploration cycle. These areas will require testing by modern exploration techniques and there is no guarantee that the sand in these areas will prove to be commercial in nature.

Carbine intends to submit Programmes of Work with the Department of Mining Industry Regulations and Safety once access has been approved by the freehold landowners. This work will be funded from existing Company funds and is expected to occur in the latter half of 2023.



Table 1: Westralian Sands Ltd Historical (non-JORC) Silica Sand Resources* (after Sofoulis 1971)

AREA A			AREA B			AREA C		
Mineral Claim	Long tons	Metric tons	Mineral Claim	Long tons	Metric tons	Mineral Claim	Long tons	Metric tons
1974	696,800	707,982	6278	4,000	4,064	6279	870,000	883,961
1976	406,500	413,023	6285	8,000	8,128	6280	69,600	70,717
1975	2,091,600	2,125,164	6286			70/10888	825,000	838,239
1978	580,000	589,307	6287	364,000	369,841	70/11731	550,000	558,826
1977	454,500	461,793	6287	4,000	4,064			
			6288	648,000	658,398			
			6288	52,000	52,834			
			6284	13,600	13,818			
			6284	18,400	18,695			
			6281	162,400	165,006			
			6281	55,600	56,492			
			6281	13,600	13,818			
			6282	348,000	353,584			
			6283	4,000	4,064			
Total	4,229,400	4,297,269		1,695,600	1,722,809		2,314,600	2,351,742

*The volumes in Table 1 were derived from plan outlines from mapping and sectional depths from drilling for white sand only. Bulk density determination is not provided and the notation of "Resource" does not equate to or comply with JORC Guidelines. Grades were not included in the tables.

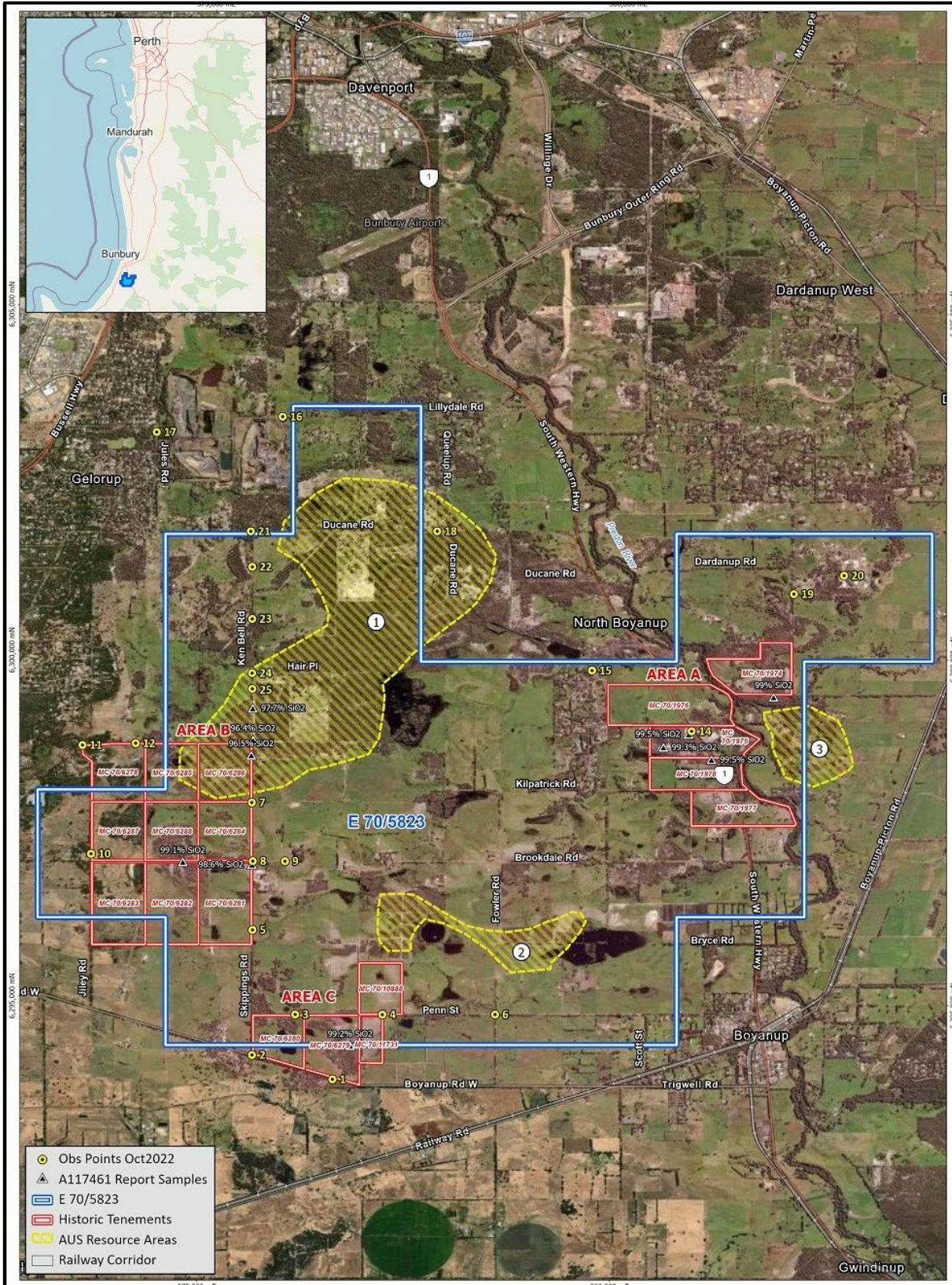


Figure 1: Westralian Sands Ltd Resource Areas (Table 1) and Ausco mapped silica sand areas



Figure 2: Westralian Sands Ltd M70/88 – 12,500t mined (Tyler, M.H. 1988)

Key Acquisition Terms

The DSS vendors are Mr Peter Romeo Gianni and Mr Robert Andrew Jewson who are both unrelated parties to the Company.

The consideration payable to the vendors for the acquisition of DSS comprises:

- the issue of 71,965,794 fully paid ordinary shares in the capital of the Company, 100% of which will be subject to 12 month voluntary escrow from the date of issue; and
- the grant of a 1% net smelter royalty (**NSR**) over all minerals extracted from the tenements comprising the Silica Sand Project, to be granted on customary AMPLA terms, with each vendor's interest in the royalty in proportion to their respective equity interest in DSS.

Conditions precedent for completion of the acquisition were:

- completion of financial, legal and technical due diligence;



- obtaining all third party approvals and consents necessary to lawfully complete the matters set out in this Agreement including ASX; and
- the completion of the transfer of E70/5823 into DSS's name.

This announcement is approved for release by the Managing Director of the Company.

For further information, please contact:

Peter Batten
Managing Director
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References:

Arunachalam, K., 2018. Australian United Silica Corporation Pty Ltd Annual Report. WAMEX Report A117461

Sofoulis J, 1971. Report on Silica Sand deposits Boyanup/Capel area, South West Mineral Fields, W.A., Westralian Sands Ltd. WAMEX Report A34268

Tyler, M.H., 1988. Annual Report on Operations Mining Lease 70/88 Boyanup. WAMEX Report A24743

Competent Person's Statement:

The information in this report that relates to the historical estimates has been reviewed by Mr Lynn Widenbar BSc(Hons), MSc, DIC, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Widenbar is an employee of Widenbar and Associates Pty Ltd. Mr Widenbar has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Widenbar consents to the inclusion of the matters based on his information in the form and context in which it appears in this announcement and has not withdrawn his consent before lodgement of this announcement.