



CARBINE RESOURCES
LIMITED

ASX / MEDIA ANNOUNCEMENT

01 September 2015

**CARBINE ENTERS INTO STRATEGIC AGREEMENT
WITH BOSS RESOURCES**

Carbine Resources Limited (ASX: CRB) is pleased to announce a strategic agreement with Boss Resources Limited (**Boss**) (**ASX: BOE**) to assist with the acquisition of the Honeymoon Uranium Project (**Honeymoon**) in South Australia (**Acquisition**). The agreement provides Carbine with the opportunity to utilise currently stagnant cash assets to generate shareholder wealth.

Boss has entered into an agreement with Uranium One Australia Pty Ltd (**Uranium One Australia**) to acquire 100% of the issued share capital in Uranium One Australia, which is the owner of the Honeymoon Uranium Project.

Boss in turn has entered into an agreement with Carbine to assist with the funding of the acquisition via a guarantee of the required initial cash payment of \$2,442,000 (**Closing Amount**), which is payable on completion of the Acquisition (which is anticipated to occur in approximately three months). In the event that Boss fails to pay the Closing Amount on its due date, the guarantee shall be called upon.

Boss currently holds approximately \$1 million in cash and has also outlined plans for the total funding of the Closing Amount via a non-renounceable rights issue to raise approximately \$3.3 million, which is anticipated for completion in October.

In recompense for the guarantee, Carbine has negotiated a significant options package of 10,000,000 Boss options at an exercise price of \$0.020/share, with a three year expiry. Based on Boss's last closing price of \$0.022/share, the Black-Scholes valuation of the options package is:

Options	Last Closing Price	Exercise Price	Term	Volatility	Interest Rate	Total Option Value
10,000,000	\$0.022	\$0.020	3 yrs	115%	1.82%	\$155,000

The innovative use of current stagnant cash assets of Carbine has provided a mechanism to generate further shareholder value, with the potential for the options package to generate a respectable return with share price appreciation.

Carbine will continue to update shareholders on material future developments.

For further information, please contact:

Patrick Walta – Executive Director (08) 6142 0986



CARBINE RESOURCES LIMITED

HONEYMOON PROJECT OVERVIEW

The Honeymoon Uranium Project (Figure 1) is located in South Australia and is approximately 80km north-west from the town of Broken Hill near the SA / NSW border. The Project consists of 1 granted Mining Lease, 5 granted Exploration Licenses, 8 Retention Leases and 2 Miscellaneous Purposes Licenses. The Honeymoon mining infrastructure is located on ML6109 and hosts one of the highest grade ISL Mineral Resources in Australia and has produced some 335t of U₃O₈ from 2011 to 2012.

For full details on the Honeymoon Project including resource details and exploration potential, see the Boss announcement released to the ASX on 1 September 2015 (ASX: BOE).



Figure 1: Honeymoon production facility in South Australia

There is significant infrastructure associated with the acquisition of Uranium One Australia. Key assets include:

- Solvent extraction processing plant with a capacity to produce 880,000lbs of uranium per annum currently on care and maintenance
- Well fields currently on care and maintenance
- 200 person operating mining camp
- Administration buildings
- 75km power line connecting to mains power
- A fleet of vehicles, spares and other equipment associated with the commissioning of the Project
- Runway capable of landing light planes
- Extensive geological database of 17,000 drill holes and associated logging information
- Cash backed environmental bonds in the amount of \$8.7 million