



ASX / MEDIA ANNOUNCEMENT

24th May 2011

CARBINE HIGHLIGHTS GOLD POTENTIAL OF KANDY PERMIT WITH LARGE GOLD ANOMALY COVERING 2.5SQKMS

HIGHLIGHTS

- ◆ Initial results for a deep geochemistry survey over the Kandy Permit indicate the presence of a large gold geochemical anomaly in the northeastern corner of the Permit (Foufaka Prospect)
- ◆ Using a 90th percentile split of the data, anomalous values (> 25ppb gold) cover an area of approximately 2.5sqkms
- ◆ The gold anomaly is open to the south, southeast and southwest and the deep geochemistry survey is ongoing in order to ascertain its full extent
- ◆ The current reconnaissance grid spacing of 400m by 100m will be reduced during infill programs to define the higher gold tenor portions of the anomaly
- ◆ Kandy Permit is the second of seven Permits being explored by Carbine in this area with over 9.5kms of gold geochemical anomalies already defined on the Madougou Permit.

Carbine Resources Limited (ASX: CRB, CRBO) is pleased to announce that a geographically extensive gold geochemical anomaly has been identified on the Kandy Permit, at the Madougou Project, Burkina Faso (Figure 1).

Initial results have been received from the Foufaka Prospect in the northeastern corner of the Kandy Permit. Using a 90th percentile split of the data, anomalous values of **greater than 25ppb gold** can be seen to **cover an area of approximately 2.5sqkms** (Figures 2 and 3).

Higher tenor geochemical results have been received with a number of areas showing values of greater than **43ppb gold** (the 95th percentile). Highest values received to date are **444ppb**. These results are from the first set of samples taken and the anomaly remains open to the south, the southeast and the southwest.

The current grid spacing of 400m by 100m was designed as a basic reconnaissance grid. This survey is ongoing with the aim of outlining the full extent of this large anomaly. Once completed, the anomaly, and in particular the higher grade portions of it, will be further defined through infill geochemical surveys on a much tighter grid spacing.





CARBINE RESOURCES LIMITED

Gold anomalism on the Kandy Permit is following similar structural trends to the Madougou Permit, with two trends, a northeastern trend and a north-northwestern trend, visible in the data. Analysis of this geochemical data is ongoing along with mapping and a grab sampling program.

Kandy is only the second of seven Permits being explored by Carbine in this area. Geochemical surveys commenced only recently but the area is already showing very encouraging results.

Executive Director Exploration, Aoife McGrath commented that “Initial results from the Fofaka Prospect on the Kandy Permit are very encouraging. Covering 2.5sqkms, the anomaly is already quite large but importantly remains open to the south, the southeast and the southwest. We expect ongoing reconnaissance programs to outline its full extent within the next few weeks. Once all results have been received, infill programs will immediately be undertaken, particularly over the higher grade portions of the anomaly”.

For further information, please contact:

Aoife McGrath – Executive Director Exploration: +44 7522 062 655 (UK), +226 7648 2523 (Burkina Faso)

Evan Cranston – Non Executive Director: +61 408 865 838 (Australia)

Website: www.carbineresources.com.au

The information in this report that relates to exploration results is based on information compiled by Aoife McGrath who is a member of the Australian Institute of Geoscientists. Aoife McGrath is employed by Carbine Resources Ltd. Aoife McGrath has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. She consents to the inclusion of the matters based on information in the form and context in which it appears.



CARBINE RESOURCES LIMITED

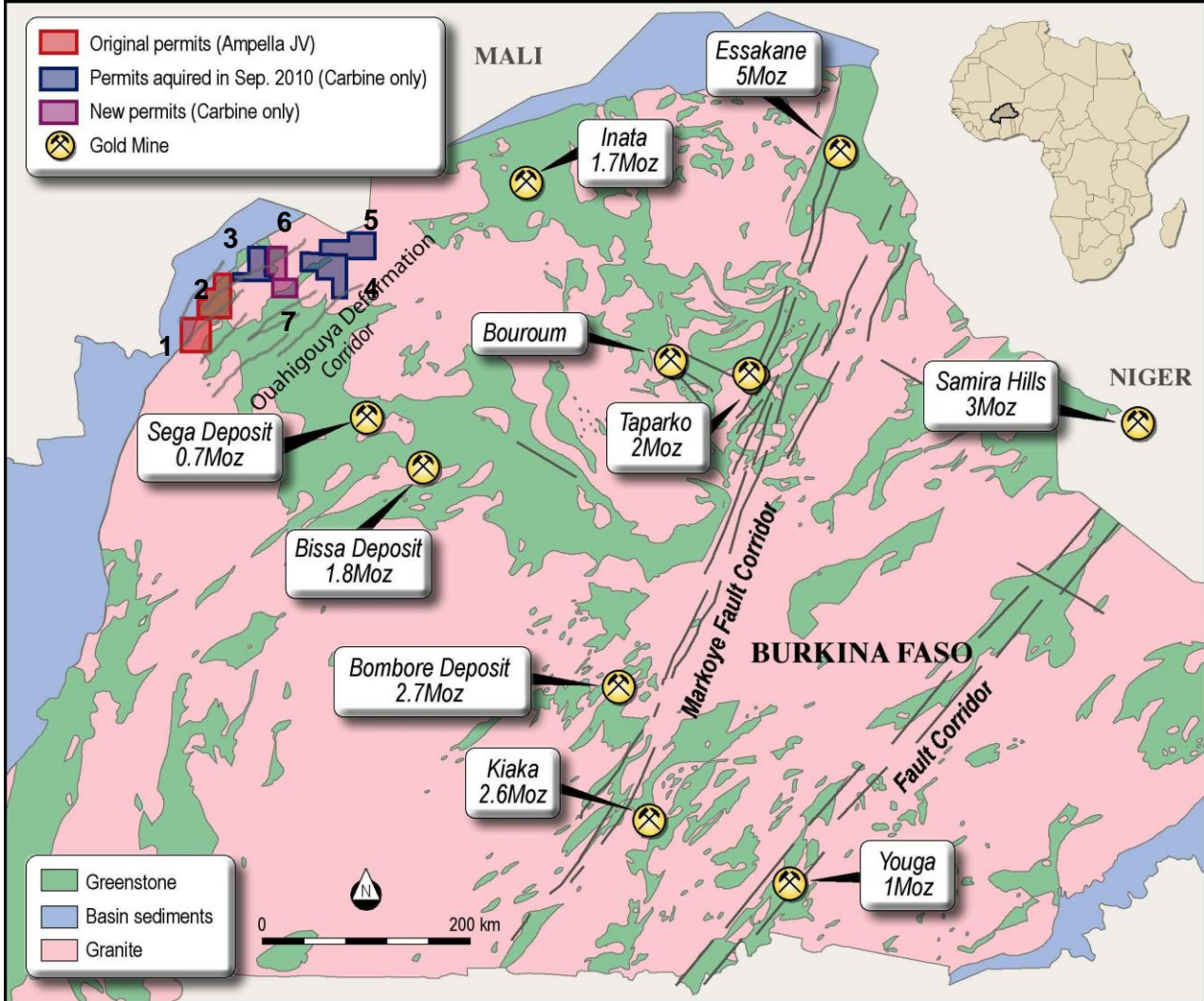


Figure 1: Diagram showing the location of the Madougou Project and individual Permits in Burkina Faso. Key to Permits: 1 = Kandy Permit, 2 = Madougou Permit, 3 = Dabinyan II Permit, 4 = Lossa Permit, 5 = Dere Permit, 6 = Ban Permit, 7 = Koumbre Permit.



CARBINE RESOURCES
LIMITED

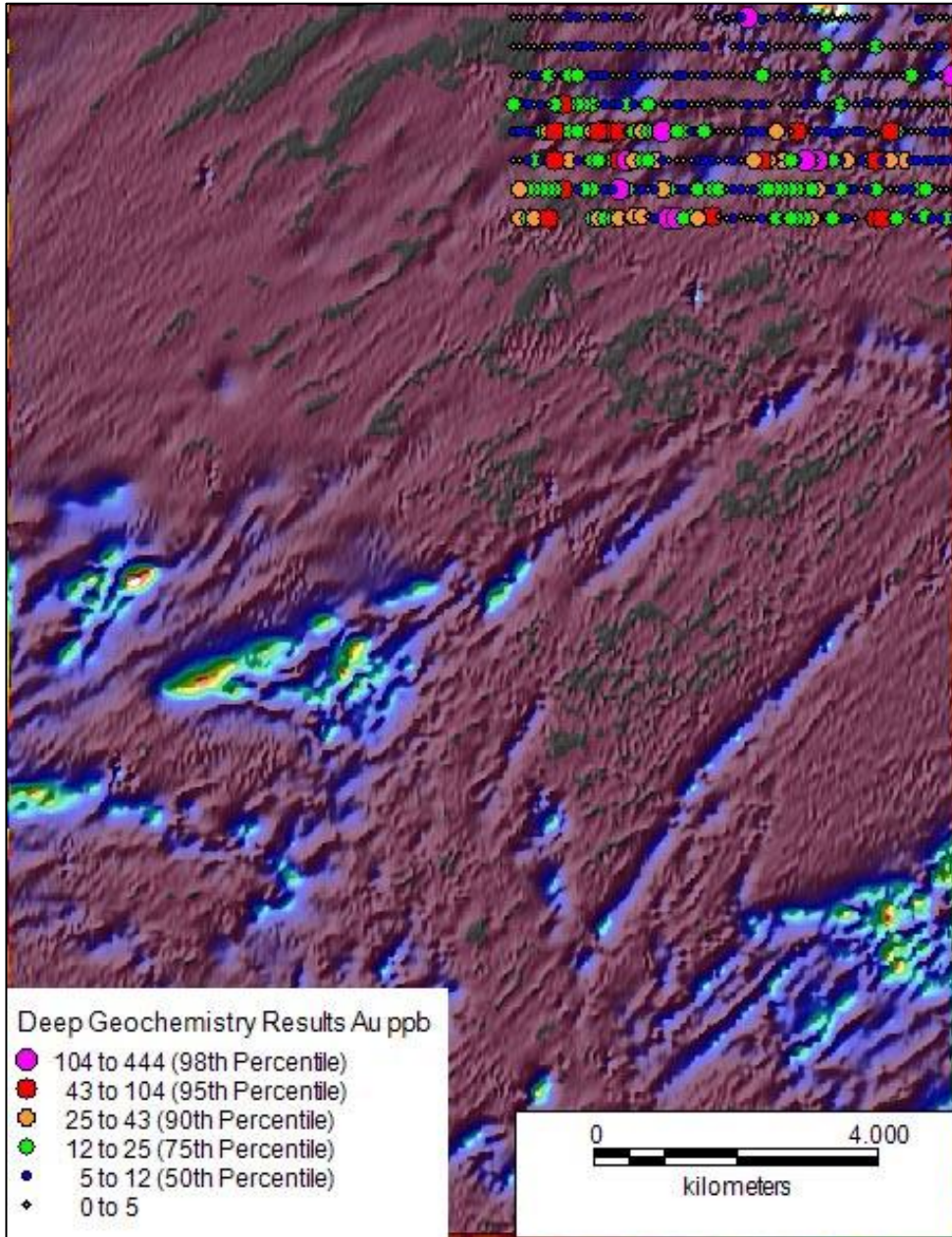


Figure 2: First set of geochemistry samples and results from the Fofaka Prospect on the Kandy Permit, overlain on aeromagnetics.



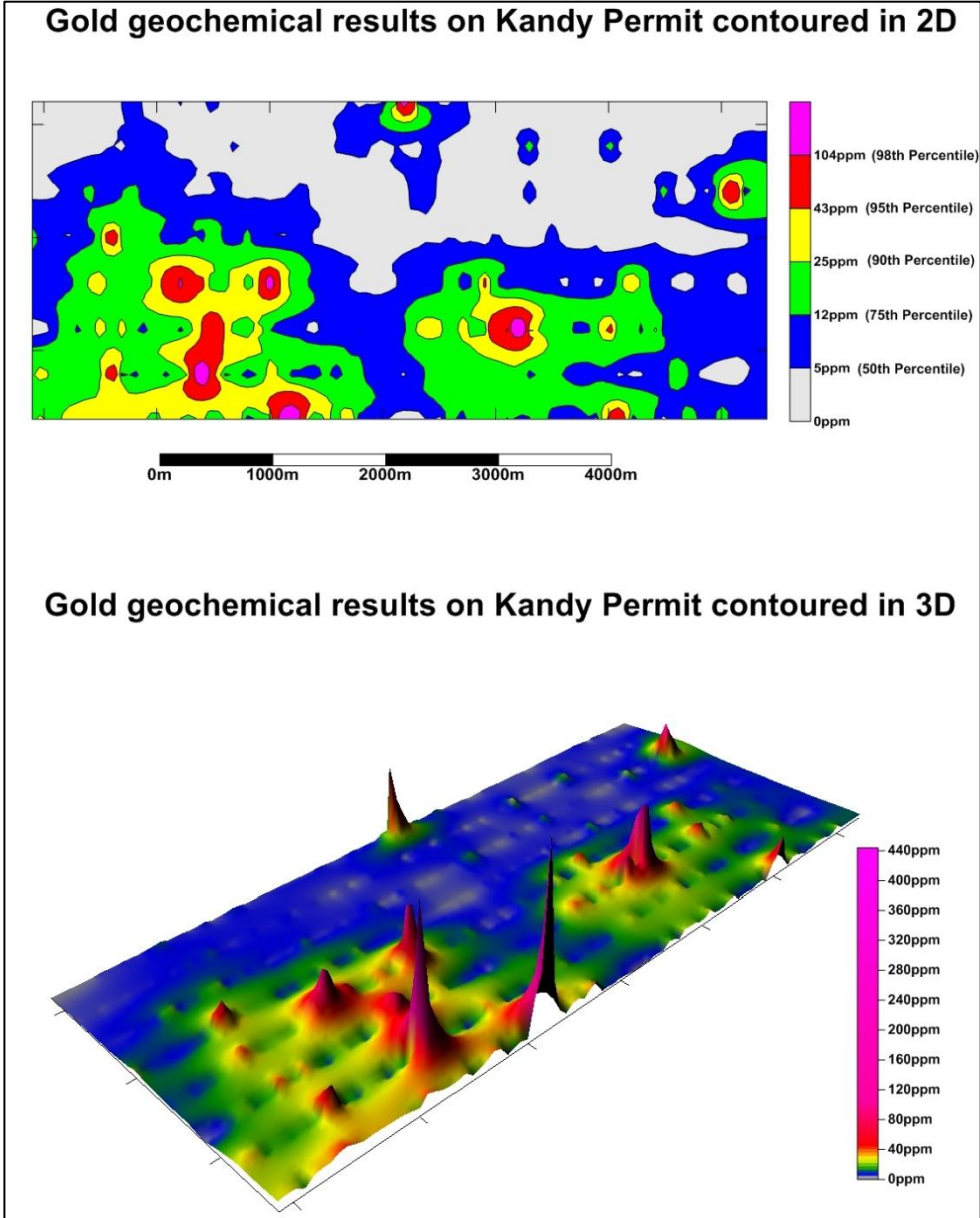


Figure 3: Gold results from the deep geochemistry survey over the north-eastern corner of Kandy contoured in 2D and 3D

