



Carbine Completes Acquisition of the Mucnea West Silica Sand Project

HIGHLIGHTS

- ◆ Carbine has now completed the 100% acquisition of the Mucnea West Silica Sand Project
- ◆ Successful raising of \$3 million (before costs) at \$0.03 per share
 - Fully funded for two years of exploration activities at Mucnea West Project
 - Current cash approximately \$5.2 million
- ◆ Mapping and drilling has defined a target area of 100km² with 82 drill holes returning white sand profiles of greater than 99.0% SiO₂ and over 80% returning white sand profiles greater than 99.6% SiO₂
- ◆ Significant recent drilling results include:
 - Hole Aus011: 9m at 99.8% SiO₂ from 1m
 - Hole Aus013: 9m at 99.8% SiO₂ from 1m
 - Hole Aus014: 9m at 99.9% SiO₂ from 1m
 - Hole Aus044: 19m at 99.7% SiO₂ from 1m
 - Hole Aus068: 15m at 99.6% SiO₂ from 5m
- ◆ Mucnea West Project is located directly to the west of Mucnea and only 40km NNE from Perth with excellent infrastructure
 - VRX Silica Ltd's (ASX: VRX) Mucnea Silica Sand Project, host to an Indicated Resource of 29Mt at 99.6% SiO₂ and Inferred Resource of 179Mt at 99.6% SiO₂ for a global resource of 208Mt at 99.5% SiO₂¹, is the northern portion of the Mucnea West dune system.
- ◆ Applications submitted to Department of Mines for the next phase of drilling designed to enable estimation of a maiden resource
- ◆ New team appointed to drive strategy forward with Peter Main as Non-Executive Chairman and Peter Batten as Managing Director

Carbine Resources Limited (ASX: CRB) (the **Company**) is pleased to advise that it has now completed the 100% acquisition of the Mucnea West Silica Sand Project following its transaction with Australian United Silica Corporation Pty Ltd (**Ausco**) to acquire 100% of the issued capital in Ausco as announced on 1 April 2021 (**Transaction**).

In connection with the Transaction, the Company has successfully raised \$3 million (before costs) at an issue price of \$0.03 per share pursuant to a public offer under a prospectus and is now fully funded to

¹ VRX Silica Ltd, ASX Release, 17 June 2019 "Mucnea Mineral Resource Estimate Upgrade"

for a proposed two year exploration program at the Muchea West Project. Current cash at bank is now approximately \$5.2 million.

MUCHEA WEST SILICA SAND PROJECT

The Muchea West Project is located approximately 40km north-northeast of Perth and approximately 500m to the west of Muchea. Direct access from the tenure is via the Brand Highway thence via farm tracks and fence lines. Both the Brand Highway and the Moora-Kwinana Railway provide a direct connection with the Kwinana Bulk Terminal. The Muchea West Project is located directly adjacent to VRX Silica Ltd's Muchea Project.

The Muchea West Project covers a land area of 102km² and consists of a single granted exploration licence, E70/4905.

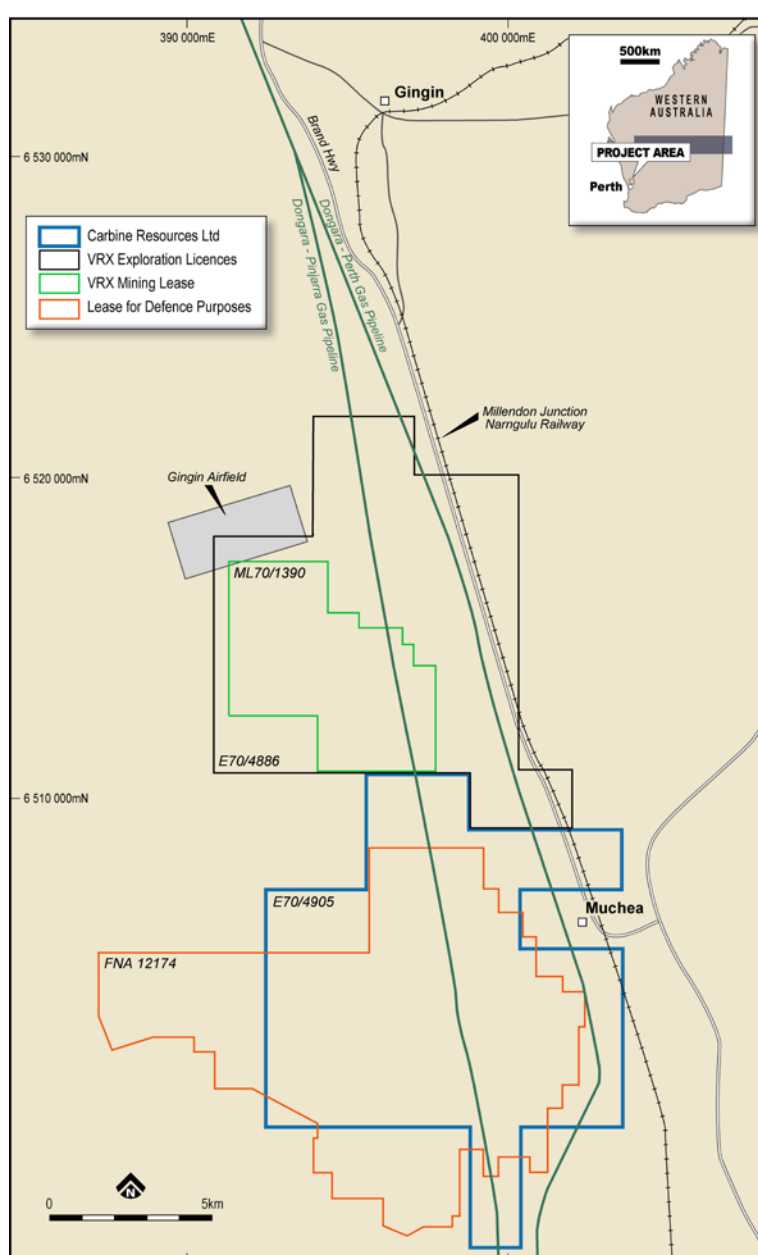


Figure 1: Project Location Plan

Project Geology

The Project is underlain by the Bassendean Sand Formation, which extends over large areas of the Swan Coastal Plains of the Perth Basin from about 23 km north of Jurien, to about 15km southwest of Busselton. The Bassendean Sand Formation is considered to have a maximum thickness of about 45 m, and the unit is found as a strip parallel to the coast, having a width of about 10-20 km, and its western edge about 5-10km inland. Concretionary ferruginous material, locally known as “coffee rock”, is developed discontinuously in the sand near the groundwater table. In the Tenement, good quality silica sand overlies iron rich brown sand, occasionally interspersed with ferruginous nodules.

The upper units of the Bassendean Sand Formation are typically clean, well-rounded and well sorted sands. At depth, it is commonly brown to dark brown with high iron contents, however closer to the surface the sand is cream/white. The physical, chemical and mineralogical characteristics of the Bassendean Sands can vary considerably, resulting in variation in the quality of the sand regionally as well as locally. In general, the Bassendean Sand Formation is covered with very little or no overburden.

The region surrounding the Project has been explored for both silica sand and mineral sands.

Recent Exploration Activities

A total of 82 aircore drill holes (78 drill holes to depth of 10m and 4 to depth of 15 to 20m) were drilled at nominal 200m spacing on six drill lines along existing tracks (as shown in Figure 3 below within the Tenement area). Of this total, all holes intersected white sand profiles with silica contents above 99.0% SiO₂ and 66 holes returned profiles with silica contents greater than 99.6% SiO₂. Results have also returned low levels of impurities (Fe₂O₃ and Al₂O₃).

Significant results from drilling include:

- Hole Aus011: 9m at 99.8% SiO₂ from 1m
- Hole Aus013: 9m at 99.8% SiO₂ from 1m
- Hole Aus014: 9m at 99.9% SiO₂ from 1m
- Hole Aus044: 19m at 99.7% SiO₂ from 1m
- Hole Aus068: 15m at 99.6% SiO₂ from 5m

The drilling encountered unconsolidated sand and was terminated either at designated depth or the water table. One metre downhole samples were collected at each drilling location. Aircore drill samples are collected in a plastic tub and homogenised, rotary split into one larger sample bag (~3kg) and 2 smaller 250g subsamples. One of the subsamples is prepared for laboratory and the other is retained

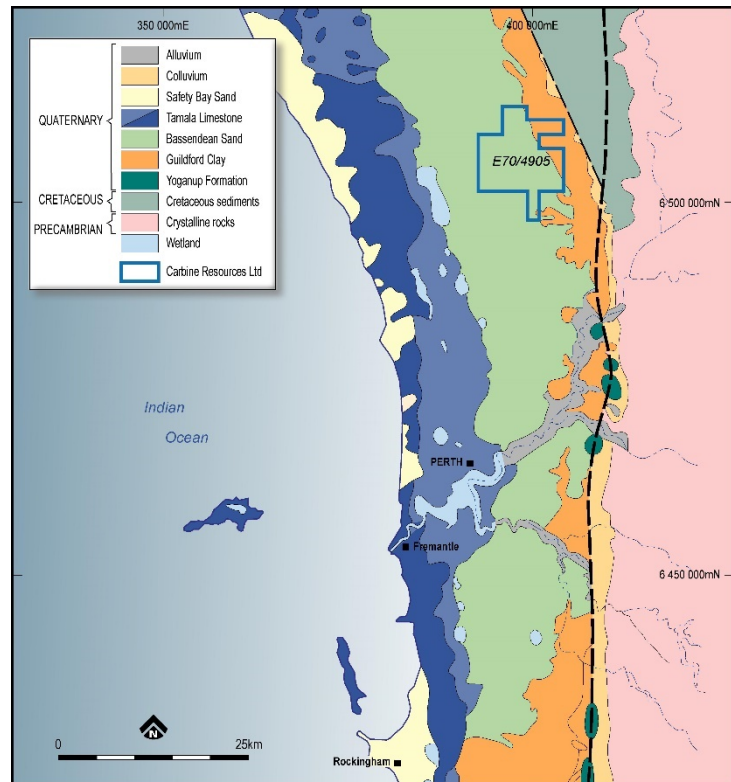


Figure 2: Project Geological Setting

for repeat analysis and QA/QC purposes. The bulk sample is retained for later metallurgical test work. The sample splitter and cyclone are cleaned regularly to prevent sample contamination.

The sample assays were carried out to determine the major and trace elements such as SiO₂ (%), Fe₂O₃ (%), Al₂O₃ (%), CaO (%), MgO (%), K₂O(%), TiO₂(%) and LOI(%). Major and trace elements in exception to SiO₂ were analysed using a four-acid digest followed by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry (ICP-OES) analysis. Loss on Ignition (LOI) at 1000°C was analysed by Thermal Gravimetric Analyser. SiO₂ was back calculated by subtracting all ICP major and trace elements plus LOI from 100%.

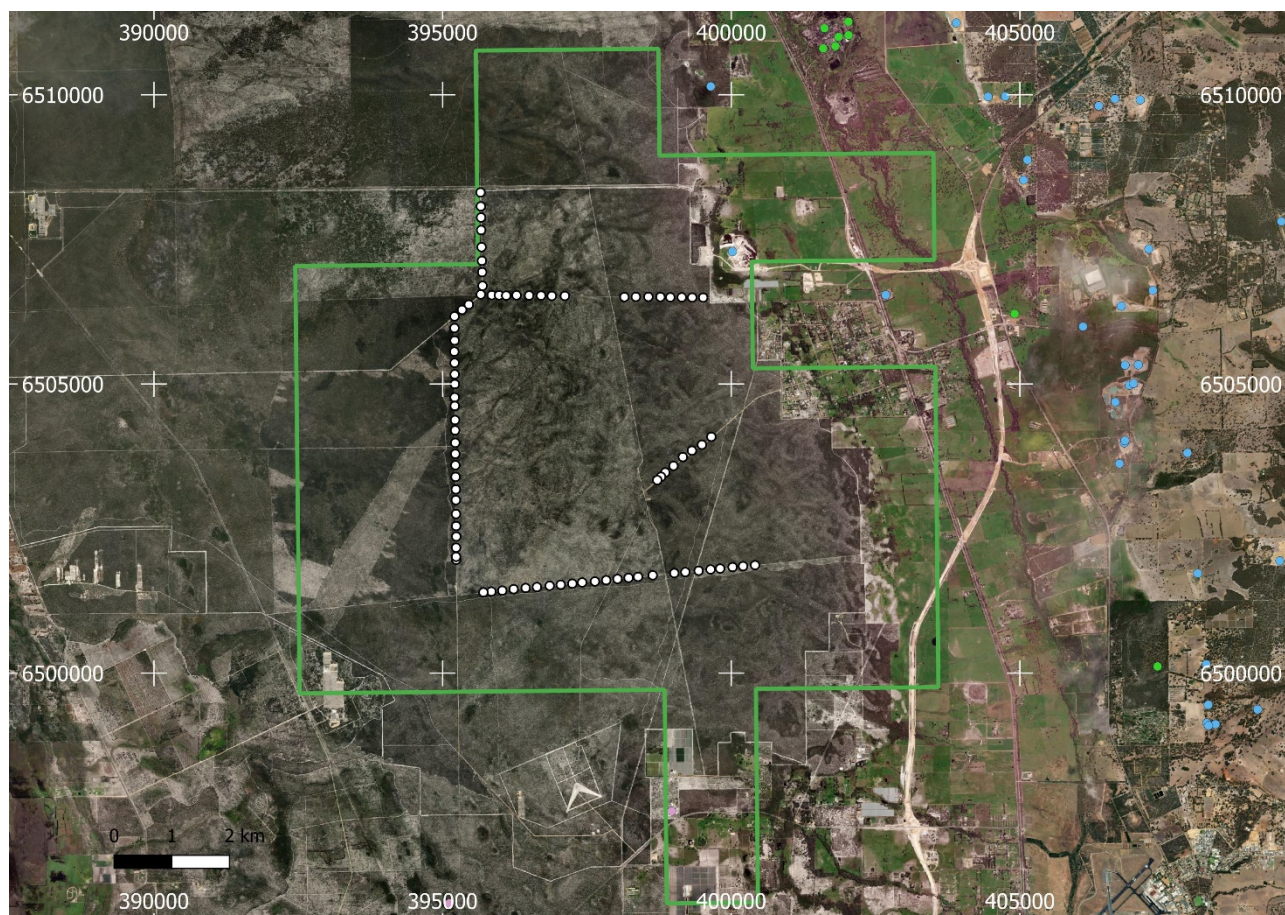


Figure 3: Drill Collar Plan

This announcement is approved for release by the Board of the Company.

For further information, please contact:

Peter Batten
Managing Director
+61 (8) 6142 0986

COMPETENT PERSON'S STATEMENT

The exploration results in this announcement were reported by the Company in accordance with listing rule 5.7 on 1 April 2021. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement.