

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Carbine Tungsten Limited

ABN

77 115 009 106

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter 31 December 2011	Year to date (6 months) 31 December 2011
		\$A'000	\$A'000
1.1	Receipts from product sales and related debtors	0	0
1.2	Payments for (a) exploration & evaluation	(613)	(884)
	(b) development	(2,019)	(2,019)
	(c) production	0	0
	(d) administration	(119)	(283)
1.3	Dividends received	0	0
1.4	Interest and other items of a similar nature received	60	86
1.5	Interest and other costs of finance paid	0	0
1.6	Income taxes paid	0	0
1.7	Other – tenement security deposits	6	(11)
	- sundry income	11	11
	- R&D grant (net)	0	0
Net Operating Cash Flows		(2,674)	(3,100)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	0	0
	(b) equity investments	0	0
	(c) other fixed assets	(693)	(1,518)
1.9	Proceeds from sale of: (a) prospects	0	0
	(b) equity investments	0	0
	(c) other fixed assets	0	0
1.10	Loans to other entities	0	0
1.11	Loans repaid by other entities	0	0
1.12	Other (provide details if material)	0	0
Net investing cash flows		(693)	(1,518)
1.13	Total operating and investing cash flows (carried forward)	(3,367)	(4,618)

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1.13	Total operating and investing cash flows (brought forward)	(3,367)	(4,618)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	200	7,140
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other – share issue costs	(10)	(10)
	Net financing cash flows	190	7,130
	Net increase (decrease) in cash held	(3,177)	2,512
1.20	Cash at beginning of quarter/year to date	6,064	375
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,887	2,887

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	33
1.24 Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

1.23 – Executive director salary, consulting fees and reimbursement of expenses paid to entities associated with directors at normal commercial rates.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

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Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	166
4.2 Development	2,387
4.3 Production	0
4.4 Administration	150
Total	2,703

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	101	33
5.2 Deposits at call	2,786	6,031
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.22)	2,887	6,064

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 6648 EL 7725 EL 7726 EL 6620		100% 100% 100% 100%	Nil Nil Nil Nil
6.2 Interests in mining tenements acquired or increased				

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺securities (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	215,802,149	215,802,149	Fully Paid	Fully Paid
7.4 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities (description)				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)			<i>Exercise price (cents)</i>	<i>Expiry date</i>
	1,260,870	0	45	30 Nov 2012
	400,000	0	30	30 Nov 2012
	1,500,000	0	35	30 Nov 2013
	450,000	0	15	17 Nov 2014
	950,000	0	20	17 Nov 2014
7.8 Issued during quarter	0			
7.9 Exercised during quarter	0			
7.10 Expired during quarter	0			
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Robert J Waring Date: 31 January 2012
(Director/Company Secretary)

Print name: Robert J Waring

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Schedule of Tenements as at 27 January 2012

<u>Tenement Name</u>	<u>Number</u>		<u>Expiry</u>	<u>Comment</u>
New South Wales				
Tara	EL6532	Icon	14 Mar 2013	
Queensland				
Elizabeth Creek	EPM14589	Cast Resources	4 Aug 2013	
“New Century”	EPMA15904 EPMA16228 EPMA16229 EPMA16230 EPMA16232	Troutstone		
Burketown	EPM15368	Troutstone	1 Aug 2011	
Iron Pot Creek	EPM17071	Icon	7 Jul 2011	
Constance Range	EPMA17895	Troutstone		
Mt Carbine	ML 4867 ML 4919	Icon –Mineral Rights		Sub-Lease
Mt Carbine Extended	EPM14871	Tungsten Resources	11 Dec 2012	
Mt Holmes	EPM 14872	Tungsten Resources	12 Dec 2012	
Tasmania				
Henty Rd	EL47/2004	South Eastern Resources	10 Feb 2012	

EL = exploration licence

ELA = exploration licence application

EPM = exploration permit

EPMA = exploration permit application