CARBINE TUNGSTEN

9 August 2012

Company Announcements Office
Australian Securities Exchange

CARBINE TUNGSTEN LIMITED ANNOUNCES STRATEGIC INVESTMENT BY MULTINATIONAL MINER WITH A$2 MILLION PLACEMENT AT 12.5 CENTS PER SHARE TO KICKSTART MT CARBINE HARD ROCK TUNGSTEN PROJECT

The Carbine Tungsten Limited (ASX Code: CNQ) Board of Directors is very pleased to announce the signing of a collaborative memorandum of understanding (MOU) with Mota-Engil, Minerals & Mining Investments BV (Mota-Engil), the goal of which is to pursue mining and concession opportunities, specifically at the Company's Mt Carbine mine.

The Mota-Engil Group is a Portuguese-based, multinational mining, construction and engineering conglomerate operating in over 19 countries and employing approximately 19,000 staff worldwide.

As part of the collaboration between the Company and Mota-Engil, it was agreed that Mota-Engil would subscribe for 16 million CNQ shares at 12.5 cents per share for a total investment of A$2 million. This will represent approximately 5.86% of the Company's expanded share capital, with the funds being applied to assist CNQ with the rapid further development of the hard rock portion of its operating tungsten mine at Mt Carbine. The funds will predominantly be utilised for the feasibility studies and for deposits of long lead items of equipment.

Mota-Engil and the Company consider this collaborative relationship to offer mutually-beneficial key strategic growth and expansion opportunities in the tungsten mining industry, a business that Mota-Engil staff have considerable past expertise in.

The Mota-Engil mining Board of Directors considers that this arrangement will bring numerous other benefits to Mota-Engil mining by establishing a business operation in the mining sector of Australia. This has the potential for providing a key Australian growth and reference site opportunity for its existing and expanding global mining business, with a special focus in Africa.

The Company's Board of Directors welcomes Mota-Engil to its share register, and looks forward to a mutually-beneficial relationship that should expedite and strengthen the development of the Mt Carbine hard rock project.

Attached is an Appendix 3B for the new shares.

Carbine Tungsten Limited

A James Morgan
Managing Director

General Enquiries:
Contact Jim Morgan on 0487 144 834.

Mota-Engil English Language website:
www.mota-engil.pt/AreaHome.aspx?areaId=29&contentId=29&Language=2

Secondary Trading Exemption

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, a sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

a) the Company issued the Securities without disclosure to investors under Part 6D.2 of the Act;
b) as at 9 August 2012 the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
c) as at 9 August 2012 there is no information:
    i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
    ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
        A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
        B) the rights and liabilities attaching to the Securities.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Carbine Tungsten Limited

ABN

77 115 009 106

We (the entity) give ASX the following information.

Part 1 – All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	**Ordinary fully paid shares**
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	**16,000,000**
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	**Ordinary fully paid shares issued at $0.125 following the collaboration agreement with the Company and Mota-Engil.**

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do; • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment; • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment.	**All shares will rank equally in all respects with all existing ordinary shares previously issued by the Company.**
5	Issue price or consideration	**$0.125 per share**
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	**The shares were issued to assist the Company with the rapid further development of the hard rock portion of its existing operating tungsten mine at Mt Carbine. Specifically, the funds will be utilised for the feasibility studies and for deposits of long lead items of equipment.**
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	**10 August 2012**

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	**272,982,718**	**Ordinary Fully Paid Shares**

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	**1,260,870**	**30 November 2012 Options – exercise price 44 cents**
	400,000	**30 November 2012 Options – exercise price 29 cents**
	1,500,000	**30 November 2013 Options – exercise price 34 cents**
	450,000	**17 November 2014 Options – exercise price 14 cents**
	950,000	**17 November 2014 Options – exercise price 19 cents**

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Full participation in any future dividends.

Part 2 – Bonus issue or pro rata issue

11-33

Not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35	☐	If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
36	☐	If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over
37	☐	A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 to 42	**Not applicable**

+ See chapter 19 for defined terms.

Quotation agreement

1 $^{+}$Quotation of our additional $^{+}$securities is in ASX's absolute discretion. ASX may quote the $^{+}$securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the $^{+}$securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those $^{+}$securities should not be granted $^{+}$quotation.

- An offer of the $^{+}$securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

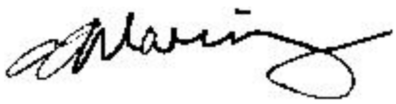
  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any $^{+}$securities to be quoted and that no-one has any right to return any $^{+}$securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the $^{+}$securities be quoted.

- If we are a trust, we warrant that no person has the right to return the $^{+}$securities to be quoted under section 1019B of the Corporations Act at the time that we request that the $^{+}$securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before $^{+}$quotation of the $^{+}$securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .... Date: **9 August 2012**
(Company Secretary)

Print name: **Robert J Waring**

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