



CARBINE RESOURCES LIMITED

ASX / MEDIA ANNOUNCEMENT

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CARBINE SECURES GOVERNMENT CONTRACT FOR WATER TREATMENT AT MOUNT MORGAN

Highlights

- ◆ **\$1.25 Million per annum water treatment contract with Queensland Government**
- ◆ **Cashflow generation to commence from the Mount Morgan Project**
- ◆ **Additional potential cashflow through IX demonstration plant operation**

Carbine Resources Limited (ASX: CRB) is pleased to announce the execution of a long term contract with the State of Queensland to manage the existing lime dosing water treatment plant at the Mount Morgan mine.

The contract provides an immediate source of cashflow for the Company, with annual revenue from the agreement initially projected to be up to \$1.25 Million per annum before costs.

Under the terms of the contract, Carbine has agreed to:

- Take over management of the site's existing operational lime dosing water treatment plant;
- Remuneration of \$2,500/ML of treated water, up to a maximum 500ML per annum; and
- 10 year total contract length (1×3×3×3 years).

The initial contract for Carbine's services has been set at \$1.25 Million before costs based on the discharge of 500ML per annum.

However, the water treatment plant can produce over 1,500ML per annum of treated water with minor modifications.

Therefore, additional scope exists to increase the contract size following initial satisfactory completion of the 500ML per annum milestone and the modifications.



Figure 1: The Mount Morgan water treatment plant



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Carbine's management of the water treatment activities on site at Mount Morgan targets improving both the volume and quality of treated water entering the Dee River, which runs alongside the mine. These activities have the potential to both reduce the level of water within the existing open pit and also provide an ongoing improvement to overall river health downstream.

The contract was executed after negotiations between Carbine and the Queensland Department of Natural Resources & Mines (DNRM), which included significant water testing and plant operations assessments. It represents another key milestone in the redevelopment of the historic Mount Morgan Mine.



Figure 2: Operating water treatment plant and evaporators at the Mount Morgan Mine

Carbine is now planning to submit a proposal to retrofit the existing water treatment plant with an ion exchange (IX) demonstration plant at the front end. This plant will target delivery of multiple additional benefits to the operations, namely:

- Further improvement to the quality of the water discharged into the Dee River;
- Providing a demonstration scale facility to showcase the use of IX technology for future tailings reprocessing activities at the mine site; and
- Extraction of up to 300 tonnes of copper from the Mount Morgan pit water per annum, providing an additional near term cash flow source from what is a waste product.

For further information, please contact:

Patrick Walta – Executive Director (08) 6142 0986