

Complete drill results from the most recent JV drilling program are outlined in the table below:

Backflip Prospect - Significant Intersections ≥ 1.0 g/t Au										
Hole ID	East	North	Depth	Azi	Dip	From	To	Intercept g/t		
WKRC0037	322572	6623520	194	90	-60	108	127	19	m @	13.2
					incl.	114	118	4	m @	43.7
WKRC0042	322658	6623482	134	270	-60	51	54	3	m @	1.75
						61	65	4	m @	1.78
WKRC0043	322701	6623478	182	270	-60	131	133	2	m @	3.59
						142	144	2	m @	3.14
WKRC0044	322699	6623589	122	270	-60					NSA
WKRC0045	322562	6623580	128	090	-60					NSA
WKRC0046	322522	6623580	120	090	-60					NSA
WKRC0047	322710	6623634	120	270	-60					NSA
WKRC0048	322542	6623640	120	090	-60					NSA
WKRC0049	322762	6623579	192	270	-60	147	148	1	m @	1.70
WKRC0050	322754	6623640	180	270	-60					NSA
WKRC0051	322780	6623739	150	270	-60	106	107	1	m @	8.16
WKRC0052	322791	6623829	150	270	-60	41	43	2	m @	2.07
						57	58	1	m @	4.13
						68	69	1	m @	3.06
						72	73	1	m @	3.82
WKRC0053	322819	6623765	288	270	-60	113	117	4	m @	4.96
WKRC0054	322827	6623819	250	270	-60	100	101	1	m @	2.18
						121	124	3	m @	16.0
WKRC0055	322790	6623707	198	270	-60					NSA
WKRC0056	322817	6623739	198	270	-60	123	125	2	m @	12.3
						129	132	3	m @	6.95
						141	142	1	m @	1.95
WKRC0057	322480	6623639	143	090	-60	52	60	8	m @	1.80
						119	124	5	m @	1.27

All results analysed by 40g Fire Assay. Maximum 2m internal dilution.
NSA = No Significant Assays.

Exploration Forward Plan

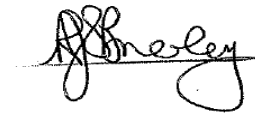
The JV is highly encouraged by the discovery of a large mineralised system that boasts high-grade gold mineralisation at an early stage of exploration. Exploration drill programs at Backflip are due to commence early in the New Year to define mineralisation controls and resource potential. Concurrent to the RC program at Backflip, the JV also completed a 2,127m RAB program on numerous prospects in the Ora Banda and Grants Patch Project areas. Additionally, four RC holes for 434m were drilled at the Somersault prospect (2.5 km south-east of Backflip). Five RC holes for 340m were drilled at the Kunanalling Sadie prospect, adjacent to historical shaft workings. Results from this drilling are currently pending.

Project Development Activities

Work has commenced on the re-optimisation of the Catherwood open pit, which was the subject of a completed feasibility study in December 2005. The feasibility study concluded that a pit cutback extracting some 15,063 ounces of gold would generate a net cash surplus of \$2,248,000 at a gold price of A\$650/oz.

The JV is hopeful of moving to production in 2008. Resources at Picante, Burgundy and Mick Adam are also under review for early production scenarios, as is Carbine Resources' 100% owned Red Dam project.

Yours faithfully

A handwritten signature in black ink, appearing to read 'R. Brierley', written over a horizontal line.

Robert Brierley
Executive Chairman
Carbine Resources Limited

Competent Persons

The information in this report that relates to the West Kalgoorlie JV Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Gregory Miles, who is a Member of The Australian Institute of Geoscientists who has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Miles consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

