



Carpentaria Exploration Ltd

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Annual General Meeting Presentation

November 10th 2014



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Company Snapshot



ASX Code : CAP

FLOATED : Nov 2007

CASH: AUD 4.0 million (Nov. 10 2014)

QUOTED SECURITIES: 124 m shares

SHARE PRICE : \$0.062

Top Shareholders:

Silvergate Capital:	18.2%
Conglin Group:	11.4%
Directors & Management:	5.3%

- Strong cash position
- History of good capital management
- Major asset Hawsons Iron Project 60%
- Focussed on development of Hawsons



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Hawsons Iron Project Concept



- Deliver 10 million tonnes per year of “best quality” pellet feed magnetite concentrate to end users needing high purity feed - at premium prices over the long term
- Exploit very large resource with favourable mining and processing attributes and achieve very low cost production
- Use the existing, high capacity, power, water, rail, workforce and existing port to achieve very competitive low capital and operating costs
- Gain approvals on a timely and favourable basis



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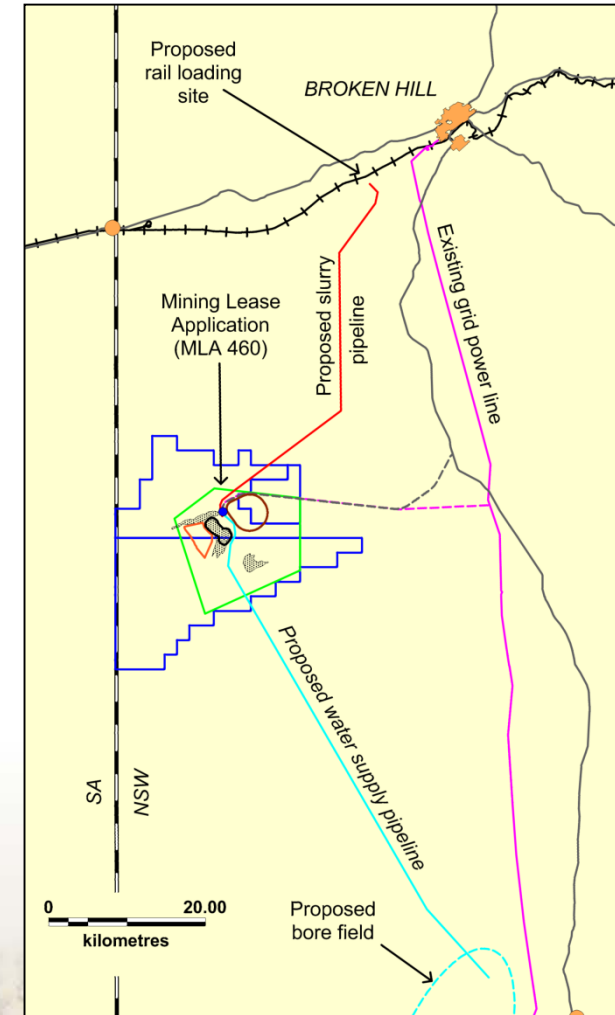
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Project Concept –Transport logistics



Location is everything

- Mine to rail head via new slurry – 50km
- Existing open access rail to new stockpile at Port Pirie – 360km
- New stockpile to existing port berths via new conveyor
- Barge transport to 180,000t vessels – 15-30km



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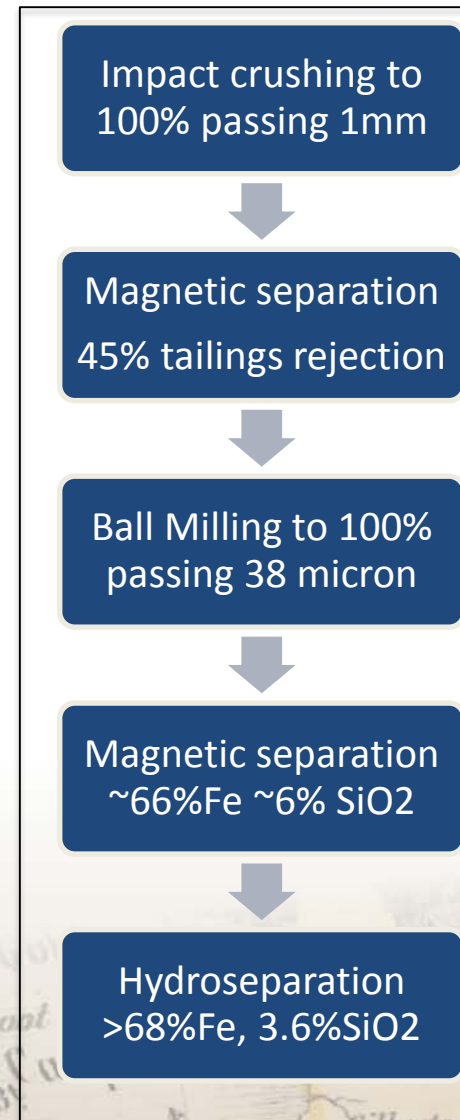
Key achievements last 12 months

Pilot plant achieves high grade



	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%
Hawsons flow sheet pilot plant test concentrate	68.3	3.56	0.39	0.007	<0.001
Hawsons floatation bench test concentrate	69.1	1.19	0.54	0.025	NA

- Tested new flow sheet at Iron Ore Technical Centre (ALS Ammtec, Perth)
 - Increases confidence in flow sheet assumptions and cost estimates
 - Confirms low energy, single stage ball milling can meet grain size and grade targets
 - Upgrading with Hydroseparator
 - Increases certainty of pricing premium
- Separate floatation test work results from South Africa open new **opportunity for direct reduction iron (DR) feed**
- Results being finalised
- Over 1 tonne of concentrate to be produced for future test work
- Allows planning of larger pilot plant run



Key achievements last 12 month (cont.)



Technical Director Ray Koenig and the cleaner magnetic separator top, Hydroseparator column right



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Key achievements last 12 month (cont.)



- Secured port access at Port Pirie - 12mtpa first right of refusal
- Commenced the rail –port – marine prefeasibility study jointly with Flinders Ports
- Defined a high yield water source with allocation limits suitable for project requirements 90km from site (4,136m of drilling)
- Set the development case at 10Mtpa for our studies, utilising existing infrastructure
- Maiden indicated resource
- Lodged Mining lease application



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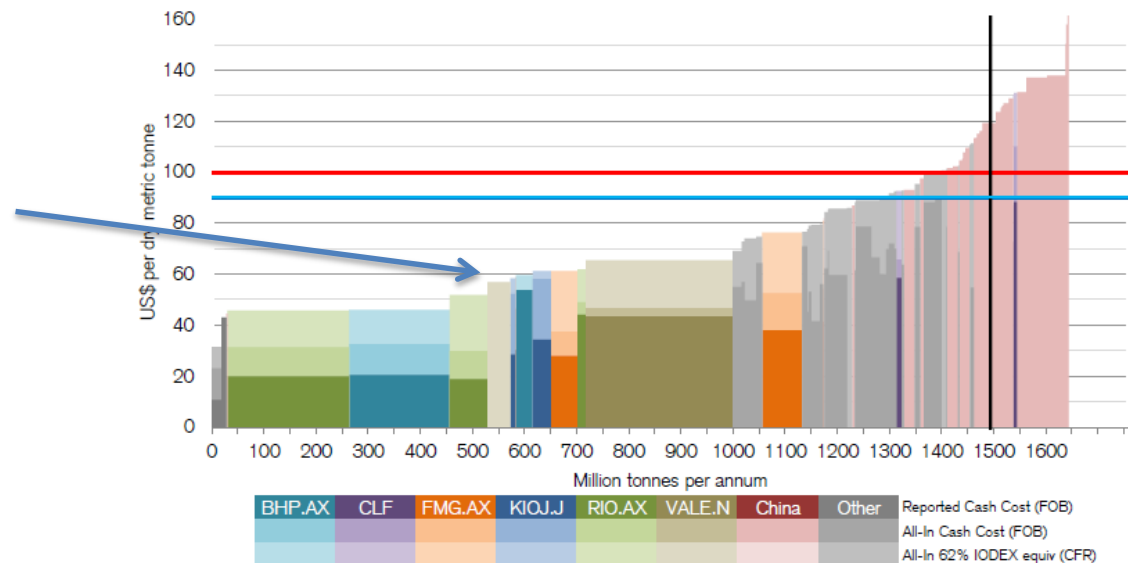
Targeted CFR China Costs



- Carpentaria is targeting the second quartile of the all in CFR China cost curve indexed to 62% Fe
 - Approx. US\$56
 - Approx. US\$64 (69% basis)
- Withstand price fluctuations
- Premium price expected
- Industry productivity drive will require similar optimisation at Hawsons in future work

Exhibit 2: 2016 curve (China: 250mtpa, excl domestic freight)

Blue = CS price fcst, Red = consensus price, Black = demand



Source: Company data, Credit Suisse Securities Research & Analytics and Commodities Research estimates.

Source - After Credit Suisse 21 August 2013

1 Reported cash costs are C1 costs

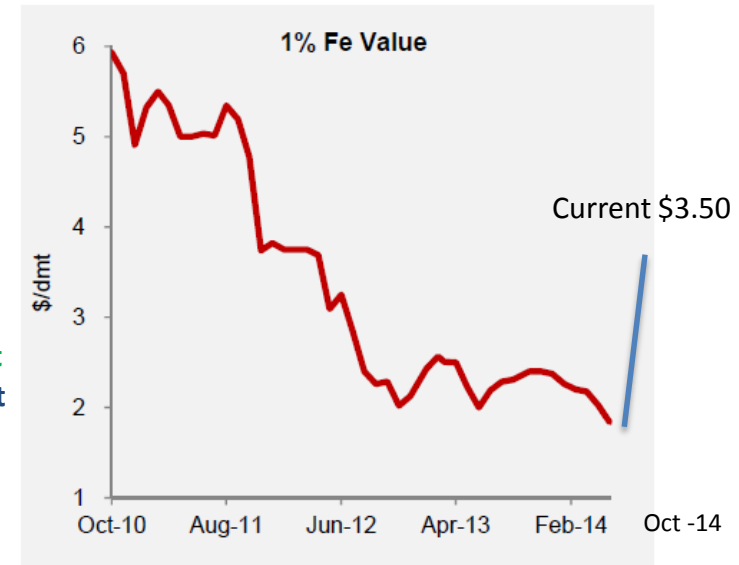
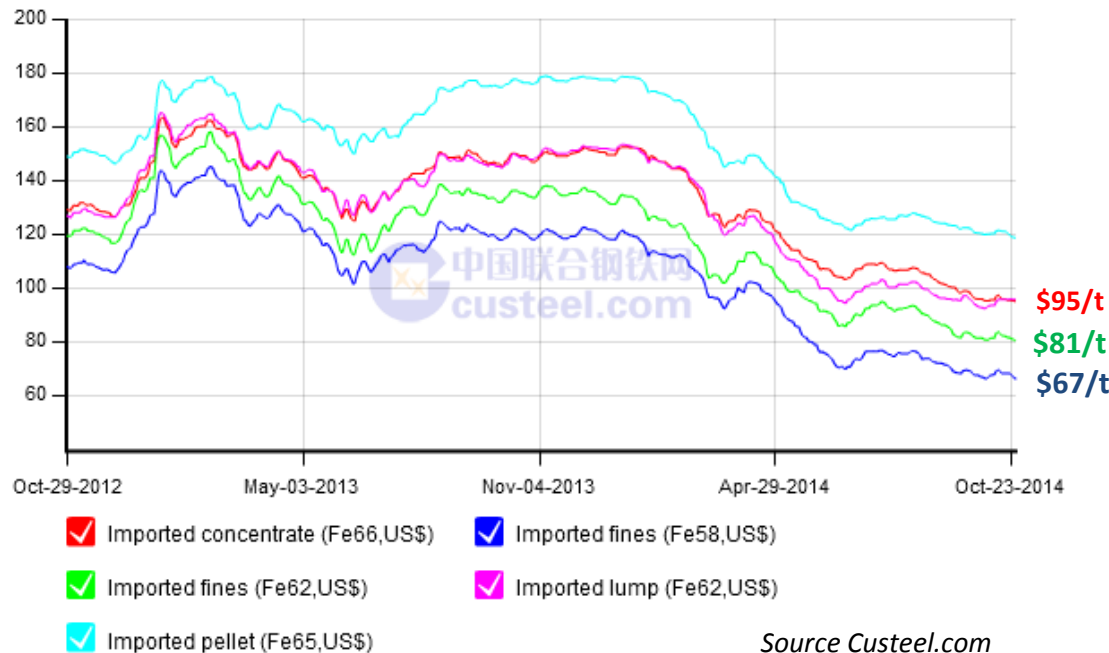
2 all-in cash costs include royalties, sustaining capital, corporates costs but not finance costs

3 includes a freight adjustment to CFR China and indexed to a 62% product

4 exchange rate 0.85USD = 1.00AUD

New Opportunities

Pricing premium approx. \$20/t



Premium currently \$3.50/%Fe (14/4%)

At 69% Fe reasonable to expect \$2.50-\$3.50/%Fe
Or \$17-\$25/t above 62% price

Discounts for lower grade are similar so conceivably a \$38 difference in 69%Fe price and 58%Fe

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Premiums driven by

- Efficiencies using higher grade
- Environmental pressures becoming stronger (long term trend)

Price forecasts



	2015	2016	Long term
Consensus	103	100	101
Maximum	117	116	121
Minimum	76	76	85

Source Metal Expert Consulting Global Iron ore forecast July 2014 compiled from widely used independent forecasts published in June and July 2014

- Market characterised by over supply – not weak demand, supply will be absorbed over time, and mine closures will restore balance
- We plan for trading in the lower part of the band,
- Hawsons still has potential for very attractive returns using long term price forecasts
- Bulls – Westpac Economist Bill Evans in September 2014, predicted rise above \$100/t next year and beyond \$120/t in 2016.

Steel making trends new opportunity

Increase in DRI demand to feed electric arc furnaces



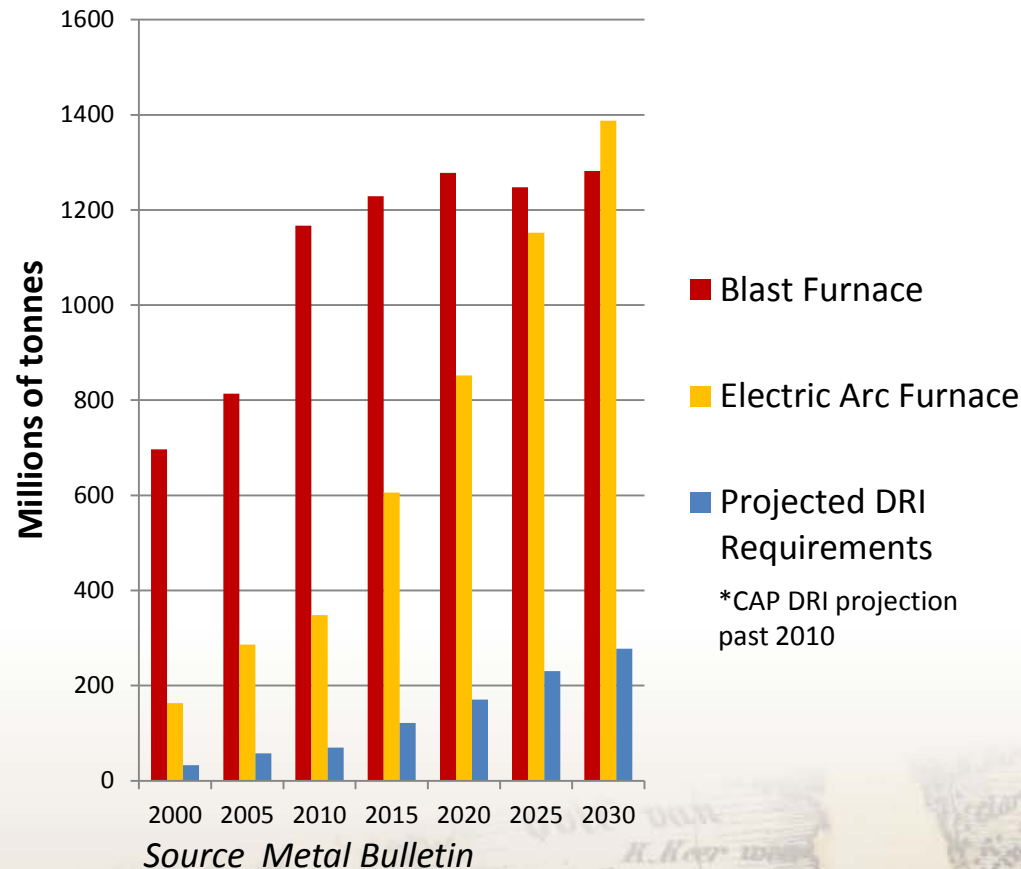
Electric Arc Furnace (EAF) steel making predicted to increase because

- more efficient
- lower energy requirements
- lower emissions
- esp. India, Middle East

EAF feed

- EAF relies on high quality feed ($\text{SiO}_2 < 2\%$)
- Feed balance currently approx.
 - ~80% scrap metal
 - ~20% direct reduction iron (DRI)
- Demand for DRI feed set to increase
- DRI feed attracts added premium
- Few projects with a DR feed option
- New opportunity to explore for Hawsons

Global crude steel production by type



Current and future work



Current program designed to bring all project elements ready for detailed feasibility study and
Build a platform for further investment
Complete December 2014

- Finalise process test work
- Rail – port -marine prefeasibility study
- Power network capability study
- Detailed plan of BFS work schedule
- Optimise business case based on new test work opportunities and traditional markets

Use this platform to attract additional funding partners

Targeted production and approval time frames subject to additional funding;

- Approvals and bankable feasibility study completion less than two years
- Production targeted in 3.5-4yrs



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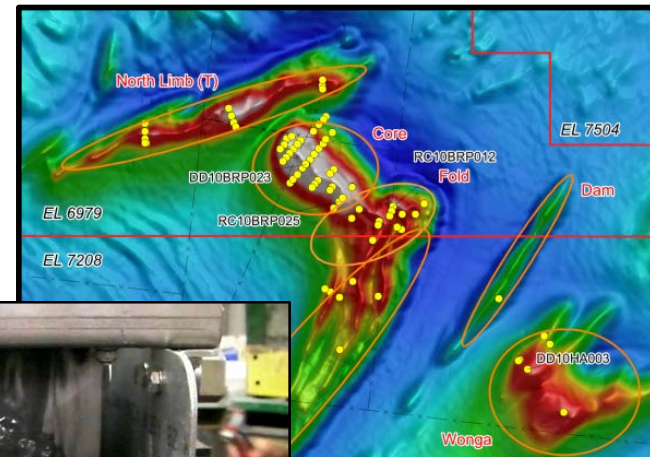
Summary



Project pathway is
clear and achievable

Potentially attractive
returns at forecast long
term Fe prices from
high grade concentrate

Clear strategy to
attract funding
partners and grow
value



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The information in this presentation that relates to Exploration Results, Exploration targets and Resources is based on information compiled by Q.S. Hill, who is a member of the Australian Institute of Geoscientists and has had sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Q.S.Hill is an employee of Carpentaria and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



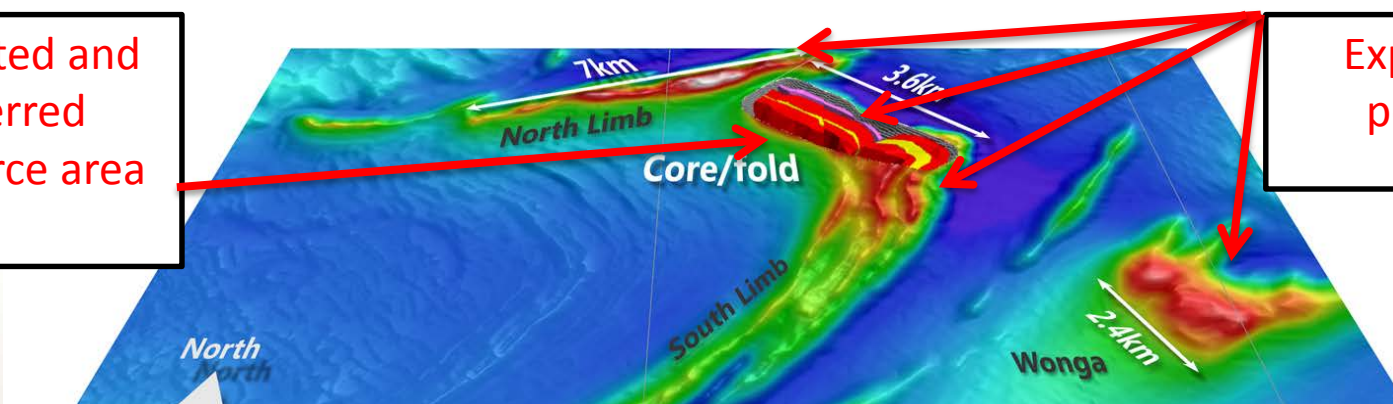
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APPENDIX 1 – Resources



			Concentrate Grades					
Category	Billion Tonnes	Magnetite DTR%	Fe%	Al ₂ O ₃ %	P% ¹	SiO ₂ %	LOI%	Contained Concentrate Million Tonnes
Inferred	1.554	14.7	69.6	0.20	0.004	2.9	-3.0	228
Indicated	0.215	16.2	69.8	0.20	0.005	2.8	-3.0	35
Total	1.769	14.9	69.7	0.20	0.004	2.9	-3.0	263

Indicated and Inferred Resource area



Exploration potential

Reported under JORC 2012 – no material change since first published 26 March 2014

The Company is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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