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ASX ANNOUNCEMENT – INTERVIEW WITH MANAGING DIRECTOR

Carpentaria Exploration Limited (ASX:CAP) (the “Company”) is pleased to provide shareholders with an update on the Company and the Hawsons Iron Project and its future direction, as described by the Company’s Managing Director Quentin Hill in an interview with Finance News Network.

A transcript of the interview is attached. To view the video online, please copy and paste the url below into your web browser:

<http://www.finnewsnetwork.com.au/MediaCenter/MediaCenterMobile.aspx?Site=FNN773>

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Carpentaria Exploration (ASX:CAP) Managing Director, Quentin Hill, discusses the company's Hawsons Iron Project,

Carolyn Herbert: Hello, I'm Carolyn Herbert for the Finance News Network. Joining me from iron ore exploration company, Carpentaria Exploration (ASX:CAP), is Managing Director, Quentin Hill. Quentin, welcome to FNN.

Quentin Hill: It's a pleasure to be here.

Carolyn Herbert: Now, can you start by giving us an introduction to Carpentaria Exploration?

Quentin Hill: We listed on ASX in 2007. In 2009, we discovered the Hawsons Iron Project, south of Broken Hill. In 2013, the board made a decision to focus on that project. In that time, we have developed a fantastic team of unquestionable industry leaders in the fields of magnetite engineering, project financing, and iron ore sales marketing. Now this has resulted in, over the last 6 months, a tripling of the share price and gaining real strategic interest. By that, I mean from end users, large steel mills and large international trading companies.

Carolyn Herbert: And can you tell us a little bit more, Quentin, about the Hawsons Iron Project?

Quentin Hill: Hawsons Iron Project is a standout iron project, and it needs to be to attract the investment for development in the current market. Why it's a standout: it has two unique features about it. The very soft ore give us very low processing costs and allows us to produce the highest quality steel-making raw material you can. This is generating great strategic interest. But that's not all – you also need infrastructure.

Our Project has grid power running very close to it, and it has water identified, and a workforce from Broken Hill. But importantly, it has the rail – that is existing and connects to two ports (Port Pirie and Whyalla). At Whyalla, there's also a pellet plant to upgrade it. So these strategic factors are what's going to drive development and value for shareholders.

Carolyn Herbert: So Quentin, what are some of your recent achievements?

Quentin Hill: Over the last six months, we've demonstrated how we can produce, amongst the world's best iron-making raw material and importantly pellet feed. We did that with pilot plant test work at ALS in Perth and we've sent some concentrate to China. We've received outstanding pelletising results. This has been a game changer for our project. With that fantastic quality, we have attracted the interest of blue chip off-takers; I'm talking about Bahrain Steel (for 3 million tonnes of our direct reduction pellet feed, which attracts a significant premium), Mitsubishi (for 1 million tonnes) and Gunvor. Now these are all blue chip companies.

Carolyn Herbert: So Quentin, Carpentaria is a little different from other iron ore companies considering you produce Super Grade iron ore. Can you tell us what this is, and how is it significant?

Quentin Hill: Supergrade is 70 per cent iron and has unique fineness, which makes fantastic pellets. We've called it Supergrade – there's only about 10 projects in the world that can match its quality. What this means is that it attracts a significant premium and improves the project economics.

Carolyn Herbert: So what's your development strategy, considering magnetite has a bit of a checkered history in Australia?

Quentin Hill: So end users will decide which projects get developed. It is through their binding off-take contracts that support project finance. We are best placed, of all Australian projects, to attract that. Our blue chip off-take partners have demonstrated that we have interest from the Middle East, across Asia, and through to Japan. Ultimately, it's the competition for that off-take that is going to drive investment and development of this project. It is the product, cost structure, and low development risk of our project that attracts greatest strategic interest, and will drive the share price growth for this company and this project.

Carolyn Herbert: Quentin Hill, thanks for the introduction to Carpentaria Exploration.

Quentin Hill: Thanks for having me.

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