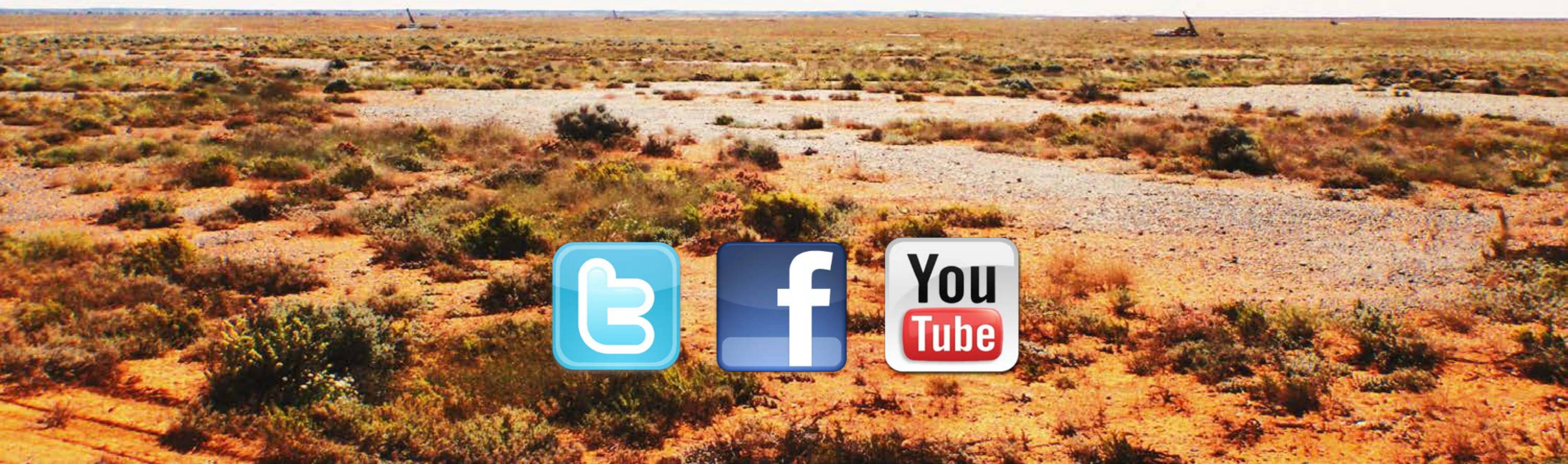
Carpentaria Exploration Ltd

We find it. We prove it. We make it possible.

Mines and Money Hong Kong 2014

Quentin Hill – Managing Director

24 March 2014



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CARPENTARIA EXPLORATION
Company Snapshot

ASX Code : CAP
IPO : Nov 2007
CASH: A$6.2 million

ISSUED SECURITIES: 124 m shares

Top Shareholders:

Silvergate:	17.2%
Conglin Group*:	11.4%
NEFCO:	4.5%
Directors & Management (inc' unlisted Options):	15.5%

Company Assets:

1. Hawsons Iron Ore Project
2. Discovery/Exploration Projects

Share Price and Volume 12 months

KEY ASSET

Hawsons Iron Project JV – Carpentaria 60%
Pure Metals Pty Ltd 40%

* Associates interest

CARPENTARIA EXPLORATION
Hawsons Iron Project - Investment Highlights

Robust development case set - BFS underway

- Recent study based on 10 Mtpa spare infrastructure capacity shows potential for robust returns

Soft rock magnetite

- simple low energy processing challenges conventional wisdom
- easily produces increasingly sought after high grade, low impurity product

Infrastructure in place

- Comparatively low capital costs - shorter development times
- Joint venture pursuing agreements with port, rail, power and water authorities

Strategy

- Carpentaria to pursue development and production
- Introduce the right partner at the right time to underwrite initial construction funding

CARPENTARIA EXPLORATION
Hawsons Iron Ore Project – Development Case Set

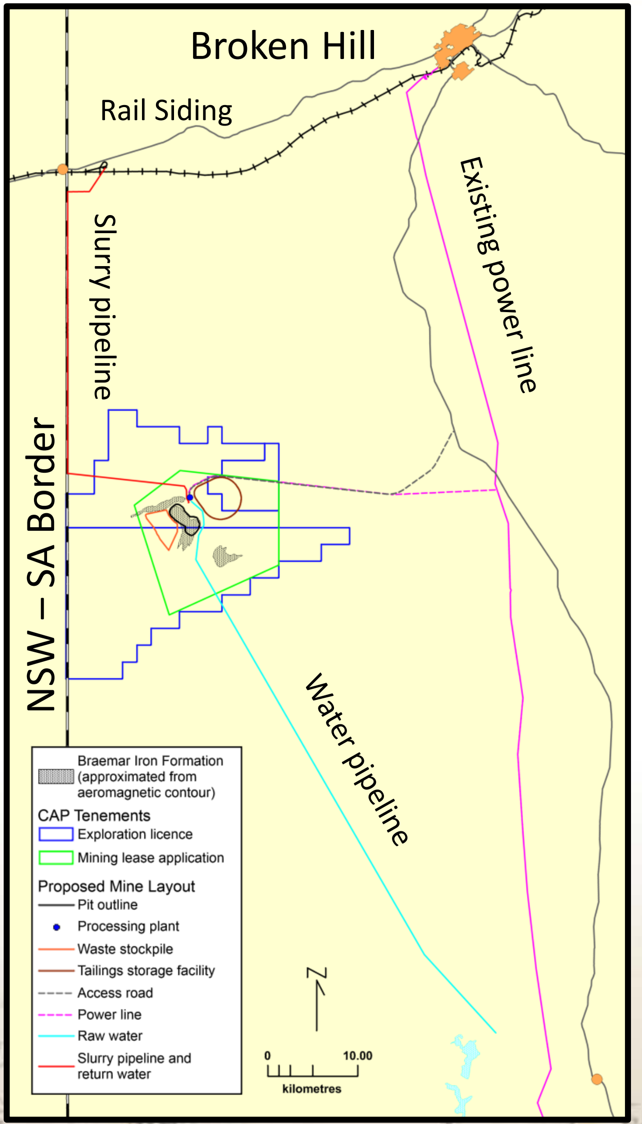
Study based on:

- Location Broken Hill, NSW, Australia
- Utilising the 10 Mtpa of infrastructure spare capacity
- Inferred resources of 220Mt concentrate*
- Extensive metallurgical test work
- Site engineering cost estimates to ±30%
- Consensus long term pricing forecasts

Results provide confidence to continue development

However
- Low level of geological confidence in inferred resources. No certainty further exploration will result in the establishment of Indicated or Measured resources
- Requires upgrade of resources to establish economic viability

Presents investment opportunity to add value as high confidence in upgrading the resource



*refer slide 8

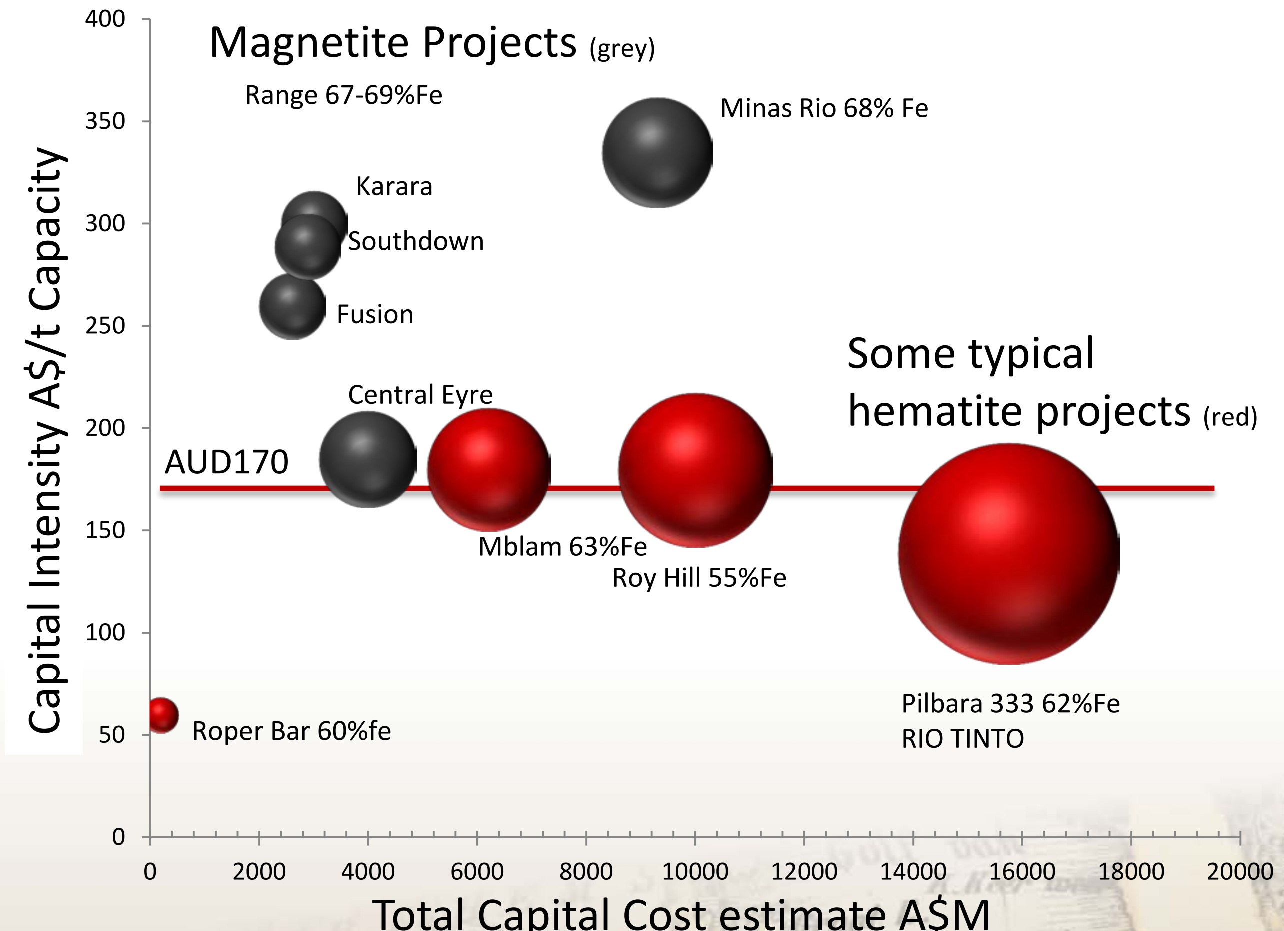
CARPENTARIA EXPLORATION
Hawsons Iron Ore Project – Low Capital Intensity

Further work will be aiming to establish:

- Low capital cost per tonne of capacity (capital intensity)
- Capital intensity similar to hematite projects
- Lower than comparable magnetite projects

Potential Benefits

- Low capital service costs
- Potential for better return on investment



Source - refer Appendix

CARPENTARIA EXPLORATION
2016 cost curve iron cost curve

Further work will be aiming to establish:

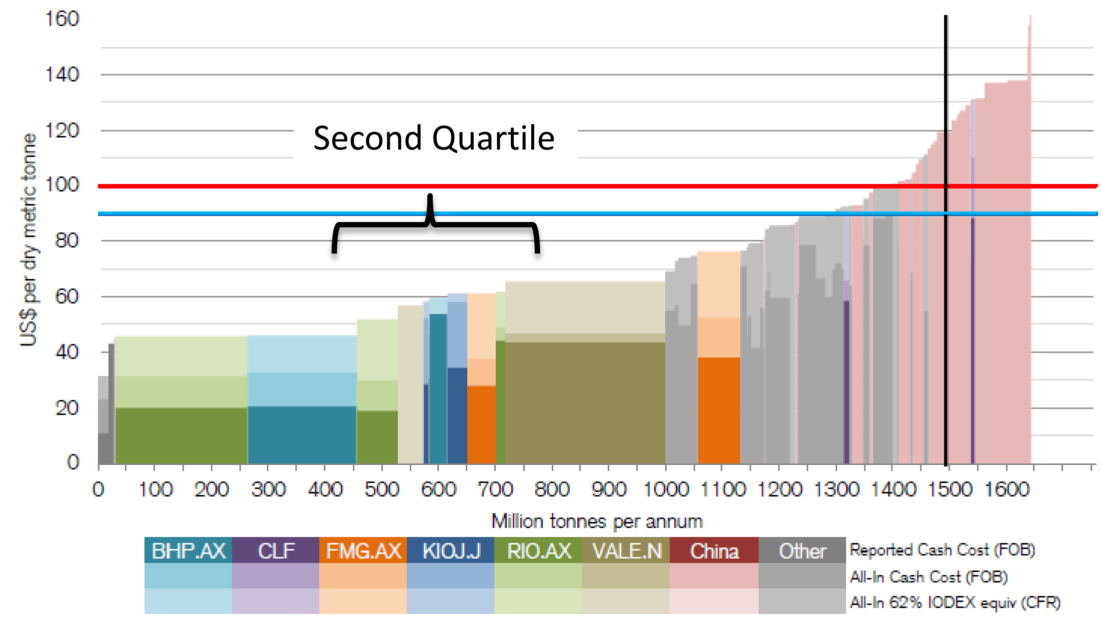
- Costs to land concentrate in China (CIF) in second quartile of cost curve indexed to 62% Fe equivalent
- 69% concentrate product

Benefits

- Potential to withstand price fluctuations
- Potential for high margins
- Potential better return on investment

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 USD 0.85 = AUD 1.00

CARPENTARIA EXPLORATION

Hawsons Iron Ore Project – Project Concept

- Resource - large allows scaleability
- Mining
  - low strip ratio 0.47:1 waste to ore
  - Utilise low cost bulk mining methods
- Processing
  - simple flow sheet
  - very low energy
  - Don’t break the magnetite
  - very high grade product
  - Bond Work Index 6-7Kwhr/t

	Bt	Mass recovery	Conc. Tonnes	Concentrate grade	
Inferred Resource	**1.4**	**15.5%**	**220M**	**69.9% Fe**	**2.50% SiO_2**
Exploration Target	**6-11**	**14-17%**	**900-1900**	**69% Fe**	**2.5% SiO_2**

The term "target" should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2012), and therefore the terms have not been used in this context. It is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Mining Reserve.

magnetite

quartz

Photomicrograph of rock

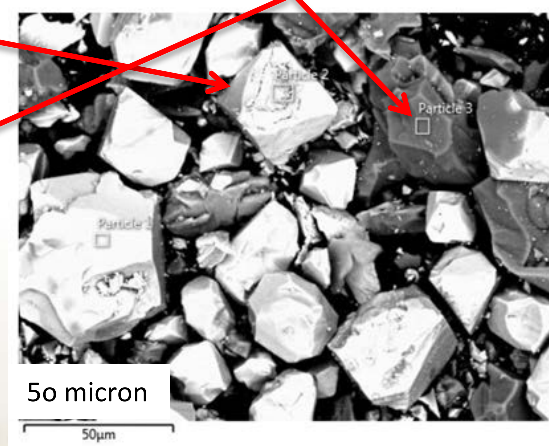
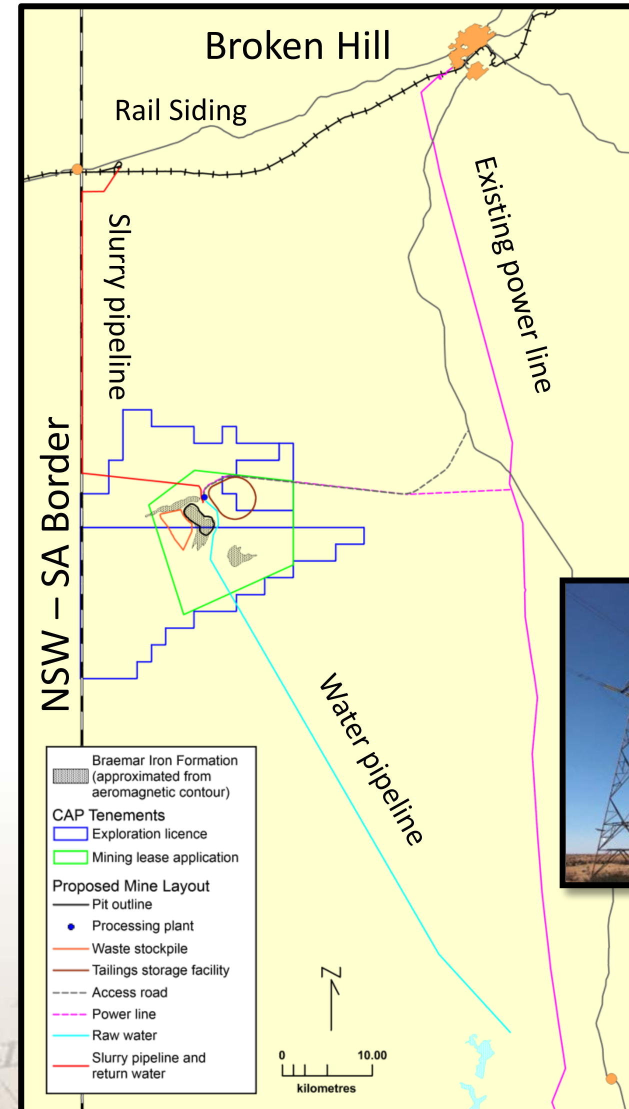
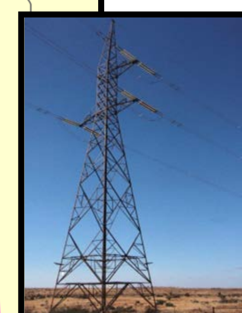


Image of concentrate

CARPENTARIA EXPLORATION
Hawsons Iron Ore Project – Project Concept

- Water – source identified 90km from site- pumping tests to start next week
- Power- Available from the grid
- Permitting – No Native Title, permits on track





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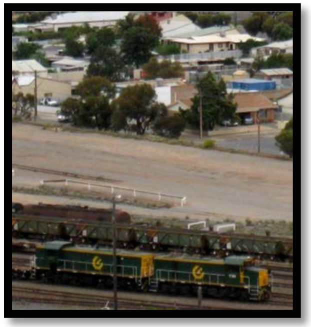
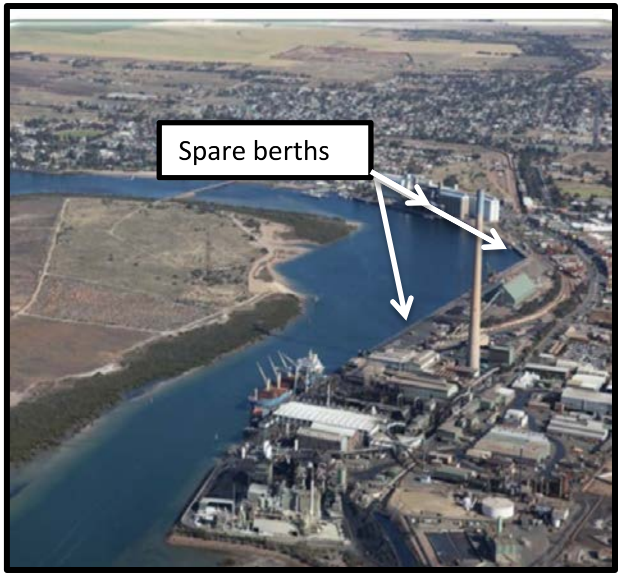
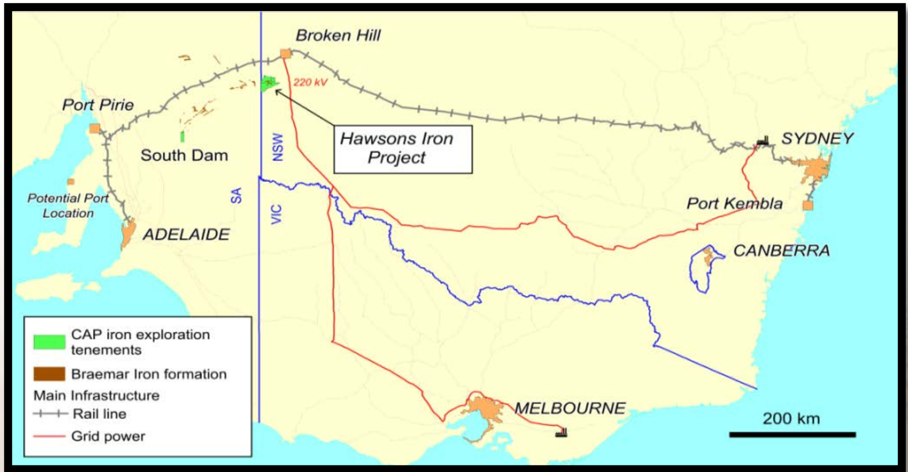
Hawsons Iron Ore Project – Project Concept

Transport

- New slurry pipeline to existing rail head
- Existing rail to existing port
  - 3 spare berths - underutilised
  - Require conveyors, stockpiles and ship loaders
- Transhipment barge operation to Cape class vessels in Spencer Gulf in excess of 20Mtpa capacity available







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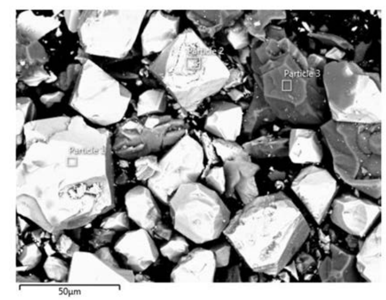
Hawsons Iron Ore Project – Project Concept

Market

- High grade pellet feed
- Increasing demand in the long term
- Premium price possible

Why

- High grade feed increases steel mill efficiency
- Drive for greater efficiency and less pollution from steel mills will lead to growing demand
- Hematite grades fall over time requires blending with higher grade to maintain efficiency
- Premium price possible



Potential product specifications			
Fe	SiO_2	P_2O_5	Al_2O_3
69.5%	3.1%	0.001%	0.22%

CARPENTARIA EXPLORATION
Hawsons Iron Ore Project - Feasibility Study

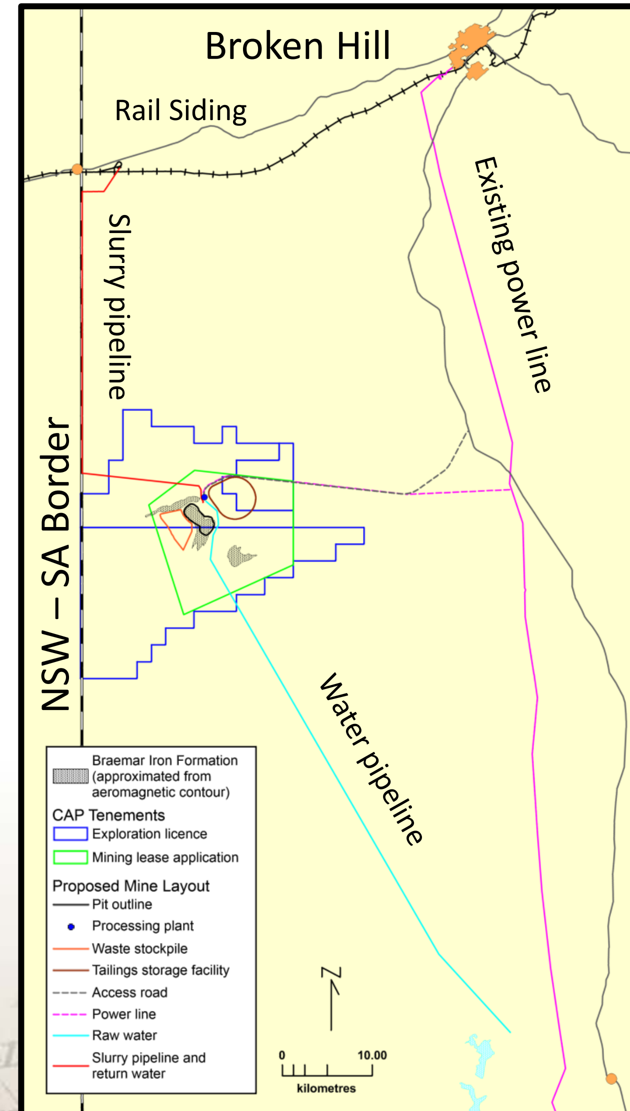
Recent milestones
- Start environmental impact statement
- Mining lease application
- Definition of water resource
- Development case set

Bankable Feasibility Study

Goals for next 12 months

- Complete agreements with infrastructure authorities- port, rail, power and water
- Complete engineering studies for rail, port and marine
- Upgrade the resource
- Pilot plant test run
- Complete environmental impact statement

Continue to move the project up the value curve



CARPENTARIA EXPLORATION
Hawsons Iron Project – Summary

Robust development case set - BFS underway	• Bankable feasibility study continues building project momentum
Soft rock magnetite	• Challenges conventional wisdom – not all hard to liberate or high cost
Infrastructure in place	• Comparatively low capital costs - shorter development times
Future	• Subject to funding- production possible 2017

Carpentaria Exploration

We find it. We prove it. ***We make it possible.***

Visit our Booth G26

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To find out more, visit us at
www.capex.net.au

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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 2004 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.

CARPENTARIA EXPLORATION APPENDIX

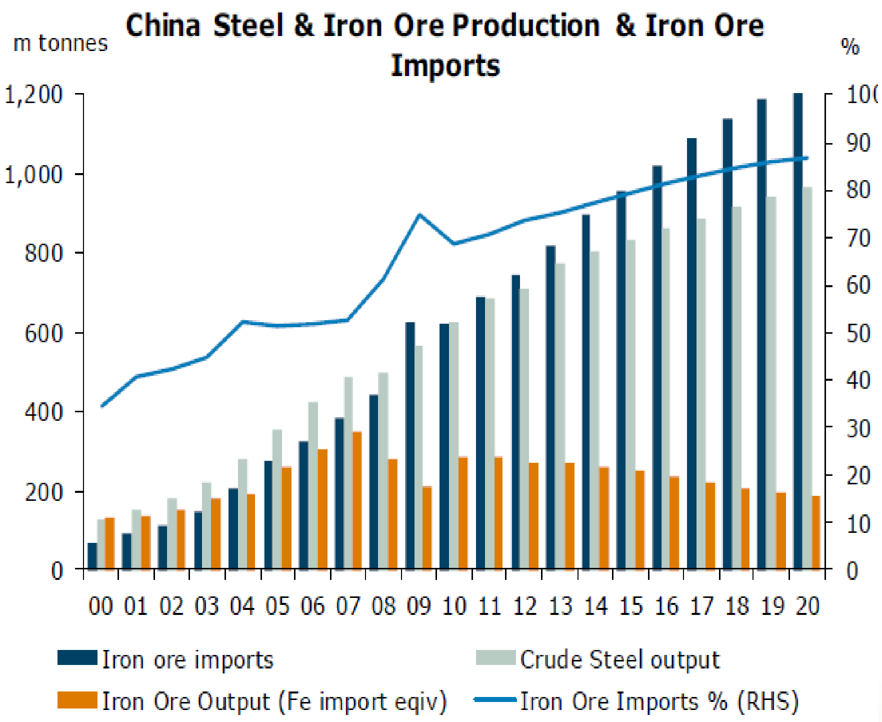
Project	Operator	Capex A$M	Annual M Tonnes	Capex/Tonne A$M	Product %Fe
Roy Hill[1]	Hancock	[10,000]	55	[180]	[55]
Karara[2]	Karara JV	3000	10	300	68
Central Eyre[3]	Iron Road	3980	21.5	185	67
Fusion[4]	Eyre Iron	2600	10	260	67
Mbalam[5]	Sundance	4700-7830	35	134-224	63
Southdown[6]	Grange	2885	10	289	69
Minas Rio[8]	Anglo	9300	26.5-30	350-310	68
Pilbara 333[9]	Rio	15740	113	139	62
Roper Bar[11]	West Desert	180	3	60	60

1 http://www.royhill.com.au/sites/default/files/Tim%20Treadgold%27s%20article.pdf
2 http://gindpublic.powercreations.com.au/images/gind---iebohvaiti.pdf
3 http://Asx Announcement IRD February 26 2014.
4 http://centrexmetals.com.au/wp-content/sharelink/20120503-mine-and-port-scoping-study-completed-and-dfs-commenced-87554443598698511.pdf
5 http://www.sundanceresources.com.au/IRM/Company/ShowPage.aspx/PDFs/2675-51552764/PresentationResourcesRisingStars
6 http://www.grangeresources.com.au/clients/grange/downloads/item150/southdown_dfs_presentation_-_albany_16_may_2012.pdf
8 http://www.angloamerican.com/business/ironore/projects.aspx , http://www.mining-technology.com/projects/minas-rio-iron-ore-brazil/
9 http://www.riotinto.com/documents/110324_New_opportunities_for_industry_growth_Sam_Walsh.pdf
11 ASX550 : Investor Notice of Presentation 20 Sep 2013.pdf
USD/AUD conversion at 0.94

CARPENTARIA EXPLORATION
The World Needs More Iron Ore

Demand

- World steel demand to almost double 2010 - 2030
- Iron ore demand in China continues strong growth; Jan 2014 – imports all time high of 86mt
- China's leadership committed to growth and urbanisation
- Growth off a high base generates large incremental demand increases in China
- Chinese iron ore production to fall and iron ore imports to increase
- Indian demand to increase substantially based on significant infrastructure spending
- Gradual global recovery to gain strength and add to world steel production and iron ore demand



Source : ANZ Research February 2014

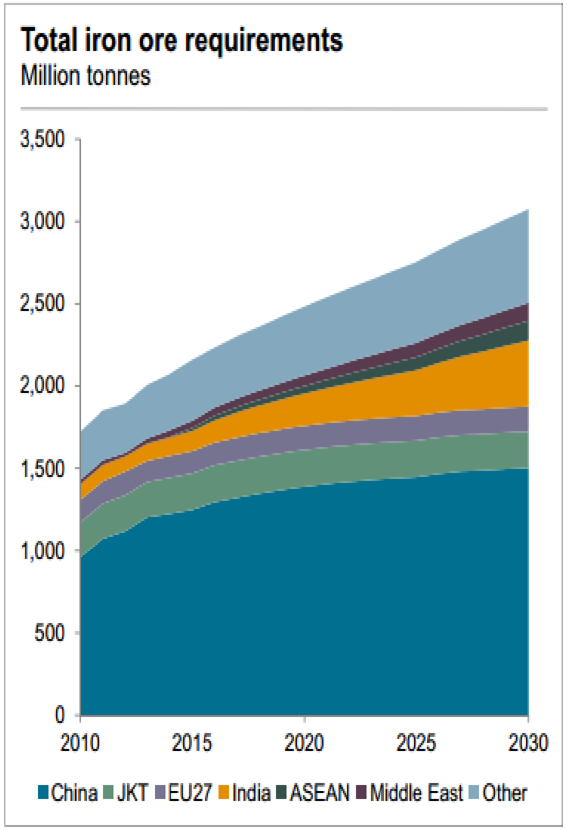
CARPENTARIA EXPLORATION
The World Needs More Iron Ore

Supply

- Recent forecasts of new supply consistently wrong, reflects delays due to higher cost, higher risk, infrastructure constrained projects
- Chinese domestic iron ore increasingly costly – relocation of steel plants to port cities, supporting stronger imports

Expectations

- World iron ore production needs to be almost double in the next 20-25 years to meet expected demand
- China to have increasing dependence on imported iron ore
- Chinese steel makers seek to control more imports by investing offshore in low cost, long life projects;
    - » secure supply
    - » hedge price risk and protect diminishing margins
    - » diminish big four pricing power
- Chinese and global drive to higher efficiency and less pollution will also support stronger relative growth in high iron products



Source: Rio Tinto