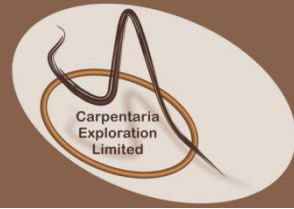
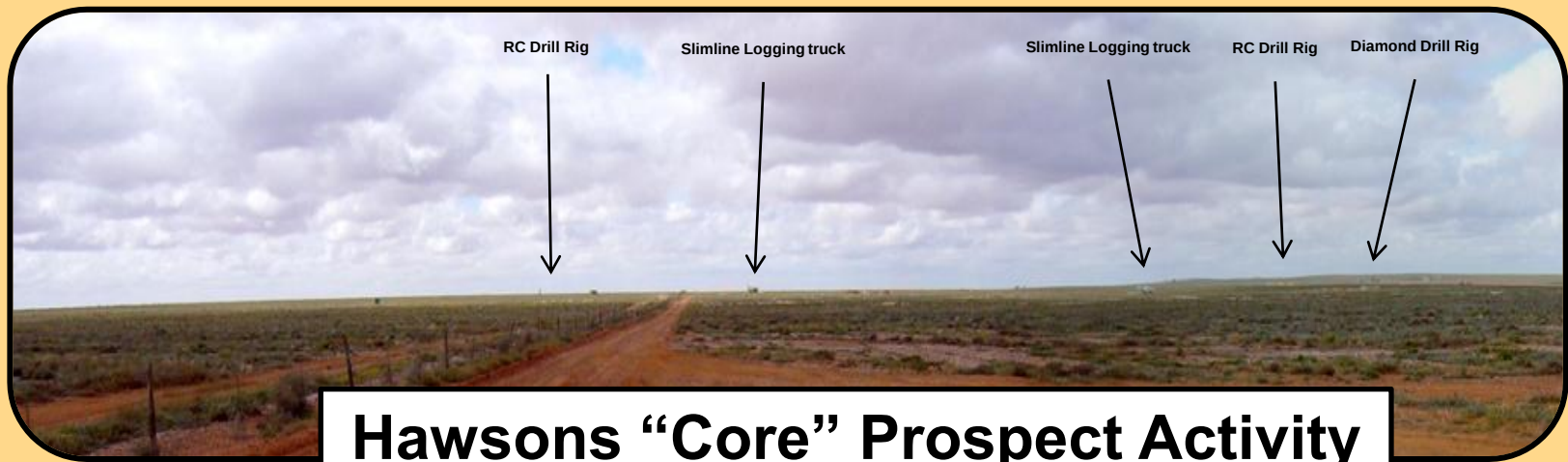




# CARPENTARIA EXPLORATION LIMITED



When the rains come

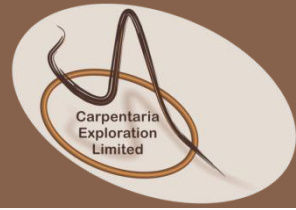


**Hawsons “Core” Prospect Activity**



# CARPENTARIA EXPLORATION LIMITED

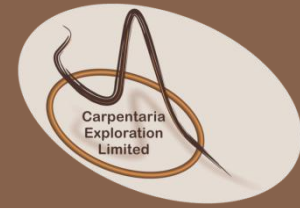
## Disclaimer



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# CARPENTARIA EXPLORATION LIMITED GOAL

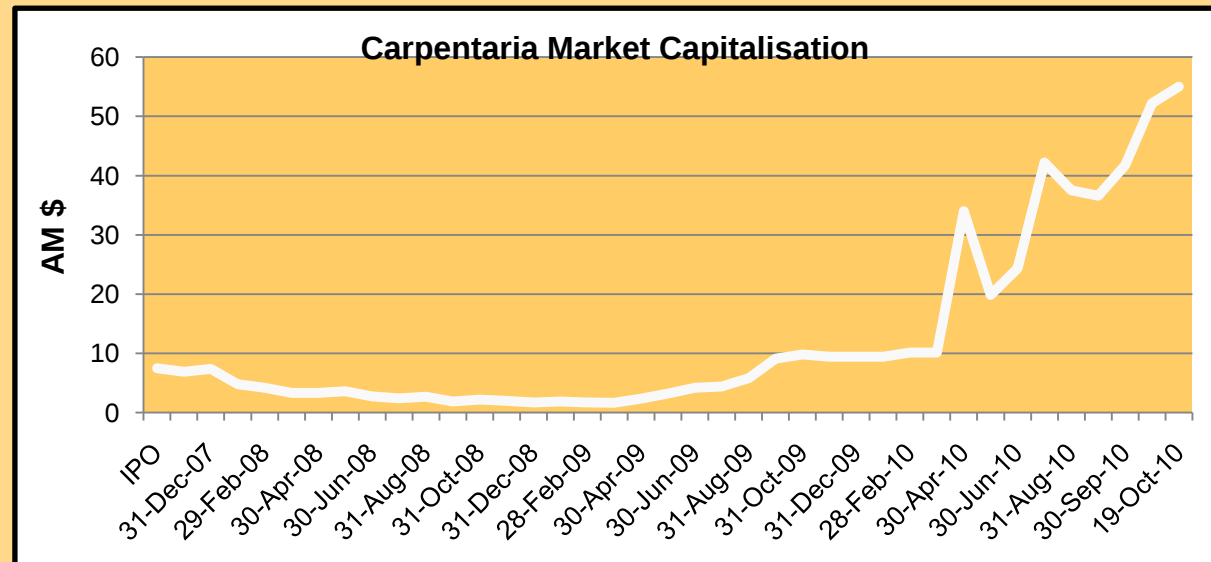


***Become a mid tier mining company in the near future***

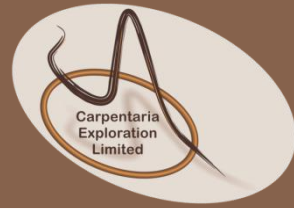
## HOW ?

Using strong geoscientific team, major company backgrounds, and experience, delivering a pipeline of projects diversified by commodity and geography and by aggressive exploration

**Growth through  
discovery**



# COMPANY SNAPSHOT



**ASX : CAP**

**FINANCIAL**

**26<sup>th</sup> Oct 2010**

**Cash A\$16.8 million**

**QUOTED SECURITIES**

**94.3 m shares**

**UNLISTED OPTIONS**

**7.7M**

**LARGEST SHAREHOLDER**

**Aust' Conglin Int' Inv' : 11.2%**

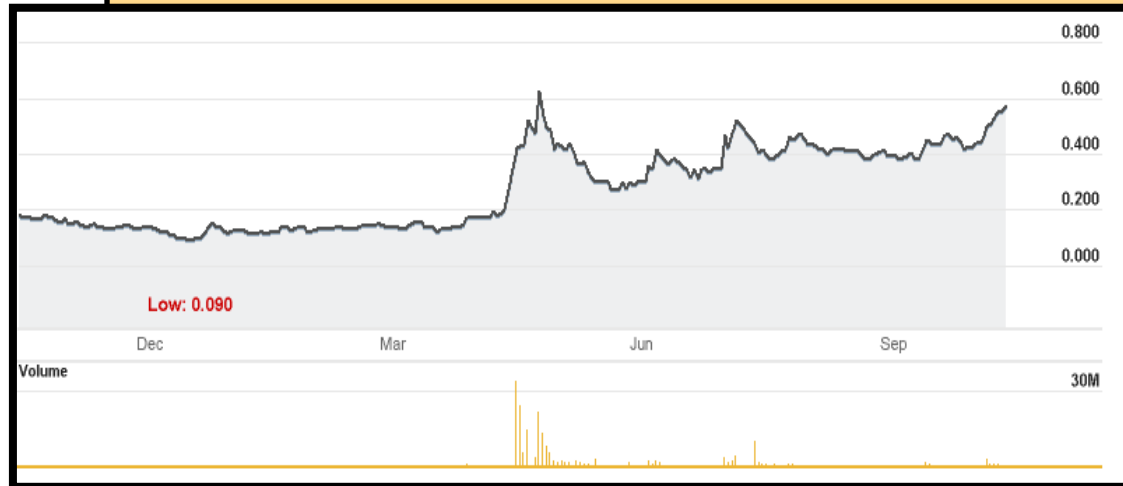
**Conglin Yue : 3.9%**

**Giralia Resources NL : 9.1%**

**Directors : 1%**

**CAPITALISATION - 26<sup>th</sup> Oct 2010**

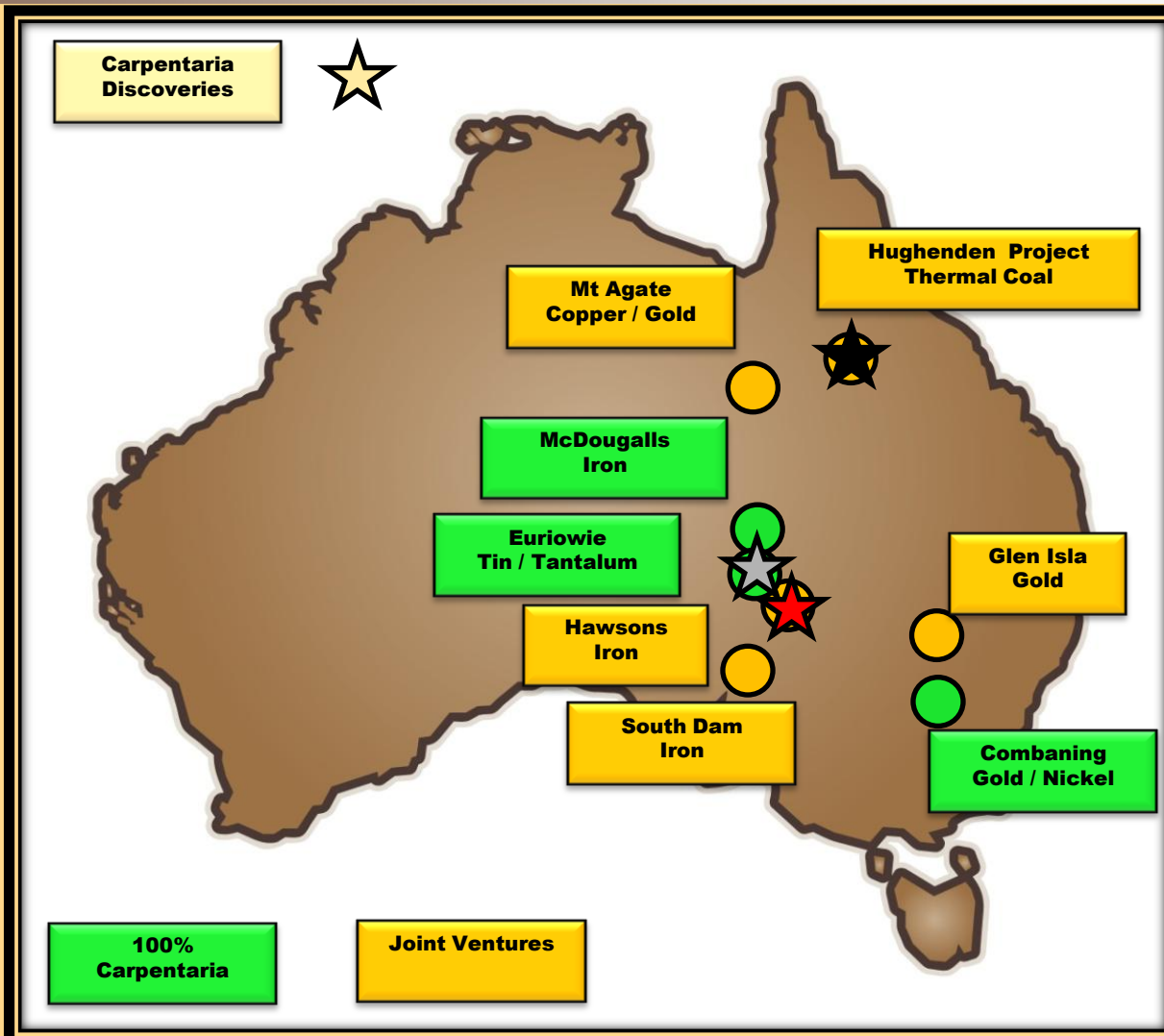
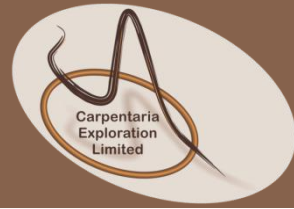
**\$55 m (fully diluted)**



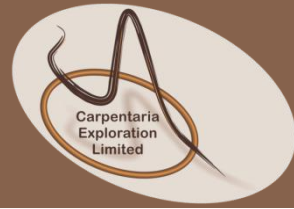
Share Price and Volume  
12 months



# EXPLORATION PORTFOLIO



# LEVERAGED OPPORTUNITIES



**(Partners spending on Carpentaria projects)**

|                                                  | <i><b>Expenditure</b></i>     | <i><b>Residual<br/>(CAP)</b></i> |
|--------------------------------------------------|-------------------------------|----------------------------------|
| ➤ <b>Iron : Hawsons (Bonython Metal Group)</b>   | <b>\$28.0m + \$53.0m cash</b> | <b>20%</b>                       |
| ➤ <b>Gold : Glen Isla (Ramelius Res. Ltd.)</b>   | <b>\$1.0m + BFS</b>           | <b>25%</b>                       |
| ➤ <b>Iron : South Dam (Bonython Metal Group)</b> | <b>\$1.95m</b>                | <b>20%</b>                       |
| ➤ <b>Coal : Hughenden (Guildford Pty Ltd)</b>    | <b>\$2.0m</b>                 | <b>20%</b>                       |
| ➤ <b>Copper/Gold : Mt Agate (ActivEx Ltd)</b>    | <b>\$0.75m</b>                | <b>25%</b>                       |

**Drilled over 16,000m of drilling to end of September**

**Anticipate additional 12,000m of drilling to end of year**

**Aim :**

- **1 billion tonne inferred iron resource**
- **Inferred Coal Resource**



# Keep Costs to a Minimum All Hands on Deck – A team at Work



Co Sec in Breach of H and S – no helmet



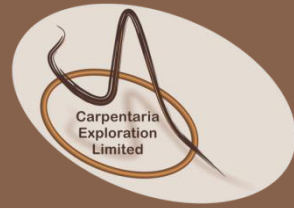
Office Administrator  
High Grading

Driver Training



# HAWSONS IRON PROJECT

## Becoming Real



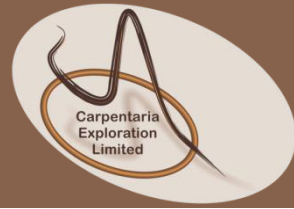
Carpentaria Exploration Ltd Oct' 2010

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

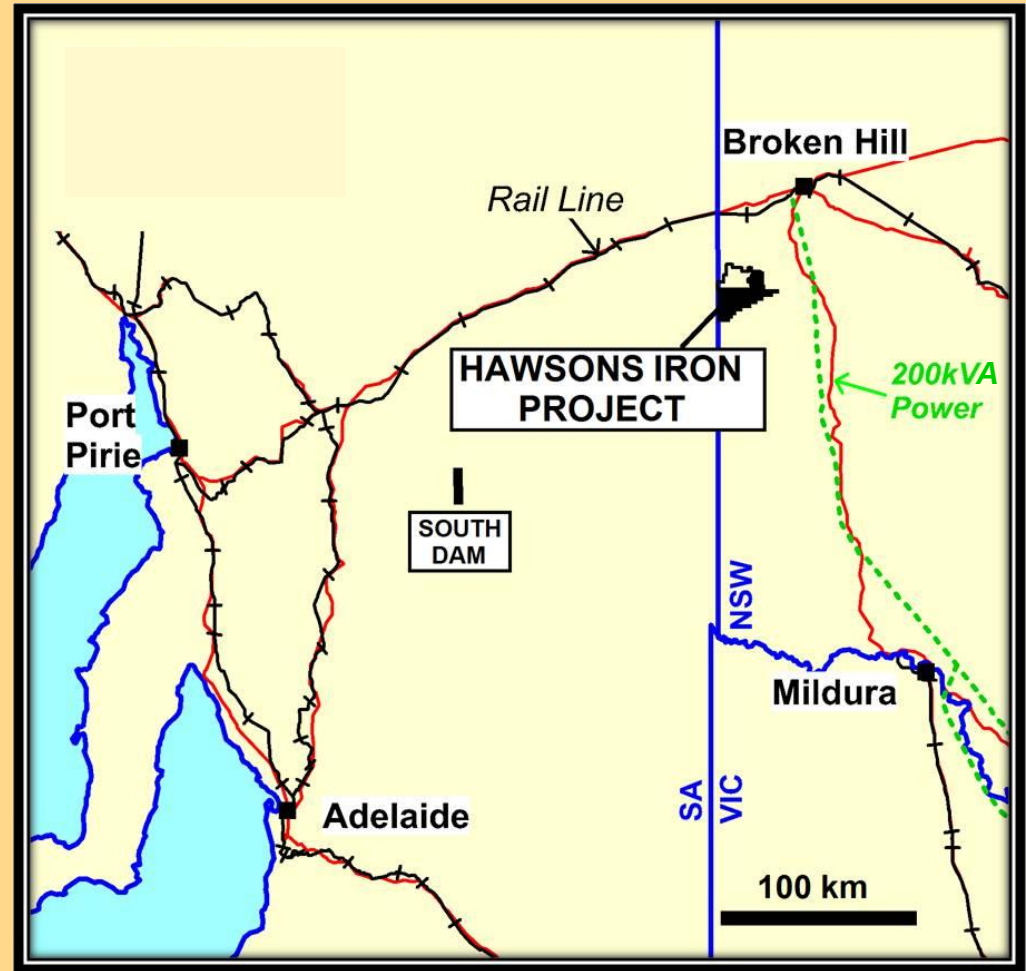
Slide 9

# HAWSONS IRON PROJECT

## Location



- **Close to infrastructure**
  - 60 km SW of Broken Hill
    - mining culture
    - work force
    - services
- **30 km to rail line (Port Pirie)**
- **30 km to main roads**
- **30km to NSW power grid**
- **No Native Title**



# HAWSONS IRON PROJECT

## Overview



### HAWSONS IRON PROJECT

#### ➤ Large magnetite discovery – July 2009

#### Exploration Target<sup>1</sup>

**3.5 – 5.8 Billion Tonnes**

18 – 20% DTR; Fe 69 – 71%:

assuming 42 – 46 strike km; to 250m vertical

#### ➤ Quality and potential size supported by current drilling

#### ➤ Potential

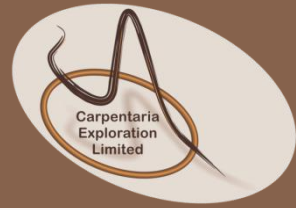
- Low cost mining, processing
- High grade, clean concentrate (70% Fe)
- Long life mine

#### ➤ *Increased tonnages with depth ~ 400m ?*



# HAWSONS IRON PROJECT

## BMG earning in



### Bonython Metal Group Ltd (BMG) JV

#### ➤ Stage 1 :

- Cash to CAP **\$5.0m Done**
- Exploration funding **\$8.0m**
- BMG vests 40%

#### ➤ Stage 2 :

- Cash to CAP **\$25.0m Mar 2011**
- BMG vests 51%

#### ➤ Stage 3 :

- Feasibility Study costs ~ \$20.0m
- On completion cash to CAP **\$23.0m**
- BMG vests 80%

➤ ***CAP has free carried to production of 20mtpa***

### Value :

- No script issued
- Project deal only
- **Cash to CAP**  
**Total \$53.0m**
- Free Carried
  - huge value
- **CAP to market**  
**4 million tonnes con'**
- CAP undertakes the work



# IS MAGNETITE ECONOMIC ?



- Chinese steel industry using magnetite ore for many years.
- Most of china's domestic iron ore production is from magnetite deposits
- Generally, magnetite Fe insitu grades are lower than most hematites
- After beneficiation high grade concentrate with fewer impurities
- Higher quality of magnetite attracts a premium over most hematites
- Additional crushing and beneficiation costs offset by the higher premium from the sale of the quality product
- Typically used as pellet feed. CRU is forecasting a strong demand for pellet feed
- High quality magnetite can be used as DR feed which attract an even higher premium

CRU | STRATEGIES



# MAGNETITE – Limited Technical Risk



Magnetite has been mined and processed in :

- China – most internal production
- US / Canada – mostly magnetite (taconite)
- Russia / Ukraine – more magnetite than hematite
- Australia / Brazil – some magnetite

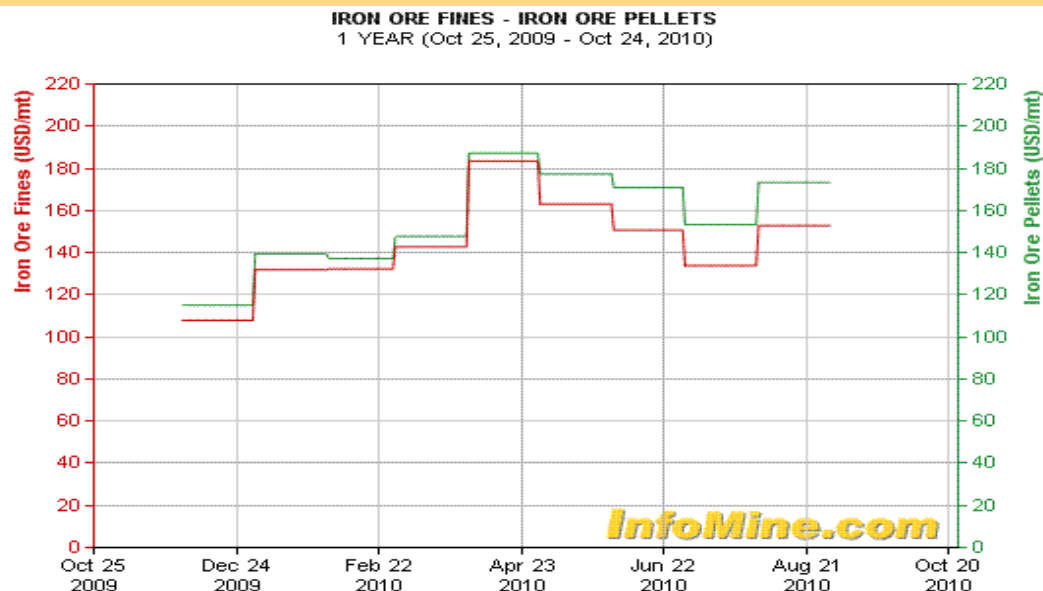
**“ Off the Shelf ” Technologies**

**Limits risks**



# MARKET REVIEW MAGNETITE

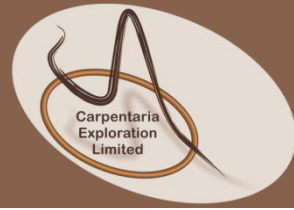
## (October 20<sup>th</sup> 2010)



- Iron Fines (equivalent to magnetite concentrate) **\$150 /t**
- Blast Furnace Pellets (BF) est + 50% **~ \$175 /t**
- Direct Reduction Pellets (DR) + 10% (no data) **~ \$190 /t**



# DRILLING TO DATE



## Phase 1 :

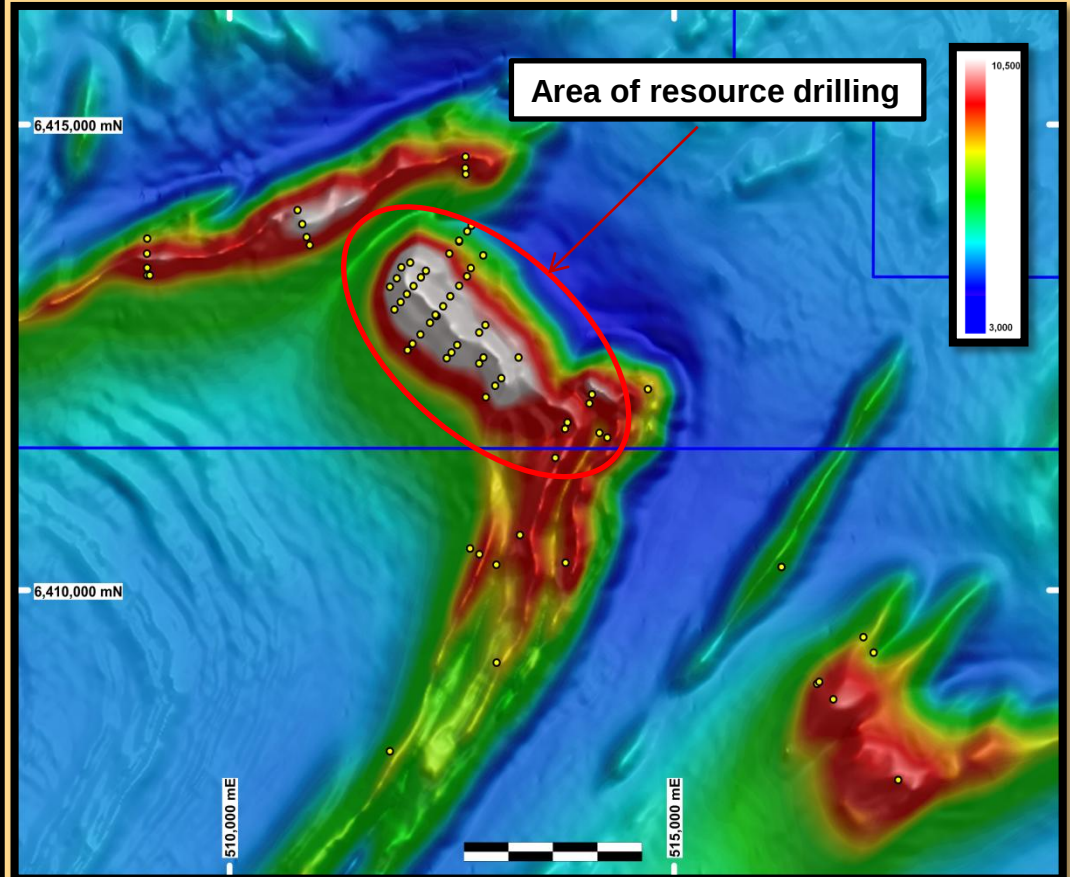
- Establish thickness of units
- Depth of cover
- Grade of magnetite unit
- ~10,000 m drilled to Sep 01 (50 holes)

## Phase 2 drilling :

- Resource drilling est :
  - 4,000m done (Oct 01)
  - 9 holes (deep)
  - 6,000m drilling to finish

## Aim :

- drilling finalize Nov'
- Inferred Resource :  
1 B tonnes by Dec' 2010

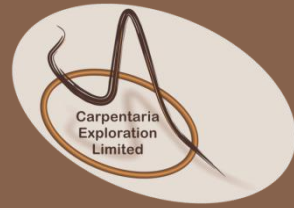


**Hole Location on Airborne Magnetics  
Reduced to the Pole**



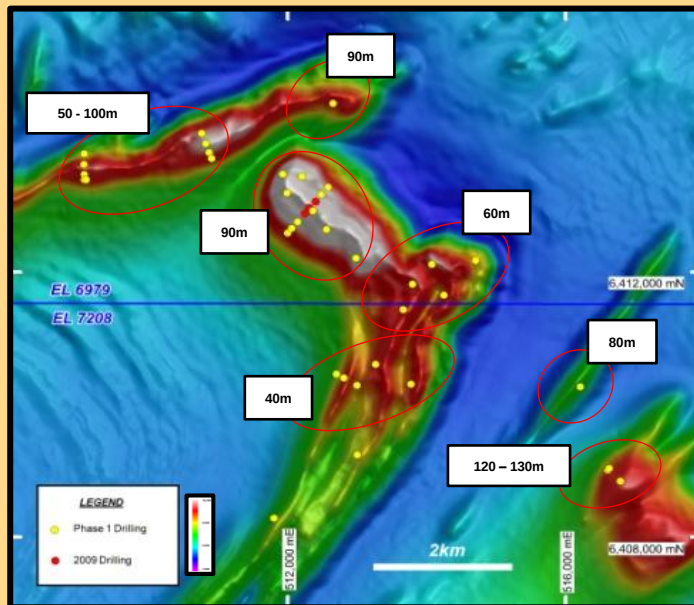
# RESOURCE DEFINITION

## Aim – 1 Billion Tonnes

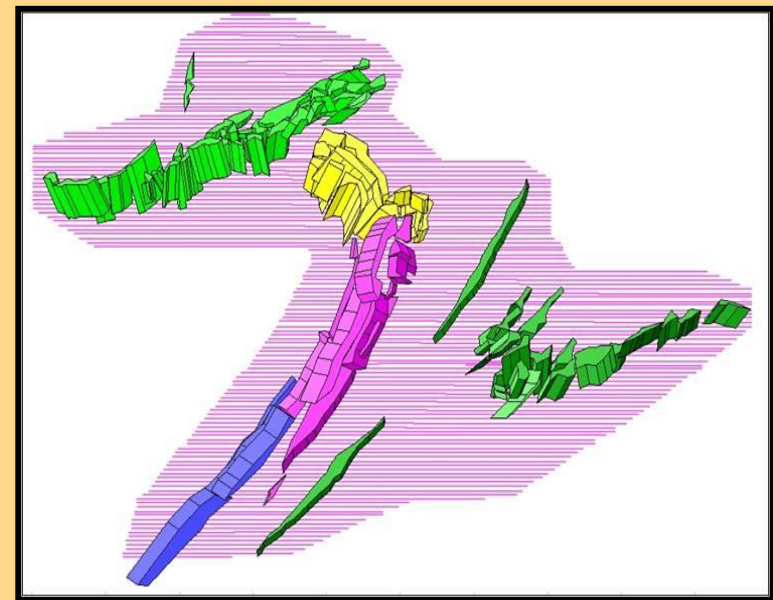


### 3D Magnetic Modelling to Assist Resource Definition

Collaboration with CSIRO . (Ref. Clive Foss, et al, ASEG August 2010 "Generating a Resource Estimate by Magnetic Field Inversion – a Study of the Hawsons Magnetite Prospect, NSW" )



**Reduced to the Pole Magnetics  
Showing Depth of Oxidation**



**3D Block Magnetic Susceptibility  
Model using demagnetizing  
techniques**



# MAGNETITE



Magnetite is one of the three common iron ore minerals that is commercially exploited

|                                                             | <u>Hematite</u>         | <u>Magnetite</u>        | <u>Goethite</u>         |
|-------------------------------------------------------------|-------------------------|-------------------------|-------------------------|
|                                                             | $\text{Fe}_2\text{O}_3$ | $\text{Fe}_3\text{O}_4$ | $\text{FeO}(\text{OH})$ |
| <u>Iron Content</u>                                         |                         |                         |                         |
| Maximum theoretical                                         | 69.95%                  | 72.73%                  | 62.86%                  |
| Typical Theoretical                                         | 61 – 65%                | 65 – 68%                | 55 - 60%                |
| Note - the magnetite specifications are after beneficiation |                         |                         |                         |

CRU | STRATEGIES



# TYPICAL RESULTS



| Hole ID    | From (m) | Thickness (m) | DTR %<br>38um | DTRG<br>Fe% | DTRG<br>SiO2% |
|------------|----------|---------------|---------------|-------------|---------------|
| RC10BRP022 | 102      | 114           | 17.1          | 70.1        | 2.16          |
| INCL.      | 131      | 69            | 17.6          | 70.1        | 1.99          |
| RC10BRP025 | 137      | 69            | 15.2          | 69.4        | 2.81          |
| INCL.      | 173      | 33            | 17.8          | 68.9        | 3.23          |
| RC10BRP017 | 157      | 75            | 17.4          | 68.7        | 3.81          |
| INCL.      | 177      | 36            | 18.3          | 68.3        | 4.17          |
| RC10BRP019 | 72       | 94            | 16.4          | 70.7        | 1.46          |
| INCL.      | 92       | 59            | 19.2          | 70.8        | 1.37          |
| RC10BRP012 | 48       | 98            | 17.2          | 68.9        | 2.72          |
| INCL.      | 97       | 49            | 20            | 69.4        | 2.28          |
| INCL.      | 97       | 14            | 22.9          | 69.4        | 2.12          |
| DD10HA003  | 138.7    | 160.95        | 15.7          | 66.6        | 6.23          |
| INCL.      | 138.7    | 33.65         | 18.7          | 66.9        | 5.99          |
| INCL.      | 138.7    | 20.3          | 21.6          | 66.5        | 6.48          |
| AND        | 228.1    | 71.9          | 17.8          | 65.9        | 7.01          |
| RC10BRP013 | 110      | 56            | 17.6          | 70.2        | 2.11          |
| INCL.      | 138      | 28            | 19.1          | 70.5        | 1.64          |
| INCL.      | 155      | 11            | 24.2          | 70.9        | 1.19          |
| RC10BRP021 | 122      | 128           | 16.6          | 70.1        | 2.27          |
| INCL.      | 128      | 81            | 17.2          | 70.1        | 2.37          |
| INCL.      | 128      | 64            | 17.8          | 70.1        | 2.38          |
| INCL.      | 163      | 29            | 19.2          | 70.5        | 2.04          |

## EXCELLENT RESULTS :

- Consistent DTR's
- Very high grade concentrate
- Low deleterious elements
- Drilling supports magnetic modelling – Fe continuous at depth to 1000m
- Pre feasibility study underway



## Ore is very soft

- Bond work index – 6.3 kwh/t → low power requirements

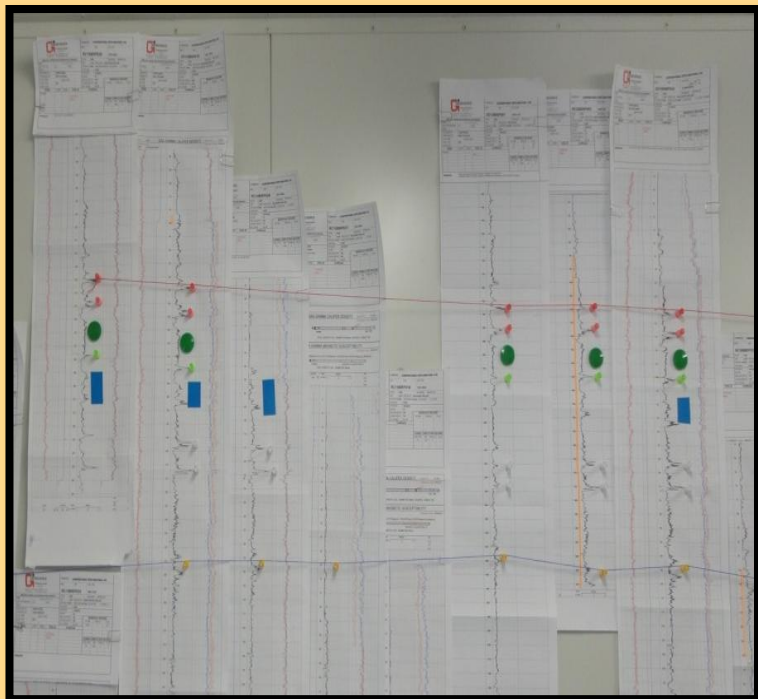
*Range for magnetites 6 - 29 kwh/t  
BIF's greater than `16 kwh/t*

- Truck and shovel mining → low cost operation  
est \$1.90 / t

- High pressure grind work index is 2.2 kwh/t

*use of HPGR technology → lower cost*



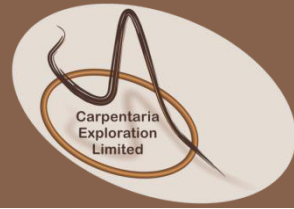


## Down Hole Magnetic Susceptibility

- map marker units across holes
  - shows continuity of mineralization
- excellent correlation with DTR results
  - reduce assay time
  - allow rapid resource calculation
  - reduce costs

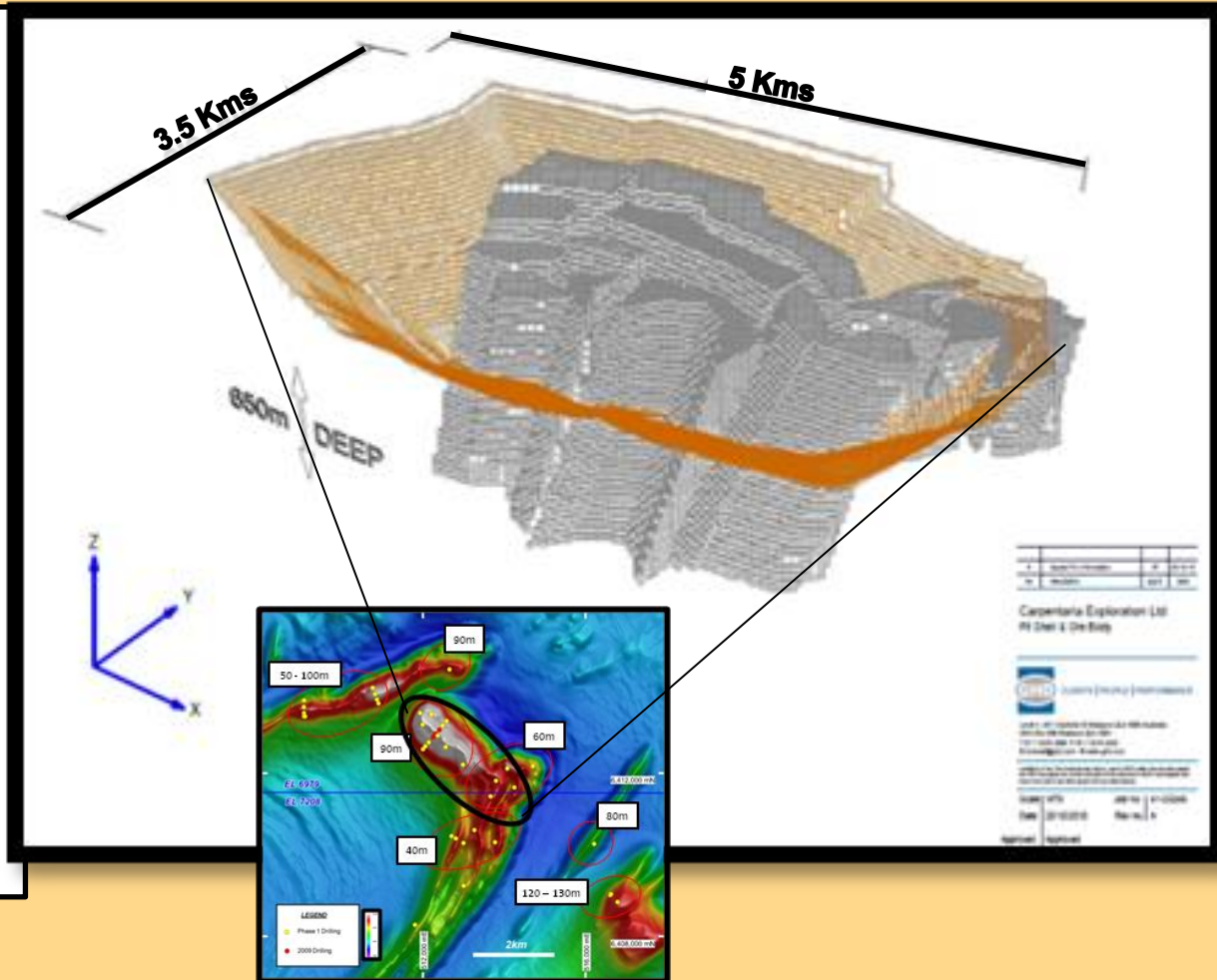


# CONCEPTUAL OPEN PIT MINE PLAN

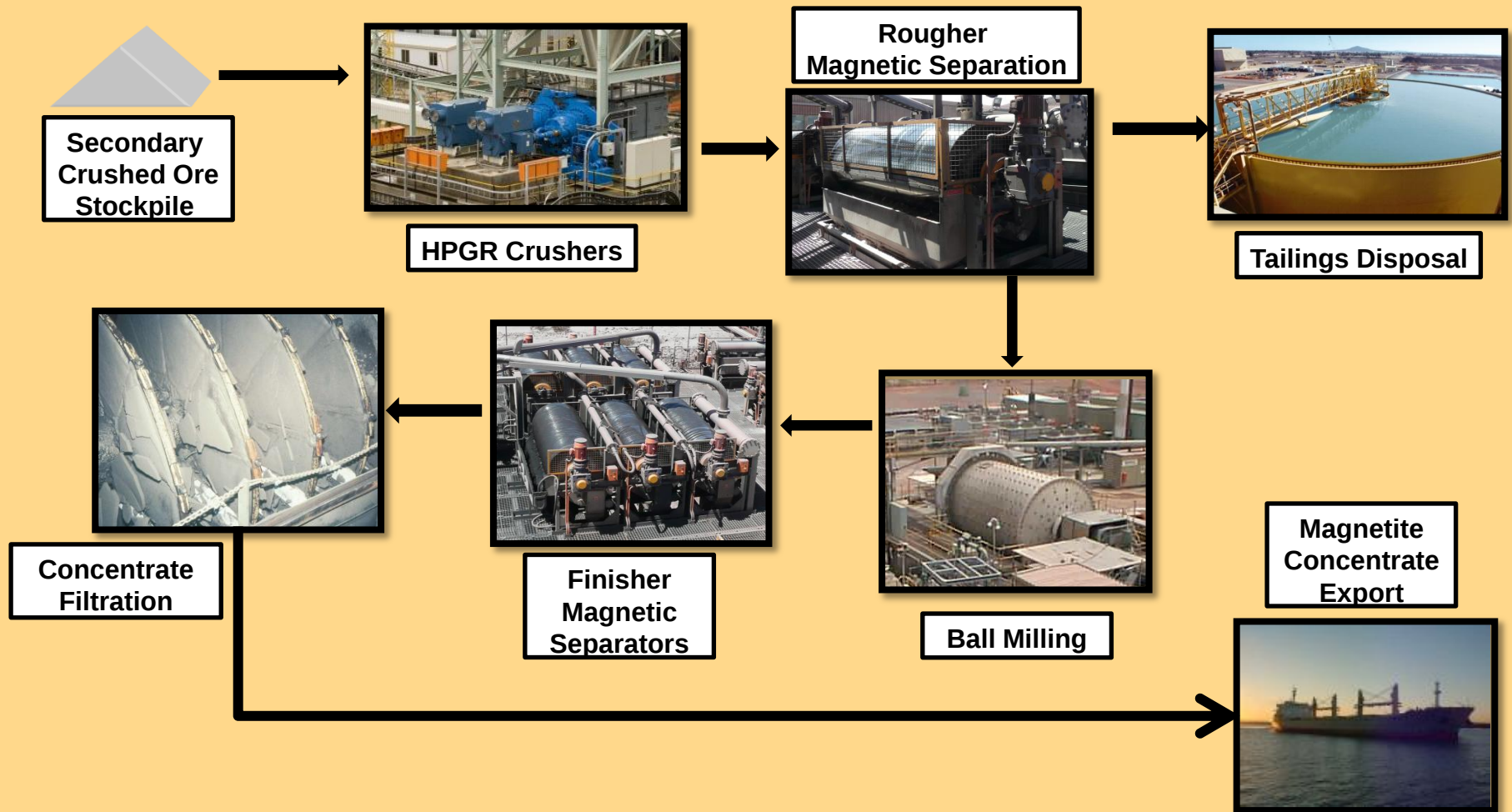
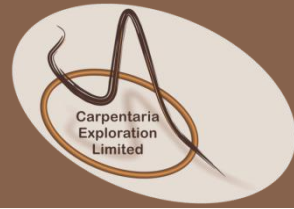


## Open Cut - Pit 1

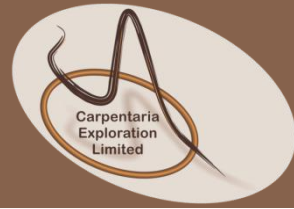
- Depth of pit  $? > 400\text{m}$   
(depends on economics)
- Thick ironstone units
- Dipping 45 degrees
- Aim Pit 1 :  
1 Billion tonnes inferred
- Pit life est' 10 – 15 years
- Additional Pits ~ 50 years?



# Conceptual Processing Flow Sheet



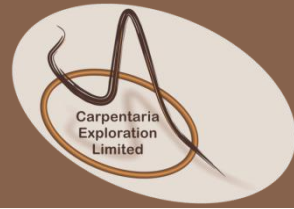
# PROJECT TAKING SHAPE



Other drill rigs



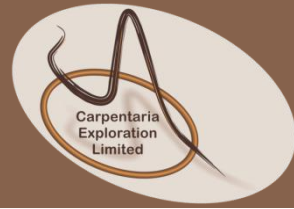
# \$10 MILLION PROGRAM June to Dec' 2010



|                                |                                                                                                                                                                  |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Euriowie Tin Project</b>    | <ul style="list-style-type: none"><li>- 1<sup>st</sup> stage drilling completed</li><li>- proof of concept</li><li>- mapping / sampling 11 other veins</li></ul> |
| <b>Panama Hat Gold Project</b> | <ul style="list-style-type: none"><li>- 6 holes drilled (assays awaited)</li></ul>                                                                               |
| <b>Glen Isla Gold Project</b>  | <ul style="list-style-type: none"><li>- drilling delayed because of rain</li></ul>                                                                               |
| <b>Hughenden Coal Project</b>  | <ul style="list-style-type: none"><li>- drilling re-commenced</li></ul>                                                                                          |
| <b>Hawsons Iron Project</b>    | <ul style="list-style-type: none"><li>- 1<sup>st</sup> Phase drilling completed</li><li>- 2<sup>nd</sup> Phase drilling underway</li></ul>                       |
| <b>Mt Agate Copper / Gold</b>  | <ul style="list-style-type: none"><li>- initial drilling (550m) completed (assays awaited – copper / cobalt)</li></ul>                                           |



# \$10 MILLION PROGRAM News Flow



**Expect to drill 28,000 metres to end of year**

- **Awaiting assays from Panama Hat**
- **Drilling results from Glen Isla**
- **Inferred resource Hawsons ~~ 1 billion tonnes**
- **Inferred resource – Hughenden ?**
- **Drilling results Mt Agate**
- **Acquisition of additional properties  
Deals underway**

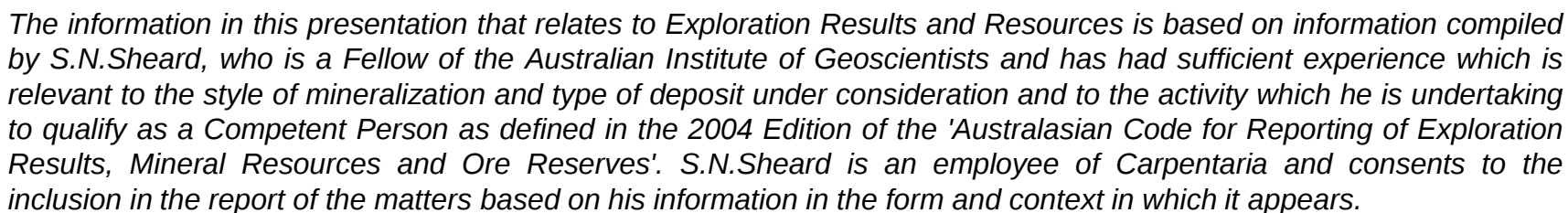




### GROWTH THROUGH SUCCESS

- Large magnetite iron discovery at Hawsons in NSW
- Tin discovery over long strike length at Euriowie
- Positive coal intercept – Hughenden
- Significant work program for 2010 mainly drilling
- Aggressive exploration programs by joint venture parties increases chance of success for shareholders
- Continuously generating new projects
- Experienced geoscientific team providing good results
- Committed to exploration and soon to mining





**PO Box 10919, Adelaide St  
Brisbane QLD 4000**