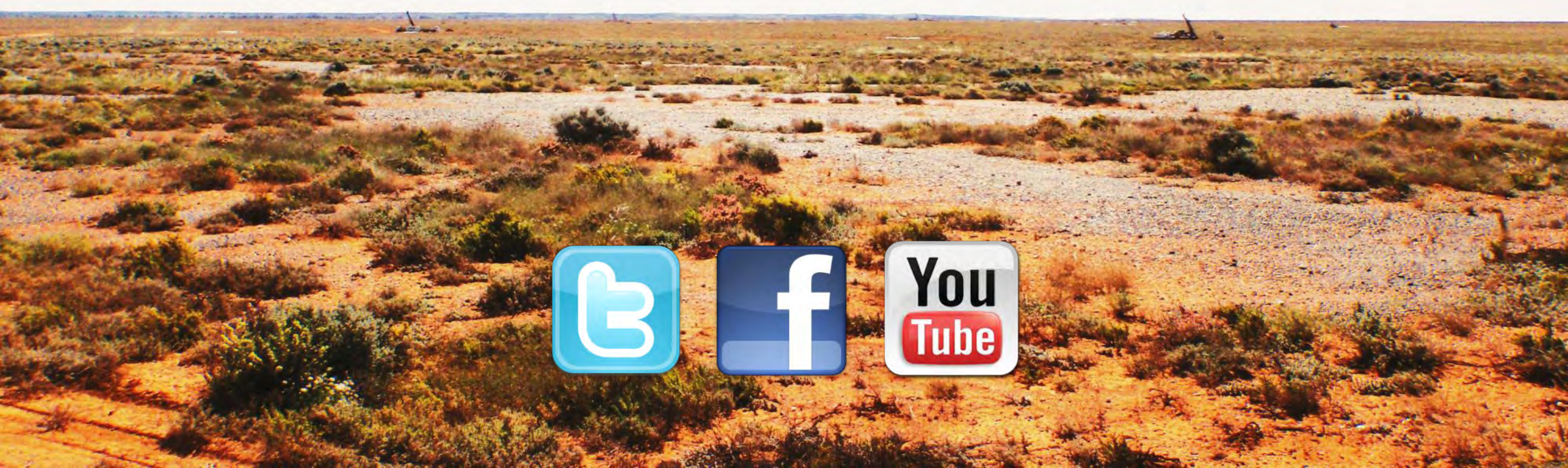
Carpentaria Exploration Limited

Carpentaria Exploration Ltd
Annual General Meeting

18 November 2011

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



Carpentaria

We Find It

We Prove It

We Make It Possible

Strategy :

Discover and Develop mineral resources and become a producer with an income to fund further discoveries and grow shareholder value

Abilities :

Strong geoscientific team

Track Record :

- Established Resource at Hawsons
  - ✓ Positive PFS released
- Tin / Tungsten near Broken Hill
- Coal – Hughenden, Qld (sold)
- Gold – Lachlan Fold Belt
- Nickel – North of Broken Hill

Disclaimer

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Exploration and Value Creation Strategy

Discovery

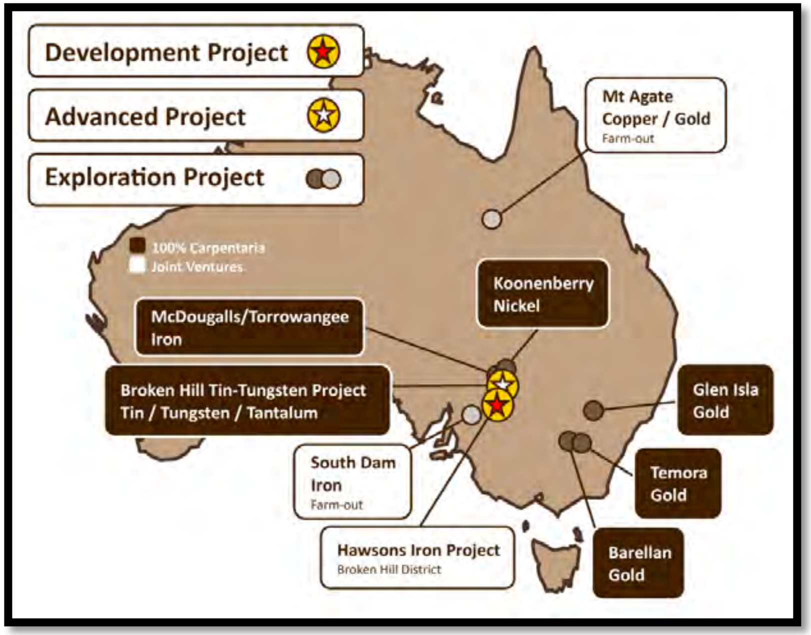
- Explore in areas for favourable for rapid discovery
- Move projects through pipeline - advance or considered divestment

Development of Hawsons

- To provide long term cash flows, and
- Near term cash payments

Acquisition

- Advanced projects, operations, and other opportunities



Project Pipe Line Status

Development

- ***Hawsons Iron Project (NSW):*** Magnetite
  - PFS Finalised, gearing up for DFS

Drilling

- ***Koonenberry (NSW)*** : Nickel-Copper
  - Drilling post lambing (November 2011)
- ***Broken Hill Tin-Tungsten Project (NSW)***
  - Drilling – FY2012
  - Concept Study underway
- ***Temora (NSW):*** Gold - Awaiting access - drilling (Dec?)
- ***Torrawangee (NSW):*** Iron (Mar 2012 ?)
- ***Mt Agate JV (Qld):*** Cu/Au –drill targets being defined
- ***South Dam JV(SA) :*** Iron – drill targets defined

Project Generation

- ***Barellan (NSW):*** Gold
- ***Kantappa (NSW):*** Tin
- ***Corona (NSW) :*** Base metals

Divestment and reappraisal

- ***McDougalls (NSW)* – Iron**
- ***Hughenden Coal – Completed***
- ***Glen Isla (NSW) – Gold***

Company Snapshot

ASX : CAP

FINANCIAL 16th Nov 2011

Cash A$10.0 million

QUOTED SECURITIES

99.0 m shares

LARGEST SHAREHOLDERS

Aust' Conglin Int' Inv' : 10.6%

Conglin Yue : 3.7%

Atlas Iron Ltd : 8.7%

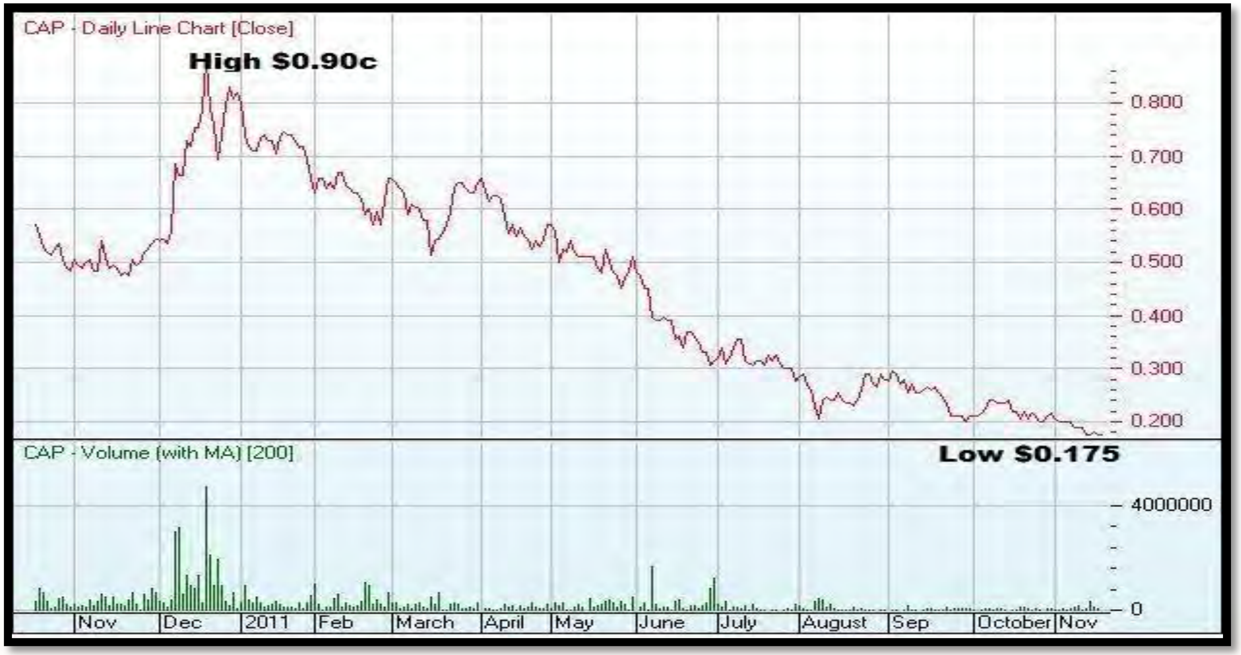
Directors & Management

(inc' unlisted Options) : 12.6%

INVESTMENTS

2.2 m Guildford Coal Ltd fully paid shares ~ value $2.0m 16th Oct

Share Price and Volume 12 months

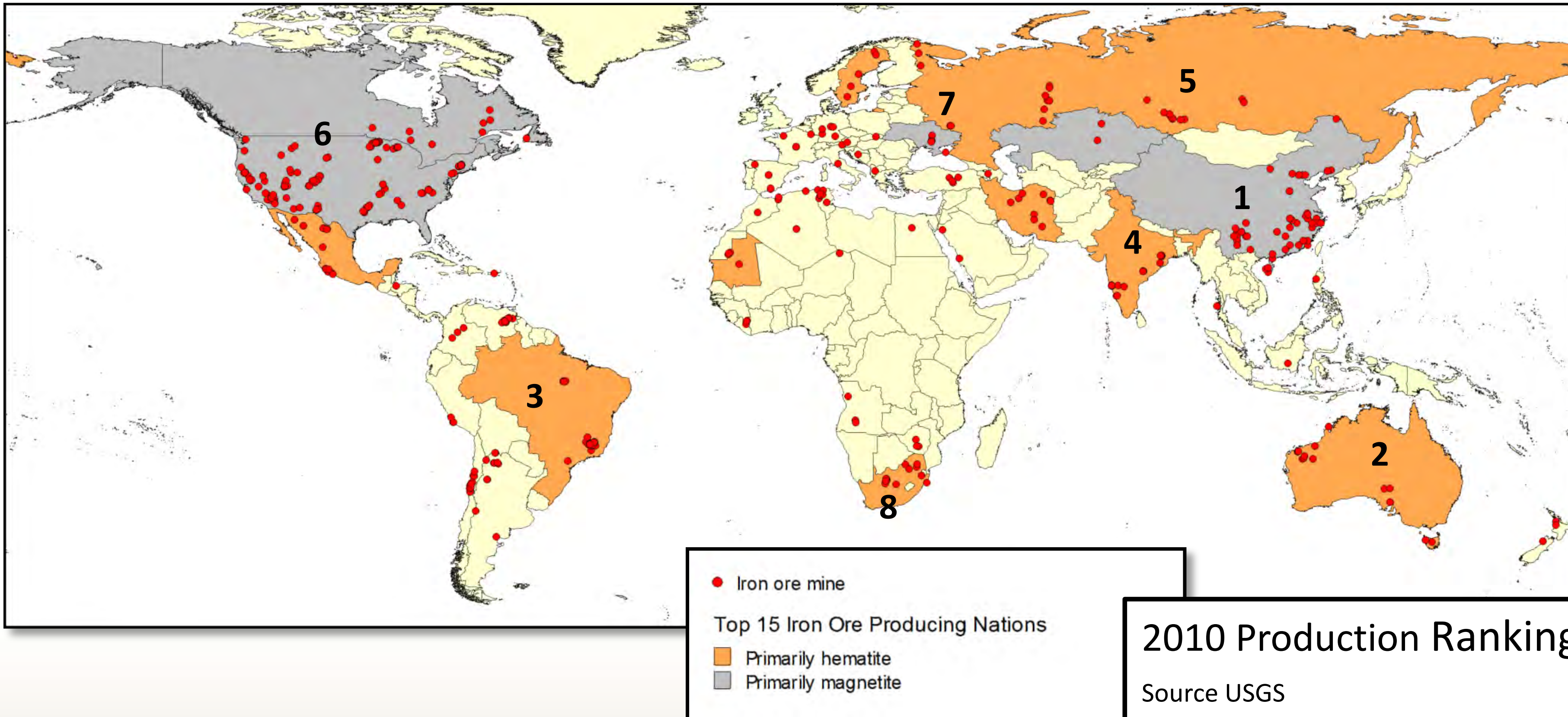


KEY ASSET

Hawsons Iron Project JV – Carpentaria 60%

HAWSONS IRON PROJECT
Largest Magnetite Project in NSW

WHY MAGNETITE ?
Global Iron Production



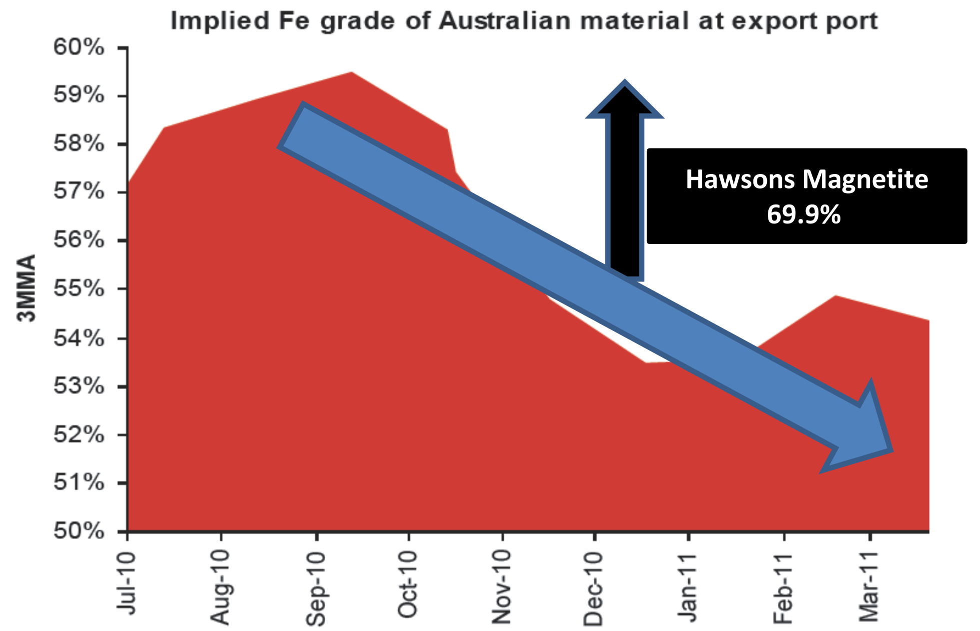
2010 Production Rankings

Source USGS

30 % Contained Iron Produced From Magnetite Sources

Source USGS

The Truths the Hematite Producers Do not want us to know



Source: ABS, Platts, Macquarie Research, June 2011

Macquarie Commodities Research – June 8th 2011

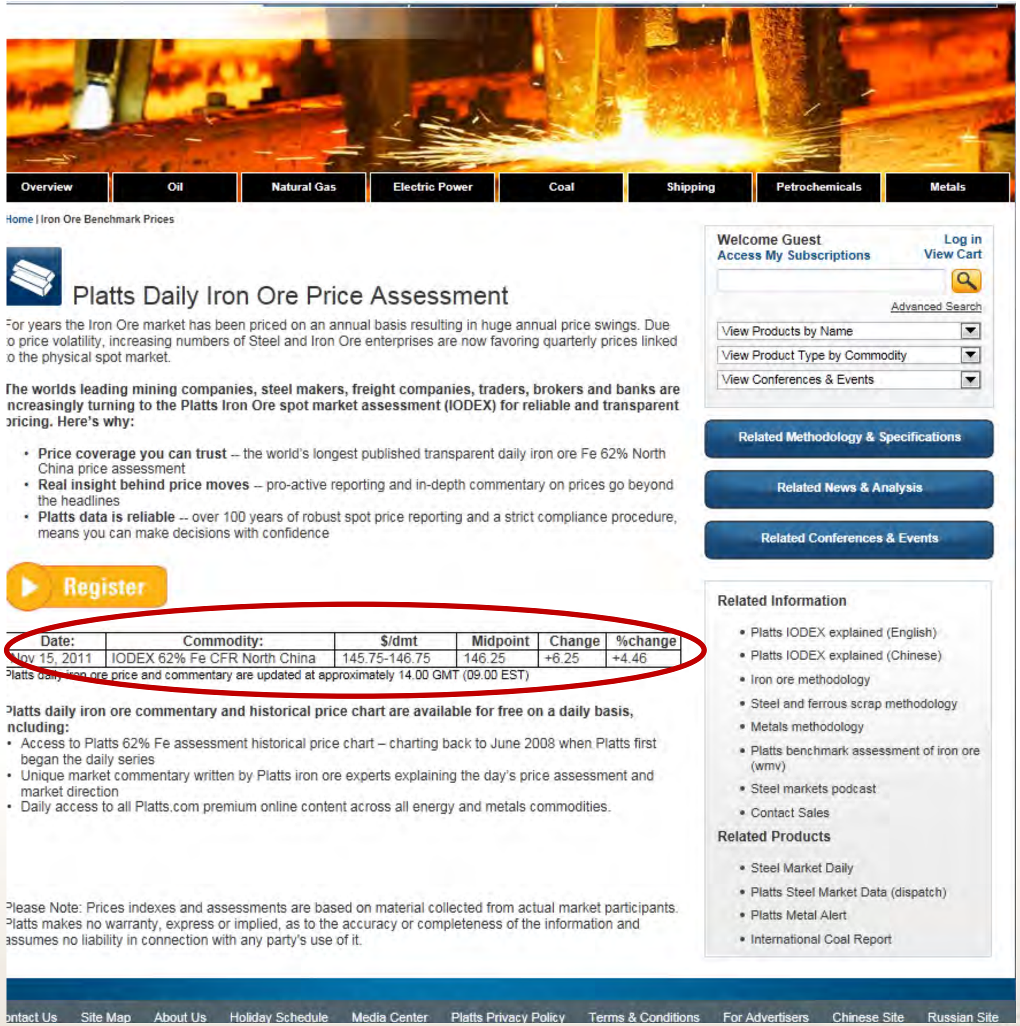
Quote :

Analysis of Australian export trade values, using the Platt's 62% index (FOB Australia basis) has assessed implied export grade – see graph.

"…it does still suggest average grades are down"

Makes magnetite – high grade low deleterious material - more and more valuable

WHY MAGNETITE
Price Premium (Platt's)



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Home | Iron Ore Benchmark Prices

Platts Daily Iron Ore Price Assessment

For years the Iron Ore market has been priced on an annual basis resulting in huge annual price swings. Due to price volatility, increasing numbers of Steel and Iron Ore enterprises are now favoring quarterly prices linked to the physical spot market.

The worlds leading mining companies, steel makers, freight companies, traders, brokers and banks are increasingly turning to the Platts Iron Ore spot market assessment (IODEX) for reliable and transparent pricing. Here's why:

- **Price coverage you can trust** -- the world's longest published transparent daily iron ore Fe 62% North China price assessment
- **Real insight behind price moves** -- pro-active reporting and in-depth commentary on prices go beyond the headlines
- **Platts data is reliable** -- over 100 years of robust spot price reporting and a strict compliance procedure, means you can make decisions with confidence

Register

Date:	Commodity:	\$/dmt	Midpoint	Change	%change
Nov 15, 2011	IODEX 62% Fe CFR North China	145.75-146.75	146.25	+6.25	+4.46

Platts daily iron ore price and commentary are updated at approximately 14.00 GMT (09.00 EST)

Platts daily iron ore commentary and historical price chart are available for free on a daily basis, including:

- Access to Platts 62% Fe assessment historical price chart – charting back to June 2008 when Platts first began the daily series
- Unique market commentary written by Platts iron ore experts explaining the day's price assessment and market direction
- Daily access to all Platts.com premium online content across all energy and metals commodities.

Please Note: Prices indexes and assessments are based on material collected from actual market participants. Platts makes no warranty, express or implied, as to the accuracy or completeness of the information and assumes no liability in connection with any party's use of it.

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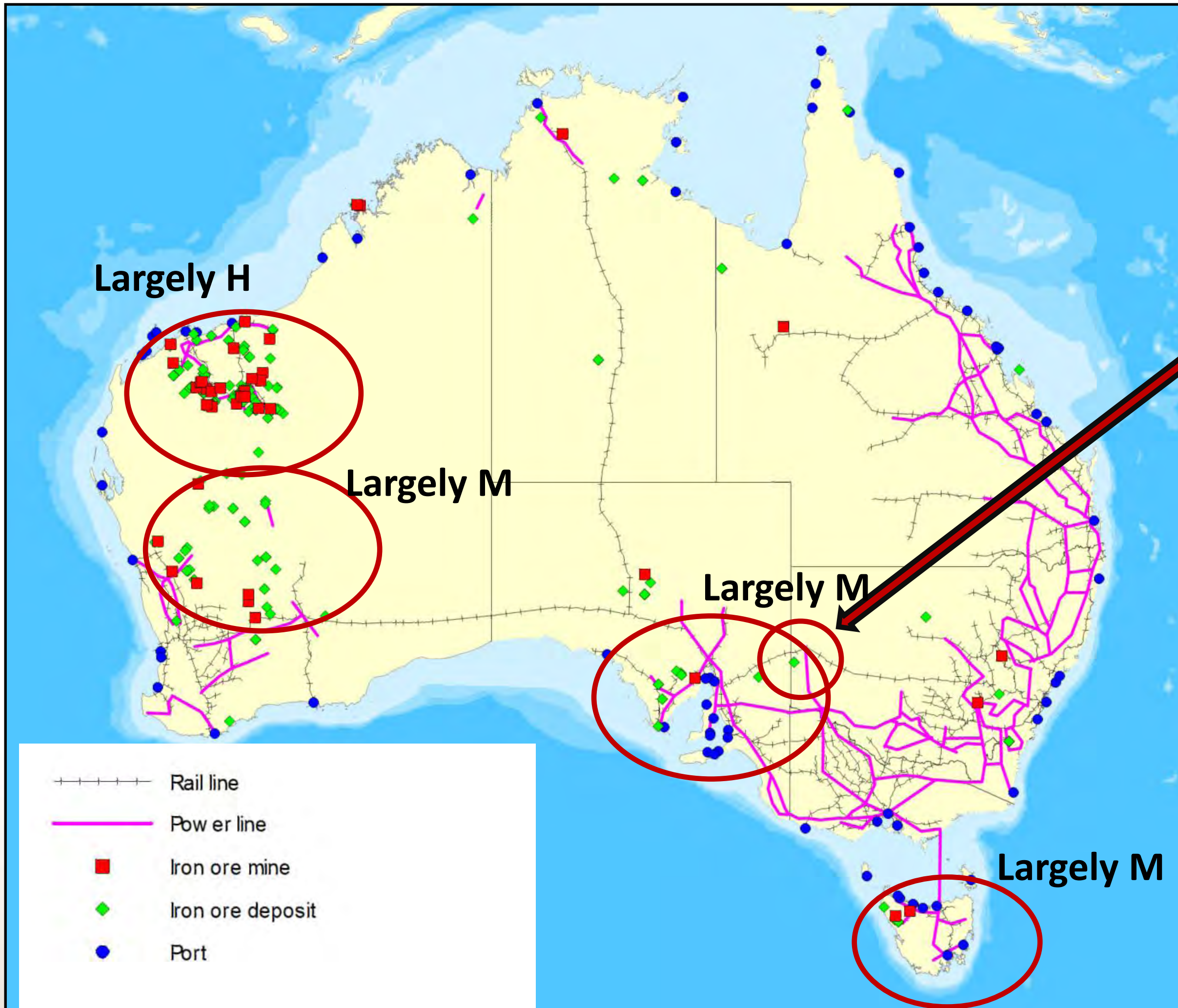
Nov 16th 2011 :

Price /t for 62% Fe – U\$146.25 (Hematite)

Thus for 69% Fe ~ **U\$162.8** (Magnetite)*

**Simple extrapolation but would expect a premium for high quality con' with low impurities*

AUSTRALIAN IRON PRODUCERS
And Deposits (Generalised)



Hawsons Project :

Power
Rail
Water

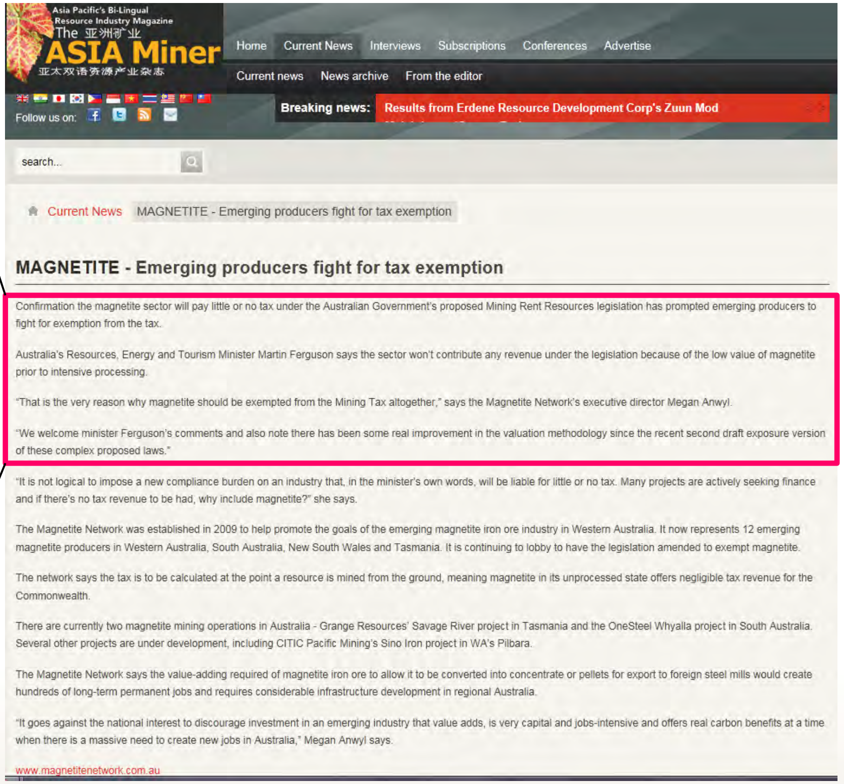
M = magnetite

H = Hematite

HAWSONS IRON PROJECT
MRRT - Breaking News

Confirmation the magnetite sector will pay little or no tax under the Australian Government's proposed Mining Rent Resources legislation has prompted emerging producers to fight for exemption from the tax.

Australia's Resources, Energy and Tourism Minister Martin Ferguson says ***the sector won't contribute any revenue under the legislation*** *because of the low value of magnetite prior to intensive processing.*



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Current News | MAGNETITE - Emerging producers fight for tax exemption

MAGNETITE - Emerging producers fight for tax exemption

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Australia's Resources, Energy and Tourism Minister Martin Ferguson says the sector won't contribute any revenue under the legislation because of the low value of magnetite prior to intensive processing.

"That is the very reason why magnetite should be exempted from the Mining Tax altogether," says the Magnetite Network's executive director Megan Anwyl.

"We welcome minister Ferguson's comments and also note there has been some real improvement in the valuation methodology since the recent second draft exposure version of these complex proposed laws."

"It is not logical to impose a new compliance burden on an industry that, in the minister's own words, will be liable for little or no tax. Many projects are actively seeking finance and if there's no tax revenue to be had, why include magnetite?" she says.

The Magnetite Network was established in 2009 to help promote the goals of the emerging magnetite iron ore industry in Western Australia. It now represents 12 emerging magnetite producers in Western Australia, South Australia, New South Wales and Tasmania. It is continuing to lobby to have the legislation amended to exempt magnetite.

The network says the tax is to be calculated at the point a resource is mined from the ground, meaning magnetite in its unprocessed state offers negligible tax revenue for the Commonwealth.

There are currently two magnetite mining operations in Australia - Grange Resources' Savage River project in Tasmania and the OneSteel Whyalla project in South Australia. Several other projects are under development, including CITIC Pacific Mining's Sino Iron project in WA's Pilbara.

The Magnetite Network says the value-adding required of magnetite iron ore to allow it to be converted into concentrate or pellets for export to foreign steel mills would create hundreds of long-term permanent jobs and requires considerable infrastructure development in regional Australia.

"It goes against the national interest to discourage investment in an emerging industry that value adds, is very capital and jobs-intensive and offers real carbon benefits at a time when there is a massive need to create new jobs in Australia," Megan Anwyl says.

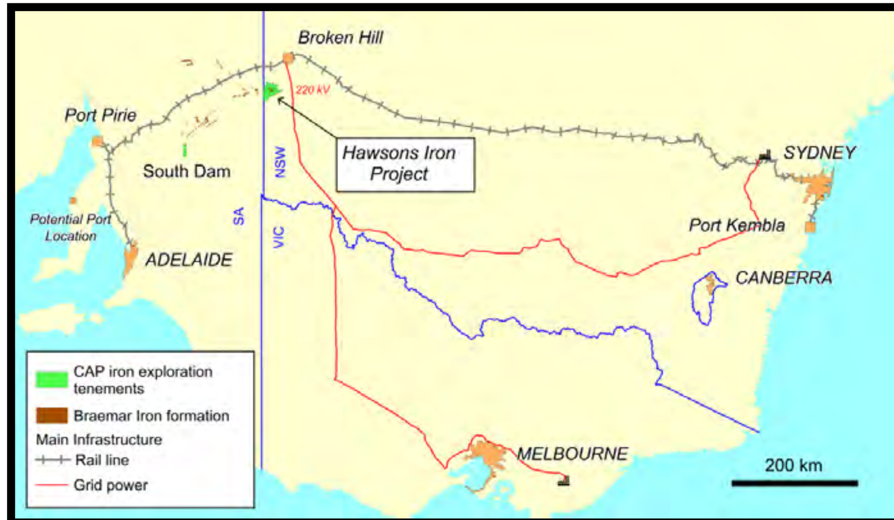
www.magnetitenetwork.com.au

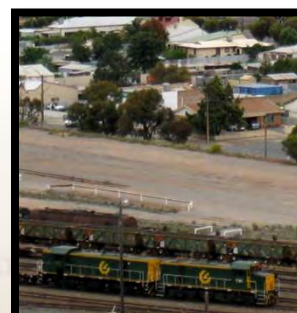
Quote : From Asia Miner Nov 16 2011

HAWSONS IRON PROJECT

- ***Prefeasibility Study*** – positive
- ***Resource*** – very large with potential for 50 year mine life
- ***Infrastructure*** – water, power and transport all available for start up
- ***Mining*** – very low unit costs because low strip ratio, very wide mining widths, low abrasion index and single pit
- ***Processing*** - comparatively very low cost because of very soft mineralised rock

Native Title has been extinguished



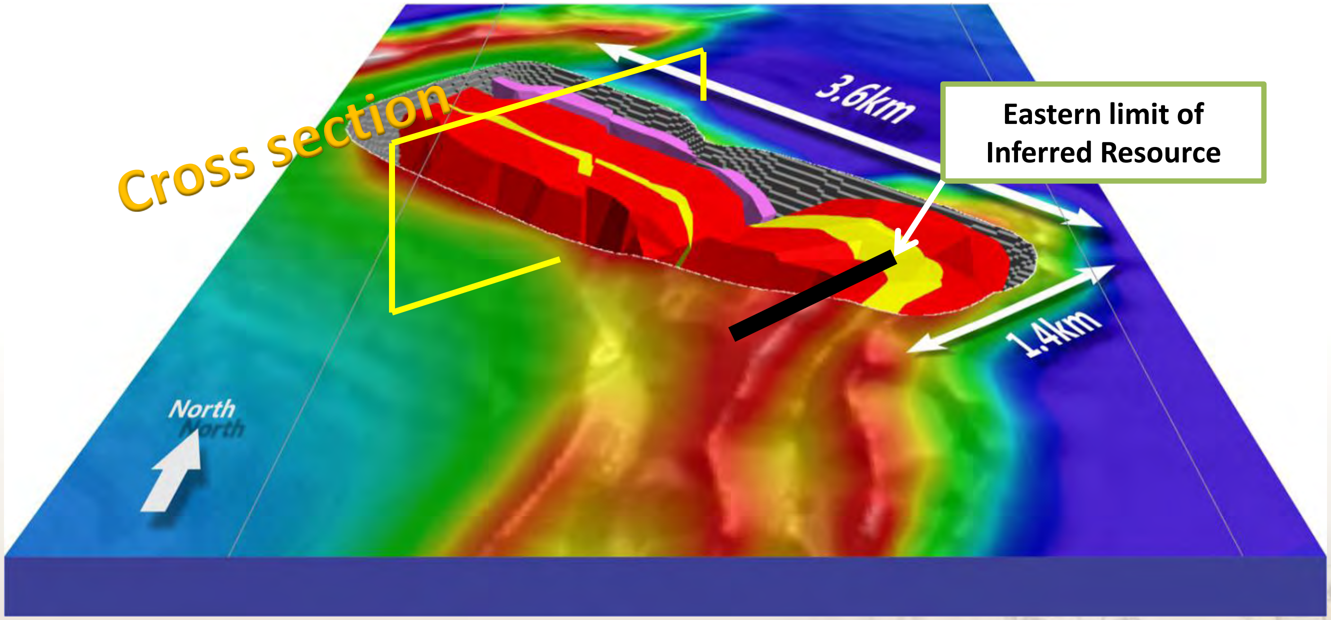


HAWSONS IRON PROJECT
Inferred Resource

Maiden Inferred Iron Resource Published (Dec 2010)

<u>1.4 Billion Tonnes</u>

- **Davis Tube Recovered Grade (DTR) 15.5% (cut off grade 12%)**
- **Concentrate Grade – 69.9% Fe, 2.5% SiO_2**
- **Contained Iron : 220 million tonnes**



Modelled deposit (Red, yellow, purple all iron units) and PFS Pit Shell over the Aeromagnetic image

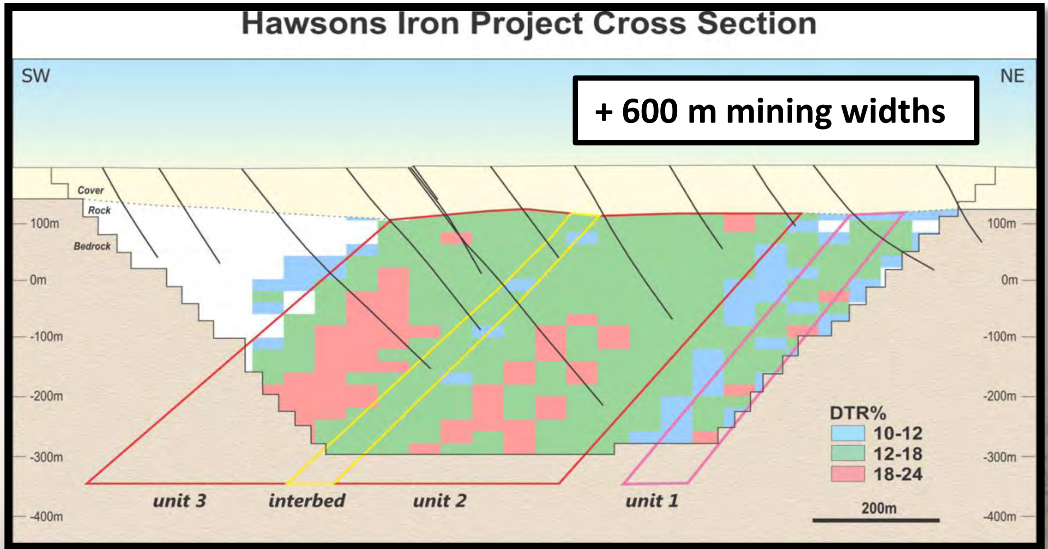
HAWSONS IRON PROJECT
Mining

Simple Open Cut

- Waste to ore ratio – **0.26 : 1**
- Pre strip – start mining east end
- Truck and Shovel operation
- Blasting

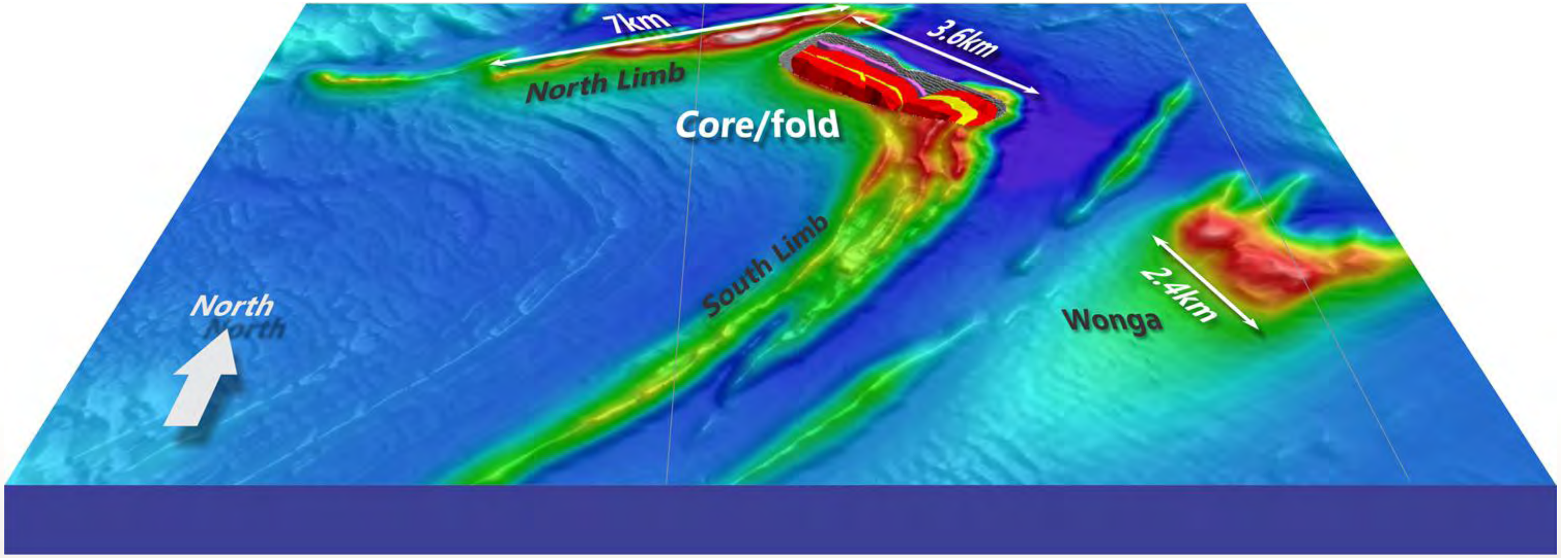
Pit Area

Pit dimension ~ 3.6 km x 1.4 km
Depth 490 m



HAWSONS IRON PROJECT
Exploration Target

- **Exploration Target[1]** ***6 to 11 Billion Tonnes***
- **DTR 14-17% magnetite**
- **Concentrate Grade of 69-71% Fe**
- **Contained Iron : 700 - 1,700 million tonnes**



As big as some of the larger Pilbara resources

[1] *The potential quantity and grade of the exploration targets is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.*

HAWSONS IRON PROJECT
PFS Results (July 20th)

- Pre-Feasibility Study (PFS) Base Case produce 20 million tonnes (mtpa) of high grade concentrate (69.9% Fe) over 20 year plus life
- Start up mine 5mtpa using existing transport and port facilities
- Development capital expenditure (20 mtpa) estimated at A$2.8 billion
- Operating cost at mine gate of A$36.64/tonne of concentrate
- Life of pit 1 project strip ratio is 0.26 : 1 (waste to ore)

	NPV 9%	IRR	Annual ave. Gross Profit	Payback
Base Case Life of Mine $88 US/DMT, (69% Fe) A$0.85:US$1.00	$2.8 Bn	21%	$688 m	6.5yrs

Using Sept' 26 2011 prices annual gross profit averages $2.1bn

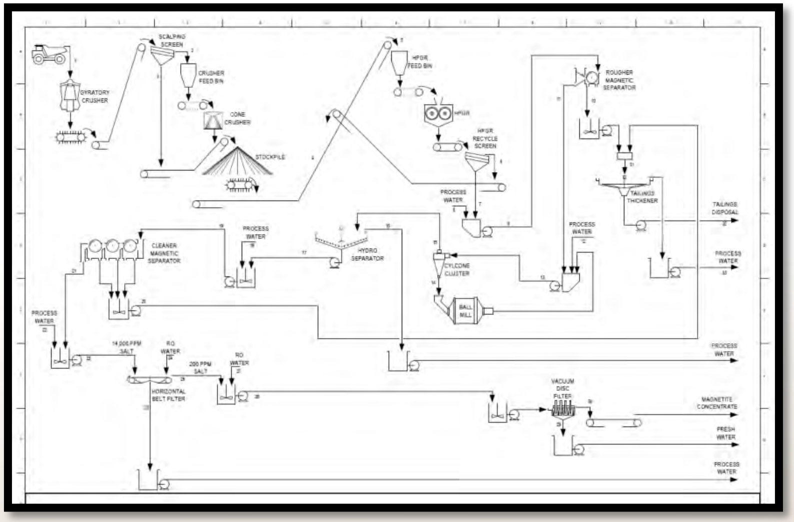
The positive result from the pre-feasibility study provides confidence to proceed with further development and a detailed feasibility study for the Hawsons Iron Ore Project

(All currency in Australian $ unless otherwise defined)

HAWSONS IRON PROJECT
Independent Audit

Independent audit of PFS

- PFS based on conventional mining and processing method
- Cost estimates are reasonable and appropriate
- Identified priority areas to assist in DFS inc' optimising production schedule



HAWSONS IRON PROJECT
Processing

- Use low risk "off the shelf" processing technologies
- Ore 50-75% softer and 60-70% less abrasive than other magnetite ores
  - Bond Work Index 6.3 kWh/t (very low cf WA magnetites)
  - Abrasion Index 0.09 cc

Very Low Processing Costs

Test work at CSIRO / ALS produces High grade premium marketable products

38 micron fines

Pellets using local clay

HAWSONS IRON PROJECT
Mining Option Study November 2011

Improvements to PFS base case :

- Reducing truck haulage and stockpiles
- In pit crushing and conveying (IPCC) shows significant improvement

Quantitative Results :

Reduced operating costs **by 7% to $33.97 down by $2.67**

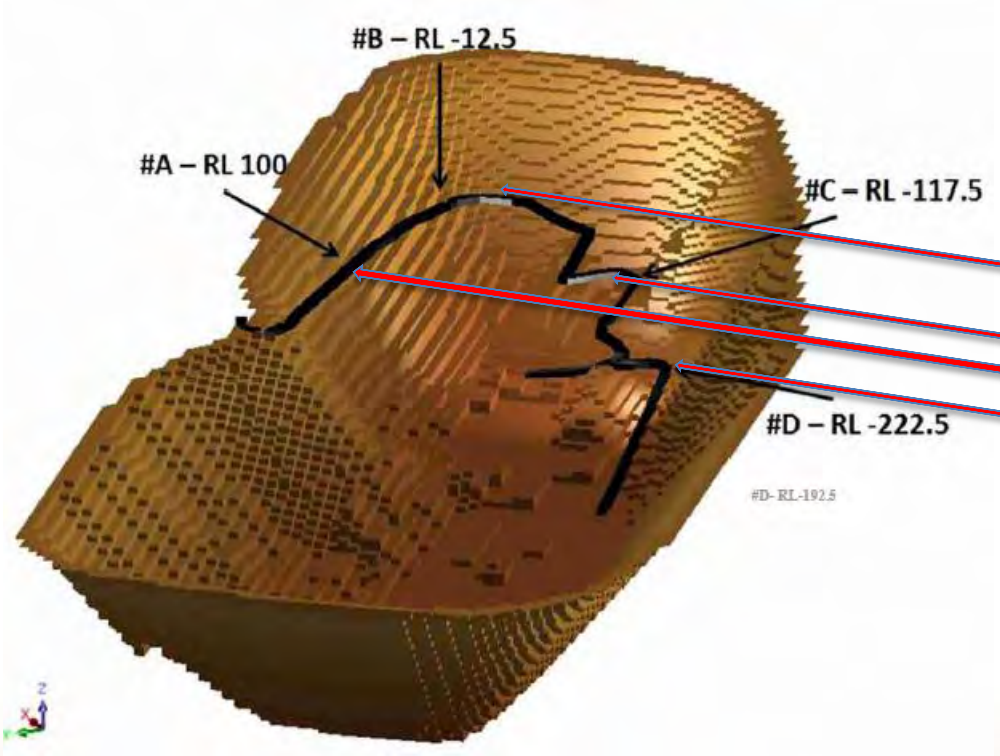
- NPV **$3.2 Bn** (up 15%)
- IRR up **2%**
- CAPEX up marginally $100m

	Capex	NPV	IRR	Annual ave. Gross Profit	Payback
Nov 2011 PFS Update (incl in pit crushing option)	**$2.9Bn**	**$3.2 Bn**	**23%**	**$735 m**	**6.3yrs**
July 2011 PFS Base Case	$2.8Bn	$2.8 Bn	21%	$688 m	6.7yrs

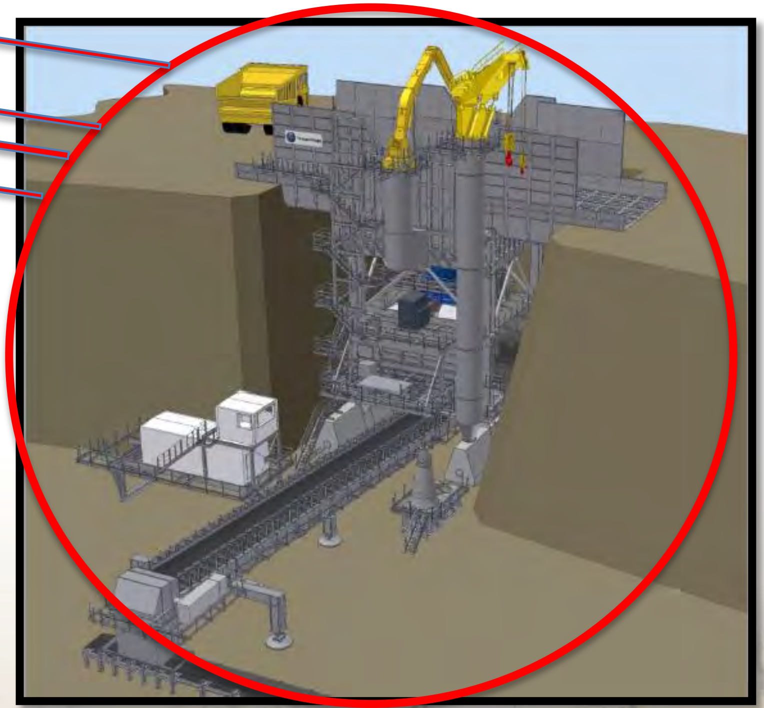
Assumptions	Discount rate	AUD:USD	Life of Mine 69% Concentrate price*	Life of Mine equivalent 62% fines price*
	9%	0.85:1.00	US$88	US$79

(All currency in Australian $ unless otherwise defined)

HAWSONS IRON PROJECT
IPCC



In pit crusher



Conveyor

HAWSONS IRON PROJECT
Work Program – 6 months

- Undertaking Environmental studies
  - Field measurements continuing
- Metallurgical studies
  - Determine optimum crushing circuit
  - Develop pilot plant tests
- Mining
  - Optimising mining scenarios
  - Minimising stockpiles
- Geological
  - Reviewing resource model
- Optimising and secure transport options

Aim :

- Reduce Operating costs
- Reduce Capex
- Secure Approvals
- Secure transport
- Produce a solid base to start Definitive Feasibility (DFS) study (to commence when BMG provides funding)
- BMG has until 15th May 2012 to make this election

HAWSONS IRON PROJECT
JV Deal

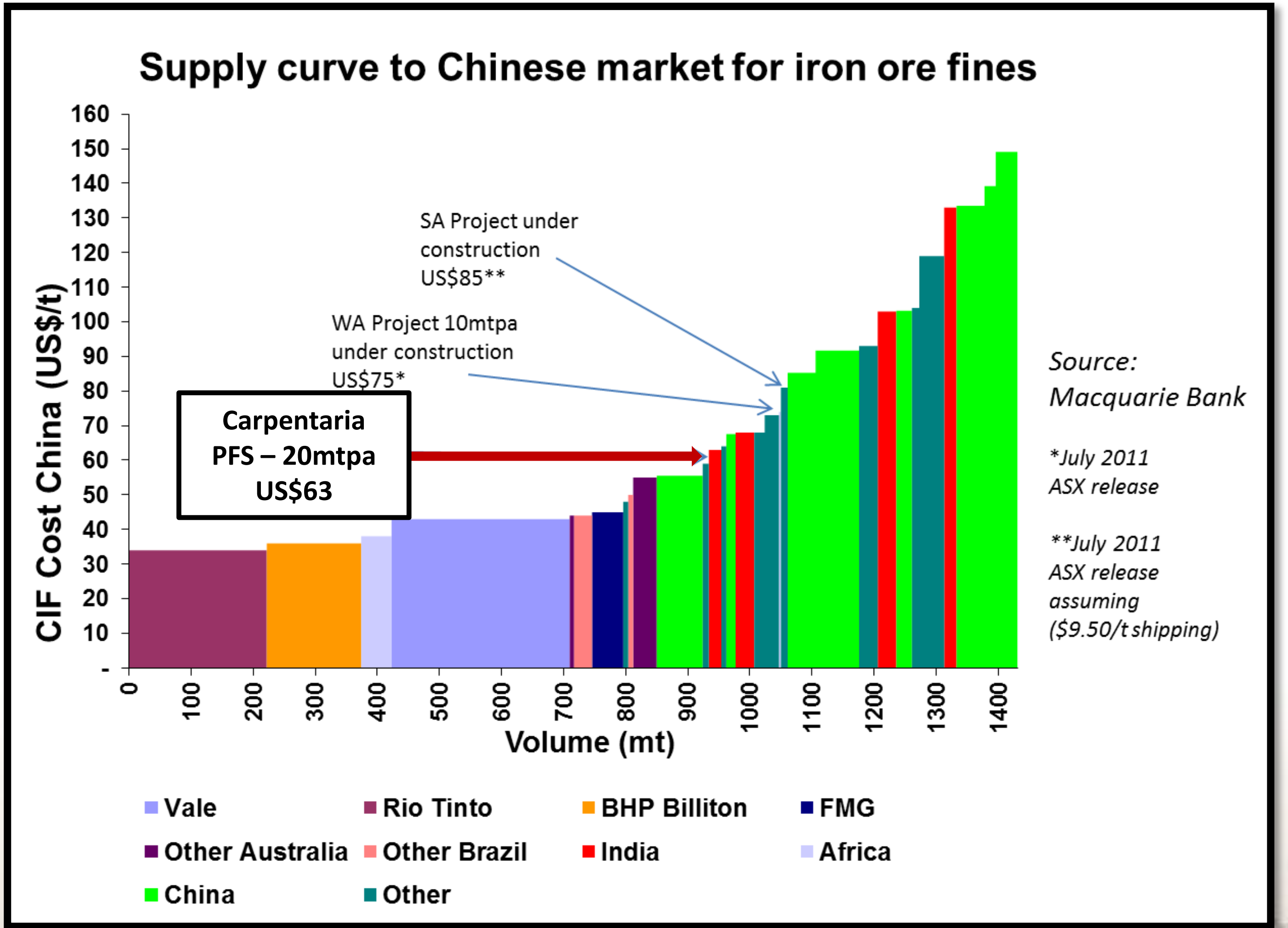
Bonython Metal Group Ltd (BMG) earning in

- ✓ BMG vested 40%
- $25m cash to CAP and ~ $20m for BFS
  - BMG vests 51%
  - Before 15 May 2012
- On completion BFS (within 2 years)
  - $23m cash to CAP - BMG vests 80%
- On decision to mine
  - CAP has free carried to production of 20mtpa
  - CAP receives profits on 20% production

Advantage to CAP:

- No scrip issued
- Project deal only
- Cash to CAP
  - Total $53.0m
- Free Carried
  - Huge value
- CAP to market
  4 million tonnes con' in own right

HAWSONS IRON PROJECT
CIF China Comparison June 2011



Note :
The CIF costs are at production grade eg hematite producers est. at 60% Fe

High grade concentrate producers – magnetite will attract 10 – 20% premium.

This offsets processing and transport costs ***not reflected in graph***

Makes magnetite attractive

DEVELOPMENT OF HAWSONS
Conclusion

- Hawsons is a very robust project
- Many advantages over peers including
  - Power, water, rail, near mining culture
  - Soft, low abrasive ore
  - Many tonnes – long life mine
- Cash flow early using existing infrastructure
- Rapid pay back for investors

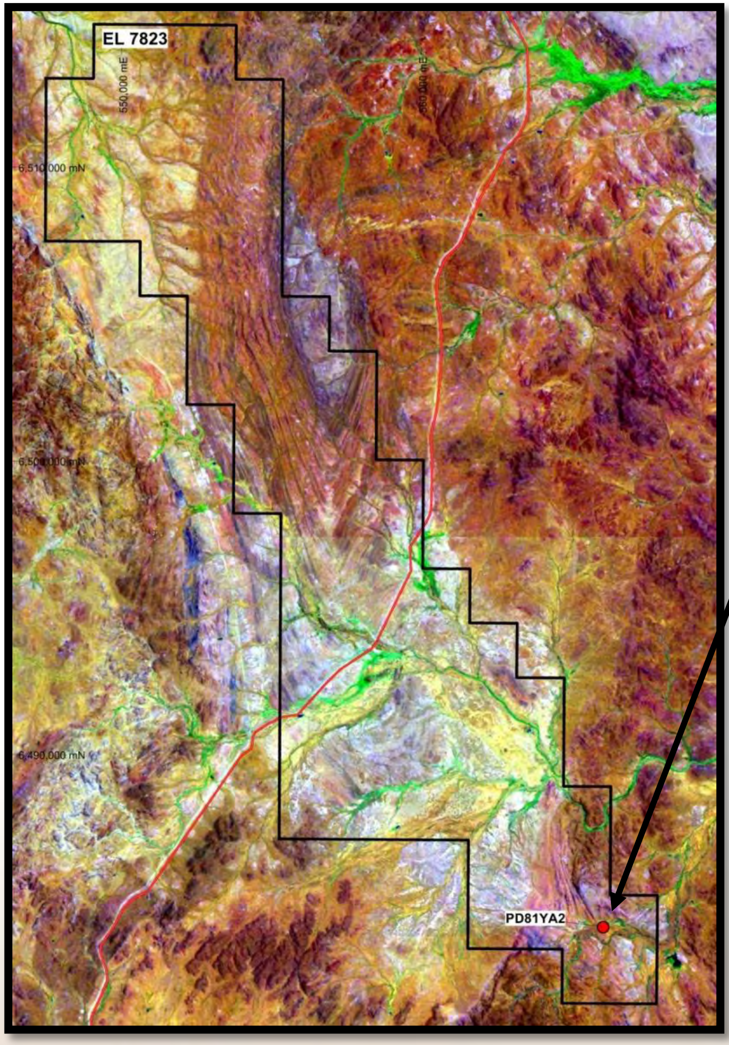
OTHER PROJECTS

Torrawangee Iron Project

Concept - Target is magnetite iron ore in potentially unrecognised Hawsons equivalent rocks drilled by CRAE in 1980's

Secondary :carbonate hosted Ag-Pb-Zn target

TORRAWNGEE Iron (100% CAP)



Located 60km North of Broken Hill

DD81YA2

Intersected **40m from 25mbc @ 22,000 SIU** hosted by Pelite and Quartz-Magnetite – low base metal content, not analysed for iron. Possible Braemar Formation?????

OTHER PROJECTS

Broken Hill Tin Tungsten Project

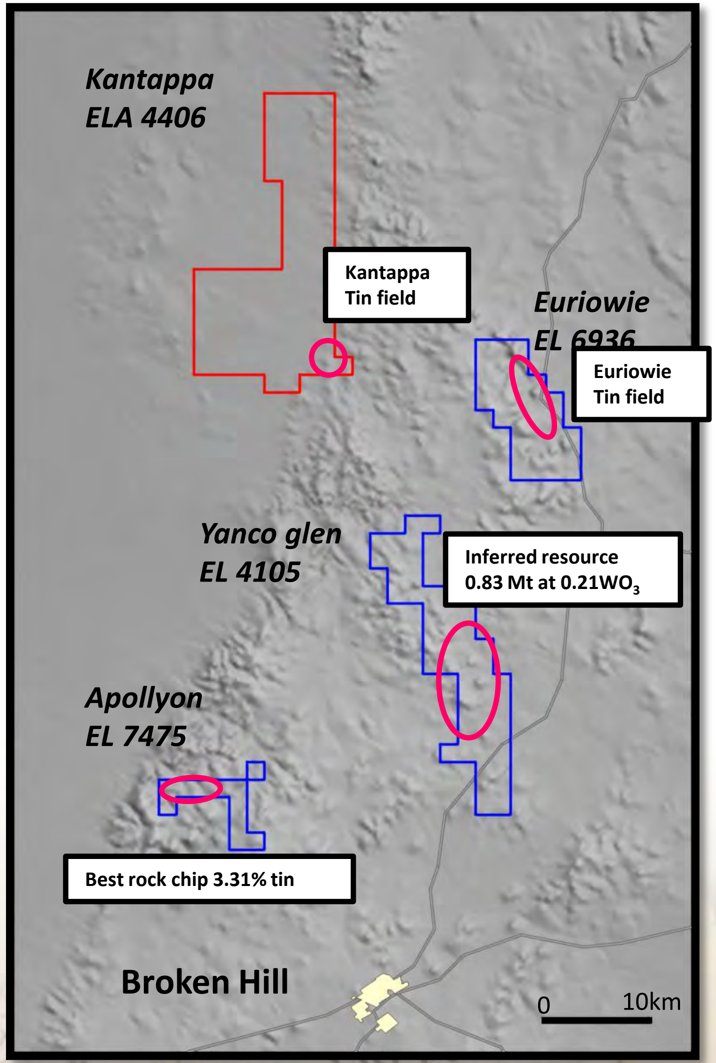
- Added to portfolio
- Concept study underway to test economic viability of tin and / or tungsten
  - Aim :
    - Define target size required
    - Add to tungsten resource
    - short term cash flow possibility

Scheelite normal light

Scheelite UV light

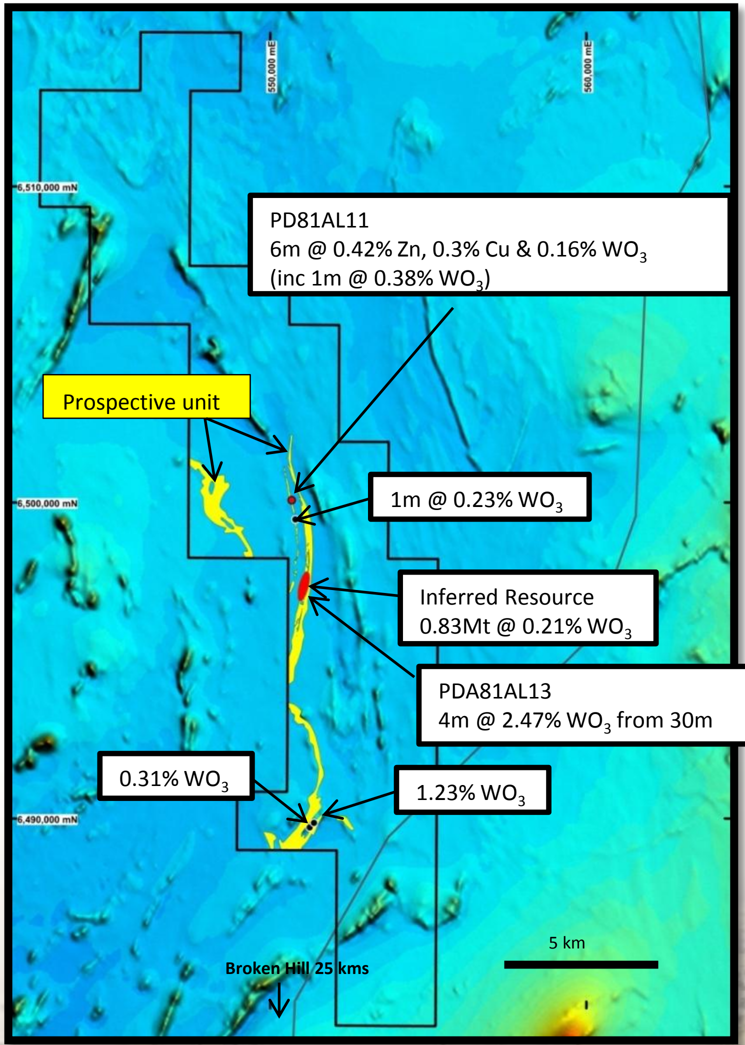
BROKEN HILL TIN - TUNGSTEN PROJECT (100% CAP)

- 3 EL's North of Broken Hill + 1 ELA
- Target : Tin and tungsten
- Aim : locate targets in 4 EL's to build an inventory
  that will be economic to mine :
  - small open pits
  - mobile crushing / gravity separator
  - export to processing facilities
- Addition Potential – Ag / Pb / Zn



YANCO GLEN (100% CAP)
Tin / Tungsten

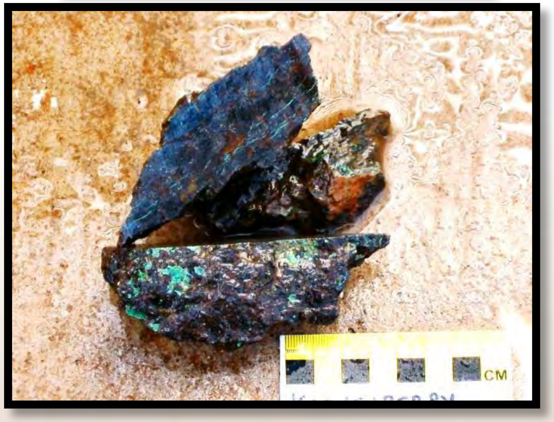
- Located 30 km north of Broken Hill
- Acquired 100% equity - 146 sq km EL:
- 125 mineral occurrences (tin)
  - add to existing portfolio
- Scheelite (tungsten) inferred resource :
  0.83 Mt of 0.21% WO_3
  - upside potential at depth and along strike (CRAE drilling - up to 4m @ 2.47% WO_3 from 30m)
- Assaying 2 holes previously un-sampled
- Sampling and drilling to commence Q1/Q2 2012



OTHER PROJECTS

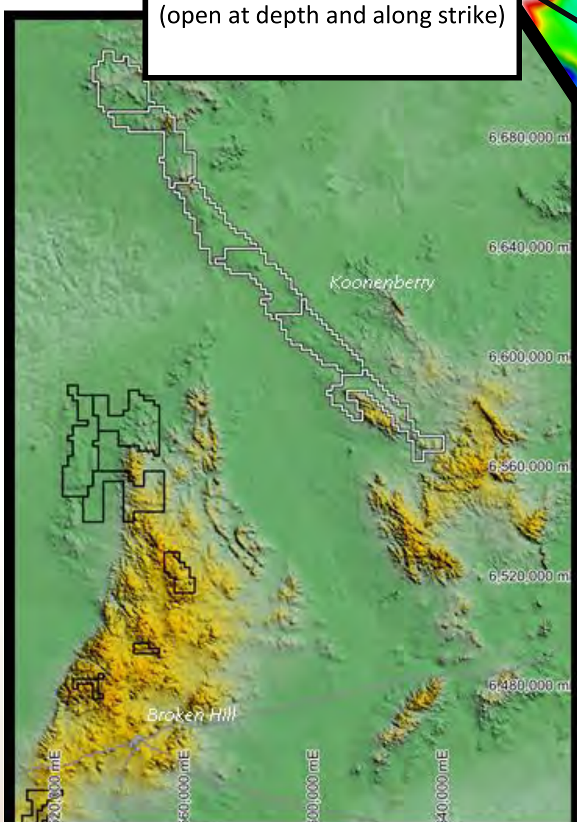
Koonenberry

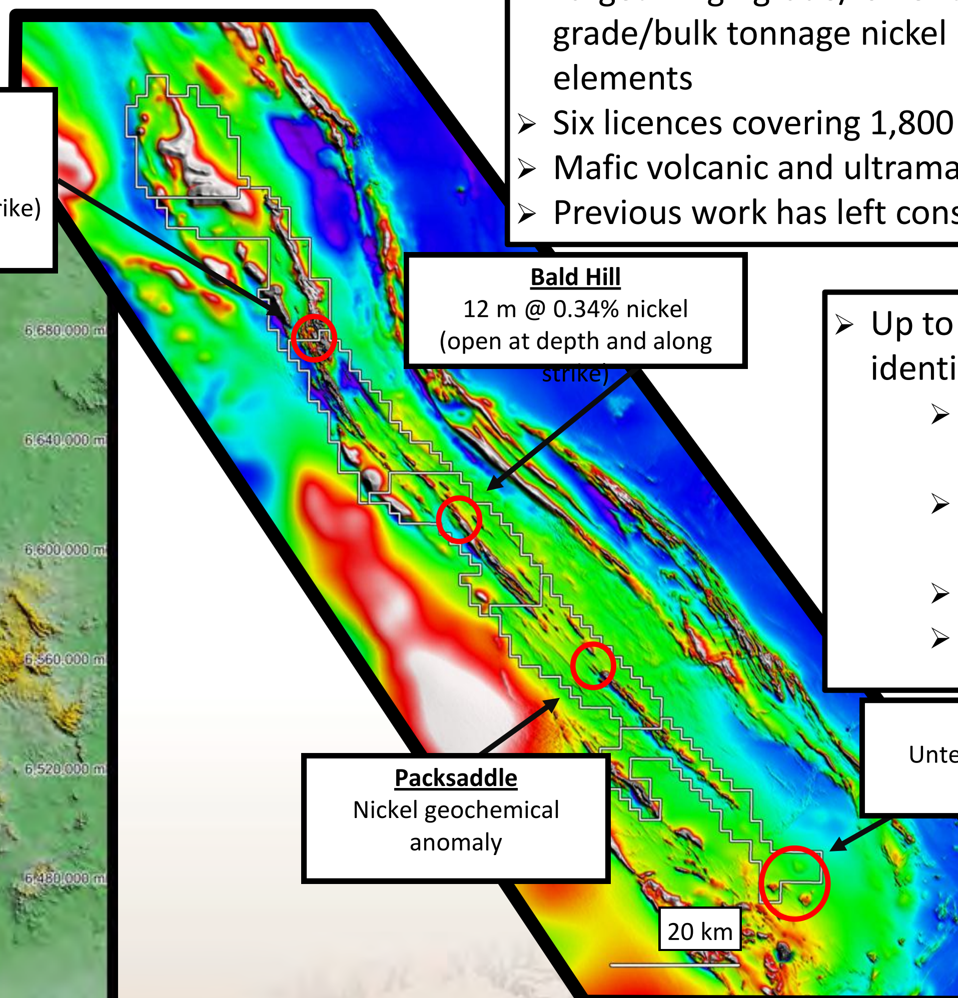
- Drilling due to commence testing nickel sulphide / PGE targets
  - If successful CAP has 160km belt 100%



Other Projects – KOONENBERRY (100% CAP)

- Target - High grade/lower tonnage and low grade/bulk tonnage nickel plus platinum group elements
- Six licences covering 1,800 km^2
- Mafic volcanic and ultramafic intrusions
- Previous work has left considerable upside





- Up to 12 Drill targets identified:
  - Mt Arrowsmith East - nickel in drilling; open
  - Bald Hill - nickel in drilling; open
  - Packsaddle
  - Wertago

OTHER PROJECTS

Growing Gold Portfolio - Premier Lachlan Fold Belt Address

Temora

- Drilling - Mother Shipton

Barellan

- Await grant, map and drill to evaluate potential

TEMORA PROJECT (100% CAP)
Gold

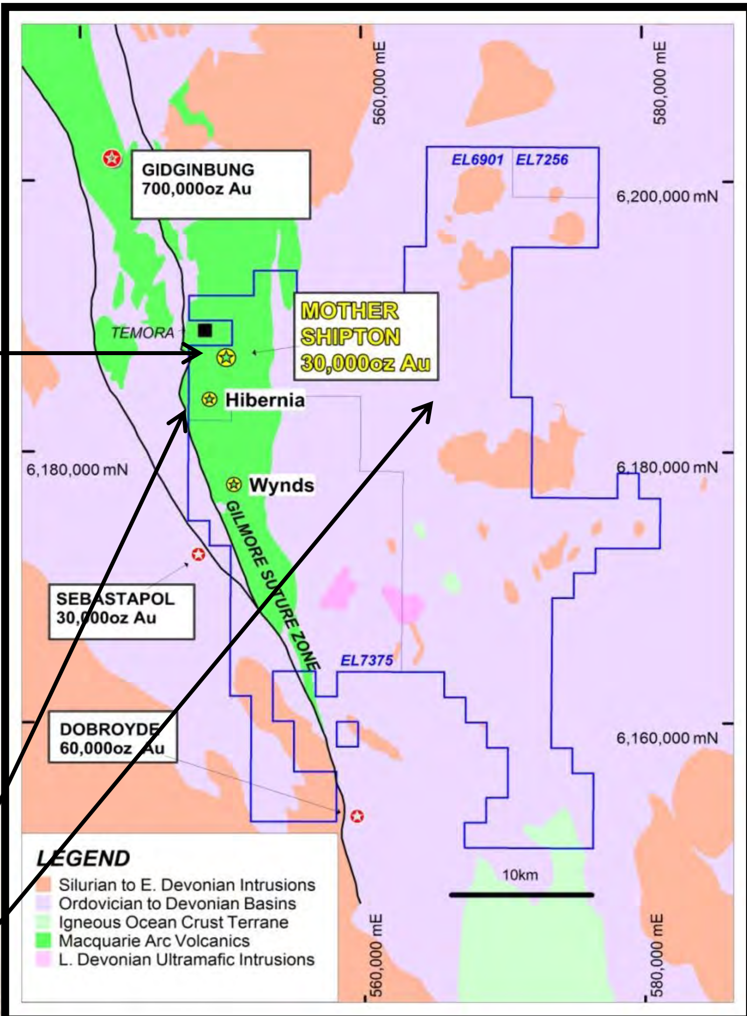
Mother Shipton (30,000 oz production)

BUP58: 4m from 14 m @ 1.05 g/t **Au**
BUP68: 2m from 68 m ***@ 6.8 g/t*** **Au**
BUP 72: 4m from 2 m ***@ 3.95 g/t*** **Au.**

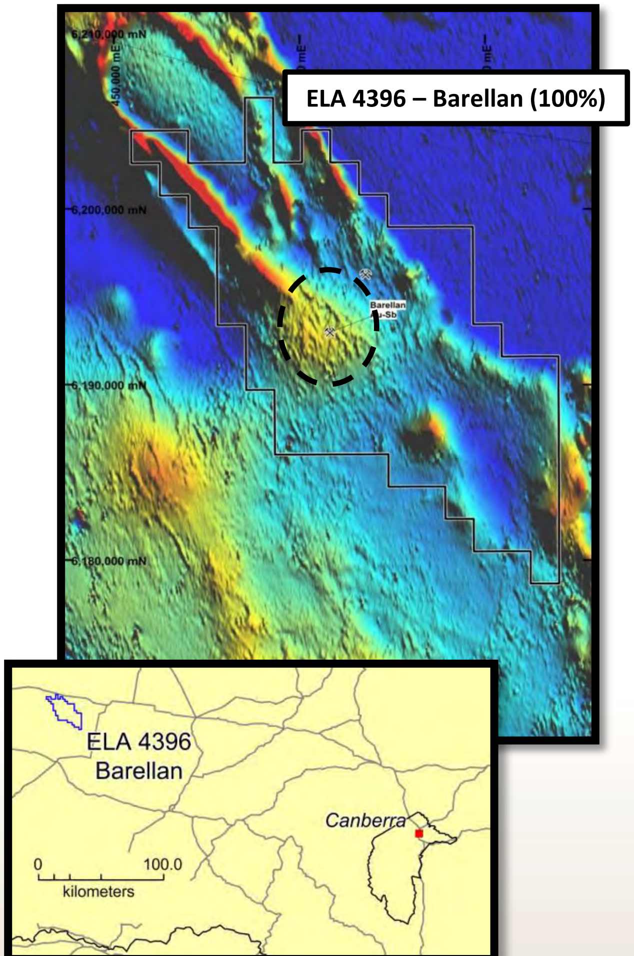
CAP Rock Chips – 6.13 g/t Au
On access – 2 x 350m diamond holes

Hibernia
CAP Rock Chips incl. 21.30 g/t Au & 4.47 g/t Au

Harvey's Shaft
Past drilling – 3m @ 2.70 g/t Au from 23m



BARELLAN (100% CAP)
Gold



- **Target** Au-Sb-(Sn?) stock work breccia pipe Tin Belt Style Granite – re. Ardlethan
- 250km WNW of Canberra
- **Previous Exploration**
  - 1980's drainage trench - ***60m @ 1.5 g/t Au, inc 10m at 4.5 g/t Au***
  - 400 x 100m RAB with +50 ppb Au geochemical anomaly.
  - only one shallow RC hole returned ***12m @ 0.43 ppm Au from 48m***
- *No further work has occurred - untested*

GROWTH THROUGH SUCCESS

- Continuing work at Hawsons Iron Project in NSW
- Advancing Projects in Pipeline
- Drilling at Koonenberry, Broken Hill Tin-Tungsten Project and Temora Gold Project
- Awaiting grant 3 more projects
- Divestment – Hughenden, Glen Isla, MacDougalls
- JV Partners aim to drill targets at :
    - Mt Agate (Copper / Gold)
    - South Dam (Magnetite)
- Actively Seeking advanced projects – in discussions on 3

The information in this presentation that relates to Exploration Results and Resources is based on information compiled by S.N.Sheard, who is a Fellow 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'. S.N.Sheard 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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