



# **Carpentaria Exploration Ltd**

## **Mines and Money**

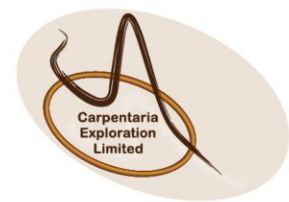
### **Hong Kong**

March 18-22 2013

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



# Disclaimer



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# CARPENTARIA EXPLORATION

## Company Snapshot



**ASX : CAP**

**FINANCIAL 14<sup>th</sup> March 2013**

Cash and equivalents (incl. shares) A\$3.8 million

**QUOTED SECURITIES**

99.9 m shares

**BOARD OF DIRECTORS**

Nick Sheard - Geophysicist

Bob Hair - Lawyer

Bin Cai - Accountant

Neil Williams - Geologist

Paul Cholakos - Mining Engineer

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Share Price and Volume 12 months



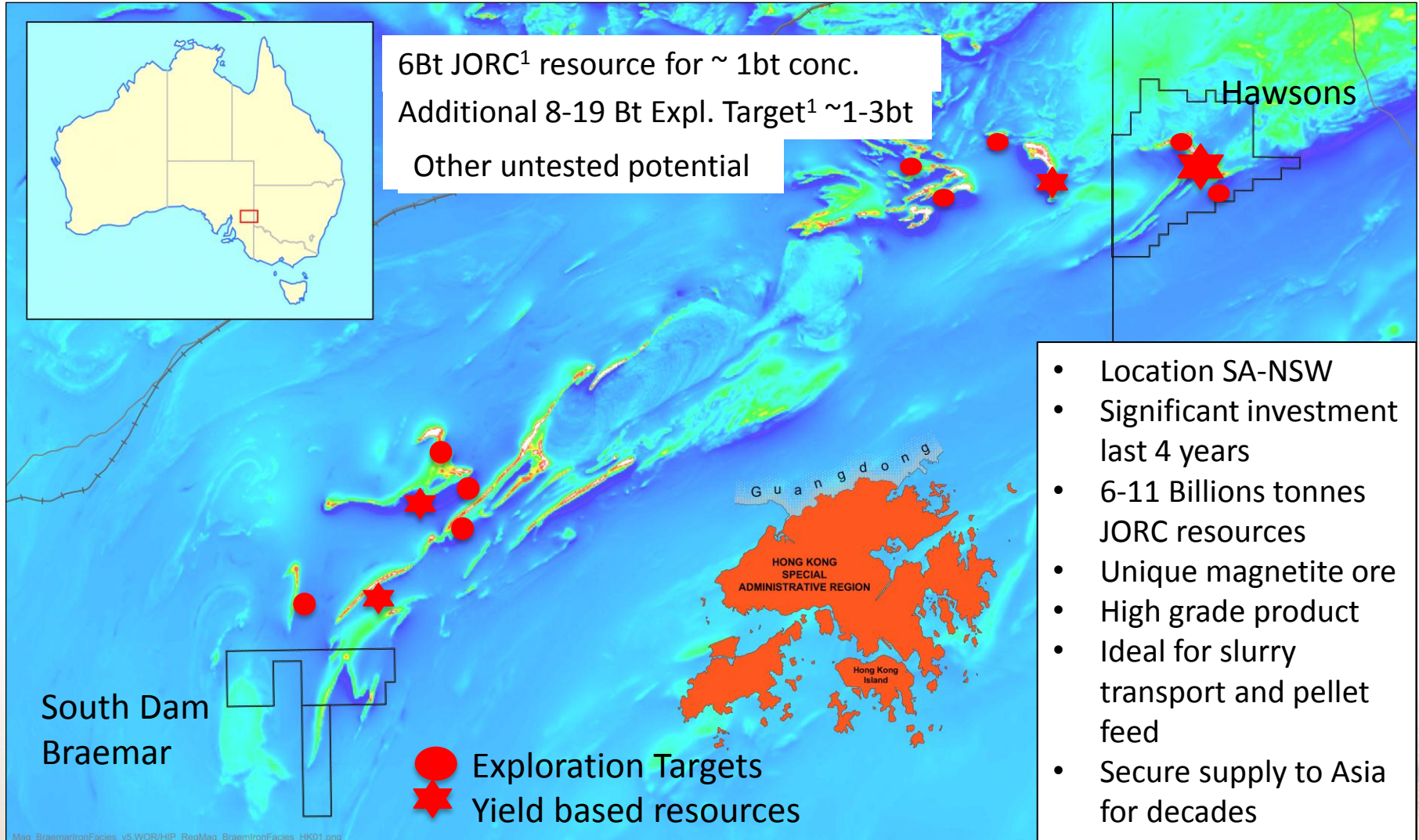
**KEY ASSET**

**Hawsons Iron Project JV – Carpentaria 60%  
Rights to 100% (BMG in Liq. 40%)**

18 March 2013

# BRAEMAR IRON PROVINCE

## Australia's Emerging Iron Supplier



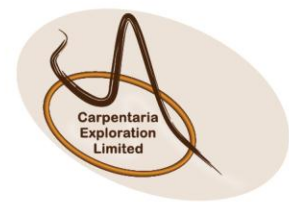
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<sup>1</sup> The potential quantity and grade of the exploration targets is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource. Source from ROY, MEP, CAP and HLX ASX reports)

# BRAEMAR IRON PROVINCE

## Australia's Emerging Iron Supplier



### *Rail Option*

- 10-13Mt existing capacity - upgradeable

### *Slurry pipeline*

- potential route along existing rail

### *Working Port*

- Port Pirie existing spare berths
  - 20-30Mtpa potential – low cost upgrade
- Other Port options

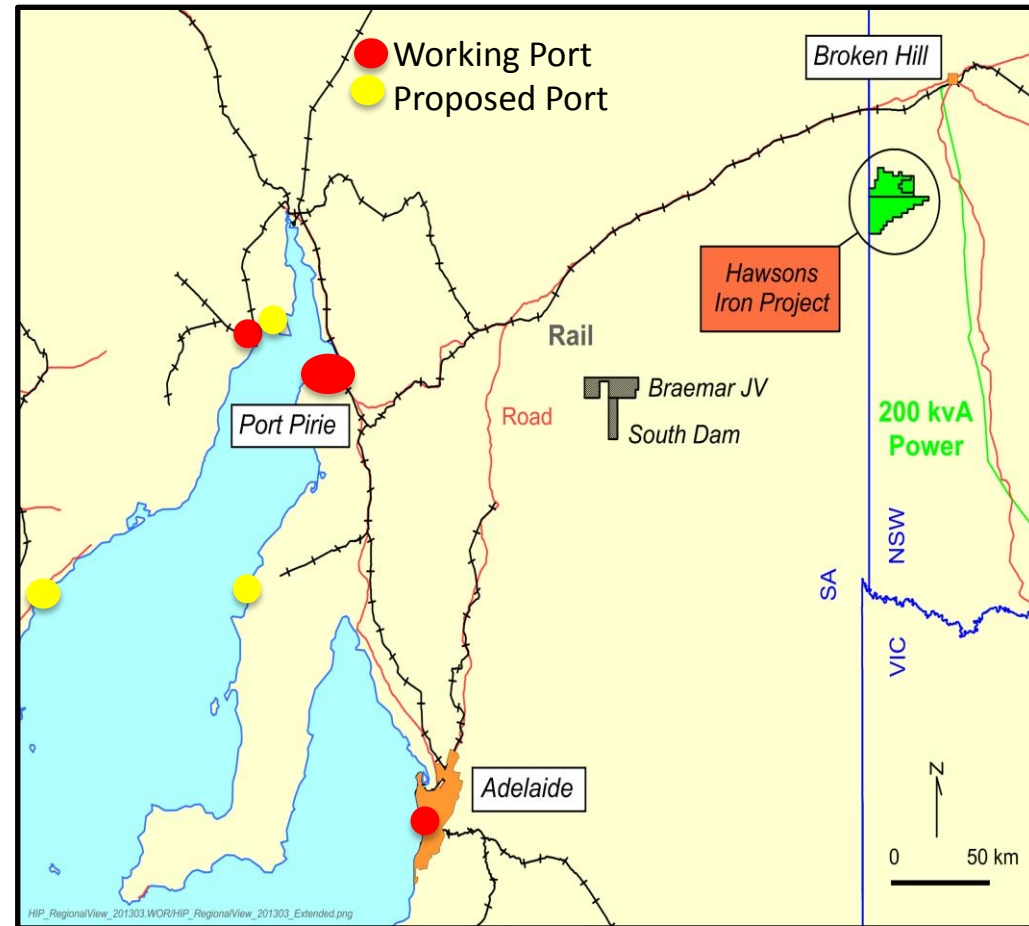
### *Workforce*

- Major population centres nearby

### *Braemar Province provides*

- Existing infrastructure
- Low capital intensity
- Low operating costs

### *CAP is a dominant player with the key asset*



### **Carpentaria Exploration**

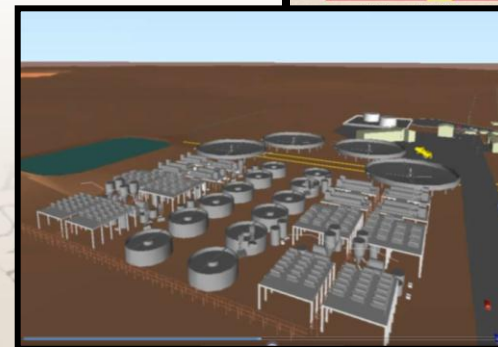
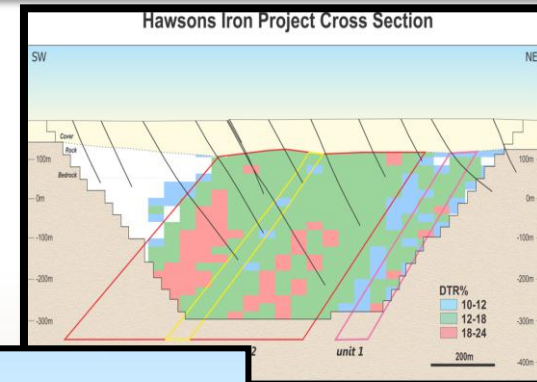
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# HAWSONS IRON PROJECT

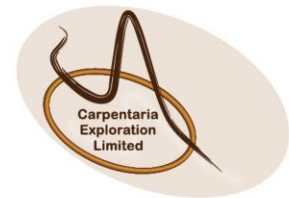
## Key development advantages



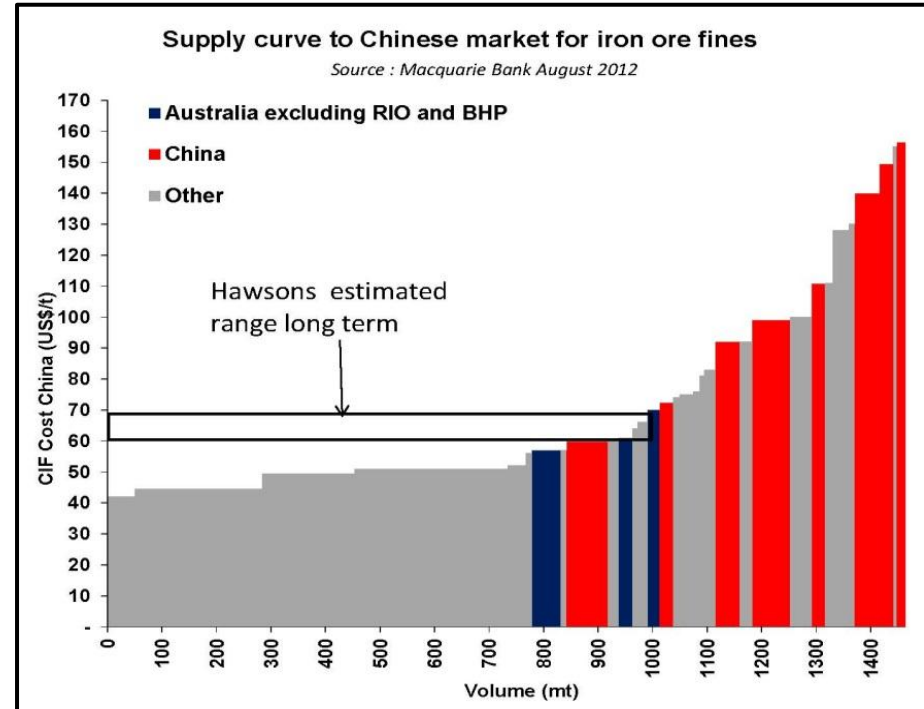
- Existing rail and port infrastructure
- Existing power and water supply
- Soft ore – low capital cost processing equipment
- Transport concept
  - Rail first 10Mt
  - Pipeline for full production
  - Port Pirie transshipment to Cape size ships following low cost upgrade
- Large deposit with 0.3 waste to ore ratio and no internal dilution
- Very soft ore – low cost processing
  - Approx. one quarter power usage of standard iron ores
- Grid power – \$0.085Kwh
- Lower labour costs



# HAWSONS IRON PROJECT



- Land 69% Fe CIF China USD60-70/t
  - cheaper than ~ 80% of Chinese production
  - at similar prices to some Australian hematite producers 58-60% Fe
- Cost base very competitive globally
- Margins potentially higher than some Australian hematite producers because of higher price received at similar production costs.

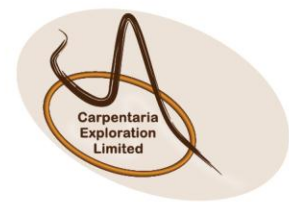


| Revenue Calculation (@ spot)  |              | RIO | BHP | FMG | Atlas | Mt Gibson | Grange | BC Iron |
|-------------------------------|--------------|-----|-----|-----|-------|-----------|--------|---------|
| Iron ore fines price - 62% Fe | US\$/dmt cfr | 93  | 93  | 93  | 93    | 93        | 93     | 93      |
| Fe%                           |              | 62% | 62% | 58% | 58%   | 61%       | 66%    | 57%     |
| Rec'd price*                  | AS\$/wmt FOB | 77  | 77  | 66  | 65    | 65        | 92     | 66      |
| Cash Costs*                   | AS\$/wmt FOB | 31  | 38  | 52  | 70    | 63        | 100    | 54      |
| EBITDA Margin                 | AS/t         | 47  | 40  | 14  | (5)   | 2         | (8)    | 12      |

\* After UBSe and company filings, adjusted, moisture, Fe content, impurities, freight, royalties - August 2012

# HAWSONS IRON PROJECT

## First Mover – on track to deliver



### *Recent Work*

- On track for mining lease in late 2014 and production in 2016
- Full access to land
  - Landowner agreements
  - Native Title extinguished
- MoU agreements with port and rail providers
- Proof of concept - small scale pilot plant returns 69.5% Fe and 3.1% SiO<sub>2</sub>

### *Next Steps*

- Resolve Liquidation issues
- Reserve drilling
- Metallurgical work

Well placed to attract funding partner given the long term and large scale of the opportunity



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# Carpentaria Summary



- Emerging Braemar Iron Province
  - Large scale
  - low cost
  - long term
  - secure stable supply to Asia
- Existing infrastructure gives immediate export opportunity
- Hawsons is the key project – potential largest production and lowest cost
- Estimated OPEX \$50/t FOB and low capital intensity \$150/t
- On track for Mining Lease in 2014 and production 2016
- Future
  - Reserve drilling
  - Secure funding and development partner



*Carpentaria Exploration – Set to Reward Investors*

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*Visit our Mines and Money Booth G51*

# Carpentaria Exploration

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Phone: +61 7 3220 2022

To find out more, visit us at  
**[www.capex.net.au](http://www.capex.net.au)**



**@CARPEXPLORE**



*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.*