



18 October 2019

Dear Shareholder

Further to the Carpentaria Resources Annual Financial Report for the Year Ended 30th June 2019, I am taking this opportunity to write on behalf the Board and share with you our thinking on the future development of the Company.

At the 2017 Annual General Meeting, shareholders supported the Board's proposal to change the Company's name from Carpentaria Exploration Limited to Carpentaria Resources Limited. This change reflects our intention to transform Carpentaria Resources Ltd from an exploration company to an iron-ore development and mining company.

A name change alone is, of course, only symbolic. The Board was, and remains, serious about substantial changes to meeting our aspiration of developing the Hawsons Iron Project and creating very substantial value for shareholders. This includes comparing the existing skills, capabilities and experiences of the Board to what is required to help finance and develop the Hawsons Iron Project.

In our first substantive change, Mr Jon Parker was appointed to the Board in June 2018, bringing to the table a wealth of appropriate experience gained with Rio Tinto, one of the world's leading iron-ore producers, and with Felix Resources where under his leadership as Managing Director the company's market capitalisation grew from ~\$17m to more than \$500m prior to its takeover for ~\$3.5billion. Mr Parker's skills and experience are proving invaluable in furthering the Company's work to secure the remaining support required for the Hawsons bankable feasibility study (BFS), a vital step in the development of the Project.

The Board recognises that the transformation of the Company to a mine developer and operator requires more, and another significant change we have been working on, and continue to work on, is the appointment of at least one new member with a background in the financing, development and/or operation of large scale projects. It is the Board's intention that such a new such director, preferably with deep iron-ore experience and high standing in the iron-ore and steel industries, will become Chairman of the Board.

We are hopeful that we will be in a position to announce the completion of this process in the near future. At that point, I will be relinquishing my role as Chairman of the Company.

In the meantime, I look forward to meeting with as many of you as possible at the AGM on 21 November 2019.

Kind regards

Neil Williams
Chairman