

4 June 2021

Restated Company Update

Carpentaria Resources Limited (ASX:CAP) wishes to advise that the Company Update released on 3 June 2021 contained an error on slide 5 in the profile of Ray Koenig, Mining Process Executive. It was stated mistakenly that Ray has completed due diligence on Iron Road, instead of Iron Bridge where he did this work. The corrected Company Update is attached.

Released by authority of the Board

Carpentaria Resources Ltd

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June 2021

Company Update

Hawsons Iron Project

Supergrade® Iron Ore

Carpentaria
RESOURCES

WORLD'S
BEST IRON
ORE PRODUCT

Cautionary Statement

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Such risks include, but are not limited to, exploration success, metal price volatility, changes to current mineral resource estimates or targets, changes to assumptions for capital and operating costs as well as political and operational risks and governmental regulation outcomes. CAP does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forecast or to update such forecast. The Company confirms that all assumptions and technical parameters underpinning the Resource and Reserve estimates and all material assumptions underpinning the production target or the forecast financial information derived therefrom continue to apply and have not materially changed since first reported on 28 July 2017.

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Carpentaria Resources Limited - Board



Bryan Granzien
Executive Chairman.

Bryan Granzien is a highly regarded executive with extensive leadership experience and success in ASX listed and unlisted environments across mining, agribusiness, information technology and steel manufacturing industries. Following a range of senior executive roles with MIM Holdings and Grainco Australia.

Mr Granzien held General Manager positions at both Neumann Steel and NatSteel Australia from 2004 to 2011. Mr Granzien was then CEO for Tata Steel Australia, representing the parent company Tata Steel Limited as a Director / CEO on Australian subsidiaries Tata Steel Resources and Kalimati Coal.



Paul Cholakos
Non-Executive Director

Paul has more than 32 years of resources industry experience, successfully managing complex development projects and operations for leading oil and gas and diversified mining companies, including executive roles at major Australian oil and gas company Oil Search Limited (ASX:OSH) and Exeter Resources. He has also occupied a variety of operational and commercial roles at MIM Holdings.

Paul has worked in North America, South America and Asia-Pacific. He holds Master of Business Administration and Bachelor of Engineering degrees. He is also chairman of the Carpentaria Audit Committee and a member of the Carpentaria Remuneration Committee.



Jon Parker
Non-Executive Director.

Jon has more than 40 years' experience in the resources sector including 26 years with leading iron ore producer Rio Tinto where he served as General Manager of Commercial for the Iron Ore division among other senior executive roles. Jon has previously held Managing Director roles at Felix Resources and Norton Goldfields.

He has a distinguished record in executive management and value creation across the resources sector for a range of ASX-listed companies, where he has overseen substantial growth in market capitalization.

Carpentaria Resources Limited – Key Management



Bob Hair

Company Secretary

Bob is by background a lawyer (having been admitted as a barrister in Queensland in 1983) with over 30 years of experience in the resources sector. He was previously an in-house lawyer, director of subsidiary companies and Commercial Manager and General Manager in the MIM group in Australia, Asia, Europe, North America, South America, and GM Commercial for the ASX-listed Highlands Pacific Limited.

Since that time, he has worked for and consulted to various listed and unlisted companies in the resources industry. Until February 2014 Bob was Managing Director of the ASX, JSE and AIM-listed Ferrum Crescent Limited (ASX,JSE,AIM:FCR), appointed July 2011).



Greg Khan

Chief financial Officer

(B.Bus, Acct), (MIPA), (AFA), (MIMC), (MQJA), (JP (Qual)). Greg is a Member of the Institute of Public Accountants, Associate of the Institute of Financial Accountants and Member of the Queensland Justices Association. As an experienced ASX CFO, Greg has more than 25 years in financial, management and cost costing incorporating financial modelling, strategy, operational excellence and supply chain optimization, across multiple industry sectors.

Greg has a skill base that also covers ERP systems, ICT architecture, integrated B2B/P2P and E-Commerce Solutions. Greg is an Honorary Member of the Golden Key Institute for Academic Excellence and former Associate of CPA Australia and fellow of the Australian Institute of Management.



Ray Koenig

Mining Process Executive

Dip Met ASMB, BSc Melb Uni, FAusIMM CP. Ray has operating experience in base metal and magnetite operations including the Savage River magnetite and pelletising operation as an executive of Pickands Mather (now Cleveland Cliffs). Ray is experienced in engineering and design including project and commissioning management with Fluor and GHD on base metals and bulk materials.

Ray has completed due diligence on Channar, Hope Downs and Iron Bridge iron ore projects and developed the initial scoping study for the Hawsons Iron ore project which progressed to the pilot testing and PFS for Hawsons JV iron ore project. He has been Technical Director of the project since 2010.

Carpentaria Resources (ASX:CAP) is an emerging producer of low cost, premium quality iron ore products.

- + Steelmaking is experiencing a revolution, with an unprecedented focus on increased productivity and decreased pollution, which has stoked demand for higher grade iron ore products.
- + At a time when global quality is declining, Carpentaria's flagship **Hawsons Iron Project (HIP)** can produce the world's best iron ore products.
- + There has been no better time to develop HIP than now.

- That's why we've attracted support from some of the world's leading steelmakers and traders as we advance Broken Hill's next major mine.
- Hawsons' production target is 10 Mtpa for 20+ years (35 year resource)
- Board stabilised
- Pure Metals 90.8m CAP shares sold by Pure Metals
- Hawsons Iron JV CAP 94%, Starlight 6%.

Wood McKenzie has rated
CAP's Hawsons Iron
Project as world class.

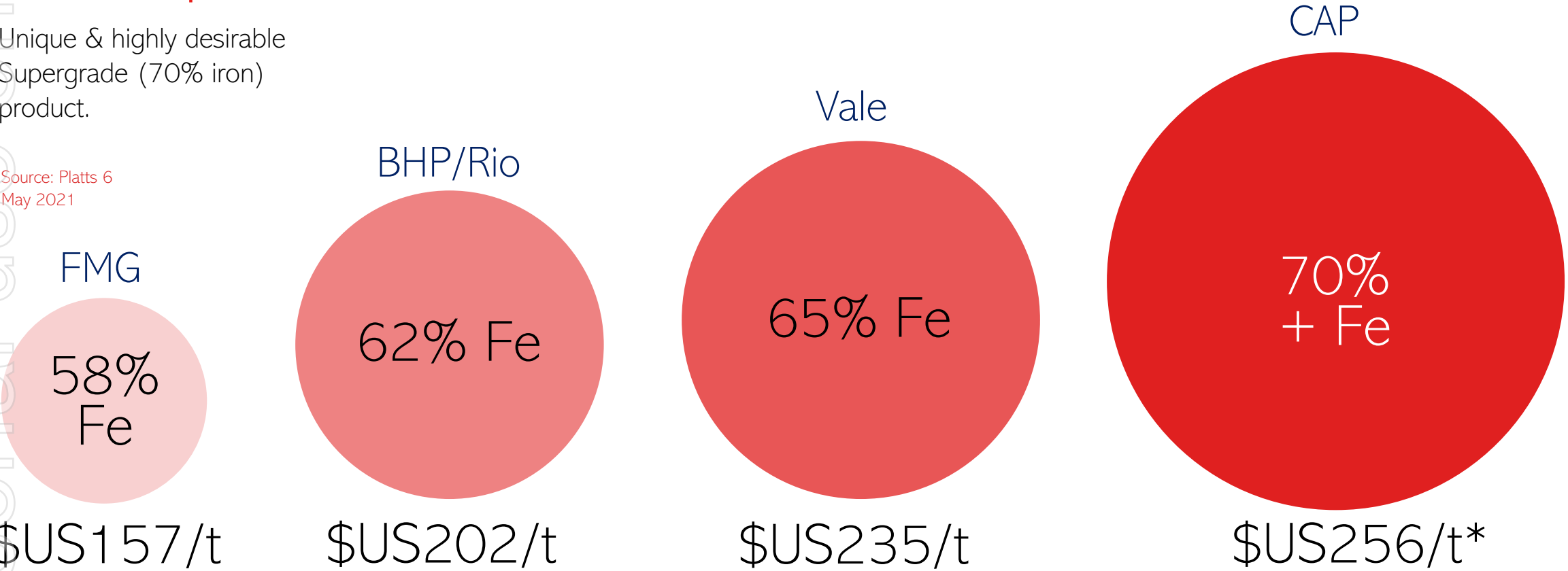
- + Premium product and low impurities unsurpassed in emerging “green steel appeal” and VIU to steelmakers. (ESG) promotion – it’s all about low emissions.
- + Quartile 1 on world VIU cost curve – competitive with industry giants (Vale, BHP, RIO, FMG)
- + End user agreements (14 Mtpa LOIs) – Mitsui & others have validated demand
- + Equity NPV at PFS (price US\$88/t) US\$1.091b at 65% grade price – payback within 3 to 4 years.
- + At May 2021 equivalent prices these numbers are significantly enhanced.
- + Two port access options are a huge advantage

* The Company confirms that all assumptions and technical parameters underpinning the Resource and Reserve estimates and all material assumptions underpinning the production target or the forecast financial information derived therefrom continue to apply and have not materially changed since first reported on 28 July 2017.

Boom period for iron ore

Unique & highly desirable
Supergrade (70% iron)
product.

Source: Platts 6
May 2021



* \$US235/t65%Fe Plus 5 x \$2.75/%Fe + \$7.5 = \$US256.90/t

Hawsons Iron Project has a very strong case for development.

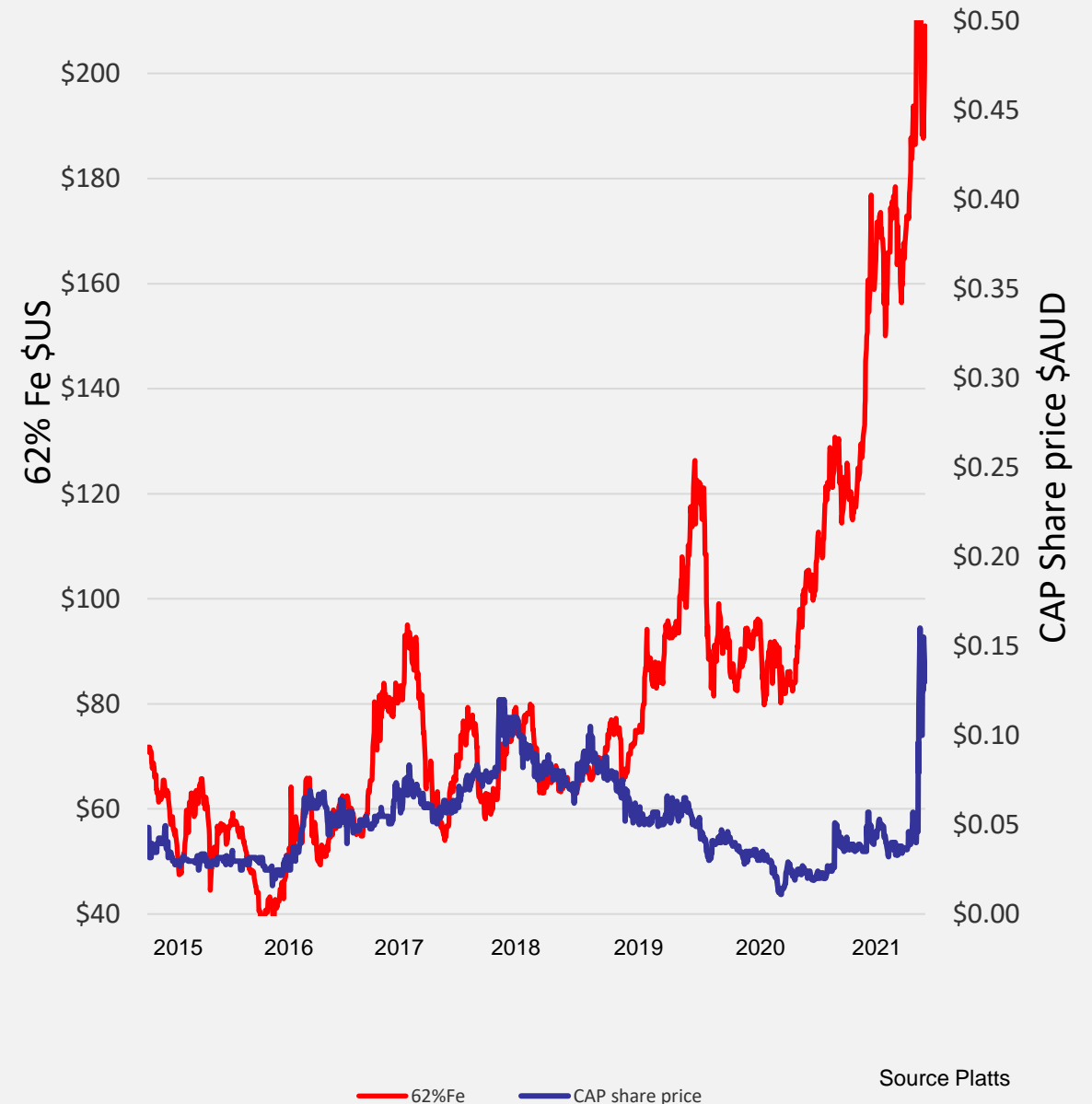
- + Board instability and Pure Metals control plays now managed and strategic plans are being rolled out at pace
- + Federal, NSW government and Broken Hill community support. Federal government Major Project Status renewal in progress
- + No infrastructure or approval bottlenecks identified in comprehensive and validated PFS
- + BFS project plan, activities and costs reviewed by credible international companies and independent consultants
- + BFS funding raise estimates (Including financing costs) and project build funding of US\$1.4b compare favourably with industry benchmarks
- + Significant value enhancement opportunities available

Shareholder Value

Strong value resides in the price disconnect between CAP and iron ore prices.

- + Issue: market confidence
- + Reconnect huge opportunity
- + Iron ore price boom & outlook
- + Great project, great product
- + Market starting to connect the dots

CAP share price vs iron ore price 62%Fe



Pre-feasibility Results

PFS COST ESTIMATES	PFS Price Assumption
Operating costs - C1 FOB	US\$33.08
Operating costs - All in	US\$39.74
Operating costs - CFR China	US\$48.03
Supergrade price premium over 62% Fe	US\$25.00
Revenue per dry metric tonne	US\$88.00
Equivalent 62%Fe CFR cost	US\$23.03
Capital cost inclusive of contingency	US\$1.40Bn
PFS FINANCIALS	
Annual profit margin	US\$401m
Equity IRR	29.9%
Equity NPV (10% Disc Rate)	US\$1,091m
tonne of supergrade (70%Fe)	201m
Mine life / pay back period	20 / 3-4 years
62%, 65% Fe price assumption	US\$63, 75/t

- + World leading metrics
- + US\$48/t opex. CFR China
- + US\$1.4 Bn capital cost pay back in <1 year today
- + Production 10Mtpa for 20 years, potential to expand and extend
- + Production targeted in 3-3.5 years

The Company confirms that all assumptions and technical parameters underpinning the Resource and Reserve estimates and all material assumptions underpinning the production target or the forecast financial information derived therefrom continue to apply and have not materially changed since first reported on 28 July 2017.

Unique Hawsons Supergrade® product

World's best iron ore product
70% Fe, low impurities, soft ore

Highest quality product attracts
premium price

Green steel leader

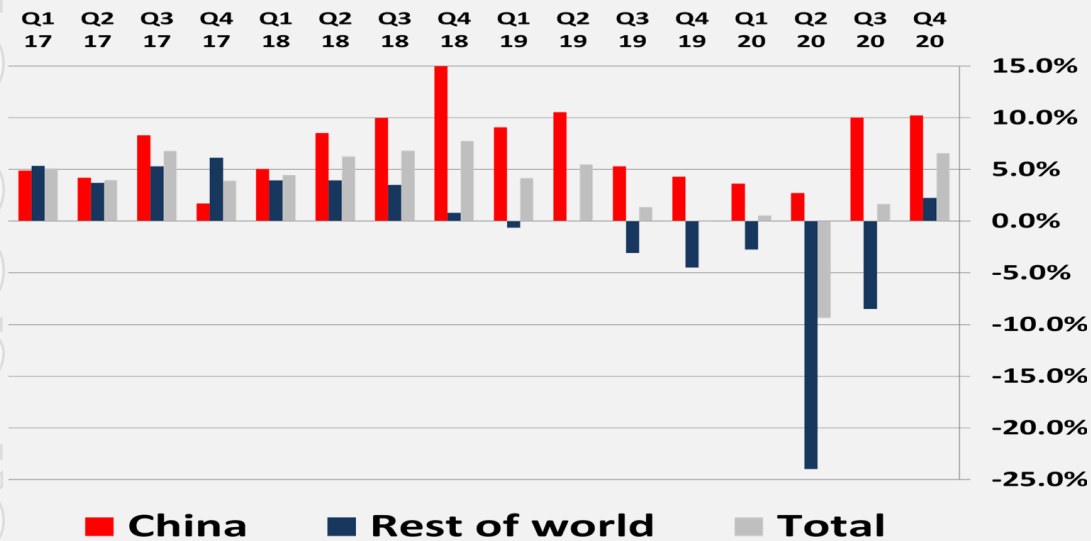
- + Lowest CO2 emissions through the value chain
- + ESG promoted investment
- + Production options for net zero emissions

Valuable to all iron makers

- + Direct reduction iron (DRI)
- + Value-in-use (VIU) benefits
- + Blast furnace
- + Pellet plants

Market and price outlook remains buoyant

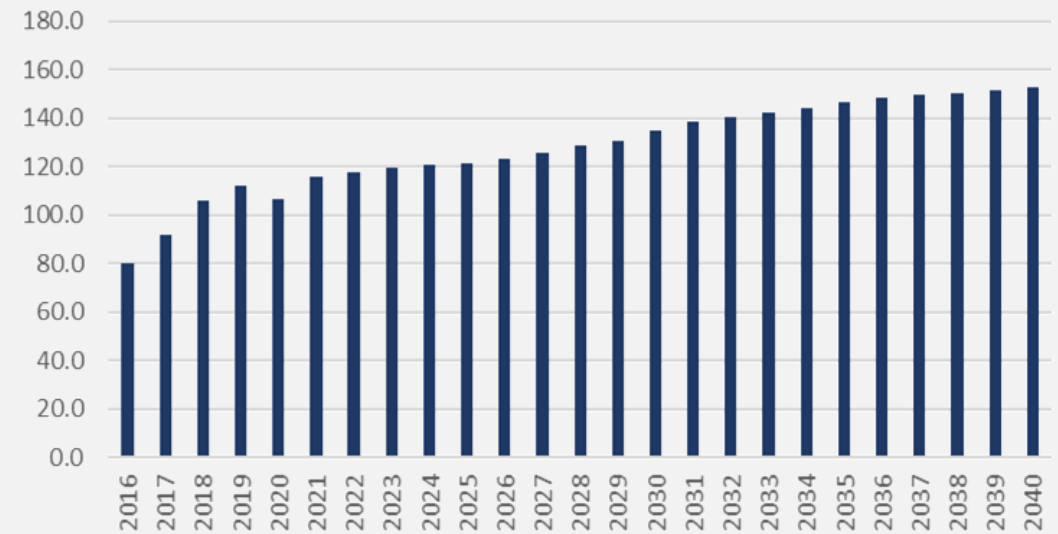
Year-on-Year Quarterly Steel Production Growth



Source: World Steel

- + Steel production in China has not peaked – continual growth for 16 quarters
- + World Steel forecast 75Mtpa steel production growth in 2021, ~112Mtpa of iron ore

Global Direct Reduction Iron Forecast Production (mpta)



Source: Wood Mackenzie

- + Forecast DRI growth to 2040 is strong
- + Market highly resilient, trend to high grade ores
- + Requires an extra 60-70Mtpa high grade iron ore by 2040

Timing is right

Carpentaria Resources has a world class product and is executing a new strategy for growth.

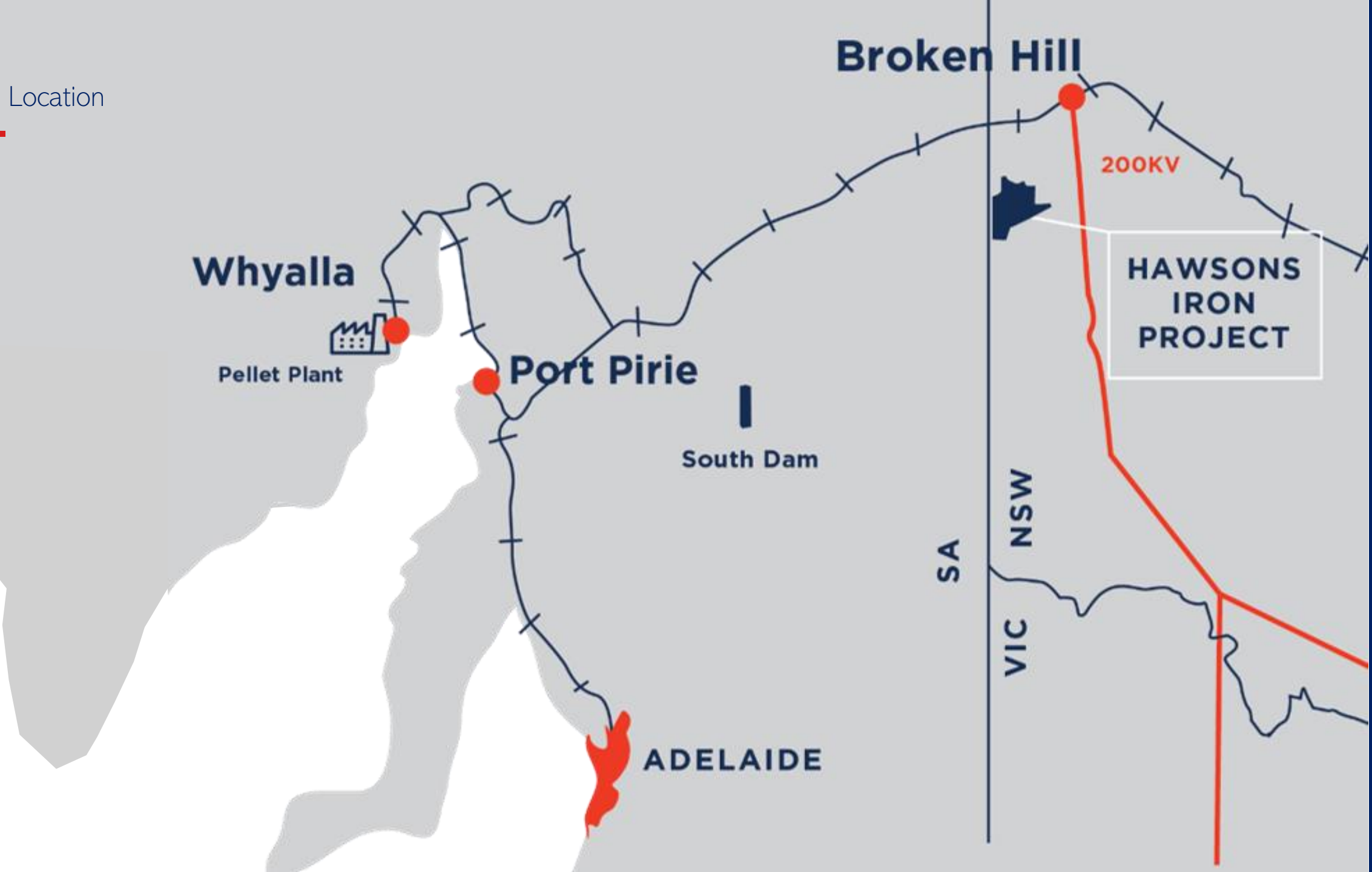
2021 Activities

- + Refresh on strategy, plans, action items
- + Board stabilised – new energy - cleared the path
- + Working Capital Raise \$2.5m
- + Pure Metals restructure and share sale completed
- + Hawsons Iron JV (CAP 94%)
- + Reopened negotiations with Mitsui
- + Shareholder engagement
- + Generate momentum - refresh, rename and rebrand
- + Next step BFS
- + Bolster executive team

Key Milestones

Task	2021				2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
BFS funding secured															
Approvals															
Bankable Feasibility Study															
Resource upgrade															
Demonstration plant run															
Contracts & Finance															
Construction															
First Production															

Project Location



Project Summary

- + Located 60km SW of Broken Hill
- + Resource 330mt concentrate product
- + Power from reliable eastern states grid
- + Water from defined high yield saline aquifer 90km south
- + Mine and process on site for 10 Mtpa concentrate production
- + Hawsons' unique soft ore makes the difference on cost and product quality
- + Workforce in Broken Hill



Logistics and approvals

- + Slurry product 55km in pipeline to Broken Hill
- + Rail to Port Pirie or Whyalla on existing rail (12 Mtpa spare capacity); CAP engaged with all infrastructure owners
- + Transshipment to Capesize vessels to customers in Asia and Middle East
- + Product quality 70% Fe (tested by customers)



Community and approvals

- + Mining Lease Application lodged
- + No Native Title – it is extinguished on the mining and easement areas
- + Decision under the EPBC Act – NOT a controlled Action (NSW component)
- + Environmental Impact Assessment guidelines received, NSW State Significant Development
- + South Australian port and rail infrastructure approval process well understood



Summary

- + Project truly is world class
- + Moving up the project curve from explorer to developer
- + Timing is right to tell the world about Hawsons
- + Technically the work has been done and is solid
- + Historical impediments resolved – path cleared
- + Next step complete the BFS
- + And.. Capital raise US\$1.4b - expedite mine start



Competent Person's statement

The information in this report that relates to Exploration Results, Exploration Targets, Resources and Reserves is based on information evaluated by Mr Q.S. Hill who is a member of the Australian Institute of Geoscientists (MAIG) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Hill consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

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