



HD (SWCAP) Ferret's Stock Watch: CARPENTARIA EXPLORATION LIMITED
WC 970 words
PD 28 March 2014
SN Ralph Wragg Australian Business News
SC AAPRAW
LA English
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PROMISING **IRON ORE** PROJECT NEAR BROKEN HILL

Sydney - Friday - March 28: (RWE Australian Business News) - CARPENTARIA EXPLORATION (ASX:CAP) has reported a maiden Indicated Resource and a 20pc increase in contained premium-quality magnetite concentrate for its flagship Hawsons **iron** Project near Broken Hill, NSW.

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The project is held by a joint venture between Carpentaria (60pc interest) and private resources investor Pure Metals Pty Ltd (40pc).

The maiden Indicated Resource comprises 215 **million** tonnes containing 35 **million** tonnes of premium-quality magnetite concentrate.

Total Inferred plus Indicated Resource estimate has been expanded to 1.77 **billion** tonnes at a magnetite mass recovery grade of 14.9pc, a 26pc tonnage increase on the **company's** December 2010 estimate.

Total contained **iron** concentrate has risen 20pc to 263 **million** tonnes, compared with the previous estimate of 220Mt, while maintaining a premium grade of 69.7pc Fe and just 2.9pc SiO₂.

Carpentaria's managing director, Quentin Hill, said the resource upgrade was a milestone in the project's development, resulting from diligent geological work by the **company** and independent resource estimator H&S Consultants Pty Ltd.

Hawsons **iron** Project has a new **ore** type and opportunity.

It has potential to deliver high-quality **iron ore** concentrate or pellets at 10.20Mtpa for 50 to 100 years.

* Reliable and secure supply delivered to a port in **China** for \$A60.65.

* Transport infrastructure is in place, including a rail line and port, with only a small upgrade to Port Pirie for 10.30Mtpa export capacity.

* Potential to increase export capacity using a pipeline on existing rail route.

* Project approvals on track for **Mining** Lease by 2014 and production by 2016.

* Project supported by JORC Resource and audited pre-feasibility study with excellent financial returns

* Carpentaria has 60pc ownership.

Carpentaria incurred a net loss of \$3.22m in the half-year ended December 31, compared with a \$859,584 loss for the same period in 2012.

During the latest period, simplification of the processing flow sheet for the Hawsons **iron** Project was completed with the potential to significantly reduce the capital cost.

The **company** is awaiting an independent report commissioned to look at a reduced capital cost model utilising existing infrastructure.

The project is exceptionally well-located with existing power, water, rail and port infrastructure available for a conceptual 5 to 10 Mtpa startup operation.

The newly labelled Braemar South Project, comprising the contiguous Braemar JV (EL 5181) and 100pc South Dam (EL 4395) licences, is at the southern end of the highly prospective magnetite-bearing Braemar **iron** Formation, 200km northeast of Adelaide.

During the period, independent geologist H&S Consultants Pty Ltd estimated an Exploration Target in the range of 1.7bn to 3.1bn tonnes, with an estimated magnetite mass recovery (DTR) of 12pc to 27pc for between 200Mt and 850Mt of **iron** concentrate at 63-67pc **iron** for the Braemar South Project.

The **company** expanded its strategic **gold** portfolio in the Lachlan Fold Belt with the grant during the half-year of the highly prospective Grong Grong licence as EL 8189 (formerly ELA 4867) near Narrandera, NSW.

Also, a number of significant results were returned from the Advene (EL 8095) licence.

At Advene, located 320km northwest of Canberra in central southwestern NSW, Carpentaria commenced geochemical sampling.

In total, seven separate phases of sampling were completed at Advene, with each phase increasing the footprint and tenor of **gold** anomalism at the Josephine Moulder (JM) prospect.

The results from Advene are considered very encouraging.

SHARE PRICE MOVEMENTS

Shares of Carpentaria Exploration rose 1.5c to 12c yesterday. Rolling high for the year is 30.5c and low 9.9c. The **company** has 123.8 **million** shares on issue with a market cap of \$14.8 **million**.

At Barellan (EL 7896), planning for an auger weathered bedrock sampling geochemical survey program to investigate the extents and tenor of the known **gold** anomaly was undertaken during the half-year.

The Tooloom EL8082 was granted in the June quarter as EL 8082.

It is located in the New England Fold Belt (NEFB) 50km northeast of Tenterfield.

The licence covers 130 mineral occurrences, of which almost 100 are **gold**.

The NEFB regionally contains mineralisation associated with Permo-Triassic age intrusions.

Positive results have been received from a detailed study using a smaller startup case that matches existing infrastructure at the Hawsons magnetite **iron** project.

BACKGROUND

Carpentaria Exploration Ltd is an exploration **company** with a difference.

Based in Brisbane, its name stems from the exploration arm of MIM Holdings, which Carpentaria chairman Nick Sheard previously led to global success.

The **company** listed on the Australian Securities Exchange on November 14 2007 with a focus on discovering and developing bulk commodities, base and precious metals in eastern Australia.

With two discoveries in the first three years, including the \$3.2bn Hawsons **iron** Project, Carpentaria has been named by Allan Trench among Resourcestocks magazine's "Top 100 Resource Stocks" to watch.

Carpentaria has an attractive pipeline of projects across eastern Australia, including **iron ore**, tin, tungsten, **copper**, **gold** and nickel, in a region hosting world-class **ore** bodies.

The **company** aims to grow shareholder value through discovery, development and **acquisition** as well as divestment.

Carpentaria uses its own in-house project generation methods to discover mineralised systems, adding value through exploration and strategic joint ventures.

Since 2007 it has used this strategy to maintain shareholder funds for continued exploration and discovery as well as funding a major pre-feasibility study at Hawsons.

The **company** has a proven technical team with the board encompassing a collective 140 years of resource industry experience, positioning Carpentaria for growth into a mid-tier **mining** house.

Carpentaria says its motto describes its passion for exploration: "We find it. We prove it. We make it possible."

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CO caxplo : Carpentaria Exploration Limited

IN i5020011 : Dam Construction | i502 : Heavy Construction | iconst : Construction | icre : Real Estate/Construction | i212 : Metal Mining Support Activities | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying

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