



# ASX ANNOUNCEMENT

4 February 2010

## ABOUT CARPENTARIA:

Carpentaria is an exploration company focused on discovering base, precious metals and bulk commodities in eastern Australia. The company holds 100% owned tenements in NSW and Queensland and also has a number of farm-in deals. Most tenements have known mineralised systems and are being explored using modern, efficient technologies. The company currently has interests in iron ore, tin, gold, copper and coal exploration projects

## CARPENTARIA'S AIM:

With a strong geo-scientific team discover or acquire, a profitable mine to develop a cash flow

## DISCOVERIES TO DATE:

Hawsons Iron Project - NSW  
Euriowie Tin Project - NSW

## Capital Structure:

Ordinary Shares  
67,500,000  
Total Options  
21,447,415

## Major Shareholder:

Giralia Resources 10%

## Financial

Cash and deposits  
A\$2.2 million as at 31 December  
2009

For further information  
contact:

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Executive Chairman

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## **Braemar Iron Project \$1.95 Million Farm-Out to BMG Group**

- ✦ **Bonython Metal Group Pty Ltd (BMG) to farm-in to Carpentaria's 100% owned South Dam Iron Project located in South Australia.**
- ✦ **BMG agrees to spend up to \$1m to earn 49% equity and an additional \$0.95m to earn an 80% interest.**
- ✦ **This transaction boosts the funding and advancement of Carpentaria and joint venture funded exploration in 2010.**
- ✦ **Carpentaria progressing the planning of a mineral resource definition drilling program focused on its own high potential Hawsons Iron Project to follow up previous encouraging geophysical and drilling results.**

As a result of recent exploration successes at its Hawsons Iron Project and Euriowie Tin Project, Carpentaria Exploration Limited (ASX: CAP) is refocusing its exploration activities on these key projects in 2010. Accordingly, the Company announces that it has accepted an offer from BMG to farm-in on Carpentaria's 100%-owned South Dam Iron Project in South Australia.

Today's agreement with BMG follows the recently announced farm-out of the Glen Isla Gold Project to Ramelius Resources and the joint venture with The Chairmen 1 Pty Ltd of Carpentaria's Hughenden Coal Project in the Galilee Basin. Carpentaria has substantially increased the exploration funding for its exploration portfolio while retaining an equity interest in a number of potentially valuable projects across a range of commodities.

Under the Braemar Iron Project agreement, privately owned BMG will undertake an exploration program on the project over a maximum period of three years with up to \$1.95 million in exploration expenditure. BMG can initially earn a 49% stake by spending \$1 million on exploration, a 60% stake with a further contribution of \$0.5 million and an 80% equity with an additional \$0.45 million expenditure. Carpentaria has the option to contribute to ongoing expenditure after this point on a pro-rata basis or dilute its interest.

Located 200 kilometres north of Adelaide and 50 kilometres from the main rail line (refer Figure 1), the project is considered prospective for magnetite iron mineralisation.

The exploration licence that forms the basis of the BMG farm-in covers a previously unexplored portion of the Braemar Iron Formation. This is same formation that hosts Carpentaria's Hawsons Iron Project, 175 kilometres to the north-east in NSW and the Royal Resources Limited Razorback Iron Project 40 km to the north. The iron formation is highly prospective for bulk magnetite iron deposits, and BMG intends to initially prospect for iron via geological mapping, geochemical surveys and then consider drilling to obtain fresh samples for analysis.

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Carpentaria Executive Chairman Nick Sheard said, "The agreement will provide additional exploration exposure and add to the Company's multi-million dollar exploration program planned this year on high potential projects located near Broken Hill and central NSW.

"Carpentaria is determined to deliver value for shareholders, and we are concentrating our resources on the projects we consider of highest potential, particularly the Hawsons Iron Project near Broken Hill, which is potentially the State's biggest discovery of magnetite iron," Mr Sheard said.

BMG Metal Group Pty Ltd was founded in Sydney in 2010 by John Hillam, the company's CEO and a qualified geologist. Mr Hillam has substantial expertise in the Olary area from his previous position during 2008-09 as Project Geologist and Consultant to Mintech Resources Pty Ltd, Goldus Pty Ltd and Mawson Gold NL. These companies owned major magnetite deposits at and surrounding Razorback Ridge, and gold projects in the Olary Province of SA. BMG has assembled a team of 8 experts headed by Dr Bill Laing, who has more than 25 years' experience in the Olary and Broken Hill areas and 40 years' experience throughout Australia and internationally on all continents.

BMG intends to develop new iron-ore deposits, mainly in the Olary Province of SA and with sufficient funding available BMG aims to finalise the acquisition of 3,500 square kilometres of prospective ground in the Olary Province. To achieve this objective, BMG has entered into joint venture arrangements with Wentworth Metal Group, Carpentaria and others. BMG has secured an agreement with a group of investors to provide a sufficient amount of funds to ensure the success of its iron-ore strategy.

Carpentaria's Nick Sheard added, "We are delighted to have attracted such an experienced and expert partner in Boynton to further progress the South Dam project for the benefit of all stakeholders. This agreement further boosts Carpentaria's magnetite iron exploration in the Braemar province, which is emerging as a major source of magnetite iron-ore mineralisation located close to major infrastructure and specialist labour resources".

For further information please contact:

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Executive Chairman  
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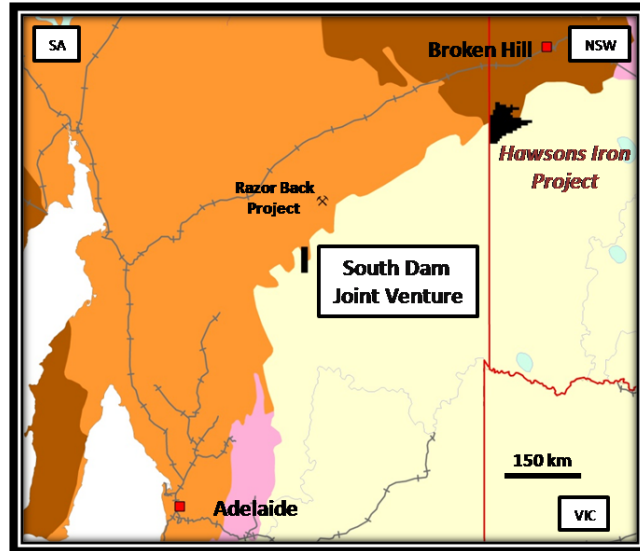


Figure 1 Location of South Dam Joint Venture

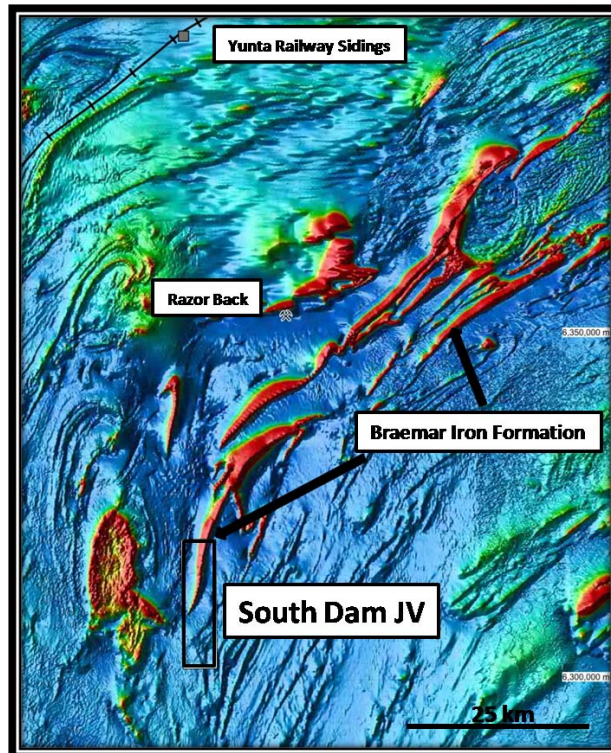


Figure 2: Airborne magnetic data showing depicting Braemar Iron Formation and South Dam Joint Venture

The information in this presentation that relates to Exploration Results 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.