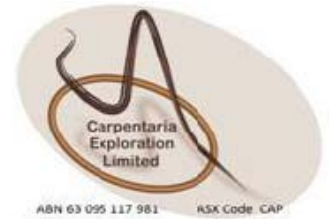




# ASX ANNOUNCEMENT

22<sup>nd</sup> September 2009



## CARPENTARIA SIGNS TERMS SHEET FOR GALILEE BASIN COAL PROJECT

The Directors of Carpentaria Exploration Limited (ASX: CAP) are pleased to announce that a Term Sheet has been signed with a privately owned company ResCo Projects Pty Ltd for the sale of Carpentaria's Hughenden Coal Project situated towards the northern margin of the Galilee Basin.

Carpentaria's wholly owned subsidiary FTB (Qld) Pty Ltd, which holds the Hughenden Coal Project, will be vended into a new company that is being formed by ResCo Projects to operate as a coal exploration and mining company. The new company will hold the Hughenden Coal Project and other prospective coal properties.

The Directors of Carpentaria consider this to be a positive outcome for Carpentaria shareholders, as it not only reimburses Carpentaria for previous outlays on the project, but also increases Carpentaria's exposure to additional coal properties in the process of being secured by ResCo Projects. Further, Carpentaria will not be required to fund any additional expenditure on the Hughenden Project or other projects until the risk has been diminished by the completion of feasibility studies.

The principle terms of the transaction are:

- In consideration for the sale of FTB to the new company, Carpentaria will be issued shares and hold 20% of the new company and be paid a cash sum to cover past expenditure.
- The new company, funded by ResCo Projects, will explore for, delineate resources and perform a bankable feasibility study (BFS) at no cost to Carpentaria on any or all the tenements held in the new company.
- The new company will manage and undertake all exploration, evaluation and development work on all projects in the portfolio.
- On completion of a BFS, Carpentaria will have the opportunity to contribute its 20% share of expenditure to progress to mining or dilute its interest.
- Carpentaria will have the right to nominate an individual to be appointed to the Board of the new company.
- The parties have agreed an exclusivity period of not more than 60 days in relation to this transaction.
- The transaction remains subject to certain conditions precedent, principally relating to due diligence by both companies and finalization of contractual documentation.

For further information, please contact:

Nick Sheard  
Executive Chairman, Carpentaria Exploration Ltd.  
Ph: 61(7) 3161-3801 Email: [info@capex.net.au](mailto:info@capex.net.au)

Craig Ransley  
Chairman, ResCo Projects Pty Ltd  
Ph: 61(2) 4974 8750 Email: [craig@resco.com.au](mailto:craig@resco.com.au)