



ASX ANNOUNCEMENT

22 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 strong cash flow generating mining operation

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 Dec 2009

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Major Galilee Basin Coal Venture formed by Carpentaria and The Chairmen 1

Highlights:

- **Agreement signed with privately owned The Chairmen 1 Pty Ltd over Carpentaria's Hughenden Coal Project, northern Galilee Basin, Queensland**
- **Agreement boosts Carpentaria's interest in undeveloped Galilee Basin tenure to 11,350 square kilometres, with potential for discovery of thermal coal deposits**
- **The Chairmen 1 has acquired an 80% stake in Carpentaria subsidiary FTB (Qld) Pty Ltd in return for \$300,000 cash payment; The Chairmen 1 to manage and fund exploration through to definition of an Inferred Resource with a maximum spend of up to \$2 million**
- **Drilling targeted to commence by April 2010**
- **Carpentaria continuing to focus on the Hawsons magnetite iron and Euriowie tin discoveries near Broken Hill, NSW**

The Directors of Carpentaria Exploration Limited (ASX:CAP) today announced an updated agreement with privately owned The Chairmen 1 Pty Ltd over its Hughenden Coal Project in Queensland's Galilee Basin, finalising the previously announced Term Sheet (ASX announcement 22nd Sept 2009). This agreement expands Carpentaria's Galilee Basin coal tenement exposure with the injection of tenements by The Chairmen 1.

Under the agreement, The Chairmen 1 has acquired an 80 per cent stake in Carpentaria's wholly owned subsidiary FTB (Qld) Pty Ltd. Carpentaria has received an upfront payment of \$300,000 and The Chairmen 1 will manage and fund exploration through to definition of an Inferred Resource, for a maximum expenditure of up to \$2 million.

Carpentaria Chairman Nick Sheard said "We are delighted that this agreement with The Chairmen 1 expands Carpentaria's Galilee tenement position and brings their considerable expertise and experience in coal exploration, development and operations.

The Galilee Basin has been the focus of major coal export deals in recent weeks, and today's agreement increases Carpentaria's interest to 11,350 square kilometres of exploration applications and licences, giving the company greater exposure to the potential discovery of a thermal coal deposit".

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FTB currently holds one granted coal exploration licence (EPC) and has four applications in the northern Galilee Basin. Carpentaria will add a further 3 EPC Applications 1573, 1574, and 1576 upon grant. Under the agreement with Carpentaria, The Chairmen 1 will add its existing Hughenden EPC Applications 2046, 2047, 2048 and 2049 to FTB upon grant, and potentially additional prospective coal tenements that are currently under negotiation with a third party.

The Chairmen 1 aims to commence a drilling program by April 2010, subject to weather conditions.

Mr Sheard also stated "The funds from the agreement will be applied to the company's multi-million dollar exploration program planned this year, focused on our Hawsons Iron Project and Euriowie Project located near Broken Hill".

About The Chairmen 1 Pty Ltd

The company is focused on coal exploration and ultimately the development of operating mines. The Company was founded by the team responsible for securing the Doyles Creek project and for listing of NuCoal Resources NL comprising a number of highly experienced and high calibre personnel from the coal and associated services industries.

An extensive portfolio of coal projects has been assembled with a major focus on the Galilee Basin with aggressive exploration programs planned.

