



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 70,962,488
Total Options 21,434,927

Major Shareholders:

Conglin Yue 14.8%
Giralia Resources 10.0%

Financial

Cash and deposits
A\$8.2 million currently.

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Carpentaria receives further \$4m for Hawsons Iron Project

HIGHLIGHTS

- **Bonython Metals Group Pty Ltd (BMG) makes third payment of \$4.0m to Carpentaria as part of \$81m Hawsons Iron Project transaction.**
- **Payments to date now total \$6.0m, including \$3.0m cash to Carpentaria and \$3.0m to exploration .**
- **Drilling on the Burta JV will commence within 1 week with 2 drill rigs.**
- **Total of \$10m exploration drilling programs planned for 2010**

Carpentaria Exploration Limited (ASX:CAP) announced today the receipt of an additional \$4 million from Bonython Metals Group Pty Ltd (BMG) as part of the total \$81m transaction with Bonython for the Hawsons Iron Project in Broken Hill, New South Wales.

The funds have been received as part of a staged payment over the next six weeks, which will total \$13.0m. Carpentaria has now received \$6m from its joint venture partner BMG, comprising \$3m in cash and \$3m to fund exploration at Burta (EL 7208), which together with the Little Peak tenement (EL3848) forms the Hawsons Iron Project.

Carpentaria's Executive Chairman Nick Sheard said, "The funding will be an important boost for the project's progression to potential development, adding confidence in the discovery of a new magnetite iron province near Broken Hill.

"BMG has proved a loyal and extremely supportive partner, and we are pleased with the progress made on our joint venture since its formation on April 20, 2010. Under the agreement, Carpentaria will manage the exploration, resource drilling and pre-feasibility study. Drilling will now commence on this potentially highly valuable project with two rigs expected on site within one week." Mr. Sheard said.

Over the next six weeks, Carpentaria is to receive an additional \$7.0m, at which time BMG will vest its 40% stake in the Project. Of the total initial funding of \$13m, \$8m will be used for exploration, resource drilling and a pre-feasibility study on EL 7208, with a goal of defining up to 1 billion tonnes of inferred iron ore resources.

Carpentaria will utilize the remaining \$5m received as part consideration for BMG farming into Hawsons to explore its other high quality projects including the Euriowie tin discovery in NSW, the Panama Hat gold project JV, gold and base metals targets in the Combaning tenement in central NSW, and iron at the MacDougalls hematite project, north of Broken Hill.

"Carpentaria and its JV partners are committing a record \$10 million in exploration spending on Carpentaria's projects this year. The Company is focused on eastern Australia with a portfolio of projects encompassing a range of valuable commodities. Initial drilling at Burta is targeting the priority magnetite targets to define the prospects for follow up resource drilling We are confident of developing this discovery for the benefit of all stakeholders," Mr Sheard said.