



10 September 2013

The Manager - ASX Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY, NSW 2000

Hawsons Iron Project Joint Venture – Pure Metals requests payment extension

On 31st May 2013 Carpentaria announced the commencement of a new joint venture with Pure Metals Pty Ltd (A.C.N. 151 066 321) (Pure Metals) on the Hawsons Iron Project. Under this agreement Pure Metals committed to pay Carpentaria \$3.8 million cash for reimbursement of past expenditures. \$1.0 million was paid with the balance to be paid at the end of certain Federal Court proceedings.

Following completion of the Federal Court proceedings an agreement to extend the due date by 60 days was announced to the market on 16th July 2013, and Pure Metals was due to pay Carpentaria \$2.9 million on 9th September 2013.

Pure Metals yesterday requested a further two (2) week extension with which to pay the outstanding amount.

Carpentaria is discussing mechanisms with Pure Metals to ensure that the rights and commercial position of Carpentaria are protected. These would be in addition to any rights already in place.

The failure to pay, for example, has triggered a right such that Carpentaria has 60 days to elect to buy back the 40% share in the Hawsons Iron Project Joint Venture and a further 30 days to complete the transaction. The price is set by expenditure on the project since the new JV was signed plus other amounts that presently total between approximately \$5-6 million.

Importantly, Pure Metals and Silvergate Capital, a related body corporate to Pure Metals and Carpentaria's major shareholder, have undertaken not to requisition a general meeting of shareholders. This undertaking is active until the full \$2.9million is paid, Carpentaria exercises its buyback right, or the buyback right lapses.

Pure Metals has informed Carpentaria that it is looking forward to honoring its commitment and that the delay has been caused by administrative procedures.

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ASX ANNOUNCEMENT

Carpentaria is pleased to note that Pure Metals continues to fund and manage the project with approximately \$1 million spent on the project since the new JV commenced.

For further information please contact:

A handwritten signature in black ink, appearing to read "Quentin Hill", is positioned above the contact details.

Quentin Hill
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