



ASX ANNOUNCEMENT

26 February 2013

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

FURTHER INFORMATION – OFFER BY LIQUIDATOR FOR HAWSONS JV

On 19 February 2013, the Liquidators of Bonython Metals Pty Ltd (in liquidation) (**BMG**) sent correspondence to Carpentaria Exploration Limited (**CAP**) in connection with a proposal made by Pure Metals Pty Ltd (**Pure Metals Proposal**) to purchase BMG's interest in the Hawsons Iron Project Joint Venture (**Joint Venture**) for consideration involving a cash component of \$3.25 million and a non-cash component equal to the value of certain indemnities (including in relation to claims made by CAP against BMG arising out of or in connection with BMG's obligations in respect of the Joint Venture) and releases given by Pure Metals to the Liquidators and BMG (**Pure Metals Proposal**). Performance of the non-cash component of the Pure Metals Proposal has been guaranteed by Silvergate Capital Pty Ltd (**Silvergate**) and, as part of the Pure Metals Proposal, Silvergate undertakes to provide security over certain of its assets in support of that guarantee.

The Liquidators' correspondence also includes a proposal from BMG to CAP to acquire BMG's interest in the Joint Venture on the same terms as in the Pure Metals Proposal (which includes, in place of the third party security offered by Silvergate, a requirement for a secured third party guarantee or security from CAP in support of the performance of the non-cash component of the proposal, which in either case must in substance be on terms no less favourable to BMG than the security offered to BMG under the Pure Metals Proposal). (**BMG Proposal**)

The BMG Proposal made by BMG to CAP is open for acceptance by CAP prior to 5.00pm on Friday, 5 April 2013.

CAP is currently considering the legal and commercial implications of the Liquidators' correspondence.

Pure Metals is a related entity to Silvergate.

Silvergate is responsible for the recent requisition of the Directors of CAP to call and hold a general

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meeting of shareholders which was announced to the market on 13 February 2013. At that meeting, Silvergate seeks to remove four existing CAP Directors and install two Directors aligned with Silvergate.

BMG's interest in the Joint Venture is 40%. CAP holds a 60% interest in the Joint Venture.

For further information please contact:

A handwritten signature in black ink, appearing to read "Chris J Powell", is positioned above the contact information.

Chris J Powell
Company Secretary / CFO
Carpentaria Exploration Limited
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