ASX ANNOUNCEMENT

14 October 2009

2.5 to 4.5 Billion Tonne Exploration Target[1] at Hawsons Iron Project Assessed by Independent Consultant

The Directors of Carpentaria Exploration Limited (ASX: CAP) are pleased to announce that it has engaged the world renowned independent technical consultants Hellman and Schofield Pty Ltd (H&S) to undertake an assessment of the Hawsons Iron Project with the objective of evaluating the magnetite exploration target for the area.

The Hawsons Project is located approximately 60 km south west of Broken Hill (Figure 1). Based upon the encouraging exploration results to date, the Board engaged independent consultants to scope the economic parameters necessary for a viable development project.

The results of the H&S study suggest that given the cumulative strike length of the magnetic anomalies and an average thickness of the magnetite siltstone of 100 metres and density of 3.2t/m^3, the exploration target would be in the range 2.5 billion tonnes to 4.5 billion tonnes with an 18% Davis Tube Recovery (DTR) magnetite grade.

Carpentaria's Executive Chairman, Nick Sheard, stated, "This independent exploration target[1] estimate is in line with internal company estimates. Scope exists for a larger exploration target[1] tonnage given the additional magnetic anomalies in the area not considered in this report (See Figure 2).

"In addition to the substantial tonnage potential, conceptually straightforward mining techniques and proximity to infrastructure, the earlier DTR results revealed a very clean magnetic concentrate with iron grades of 69% - 70%. Carpentaria intends to follow up earlier drilling results to determine the full potential of the area and seek to establish an initial Inferred Resource."

Currently Carpentaria is awaiting grade grind curve tests and bond work index results in order to determine processing requirements. These results are anticipated to be received in late October.

Attached is the summary report from the H&S work.

For further information, please contact:
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[1] *The potential quantity and grade of the exploration targets is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.*

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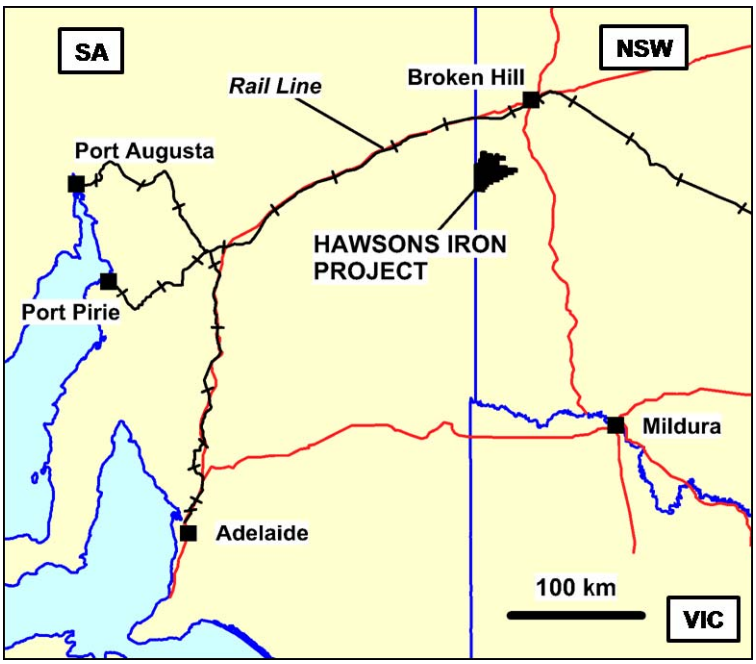

Figure 1 Location map

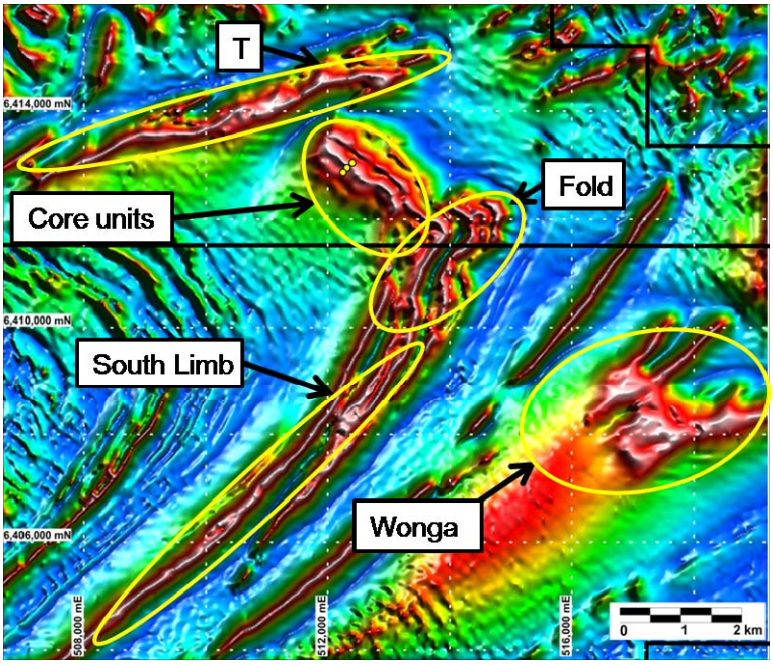

Figure 2 Tilt Image (processed airborne magnetics) showing potential magnetite sources in red and enclosed in yellow used for the H&S assessment. Note other units not circled may have magnetite potential.

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Exploration Target Assessment : Hawsons Iron Ore Project, NSW

Hellman & Schofield ("H&S") was requested by Carpentaria Exploration Limited ("CAP") to complete a brief assessment of the Hawsons Iron Prospect located 60km south west of Broken Hill in western NSW. The prospect lies within two contiguous Exploration Licences (EL) granted to CAP and Perilya Resources Broken Hill Limited. EL 7208 is 100% owned by CAP while EL 6979 is under a joint venture agreement with Perilya. CAP manages exploration at the prospect. The aim of the assessment is to evaluate the magnetite Exploration Target for the area.

The Hawsons Iron Prospect is situated within folded, upper greenschist facies Neoproterozoic rocks of the Adelaide Fold Belt. The Braemar Facies magnetite ironstone is the host stratigraphy and comprises a series of narrow, strike extensive magnetite-bearing siltstones with a moderate dip (circa 45^{o}). Large areas of the Hawsons prospective stratigraphy are concealed by transported ferricrete and other younger cover. The base of oxidation due to weathering over the prospective horizons is estimated to average 80m in depth. The airborne magnetic data clearly indicates the magnetite siltstones as a series of parallel, narrow, high amplitude magnetic anomalies.

Exploration work completed by CAP in 2009 includes detailed surface mapping and geochemical sampling, modelling of airborne and ground magnetic data, and limited RC drilling. The drilling has tested a single magnetic anomaly within the magnetic sequence of the Core Target Area and has identified from a fence of three RC drillholes a 100-115m thick (true thickness), moderately south west dipping magnetite-bearing siltstone. Within this unit is a 30m thick (true thickness) higher grade magnetite zone. The drilling results were announced to the ASX on the 26th August 2009.

Sampling of the drilling consisted of 120 geologically controlled composite samples derived from 606 1m initial sample intervals. Analysis for magnetite utilised Davis Tube Recovery ("DTR") tests which using a notional 17% DTR magnetite cut off produced a weighted average magnetite grade of 18% for the magnetite siltstone unit with a weighted average of 20% magnetite for the higher grade zone. Analysis of the magnetic fraction for each of the composite samples yielded a clean concentrate of 69-71% Fe.

Detailed modelling of the magnetic data has indicated that this discovery unit has a strike continuity of about 1.6km. Additional modelling has identified several other parallel magnetite bands of similar strike length and similar magnetic geometries within this Core Target Area for a cumulative strike length of about 7km.

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Additional modelling of the magnetic data has identified similar style magnetic anomalies within the Hawsons prospect that have been geologically linked to the same magnetite siltstone package, including the T, Fold, South Limb and Wonga Target Areas for a total cumulative strike length between 43 and 46 km.

Using this cumulative strike length and assuming an average 100m true thickness for the magnetite zone at 18% DTR magnetite, a vertical depth of 250m with a density of 3.2t/m^3 then the Exploration Target for the Hawsons area is 2.5 – 4.5 billion tonnes.

Target Area	No of Bands	Strike (km)	Thickness (m)	Volume (Mill m^3)	Tonnage (Bt)
Core	5	7.5 to 8.0	80-120	0.15 to 0.20	0.4 to 0.8
Fold	5	7.0 to 7.5	80-120	0.15 to 0.20	0.4 to 0.8
T	1	14.0 to 16.0	80-120	0.30 to 0.40	1.0 to 1.4
South Limb	1 to 4	6.3 to 6.9	80-120	0.15 to 0.20	0.3 to 0.7
Wonga	3	7.5 to 8.0	80-120	0.15 to 0.20	0.4 to 0.8
	Totals	**42.8 to 46.4**	**80-120**	**0.9 to 1.2**	**2.5 to 4.5**

In addition there are similar magnetic anomalies within the Hawsons area that have not been included in the current Exploration Target assessment.

The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource. The quoted magnetite grades may not be represented with any subsequent exploration including drilling and the depth of the weathered overburden may be variable.

The data in this report that relates to Exploration Results for the Hawsons Project is based on information evaluated by Mr Nick Sheard who is a Member of The Australasian Institute of Geoscientists (MAIG) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Sheard is a full-time employee of Carpentaria Exploration Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

The data in this report that relates to Exploration Targets for the Hawsons Project is based on information evaluated by Mr Simon Tear and Mr Arnold van der Heyden who are Members of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Tear and Mr van der Heyden are full-time employees of Hellman & Schofield Pty Ltd and they consent to the inclusion in the report of the Mineral Resources in the form and context in which they appear.