



12 May 2021

Hawsons Iron Project – The Path Forward

Carpentaria Resources Limited (ASX:CAP) is pleased to announce that it has reached agreement with Pure Metals Pty Ltd (PM) that will lead to the completion of the sale and purchase agreement (SPA) under which the Company will acquire PM's 24.149% of the Hawsons Iron Project in consideration of the issue to PM of 90.8 million Carpentaria shares. Shareholder approval for the transaction was obtained at the Company's AGM on 2 November 2020. Carpentaria and PM have resolved all outstanding matters and the conditions precedent to the SPA have been met, with completion of the SPA to occur on or around 19 May 2021.

The Company further announces that it has been looking to introduce to PM sophisticated investors to purchase the 90.8 million Carpentaria shares once they have issued. PM will as a result appoint Shaw and Partners' Wholesale Trading team to act on PM's behalf to sell the Carpentaria shares to two or more non-associated third parties. The shares will be sold by PM by way of off-market transfers.

Commenting on these commercial agreements, Carpentaria's Executive Chairman, Bryan Granzien, likened them to "clearing the path" of obstacles that have to date held up Carpentaria's efforts to realise the full value of the world-class Hawsons Iron Project.

He went on to say, "We now expect to be able to do justice to the Hawsons Project and raise the funds necessary to complete the bankable feasibility study then proceed to development of the project. CAP will look to take advantage of the huge demand for the highest-quality iron ore products worldwide, and do so for the benefit of CAP shareholders, the community of Broken Hill and other stakeholders".

Released by authority of the Board

Carpentaria Resources Ltd
+61 7 3220 2022