



ASX Announcement

6 November 2014

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

Dear Sir/Madam,

Information regarding inadvertent breach of Corporations Act

Carpentaria Exploration Limited (**Company**) wishes to advise the market that it has come to the attention of the Company that it has engaged in inadvertent and unintentional conduct with regard to the handling of its Treasury Shares. This conduct has caused the Company to breach the Corporations Act.

This breach has not caused any material adverse consequences for shareholders.

Treasury Shares are shares previously held by employees who have left the Company and who elect to transfer their shares back to the Company instead of repaying the loan that was advanced for the acquisition of shares in the Company under an Employee Share Plan.

Under the Corporations Act, Treasury Shares must be sold or otherwise disposed of within 12 months and the Company cannot exercise voting rights attached to those Treasury Shares.

In one instance the Company has held Treasury Shares for longer than 12 months. This is a breach of the Corporations Act.

In addition, the Company unintentionally voted 1.3 million Treasury Shares at the 2012 Annual General Meeting, the 2013 Annual General Meeting and at the 2012 Extraordinary General Meeting. This was done unintentionally and without mischief **and importantly the exercise of the Treasury Share votes did not alter the outcome of any resolutions put to shareholders at these meetings.**

Carpentaria **will not** be voting any Treasury Shares at the Annual General Meeting and Extraordinary General Meeting to be held on Monday 10 November 2014.

The Company has self-reported these breaches to the Australian Securities and Investments Commission (**ASIC**) and has put in place procedures to ensure that no inadvertent breaches with regard to its management of Treasury Shares can occur in the future.

The Company is taking steps to ensure that Treasury Shares subject of the breach are disposed of as soon as possible. These steps will be taken in consultation with ASIC. It is unclear to the Company at this time if there will be any penalty imposed by ASIC on the Company in relation to this inadvertent conduct and breaches of the Corporations Act.

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The Company will advise shareholders of any developments which occur as a result of its consultation with ASIC.

The Directors of the Company wish to reiterate that this conduct was unintentional and inadvertent, occurred with no mischief, and has had no material adverse effect on any resolutions which have been put to shareholders in general meetings.

For further information please contact:

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