



MARKET RELEASE

2 October 2014

Carbon Energy Limited

TRADING HALT

The securities of Carbon Energy Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of commencement of normal trading on Monday, 6 October 2014, or when the announcement is released to the market.

Security Code: CNX

Shannon Hong
Senior Adviser, Listings Compliance



carbonenergy

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Carbon Energy (Operations) Pty Ltd
ABN 61 105 176 967

Thursday, 2 October 2014

Shannon Hong
Adviser, Listings Compliance
ASX Compliance Pty Limited
20 Bridge Street,
Sydney NSW 2000

Dear Shannon

Request for Trading Halt

In accordance with ASX Listing Rule 17.1 Carbon Energy Limited requests a Trading Halt in respect of its shares pre the commencement of trading on Thursday, 2 October 2014, and advises as follows:

Reasons for the Trading Halt:

Pending an announcement concerning a material capital raising which is expected to include a placement to sophisticated and institutional investors in Australia and/or overseas.

Length of Trading Halt:

Carbon Energy requests a trading halt effective from Thursday, 2 October 2014 until the earliest of an announcement being made to the market concerning a capital raising or the opening of trade on Monday, 6 October 2014.

Event expected to happen to end the Trading Halt:

The Trading Halt will be lifted on the earlier of the Company making announcements to the market in relation to a capital raising or the opening of trade on Monday, 6 October 2014.

Carbon Energy is not aware of any reason why the Trading Halt should not be granted.

Please call me should you have any questions regarding the above.

Yours sincerely

Tracy Bragg
General Counsel & Company Secretary