



carbonenergy

Carbon Energy Limited | ABN 56 057 552 137

ASX Announcement

29 October 2014

Level 9, 301 Coronation Drive,
Milton QLD 4064 Australia
PO Box 2118, Toowong DC
QLD 4066 Australia
phone + 61 (0) 7 3156 7777
fax + 61 (0) 7 3156 7776

www.carbonenergy.com.au

Carbon Energy Limited
ABN 56 057 552 137
Carbon Energy (Operations) Pty Ltd
ABN 61 105 176 967

Successful Closure of Share Purchase Plan

Carbon Energy (ASX: CNX) (OTCQX: CNXAY) advises that the Company's Share Purchase Plan ('SPP') which closed at 5pm Sydney time on 23 October 2014 received subscription applications totalling \$2.5 million, resulting in the issue of approximately 50 million new shares at the issue price of \$0.05.

Commenting on the results, CEO and Managing Director, Morné Engelbrecht said "The Board is sincerely grateful of the continued support shown by shareholders. We are moving towards finalising the process of seeking Queensland Government approval to commence the Blue Gum Gas Project, and closer to our vision of becoming a major gas producer. We look forward to continuing to work with the State Government to make this important project a reality."

Funds raised under the SPP will be applied to closing out the Government's review process, advancing the Blue Gum Gas Project including the pursuit of off-take and/or investment partners, further business development, and general working capital.

The total funds raised were within the allowable range to be raised under the SPP and consequently, valid applications from shareholders will not be subject to scale-back. New shares under the SPP will be allotted on Friday, 31 October 2014, and trading of the new shares is expected to commence on Tuesday, 4 November 2014. Dispatch of transaction confirmations and holding statements will be sent to shareholders on or around Monday, 3 November 2014. All shares issued under the SPP rank equally with existing Carbon Energy shares. No brokerage or transactions costs were payable under the SPP.

ENDS

For and on behalf of the Board

Morné Engelbrecht
Managing Director and Chief Executive Officer

About Carbon Energy

Carbon Energy (ASX: CNX) (OTCQX: CNXAY) is building a Queensland gas business.

The Company is committed to providing Australian industrial gas users with an affordable and secure source of high quality gas, as gas prices continue to rise with increased overseas demand.

Carbon Energy is developing a new Queensland-based energy portfolio. Subject to government approvals, the Company is currently developing its first commercial project, the Blue Gum Gas Project, near Dalby in Queensland. This plant will supply 25PJ of natural gas per annum and is located within easy access to markets, and close to existing infrastructure.

Additionally, Carbon Energy has the potential to supply the growing overseas markets.

A key competitive advantage for Carbon Energy has been the development of its unique keyseam technology. This proven and highly controlled technology enables access to productive gas resources that were previously considered too deep or uneconomic.

keyseam maximises resource efficiency, while minimising surface disturbance and preserving groundwater quality. Originally developed by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) it has been proven through six years of field trials.

Alongside its local operations, Carbon Energy works with international partners to unlock new energy resources offshore. The Company delivers end-to-end services from initial project assessment through to commercial project development, operations, site decommissioning and rehabilitation. It also has an established project in Inner Mongolia, China.

Carbon Energy is headquartered in Brisbane, Australia, is listed on the Australian Securities Exchange (ASX) as CNX and is quoted on the OTCQX International Exchange as CNXAY in the United States.