



**carbonenergy**

Carbon Energy Limited | ABN 56 057 552 137

## ASX Announcement

9 December 2015

Level 9, 301 Coronation Drive,  
Milton QLD 4064 Australia  
PO Box 2118, Toowong DC  
QLD 4066 Australia  
[phone + 61 \(0\) 7 3156 7777](tel:+610731567777)  
[fax + 61 \(0\) 7 3156 7776](tel:+610731567776)

[www.carbonenergy.com.au](http://www.carbonenergy.com.au)

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

## JINHONG JOINT VENTURE – UPDATE

- Shareholders approve the formation of the JinHong JV.
- JV working group established.
- JinHong to provide initial pre-JV formation working capital to commence work.

Carbon Energy (ASX:CNX, OTCQX:CNXAY) has begun work on progressing the approval and incorporation of the China based JinHong New Energy Joint Venture (JV) which was approved by shareholders at the Company's Annual General Meeting on Monday 30 November 2015.

Whilst the PRC Government approval is being obtained, which is expected before the middle of 2016, the JV working group will concurrently progress the following key actions:

- Prepare and file documentation for JV approval and incorporation;
- Confirm the JV launch strategy, execution plan and budget;
- Secure suitable coal leases;
- Establish an office in Beijing, China; and
- Interview and appoint the JV management team.

JinHong will provide the initial pre-JV formation working capital which will be capitalised once the JV is incorporated.

The formation of the JinHong JV represents an exciting opportunity for Carbon Energy to realise its strategic priorities and develop its first commercial demonstration project outside Australia. China's current economic climate, high demand for lower emission coal technologies and supportive government policy, make China a very attractive market for promoting the company's keyseam technology.

## ENDS

For and on behalf of the Board

Morné Engelbrecht  
Managing Director & CEO

## About Carbon Energy

Carbon Energy (ASX: CNX) is building a gas business, utilising its unique keyseam technology.

The Company is committed to providing industrial gas users with an affordable and secure source of high quality feedstock, as gas prices remain strong, through increased demand across our key markets.

Carbon Energy is the only company to complete a full-lifecycle, commercial scalable underground gasification trial. The Company's keyseam technology has successfully accomplished all the recommendations outlined by the Queensland government's Independent Scientific Panel (ISP) which included intense, independent environmental scrutiny.

This highly controlled, proven technology enables access to gas resources that were previously considered too deep or uneconomic to reach.

keyseam maximises resource efficiency while minimising surface disturbance and preserving regional groundwater use. Originally developed by Australia's leading research and scientific body, the Commonwealth Scientific and Industrial Research Organisation (CSIRO) it has been operationally proven through six years of field trials.

Alongside its Australian operations, Carbon Energy is working with international partners to unlock new energy resources offshore. The Company can deliver end-to-end services from initial project assessment through to commercial project development, operations, site decommissioning and rehabilitation.

Carbon Energy is headquartered in Brisbane, Australia and is listed on the Australian Securities Exchange (ASX).

keyseam® is a registered Trademark of Carbon Energy Ltd