

Form 605

Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme Carbon Energy Limited ("CNX")

ACN/ARSN 057 552 137

1. Details of substantial holder (1)

Name This notice is given by Incitec Pivot Limited on behalf of itself and each of its controlled bodies corporate ("IPL Subsidiaries"), as its associates, named in the list of 2 pages annexed to this notice and Marked A ("Annexure A")

ACN/ARSN (if applicable) 004 080 264

The holder ceased to be a substantial holder on

13/04/2016

The previous notice was given to the company on

14/10/2015

The previous notice was dated

14/10/2015

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to changes (5)	Class (6) and number of securities affected	Person's votes affected
03/12/2015	Incitec Pivot Limited and each of the IPL Subsidiaries	Dilution to 5.078% following issue of shares by CNX in consideration of interest costs	N/A	75,556,040 fully paid ordinary shares	75,556,040
11/03/2016	Incitec Pivot Limited and each of the IPL Subsidiaries	Dilution to 5.051% following issue of shares by CNX in consideration of interest costs	N/A	75,556,040 fully paid ordinary shares	75,556,040
13/04/2016	Incitec Pivot Limited and each of the IPL Subsidiaries	Dilution to 4.284% following issue of shares by CNX pursuant to a renounceable rights issue and rights issue shortfall	N/A	75,556,040 fully paid ordinary shares	75,556,040

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Incitec Pivot Limited	Level 8, 28 Freshwater Place, Southbank, Victoria 3006
Each of the IPL Subsidiaries	See Annexure A

Signature

print name Daniella Pereira

capacity Company Secretary

sign here



date 14/04/2016

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

This is Annexure A of 2 pages referred to in form 605 Notice of ceasing to be a substantial holder by Incitec Pivot Limited ACN 004 080 264



Name: Daniella Pereira
Capacity: Company Secretary
Date: 14 April 2016

IPL Subsidiaries

Name of Entity	Country of incorporation
Incitec Fertilizers Limited	Australia
TOP Australia Ltd	Australia
Southern Cross Fertilisers Pty Ltd	Australia
Southern Cross International Pty Ltd	Australia
Incitec Pivot LTI Plan Company Pty Limited	Australia
Incitec Pivot Holdings (Hong Kong) Limited	Hong Kong
Incitec Pivot Explosives Holdings Pty Limited	Australia
TinLinhe Nitrogen Limited	Hong Kong
Quantum Fertilisers Limited	Hong Kong
Coltivi Insurance Pte Limited	Singapore
Queensland Operations Pty Limited	Australia
Incitec Pivot Investments 1 Pty Ltd	Australia
Incitec Pivot Investments 2 Pty Ltd	Australia
Incitec Pivot US Investments	USA
Incitec Pivot US Holdings Pty Ltd	Australia
Incitec Pivot Management LLC	USA
Incitec Pivot Finance LLC	USA
Incitec Pivot Finance Australia Pty Ltd	Australia
Dyno Nobel Pty Limited	Australia
Dyno Nobel Australia LLC	USA
Prime Manufacturing Ltd	New Zealand
The Dyno Nobel SPS LLC	USA
Dyno Nobel Europe Pty Ltd	Australia
Dyno Nobel Management Pty Limited	Australia
Industrial Investments Australia Finance Pty Limited	Australia
Dyno Nobel Holdings IV LLC	USA
Dyno Nobel Holdings USA III Inc.	USA
Dyno Nobel Holdings USA II	USA
Dyno Nobel Holdings USA II Inc.	USA
Dyno Nobel Holdings USA Inc.	USA
Dyno Nobel Inc	USA
Dyno Nobel Transportation Inc.	USA
Simsbury Hopmeadow Street LLC	USA
Dyno Nobel Holdings V LLC	USA
Tradestar Corporation	USA
Dyno Nobel Explosivos Chile Limitada	Chile

Name of Entity	Country of incorporation
CMMPM, LLC	USA
CMMPM Holdings L.P.	USA
Dyno Nobel Peru S.A.	Peru
Dyno Nobel Mexico, S.A. de C.V.	Mexico
Dyno Nobel Canada Inc.	Canada
Dyno Nobel Transportation Canada Inc.	Canada
Dyno Nobel Nunavut Inc.	Canada
Incitec Pivot Finance Canada Inc.	Canada
Polar Explosives 2000 Inc.	Canada
Polar Explosives Ltd	Canada
Dyno Nobel Asia Pacific Pty Limited	Australia
Dampier Nitrogen Pty Ltd	Australia
DNX Australia Pty Ltd	Australia
DNX Papua New Guinea Ltd	PNG
Dyno Nobel Moranbah Pty Ltd	Australia
Dyno Nobel Moura Pty Limited	Australia
PT DNX Indonesia	Indonesia
Nitromak DNX Kimya Sanayii A.S.	Turkey
SC Romnitro Explosives Srl.	Romania
DNX Nitro Industrial Kimike Sh.p.k	Albania
Dyno Nobel Louisiana Ammonia, LLC	USA
Dyno Nobel Waggaman Inc	Canada