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Australian Securities Exchange
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Dear Sir

Carbon Conscious and BP agree Tree Planting Carbon Offset Deal

Up to 10 million Mallee Eucalypt trees to be planted across Australia

14 October 2009: Carbon Conscious Limited (ASX: CCF) and BP have signed contracts for a large scale Australian bio sequestration project involving the planting of up to 10 million trees to absorb carbon from the atmosphere.

The deal signals an important move by BP to secure capacity in the Australian carbon forest sink industry. The contract involves BP paying Carbon Conscious to create large scale commercial plantings of Mallee Eucalypt trees on less viable agricultural land in the wheatbelt regions of Australia.

While large scale tree planting will substantially reduce land salinity and erosion problems, the deal is driven by the production of Australian Emission Units (AEU's) tradable under the Australian Government's proposed Carbon Pollution Reduction Scheme (CPRS).

BP has engaged Carbon Conscious to establish plantings in 2010, with an investment of over A\$2.5 million, plus ongoing licensing fees. In return, both companies will share in the value of the resulting carbon offsets over a 15-year period. In addition, BP has acquired the option to invest further funds with Carbon Conscious for plantings in 2011 and 2012, once regulatory certainty surrounding the CPRS has been established.

BP's regional director of emissions offsets, Mr Rajeev Suri said: *"Our agreement with Carbon Conscious is an important step for BP in this region."*

"We see this contract as potentially the initial stage or pilot of what could be a very significant part of BP's carbon management in Australia. This deal offers BP an investment structure and additional environmental benefits and it provides the foundation for an ongoing and mutually beneficial relationship with Carbon Conscious."

The BP deal follows the 16 July 2009 announcement by Carbon Conscious of a contract with Origin Energy Limited. It is considered that the Origin deal is the largest ever Australian carbon forest sink deal with a value of up to \$169 million if fully exercised.

Carbon Conscious has now been responsible for both Australia's major carbon forest sink deals designed specifically for the CPRS. Both have been with large, highly-respected companies.

Carbon forest sink plantings have a unique role in the proposed Australian Government CPRS as they offer the only current domestic opportunity for large emitters to offset their carbon emissions other than through the Government's auction system. Companies gain access to a stream of carbon credits at a predetermined price and are therefore protected against future carbon price increases or supply shortages.

Carbon Conscious CEO Peter Balsarini said: *"We are pleased to finalise this contract with such a significant party as BP so soon after our Origin Energy deal. This shows the capability of Carbon Conscious and proof of the scalability and market appeal of the Carbon Conscious business model."*

"The other important dimension is that one deal has been with a major Australian company and the other is with a major international company. We are not restricted by geography."

Carbon Conscious was established out of major grain investment company AACL. AACL operates the largest grain production business in Australia with its unique model partnering investors with professional grain farmers. It planted about 750,000 acres of wheat, barley and canola in 2009.

This unique relationship with AACL delivers the advantage to Carbon Conscious of providing access to vast tracts of land and farmers. Farmers benefit from the trees planted on their properties financially as well as ongoing environmental benefits with the alleviation of salinity and soil erosion.

Carbon Conscious also assists businesses and individuals seeking to offset their carbon emission footprints in the voluntary market.

Carbon Conscious has approved Abatement Provider status under the Commonwealth Government's Greenhouse Friendly™ Program for its forest sink Carbon Capture Program™. The approved Abatement Provider status certifies Carbon Conscious' business model of supplying low cost accredited carbon credits to Australian and international companies expected to have mandatory liabilities under the upcoming CPRS.

Carbon Conscious has access to large areas of suitable land via existing relationships with farmers and is experienced in the site planning, seedling production, planting and plantation management of Mallee Eucalypts in the Australian wheatbelt.

MEDIA CONTACT:

Mr Peter Balsarini (CEO & Executive Director)
(08) 9286 5999
0407 584 770
pbalsarini@carbonconscious.com.au

Rudi Michelson (Monsoon Communications)
02 9620 3333

Carbon Conscious (CCF) – More Information

Carbon Conscious creates large scale carbon estates to produce carbon offset credits under the Australian Governments proposed Carbon Pollution Reduction Scheme. We do this by planting Mallee Eucalypt trees, a native species perfectly adapted to the growing conditions of the Australian wheatbelt.

We are a progressive business born out of a company with a successful history in the agricultural sector. We have access to large areas of suitable land through our long standing strategic relationships with Australian farmers.

For more information go to www.carbonconscious.com.au

For further information about BP please contact:

Jamie Jardine
BP Australia Pty Ltd
0410 479 002

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For more information go to www.bp.com

Yours sincerely



Geraldine Holland
Company Secretary