

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	CARBON ENERGY LTD
ABN	56 057 552 137

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	CLIFFORD WILLIAM MALLET
Date of last notice	11.12.08

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	(1) INDIRECT (2) DIRECT
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	(1) Mr Clifford William Mallett and Mrs Wendy Justine Mallett ATF Elysium Super Fund (2) Clifford William Mallett
Date of change	23/7/09 to 30/07/09
No. of securities held prior change	(A) (1) 9,437,322 Shares (B) (2) 1,750,000 – 80c Options expire 10/12/2013 (B) (2) 1,750,000 - \$1.20 Options vest 30/06/2010 on achievement of Performance Benchmark – expire 10/12/2013 (B) (2) 1,750,000 - \$1.60 Options vest 30/06/2011 on achievement of Performance Benchmark – expire 10/12/2013
Class	(A) ORDINARY (B) UNLISTED OPTIONS
Number acquired	(A) (1) 4,629,630
Number disposed	(A) (1) 2,300,000

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

<p>Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation</p>	<p>(A) (1) (acquired 4,629,630 shares) - Sale of Carbon Energy (Operations) Pty Ltd shares to Carbon Energy Ltd (pursuant to Shareholder approval)</p> <p>(A) (1) (disposed 2,300,000) –at an average price of 52c for each share sold on market</p>
<p>No. of securities held after change</p>	<p>(A) (1) 11,766,952 Shares</p> <p>(B) (2) 1,750,000 – 80c Options expire 10/12/2013</p> <p>(B) (2) 1,750,000 - \$1.20 Options vest 30/06/2010 on achievement of Performance Benchmark – expire 10/12/2013</p> <p>(B) (2) 1,750,000 - \$1.60 Options vest 30/06/2011 on achievement of Performance Benchmark – expire 10/12/2013</p>
<p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p>	<p>Acquisition of Carbon Energy (Operations) Pty Ltd shares by Carbon Energy Ltd and On Market sales</p>

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

<p>Detail of contract</p>	
<p>Nature of interest</p>	
<p>Name of registered holder (if issued securities)</p>	
<p>Date of change</p>	
<p>No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed</p>	
<p>Interest acquired</p>	
<p>Interest disposed</p>	
<p>Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation</p>	
<p>Interest after change</p>	

31/07/09

+ See chapter 19 for defined terms.