



CarbonEnergy

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ENERGIA MINERALS NL PROSPECTUS LODGED INCLUDING PRIORITY OFFER TO CNX SHAREHOLDERS

On 14 August 2009 Carbon Energy (ASX:CNX) announced to the market its intention to spin off its uranium interests through an initial public offering (IPO) by the end of the 2009 calendar year.

We are pleased to announce that the prospectus has been lodged with ASIC today for Energia Minerals NL ("Energia"), the name of the company that will own the uranium assets. Carbon Energy intends to maintain a 40% interest upon successful completion of the capital raising.

Energia is intending to raise up to \$7.5 million by issuing up to 37.5 million shares at 20 cents per share. **CNX Shareholders will be extended a "Priority Offer"** to acquire a minimum parcel of 10,000 shares each, with a priority pool of up to 30 million Energia shares.

All CNX Shareholders registered as shareholders on the **record date of 26 November 2009** will be sent an Energia Prospectus and **Priority Application Form**. As there is no fixed entitlement due for CNX Shareholders to shares in Energia, **there will be no ex market established** in conjunction with this record date.

The separate listing of Energia enables investors to participate in the development of this business into a substantial company focused on the successful delineation, evaluation and development of its uranium assets.

Its primary objectives are to:

- Advance the Nyang Project based in Western Australia to determine its potential and complete all necessary mining studies to establish commercial viability;
- Advance the grant of existing exploration applications for the Lombardia Project in Italy;
- Identify, test and delineate further areas of mineralisation potential on the Australian and Italian Project areas; and
- Identify and pursue additional uranium opportunities.

The Energia Prospectus can be viewed on Energia's website.

I encourage all CNX shareholders to participate in the Energia IPO, and we look forward to its successful listing on the ASX which is expected to be on 30 December 2009.

This IPO completes Carbon Energy's programme of divesting non-core assets and is consistent with its strategy to focus on becoming an energy company utilising its expertise in underground coal gassification.

For and on behalf of the board

Andrew Dash
Managing Director