



MARKET RELEASE

3 December 2009

Carbon Energy Limited

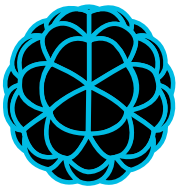
TRADING HALT

The securities of Carbon Energy Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Monday, 7 December 2009 or when the announcement is released to the market.

Security Code: CNX

A handwritten signature in black ink, appearing to be 'G. Seeto', with a long, sweeping underline that extends to the right.

Gregory Seeto
Adviser, Issuers (Brisbane)



CarbonEnergy

3 December 2009

Mr Greg Seeto
Adviser, Issuers (Brisbane)
ASX Market Supervision Pty Ltd
Level 5, Riverside Centre
123 Eagle Street, Brisbane QLD 4000

By Email: greg.seeto@asx.com.au

Dear Greg,

Carbon Energy Limited – Trading Halt

The Company requests a trading halt effectively immediately pending the release of an announcement regarding a commercial Agreement for an overseas opportunity using Carbon Energy's Underground Coal Gasification (UCG) technology.

The announcement will be made prior to the opening of trading on Monday, 7 December 2009.

The Company is not aware of any reason why the trading halt should not be granted.

There is no other information necessary to inform the market about the trading halt.

If you have any queries, please contact me.

Yours Sincerely,

Prem Nair
CFO & Company Secretary

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