

Carbon Polymers LTD.

ABN. 42 000 764 572

ASX ANNOUNCEMENT

29 October 2010

The Manager
Companies Section
Australian Stock Exchange Limited
Level 6
20 Bridge Street,
SYDNEY NSW 2000

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2010

Carbon Polymers Ltd (ASX: CBP) details below the activities of the Company for the quarter ended 30 September 2010, and also up to the current date.

CAPITAL RAISING JULY 2010:

As previously announced to the market in July 2010 the Company was successful by private placement in raising \$880,000 by the issue of 3,520,000 fully paid ordinary shares. These funds have been used for working capital purposes and also to provide the necessary funds to complete the rubber processing plant.

GENERAL MEETING OCTOBER 2010:

As previously announced to the market a general meeting was held on the 10 October 2010, where all resolutions put to the members present at the meeting were approved by unanimous show of hands. The resolutions were

1. The share placement for the capital raising in July was approved.
2. The Oakturn Share Acquisition and the Company Share Issue were approved.
3. The Simultech Share Sale was approved.
4. The Smithfield Property Acquisition was approved.
5. The Change of the Company's name from Nullarbor Holdings Limited to Carbon Polymers Limited was approved.

The Board are currently working to implement the approvals received at that general meeting.

RUBBER TYRE PROCESSING PROJECT:

As previously announced to the market, the Company is currently developing channel partners on both product sourcing for waste material and off take agreements for our diverse product range. Our stage 1 practical completion of the tyre processing plant has been achieved and we are about

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to commence the testing phase of the plant. It is expected that this phase will last for several weeks.

Once testing has been completed the main plant will be commissioned and become operational. Prior to the main plant being run we also have five different ancillary sub plants to boost our throughput. This should significantly enhance our processing capability.

We have commenced sales of existing stock currently in the warehouse. These supply agreements require that we now commence tyre collections sooner than previously envisaged, as our operational capacity has commenced more rapidly than we expected due to customer needs.

The Company aims to be cash flow positive within the next few weeks before the main plant is fully operational. At this stage we then intend to bring the main plant online to significantly increase our capacity and output.

The Board will keep the market informed as these projects progress.

Yours faithfully,
Carbon Polymers Limited

Colin A Grady
Director / Company Secretary

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