



7 October 2011

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Carbon Energy (Operations) Pty Ltd
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Release of securities from voluntary escrow

We refer to the Company's letter of 7 April 2011 in which it provided notice of (among other things) the allotment and issue of certain fully paid shares to Summa Resource Holdings LLC subject to voluntary escrow terms in respect of some of the shares.

The issue of US\$10 million of Carbon Energy shares (27,645,208 shares) to Summa Resource Holdings LLC was in consideration for the acquisition of Clean Coal Inc and Clean Coal Amasra as announced to the Australian Stock Exchange 23 February 2011.

The Share Sale Agreement between Carbon Energy and Summa Resource Holdings LLC resulted in the issue of shares into two voluntary escrow agreements with different escrow expiry dates.

The Company advises that 10,505,179 fully paid shares will be released from voluntary escrow on Monday 24 October 2011.

For and on behalf of the Board



Prem Nair
CFO & Company Secretary

