



carbonenergy
resource. technology. markets.

Level 12, 301 Coronation Drive,
Milton QLD 4064 Australia
PO Box 2118, Toowong DC
QLD 4066 Australia
phone + 61 (0) 7 3337 9944
fax + 61 (0) 7 3337 9945

www.carbonenergy.com.au

Carbon Energy Limited
ABN 56 057 552 137

Carbon Energy (Operations) Pty Ltd
ABN 61 105 176 967

ASX Announcement

4 October 2012

Release of securities from voluntary escrow

In accordance with Listing Rule 3.10A, Carbon Energy Limited (ASX:CNX, OTCQX:CNXAY) advises that 13,822,604 fully paid ordinary shares in Carbon Energy Limited are to be released from voluntary escrow on 17 October 2012.

For and on behalf of the Board

Morné Engelbrecht
CFO & Company Secretary

About Carbon Energy Ltd.

Carbon Energy is a world leader in advanced coal technology. The Company's business is transforming stranded coal resources into high-value fuels with lower carbon emissions to meet the increasing global demand for new, low cost, alternative energy sources.

Carbon Energy is headquartered in Brisbane, Australia and listed on the Australian Securities Exchange (ASX). The Company also has an office in New York and is quoted on OTCQX International (CNXAY).

The Company's proprietary technology, keyseam® is an innovation in underground coal gasification (UCG), incorporating a unique site selection methodology and advanced geological and hydrological modelling. Keyseam maximizes resource efficiency, extracting up to 20 times more energy from the same resource than coal seam gas, while minimizing surface disturbance and preserving groundwater quality.

Carbon Energy's technological advantage comes from its association with Australia's premier research agency, CSIRO, which includes world-class geotechnical, hydrological and gasification modelling capabilities.

Carbon Energy is building an international portfolio of coal assets suitable for keyseam and accessible to high-value markets. The Company has resources and rights to coal assets in projects across Australia, Chile, United States and Turkey.