



carbonenergy

Carbon Energy Limited | ABN 56 057 552 137

ASX Announcement

20 January 2014

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ABN 56 057 552 137

Carbon Energy (Operations) Pty Ltd

ABN 61 105 176 967

Settlement of Laverton Asset Sale Agreement Contingent Consideration

Carbon Energy (ASX:CNX, OTCQX: CNXAY) held a mortgage in relation to mining tenements in the Laverton area in Western Australia that were transferred from the Company to Focus Minerals (Focus Minerals) Limited (formerly Crescent Gold Limited) pursuant to an Asset Sale Agreement executed on 7 November 2009. The total consideration payable for those assets was \$2.5 million in cash (which was received at the time) plus a further payment of \$1.5 million which was contingent on gold production from those tenements exceeding 75,000 ounces.

Focus Minerals ceased its gold mining operations from the Laverton area in 2013 prior to reaching the trigger for payment of the contingent consideration. Focus Minerals has since requested the Company's consent to a discharge of the mortgage to allow Focus to dispose of any unproductive tenements. The Company agreed to discharge the mortgage in return for a payment of \$600,000 to the Company in full and final settlement of the obligation to pay the contingent consideration. Formal documentation reflecting the agreement reached has been executed by the parties and payment has now been received.

ENDS

For and on behalf of the Board

Tracy Bragg

General Counsel & Company Secretary