



Our Ref: CO2 ASX Announce ASX Price and Volume Query (290)

24 February 2011

ASX Compliance Pty Limited
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000
Mauro.piccini@asx.com.au

ANNOUNCEMENT 290

By Email
Number of pages: 3
(Including this page)

Dear Mauro

CO2 Group ASX Price and Volume Query

We refer to your price and volume query and note the following:

1. The Company is of the view the increase in share price and volume traded today relates directly to an announcement made today by the Prime Minister about the introduction of a carbon price mechanism from 1 July 2012 as well as a press release by Minister Combet following the announcement, a copy of the press release is attached ;
2. Not applicable;
3. As noted at 1 above; and
4. The Company remains very conscious of the listing rules and in particular listing rule 3.1 and advises that it continues to comply with the listing rules

Yours faithfully
CO2 Group Limited

A handwritten signature in black ink, appearing to read 'Harley Whitcombe'.

Harley Whitcombe
Company Secretary

ENC

CO2 Group Limited

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MINISTERS

Minister for Climate Change and Energy Efficiency

[Minister Home](#) » [Greg Combet](#) » [2011](#) » [Media releases](#) » [February](#)

THE HON GREG COMBET AM MP MINISTER FOR CLIMATE CHANGE AND ENERGY EFFICIENCY

Climate change framework announced

Joint media release

Prime Minister of Australia, The Hon Julia Gillard MP

24 February 2011

Download the PDF

[Climate change framework announced \(PDF 138 KB\)](#)

The Prime Minister Julia Gillard today outlined the Government's plan to cut pollution, tackle climate change and deliver the economic reform Australia needs to move to a clean energy future.

This is an essential economic reform, and it is the right thing to do.

The two-stage plan for a carbon price mechanism will start with a fixed price period for three to five years before transitioning to an emissions trading scheme.

The Government will propose that the carbon price commences on 1 July 2012, subject to the ability to negotiate agreement with a majority in both houses of Parliament and pass legislation this year.

A carbon price is a price on pollution. It is the cheapest and fairest way to cut pollution and build a clean energy economy. The best way to stop businesses polluting and get them to invest in clean energy is to charge them when they pollute.

The businesses with the highest levels of pollution will have a very strong incentive to reduce their pollution.

The Government will then use every cent raised to:

- Assist families with household bills

<http://www.climatechange.gov.au/minister/greg-combet/2011/media-releases/February/m...> 24-02-2011

- Help businesses make the transition to a clean energy economy
- Tackle climate change

The Government will not shy away from this difficult but vital economic reform to move Australia to a clean energy nation.

The global economy is shifting.

Right now, Australia is at risk of falling behind the rest of the world. The longer we wait, the greater the cost to the economy, and the greater the cost to Australian jobs.

An initial fixed carbon price will provide businesses with a stable and predictable platform to transition to a 'cap and trade' emissions trading scheme that will be linked to international carbon markets.

This will give businesses time to understand their carbon liability and begin the transformation in a steady and purposeful way.

Today's proposal is the result of hard work by the Multi-Party Climate Change Committee which has been meeting co-operatively, determined to help deliver this crucial economic reform.

The framework has been agreed by Government and Greens members of the Multi-Party Climate Change Committee (MPCCC). The other members, Mr Tony Windsor and Mr Robert Oakeshott, have agreed that the proposal should be released for community consultation.

The Committee will continue to discuss other important elements of the proposal including the starting level of the fixed price, any phasing in of sectors of the economy, and assistance for both households and industry.

The document outlining the proposed carbon price mechanism is attached.

Members of the public and interested parties who wish to provide input on this approach should contact: MPCCC@climatechange.gov.au, or write to:

The Multi-Party Climate Change Committee Secretariat
GPO Box 854
Canberra ACT 2601
Australia

Further information in relation to this proposed approach is available at www.climatechange.gov.au



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24 February 2011

Harley Whitcombe
Company Secretary
CO2 Group Limited
Level 11, 225 St George's Terrace
PERTH WA 6000

Email: harley.whitcombe@co2australia.com.au

Dear Harley,

CO2 Group Limited (the "Company")

PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from 15.5 cents on 23 February 2011 to an intra day high of 20 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email on mauro.piccini@asx.com.au or by facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 4:00 pm (W.S.T) today.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me on 9224 0000.

Yours sincerely,



Mauro Piccini
Adviser, Listings (Perth)