



CarbonEnergy

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

30 November 2009

Carbon Energy completes sale of Laverton gold interests

Carbon Energy Limited (**ASX: CNX**) announced it has executed an Asset Sale Agreement with Crescent Gold Limited (**ASX: CRE**) (as announced previously on the 14 August 2009) pertaining to the sale of all of its gold interests in the Laverton area of Western Australia.

The total consideration is \$2.5 million in cash (payable as \$1 million on execution of the agreement, and \$1.5 million in 6 months). A further payment of \$1.5 million will be made once gold production has exceeded 75,000 ounces. The gold inventory resource attributable to Carbon Energy is noted in attached Appendix 1.

The Agreement is subject to conditions precedent which include Government consents.

The funds received will be used to accelerate a number of commercialisation opportunities associated with the development of Carbon Energy's Underground Coal Gasification (UCG) projects in Australia and internationally.

The execution of this agreement completes Carbon Energy's programme of divesting non-core assets and is consistent with its strategy to focus on becoming an energy company utilising its expertise in UCG. To date \$9 million has been raised from the divestment programme including:

- The divestment of its 6.1% shareholding in Magma Metals Ltd realising \$6.5 million in cash.
- The lodgment of the Prospectus for Energia Minerals NL (**Energia**) on the 17 November 2009. Energia is the company established to advance the development of the uranium assets developed to date by Carbon Energy. Carbon Energy Shareholders have been invited to participate in a priority offer to invest in Energia with CNX retaining an interest in 29 million shares (representing approximately 42% of Energia, post IPO based on a full raising of \$7.5M).

Andrew Dash
Managing Director

For Further information please contact:

Andrew Dash, Managing Director
Carbon Energy
Ph: 07 3337 9944

About Carbon Energy

Carbon Energy's purpose is to produce clean energy and chemicals feedstock from Underground Coal Gasification (UCG) syngas.

Carbon Energy's unique approach to UCG and syngas production produces a low cost option for capturing CO₂ making it a leader in clean coal technology.

Carbon Energy's ambition is for syngas to become the preferred feedstock for producing clean coal power stations, an alternative to oil-based fuel, agribusiness products (fertilisers and explosives), polyolefin products (such as plastics) and allowing for economic carbon capture.

Carbon Energy's technological advantage comes from its association with CSIRO including world class geotechnical, hydrological and gasification modelling capabilities.

Carbon Energy is building an international portfolio of coal assets, suitable for UCG with close proximity to markets.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr I.W. Walker, Director, Carbon Energy Ltd, who is a member of the Australian Institute of Geoscientists. Mr Walker has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Walker consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

APPENDIX 1 LAVERTON PROJECTS - GOLD RESOURCE SUMMARY

GEOLOGICAL RESOURCE SUMMARY AS AT 31 JULY 2009¹

	Lower Cut	Upper Cut	MEASURED		INDICATED		INFERRED		TOTAL		
			Tonnes	g/t Au	Tonnes	g/t Au	Tonnes	g/t Au	Tonnes	g/t Au	Ounces
M38/37 - LANCEFIELD RESOURCE² [CEL 100%]											
DEEPS	4	-			603,000	6.2	120,000	7	723,000	6.3	147,200
NML	4	-			126,000	7.9	440,000	7	566,000	7.2	131,000
SPO	4	-			114,000	6.8	54,000	8	168,000	7.2	38,800
WMC ³	3	-	1,036,000	6.8	158,000	4.7			1,194,000	6.5	250,400
TELEGRAPH ⁴	4	20					91,000	6	91,000	6.0	17,600
TOTAL TONNES			1,036,000	6.8	1,001,000	6.2	705,000	7	2,742,000	6.6	
TOTAL OUNCES			226,495		201,000		157,000				585,000
STH L'FIELD OXIDE	1	15			72,000	4.0	3,000	5	75,000	4.0	9,700
TOTAL M38/37 TONNES			1,036,000	6.8	1,073,000	6.1	708,000	6.9	2,817,000	6.6	
TOTAL M38/37 OUNCES			226,495		210,259		157,957				594,700
LAVERTON EXPLORATION JOINT VENTURE [CEL 50%]											
VARIOUS OXIDE RESOURCES											
BEASLEY CREEK (M38/49)	1	IDS	270,000	2.0	527,000	2.1	833,000	2.0	1,630,000	2.0	106,900
BEASLEY CREEK STH (M38/49)	1	IDS	147,000	3.1	161,000	2.5	111,000	1.7	419,000	2.5	33,700
GLADIATOR NORTH ⁵ (M38/49)	1	5	7,000	1.7	41,000	1.7	123,000	1.6	171,000	1.6	9,000
INNUENDO (M38/101)	1	IDS			180,000	2.9	380,000	2.3	560,000	2.5	44,900
WHISPER ⁶ (M38/535)	1	IDS					1,408,000	2.4	1,408,000	2.4	108,600
RUMOUR (M38/535)	1	IDS			1,590,000	2.1	1,060,000	2.1	2,650,000	2.1	178,900
GARDEN WELL ⁵ (M38/101)	1	12	90,000	3.3	110,000	2.6	150,000	2	350,000	2.5	28,400
TOTAL OXIDE TONNES - LEJV			514,000	2.5	2,609,000	2.2	4,065,000	2.2	7,188,000	2.2	
TOTAL OXIDE OUNCES - LEJV			41,692		183,922		284,717				510,400
OVERALL TONNES			1,550,000	5.4	3,682,000	3.3	4,773,000	2.9	10,005,000	3.4	
OVERALL OUNCES			268,188		394,182		442,673				1,105,100
ATTRIBUTABLE OUNCES - CARBON ENERGY LIMITED										849,900	

Notes

- 1 Tonnes, grade and ounces have been rounded to the appropriate levels of precision, and may not balance exactly
- 2 M38/37 only, predominantly sulphide resource, Telegraph free-milling West Lode, WMC includes minor West Lode
- 3 WMC data as per WMC Mineral Resources Report Dec 1994
- 4 Telegraph resource calculated on basis of weighted average grade over minimum downhole width of 1m
- 5 Resources calculated by Micromine OBM as diluted geological resource, all others using IDS methodology. Based on 1g/t model within 0.5g/t outline. Reference March 99 Pre-feasibility Report.
- 6 Whisper resource recalculated May 05.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr I.W. Walker, Carbon Energy Limited who is a member of the Australian Institute of Geoscientists. Mr Walker has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Walker consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.