



carbonenergy

Carbon Energy Limited | ABN 56 057 552 137

20 July 2018

ASX Market Announcements Platform
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Carbon Energy Limited

ABN 56 057 552 137

Carbon Energy (Operations) Pty Ltd

ABN 61 105 176 967

FOR ASX MARKET RELEASE

End of Voluntary Escrow Period and Appendix 3Y

Carbon Energy Limited (**ASX: CNX**) ("Carbon Energy" or "Company") provides the following announcement with respect to the Company's securities previously registered in the name of Kam Lung Investment Development Company Limited ("Kam Lung"), a company wholly owned and controlled by the Company's director Mr HuiHai Zhuang.

Kam Lung held 51,946,721 of the Company's fully paid ordinary shares ("Shares"). 46,799,113 of the Shares ("Escrowed Shares") were subject to the Voluntary Escrow Deed previously detailed in the Company's Notice of Annual General Meeting dated 15 June 2017 (which meeting was held on 18 July 2017) ("AGM Notice") and attached to the Company's Notice of Initial Substantial Holder (ASIC Form 603) dated 20 July 2017.

Approval was granted by the Company for Kam Lung to transfer the Escrowed Shares to Beijing Jinhong Investment and Development Co., Ltd ("Beijing Jinhong"), a company wholly owned and controlled by the Company's director Mr HuiHai Zhuang, with no change in relevant interest.

Effective 16 July 2018, the Shares were transferred from Kam Lung to Beijing Jinhong with no change in relevant interest. Following this transfer, Mr HuiHai Zhuang, Beijing Jinhong and Kam Lung continue to have a relevant interest in 80% of the fully paid ordinary shares of the Company.

Beijing Jinhong agreed to be bound by the terms and conditions of the Voluntary Escrow Deed for the remaining voluntary escrow period, from 16 July 2018 to 19 July 2018.

As mentioned above, Kam Lung and Beijing Jinhong is each an entity wholly owned and controlled by Mr HuiHai Zhuang.

As previously reported by the AGM Notice, Kam Lung is also the registered holder of 9,200 convertible notes issued by Carbon Energy. This holding is unchanged.

Upon completion of the voluntary escrow period on 19 July 2018, the Escrowed Shares held by Beijing Jinhong were released from Voluntary Escrow.

Please find attached an Appendix 3Y Change of Director's Interest Notice, lodged in accordance with Australian Securities Exchange Listing Rule 3.19A.2.

For and on behalf of the Board

ENDS

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity Carbon Energy Limited
ABN 56 057 552 137

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	HuiHai Zhuang
Date of last notice	20 July 2017

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect		
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Indirect interest of Mr Zhuang through: <ul style="list-style-type: none">Beijing Jinhong Investment and Development Co., Ltd (Beijing JinHong); andKam Lung Investment Development Company Limited (Kam Lung) Beijing JinHong and Kam Lung are both entities that are, and remain, wholly owned and controlled by Mr Zhuang.		
Date of change	16 July 2018 and 19 July 2018.		
No. of securities held prior to change	Registered Holder	Class of Securities	Number
	Kam Lung	Ordinary Shares – not subject to escrow	5,147,608
	Kam Lung	Ordinary Shares voluntarily escrowed ¹ until 19 July 2018	46,799,113
	Total		51,946,721
	Kam Lung	Kam Lung Convertible Notes ²	9,200

¹ Subject to the Voluntary Escrow Deed, as previously detailed in the Notice of Annual General Meeting of Shareholders dated 15 June 2017 (which meeting was held on 18 July 2017) and the Notice of Initial Substantial Holder dated 20 July 2017.

² Kam Lung Convertible Notes in connection with the completion of the Company's Deed of Company Arrangement (DOCA) dated 9 March 2017 (amended 26 May 2017), as approved on 18 July 2017 by

Appendix 3Y

Change of Director's Interest Notice

Class	Ordinary fully paid shares		
Number acquired	51,946,721		
Number disposed	51,946,721		
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Intra-group transfer		
No. of securities held after change	Registered Holder	Class of Securities	Number
	Beijing Jinhong	Ordinary Shares – not subject to escrow ³	51,946,721
	Kam Lung	Kam Lung Convertible Notes ⁴	9,200
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	<ul style="list-style-type: none"> 16 July 2018 – change in the nature of Kam Lung's and Beijing Jinhong's relevant interest as a result of an intra-group transfer of 51,946,721 Ordinary Shares from Kam Lung to Beijing Jinhong. (Beijing JinHong and Kam Lung are both entities that are, and remain, wholly owned and controlled by Mr Zhuang); and 19 July 2018 – completion of voluntary escrow period. 		

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	Nil
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

Company shareholders. Further details are contained in the Company's notice of meeting dated 15 June 2017.

³ 46,799,113 of these Ordinary Shares were subject to the Voluntary Escrow Deed (referred to in footnote 1 above) until 19 July 2018.

⁴ See footnote 2 above.

+ See chapter 19 for defined terms.

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺ closed period where prior written clearance was required?	Yes with respect to the intra-group transfer detailed under Part 1 above.
If so, was prior written clearance provided to allow the trade to proceed during this period?	Yes with respect to the intra-group transfer detailed under Part 1 above.
If prior written clearance was provided, on what date was this provided?	Prior written trading clearance was provided on 13 July 2018.

⁺ See chapter 19 for defined terms.