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ASX Market Announcements Platform Australian Securities Exchange 20 Bridge Street Sydney NSW 2000

FOR ASX MARKET RELEASE

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Carbon Energy Limited ABN 56 057 552 137 Carbon Energy (Operations) Pty Ltd ABN 61 105 176 967

Carbon Energy Limited (ASX: CNX) ('Carbon Energy' or 'Company') provides the following announcement with respect to the Carbon Energy securities held in voluntary escrow by Kam Lung Investment Development Company Limited ('Kam Lung').

Voluntary release from escrow

On 19 July 2018, being 12 months from the date of share issuance to Kam Lung on 19 July 2017, 46,799,113 shares will be released from Voluntary Escrow pursuant to the Voluntary Escrow Deed as previously detailed as part of the announcement for the Notice of Annual General Meeting of Shareholders held on 18 July 2017 and Notice of Initial Substantial Holder on 20 July 2017.

This disclosure is made in accordance with Australian Securities Exchange Listing Rule 3.10A.

For and on behalf of the Board

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