

## Form 603

Corporations Act 2001  
Section 671B

### Notice of initial substantial holder

To Company Name/Scheme      **CARBON MINERALS LIMITED**

ACN/ARSN                              **001 836 586**

#### 1. Details of substantial holder (1)

Name                              Lincoln Smith Family ("Lincoln Smith" Refer to Annexure A), Malewi Investments P/L ACN 000 906 249 ("Malewi"), Malewi Investments P/L Staff Superannuation Scheme ("Malewi Super"), Pali P/L ACN 008 501 746 ("Pali"), Magnum Resources P/L ACN 000 731 215 ("Magnum"), LS Unit Trust, Deawarra P/L ACN 010 230 323 (Deawarra), Palmarc Investments P/L ACN 000 352 045 ("Palmarc"), Raphael Investments P/L ACN 000 279 710 ("Raphael"), Magnum Realty Investments P/L ACN 002 672 291 ("Magnum Realty").

ACN/ARSN (if applicable) \_\_\_\_\_

The holder became a substantial holder on      01/11/2013

#### 2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	15,195,997	15,195,997	80.81%

#### 3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
D. Lincoln Smith	Registered Holder	51,050 fully paid ordinary
M. Lincoln Smith	Registered Holder	1,500 fully paid ordinary
M. & V. Lincoln Smith	Held jointly with spouse	1,000 fully paid ordinary
V.A. Lincoln Smith	Spouse of M. Lincoln Smith	1,500 fully paid ordinary
J.A. Lincoln Smith	Child of M. Lincoln Smith	1,500 fully paid ordinary
E.L. Lincoln Smith	Child of M. Lincoln Smith	1,500 fully paid ordinary
H.J. Lincoln Smith	Child of M. Lincoln Smith	1,500 fully paid ordinary
C. Lincoln Smith	Registered Holder	100 fully paid ordinary

R. Lincoln Smith	Registered Holder	100 fully paid ordinary
Malewi	Registered Holder	2,109,855 fully paid ordinary
Malewi Super	Registered Holder	40,000 fully paid ordinary
Pali	Registered Holder	720,000 fully paid ordinary
Magnum	Registered Holder	10,763,392 fully paid ordinary
L-S Unit Trust	Registered Holder	1,495,000 fully paid ordinary
Deawarra	Registered Holder	2,000 fully paid ordinary
Palmarc	Registered Holder	2,000 fully paid ordinary
Raphael	Registered Holder	2,000 fully paid ordinary
Magnum Realty	Registered Holder	2,000 fully paid ordinary
Lincoln Smith Family	Controller of Malewi, Malewi Super, Pali, Magnum, L-S Unit Trust, Deawarra, Palmarc, Raphael and Magnum Realty	15,195,997 fully paid ordinary

#### 4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Lincoln Smith Family	D. Lincoln Smith	D. Lincoln Smith	51,050 fully paid ordinary
M. Lincoln Smith	M. Lincoln Smith	M. Lincoln Smith	1,500 fully paid ordinary
M. Lincoln Smith	MP&VA Lincoln Smith	MP&VA Lincoln Smith	1,000 fully paid ordinary
M. Lincoln Smith	V.A. Lincoln Smith	V.A. Lincoln Smith	1,500 fully paid ordinary
M. Lincoln Smith	J.A. Lincoln Smith	J.A. Lincoln Smith	1,500 fully paid ordinary
M. Lincoln Smith	E.L. Lincoln Smith	E.L. Lincoln Smith	1,500 fully paid ordinary
M. Lincoln Smith	H.J. Lincoln Smith	H.J. Lincoln Smith	1,500 fully paid ordinary
C. Lincoln Smith	C. Lincoln Smith	C. Lincoln Smith	100 fully paid ordinary
R. Lincoln Smith	R. Lincoln Smith	R. Lincoln Smith	100 fully paid ordinary
Lincoln Smith Family	Malewi	Malewi	2,109,855 fully paid ordinary

Lincoln Smith Family	Malewi Super	Malewi Super	40,000 fully paid ordinary
Lincoln Smith Family	Pali	Pali	720,000 fully paid ordinary
Lincoln Smith Family	Magnum	Magnum	10,763,392 fully paid ordinary
Lincoln Smith Family	L-S Unit Trust	L-S Unit Trust	1,495,000 fully paid ordinary
Lincoln Smith Family	Deawarra	Deawarra	2,000 fully paid ordinary
Lincoln Smith Family	Palmarc	Palmarc	2,000 fully paid ordinary
Lincoln Smith Family	Raphael	Raphael	2,000 fully paid ordinary
Lincoln Smith Family	Magnum Realty	Magnum Realty	2,000 fully paid ordinary

#### 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
D. Lincoln Smith	01/11/2013		transferred under will	48,625 fully paid ordinary
Malewi	01/11/2013		transferred under will	2,109,855 fully paid ordinary
Malewi Super	01/11/2013		transferred under will	40,000 fully paid ordinary
Pali	01/11/2013		transferred under will	720,000 fully paid ordinary
Magnum	01/11/2013		transferred under will	10,763,392 fully paid ordinary
L-S Unit Trust	01/11/2013		transferred under will	1,495,000 fully paid ordinary
Deawarra	01/11/2013		transferred under will	2,000 fully paid ordinary
Palmarc	01/11/2013		transferred under will	2,000 fully paid ordinary
Raphael	01/11/2013		transferred under will	2,000 fully paid ordinary
Magnum Realty	01/11/2013		transferred under will	2,000 fully paid ordinary

#### 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Malewi	Lincoln Smith Family controls Malewi
Malewi Super	Lincoln Smith Family controls the trustee of the fund

Pali	Lincoln Smith Family controls Pali
Magnum	Lincoln Smith Family controls Magnum
L-S Unit Trust	Lincoln Smith Family L-S Unit Trust
Deawarra	Lincoln Smith Family controls Deawarra
Palmarc	Lincoln Smith Family controls Palmarc
Raphael	Lincoln Smith Family controls Raphael
Magnum Realty	Lincoln Smith Family controls Magnum Realty

### 7. Addresses


The addresses of persons named in this form are as follows:

Name	Address
Malewi, Malewi Super, Pali, Magnum, L-S Unit Trust, Deawarra, Palmarc, Raphael and Magnum Realty	)C/- Mithell & Partners )Level 7, 10 Barrack Street )Sydney NSW 2000 )
D. Lincoln Smith	69 Fitzwilliam Road, Vaucluse NSW 2030
M. Lincoln Smith	65 Narrabeen Park Parade, Warriewood NSW 2102
C. Lincoln Smith	69 Fitzwilliam Road, Vaucluse NSW 2030
R. Lincoln Smith	69 Fitzwilliam Road, Vaucluse NSW 2030

### Signature

print name      Marcus Paul Lincoln Smith      capacity      Self

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sign here            date      18 /12/2013

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### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person ( eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

**CARBON MINERALS LIMITED**

**A.C.N. 001 836 586**

**Details of substantial holder**

**Lincoln Smith Family:**

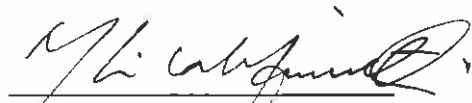
Dawn Roslyn Lincoln Smith ("D. Lincoln Smith")

Marcus Paul Lincoln Smith ("M. Lincoln Smith")

Christian Paul Lincoln Smith ("C. Lincoln Smith")

Raphael Paul Lincoln Smith ("R. Lincoln Smith")

This is annexure "A" of 1 page referred to in Form 603 Notice of initial substantial holder.



LINCOLN SMITH, MARCUS PAUL

Dated: 18 December 2013