

Carbon Minerals Limited

ABN 29 001 836 586 – ASX Code CRM

Seam Gas Pioneers of the Gunnedah Basin NSW

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QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2018

REVIEW of OPERATIONS GUNNEDAH BASIN COALBED METHANE PROJECT PETROLEUM EXPLORATION LICENCES 1 AND 12, NSW (GUNNEDAH BASIN)

These tenements are held by wholly owned subsidiary, Australian Coalbed Methane Pty Ltd (ACM) and are subject to a Joint Venture (JV) with Santos QNT Pty Ltd (Santos). Santos holds a 65% interest in the tenements and is the project Operator.

Field operations during the quarter remained limited to routine inspection and maintenance of existing wellheads, surface facilities and access tracks.

No advice has been received from the NSW government regarding progress of the renewal applications for PELs 1 and 12.

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**QUARTERLY ACTIVITIES REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2018****Exploration Expenditure Incurred**

Exploration expenditure incurred during the quarter ended 30 September 2018 on the group's projects is set out below:-

Project	Amount Incurred
New South Wales PELs 1 & 12 (Gunnedah Basin)	\$59,070 =====

SCHEDULE OF TENEMENTS AS AT 30 SEPTEMBER 2018

<i>LOCATION</i>	<i>TENEMENT</i>	<i>HOLDER</i>	<i>INTEREST</i>	<i>AREA</i>	<i>CURRENT TO</i>
New South Wales:					
Gunnedah	PEL 1	ACM	35% ¹	72 blocks	10/02/2015 ²
Bando	PEL 12	ACM	35% ¹	31 blocks	26/09/2016 ²

Key to Tenement Types

PEL Petroleum Exploration Licence

Key to Tenement Holders

ACM Australian Coalbed Methane Pty Limited

Notes

1. PELs 1 and 12 are subject to an arrangement with Santos QNT Pty Ltd ("Santos"), in which Santos has a 65% interest in each tenement.
2. Application for renewal submitted.