



Carbon Minerals Limited

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Seam Gas Pioneers of the Gunnedah Basin NSW

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ANNOUNCEMENT TO MARKET: WORK PROGRAM AND BUDGET FOR CALENDAR YEAR 2020

Carbon Minerals Ltd (CRM) is pleased to announce the approved program and budget for exploration works in New South Wales for calendar year 2020, amounting to \$9.865 million.

The objective of this program is to seek to mature contingent resources and reserves in our New South Wales exploration licences. The program is focused on appraising CRM's project area, the acquisition of 2D seismic data to locate future appraisal wells and maintaining compliance with licence, statutory and land access conditions including undertaking required environmental studies.

As part of this work program, CRM's pilot program will be reactivated at a cost of \$6.775million, subject to appropriate regulatory approvals being granted. This activity includes working over the four existing wells, installation of relevant infrastructure and a 6 month production test.

These operations would provide important information that could markedly improve the prospects of the project.

CRM, through its wholly owned subsidiary Australian Coalbed Methane, holds a 35% working interest in the Titles. A quarterly breakdown of 2020 budget expenditure on a 'gross' and 'CRM share' basis is summarised in Table 1. CRM intends to fund the company's \$3.453 million share of expenditure from cash at bank.

Table 1 2020 Work Program & Budget: Estimate of expenditure timing

NSW Titles CY2020 WP&B Gross Expenditure A\$'000	CRM's estimate of expenditure timing				Total
	Q1 2020	Q2 2020 ¹	Q3 2020	Q4 2020	
Seismic Survey				1,290	1,290
Drilling Planning	200	400			600
Pilot Reactivation & Pilot Operations			5,258	1,517	6,775
Operations	93	93	93	93	370
Operations, management, support & administration	208	208	208	208	830
TOTAL	500	700	5,558	3,107	9,865

NSW Titles CY2020 WP&B CRM 35% Share of Expenditure A\$'000	Q1 2020	Q2 2020 ¹	Q3 2020	Q4 2020	Total
Seismic Survey				452	452
Drilling Planning	70	140			210
Pilot Reactivation & Pilot Operations			1,840	531	2,371
Operations, management, support & administration	105	105	105	105	420
TOTAL	175	245	1,945	1,088	3,453

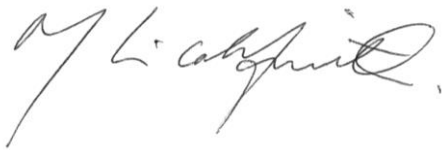
1. CRM anticipate NSW Title renewal by end Q2 2020

CRM's NSW licences are still under renewal; however, CRM's activity plans anticipate the Titles' renewal by the end of Q2 2020. Security of title is important for all projects and necessary to support increased activity and expenditure on the project.

CRM notes the recent joint announcement of a Memorandum of Understanding by the Commonwealth and New South Wales governments of an initiative in respect of energy supplies for the State, including supplies of gas. CRM has significant coal seam gas potential within its NSW Titles and believes that further exploration and appraisal activities within these areas would assist NSW in this initiative.

CRM intends to continue to pursue opportunities to participate, acquire or develop natural resource exploration activities in Australia.

Authorised for release to ASX by:

A handwritten signature in black ink, appearing to read 'M. P. Lincoln Smith', written in a cursive style.

Dr Marcus P. Lincoln Smith, Executive Chairman

19 March 2020