

MEDIA RELEASE
16 May 2008

Carbon Conscious admitted to the Official list of the ASX

The Board of Carbon Conscious Limited (ASX : CCF) (**Carbon Conscious** or the **Company**) is pleased to announce the Company has completed a successful capital raising attracting \$7.25M under its Initial Public Offer (IPO). The Company has been admitted to the Official List of the Australian Securities Exchange (ASX) with trading due to commence on Friday 16 May 2008 at 11am WST.

Carbon Conscious Executive Director Daniel Stevens said "The Company has raised \$7.25M plus seed capital of \$600,000 which is well in excess of the \$5M minimum outlined in its Prospectus. The capital raise provides an excellent financial base for the execution of the business plan."

The Directors believe that despite difficult recent share market conditions the timing of the listing is ideal. Over the next 6 months the Government is expected to release both the Green Paper and the exposure draft legislation on the Australian Emissions Trading Scheme. "We believe the ability to provide solutions to businesses with mandatory emission targets will be extremely valuable" Mr Stevens said.

The listing follows Australia's recent ratification of the Kyoto Protocol, the proposed introduction of an Australian Emissions Trading Scheme (ETS) by 2010 and the announcement of a major deal between CO2 Group Ltd (ASX : COZ) and Woodside Petroleum Ltd (ASX : WPL).

"We're very excited that Carbon Conscious will join CO2 Group Ltd as the only two ASX listed companies in the bio-sequestration industry. This reinforces the importance of this rapidly emerging market in Australia."

The Company will develop, large-scale carbon sinks (or "carbon estates") initially in Western Australia's wheatbelt region, through its Carbon Capture Program™. The program will provide Australian businesses with a low cost abatement solution assisting them to meet their potential mandatory emissions targets under Australia's future ETS.

"The Carbon Capture Program™ is based on planting native Mallee Eucalypt trees to store or 'sequester' carbon from the atmosphere. Notably, there are some significant advantages with Mallee Eucalypts that make them an ideal species for the long term storage of carbon" Mr Stevens said.

"Mallee Eucalypt trees are extremely tolerant to Australian conditions having adapted over thousands of years. One of the Mallee's many standout features is the lifespan of the tree. Radio carbon dating of lignotubers suggests a lifespan of over 100 years.

"Another crucial benefit is their ability to re grow rapidly after fire. This means that after extreme fire events their deep root system including the large lignotuber enables the Mallee to reestablish themselves. As a result the impact on carbon production levels is minimal." Mr Stevens said.

Mr Stevens said "It's an exciting business model that involves us partnering with farmers, major carbon emitters and business to create value for all stakeholders. In addition to the positive story about the Mallee Eucalypt species, a key advantage of Carbon Conscious is its access to large areas of suitable land through the strong strategic relationships that have been formed with farmers and rural landholders in the wheatbelt over many years by its related company, Australian Agricultural Contracts Ltd (AACL)." AAAL operates one of Australia's largest broad acre cropping projects.

"These established relationships have given us the ability to work closely with farmers to help them gain access to the carbon credit market, while at the same time offering environmental solutions to issues such as salinity," he said.

As outlined in its prospectus, Carbon Conscious has the seed and seedling capacity to establish 40,000 hectares of Mallee Eucalypts over the next 3-5 years. As part of its business model, CCF intends to dedicate a proportion of this capacity for "on balance sheet" production of carbon credits, enabling the Company to capitalise on the potential rise in the price of carbon.

ENDS

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Significant Commentary

Kevin Rudd – Prime Minister of Australia – Dec 4th 2007

"Australia's official declaration today that we will become a member of the Kyoto Protocol is a significant step forward in our country's efforts to fight climate change domestically and with the international community."

Source - <http://www.theaustralian.news.com.au/story/0,25197,22865700-601,00.html>

Kevin Rudd – Prime Minister of Australia – May 30th 2007

"It is economically irresponsible for any government or any business to ignore the need for action"

Source – www.abc.net.au/lateline/content/2007/s1938274.htm

Penny Wong – Minister for Climate Change – March 17th 2008

"The introduction of emissions trading will constitute the most significant economic and structural reform undertaken in Australia since the trade liberalization of the 1980s," statement.

Source - <http://www.bloomberg.com/apps/news?pid=20601081&sid=akDaCZ7U7ZkU&refer=australia>

Penny Wong – Minister for Climate Change – February 6th 2008

"The ratification of the Kyoto Protocol opens the door to a range of carbon trading opportunities for Australian businesses, and links us to the multibillion dollar trading market that already exists internationally. Emissions trading gives us much greater capacity to add momentum to the global carbon market". "Emissions trading is at the heart of our efforts to reduce emissions".

Source – www.environment.gov.au/minister/wong/2008/pubs/tr20080206.pdf - "Climate Change: A Responsibility Agenda"

Mr Mitchell H. Hooke - Minerals Council of Australia– April 22nd 2008

"An effective, high quality Emissions Trading Scheme will be the most substantial economic reform of the Australian economy for a generation - but it cannot be digested overnight", Mr Hooke said.

Source - http://www.minerals.org.au/data/assets/pdf_file/0008/26891/MR008-ETS22Apr08.pdf