



Our Ref: CO2 ASX Announce Appendix 3B WARL Takeover 20-08-12 (353)

ANNOUNCEMENT NUMBER 353

20 August 2012

Company Announcements Office
Australian Securities Exchange
Level 6
20 Bridge Street
SYDNEY NSW 2000

By: ASX Online
Number of pages: 9
(including this page)

Dear Sir

RE: Appendix 3B
Western Australian Resources Takeover

Enclosed is Appendix 3B giving notice of a new issue of ordinary shares, the request for quotation of the new shares reflects the number of shares and options issued.

Should there be any queries with respect to this issue, please telephone Harley Whitcombe on 9321 4111.

Yours faithfully
CO2 Group Limited

A handwritten signature in black ink, appearing to read 'Harley Whitcombe'.

Harley Whitcombe
Company Secretary

ENC

CO2 Group Limited

Level 11, 225 St Georges Terrace Perth WA 6000 Tel. 08 9321 4111 ABN 50 009 317 846
PO Box 7312 Cloisters Square Perth WA 6850 Fax. 08 9321 4411 www.co2australia.com.au

CO2 Group Limited is a corporate authorised representative ("CAR") (Number 420079) of Valuestream Investment Management Limited (ACN 094 107 034 AFSL 246621). The Group's licence numbers are: CO2 Group Limited (CAR # 420079); Carbon Banc Limited (CAR # 420080); CO2 Australia Limited (CAR # 420081).

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

CO2 GROUP LIMITED

ABN

ABN 50 009 317 846

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (ASX:COZ) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 14,049,816 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares issued on the same terms and conditions as existing quoted ordinary shares. |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? | Yes. |

<p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 													
<p>5 Issue price or consideration</p>	<p>Consideration under the Offer as described in Attachment A.</p>												
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Consideration under the Offer as described in Attachment A.</p>												
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>To be advised upon completion of the Offer.</p>												
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="699 1144 975 1189">Number</th> <th data-bbox="975 1144 1294 1189">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="699 1189 975 1234">443,501,135</td> <td data-bbox="975 1189 1294 1234">Ordinary Shares</td> </tr> <tr> <td data-bbox="699 1234 975 1279">30,150,189</td> <td data-bbox="975 1234 1294 1279">Convertible Preference Shares</td> </tr> <tr> <td data-bbox="699 1279 975 1323">13,715,586</td> <td data-bbox="975 1279 1294 1323">Performance Rights</td> </tr> <tr> <td data-bbox="699 1323 975 1368">1,580,000</td> <td data-bbox="975 1323 1294 1368">Options exp 30/11/2012</td> </tr> <tr> <td data-bbox="699 1368 975 1413">4,500,000</td> <td data-bbox="975 1368 1294 1413">Options exp 02/12/2012</td> </tr> </tbody> </table>	Number	+Class	443,501,135	Ordinary Shares	30,150,189	Convertible Preference Shares	13,715,586	Performance Rights	1,580,000	Options exp 30/11/2012	4,500,000	Options exp 02/12/2012
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<p>9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="699 1541 995 1585">Number</th> <th data-bbox="995 1541 1294 1585">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="699 1585 995 1727">Nil</td> <td data-bbox="995 1585 1294 1727">Nil</td> </tr> </tbody> </table>	Number	+Class	Nil	Nil								
Number	+Class												
Nil	Nil												
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>No change</p>												

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A

23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

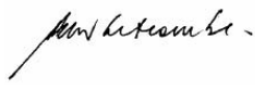
38	Number of securities for which +quotation is sought	N/A	
39	Class of +securities for which quotation is sought	N/A	
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	N/A	
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Number	+Class
		N/A	N/A

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
Company Secretary

Print name: Harley Whitcombe

Date: 20 August 2012

Attachment A – Overview of the Offer

1. This attachment is referred to in Part 1, items 5 and 6.
2. The securities are to be issued by CO2 Group Limited 50 009 317 846 (**CO2**) as consideration under an off-market takeover offer (**Offer**) by CO2 for all of the shares in Western Australian Resources Limited ABN 79 116 812 634 (**WARL**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Act**), pursuant to a bidder's statement (**Bidder's Statement**) lodged with the Australian Securities and Investments Commission on 1 August 2012.
3. Under the Offer, CO2 is offering:
 - (a) 5 fully paid ordinary shares in CO2 for every 4 fully paid ordinary shares in WARL; or
 - (b) \$0.1625 cash for each fully paid ordinary share in WARL.WARL shareholders cannot elect to receive a combination of both.
4. The offer relates to WARL shares that exist at 1 August 2012 (a date set by CO2 under section 633(2) of the Act) (**Register Date**) and any WARL shares issued as a result of the exercise of WARL options in existence at that date.
5. Because the Offer:
 - (a) allows WARL shareholders to elect to receive either shares or cash; and
 - (b) extends to WARL shares issued as a result of the exercise of WARL options,the exact number of ordinary shares of CO2 that may be issued as consideration under the Offer cannot be calculated, however the maximum number of shares that can be issued is approximately to 18,585,779 (subject to rounding of entitlements).