



Our Ref: CO2 ASX – CO2 Group Positioned for Growth Broadcast (380)

13 March 2013

ANNOUNCEMENT 380

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Dear Sir

CO2 Group's well positioned for growth and diversification – Broadcast

CO2 Group Limited (ASX Code: COZ) provides the opportunity to view a webcast with Mr Andrew Grant, CEO in a presentation titled "**CO2 Group's well positioned for growth and diversification**" after the company's recent announcement of Ecofund Queensland Pty Ltd.

To listen to this interview, copy the following details into your web browser:
<http://www.brrmedia.com/event/110413>

The interview details are as follows:

- **CO2 Group discusses its recent acquisition of Western Australian Resources Limited and Ecofund Queensland Pty Limited.**
- **The impact on the company and what this means for services, growth and diversification.**
- **Presented by Mr Andrew Grant, CEO of CO2 Group**
- **Wednesday 13 March 2013**

Yours faithfully
CO2 Group Limited

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Director & Company Secretary

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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).

CO2 Group well positioned for growth and diversification – an interview with Andrew Grant, CEO of CO2 Group about the company’s latest acquisition

BRR Today at BRR Media we're joined by Mr Andrew Grant, CEO of CO2 Group. Andrew welcome back to BRR.

AG Thank you James, good morning.

BRR **Andrew at the end of last year CO2 Group finalised the takeover of Western Australian Resources Limited, and earlier this week you acquired Ecofund from the Queensland State Government. These are both big moves for CO2, how is the company managing two new acquisitions in such a short period of time?**

AG Yes they're very important acquisitions for the company and they really reflect our commitment for growth and expansion. So we undertook a lot of preparation, we've got very skilled senior people in the organisation, we've got good capacity to be able to apply that senior competence to ensuring that these projects are very successful and the acquisitions work well. And the collective experience of the executive team is that acquiring companies, the success is not only the financial analysis of the merit of the company but how well you amalgamate and merge them and integrate them within our company, so that's been a priority for us. I've got a dedicated team in Queensland at the moment working through all the mechanics of integration and because Western Australian Resources had its own Managing Director and its own board, it's been a very smooth transition and we recently announced the appointment of Dallas Donovan who's the Director of Operations. So we've brought in additional senior people, a very tight executive team working full time on that project and to date we're certainly on track for all the targets that we set.

BRR **I see and Andrew why has CO2 Group gone on the acquisition trail rather than expand organically; are there any more acquisitions in the pipeline?**

AG Well we're doing both; we're expanding organically, we're winning new work and chasing new business and the acquisitions were opportunistic. I mean the Western Australia Resource acquisition was a result of in effect a friendly takeover approach made to us. CO2 Group had equity in Western Australian Resources and we've been closely involved. We had fellow directors on the company and as the project's developed traction it was too good an opportunity to pass up. The Ecofund sale process out of Queensland was one that we had not anticipated but given that we'd identified Queensland as a priority to the growth of our business given the level of development up there and Ecofund had been very successful in building market share, it certainly was attractive to us and we were pleased to be the preferred party for that acquisition. In terms of future acquisitions you never know - I get pitched ideas from businesses weekly and we always keep an open mind and have a look at them. If they fit our strategic imperative and they're good value then we'll always closely consider them.

BRR I see and how does the acquisition of Ecofund add to CO2's existing services? Is your goal to become a one stop carbon solution shop?

AG Well, Ecofund was attractive on a number of fronts. They had a very successful trading arm and we trade all sorts of environmental certificates within CO2 Australia within our carbon bank business. Ecofund has a very good client base and good relationships in Queensland, so it immediately adds value into our company. They have projects around the carbon farming initiative and that's our deep expertise. One area that they had that we didn't was environmental offsets advisory, and very successful business in Queensland and it's a skillset that we can expand upon across Australia. So it's really added a tremendous amount of value to CO2 Australia. I mean I would argue we are a one stop carbon solution shop already, we advise, we trade, we project manage, so yeah we can function as an outsource treasury organisation for big emitters. We're the biggest of our kind in Australia now, so I think the market use us very much in that capacity.

BRR I see, and Andrew just in terms of CO2's growth strategy, what's next? Will you diversify into an advisory services in environmental trading?

AG Yeah well I think that's certainly been our approach for the last several years and we've been very successful in building the environmental trading business, it's the fastest growing part of our company. The advisory work is continuing to become a feature in what we do and we're getting more and more demand for our services and you know that's the exciting thing about the market is that to be successful you've got to be nimble and you've got to be a little bit opportunistic and a little bit flexible and we've got a terrific team of people who've got deep expertise in these markets and we're doing very high quality work that's well respected. So certainly advisory and trading we're expecting to see expansion under the carbon farming initiative, we're seeing future growth and we're aggressively progressing all of our client's projects into production mode and we expect to be a substantial producer of Australia carbon credit units, selling them into the market midyear and you know there's tremendous opportunity there.

BRR Okay thanks Andrew. If listeners have any questions for Andrew please email brr@brrmedia.com, and Andrew thank you once again for your time.

AG Oh my pleasure James, thank you, all the best.