



2 July 2008

Office of the Company Secretary

The Manager
Company Announcements Office
Australian Securities Exchange
Level 45, South Tower
Rialto
525 Collins Street
MELBOURNE VIC 3000

Incitec Pivot Limited
ABN 42 004 080 264
70 Southbank Boulevard
Southbank Victoria 3006
GPO Box 1322
Melbourne Victoria 3001
Tel: (61 3) 8695 4400
Fax: (61 3) 8695 4419
www.incitecpivot.com.au

Dear Sir or Madam

Electronic Lodgement

Metex Resources Limited – Disclosures Regarding Shareholding Interests

I attach a notice of initial substantial holder with respect to Metex Resources Limited.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Kerry Gleeson'.

Kerry Gleeson
Company Secretary

Attach.

For personal use only

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme Metex Resources LimitedACN/ARSN 057 552 137

1. Details of substantial holder (1)

Name Incitec Pivot LimitedACN/ARSN (if applicable) 004 080 264The holder became a substantial holder on 30 / 06 / 2008

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Fully Paid Shares	55,000,000	55,000,000	11.2%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Incitec Pivot Limited	Registered holder for the purposes of section 608(1)	55,000,000 Fully Paid Ordinary Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Incitec Pivot Limited	Incitec Pivot Limited	Incitec Pivot Limited	55,000,000 Fully Paid Ordinary Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-Cash	
Incitec Pivot Limited	30 June 2008 as set out in Annexure "A"	\$11,000,000 as set out in Annexure "A"	N/A	55,000,000 Fully Paid Ordinary Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not Applicable	Not Applicable

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Incitec Pivot Limited	70 Southbank Boulevard, Southbank Victoria 3006

Signature

print name Kerry Jo-anne Gleeson

Capacity Company Secretary

sign here



date 02 / 07 / 2008

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 603.

Signature

This form must be signed by either a director or a secretary of the substantial holder.

Lodging Period

Nil

Lodging Fee

Nil

Other forms to be completed

Nil

Additional information

- (a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.
- (b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.
- (c) The person must give a copy of this notice:
 - (i) within 2 business days after they become aware of the information; or
 - (ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if:
 - (A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and
 - (B) the person becomes aware of the information during the bid period.

Annexures

To make any annexure conform to the regulations, you must

- 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
 - 2 show the corporation name and ACN or ARBN
 - 3 number the pages consecutively
 - 4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied
 - 5 identify the annexure with a mark such as A, B, C, etc
 - 6 endorse the annexure with the words:
This is annexure (mark) of (number) pages referred to in form (form number and title)
 - 7 sign and date the annexure
- The annexure must be signed by the same person(s) who signed the form.

Information in this guide is intended as a guide only. Please consult your accountant or solicitor for further advice

Annexure "A"

This is Annexure "A" of 15 pages referred to in the Form 603 Notice of initial substantial holder signed by me and dated 2 July 2008. I certify that this is a true and correct copy of the original Subscription Agreement dated 23 June 2008.



Kerry Jo-anne Gleeson
Company Secretary

MALLESONS STEPHEN JAKUES

Subscription Agreement

Dated 23 JUNE 2008

Incitec Pivot Limited ACN 004 080 264 ("Subscriber")
Metex Resources Limited ACN 057 552 137 ("Company")

Subscription Agreement

Details

Parties	Subscriber and Company	
Subscriber	Name	Incitec Pivot Limited
	ACN	004 080 264
	Incorporated in	Commonwealth of Australia
	Address	70 Southbank Boulevard, Southbank Vic 3006
	Telephone	03 8695 4400
	Fax	03 8695 4413
	Attention	Company Secretary
Company	Name	Metex Resources Limited
	ACN	057 552 137
	Incorporated in	Commonwealth of Australia
	Address	Unit A2, 118 Railway Parade, West Perth WA 6005
	Telephone	08 9321 5000
	Fax	08 9321 7177
	Attention	Company Secretary
Recital	A	The Company has agreed to issue the Subscription Shares to the Subscriber and the Subscriber has agreed to subscribe for the Subscription Shares and pay the Subscription Price to the Company on the terms of this agreement.
Governing law	Victoria	
Date of agreement	See signing page	

General terms

1 Interpretation

1.1 Definitions

These meanings apply unless the contrary intention appears:

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the listing rules of ASX.

Business Day means a day other than a Saturday, Sunday or public holiday in Melbourne and Perth.

Completion means the completion of the issue and allotment of the Subscription Shares in accordance with this agreement and **Complete** has a corresponding meaning.

Completion Date means 30 June 2008 or any other date agreed by the Company and the Subscriber.

Constitution means the constitution of the Company.

Controller has the meaning it has in the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Details means the section of this agreement headed "Details".

Encumbrance means:

- (a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power, title retention or flawed deposit arrangement; or
- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (c) third party right or interest or any right arising as consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or

- (b) is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand for an amount in excess of \$100,000; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts as and when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

MOU means the Memorandum of Understanding between the Subscriber, the Company and Carbon Energy Pty Ltd dated 2 May 2008.

Official Quotation means quotation by ASX.

Subscription Price means A\$11,000,000.00 payable for the Subscription Shares (being \$0.20 per share).

Subscription Shares means 55,000,000 ordinary shares in the capital of the Company.

Warranties means the warranties, undertakings and representations set out in schedule 2 ("Warranties") and **Warranty** has a corresponding meaning.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in this agreement to:

- (a) **(variations or replacement)** a document (including this agreement) includes any variation or replacement of it;
- (b) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under

them, and consolidations, amendments, re-enactments or replacements of any of them);

- (c) **(singular includes plural)** the singular includes the plural and vice versa;
- (d) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, joint venture, an unincorporated body or association or any government agency;
- (e) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (f) **(meaning not limited)** the words "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- (g) **(dollars)** Australian dollars, dollars, \$, A\$ or AUD is a reference to the lawful currency of Australia.

1.3 Next Business Day

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

1.4 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this agreement.

2 Subscription

2.1 Issue and subscription

The Company agrees to issue and allot and the Subscriber agrees to subscribe for the Subscription Shares and pay the Company the Subscription Price on the terms and conditions of this agreement.

2.2 Subscriber's obligation to complete

The Subscriber is not required to Complete on the Completion Date if:

- (a) the Company is Insolvent or
- (b) trading in shares of the Company on ASX is suspended for more than three days in aggregate between the date of this agreement and the Completion Date.

3 Completion

3.1 Time and place of Completion

Completion will take place at 10:00am (Perth time) on the Completion Date at the offices of the Company's solicitors, Deacons, at Level 39, 108 St Georges Terrace, Perth, or any other time and place agreed by the Company and the Subscriber.

3.2 Subscriber's obligations at Completion

At Completion, the Subscriber will:

- (a) deliver to the Company an application for the Subscription Shares, duly completed and executed by the Subscriber, in the form set out in schedule 1 ("Application for Subscription Shares"); and
- (b) as soon as practicable after receiving evidence to the Subscriber's satisfaction acting reasonably that the conditions precedent set out in the MOU have been satisfied, pay the Subscription Price to the Company via electronic funds transfer to the Company's nominated account.

3.3 Company's obligations at Completion

At Completion, the Company will:

- (a) issue the Subscription Shares to the Subscriber; and
- (b) register the Subscriber as the holder of the Subscription Shares.

3.4 Company's obligations after Completion

As soon as practicable after Completion, and in any event within 2 Business Days of Completion, the Company must:

- (a) **(quotation)** apply for and use its best endeavours to obtain Official Quotation of the Subscription Shares;
- (b) **(holding statement)** deliver to the Subscriber the holding statement for its Subscription Shares; and
- (c) **(re-sale notice)** provide ASX with a notice in relation to the Subscription Shares in accordance with section 708A(5)(e) of the Corporations Act which complies with section 708A(6) of the Corporations Act.

4 Warranties

4.1 Accuracy

The Company represents and warrants to the Subscriber that each Warranty is correct and not misleading in any material respect on the date of this agreement and on Completion.

4.2 Inducement

The Company acknowledges that:

- (a) it has made and given the Warranties with the intention of inducing the Subscriber to enter into this agreement; and
- (b) the Subscriber has entered into this agreement in full reliance on the Warranties.

5 Subscriber's warranties

5.1 Inducement

The Subscriber acknowledges that:

- (a) it has made and given each of the statements in clause 5.2 with the intention of inducing the Company to enter into this agreement; and
- (b) the Company has entered into this agreement in full reliance on the statements in clause 5.2.

5.2 Subscriber's warranties

The Subscriber represents and warrants to the Company that each of the following statements is correct and not misleading in any material respect on the date of this agreement and on Completion:

- (a) **(power)** it has the power to enter into and perform this agreement and has obtained all necessary consents and authorisations to enable it to do so;
- (b) **(binding obligation)** this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms by appropriate legal remedy;
- (c) **(compliance with ASX Listing Rule 3.1)** the Subscriber has at all times been, and continues to be, in compliance with ASX Listing Rule 3.1;
- (d) **(information)** No information provided to the Company is false or misleading in any material respect;
- (e) **(no sale amounting to indirect issue)** the Subscriber is not acquiring the Subscription Shares with the purpose of selling or transferring the Subscription Shares, or granting, issuing or transferring interests in, or options over the Subscription Shares, within 12 months after issue of the Subscription Shares (unless the sale and offer of such sale does not need disclosure to investors under Part 6D.2 of the Corporations Act);
- (f) **(own enquiries)** the Subscriber has made and relied upon its own assessment of the Company and has conducted its own investigation with respect to the Subscription Shares and the Company including,

without limitation, the particular legal and tax consequences of purchasing, owning or disposing of the Subscription Shares in light of its particular situation as well as any consequences arising under the laws of any other taxing jurisdiction:

- (g) **(no breach)** this agreement and Completion do not conflict with or result in a breach of any obligation (including any statutory, contractual or fiduciary obligation) or constitute or result in any default under any provision of its constitution or any material provision of any agreement, deed, writ, order, injunction, judgment, law, rule or regulation to which it is a party or is subject or by which it is bound; and
- (h) **(solvency)** it is not Insolvent.

6 Termination

6.1 Termination of agreement

This agreement may be terminated at any time before Completion by notice of either party (as relevant) if a condition precedent set out in the MOU is not satisfied by the time specified in clause 3 of the MOU, unless waived by agreement of the parties.

6.2 Effect of termination

If this agreement is terminated under clause 6.1 ("Termination of agreement") then, in addition to any other rights, powers or remedies provided by law each party is released from its obligations under this agreement other than in relation to clause 7.1 ("Costs and expenses").

7 Costs and stamp duty

7.1 Costs and expenses

The Company and the Subscriber agree to pay their own legal and other costs and expenses in connection with the negotiation, preparation, execution and completion of this agreement and of other related documentation, except for stamp duty.

7.2 Stamp duty

The Subscriber agrees to pay all stamp duty (including fines and penalties) chargeable, payable or assessed in relation to this agreement and the issue of the Subscription Shares to the Subscriber.

8 Notices and other communications

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be in writing.

9 Miscellaneous

9.1 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

9.2 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

9.3 Approvals and consents

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

9.4 Rights and obligations are unaffected

Rights given to the parties under this agreement and the parties' liabilities under it are not affected by anything which might otherwise affect them by law.

9.5 Variation and waiver

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

9.6 No merger

The warranties and undertakings in this agreement do not merge and are not extinguished on Completion and will survive after Completion.

9.7 Further steps

Each party agrees, at its own expense, to do anything the other party asks (such as obtaining consents, signing and producing documents and getting documents completed and signed) as may be necessary or desirable to give full effect to the provisions of this agreement and the transactions contemplated by it.

9.8 Inconsistent agreements

If a provision of this agreement is inconsistent with a provision of the MOU, the provision of this agreement prevails.

10 Governing law and jurisdiction

This agreement is governed by the law in force in the place specified in the Details. Each party submits to the non-exclusive jurisdiction of the courts of that place.

11 Counterparts

This agreement may consist of a number of copies, each signed by one or more parties to the agreement. If there are a number of signed copies they are treated as making up the one document and the date on which the last counterpart is executed will be the date of the agreement.

Schedule 1 - Application for Subscription Shares (clause 3.2)

To: Metex Resources Limited (ACN 057 552 137) ("Company")
Unit A2, 118 Railway Parade
West Perth WA 6005

Attention: Company Secretary

[insert date]

Dear Sirs

Application for shares pursuant to Subscription Agreement dated [insert date]

Incitec Pivot Limited ("Subscriber") (ACN 004 080 264) of 70 Southbank
Boulevard, Southbank Vic 3006:

- (a) hereby applies for the issue of 55,000,000 ordinary shares in the capital of the Company ("Subscription Shares");
- (b) agrees to pay the Subscription Price upon Completion in accordance with the Subscription Agreement; and
- (c) agrees to be bound by the constitution of the Company.

Capitalised terms which are used but not defined in this application have the meaning given to them (if any) in the Subscription Agreement.

Yours faithfully

Executed in accordance with section)
127 of the *Corporations Act 2001* by)
Incitec Pivot Limited:)

.....
Signature of Director

.....
Signature of Director/Secretary

.....
Name of Director in full

.....
Name of Director/Secretary in full

3.2 Information

No information provided to the Subscriber is false or misleading in any material respect.

4 Solvency

4.1 Solvency

The Company is not Insolvent.

5 Subscription Shares

5.1 Proportion of capital

The Subscription Shares will, upon issue, comprise not less than 10.7% of the issued capital of the Company and will, upon issue, be fully paid.

5.2 Ranking

The Subscription Shares will rank equally in all respects with existing issued fully paid ordinary shares in the Company, including the payment of any distributions following allotment.

5.3 No Encumbrances

The Subscription Shares will be free from all Encumbrances.

5.4 No restriction

As at Completion, there is no restriction on issue of the Subscription Shares to the Subscriber.

5.5 No sale amounting to indirect issue

The Company acknowledges that the Subscription Shares will be issued to the Subscriber without a disclosure document (in accordance with section 708 of the Corporations Act) and the Company is not issuing the Subscription Shares with the purpose of the Subscriber selling or transferring the Subscription Shares, or granting, issuing or transferring interests in, or options over the Subscription Shares, within 12 months after issue of the Subscription Shares.

5.6 Consents

The Company has obtained all consents necessary to enable it to issue the Subscription Shares.

5.7 No breach

As at Completion, the offer, issue and Official Quotation of the Subscription Shares complies with:

- (a) the Corporations Act and the ASX Listing Rules; and
- (b) all other obligations and agreements binding on the Company or its members.

Signing page

EXECUTED as an agreement

DATED: 23rd June 2008

Executed in accordance with section)
127 of the *Corporations Act 2001* by)
Incitec Pivot Limited:)


.....
Signature of Director

JAMES E FAZZINO
.....
Name of Director in full


.....
Signature of Director/Secretary

KERRY J GLEESON
.....
Name of Director/Secretary in full

Executed in accordance with section 127 of the *Corporations Act 2001* by
Metex Resources Limited:


.....
Signature of Director

Ian Walker
.....
Name of Director in full




.....
Signature of Director/Secretary

MAX DIRK JAN - COZINE
.....
Name of Director/Secretary in full