

Tree planting businesses not a carbon copy

RACHEL DONKIN

Carbon capture play Carbon Conscious said yesterday a non-binding deal it signed with an unidentified ASX top-50 company last month was “on track”, as rival CO2 Group announced Woodside Petroleum had agreed to expand its emissions offset deal with the group.

Shares in the Matt Birney-chaired Carbon Conscious gained 45 per cent on the day the tree planting contract was announced last month, with the company saying it would take four to six weeks to finalise documentation.

But executive director Daniel Stevens said yesterday that, though the deal was yet to be completed, proceedings were “tracking ahead OK” and would be finalised in coming weeks.

Carbon Conscious, which has declined to value the new deal, is yet to secure a binding contract. The company’s shares closed steady at 16¢. It floated at 40¢ in May last year.

It came as CO2 Group shares gained the most in almost eight years after the company confirmed Woodside had exercised its option to undertake about \$75 million of additional mallee eucalypt carbon-sink plantings under a 50-year carbon offset contract. Woodside committed to an initial \$25 million deal in 2007, with an option to expand the offset program further.

The \$100 million contract is the biggest commercial carbon sink in Australia and will be used by Woodside to offset emissions from its \$12

billion Pluto liquefied natural gas project.

Shares in CO2 finished 5¢ higher at 25¢ after climbing as high as 28¢.

