

**COAL FE RESOURCES LIMITED**

A.B.N. 41121 969 819

30 April 2008

Companies Announcements Office
Australian Stock Exchange Limited
Exchange House
Level 4, 20 Bridge Street
Sydney, NSW 2000

Dear Sir/ Madam,

PRICE QUERY

Following the Price Query received by the Company on 29 April 2008, we would like to respond as follows to the questions raised in your letter:

1. The Company is not aware of any information that has not been announced to the market which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company has no other explanation for the price change and increase in volume of the securities of the Company other than favourable market commentary regarding coal prices and anticipation of the Company's quarterly report which will be released today.
4. The Company is of the opinion that it is in compliance with the listing rules and in particular listing rule 3.1.

Yours faithfully,

Coal Fe Resources Limited

Allan Ryan
Chairman

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**ASX**

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29 April 2008

Mr I MacPherson
Company Secretary
Coal FE Resources Limited
PO Box 359
WEST PERTH WA 6872

Facsimile: (08) 9321 3523

Dear Ian

Coal FE Resources Limited (the "Company")**PRICE QUERY**

We have noted a change in the price of the Company's securities from a close of 8 cents on 24 April 2008 to an intra day high of 17 cents today, we also note an increase in the volume traded.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **7:30am WST on Wednesday 30 April 2008**.

The response must be in a form suitable for release to the market. If you have any concern about release of a response, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the company's securities. As set out in listing rule 17.1 and the guidance note titled "Trading halts" we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours faithfully,



Nathan Bartrop
Issuers Adviser (Perth)

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