



**COAL FE RESOURCES LIMITED**  
A.B.N. 41121 969 819

12 February 2008

Company Announcements Office  
Australian Stock Exchange  
PO Box H224, Australia Square  
Sydney NSW 2000

Dear Sirs

### **COLLABORATION AGREEMENT**

On 21 June 2007, the Board of Directors of Coal FE Resources Limited ("CES") announced that the Company had today entered into a conditional Share Sale Agreement ("SSA") with PT Bungo Raya Nusantara ("BRN") for the acquisition of a 60% equity interest in PT Nusantra Thermal Coal ("NTC"). The SSA was subsequently terminated (as announced to ASX on 7 February 2008).

In pursuing the acquisition of NTC, CES incurred considerable time and expense.

CDH Limited ("CDH") has effectively assumed the role of CES under the SSA and will be pursuing an initial public offer and listing on ASX.

CES has today entered into a Collaboration Agreement with CDH ("Collaboration Agreement"), wherein CES:

1. has agreed to assign to CDH all CES' right and title to the geological reports, mining plans and infrastructure study conducted by John T. Boyd (Australia) Pty Ltd and the AMDAL (Environmental Impact Assessment) Independent Review Report made by PT SMG Consultants in relation to NTC; and
2. has agreed to release and forgive on its own behalf and on behalf of its subsidiary, PT Techventure Indocoal ("PTTI"), all claims for the mining expenses incurred by CES or PTTI in relation to the joint venture agreement between PTTI and BRN,

(together, "the Assignment and Release").

The Collaboration Agreement is conditional upon CDH:

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- (a) obtaining conditional approval from ASX to having its securities admitted to the official list of ASX; and
  - (b) obtaining all necessary shareholder approvals to complete the transaction contemplated by the Collaboration Agreement,

within 3 months of the date of the Collaboration Agreement (“End Date”).

If the conditions above are not satisfied on or before the End Date the Collaboration Agreement will terminate.

As consideration for the Assignment and Release, CES shall be allotted 10,000,000 ordinary shares in CDH (“CDH Shares”).

CDH has also agreed to extend a Priority Offer to CES' Shareholders of up to 5,000,000 CDH Shares pursuant to a prospectus to be issued by CDH seeking the admission of CDH the Official List of ASX and official quotation of its securities on ASX.

Further details in relation to the proposed listing of CDH on ASX will be released to the market in due course.

Yours faithfully

Julian Cheng  
Executive Director