

7 November 2007

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs / Madam

SOUTH AFRICAN COAL AQUISITION

The directors of Comdek Limited (**Comdek or the Company**) are pleased to announce the Company has signed an agreement to acquire 100% of Isicebi Carbon Mining (Pty) Ltd (**Isicebi**), a South African company that has the right to earn a 70% interest in three coal projects located in the Waterberg region of South Africa.

Highlights

- **Initial Inferred Resource of 415 million tonnes of thermal and coking coal;**
- **Potential to increase resource tonnages;**
- **Properties located close to infrastructure and power stations;**
- **Properties previously owned by BHP Billiton and BP Coal and now available due to change in Minerals and Petroleum Resources Development Act (MPRD);**
- **Project partner Lukale Mining Pty Ltd is a Black Empowerment Enterprise;**

1 Summary of Coal Projects

Comdek has signed an agreement to acquire Isicebi, a company that has the right to farm-in to three coal properties owned by Lukale Mining Ltd (Lukale) in the Waterberg Coalfield area of South Africa. Until recently, the properties were owned by BHP Billiton and BP Coal, however due to changes in the Minerals Petroleum Resources Development Act (MPRD) Lukale, a Black Economic Empowerment (BEE) group have now secured 100% ownership of these properties.

The three properties are described below (Refer to Figure 1 for Location plan) and total 3,160 Hectares.

Comdek Limited

Level 24, St Martin's Tower, 44 St Georges Terrace Perth, Western Australia, 6000
P.O. Box Z5183, St Georges Terrace, Perth WA 6831
Phone: +61 8 9221 7908 Fax: +61 8 9218 8875 Email: info@comdek.com.au Website:
www.comdek.com.au

Lisbon LQ 19 (800 Hectares) is on the Limpopo river border with Botswana. **Zoetfontein LQ 22** (995 Hectares) is immediately adjacent to Lisbon LQ 19. Both properties have been drilled by BHP Billiton and show the potential for significant tonnages of open cast coal in the lower zones of the Waterberg sequence. The Zoetfontein Fault also runs East-West through the middle of these farms and it is expected that 50% of the coal is shallow at around 16m below the surface with the remainder of the coal being greater than 250m deep.

Koert Louw Zyn Pan LQ 234 (1,365 Hectares) is on the Limpopo river border with Botswana. This property has been drilled by BP Coal and shows the potential for significant tonnages of open cast coal from all zones of the Waterberg sequence.

All the existing drill data for these three farms has been requested, with initial drill data being received. Dawie Van Wyk of Geocoal Pty Ltd has been engaged to review all this data and to complete a resource calculation to be compliant with the SAMREC and JORC codes. **An initial inferred resource of 415 million tonnes** has been calculated from existing drilling information compiled to date. Further data is currently being sourced and validated and a further update on the inferred resource will be announced in due course. A drilling campaign will be designed once all drill hole data has been acquired and assessed.

2 Review of the Waterberg Coalfield

2.1. Introduction

Coal was discovered in this area in 1922 during water drilling 25km west of the town of Ellisras. The coal seams of the Waterberg Coalfield occur in the Volksrust and Vryheid Formations of the Karoo sequence. Numerous coal zones (seams) occur, varying in thickness from millimetres to more than 8 meters over a zone of 120 meters. Not all these zones occur over the whole coalfield. The main coal seams can be correlated across the coalfield into eleven main coal zones. The coal of the upper seven zones (Volksrust Formation) consists of finely intercalated bands of coal and mudstone. This has to be crushed to at least 12mm top size and washed to liberate the coal from the mudstone. The coal in the bottom zones (Vryheid Formation) occurs as thicker, more distinct seams. The coal from the top zones produces a soft blend coking coal and a middlings product suitable for power generation. The coal from the bottom zones is suitable for power generation, charring and local industry consumption.

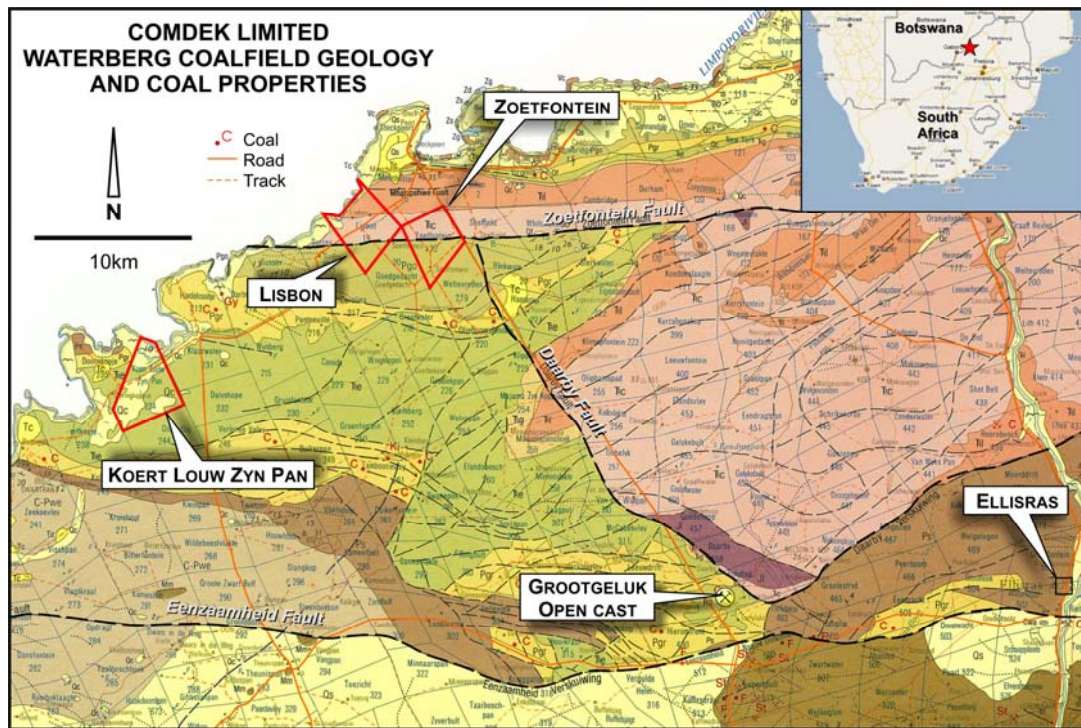
2.2. Locality

The Waterberg Coalfield is located in the North Western area (Figure 1) of South Africa and continues across the border into Botswana. The coalfield strikes approximately 90 kilometres east-west and 40 kilometres north-south.

The main town Lephalale (Ellisras) is situated in the south-east of the coalfield.

The three properties Comdek is to acquire an interest in are on the border with Botswana and are serviced by good quality roads. The Lisbon and Zoetfontein properties are within 30km, and the Koert Louw Zyn Pan property is within 50km of the Grootegeluk opencast coal mine. Immediately adjacent to the mine is the rail head which leads to the Richards Bay Coal Terminal (RBCT), the largest South African coal export port. Also adjacent to the mine are the operating Matimba and the under-construction Medupi coal fired power stations.

Figure 1: Location of Lephalale (Ellisras), Grootegeluk the only colliery and the Waterberg Coalfield



2.3. History

Sasol, Anglo Coal and Goldfields Iscor have over various periods conducted coal exploration programmes in the Waterberg coalfield. Anglo Coal, initially in partnership with Shell, is currently involved in a Coal Bed Methane (CBM) investigation. Iscor have also conducted limited CBM investigations with Batepro as a partner. Anglo Coal has recently completed a number of production wells and is currently flaring methane.

2.4. The new Minerals Petroleum Bill known as the Minerals and Petroleum Resources Development Act (MPRD)

This act has had a profound influence on the ownership and potential exploitation of South African coal deposits and associated hydrocarbons. Historically under the old dispensation Kumba, Eyesizwe, Sasol, Anglo Coal and Billiton BHP had under their control most of the resources within the Waterberg coalfield. BHP Billiton and Sasol had prospecting permits on vast areas that were put out to tender by the Government in the 1980's. Large portions of these coal prospecting rights were over deep (>300 meters) coal measures. Sasol and BHP Billiton did not renew their old order rights but Sasol have successfully applied for some shallower coal areas. A number of small BEE companies have now applied for small groups of farms over all the relinquished BHP Billiton and Sasol farms.

The result of the MPRD has changed the face of most of the coal rights in the Waterberg. The current situation is that a number of the smaller BEE companies who do not have the finance or the technical skills to conduct prospecting in the Waterberg are currently seeking finances and alliances to do their prospecting.

Figure 2: Diagram showing the main faults in the Waterberg Coalfield (after Botha 1984)



Figure 3: Geology of the Waterberg area.

Group	Formation SACS (1980)	Formation J F Cilliers (1951)	Representative Rocks	Average Thickness (m)
STORMBERG GROUP	Drakensberg Basalt	Drakensberg	Lava, purplish to red, amygdaloidal	95
	Clarens Sandstone	Cave Sandstone	sandstone, fine grained, white, yellow brown reddish	80
	Elliot	Red Beds	Mudstone, red to chocolate brown, clayey	90
	Molteno	Molteno	Sandstone, white, medium to coarse grained, scattered pebbles	15
BEAUFORT GROUP	Beaufort	Beaufort	Mudstone, purple and greenish grey, alternating at top, light grey at base	90
ECCA GROUP	Volkstrust	Upper Ecca	Intercalated shale and bright coal	60
	Vryheid	Middle Ecca	Sandstone and grit, intercalated carb, shale, siltstone, few thick coal seams, mainly dull	55
	Pietermaritzburg	Lower Ecca	Shale and sandstone, grit in lower portions	150
DWYKA	Dwyka	Dwyka	Tillite	3

2.5. Geology

The coalfield is dominated by faulting in the north and in the south (Figure 1 and 2). In the south the coal margin is limited by the Enzaamheid fault and in the North by the Zoetfontein fault. The Zoetfontein fault was active during and post coal deposition, whereas the other faulting in the graben structure is younger than the Karoo Sequence. Coal measures were formed in a shallow east-west trough with the inflow of sediments from an ENE direction. In the southern part of the basin the Karoo sediments overlie the Waterberg Group of rocks whereas in the north the sediments overlie granites and basic rocks of the Bushveld Igneous Complex.

Volksrust Formation: The upper portion of the coal resource is contained in the Volksrust Formation (Figure 3). It consists of intercalated mudstone and coal with an average thickness of 60 meters. The coal and mudstone occur in easily identifiable cyclical repetitions of mudstone and coal sequences. This can be subdivided into seven coal-mudstone zones identified as zones 11 to 5 (Figure 4).

Vryheid Formation: This Formation which is about 50 meters thick forms the lower part of the coal measures (Figure 3). It consists of mudstones, Sandstones intercalated with coal seams varying in thickness from 1 to 6 meters. These five coal seams (zones 4 to 1) consist mostly of dull coal with brighter coal at the base of each seam (Figure 4). There appears to be a large variation of coal qualities and thicknesses due to lateral facies changes.

2.6. Coal Qualities:

The qualities in the upper six zones are similar except for zone six which has higher phosphorus content. The primary wash yields an excellent blend coking coal (typically 25% yield) and the middlings (typically 60% yield) produced suit a local power station type coal.

The lower zones have very little coking coal but zones 1 & 2 have a low phosphorus content and coal from these zones can be used in the metallurgical industry. Currently the lower most coals are used primarily as a steam coal in local power stations.

2.7. Resources

The Waterberg has 40% of the total remaining coal Reserves in South Africa. The Exxaro Grootgeluk operation has total Resources of 6.016 Billion tonnes of coal. The Grootgeluk Colliery is currently the only operating colliery in this coalfield with production of 17 million tonnes per annum. This is separated into 14 million tonnes for power generation, 2 million tonnes for local use, and 1 million tonnes for export. Exxaro is hoping to double its coal output by 2010 - with plans to build a new mine for export and for supply to a new local power station Medupi.

The project consists of three properties which cover over 3,000 hectares. Based on historical drilling and data obtained to date the Company has estimated an **initial Inferred Resource of 415 million tonnes of thermal and coking coal on the three properties**. The vast majority of this tonnage is near surface and extractable by open pit mining methods and is a mineable insitu tonnage incorporating a 25% to 35% mining loss.

A breakdown of the coal resources is given in the Table below.

Property		Sequence	Tonnage (tonnes)	Resource Status
Zoetfontein	Open Cast	Volksrust	75,400,000	Inferred
Lisbon	Underground	Volksrust	17,100,000	Inferred
Koert Lou Zyn Pan	Open Cast	Vryheid	322,500,000	Inferred
Total			415,000,000	Inferred

The Company believes that if all historic drill hole data is acquired there may be sufficient information to complete an Indicated JORC compliant resource. The Company also believes that drilling will be required to further increase the resource classification and tonnages calculated to date.

Figure 4: The 11 classical coal zones In the Waterberg coalfield, mining benches and coal products produced from the Grootegeluk Open cast mine.

COAL SEAM SEQUENCE IN THE WATERBERG COALFIELD					
		Thickness (m)	Coal Mass (%)	Mining Benches	Description
	Overburden	16.5	-	Bench 1	Waste Dump
Volksrust Formation /Upper Ecca	Zone 11	7.56	38.33	Bench 2	Power Station and Semi soft Coking Coal 10% ash
	Zone 10	9.37	53.86		Power Station and Semi soft Coking Coal 10% ash
	Zone 9	6.53	48.34	Bench 3	Power Station and Semi soft Coking Coal 10% ash
	Zone 8	9.04	42.02		Power Station and Semi soft Coking Coal 10% ash
	Zone 7	10.15	39.94		Power Station and Semi soft Coking Coal 10% ash
	Zone 6	6.54	32.17	Bench 4	Power Station and Semi soft Coking Coal 10% ash
	Zone 5	13.54	21.97	Bench 5	Power Station and Semi soft Coking Coal 10% ash
	Interbed	2.6	-		Waste Dump
	Vryheid Formation /Middle Ecca	Zone 4	4.02	99.13	Bench 6
Interbed		4.28	-	Bench 7a	Waste Dump
Zone 4A		1.52	96.37	Bench 7b	Power Station and Semi soft Coking Coal 10% ash
Interbed		4.28	-	Bench 8	Waste Dump
Zone 3		7.82	96.41	Bench 9	Met products and PCI product 10% ash
Interbed		4.54	-	Bench 10	Waste Dump
Zone 2		3.73	95.22	Bench 11	Met products and PCI product 10% ash
Interbed		13.85	-		
Zone 1		1.55	98.54		

3. Summary of Transaction

Comdek has reached agreement to acquire all the shares of Isicebi Carbon Mining (Pty) Ltd ("Isicebi") a South African registered company, that has signed a Joint Venture agreement with Lukale Mining Company (Pty) Ltd ("Lukale") and Umnotho We Sizwe Group (Pty) Ltd ("Umnotho"), to acquire an interest in, and to farm in to three coal licences held by Lukale located in South Africa, (the "Projects"). Under the terms of the Joint Venture agreement Isicebi is to:

- Pay Lukale US\$80,000 in cash;
- Procure the issue of Comdek shares to the value of US\$240,000, based on Comdek 5 day VWAP prior to 3 August 2007, being approximately 10,545,222 shares;
- Acquire a 20% interest in the projects for consideration of US\$1,365,000 to be satisfied by the issue of Comdek shares based on a 5 day VWAP prior to 29 October 2007, being a total of 37,557,143 shares.
- Commit to US\$5 million in exploration expenditure over 3 years to earn a further 50% (for a total of 70%) interest in the Projects, with a minimum expenditure of US\$500,000 within the first 12 months.
- Pay Lukale a royalty of 1.30 Rand per tonne of coal sold from the properties

In consideration for the acquisition of Isicebi:

- Comdek will buy all the stock of Isicebi for 75 million Comdek shares and 37.5 million options to acquire Comdek shares (5 year expiry, 5 cent exercise price).
- Stock is proposed to be issued in two equal tranches – the first on completion of the transaction and the second on completion of a positive scoping study within six months of completion of the agreement.
- Comdek will reimburse Isicebi US\$50,000 in expenditure to date.

The Company will also issue 10 million options exercisable at 5.0 cents each to parties who have advised on the transaction.

The agreements are conditional on Comdek and Lukale completing due diligence and obtaining regulatory and shareholder approval within 120 days of executing the agreements.

4 Proposed Work Programme

Following the acquisition of Isicebi, Comdek will commence exploration on the Projects with a view to determining the extent of coal mineralisation and whether this may lead to a commercial coal mining operation.

Initial phase exploration expenditure will focus on upgrading and extending the existing inferred Resource and completing a scoping study into the potential for development of the coal deposits.

At this juncture the Company will consider whether it is appropriate to make a change to the nature of its activities to a mining exploration company. In the event that the Company does change the nature of its activities, it will seek the approval of shareholders at the appropriate time, issue a prospectus and attend to the various other compliance requirements under chapters 1 and 2 of the ASX Listing Rules.

5. Placement and Capital Structure

Comdek Limited intends to carry out a capital raising of approximately \$2.0 million upon conclusion of the acquisition. Further details of the terms and conditions of the capital raising will be announced at that time.

It is intended that the Company will apply these funds towards the exploration of the above coal projects, Cameroon uranium exploration tenements as well as towards the continued expansion of the existing Fusion Communication Services Business and the working capital and administrative requirements of the Company.

The Expected Capital structure of the Company upon completion of the acquisition is included at Appendix A.

For further enquiries please contact Scott Douglas or Ed Mead on (08) 9482 0500 or email information@comdek.com.au .

Yours faithfully

COMDEK LIMITED

ED MEAD

Technical Director

Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Dawie Van Wyk who is a consultant to the Company and is a member of a Recognised Overseas Professional Organisation. Mr Van Wyk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Van Wyk consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX A

Expected Capital Structure

The table below summarises the expected capital structure of Comdek following the proposed transaction.

	New shares	Total Shares	1 cent	2.5 cent	3.5 cent	6 cent	5 cent options
Issued capital ¹		439,483,854	20,176,158	7,000,000	10,000,000	7,000,000	
Isicebi acquisition - 1st Tranche	37,500,000	476,983,854					18,750,000
Lukale shares - 20%	37,557,143	514,540,997					
Lukale shares - initial tranche	10,545,222	525,086,219					
Lukale cash payment		525,086,219					
Corporate adviser options							10,000,000
Performance Hurdle shares	37,500,000	562,586,219					18,750,000
		<u>562,586,219</u>	<u>20,176,158</u>	<u>7,000,000</u>	<u>10,000,000</u>	<u>7,000,000</u>	<u>47,500,000</u>

1. Assuming shareholder approval of share issues in relation to the acquisition of Uranex SA at the Company's AGM