

ASX Code : CDS

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Company Announcements Office
ASX Limited,
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SYDNEY NSW 2000

JERICO COAL ACQUISITION – TASMANIA

The directors of Comdek Limited (**Comdek**) are pleased to announce the signing of an option to acquire 100% of the issued capital of Tiger Coal Pty Ltd (**Tiger Coal**), a company that has applied for two coal projects located in Tasmania.

Highlights

- **Inferred historical tonnes of coal of 60 to 80 million tonnes of black (bituminous) thermal coal;**
- **Comdek believes that there is potential for further significant coal discoveries and has an initial exploration target of 240 to 300 million tonnes of thermal coal;**
- **Combined with the tenements in the Woodbury and Latrobe areas, historical tonnes of coal total 72 to 102 million tonnes with an exploration target of 340 to 460 million tonnes of black (bituminous) thermal coal;**
- **Property previously owned by CRAE (Rio Tinto);**
- **Properties conveniently located to rail and port infrastructure;**

1. Summary of Coal Asset

Tiger Coal has applied for the Jericho East and Jericho West Coal Projects in Central Tasmania (**the Projects**). The Projects are black (bituminous) thermal coal projects, located immediately adjacent to an underutilised freight railway line in the Midland Valley of Central Tasmania. The railway line is connected to available deepwater load out facilities located 40 km to the south at Hobart and 120 km to the north of the Project which are capable of loading 40-60,000 tonne Panamax ships.

The Jericho East (Lake Tiberius) Coal Project – EL26/2008 covers an area of 22,000 ha and contains areas of identified coal measures. The Jericho West (Melton Mowbray) Coal Project – EL25/2008 covers an area of 20,300 ha with limited drilling, but is considered a highly prospective target.

2. Woodbury and Latrobe areas

On 7 February 2008, Comdek announced that it had agreed to acquire the Tasmanian coal projects, Woodbury (Tunbridge) Coal Project – ELA65/2007 and the Bonnie’s Tier (Latrobe) Coal Project – ELA64/2007, from Energy Investments Limited (**EIL**), subject to certain conditions being satisfied. The Woodbury Project currently has historical tonnes of coal of 12 to 22 million tonnes of black (bituminous) thermal coal. Comdek believes that there is potential for further significant coal discoveries and has an initial exploration target of 100 to 160 million tonnes of black (bituminous) thermal coal for this project.

In accordance with section 18 of the JORC Code, Comdek must state that the potential quantity and grade of the reported and targeted tonnes of coal is conceptual in nature. There has been insufficient verification of previous exploration to define a mineral resource. It is uncertain if further exploration will result in the determination of a mineral resource.

These properties were previously owned by BHP Pty Co Ltd (Now BHP Billiton).

Comdek shareholders approved the EIL transaction at the general meeting held on 26 May 2008. The transaction remains subject to and conditional upon the granting of exploration licence ELA65/2007 (the Woodbury application) in the name of EIL.

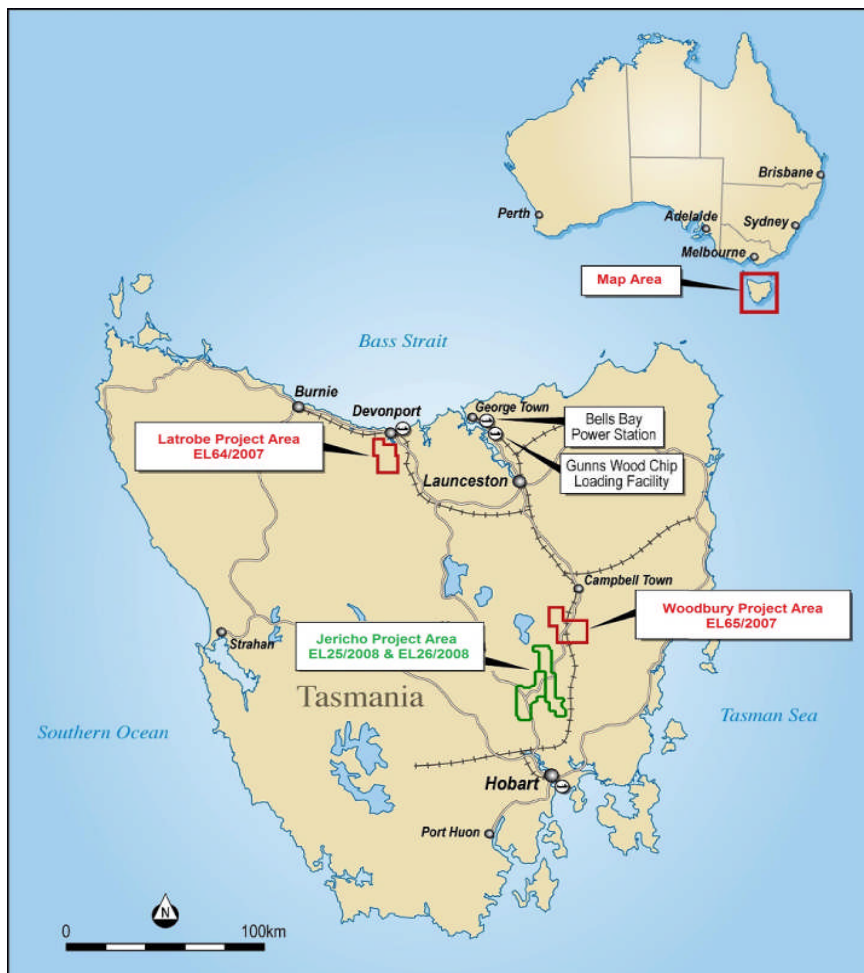


Figure 1. Jericho East and West, Woodbury and Latrobe tenement areas with combined historical tonnes of coal of 72 to 102 Mt of black (bituminous) thermal coal.

3. Review of Area

The coal seams of economic interest in the Projects are located in the Coal Measures sequence of the Upper Triassic age Parmeener Super Group. The principal structure is the Jericho Graben which extends more than 50 km and varies in width from 0.8km to 3 km.

Drilling was done by Capricorn Mining Limited and CRAE (Rio Tinto) in the 1980's. The coal seams of interest (9 seams) have been ranked as bituminous black coals and are believed to be similar to those currently mined at Fingal to the north. The Projects to date have 55 boreholes with seam thicknesses ranging from 0.2 metres up to 5.8 metres. The average seam thickness is 3.14 metres. Historical drilling has identified 60 to 80 million tonnes of black (bituminous) thermal coal and significant areas have low levels of overburden (1 – 20 metres) potentially offering attractive overburden stripping ratios.

Whilst it is not possible to report on resource estimates in detail at this stage due to a lack of data and drilling, it is the opinion of Comdek, that the land within the Projects are likely to host further significant quantities of coal, as yet not identified but likely to extend beyond the current historical coal tonnage estimates.

Comdek believes that there is potential for further significant coal discoveries and has an initial exploration target of 240 to 300 million tonnes of black (bituminous) thermal coal for the Projects. In accordance with section 18 of the JORC Code, Comdek must state that the potential quantity and grade of the reported and targeted tonnes of coal is conceptual in nature. There has been insufficient verification of previous exploration to define a mineral resource. It is uncertain if further exploration will result in the determination of a mineral resource.

The Projects are expected to complement the coal deposits in the Woodbury and Latrobe areas to indicate historical tonnages of 72 to 102 million tonnes of black (bituminous) thermal coal with an initial combined exploration target of 340 to 460 million tonnes.

4. Summary of Transaction

Comdek has signed an option to acquire 100% of the issued capital of Tiger Coal, subject to certain conditions being satisfied, including exercise of the option within 90 days of entering into the agreement. Upon written notice of exercise of the option Comdek will enter into a share sale agreement to pay consideration of 75,000,000 ordinary shares in Comdek based on a valuation of 20 cents per Comdek share.

The shares are to be issued in two stages;

Stage one requires the issue of 60,000,000 fully paid ordinary Comdek shares to the shareholders of Tiger Coal subject to the granting of Jericho East and Jericho West tenements in the name of Tiger Coal and Comdek concluding to its absolute satisfaction its due diligence enquiries within 30 days of the exercise of the option to acquire 100% of the issued capital of Tiger Coal.

The acquisition of Tiger Coal is also subject to both Comdek and Tiger Coal obtaining all and any necessary shareholder and regulatory approvals (including those required by the Corporations Act and/or ASX) in respect of the transaction, including the issue of Comdek shares. All shareholders of Tiger Coal are also required to submit to a voluntary escrow of the Comdek shares for a minimum of 6 months from the date of issue covering 100% of the fully paid ordinary Comdek shares.

Stage two requires the issue of an additional 15,000,000 fully paid ordinary Comdek shares to the shareholders of Tiger Coal, conditional upon the completion of stage one and the delineation, at any time within 2 years after the date of this agreement with Tiger Coal, of a JORC In Situ Inferred coal resource of not less than 79 million tonnes of black (bituminous) coal either within one of the Projects or across all of the Projects combined.

5. Proposed Work Program

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

Initial phase exploration expenditure will focus on upgrading and extending the existing historical tonnes of coal and completing a scoping study into the potential for development of the coal deposit.

For further enquiries please contact Scott Douglas on (08) 9381 5610.

Yours faithfully,
COMDEK LIMITED

SCOTT DOUGLAS
Executive Director

Information in this announcement that relates to historical exploration results of the coal tonnages is based on information prepared by Tiger Coal Pty Ltd. The report was prepared by Rowan Armstrong (MAusIMM), an employee of Comdek Ltd, who has sufficient experience which is relevant to the style of mineralization 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'. Rowan Armstrong (MAusIMM) and Comdek consent to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.