



19 July 2011
Via electronic lodgement

HIGH QUALITY COKING COAL PROPERTIES CONFIRMED

- **Initial raw coal quality tests confirm presence of high quality coking coal properties likely to be enhanced by coal washing**
- **These raw coking coal properties are likely to be highly sought after by Chinese steel mills**
- **Large number of coal samples still to be calibrated with further results to be released to the market over coming weeks**

C @ Limited ("CEO") is pleased to announce that it has received initial coal quality and raw coal analysis test results from its recent due diligence drilling program on licences in Ovorhangay province, Mongolia which it holds under an option agreement with a major international developer.

Recent drill work carried out by CEO on the Ovorhangay licences discovered two significant coal intersections located 280m apart. The first hole (BTE-1) located at the southern end of the licence produced a coal seam thickness of 60m from surface, while the second hole (BTE-2) located 280m northwest of BTE-1 achieved a 40m coal seam thickness commencing at 89m in depth. The fifth hole (BTE-5) also intersected coal and was located approximately 6kms to the northwest of BTE-2 at the northern end of the licence. Due to the extensive area of land under licence and the limited time frame imposed by the due diligence, no infill drilling was able to be undertaken between these major intersections.

A large number of coal samples taken from intersections in BTE-1 and BTE-2 were sent to SGS Laboratories in Ulaanbaatar, Mongolia to undertake quality analysis. Due to the large size of these seams and sample points, CEO is still working on the test results with leading industry experts and will update the market as soon as this information comes to hand.

To better understand the coal's metallurgical potential, the Company also sent an individual random raw coal sample from BTE-2 to ALS Laboratories, Australia. ALS provides an extensive and highly specialised analysis service and are leading experts in metallurgical coal analysis.

Results from the initial coal sample are provided below:

BTE-2	Results of Analysis
Energy - kcal/kg (db)	6,567
Energy - kcal/kg (daf)	7,530
Total Moisture (ar)	4.5%
Ash (ar)	12.2%
Sulphur (ar)	0.91%
CSN	3
Carbon (db)	67.3%
Vitrinite (by volume)	90.1%

The Company's Managing Director, Mr Mark Earley commented that "the coal quality results show the potential we have in Ovorhangay to, at a minimum, produce a soft coking coal. The low inherent ash we have seen in the quality analysis lends well to a very low ash coal product through washing, which we expect would be well received in metallurgical coal markets and would be attractive to Chinese buyers, possibly even as a raw product. These quality results along with the proximity of licences to the Chinese border and access to existing infrastructure make the economics of these assets very favourable."

The Company has started planning an extensive exploration program on the Ovorhangay licences which it intends to commence immediately upon signing the sale and purchase agreement. This program will include substantial drilling in addition to geophysics and seismic testing.

Further updates will be provided by the Company when coal quality results come to hand.

AUTHORISED BY:

Mark Earley
Managing Director

Competent Persons Statement

The information provided in this report that relates to exploration results is based on information provided by Mr Wade Robinson, who is a member of the American Institute of Professional Geologists (8018) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Robinson is an independent Consulting Coal Geologist and consents to the inclusion of the matters based on his information in the form and context in which it appears. Mr Robinson has over 30 years' experience in exploration and mining of coal and industrial mineral deposits.

About CEO

C @ Limited is an ASX-listed company currently engaged in supplying wholesale optical frames and lenses to opticians. During 2010 it announced that it would search for opportunities in the coal resources sector and

attempt to build shareholder value by changing sectors. To this end it appointed international coal veteran Mark Earley as Managing Director in September 2010. Mark has over 30 years experience in the coal industry in the key areas of operations, project development, mine management and senior advisory roles. He has also been involved in green field mine developments in both Australia and Indonesia, has advised on several successful start-up projects and holds a masters degree in mining engineering. Most recently Mark held the position of Executive Director of Barlow Jonker Pty Ltd, one of the world's leading coal advisory and research firms. His involvement in the coal industry covers virtually all significant territories ranging from the Americas, Southern Africa, Former Soviet Union, India, China and the major supply growth centres of Mongolia and Indonesia.