



29 June 2011
Via electronic lodgement

SIGNIFICANT COAL SEAM INTERSECTED

- **60m coal seam intersected from surface on first drill hole in Ovorhangay Province**
- **Second hole intersected 40m coal seam at open pit mineable depth**
- **Drill core review indicates significant section of high quality coal**

C @ Limited ("CEO") is pleased to announce a potential major coal find based on initial drilling results achieved from the first two holes drilled in the Ovorhangay Province, Mongolia. The current drilling program forms part of the Company's due diligence on the eight Mongolian coal licenses it currently has under an exclusive option agreement.

The Company has drilled two diamond core holes on the Ovorhangay licences, the first (BTE-1) to a depth of 100m, and the second (BTE-2) to a depth of 207m. These holes are located 280m apart and have both intersected significant coal seam thickness as follows:

BTE-1: 60m coal thickness from surface, estimated to comprise one major seam

BTE-2: 40m coal thickness commencing at 89m depth, estimated to comprise one major seam

At the time of this announcement, drilling of a third hole (BTE-3) was underway.

The coal seam intersected in BTE-1 was cored and the geophysics' logged indicated consistently hard coal for 36m, of the 60m coal intersection, commencing at a depth of 10m from surface. The intersected coal seam in BTE-2 was also cored and logged in entirety indicating consistently hard coal for 30m, of the 40m coal intersection, commencing at a depth of 89m.

The core has been sent to the SGS laboratory in Ulaanbaatar for quality analysis including coking coal test work. Details of these results will be provided to the market when they become available.

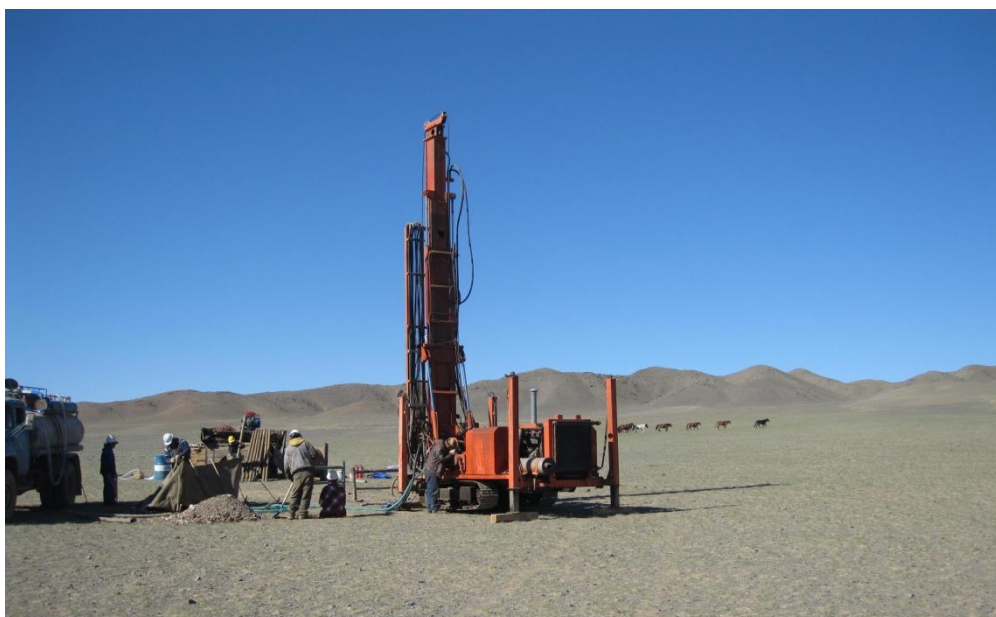


Core sample from BTE-2 indicates good levels of vitrinite.

Exploration drilling has also been undertaken on the South Gobi licences, with coal intersected on one of these licences. Nationwide diesel shortages in Mongolia, has limited our ability to undertake planned trenching in the South Gobi. Although these tenements remain prospective, priority is being given to the Ovorhangay licences presently being drilled.

Pursuant to the options agreement and in accordance with the requirements of the licence owner, details on the individual licence locations cannot be disclosed until such time as the Company exercises the option to acquire the licences.

Further drilling work is planned for the Ovorhangay licences and will be reported to the market when results become available.



Drill rig in operation, South Gobi

The Company's Managing Director, Mr Mark Earley commented that "the drilling results achieved to date on the Ovorhangay licences has shown potential for a significant hard coal resource. With nearby licenses also held by the Company under option we look forward to further exploration results from this area. We would like to thank our local partners in this project Trinity Development LLC and our exploration team who have worked extremely hard over the last few weeks to undertake the technical due diligence in such a short time frame".

Further updates will be provided by the Company, as exploration and 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.