

HANDINI RESOURCES LIMITED

ABN 40 115 095 264

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This Supplementary Prospectus is dated 10 October 2008 and is supplementary to the prospectus dated 23 July 2008 (**Prospectus**) issued by Handini Resources Limited (formerly CDH Limited) (ABN 40 115 095 264) (**Company** or **HRL**)

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 10 October 2008. The ASIC does not take any responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Internet at www.handiniresources.com.

This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents.

Corporate Directory

<p>Handini Resources Limited</p> <p>A.B.N. 40 115 095 264</p> <p>Directors</p> <p>Antony Goldfinch (Chairman)</p> <p>Dato Ramiah Anpalagan (Deputy Chairman)</p> <p>Garry Hodges (Executive Director)</p> <p>Mohammad As'ad (Director)</p> <p>Company Secretary</p> <p>David H Ballantyne, ACA</p>	<p>Indonesian Solicitors</p> <p>Hadiwidjojo Wiryu Mukhtar Ardibrata <i>Advocates & Councillors at law</i></p> <p>AKA Building 1st Floor Jl. Bangka Raya No.2 Jakarta 12720, Indonesia</p> <p>Tel:(+6221) 717 91166 Fax: (+6221) 717 90865</p>
<p>Australian Legal Consultants</p> <p>Steinepreis Paganin Lawyers and Consultants</p> <p>Level 4, Next Building,16 Milligan Street Perth 6000 Western Australia</p> <p>Tel: (08) 9321 4000 Fax: (08) 9321 4333</p>	<p>Australian Solicitors to the Offer</p> <p>Stables Scott Barristers and Solicitors</p> <p>8 St George's Terrace Perth 6000 Western Australia</p> <p>Tel: (08) 9325 9866 Fax: (08) 9421 1395</p>
<p>Principal and Registered Office</p> <p>Level 3, 267 St. Georges Terrace Perth 6000 Western Australia</p> <p>Tel: (08) 9261 7710 Fax: (08) 9261 7700</p> <p>Website: www.handiniresources.com</p>	<p>Investigating Accountant</p> <p>Stantons International Securities Pty Ltd Chartered Accountants</p> <p>Level 1, 1 Havelock Street West Perth 6005 Western Australia</p> <p>Tel: (08) 9481 3188 Fax: (08) 9321 1204</p>
<p>Independent Technical Adviser</p> <p>John T. Boyd (Australia) Pty. Ltd Independent Mining Engineers & Geologists</p> <p>Level 5 359 Queens Street Brisbane Queensland</p> <p>Tel: (07) 3232 5000 Fax: (07) 3232 5050</p>	<p>Share Registry</p> <p>Security Transfer Registrars Pty Ltd</p> <p>770 Canning Highway Applecross 6153 Western Australia</p> <p>Tel: (08) 9315 2333 Fax: (08) 9315 2233</p> <p>Email: registrar@securitytransfer.com.au</p> <p>Web: www.securitytransfer.com.au</p>

This is a Supplementary Prospectus that must be read in conjunction with the Original Prospectus dated 23 July 2008.

HANDINI RESOURCES LIMITED

ABN 40 115 095 264

SUPPLEMENTARY PROSPECTUS

1. INTRODUCTION

This Supplementary Prospectus is being issued due to the execution of four material contracts since the lodgement of the Prospectus on 23 July 2008. It is also to amend important dates in the Prospectus and to disclose other material matters.

2. MATERIAL CONTRACTS

The four new material contracts executed by the Company are the Amended and Restated Agreement (**Off-take Agreement**), Assignment Agreement (**Assignment Agreement**), Visa Joint Venture Agreement (**Visa Joint Venture Agreement**) and the Subscription Agreement (**Subscription Agreement**). The counterparty to each of these agreements is Visa Comtrade (Asia) Limited (**VCL**).

2.1 Background

In Section 10 of the Prospectus it states that CDH Limited (**CDH**) and PT Nusantara Termal Coal (**NTC**) have entered into a Joint-Venture Agreement (**JVA**) dated 21 November 2007 pursuant to which the parties have agreed the method by which they shall cooperate in carrying out mining activities in CDH's Mining Areas allocated within the Coal Contract of Work (**CCOW**) Area which shall be by way of NTC irrevocably assigning and authorizing the exercise of the Mining Rights and the conduct of related Work to and by CDH and its sub-contractors. Further, CDH shall be responsible for performance of certain duties and work relating to the CCOW Area.

The Directors then supplemented this agreement on 15 May 2008 with provisions for the method of the joint-venture. A Joint-Venture Mining Agreement (**JVMA**) requiring the Company to make an advance purchase of 14,400,000 metric tonnes of coal from NTC's concession at Muara Bungo, Jambi Province in Sumatra for a consideration of 138,000,000 shares at A\$0.02 each and US\$20 million of convertible bonds in the Company valued at approximately A\$25 million to NTC or its nominee(s) (**Consideration**). The supplemental JVMA will ensure that the Company will have an entitlement to at least 14,400,000 million tonnes of coal from the concession.

The shareholders of the Company approved the issuance of the Consideration referred to above pursuant to the advance purchase of 14,400,000 metric tonnes of coal on 31 July 2008.

The new material contracts referred to in Section 2 above have the following affect on the Company:

- (a) under the Off-take Agreement, the nature and terms of the transaction specified in the JVMA are more accurately reflected and defined. The Company has agreed to forward purchase a total of 14,400,000 tonnes of coal from NTC on the terms of this Off-take Agreement;
- (b) under the Assignment Agreement, the Company assigns all of its rights, title, interest and obligations under the Off-take Agreement to VCL; and
- (c) under the Subscription Agreement, VCL agrees to subscribe for up to A\$10,000,000 worth of Shares (including 6,800,000 Shares at a price of A\$0.50 each under the Prospectus).

The salient terms of the new material contracts comprising the Off-Take Agreement, Assignment Agreement, Visa Joint Venture Agreement and the Subscription Agreement are disclosed below:

2.2 Amended and Restated Agreement (Off-take Agreement)

To more accurately reflect the nature of the transactions specified in the JVMA, NTC and the Company have agreed to amend and restate the JVMA in the form of the Amended and Restated Agreement (referred to above and hereafter as the "Off-take Agreement"). This Off-take Agreement became effective on the date of its execution and (subject to earlier termination in accordance with its terms) shall continue in effect until the full delivery of 14,400,000 tonnes of coal from NTC to the Company in accordance with the terms of the agreement.

Under the Off-take Agreement, the annual off-take by the Company is as follows:

- (a) **Years 1 and 2 Base Annual Quantity** means the base annual quantity of coal equal 1,000,000 tonnes to be delivered by NTC to the Company during the first contract year; and
- (b) **Year 3 and Subsequent Year Base Annual Quantity** means the base annual quantity of coal equal to 1,500,000 tonnes to be delivered by NTC to the Company during the second contract year and the subsequent contract years until the end of the term.

The invoice base price for all coal delivered under the Off-take Agreement (**Invoice Base Price of Coal**) shall be a FOB stowed and trim basis and shall, in general terms, be equal to the market price of matching quality coal less 50% of the last quarter margin, being the difference of the market price and the pit-to-port-cost as defined in the agreement. The agreement also provides for an adjustment mechanism in circumstances where there are variances to the estimated and audited pit to port costs.

2.3 Assignment Agreement

By an Assignment Agreement dated 30 September 2008 between the Company, VCL and NTC, the Company assigns and novates to VCL all of its rights, title and interest in relation to the Off-take Agreement and VCL accepts the assignment and transfer from the Company.

The assignment of the rights to the coal under the Off-take Agreement will occur in three stages of 4,800,000 tonnes of coal each and will be subject to VCL subscribing for certain tranches of Shares under the Subscription Agreement.

VCL is a member of the Visa Group of companies of India based in Singapore and is trading in industrial raw material and products. The energy products comprise thermal coal, coking coal and LAM coke. Its other activities are in ship chartering and logistics and investment in mining and shipping. Its strength is in providing prudent risk management and global supply chain solutions to companies that are internationally competitive combining its global vision with local action to meet customer needs with reliability and efficiency.

2.4 Subscription Agreement and Visa Joint Venture Agreement

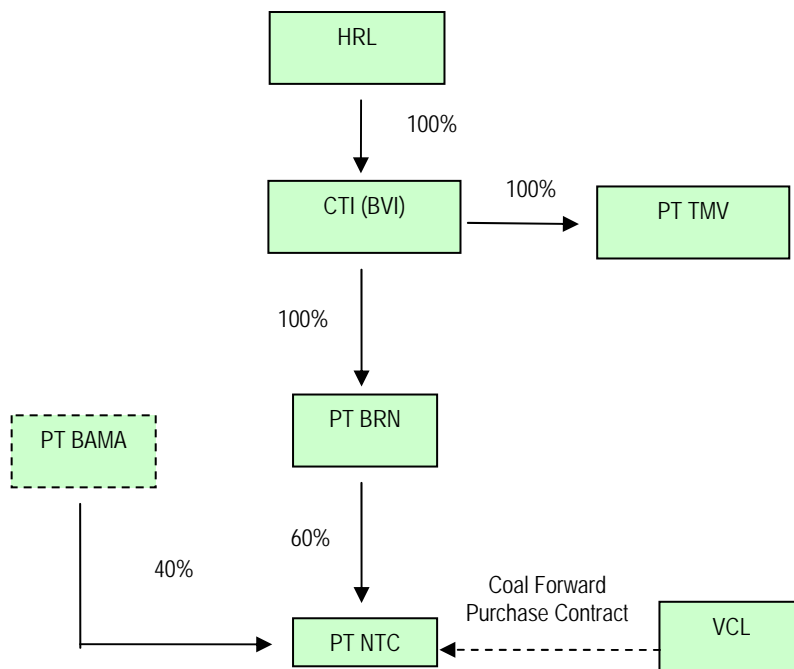
Under the terms of the Subscription Agreement and the Visa Joint Venture Agreement:

- (a) in consideration of the assignment of the Off-take Agreement by the Company to VCL via the Assignment Agreement, VCL has agreed to invest up to A\$10,000,000 in new Shares;

- (b) the subscription for Shares by VCL will take place in three tranches as follows:
- (i) Tranche 1 – subscription for the first tranche will take place under the Prospectus and will be for a total of 6,800,000 Shares at an issue price of \$0.50 each to raise \$3,400,000. On completion of the issue of the Tranche 1 Shares, the Company will be taken to have assigned the rights to forward purchase 4,800,000 tonnes of coal to VCL under the Assignment Agreement. The subscription for the Tranche 1 Shares will guarantee that the minimum subscription under the Prospectus will be achieved; and
 - (ii) Tranches 2 and 3 – subscription for the second and third tranches of Shares will occur after 500,000 and 1,000,000 tonnes of coal respectively have been shipped to VCL. The issue price for the Shares will be the lesser of \$0.50 each and the average closing price of the Shares on ASX prior to the date that the directors of the Company decide to issue the Shares. On completion of the issue of each further tranche of Shares, the Company will be taken to have assigned the rights to forward purchase another 4,800,000 tonnes of coal to VCL under the Assignment Agreement (up to 14,400,000 tonnes in total);
- (c) the Company has agreed that VCL may appoint one nominee (**VCL Nominee**) to its board of directors (and also that of CTI, BRN and NTC); and
- (d) the Company, CTI, BRN and NTC have agreed that certain matters will require the prior approval of the VCL Nominee. These matters include issuing any new securities, disposing of any material assets, deviations from agreed budgets in excess of \$50,000 and authorising any restructure of the Company.

3. SUMMARY OF COMPANY ACTIVITIES

The current group structure of the Company is as follows:



Through this structure, the Company has an indirect 60% interest in NTC the holder of the CCOW with the Indonesian Government giving it the rights to mine an area currently measuring 2,832 hectares in Muara Bungo Regency, Jambi Province, Indonesia (**Coal**

Concession). The Coal Concession period is 30 years from the date of commencement of mining operations, which is 27 March 2006.

John T. Boyd Company (Australia) Pty Ltd (the Independent Geologist), a mining and geological consulting company, has confirmed the existence of a JORC compliant reserve and resource on the Coal Concession (refer to the Prospectus for further details).

Upon listing on ASX, the activities of the Company can be summarised as follows:

- (a) through NTC, the Company will undertake mining activities on the Coal Concession and will be entitled to 60% of all benefits received from coal production and sales;
- (b) VCL has agreed to forward purchase up to 14,400,000 tonnes of coal from NTC. Based on current operating costs and the sale price determined under the Off-take Agreement, the margin in the first contract year is expected to be US\$20 per tonne and NTC intends to ramp up production to 2.5 million tonnes per annum within a period of 24 months (from the current 1.2 million tonnes per annum);
- (c) the funds raised under the Prospectus will be used for coal exploration in Kalimantan pursuant to the Memorandum of Understanding with PT Global Multi-Energi, a power plant study and general working capital requirements; and
- (d) bank borrowings may be used to finance the upgrade of internal infrastructure; new plant and equipment and additional working capital in anticipation of an increase in production to 2.5 million tonnes per annum within a period of 24 months.

The Company has yet to resolve the litigation and arbitration matters referred to in the Prospectus and will vigorously defend those matters and is confident of winning or settling them within the next 12 months.

4. USE OF FUNDS

The proposed use of funds raised under the Offer is set out below (the middle column represents the most likely scenario):

	Minimum Subscription	Likely Subscription	Full subscription
	A\$'000	A\$'000	A\$'000
Sources of Funds			
Funds on hand	50	50	50
Proceeds from the Offer	1,000	3,400	10,000
Total Funds Available	1,050	3,450	10,050
Uses of Funds			
New acquisition/ joint venture	-	1,200	1,200
Infrastructure upgrades	-	500	3,000
Power Plant Study	-	-	500
Corporate costs	500	500	500
Costs of the offer	500	750	1,000
Total Application of Funds	1,000	2,950	6,200
Cash remaining for working capital	50	500	3,850

On completion of the Offer, the Board is of the opinion that the Company will have sufficient working capital to carry out the Company's stated objectives.

The above table is a statement of current intentions as of the date of lodgement of this Supplementary Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the budget on this basis.

5. SHAREHOLDER MEETING

At the meeting of the Company held on 31 July 2008 the shareholders approved the following motions:

- (a) a change to the name of the Company to "Handini Resources Limited";
- (b) the issue of 8,000,000 Shares and 6,000,000 options to acquire Shares in the Company to the Directors;
- (c) the issue of 10,000,000 Shares to Coal Fe Resources Limited pursuant to collaboration and other related agreements; and
- (d) the issue of 138,000,000 Shares and a US\$20 million Convertible Bond to NTC or its nominees (together with the issue of Shares on conversion of the Convertible Bond) valued at about A\$25 million, in return for the Company acquiring 14,400,000 metric tonnes of mineable coal in NTC's CCOW in Muara Bungo, Jambi Province, Sumatra, Indonesia pursuant to a JVMA.

6. MINIMUM SUBSCRIPTION AMOUNT

The full subscription for the Offer is \$10,000,000, comprising 20,000,000 new Shares. Over-subscriptions may be accepted through the issue of a further 10,000,000 new Shares to raise an additional \$5,000,000. No Shares will be allotted under the Prospectus until the minimum subscription of \$1,000,000 or 2,000,000 Shares has been reached.

At the time of issue of this Supplementary Prospectus, the Company is aware that VCL will be making an application for 6,800,000 new Shares or a subscription of \$3,400,000 under the Subscription Agreement referred to in paragraph 2.4.

Upon allotment of the new Shares to VCL, the Company will have achieved the minimum subscription.

7. ASX LISTING

Within 7 days of the date of the Prospectus, the Company applied to be listed on ASX and for official quotation of its securities on ASX. If its securities are not admitted to quotation within three months after the date of this Supplementary Prospectus, any application and the subscription money received will be dealt with in accordance with Section 724 of the Corporations Act.

As at the date of this Supplementary Prospectus, the Company has 435 shareholders each holding a parcel of shares worth \$2,000 at the issue price of \$0.50. This means that the Company has the necessary spread and is confident of meeting the spread requirement of ASX.

The fact that ASX may admit the Company to the Official List is not to be taken in any way as an indication of the merits of Handini Resources Limited.

8. SPECIFIC CHANGES TO IMPORTANT DATES

The indicative timetable is amended as follows:

IMPORTANT DATES

Prospectus lodged with ASIC	23 July 2008
Supplementary Prospectus Lodged with ASIC	10 October 2008
New Closing date for the Offer	16 October 2008
Dispatch of Holding Statements	17 October 2008
Expected Listing Date	22 October 2008

These dates are indicative only and subject to change. The Company reserves the right to vary all or any dates without prior notice.

9. APPLICATIONS FOR SECURITIES

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. As such, the Directors have not returned any Application and Application Money.

All new Applications for Shares must be made using the Application Form that is attached to or accompanying this Supplementary Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.50 per Share. Applications for Shares must be for a minimum of 4,000 Shares and thereafter in multiples of 1,000 Shares.

Applications for Shares must be accompanied by a cheque in Australian currency and made payable to 'Handini Resources Limited – Share Issue Account' and crossed 'Not Negotiable'. Applicants should not forward cash. Receipts for payment will not be issued.

The completed Application Form, together with the cheque(s) for the Application monies should be mailed or delivered to the Company's share registry at:

Security Transfer Registrars Pty Ltd
770 Canning Highway, Applecross
6153 Western Australia

Successful Applicants will be advised of their holding following allotment of the Shares.

The Directors reserve the right to reject any Application or to allocate to any Applicant a lesser number of Shares than that applied for. If an Application Form is not completed correctly, or if the amount of the accompanying payment is incorrect, it may still be accepted by the Directors. The Directors' decision as to whether to accept the Application, or how to construe, amend or complete the Application shall be final, but no Application will be treated as having offered to purchase more Shares than is indicated by the amount of the cheque accompanying the Application Form.

2. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Mr Antony Goldfinch
Chairman
For and on behalf of
Handini Resources Limited

Note: All other details in relation to the terms of the Offer and other matters under the Prospectus remain unchanged. The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor.

This is a Supplementary Prospectus that must be read in conjunction with the Prospectus dated 23 July 2008

GUIDE TO THE APPLICATION FORM

A. Application for Shares

The Application Form must only be completed in accordance with instructions included in Prospectus.

B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Application Form.

F. CHESS HIN or existing SRN Details

The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

G. Cheque Details

Make cheques payable to "Handini Resources Limited – Share Issue Account" in Australian currency and cross them "Not Negotiable". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Application Form.

H. Declaration

This Application Form does not need to be signed. By lodging this Application Form and a cheque for the application money this Applicant hereby:

- (1) applies for the number of Shares specified in the Application Form or such lesser number as may be allocated by the Directors;
- (2) agrees to be bound by the constitution of the Company;
- (3) authorises the directors of the Company to complete or amend this Application Form where necessary to correct any errors or omissions;
- (4) acknowledges that he/she has received a copy of the Prospectus attached to this Application Form or a copy of the Application Form before applying for the Shares; and
- (5) acknowledges that he/she will not provide another person with this Application Form unless it is attached to or accompanied by the Prospectus.

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J.A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund