



ANNOUNCEMENT

30 January 2015

Issue of Unlisted Share Options

Coal of Africa Limited ("CoAL" or the "Company") confirms it has today issued a total of 30,575,000 unlisted share options pursuant to the shareholder approval obtained at the annual general meeting held on 28 November 2014. The unlisted options were issued for nil consideration.

20,000,000 unlisted options were issued to Investec Bank Limited, exercisable at ZAR1.32 on or before 21 October 2018. All of the Options will vest on issue.

10,575,000 unlisted options were issued to Mr David Brown, the Chief Executive Officer and Executive Director of the Company pursuant to the terms and conditions of the Company's Employee Share Option Plan. 3,525,000 of these options will become exercisable on each of 1 February 2015, 1 February 2016 and 1 February 2017 at an exercise price of ZAR1.2, ZAR1.32 and ZAR1.45 respectively. All of the options expire on 1 February 2019.

Following the issue of the options, Mr Brown is now the beneficial owner of 325,000 shares representing 0.02% of the Company's issued share capital and 13,075,000 unlisted options comprising the above-noted 10,575,000 unlisted options and 2,500,000 unlisted options exercisable at GBP0.25 each on or before 30 November 2015.

AUTHORISED BY:
Tony Bevan
Company Secretary

For more information contact:

David Brown	Chief Executive Officer	Coal of Africa	+27 10 003 8000
Michael Meeser	Chief Financial Officer	Coal of Africa	+27 10 003 8000
Celeste Harris	Investor Relations	Coal of Africa	+27 10 003 8000
Tony Bevan	Company Secretary	Endeavour Corporate Services	+61 08 9316 9100

Company advisors:

Jos Simson/Emily Fenton	Financial PR (United Kingdom)	Tavistock	+44 20 7920 3150
Chris Sim/George Price/Jeremy Ellis	Nominated Adviser	Investec Bank plc	+44 20 7597 5970
Charmane Russell/Jane Kamau	Financial PR (South Africa)	Russell & Associates	+27 11 880 3924 or +27 82 372 5816

Investec Bank Limited is the nominated JSE Sponsor

About CoAL:

CoAL is an AIM/ASX/JSE listed coal exploration, development and mining company operating in South Africa. CoAL's key projects include the Vele Colliery (coking and thermal coal), the Greater Soutpansberg Project /MbeuYashu, including CoAL's Makhado Project (coking and thermal coal).

AU: Coal of Africa Limited, Suite 8, 7 The Esplanade, Mount Pleasant, Perth WA 6153, Australia, **Tel:** +61 8 9316 9100, **Fax:** +61 8 9316 5475

ZA: South Block, Summercon Office Park, Cnr Rockery Lane and Sunset Avenue, Lonehill, 2191, **Tel:** +27 10 003 8000 **Fax:** +27 11 388 8333 **Email:** adminza@coalofafrica.com

Bernard R. Pryor – Chairman, David H. Brown – Chief Executive Officer, Michael G. Meeser – Chief Financial Officer
Non-executive directors: Peter G. Cordin, Andrew D Miffin, Khomotso B. Mosehla, Thabo F Mosololi, Rudolph H. Torlage