



ANNOUNCEMENT

09 DECEMBER 2015

UPDATE ON INTERIM INTERDICT ON THE ENVIRONMENTAL AUTHORISATION OF THE MAKHADO PROJECT

In December 2014, an interim court interdict was issued against the Environmental Authorisation for the Makhado Project.

CoAL launched a counter- application in March 2015 to set the interdict aside. On Thursday, 3 December 2015, this matter was heard in the North Gauteng High Court. After hearing argument from counsel from both parties, judgment was reserved and the matter postponed to consider the papers filed and arguments made.

Judgement was handed down on Tuesday 8 December 2015 on two matters, firstly being the condition to compel CoAL to conduct a Strategic Regional Impact Assessment and secondly a review of the Environmental Authorisation. The condition compelling CoAL to conduct a Strategic Regional Impact Assessment has been set aside. The interim interdict against the Environmental Authorisation remains in place pending the review of the authorisation.

Based on the interim nature of the interdict, and various other factors, we do not believe that it will delay our timeline regarding the commencement of the construction in H2 2016.

CoAL will study the judgment in detail, and will review its various options available.

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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).

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