

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Coal of Africa Limited

ABN

98 008 905 388

Quarter ended ("current quarter")

31 December 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter US\$'000	Year to date (6 months) US\$'000
1.1 Receipts from product sales and related debtors	1,973	22,715
1.2 Payments for (a) exploration & evaluation	(1,753)	(3,873)
(b) development	(5,300)	(10,281)
(c) production	(3,883)	(19,691)
(d) logistics	(2,397)	(3,821)
(e) administration	(3,957)	(8,740)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	506	909
1.5 Interest and other costs of finance paid	(189)	(274)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	368	368
Net Operating Cash Flows	(14,632)	(22,688)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	476	476
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	1,372
Net investing cash flows	476	1,848
1.13 Total operating and investing cash flows (carried forward)	(14,156)	(20,840)

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1.13	Total operating and investing cash flows (brought forward)	(14,156)	(20,840)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from pending issues of shares*	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	10,000	10,000
1.18	Repayment of borrowings	(1,109)	(14,258)
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	8,891	(4,258)
	Net increase (decrease) in cash held	(5,265)	(25,098)
1.21	Cash at beginning of quarter/year to date	9,560	28,922
1.22	Exchange rate adjustments	(134)	337
1.23	Cash at end of quarter	4,161	4,161

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter US\$'000
1.23	Aggregate amount of payments to the parties included in item 1.2	355
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The balance in 1.23 includes all salaries and fees paid to directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available US\$'000	Amount used US\$'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter (Note 7)

	US\$'000
4.1 Exploration and evaluation	(987)
4.2 Development	(1,096)
4.3 Production	(434)
4.4 Logistics	(731)
4.5 Administration	(2,335)
Total	(5,583)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter US\$'000	Previous quarter US\$'000
5.1 Cash on hand and at bank	3,624	6,213
5.2 Deposits at call	537	3,347
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,161	9,560

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Portions 1, 9, 14, 17, 18, 19, 20 & Remaining Extent of Mooiplaats 290 IT Portion 2, 3 and Remaining Extent of Klipbank 295 IT Portions 1, 2 and Remaining Extent of Adrianople 296 IT Portions 2 & 3 of Willemsdal 330 IT Portions 2, 3, 4 & Remaining Extent) of De Emigratie 327 IT Remaining Extent and Portions 2, 5, 8, 10 & 13 of Buhrmansvallei 297 IT Klipfontein 442 IT	Ferret Mining & Environmental Services (Pty) Ltd were reinstated as shareholders in Mooiplaats Mining Limited as part of the litigation settlement	100%	74%
6.2 Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities (description)	Nil			
7.2 Changes during quarter				
7.3 +Ordinary securities	1,048,638,613	1,048,638,613		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil	Nil		

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7.5	+Convertible debt securities <i>(description)</i>	Nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	21,987,490	Nil	<i>Exercise price</i> See Note 6	<i>Expiry date</i> See Note 6
7.8	Issued during quarter	8,057,928	Nil	See Note 6	See Note 6
7.9	Exercised during quarter	Nil	Nil	See Note 6	See Note 6
7.10	Cancelled during quarter	Nil	Nil		
7.11	Debentures <i>(totals only)</i>	Nil			
7.12	Unsecured notes <i>(totals only)</i>	Nil			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: ...31 January 2014.....
(Company secretary)

TONY BEVAN
Print name:

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

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- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
- 6 Issued and Quoted Options as at 31 December 2013:

Number Issued	Number Quoted	Exercise Price	Expiry Date	Lapsed Since End of quarter
818,500	-	A\$1.90	30 June 2014	-
3,000,000	-	A\$2.74	30 November 2014	-
2,500,000	-	A\$1.20	9 November 2015	-
1*	-	GBP0.60	1 November 2014	-
1,441,061	-	A\$1.40	30 September 2015	-
2,670,000	-	ZAR7.60	14 February 2017	-
3,500,000	-	GBP0.25	30 November 2015	-
3,932,928	-	ZAR1.75	30 June 2017	-
4,125,000	-	ZAR2.00	30 June 2018	-

*1 Option to subscribe for 50 million ordinary shares for 60 pence each between 1 November 2010 and 1 November 2014 as approved by shareholders on 22 April 2010

- 7 **Estimated Cash Outflows for the Quarter:**
As discussed in the Quarterly Activities Statement the estimated March 2014 quarter cash outflows should be seen in the context that proceeds of \$9.6 million from the sale of non-core assets are expected in the near term.

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