



**ANNOUNCEMENT**

**8 MAY 2014**

### **Coal of Africa receives business interruption insurance claim**

On 28 February 2013, Coal of Africa Limited (the "Company" or "CoAL") announced that it had been advised by Transnet Freight Rail ("TFR") of a derailment of 10 wagons on the Maputo ("Matola") rail corridor between Tenga and Matola Gare that led to all rail traffic between Komatipoort and Maputo being suspended for a period of 7 weeks. Accordingly, the Company communicated that its subsidiaries at the time, Limpopo Coal Company (Pty) Ltd ("Vele Colliery" or "Vele"), Langcarel (Pty) Ltd ("Mooiplaats") and NuCoal Mining (Pty) Ltd ("Woestalleen") issued force majeure notices to their customers, contractors and other affected stakeholders. Due to the force majeure the Company was able to negotiate a business interruption claim for the affected time period.

The Company is pleased to announce the successful conclusion of a business interruption insurance claim relating to the TFR derailment and has negotiated a settlement of R15,960,000 (US\$ 1,518,553). The entire amount has been received by CoAL.

Authorised by

**David Brown**

Chief Executive Officer

8 May 2014

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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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Bernard R. Pryor – Chairman, David H. Brown – Chief Executive Officer, Michael G. Meeser – Chief Financial Officer  
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