



ANNOUNCEMENT

26 August 2014

DISPATCH OF NOTICE OF EXTRAORDINARY GENERAL MEETING

Coal of Africa Limited ("CoAL" or "the Company") announces that the Notice of the Extraordinary General Meeting to be held on 25 September 2014 ("EGM") has today been posted to shareholders.

As previously announced, the EGM is being held to consider and, if thought fit, approve the issue of up to 695,000,000 new shares in the Company ("Placement Shares") at an issue price of GBP0.055 per share ("Placement") for an aggregate gross consideration of approximately GBP38.2 million (or approximately US\$64.9 million)¹.

The Placement Shares are proposed to be issued to:

- Haohua Energy International (Hong Kong) Resource Co. Limited,
- M&G Investment Management Limited ,
- Investec Asset Management (Proprietary) Limited and
- TMM Holdings (Proprietary) Limited

A copy of the Notice of the Meeting, the Explanatory Memorandum and the investor presentation relating to the Placement is available on the Company's website under the following link – [<http://www.coalofafrica.com/>]

Authorised by

David Brown

Chief Executive Officer

¹ Based on an exchange rate as at 19 August 2014 of GBP 1:US\$1.70

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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).
