



ANNOUNCEMENT

17 December 2014

Mooiplaats Disposal

Coal of Africa (“CoAL” or “the Company”) announced on 6 November 2014 that Blackspear Capital (“Blackspear”), a wholly owned subsidiary of Blackspear Holdings Proprietary Limited, had agreed terms with a financial and operational partner to fund Blackspear’s acquisition of the Mooiplaats Colliery (“Mooiplaats”). However, the due diligence being performed by Blackspear’s partner, which was expected to be completed by the end of November 2014, has yet to be concluded as reports from their independent third party consultants are still outstanding. As a result, CoAL has agreed to extend the date for Blackspear to meet the conditions precedent in the sale and purchase agreement until 31 January 2015. The transaction is now expected to complete in the first quarter of 2015.

David Brown, Chief Executive Officer commented: “Despite the delay in the completion of the sale of Mooiplaats, both Blackspear and CoAL are confident that the transaction will complete on the terms originally reported thereby closing another chapter in turnaround strategy implemented by management and the Board in 2013. The overall timing of payment of the purchase price is expected to occur as originally reported with the first payment subject to regulatory approval consistent with a transaction of this nature and the second payment due by no later than November 2015.”

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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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