



ANNOUNCEMENT

23 January 2013

NOTICE ISSUED UNDER SECTION 708A(5)(E) OF THE CORPORATIONS ACT 2001 (CTH)

Further to the announcements of 1 October 2012 and 9 January 2013, Coal of Africa Limited ("CoAL" or the "Company") advises that it has issued 49,483,516 fully paid ordinary shares in the Company ("Shares"), pursuant to the Subscription Agreement between the Company and Haohua Energy International (Hong Kong) Co. Limited.

Application has been made for the Shares to be admitted to trading on the AIM market of the London Stock Exchange ("AIM"). Admission to trading on AIM is expected to become effective on or around 29 January 2013. The shares will rank *pari passu* with the Company's existing ordinary shares of nil par value. Application for quotation of the Shares will also be made to the Australian Securities Exchange and the Main Board of the JSE Limited.

Following Admission there will be 850,434,550 shares in issue.

In accordance with the requirements of section 708A(6) *Corporations Act 2011* (Cth) (**Corporations Act**), CoAL notifies ASX that:

- a) the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- b) this notice is being given under section 708A(5)(e) of the Corporations Act;
- c) as at the date of this notice, CoAL has complied with:
 - i) the provisions of chapter 2M of the Corporations Act (other than section 319 in relation to a financial year ended in the calendar year 2004) as they apply to CoAL; and
 - ii) section 674 of the Corporations Act; and
- d) as at the date of this notice, there is no information that is "excluded information" required to be set out in this notice by virtue of sections 708A(7) and 708A(8) of the Corporations Act.

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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, including CoAL's Makhado Project (coking coal) and the Mooiplaats and Woestalleen Collieries (both thermal coal). Vele Colliery commenced extraction of ROM material in December 2011 and had produced 254 760 m³ of ROM tonnes of thermal coal by the end of first quarter 2013.

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