



ANNOUNCEMENT

26 MARCH 2013

Co-operation Agreement signed with Haohua Energy International (Hong Kong)

Coal of Africa Limited ("CoAL") is pleased to announce that the co-operation agreement to formalise the strategic relationship with Haohua Energy International (Hong Kong) ("HEI") a wholly owned subsidiary of Beijing Haohua Energy Resource Co. Limited ("BHE") was signed today at a ceremony in Johannesburg.

BHE is a state owned company that was founded in 2002 by Jingmei Group. BHE is a coal producer based in Beijing, and engaged in mining, washing, export and sales of coal products and is the largest exporter of anthracite coal from China. BHE is listed on the Shanghai Stock Exchange and is one of the constituent stocks of the SSE 180 and the SSE Composite Index.

The agreement includes details on the commercial, technical, financial and operational issues pursuant to which CoAL will be able to draw on HEI's technical expertise. Furthermore, HEI has undertaken to use its best endeavours to arrange further funding in the development of the CoAL's substantial project pipeline.

The agreement serves to facilitate the formation of a long term and mutually beneficial strategic partnership between CoAL and HEI. The vision of the co-operation is to unlock the intrinsic value inherent in CoAL's operations and projects.

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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).

About Haohua Energy International (Hong Kong):

BHE was founded in 2002 by Jingmei Group, the only Chinese coal producer under the authorisation of the Beijing Municipal Government; Minmetals, a leading diversified mining company; Shougang, one of the largest steel producers in China; China Coal, one of China's top 3 coal producers; and CCRI, the only coal research institute servicing the coal industry in China. BHE market capitalisation is at 14.4billion Chinese Renminbi.