ANNOUNCEMENT **11 November 2014**

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

Further to the General Meeting of Shareholders held on 25 September 2014, Coal of Africa Limited ("CoAL" or the "Company") advises that it has issued 251,000,000 fully paid ordinary shares in the Company ("Shares"), pursuant to the Subscription Agreements entered into between the Placees and the Company.

Application has been made for the Shares to be admitted to trading on the Australian Securities Exchange ("ASX"), the AIM market of the London Stock Exchange ("AIM") and the Main Board of the JSE Limited. Admission to trading on the above markets is expected to become effective on or around 11 November 2014. The Shares will rank *pari passu* with the Company's existing ordinary shares of nil par value.

Following Admission there will be 1,299,368,613 shares in issue.

In accordance with the requirements of section 708A(6) *Corporations Act* 2001 (Cth) (**Corporations Act**), CoAL notifies the 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.

AUTHORISED BY:

David Brown
Chief Executive Officer

For more information contact:

David Brown	Chief Executive Officer	Coal of Africa	+27 10 003 8000
Michael Meeser	Chief Financial Officer	Coal of Africa	+27 10 003 8000
Celeste Harris	Investor Relations	Coal of Africa	+27 10 003 8000
Tony Bevan	Company Secretary	Endeavour Corporate Services	+61 08 9316 9100

Company advisors:

Jos Simson/Emily Fenton	Financial PR (United Kingdom)	Tavistock	+44 20 7920 3150
Chris Sim/George Price/Jeremy Ellis	Nominated Adviser	Investec Bank plc	+44 20 7597 5970
Charmane Russell/Jane Kamau	Financial PR (South Africa)	Russell & Associates	+27 11 880 3924 or +27 82 372 5816

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).