



ANNOUNCEMENT

30 April 2015

Capital Raising Update

Further to the announcements of 26 August 2014, 25 September 2014 and 17 December 2014, in which Coal of Africa Limited ("CoAL" or the "Company") announced a capital raising of up to 695 million shares at an issue price of GBP 0.055 (the "Capital Raising") and that the second stage of the Capital Raising had been split into two parts, the Company can now confirm that Stage 3 will be implemented no later than 29 May 2015.

Stage 3 of the Capital Raising will comprise of an additional 144 million shares at the same issue price as Stages 1 and 2 of the Capital Raising, being GBP 0.055 per share, and will raise gross proceeds of £7.92 million. The Stage 3 shares will be fully paid ordinary shares in the capital of CoAL and, on issue, will rank equally in all respects with CoAL's existing fully paid ordinary shares. Even though completion of Stage 3 of the Capital Raising is later than originally envisaged, it will not affect the financial position of the Company and on completion, it will conclude the Capital Raising which will have raised gross proceeds of £38.225 million.

As the approval of CoAL's shareholders for the issue of the Stage 3 shares, obtained at the meeting on 25 September 2014, will have expired prior to their issue, CoAL intends to issue the Stage 3 shares without shareholder approval as permitted pursuant to Rule 7.1 of the ASX Listing Rules.

Details of the participants and subscriptions in the Capital Raising are set out below.

	Stage 1	Stage 2	Stage 3
Haohua Energy International (Hong Kong) Resource Co. Limited	98 000 000	80 000 000	37 000 000
M & G Investment Management Limited	97 000 000	60 000 000	28 000 000
Investec Asset Management (Proprietary) Limited	30 000 000	50 000 000	-
TMM Holdings (Proprietary) Limited	26 000 000	110 000 000	79 000 000
Total	251 000 000	300 000 000	144 000 000

David Brown, Chief Executive Officer of CoAL commented:

"The successful completion of Stage 3 of the Capital Raising will conclude the communicated equity fundraise and allow the Company sufficient funds to focus on the development of its projects. Our shareholders continue to demonstrate their continued commitment to our strategy."

AU: Coal of Africa Limited, Suite 8, 7 The Esplanade, Mount Pleasant, Perth WA 6153, Australia, Tel: +61 8 9316 9100, Fax: +61 8 9316 5475

ZA: South Block, Summercon Office Park, Cnr Rockery Lane and Sunset Avenue, Lonehill, 2191, Tel: +27 10 003 8000 Fax: +27 11 388 8333 Email: adminza@coalofafrica.com

Bernard R. Pryor – Chairman, David H. Brown – Chief Executive Officer, Michael G. Meeser – Chief Financial Officer
Non-executive directors: Peter G. Cordin, Andrew D. Mifflin, Khomotso B. Mosehla, Thabo F. Mosololi, Rudolph H. Torlage

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 8 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).
