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ANNOUNCEMENT **9 JUNE 2017**

COMPETITION COMMISSION APPROVES THE UITKOMST ACQUISITION

Coal of Africa Limited ("CoAL" or the "Company") is pleased to confirm that the South African Competition Commission has unconditionally approved CoAL's acquisition of 100% of the shares in and claims against Pan African Resources Coal Holdings Proprietary Limited ("PAR Coal") ("the Transaction") which was announced by CoAL on 5 April 2017.

The Transaction remains subject to certain conditions precedent including amongst others the approval of the Transaction by CoAL shareholders which is being sought at the Company's General Meeting to be held on 15 June 2017.

David Brown, Chief Executive Officer of CoAL, commented: "approval from the Competition Commission represents an important milestone in the process of securing completion of the Transaction. We continue to make positive progress and work towards satisfaction of the outstanding conditions as soon as possible and will provide an update on expected timing of completion following CoAL's upcoming General Meeting".

AUTHORISED BY:

David Brown

Chief Executive Officer

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Investec Bank Limited is the nominated JSE Sponsor.

About CoAL:

CoAL is an AIM/ASX/JSE listed coal exploration and development 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).