



ANNOUNCEMENT

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Environmental Authorisation Amendment granted for Vele Colliery

Coal of Africa Limited (“CoAL” or “the Company”) is pleased to announce that the South African Department of Environmental Affairs (“DEA”) has recently granted an Amendment of the Environmental Authorisation in terms of the National Environmental Management Act (“NEMA”) (Act 107 of 1998) and the Environmental Impact Assessment Regulations (2010) for Vele Colliery

This amendment is the first of several required to be granted in relation to the planned modifications to Vele’s processing plant, and is a further step toward achieving full regulatory compliance required to begin construction.

Mr David Brown, Chief Executive Officer, commented, “The decision by the DEA is welcomed. We will await the receipt of all regulatory approvals before the commencement of the plant modification”.

The Company has also sought a renewal of the Integrated Water Use Licence and its amendment. The current IWUL expires in March 2016, and the company felt it was prudent to renew this licence prior to committing further shareholder funds to the project. The approval of the renewal is expected at the end of Q2 CY 2015.

Mr Brown said, “We will continue to engage with regulatory authorities and other stakeholders at Vele, as we continue to set a new benchmark for the co-existence between mining, agriculture and heritage land uses within the area in which we operate. This period also gives the company further time to assess the outlook for coal prices. Discussions continue with appropriate end users regarding off take agreements.”

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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 /MbeuYashu, including CoAL’s Makhado Project (coking and thermal coal).

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