



ANNOUNCEMENT

11 April 2013

Matola Corridor Derailment update

Further to the announcement of 28 February, Coal of Africa Limited ("the Company" or "CoAL") advises that Transnet Freight Rail has indicated certain supplementary work is required on the rail corridor prior to full re-opening of the line. This work is expected to be completed within two weeks, at which time rolling stock should be redeployed onto the corridor.

Depending on the resumption of rail services, the Company anticipates that exports will resume during May 2013. The force majeure declared by CoAL will remain in effect until the rail system has reached its normal operating capacity.

The production at both Mooiplaats and Woestalleen was marginally impacted by the derailment with 100% of the Mooiplaats thermal product channeled to the domestic market. The Woestalleen export product has been stockpiled to enable immediate supply subsequent to the reopening of the line. Production at Vele has been suspended as detailed in the Company's earlier announcement. The full impact of the force majeure will be determined by the end of the current quarter and disclosed accordingly.

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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).