



ANNOUNCEMENT

10 JULY 2008

CLARIFICATION

Further to the article in today's Financial Review reporting that ArcelorMittal is poised to make a £2.35 a share bid for Coal of Africa, the Company confirms it has not been made aware of any proposed bid as reported.

AUTHORISED BY:

A handwritten signature in black ink, appearing to read "Shannon Coates".

Shannon Coates
Company Secretary

For more information contact:

Simon Farrell, Managing Director	CZA	+61 417 985 383
Olly Cairns / Romil Patel	Blue Oar Securities Plc	+618 6430 1631 or +44 20 7448 4400
Jos Simson/ Leesa Peters	Conduit PR	+44(0) 20 7429 6603
Petronella Gorrie	The Event Shop	+27 82 827 8815

www.coalofafrica.com

About CoAL:

Coal of Africa Limited ("CoAL") is primarily focused on the acquisition, exploration and development of thermal and metallurgical coal projects. The Company's key projects, along with its leading metals processing company NiMag Group (Pty) Ltd are in South Africa. The Company was incorporated in Western Australia and listed in 1980. Since 2005, the Company has also listed on both the AIM and JSE markets, allowing further growth in the Company's coal assets.

www.coalofafrica.com

AU: Level 1 Old Swan Brewery 173 Mounts Bay Road Perth WA 6000 Australia Telephone: +61 8 9322 6776 Facsimile: +61 8 9322 6778 Email: perth@coalofafrica.com ACN 008 905 388
ZA: Level 1 CoAL House Pinewood Office Park 33 Riley Street Woodmead 2191 South Africa Telephone: +27 11 803 8247 Facsimile: +27 11 807 6654 Email: johannesburg@coalofafrica.com