



ANNOUNCEMENT

07 December 2012

178 Mooiplaats employees dismissed for participation in unprotected strike action

Coal of Africa Limited ("the Company") advises that 178 employees at its Mooiplaats coal mine who have been engaged in an unprotected strike since 3 December, were dismissed with immediate effect on 6 December 2012.

The dismissed employees, who constitute 48% of the mine's total workforce, are affiliated to the National Union of Mineworkers ("NUM") and are part of the wages collective bargaining unit. They have been given one week to appeal against their dismissal.

The strikers were protesting against the suspension of four of their colleagues who breached picketing rules and terms of a court interdict during a protected strike at the mine in October, and were demanding that the suspensions be lifted.

The mine's remaining 190 employees will return to work on 7 December 2012 to resume operation of two of its five underground sections, the processing plant and administrative functions.

Authorised by

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07 December 2012

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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).

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