



ANNOUNCEMENT

22 January 2008

RESIGNATION OF DIRECTORS

The Company wishes to advise that Nchakha Moloi and Nonkqubela Mazwai have each tendered their resignation as Director effective immediately, following Mr Moloi, Mrs Mazwai and Motjoli Resources (Pty) Ltd, the private company owned and controlled by Mr Moloi and Mrs Mazwai, collectively entering into an agreement to dispose of their shareholdings in Coal of Africa Limited ("CoAL") to Signet Mining Services (Pty) Ltd ("Signet"), a broad based Black Empowerment Company.

The disposal of the shares is in two tranches. Tranche 1, comprising 5,282,117 CoAL shares representing 1.78% of the issued share capital of the Company, is effective immediately.

Tranche 2, which is in the form of an option allowing Signet to acquire a further 28,528,395 shares, representing 9.59% of the issued share capital of the Company, subject to the fulfillment of certain conditions and therefore, the Company will advise as and when these conditions are satisfied and the transaction settles.

Managing Director Simon Farrell stated "Signet is a broad based Black Empowered Economic Company with diverse mining interests and this transaction will expand CoAL's Empowerment shareholding. Discussions with Signet have been positive and their aim is to increase Signet's shareholding in CoAL in due course."

The Company will lodge the respective Appendix 3Z's – *Final Director's Interest Notice* for both Mr Moloi and Mrs Mazwai under separate cover.

SIMON J FARRELL
Managing Director

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