



ANNOUNCEMENT

28 SEPTEMBER 2009

STATEMENT REGARDING MEDIA SPECULATION

Coal of Africa Limited ("CoAL" or "the Company"), the AIM/ASX/JSE listed coal mining and development company operating in South Africa (ticker: CZA), notes the recent media speculation regarding an offer for the entire issued share capital of the Company and would like to confirm that it has not received any takeover approaches from any third party.

AUTHORISED BY:

A handwritten signature in black ink, appearing to read "Farrell", is positioned above the name and title of the authorized signatory.

Simon Farrell
Managing Director

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About CoAL:

Coal of Africa Limited ("CoAL") is an AIM/ASX/JSE listed coal mining and development company operating in South Africa. CoAL has three key projects including the 113 million tonne ('mt') Mooiplaats thermal coal mine, the 656 mt Vele coking coal project and the 1 bn tonne Makhado coking coal project.

The Mooiplaats coal mine commenced production in 2008 and is currently ramping up to produce 2 mtpa. CoAL's Vele and Makhado coking coal projects are expected to start production in H1 2010 and Q4 2011 respectively producing an initial 2 mtpa rising to a combined annual output of 10 mtpa of coking coal.

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