

CZA - CoAL - Completion of Tranche 1 and Section 708a(5)(e) Notice

Coal of Africa Limited
(previously, "GVM Metals Limited")
(Incorporated and registered in Australia)
(Registration number ABN 008 905 388)
Share code on the JSE Limited: CZA
ISIN AU000000CZA6
Share code on the Australian Stock Exchange Limited: CZA
ISIN AU000000CZA6
('CoAL' or 'the Company')

COMPLETION OF TRANCHE 1 AND SECTION 708A(5)(e) NOTICE

Coal of Africa Limited ('CoAL' or 'the Company') advises that Tranche 1 of the Placement to ArcelorMittal as announced on 21 April 2008 is now complete.

Accordingly, a total of 46,365,000 Shares have now been allotted and issued, raising gross proceeds of £51,465,150. When aggregated with ArcelorMittal's existing shareholding in CoAL of 6,294,419 Shares, the placement of Tranche 1 will result in ArcelorMittal holding a total of 52,659,419 Shares, representing 14.9% of the issued capital of the Company.

Following the admission of the Shares, the number of Shares on issue will be 353,438,917.

Tranche 2 of the agreed placement to ArcelorMittal of 13,635,000 shares remains subject to approval by the Australian Foreign Investment Review Board and the Company will advise of receipt of said approval and subsequent issue and allotment of the Tranche 2 upon completion.

Secondary Trading Notice Pursuant to Paragraph 708A(5)(e) of the Corporations Act 2001 ("Act")

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, a sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 23 April 2008, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at 23 April 2008 there is no information:
 - a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:

- i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
- ii. the rights and liabilities attaching to the relevant Shares.

23 April 2008

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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.