COAL OF AFRICA LIMITED

('CoAL' or 'the Company')

APPOINTMENT OF CHIEF OPERATING OFFICER

Coal of Africa Limited, the AIM/ASX/JSE listed coal development company operating in South Africa (ticker:CZA), is pleased to announce the appointment of Mr. A.J. (Riaan) van der Merwe to the management team of the Company as Chief Operating Officer, with effect from 1 August 2008.

A Mining Engineering graduate of the University of Pretoria, Mr van der Merwe began his career in South Africa's deep-level gold mining industry, with the last 19 years of his career spent in the South African coal industry with the Anglo American Group.

Mr van der Merwe has held senior management positions in both opencast and underground mines, and headed up Anglo Coal South Africa's Eskom and later Export operations, responsible for delivering some 32 million and 19 million tonnes per annum respectively into those markets. His latest role was to lead that company's growth projects and mining services, involving a project pipeline in excess of R15 billion.

In addition to his mining qualification, Mr van der Merwe holds an MBA degree from the North-West University (formerly Potchefstroom University) and attended the Senior Executive Programme at Columbia Business School.

Commenting on Mr van der Merwe's appointment, CoAL's Managing Director Mr Simon Farrell said "Riaan joins the Company at an exciting time in its history as we convert our projects into operating mines. We are sure Riaan's vast experience in the South African Coal industry will be invaluable to the future development of the Company."

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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.