

**CZA - Coal of Africa Limited - Exercise of option to acquire CoAL shares**

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' )

**EXERCISE OF OPTION TO ACQUIRE COAL SHARES**

Further to its announcement of 22 January 2008, Coal of Africa Limited (ticker "CZA"), the AIM/ASX/JSE listed coal development company operating in South Africa, advises that Signet Mining Services (Pty) Ltd ("Signet"), through African Global Capital LP I ("AGC"), has exercised its option to acquire 28,528,395 shares, representing 9.59% of the issued share capital of the Company.

The option to acquire the shares formed Tranche 2 of the disposal of shares by agreement between the Company's former directors Nchakha Moloi and Nonkqubela Mazwai and the private company owned and controlled by Mr Moloi and Ms Mazwai, Motjoli Resources (Pty) Ltd, collectively to Signet as previously reported.

The shares acquired by Signet (via AGC) will be appropriately black empowered in due course, with the final structure currently being negotiated with identified Black Economic Empowerment partners. Upon completion of these negotiations, a further detailed announcement will be made by the Company.

Yours sincerely,

**SIMON J FARRELL**  
*Managing Director*

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**About CoAL:**

Coal of Africa Limited ("CoAL"), formerly GVM Metals Limited, 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.

**17 MARCH 2008**

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