

CZA - CoAL - Appendix 5B: Mining exploration entity quarterly report

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')

**Appendix 5B**

**Mining exploration entity quarterly report**

Introduced 1/7/96.

Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity  
Coal of Africa Limited

ABN  
98 008 905 388

Quarter ended ("current quarter")  
30 June 2009

**Consolidated statement of cash flows**

<b>Cash flows related to operating activities</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
1.1	Receipts from product sales and related debtors	4,083	12,162
1.2	Payments for		
	(a) exploration and evaluation		
	(b) development		
	(c) production		
	(d) administration		
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	2,140	12,371
1.5	Interest and other costs of finance paid	(25)	(467)
1.6	Income taxes paid	(18)	(501)
1.7	Other	-	-
	<b>Net Operating Cash Flows</b>	<b>(17,119)</b>	<b>(70,025)</b>
	<b>Cash flows related to investing activities</b>		

1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(13,935)
	(c) other fixed assets	(19,780)	(46,816)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	(23,877)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material - Note 6)	-	(44,334)
	<b>Net investing cash flows</b>	<b>(19,780)</b>	<b>(128,962)</b>
1.13	Total operating and investing cash flows (carried forward)	(36,899)	(198,987)
1.13	Total operating and investing cash flows (brought forward)	(36,899)	(198,987)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares options, etc.(net) -see note 7. below	527	33,978
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Exchange rate related movements in foreign borrowings and reserves)	-	-
	<b>Net financing cash flows</b>	<b>527</b>	<b>33,978</b>
	<b>Net increase (decrease) in cash held</b>	<b>(36,372)</b>	<b>(165,009)</b>
1.20	Cash at beginning of quarter/year to date	123,356	252,005
1.21	Exchange rate adjustments to item 1.20	29	17
1.22	<b>Cash at end of quarter</b>	<b>87,013</b>	<b>87,013</b>
<b>Payments to directors of the entity and associates of the directors</b>			
<b>Payments to related entities of the entity and associates of the related entities</b>			
			Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2		290
1.24	Aggregate amount of loans to the parties		-

	included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions	

**Non-cash financing and investing activities**

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	4,530	1,162

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	(1,500)
4.2	Development	(32,500)
	<b>Total</b>	<b>(34,000)</b>

**Reconciliation of cash**

		Current quarter \$A'000	Previous quarter \$A'000
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.			
5.1	Cash on hand and at bank	1,557	1,926
5.2	Deposits at call	86,618	121,593
5.3	Bank overdraft	(1,162)	(163)
5.4	Other (provide details)	-	-
	<b>Total: cash at end of quarter (item 1.22)</b>	<b>87,013</b>	<b>123,356</b>

**Changes in interests in mining tenements**

		Tenement reference	Nature of interest (note (2))
6.1	Interests in mining tenements		

	relinquished, reduced or lapsed	-	-
6.2	Interests in mining tenements acquired or increased	-	-
		Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-
6.2	Interests in mining tenements acquired or increased	-	-

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

		Total number	Number quoted
7.1	<b>Preference +securities</b> <i>(description)</i>		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions		
7.3	<b>+Ordinary securities</b>	411,919636	411,919,636
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs		
7.5	<b>+Convertible debt securities</b> <i>(description)</i>		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted		
7.7	<b>Options</b> <i>(description and conversion factor)</i>	20,336,544	Nil
7.8	Issued during quarter	Nil	Nil
7.9	Exercised during quarter	544,258	544,258
7.10	Expired during quarter	Nil	Nil
7.11	<b>Debentures</b> <i>(totals only)</i>		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>		

(Continued)

		Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)

7.1	<b>Preference +securities</b> (description)		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions		
7.3	<b>+Ordinary securities</b>		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs		
7.5	<b>+Convertible debt securities</b> (description)		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted		
7.7	<b>Options</b> (description and conversion factor)	Exercise price <b>See Note 7</b>	Expiry date <b>See Note 7</b>
7.8	Issued during quarter	Exercise price <b>See Note 7</b>	Expiry date <b>See Note 7</b>
7.9	Exercised during quarter		
7.10	Expired during quarter		
7.11	<b>Debentures</b> (totals only)		
7.12	<b>Unsecured notes</b> (totals only)		

#### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Managing Director  
Print name: Simon Farrell

Date: 28 July 2009

#### Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities:** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

7 Issued and Quoted Options as at 30 June 2009:

Number Issued	Number Quoted	Exercise Price	Expiry Date	Lapsed Since End of quarter
9,200,000	-	A\$0.50	30 September 2011	-
7,000,000	-	A\$1.25	30 September 2012	-
636,544	-	GBP0.65	30 November 2009	-
250,000	-	A\$2.05	1 May 2012	-
1,000,000	-	A\$1.90	30 September 2012	-
600,000	-	A\$1.25	1 May 2012	-
1,650,000	-	A\$3.25	31 July 2010	-

28 July 2009

Sponsor

PricewaterhouseCoopers Corporate Finance (Pty) Ltd