

Coal of Africa Limited
 (previously, "GVM Metals Limited")
 (Incorporated and registered in Australia)
 (Registration number ABN 98 008 905 388)
 JSE/ASX/AIM Share code: CZA
 ISIN AU000000CZA6
 (`CoAL` or `the Company`)

APPENDIX 5B MINING EXPLORATION ENTITY QUARTERLY REPORT

CoAL today, Friday, 29 January 2010, submitted to the Australian Securities Exchange ("ASX") an Appendix 5B "Mining exploration entity quarterly report":

QUOTE

NAME OF ENTITY
 Coal of Africa Limited

ABN
 98 008 905 388

QUARTER ENDED ("CURRENT QUARTER")
 31 December 2010

CONSOLIDATED STATEMENT OF CASH FLOWS

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	9,188	17,881
1.2 Payments for		
(a) exploration and evaluation	1,858)	(3,985)
(b) development	(41,359)	(63,188)
(c) production	(1,562)	(5,191)
(d) administration	(5,057)	(11,632)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	593	1,151
1.5 Interest and other costs of finance paid	(12)	(40)
1.6 Income taxes paid	-	(18)
1.7 Other	-	-
Net operating cash flows	(40,067)	(65,022)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(1,998)	(10,170)
(c) other fixed assets	(8,655)	(15,542)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-

1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(10,653)	(25,712)
1.13 Total operating and investing cash flows (carried forward)	(50,720)	(90,734)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc (net).	98,058	98,058
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)	-	-
Net financing cash flows	98,058	98,058
Net increase (decrease) in cash held	47,338	7,324
1.20 Cash at beginning of quarter/year to date	47,030	87,033
1.21 Exchange rate adjustments to item 1.20	19	30
1.22 Cash at end of quarter	94,387	94,387

PAYMENTS TO DIRECTORS OF THE ENTITY AND ASSOCIATES OF THE DIRECTORS
PAYMENTS TO RELATED ENTITIES OF THE ENTITY AND ASSOCIATES OF THE RELATED ENTITIES

	Current Quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	581
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions N/A	

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
N/A
- 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
N/A

FINANCING FACILITIES AVAILABLE

Amount

	Available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	4,529	-

ESTIMATED CASH OUTFLOWS FOR NEXT QUARTER

	\$A'000
4.1 Exploration and evaluation	(2,500)
4.2 Development	(10,000)
Total	(12,500)

RECONCILIATION OF CASH

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.	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	1,423	7,135
5.2 Deposits at call	92,964	40,101
5.3 Bank overdraft	-	(206)
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	94,387	47,030

CHANGES IN INTERESTS IN MINING TENEMENTS

	Tenement reference	Nature of interest (note (2))	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	- Stayt 183 MT - Riet 182 MT - Portions 3,4,5,6,13,14 & Remaining Extent of Overvlakte 125 MS - Bergen Op Zoom 124 MS - Semple 155 MS - Voorspoed 836 MS - Windhoek 649 MT - Tanga 648 MT - Fripp 645 MT - Lukin 643 MT - Salaita 188 MT - The Duel 186 MT	Coal New Order Prospecting Rights Coal bed methane exploration rights	74% -	80% 74%

- Telema 190 MT
- Gray 189 MT
- Martha 185 MT
- Joffre 584 MS
- Fanie 578 MS
- Phantom 640
MS
- Wildgoose 577
MS
- Van Deventer
641 MS
- Chase 576 MS
- Stayt 183 MT
- Nakab 184 MT
- Riet 182 MT
- Schuitedrift
179 MT
- Mount Stuart
153 MT
- Terblanche
155 MT
- Meteor 141 MT
- Naus 178 MT
- Alicedale 138
MT
- Septimus 156
MT
- Martin 157 MT
- Rynie 157 MT
- That part/
portion of
the
Unsurveyed
State Land
which is
bounded by
the co-
ordinates
detailed in
the sketch
plan
submitted in
respect of
which no
rights,
permissions
and permits
have been
granted in
terms of the
MPRDA.

ISSUED AND QUOTED SECURITIES AT END OF CURRENT QUARTER

Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
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				(cents)	(cents)
7.1	Preference securities				
7.2	Changes during quarter				
(a)	Increases through issues				
(b)	Decreases through returns of capital, buy-backs, redemptions				
7.3	Ordinary securities	474,413,911	474,413,911		
7.4	Changes during quarter				
(a)	Increases through issues				
(b)	Decreases through returns of capital, buy-backs				
7.5	Convertible debt securities				
7.6	Changes during quarter				
(a)	Increases through issues				
(b)	Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	24,700,000	Nil	Exercise price See note 7	Expiry date See note 7
7.8	Issued during quarter	5,000,000	Nil	Exercise price See note 7	Exercise price See note 7
7.9	Exercised during quarter	636,544	Nil		
7.10	Expired during quarter	Nil	Nil		
7.11	Debentures				

7.12 Unsecured notes

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.

Signed

Date: 29 January 2010

Print name: Simon Farrell
(Managing Director)

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 31 December 2010:

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	-
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	-
5,000,000	-	A\$2.74	30 November 2014	-

Signed: 29 January 2010

Company secretary: Shannon Coates

UNQUOTE

Johannesburg
29 January 2010

Sponsor
Macquarie First South Advisers (Pty) Ltd