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1 **Overview**

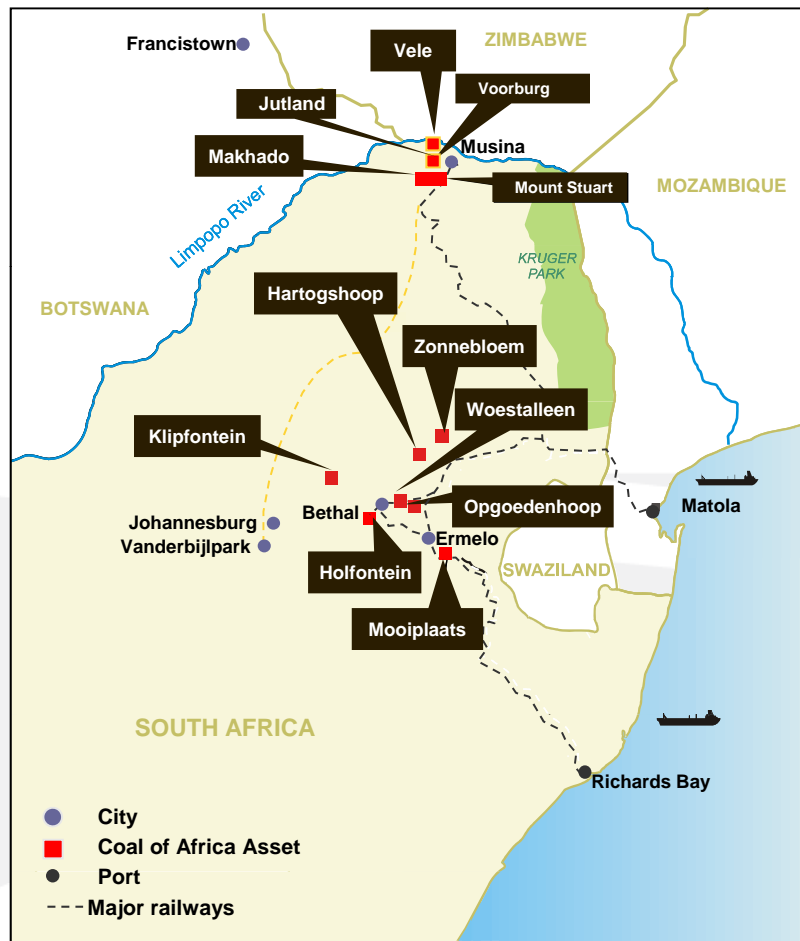
2 **Projects**

3 **Logistics**

i *Rail*

ii *Port*

Project Locations – South Africa



The coking coal assets are;

- Jutland Project
- Makhado Project
- Mount Stuart Project
- Vele Colliery
- Voorburg Project

The thermal coal assets are;

- Hartogshoop
- Holfontein
- Klipfontein
- Mooiplaats
- Opgooedenhoop
- Zonnebloem

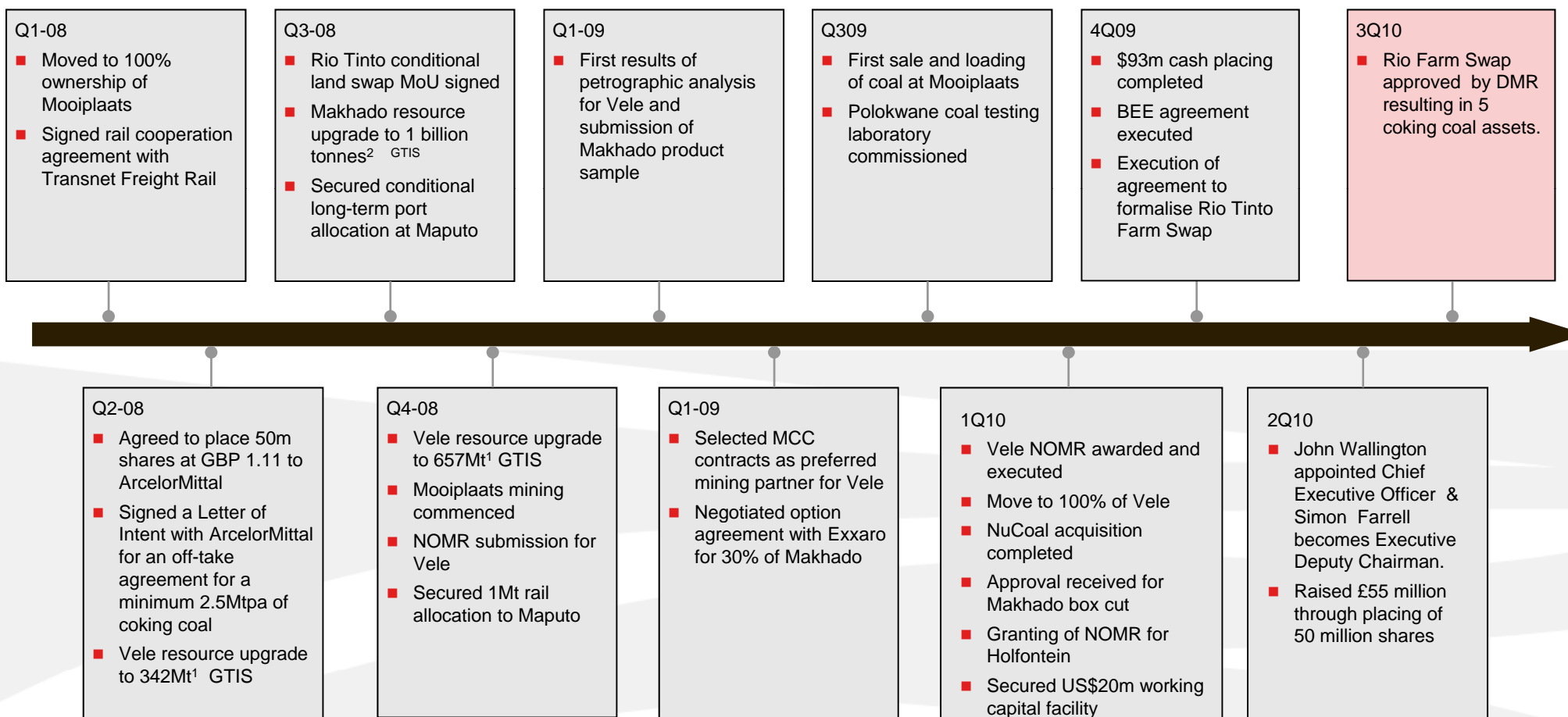
CoAL is a Southern African coal company producing 4mtpa of thermal coal from assets in Ermelo \ Witbank and is focussed on developing its coking coal projects situated in the Limpopo coalfields.

Mines and Projects

	Thermal Coal	Coking coal
Ownership	100% ^{4,2}	100 % ^{2,3}
Location	Mpumalanga province, South Africa	Limpopo Province ,South Africa
Asset Overview¹	<ul style="list-style-type: none"> ■ Woestalleen colliery ROM feed capacity: 4.2Mtpa ■ Zonnebloem, Klipbank. Hartogshoop, Opgoedenhoop. All opencast mining. Mooiplaats is an underground mine ■ 94.80m MTIS resources ; 56.30m GTIS resources 	<ul style="list-style-type: none"> ■ Jutland, Makhado, Mt Stuart, Vele & Voorburg ■ Opencast and underground mining ■ 979.5mt MTIS resources; Makhado & Vele ■ 3.7bt GTIS resources ;Makhado & Vele ■ Current: Nil
Saleable Production	<ul style="list-style-type: none"> ■ FY 2011 : 4.3mtpa ■ Export (70 - 75%) / domestic (25 – 30 %) 	
Key Highlights	<ul style="list-style-type: none"> ■ Mooiplaats , Zonnebloem, Klipbank and Hartogshoop mines all in production <ul style="list-style-type: none"> ■ High quality bituminous coal for export and domestic sale ■ Mooiplaats is adjacent to Eskom's Camden Power Station <ul style="list-style-type: none"> ■ Jan. 2010: first shipment exported from Matola terminal ■ Opgoedenhoop currently being reviewed ■ Woestalleen colliery currently running at 90% name plate capacity. ■ Rail siding at Woestalleen colliery allowing export of the majority of coal processed through <ul style="list-style-type: none"> ■ Richards Bay Coal & Dry BulkTerminal ■ Matola Terminal 	<ul style="list-style-type: none"> ■ Phase 1 : 3.0mtpa with an option to further increase to 4.0mtpa based on prevailing market requirements ;Makhado & Vele ■ LT: expansion to 10.0Mtpa at Vele & Makhado ■ Feb. 2010: New Order Mining Right (NOMR) granted and ownership increased to 100% at Vele Colliery : <ul style="list-style-type: none"> ■ Phase I (halted due to DEA & DWA notices): modular coal treatment plant → 1.0Mtpa ■ Phase II: extension to 5.0Mtpa ■ Mar. 2010: DMR approval for bulk sample extraction for testing by ArcelorMittal at Vanderbijlpark from Makhado ■ Makhado the NOMR documentation near completion to be submitted in Q4 2010 ■ Letter Of Intent signed by Arcelor Mittal and negotiations underway to formalise agreement for the delivery of 2.5 to 5.0 mtpa coal from Vele or Makhado for delivery to Vanderbijlpark steel works

¹ Indicates Measured, Indicated and Inferred Resources ; ² Awaiting MPRT0 registration of right and/or section 102 consent ; ³ Including the Rio Tinto farm swap and assuming Exarro call option for 30% of the equity is not executed ; ⁴ Effective economic control

Track record of delivery



¹ Includes Measured, Indicated and Inferred Resources ² Including the Rio Tinto farm swap. Excludes reconnaissance resources

The four key value drivers for a resource company

Resource



- Makhado MTIS resource of 288.9mt hard coking coal. Potential upside due to Rio Tinto farm swap
- Vele MTIS resource of 690.6 mt coking coal
- Mooiplaats MTIS resource of 53.3mt thermal coal
- Additional MTIS resource of 41.5mt thermal coal from latest acquisition of Zonnestoep, Hartsgat, Klipbank, and Oogstad
- Large potential resource in unexplored Coking Projects

Market



- Off-take letter of intent signed with ArcelorMittal for 2.5-5.0mtpa coking coal for Vanderbijlpark
- Mooiplaats proximity to Eskom's Camden Power Station
- Strong demand for both coking and thermal coal. Off-take for 70% of thermal coal production.

Logistics



- Access to rail sidings
- Rail agreements with Transnet in place
- Discussions with Transnet ongoing in terms of Private Sector Participation (PSP) in rolling stock requirements.
- Port agreements with Matola in place with a final targeted capacity of 13Mtpa

Funding



- Cash position A\$ 42.7million as at 30 September 2010
- Mooiplaats approaching positive cash flow. Woeststroom and feeder operations currently cash flow positive.
- Secured US\$ 20million working capital facility from JP Morgan Chase
- Received term sheets from several banks for debt facilities ranging from US\$ 30 million to US\$ 100 million.

Coking Coal Business Targets



CoAL is committed to the rapid development of its Limpopo based coking coal assets

- Bring Vele into production 3 months after resumption of construction.
- Bring Makhado into production 12 – 18 months after granting of NOMR
- Convert letter of intent from Arcelor Mittal into a formal agreement reflecting the key LOI terms of FOR delivery for FOB price.
- Long term target production of 10mtpa coking coal production
- Exploration drilling on Mt Stuart ,Voorburg & Jutland to confirm historical resources

Approach to unlocking logistics

- Logistics capacity in South Africa was not freely available with existing Port capacity fully subscribed.
- New mining projects still in development stages were competing for potential new port capacity.
- Pre-feasibility study identified Maputo (Matola) in Mozambique as the closest port at a distance of 735 km (ex Mactransco siding in MUSINA) as opposed to 1 252 km to Richards Bay
- Throughput agreements finalised with Grindrod Terminals at Matola for 1 million tonnes per annum of existing capacity and loan funding from CoAL to enable a further 2 million tons per annum by end 2010
- Pre-feasibility study finalised for an additional 10 -17 million tons per annum at Matola terminal which is adjacent to existing terminal.
- CoAL has an option with Grindrod to participate up to 100% in the additional 10 -17 million tonnes per annum expansion project at Matola Port

Coking Coal Operations

Vele Colliery



Key Figures

Ownership:	100%
Resource:	690.6mt MTIS
Production:	Phase 1: 1.0Mtpa (Saleable) Phase 2: 5.0Mtpa (Saleable)

Highlights

- Phase 1 is 100% funded out of current cash reserves.
- Letter of Intent with ArcelorMittal to take 2.5 Mtpa (with option for ArcelorMittal to increase to 5.0Mtpa) from Makhado / Vele replacing Australian imported coal to Vanderbijlpark
- Phase 1 started immediately after the NOMR license was executed at the end of March 2010
- Vele comprises opencast and underground sections suitable to modular staged development
- Have selected MCC Contracts, a division of Eqstra Holdings Ltd, as preferred partner to conduct opencast mining operations.
- Site has ready access to power and water
- Mactransco siding upgrade and road link construction completed

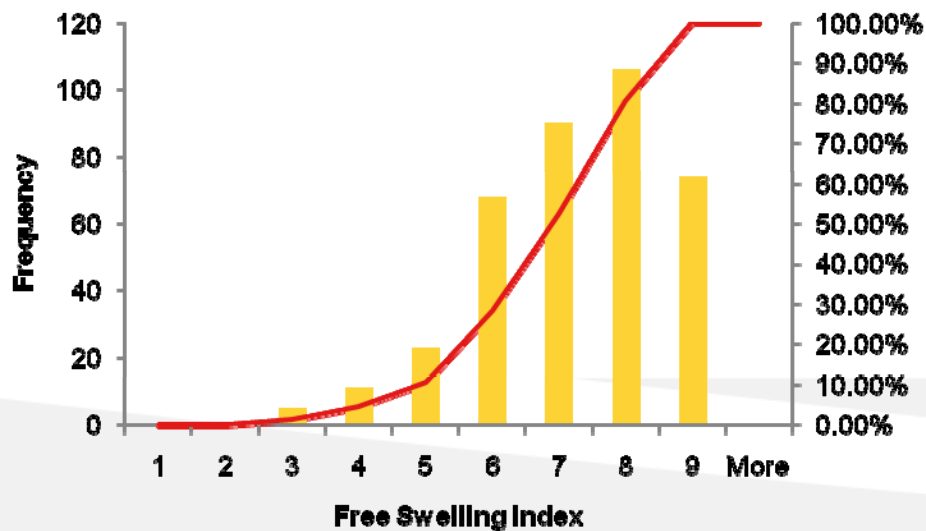


Vele wash plant assembly at site

Vele is a blend coking coal asset, ideally placed to supply ArcelorMittal's Vanderbijlpark steel works

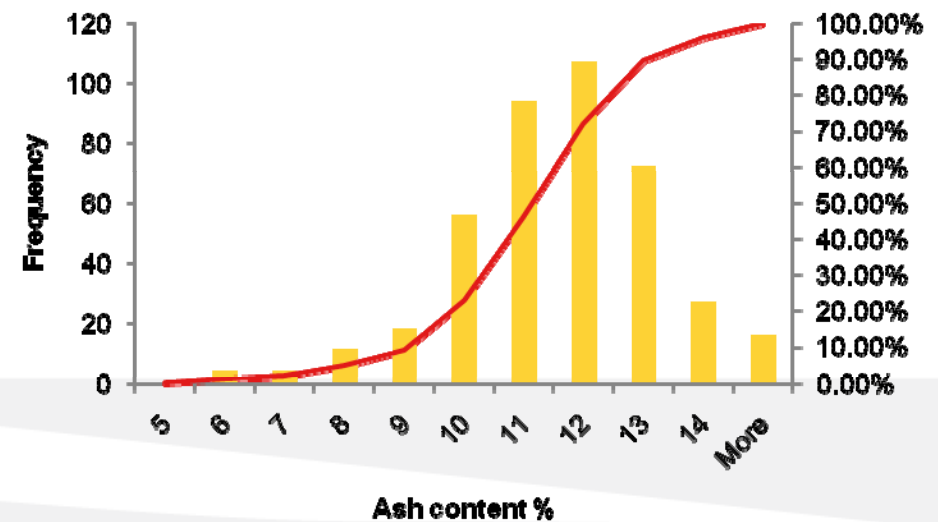
Vele Project Coal Qualities and Potential Products

Histogram of Free Swelling Index, Vele:
all coal samples at wash RD of 1.40



Frequency Cumulative %

Histogram of Ash Content % Vele:
all coal samples at wash RD 1.40

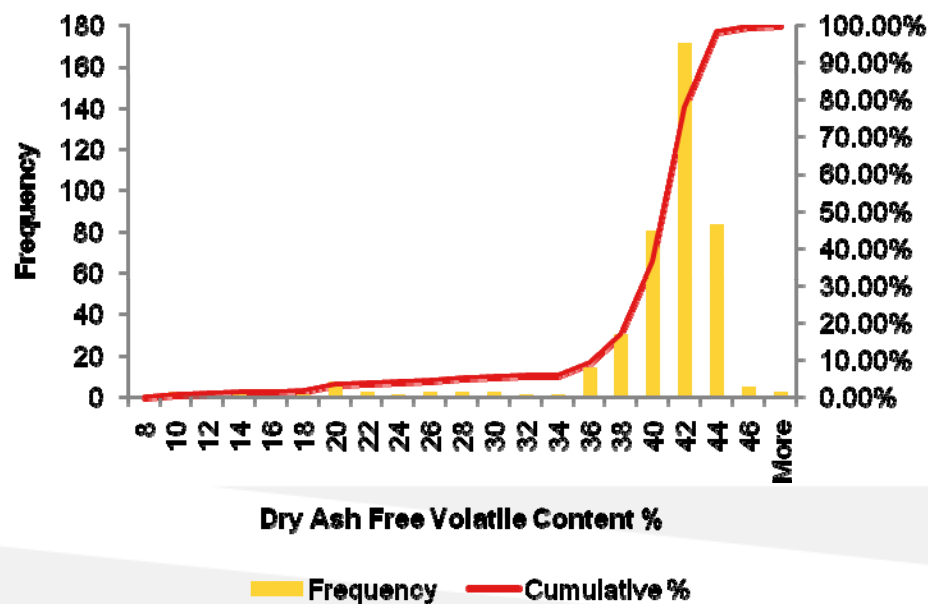


Frequency Cumulative %

Vele Project Coal Qualities and Potential Products



**Histogram of the Dry Ash Free Volatile Matter %
Vele Project all coal samples at wash RD 1.40**



Vele Potential Products						
	Ash Content %	Calorific Value MJ\Kg	Moisture %	Volatile matter %	Fixed Carbon %	Total Sulphur %
Prime	10.0	30.3	1.8	35.7	52.5	0.96
Middlings	23.7	25.0	1.6	31.4	43.2	1.08

Makhado Project



Key Figures

- Ownership: 100%
- Resource: 288.90mt MTIS Opencast area
918.03mt GTIS
- Production: Phase 1 : 2mtpa subject to DFS
Phase 2 : 5.0mtpa saleable

Highlights

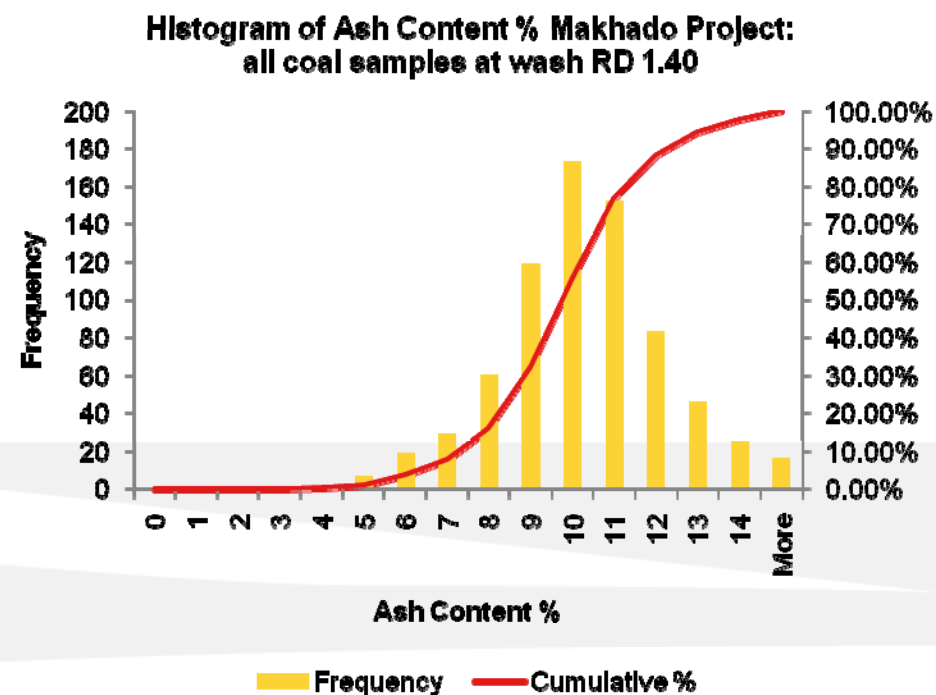
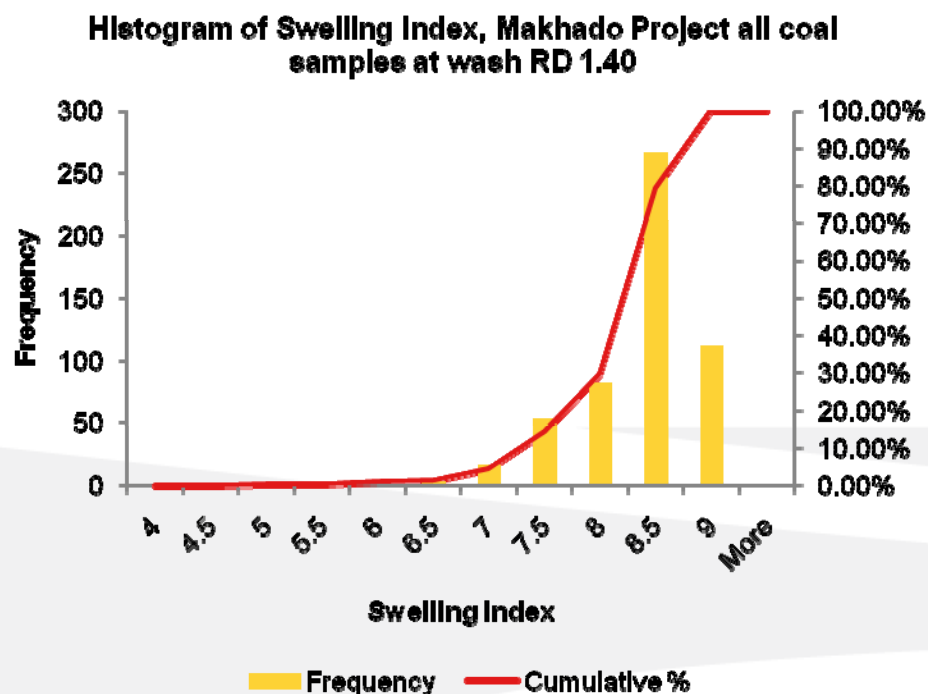
- Extraction of the bulk sample to yield 19,100 tonnes of ROM coking coal for analysis by Arcelor Mittal has started after the approval was received in March 2010.
- Exploration drilling has confirmed the presence of additional coal seams North of the current proposed open-cut. DFS due for completion by Q1 2011
- The resource estimate has been signed off.
- Letter of Intent with ArcelorMittal to deliver 2.5Mtpa (with option for ArcelorMittal to increase to 5.0Mtpa) coal from Vele or Makhado to Vanderbijlpark steel works.
- Export product to be transported by road to Mactransco for railing to port.



Bulk Sample removal at Tanga – Makhado

Makhado is a long life coking coal asset offering significant growth potential

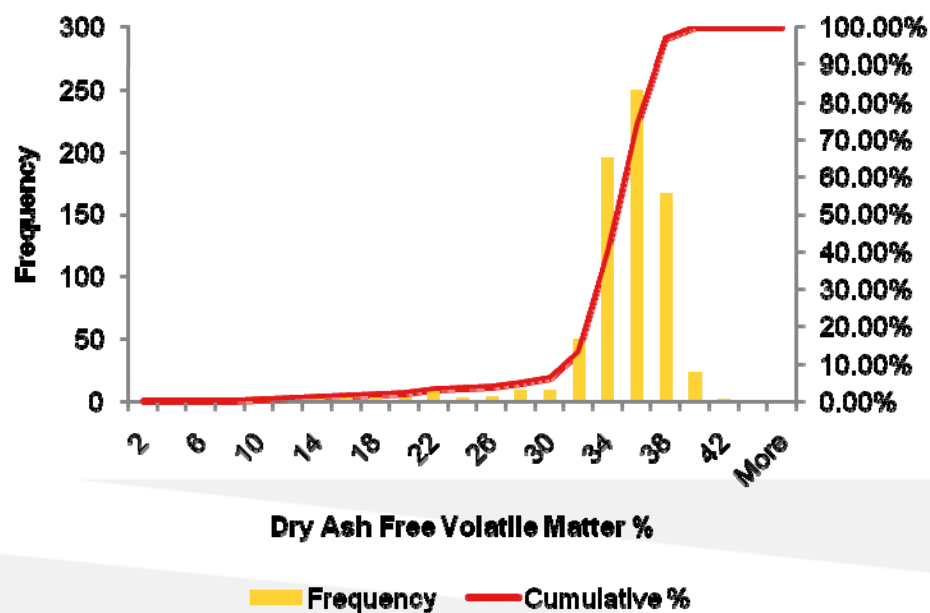
Makhado Project Coal Qualities and Potential Products



Makhado Project Coal Qualities and Potential Products



**Histogram Dry Ash Free Volatile Matter% Makhado
Project all coal samples at wash RD 1.40**



Makhado Potential Products

	Ash Content %	Calorific Value MJ\Kg	Moisture %	Volatile matter %	Fixed Carbon %	Total Sulphur %
Prime	10.0	31.80	0.9	28.4	60.7	0.98
Middlings	33.5	22.28	0.9	21.8	43.9	0.92

RioTinto Farm Swap



Key Highlights

- The successful approval of the section 102 application has resulted in the consolidation of the New Order Prospecting Rights from the Rio Tinto farm swap
- The swap has resulted in the formation of a contiguous block of eight farms located 5km to the North east of Makhado known as the Mount Stuart project
- CoAL has two additional contiguous blocks of farms in the Mopane sub-basin of the Soutpanberg coalfield namely the Voorburg & Jutland prospects situated 25km & 15km respectively to the North of the Makhado project
- Mt Stuart, Voorburg & Jutland combined have a target resource of over 1 billion tonnes based on substantial historical and exploration data generated by Iscor.

Soutpansberg Projects



Voorburg Project

Jutland Project

Mount Stuart Project

Makhado Project Extension

Makhado Project

Legend	
CoAL Projects	
Makhado	
Lukin 643MS	Mount Stuart
Fripp 645 MS	Mount Stuart 153MT
Windhoek 649MS	Nakab 184MT
Tanga 648MS	Riet 182MT
Salaita 188MT	Schuitdrift 179MT
Overwinning 713MS	Septimus 156MT
Makhado Extension	Stayt 183MS
Telena 190MT	Ter Blanche 155MT
Gray 189MT	Sand River \ Voorburg
Mopani \ Jutland	Voorburg 503MS
Cohen 591MS	Cavan 508MS
Jutland 536MS	Ancaster 501MS
stubs	Vele

Scale 1:200000



Estimated Resources – Limpopo Province

	Gross Tonnes In Situ (GTIS)	Mineable Tonnes In Situ (MTIS)	Product Tonnes	Expected Life	Products	Source	Comment
Vele	813Mt	690.0 Mt (Proven and Probable)	1) 99.5 Mt Coking 2) 60.3 Mt Thermal	35+ years	1) Metallurgical Coal (Blend Coking) 2) Export C grade Thermal Coal	Min Corp MER	The second grade is dependant on a potential market for the coal. Not all the resource has been included in the mine schedule
Makhado Five Farms	918.0 Mt	289.0Mt (Proven and Probable)	60.6 Mt	25 years O/C	1) Metallurgical Coal (Prime Coking)	Min Corp MER	Not all the resource has been included in the mine schedule
Makhado Extension	127.7 Mt ¹				1) Metallurgical Coal (Prime Coking)		Opencastable Resources
Mount Stuart	647.1 Mt ¹				1) Metallurgical Coal (Prime Coking)		Based on Iskor drill hole info requires verification and geological modelling
Voorburg \ Sand River	270.0 Mt ¹				1) Metallurgical Coal (Prime Coking)		Has some Coal of Africa Limited drilling, but based on Iskor drill hole info requires verification and geological modelling
Jutland	272.5 Mt ¹				1) Metallurgical Coal (Prime Coking)		Based on Iskor Pre-Feasibility study - is lacking verifiable borehole information
Sub Totals		1) 574.6 Mt O/C 2) 404.9 Mt U/G	1) 160.1 Mt Coking				
Total		979.5 Mt	160.1 Mt Coking				

Notes

¹ Non Compliant Resources are for indicative purposes only and are not to be used as a basis for valuation or investment

Thermal Coal Operations

Woestalleen Wash Plant



Key Figures

Ownership:	100%
Capacity :	4.2Mtpa ROM feed
Production:	2.6Mtpa saleable
	2.2Mtpa High grade

Highlights

- Two wash plants 1 & 2 with a throughput of 200, 000 ROM tonnes per month and a Fraser plant (BOOM) with a capacity of 150, 000 ROM tonnes per month.
- On –site siding with a capacity to load 4.34Mtpa
- CoAL has strategic alliances with other coal traders in the Richards Bay Coal Terminal (RBCT), Richard's Bay Dry Bulk Terminal (Navitrade) and Durban (Bulk Connections) which export product is shipped
- Balance of export product is shipped via the Maputo (Matola) terminal.
- Products include export, domestic (Eskom) and sized coal
- Exceptional safety record with no recorded fatalities



Aerial view of Woestalleen

Woestalleen is a large plant in the centre of a 50 km radius footprint of coal deposits

Zonnebloem Mine



Key Figures

Ownership:	100% ¹
Resource:	10.6Mt MTIS
Production:	3.5Mtpa ROM
Wash Yield:	63% RB1

Highlights

- Produces approximately 300,000t ROM coal per month from an open cast mine
- CoAL has an exclusive off-take agreement for all ROM coal, which feeds the wash plant at Woestalleen
- Negotiations underway to acquire additional resources adjacent to Zonnebloem.



Aerial view of Zonnebloem pit

¹ Effective economic control of 100% through a life of mine contract, legal ownership of 49%.

Hartogshoop Mine



Key Figures

Ownership:	100%
Resource:	1.1Mt MTIS within two seams
Production:	700ktpa ROM
Yield:	60% RB1

Key Highlights

- Located in Witbank Coalfield
- Open cast mining commenced December 2009
- 170kt ROM production to end of February 2010
with a maximum capacity of 60 000 ROM tons
per month
- 24 months contractor operation
- Mining method Opencast Truck and Shovel Roll
Over



Aerial view of Hartogshoop Mine

Mooiplaats Colliery



Key figures

Ownership:	100%
Resource:	53.3mt MTIS
Production:	Ramp up to 3.2Mtpa

Highlights

- CoAL loaded its first train to Maputo on the 11 September 2009 of the mid-volatile 'lean' coal.
- Shipping commenced Q1 2010
- The 1st stage of the coal handling and preparation plant was commissioned in May 2009 with a monthly capacity of 110,000t ROM. Second module commissioned in November 2009 increasing monthly capacity to 220 000tpm.
- Logistics advantage in supplying coal to Eskom's Camden Power Station which is 1.7km from the Mooiplaats mine.
- Exported approximately 255,000 tonnes of thermal coal by end of July 2010.



Aerial view of Mooiplaats Colliery

Mooiplaats commissioned wash plant in May 2009 and first shipment was February 2010

Other Thermal Projects



Potential expansion projects

Opgoedehoop Project

- 14.4Mt MTIS thermal coal contained within 5 seams at depths suitable for a combination of open cast and underground mining
- Located in Ermelo Coalfield
- Quality is suitable for both export and Eskom markets
- Under consideration

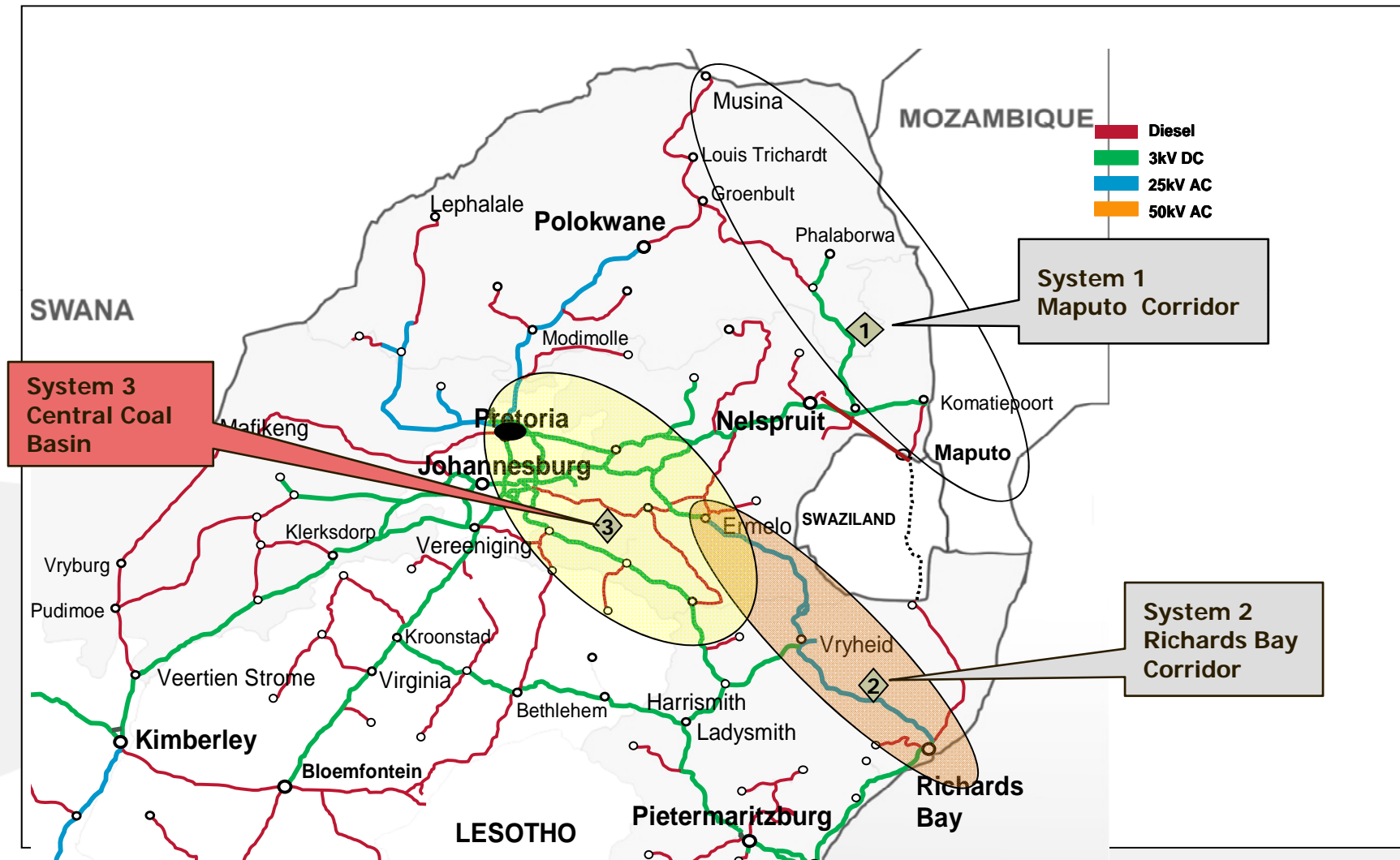
Klipfontein Project

- 1Mt coal contained within 2 seams, suitable for open cast mining
- Located in Witbank Coalfield
- Quality is suitable for both export and Eskom markets
- Under consideration

Vele Project

Testing underway to examine potential high-grade thermal middlings to India

Main export coal Corridors out of S. Africa



Source : Transnet Presentation

Logistics - Mooiplaats/Woestalleen/Hartogshoop

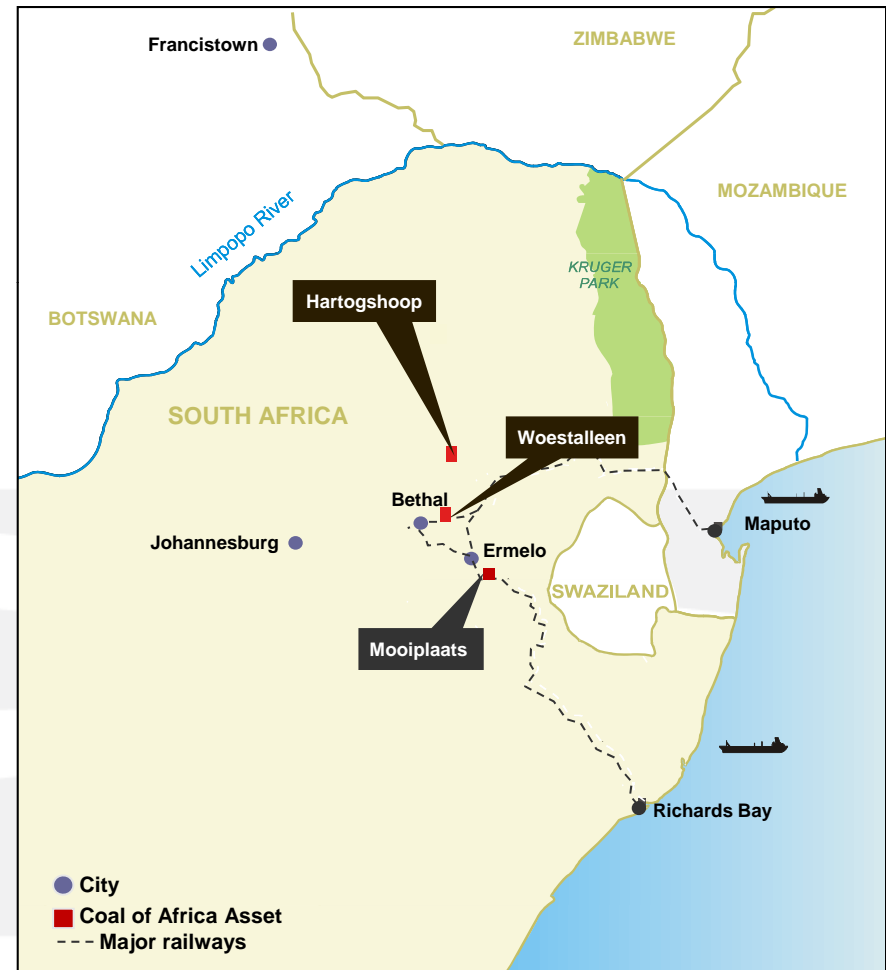


Siding

- CoAL is leasing Overvaal siding, which is subject to an EIA process.
- Have an arrangement to utilise nearby Umlabu siding in the interim , a direct route siding under investigation.
- Connection routes to Maputo and Richards Bay
- RBCT compliant siding at Woestalleen with a design capacity of 4.34Mt tonnes per annum.

Rail

- Rail agreements allow transport through Maputo corridors
- Richards Bay flows via empty wagons returning from ArcelorMittal's Vanderbijl Park steel works .
- The Maputo Terminal (Matola) and Richard's Bay Coal Terminal (RBCT) utilise the allocated ring-fenced wagon fleets that are allocated to these corridors



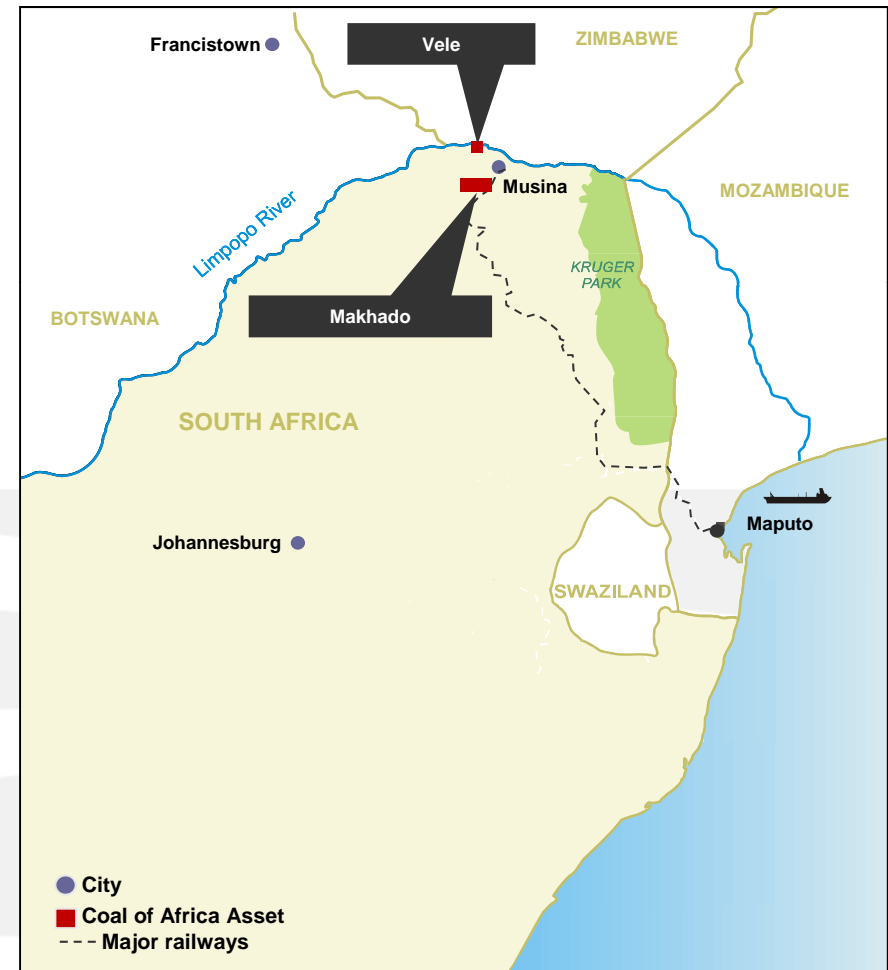
Logistics - Vele/Makhado

Siding

- Long-term rail link from Vele to Musina(nearest mainline) and Makhado to Huntleigh(nearest mainline) under detailed design
- Technical feasibility study completed for Mactransco siding as an interim loading facility. Trucking contracts in place to enable movement from mine to siding.

Rail

- Rail agreements allow transport through Maputo corridors
- Negotiating long term outcome with TFR
 - Significantly improved tariffs expected through revised designs.
 - Private sector participation options for purchase of rolling stock under discussion with Transnet



Port

- Allocation of 1Mtpa through the Matola dry bulk terminal in Maputo
 - 5+5+5 year agreement, has been secured
- Secured right to any increased capacity in consideration for providing funding
- Agreement reached to expand terminal by 2Mtpa
 - CoAL co-funded expansion with Grindrod
 - Expected completion date December 2010
 - CoAL's allocation to expand to 3Mtpa upon completion.
- Long-term expansion to add another 10-17mtpa, which CoAL has secured an option over 100%



Matola dry bulk terminal

Summary - The future potential of CoAL's operations

Source	Description
Thermal assets	<ul style="list-style-type: none">• Ramp up to 5mtpa
Coking assets	<ul style="list-style-type: none">• Ramp up to 10mtpa
Logistics	<ul style="list-style-type: none">• Target 13mtpa export allocation at Matola port
IPP Development	<ul style="list-style-type: none">• Vele will produce approx 1 tonne of thermal coal for every one tonne of coking coal.• Significant upside potential to participate on IPP development on the back of low cost thermal coal production generated from coking coal operations

THANK YOU

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