

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Coal of Africa Limited

ABN

98 008 905 388

Quarter ended ("current quarter")

30 September 2011

During the June 2011 financial year the Company amended its reporting presentation currency to the United States dollar as it considers this to be a more appropriate measure to reflect the results of operations and its financial position.

### Consolidated statement of cash flows

		Current quarter \$'000	Year to date (3 months) \$'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	59,129	59,129
1.2	Payments for (a) exploration & evaluation	(481)	(481)
	(b) development	779	779
	(c) production	(40,765)	(40,765)
	(d) logistics	(15,810)	(15,810)
	(e) administration	(6,827)	(6,827)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	211	211
1.5	Interest and other costs of finance paid	(453)	(453)
1.6	Income taxes paid	(3,422)	(3,422)
1.7	Other (provide details if material)	-	-
	<b>Net Operating Cash Flows</b>	<b>(7,639)</b>	<b>(7,639)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(9,287)	(9,287)
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)	(2,013)	(2,013)
	<b>Net investing cash flows</b>	<b>(11,300)</b>	<b>(11,300)</b>
1.13	Total operating and investing cash flows (carried forward)	(18,939)	(18,939)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(18,939)	(18,939)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	263	263
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(432)	(432)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	6,717	6,717
	<b>Net financing cash flows</b>	<b>6,548</b>	<b>6,548</b>
	<b>Net increase (decrease) in cash held</b>	<b>(12,391)</b>	<b>(12,391)</b>
1.20	Cash at beginning of quarter/year to date	22,761	22,761
1.21	Exchange rate adjustments to item 1.20	(1,549)	(1,549)
1.22	<b>Cash at end of quarter</b>	<b>8,821</b>	<b>8,821</b>

**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 \$'000
1.23	Aggregate amount of payments to the parties included in item 1.2	1,035
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 \$'000	Amount used \$'000
3.1 Loan facilities	17,500	32,500
3.2 Credit standby arrangements	2,631	2,619

### Estimated cash outflows for next quarter

	\$'000
4.1 Exploration and evaluation	4,558
4.2 Development	16,114
4.3 Production	38,221
4.4 Logistics	25,963
4.5 Administration	3,395
<b>Total</b>	<b>88,251</b>

### 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 \$'000	Previous quarter \$'000
5.1 Cash on hand and at bank	8,821	22,761
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>8,821</b>	<b>22,761</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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				

**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	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>	Nil			
7.2 Changes during quarter				
7.3 <b>+Ordinary securities</b>	532,139,661	532,139,661		
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>	Nil			
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>	20,453,062	Nil	<i>Exercise price</i> See Note 6	<i>Expiry date</i> See Note 6
7.8 Issued during quarter	Nil	Nil	See Note 6	See Note 6
7.9 Exercised during quarter	1,000,000	Nil	See Note 6	See Note 6
7.10 Expired during quarter	7,450,000	Nil		
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil			
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	Nil			

+ See chapter 19 for defined terms.

## 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.



31 October 2011

Sign here: ..... Date: .....  
(Company secretary)

Print name: SHANNON COATES  
.....

## 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.

---

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

---

**6** Issued and Quoted Options as at 30 September 2011:

<b>Number Issued</b>	<b>Number Quoted</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Lapsed Since End of quarter</b>
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 2012	-
912,500	-	A\$1.90	30 June 2014	-
5,000,000	-	A\$2.74	30 November 2014	-
2,500,000	-	A\$1.20	9 November 2015	-
1*	-	GBP0.60	1 November 2014	-
1,540,561	-	A\$1.40	30 September 2015	-

\*1 Option to subscribe for 50 million ordinary shares for 60 pence each between 1 November 2010 and 1 November 2014 as approved by shareholders on 22 April 2010

== == == == ==