



ANNOUNCEMENT

21 December 2015

PUBLICATION OF OFFER DOCUMENT

Coal of Africa Limited (ASX, AIM and JSE: CZA) (**CoAL**) is pleased to announce that pursuant to the joint announcement of a recommended Offer to be made by CoAL for Universal Coal plc (Universal) released on 26 November 2015 (**the Joint Announcement**), that it has today lodged the Offer Document in relation to its offer to acquire the entire issued and to be issued share capital of Universal (**the Offer**), with the Australian Securities and Investments Commission.

Under the terms of the Offer, CoAL is offering eligible Universal shareholders (including holders of CDIs) the opportunity to receive, for each Universal share held A\$0.20 in cash and 1 new fully paid ordinary share in CoAL (**the Cash and Share Offer**). Certain Universal shareholders domiciled in the UK and other excluded jurisdictions will not be entitled to participate in the Cash and Share Offer but will instead be entitled to receive, for each Universal share held, A\$0.25 in cash (**the Cash Offer**).

In addition, subject to eligibility, Universal shareholders may also elect to receive Loan Notes with a principal amount of A\$0.25 for their Universal shares, either solely or in combination with the Cash and Share Offer (as applicable).

The Independent Universal Directors unanimously recommend that you accept the Offer, as they intend to do in respect of all of their Universal Shares. In addition, CoAL has received signed irrevocable undertakings to accept the Offer from Universal Shareholders (including from the Independent Universal Directors (subject to the discharge of their statutory and fiduciary duties as directors)) in respect of 219,731,118 Universal Shares, representing 43.37 per cent of Universal's total issued share capital as at the date of this Offer Document.

CoAL shareholders representing 62.63% of CoAL's total issued share capital have provided voting intention statements that they presently intend to vote in favour of the Offer.

CoAL is further pleased to advise that the following key conditions precedent to the Offer have been fulfilled, namely, that:

1. the South African Competition Commission has unconditionally approved in writing the implementation of the Offer; and
2. Mountain Rush Trading 6 Proprietary Limited provided its written consent to the implementation of the Offer on terms acceptable to CoAL, acting reasonably;

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Bernard R. Pryor – Chairman, David H. Brown – Chief Executive Officer, De Wet O Schutte
Non-executive directors: Peter G. Cordin, Andrew D Mifflin, Khomotso B. Mosehla, Thabo F Mosololi, Rudolph H. Torlage

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The Offer Document will be despatched to Universal shareholders as soon as possible and, following receipt of the Offer Document, Universal shareholders can accept the Offer.

Unless extended or withdrawn, the Offer remains open for acceptances until 1.00pm (London time) on 3 March 2016. Holders of CDIs must ensure that their acceptances are received by 7.00pm (Sydney time) on 26 February 2016.

Full details of the Offer are outlined in the Offer Document.

A copy of the offer document will be available on the CoAL website at www.coalofafrica.com

ENDS

For more information contact:

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About CoAL:

CoAL is an AIM/ASX/JSE listed coal exploration, development and mining company operating in South Africa. CoAL's key projects include the Vele Colliery (coking and thermal coal), the Greater Soutpansberg Project /MbeuYashu, including CoAL's Makhado Project (coking and thermal coal).
