

18 January 2011

The Manager
Company Announcements
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By e-lodgement

Company Presentation

Please find attached an updated Company presentation which is being presented to Institutions in London and Europe by Don Turvey, Chief Executive Officer and Jason Brewer, Executive Director.

For and on behalf of the Board

Regards



Peter Landau
Executive Director

Ends

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Continental Coal Limited (ASX:CCC : US-OTC:CGFAY) is a new Junior South African coal producer. Continental has a portfolio of producing and advanced coal projects located in South Africa's major coal fields. Following the commencement of production at the Vlakvarkfontein coal mine in May 2010, and its acquisition of Mashala Resources in October 2010, Continental is targeting production from its portfolio of predominantly export thermal coal mines of 10Mtpa ROM by 2015. Continental was formed to take advantage of the robust domestic and global demand for coal, with particular focus on Southern Africa.

Continental Coal Limited



Corporate Presentation London-Europe

January 2011

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Continental Coal Ltd

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Competent Person Statement

The information in this report that relates to the Mineral Resources on Vlakvarkfontein is based on a resource estimate completed PJ Hancox who is a professional geologist with over 20 years of experience in the South African Mining Industry and sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and the Ore reserves. PJ Hancox is a member of South African Council for Natural Scientific Professions (Membership No. 400224/98) and consents to the inclusion of this information in the form and context in which it appears in this report.

The information in this report that relates to the Mineral Resources on Project-x and Vaalbank as well as on the Mashala Projects is based on a resource estimates completed NJ Denner who is a professional geologist with over 17 years of experience in the South African Mining Industry and sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and the Ore reserves. NJ Denner is a member of South African Council for Natural Scientific Professions (Membership No. 400060/98) and consents to the inclusion of this information in the form and context in which it appears in this report.

The information in this report that relates to the Mineral Resources on Vlakplaats is based on a resource estimates completed David le Roux van Wyk who is a professional geologist with over 25 years of experience in the South African Mining Industry and sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and the Ore reserves. David le Roux van Wyk is a member of South African Council for Natural Scientific Professions and consents to the inclusion of this information in the form and context in which it appears in this report.

Introduction



Continental Coal Ltd

- ASX listed coal production and development company
- South African thermal coal producer and exporter through Richards Bay
- Strong, proven and experienced South African operational management
- Extensive established mining, port and rail infrastructure
- +600Mt of thermal coal resources in South Africa
- Major exploration upside through 6 -7Bt coal exploration target in Botswana and targeting additional projects throughout Southern Africa
- Current production of 2Mtpa from two operating mines
- Mine site development to commence at 3rd mine, Penumbra, February 2011
- Decision for 4th mine development, De Wittekrans, by mid-2011
- Demonstrated ability to access necessary rail and port infrastructure for thermal coal exports
- First thermal coal exports completed through strategic off-take and financing relationship with EDF Trading
- Joint venture completed with KORES for major coal export project
- Targeted production of 7Mtpa ROM coal by 2012



Corporate Snapshot



Continental Coal Ltd

ASX Code

CCC / CCCO

Description

Coal producer

Share price

8.7c

Shares on issue

2.9bn

Listed options on issue

602m (5c / Feb 2013)

Unlisted options on issue

316m (~9c / ~2.5yrs)

Market capitalisation

A\$260m

Debt¹

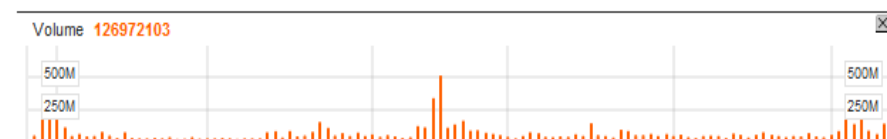
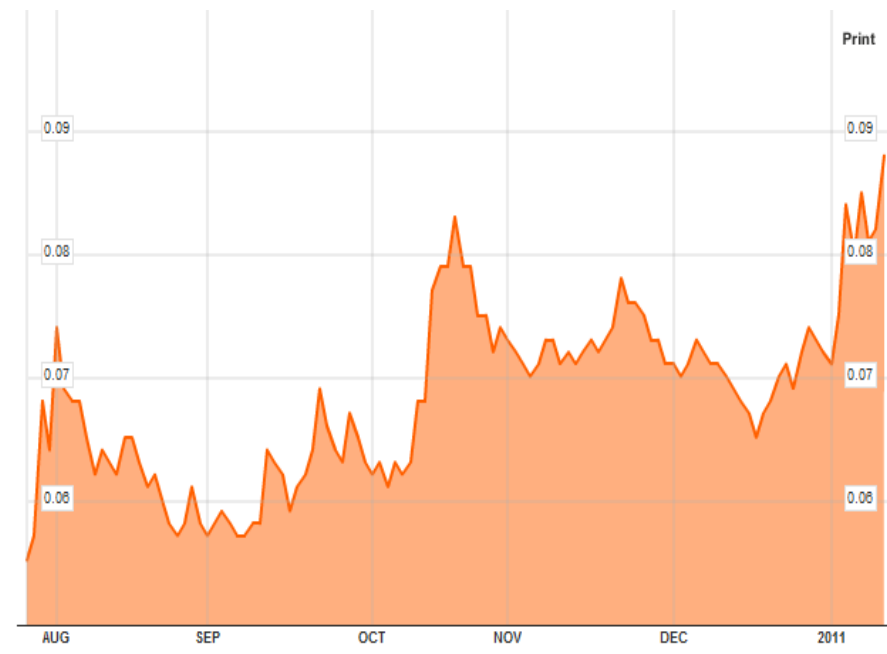
A\$21m

Average Daily Volume

~75m

Average Daily Turnover

A\$6.5m



¹ US\$15m EDFT Coal Prepayment Facility and A\$6m convertible note facility (8c conversion)



Continental Coal Ltd

Executive Management

Don Turvey –Chief Executive Officer

- Over 25 years coal experience, including BHP Billiton Energy Coal

Johan Heystek – Chief Operations Officer

- Over 20 years coal experience, including BHP Billiton Energy Coal

Mike Nell – General Manager Operations

- Over 28 years experience coal exploration and development in South Africa

Rachel Hebron –Chief Financial Officer

- Over 15 years experience in South Africa's accountancy and finance sectors

Haroon Alli – Marketing Manager

- Over 20 years experience with Shell South Africa and Noble Energy

Andrew Lipshitz – Commercial and Legal Director

- 28 years experience in corporate finance, restructurings and takeovers

Ken Hodge and Eugene de Villiers –Project Managers

- Collectively over 55 years experience in South Africa's mining sector



Board and Directors

Andy Macaulay – Chairman

- Over 25 years experience in the African oil and gas and natural resource sector. A founding Director of Continental Coal

Bruce Buthelezi – Director

- BEE partner with senior management experience in Africa's oil and gas and financial services sectors. A founding director of Continental Coal

Peter Landau – Director

- Over 18 years experience as a corporate lawyer and advisor providing general corporate, capital raising, transaction and strategic advice to mining exploration and development companies on the African continent

Jason Brewer – Director

- Over 18 year's international experience in the natural resources sector and in investment banking in Europe and Australasia

Manuel Lambolely – Director

- Over 20 years experience in investment banking. A former director of UBS AG and head of the Geneva office of Williams de Broe

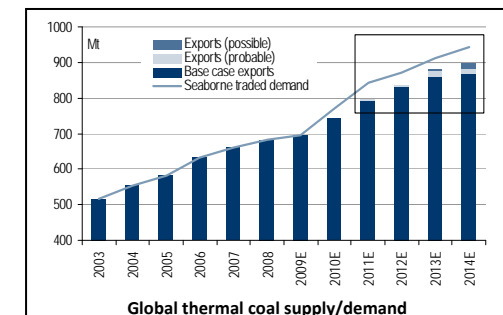
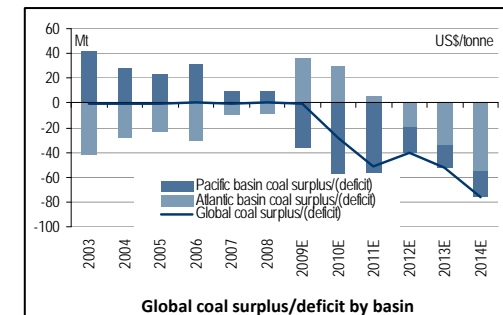
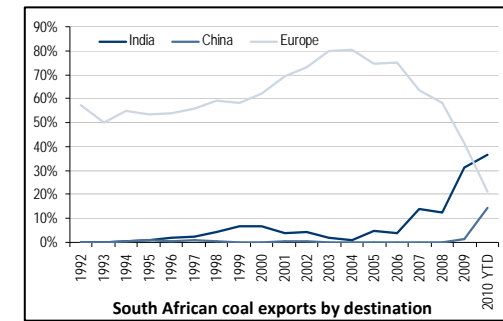


South Africa Coal



Continental Coal Ltd

- One of the world's most established and efficient coal mining regions
- South Africa is the world's 6th largest coal producer and 5th largest exporter
- 30% of production is exported to the Asian and European markets
- 50% of production is consumed domestically by Eskom for power generation
- Anglo American, BHP Billiton and Xstrata all own major coal export operations
- Increasing opportunities for emerging mid-tier coal companies
- Increasing demand for South Africa's thermal coal exports to Asia
- Traditionally 70% of South Africa's coal exports were exported to the Atlantic Basin - mostly to Europe
- Immediate outlook is now for up for 70% of the country's exports to go into the Asian market and an increasing demand for exports of lower quality coal
- Substantial increase in domestic demand from Eskom through a major program of development projects
- Demand for South African coal exports to continue to strengthen with further tightening of global coal supply markets leading to sustained period of high coal prices



Coal Projects



Continental Coal Ltd

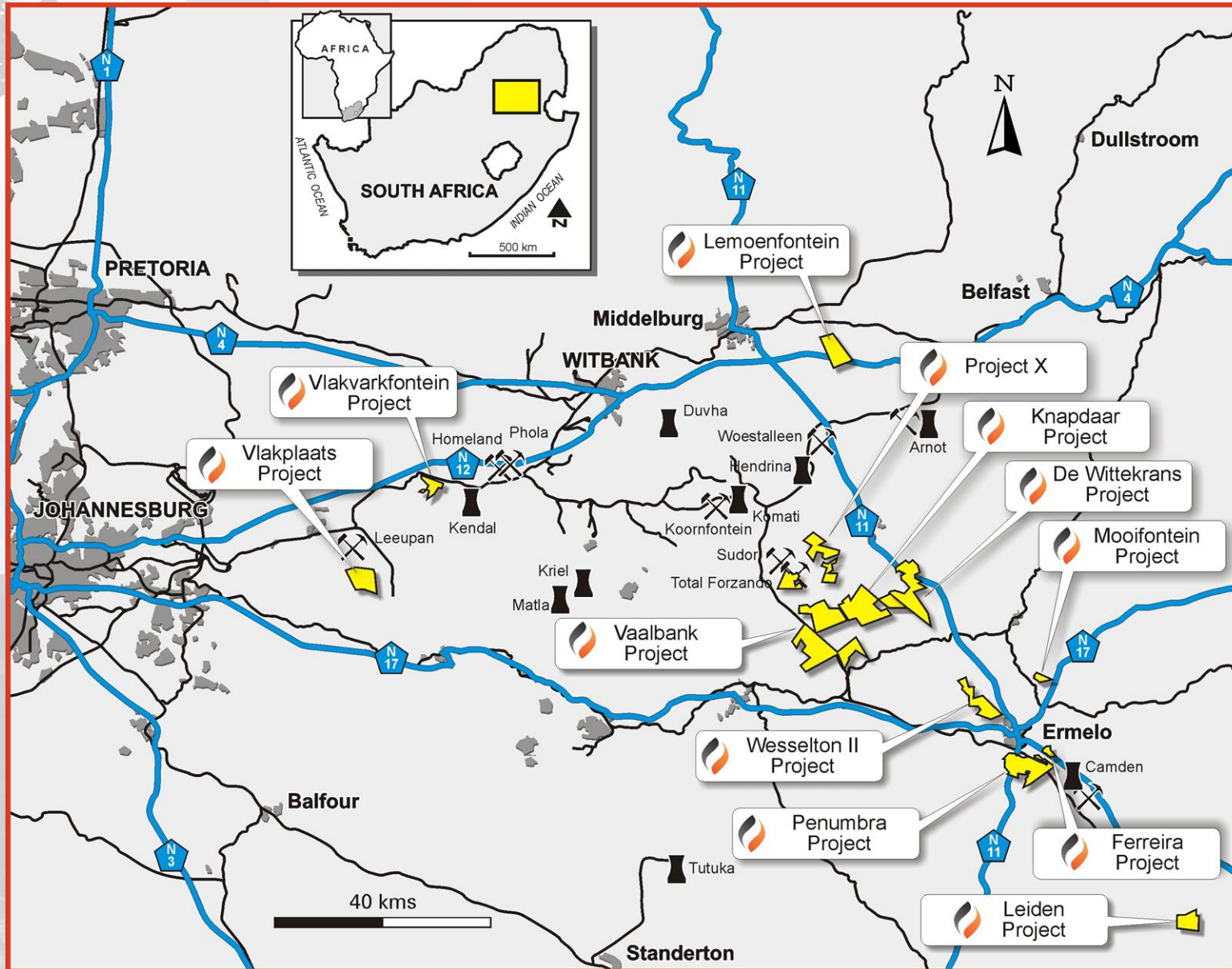
- Two existing opencast mining operations producing +2Mtpa ROM
- 300tph coal wash plant
- Rail siding with capacity of 1.2Mtpa
- RBCT allocation of +450,000tpa (Own and Leased) and additional allocation being finalised
- Two projects to commence development in 2011
- Majority interests in a portfolio of 9 further export thermal and domestic orientated coal projects
- Joint venture with strategic partner KORES on major resource project
- Over 600Mt of resources and production potential of 7Mtpa by 2012
- Extremely well served by efficient coal transportation and other associated coal mining and washing infrastructure
- Exploration division with six drilling rigs and support equipment
- Significant mine infrastructure and associated logistics agreements in place
- Potential for additional resources and additional growth through exploration, strategic acquisitions and regional consolidation



Coal Projects



Continental Coal Ltd



Project Summary

Project	Interest	Gross In Situ Resource Tonnes (Mt)			Potential Production (Mtpa)	Mine Life	Coal Product	Product Mix	First Production
		Inferred	Indicated	Measured					
Vlakovarkfontein	60%	-	-	17	1.2	10 – 15	Domestic	100%	Current
Ferreira	100%	-	-	3	0.7	2 – 3	Export/ Domestic	90% / 10%	Current
Penumbra	100%	3	14	8	0.9	10 – 20	Export/ Domestic	90% / 10%	2011
De Wittekrans Complex	70-100%	296	116	12	6 - 7	+30	Export/ Domestic	40% / 60%	2011
Leiden	100%	12	2	4	0.7	15 – 20	Export	100%	2013
Mooifontein	100%	-	-	3	0.6	3 – 5	Export	100%	2014
Wesselton II	100%	11	5	4	1.2	10 - 15	Domestic	100%	2012/2013
Vlakplaats	50%	119	3	-	2.4	+20	Export/ Domestic	TBC	2013
TOTAL		441	140	51	+10.0				

Note: Project interest reflects CCL's shareholding and assumes acquisition of 100% of Mashala Resources is completed.

Vlakvarkfontein Mine



Continental Coal Ltd

- Conventional open cast contract mining operation
- 17 Mt of resource sufficient for +10 year mine life
- Mining of two seams each approx. 5m width
- Mining contractor, TMS, appointed 1 February 2010
- First coal production and sales in May and June 2010
- From acquisition to production within 12 months
- Crushing and screening commenced in August 2010
- Targeted production of 100,000t/month domestic quality thermal coal
- Demonstrated ability already to produce in excess of targeted rates
- Production for 2010 calendar year of 432,565t ROM
- Budgeted production for 2011 year of 1,200,000t ROM
- Currently 3 offtake agreements in place
- Major sales contract with Eskom being finalised
- Average forecast margin of between US\$5/t to US\$7/t



Ferreira Mine



Continental Coal Ltd

- Acquired by Continental in November 2010
- Conventional opencast thermal coal contract mining operation
- Mining commenced in August 2008 and is forecast to continue through to mid 2012
- Opportunity to acquire additional resources has potential to extend mine life further
- Located located 2km from the Company's 1.2Mtpa Delta Processing Operations and the adjacent Anthra railway siding on the coal-line to Richards Bay Coal Terminal
- Production for 2010 calendar year of 942,950t ROM
- Export sales for 2010 calendar year of 389,680t and domestic sales of 121,370t
- Budgeted export sales for 2011 year of 500,000t
- Production to be gradually be replaced following commencement of underground operations at the nearby Penumbra mine in 2012
- Average forecast margins of between US\$25/t to US\$40/t on current export sales



Penumbra Project



Continental Coal Ltd

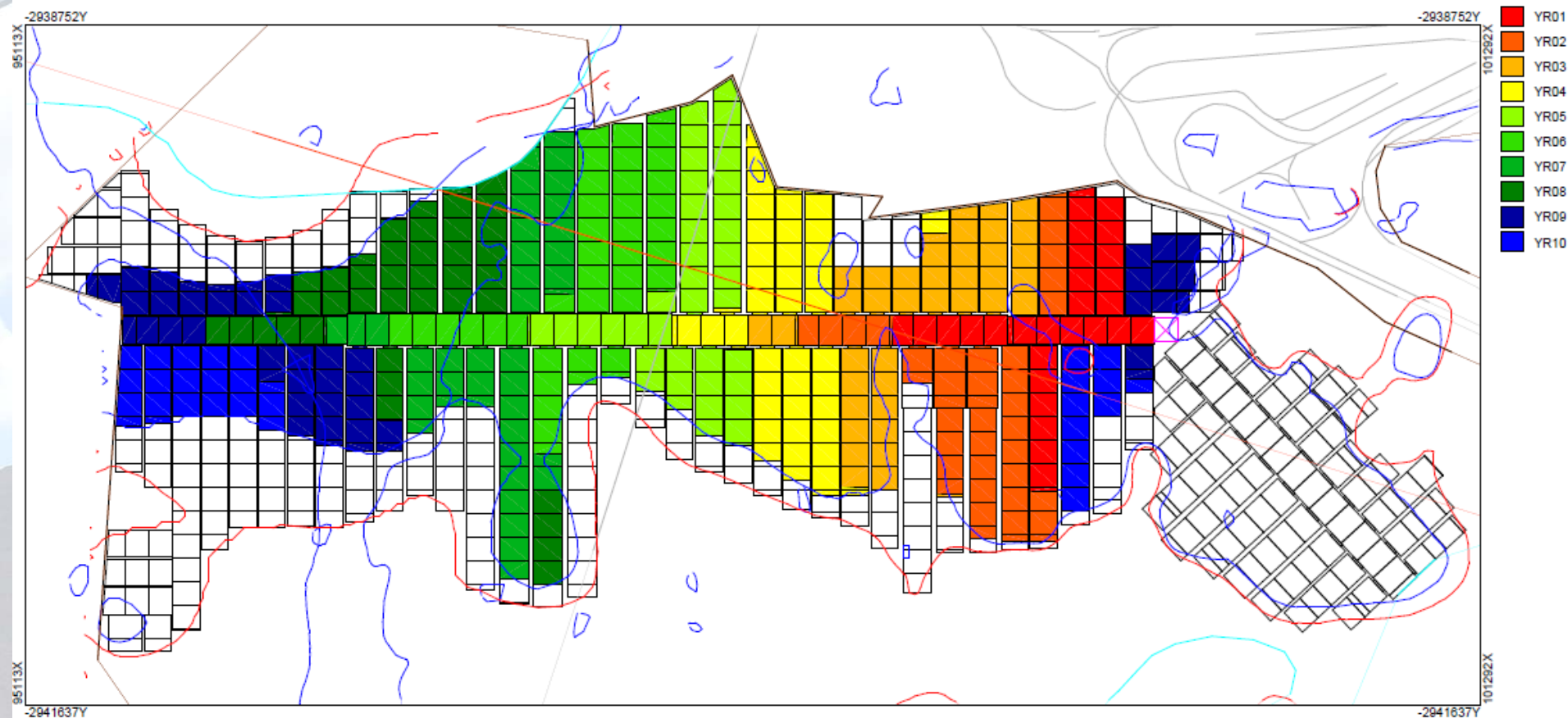
- Acquired by Continental in November 2010
- Located 3km from Ferreira mine and Delta Processing Operations
- Conventional underground thermal coal bord and pillar mining operation
- Feasibility study considered very conservative with opportunity to extend mine life to +20 years
- Capital development costs of ZAR284m (~A\$40m) to be funded from existing cash, operating cashflow and debt facility
- Tender process for the awarding of the 12 month mine development contract to full production well advanced
- Civil contract to be awarded in January 2011, with portal development to commence in February 2011
- First coal from Penumbra underground mine from Q4 2011 from mining the C-lower seam at an average height of 1.8m and depth of 50m - 115m
- Targeted export sales of 500,000t
- Budgeted export sales for 2012 calendar year of 500,000t
- Average forecast export margins of between US\$50/t to US\$65/t based on current export coal prices





Penumbra Project

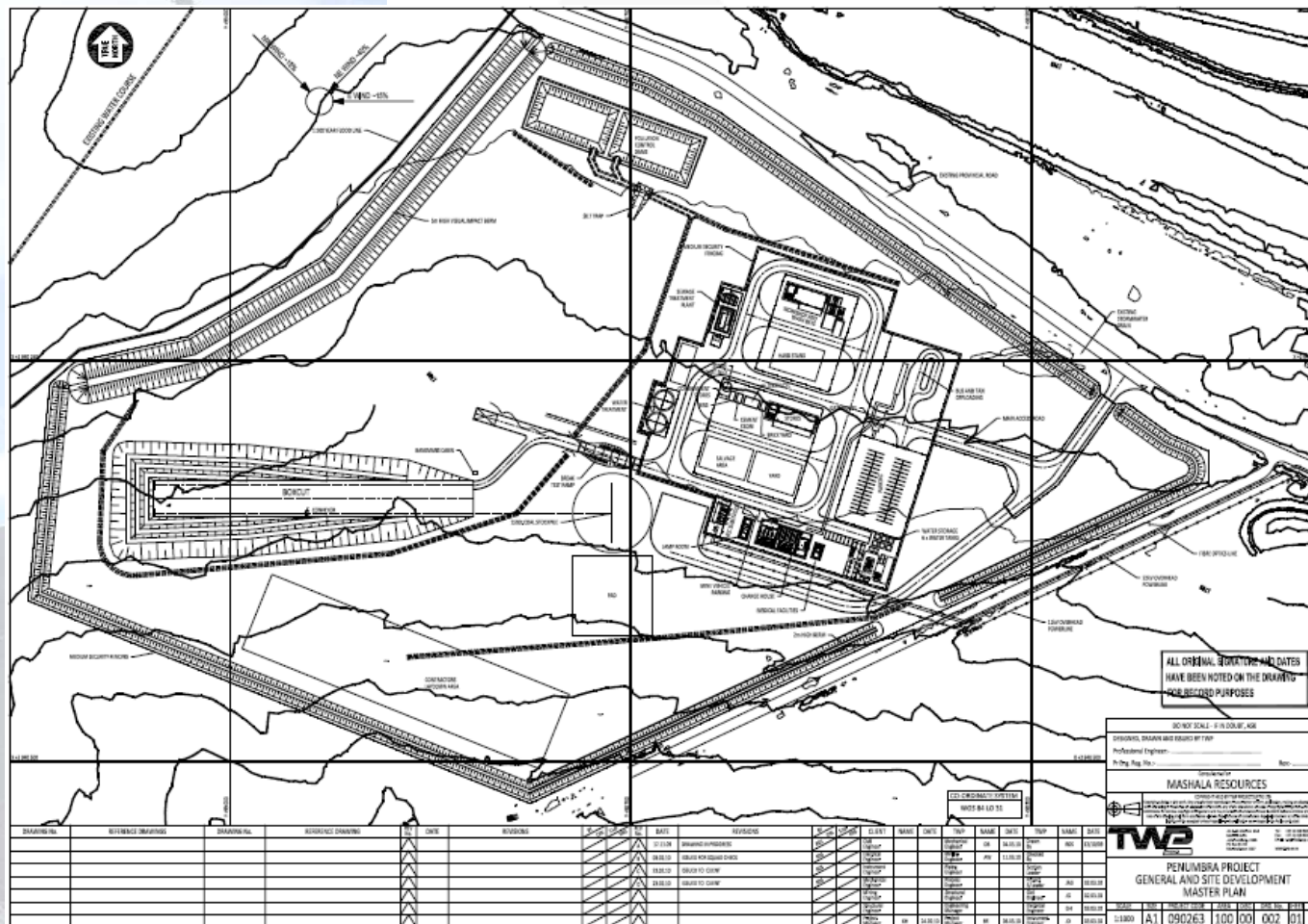
- Initial 10 year mine production schedule
- Opportunity to extend mine life considerably





Penumbra Project

- Proposed surface infrastructure layout
- Civil contract to be awarded in January 2011, with portal development to commence in February 2011



De Wittekrans Complex



Continental Coal Ltd

- Comprises 4 projects - De Wittekrans, Knapdaar, Vaalbank and Project X
- Over 400Mt of in situ resources located within a 10km radius and adjacent to major infrastructure
- Pre-Feasibility Study and Mining Study already completed on De Wittekrans project has confirmed that it is economically and technically viable
- Bankable Feasibility Study commenced
- TWP Projects to complete study by June 2011 for the proposed development of the De Wittekrans project to commence in 2H 2011
- Initial targeted production of 3.6Mtpa ROM from conventional opencast and underground mining operations at De Wittekrans
- Targeted export sales of 1.1Mtpa and 1.5Mtpa of domestic sales
- Initial development of De Wittekrans given lower risk profile and capital development costs associated with initial shallow open cast mining operation
- Average forecast export margins of between US\$50/t to US\$65/t based on current export coal prices



Vlakplaats Project



Continental Coal Ltd

- Project located 80km east of Johannesburg and 25km southwest of Continental's Vlakvarkfontein mine
- Executed Joint Development Agreement with Korea Resources Corporation (KORES) in November 2011
- Continental's South African subsidiary acquired 50% interest for ZAR50m with ZAR130m balance of acquisition price acquired by KORES and BEE partner
- Continental to be operator and manager to completion of Bankable Feasibility Study
- Historical drilling has indicated the opportunity to develop the existing 122MT resources through conventional open cast and underground mining methods
- Initial ZAR32.5m budget to fully fund the project through to completion of a Bankable Feasibility Study
- Agreement entered into with KORES for the off-take and marketing of export thermal coal production from the Vlakplaats Coal Project upon a decision to mine





Botswana Projects

- Botswana is the most stable democracy in Africa
- Three prospecting licenses
- Projects located close to road, rail and power infrastructure and adjacent to advanced projects and close to Botswana's only producing coal mine
- Board approved ZAR20m exploration budget for the next 18 months
- Initial meetings with key stakeholders and management and geologists on site in January 2010
- Exploration program revised in November 2010 with an increased 90 drill holes to be completed on the Serowe and Kweneng projects
- Exploration program to commence immediately upon appointment of drilling contractors
- Substantial interest in Botswana coal as evidenced by the bid for the acquisition of CIC Energy's coal projects
- New rail and port infrastructure required to realise full project potential
- Continental to join infrastructure consortium to secure long term access
- Opportunity to consolidate further exploration ground and existing resources



Summary and Outlook

A Unique Position in South Africa's Coal Sector

- High quality portfolio of advanced development/pre-production mines
- Exposure to thermal coal exports from November 2010
- Production ramping up to 7Mtpa of run of mine coal by end of 2012
- EDF Trading off-take and funding arrangements
- Strong financial platform and robust operating margins
- Strong fundamentals in a very bullish export and domestic coal market
- Outlook exceptional for Continental in short-term with revaluation expected on increasing of coal production and coal sales and generation of positive operating cash-flow under continuing strong coal market fundamentals
- Focus for next 6 to 18 months
 - Operational performance at existing mines
 - Project delivery at Penumbra and De Wittekrans Complex
 - Exploration in Botswana
 - Additional growth through project development and acquisition

