

20th January 2011

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

By e-lodgement

First Export Coal Shipped From Richards Bay



Key points

- First export coal shipped from Richards Bay under EDFT take off take
- 32,910/t of thermal coal loaded onto the M/V Aquabella and destined for the Indian market
- Final coal pricing for this shipment to be revised upwards based on the prevailing higher export coal prices

South African focused thermal coal mining producer Continental Coal Limited (**ASX: CCC**) ("**Continental**" or "**the Company**") is pleased to announce that the first shipment of thermal coal under its off take agreement with EDF Trading has been successfully completed at South Africa's Richards Bay Coal Terminal.

A total of 32,910/t of thermal coal was loaded onto the MV Aquabella from the Company's stockpile of approx 57,500t at the Richards Bay Coal Terminal. The MV Aquabella has now set sail from South Africa and is destined for the Indian port of Mundra.

In accordance with its existing off take agreement for export coal, the provisional pricing received by the Company, when coal is loaded onto the trains at its Anthra Rail Siding, is now to be revised upwards based upon the average coal price prevailing for the month of loading. The provisional gross coal price received by the Company for the coal railed to the Richards Bay Coal Terminal in November and December 2010 was approx US\$105/t. The average coal price to date for January is approx US\$127/t and is forecast to average over US\$120/t for the remaining two weeks of the month.

Commenting on the first shipment of thermal coal under its off take agreement with EDFT, Don Turvey, Continental Coal's CEO said *"This is a significant event for the Company and is the culmination of intensive efforts by all the team at Continental. It is extremely pleasing that the*



Continental Coal Ltd

Company is so well placed to take advantage of the current high thermal coal prices, as we look to increase thermal coal exports with the development of the Penumbra mine."

Ends

Yours faithfully

Peter Landau
Executive Director

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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 7Mtpa ROM by 2012. Continental was formed to take advantage of the robust domestic and global demand for coal, with particular focus on Southern Africa.