

15 February 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 currently being presented to Institutions in South Africa and Europe.

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



Continental Coal Ltd

ABN 13 009 125 651 ASX Code CCC



Corporate Presentation

February 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

- ASX listed with AIM listing scheduled from mid 2011
- South African thermal coal producer and exporter through Richards Bay
- Strong, proven and experienced operational management
- Demonstrated ability to access key port and rail infrastructure
- Strategic off-take, financing and joint development agreements with EDF Trading and KORES
- +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
- Production of 2Mtpa from two operating open cast mines
- Two new mine developments to commence in 2011
- Further interests in broad portfolio of pre-development projects
- Targeted production of 7Mtpa ROM coal by 2012
- Potential for additional resources and additional growth through exploration and regional consolidation



Corporate Snapshot



Continental **Coal** Ltd

ASX Code

CCC / CCCO

Description

Coal producer

Share price

8.0c

Shares on issue

2.9bn

Listed options on issue

602m (5c / Feb 2013)

Unlisted options on issue

316m (~9c / ~2.5yrs)

Market capitalisation

A\$240m

Debt¹

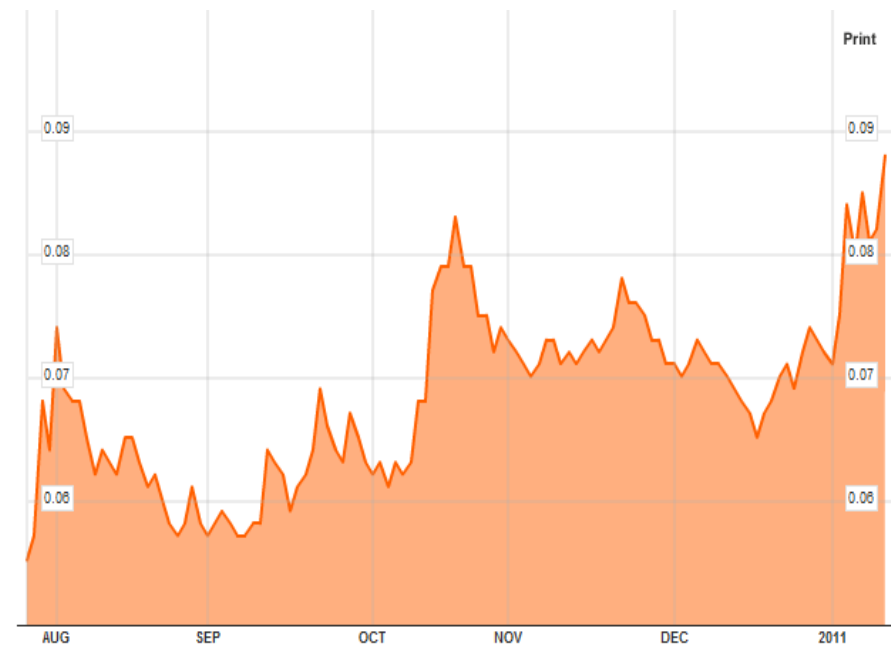
A\$21m

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

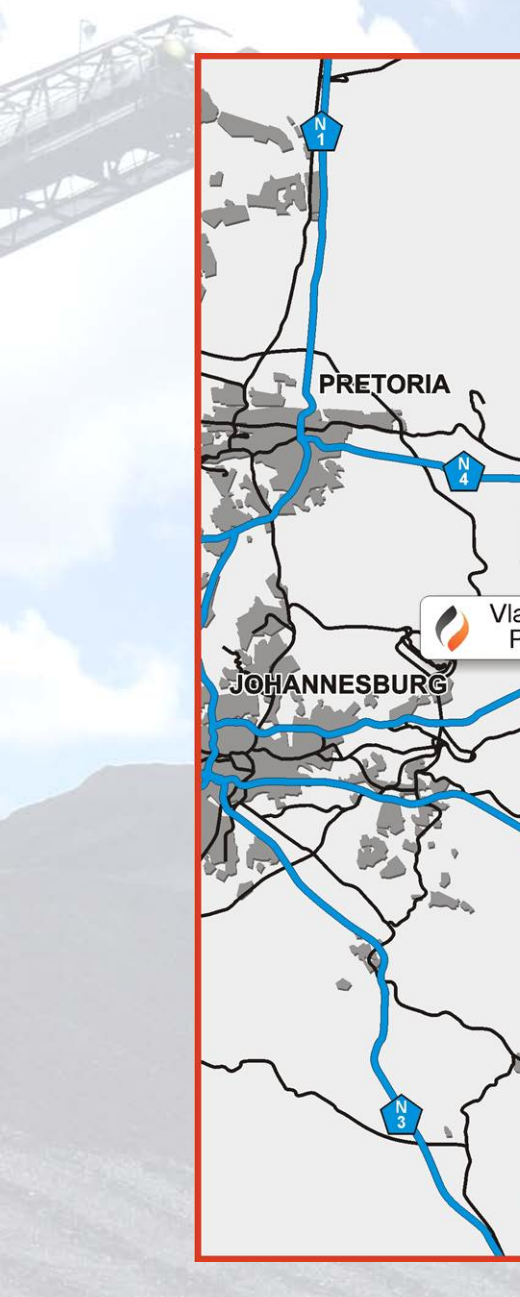




A Fast Growing and Dynamic Company

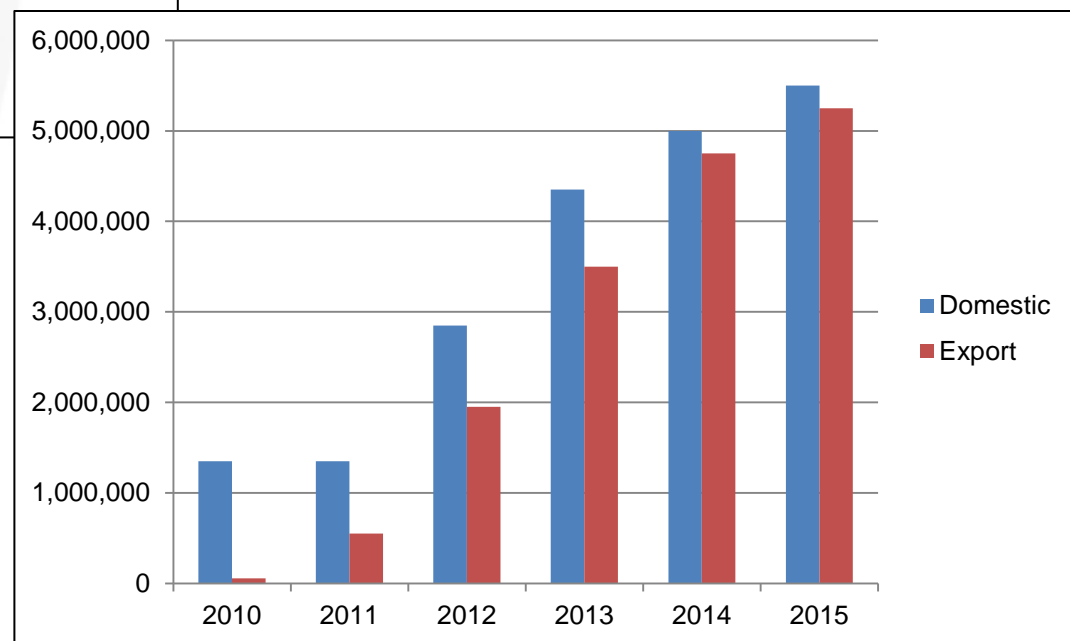
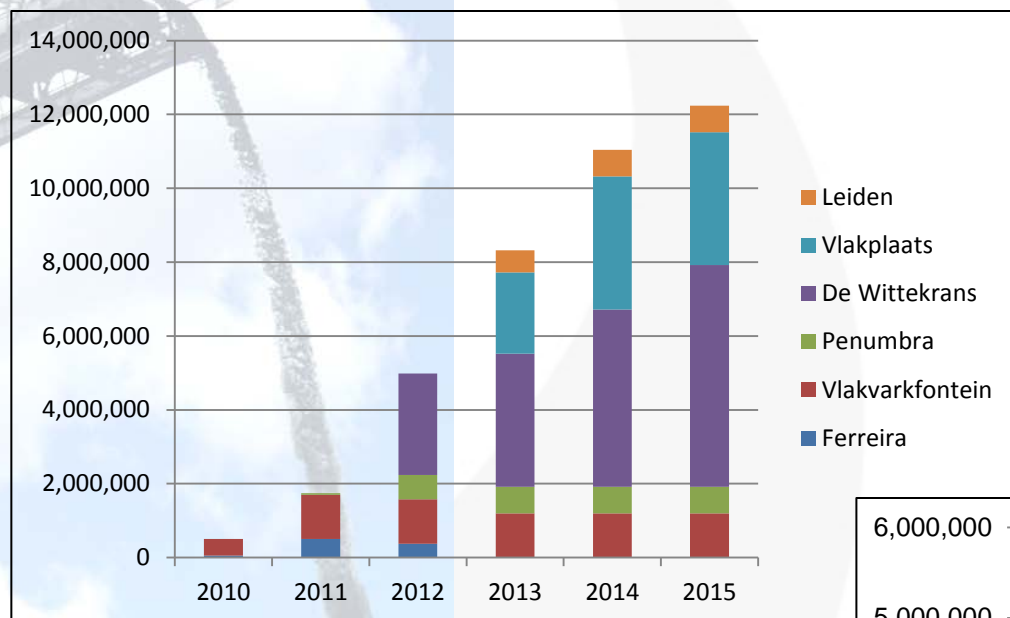


Coal Projects





Project Growth Potential



Vlakovarkfontein 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



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
- 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





Penumbra Project

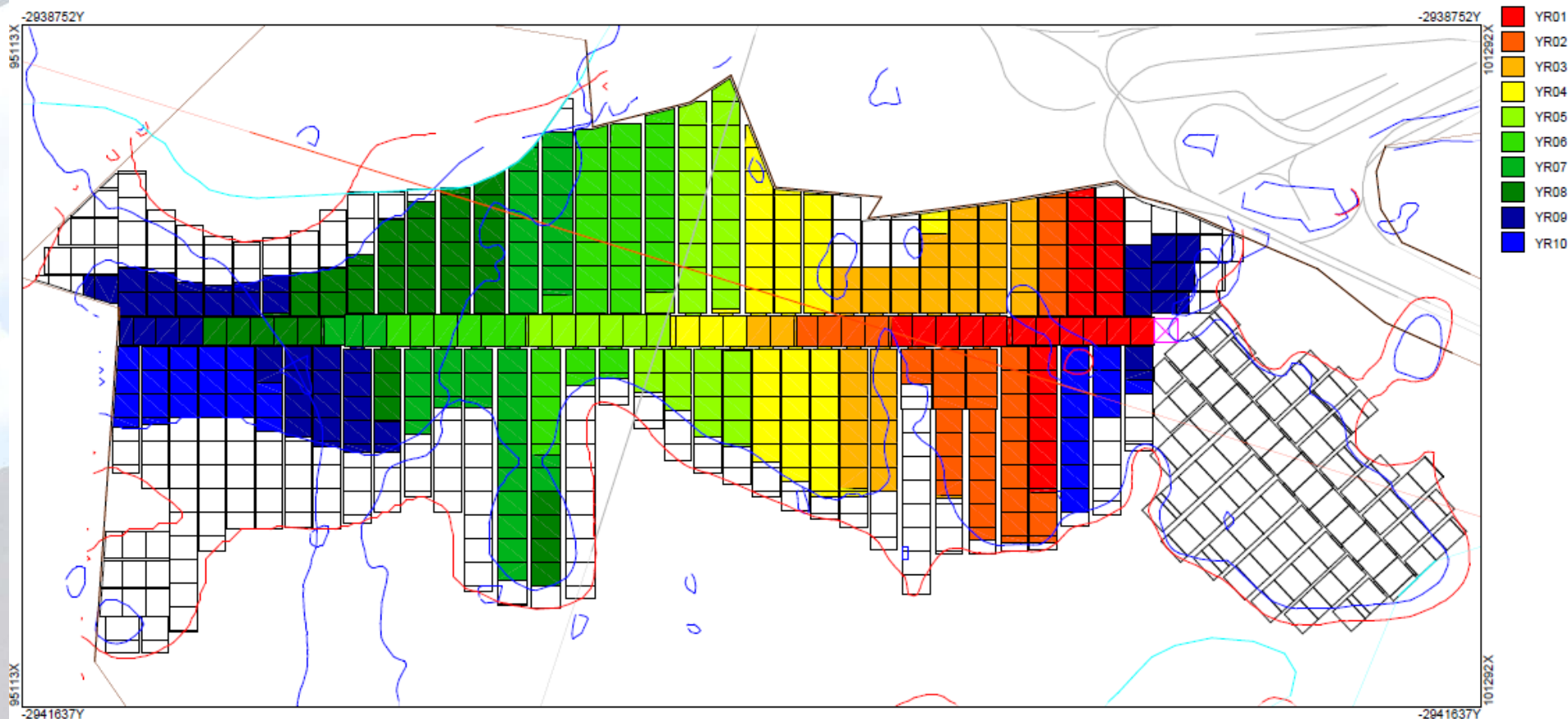
- Acquired by Continental in November 2010
- Located 3km from Ferreira mine and Delta Processing Operations
- Conventional underground thermal coal bord and pillar mining operation
- Feasibility study considered very conservative with opportunity to extend mine life to +20 years
- Capital development costs of ZAR284m (~A\$40m) to be funded from cash, operating cash flow and debt facility
- Tender process for the awarding of the ZAR284 million, 12 month mine development contract to full production well advanced
- Civil contract to be awarded in January 2011, with portal development to commence in Q1 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



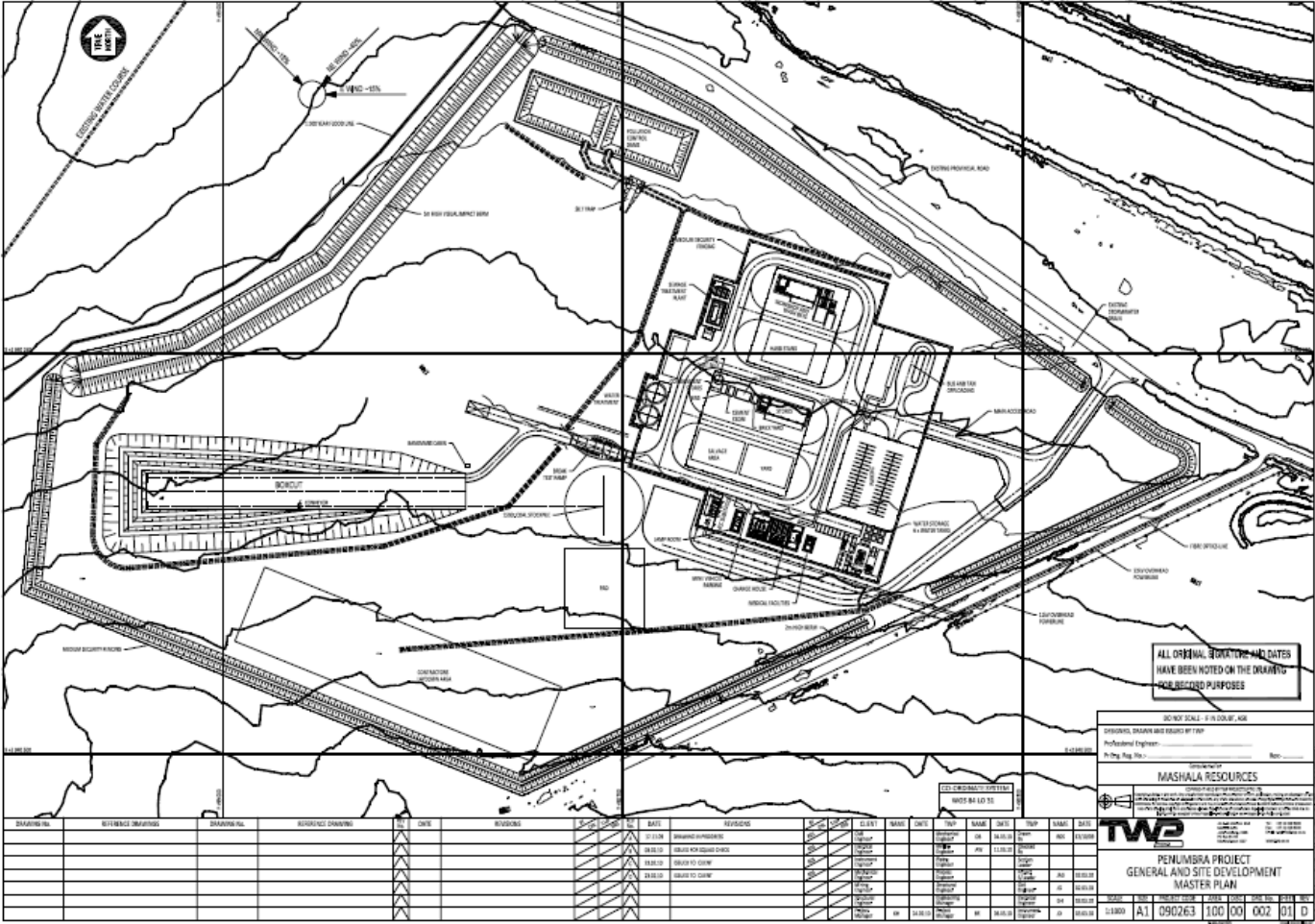


Penumbra Project

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



Penumbra Surface Infrastructure



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



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

- Three prospecting licenses
- Projects located close to road, rail and power infrastructure and adjacent to advanced exploration projects and close to Botswana's only producing coal mine
- Exploration program revised in November 2010 with an increased 90 drill holes to be completed on the Serowe and Kweneng projects
- Board approved ZAR20m exploration budget for the next 18 months
- Site visit completed in January 2010 by Company's management and geological consultants
- Initial meetings with all key stakeholders and government departments
- Receipt of historical exploration data and review ongoing
- Substantial interest in Botswana coal as evidenced by acquisition of CIC Energy's and support for major infrastructure investment
- New rail and port infrastructure gaining momentum
- Continental to join infrastructure consortium to secure long term access



2nd Quarter Results



Continental Coal Ltd

Operations

- First export coal sales with 97,546t railed to Richards Bay Coal Terminal
- ROM production of 289,889t from Ferreira and Vlakvarkfontein mines
- Major operating initiatives with new mining contractor and new pit development at Ferreira and completion of the acquisition of Portion 3 and 13 of Vlakvarkfontein farm
- Board approves Penumbra development and Bankable Feasibility Study on De Wittekrans
- Exploration budget for Botswana approved with drilling increased to 90 holes

Corporate

- Acquisition of initial 64.1% interest in Mashala Resources
- A\$61m equity and debt capital raising with UK and Hong Kong based institutions and drawdown of EDF Trading Coal Prepayment Facility
- Export coal off-take agreement entered into with EDF Trading on Mashala assets
- Joint Development Agreement with KORES, South Korea's State-owned minerals exploration and mining company



3rd Quarter Outlook



Continental Coal Ltd

Operations

- Ferreira targeted ROM production of 175,000t with export sales of 140,000t at total FOB costs of US\$70-80/t
- Vlakvarkfontein targeted ROM production of 300,000t at total FOT costs of ZAR125/t
- Mobilisation of contractor and commencement of the Penumbra mine development
- Advance of Botswana projects

Corporate

- Update in respect of Richards Bay Coal Terminal allocation
- Submission of tender to participate in coal exploration and development of Kenya's Mui Coal Basin



Summary



Continental Coal Ltd

A Unique Position in South Africa's Coal Sector

- High quality portfolio of advanced development/pre-production mines
- Immediate exposure to fast growing thermal coal production profile
- Production ramping up towards a 7Mtpa rate of run of mine coal by end of 2012
- EDF Trading off-take and funding arrangements
- KORES joint development agreement
- 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 commencement of coal production, coal sales and generation of positive operating cash flow

