

19 July 2011

Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

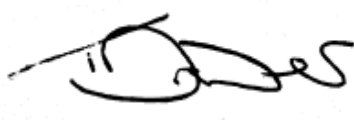
Via E-Lodgement

SHARE CONSOLIDATION AND NOTICE OF MEETING

Following shareholder approval at the Company's General Meeting on 29th June 2011 for the 1 for 10 share consolidation Continental Coal Limited advises that the Board has elected not to proceed with the indicative timetable as set out in the notice of meeting dated 30 May 2011. However the company will proceed with the share consolidation pending finalisation of a number of key transactions expected in August 2011 and will give 7 day's notice of the new timetable.

Please find attached Notice of Meeting for adoption of a new company constitution updated to reflect the current provisions of the Corporations Act and ASX Listing Rules and ratification of equity issues as announced on 8 July 2011.

For and on behalf of the Board



Jason Brewer
Executive Director

For further information please contact:

Investors / shareholders

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About Continental Coal Limited

Continental Coal Limited (ASX:CCC : US-OTCQX:CGFAY) is a South African thermal coal producer with a portfolio of producing and advanced coal projects located in South Africa's major coal fields. Continental currently has two operating mines, Vlakvarkfontein and Ferreira, producing 2Mtpa of thermal coal for the export and domestic markets. In 2011 Continental is set to commence development of the Penumbra Coal Mine and complete a Bankable Feasibility Study on the De Wittekrans Coal Project. The Company has concluded strategic off-take and funding agreements with EDF Trading for its export thermal coal production and recently signed a joint development agreement with KORES, Korea's state mining and exploration company.

Forward Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the coal mining industry, expectations regarding coal prices, production, cash costs and other operating results, growth prospects and the outlook of Continental's operations including the likely commencement of commercial operations of the Penumbra and De Wittekrans, its liquidity and the capital resources and expenditure, contain or comprise certain forward-looking statements regarding Company's development and exploration operations, economic performance and financial condition. Although Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in coal prices and exchange rates and business and operational risk management. For a discussion of such factors, refer to the Company's most recent annual report and half year report. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

CONTINENTAL COAL LIMITED

ABN 13 009 125 651

NOTICE OF GENERAL MEETING

TIME: 2.00 pm (WST)

DATE: 18 August 2011

PLACE: The University Club of Western Australia
First Floor
Formal Dining Room
Hackett Drive, Crawley WA 6009

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9488 5220.

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Notice of General Meeting (setting out the proposed resolutions)

Explanatory Statement (explaining the proposed resolutions)

Glossary

Proxy Form

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The general meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.00 pm (WST) on 18 August 2011 at:

The University Club of Western Australia

First Floor

Formal Dining Room

Hackett Drive, Crawley WA 6009

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and either:

- (a) send the proxy form by post to Continental Coal Limited, Ground Floor, 1 Havelock Street, West Perth, Western Australia 6005; or
- (b) send the proxy form by facsimile to the Company on facsimile number (08) 9324 2400;

so that it is received no later than 2.00 pm (WST) on 16 August 2011.

NOTICE OF GENERAL MEETING

Notice is given that the general meeting of Shareholders of Continental Coal Limited will be held at 2.00 pm (WST) on 18 August 2011 at The University Club of Western Australia, First Floor, Formal Dining Room, Hackett Drive, Crawley WA 6009.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 2.00pm (WST) on Tuesday, 16 August 2011.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – ISSUE OF SECURITIES PURSUANT TO PLACEMENT AGREEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue Shares raising a total of up to \$10,000,000 and free attaching Options, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SECURITIES – SOCIUS CG II. LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of:

(a) 234,962,406 Shares (on a Pre-Consolidation basis); and

(b) 117,481,203 free attaching Options (on a Pre-Consolidation basis),

on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ADOPTION OF NEW CONSTITUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, the Company adopts a new constitution in the form as signed by the Chairman of the Meeting for identification purposes, in lieu of the existing constitution of the Company."

DATED: 19 JULY 2011

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'J Flegg', with a long horizontal flourish extending to the right.

JANE FLEGG
COMPANY SECRETARY
CONTINENTAL COAL LIMITED

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 2.00 pm (WST) on 18 August 2011 at The University Club of Western Australia, First Floor, Formal Dining Room, Hackett Drive, Crawley WA 6009.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 – ISSUE OF SECURITIES PURSUANT TO PLACEMENT AGREEMENT

1.1 General

On 1 July 2011 the Company entered into an agreement (**Placement Agreement**) with Socius CG II. Ltd (**Socius**), pursuant to which Socius agreed to subscribe for up to \$20,000,000 of Shares (**Placement**). For every 2 Shares issued under the Placement Agreement Socius will receive one (1) Option.

The full terms and conditions of the Placement Agreement were announced on ASX on 4 July 2011.

As announced to ASX on 1 July 2011, the Company has issued the Shares (and free attaching Options) pursuant to the initial investment under the Placement Agreement, being for the amount of \$10,000,000 (**Tranche 1**).

Resolution 1 seeks Shareholder approval for the allotment and issue of Shares to raise a further \$10,000,000, and approval for the allotment and issue of free attaching Options on the basis of one Option for every two (2) Shares issued (**Tranche 2**).

Socius is not a related party of the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the Shares pursuant to the Placement Agreement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

1.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$10,000,000;
- (b) the issue price per Share will be 112% of the closing bid price for the Shares as quoted on ASX on the Tranche 2 Placement date;
- (c) the Options will be issued for nil consideration;

- (d) the maximum number of Options to be issued is up to half the number of Shares issued pursuant to paragraph (a) above, being on the basis of one (1) free attaching Option for every two (2) Shares issued;
- (e) it is intended the Shares will be issued on or about 19 August 2011, and in any event will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules). It is intended that allotment will occur on the same date;
- (f) the Shares and the Options will be allotted and issued to Socius CG II. Ltd;
- (g) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (h) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (i) the Company intends to use the funds raised from the Placement towards acquiring the minority interests in Mashala Resources Pty Ltd.

1.3 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SECURITIES – SOCIUS CG II. LTD

2.1 General

As set out in Section 1 above, the Company has entered into the Placement Agreement. The Company has issued the Shares (and free attaching Options) pursuant to the initial investment under the Placement Agreement, being for the amount of \$10,000,000 (**Tranche 1**). Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Securities (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 234,962,406 Shares and 117,481,203 free attaching Options were allotted on 1 July 2011 (on a Pre-Consolidation basis);
- (b) pursuant to the terms of the Placement Agreement, the issue price of the Shares was \$0.04256 per Share;
- (c) the Options were issued for nil consideration;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were allotted and issued to Socius CG II. Ltd (which is not a related party of the Company);
- (f) the Options were issued on the terms and conditions set out in Schedule 1; and
- (g) the Company intends to use the funds raised from Tranche 1 of the Placement towards increasing its shareholding in Mashala Resources (Pty) Ltd (as announced to ASX on 1 July 2011).

2.3 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2.

2.4 Consolidation of Capital

As announced to ASX on 29 June 2011, the Company obtained Shareholder approval on 29 June 2011 to consolidate the Company's capital on a one (1) for ten (10) basis (**Consolidation**).

The number of Options on issue will also be consolidated in the same ratio as the Shares, and the exercise price of each Option amended in inverse proportion to that ratio (in accordance with the requirements of the ASX Listing Rules).

Details of Securities set out in this Resolution 2 have been included on a **pre-Consolidation basis**.

Trading of the Company's securities on a deferred settlement basis is expected to occur in August 2011, and 7 days notice of the timetable will be given.

3. RESOLUTION 3 – ADOPTION OF NEW CONSTITUTION

3.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 3 is a special resolution which will enable the Company to adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted on 13 December 2004.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd and ASTC Settlement Rules); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the at the Company's website www.conticoal.com.au and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 9488 5220)). Shareholders are invited to contact the Company if they have any queries or concerns.

3.2 Summary of material proposed changes

Dividends (current clause 25 / new clause 21)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not a pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 35)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to Section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by Section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (e) proportional takeover bids may be discouraged;
- (f) lost opportunity to sell a portion of their Shares at a premium; and
- (g) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 3.

4. ENQUIRIES

Shareholders are requested to contact the Company Secretaries, Ms Jane Flegg or Mr Anthony Eastman, on (08) 9488 5220 if they have any queries in respect of the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Continental Coal Limited (ABN 13 009 125 651).

Consolidation means the consolidation of the Company's issued capital on a one (1) for ten (10) basis as approved by Shareholders on 29 June 2011.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement Agreement means the placement agreement between the Company and Socius CG II. Ltd dated 1 July 2011 (as announced to ASX on 4 July 2011).

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

Pursuant to the Placement Agreement, the terms and conditions of the Options are as follows:

- (a) The Option Exercise Price in respect of each Option is:
 - (i) for those Options to be issued pursuant to Resolution 1 (being those issued pursuant to Tranche 2 of the Placement), that price which is 115% of the issue price of the Shares issued pursuant to Tranche 2 of the Placement.
 - (ii) 4.4 cents for those Options referred to in Resolution 2 (being those issued pursuant to Tranche 1 of the Placement).

- (b) Each Option shall grant the holder of that Option the right but not the obligation to be issued by the Company a Share.

Each Option shall be exercisable by the holder at any time after the time of its grant and prior to the date s after the date of its grant (the "Option Expiration Date"), after which time it will lapse.

- (c) Exercise of Options. The holder of an Option may exercise an Option at any time prior to its expiration, by
 - (i) delivery (whether by facsimile or otherwise) of a duly executed Option Exercise Notice in relation to the Option (the "Exercise Form") to the Company during normal business hours on any Trading Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder);
 - (ii) payment of the Option Exercise Price by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Trading Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).

As soon as reasonably practicable, but in any event no later than one Business Day after receipt of a duly completed Exercise Form and the payment referred to in the foregoing sentence, the Company shall comply with its obligations in relation to the number of Option Shares to which Socius is entitled following exercise of the Option.

- (d) Bonus Issues. If, prior to an exercise of an Option, the Company makes a bonus issue of Shares (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable shall be increased by the number of Shares which the holder of the Options would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.
- (e) Rights Issues. If, prior to an exercise of an Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or

other securities of the Company on a pro rata basis relative to those holders' Share holding at the time of the offer, the Option Exercise Price shall be reduced as specified in the Listing Rules applying to options in relation to pro-rata issues (except bonus issues).

- (f) Reconstruction of Capital. In the event of a consolidation, subdivision or similar reconstruction or reorganization of the issued capital of the Company, then the rights of the Option holder in respect of an Option will be changed to the extent necessary to comply with the Listing Rules applying to a reorganization of capital at the time of the reorganization.
- (g) Cumulative Adjustments. Full effect shall be given to the provisions of Sections 2.7(d) to (f), as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.
- (h) Notice of Adjustments. Whenever the number of Shares over which an Option is exercisable, or the Option Exercise Price is adjusted pursuant to this Agreement, the Company shall give notice of the adjustment to all the Option holders, within one Trading Day thereof.
- (i) Rights prior to Exercise. Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.
- (j) Redemption. The Options shall not be redeemable by the Company.

PROXY FORM

APPOINTMENT OF PROXY
CONTINENTAL COAL LIMITED
ABN 13 009 125 651

GENERAL MEETING

I/We

of

being a member of Continental Coal Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 2.00pm (WST), on 18 August 2011 at The University Club of Western Australia, First Floor, Formal Dining Room, Hackett Drive, Crawley WA 6009, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

OR

Voting on Business of the General Meeting

Resolution 1 – Issue Of Shares Pursuant to Placement Agreement
Resolution 2 – Ratification of Prior Issue – Socius CG II. Ltd
Resolution 3 – Adoption of New Constitution

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signature of Member(s):

Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

CONTINENTAL COAL LIMITED
ABN 13 009 125 651

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Continental Coal Limited, Ground Floor, 1 Havelock Street, West Perth, Western Australia 6005; or
 - (b) facsimile to the Company on facsimile number +61 8 9324 2400,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.