

31 August 2012

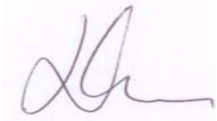
The Manager
Company Announcements
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By e-lodgement

COMPANY PRESENTATION

Please find attached an updated Company Presentation titled "**A Major Step Forward in Export Coal Sales and Earnings Growth**" being presented by the Company's Executive Director, Jason Brewer, at the Africa Down Under Conference today.

For and on behalf of the Board,



Don Turvey
Chief Executive Officer

South Africa	Australia
T +27 11 881 1420 F +27 11 881 1423 W www.conticoal.com	T +61 8 9488 5220 F +61 8 9324 2400 W www.conticoal.com
9th Floor Fredman Towers, 13 Fredman Drive, Sandton 2196	Ground Floor, 1 Havelock Street, West Perth, WA 6005
PO Box 787646, Sandton 2146	PO Box 684, West Perth WA 6872

Independent Non-Executive Chairman Mike Kilbride Chief Executive Officer Don Turvey Chief Financial Officer Maritz Smith Executive Director Jason Brewer
Non-Executive Directors: Johan Bloemsa Peter Landau James Leahy Andy Macaulay Connie Molusi

For further information please contact:

Investors/ shareholders

Jason Brewer
Executive Director
T: +61 8 9488 5220

Don Turvey
Chief Executive Officer
T: +27 11 881 1420

E: admin@conticoal.com
W: www.conticoal.com

Media (Australia)

David Tasker
Professional Public Relations
T: +61 8 9388 0944

Media (UK)

Mike Bartlett/ Jessica Fontaine/ Jos Simson
Tavistock Communications
T: +44 20 7920 3150

Nominated Advisor

Stuart Laing
RFC Ambrian Limited
T: +61 8 9480 2500

Joint Brokers

Mark Wellesley-Wood / Chris Sim
Investec Bank plc
T: +44 20 7597 4000

Joint Brokers

Andrew Young
GMP Securities Europe LLP
T: +44 20 7647 2800

About Continental Coal Limited

Continental Coal Limited (ASX:CCC/AIM:COOL/US-OTCQX:CGFAY) is a South African thermal coal producer with a portfolio of projects located in South Africa's major coal fields including two operating mines, the Vlakvarkfontein and Ferreira Coal Mines, producing 2Mtpa of thermal coal for the export and domestic markets. A third mine, the Penumbra Coal Mine, commenced development in September 2011 and a Bankable Feasibility Study was also completed on a proposed fourth mine, the De Wittekrans Coal Project. Run of mine production rate of 7Mtpa is targeted in 2013. The Company has concluded strategic off-take and funding agreements with EDF Trading for its export thermal coal production, signed a joint development agreement with KORES, Korea Resources Corporation and secured debt funding from ABSA Capital to fund its growth.

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 the 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 Ltd

PO Box 125, Sydney, NSW 1585, Australia

Penumbra Coal Mine



August 2012

A Major Step Forward in Export Coal Sales and Earnings Growth

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Competent Person Statement. The information in this report that relates to Coal Resources on Vlakvarkfontein and Vlakplaats is based on resource estimates completed by Dr. Philip John Hancox. Dr. Hancox is a member in good standing of the South African Council for Natural Scientific Professions (SACNASP No. 400224/04) as well as a Member and Fellow of the Geological Society of South Africa. He is also a member of the Fossil Fuel Foundation, the Geostatistical Association of South Africa, the Society of Economic Geologists, and a Core Member of the Prospectors and Developer Association of Canada. Dr. Hancox has more than 12 years' experience in the South African Coal and Minerals industries, holds a Ph.D from the University of the Witwatersrand (South Africa), and has authored a number of published and unpublished academic articles on the Karoo Basin and its contained coal, as well as over 50 peer reviewed scientific papers on various aspects of sedimentary geology and palaeontology. Dr. Hancox has 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. Within the constraints mentioned above, all work undertaken by Dr. Hancox and related to the resource estimate was carried out following industry best practice standards using the South African Code for Reporting of Mineral Resources and Mineral Reserves (the SAMREC Code, 2007) in conjunction with the South African guide to the systematic evaluation of coal resources and coal reserves (SANS 10320:2004) as a basis. As such the resource statements contained in this report may be considered compliant with the JORC Code. Dr. Hancox consents to the inclusion in the ASX release of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Coal Resources and Reserves on Penumbra, Ferreira, De Wittekrans, Knapdaar, Kweneng, Project X, Vaalbank, Leiden and Wesselon II is based on coal resource estimates completed by Mr. Nico Denner, a full time employee of Gemecs (Pty) Ltd. Mr. Denner is a member in good standing of the South African Council for Natural Scientific Professions (SACNASP No. 400060/98) as well as a Member and Fellow of the Geological Society of South Africa. He has more than 15 years' experience in the South African Coal and Minerals industries. Mr. Denner has 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. Within the constraints mentioned above, all work undertaken by Mr. Denner and related to the resource estimate was carried out following industry best practice standards using the South African Code for Reporting of Mineral Resources and Mineral Reserves (the SAMREC Code, 2007) in conjunction with the South African guide to the systematic evaluation of coal resources and coal reserves (SANS 10320:2004) as a basis. As such the resource statements contained in this report may be considered compliant with the JORC Code. Mr. Denner consents to the inclusion in the ASX release of the matters based on his information in the form and context in which it appears.

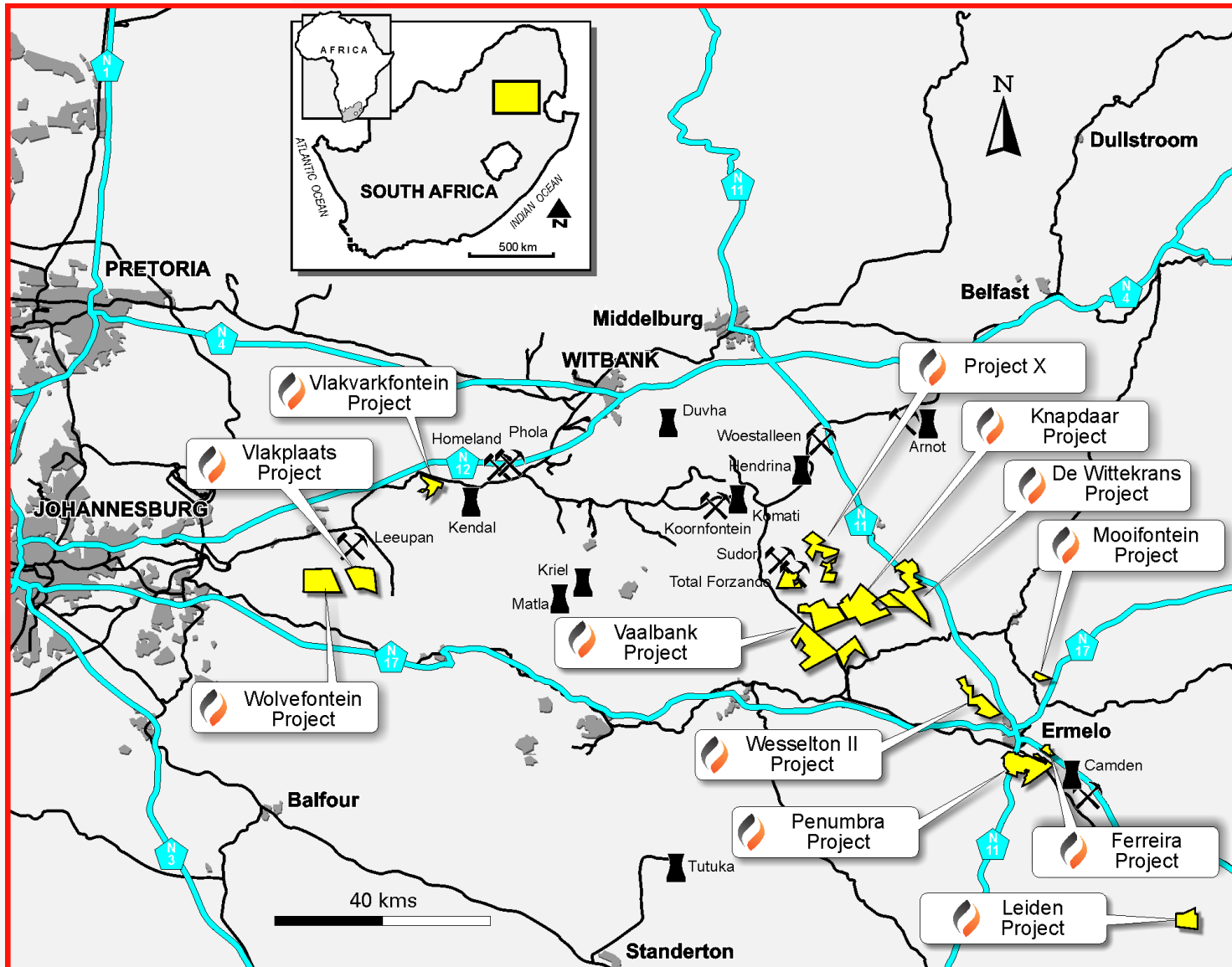
The Coal Reserve estimate for Vlakvarkfontein was prepared by Mr. JJ Lotheringen Pr Eng (Ukwazi). Mr. Lotheringen is a member in good standing of the Southern African Institute of Mining and Metallurgy (SAIMM), is a registered Professional Mining Engineer with the Engineering Council of South Africa (ECSA) and has a Mine Managers Certificate of competency for coal mines. He has more than thirteen (13) years' experience in the South African Coal and Minerals industries. Mr. Lotheringen has 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. Within the constraints mentioned above, all work undertaken by Mr. Lotheringen and related to the resource estimate was carried out following industry best practice standards using the South African Code for Reporting of Mineral Resources and Mineral Reserves (the SAMREC Code, 2007) in conjunction with the South African guide to the systematic evaluation of coal resources and coal reserves (SANS 10320:2004) as a basis. As such the resource statements contained in this report may be considered compliant with the JORC Code. Mr. Lotheringen consents to the inclusion in the ASX release of the matters based on his information in the form and context in which it appears.

Introduction

- Listed on the ASX and AIM markets
- Experienced management team and Board with international experience
- Established South African focused thermal coal mining, development and exploration company
- Current production from two open cast mines
- Sales to international and domestic markets
- Projects with 64Mt of reserves and 2.8Bt of resources
- Third thermal coal mine to commence production in Q4 2012
- Fourth thermal coal mine feasibility study completed and optimisation work underway
- Key strategic investment and joint venture transactions completed



Coal Project Locations

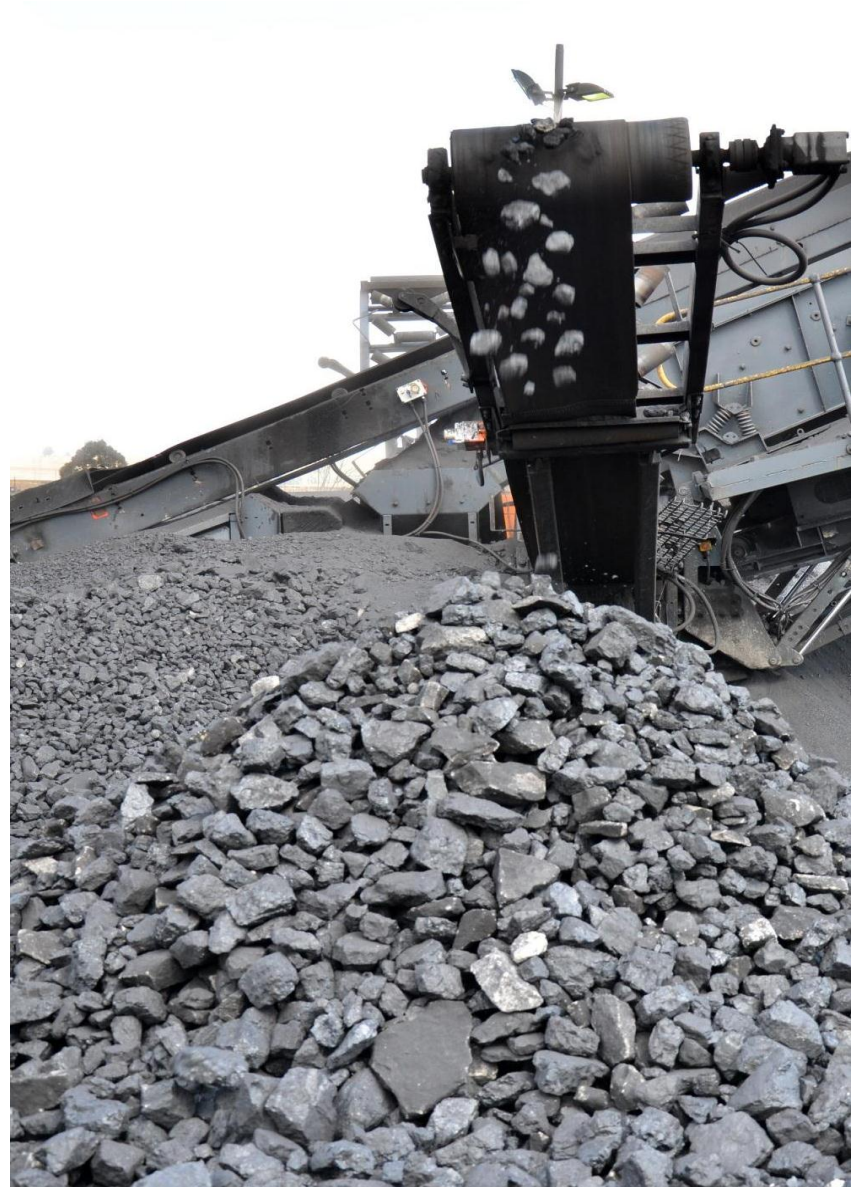


Project Reserves and Resources

Project	Gross Saleable Reserves (Mt)			Gross In Situ Resources Tonnes (Mt)			
	Proven	Probable	Total	Measured	Indicated	Inferred	Total
Vlakovarkfontein (Production)	14.1	-	14.1	17.4	-	-	17.4
Ferreira (Production)	0.8	-	0.8	1.3	-	-	1.3
Penumbra (Development)	1.7	3.7	5.4	13	30.3	25	68.3
De Wittekrans Complex (Development)	16.2	27.6	43.8	48.4	73.2	129.5	251.1
Vlakplaats (Exploration)	-	-	-	-	-	187.5	187.5
Wolvenfontein (Exploration)	-	-	-	-	-	36.7	36.7
Ermelo Projects (Exploration)	-	-	-	9.0	7.0	24.0	40.0
Botswana (Exploration)	-	-	-	-	-	2,159.0	2,159.0
TOTAL	32.8	31.3	64.1	89.1	110.5	2,561.7	2,761.3

Delivery Over Past 12 Months

- Record ROM coal production
- Record sales and exports of thermal coal
- FY 2012 highlights:
 - ROM coal production increased by 52%
 - Domestic coal sales increased by 103%
 - Export coal sales increased by 76%
 - Revenue increased by 61%
- Executive management team and board strengthened
- Partnership with one of South Africa's most successful Broad Based Black Economic Empowerment Group
- Third mine development commenced
- Feasibility study completed on fourth mine
- Maiden JORC resources on Botswana projects



Operations - Vlakvarkfontein Mine



Operations - Vlakvarkfontein Mine

- Conventional open cast contract mining operation
- From acquisition to production within 12 months
- Cashflow positive within first year of production
- 17 Mt of resource sufficient for +10 year mine life
- Mining of two seams, each approx. 5m thick
- ROM production of 100,000tonnes/month
- FY 2012 highlights:
 - Consecutive quarters of increased production
 - Record sales of 1.24Mt of thermal coal
- 100% of coal sales to local power stations and industries
- One of only 25 direct suppliers to Eskom with a 3 year coal supply agreement



Operations - Ferreira Mine

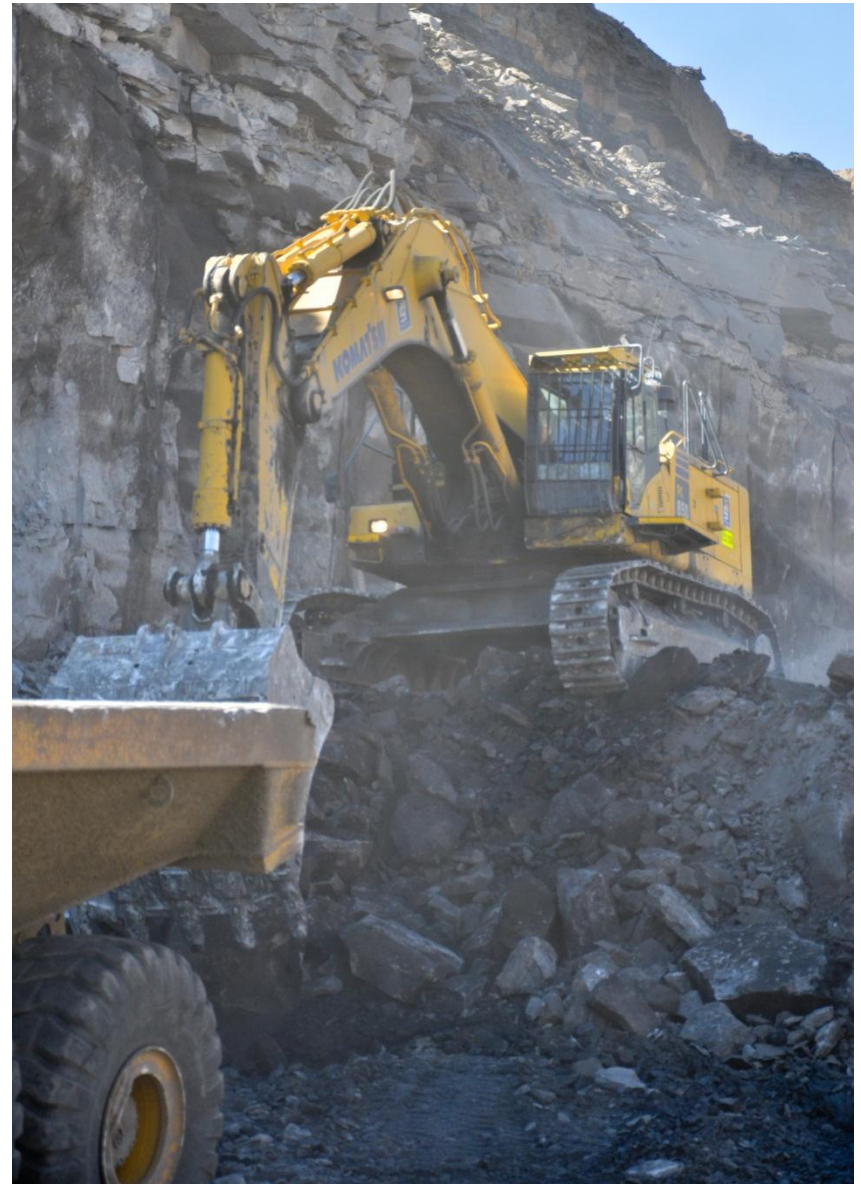


Operations - Delta Processing Operations



Operations - Ferreira and Delta Processing

- Conventional opencast contract mining operation
- Mining initially commenced August 2008
- Mine extensions secured to extend mine life
- Located 2km from the 1.8Mtpa Delta Processing Coal Wash Plant
- Adjacent to 1.2Mtpa Anthra Rail Siding on the coal-line to the Richards Bay Coal Terminal
- Port and rail allocation secured for export coal sales
- FY 2012 highlights:
 - 0.69Mt of export thermal coal sales
 - 83% increase on FY2011 thermal coal sales
- Exports sales to international markets under off-take agreement with EDF Trading and other parties



New Development – Penumbra Mine



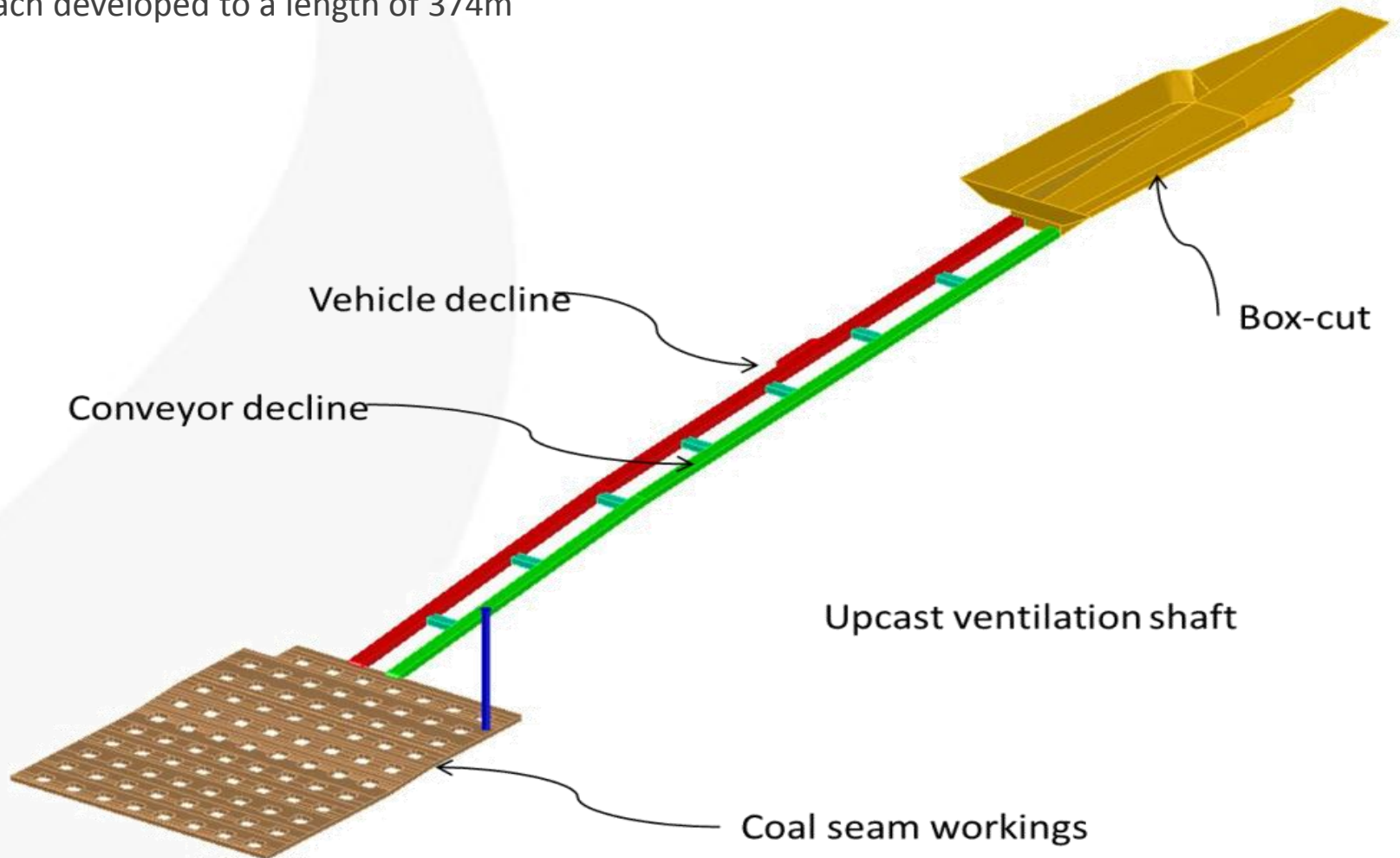
New Development - Penumbra Mine

- Located 3km from the Ferreira and Delta Processing Operations
- Conventional underground thermal coal bord and pillar mining operation accessed by twin declines
- Mining single C-lower seam at depth of 50m - 115m
- Two fully mechanised production sections each with a continuous miner
- Capital development costs of approx US\$40m
- Fully funded into coal production
- Civil contractors mobilised to site September 2011
- Decline development commenced February 2012
- First coal production in 4Q 2012
- Targeted export thermal coal sales of 500,000t



Project Schematic

- Box-cut excavated to a depth of 18m
- Declines each developed to a length of 374m



Commencement of Civil Works and Box Cut



Development of the Box-Cut



Development of the Box-Cut



Development of the Box-Cut



Development of the Box-Cut



Development of the Twin Declines



Development of the Twin Declines



Development of the Twin Declines



Development of the Twin Declines



Development of the Twin Declines



Development Status


PENUMBRA COAL MINE

DECLINE DEVELOPMENT CONTRACTOR: Murray & Roberts Cementation

As at: 10 August 2012

Access to Box Cut: 16 January 2012

Decline Development Start: 06 February 2012

 Actual decline development completed

 Outstanding decline development

CONVEYOR DECLINE

Actual Length: 236.1m

Percentage Process:

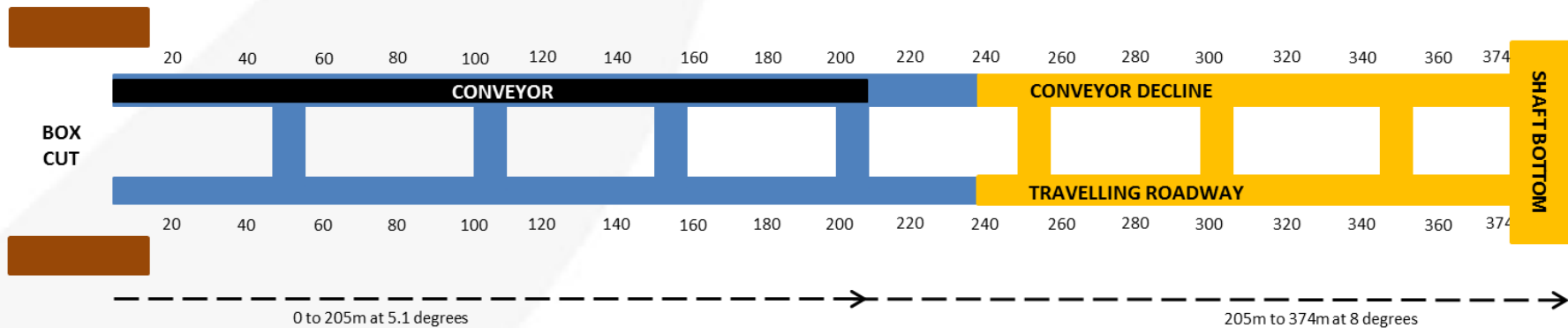
At 5.1 degrees	205.0m	(205.0m)	100%
At 8 degrees	31.1m	(169.0m)	18.4%

TRAVELLING ROADWAY

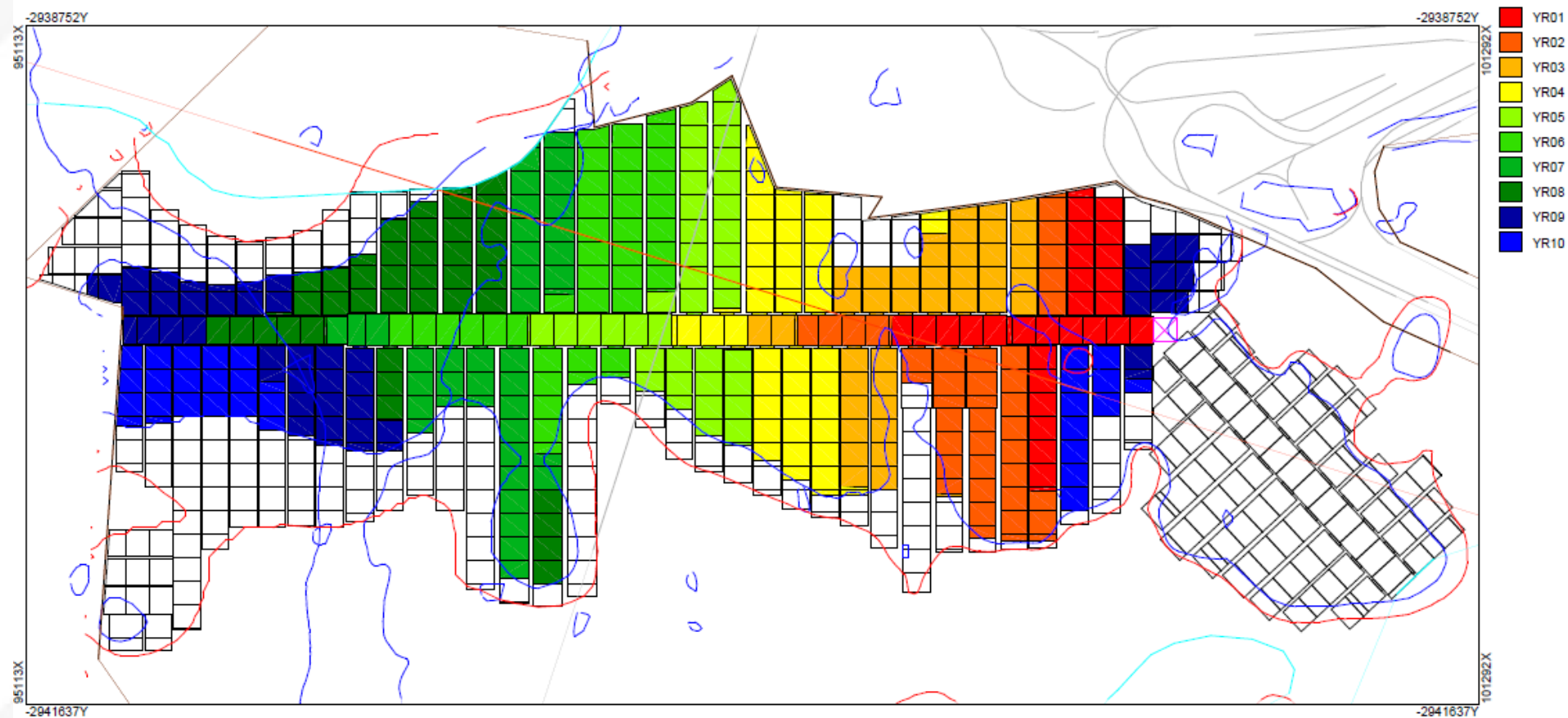
Actual Length: 237.5m

Percentage Process:

At 5.1 degrees	205.0m	(205.0m)	100%
At 8 degrees	32.5m	(169.0m)	19.2%

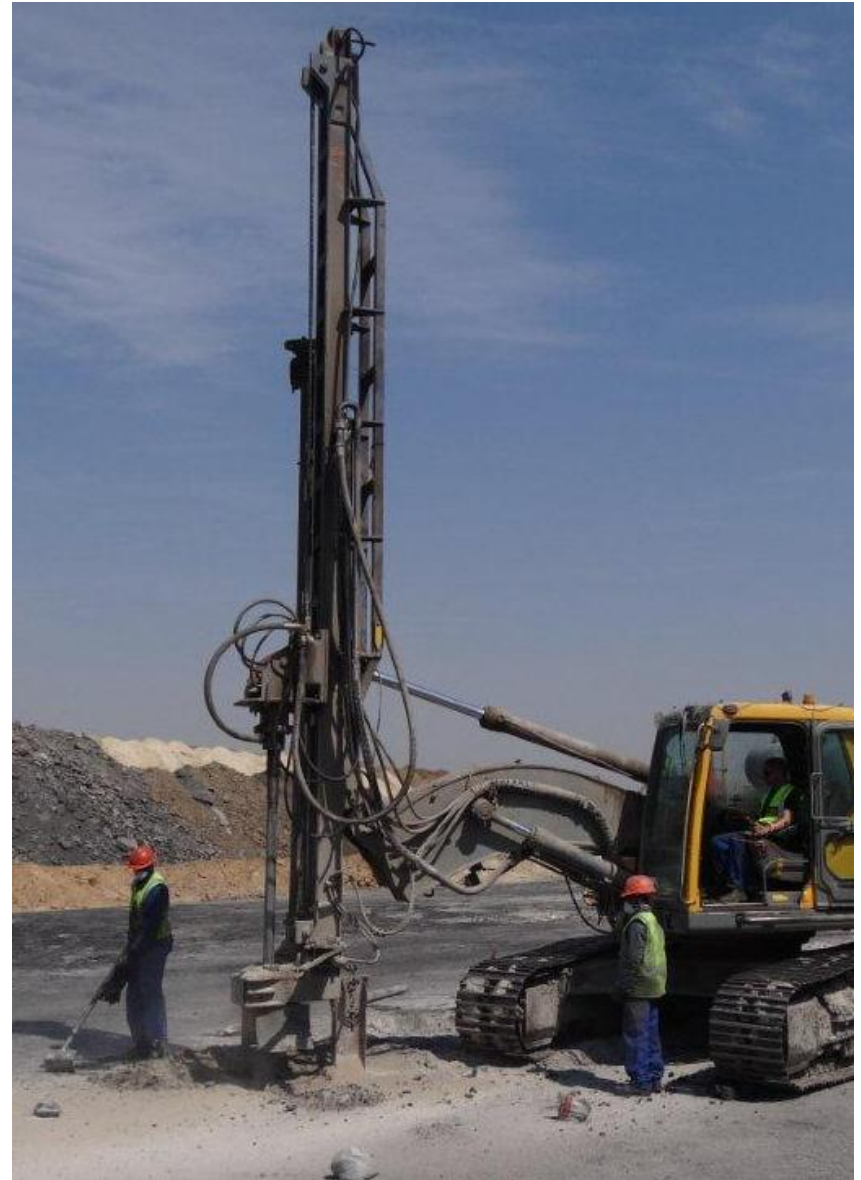


Mine Plan



Penumbra Mine - FY 2013 Budget

- ROM coal production
 - Q2 – 35,800 tonnes
 - Q3 – 105,400 tonnes
 - Q4 – 195,000 tonnes
- Average primary yield 67%
- Average total FOR cost ZAR324/tonne
- Average total FOB cost ZAR471/tonne
- Total export coal sales 225,000 tonnes
- Forecast EBITDA ZAR53m



Penumbra Mine - Project Economics

- Annual ROM coal production 750,000 tonnes
- Forecast primary yields 67%
- Annual export coal sales 500,000 tonnes
- Average total mining cost ZAR267/tonne
- Average total FOB cost ZAR490/tonne
- Current export coal price ZAR770/tonne

- Net earnings ZAR290/tonne (A\$34/t)
- Annual sales revenue ZAR385m (A\$45m)
- Annual EBITDA ZAR145m (A\$17m)



Importance of the Penumbra Mine

- The Company's third operating mine in 3 years
- Near term production of high quality export coal
- Fully funded into first coal production
- Ramped up to full production in FY 2013
- Demonstrates managements ability to develop new greenfield underground mines
- A low cost and long mine life operation
- In the short term forecast to almost double Company's production of high quality export thermal coal
- Forecast to double the Company's earnings in the medium term



Outlook for FY 2013

Vlakovarkfontein Coal Mine

- 1.2Mt of domestic sales

Ferreira Coal Mine

- 600,000t of high quality exports
- Extension to mine life

Penumbra Coal Project

- First coal production
- Ramp up to full production

De Wittekrans Coal Project

- Finalisation of optimised Feasibility Study and decision to proceed with development

Other

- Completion of Vaalbank MOU with Total Coal
- Completion of Vlakplaats pre-feasibility study

