

30 September 2014

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

Via E Lodgement

FULLY UNDERWRITTEN NON RENOUNCEABLE ENTITLEMENT ISSUE SHORTFALL

Continental Coal Limited (ASX:CCC; AIM:COOL) ("**Continental**" or "**the Company**") refers to the previously announced fully underwritten non renounceable entitlement issue to raise \$35,176,172 (before associated costs) by way of the issue of up to 7,035,234,408 new shares ("**Entitlement Issue**"). Shareholders will be entitled to acquire 9 new shares ("**New Shares**") for every 1 existing CCC share held at the record date (being 4 September), at an offer price of A\$0.005 per new share.

The Company advises that valid acceptances have been received from shareholders to subscribe for New Shares to the value of \$3,206,562 (641,312,422 New Shares) representing a take-up of approximately 10%.

The resultant shortfall of shares to the value of \$31,969,610 (6,393,921,986 New Shares) will be placed by the Underwriter to the entitlement issue, in accordance with the provisions of the Prospectus dated 28 August 2014.

Allotment of the new shares is scheduled to be completed on or about Monday 6 October 2014.

Yours faithfully



Peter Landau
Executive Director

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| PO Box 787646, Sandton 2146 | PO Box 684, West Perth, WA 6872 |

Interim Executive Chairman: Dr Paul D'Sylva **Interim Executive Director:** Mr Peter Landau
Non-Executive Directors: Mr Connie Molusi and Dr Lars Schernikau

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About Continental Coal Limited

Continental Coal Limited (ASX:CCC/AIM: COOL) 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 Penumbra Coal Mines, producing approx. 2Mtpa of thermal coal for the export and domestic markets. A Feasibility Study was also completed on a proposed third mine, the De Wittekrans Coal Project with a mining right granted in September 2013.

Forward Looking Statement

This communication includes certain statements that may be deemed "forward-looking statements" and information. All statements in this communication, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects to take place in the future are forward-looking statements and information. Although the Company believes the expectations expressed in such forward-looking statements and information are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements and information. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, drilling and development results, production rates and operating costs, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those stated.

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