

6 July 2015

Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Attention: Mauro Piccini
Company Advisor

Via E-lodgement

Update on Voluntary Suspension

Continental Coal Limited (ASX:CCC) ("**CCC**" or the "**Company**")

In respect of the Company's recent suspension from trading, Continental Coal Limited provides the following key updates in respect of its current status:-

- the Company has been advised by the Business Rescue Practitioners administering Continental Coal South Africa, that they have conditionally sold two of the Company's projects Vlakvarkfontein and Penumbra. One key condition includes Regulatory Section 11 approval for the transfer of the interest;
- the Company is still waiting to be provided with a statement from the Business Rescue Practitioners as to how the sale impacts upon the current senior secured debt position of the two main creditors in South Africa in terms of reduction of amount owing, on going commitments and security position remaining;
- Continental has received legal advice that the conditional sale by the Business Rescue Practitioners is potentially voidable and will consider legal action given its position with regards to other sale / refinancing alternatives including receipt of a USD\$55m bank guarantee as security to refinance its current 74% interest in Continental Coal South Africa;
- the Company will continue to update the market in respect of the matters referred to above; and
- the Company will remain in suspension until the matters referred to above are completed

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

Executive Chairman: Dr Paul D'Sylva **Executive Director:** Mr Peter Landau
Non-Executive Directors: Dr Lars Schernikau and Mr Bruce Buthelezi

For and on behalf of the Board



Peter Landau
Executive Director

For further information please contact:

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About Continental Coal Limited

Continental Coal Limited (ASX:CCC) 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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