

17 October 2013

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

By e-lodgement

CONTINENTAL COAL TO PRESENT AT MRQ INVESTOR EVENING, LONDON

Continental Coal Limited (ASX: CCC) ("Continental" or "the Company") the South African thermal coal production, development and exploration company, is pleased to announce that a copy of an updated corporate presentation, that Chief Executive Officer, Don Turvey is presenting at an MRQ Investor evening in London on 17 October 2013, is available for viewing on the Company's website at www.conticoal.com.

For and behalf of the Board



Don Turvey
Chief Executive Officer

For further information please contact:

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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 three operating mines, the Vlakvarkfontein, Ferreira and Penumbra Coal Mines, producing approx. 2.8Mtpa of thermal coal for the export and domestic markets. A Feasibility Study was also completed on a proposed fourth mine, 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 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 De Wittekrans project, 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

ABN 13 009 125 651 ASX Code CCC AIM Code COOL

Emerging mid-tier coal producer

October 2013



Disclaimer

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This Presentation contains summary information about Continental and its subsidiaries and their activities current as at the date of this Presentation. The information in this Presentation is of general background and does not purport to be complete. It should be read in conjunction with Continental's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au or www.conticoal.com. Representation or warranty is made as to the accuracy and completeness of this document and no liability accepted

Whilst all reasonable care has been taken to confirm the reliability of the information and opinions expressed herein, no representation or warranty is made as to the accuracy or completeness of this Presentation. Any assumptions, interpretations, estimates and forecasts contained herein involve subjective judgments that may be subject to significant uncertainties and contingencies and may not prove accurate. Accordingly, any estimates and forecasts may not be achieved, and any statements as to future matters may not prove correct and the differences may be material. In all cases, the recipient must conduct his / her own investigation and satisfy his / herself as to the completeness, accuracy or reliability of the information herein.

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An investment in Continental shares is subject to investment and other known and unknown risks, some of which are beyond the control of Continental. Continental does not guarantee any particular rate of return or the performance of Continental. Persons should have regard to the risks outlined in this Presentation.

Technical information, including Resource and Reserve data, contained in this presentation are extracted from the Competent Persons Report (CPR) published on 30 September 2013. This report can be accessed on the Company's website www.conticoal.com and contains detailed information on the mineral assets of the Company, including a risk analysis, that has not been included in this presentation. Details of the Competent Persons responsible for the Resource and Reserve estimation on each asset is also included in the CPR.

Continental Coal introduction

- 252 million attributable Total Tonnes in Situ (TTIS) Resource
- 37 million attributable tonnes marketable reserve
- 2.2 million annual ROM tonnes current production
- 3.6 million additional annual ROM tonnes from development project.
- Cash generative operations
- Extensive project pipeline
- Proven track record of mine development
- Supplying domestic(Eskom) and international markets
- Experienced management team
- Key relationships with leading coal traders and utilities



Directors and Officers

Mike Kilbride – Non-Executive Chairman

B.Sc. (Hons) Mining Engineering, Mine Managers Certificate of Competence, Mining Taxation Certificate

Mike has over 36 years of diversified mining experience in the international mining sector encompassing various commodities, mining and beneficiation methods.

Don Turvey – Chief Executive Officer

B.Sc. Mining Engineering, Masters in Business Leadership, Mine Managers Certificate of Competence

Don has over 29 years of experience in the coal industry which includes executive and senior management roles in production, project execution, business development, and minerals resource management mainly with BHP Billiton.

Johan Heystek – Chief Operating Officer

B.Sc. Mining Engineering, Masters in Business Leadership, Mine Managers Certificate of Competence

Johan has over 25 years of experience in the coal industry which includes senior management roles in production, project execution, business development, and minerals resource management mainly with BHP Billiton.

Lou van Vuuren – Chief Financial Officer

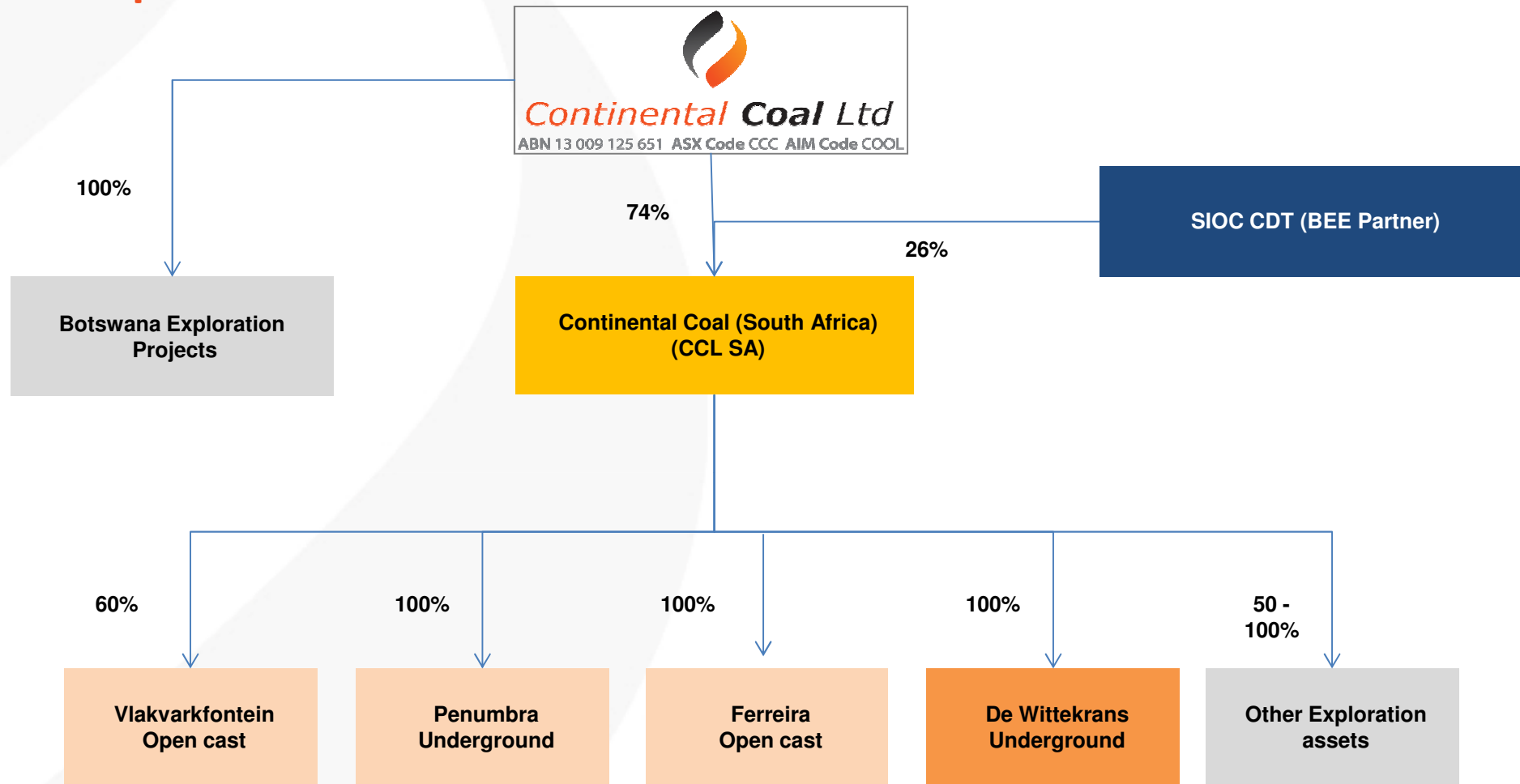
B.Com Accounting (Hons), Chartered Accountant (SA)

Lou has over 14 years of experience in the international financing and mining industries which includes senior management and executive positions in international financial services and listed mining companies. His career includes formulating and implementing funding strategies comprising various debt and equity structures, general corporate finance as well as business development and investor relations.

Other non-executive Directors

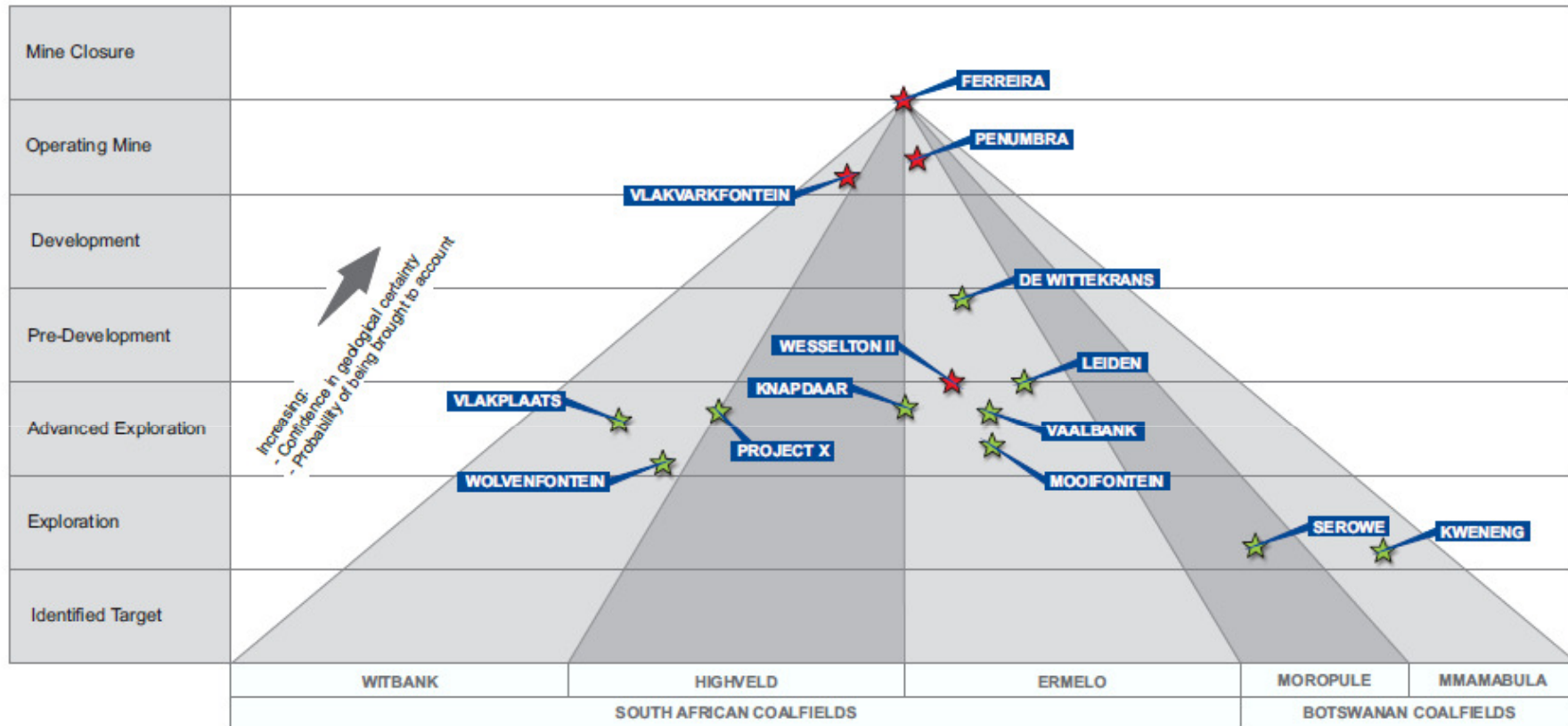
- | | |
|---------------------|---|
| • Bernard Swanepoel | <i>(B.Sc Mining Engineering, B.Comm (Hons))</i> |
| • Johan Bloemsma | <i>(B.Sc Mining Engineering, MBL,)</i> |
| • Connie Molusi | <i>(B. Journalism, MA)</i> |
| • Jason Brewer | <i>(M. Mining Engineering, LLB)</i> |
| • Ron Chamberlain | <i>(B.Comm, Chartered Accountant (Australia))</i> |

Group structure



Source: Continental Coal

Portfolio includes producing, development and exploration assets.



Note : De Wittekrans mining right obtained September 2013.

LEGEND	
★	Prospecting Rights
★	Mining Rights

Source: Continental Coal CPR September 2013

Resources and Reserves

RESOURCE CATEGORY	PROJECT GROSS TONNES IN SITU (t)	PROJECT TONNES IN SITU (t)	ATTRIBUTABLE TOTAL TONNES IN SITU (t)
Measured Resources	77,966,110	70,378,300	49,599,482
Indicated Resources	137,524,217	123,406,500	76,420,230
Total Measured and Indicated Resources	215,490,327	193,784,800	126,019,712
Inferred Resources	211,108,906	182,938,400	126,212,256
Total Resources	426,599,233	376,723,200	252,231,968

RESERVE CATEGORY	MINEABLE TONNES IN SITU (MTIS) (t)	ROM TONNAGE (t)	PRIMARY MARKETABLE RESERVE (t)	SECONDARY MARKETABLE RESERVE (t)	ATTRIBUTABLE MARKETABLE RESERVE (t)
Proven Reserves	13,064,000	11,212,000	9,405,000	986,000	5,377,540
Probable Reserves	113,443,481	76,276,000	22,007,000	20,447,000	31,415,960
Total Reserves	126,507,482	87,488,000	31,412,000	21,433,000	36,793,500

Source : Continental Coal CPR September 2013

Solid Resource and Reserve base positioning the Company for future growth and delivery

Production results

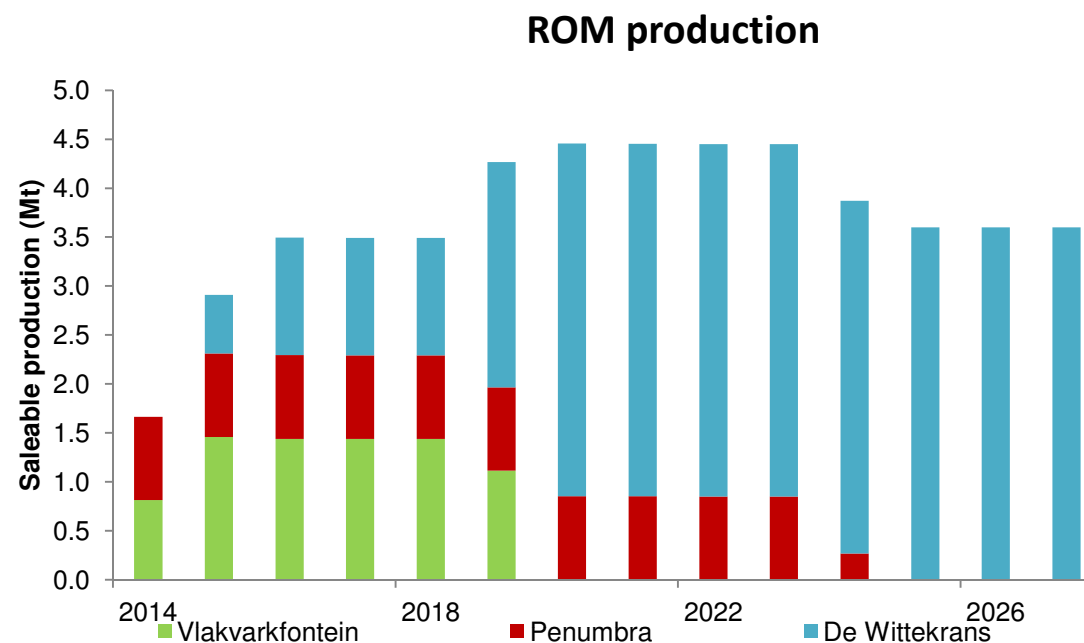
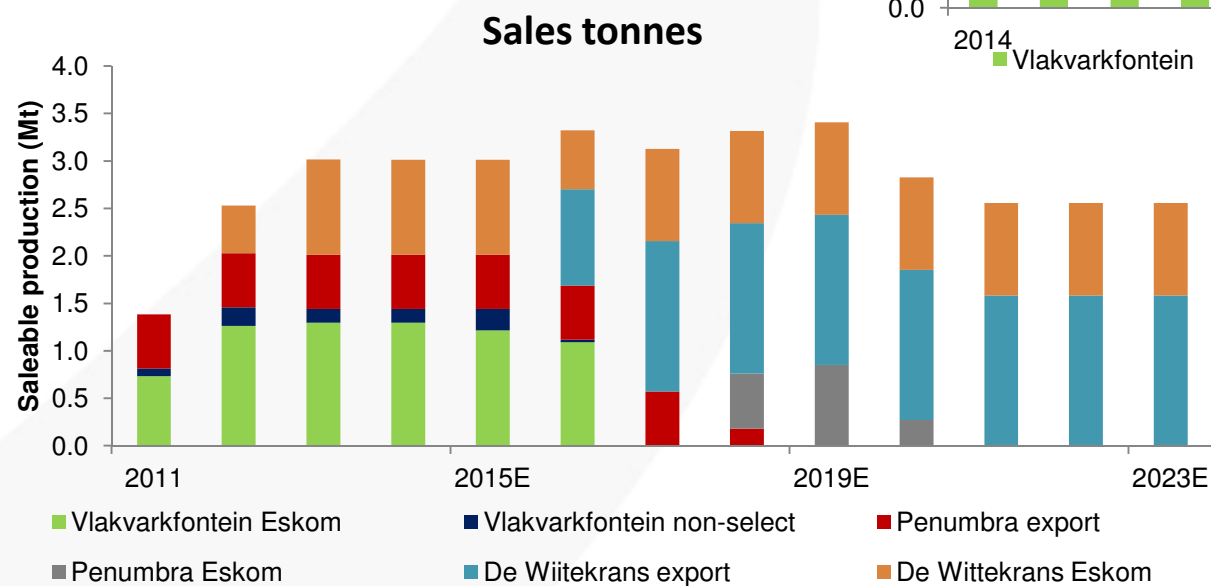
	FY 2013 (Actual)	FY 2012 (Actual)	FY 2011 (Actual)
ROM Production			
Vlakovarkfontein	1,526,469	1,238,669	894,958
Ferreira	559,107	691,270	376,973
Penumbra	143,299	-	-
Total ROM Production	2,228,875	1,929,939	1,271,931
Benefication			
Ferreira	627,329	685,176	347,575
Penumbra	143,299	-	-
3 rd Party Buy In Tonnes	-	289,255	252,075
Total Plant Feed	770,628	974,431	599,650
Export Yields			
Ferreira	70.4%	60.1%	58.6%
Penumbra	36.8%	-	-
Domestic Sales	1,315,701	1,274,709	711,382
Export Sales	453,582	581,285	363,935
Total Coal Sales	1,769,283	1,855,994	1,075,317

Source : Continental Coal



Production and Sales profile

- Planned phased development provides steady production ramp up
- De Wittekrans provides long life asset (assumes 2015 production start)
- Attractive mix of Export and Eskom product



Source: Continental Coal prepared with information from Annual reports and CPR September 2013

Delivering on strategy

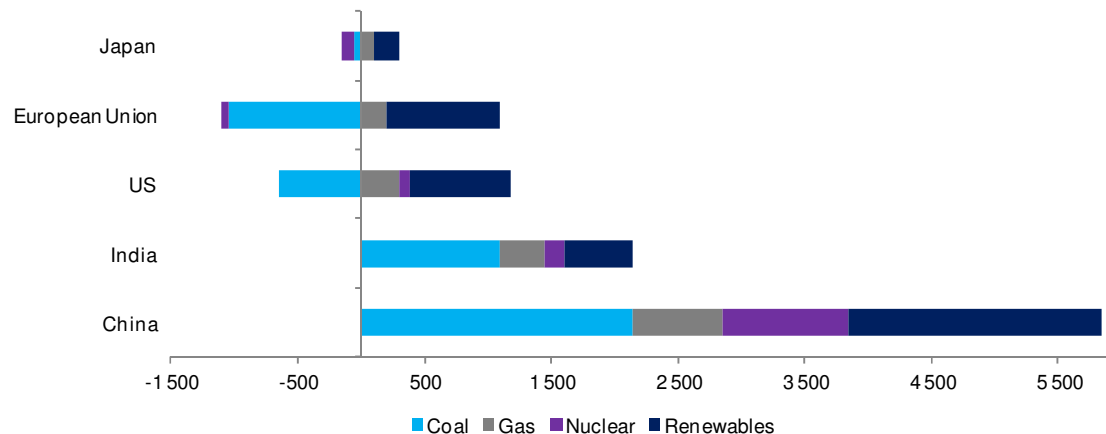
- Vlakvarkfontein open cast mine developed in 12 months to first production in May 2010
- Acquired majority interest in the Ferreira mine in November 2010 and commenced mining of North pit with a further extension in September 2012.
- Penumbra underground mine developed within 14 months, on budget, to first production in December 2012.
- De Wittekrans project advanced to feasibility stage
 - Optimisation studies underway
 - Mining right granted
 - Development planned to commence in H2 2014



International long term coal demand outlook robust

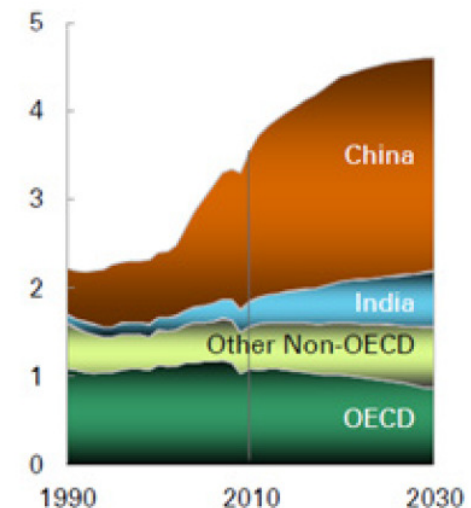
- Expansion of coal generating capacity in Asia to outpace closures in Europe and the USA
- Coal remains the cheapest source of electric power
- Coal production in China and India constrained resulting in increased dependence on imports
- Environmental considerations likely to increase demand for high grade coal imports
- Continental well positioned to supply Asia with thermal coal

Forecast change in global power generation capacity (GW), 2010 to 2035



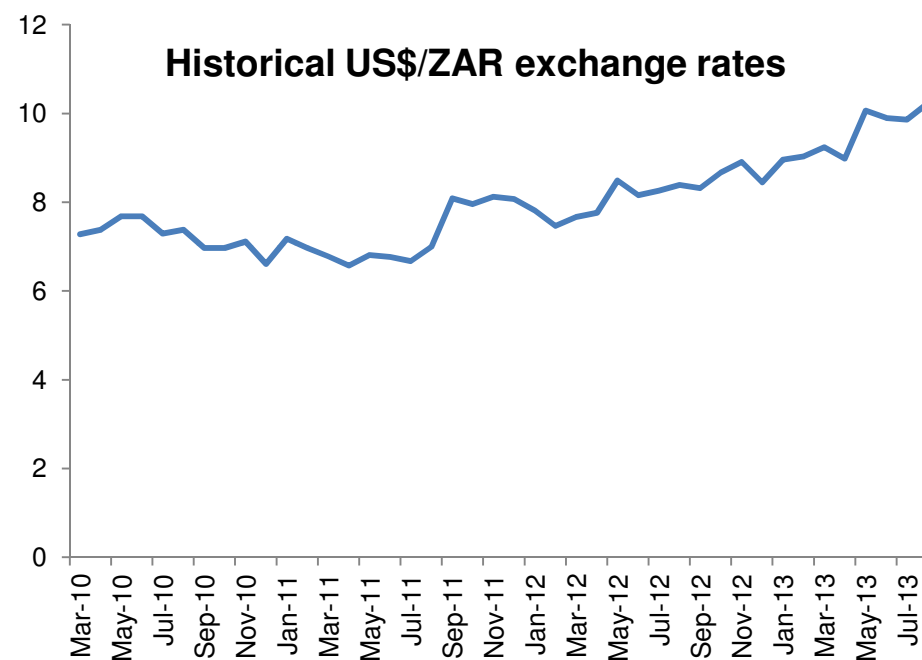
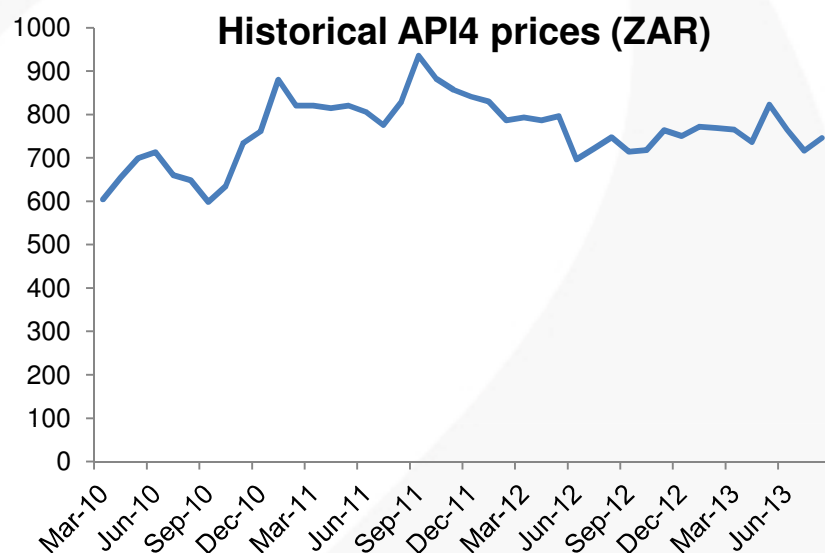
Source: IEA global energy outlook

Forecast coal consumption (Btpa)



Source: BP energy outlook

South African export thermal coal prices and exchange rates



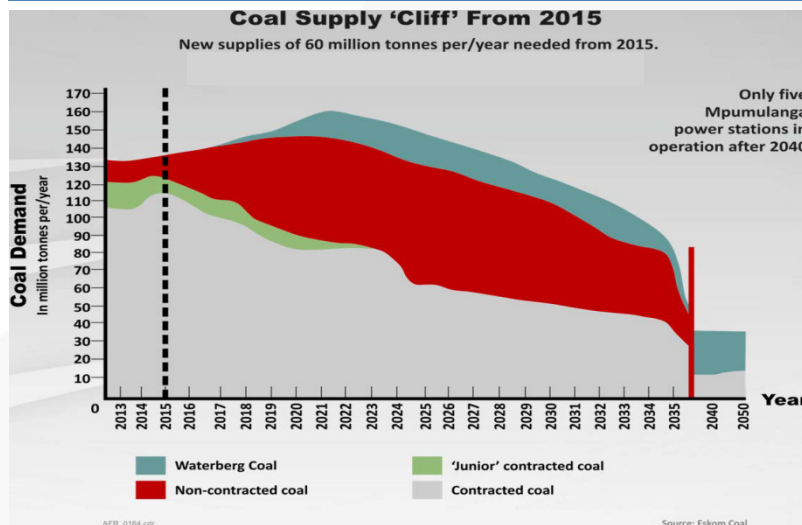
Source : World bank, Investec

US\$/ZAR exchange rate movement creating a hedge to the export price

Eskom a major growth opportunity

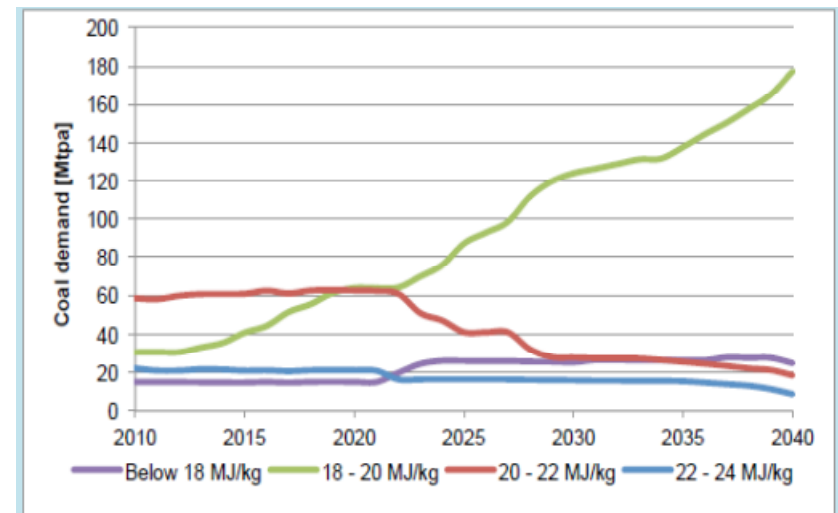
- Eskom faces significant “coal gap” as existing mines become depleted
- Waterberg coalfield is projected to become major supplier but located far from power stations on the Highveld
- Logistics constraints may impact coal supply
- “Non contracted coal” to fill bulk of coal gap
- Eskom power stations will require predominantly 18-20MJ grade coal
- Continental is ideally positioned to supply this grade of coal from mines located near Highveld power stations

Revenue projections ZARm (real)



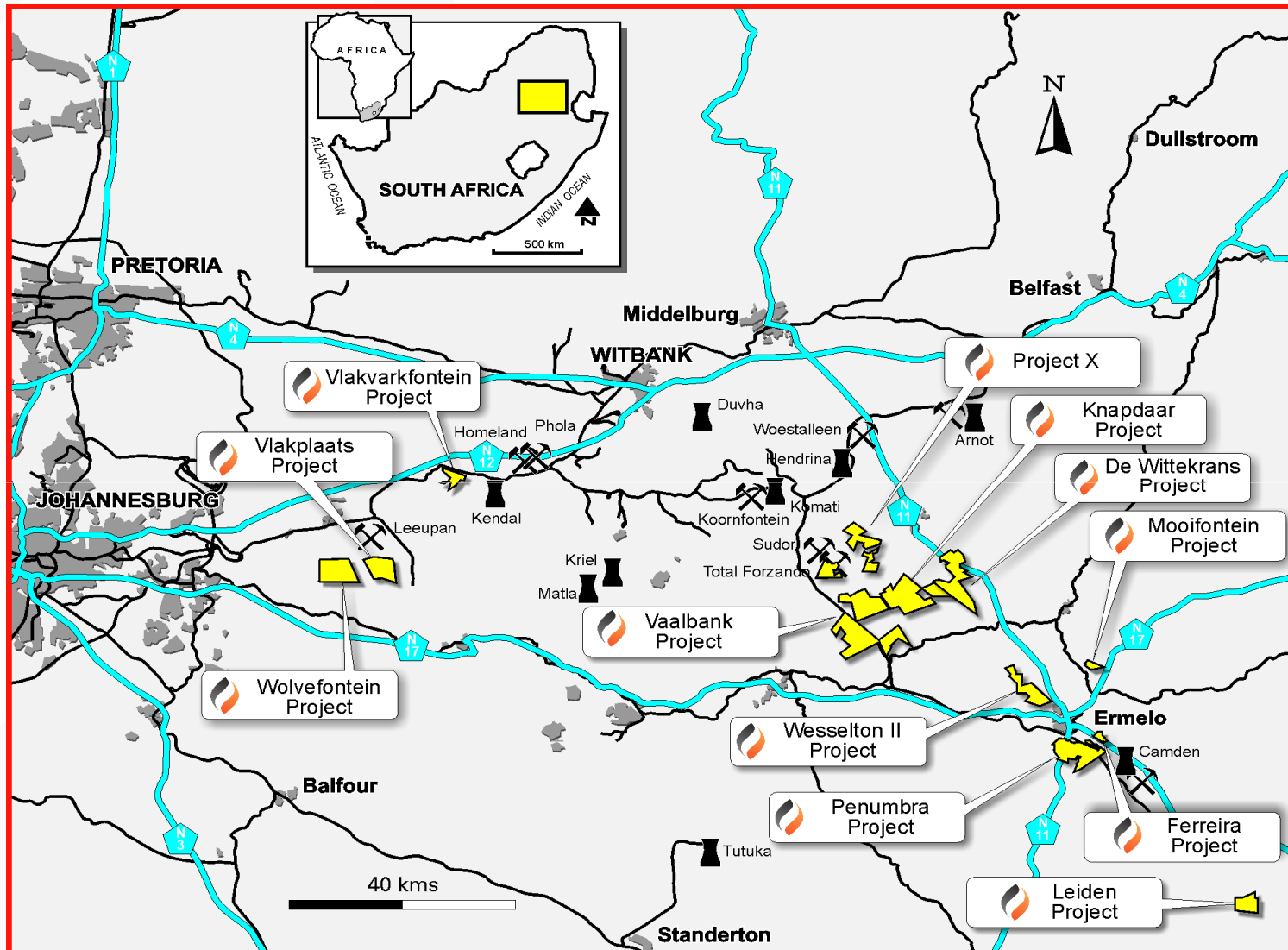
Source: Eskom
Continental Coal Ltd

Eskom coal demand based on current generating mix



Source: SA Coal roadmap

South African Coal Project Locations



Source: Continental Coal

Vlakvarkfontein

- New order mining right awarded February 2010
- Development commenced in February 2010
- First coal production May 2010
- Project capital costs of ZAR80 (US\$8) million repaid within 3 years of commencement of production
- Opencast truck and shovel contract mining
- 110,000tpm ROM average thermal coal production
- 100% yield
- Eskom supply contract
- Forecast 2014 – 1.3Mt at an FOT cost of ZAR152 (US\$15.2) per tonne
- 6 year life on mine

RESOURCE CATEGORY	PROJECT TONNES IN SITU (t)	ATTRIBUTABLE TOTAL TONNES IN SITU (t)
Measured Resources	8,268,200	3,638,008
Indicated Resources	-	-
Total Measured and Indicated Resources	8,268,200	3,638,008
Inferred Resources	-	-
Total Resources	8,268,200	3,638,008

RESERVE CATEGORY	PRIMARY MARKETABLE RESERVE (t)	SECONDARY MARKETABLE RESERVE (t)	ATTRIBUTABLE MARKETABLE RESERVE (t)
Proven Reserves	7,706,000	-	3,390,640
Probable Reserves	-	-	-
Total Reserves	7,706,000	-	3,390,640

Source : Continental Coal CPR September 2013

Penumbra

- New Order Mining Right awarded in May 2010
- Development commenced September 2011
- Capital of approximately ZAR350 (US\$35) million
- First coal production in December 2012
- Conventional underground thermal coal bord and pillar mining operation accessed by twin declines
- Mining C-lower seam at depth of 50m - 115m
- Two fully mechanised production sections each with a continuous miner and one drill and blast section
- 64,000tpm ROM thermal coal production
- Produce 6,000Kcal export product
- Forecast 2014 – 600 000 ROM tonnes at a FOB cost of ZAR530 (US\$53) per tonne (62% export yield)
- 11 year LOM (Domestic product in last 3 years)

RESOURCE CATEGORY	PROJECT TONNES IN SITU (t)	ATTRIBUTABLE TOTAL TONNES IN SITU (t)
Measured Resources	7,579,700	5,608,978
Indicated Resources	6,052,000	4,478,480
Total Measured and Indicated Resources	13,631,700	10,087,458
Inferred Resources	-	-
Total Resources	13,631,700	10,087,458

RESERVE CATEGORY	PRIMARY MARKETABLE RESERVE (t)	SECONDARY MARKETABLE RESERVE (t)	ATTRIBUTABLE MARKETABLE RESERVE (t)
Proven Reserves	1,699,000	986,000	1,986,900
Probable Reserves	2,955,000	1,052,000	2,965,180
Total Reserves	4,654,000	2,038,000	4,952,080

Source : Continental Coal CPR September 2013

Ferreira

- New Order Mining Right awarded in May 2010
- Mining of the North pit commenced in November 2010
- Extension to the North pit in September 2012
- Conventional opencast contract mining operation
- Average ROM production of 55,000tpm
- 65% yield to produce 6,000kcal export product
- FY 2013 free on board cost R662/t (US\$66)
- Forecasted to deplete its reserves by November 2013



Delta process plant

- Delta plant located 3.5km from Penumbra and Ferreira
- Capacity 1.8Mtpa
- Built, owned, operated and managed (BOOM) by Fraser Alexander
- Processes ROM from Penumbra, Ferreira and third parties

Export allocation and Off-take

- Anthra siding at Delta plant on RBCT rail line
- Quattro allocation at RBCT of 400,000 tonnes per annum
- EDF Trading primary off-taker for export products
- Further off-take agreements with other major coal producers



De Wittekrans

- New Order Mining Right awarded in September 2013
- Development targeted to commence H2 2014
- Initial start-up capital of US\$25 million
- Conventional underground thermal coal bord and pillar mining operation accessed by portal
- First coal production targeted for H2 2015
- Initially four conventional drill and blast sections producing 100,000tpm ROM for domestic market
- Additional four continuous miner sections added from year 2019 increasing production to 300,000tpm ROM
- Combination of domestic and export product from 2019
- DMS plant (BOOM) and siding to be constructed

RESOURCE CATEGORY	PROJECT TONNES IN SITU (t)	ATTRIBUTABLE TOTAL TONNES IN SITU (t)
Measured Resources	47,097,100	34,851,854
Indicated Resources	66,358,000	49,104,920
Total Measured and Indicated Resources	113,455,100	83,956,774
Inferred Resources	59,940,000	44,355,600
Total Resources	173,395,100	128,312,374

RESERVE CATEGORY	PRIMARY MARKETABLE RESERVE (t)	SECONDARY MARKETABLE RESERVE (t)	ATTRIBUTABLE MARKETABLE RESERVE (t)
Proven Reserves	-	-	-
Probable Reserves	19,052,000	19,395,000	28,450,780
Total Reserves	19,052,000	19,395,000	28,450,780

Source : Continental Coal CPR September 2013

De Wittekrans - continued

- Mining B and C seams at a depth ranging from 10m – 100m
- Projected yield of 44% producing a 5,800kcal product and 27% yield on domestic product
- Forecast domestic product at an average FOT cost of ZAR250 (US\$25) per tonne
- Forecast export product at an average FOB cost of ZAR460 (US\$46) per tonne
- 34 year LOM
- Potential opencast production of 5 million tonnes ROM in later years

Indicative DCF valuation sensitivity

	Sales price adjustment		
Discount rate	Base case less 10%	Base case (as per table on the right)	Base case plus 10%
7.5%	ZAR 1 892m	ZAR 2 507m	ZAR 3 122m
10%	ZAR 1 247m	ZAR 1 722m	ZAR 2 195m
12.5%	ZAR 839m	ZAR 1 211m	ZAR 1 582m

Source : Continental Coal

	Optimisation Results 31 August 2013
Reserves and Mine Life	
Mine Life	34 years
Saleable Reserves	38.5Mt
Gross In Situ Resources	192.7Mt
ROM Production	
Annual ROM Production	3.6Mt
Total Underground ROM Production	110.0Mt
Coal Sales	
Average Annual Domestic Coal Sales	1.0Mt (20 CV)
Average Annual Export Coal Sales	1.6Mt (5 800kcal Export)
Economic assumptions	
Domestic Coal Sales per GJ	ZAR16.65
Export Coal Sales (US\$ per tonne API4)	US\$79
Exchange rate (US\$/ZAR)	ZAR9.39
Forecast Sales Revenue	
Average Annual Domestic Coal Sales	ZAR 324 m
Average Annual Export Coal Sales	ZAR 1,178m
Total Average Annual Sales Revenue	ZAR 1,502m
Estimated capital to first production	
Estimated capital	ZAR 201m
Estimated Project Capital Costs	
Portal and Surface Infrastructure	ZAR 400m
Plant Infrastructure	ZAR 233m
Underground Development	ZAR 435m
Forecast Cash flow	
Average Annual Free Cash flow After Tax	ZAR 339m

Source : Continental Coal CPR September 2013

Exploration projects - South Africa

- Project pipeline
 - Vaalbank – joint exploration with Total Coal and pre-feasibility study
 - Knapdaar - further exploration and concept study
 - Leiden – advance mining right application and other regulatory approvals
- Non core assets
 - Vlakplaats
 - Project X
 - Wolvenfontein
 - Wesselton II
 - Mooifontein

	RESOURCE CATEGORY	TOTAL PROJECT TONNES IN SITU (TTIS) (t)	ATTRIBUTABLE TTIS (t)
Wesselton II	Measured	3 570 800	2 642 392
Leiden		3 862 500	2 858 250
TOTAL MEASURED		7,433,300	5,500,642
Vlakplaats	Indicated	34 258 000	12 675 460
Project X		2 672 000	1 496 320
Vaalbank		7 928 000	4 122 560
Wesselton II		4 344 000	3 214 560
Leiden		1 794 500	1 327 930
TOTAL INDICATED		50,996,500	22,836,830
Vlakplaats	Inferred	12 190 000	4 510 300
Wolvenfontein		31 200 000	23 088 000
Project X		10 517 000	5 889 520
Knapdaar		35 750 000	26 455 000
Vaalbank		12 540 000	6 520 800
Wesselton II		7 330 000	5 424 200
Mooifontein		2 620 000	1 938 800
Leiden		10 851 400	8 030 036
TOTAL INFERRED		122,998,400	81,856,656
TOTAL RESOURCES		181,428,200	110,194,128

Source : Continental Coal CPR September 2013

Exploration projects - Botswana

- Serowe and Kweneng projects (PL 339 & 341)
 - Commitment to spend approx US\$2m
 - Binding Term sheet
 - JV partner to spend balance of commitment
 - JV partner to fund feasibility study
 - Earn in agreement up to 80% of asset
 - CCC free carry and retain 20% interest
 - CCC right to buy back
 - JV partner right of first refusal to buy CCC stake
- Serowe project (PL 340)
 - Highest potential for development
 - Low strip ratio opencast opportunity
 - Negotiating offtake agreement
 - Critical to maintain prospecting licence at cost of approx US\$1m



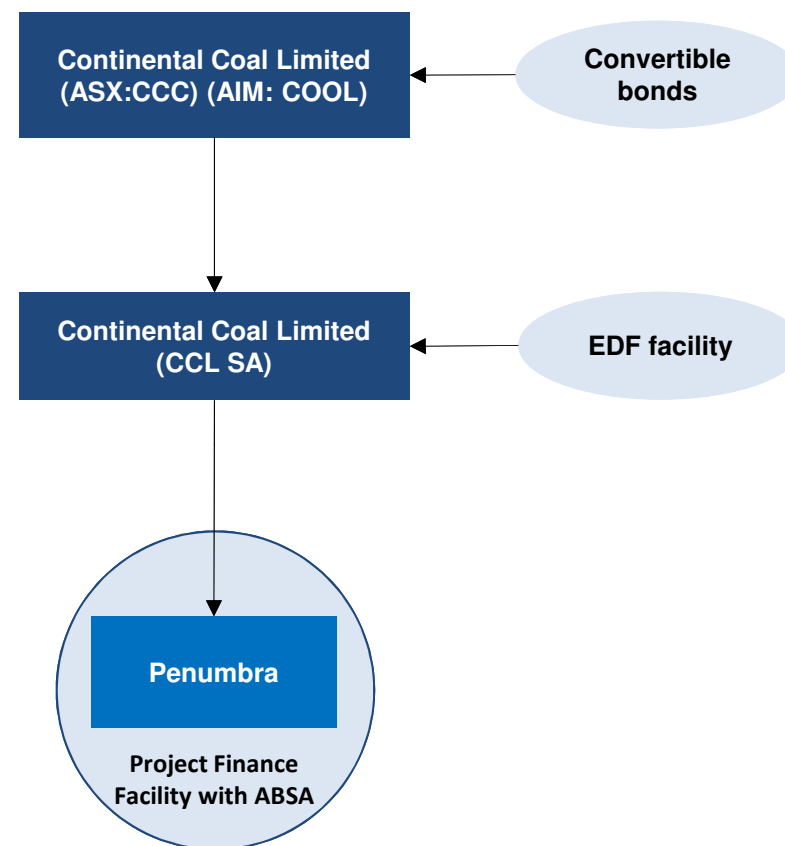
Capital structure

Issued shares	685 million	
Options	162 million	(average strike price of \$0.35)
Convertible debentures	US\$16 million	(average conversion price of \$0.80)
Share Price (14 Oct 2013)	A\$0.033 GBP0.019	(ASX - CCC) (AIM - COOL)
Market Cap (14 Oct 2013)	A\$23 million GBP13 million	
NAV	US\$90 million	(CPR valuation adjusted for De Wittekrans NPV value)
<u>Avg. Daily Volume :</u> (Last 12 Months)	ASX	2.4 million
	AIM	1.2 million
	Total	3.6 million

Proposed JSE Listing targeted for November 2014

Current funding facilities

- Convertible bonds (at the option of the holder)
 - Bonds not converted paid in cash, current obligation:
 - US\$6m in November 2013
 - US\$10m in February 2014
 - Average strike price of A\$0.80
- EDF facility
 - US\$13m remaining loan
 - Repayment in 24 monthly installments to commence in July 2014
 - Coupon of 10%
 - Secured over certain CCL assets
- Penumbra project finance
 - ABSA Capital (Barclays)
 - US\$25 million
 - Repayable in escalating amounts commencing August 2014 and concluding November 2019
 - Secured over Penumbra



Source: Continental Coal

Strategic Focus For FY2014

- Maintain strong operational performance across the Group's thermal coal mining operations
- Progress development of De Wittekrans Coal Project - the Group's proposed 4th mining operation
- Advance project pipeline
- Balance sheet restructuring
- Increase working capital
- Extract value from non-core assets
- Cost management initiatives to continue
- Finalise joint venture and/or strategic investment in the Group's three prospecting licenses in Botswana
- Complete JSE listing

