

3 September 2015

ASX Compliance Pty Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Attention: Mauro Piccini
Senior Advisor, Listings (Perth)

By E-mail: mauro.piccini@asx.com.au

Dear Mauro,

I refer to your letter dated 1 September 2015 in relation to the Company's responsibilities and respond as follows in line with the numbers of your letter.

1. Does the Entity consider the information in the Announcement, namely the commencement of a notice of application for a winding up order against the Entity, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

No

2. If the answer to question 1 is "no", please advise the basis for that view.

The issuing of the Wind Up application was understood by both parties to be a necessary action to define a timeline to complete negotiations regarding a settlement. At no time did the applicant intend to wind up the Company.

The applicant and company have had a longstanding relationship and it was always expected, as has occurred, that the matter would be dealt with in a professional and proactive fashion.

The executives from both the company and the applicant were in agreement as to the process required to settle the matter and the company at all times had the ability to pay any ultimate negotiated outcome (as per what has transpired).

In effect the Winding Up application (not order) was simply being used as a negotiating tool by both parties in good faith to resolve any outstanding issues in an amicable fashion.

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34/36 Fricker Road, Illovo 2196	Ground Floor, 1 Havelock Street, West Perth, WA 6005
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

The company would have objected to the process if it did not believe that an agreed outcome was achievable and deliverable and this is exactly what has happened.

The Company can confirm that the matters leading to the issuing of the Wind Up application have resolved to the satisfaction of Professional Public Relations. As such the Company can confirm that Winding Up application has been terminated and no further action will be taken.

While disappointed in the time taken to resolve this matter, the Company is pleased to have been able to resolve to the satisfaction of both parties.

As previously announced, the Company can confirm that the matters leading to the issuing of the Wind Up application were resolved to the satisfaction of Professional Public Relations. The Winding Up application by Professional Public Relations had been terminated and no further action taken.

3. If the answer to question 1 is "yes", when did the Entity first become aware of the information?

No applicable

4. If the answer to question 1 is "yes" and the Entity first became aware of the information before the date of the Announcement, did the Entity make any announcement prior to that date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.

Not applicable

5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it is in compliance with the ASX Listing Rules and, in particular, Listing Rule 3.1.

For and on behalf of the Board



Peter Landau
Executive Director

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For further information please contact:

Peter Landau
Continental Coal Limited
T: + 61 8 9488 5220
E: peter@conticoal.com

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 and executed in May 2014.

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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1 September 2015

Jane Flegg
Company Secretary
Continental Coal Limited
Ground Floor, 1 Havelock Street
West Perth WA 6005

By email

Dear Ms Flegg,

Continental Coal Limited ("the Entity") – ASX aware query

ASX Limited ("ASX") refers to the following:

1. The Entity's announcement entitled "Company Notice" lodged with ASX Market Announcements Platform and released at 10:35am AEST on 28 August 2015, (the "Announcement"), disclosing the commencement of a notice of application for a winding up order against the Entity.
2. The Notice of Application For Winding Up Order commenced against the Entity by Professional Public Relations Pty Ltd on 31 July 2015 ("the Notice"), the material terms of which are available from the 'Published Notices' section of the Australian Securities and Investments Commission ("ASIC")'s website.
3. The Entity's cash position as at 30 June 2015 of \$11,000 as disclosed in the Entity's Preliminary Final Report lodged with ASX on 1 September 2015.
4. Listing Rule 3.1, which sets out the requirement of continuous disclosure under the ASX listing rules:

"3.1 Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."
5. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
 - *The information is generated for the internal management purposes of the entity; or*



- The information is a trade secret; and

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

6. The definition of “aware” in Chapter 19 of the Listing Rules. This definition states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “When does an entity become aware of information”.

7. ASX’s policy position on the concept of “confidentiality” which is detailed in section 5.8 of ASX Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “Listing Rule 3.1A.2 – the requirement for information to be confidential”. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

8. ASX Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* Annexure A “Example E – material law suit”, which discusses the circumstances in which disclosure is required upon service of legal proceedings.

9. Listing Rule 18.6, which provides that a listed entity must comply with the listing rules during a period of suspension:

“18.6 On admission to the official list, an entity must comply with the listing rules. This applies even if quotation of the entity’s securities is deferred, suspended or subject to a trading halt.”

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the information in the Announcement, namely the commencement of a notice of application for a winding up order against the Entity, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. If the answer to question 1 is “yes”, when did the Entity first become aware of the information?
4. If the answer to question 1 is “yes” and the Entity first became aware of the information before the date of the Announcement, did the Entity make any announcement prior to that date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.
5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.



When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEST) on Thursday 3 September 2015.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at mauro.piccini@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Mauro Piccini

Senior Adviser, Listings (Perth)