



Continental Coal Ltd

ABN 13 009 125 651 ASX Code CCC AIM Code COOL

4 February 2013

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

By e-lodgement

EXPIRY OF LISTED OPTIONS ISSUE OF NEW OPTIONS

Continental Coal Limited (ASX: CCC) ("**Continental**" or "**the Company**") the South African thermal coal production, development and exploration company has 76,853,740 quoted options that are exercisable at 50 cents each and expire on 13 February 2013 ("Options"). These options are quoted under the ASX code "CCCO". The Company provides notice of the impending expiry of the Options.

As a result of the significant difference between the exercise price and the current market price of the Company's ordinary listed shares, a notice in accordance with Appendix 6A of the ASX Listing Rules will not be sent to registered holders. However if the market price of the Company's ordinary listed shares exceeds 37.5 cents before 12 February 2013, the Company will send a notice to registered holders of the Options.

The Company has not complied with the correct notice period set out in clause 6.1 of Appendix 6A, however the Company provides the following information:

- a. There are 876 registered holders of the Options
- b. There are 76,853,740 Options on issue. On exercise, each Option entitles the holder to receive one ordinary listed share in the Company (XX ordinary shares in the Company would be issued if all Options were exercised)
- c. The exercise price of the Options is \$0.50 per Option.
- d. The due date for payment of the Option exercise price is 5.00pm EST on Wednesday 13 February 2013
- e. If payment of the Option exercise price is not received by 5.00pm EST on 5.00pm EST on Wednesday 13 February 2013, the Options will expire and all rights under the Options will cease
- f. If you are a registered holder and you do not wish to exercise your Options then you need to do nothing. The consequence of doing nothing will be that the Options will expire and all rights under the Options will cease
- g. Official quotation of the Options will end at close of trading on Wednesday 6 February 2013

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 Executive Director Jason Brewer
Non-Executive Directors: Johan Bloemsmas Peter Landau James Leahy Connie Molusi

- h. The latest available market price of the Company's ordinary listed shares was \$0.067 at close of trading on 1 February 2013
- i. During the 3 months immediately before the date of this notice:
- The highest price of the Company's ordinary listed shares was \$0.081 on 11 January 2013; and
 - The lowest price of the Company's ordinary listed shares the Shares was \$0.040 on 16 November, 10 December, 11 December, 12 December and 13 December 2012
- j. There is no underwriting agreement in existence in respect of the exercise of the Options

There is no obligation on registered holders of the Options to exercise their options, however if you have any queries please contact the Company Secretary on 08 9488 5220.

Given the volatile capital markets experienced throughout 2011 and 2012 and that market conditions have not provided holders of the Options with an opportunity to exercise their Options, the Company has resolved to issue New Options to registered holders of the Options on the date of expiry, being 13 February 2013.

The New Options will be on the same exercise terms and pricing, however, the expiry date will be extended to 30 June 2015.

The issue of New Options will be subject to shareholder approval. A General Meeting of Shareholders is expected to be held in mid March 2013. Full terms will be provided to shareholders in a Notice of Meeting to be announced later this month

Yours faithfully



Don Turvey
Chief Executive Officer

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/Jos Simson
Tavistock Communications
T: +44 20 7920 3150

Nominated Advisor

Stuart Laing
RFC Corporate Finance
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 three operating mines, the Vlakvarkfontein, Ferreira and Penumbra Coal Mines, are set to produce at an annualised rate of 2.8Mtpa of thermal coal for the export and domestic markets. The Company's first underground mine, the Penumbra Coal Mine, commenced development in September 2011 and produced first coal in November 2012. In 2011, a Feasibility Study was also completed on a proposed fourth mine, the De Wittekrans Coal Project and further optimisation studies completed in 2012. The Company has further 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 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.