

South African Coal Mining Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number 1994/009012/06
Share code: SAH ISIN: ZAE000102034
("SACMH" or "the company")

CAUTIONARY ANNOUNCEMENT RE BEE TRANSACTION

Shareholders are referred to the announcements made on 7 November 2011 and 30 March 2012, in which it was *inter alia* stated that the company intended to commence a process to reinstate its BEE shareholding. JSW Energy Natural Resources South Africa (Pty) Limited ("JSW"), the majority shareholder of the company, has commenced a formal process to find a suitable BEE shareholder.

A number of potential acquirers expressed firm interest to acquire a minimum strategic interest in SACMH from JSW. A number of prospective bidders were shortlisted by JSW, signed confidentiality undertakings and are engaged in a process which will result in the submission of binding offers. Mine visits were also undertaken. Final offers are due during the month of September.

If JSW's negotiations with one of these parties are successful, it may have an impact on the price of the company's securities. Accordingly, shareholders are advised to exercise caution when dealing in the company's securities.

6 September 2012

Johannesburg

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