

South African Coal Mining Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number 1994/009012/06
Share code : SAH ISIN code: ZAE0000102034
("SACMH", "the group" or "the company")

**REVISED REVIEWED CONDENSED PROVISIONAL ANNUAL RESULTS FOR THE YEAR
ENDED 31 DECEMBER 2011**

1. Background – disclaimed review opinion

Shareholders are referred to the reviewed condensed annual results of SACMH for the year ended 31 December 2011 which were released on SENS on 31 May 2012 and subsequently published in the press. The announcement stated that the financial results have been reviewed by the company's auditors, Deloitte & Touche. They disclaimed their review opinion on a material uncertainty on the valuation of mineral rights and the company's ability to continue as a going concern. Their disclaimed review report was available at the registered offices of the company.

2. Revised review opinion – unmodified audit report

Deloitte & Touche have now revised their review opinion and issued an unmodified audit opinion with an emphasis of matter paragraph regarding the going concern status of the group and on subsequent events. Their revised unmodified report is available at the registered offices of the company.

The conclusions of the auditors in the paragraphs of their revised report dealing with these matters, read as follows:

"Life of mine assessment and related impairments of mineral rights

We also draw your attention to the subsequent events note in the directors' report of the annual financial statements that details the changes in the assumptions used to assess the mineral rights valuation at year end. The main change is the forecasted coal price that has declined post year end as detailed in the directors' report. The impact of this results in an estimated impairment of R106.7 million.

Going concern status of the group

JSW Energy India Limited have confirmed, in writing, their firm intention to continue the financial support to SACMH. This support is subject to JSW Energy India Limited remaining the majority shareholder of the group; the company obtaining board approval to provide the further funding; and the company obtaining regulatory approval specific to the laws of India."

3. Annual financial statements – report of auditors

In the Annual Financial Statements of SACMH to be released soon, the report of the auditors will include the following Emphasis of Matter paragraph:

"Emphasis of Matter – going concern

Without qualifying our opinion, we draw attention to the director's report of to the financial statements which indicates that the company incurred a net loss of R98.5

million for the year ended 31 December 2011 and, as at that date, the company's total assets exceeded its total liabilities by R59.3 million. The directors report highlights the fact that the group and company's going concern status is dependent upon JSW Energy Limited's (a company listed on the Mumbai stock exchange) and operating through its subsidiary, JSW Energy Natural Resources South Africa Proprietary Limited ("JSWSA") financial support to SACMH. JSWSA have confirmed, in writing, their firm intention to continue the financial support to SACMH. This support is subject to JSW Energy India Limited remaining the majority shareholder of the group; the company obtaining board approval to provide the further funding; and the company obtaining regulatory approval specific to the laws of India. These conditions, along with other matters, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

Emphasis of matter – Subsequent events - Life of mine assessment and related impairments of mineral rights

We also draw your attention to the subsequent events within the directors' report in the annual financial statements that details the changes in the assumptions used to assess the mineral rights valuation at year end. The main change is the forecasted coal price that has declined post year end as detailed in the directors' report. The impact of this results in an estimated impairment of R106.7 million."

4. Annual financial statements – directors report

In the Annual Financial Statements of SACMH the Directors Report will include the following Subsequent Events paragraph:

"The following events have occurred subsequent to the reporting date:

Funding

JSW Energy has made further funds available to replace Standard Bank's short-term facilities.

The Group's major shareholder JSW Energy India has committed to support funding requirements necessary during this period, subject to the following:

- JSW obtain board approval for the additional funding at the time;
- JSW fulfills all regulatory requirements as prescribed by Indian legislation; and
- JSW remains the majority shareholder.

JSW has demonstrated its on-going financial support throughout the financial year. Management is confident that despite the material uncertainty that the above conditions imply, JSW will continue to support the group in the foreseeable future.

Mining operations

Environmental approval for the mining of the Voorslag area has been applied for from the Department of Water Affairs. As indicated in the announcement made on 18 April 2012 via SENS, the delays in the approval process have resulted in a reduction in production levels, as the Vlakfontein opencast operations were completed during the month of March 2012. The Company is embarking on cost reduction exercises to mitigate this situation.

Mineral rights

The Group assesses at the reporting date whether there is objective evidence that either a financial asset or a group of financial assets is impaired. The expected

economic gain that is expected from the Group's investment in the mining right is estimated based on information available at reporting date and includes forecasts of future costs and returns.

The estimated future economic benefit of the mining right at the reporting date indicated that no impairment was required and consequently no impairment was provided for. Since the statement of financial position the following index values utilised in estimating the expected value of future cash flows have changed as a result of changes in market conditions:

Index	As at 31 December 2011	As at 15 June 2012
Forecasted coal export price – API4		
- 2012	USD 108,55	USD 85,08
- 2013	USD 111.08	USD 93.85
- Thereafter	USD 116.13	USD101.73
SA Rand / US Dollar exchange rate	R8,01	R8,35

The impact of these changes on the estimated future economic benefit of the mining right would have resulted in an impairment of R106,7 million if applied at the reporting date.”

All other aspects of the results as announced on 31 May 2012 remain unaltered.

For and on behalf of the board

QMSM MOKOETLE
Chairman

AJL RAYMENT
Chief Executive Officer

06 July 2012

Johannesburg

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Investor Relations: Renay Tandy, Ngage Tel 011 867 7763