

10 July 2017



FY2017 TONNAGE AND CASHFLOW GUIDANCE

- 4Q2017 Group operating cashflow up 30% to A\$11.9m (3Q2017: A\$9.2m)
- Coal sales estimated to be 3.0Mt, 47% up from the prior year
- Group operating cashflow improved 180% to A\$29m from the 2016 year
- Attributable operating cash of A\$19.6m (2016:A\$7.6m), 258% improvement
- EBITDA expected to be A\$26m, 91% up from FY2016

Universal Coal (ASX: UNV) advises that the estimated coal sales tonnages for the 2017 financial year from the Kangala Colliery (Kangala) and the New Clydesdale Colliery ("NCC") are expected to be 3.0 million tonnes. Group operating cashflow for the same period is A\$29 million, up 180% from 2016.

Coal sales and operating cashflow:

Estimated coal sales for the financial year ended 30 June 2017:

Operation	Group		Attributable		% change
	2017 Estimated Mt	2016 Actual Mt	2017 Estimated Mt	2016 Actual Mt	
Kangala Colliery [^]	2.462	2.037	1.736	1.436	21%
New Clydesdale Colliery [*]	0.540	-	0.265	-	100%
Total Coal Sales	3.002	2.037	2.001	1.436	47%

[^] attributable basis of 70.5%

^{*} attributable basis of 49%

Group operating cashflow for the 2017 financial year is anticipated to be A\$29 million (2016: A\$10.4 million), up 180% owing to improved production results and lower cost stripping activities at Kangala. Attributable operating cashflow generated is anticipated to be A\$19.6 million (2016: A\$7.6 million) an improvement of 258%. Cashflow generating ability is now being demonstrated with the strong production performance from Kangala and NCC is now starting to contribute meaningfully to the Universal Coal Group. The quarterly activities report will be released to the market in due course and within stipulated timeframes.

EBITDA for the 2017 financial year is expected to be 91% higher than the previous financial year at A\$26 million (2016: A\$13.6 million), subject to the annual audit, which will be completed and results released to the market by 30 September 2017.

Appointment of Chief Financial Officer (CFO):

Daryl Edwards, the current CFO, has relocated to Australia and has been replaced as Chief Financial Officer by Celeste van Tonder, appointed effective 3 July 2017 and will be based in the South African operational office. Celeste, a chartered accountant brings considerable experience in multi-jurisdictional listed environments (ASX, JSE and AIM) and integrated reporting, further strengthening the executive team of Universal Coal.

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