

20 February 2020



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UPDATE ON UNSOLICITED BID

Universal Coal Plc ("**Universal**" or the "**Company**") (ASX: UNV) refers to the announcement by TerraCom Limited ("**TerraCom**") on 19 February 2020 regarding the unsolicited bid by TCIG Resources Pte Ltd to acquire all of the shares in the Company that it did not then already own ("**Unsolicited Bid**").

Notwithstanding TerraCom's announcement regarding the percentage of acceptances that it had received as at 19 February 2020, the committee of the Company's board constituted to consider the Unsolicited Bid ("**Bid Committee**") maintains its recommendation that Universal shareholders **TAKE NO ACTION**.

The Bid Committee:

- is preparing for the commencement of the legal proceedings referred to in its announcement of 17 February 2020; and
- continues to work with Deloitte Corporate Finance Pty Limited as it prepares an Independent Expert Report on the fairness and reasonableness of the Unsolicited Bid to all Universal shareholders, which is proceeding as planned on an expedited basis.

The Company remains focused on delivering on the Universal business plan seeking to deliver growth and value to all of its shareholders and holders of its CDIs, which includes those who have not accepted the Unsolicited Bid.

In response to TerraCom's comment in its 18 February 2020 announcement that "*TerraCom welcomes discussion in relation to its approach to valuation and operational matters of a combined TerraCom and UNV business*", the Bid Committee similarly welcomes discussion that leads to all Universal shareholders realising full value for the Universal shares they hold.

The Bid Committee will keep Universal shareholders informed of all material developments relating to the Unsolicited Bid.

The Bid Committee

For further information please contact:

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About the Company:

Universal Coal Plc (incorporated and domiciled in the United Kingdom) is an ASX listed mid-tier +10Mtpa coal mining company (ASX:UNV) which operates three thermal coal mines in South Africa; the 4.0Mtpa opencut Kangala Colliery, the 3.7Mtpa opencut and underground New Clydesdale Colliery and the 3.4Mtpa opencut North Block Complex. Universal's fourth colliery is currently under construction and is set to deliver coal product at the rate of 1.2Mtpa from November 2019.

Universal's mines include both opencut and bord and pillar underground operations that are delivering product into the South African and international coal markets. They have an executive team possessing a proven track record of developing and managing profitable operations with experienced in-house technical and commercial competencies and good relationships with service providers, traders and end users.

Universal is delivering strong positive cash flow from its operations and is committed to building a sustainable mid-tier coal mining company providing investors with exposure to profitable coal mines.

Further information on Universal can be found at www.universalcoal.com

Important information

Universal has relied on publicly available information and statements issued by TerraCom in this announcement for which TerraCom is responsible.