

27 March 2020



RESPONSE TO TERRACOM'S ANNOUNCEMENT

Universal Coal Plc ("**Universal**" or the "**Company**") (ASX: UNV) acknowledges the announcement made by ASX-listed TerraCom Limited (ASX: TER) ("**TerraCom**") on 27 March 2020 (the "**TerraCom Announcement**") that it now has over 90% of the voting rights attached to the Universal shares and as such, TerraCom will now proceed to a mandatory sell-out process in accordance with the UK Companies Act 2006 ("**the Act**") and will also cause Universal to apply to the ASX to be de-listed.

Having regard to TerraCom now holding over 90% of the voting rights in Universal shares and the remaining shareholders having the right under the Act to require TCIG Resources Pte Limited ("**TerraCom Bidco**") to acquire their Universal shares, including those in the form of CHESS Depositary Interests ("**CDIs**"), on the same terms as the Offer – being cash of \$0.10 and 0.6026 new TerraCom shares per Universal share (including UNV CDIs) - the independent committee of the Board mandated to consider and oversee the Unsolicited Bid ("**Bid Committee**"), intends to discontinue its legal proceedings in the High Court of Justice of England and Wales (the "**Litigation**") in relation to article 18.1 of the articles of association of the Company (the "**Articles**") and recommends all remaining shareholders exercise their rights under the Act (as amended) to require TerraCom to acquire their remaining Universal shares or Universal CDI's. The Company will provide further details about these rights in due course.

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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

This announcement (including information incorporated by reference in this announcement), and other information published by Universal may contain statements that are or may be deemed to be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. For the avoidance of doubt, forward-looking statements include, but are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Universal group of companies or its operations; and (iii) the effects of government regulation on the Universal group of companies or its business.

The forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. These factors include, but are not limited to, changes in political and economic conditions, changes in the level of capital investment, retention of key employees, changes in customer preferences, success of business and operating initiatives and restructuring objectives, impact of any acquisitions or similar transactions, changes in customers' strategies and stability, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and exchange rates, and the outcome of any litigation.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. All subsequent oral or written forward-

looking statements attributable to any member of the Universal group of companies or any of their respective directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Universal disclaims any obligation to update any forward-looking or other statements contained in this announcement, except as required by applicable law.

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Universal for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Universal.

Certain figures in this announcement may have been subjected to rounding adjustments.

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