



THE WATERBERG
COAL COMPANY LTD

Australian Securities Exchange
Level 8 Exchange Plaza
2, The Esplanade
Perth

JSE Limited
One Gwen Lane
Johannesburg
2196

12 March 2015

Cautionary Announcement

Please see attached a further cautionary announcement to be released to the Johannesburg Stock Exchange today in accordance with their requirements.

Yours sincerely

Lee Boyd
Company Secretary



The Waterberg Coal Company Limited
(Incorporated in Australia)
(Registration number ABN 64 065 480 453)
ASX: WCC | JSE: WCC | ISIN: AU000000WCC9
("WCC" or "the Company")

BUSINESS UPDATE AND FURTHER CAUTIONARY ANNOUNCEMENT

In accordance with JSE Listings Requirements, shareholders are referred to the announcement dated 29 January 2015 ("the 29 January Announcement") and are advised of the following:

1. The Eskom Project

As set out in the 29 January Announcement, discussions with Eskom remain ongoing to resolve the outstanding requirements in order to advance the Coal Supply Agreement ("CSA") discussions. These outstanding requirements include coal specification finalisation, final pricing, delivery dates and the provision to Eskom of a satisfactory due diligence report on the DFS. The discussions with Eskom are regular and ongoing and WCC seeks to resolve all outstanding requirements during the course of 2015.

2. The SBSA Convertible Secured Facility ("Facility")

As set out in the 29 January Announcement, the extension on the Facility remains on an on-demand basis. The revised balance of the Facility as at 28 February 2015, including accumulated interest, is approximately A\$42.5m.

3. The Export Project - Definitive Feasibility Study ("DFS")

As previously advised, Ardbel were commissioned to produce a DFS on the viability of a standalone Export Project to be located in the south of the Waterberg Coal Project ("WCP") area. The Export Project anticipates the build up to 4 million tonnes per annum (in saleable product) over a six year period, with first coal product forecast for the 3rd quarter 2016. The abbreviated period to complete this study accrues from the significant



THE WATERBERG COAL COMPANY LTD

database and work product that was generated from the Eskom Project DFS. Additional work has been carried out with respect to logistics (including rail), coal product off-take arrangements, water and mine planning.

With a draft of the DFS for a stand-alone Export Project on hand; the WCP partners are advancing discussions with certain Banks and funding agencies with respect to funding requirements for the proposed Export Project development.

4. **Further cautionary announcement**

Shareholders are advised to continue to exercise caution when trading in the Company's securities until further announcements in regard to the above is made.

Stephen Miller
Director
The Waterberg Coal Company Limited
[12 March 2015]

JSE Sponsor
The Standard Bank of South Africa Limited

Registered office:
Level 2, 1 Walker Avenue West Perth, Western Australia
6005
Australia
Tel: +61 8 9485 0888
Fax: +61 8 9485 0077

South African office:
Level 1, The Place,
1 Sandton Dr
Sandton, 2146
South Africa
Tel: +27 10 594 2240
Fax: +27 10 594 2253

Contact:
Mr Stephen Miller
Executive Director/CEO



THE WATERBERG
COAL COMPANY LTD

Or

Investor relations in South Africa:

Lawrie Mackintosh

Tel: +27 10 594 2240

E-mail:

info@waterbergcoal.com.au

Directors:

Dr Mathews Phosa (Chairman)

Stephen Miller

(Executive Director and CEO)

Lee Boyd

(Director and Company Secretary)