

## ASX Release

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20 March 2015

**THE WATERBERG COAL  
COMPANY LIMITED**  
ABN 64 065 480 453

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**Contact:**

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Executive Director/CEO  
Or

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**Directors:**

**Dr Mathews Phosa**  
(Chairman)

**Stephen Miller**  
(Executive Director and  
CEO)

**Lee Boyd**  
(Director and Company  
Secretary)

ASX / JSE Symbol: WCC

## Background to Voluntary Suspension

As announced on 16 March 2015, The Waterberg Coal Company Limited (**Company**) entered into a trading halt whilst it finalises negotiations with certain banks and funding agencies to effect the funding required to retire its existing facility with the Standard Bank of South Africa as well as all other indebtedness of the Company and its controlled entities.

The funding arrangements are also expected to provide the Company with funding for development of the Export Project and for the Company's general working capital requirements

Under the ASX Listing Rules, a trading halt may continue for only two trading days. As such, the Company today requested that ASX and JSE impose a voluntary suspension of trading in its securities while these negotiations are being finalised to ensure that no trading in its shares occurs on an uninformed basis.

The Company's suspension will continue until an announcement is made regarding the availability of the proposed funding.

As previously announced to the market on 16 March 2015:

- in February 2015 the lead manager of the proposed banking syndicate commissioned a reputable, international mineral consultancy to be its independent technical expert for the production of a due diligence report for the syndicate's project funding approvals process;
- an off take agreement is a condition precedent for the drawdown of any funding to be provided by the project financiers;
- the Waterberg Coal Project partners have reached agreement in principle with a large international power generation utility to be the sole "off taker" of the export quality product accruing from the Export Project. The drafting of a legally binding "off-take" agreement is in process;
- the Waterberg Coal Project partners have reached agreement in principle with an international mining and EPC contractor to contribute funding for the Group's working capital requirements; and
- subject to completion of satisfactory funding arrangements as contemplated above, the Export Project is scheduled to commence production of export quality thermal coal during the 3<sup>rd</sup> quarter of 2016.



**Stephen Miller**

**Executive Director and CEO**

**The Waterberg Coal Company Limited**