QUARTERLY REPORT

18 July 2016

JUNE 2016 QUARTERLY REPORT

Thousands of tonnes	*Quarter Ended*			*YTD*		
	Jun 2016	*Mar 2015*	Change	*Jun 2016*	*Jun 2015*	Change
ROM Coal	**1 044**	**772**	35%	**3 269**	**2 472**	**32%**
Domestic Sales	**576**	**431**	34%	**1 959**	**1 627**	**20%**
Export Sales	**33**	**6**	465%	**78**	**53**	**47%**
Total Coal Sales	**609**	**437**	**39%**	**2 037**	**1 680**	**21%**

HIGHLIGHTS

Operation

- Kangala Colliery delivers record result, increasing Run of Mine (ROM) for the quarter by 35% to 1 043 890 tonnes, and 32% up for the full year
- Total coal sales increase by 39% to 609 120 tonnes for the quarter, up 21% for the full year
- Annual ROM of >3.2 Mtpa and >2Mtpa of sales
- Steady state production reached following pit reconfiguration in previous quarters

Corporate

- Group net cash generated from operating activities of A$1.7 million for the year and A$16m on an adjusted basis, up 82% from last year (refer quarterly cash flow commentary below).
- Unaudited group EBITDA of A$17 million for the year, up 16% from the 2015 financial year

Development

- NCC set to commence commissioning of underground operation
- First coal production anticipated to occur end of the September 2016 quarter

Corporate action

- Coal of Africa Limited (CoAL) Offer has lapsed
- Shareholders will retain their Universal Coal shares

CORPORATE ACTION

Coal of Africa Limited Offer lapses

CoAL has announced that its offer for the entire share capital of Universal as contained in CoAL's offer document dated 21 December 2015 as supplemented, has lapsed.

The offer closed at 1.00pm (London time) on 15 July 2016, with the remaining Conditions to the Offer unfulfilled at that time. Therefore, all contracts resulting from acceptances of the Offer by Universal shareholders are void and of no effect.

At the Offer's scheduled close, CoAL had received acceptances representing approximately 95.72% of Universal's issued share capital. As a result of the lapse of the Offer CoAL now has no voting power in Universal.

Chief Executive Officer Tony Weber commented: "While we are disappointed that CoAL's offer did not proceed, we can now devote all our attention and resources to operational matters. Foremost, we have a clear path forward to commission our second operation, NCC, within the next few months. With our Kangala Colliery having delivered record production in its last quarter, we are well positioned to generate strong cashflow and support further growth for the rest of the year."

QUARTERLY RESULTS

Trading Summary

Having resumed steady state operations following completion of pit reconfiguration activities last quarter, the Kangala Colliery delivered a record production result for the quarter. Run of mine (ROM) of 1,043,890 tonnes was achieved, up 35% from the previous quarter. With the dry season midway through, climatic conditions are expected to support continued strong production for the months ahead.

Total coal sales increased by 39% quarter on quarter to 609,120 tonnes.

For the year, Kangala produced over 3 million tonnes of ROM coal, with sales in excess of 2 million tonnes.

Commenting on the results, CEO Tony Weber remarked:

"Having concluded the pit reconfiguration, Kangala is now firing on all cylinders, and delivering record production in the process. We anticipate increasing production further in the year ahead, thereby delivering strong sales and cashflow to pay down debt facilities and to fund growth prospects."

"At New Clydesdale Colliery, we continue to engage with Eskom regarding the Coal Sales Agreement and possible short-term supply opportunities. With the recent recovery in global thermal coal prices, we have made a decision to commence commissioning the underground mine, further operational details will be released to the market by 31 July 2016 in this regard."

"At Brakfontein, we await the grant of the water use licence prior to commencement of project development initiatives."

Quarterly cash flow commentary

During the quarter, the company delivered group operating cash flow of A$36k, after funding corporate takeover costs, Kangala deferred stripping costs and NCC mine development costs of some A$2.1m.

The quarterly and annual cash flows relating to operating activities and excluding deferred stripping costs, corporate takeover costs and mine development costs are reflected below:

	Appendix 5B Item $A'000	Current quarter $A'000	Year to date 2016	Prior Year 2015
Net Operating Cash Flows		$36	$1,726	$5,282
Adjusted for:				
Deferred stripping costs at Kangala	1.2 (b)	$430	$7,014	$0
Mine development costs	1.2 (b)	$1,473	$4,370	$3,490
Corporate defense and takeover costs	1.2 (d)	$191	$2,862	$0
Adjusted net operating cash flows		**$2,131**	**$15,972**	**$8,772**

Included under item 1.2 (b) of the Appendix 5B are costs relating to:

- deferred stripping activities at the Kangala Colliery in the amount of A$430k for the quarter and A$7 million for the year and
- mine development costs of A$1.5 million for the quarter and A$4.4 million for the year reflected within item 1.2 (b) relate to mine development activities conducted at the New Clydesdale Colliery.

Cash payments for legal, financial advisory, consulting and investor relations relating to the takeover activity amounted to A$191k for the quarter and some A$2.9million for the year and have been reported under the administration item 1.2 (d). These costs are not expected to recur.

Repayment of borrowings under item 1.17 of Appendix 5B relate to repayments of term loan and working capital facilities of A$2.1 million for the quarter.

Cash flow requirements relating to development activities for the following quarter, as reflected under Section 4 of the attached Appendix 5B, will be primarily covered by the Investec Bank Limited debt facility for NCC. The balance of these cash flow requirements will be covered from existing cash reserves and cash receipts from customers through trading activity at the Kangala Colliery.

Credit standby arrangements of A$2.3 million remain available for Kangala to cover the funding of working capital requirement, should they arise. These facilities currently remain undrawn and available for utilisation should the need arise.

Unaudited Group EBITDA for FY2016 is reported at A$17 million subject to confirmation though the annual audit process, which will be finalised and released to the market by 30 September 2016.

Operational Activities

Kangala Colliery

Development and production activities

The Kangala Colliery continues with robust quarterly tonnages, processed and sold to its customers. Quarterly and Annual operational performance is reflected in more detail below:

	Quarterly Results			Annual Results			
Operational Performance (tonnes)	**Quarter ended 30 Jun 2016**	**% Change**	**Quarter ended 31 Mar 2015**	**Total YTD 30-Jun-16**	**% Change 30-Jun-15**	**Previous Year 30-Jun-15**	**Total from SOP**
Run-of-mine (ROM)							
Kangala Colliery	1,043,890	35%	771,900	3,269,212	32%	2,472,232	6,374,828
Total ROM	**1,043,890**	**35%**	**771,900**	**3,269,212**	**32%**	**2,472,232**	**6,374,828**
Feed to plant							
Kangala Colliery	1,033,776	48%	699,049	3,124,199	22%	2,569,448	6,155,595
Total feed to plant	**1,033,776**	**48%**	**699,049**	**3,124,199**	**22%**	**2,569,448**	**6,155,595**
Plant Yields							
Kangala Colliery	59%	-11%	66%	65%	0%	65%	67%
Domestic sales	575,769	34%	431,049	1,959,234	20%	1,627,083	3,961,649
Export sales	33,351	465%	5,908	78,156	47%	53,160	131,316
Total sales	**609,120**	**39%**	**436,957**	**2,037,390**	**21%**	**1,680,243**	**4,092,965**

Run-of-Mine (ROM)

For the quarter, Kangala produced 1 043 890 ROM tonnes in line with our expectations and commitments.

Domestic product sales

For the quarter, domestic product was 575 769 tonnes, up 34% from the previous quarter's results. This follows the resolution of throughput challenges experienced in the DMS section of the Coal Handling and Processing Plant (CHPP) and the return of the rotary breaker to full operation.

Export product sales

Export sales of 33,351 tonnes was achieved during the quarter, up markedly over the previous quarter's result.

Health, safety and environment

Presidential environmental compliance audit has been conducted in June by the national Department of Minerals and Energy and Department of Water affairs. Positive feedback presented by the inspectors with no significant non-compliances identified.

Universal Coal is deeply committed to health, safety and environmental issues, and continues to implement its strategy in this regard.

Socio Economic development and Sustainability initiatives

The skills training programme for 2015 has been completed. Fifty operators have been appointed as Articulate Dump Trucks operators for the Kangala Colliery. The skills training programme continues, with the goal of training a further fifty local residents to become machine operators by the end of December 2017. To date, the programme has resulted in over one hundred local residents successfully being trained to become qualified operators on heavy mining machinery.

With the Nkangala Further Education Training (FET) Delmas satellite campus now constructed, preparation is underway for the hand over to the beneficiary, the Department of Education, expected by the end of September 2016. The initiative is a joint venture between Universal Coal, Exxaro's Leeuwpan Coal Mine, the Department of Education and the Victor Khanye Local Municipality.

Kangala has signed an enterprise development agreement (EDA) with the local community members. Two prospective entrepreneurs have been identified, assisted to establish a company and equipped with essential skills to operate the laundry facility for Kangala's workforce. Seven additional jobs will be created through this initiative.

Furthermore, an EDA for the transportation of coal from Kangala Colliery to the designated Eskom power stations or for the export market have been concluded with three local logistics companies as an initiative to empower the small-medium enterprises from the Mine impact area.

Exploration activities

There were no activities relating to exploration at Kangala.

NCC

Contractual Offtake Arrangements

Alongside other coal sector participants, Universal continues detailed discussions with Eskom with a view to finalising contractual offtake arrangements.

On the back of the recent recover in global thermal coal prices, Universal has taken a decision to commence underground mining operations with supply to the export thermal coal markets and the balance of product being sold in the domestic space. This could entail coal sales to Eskom on a short term supply basis and to other local acquirers or traders of domestic thermal coal.

Long term offtake discussions are still being progressed with Eskom which will unlock the debt facility with Investec Bank Limited, acting through its Corporate and Institutional banking division to fund the open pit boxcut development and plant modifications required for long term coal supply.

Exploration activities

There were no activities relating to exploration at NCC.

Mine development funding

The debt funding solution continues to be available through Investec Bank Limited on favourable terms to the Group. Drawdown on the debt facility remains contingent on a long term coal offtake agreement being concluded.

Development activities

Whilst continuing to engage Eskom with a view to securing a long term CSA for the open pit mine at NCC, the company has decided to re-commence mining of the underground sections and operating the CHPP. We have begun planning export coal product sales with a local component being sold in the domestic market and will commence with underground site establishment activities and minor plant modifications. We anticipate first production of export-quality thermal coal to occur within the September 2016 quarter.

Socio Economic development and Sustainability initiatives

Stakeholder engagement with the interested and affected community continues.

Production activities

There were no activities relating to production at NCC during the quarter.

Brakfontein – Thermal Coal

Development activities

With the Mining Right granted and execution planned for August 2016 and having already secured the National Environmental Management Act (NEMA) authorisation, the project awaits the granting of the Integrated Water Use Licence (IWUL).

Exploration activities

There were no activities relating to exploration at Brakfontein.

Production activities

There were no activities relating to production at Brakfontein.

Berenice/Cygnus - Coking Coal

Exploration activities

There were no activities relating to exploration at Berenice/Cygnus.

Development activities

There were no activities relating to development at Berenice/Cygnus.

Production activities

There were no activities relating to production at Berenice/Cygnus.

Regulatory and legal

Evaluation of the Mining Right application by the Department of Mineral Resources is in progress

During the quarter the Somerville prospecting licence lapsed after a second renewal term and no further extensions are permitted. As such the prospecting licence has lapsed and no further activities will be conducted by Universal Coal at the Somerville project.

Activities Planned for the September 2016 Quarter

- Commence commissioning activities for the NCC underground operation
- Progress the offtake and Coal Sales Agreements for NCC
- Maintain steady state ROM production rates at Kangala
- Submit a Mining Right application for the consolidation of NCC and Roodekop Mining Rights in terms of s102 of the MPRDA
- Execution and registration of Brakfontein Mining right

For further information please contact:

Tony Weber
Chief Executive Officer
T: +27 12 460 0805

Robert Williams
FCR
T: +61 2 8264 1003

About Universal Coal

ASX-listed Universal Coal (ASX: UNV) is focused on becoming a leading mid-tier coal company with significant regional reach in southern Africa.

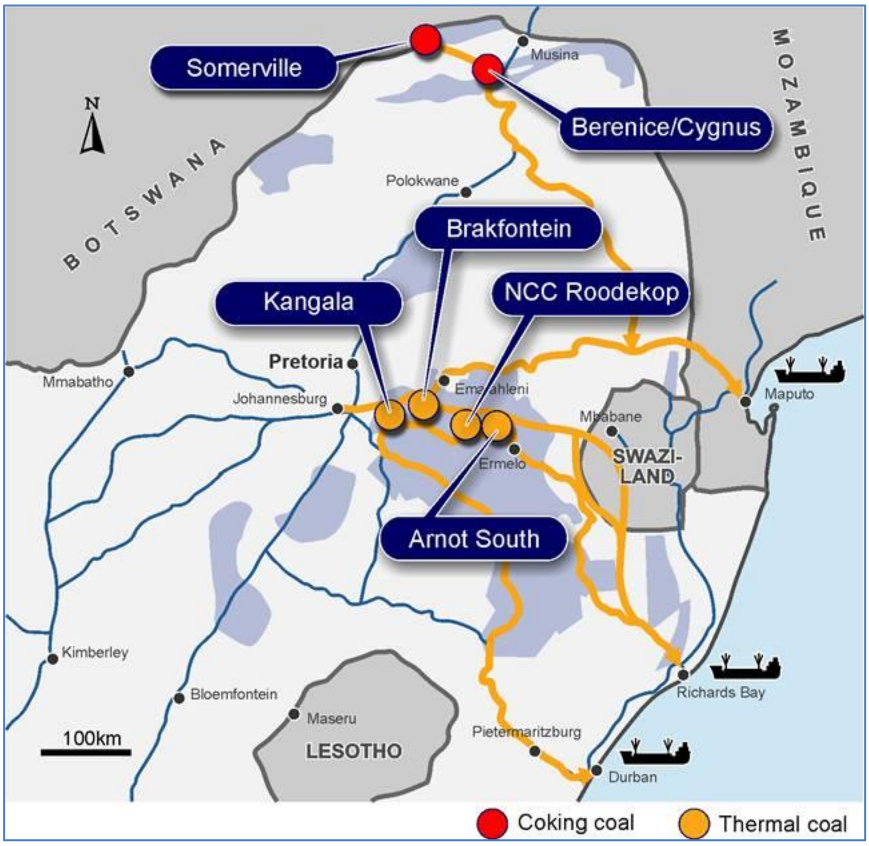
The company has a portfolio of producing, development and exploration assets located across South Africa's major coalfields.

Kangala Mine in the Witbank coalfield, Universal's first mine, commenced production in February 2014. Kangala produces an average of 2 million tonnes of saleable thermal coal per annum, primarily for the domestic market.

The New Clydesdale Colliery (NCC) is currently being developed, fast-tracking the company's progress towards becoming a multi-mine producer.

Besides its thermal coal projects (including Brakfontein), the company has completed earn-in agreements over one coking coal project (Berenice/Cygnus) in the Soutpansberg coalfields.

The following map and schedule provides information pertaining specifically to the location and tenure of interests held by Universal Coal Plc in mining and prospecting rights in South Africa.



Universal Coal Global Coal Resources/Reserve Estimate

Project	Reserve	Resource				
	Proved Mt	Measured Mt	Indicated Mt	Inferred Mt	Total Mt	Attributable to Universal Mt
Thermal Coal (Witbank)						
Kangala[1]	16.8	77.2	22.9	33.7	133.8	94.3
NCC[2]	29.3	82.8	25.2	22.4	130.4	76.3
Brakfontein[3]	9.1	31.7	39.4	4.7	75.8	38.1
Arnot South[4]	-	2.3	65.3	139.0	206.6	103.3
Total Thermal Coal	**55.2**	**194.0**	**152.8**	**199.8**	**546.6**	**312.0**
Coking Coal (Limpopo)						
Berenice[5] Cygnus[6]	-	424.9	800.9	124.3	1,350.1	675.1
Somerville[5]	-	-	-	274.0	274.0	137.0
Total Coking Coal	**-**	**424.9**	**800.9**	**398.3**	**1,624.1**	**812.1**
Total	**55.2**	**618.9**	**953.7**	**598.1**	**2,170.7**	**1,124.1**

Notes:

- Mineral Resources are stated on a gross in situ basis and inclusive of Ore Reserves.
- Rounding (conforming to the JORC Code) may cause computational discrepancies.
- The resource and reserve estimates have been prepared to comply with the JORC Code.

1. Universal has an attributable interest of 70.5 per cent. in the Kangala Project.
2. Universal has an attributable interest of 49 per cent. in the NCC and 74 per cent. in the Roodekop Project, collectively known as the NCC project.
3. Universal has an attributable interest of 50.29 per cent. in the Brakfontein Project and the right to negotiate to acquire up to a 74 per cent. interest upon completion of the BFS and award of a mining right.
4. Subject to satisfaction of the conditions relating to completion of the Arnot South acquisition, Universal has an attributable interest of 50 per cent. in the Arnot South project
5. Universal has an attributable interest of 50 per cent. in the Berenice and Somerville Projects with an option to acquire up to a 74 per cent. interest.
6. Universal has an attributable interest of 50 per cent. in the Cygnus Project with an option to acquire up to a 74 per cent. interest.

Competent Person's Statement

The Coal Resource estimates for Kangala, Brakfontein, Arnot South, Berenice, Cygnus and Somerville were prepared by Mr Nico Denner, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions (a Recognised Overseas Professional Organisation). Mr Denner is employed by Gemecs (Pty) Ltd and has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr Denner consents to the inclusion in this document of this information in the form and context in which it appears.

The Coal Resource estimate for NCC was prepared by Mr Gavin O'Connell-Jones, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions (a Recognised Overseas Professional Organisation), Registration Number 400387/11. Mr O'Connell-Jones is an associate coal geologist with Mindset Mining Consultants (Pty) Ltd. Mr. O'Connell-Jones has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr O'Connell-Jones consents to the inclusion in this document of this information in the form and context in which it appears.

The Kangala Coal Reserve estimate was prepared by Mr Michael S Vertue who is a mining consultant associate of Mindset Mining Consultants (Pty) Ltd. Mr Vertue is a registered Professional Certified Mining Engineer and has over 30 years' experience in the mining industry. He is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and the South African Collieries Managers Association (SACMA). Mr Vertue has sufficient experience which is relevant to the type of mineralisation and the Kangala deposit and to the activity which he is undertaking to qualify as Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr Vertue consents to the inclusion in this document of this information in the form and context in which it appears.

The NCC Coal Reserve estimate was prepared by Messrs Piet van der Linde and Ronnie van Eeden from Mindset Mining Consultants (Pty) Ltd. Mr van der Linde is a registered Professional Certified Mining Engineer and has over 30 years' experience in the mining industry. Mr van Eeden is a qualified Mining Engineer (Mine Managers Certificate of Competency) with other commercial qualifications, and has over 30 years' experience in the coal industry internationally. Mr van der Linde is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and member of the South African Collieries Managers Association (SACMA). Messrs van der Linde and van Eeden have sufficient experience which is relevant to the type of mineralisation and the NCC deposit and to the activity which they are undertaking to qualify as Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Messrs van der Linde and van Eeden consent to the inclusion in this document of this information in the form and context in which it appears.

The Brakfontein Coal Reserve estimate was prepared by Mr. Michael S Vertue who is a mining consultant associate of Mindset Mining Consultants (Pty) Ltd. Mr Vertue is a registered Professional Certified Mining Engineer and has over 30 years' experience in the mining industry. He is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and the South African Collieries Managers Association (SACMA). Mr Vertue has sufficient experience which is relevant to the type of mineralisation and the Kangala deposit and to the activity which he is undertaking to qualify as Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr Vertue consents to the inclusion in this document of this information in the form and context in which it appears.

Project	Property	Permit Type & Number	Location	Size	Beneficial Interest Held	Change in Interest from previous Quarter
Kangala	Wolvenfontein 244IR: Portion 1 and RE of Portion 2	Mining Right: MP30/5/1/2/2/429MR	Delmas, Mpumalanga Province, South Africa	951 Ha	70.5%	None
	Middelbult 235IR: Portions 40 and 82	Prospecting Right: MP30/5/1/1/2/641PR	Delmas, Mpumalanga Province, South Africa	942 Ha	70.5%	None
	Modderfontein 236IR: Portion 1	Prospecting Right: MP30/5/1/1/2/639PR	Delmas, Mpumalanga Province, South Africa	127 Ha	70.5%	None
Roodekop	Roodekop 63IS	Mining Right: MP30/5/1/1/2/492MR	Kriel, Mpumalanga Province, South Africa	835 Ha	74%	None
Brakfontein	Brakfontein 264IR : Portions 6, 8, 9, 10, 20, 26, 30 and Remaining Extent	Mining Right: MP30/5/1/1/2/10027MR	Delmas, Mpumalanga Province, South Africa	879 Ha	50.29%	None
Berenice & Somerville	Berenice 548MS, Celine 547MS, Doorvaardt 355MS, Longford 354MS, Somerville 9MS and adjacent farms	Prospecting Right: LP30/5/1/1/2/376PR	Waterpoort, Limpopo Province, South Africa	39,484 Ha	50%	None
Cygnus	Cygnus 543MS and adjacent farms	Prospecting Right: LP30/5/1/1/2/1276PR	All Days, Limpopo Province, South Africa	12,299 Ha	50%	None
NCC	Middeldrift 42 IS (portion 4), Diepspruit 41 IS (RE, RE of portions 1, 2, 3, portions 7, 8, 9, 10), Rietfontein 43 IS (RE, RE of portion 1, portion 3, M/A 2, 3, 4 of RE portion 1), Vaalkrans 29 IS (portions 4, 6, 8, 9, 11, 12, 13, 14, 16, RE of	Mining Right: MP30/5/1/2/2/148MR	Kriel, Mpumalanga Province, South Africa	4,125 Ha	49%	Acquired 49%

	portion 16, M/A 2 of portion 6), Clydesdale 483 IS, Lourens 472 IS, Enkelbosch 20 IS (M/A 4 and 5) and Haasfontein 28 IS (portion 1, M/a 6 and 7 of portion 7)					
Arnot South	Vlakfontein 166 IS (RE Ext., portions 2, 5, 8, 9, 10, 13 and 14) Tweefontein 203 IS (RE Ext. of portion 3, RE Ext. of portion 5,RE Ext. of portion 9, RE Ext. of portion 10 and portions 4, 7, 8, 11, 12, 13, 14, 18, 19, 20, 21, 22, 23, 24, 25) Op Goeden Hoop 205 IS (RE Ext. of portion 2) Groblersrecht 175 IS – whole farm; Klipfontein 495 IS (RE Ext. of MA 1) Vaalwater 173 IS (portions 10, 12, 14, RE Ext. of portion 2); Mooiplaats 165 IS (portions 4, 11, 12, 13, 15 and 16); Helpmekaar 168 IS – whole farm; Schoonoord 164 IS (portion 19); Leeuwpan 494 JS (portions 7, 8, 9, RE Ext. and RE Ext. of portion 4); Weltevreden 174 IS (portions 1, 2 (MA), 4 and RE Ext); Nooitgedacht 493 JS (portions 4 and 9)	MP30/5/1/1/2/360PR	Hendrina, Mpumalanga Province, South Africa	15,212 Ha	Subject to satisfaction of the conditions relating to completion of the Arnot South acquisition, 50%	Under acquisition, awaiting Section 11 Ministerial Approval

The company has an experienced team of directors, senior managers and geoscientists with extensive expertise in both coal exploration and mining in South Africa. The team has a proven track record of project development.

End.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

UNIVERSAL COAL PLC

ARBN	Quarter ended ("current quarter")
143 750 038	**30 June 2016**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (12 months) ($A'000)
1.1	Receipts from product sales and related debtors	30,112	109,038
1.2	Payments for (a) exploration & evaluation	-	-
	(b) development	(1,903)	(11,384)
	(c) production	(25,711)	(83,007)
	(d) administration	(1,748)	(10,875)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	160	742
1.5	Interest and other costs of finance paid	(167)	(1,493)
1.6	Income taxes paid	(193)	(236)
1.7	Other (Net VAT & GST)	(513)	(1,058)
	Net Operating Cash Flows	37	1,727
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	(11)	(16)
	(b) equity investments	-	-
	(c) other fixed assets	(69)	(9,236)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	25	25
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (Transfer duty refund	-	-
	Net investing cash flows	(55)	(9,227)
1.13	Total operating and investing cash flows (carried forward)	(18)	(7,500)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(18)	(7.500)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	200
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	790
1.17	Repayment of borrowings	(2,118)	(10,904)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(2,118)	(9,914)
	Net decrease in cash held	(2,136)	(17,414)
1.20	Unrestricted cash at beginning of quarter/year to date	1,652	6,691
	Transfer (to) / from restricted cash	8,193	19,321
1.21	Exchange rate adjustments to item 1.20	(661)	(1,550)
1.22	**Unrestricted cash at end of the quarter**	7,048	7,048
	Restricted cash at the end of the quarter	527	527
	Total cash at the end of the quarter	7,575	7,575

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2(d)	301
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries and fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities (note 3)	26,412	26,047
3.2	Credit standby arrangements (note 3)	2,277	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	75
4.2	Development (note 3)	1,821
4.3	Production	22,689
4.4	Administration	3,767
	Total	**28,352**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	5,922	1,652
5.2	Deposits at call	1,653	7,681
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	7,575	9,333

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	None			
6.2	Interests in mining tenements acquired or increased	None			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 4)	Amount paid up per security (see note 4)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, conversions				
7.3	**+Ordinary securities**	509,516,787	509,516,787		
7.4	Changes during quarter (a) Increases through issues (i) Ordinary shares (ii) Loan notes converted ref. 7.6(b) (iii) Ordinary shares (b) Decreases through returns of capital, buy-backs	1,876,340 955,000	1,876,340 955,000	A$0.1865 A$0.1796	A$0.1865 A$0.1796

+ See chapter 19 for defined terms.

7.5	**+Convertible debt securities** Converting Notes	5,621,000			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	693,000	693,000	A$1.00	A$1.00
7.7	**Options**			Exercise price	Expiry date
	Unlisted Options:	16,855,736		A$0.2628	4 June 2017
		5,618,579		A$0.2745	4 June 2017
		3,300,001		A$0.2600	1 April 2018
	Warrants	-		-	
7.8	Issued during quarter			Exercise price	Expiry date
7.9	Exercised during quarter				
7.10	Expired during quarter			Exercise price	Expiry date
	Options				
	Warrants	71,220,000		A$0.3600	15 April 2016
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 18 July 2016

Company Secretary

Print Name: Emma Lawler

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 Kangala Project Financing Facility and the Working Capital Facility with Investec Bank Limited. Additional debt facilities of A$19.4m are available for the development of NCC through Investec Bank Limited, subject to certain conditions precedent being fulfilled, including the receipt of a CSA from Eskom. These facilities have not been reflected under 3.1 as being available, however the 4Q2016 development costs for NCC have been reflected under 4.2.

4 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

5 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

6 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

+ See chapter 19 for defined terms.