

WESCOAL HOLDINGS LIMITED

Incorporated in the Republic of South Africa

(Registration number 2005/006913/06)

Share code: WSL

ISIN: ZAE000069639

(“**Wescoal**” or the “**Company**”)

WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

Holders of Wescoal ordinary shares (“**Wescoal Shareholders**”) are referred to the detailed cautionary announcement released on SENS on 26 October 2018, and the updates thereto on 07 and 21 December 2018, 24 January 2019 and 7 March 2019, wherein Wescoal announced that it had joined a consortium led by private equity firm, Ata Resources Coal Investments Proprietary Limited (the “**Consortium**”), for the Consortium, through a special purpose bidding company, to acquire the entire issued, and to be issued, ordinary share capital of Universal Coal Plc (“**Universal Coal**”), a company listed on the Australian Securities Exchange by way of a scheme of arrangement pursuant to Part 26 of the UK Companies Act 2006 (“**Proposed Transaction**”).

Wescoal Shareholders are also referred to the announcement by Universal Coal, published today, 8 April 2019, a full copy of which can be obtained from <https://www.asx.com.au/asxpdf/20190408/pdf/44447j5tc4g7rw.pdf>, wherein Universal Coal shareholders (“**Universal Shareholders**”) were informed that, *inter alia*:

- Universal Coal had received an updated proposal in respect of the Proposed Transaction from Ata Resources Proprietary Limited on behalf of the Consortium which included an improved cash consideration per Universal Coal share from AUD0.35 to AUD0.36 and an option for eligible Universal Shareholders and holders of Universal CHESS Depositary Interests to elect for deferred consideration notes, redeemable at AUD0.43 per Universal share within 12 months and one day after the cash a consideration was paid, for up to a maximum of 160 million Universal shares (“**Updated Proposal**”);
- Universal Coal and the Consortium have been unable to reach agreement in respect of the terms and conditions of the Updated Proposal and a proposed transaction implementation agreement which was to be entered into;
- Universal Coal had received a conditional, non-binding indicative offer (“**NBIO**”) from Afrimat Limited (“**Afrimat**”), under which Afrimat proposes to acquire the entire issued share capital of Universal Coal via a change of control transaction, for a cash consideration of AUD0.40 per Universal Coal share;
- the board of directors of Universal Coal (“**Universal Board**”) have decided to engage with Afrimat in respect of the NBIO; and
- in light of the matters referred to above, the Universal Board have determined that they are not able to make a recommendation in favour of the Updated Proposal.

Wescoal Shareholders are hereby advised that as a result of the aforementioned developments, negotiations regarding the Proposed Transaction have been terminated. Accordingly, the members of the Consortium, including Wescoal, have resolved to also terminate their respective cooperation through the Consortium in respect of the Proposed Transaction.

Notwithstanding the withdrawal of this cautionary announcement, Wescoal Shareholders are reminded that the Company is in a closed period, as defined by the JSE Listings Requirements, pending the

release of its financial results for the year ended 31 March 2019, on or about 25 June 2019. Accordingly, Wescoal Shareholders are advised to continue exercising caution when dealing in the Company's securities.

Johannesburg
8 April 2019

Investment Bank, Corporate Advisor and Sponsor to Wescoal
Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Legal Advisor to Wescoal
ENSafrica