

Universal Coal Plc

16:00 23 Aug 2016

Universal Coal Plc to cash in on rising coal prices with second mine

Universal Coal Plc (ASX:UNV) remains on schedule for the re-commissioning of the New Clydesdale Colliery (NCC) in South Africa, with the first coal expected in September 2016.

NCC is the company's second operation and enhances Universal's position as a multi-mine coal producer with an increased exposure to the improving export thermal coal market.

Universal's first project, Kangala Mine in South Africa, achieved record run-of-mine (ROM) production of 3.2 million tonnes in FY2016.

Record sales of 2.04 million tonnes helped the company generate unaudited group EBITDA of A\$17 million in FY2016, up 16% from FY2015.

The second project, NCC, located in South Africa's premier coal region in the Witbank basin hosts a JORC 2012 mineral resource of 130.4 million tonnes, sufficient for over twenty years of operation.

NCC will initially commence with 900,000 tonnes per annum ROM from the underground operation placed on care and maintenance by the previous owner, producing export quality thermal coal.

A second-phase open pit development will commence upon securing an offtake agreement, adding a further 2 million tonnes per annum ROM of primarily thermal coal.

Universal's CEO Tony Weber has indicated that the company will be in a good position to consider shareholder returns, including dividends, once the second phase of NCC is up and running in a steady state.

Interestingly, less than a year after the coal industry was declared to be in terminal decline, cargo prices for Australian thermal coal have soared over 35% since mid-June to almost \$US70 a tonne.

Proactive Investors is a global leader reporting financial news, media, research and hosts events for listed emerging growth companies and investors across four continents.

1 Year Share Price Graph



Share Information

Code: UNV
Listing: ASX
Sector: Coal
Website: www.universalcoal.com

Company Synopsis:

Universal Coal Plc (ASX:UNV) is listed on the Australian Securities Exchange.

action@proactiveinvestors.com.au

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.