



25 May 2012

The Manager  
Company Announcements  
Australian Securities Exchange Limited  
Level 6, 20 Bridge Street  
Sydney NSW 2000

By e-lodgement

**ASX WAIVER – LISTING RULE 7.3.2**

Please be advised that following a recent application, Universal Coal plc (“Universal”) has received a waiver from ASX Limited (“ASX”) in relation to the Company’s recently concluded Converting Note transaction with Susquehanna Pacific Pty Limited.

Having considered the Company’s application, ASX has provided the waiver subject to the following conditions:

1. Based solely on the information provided, ASX Limited (“ASX”) grants Universal Coal plc (the “Company”) a waiver from listing rule 7.3.2 to the extent necessary to permit the Company’s notice of general meeting (the “Notice”) seeking shareholder approval for the issue to Susquehanna Pacific Pty Limited of:
  - 1.1 a maximum of 12,000,000 Converting Notes comprising of 7,000,000 Tranche 1 Converting Notes and 5,000,000 Tranche 2 Converting Notes (together, the “Converting Notes”);
  - 1.2 a maximum of 38,527,394 unquoted options comprising 16,855,735 Tranche A (Low) Options, 5,618,579 Tranche A (High) Options, 12,039,810 Tranche B (Low) Options and 4,013,270 Tranche B (High) Options; and
  - 1.3 the payment of interest calculated at 9.5% per annum, payable quarterly in arrears on each interest payment date, under the Converting Notes, through the issue of CHES Depository Interests (“CDIs”) (the “Interest CDIs”)

not to state that the Tranche 2 Converting Notes, the Tranche B (Low) Options, the Tranche B (High) Options and the Interest CDIs will be issued no later than three months after the date of the meeting.

2. Resolution 1 is conditional on the following;
  - 2.1 The Notice stating that the Tranche 2 Converting Notes, the Tranche B (Low) Options and the Tranche B (High) Options will be issued no later than 1 September 2012.
  - 2.2 The Notice stating that the Interest CDIs may be issued until the date falling 18 months after the date on which the drawdown notice is issued by the Company for the Tranche 1 Converting Notes. In any event, the Interest CDIs must be issued no later than 19 months after the date of the Company's meeting to approve the issue of the Interest CDIs.
  - 2.3 Any annual report released during the period in which the Interest CDIs are issued or remain to be issued, disclosing details of the Interest CDIs that have been issued and the interest payable under the Converting Notes.
  - 2.4 The Company releasing the terms of this waiver to the market by way of a separate announcement.
3. ASX has considered listing rule 7.3.2 only and makes no statement as to the Company's compliance with other listing rules.

For further information please contact the Company directly on +61 8 6267 0210.

**For and on behalf of the Board**