

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, solicitor, accountant or other independent financial adviser, who is an appropriately authorised independent financial adviser.

This document constitutes a notice of variation, and a supplementary prospectus for the purposes of the Australian Corporations Act, dated 13 May 2016 ("Notice") in respect of an offer by Coal of Africa Limited ("CoAL") for the entire issued and to be issued share capital of Universal Coal plc ("Universal") ("Offer").

This Notice is supplementary to the Offer Document dated 21 December 2015 (which constitutes a prospectus for the purposes of the Australian Corporations Act), as supplemented by a notice of variation dated 18 February 2016, a second notice of variation and supplementary offer document dated 3 March 2016, third notice of variation dated 8 April 2016 and a fourth notice of variation dated 22 April 2016 and should be read together with the Offer Document (as supplemented) and the CDI Acceptance Forms and Form of Acceptance accompanying the Offer Document. If there is a conflict between the Offer Document (as supplemented) and this Notice, this Notice will prevail to the extent of any inconsistency.

This Notice was lodged with the Australian Securities and Investments Commission ("ASIC") on 13 May 2016. ASIC and ASX take no responsibility for the content of this Notice.

The Offer relates to a proposal which if implemented could result in the removal of Universal CDIs from the Official List of the ASX.

If you have sold or otherwise transferred all of your Universal Shares (other than pursuant to the Offer) or Universal CDIs, please send this document, the Offer Document and accompanying documents at once to the purchaser or transferee or to the bank, stockbroker, or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, the foregoing documents must not be forwarded or transmitted in or into any Excluded Jurisdiction or in or into any jurisdiction where to do so would constitute a violation of the relevant laws in that jurisdiction. If you have sold or transferred part of your holding of Universal Shares or Universal CDIs, please retain this document, the Offer Document and accompanying documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

**Notice of variation and supplementary offer document  
dated 13 May 2016  
extending the Offer Period  
in respect of the recommended Offer dated 21 December 2015  
by  
COAL OF AFRICA LIMITED  
for  
the entire issued and to be issued share capital of  
UNIVERSAL COAL PLC**

If you are a Universal Shareholder on the UK register and did not receive a hard copy of this document, you may request one by contacting the CoAL Receiving Agent (UK) in the United Kingdom on 0371 495 0103 (from within the United Kingdom) or +44 371 495 0103 (from outside the United Kingdom) and you may also request that all future documents, announcements and information in relation to the offer be sent to you in hard copy form.

If you are a Universal CDI Holder on the Australian register and did not receive a hard copy of this document, you may request one by contacting the CoAL Receiving Agent (Australia) on 1300 782 914 (within Australia) or +61 3 9415 4186 (outside Australia) and you may also request that all future documents, announcements and information in relation to the offer be sent to you in hard copy form.

Unless otherwise determined by CoAL and permitted by applicable law and regulation, the Offer will not be capable of acceptance from or within an Excluded Jurisdiction. Accordingly, copies of this document, the Offer Document, the Form of Acceptance and CDI Acceptance Forms and any other accompanying document must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent (including, without limitation, by way of facsimile, transmission, telephone or internet) in, into or from an Excluded Jurisdiction and persons receiving this document or the Offer Document, the Form of Acceptance, the CDI Acceptance Forms and any other accompanying document (including custodians, nominees and trustees) must not post or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offer. The availability of the Offer may be affected by the laws of their relevant jurisdiction. All persons should inform themselves about and observe any applicable legal or regulatory requirements of their jurisdiction.

Unless the context requires otherwise, capitalised words and phrases used in this document shall have the meaning given in Appendix XII of the Offer Document.

This Notice is intended to be read with the Offer Document dated 21 December 2015 (as supplemented), relating to Coal of Africa Limited's proposed acquisition of the entire issued and to be issued share capital of Universal Coal plc

To: **Universal Coal plc (“Universal”)**

**Each person to whom offers were made under the Offer and each person who has accepted the Offer**

## **1 EXTENSION OF OFFER PERIOD**

- 1.1 CoAL provides notice that it has varied<sup>1</sup> the terms of the Offer by extending the Offer Period such that the Closing Date is now **24 June 2016**.
- 1.2 The variation described in paragraph 1.1 has the effect of extending the period during which the Offer remains open for acceptance. The revised acceptance times are set out in paragraph 4 of this Notice.
- 1.3 The rationale for extending the Offer Period is to allow CoAL sufficient time to complete the new funding agreements with Hengshun Zhongsheng Group Co., Ltd and Summer Trees PTE. Ltd as fully described in section 3 of this Notice.
- 1.4 Further to the above CoAL continues to progress and evaluate all Conditions to the Offer that have as yet not been fulfilled.

## **2 COAL FUNDING UPDATE AND ASX WAIVER**

- 2.1 CoAL is pleased to advise that it is in the process of finalising two subscription agreements with Hengshun Zhongsheng Group Co., Ltd and Summer Trees PTE. Ltd (“**the Subscribers**”) pursuant to which the Subscribers will subscribe for 229,885,058 and 114,942,529 CoAL Shares respectively at a price of US\$0.0435 (approximately A\$0.0593<sup>2</sup>) per CoAL Share, for total proceeds of US\$15 million (“**New Subscription Agreements**”).
- 2.2 It is intended that these New Subscription Agreements will replace the YBI Subscription Agreement which was intended to be replaced by a US\$15 million loan to be made available to CoAL by YBI as first noted in the notice of variation dated 8 April 2016.
- 2.3 Full details of the terms of the New Subscription Agreements will be disclosed if, and when, the New Subscription Agreements are signed.
- 2.4 In addition, as announced on 4 March 2016, CoAL has entered into a subscription agreement with Haohua Energy International (Hong Kong) Resource Co. Limited (“**HEI**”), pursuant to which HEI has agreed to subscribe for 114,942,528 new CoAL Shares, to raise US\$5 million. Given the extensions of the Offer Period, HEI and CoAL have agreed that the subscription cut-off date for HEI’s investment will be extended to 31 August 2016. HEI’s subscription is subject to:
- (a) the Offer becoming unconditional in all respects;
  - (b) HEI receiving Australian Foreign Investment Review Board approval; and
  - (c) HEI receiving applicable regulatory approvals in the Peoples Republic of China.

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<sup>1</sup> CoAL makes this variation in accordance with paragraph 5.1 of Part B of Appendix VI of the Offer Document and the ASIC Relief granted to CoAL under ASIC Instrument [15-1129].

<sup>2</sup> Exchange rate AUD\$1.00:USD\$0.7335 as published by the Reserve Bank of Australia on 12 May 2016.

2.5 At the CoAL General Meeting on 3 March 2016, CoAL sought shareholder approval for a number of resolutions (see resolutions 2 to 5 in CoAL's notice of meeting dated 1 February 2016) in connection with its proposed acquisition of Universal, including, under Listing Rule 7.1 to permit the issue of:

- (a) up to 304,011,268 new Shares, being the Consideration Shares which form part of the Cash and Share Consideration;
- (b) 344,827,500 new Shares to Yishun Brightrise under the YBI Subscription Agreement;
- (c) 68,965,517 new Shares to M&G under the M&G Subscription Agreement; and
- (d) up to 229,885,058 new Shares, to non-related parties, that, after the date of the CoAL General Meeting, agreed to subscribe for new Shares.

Listing Rule 7.3.2 required that the Share issues approved at the CoAL General Meeting occur within 3 months of the date of that meeting (requiring the relevant Shares to be issued on or before 3 June 2016). As a result, given the delays with the Offer which have partially been caused by delays in obtaining necessary FIRB and other regulatory approvals for the Share subscriptions (which will fund the Offer), CoAL has applied for and been granted a waiver from Listing Rule 14.7, which effectively gives CoAL an extension of time to issue the Shares approved at the CoAL General Meeting to on or before 3 August 2016. The waiver and extension is subject to the relevant Shares being issued by no later than 3 August 2016 and on the same terms and conditions (including an issue price of US\$0.0435 in relation to the subscription Shares) approved by CoAL Shareholders at the General Meeting on 3 March 2016.

### 3 NOTICE ON STATUS OF CONDITIONS

3.1 As a consequence of the extension of the Offer Period described in paragraph 1 of this Notice, CoAL states that:

- (a) the new date on which CoAL will give notice of the status of the Conditions in accordance with section 1019HG(1) of the Australian Corporations Act (as notionally inserted by the ASIC Relief) is **17 June 2016**, or such later date in the event the Offer Period is extended in accordance with section 1019HB (general right of CoAL to extend offer period) or 1019HC (automatic extension of offer period in last 7 days in prescribed circumstances) of the Australian Corporations Act (as notionally inserted by the ASIC Relief);
- (b) the Offer is free of the Conditions set out in paragraphs (a) (acceptances being received from those representing not less than 50 per cent of the voting rights carried by Universal Shares), (b) (Loan Note Alternative elections being made in respect of Universal Shares representing not less than 40 per cent of the voting rights carried by Universal Shares), (c) (passing of the CoAL Resolutions), (g) (competition approval being obtained), (h) (Investec Bank Limited providing its written consent) and (i) (Mountain Rush Trading 6 Proprietary Limited providing its written consent) of section 1 of Part A of Appendix VI of the Offer Document and, so far as CoAL is aware, those Conditions have been fulfilled; and

- (c) the Offer is not free of the Conditions set out in paragraphs, (d) (admission to trading on AIM of the Consideration Shares and readmission to trading on AIM of CoAL Shares), (e) (the Subscription Agreements having become unconditional), (f) (the Offer not becoming subject to the Code), (j) (all Authorisations having been obtained) and (k) (no material adverse change in the financial or trading position of, or prospects for, the Universal Group since 30 June 2015 and other prescribed occurrences) of section 1 of Part A of Appendix VI of the Offer Document and, so far as CoAL is aware, those Conditions have not been fulfilled.

#### 4 REVISED ACCEPTANCE TIMES

4.1 As a consequence of the extension of the Offer Period described in paragraph 1 of this Notice, and subject to any further extension of the Offer Period, to accept the Offer:

- (a) If you hold Universal Shares in certificated form, you must submit your completed Forms of Acceptance to the CoAL Receiving Agent (UK) by no later than **1.00pm (London time) on 24 June 2016**.
- (b) If you hold Universal Shares in uncertificated form (that is, in CREST), you must send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear so that the instruction settles by no later than **1.00pm (London time) on 24 June 2016**.
- (c) If you hold Universal CDIs through Universal's Issuer Sponsored Subregister, you must submit a completed CDI Acceptance Form (Issuer Sponsored) to the CoAL Receiving Agent (Australia) by no later than **7.00pm (Sydney time) on 20 June 2016**. This date is the revised "CDI Acceptance Expiry Time" for the purposes of the Offer and the Offer Document.
- (d) If you hold Universal CDIs through Universal's CHESSE Subregister, you must accept electronically through CHESSE, or submit a completed CDI Acceptance Form (CHESSE) to the CoAL Receiving Agent, by no later than **7.00pm (Sydney time) on 20 June 2016**.

Universal Shareholders and CDI Holders should refer to the Offer Document (as supplemented) for further instructions regarding how to accept the Offer.

## 5 REVISED INDICATIVE TIMETABLE

5.1 CoAL expects the Offer to proceed according to the revised indicative timetable set out below.

5.2 The dates and times set out in the timetable below are indicative only and may change in accordance with the terms and conditions of the Offer, to the extent permitted by law and as described in the Offer Document. In particular, the period during which the Offer is open for acceptance may be further extended by CoAL (where permitted by law).

<b>CDI Acceptance Expiry Time</b>	<b>7.00pm (Sydney time) on 20 June 2016</b>
<b>Final date for receipt of TTE Instructions and Forms of Acceptance</b>	<b>1.00pm (London time) on 24 June 2016</b>
<b>Closing Date of the Offer (unless the Offer Period is extended)</b>	<b>1.00pm (London time) on 24 June 2016</b>
Expected date by which settlement of consideration will first occur*	On or around 1 July 2016
Readmission of CoAL Shares to trading on AIM*	On or around 4 July 2016
Trading of Consideration Shares on AIM, ASX and JSE*	On or around 4 July 2016

\* CoAL will pay the cash and/or issue the Consideration Shares and/or Loan Notes to which accepting Universal Shareholders are entitled within 14 calendar days of the date on which the Offer becomes or is declared wholly unconditional or, in relation to valid acceptances received after this date but while the Offer remains open for acceptance, within 14 calendar days of that acceptance.

## 6 RIGHTS OF UNIVERSAL SHAREHOLDERS TO WITHDRAW ACCEPTANCES

As:

- (a) the Offer remains subject to the Conditions set out in paragraph 3.1(c) above and CoAL has varied the Offer in a way that postpones for more than 1 month the time when CoAL has to meet its obligations under the original Offer;
- (b) the Consideration Shares are not admitted to quotation and will not be admitted to quotation within 3 months after the date of the second notice of variation and supplementary offer document dated 3 March 2016 (being the last supplementary disclosure document lodged with ASIC),

persons who have accepted the Offer (“**Accepting Shareholders**”) are entitled to withdraw their acceptances by:

- (c) giving written notice to CoAL, within 1 month of the day after the date on which the person receives this Notice, in accordance with clause 3.2 of Part B of Appendix VI of the Offer Document:
  - (i) in the case of Universal Shares held in certificated form, by written notice by the Accepting Shareholder (or the Accepting Shareholder's agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to CoAL, is produced with the notice) given by post to the CoAL Receiving Agent (UK) or by hand (during normal business hours only) to the CoAL Receiving Agent (UK) at the address set out in the Form of Acceptance; or
  - (ii) in the case of Universal Shares held in uncertificated form (that is, Universal Shares held in CREST), by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA Instruction (containing the details required by clause 3.2(e) of Part B of Appendix VI of the Offer Document) to settle in CREST in relation to each Electronic Acceptance to be withdrawn; and
- (d) returning any consideration and documents received by the Accepting Shareholder for accepting the Offer.

## 7 RIGHTS OF UNIVERSAL CDI HOLDERS TO WITHDRAW ACCEPTANCES

- (a) If withdrawals of acceptances of the Offer in relation to the Universal Shares underlying and corresponding with the Universal CDIs are permitted pursuant to paragraph 6 above, a Universal CDI Holder who has accepted the Offer ("**Accepting CDI Holder**") may instruct the CDI Nominee to withdraw its acceptance of the Offer in respect of the underlying and corresponding Universal Shares as follows:
  - (i) if the Universal CDIs are held through Universal's CHESSE Subregister, a withdrawal must be effected in accordance with the ASX Settlement Operating Rules (contact your Controlling Participant (normally your broker) for details); and
  - (ii) if the Universal CDIs are held through Universal's Issuer Sponsored Subregister, a withdrawal must be made by written notice signed by the Accepting CDI Holder (or the Accepting CDI Holder's agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to CoAL, is produced with the notice) given by post or by hand (during normal business hours only) to the CoAL Receiving Agent (Australia).
- (b) To be effective, any instruction to the CDI Nominee to withdraw its acceptance of the Offer in respect of Universal Shares underlying and corresponding with Universal CDIs must be:
  - (i) received in sufficient time to allow the CoAL Receiving Agent (Australia) to collate instructions to withdraw on behalf of Universal CDI Holders, and to procure the CDI Nominee to withdraw acceptances, prior to expiration of the CDI Nominee's rights under paragraph 6 above; and

- (ii) associated with the return to the CoAL Receiving Agent (Australia) of any consideration and documents received by the Accepting CDI Holder in respect of Universal Shares underlying and corresponding with the Universal CDIs to be withdrawn.
- (c) In the event of any difficulties in submitting any such instruction, the Accepting CDI Holder should contact the CoAL Receiving Agent (Australia).

## 8 STATUS OF ACCEPTANCES

CoAL wishes to advise that, as at the date of this Notice, it has received acceptances of the Offer from Universal Shareholders (including Universal CDI Holders) representing **472,404,977 Universal Shares**, equating to approximately **93.23%** of the total number of Universal Shares on issue.

## 9 AUTHORISATION

This Notice has been approved by a resolution of the CoAL Board and is signed for and on behalf of the CoAL Directors by two CoAL Directors who are authorised to sign this Notice.

In accordance with section 720 of the Australian Corporations Act, each Director has consented to the lodgment of this Notice with ASIC.



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**David Brown**

**Chief Executive Officer /  
Executive Director**

**For and on behalf of Coal of  
Africa Limited**



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**De Wet Schutte**

**Chief Financial Officer / Executive  
Director**

**For and on behalf of Coal of Africa  
Limited**