



ANNOUNCEMENT

30 November 2015

ASIC Relief

ASIC grants relief to Coal of Africa Limited from Division 5A of Part 7.9 of the Australian Corporations Act in relation to Universal Coal PLC

Coal of Africa Limited (**CoAL**) is pleased to announce that the Australian Securities and Investments Commission (**ASIC**) has granted relief to CoAL under subsection 1020F(1) of the Australian Corporations Act 2001 (Cth) (**Corporations Act**) in relation to the offer which will be made by CoAL to purchase all the ordinary shares and shares underlying CDIs in Universal Coal PLC (**UNV**) under an offer document and in accordance with the terms and conditions announced by CoAL on ASX on 26 November 2015 (the **Offer**), by way of a declaration set out in ASIC instrument [15-1129] (**ASIC Relief**).

The Offer is subject to the unsolicited offer provisions in Division 5A of Part 7.9 of the Corporations Act which regulate unsolicited off-market offers to purchase financial products which are made in Australia. To the extent that those provisions apply to the Offer, but for the ASIC Relief, the terms of the Offer may not be varied.

Summary of the nature and effect of the ASIC Relief

- 1.1 The ASIC Relief grants relief to CoAL by modifying the unsolicited offer provisions of the Corporations Act in relation to CoAL's Offer so that CoAL is permitted to vary certain terms of the Offer by:
- (a) **extending the Offer Period**, provided the extension occurs:
 - (i) if no defeating conditions apply, at any time before the end of the offer period for the Offer (**Offer Period**); and
 - (ii) if any defeating conditions apply; no later than the notice referred to in paragraph 1.2(f) below is given (**status notice time**) or after the status notice time in certain circumstances including, for example, where a competing offer for UNV shares and/or CDIs is announced or made (**Competing Proposal**) or the consideration offer by CoAL under the Offer (**Offer Consideration**) or the consideration for offers under a Competing Proposal is improved;
 - (b) **improving the Offer Consideration**, including by (among other things) increasing the cash sum offered, increasing the number of securities offered, increasing the rate of interest payable under debentures offered or by increasing the amount or value of debentures offered; or
 - (c) **freeing the Offer from defeating Conditions**, provided that, other than in respect of conditions relating to events or circumstances referred to in section 652C(1) or (2) of the Corporations Act (commonly described as prescribed occurrences) or similar events and circumstances set out in the offer document and agreed to by ASIC (if any), CoAL does so not less than 7 days before the end of the Offer Period.

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Bernard R. Pryor – Chairman, David H. Brown – Chief Executive Officer, De Wet O Schutte
Non-executive directors: Peter G. Cordin, Andrew D Mifflin, Khomotso B. Mosehla, Thabo F Mosololi, Rudolph H. Torlage

1.2 The ASIC Relief also requires:

- (a) that any increase in the Offer Consideration be extended to all Offers made by CoAL, whether or not already accepted;
- (b) that any variation that extends the Offer Period, increases the Offer Consideration or frees the Offer from defeating conditions varies all unaccepted Offers in the same way;
- (c) CoAL to give notice of any extension of the Offer Period or increase of the Offer Consideration to UNV and ASX (and everyone to whom Offers were made¹) setting out the terms of the variation and any rights of accepting offerees to withdraw their acceptances, which will arise if:
 - (i) the Offer is subject to a defeating condition; and
 - (ii) the variation represents a variation that that postpones for more than 1 month the time when CoAL has to meet its obligations (including to pay the Offer Consideration) under the Offer;
- (d) CoAL to give notice of any variation freeing the Offer from defeating conditions to UNV and ASX stating that the offers are free from the defeating condition and specifying CoAL's voting power in UNV;
- (e) where a defeating condition is fulfilled during the Offer Period but before the status notice time, CoAL to give notice to UNV and ASX stating that the defeating condition has been fulfilled;
- (f) between 14 and 7 days before the end of the Offer Period, CoAL to give an update on the status of the defeating conditions (**Status Notice**) to UNV and ASX specifying whether the Offer is free from defeating conditions or whether, so far as CoAL is aware, the defeating conditions have been satisfied together with CoAL's voting power in UNV;
- (g) where the Offer Period is extended, CoAL to give notice to UNV and ASX stating:
 - (i) whether the Offer is free from the defeating conditions or whether they have been satisfied as at the date of the extension; and
 - (ii) the revised period during which it must give a Status Notice;
- (h) that, where the Offer Consideration is improved or CoAL's voting power in UNV increases to more than 50% within the last 7 days of the Offer Period:
 - (i) the Offer Period is automatically extended so that it ends 14 days after the improvement or increase occurs (but is capable of further extension); and
 - (ii) within 3 days of the improvement or increase, CoAL is required to give UNV, and UNV shareholders who have been made but not accepted an Offer, written notice that the extension has occurred.

¹ A copy does not need to be given to offerees if the variation merely extends the Offer Period where the Offer is not subject to any defeating conditions.

- 1.3 Not all terms of the ASIC Relief are discussed in this Announcement. Please refer to the actual ASIC Relief for full details of the ASIC Relief.

CoAL is continuing to progress preparation of the offer document which will be dispatched in connection with the Offer. For further information regarding the proposed Offer, timing and the terms and conditions of the proposed Offer please refer to CoAL's announcement of 26 November 2015.

For more information contact:

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Investec Bank Limited is the nominated JSE Sponsor

About CoAL:

CoAL is an AIM/ASX/JSE listed coal exploration, development and mining company operating in South Africa. CoAL's key projects include the Vele Colliery (coking and thermal coal), the Greater Soutpansberg Project /MbeuYashu, including CoAL's Makhado Project (coking and thermal coal).
