

**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, bank manager, solicitor, accountant or other independent financial adviser, who is an appropriately authorised independent financial adviser.

This document relates to the Offer made under the Offer Document dated 30 September 2015 issued by Ichor Coal N.V. in respect of a cash offer for Universal Coal PLC ("Offer Document") and should be read together with the Offer Document, the First and Second Supplementary Offer Documents dated 9 November 2015 and 26 November 2015 and the Notices of Variation dated 26 November 2015 and 16 December 2015.

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

If you have sold or otherwise transferred all of your Shares (other than pursuant to the Offer) or CDIs, please send this document and any accompanying document 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 Restricted 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 Shares or CDIs, please retain this document and any accompanying documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

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## **Notice of status of conditions dated 29 January 2016**

**in respect of**

**Cash Offer dated 30 September 2015**

**by**

**ICHOR COAL N.V.**

**for**

**UNIVERSAL COAL PLC**

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**IF YOU HOLD CDIs AND DID NOT RECEIVE A HARD COPY OF THIS DOCUMENT, YOU MAY REQUEST ONE BY CONTACTING LINK MARKET SERVICES LIMITED AUSTRALIA ON 1300 653 497 (WITHIN AUSTRALIA) OR +61 1300 653 497 (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.**

**IF YOU HOLD SHARES AND DID NOT RECEIVE A HARD COPY OF THIS DOCUMENT, YOU MAY REQUEST ONE BY CONTACTING CAPITA ASSET SERVICES ON 0371 664 0321 (WITHIN THE UNITED KINGDOM) OR +44 (0) 208 639 3399 (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.**

Unless otherwise determined by IchorCoal and permitted by applicable law and regulation, the Offer will not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, except in respect of CDI Holders, copies of this document, the Offer Document and any 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 a Restricted Jurisdiction (other than by sending completed acceptance forms to the UK Receiving Agent) and persons receiving this document, the Offer Document 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 to persons who are not resident in Australia may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal or regulatory requirements of their jurisdiction.

Macquarie Capital (South Africa) is acting exclusively for IchorCoal and no one else in connection with the Offer and will not be responsible to anyone other than IchorCoal for providing the protections afforded to clients of Macquarie Capital (South Africa) or for providing advice in connection with the Offer.

A copy of this document and the information incorporated by reference in this document will be made available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on IchorCoal's website at [www.ichorcoal.com](http://www.ichorcoal.com) as soon as possible and in any event by no later than 12 noon (Sydney time) on 1 February 2016 until the end of the Offer Period. For the avoidance of doubt, the contents of this website are not incorporated into and do not form part of this document.

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

**A copy of this notice is not required to be lodged with ASIC. Neither ASIC nor its officers takes any responsibility for the contents of this notice.**

To: Universal Coal PLC (**UNV**)  
ASX Limited

## 1. IchorCoal Offer

1.1 IchorCoal's offer, which was made on 30 September 2015 at A\$0.16 a UNV share, will expire on 5 February 2016. IchorCoal does not intend to further extend its offer given:

- (a) that IchorCoal considers that shareholders have had ample time to consider the detail of its offer;
- (b) the reduced possibility of satisfaction of the Acceptance Condition<sup>1</sup> in light of the current UNV share price and the alternative Coal of Africa Limited ("CoAL") offer;
- (c) delays in UNV finalising a coal sales agreement with Eskom for the New Clydesdale Colliery ("NCC"); and
- (d) the reduced value proposition of UNV to IchorCoal in Australian dollar terms at the present time in light of the recent 18.8%<sup>2</sup> depreciation of the South African Rand versus the Australian Dollar over the period 30 September 2015 to 27 January 2016, given the Australian dollar acquisition price and Universal Coal's predominantly South African Rand cashflows.

This does not preclude IchorCoal's ability to make another offer in future.

1.2 IchorCoal retains a strategic shareholding in UNV and will continue to work with UNV as an independent listed company to maximise value for all shareholders.

1.3 As UNV's single largest shareholder, IchorCoal considers that UNV would assist UNV shareholders in evaluating the CoAL offer if UNV were to cause CoAL to provide further detail about:

- (a) the quantum and maturities of the total debt burden that CoAL will assume following the CoAL offer given the Loan Note alternative and its other near term liabilities, including its payable to Rio Tinto<sup>3</sup>, which based on the 50.1% pro forma financials provided in the CoAL offer document implies gross debt of over US\$100 million (before interest), with significant near term repayments, compared with only US\$59 million in available cash<sup>4</sup>; and
- (b) CoAL's ability to service this debt burden having regard to its project development obligations and forecast near term cashflow.

1.4 IchorCoal does not anticipate that UNV will pay material dividends, if any, in the near term to contribute to CoAL's ability to meet its project development and debt obligations, including the Loan Note alternative, given:

- (a) UNV's current project development activities at NCC;
- (b) UNV's own debt facilities and debt service obligations; and
- (c) UNV not having previously declared a dividend or announced an intention to declare a dividend in the near term.

<sup>1</sup> The Acceptance Condition is Condition 1(a) in Part A of Appendix I of the Offer Document.

<sup>2</sup> AUDZAR of 9.7222 as at 30 September 2015 and 11.5494 as at 27 January 2016, Bloomberg

<sup>3</sup> Rio Tinto settlement repayable by June 2017, with a balance of US\$19.8 million as at 30 June 2015 as set out in Coal of Africa's Integrated Report 2015

<sup>4</sup> Gross Debt comprising Current and Non-Current Borrowings, Deferred Consideration (understood to be Rio Tinto repayment) and Convertible Notes

## 2. Status of Conditions

2.1 Under section 1019HG(3) of the Australian Corporations Act as notionally inserted by the ASIC Relief granted to IchorCoal under ASIC Instrument [15-1128], IchorCoal states that:

- (a) the Offer is:
  - (i) free of the Conditions set out in paragraphs 1(c) (relating to concentration or merger control filings, notifications and approvals) and 1(m) and 1(n) (relating to IchorCoal shareholder approval of the acquisition of Shares under the Offer and IchorCoal shareholder approval of the issue and allotment of the Placing Shares) of Part A of Appendix I of the Offer Document and, so far as IchorCoal is aware, those Conditions have been satisfied; and
  - (ii) not free of the Conditions set out in paragraphs 1(a), 1(b), 1(d) to 1(l), 1(o) and 1(p) of Part A of Appendix I of the Offer Document and, so far as IchorCoal is aware, those Conditions have not been satisfied; and
- (b) IchorCoal's Voting Power in UNV is 30.48%.

## 3. Responsibility

The directors of the management board of IchorCoal, whose names are set out in paragraph 2.1 of Appendix III of the Offer Document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the directors of the management board of IchorCoal (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.



Nonkululeko Nyembezi-Heita  
Chief Executive Officer  
For and on behalf of  
Ichor Coal N.V.