

29 April 2016



universal
coal plc

MARCH 2016 QUARTERLY REPORT

Thousands of tonnes	Quarter Ended			YTD		
	Mar 2016	Dec 2015	Change	Mar 2016	Mar 2015	Change
ROM Coal	772	767	1%	2 225	1 656	34%
Domestic Sales	431	454	(5%)	1 383	1 124	23%
Export Sales	6	13	(53%)	45	47	(4%)
Total Coal Sales	437	467	(6%)	1 428	1 171	22%

HIGHLIGHTS

Corporate action

- Coal of Africa Limited (CoAL) has received acceptances representing ~93.20% of the total number of UNV shares on issue
- CoAL extends offer closing date to 20 May 2016
- Unsolicited takeover offer from IchorCoal lapses with minimal take-up

Operations

- Pit reconfiguration now completed, steady state production resumed – trending for record 200,000 sales tonnes for the month of April 2016
- Kangala production up 1% to 771 900 tonnes Run of Mine (ROM) for the quarter, and up 34% year to date
- Total coal sales of 436,957 tonnes, down 6% from the previous quarter, and up 22% year to date
- On track to meet 2.8Mt ROM and 2Mt sales tonnes for the 2016 financial year

Financial

- Group EBITDA of A\$14.8 million for the nine months to 31 March 2016 (unaudited)
- Group net cash generated in operating activities of A\$3.7 million for the quarter

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CORPORATE ACTION

Coal of Africa Limited Offer Extended

On 26 November 2015, details of an offer by Coal of Africa Limited ("CoAL"; ASX: CZA) for the entire issued and to be issued share capital of Universal Coal Plc (Universal or the Company) was announced (CoAL Offer). On 21 December 2015, the CoAL Offer was formally opened, under which terms eligible Universal Coal shareholders are entitled to receive, for each Universal Coal share, either:

- A\$0.20 in cash and 1 New CoAL Share; or
- subject to eligibility under applicable securities laws, a non-converting, secured Loan Note with a principal amount of A\$0.25 per Loan Note.

Restricted shareholders not eligible to participate in the cash and share CoAL Offer are instead entitled to receive, for each Universal Coal share held:

- A\$0.25 in cash; or
- subject to eligibility under applicable securities laws, a non-converting, secured Loan Note with a principal amount of A\$0.25 per Loan Note.

On 18 February 2016, CoAL announced an extension of the Offer Period, amending the closing date of the CoAL Offer (Closing Date) to 11 March 2016. At a general meeting held on 3 March 2016, CoAL shareholders passed resolutions approving the CoAL Offer for the acquisition of Universal Coal. CoAL also announced a further extension to the Offer Period, amending the Closing Date to 15 April 2016. The Closing Date for the CoAL Offer has since been further extended to 29 April 2016, and then subsequently to 20 May 2016.

CoAL has advised the market that as of 22 April 2016, it had received acceptances for its Offer from Universal Shareholders (including Universal CDI Holders) representing 472,250,154 Universal Shares, equating to approximately 93.20% of the total number of Universal Shares on issue. It should be noted that the "squeeze out" provisions of Part 28 of the UK Companies Act 2006 are not available to CoAL. Therefore, even if CoAL acquired 90 per cent. or more of the remaining Universal Shares pursuant to the Offer, it will not be able to require the compulsory acquisition of the remaining Universal Shares and therefore Universal Coal Shareholders are advised to take such action as may be necessary to enable them to accept the Offer.

Unsolicited Ichor Coal N.V. Offer

On 5 February 2016, Ichor closed its unsolicited cash offer for the shares of Universal Coal that it did not already hold.

The total number of Universal Coal shares (Shares) for which acceptances of the Ichor Offer from Universal Coal shareholders has been received was 0. The total number of Shares attributable to acceptances of the Ichor Offer from CDI Holders (but which have not been reflected as Share acceptances) was 1,321,703.

Hence, the total number of shares held by parties that accepted the Ichor offer totalled 1,321,703, representing 0.26% of the total shares of Universal Coal.

QUARTERLY CASHFLOW IMPROVING

Quarterly cash flow commentary

Group operating cash flow generated during the quarter ended 31 March 2016 was A\$3.7m, reflecting a much improved position from 2Q2016 which was a cash utilisation of A\$3.8m.

Included under item 1.2 (c) of the Appendix 5B are costs relating to deferred stripping activities at the Kangala Colliery in the amount of A\$1.8 million. The pit reconfiguration has been completed and no further deferred stripping costs are anticipated.

Cash payments for legal, financial advisory, consulting, investor relations and share registry services relating to the takeover activity amounted to A\$0.3 million which were not originally planned for and have been reported under the administration item 1.2 (d). It is not expected that these costs will be recurring post the conclusion of the takeover process.

Repayment of borrowings under item 1.17 of Appendix 5B relate to repayments of term loan and working capital facilities of A\$2.2 million, A\$0.5 million to Susquehanna Pacific Limited post receipt of conversion notices and A\$0.4 million as shareholder loan repayments.

Cash flow requirements relating to development activities for the following quarter, as reflected under Section 4 of the attached Appendix 5B, are provisioned to be covered by the Investec Bank Limited debt facility for NCC. The balance of these cash flow requirements will be covered from existing cash reserves and cash receipts from customers through trading activity at the Kangala Colliery.

Credit standby arrangements of A\$2.2 million remain available for the Kangala operation to cover the funding of working capital requirement, should they arise. These facilities were fully repaid in March 2016 and currently remain undrawn and available for utilisation should the need arise.

Unaudited Group EBITDA for the nine months ended 31 March 2016 is reported at A\$14.8 million subject to confirmation through the annual audit, which will be finalised and released to the market by 30 September 2016.

Trading Summary

At the Kangala Colliery, run of mine (ROM) coal production continues to improve following the completion of pit reconfiguration activities. The operation has since returned to steady-state level production, with the larger mining fleet remaining on site to ensure higher ROM tonnages are consistently achieved. With the dry season approaching, we anticipate good mining conditions to persist, with record April 2016 domestic sales of 200ktpm expected to be achieved.

For the quarter, sales tonnages were further impacted by poor plant performance from the DMS section of the CHPP, and to this end we have been working with the contractor to improve performance in order to attain design parameters. Performance in the month of April 2016 has been vastly improved as illustrated in the sales expectations.

Commenting on the quarterly results, CEO Tony Weber remarked:

"Difficult operating conditions which were experienced during the December 2015 quarter due to the pit reconfiguration and additional stripping activities required for the updated rock mechanic engineering requirements persisted into the March quarter. Despite taking longer than initially envisaged, we have now concluded the reconfiguration, which will allow improved production flexibility going forward in anticipation of potential longer-term increases in demand as well as greater pit stability. We have resumed steady state production conditions, and anticipate 200,000 tonnes of domestic sales for April 2016 and beyond.

At New Clydesdale Colliery, we continue to engage with Eskom regarding the Coal Supply Agreement and will provide an update in due course.

Brakfontein still awaits the water use licence and we are progressing well with our plans for the incorporation of the Brakfontein ROM coal into the Kangala Colliery product stream."

Operational Activities

Kangala Colliery

Development and production activities

The Kangala Colliery continues with steady quarterly tonnages, processed and sold to its customers. Quarterly and Annual operational performance is reflected in more detail below:

Operational Performance (tonnes)	Quarter ended 31-Mar-2016	% Change	Quarter ended 31 Dec 2015	Total YTD 31-Mar-16	% Change	Previous YTD 31-Mar-15	Total from SOP
Run-of-mine (ROM)							
Kangala Colliery	771,900	1%	766,522	2,225,322	34%	1,655,545	5,330,938
Total ROM	771,900	1%	766,522	2,225,322	34%	1,655,545	5,330,938
Feed to plant							
Kangala Colliery	699,049	0%	696,130	2,090,423	17%	1,787,197	5,121,819
Total feed to plant	699,049	0%	696,130	2,090,423	17%	1,787,197	5,121,819
Plant Yields							
Kangala Colliery	66%	-8%	71%	69%	-1%	70%	68%
Domestic sales	431,049	-5%	454,389	1,383,465	23%	1,123,592	3,385,881
Export sales	5,908	-53%	12,640	44,805	-6%	47,489	97,965
Total sales	436,957	-6%	467,029	1,428,270	22%	1,171,081	3,483,846

Run-of-Mine (ROM)

For the quarter, the 771 900 ROM tonnes is marginally below the planned ROM tonnage due to the last development work conducted for the pit reconfiguration. This process has now completed, with April 2016 tonnages reaching steady state ROM tonnages, and bodes well for a stronger final quarter of the 2016 financial year.

Domestic product sales

Domestic product sales were 5% below the previous quarter's results, primarily due to throughput challenges experienced in the DMS section of the Coal Handling and Processing Plant (CHPP). This section of the plant was strained due to breakdowns of the rotary breaker and blockages through the feed section. The rotary breaker is currently being assessed by the manufacturer and a temporary crushing solution has been implemented until the return of the rotary breaker to full operation.

Export product sales

Export sales were 53% lower than the previous quarter due to the erratic nature of the existence of the midseam coal in the current mining area of the pit.

Health, safety and environment

Universal Coal is deeply committed to health, safety and environmental issues, and continues to implement its strategy in this regard.

Socio Economic development and Sustainability initiatives

The skills training programme for 2015 has been completed, resulting in a hundred local residents successfully trained to become qualified operators on heavy mining machinery to date. Fifty successful operators have been appointed as Articulate Dump Trucks operators for Kangala. The programme has been extended to train a further fifty local residents to become machine operators by the end of December 2017.

Construction has now been completed of the Nkangala Further Education Training (FET) satellite campus, a local economic development project. The anticipated hand over date of the campus to the beneficiary, the Department of Education, is planned for Q3 2016. The initiative is a joint venture between Universal Coal, Exxaro's Leeuwpan Coal Mine, the Department of Education and the Victor Khanye Local Municipality.

Kangala has initiated a small enterprise development project, wherein local community individuals have been selected and assisted to establish a business/company that will operate the Mine's laundry facility. Seven community members will be employed and two prospective entrepreneurs will be identified and equipped with essential skills to run the business. The parties will be empowered with the resources needed to develop the company into a medium-large business, and owners to establish themselves in their respective markets and expand their networks.

Three students from poor financial background residing in the hosting community have been offered financial support to further their education at a tertiary education institution. The bursars have been

accepted and registered to study mining engineering, civil engineering and accounting at Wits University and Johannesburg University.

Kangala Colliery donated over 200 pairs of school shoes to the disadvantaged school children around the Delmas area. This corporate social initiative was triggered by the drive to encourage children in need to go to school and have access to education. The programme is not a once-off event, it is being planned for H2 2016 academic year.

Exploration activities

There were no activities relating to exploration at Kangala.

NCC

The following key development milestones for the quarter were achieved:

Contractual Offtake Arrangements

Universal Coal has been in detailed discussions with Eskom with a view to finalising contractual offtake arrangements and will keep the market apprised of further developments in this regard.

Development strategies seeking to supply alternative coal markets are being evaluated in an attempt to commence mine development activities within the current quarter (4Q2016).

Exploration activities

There were no activities relating to exploration at NCC.

Mine development funding

The debt funding solution to finance the remainder of the NCC project development continues to be secured through Investec Bank Limited on favourable terms to the Group. Drawdown on the debt facility remains contingent on final coal supply and offtake negotiations being concluded.

Development activities

Care and maintenance activities continue to be carried out on the underground workings and CHPP.

Further on-site development activities await the award of a coal supply agreement with Eskom.

Stakeholder engagement with the interested and affected community continues.

Activities for the preparation of consolidation of Roodekop and NCC Mining Rights is in progress.

Production activities

There were no activities relating to production at NCC.

Brakfontein – Thermal Coal

Development activities

With the Mining Right granted (pending execution and registration) and having already secured the National Environmental Management Act (NEMA) authorisation, the project awaits the granting of the Integrated Water Use Licence (IWUL).

Exploration activities

There were no activities relating to exploration at Brakfontein.

Production activities

There were no activities relating to production at Brakfontein.

Berenice/Cygnus - Coking Coal

Development activities

A Mining Right application was submitted to the Department of Mineral Resources on 4 December 2015.

Exploration activities

There were no activities relating to exploration at Berenice/Cygnus.

Production activities

There were no activities relating to production at Berenice/Cygnus.

Activities Planned for the June 2016 Quarter

- Conclude the offtake and Coal Sales Agreements for NCC
- Maintain steady state ROM production and DMS plant throughput rates at Kangala
- Effect drawdown on the Investec financing facility for NCC
- Commence with the boxcut development at Roodekop and plant reconfiguration at NCC
- Submit a Mining Right application for the consolidation of NCC and Roodekop Mining Rights in terms of s102 of the MPRDA

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About Universal Coal

ASX-listed Universal Coal (ASX: UNV) is focused on becoming a leading mid-tier coal company with significant regional reach in southern Africa.

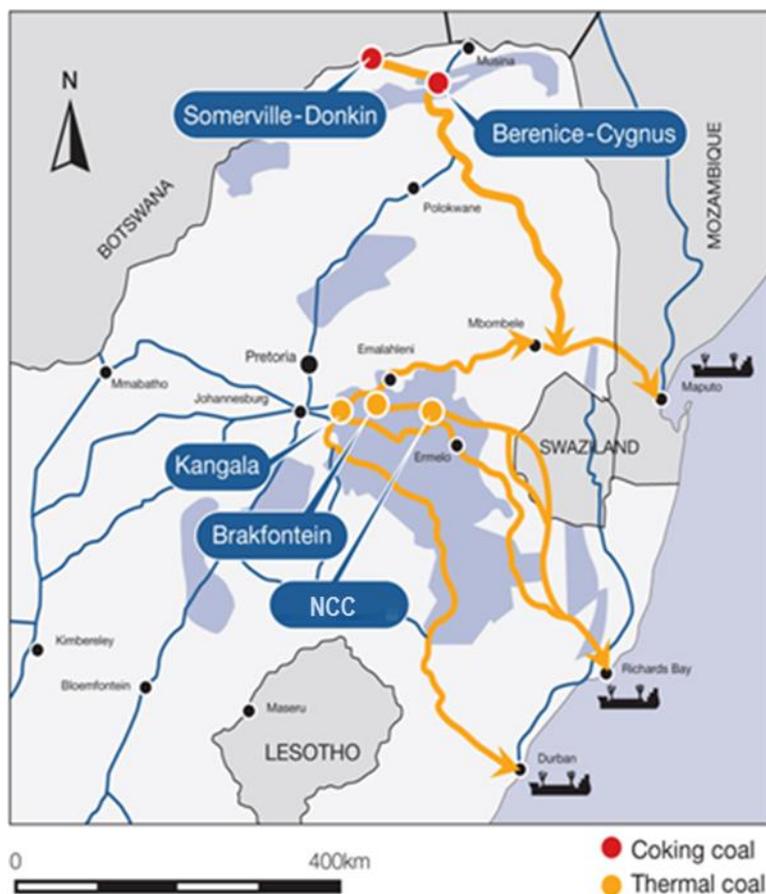
The company has a portfolio of producing, development and exploration assets located across South Africa's major coalfields.

Kangala Mine in the Witbank coalfield, Universal's first mine, commenced production in February 2014. Kangala produces an average of 1.7 million to 2 million tonnes of saleable thermal coal per annum, primarily for the domestic market.

The New Clydesdale Colliery (NCC) is currently being developed, fast-tracking the company's progress towards becoming a multi-mine producer.

Besides its thermal coal projects (including Brakfontein), the company has completed earn-in agreements over two coking coal projects (Berenice/Cygnus and Somerville) in the Soutpansberg coalfields.

The following map and schedule provides information pertaining specifically to the location and tenure of interests held by Universal Coal Plc in mining and prospecting rights in South Africa.



Universal Coal Global Coal Resources/Reserve Estimate

Project	Reserve	Resource				
	Proved Mt	Measured Mt	Indicated Mt	Inferred Mt	Total Mt	Attributable to Universal Mt
Thermal Coal (Witbank)						
Kangala ¹	16.8	77.2	22.9	33.7	133.8	94.3
NCC ²	29.3	82.8	25.2	22.4	130.4	76.3
Brakfontein ³	9.1	31.7	39.4	4.7	75.8	38.1
Arnot South ⁴	-	2.3	65.3	139.0	206.6	103.3
Total Thermal Coal	55.2	194.0	152.8	199.8	546.6	312.0
Coking Coal (Limpopo)						
Berenice ⁵ Cygnus ⁶	-	424.9	800.9	124.3	1,350.1	675.1
Somerville ⁵	-	-	-	274.0	274.0	137.0
Total Coking Coal	-	424.9	800.9	398.3	1,624.1	812.1
Total	55.2	618.9	953.7	598.1	2,170.7	1,124.1

Notes:

- Mineral Resources are stated on a gross in situ basis and inclusive of Ore Reserves.
 - Rounding (conforming to the JORC Code) may cause computational discrepancies.
 - The resource and reserve estimates have been prepared to comply with the JORC Code.
1. Universal has an attributable interest of 70.5 per cent. in the Kangala Project.
 2. Universal has an attributable interest of 49 per cent. in the NCC and 74 per cent. in the Roodekop Project, collectively known as the NCC project.
 3. Universal has an attributable interest of 50.29 per cent. in the Brakfontein Project and the right to negotiate to acquire up to a 74 per cent. interest upon completion of the BFS and award of a mining right.
 4. Subject to satisfaction of the conditions relating to completion of the Arnot South acquisition, Universal has an attributable interest of 50 per cent. in the Arnot South project
 5. Universal has an attributable interest of 50 per cent. in the Berenice and Somerville Projects with an option to acquire up to a 74 per cent. interest.
 6. Universal has an attributable interest of 50 per cent. in the Cygnus Project with an option to acquire up to a 74 per cent. interest.

Competent Person's Statement

The Coal Resource estimates for Kangala, Brakfontein, Arnot South, Berenice, Cygnus and Somerville were prepared by Mr Nico Denner, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions (a Recognised Overseas Professional Organisation). Mr Denner is employed by Gemecs (Pty) Ltd and has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr Denner consents to the inclusion in this document of this information in the form and context in which it appears.

The Coal Resource estimate for NCC was prepared by Mr Gavin O'Connell-Jones, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions (a Recognised Overseas Professional Organisation), Registration Number 400387/11. Mr O'Connell-Jones is an associate coal geologist with Mindset Mining Consultants (Pty) Ltd. Mr. O'Connell-Jones has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr O'Connell-Jones consents to the inclusion in this document of this information in the form and context in which it appears.

The Kangala Coal Reserve estimate was prepared by Mr Michael S Vertue who is a mining consultant associate of Mindset Mining Consultants (Pty) Ltd. Mr Vertue is a registered Professional Certified Mining Engineer and has over 30 years' experience in the mining industry. He is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and the South African Collieries Managers Association (SACMA). Mr Vertue has sufficient experience which is relevant to the type of mineralisation and the Kangala deposit and to the activity which he is undertaking to qualify as Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr Vertue consents to the inclusion in this document of this information in the form and context in which it appears.

The NCC Coal Reserve estimate was prepared by Messrs Piet van der Linde and Ronnie van Eeden from Mindset Mining Consultants (Pty) Ltd. Mr van der Linde is a registered Professional Certified Mining Engineer and has over 30 years' experience in the mining industry. Mr van Eeden is a qualified Mining Engineer (Mine Managers Certificate of Competency) with other commercial qualifications, and has over 30 years' experience in the coal industry internationally. Mr van der Linde is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and member of the South African Collieries Managers Association (SACMA). Messrs van der Linde and van Eeden have sufficient experience which is relevant to the type of mineralisation and the NCC deposit and to the activity which they are undertaking to qualify as Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Messrs van der Linde and van Eeden consent to the inclusion in this document of this information in the form and context in which it appears.

The Brakfontein Coal Reserve estimate was prepared by Mr. Michael S Vertue who is a mining consultant associate of Mindset Mining Consultants (Pty) Ltd. Mr Vertue is a registered Professional Certified Mining

Engineer and has over 30 years' experience in the mining industry. He is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and the South African Collieries Managers Association (SACMA). Mr Vertue has sufficient experience which is relevant to the type of mineralisation and the Kangala deposit and to the activity which he is undertaking to qualify as Competent Person as defined by the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Mr Vertue consents to the inclusion in this document of this information in the form and context in which it appears.

Project	Property	Permit Type & Number	Location	Size	Beneficial Interest Held	Change in Interest from previous Quarter
Kangala	Wolvenfontein 244IR: Portion 1 and RE of Portion 2	Mining Right: MP30/5/1/2/2/429MR	Delmas, Mpumalanga Province, South Africa	951 Ha	70.5%	None
	Middelbult 235IR: Portions 40 and 82	Prospecting Right: MP30/5/1/1/2/641PR	Delmas, Mpumalanga Province, South Africa	942 Ha	70.5%	None
	Modderfontein 236IR: Portion 1	Prospecting Right: MP30/5/1/1/2/639PR	Delmas, Mpumalanga Province, South Africa	127 Ha	70.5%	None
Roodekop	Roodekop 63IS	Mining Right: MP30/5/1/1/2/492MR	Kriel, Mpumalanga Province, South Africa	835 Ha	74%	None
Brakfontein	Brakfontein 264IR : Portions 6, 8, 9, 10, 20, 26, 30 and Remaining Extent	Mining Right: MP30/5/1/1/2/10027MR	Delmas, Mpumalanga Province, South Africa	879 Ha	50.29%	None
Berenice & Somerville	Berenice 548MS, Celine 547MS, Doorvaardt 355MS, Longford 354MS, Somerville 9MS and adjacent farms	Prospecting Right: LP30/5/1/1/2/376PR	Waterpoort, Limpopo Province, South Africa	39,484 Ha	50%	None
Cygnus	Cygnus 543MS and adjacent farms	Prospecting Right: LP30/5/1/1/2/1276PR	All Days, Limpopo Province, South Africa	12,299 Ha	50%	None
NCC	Middeldrift 42 IS (portion 4), Diepspruit 41 IS (RE, RE of portions 1, 2, 3, portions 7, 8, 9, 10), Rietfontein 43 IS (RE, RE of portion 1, portion 3, M/A 2, 3, 4 of RE portion 1), Vaalkrans 29 IS (portions 4, 6, 8, 9,	Mining Right: MP30/5/1/2/2/148MR	Kriel, Mpumalanga Province, South Africa	4,125 Ha	49%	Acquired 49%

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	11, 12, 13, 14, 16, RE of portion 16, M/A 2 of portion 6), Clydesdale 483 IS, Lourens 472 IS, Enkelbosch 20 IS (M/A 4 and 5) and Haasfontein 28 IS (portion 1, M/a 6 and 7 of portion 7)					
Arnot South	Vlakfontein 166 IS (RE Ext., portions 2, 5, 8, 9, 10, 13 and 14) Tweefontein 203 IS (RE Ext. of portion 3, RE Ext. of portion 5, RE Ext. of portion 9, RE Ext. of portion 10 and portions 4, 7, 8, 11, 12, 13, 14, 18, 19, 20, 21, 22, 23, 24, 25) Op Goeden Hoop 205 IS (RE Ext. of portion 2) Groblersrecht 175 IS – whole farm; Klipfontein 495 IS (RE Ext. of MA 1) Vaalwater 173 IS (portions 10, 12, 14, RE Ext. of portion 2); Mooiplaats 165 IS (portions 4, 11, 12, 13, 15 and 16); Helpmekaar 168 IS – whole farm; Schoonoord 164 IS (portion 19); Leeuwpan 494 JS (portions 7, 8, 9, RE Ext. and RE Ext. of portion 4); Weltevreden 174 IS (portions 1, 2 (MA), 4 and RE Ext); Nooitgedacht 493 JS (portions 4 and 9)	MP30/5/1/1/2/360PR	Hendrina, Mpumalanga Province, South Africa	15,212 Ha	Subject to satisfaction of the conditions relating to completion of the Arnot South acquisition, 50%	Under acquisition, awaiting Section 11 Ministerial Approval

The company has an experienced team of directors, senior managers and geoscientists with extensive expertise in both coal exploration and mining in South Africa. The team has a proven track record of project development.

End.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

UNIVERSAL COAL PLC

ARBN

143 750 038

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) (\$A'000)
1.1 Receipts from product sales and related debtors	26,230	78,926
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	(404)	(2,897)
(c) production	(18,531)	(63,880)
(d) administration	(3,379)	(9,127)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	149	582
1.5 Interest and other costs of finance paid	(181)	(1,326)
1.6 Income taxes paid	-	(43)
1.7 Other (Net VAT & GST)	(187)	(545)
Net Operating Cash Flows	3,697	1,690
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(5)
(b) equity investments	-	-
(c) other fixed assets	(261)	(9,167)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Transfer duty refund)	-	-
Net investing cash flows	(261)	(9,172)
1.13 Total operating and investing cash flows (carried forward)	3,436	(7,482)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	3,436	(7,482)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	200
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	422	790
1.17	Repayment of borrowings	(3,137)	(8,786)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(2,715)	(7,796)
	Net decrease in cash held	721	(15,278)
1.20	Unrestricted cash at beginning of quarter/year to date	1,196	6,691
	Transfer (to) / from restricted cash	(273)	11 128
1.21	Exchange rate adjustments to item 1.20	8	(889)
1.22	Unrestricted cash at end of the quarter	1,652	1,652
	Restricted cash at the end of the quarter	7,681	7,681
	Total cash at the end of the quarter	9,333	9,333

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2(d)	301
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries and fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities (note 3)	25,675	25,321
3.2 Credit standby arrangements (note 3)	2,213	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development (note 3)	6,530
4.3 Production	22,304
4.4 Administration	5,951
Total	34,785

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,652	1,196
5.2 Deposits at call	7,681	7,408
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	9,333	8,604

+ See chapter 19 for defined terms.

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Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	None		
6.2	Interests in mining tenements acquired or increased	None		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 4)	Amount paid up per security (see note 4)
7.1	Preference +securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, conversions			
7.3	+Ordinary securities	506,685,447	506,685,447	
7.4	Changes during quarter (a) Increases through issues (i) Ordinary shares (ii) Loan notes converted ref. 7.6(b) (iii) Ordinary shares (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities Converting Notes	6,314,000		

+ See chapter 19 for defined terms.

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	514,500	514,500	\$1.00	\$1.00
7.7	Options			Exercise price	Expiry date
	Unlisted Options:	16,855,736		\$0.2628	4 June 2017
		5,618,579		\$0.2745	4 June 2017
		3,300,001		\$0.26	1 April 2018
	Warrants	71,220,00		A\$0.36	15 April 2016 (expired post quarter end)
7.8	Issued during quarter			Exercise price	Expiry date
7.9	Exercised during quarter				
7.10	Expired during quarter			Exercise price	Expiry date
	Options				
	Warrants				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 29 April 2016

Company Secretary

Print Name: Emma Lawler

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 Kangala Project Financing Facility and the Working Capital Facility with Investec Bank Limited. Additional debt facilities of A\$19.4m are available for the development of NCC through Investec Bank Limited, subject to certain conditions precedent being fulfilled, including the receipt of a CSA from Eskom. These facilities have not been reflected under 3.1 as being available, however the 4Q2016 development costs for NCC have been reflected under 4.2.
- 4 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 5 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 6 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.

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