



INVESTOR PRESENTATION

ASX: UNV



JULY 2017

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Competent Person Statement

The information in this report that relates to Exploration Results, Minerals Resources or Ore Reserves relating to the Kangala, NCC, Roodekop, Brakfontein, Arnot South and Berenice Projects is based on information reviewed and compiled by Mr Jaco Malan, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions. Mr Malan is contracted by Universal Coal plc 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 in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves. Mr Malan consents to the inclusion in this report of this information in the form and context in which it appears.

UNIVERSAL SNAPSHOT

Multi-mine & Product producer – diversified revenue stream

Achieved the 4Mtpa saleable coal production rate by end 2017FY

Operating cash flow A\$29.4m, attributable A\$19.6m to Plc

Solid project development pipeline - set for production increase

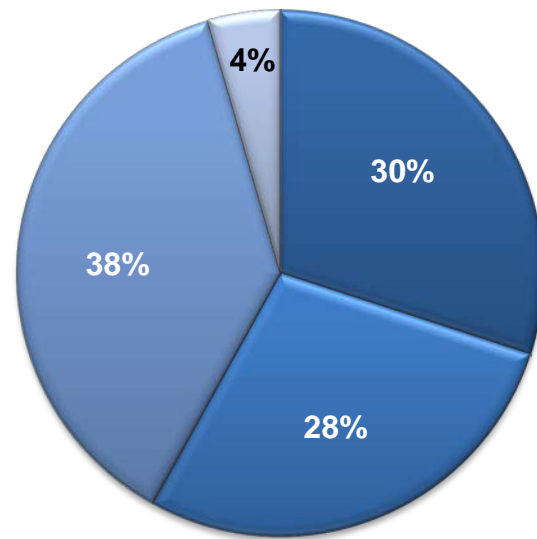
Experienced management team, with proven track record

Share Price
17.5c

Market Cap
~A\$92m

Group Cash
~A\$15.2m

**FY2017
EBITDA**
~A\$26.0m

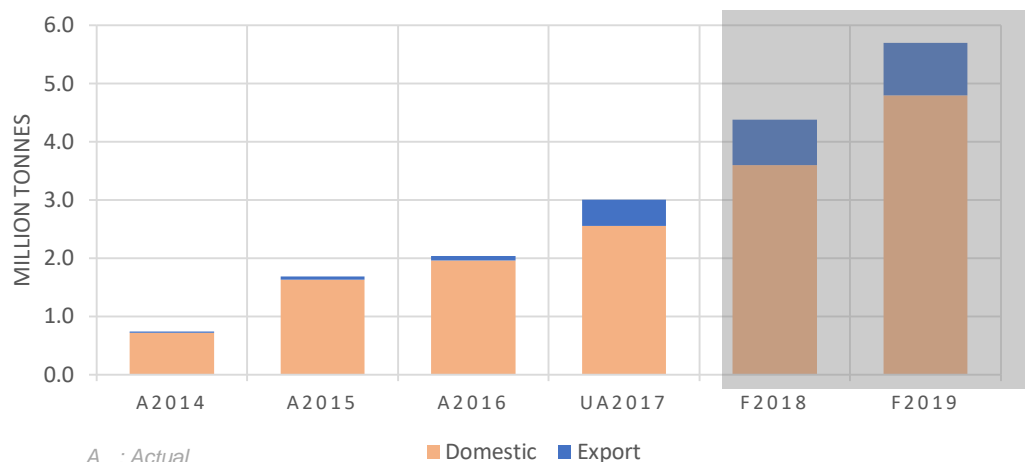


- Ichor Coal
- Coal Development Holding BV (AMED)
- Other
- Universal Coal Management

FINANCIAL, CASH AND SALES SUMMARY

METRIC	UNIT	2017 (UNAUDITED)	FY2016 (AUDITED)	CHANGE
Revenue	A\$m	159.2	97.6	4% ↑
EBITDA %	%	19%	14%	29% ↑
Net interest bearing debt	A\$m	10.5	20.4	-49% ↓
NTA per share (cents)	cents	12.29	12.05	2% ↑

COAL SALES

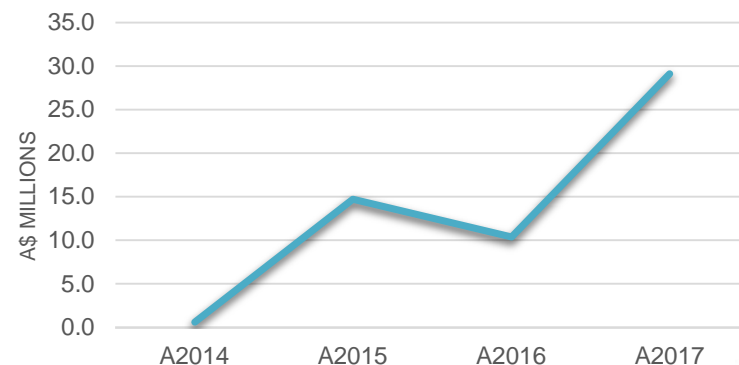


A : Actual

UA: Actual Unaudited

F : Forecasts based on assumptions stated in announcements titled "Annual Statement of Mineral Resources and Ore Reserves" released to the market on 26 September 2016 and "NCC Ore Reserve Doubled to 58.24Mt" released to the market on 27 April 2017.

OPERATING CASHFLOW



RECENT MILESTONES

- ✓ Kangala: delivered record production of 2.5mt Sales in 2017
- ✓ Concluded the purchase of 29% of Eloff Mining Company in partnership with Ndalamo Resources – contiguous to the Kangala mine allowing for
 - Increased throughput potential with minimum capital expenditure
 - Extended LOM based on 424Mt open pit declared resource
- ✓ NCC: delivered 0.5mt of Sales in 2017, and is now fully operational to produce its first full quarter of steady state production during current quarter
- ✓ Brakfontein project fully licensed for commercialization in current financial year

CURRENT OPERATIONS

Kangala mine

Operation:

- Thermal coal, 3.6Mtpa ROM and ~2.5Mtpa sales production

Off-take agreements:

- Domestic Coal: 8 year off-take contract with Eskom,
- Export Coal: ~80Ktpa export sales

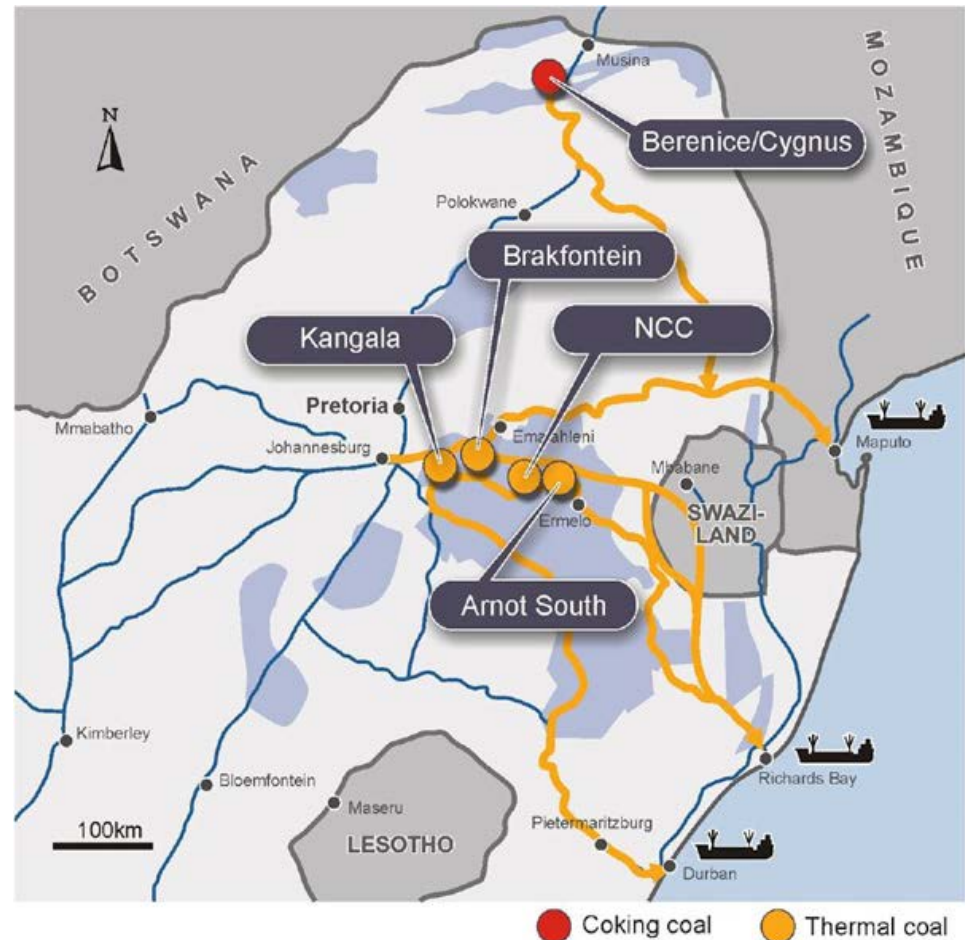
New Clydesdale Colliery (NCC)

Operation:

- Thermal coal, 3.3Mtpa ROM and ~2Mtpa sales: 60% domestic, 40% API4-linked export

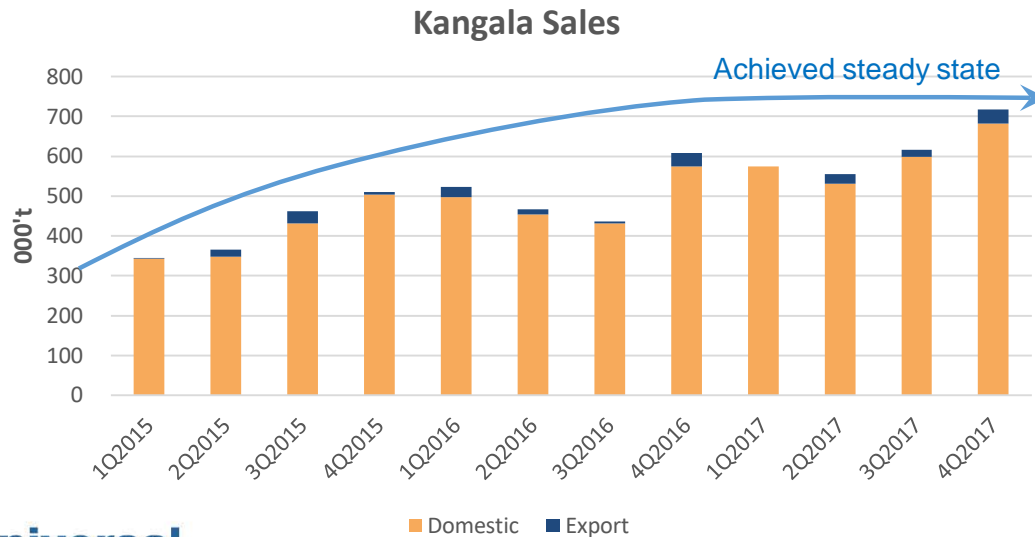
Off-take agreements:

- 5 year ~650ktpa 6000Kcal export thermal coal contract
- 7 year ~1.2Mtpa domestic thermal coal contract



KANGALA COLLIERY

- Open pit operation (~1.8:1 strip ratio)
- FY 2017 performance (un-audited):
 - ROM of 3.6Mt, up 24% from YTD2016
 - Sales of 2.5Mt, up 21% from YTD2016
- Universal coal has together with Ndalamo Resources secured a 29% stake in the Eloff mining project, totaling open Cast resource base of 424Mt



NEW CLYDESDALE COLLIERY

- Underground operation
 - Three sections fully operational on the 2 seam
 - Producing 900ktpa ROM
- Open pit operation
 - Current quarter to deliver full steady state tonnage requirement from a multi seam environment, delivering
 - 2 – 2.2mtpa ROM
 - At a ~3:1 strip ratio
- Ore Reserves doubled to 58.24Mt, confirms 20+ year life of mine
- Contractual sales forecast for 2018;
 - 1.2mtpa Domestic sales
 - 650ktpa Export sales



PROJECT PIPELINE – WHAT'S NEXT?

Brakfontein

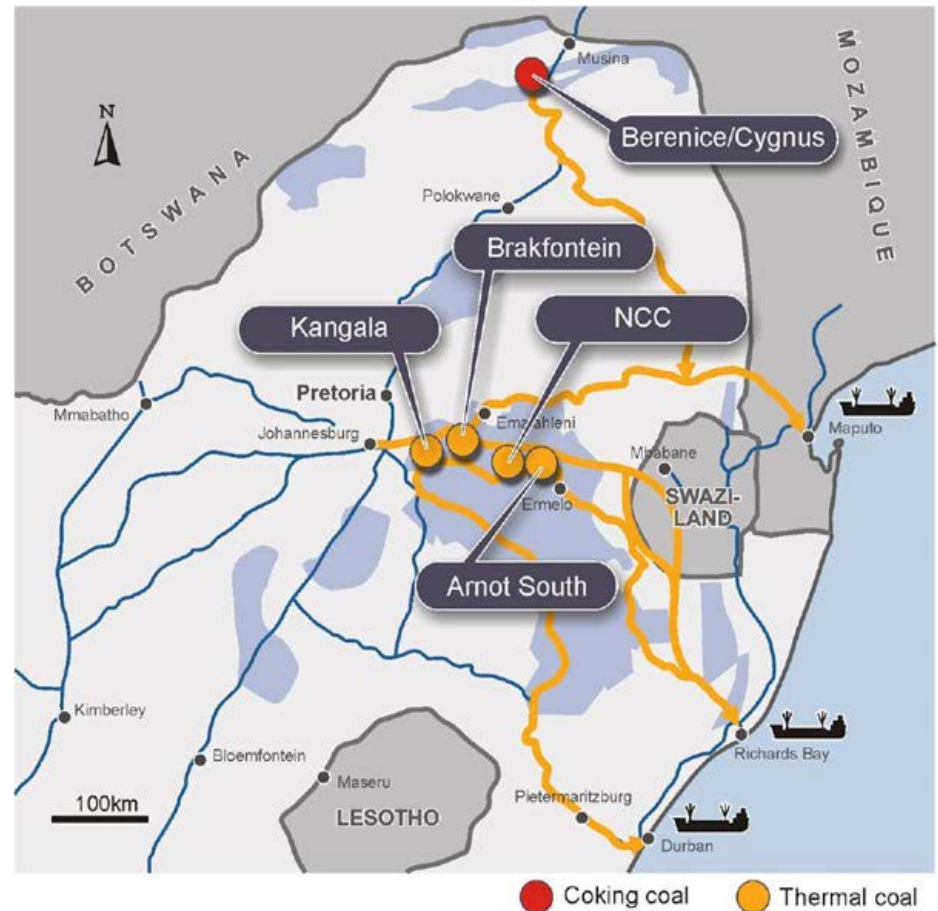
- Thermal coal project, 9.1mt JORC reserve
- Proposed 1.2mtpa ROM operation
- 25km east of Kangala mine, close to existing infrastructure.
- All regulatory authorisations granted

Berenice Cygnus

- Blend coking & thermal coal project, JORC resource of 1.35 billion tonnes
- DRA scoping study confirms viability for sustainable 10Mtpa open cut operation
- 20km from existing railway infrastructure
- Mining right and environmental authorisations in application

Arnot South

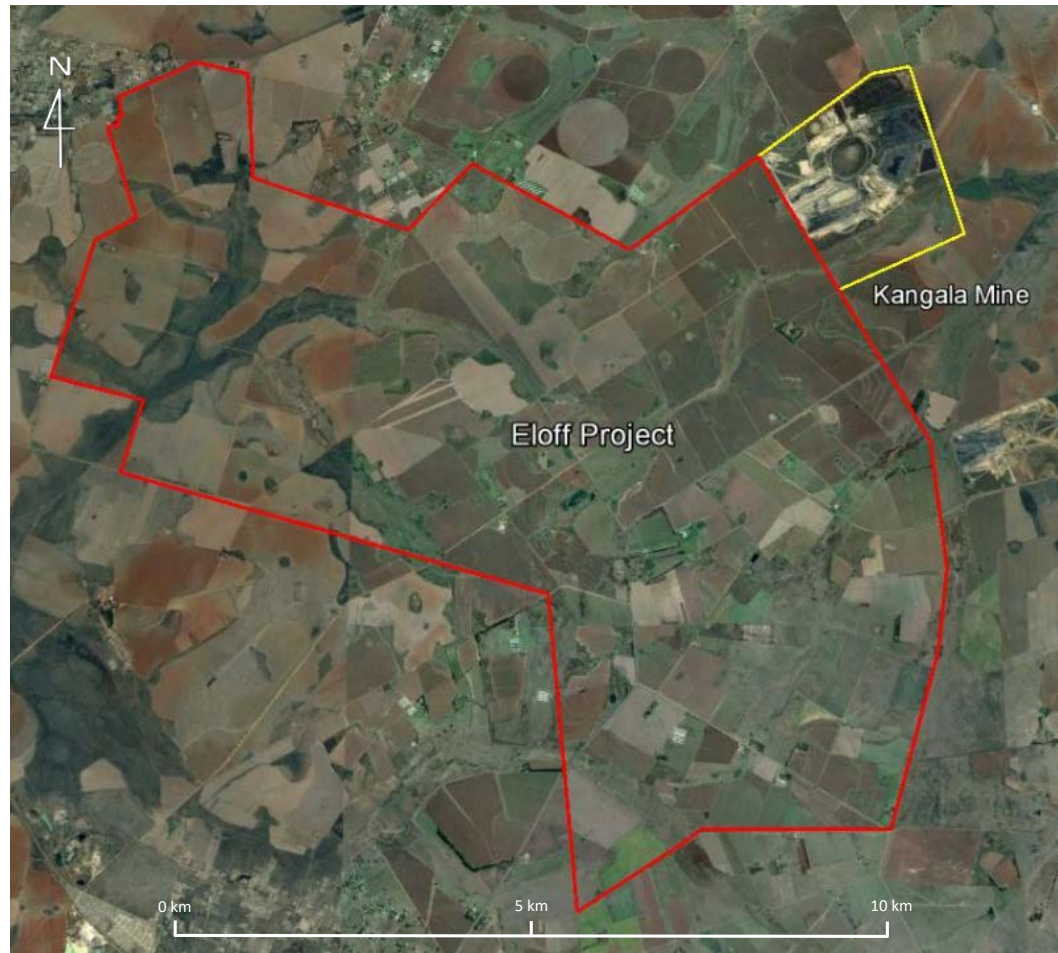
- Thermal coal project, JORC resource 206.6mt
- Drilling out a measured resource, will be completed by the end of CY 2017
- Complete feasibility study and apply for Mining Rights in CY 2018



PROJECT PIPELINE – THE ELEPHANT IN THE ROOM...

Eloff

- Thermal coal project covering;
 - an area of 8,168Ha,
 - surface rights of 6,146.7Ha
- UNV currently hold 29% through its 49/51 joint holding with Ndalamo Resources paid for out of cash flows
- Contiguous to the current Kangala operation, allowing for optionality in terms of low cost expansion and long term sustainability
- Total of 424Mt of Resource (open pit) declared over the area,
- Held in two Prospecting Rights, which are currently under Mining Right application



The Eloff project in relation to Kangala, illustrating both the continuity of the assets but also the size of the project area.

RESOURCE AND RESERVE STATEMENT

Project	Resources (Mt)				Reserves (Mt)
	Measured	Indicated	Inferred	Total	Proven/ Probable
Thermal Coal (Witbank)					
Kangala (domestic/export)	78.7	19.4	33.6	131.7	16.3
Eloff (Domestic)	9.4	213.5	201.1	424.0	-
NCC (domestic/export)	96.8	41.8	6.0	144.7	58.2
Brakfontein (domestic)	31.7	39.4	4.7	75.8	9.1
Arnot South (domestic/export)	2.3	65.3	139.0	206.6	-
Subtotal	218.9	379.4	384.4	982.8	83.6
Coking Coal (Limpopo)					
Berenice-Cygnus	424.9	800.9	124.3	1,350.1	-
Subtotal	424.9	800.9	124.3	1,350.1	-
Total	643.8	1180.3	508.7	2,332.9	83.6

Notes:

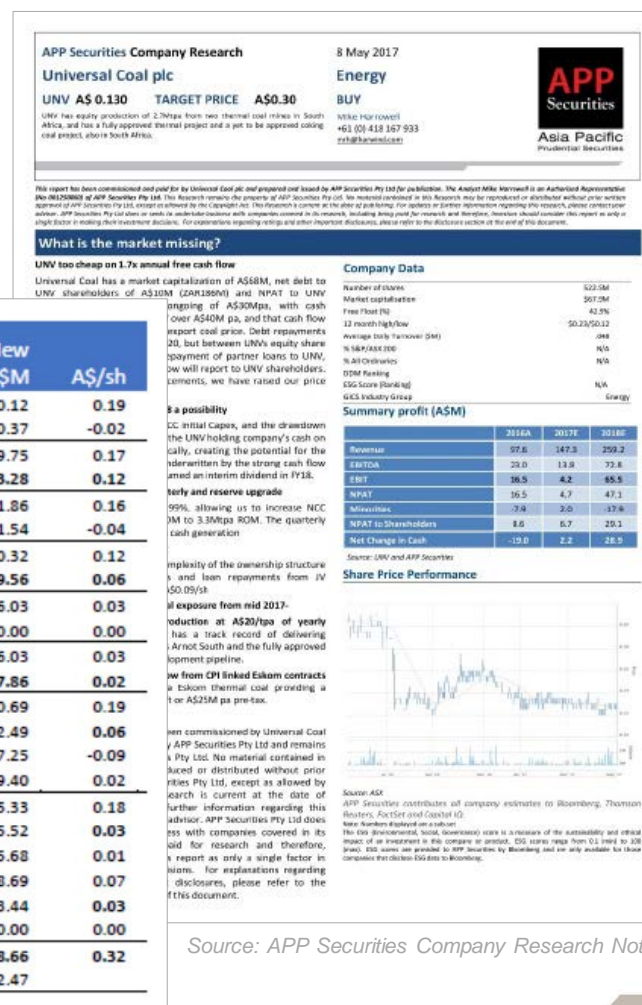
1. The Resource/Reserve estimates were prepared and disclosed under the JORC Code 2012
2. Mineral resources are stated inclusive of mineral reserves and on a gross in situ basis
3. Universal has an attributable interest of 70.5 per cent. of the Kangala Project
4. Universal has an attributable interest of 14.2 per cent of the Eloff Project
5. Universal has an attributable interest of 49 per cent. in the NCC Project
6. 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
7. Universal has an attributable interest of 50 per cent. in the Arnot South project
8. Universal has an attributable interest of 50 per cent. in the Berenice & Cygnus Projects with an option to acquire up to a 74 per cent. interest

OUTLOOK

- ✓ Consistent cash flow generation at Kangala and NCC – steady state in 2018
- ✓ Well on track to reach ~4.5Mtpa coal sales in FY2018
- ✓ Acquired 29% stake in Eloff Mining Company – significant asset adjacent to Kangala
- ✓ Commercialising:
 - Brakfontein (all regulatory approvals in place)
 - Berenice (mining right lodged and progressing)
 - Arnot South (subject to acquisition completion)
- ✓ Continuing to assess acquisition opportunities in Australia and South Africa
- ✓ Completed capital restructure, enabling management to consider dividends/shareholder returns

INVESTMENT PROPOSITION

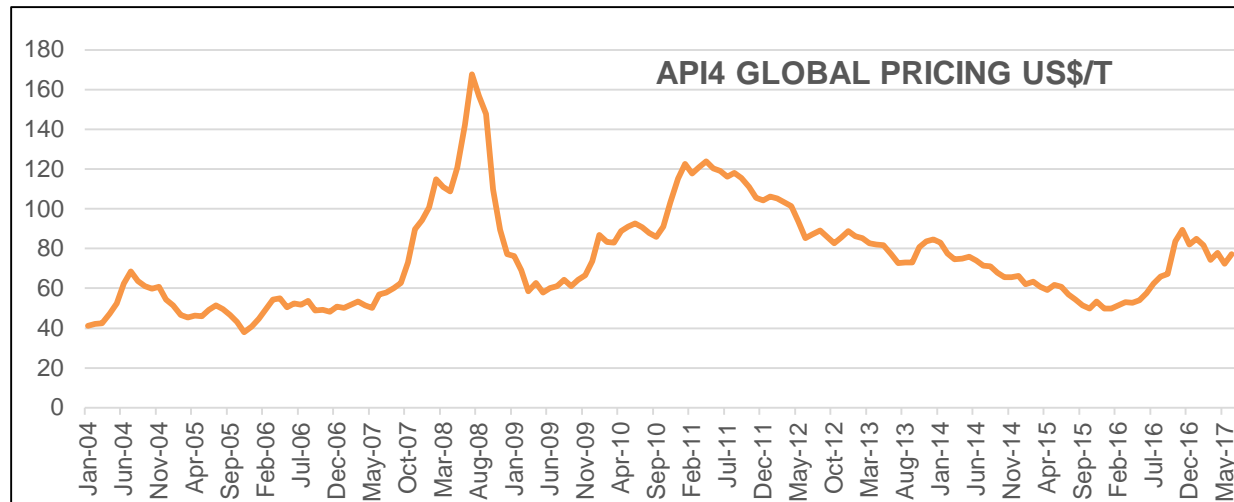
- ✓ Target price of \$0.30 per share
- ✓ UNV cheap on 1.7x annual free cash flow
- ✓ Step change jump in EBITDA forecast from 2018
- ✓ Shareholder returns anticipated in FY2018



Source: APP Securities Company Research Note

THERMAL COAL MARKET

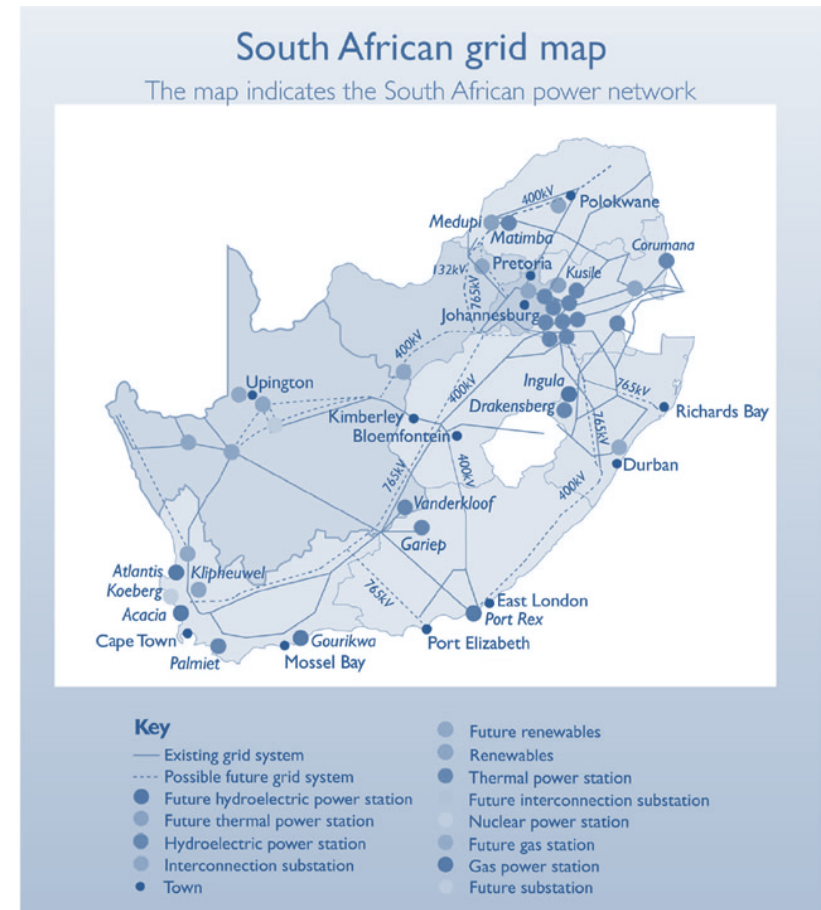
- Sustained signs of long term global price recovery
- Richards Bay API4 6000kcal/kg coal price increased from US\$49 to US\$82 since Jan 2016



- Demand for high-energy thermal coal to remain strong in developing nations
 - growth in demand for power in north-east Asia to increase;
 - high efficiency, low emissions (HELE) plants (reduce carbon emissions by >20%) is the new norm; and will result in
 - high ash coal being replaced by higher energy coal

SOUTH AFRICAN COAL MARKET

- **Fourth largest coal producer in the world**
 - produces ~280Mt of coal per annum (2013e)
 - 77% of domestic energy needs provided by coal
 - 72Mtpa of high energy thermal coal exported
- **Eskom is the local public electricity utility**
 - a top 20 producer in the world by generation capacity (41,194MW increasing by ~17,000MW by 2020)
 - generates ~95% of domestic and ~45% of Africa's electricity
 - construction of two new coal-fired power stations (Medupi and Kusile) nearing completion
 - Large consumer of coal, requires extra tonnage by 2020



PROVEN MANAGEMENT TEAM



Tony Weber
MSc Mining Eng
Chief Executive Officer

Prior to joining Universal Coal, Tony Weber was an Executive Director at Nkwe Platinum Limited, as well as Operations Manager at the Potgietersrus Platinum Mine and at the Gamsberg Project. He is a Mining Engineer with 20 years' experience in mining, spanning project assessment, finance, development and operations. Tony's coal experience includes working at the New Clydesdale Colliery and Greenside Colliery for Gold Fields Limited, as well as a brief period at the Prosper Haniel Colliery in Germany. He has significant skills and experience in coordinating project feasibility studies and hands-on operational experience in the coal extraction industry.



Shammy Luvhengo
BSc Geology
Director Business Development

Investment banker and qualified Geologist. Shammy Luvhengo started his career with Exxaro Resources Limited before moving into the investment world.

Previous work experience includes positions at Investec Bank and Nedbank Capital, where Shammy was involved in structuring and implementing project finance and BEE deals within the resources industry. Prior to joining Universal Coal, he worked at Nkwe Platinum Limited as Head of Business Development and Investor Relations.



Celeste van Tonder
CA/CPA
Chief Financial Officer

Celeste van Tonder is a Chartered accountant with over 10 years of professional experience in mining finance and business development.

Prior to joining Universal Coal, she was Group Business development and Investor Relations manager at Coal of Africa, an Australian coal exploration and development company listed on the ASX, JSE and AIM. Celeste is responsible for all financial and commercial facets of the business, and is an integral part of the management team responsible for returning shareholder value.



Minah Moabi
MSc Environmental Science
Director Corporate Affairs

A qualified Environmental Scientist and member of the South African Council for Natural Scientific professions (SACNASP), Minah Moabi has 10 years' experience in environmental management, water management and sustainable development. Prior to joining Universal, Minah worked for BHP Billiton (BECSA) as a Project Manager, managing environment-related projects. She is responsible for developing and managing social and environmental management systems, strategies and action plans that ensure corporate sustainable development.



Simon Mokitimi
BSc Geology (Hon), MBA
Chief Geologist

Geologist with more than 19 years experience in coal exploration, resource modelling and mine geology and registered member of the South African Council of Natural Scientific Professions. He started his career with Anglo Coal before moving to Xstrata Coal. Prior to joining Universal Coal, he held several senior positions within BHP Billiton Energy Coal South Africa (BECSA) in mine planning and project development. Simon provides specialised geological support to Universal Coal and ensures that projects are executed in adherence to set geological standards, procedures and policies. He also provides critical input to feasibility studies and ensure that resources are mined optimally on all operating mines.



Kevin Donaldson
BSc Mining Eng
Chief Development Engineer

A Mining Engineer with over 20 years experience in coal mining. Kevin Donaldson started his career in operations at the then Rand Mines Limited ("Rand Mines"), where he reached the level of Mine Overseer. He later joined Anglo American Plc, where he moved into the mine planning and technical side of mining and project development.

Kevin will be involved in the study phases of Universal Coal's projects, and will be responsible for the implementation of the Kangala Mine project.

CONTACTS

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