

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme UNIVERSAL COAL PLC (ASX: UNV)

ACN/ARSN 143 750 038

1. Details of substantial holder (1)

Name TCIG Resources Pte Ltd [wholly owned subsidiary of TerraCom Limited (ASX: TER) ABN 35 143 533 537]
ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 13 / 11 / 2019

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares / CDI's	104,467,056	104,467,056	19.995%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
TCIG Resources Pte Ltd	Registered holder of securities	104,467,056 CDI's

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
TCIG Resources Pte Ltd	TCIG Resources Pte Ltd	TCIG Resources Pte Ltd	104,467,056

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
TCIG Resources Pte Ltd	13 November 2019	\$34,620,382.36. Refer Annexure A for details.		

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
TCIG Resources Pte Ltd	8 MARINA BOULEVARD, #05-02 MARINA BAY FINANCIAL CENTRE
	TOWER 1, SINGAPORE

Signature

print name **Megan Etcell**

capacity **Company Secretary, TerraCom Limited**

sign here



date **14 / 11 / 2019**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ASX ANNOUNCEMENT

30 October 2019



Substantial Interest Acquired in Universal Coal Plc

TerraCom Limited (**TerraCom** or the **Company**) is pleased to announce that it has reached a binding agreement to purchase a substantial shareholding in Universal Coal Plc (**Universal** or **UNV**) (**ASX: UNV**) via the acquisition of approximately 19.9% of the issued capital of Universal (representing 104.5 million securities¹) from Coal Development Holding B.V. for a combination of cash and TerraCom Shares totalling \$34.6 million.

The acquisition of the substantial interest in Universal aligns with the Company's ongoing corporate strategy by enabling the Company to enter into an emerging market, yet at the same time reducing the Company's sovereign risk profile with new investments in South Africa.

Chairman Wal King commented: *"This transaction is a significant achievement for TerraCom. Universal's asset portfolio provides the Company with greater geographic diversification and an expanded production footprint. The growth achieved under the guidance of CEO Tony Weber throughout the last few years has been exceptional. TerraCom is excited to become a substantial shareholder and looks forward to being associated with Universal's long term profitable growth"*

Details of the transaction are as follows:

Shareholding Details	Universal Coal Plc (ASX: UNV)
Total securities purchased	104,467,056 ¹ securities in Universal, representing approximately 19.995% of the total issued capital of UNV.
Purchase price	Total consideration of approximately A\$34.6 million: <ul style="list-style-type: none"> - Approximately A\$17.3 million cash; and - Approximately 34.2 million fully paid ordinary shares in TerraCom at a deemed issue price of A\$0.5061².
Settlement date	On or around 30 October 2019.

Refer **Appendix A** for further information about Universal.

¹ Chess depositary interests (CDIs)

² Calculated with reference to the 6 month VWAP. TER shares are to be issued under the Company's placement capacity in accordance with LR7.1 and LR7.1A.

For further information, contact:

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About TerraCom Limited

TerraCom Limited (**ASX: TER**) is an emerging company originating as a resource explorer with a large portfolio of operating assets in Mongolia and Queensland, Australia. We are currently enacting a growth strategy towards delivering a Mid-Tier diversified operating and trading business and have a global focus on the development of a high yielding diversified asset portfolio for its investors.

To learn more, please visit www.terracomresources.com.

Appendix A – About Universal Coal Plc (ASX: UNV)³

ASX-listed Universal Coal (ASX: UNV) is committed to building a profitable mid-tier coal mining company providing investors with exposure to coking and thermal coal assets with the potential to develop into projects of significance.

Corporate Details	Total Shares on issue: 522.47 million Market Cap: \$128 million (as at 24 October 2019)			
Project Details	Universal has a portfolio of producing, development and exploration assets located across South Africa’s major coalfields including:			
	Mine / Project	Coal Type	Resource	Reserve
	Kangala Colliery	Thermal	98.69Mt	28.30Mt
	New Clydesdale Colliery	Thermal	136.67Mt	54.80Mt
	North Block Complex	Thermal	108.71Mt	55.40Mt
	Ubuntu Colliery	Thermal	75.80Mt	9.10Mt
	Eloff Project	Thermal	528.00Mt	
	Arnot South	Thermal	206.60Mt	
	Berenice/Cygnus	Coking/Thermal	1.35Bt	
Financial Information	Financial Performance: EBITDA: 2019 EBITDA A\$98 million (A\$52.5 million attributable) FY2020 Guidance – A\$73 million (A\$43 million attributable) Capital: FY2020 Guidance – A\$46.0 million (A\$22.4 million attributable) Sales: 2019 – 6.7 Mt (3.8 Mt attributable) FY2020 Guidance – 6% increase to 8.4Mt (attributable 4.6Mtpa) Dividend Position: 50% increase in dividends to A\$0.03 per share for the FY2019 year Cash information as at 30 September 2019: Group cash: A\$26.3 million (A\$17.9 million attributable)			
	Growth Opportunities <ul style="list-style-type: none">- Increasing sales to 8.4Mt by June 2020- Increase in sales to 9.6Mtpa in FY2021- Additional portfolio growth- Acquisition opportunities to diversify quality and location			

³ Information disclosed has been sourced from the Universal Coal website www.universalcoal.com