

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer or what 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 contains a proposal which if implemented could result in the removal of UNV CDIs from the Official List of the Australian Securities Exchange ("**ASX**").

This document (and any documents incorporated into it by reference) should be read in conjunction with the accompanying Form of Acceptance and CDI Acceptance Form (if you hold UNV CDIs).

If you have sold or otherwise transferred all of your UNV Shares (other than pursuant to the Offer) or UNV CDIs, please forward this document and any accompanying documents (but not any personalised Form of Acceptance or CDI Acceptance Form (as applicable) and reply-paid envelope) as soon as possible to the buyer or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the buyer or transferee. **However, such documents should not be mailed, forwarded, transmitted or distributed, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the relevant law of that jurisdiction (a "Restricted Jurisdiction") or the United States.** If you have sold or transferred only part of your holding of UNV Shares or UNV CDIs, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

OFFER

for

UNIVERSAL COAL PLC ("UNV")

by

**TCIG RESOURCES PTE LTD
("TerraCom Bidco")
a wholly owned subsidiary of
TERRACOM LIMITED ("TERRACOM")**

This document has been approved by the TerraCom disclosure committee for release. At the date of this document the market value of a UNV Share based on the opening price of UNV securities on 11 February 2020 was 24.0 cents. You should read carefully the whole of this document (and any documents incorporated into it by reference), the Form of Acceptance and, if you hold UNV CDIs, the CDI Acceptance Form.

The procedure for acceptance of the Offer is set out in paragraph 12 of Part I (*Letter from TerraCom Bidco*) of this document, in Sections C, D and E of Part II (*Conditions to and further terms of the Offer*) of this document, and is further described in the Form of Acceptance and CDI Acceptance Form.

The release, publication or distribution of this document in, into or from jurisdictions other than Australia and the availability of the Offer to UNV Shareholders and UNV CDI Holders who are not a resident in Australia may be restricted by the laws of those jurisdictions. Therefore, persons into whose possession this document comes should inform themselves about, and observe, any applicable restrictions. Any failure to comply with such restrictions may constitute a violation of the securities law of any such jurisdiction. This document does not constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, any shares in any jurisdiction in which such offer or solicitation is unlawful.

UNV Shareholders

To accept the Offer in respect of UNV Shares held in certificated form, the accompanying Form of Acceptance should be completed, signed and returned as soon as possible and, in any event, so as to be received by post or by hand to Link Asset Services (the "UK Receiving Agent") at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 1.00 p.m. (London time) on 16 March 2020.

If you hold your UNV Shares in uncertificated form (the "Uncertificated UNV Shares"), that is, in CREST, it will be necessary to convert the Uncertificated UNV Shares into certificated form, that is, withdrawn from CREST, before the Offer can be accepted.

UNV CDI Holders

No separate offer is being made to acquire UNV CDIs. However, UNV CDI Holders may accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by them by, and only by, instructing the CDI nominee, Chess Depository Nominee Pty Limited (the "CDN"), to accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by them. TerraCom Bidco has engaged Link Market Services Australia (the "Australia Receiving Agent") to receive and collate acceptances for the Offer in relation to UNV Shares which underlie the UNV CDIs, to liaise with UNV CDI Holders in relation to the Offer and to instruct the CDN to accept the Offer on behalf of the UNV CDI Holders. Acceptances from UNV CDI Holders must be received by Link before the CDI Acceptance Expiry Time, expected to be 7.00 p.m. (Sydney time) on 12 March 2020.

Petra Capital Pty Limited ("**Petra Capital**") is acting as financial advisor to TerraCom and TerraCom Bidco in connection with the Offer and for no one else and will not be responsible to any party for providing advice in relation to the Offer, the contents of this document or any matters referred to herein.

IMPORTANT NOTICE

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document, you should consult your own legal, financial or tax adviser for legal, business, financial or tax advice.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. No dealer, salesperson or other person is authorised to give any information or to make any representations with respect to the Offer other than such information or representations contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by TerraCom or TerraCom Bidco.

The information contained in this document about UNV, UNV Shares, UNV CDIs and the UNV Group has been prepared by TerraCom Bidco and TerraCom using publicly available information. The information in this document concerning UNV and the assets and liabilities, financial position and performance, profits and losses and prospects of the UNV Group, has not been independently verified by TerraCom Bidco or TerraCom. Accordingly, neither TerraCom Bidco nor TerraCom, subject to the *Australian Corporations Act 2001 (Cth)* (the "**Corporations Act**"), makes any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on the Merged Group contained in this document, to the extent that it incorporates or reflects information on UNV and the UNV Group, has also been prepared using publicly available information. Accordingly, information in relation to the Merged Group is subject to the foregoing disclaimer to that extent.

PROSPECTUS

This document is also a prospectus for the purposes of the Corporations Act (the "**Prospectus**") dated 11 February 2020 and a copy of this document was lodged with ASIC on that date. Neither ASIC nor its officers take any responsibility for the contents of this document, including the Prospectus. This document constitutes a prospectus only for the offer of the New TerraCom Shares to UNV Shareholders in Australia as consideration under the Offer (the "**Share Offer**"). It is not a prospectus for any other purpose.

No New TerraCom Shares will be allotted or issued on the basis of this document later than thirteen months after the date of this document. TerraCom will apply to the ASX for admission to quotation of the New TerraCom Shares within seven days from the date on which this document, being a disclosure document for the purposes of Ch 6D of the Corporations Act, is lodged with the ASIC. Subject to approval for quotation being granted by the ASX, the New TerraCom Shares are expected to be quoted on the ASX. However, official quotation is not granted automatically on application.

NEW TERRACOM SHARES

UNV Shareholders should note that the consideration under the Offer includes New TerraCom Shares, which are shares in an Australian public company listed on ASX. The Offer is subject to disclosure requirements in Australia which are different from those applicable in other countries. If TerraCom Bidco is advised that the law of a country or territory or the ASX Listing Rules precludes the allotment, issue and/or delivery to a UNV Shareholder of New TerraCom Shares in accordance with the Offer, except after compliance by TerraCom with any governmental or other consent or any registration, filing or other formality with which TerraCom is unable to comply or compliance with which TerraCom regards as unduly onerous, then TerraCom Bidco may, in its sole discretion, treat such UNV Shareholders as a "Restricted UNV Shareholder" for the purposes of the Offer. New TerraCom Shares to which any Restricted UNV Shareholder are entitled shall be issued to a person appointed by TerraCom or TerraCom Bidco

to hold such New TerraCom Shares on terms that such person shall, as soon as possible following the date on which the Offer becomes, or is declared, wholly unconditional, procure the sale of the relevant New TerraCom Shares at the best price which can reasonably be obtained at the time of the sale. The net proceeds of any such sale will be paid to the Restricted UNV Shareholder in accordance with paragraph 12 of Part I (*Letter from TerraCom Bidco*) of this document.

The New TerraCom Shares have not been, and will not be, listed on any stock exchange other than the ASX and have not been, and will not be, registered in any Restricted Jurisdiction, including, but not limited to, under the US Securities Act (as defined below) or under any laws of any state, district or other jurisdiction of the United States.

You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase or subscribe for New TerraCom Shares, or possess or distribute this document, the Form of Acceptance and CDI Acceptance Form (as applicable), and must obtain any consent, approval or permission required for the purchase, offer or sale of New TerraCom Shares under the applicable laws and regulations in force in any jurisdiction in which any such purchase, offer or sale is made. TerraCom is not making an offer to sell the New TerraCom Shares or soliciting an offer to purchase any of the New TerraCom Shares to any person in any jurisdiction in which such an offer or such solicitation is not permitted. Your attention is drawn to paragraph 10 of Part I (*Letter from TerraCom Bidco*) of this document in relation to the Offer being made to Restricted UNV Shareholders and US UNV Shareholders.

OVERSEAS SHAREHOLDERS

The release, publication or distribution of this document, the Form of Acceptance and the CDI Acceptance Form (as applicable) in jurisdictions other than Australia may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than Australia should inform themselves about, and observe any applicable requirements. In particular the ability of persons who are not resident in Australia to accept the Offer or to execute and deliver

the Form of Acceptance or the CDI Acceptance Form (as applicable) may be affected by the laws of the relevant jurisdictions in which they are located.

The Offer is not being, and will not be, made directly or indirectly, in or into any Restricted Jurisdiction or, subject to certain exceptions, the United States, and will not be capable of acceptance from within any Restricted Jurisdiction or, subject to certain exceptions, the United States. Accordingly, copies of this document and the accompanying Form of Acceptance or CDI Acceptance Form (as applicable) are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or the United States. In addition persons receiving this document and the accompanying Form of Acceptance or CDI Acceptance Form (as applicable) (including, without limitation, any agent, nominee, custodian or trustee) must not mail or otherwise forward, distribute or send it in, into or from such jurisdiction. Any person (including, without limitation, any agent, nominee, custodian or trustee) who has a contractual or legal obligation, or may otherwise intend, to forward this document and/or any other related document to a jurisdiction outside Australia should seek appropriate professional advice before any action and inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction and must not mail, send or otherwise forward or distribute this document and/or any other related document in, into or from any Restricted Jurisdiction or the United States. Doing so may render any purported acceptance of the Offer invalid. Such persons should read paragraph 3 of Section C and paragraph 3(c) of Section E of Part II (*Conditions to and further terms of the Offer*) of this document before taking any action. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility and liability for the violation of such restrictions by any person.

This document has been prepared for the purpose of complying with applicable rules and regulations of the United Kingdom and Australia and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside of England and Wales and Australia.

All UNV Shareholders (including, without limitation, nominees, trustees or custodians) who intend to forward this document and any accompanying documents to any jurisdiction outside Australia should read paragraph 5 of Section B of Part II (*Conditions to and further terms of the Offer*) of this document and seek appropriate advice before taking any action.

NOTICE TO UK HOLDERS OF UNV SHARES

The Offer is not being made to UNV Shareholders whose address as shown in the register of member of UNV is in the United Kingdom unless they are a "qualified investor" within the meaning of Article 2(e) of Regulation (EU) 2017/1129.

NOTICE TO US HOLDERS OF UNV SHARES

Subject to certain exceptions, the Offer is not being, and will not be, made directly or indirectly, in or into the United States and will not be capable of acceptance from within the United States. Accordingly, copies of this document and the accompanying Form of Acceptance or CDI Acceptance Form (as applicable) are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from the United States. The Offer may be made to certain US UNV Shareholders that are QIBs as may be agreed in writing by any such QIB US UNV Shareholder with TerraCom Bidco, and the Offer will be capable of acceptance from within the United States by any such QIB US UNV Shareholder.

The Offer is made for securities of a company incorporated in England and Wales and UNV Shareholders in the United States should be aware that this document, which includes the Prospectus, and any other documents relating to the Offer and the Share Offer have been or will be prepared in accordance with the laws of England and Wales and Australia (as the context requires) and applicable disclosure requirements, format and style thereunder, all of which differ from those in the United States. It may be difficult for any US UNV Shareholders to enforce their rights and any claims they may have arising under the US federal securities laws in connection with the Offer.

None of the New TerraCom Shares, this document, which includes the Prospectus, the Form of Acceptance, the CDI Acceptance Form and any other documents relating to the Offer and the Share Offer has been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document and the merits of the Offer and the Share Offer. Any representation to the contrary is a criminal offence in the United States. This document is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration with the United States Securities and Exchange Commission or an exemption from registration. There will be no public offering of these securities in the United States.

Securities to be issued pursuant to the Offer have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or resold except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act. A person who receives securities pursuant to the Offer may not resell such securities without registration under the US Securities Act or without an applicable exemption from registration or in a transaction not subject to registration (including a transaction that satisfies the applicable requirements of Regulation S under the US Securities Act). In addition, until 40 days after the New TerraCom Shares are issued in connection with the Offer, an offer, sale or transfer of the New TerraCom Shares within the United States by a dealer may violate the registration requirements of the US Securities Act if such offer, sale or transfer is made otherwise than in accordance with Rule 144A or another exemption from registration under the US Securities Act.

For purposes of the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"), it is intended that the Offer is made pursuant to Section 14(e) and Regulation 14E under the US Exchange Act benefitting from exemptions available to "Tier II" tender offers. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that may be different from those applicable under US domestic tender offer procedures and law, and certain rules applicable to tender offers made into the United States, including rules promulgated under Section 14(d) of the US Exchange Act, do not apply.

The receipt of consideration by a holder that is a US taxpayer for the transfer of its UNV Shares pursuant to the Offer may be a taxable transaction for United States federal income tax purposes and under applicable United States state and local, as well as non-US and other, tax laws. Each UNV Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Offer applicable to them, including under applicable United States federal, state and local, as well as non-US and other, tax laws.

NOTICE TO NEW ZEALAND HOLDERS OF UNV SHARES

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of this document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

NOTICE TO UNV CDI HOLDERS

In order for UNV Shares to trade electronically on ASX, UNV participates in the electronic transfer system known as CHESS operated by ASX Settlement. CHESS cannot be used directly for the transfer of shares in companies domiciled in certain jurisdictions such as the UK. Accordingly, to enable the UNV Shares to be cleared and settled electronically through CHESS, UNV has issued depository interests over the UNV Shares.

Each UNV CDI is a unit of beneficial ownership that confers a beneficial interest in one UNV Share. Legal title to the UNV Shares underlying and corresponding with the UNV CDIs is held by the CDN. The CDN is therefore a UNV Shareholder for the purposes of the Offer. In relation to the Offer, the CDN must act on the instructions of a UNV CDI Holder in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by the UNV CDI Holder. UNV CDI Holders can, if their instruction is received on time and in the required form, instruct the CDN to accept the Offer in respect of the UNV Shares underlying and corresponding to the UNV CDIs they hold.

UNV CDI Holders may accept the Offer only in respect of the underlying and corresponding UNV Shares held on their behalf by giving an instruction to the CDN. The CDN is prohibited by the ASX Settlement Operating Rules from accepting the Offer in respect of particular UNV Shares unless it is instructed to do so by the UNV CDI Holder whose UNV CDIs correspond with those UNV Shares. Details on how a UNV CDI Holder can give an instruction to the CDN to accept the Offer are set out in paragraph 12.3 of Part I (*Letter from TerraCom Bidco*) of this document.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This document (including information incorporated by reference), oral statements made regarding the Offer, and other information published by TerraCom or TerraCom Bidco may contain statements that are or may be deemed to be forward-looking statements. All statements other than statements of historical facts included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward-looking statements. For the avoidance of doubt forward-looking statements include, but

are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the TerraCom Group or its operations; and (iii) the effects of government regulation on the TerraCom Group or its business.

The forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. These factors include, but are not limited to, the satisfaction of the Conditions to the Offer, as well as additional factors, such as changes in political and economic conditions, changes in the level of capital investment, retention of key employees, changes in customer preferences, success of business and operating initiatives and restructuring objectives, impact of any acquisitions or similar transactions, changes in customers' strategies and stability, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and exchange rates, the outcome of any litigation.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this document. All subsequent oral or written forward-looking statements attributable to TerraCom or TerraCom Bidco or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. TerraCom and TerraCom Bidco disclaim any obligation to update any forward-looking or other statements contained in this document, except as required by applicable law.

NO PROFIT FORECASTS OR ESTIMATES

Nothing in this document is intended or shall be deemed to be a forecast, projection or estimate of the future financial performance of TerraCom, TerraCom Bidco and the TerraCom Group or UNV and the UNV Group and no statement in this document should be interpreted to mean that earnings or earnings per share of TerraCom, TerraCom Bidco or UNV (where relevant) for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for TerraCom or UNV, as appropriate.

TAXATION

UNV Shareholders should be aware that the disposal of UNV Shares by them pursuant to the terms of the Offer may have taxation consequences in Australia and elsewhere. Such consequences may not be fully described in this document and UNV Shareholders are urged to consult their taxation advisers before making a decision as to whether to accept the Offer. For general information in relation to general Australia taxation consequences, see Part VII (*Australia Taxation*) of this document.

APPLICABLE LAWS

UNV is a public limited company incorporated in England and Wales whose shares are traded in the form of CDIs on the ASX. It is, therefore, not subject to the UK City Code on Takeovers and Mergers (the "**Code**") or the takeovers provisions of the Corporations Act. Accordingly, the Code does not apply to the Offer and this transaction is not subject to the jurisdiction of, or regulated by, the UK Panel on Takeovers and Mergers. Additionally, the Offer will not be a 'takeover bid' pursuant to Chapter 6 of the Corporations Act as it is not regulated by the takeovers provisions of the Corporations Act.

PUBLICATION ON WEBSITE AND AVAILABILITY OF HARD COPIES

This document, together with those documents listed in paragraph 13 of Part X (*Additional Information*) and all information incorporated into this document by reference to another source will be available, subject to certain restrictions relating to persons resident or located in Restricted Jurisdictions, on TerraCom's website at www.terracomresources.com/unvoffer.

For the avoidance of doubt, the contents of this website and any websites accessible from hyperlinks are not incorporated into and do not form part of this document.

If you are a UNV Shareholder, you may request a hard copy of this document and the Form of Acceptance (and/or any information incorporated into it by reference from another source) by contacting the UK Receiving Agent on +44 (0)371 664 0321 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 are a UNV CDI Holder, you may request a hard copy of this document and the CDI Acceptance Form (and/or any information incorporated into it by reference from another source) by contacting the Australia Receiving Agent on +61 1300 330 255 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.

Copies of this document and any other document relating to the Offer may not be mailed, distributed, forwarded or otherwise transmitted or made available in, into or from any jurisdiction where this would violate applicable law (including by custodians, nominees and trustees).

HELPLINE

If you are a UNV Shareholder and have questions relating to this document or the completion and return of the Form of Acceptance, please telephone the UK Receiving Agent on +44 (0)371 664 0321 between 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate.

If you are a UNV CDI Holder and have questions relating to this document or the completion and return of the CDI Acceptance Form, please telephone the Australia Receiving Agent on +61 1300 330 255 between 8.30 a.m. to 5.30 p.m. (Sydney time) Monday to Friday (excluding public holidays in Australia). Calls to the Australia Receiving Agent from within Australia are at a fixed rate comparable to a local call aside from any of your service provider's network extras. Calls to the Australia Receiving Agent from outside Australia are charged at applicable international rates. Different charges may apply to calls made from mobile phones.

Calls may be recorded and randomly monitored for security and training purposes. The UK Receiving Agent and the Australia Receiving Agent cannot provide advice on the merits of the Offer or give any financial, legal or tax advice.

ROUNDING

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

DEFINITIONS

Certain words and terms used in this document are defined in Part XI (*Definitions*) of this document.

REFERENCES TO UNV CDIs

References to "**UNV Shares**" and "**UNV Shareholders**" in this document include a reference to the UNV CDIs (in respect of the UNV Shares underlying and corresponding with the UNV CDIs) and UNV CDI Holders, where the context requires.

TO ACCEPT THE OFFER

UNV Shareholders

In order to comply with the requirements of the Corporations Act in relation to acceptances of the Offer, only UNV Shares (other than UNV CDIs) held in certificated form will be capable of acceptance. UNV Shareholders holding certificated UNV Shares must complete a Form of Acceptance. If you hold Uncertificated UNV Shares, it will be necessary to convert such shares into certificated form, that is, withdrawn from CREST, prior to accepting the Offer.

To accept the Offer, you should complete, sign and return the enclosed Form of Acceptance along with your share certificate(s) and/or any other appropriate documents of title by post or by hand (during normal business hours only) to the UK Receiving Agent, Link Asset Services, at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by the UK Receiving Agent as soon as possible but, in any event, **by no later than 1.00 p.m. (London time) on 16 March 2020.**

Further details on the procedures for acceptance of the Offer if you hold any of your UNV Shares in certificated form are contained in paragraph 12.1 of Part I (*Letter from TerraCom Bidco*) of this document.

UNV CDI Holders

No separate offer is being made to acquire UNV CDIs. However, UNV CDI Holders may accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by them by, and only by, giving an instruction to the CDN.

To accept the Offer in respect of the UNV Shares underlying and corresponding with your UNV CDIs:

1. UNV CDI Holders who hold UNV CDIs through UNV's Issuer Sponsored Subregister must complete and sign the CDI Acceptance Form (Issuer Sponsored) provided to UNV CDI Holders in accordance with the instructions on that form and return it to the address noted on the form so that it is received before the CDI Acceptance Expiry Time; or
2. UNV CDI Holders who hold UNV CDIs through UNV's CHESSE Subregister must:
 - (A) if they are not a CHESSE Participant, instruct their Controlling Participant (usually their broker) to initiate acceptance of the Offer on their behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
 - (B) if they are a CHESSE Participant, initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules; or
 - (C) as an alternative to (A), complete and sign the CDI Acceptance Form (CHESSE) in accordance with the instructions on that form and return it to the address noted on the form so that it is received in sufficient time for the Australia Receiving Agent to request the UNV CDI Holder's Controlling Participant to act on the UNV CDI Holder's instruction to initiate acceptance of the Offer before the CDI Acceptance Expiry Time. The Australia Receiving Agent will liaise with the UNV CDI Holder's Controlling Participant and request them to initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules.

If a UNV CDI Holder's UNV CDIs are held in different parcels in different forms, acceptance of the Offer will require action under (a) or (b) in relation to the different parcels of the UNV CDIs held by the UNV CDI Holder.

The Australia Receiving Agent will collate acceptances from UNV CDI Holders, present these to the CDN and request the CDN to accept the Offer on behalf of UNV CDI Holders in respect of the relevant underlying UNV Shares. To enable the Australia Receiving Agent to carry out this process, acceptances from UNV CDI Holders must be received by the Australia Receiving

Agent in sufficient time to allow the CDN's instruction to be acted upon prior to the CDI Acceptance Expiry Time, expected to be 7.00 p.m. (Sydney time) on 12 March 2020.

Further details on the procedures for acceptance of the Offer if you hold UNV CDIs are contained in paragraph 12.3 of Part I (*Letter from TerraCom Bidco*) of this document.

**ACCEPTANCES OF THE OFFER BY UNV SHAREHOLDERS MUST BE RECEIVED BY
1.00 P.M. (LONDON TIME) ON 16 MARCH 2020.**

**ACCEPTANCES BY UNV CDI HOLDERS MUST BE RECEIVED BY THE CDI
ACCEPTANCE EXPIRY TIME, EXPECTED TO BE 7.00 P.M. (SYDNEY TIME) ON
12 MARCH 2020**

You are advised to read the whole of this document carefully.

**THE CLOSING DATE OF THE OFFER IS
1.00 P.M. (LONDON TIME) ON 16 MARCH 2020**

Unless required by law, the Closing Date of the Offer will not be extended.

If prior to 16 March 2020, there is any order or other regulatory action that temporarily restrains any action necessary to conduct and settle the Offer, the scheduled closing date will automatically extend to the earlier of: (a) 14 days from that restraint ceasing to apply; and (b) 16 April 2020. In this event, the CDI Acceptance Expiry Time will be correspondingly extended.

HELPLINE

If you are a UNV Shareholder and have questions relating to this document or the completion and return of the Form of Acceptance, please telephone the UK Receiving Agent on +44 (0)371 664 0321 between 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate.

If you are a UNV CDI Holder and have questions relating to this document or the completion and return of the CDI Acceptance Form, please telephone the Australia Receiving Agent on +61 1300 330 255 between 8.30 a.m. to 5.30 p.m. (Sydney time) Monday to Friday (excluding public holidays in Australia). Calls to the Australia Receiving Agent from within Australia are at a fixed rate comparable to a local call aside from any of your service provider's network extras. Calls to the Australia Receiving Agent from outside Australia are charged at applicable international rates. Different charges may apply to calls made from mobile phones.

Calls may be recorded and randomly monitored for security and training purposes. The UK Receiving Agent and the Australia Receiving Agent cannot provide advice on the merits of the Offer or give any financial, legal or tax advice.

This page should be read in conjunction with the rest of this document (and the information incorporated by reference into it), the Form of Acceptance and, in the case of UNV CDIs, the CDI Acceptance Form. Your attention is drawn, in particular, to the Conditions and further terms of the Offer set out on Part II (*Conditions to and further terms of the Offer*) of this document and the Form of Acceptance or CDI Acceptance Form (as applicable). UNV Shareholders are recommended to seek financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser, who is an appropriately authorised independent financial adviser.

IMPORTANT DATES AND TIMES

Event	Scheduled Time and/or Date
Announcement of the Offer	3 February 2020
Offer Period opens (i.e. Offer becomes open for acceptances)	12 February 2020
Expected deadline for UNV Shareholders who hold Uncertificated UNV Shares to rematerialise such shares in order to accept the Offer	2 March 2020
CDI Acceptance Expiry Time	7.00 p.m. on 12 March 2020
Closing Date	1.00 p.m. on 16 March 2020 (London time)

References to times and dates in this document are to Sydney times and dates, unless specified otherwise.

See paragraph 1.2 of Section B of Part II (Conditions to and further terms of the Offer) for circumstances in which these dates may change, in which case details of the new times and dates will be announced on the ASX.

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PART I

LETTER FROM TERRACOM BIDCO

(Registered under the laws of Singapore with the company number 201936289W)

Director:
Philip Forrest

Registered office:
C:/ Abogado Pte Ltd
8 Marina Boulevard #05-02
Marina Bay Financial Centre Tower 1
Singapore 018981
Singapore

11 February 2020

To: UNV Shareholders and, for information only, to persons with information rights

Dear UNV Shareholder,

On 3 February 2020, TerraCom, announced an offer by its wholly owned subsidiary, TerraCom Bidco, to acquire the entire issued and to be issued share capital of UNV not directly or indirectly owned by it (the "**Offer**").

Under the terms of the Offer, each UNV Shareholder, including UNV CDI Holders, (other than Restricted UNV Shareholders and US UNV Shareholders that are not QIBs) has the opportunity to receive 33.5 cents in value, based on a deemed value of 39.0 cents per New TerraCom Share, consisting of 10 cents in cash and 0.6026 New TerraCom Shares for each UNV Share (including UNV CDIs) held. Fractions of new TerraCom Shares will be rounded to the nearest whole New TerraCom Share.

Acceptances of the Offer should be received as soon as possible and, in any event, by no later than 1.00 p.m. (London time) on 16 March 2020.

Unless required by law, the Closing Date of the Offer will not be extended. Procedures for acceptance of the Offer are set out in paragraph 12 of this Part I.

1. Summary of the Offer

Under the terms of the Offer, which will be subject to the Conditions and further terms set out in Part II (*Conditions to and further terms of the Offer*) of this document, for each UNV Share held, UNV Shareholders (other than Restricted UNV Shareholders and US UNV Shareholders that are not QIBs) will receive:

10 cents in cash and 0.6026 New TerraCom Shares

The consideration payable under the Offer (the "**Offer Consideration**") will not be increased. Fractions of New TerraCom Shares will be rounded to the nearest whole New TerraCom Share.

As we announced on 3 February 2020, based on TerraCom's 6 month volume weighted average trading price to 28 January 2020 of 39.0 cents per TerraCom Share, the Offer values each UNV Share at 33.5 cents and the entire issued and to be issued share capital of UNV at approximately A\$175 million on a fully diluted basis, and represents a premium of approximately:

- 42.6% to the Closing Price of 23.5 cents on 31 January 2020; and
- 31.4% to the 6 month volume weight average price of 25.5 cents ended on 31 January 2020.

The Offer provides UNV Shareholders with:

- 42.6% of the value of UNV Shares on 31 January 2020 in cash; and
- 100% of the value of UNV Shares on 31 January 2020 in TerraCom Shares, based on a deemed value of 39.0 cents per TerraCom Share.

UNV Shareholders, excluding TerraCom Bidco's existing holding, would own approximately 33.4% of the Merged Group (based on the ordinary issued share capital of TerraCom and UNV), and would participate in the potential future value creation in both the UNV and TerraCom businesses.

No separate offer is being made to acquire UNV CDIs. However, UNV CDI Holders may accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by them by, and only by, instructing the CDN, to accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by them.

In order to comply with the requirements of the Corporations Act in relation to acceptances of the Offer, only UNV Shares (other than UNV CDIs) held in certificated form will be capable of acceptance pursuant to and in accordance with the terms of the Offer. Accordingly, in order for UNV Shareholders who hold Uncertificated UNV Shares, that is, in CREST, to accept the Offer, it will be necessary to convert the Uncertificated UNV Shares into certificated form, that is withdrawn from CREST, prior to accepting the Offer.

If TerraCom Bidco is advised that the law of a country or territory or the ASX Listing Rules precludes the allotment, issue and/or delivery to a UNV Shareholder of New TerraCom Shares in accordance with the Offer, except after compliance by TerraCom with any governmental or other consent or any registration, filing or other formality with which TerraCom is unable to comply or compliance with which TerraCom regards as unduly onerous, then TerraCom Bidco may, in its sole discretion, treat such UNV Shareholders as a "Restricted UNV Shareholder" for the purposes of the Offer. New TerraCom Shares to which any Restricted UNV Shareholders are entitled shall be issued to a person appointed by TerraCom or TerraCom Bidco to hold such New TerraCom Shares on terms that such person shall, as soon as possible following the date on which the Offer becomes, or is declared, wholly unconditional, procure the sale of the relevant New TerraCom Shares at the best price which can reasonably be obtained at the time of sale.

The net proceeds of any such sale (after all applicable deductions) shall be paid to the relevant Restricted UNV Shareholder pro rata to their entitlement to New TerraCom Shares in Australian Dollars by cheque drawn on a branch of an Australian clearing bank (or such additional other currency or clearing process as determined by TerraCom Bidco in its absolute discretion) and despatched to the relevant Restricted UNV Shareholder at their registered address. Any remittance of the net proceeds of the sale referred to shall be at the risk of the relevant Restricted UNV Shareholder.

Restricted UNV Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Offer in their particular circumstances.

The Offer is not being, and will not be, made directly or indirectly, in or into the United States and will not be capable of acceptance by US UNV Shareholders or from within the United States unless a US UNV Shareholder is a QIB and has agreed otherwise in writing with TerraCom Bidco, in which case the Offer may be made by TerraCom Bidco to such QIB US UNV Shareholder and will be capable of acceptance by such QIB US UNV Shareholder.

Structure of the Offer

The Offer is to be implemented by way of a contractual takeover offer within the meaning given to that term in section 974 of the UK Companies Act.

This letter, Part II (*Conditions to and further terms of the Offer*) of this document, the Form of Acceptance and, if you hold UNV CDIs, the CDI Acceptance Form contain the formal terms and Conditions of the Offer for your UNV Shares.

If any dividend or other distribution is authorised, declared, made or paid in respect of UNV Shares on or after the date of the Announcement, the Offer Consideration will be reduced by the amount of such dividend or other distribution, in which case eligible UNV Shareholders will be entitled to receive or retain such dividend or other distribution. In calculating the amount of any such reduction, the cash component of the Offer Consideration will be reduced first.

If the UNV Shares are subdivided on or after the date of the Announcement, the Offer Consideration will reduce in accordance with the new fully diluted share capital of UNV. In calculating the amount of any such reduction, the cash component of the Offer Consideration will be reduced first.

The UNV Shares will be acquired under the Offer fully paid and free from all liens, charges, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them or subsequently attaching or accruing to them, save for the right to receive any other dividend, distribution, share repurchase payment and/or return of capital in respect of which a corresponding reduction has been made to the Offer Consideration in accordance with paragraph 2.4 of Section A of Part II (*Conditions to and further terms of the Offer*) of this document.

The Offer extends to any UNV Shares not already owned, or agreed to be acquired, by TerraCom Bidco and which are unconditionally allotted or issued fully paid before the Offer closes.

The Offer is subject to the Conditions and certain further terms set out in Part II (*Conditions to and further terms of the Offer*) of this document, the Form of Acceptance and also (in respect of UNV CDIs) in the CDI Acceptance Form. In particular, the Offer is conditional upon:

- valid acceptances of the Offer being received (and not, where permitted, withdrawn) in respect of the UNV Shares which when aggregated with the UNV Shares held by TerraCom Bidco at the date of the Offer and any UNV Shares acquired or contracted to be acquired by TerraCom Bidco on or after such date, carry more than 47.3% (being the aggregate of UNV Shares held by TerraCom Bidco and UNV Shares the subject of irrevocable undertakings at the date of the Announcement, being 3 February 2020) of the voting rights then normally exercisable at a general meeting of UNV; and
- the admission to quotation on the ASX of the New TerraCom Shares to be issued in connection with the Offer becoming wholly unconditional or subject only to ASX's usual conditions.

TerraCom Bidco has received irrevocable undertakings that have limited investor rights of revocation in the event that the Offer proceeds. Once the irrevocable undertakings are actioned, the acceptance condition will be met. Under each of the irrevocable undertakings, acceptance is required no later than two Business Days following TerraCom Bidco posting of this document to UNV Shareholders.

The Offer can only become effective if all Conditions to the Offer have been satisfied. Subject to the satisfaction of the Conditions, it is expected that completion of the Offer will occur in March 2020.

The Share Offer

Each New TerraCom Share issued as consideration under the Offer will be issued on a fully paid basis and rank equally with all existing TerraCom Shares. Fractions of New TerraCom Shares will be rounded to the nearest whole New TerraCom Share. This document is a disclosure document for the purposes of Ch 6D of the Corporations Act. TerraCom will apply to the ASX for admission to quotation of New TerraCom Shares within seven days from the date of this document being lodged with the ASIC. Subject to approval for quotation being granted

by the ASX, the New TerraCom Shares are expected to be quoted on the ASX. However, official quotation is not granted automatically on application.

Holding statements will be despatched in accordance with the ASX Listing Rules (the "**Listing Rules**"). TerraCom disclaims all liability (to the maximum extent permitted by law) to persons who trade the New TerraCom Shares before receiving confirmation of their holding in the form of a holding statement.

TerraCom has applied for and obtained approval from the ASX for a waiver of Listing Rule 7.1 in connection with the Share Offer, and therefore the Offer is not conditional on the receipt of approval from TerraCom shareholders with respect to the issue of New TerraCom Shares under the Share Offer.

2. **Background to and reasons for the Offer**

Background

On 30 October 2019, TerraCom announced that it had reached a binding agreement for TerraCom Bidco to acquire 104,467,056 securities in UNV, being approximately 19.995% of the issued share capital of UNV (the "**Initial Stake**"). On 13 November 2019, TerraCom Bidco lodged a Form 603 (Notice of initial substantial holder) with UNV and the ASX, following settlement and completion of the purchase.

Following initial discussions to appoint nominees to the UNV Board, TerraCom Bidco issued a requisition notice to UNV on 18 November 2019 to call a general meeting of UNV to appoint two nominees to the UNV Board. On 4 December 2019, UNV announced the appointment of Mr Wallace King AO and Mr Craig Ransley as Non-Executive Directors on the UNV Board and as a result, TerraCom Bidco withdrew its requisition notice.

As a result of concerns in relation to the structure and independence of the UNV Board, particularly John Hopkins OAM as chairman, TerraCom Bidco issued a requisition notice to UNV on 23 December 2019 to call a general meeting to remove John Hopkins OAM from the UNV Board. On 10 January 2020, UNV called a general meeting to consider the resolution however, on 13 January 2020, UNV announced John Hopkins OAM was resigning with immediate effect, which led to TerraCom Bidco withdrawing its requisition notice.

The Offer

Following the acquisition of the Initial Stake, TerraCom formed the view that the combination of the two businesses would be best served by an accelerated acquisition process. UNV has been subject to a number of failed takeover attempts throughout the last number of years that are likely to have frustrated UNV Shareholders. TerraCom believes these failed takeover attempts wasted significant UNV management time and UNV Shareholder funds. Consequently, TerraCom Bidco is making the Offer in order to give UNV Shareholders the opportunity to consider the Offer.

The Offer will provide:

- a stable, business of scale with TerraCom and UNV operating successful coal mines;
- expanded production footprint resulting in strong cash flow generation as a combined group with the ability to leverage an enhanced operating base to accelerate growth opportunities;
- geographic diversification of asset portfolio with TerraCom's primary operating mine (Blair Athol) in Queensland (Australia), and UNV primary operations in South Africa; and
- a highly credentialed and diversified board and management team with extensive experience across both TerraCom and UNV.

Moving swiftly provides UNV Shareholders with a high degree of certainty and an accelerated process in relation to the Offer will allow both the TerraCom and UNV teams to focus on the most important part of their businesses, operating successful coal mines.

TerraCom Bidco has received significant support from UNV Shareholders, representing 27.3% of UNV's issued share capital as at the Latest Practicable Date. For further details on the irrevocable undertakings, please refer to paragraph 3 of Part X (*Additional Information*) of this document.

TerraCom chose to engage with UNV Shareholders prior to this Announcement rather than the UNV Board. Despite the Offer not being recommended by the UNV Board, TerraCom continues to value the operating capability of the UNV management team including CEO Tony Weber and Executive Director Shabby Luvhengo.

3. Financial effects of the Offer

The Offer will increase the scale of TerraCom and provide further revenue diversification for the shareholders of the Merged Group.

The following table provides a summary of the financial performance of the Merged Group for the financial year ended 30 June 2019.

A\$'000	Financial year ended 30 June 2019		
	TerraCom Group Pro Forma	UNV Pro Forma	Merged Group Pro Forma
Revenue	338,322	434,790	773,112
Gross profit	118,665	145,704	264,369
Operating EBITDA	100,850	99,158	200,008
Net profit before tax	25,880	92,616	118,496
Net profit attributable to:			
Non-controlling interests	(76)	32,449	32,373
Owners	21,722	37,941	59,663
Net profit after tax	21,646	70,390	92,036
Non-controlling interests	(76)	21,899	21,823
Owners	21,722	27,804	49,526
Net profit after tax (excluding significant items)	21,646	49,703	71,349

"Owners" in the table above refers to the Net Profit After Tax attributable to the respective shareholders of TerraCom and UNV.

"Non-controlling interests" in the table above refers to the Net Profit After Tax that is attributable to other parties that are not TerraCom or UNV shareholders.

The following table provides a summary of the financial position of the Merged Group for the financial year ended 30 June 2019.

Financial year ended 30 June 2019				
A\$'000	TerraCom Pro Forma	UNV Audited FY19	Adjustments	Merged Group Pro Forma
Total current assets	38,169	101,590	(45,391)	94,367
Total non current assets	407,269	279,471	33,406	720,146
Total assets	445,437	381,061	(11,985)	814,513
Total current liabilities	121,911	70,804	-	192,715
Total non current liabilities	225,896	114,470	20,527	360,893
Total liabilities	347,807	185,274	20,527	553,608
Net assets	97,631	195,787	(32,512)	260,906
Equity attributable to owners of the parent	93,244	127,132	(32,512)	187,864
Non-controlling interests	4,387	68,655	-	73,042
Total equity	97,361	195,787	(32,512)	260,906

"Equity attributable to owners of the parent" in the table above refers to the Net Assets attributable to the respective shareholders of TerraCom and UNV.

"Non-controlling interests" in the table above refers to the Net Assets that is attributable to other parties that are not TerraCom or UNV shareholders.

For further details, including on the pro forma adjustments and assumptions, please refer to Part V (*Effect of the Share Offer on TerraCom and profile of the Merged Group*) of this document. The pro forma is not a forecast and is provided for indicative purposes only.

4. **No reliance on non-public information**

The information in this document concerning UNV has been obtained from publicly available information. Neither TerraCom Bidco nor TerraCom has had access to UNV's non-public information in connection with the Offer and accordingly neither TerraCom Bidco nor TerraCom has been able to perform any due diligence on such information. Although neither TerraCom Bidco nor TerraCom has any knowledge that would indicate that the information relating to UNV is inaccurate or incomplete, neither TerraCom Bidco nor TerraCom can verify it and it has not been subject to comment or verification by UNV.

5. **Information relating to TerraCom and TerraCom Bidco**

TerraCom

TerraCom is a successful, established coal producer incorporated in Australia, whose shares are traded on the ASX (ASX: TER). TerraCom focuses on acquiring, building and operating a large portfolio of assets in the resource and energy sector in multiple jurisdictions. TerraCom's flagship project is the Blair Athol thermal coal project in the Bowen Basin in Queensland (Australia). TerraCom also owns the Baruun Noyon Uul (BNU) coking coal mine in the South

Gobi Desert of Mongolia. In addition to the operating assets, TerraCom also has significant exploration assets in Queensland (Australia) located in Northern Galilee and Springsure.

In the financial year ended June 2019, TerraCom achieved ROM production of 3.4 Mt, coal sales of 3.0Mt, resulting in revenue from operations of A\$338 million and operating EBITDA of A\$94 million.

The TerraCom team are highly experienced coal specialists with the Board headed by Wal King AO, as Non-Executive Chairman, who was the CEO of Leighton Holdings Limited from 1987 to 2010 (now approximately A\$9.4 billion market capitalisation CIMIC Group Limited).

TerraCom Bidco

TerraCom Bidco is a wholly owned subsidiary of TerraCom established on 29 October 2019. TerraCom Bidco holds the Initial Stake and has not undertaken any activities, other than the investment in the Initial Stake, since its incorporation.

6. Information relating to UNV

UNV is a public limited company incorporated in England and Wales, whose securities are traded on the ASX. UNV has a portfolio of production, development and exploration assets located across South Africa's major coalfields. This includes the Kangala Mine in the Witbank Coalfield, which commenced production in February 2014, the New Clydesdale Colliery, which commenced production in 2016, the North Block Complex and the Ubuntu Colliery. In addition to the operating assets, UNV also has thermal coal projects (Eloff and Arnot South) and a coking coal prospect (Bernice/Cygnus) in the Soutpansberg Coalfield.

7. Management, employees and business of UNV

As noted above, TerraCom has not undertaken detailed due diligence on UNV. Accordingly, TerraCom has not been able to undertake any substantial analysis in order to formulate detailed plans or intentions regarding the impact of the acquisition of UNV on the TerraCom business.

TerraCom has high regard for the skills and experience of the existing management and employees of UNV. TerraCom believes retaining key personnel within UNV would be important for delivering the business's future strategy.

8. Financing of the cash offer

TerraCom Bidco will fund the cash component of the Offer Consideration from existing cash resources. In addition, in relation to the share component of the Offer Consideration, TerraCom has received a waiver from ASX listing rule 7.1 which will allow TerraCom to issue the New TerraCom Shares under the Offer.

9. Compulsory acquisition, delisting, further acquisitions and cancellation of trading

If TerraCom Bidco acquires, whether through acceptances under the Offer or otherwise, 90% or more of the UNV Shares to which the Offer relates and the Offer becomes or is declared unconditional in all respects, TerraCom Bidco intends to exercise its rights pursuant to provisions of Chapter 3 of Part 28 of the UK Companies Act to acquire compulsorily UNV Shares in respect of which it has not received acceptances of the Offer on the same terms as the Offer. Failing any objections to the compulsory acquisition procedure, and consistent with ASX's Guidance Note 33, it is anticipated that trading in UNV securities will be automatically suspended, with delisting to occur at a later date.

If at the close of the Offer TerraCom Bidco holds more than 75% but fewer than 90% of all the UNV Shares, TerraCom Bidco intends to cause UNV to apply to the ASX to be delisted. Otherwise, TerraCom Bidco intends to consider whether it is appropriate to maintain UNV's listing on ASX, having regard to considerations such as the costs associated with maintaining that listing, TerraCom Bidco's final level of ownership, the number of remaining UNV

Shareholders, the level of trading in UNV Shares and the considerations in ASX Guidance Note 33.

Following the Offer becoming or being declared unconditional in all respects, assuming the requisite thresholds discussed above are satisfied and UNV Shares are in fact de-listed, TerraCom Bidco may procure that UNV be re-registered as a private company.

If at the close of the Offer TerraCom Bidco holds more than 50% but fewer than 75% of all of the UNV Shares in issue, TerraCom Bidco may, during the six month period after the Closing Date, purchase further UNV Shares from UNV Shareholders at prices not exceeding the Offer Consideration and, following the expiry of the six month period after the Closing Date, purchase further UNV Shares from UNV Shareholders at such price as it determines appropriate, and shall not be obligated to make an offer to the remaining UNV Shareholders on the same terms.

Any delisting of UNV Shares and re-registration of UNV as a private limited company would significantly reduce the liquidity and marketability of any UNV Shares not assented to the Offer at that time, and their value may be affected as a consequence. Any remaining UNV Shareholders would become minority shareholders in a majority controlled private limited company, may be unable to sell their UNV Shares and there can be no certainty that any dividends or other distributions shall be made by UNV or that UNV Shareholders shall again be offered as much for the UNV Shares held by them as under the Offer.

10. Overseas Shareholders

The attention of Overseas Shareholders, or other UNV Shareholders who would, or otherwise intend to, forward this document and any accompanying documents to any jurisdiction outside Australia, is drawn to paragraph 5 of Section B, paragraph 3 of Section C and paragraph 3(c) of Section E of Part II (*Conditions to and further terms of the Offer*) of this document.

All UNV Shareholders (including, without limitation, nominees, trustees or custodians) who intend to forward this document and any accompanying documents to any jurisdiction outside Australia should read paragraph 5 of Section B, paragraph 3 of Section C and paragraph 3(c) of Section E of Part II (*Conditions to and further terms of the Offer*) of this document and seek appropriate advice before taking any action.

The Offer may not be available to persons not resident in Australia. Such persons who are subject to the laws of any jurisdiction other than Australia should inform themselves of and observe any applicable legal or regulatory requirements of their jurisdiction. If you remain in any doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

The Offer is not being, and will not be, made directly or indirectly, in or into any Restricted Jurisdiction or, subject to certain exceptions, the United States, and will not be capable of acceptance from within any Restricted Jurisdiction or, subject to certain exceptions the United States. Accordingly, accepting UNV Shareholders who are unable to give the representations and warranties set out in paragraph 3 of Section C of Part II in respect of UNV Shares and paragraph 3(c) of Section E of Part II in respect of UNV CDIs will be deemed not to have validly accepted the Offer. Your attention is also drawn to paragraph 1 of this letter in relation to the implications of the Offer on Restricted UNV Shareholders and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, US UNV Shareholders. Accordingly, copies of this document and the accompanying Form of Acceptance or CDI Acceptance Form (as applicable) are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or the United States. In addition persons receiving this document and the accompanying Form of Acceptance or CDI Acceptance Form (as applicable) (including, without limitation, any agent, nominee, custodian or trustee) must not mail or otherwise forward, distribute or send it in, into or from such jurisdiction.

11. **Australia taxation**

Your attention is drawn to Part VII of this document, headed "Australia Taxation". If you are in any doubt as to your tax position or are subject to taxation in any jurisdiction other than Australia, you should consult an appropriate professional adviser immediately.

12. **Procedures for acceptance of the Offer**

Holders of UNV Shares in **certificated form** (that is, not in CREST) may only accept the Offer in respect of such UNV Shares by completing, signing and returning a Form of Acceptance in accordance with the procedure set out in sub-paragraph 12.1 below.

In order for UNV Shareholders who hold **Uncertificated UNV Shares** to accept the Offer, it will be necessary to convert the Uncertificated UNV Shares into certificated form, that is, withdrawn from CREST. If your UNV Shares are in the course of being converted from uncertificated to certificated form, please refer to sub-paragraph 12.2 below.

UNV CDI Holders may only accept the Offer in respect of **UNV CDIs** by signing and returning a CDI Acceptance Form in accordance with the procedure set out in sub-paragraph 12.3 below.

12.1 ***UNV Shares in certificated form (that is, not in CREST)***

(a) *Completion of Form of Acceptance*

To accept the Offer in respect of UNV Shares held in certificated form (that is, not in CREST), you must complete the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. Please note separate Forms of Acceptance for UNV Shares held in certificated form but under different designations need to be completed.

If you have any queries as to how to complete the Form of Acceptance or wish to request additional Forms of Acceptance, please contact UK Receiving Agent on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.30 p.m. (London time), Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

The instructions printed on the Form of Acceptance shall be deemed to form part of the terms of the Offer.

- (i) *To accept the Offer in respect of all your UNV Shares in certificated form – you must complete **Box 1** and sign **Box 2A** or **2B** of the enclosed Form of Acceptance. In all cases, if you are an individual, you must sign **Box 2A** on the Form of Acceptance in the presence of a witness who should also sign in accordance with the instructions printed on it. Any UNV Shareholder which is a company should execute **Box 2B** of the Form of Acceptance in accordance with the instructions printed on it. If you do not insert a number in **Box 1** of the Form of Acceptance, or if you insert in **Box 1** a number which is greater than the number of UNV Shares that you hold in certificated form and you have signed **Box 2A** or **2B**, your acceptance will be deemed to be in respect of all the UNV Shares held by you in certificated form.*
- (ii) *To accept the Offer in respect of less than all your UNV Shares in certificated form – you must insert in **Box 1** on the enclosed Form of Acceptance such lesser number of UNV Shares in respect of which you wish to accept the Offer in accordance with the instructions printed on it. You should then follow the procedure set out in paragraph 12.1(a)(i) above in respect of such lesser number of UNV Shares.*

(b) *Return of Form of Acceptance*

To accept the Offer in respect of UNV Shares held in certificated form, the completed, signed and witnessed Form of Acceptance should be returned to the UK Receiving Agent, Link Asset Services, by post or by hand (during normal business hours only) at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, together (subject to paragraph 12.1(c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (London time) on 16 March 2020. A reply-paid envelope for use in the United Kingdom only is enclosed for your convenience. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received in an envelope post-marked in a Restricted Jurisdiction, or otherwise appearing to TerraCom Bidco to have been sent from any of these jurisdictions, may be rejected as an invalid acceptance of the Offer. For further information for UNV Shareholders resident overseas, see paragraph 10 of this Part I.

(c) *Share certificates not readily available or lost*

If your UNV Shares are in certificated form, a completed, signed and (where applicable) witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and return the Form of Acceptance to the UK Receiving Agent, by post, using the enclosed reply paid envelope if you are in the United Kingdom, to the UK Receiving Agent, Link Asset Services, by post or by hand (during normal business hours only) at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (London time) on 16 March 2020.

You should send with the Form of Acceptance any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title you should write as soon as possible to UNV's UK registrar, Computershare Investor Services plc at The Pavilions, Bridgewater Road, Bristol, BS99 7NH, requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post or by hand to the UK Receiving Agent at the address given above.

(d) *Validity of acceptances*

Without prejudice to Section B and Section C of Part II (*Conditions to and further terms of the Offer*) of this document, TerraCom Bidco reserves the right to treat as valid in whole or in part any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to TerraCom Bidco have been received.

(e) *Overseas Shareholders*

The attention of UNV Shareholders holding UNV Shares in certificated form and who are citizens or residents of jurisdictions outside Australia is drawn to paragraph 5 of Section B and paragraph 3 of Section C of Part II (*Conditions to and further terms of the Offer*) of this document.

12.2 **UNV Shares held in uncertificated form (that is, in CREST)**

In order to comply with the requirements of the Corporations Act in relation to acceptances of the Offer, only UNV Shares (other than UNV CDIs) held in certificated form will be capable of acceptance pursuant to and in accordance with the terms of the Offer. Accordingly, in order for UNV Shareholders who hold Uncertificated UNV Shares to accept the Offer, it will be necessary to convert such shares into certificated form.

Normal CREST procedures (including timings) apply in relation to any UNV Shares that are, or are to be, converted from uncertificated form to certificated form, during the course of the Offer. You must rematerialise your UNV Shares by completing a CREST stock withdrawal in CREST. It is recommended that holders of Uncertificated UNV Shares refer to the CREST Manual for details of such procedures.

UNV Shareholders who hold Uncertificated UNV Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of a Form of Acceptance described above) before 1.00 p.m. (London time) on 16 March 2020.

12.3 **UNV CDIs**

(a) *Completion and return of CDI Acceptance Form*

No separate offer is being made to acquire UNV CDIs. However, UNV CDI Holders may accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by them by, and only by, giving an instruction to the CDN. To give such instruction:

- (i) UNV CDI Holders who hold UNV CDIs through UNV's Issuer Sponsored Subregister must complete and sign the CDI Acceptance Form (Issuer Sponsored) provided to UNV CDI Holders in accordance with the instructions on that form and return it to the address noted on the form so that it is received at such address before the CDI Acceptance Expiry Time; or
- (ii) UNV CDI Holders who hold UNV CDIs through UNV's CHESSE Subregister must:
 - (A) if they are not a CHESSE Participant, instruct their Controlling Participant (usually their broker) to initiate acceptance of the Offer on their behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
 - (B) if they are a CHESSE Participant, initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules; or
 - (C) as an alternative to (A), complete and sign the CDI Acceptance Form (CHESSE) in accordance with the instructions on that form and return it to the address noted on the form so that it is received in sufficient time for the Australia Receiving Agent to request the UNV CDI Holder's Controlling Participant to act on the UNV CDI Holder's instruction to initiate acceptance of the Offer before the CDI Acceptance Expiry Time. The Australia Receiving Agent will liaise with the UNV CDI Holder's Controlling Participant and request them to initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules.

If a UNV CDI Holder's UNV CDIs are held in different parcels in different forms, acceptance of the Offer will require action under (i) or (ii) above in relation to the different parcels of the UNV CDIs held by the UNV CDI Holder.

(b) *Acceptances from UNV CDI Holders*

The Australia Receiving Agent will collate acceptances from UNV CDI Holders, present these to the CDN and request the CDN to accept the Offer on behalf of UNV CDI Holders in respect of the relevant underlying and corresponding UNV Shares. To enable the Australia Receiving Agent to carry out this process, acceptances from UNV CDI Holders must be received by the Australia Receiving Agent in sufficient time to allow the UNV CDI Holder's instruction to be acted upon prior to the CDI Acceptance Expiry Time, expected to be 7.00 p.m. (Sydney time) on 12 March 2020.

UNV CDI Holders should make such enquiries and take such actions as are necessary to ensure that their acceptance instruction is received by the Australia Receiving Agent prior to the CDI Acceptance Expiry Time. UNV CDI Holders should contact their brokers or other professional advisers if they have any questions in relation to the Offer.

UNV Shareholders who are "qualified investors" within the meaning of Article 2(3) of Regulation (EU) 2017/1129 should contact the UK Receiving Agent +44 (0)371 664 0321 between 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales) for further information on how to accept the Offer.

If you are a UNV Shareholder and have questions relating to this document or the completion and return of the Form of Acceptance, please telephone the UK Receiving Agent on +44 (0)371 664 0321 between 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate.

If you are a UNV CDI Holder and have questions relating to this document or the completion and return of the CDI Acceptance Form, please telephone the Australia Receiving Agent on +61 1300 330 255 between 8.30 a.m. to 5.30 p.m. (Sydney time) Monday to Friday (excluding public holidays in Australia). Calls to the Australia Receiving Agent from within Australia are at a fixed rate comparable to a local call aside from any of your service provider's network extras. Calls to the Australia Receiving Agent from outside Australia are charged at applicable international rates. Different charges may apply to calls made from mobile phones.

Calls may be recorded and randomly monitored for security and training purposes. The UK Receiving Agent and the Australia Receiving Agent cannot provide advice on the merits of the Offer or give any financial, legal or tax advice.

13. **Settlement**

13.1 **Overview**

Subject to the Offer becoming, or being declared, wholly unconditional (except as provided in paragraph 5 of Section B of Part II (*Conditions to and further terms of the Offer*) of this document in the case of certain Overseas Shareholders), settlement of the consideration to which any UNV Shareholder (or the first-named shareholder in the case of joint holders) is entitled under the Offer will be effected as soon as practicable after, and, in any event, within five business days from receipt of the confirmation of transfer of the UNV Shareholder's UNV Shares to TerraCom Bidco.

For accepting UNV Shareholders who are not a Restricted UNV Shareholder, settlement of the consideration will occur by the despatch of holding statements in respect of the New TerraCom Shares to be issued pursuant to the Share Offer and payment of the cash consideration. Holding statements will be despatched to such accepting UNV Shareholders by ordinary mail to the registered address set out in the register of UNV Shareholders obtained by TerraCom Bidco. Cash consideration will be paid to such accepting UNV Shareholders by cheque denominated in Australian Dollars (or, in jurisdictions outside Australia, such other currency of payments means as determined by TerraCom Bidco in its absolute discretion).

For Restricted UNV Shareholders, If TerraCom Bidco is advised that the law of a country or territory or the ASX Listing Rules precludes the allotment, issue and/or delivery to a UNV Shareholder of New TerraCom Shares in accordance with the Offer, except after compliance by TerraCom with any governmental or other consent or any registration, filing or other formality with which TerraCom is unable to comply or compliance with which TerraCom regards as unduly onerous, then TerraCom Bidco may, in its sole discretion, treat such UNV Shareholders as a "Restricted UNV Shareholder" for the purposes of the Offer. New TerraCom Shares to which any Restricted UNV Shareholder are entitled shall be issued to a person appointed by TerraCom or TerraCom Bidco to hold such New TerraCom Shares on terms that such person shall, as soon as reasonably practicable, procure the sale of the relevant New TerraCom Shares at the best price which can reasonably be obtained at the time of sale.

The net proceeds of any such sale (after all applicable deductions) shall be paid to the relevant Restricted UNV Shareholder pro rata to their entitlement to New TerraCom Shares in Australian Dollars by cheque drawn on a branch of an Australian clearing bank (or such additional other currency or clearing process as determined by TerraCom Bidco in its absolute discretion) and despatched to the relevant Restricted UNV Shareholder at their registered address. Any remittance of the net proceeds of the sale referred to shall be at the risk of the relevant Restricted UNV Shareholder.

Restricted UNV Shareholders and any US UNV Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Offer in their particular circumstances.

13.2 *Lapsing or withdrawal of the Offer*

If the Offer does not become, or is not declared, wholly unconditional:

- (a) in the case of UNV Shares held in certificated form, the relevant Form of Acceptance will be returned by post (or by such other method as may be approved by TerraCom Bidco) within 14 calendar days of the Offer lapsing to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in the Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address (provided that no such documents will be sent to an address in a Restricted Jurisdiction);
- (b) in the case of UNV CDIs held through UNV's CHESSE Subregister, TerraCom Bidco must, within one Business Day after the end of the Offer Period, notify ASX Settlement that the Offer has lapsed as at the end of the Offer Period because it has not become wholly unconditional or that the Offer has been withdrawn and ASX Settlement must release the accepted UNV CDIs from the Offer accepted sub-position in accordance with ASX Settlement Operation Rule 14.19.1; and
- (c) in the case of UNV CDIs held through UNV's Issuer Sponsored Subregister, TerraCom Bidco must notify UNV that the Offer has lapsed as at the end of the Offer Period because it has not become wholly unconditional or that the Offer has been withdrawn and UNV is required to release the accepted UNV CDIs from their reserved status.

13.3 *General*

All remittances, communications, notices, certificates and documents of title sent by, to or from UNV Shareholders or their appointed agents will be sent at their own risk.

UNV is a public limited company incorporated in England and Wales whose shares are traded in the form of CDIs on the ASX. It is, therefore, not subject to the Code or the takeovers provisions of the Corporations Act. Accordingly, the Code does not apply to the Offer and this transaction is not subject to the jurisdiction of, or regulated by, the UK Panel on Takeovers and Mergers. Additionally, the Offer will not be a 'takeover bid' pursuant to Ch 6 of the Corporations Act as it is not regulated by the takeovers provisions of the Corporations Act.

14. Further information

The Offer will remain open for acceptance until 1.00 p.m. (London time) on 16 March 2020.

Your attention is drawn to the Conditions and further terms of the Offer set out in Part II (*Conditions to and further terms of the Offer*) of this document and the additional information contained in Part X (*Additional Information*) of this document.

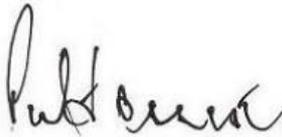
15. Action to be taken

If you hold your UNV Shares in certificated form (that is, not in CREST), you are urged to complete, sign and return the Form of Acceptance to the UK Receiving Agent, Link Asset Services, by post or by hand (during normal business hours only) at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but, in any event, so as to be received by no later than 1.00 p.m. (London time) on 16 March 2020. Your share certificate(s) or other document(s) should be enclosed with your completed Form of Acceptance. A reply-paid envelope for use in the United Kingdom is enclosed for your convenience.

If you hold your Uncertificated UNV Shares (that is, in CREST), it will be necessary to convert the Uncertificated UNV Shares into certificated form, that is withdrawn from CREST. Once the UNV Shares have been converted into certificated form, you are urged to follow the procedures set out above in relation to the acceptance of the Offer for UNV Shares held in certificated form.

If you hold UNV CDIs, you should follow the procedure set out in paragraph 12.3 of this letter. Acceptances from UNV CDI Holders must be received by the Australia Receiving Agent in sufficient time to allow the CDN's instruction to be acted upon prior to the CDI Acceptance Expiry Time, expected to be 7.00 p.m. (Sydney time) on 12 March 2020.

Yours faithfully



Philip Forrest
Director
TCIG RESOURCES PTE LTD

PART II

CONDITIONS TO AND FURTHER TERMS OF THE OFFER

Section A: Conditions to the Offer

The Offer is being made on the terms and Conditions set out in this Part II, the Form of Acceptance and, in respect of UNV CDIs, the CDI Acceptance Form.

Conditions

The Offer is conditional upon:

1. **Acceptance Condition**

1.1 valid acceptances of the Offer being received (and not, where permitted, withdrawn) in respect of such number of UNV Shares which, when aggregated with the UNV Shares held by TerraCom Bidco at the date of the Offer and any UNV Shares acquired or contracted to be acquired by TerraCom Bidco on or after such date, carry more than 47.3% (being the aggregate of UNV Shares held by TerraCom Bidco and UNV Shares the subject of irrevocable undertakings at the date of the Announcement) of the voting rights then normally exercisable at a general meeting of UNV including for this purpose any such voting rights attaching to UNV Shares which have been unconditionally allotted or issued before the Offer becomes or is declared unconditional (whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise). For the purposes of this Condition:

- (a) UNV Shares which have been unconditionally allotted shall be deemed to carry the voting rights they will carry upon being entered into the register of members of UNV;
- (b) UNV Shares that cease to be held in treasury shares are UNV Shares to which the Offer relates; and
- (c) valid acceptances shall be deemed to have been received in respect of UNV Shares which are treated for the purposes of Part 28 of the UK Companies Act as having been acquired or contracted to be acquired by TerraCom Bidco by virtue of acceptances of the Offer;

1.2 the admission to quotation on the ASX of the New TerraCom Shares to be issued in connection with the Offer becoming wholly unconditional or subject only to the ASX's usual conditions.

2. **Certain Further Terms of the Offer**

2.1 The Conditions are for the benefit of TerraCom Bidco and no UNV Shareholder is entitled to waive any of the Conditions without the prior written consent of TerraCom Bidco.

2.2 TerraCom Bidco is under no obligation to treat as fulfilled any of the Conditions by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Offer may at such earlier date have been fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

2.3 The UNV Shares to be acquired under the Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share

capital or share premium account or otherwise) made, on or after 3 February 2020, being the date of the Announcement.

- 2.4 Subject to the terms of the Offer, if, on or after 3 February 2020 (being the date of the Announcement), any dividend or other distribution is announced, the Offer Consideration will reduce by the amount of any such dividend or other distribution, in which case: (a) any reference in the Announcement or in this document to the Offer Consideration for the UNV Shares will be deemed to be a reference to the Offer Consideration as so reduced; and (b) the relevant eligible UNV Shareholders will be entitled to receive and retain such dividend or distribution. To the extent that any such dividend or distribution announced, declared or paid is: (x) transferred pursuant to the Offer on a basis which entitles TerraCom Bidco to receive the dividend or distribution and to retain it; or (y) cancelled, the Offer Consideration will not be subject to change in accordance with this paragraph. Any reduction of the Offer Consideration as referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Offer. In calculating the amount of any such reduction, the cash component of the Offer Consideration will be reduced first.
- 2.5 Subject to the terms of the Offer, if, on or after 3 February 2020 (being the date of the Announcement), the UNV Shares are subdivided, the Offer Consideration will reduce in accordance with the new fully diluted share capital of UNV, in which case any reference in the Announcement or in this document to the Offer Consideration for the UNV Shares will be deemed to be a reference to the Offer Consideration as so reduced. Any reduction of the Offer Consideration as referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Offer. In calculating the amount of any such reduction, the cash component of the Offer Consideration will be reduced first.
- 2.6 For the purposes of paragraphs 2.4 and 2.5 above, in the unlikely event that the share component of the Offer Consideration is to be reduced as well, in calculating the amount of any such reduction, the value of a New TerraCom Share will be calculated by reference to the deemed value of TerraCom Shares of 39.0 cents.
- 2.7 In the event that TerraCom Bidco is temporarily prevented by law from satisfying any of its obligations under the Offer, TerraCom Bidco is not obliged to satisfy any of its obligations under the Offer until permitted by law to satisfy all of its obligations under the Offer.
- 2.8 In the event that TerraCom Bidco is permanently prevented by law from satisfying any of its obligations under the Offer, TerraCom Bidco is not obliged to satisfy any of its obligations under the Offer and any acceptances of the Offer for which the Offer Consideration has not been provided will be void and of no effect.
- 2.9 If the Offer lapses, it will cease to be capable of further acceptances. UNV Shareholders who have already accepted the Offer will then cease to be bound by acceptances submitted at or before the time the Offer lapses.
- 2.10 The availability of the Offer to persons not resident in Australia may be affected by the laws of the relevant jurisdictions. Persons who are not resident in Australia should inform themselves about and observe any applicable requirements.
- 2.11 The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws of that jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States.

2.12 The Offer shall be governed by, and construed in accordance with, the laws of the England and Wales and be subject to the exclusive jurisdiction of the courts of England and Wales and to the Conditions set out above and to the provisions of this paragraph 2. The Offer will comply with the applicable rules and regulations of United Kingdom and Australia and any other applicable laws or regulations. Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.

Section B: Further terms of the Offer

The following further terms apply to the Offer unless the contrary is expressed or the context otherwise requires.

Except where the context otherwise requires, references in Sections B – E (inclusive) of this Part II and in the Form of Acceptance and CDI Acceptance Form are to:

- (a) "**acceptances of the Offer**" include deemed acceptances of the Offer;
- (b) the "**Offer becoming, or being declared, unconditional**" means, and shall be construed as, the Offer becoming, or being declared, unconditional as to acceptances whether or not any other Condition of the Offer remains to be fulfilled and references to the "**Offer becoming unconditional**" include the Offer being declared unconditional;
- (c) the "**Acceptance Condition**" mean the Condition as to acceptances of the Offer set out in paragraph 1.1 of Section A of this Part II and references to the "**Offer becoming unconditional as to acceptances**" shall be construed accordingly;
- (d) any statute or any statutory provision includes a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date of this document);
- (e) "**Acceptance Shares**" means UNV Shares in respect of which the Offer has been accepted or is deemed to have been accepted in accordance with paragraph 1 of Section C and paragraph 1 of Section E of this Part II, and in respect of which such acceptance has not been validly withdrawn; and
- (f) the "**Offer Document**" means this document and any other document containing, or containing details of, the Offer.

The Offer extends to any UNV Shares not already owned, or agreed to be acquired, by TerraCom Bidco or any member of the TerraCom Group and which are unconditionally allotted or issued fully paid before the Offer closes.

1. Acceptance Period

- 1.1 The Offer is open for acceptance until 1.00 p.m. (London time) on the Closing Date.
- 1.2 If prior to 16 March 2020, there is any order or other regulatory action that temporarily restrains any action necessary to conduct and settle the Offer, the scheduled closing date will automatically extend to the earlier of: (a) 14 days from that restraint ceasing to apply; and (b) 16 April 2020. In this event, an announcement will be released on the ASX advising UNV Shareholders of the new Closing Date, and the deadlines for rematerialising Uncertificated UNV Shares and the CDI Acceptance Expiry Time will be correspondingly extended.

2. Announcements

- 2.1 Without prejudice to paragraph 3.1 below, by 1.00 p.m. (Sydney time) on the next Business Day (the "**relevant day**") following the day on which the Offer is due to expire, TerraCom Bidco will make an appropriate announcement on the ASX. Such announcement will state prominently the total numbers of UNV Shares which TerraCom Bidco may count towards the satisfaction of the Acceptance Condition and will specify the percentages of each class of securities represented by these figures.
- 2.2 In this Section B, references to the making of an announcement or the giving of notice by or on behalf of TerraCom Bidco include the release of an announcement by public relations consultants of TerraCom Bidco, or by Petra Capital, to the press and the delivery by hand or telephone, e-mail, facsimile or telex or other electronic transmission of an announcement on the ASX.

- 2.3 A copy of any announcement made by TerraCom Bidco in accordance with this paragraph 2 will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions or the United States, for inspection on TerraCom's website at www.terracomresources.com/unvoffer as soon as possible and, in any event, by no later than 1.00 p.m. (Sydney time) on the Business Day following the announcement.
- 2.4 Without limiting the manner in which TerraCom Bidco may choose to make any public announcement and subject to TerraCom Bidco's obligations under applicable law, TerraCom Bidco will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release on the ASX.
3. **Rights of withdrawal**
- 3.1 The Offer may be withdrawn by TerraCom Bidco at any time after one month after the date of this document by sending a withdrawal document to you.
- 3.2 Once UNV shareholders have accepted the Offer, they will be able to withdraw their acceptance at any time, in accordance with the procedures set out in paragraph 3 of this Part II, while the Acceptance Condition remains unfulfilled. When the Acceptance Condition has been fulfilled, subject to paragraph 3.3 below, UNV Shareholders will be unable to withdraw their acceptance, the contract resulting from their acceptance will be binding on them, and they will be unable to withdraw their shares from the Offer or otherwise dispose of their shares, except if, by the end of the Offer Period, the conditions in paragraph 1 of Section A of this Part II have not all been fulfilled, this Offer will automatically terminate and their shares will be returned to them.
- 3.3 Australian domiciled UNV Shareholders accepting the Offer may have the statutory rights to withdraw their acceptance of the Offer in certain circumstances prescribed in Chapter 6D of the Corporations Act, including (without limitation) where the New TerraCom Shares are not admitted to quotation on the ASX within 3 months after the date of this document.
- 3.4 To withdraw his acceptance of the Offer, an accepting UNV CDI Holder must follow the procedures set out in paragraph 2 of this Part II.
- 3.5 If an accepting UNV Shareholder withdraws its acceptance under this paragraph 3 (including, for the avoidance of doubt, paragraph 3.4), TerraCom Bidco must, within 14 days after the accepting UNV Shareholder gives notice of its withdrawal and returns any documents and consideration that the person received for the Offer, return any documents that the accepting UNV Shareholder sent with acceptance of the Offer.
- 3.6 In this paragraph 3, "**written notice**" (including any letter of appointment, direction or authority) means notice in writing signed by the relevant accepting UNV Shareholder (or his/her agent(s) duly appointed in writing and evidence of whose appointment satisfactory to TerraCom Bidco is produced with the notice). Email, facsimile or other electronic transmission or copies will not be sufficient to constitute written notice. A notice which is post-marked in, or otherwise appears to TerraCom Bidco or its agents to have been sent from, a Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, may not be treated as valid.
- 3.7 UNV Shares in respect of which acceptances have been validly withdrawn in accordance with this paragraph 3 may be subsequently re-assented to the Offer by following of the procedures described in paragraph 12 of Part I (*Letter from TerraCom Bidco*) of this document while the Offer remains open for acceptance.
- 3.8 All questions as to the validity (including the time of receipt) of any notice of withdrawal will be determined by TerraCom Bidco whose determination will be final and binding. Neither TerraCom Bidco, TerraCom, Petra Capital, nor the UK Receiving Agent, the Australia Receiving Agent nor any other person will be under any duty to give

notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give such notification or for any determination under this paragraph 3.

4. General

- 4.1 UNV is a public limited company incorporated in England and Wales whose shares are traded in the form of CDIs on the ASX. UNV Shareholders should note that the Code does not apply to UNV or the Offer. The Offer will not be a 'takeover bid' pursuant to Ch 6 of the Corporations Act as it is not regulated by the takeovers provisions of the Corporations Act.
- 4.2 The Offer shall lapse unless all of the Conditions have been fulfilled.
- 4.3 If the Offer lapses for any reason:
- (a) the Offer will cease to be capable of further acceptance, and TerraCom Bidco and accepting UNV Shareholders will cease to be bound by acceptances of the Offer delivered on or before the time when the Offer lapses;
 - (b) in respect of certificated UNV Shares, Forms of Acceptance, share certificates and other documents of title will be returned by post within 14 days of the Offer lapsing, at the risk of the UNV Shareholder in question, to the person or agent whose name and address are set out in the relevant box on the Form of Acceptance or, if none is set out, to the first-named holder at his registered address. No such documents will be sent to an address in a Restricted Jurisdiction;
 - (c) accepting UNV CDI Holders and TerraCom Bidco will cease to be bound by:
 - (i) acceptance instructions given by UNV CDI Holders to the CDN in accordance with this document; and
 - (ii) paragraph 3 of Section E of this Part II;
 - (d) in the case of UNV CDIs held through UNV's CHESSE Subregister, TerraCom Bidco must within one Business Day after the date the Offer lapses notify the ASX Settlement that the Offer has lapsed because it has not become wholly unconditional and the ASX Settlement must release the accepted UNV CDIs from the Offer accepted sub-position in accordance with ASX Settlement Operating Rule 14.19.1; and
 - (e) in the case of UNV CDIs held through UNV's Issuer Sponsored Subregister, TerraCom Bidco must notify UNV that the Offer has lapsed because it has not become wholly unconditional and UNV is required to release the accepted UNV CDIs from their 'reserved' status.
- 4.4 Settlement of the consideration to which any UNV Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which TerraCom Bidco may otherwise be, or claim to be, entitled against that UNV Shareholder.
- 4.5 Settlement of the consideration to which any UNV Shareholder (or the first-named shareholder in the case of joint holders) is entitled under the Offer will be effected as soon as practicable after, and, in any event, within five business days from receipt of the confirmation of transfer of the UNV Shareholder's UNV Shares to TerraCom Bidco.
- 4.6 TerraCom Bidco reserves the right not to send any consideration to an address in any Restricted Jurisdiction or the United States, unless the requirements for eligibility in the Offer have, in TerraCom Bidco's sole judgement, been met. Please refer to paragraph 5 of this section of this Part II for further details.

- 4.7 The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Form of Acceptance and CDI Acceptance Form constitute part of the terms of the Offer. Words and expressions defined in this document have the same meaning when used in the Form of Acceptance and the CDI Acceptance Form, unless the context requires otherwise. The provisions of this Part II of this document shall be deemed to be incorporated and form part of the Form of Acceptance and CDI Acceptance Form.
- 4.8 The Offer is made in respect of all UNV Shares issued and unconditionally allotted or issued prior to the date on which the Offer closes. Any omission or failure to send, or make available, this document, the Form of Acceptance, the CDI Acceptance Form or any other document relating to the Offer and/or notice required to be sent or made available under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is, or should be, made shall not invalidate the Offer in any way or create any implication of the Offer has not been made to any such person. Subject to the provisions of paragraph 5 of this Section B, the Offer is made to any UNV Shareholder to whom this document, the Form of Acceptance and the CDI Acceptance Form or any related document may not be sent or by whom such documents may not be received, viewed or accessed and these persons may request these documents, if you are a UNV Shareholder, from the UK Receiving Agent on +44 (0)371 664 0321 between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales) or, if you are a UNV CDI Holder, the Australia Receiving Agent on +61 1300 330 255 between 8.30 a.m. and 5.30 p.m. (Sydney time) Monday to Friday (excluding public holidays in Australia).
- 4.9 The Offer is made on 11 February 2020 and is capable of acceptance from and including 12 February 2020. Copies of this document, the Form of Acceptance, the CDI Acceptance Form and any related documents may be requested from, if you are a UNV Shareholder, the UK Receiving Agent on +44 (0)371 664 0321 between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales) or, if you are a UNV CDI Holder, the Australia Receiving Agent +61 1300 330 255 between 8.30 a.m. and 5.30 p.m. (Sydney time) Monday to Friday (excluding public holidays in Australia).
- 4.10 The Offer and all acceptances of the Offer are governed by and will be construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to settle any dispute arising from or connected with the Offer and all acceptances of the Offer.
- 4.11 Each New TerraCom Share issued as consideration under the Offer will be issued on a fully paid basis and rank equally with all existing TerraCom Shares from the date of issue. New TerraCom Shares will be subject to the Constitution of TerraCom and will carry the same rights as the existing TerraCom Shares. Each holder of New TerraCom Shares will have as many votes (on a poll) in the general shareholders' meetings as the number of New TerraCom Shares it holds. A description of the rights and liabilities of New TerraCom Shares is set out in paragraph 9 of Part III (*Information about TerraCom and TerraCom's securities*) of this document. A total of up to approximately 251,889,633 New TerraCom Shares will be issued in connection with the Offer assuming TerraCom Bidco acquires the entire issued and to be issued share capital of UNV not directly or indirectly owned by it.
- 4.12 If the calculation of the Offer Consideration results in an entitlement to a fraction of a New TerraCom Share, that fraction will be rounded to the nearest whole number of New TerraCom Shares.
- 4.13 The UNV Shares to be acquired under the Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share

capital or share premium account or otherwise) made, on or after 3 February 2020, being the date of the Announcement.

- 4.14 All powers of attorney, appointments of agents and authorities conferred in this Part II or in the Form of Acceptance or the CDI Acceptance Form are given by way of security for the performance of the obligations of the UNV Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 except in the circumstances where the donor of such power of attorney or authority or appointer is entitled to withdraw his acceptance in accordance with paragraph 3 above and duly does so.
- 4.15 Neither TerraCom, TerraCom Bidco, nor any subsidiary of TerraCom or TerraCom Bidco, nor any person acting on behalf of any of them, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith.
- 4.16 All references in this document to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).
- 4.17 Any references in this document to the return or despatch of documents by post shall extend to the return or dispatch by such other method as TerraCom Bidco may decide is appropriate and permitted.
- 4.18 TerraCom Bidco is not making a separate offer to acquire UNV CDIs. However, holders of UNV CDIs may accept the Offer in respect of underlying and corresponding UNV Shares by instructing the CDN to accept the Offer on their behalf, in accordance with paragraph 12.3 of Part I (*Letter from TerraCom Bidco*) of this document and Section E of Part II (*Conditions to and further terms of the Offer*) of this document.
- 4.19 Unless specified otherwise and where the context requires:
- (a) a reference in this document to an acceptance of the Offer by or on behalf of a UNV CDI Holder in respect of UNV CDIs is taken to be a reference to an acceptance of the UNV Shares underlying and corresponding with the UNV CDIs or an instruction to the CDN to accept the Offer in respect of UNV Shares underlying and corresponding with the UNV CDIs (as the context requires); and
 - (b) a reference to UNV Shares is taken to be a reference to UNV Shares which underlie, and correspond with, the relevant UNV CDIs.

5. **Overseas Shareholders**

- 5.1 The making of the Offer to Overseas Shareholders may be prohibited or affected by the laws of the relevant jurisdiction. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholders wishing to accept the Offer to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or duties or payments due in such jurisdiction.
- 5.2 Any Overseas Shareholder will be responsible for any such issue, transfer or other taxes or duties or payments, by whomever payable, and each of TerraCom, TerraCom Bidco and Petra Capital and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for such issue, transfer or other taxes or duties or payments as TerraCom, TerraCom Bidco or Petra Capital may be required to pay in respect of the Offer insofar as it relates to such Overseas Shareholder. If you are an Overseas Shareholder and you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

- 5.3 This document does not constitute an offer to Restricted UNV Shareholders or, subject to certain exceptions, US UNV Shareholders and is not being and will not be made, directly or indirectly, in, into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of any Restricted Jurisdiction or, subject to certain exceptions, the United States and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or otherwise from or within any Restricted Jurisdiction or, subject to certain exceptions, the United States. Such means or instrumentalities include, but are not limited to, e-mail, facsimile transmission, telex, telephone and internet.
- 5.4 Copies of this document, the Form of Acceptance, the CDI Acceptance Form and any related offering document(s) are not being, and must not be, mailed, transmitted, or otherwise distributed or sent, in whole or in part, in or into or from any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States including to UNV Shareholders or persons with information rights with registered addresses in any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States or to persons whom TerraCom Bidco knows to be agents, custodians, trustees or nominees holding UNV Shares for such persons. Persons receiving such documents (including, without limitation, agents, custodians, trustees or nominees) must not mail or otherwise distribute or send them in or into or from any Restricted Jurisdiction, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, or the United States or use the mails of any Restricted Jurisdiction, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, or the United States or any means or instrumentality or facility of interstate or foreign commerce of, or any facilities of a national securities exchange of any Restricted Jurisdiction or the United States, for any purpose, directly or indirectly, in connection with the Offer, and doing so may invalidate any related purported acceptance of the Offer. Persons wishing to accept the Offer must not use the mails of any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, or any such means, instrumentality or facilities for any purpose, directly or indirectly, relating to acceptance of the Offer. All UNV Shareholders (including, without limitation, agents, custodians, trustees or nominees) who have a contractual or legal obligation, or may otherwise intend, to forward this document, the Form of Acceptance, the CDI Acceptance Form or any related document, should read further the details in this regard which are contained in this paragraph 5 and in Section C and Section E of this Part II before taking any action. Envelopes containing Forms of Acceptance or CDI Acceptance Forms (as applicable), evidence of title or other related documents must not be postmarked in, or otherwise despatched from, any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States and all acceptors must provide addresses outside a Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States for the receipt of the consideration to which they are entitled under the Offer and which is despatched by post or for the return of the Form of Acceptance or CDI Acceptance Form (as applicable) and (in relation to UNV Shares in certificated form) any UNV Share certificate(s) and/or other document(s) of title.
- 5.5 Save as provided in the remainder of this paragraph 5, a UNV Shareholder may be deemed not to have validly accepted the Offer if:
- (a) he/she puts "NO" in **Box 3** of the Form of Acceptance and therefore does not make the relevant representations and warranties set out in paragraph 3 of Section C below;
 - (b) he/she completes **Box 4A** of the Form of Acceptance with an address in, or has a registered address in, any Restricted Jurisdiction **or**, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States and, in either case, he/she does not insert in Box 4B of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States to whom he/she wishes the consideration to which

he/she is entitled under the Offer to be sent, subject to the provisions of this paragraph 5.5 and applicable laws;

- (c) he/she inserts in **Box 4A** of the Form of Acceptance the name and address and/or telephone number of a person or agent in any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States to whom he/she wishes the consideration to which he/she is entitled under the Offer to be sent;
- (d) the Form of Acceptance received from him/her is in an envelope postmarked in, or otherwise appears to TerraCom Bidco or its agents to have been sent from, any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States;
- (e) he/she does not make the relevant representations and warranties set out in paragraph 3 of Section C below or paragraph 3(c) of Section E below.

TerraCom Bidco reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the relevant representations and warranties set out in paragraph 3 of Section C or paragraph 3(c) of Section E below could have been truthfully given by the relevant UNV Shareholder and, if such investigation is made and, as a result, TerraCom Bidco determines that such representation and warranty could not have been so given or is not correct, such acceptance shall not, save as provided in the remainder of this paragraph 5, be valid.

5.6 If, in connection with the making of the Offer, notwithstanding the restrictions described above, any person (including, without limitation, agents, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Form of Acceptance, the CDI Acceptance Form or any related offer document in, into or from any Restricted Jurisdiction or the United States or uses the mails of or any means or instrumentality (including, without limitation, e-mail, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction or the United States in connection with such forwarding, such person should:

- (a) inform the recipient of such fact;
- (b) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
- (c) draw the attention of the recipient to this paragraph 5.

5.7 Notwithstanding anything to the contrary contained in this document, the Form of Acceptance or the CDI Acceptance Form, TerraCom Bidco may, in its sole and absolute discretion, make the Offer (with or without giving effect to the foregoing paragraphs of this paragraph 5) in any Restricted Jurisdiction or the United States pursuant to an exemption under applicable law in a Restricted Jurisdiction or the United States or if TerraCom Bidco is satisfied in that particular case that to do so would not constitute a breach of any securities or other relevant legislation of any Restricted Jurisdiction or the United States, and in this connection the provisions of paragraph 3 of Section C and paragraph 3(c) of Section E of this Part II will be varied accordingly.

5.8 If TerraCom Bidco is advised that the law of a country or territory or the ASX Listing Rules precludes the allotment, issue and/or delivery to a UNV Shareholder of New TerraCom Shares in accordance with the Offer, except after compliance by TerraCom with any governmental or other consent or any registration, filing or other formality with which TerraCom is unable to comply or compliance with which TerraCom regards as unduly onerous, then TerraCom Bidco may, in its sole discretion, treat such UNV Shareholders as a "Restricted UNV Shareholder" for the purposes of the Offer. New TerraCom Shares to which any Restricted UNV Shareholder are entitled shall be issued to a person (the "**Nominee**") appointed by TerraCom or TerraCom Bidco to hold such

New TerraCom Shares on terms that such person shall, as soon as possible following the date on which the Offer becomes, or is declared, wholly unconditional, procure the sale of the relevant New TerraCom Shares at the best price which can reasonably be obtained at the time of sale.

- 5.9 The net proceeds of any such sale (after all applicable deductions) shall be paid to the relevant Restricted UNV Shareholder pro rata to their entitlement to New TerraCom Shares in Australian Dollars by cheque drawn on a branch of an Australian clearing bank (or such additional other currency or clearing process as determined by TerraCom Bidco in its absolute discretion) and despatched to the relevant Restricted UNV Shareholder at their registered address. Any remittance of the net proceeds of the sale referred to shall be at the risk of the relevant Restricted UNV Shareholder. (If applicable, the exchange rate that will be used to convert payments from Australian Dollars to another currency will be established on the date the funds are converted, and which rate will be based on the prevailing market rate on the date the funds are converted or a contract for conversion is actioned.)
- 5.10 Under no circumstances will interest be paid on any Restricted UNV Shareholder's share of the net proceeds of the sale of New TerraCom Shares by the Nominee, regardless of any delay in remitting the proceeds to any Restricted UNV Shareholder.
- 5.11 As the market price of New TerraCom Shares will be subject to change from time to time, the sale price of the New TerraCom Shares sold by the Nominee and the proceeds of those sales cannot be guaranteed. Neither TerraCom, TerraCom Bidco nor the Nominee gives any assurance as to the price that will be achieved for the sale of the New TerraCom Shares by the Nominee.
- 5.12 The Nominee will be appointed by, and will provide the Nominee services to, TerraCom and/or TerraCom Bidco. In acting as Nominee, the Nominee will not be acting as agent or sub-agent of any Restricted UNV Shareholder, does not have duties or obligations (fiduciary or otherwise) to any Restricted UNV Shareholder and does not underwrite the sale of the New TerraCom Shares.
- 5.13 Restricted UNV Shareholders and any US UNV Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Offer in their particular circumstances.
- 5.14 The provisions of this paragraph 5 supersede any terms of the Offer inconsistent with them. The provisions of this paragraph 5 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific UNV Shareholders or on a general basis by TerraCom Bidco in its absolute discretion but only if TerraCom Bidco is satisfied that such waiver, variance or modification will not constitute a breach of any applicable securities or other law.
- 5.15 If any written notice purporting to withdraw an acceptance in accordance with paragraph 2 above is received in an envelope postmarked in, or which otherwise appears to TerraCom Bidco or its agents to have been sent from any Restricted Jurisdiction whose laws may have been violated by the acceptance or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, TerraCom Bidco reserves the right, in its absolute discretion, to treat that notice as being valid.
- 5.16 Neither TerraCom Bidco nor its advisers nor any person acting on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer on any of the bases set out above or otherwise in connection therewith.
- 5.17 References in this paragraph 5 to a UNV Shareholder shall include references to the person or persons executing a Form of Acceptance or a CDI Acceptance Form (as applicable) and, in the event of one or more persons executing a Form of Acceptance

or a CDI Acceptance Form (as applicable), the provisions of this paragraph 5 shall apply to them jointly and to each of them.

- 5.18 The Offer will be made for securities of a company incorporated in England and Wales whose ordinary shares are admitted to trading on the ASX and UNV Shareholders in the United States should be aware that this document, which includes the Prospectus, the Form of Acceptance, the CDI Acceptance Form and any other documents relating to the Offer and the Share Offer have been or will be prepared in accordance with the laws of England and Wales and Australia (as the context requires) and applicable disclosure requirements, format and style thereunder, all of which differ from those in the United States. UNV's financial statements, and all financial information that is included in this document or any other documents relating to the Offer, have been, or will be, prepared in accordance with International Financial Reporting Standards adopted by the European Union and therefore may not be wholly comparable to financial statements of US companies or companies whose financial statements are prepared in accordance with US GAAP.

Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

Section C: Form of Acceptance for UNV Shares in certificated form

This Section C only applies to UNV Shares in certificated form. If you hold all your UNV Shares in uncertificated form, you should ignore this Section C and instead read Section D below. If you hold UNV CDIs, you should read Section E below.

For the purposes of this Section C and the Form of Acceptance, the phrase "**UNV Shares comprised in the acceptance**" means the number of UNV Shares inserted in Box 1 of the Form of Acceptance or, if no number is inserted or a number greater than such UNV Shareholder's registered holding is inserted, the greater of:

- (a) the relevant UNV Shareholder's entire holding of UNV Shares as disclosed by details of the register of members made available to the UK Receiving Agent prior to the time the relevant Form of Acceptance is processed by them;
- (b) the relevant UNV Shareholder's entire holding of UNV Shares as disclosed by details of the register of members made available to UK Receiving Agent prior to the latest time for receipt of Forms of Acceptance which can be taken into account in determining whether the Offer is unconditional as to acceptances; and
- (c) the number of UNV Shares in respect of which certificate(s), or an indemnity in lieu, is received.

Each UNV Shareholder by whom, or on whose behalf, any Form of Acceptance is executed and received by the UK Receiving Agent or by or on behalf of TerraCom Bidco, irrevocably undertakes, represents, warrants and agrees to and with TerraCom Bidco and the UK Receiving Agent (so as to bind them, their executors, personal representatives, heirs, successors and assignees) as follows.

1. The execution of the Form of Acceptance and its delivery to the UK Receiving Agent shall constitute, subject to the provisions of paragraph 5 of Section B above:
 - (a) an acceptance, or deemed acceptance, of the Offer in respect of the number of UNV Shares inserted, or deemed inserted, in Box 1 of the Form of Acceptance;
 - (b) if no Boxes are completed or if Box 1 of the Form of Acceptance is left blank or a number greater than such UNV Shareholder's registered holding appears in Box 1 and the Form of Acceptance is signed or the Form of Acceptance is otherwise completed incorrectly but is signed, an acceptance by such UNV Shareholder of the Offer in respect of the total number of UNV Shares comprised in the acceptance; and
 - (c) an authority to TerraCom Bidco or its agents to execute any further documents and give any further assurances which may be required in connection with any of the foregoing and an undertaking to execute all or any further documents and/or give any such further assurances as may be required to enable TerraCom Bidco to obtain the full benefit of this Section C and/or to perfect any of the authorities expressed to be given under this Section C,

in each case on and subject to the terms and Conditions set out in this document and the Form of Acceptance and that, subject to the rights of withdrawal set out in paragraph 3 of Section B above, each such acceptance shall be irrevocable.

2. They are irrevocably and unconditionally entitled to transfer the UNV Shares in respect of which the Form of Acceptance is completed and that the UNV Shares in certificated form in respect of which the Offer is accepted, or is deemed to be accepted, are sold fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this document or subsequently attaching to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions, if any, declared, made or paid or any other return of capital

(whether by way of reduction of share capital or share premium account or otherwise) made, on or after the date of this document.

3. Unless "NO" is inserted, or deemed to be inserted, in Box 3 of the Form of Acceptance, such UNV Shareholder:
 - (a) has not received or sent, in whole or in part, copies or originals of this document, the Form of Acceptance or any related offer documents in, into or from any Restricted Jurisdiction where such actions may constitute (or result in the Offer constituting) a breach of any legal or regulatory requirements of such jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States;
 - (b) is accepting the Offer from outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, and was outside a Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, in each case as is referred to in paragraph 3(a) above, when the Form of Acceptance was sent and, at the time of accepting the Offer, is not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such principal has given all instructions with respect to the Offer from outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, is accepting the Offer from outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States and is not accepting the Offer for a Restricted UNV Shareholder or, or unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, a US UNV Shareholder, for whom such UNV Shareholder is acting on a non-discretionary basis;
 - (c) is not accepting the Offer with a view to the offer, sale, resale, delivery or distribution, directly or indirectly, of any New TerraCom Shares in or into any Restricted Jurisdiction or, unless otherwise agreed in writing with TerraCom Bidco, the United States and will not hold or acquire any New TerraCom Shares for any other person who he has reason to believe is purchasing for the purpose of such offer, sale, resale, delivery or distribution;
 - (d) warrants that the Form of Acceptance and any related offer documents have not been mailed or otherwise sent in, into or from any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States; and
 - (e) if an Overseas Shareholder, has observed the laws and regulatory requirements of all relevant jurisdictions in connection with the Offer, obtained any requisite governmental, exchange control or other consents, complied with all other requisite formalities, paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in TerraCom, TerraCom Bidco, Petra Capital or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his/her acceptance of the Offer.
4. The execution of the Form of Acceptance and its receipt by the UK Receiving Agent constitutes, subject to the Offer becoming, or being declared, wholly unconditional in accordance with its terms and to an accepting UNV Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of the attorney (as defined in paragraph 4.14 of Section B above) as such UNV Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney:
 - (a) to complete and execute all or any form(s) of transfer and/or other document(s) whatsoever at the attorney's discretion in relation to the Acceptance Shares in

favour of TerraCom Bidco or such other person or persons as TerraCom Bidco or its agents may direct;

- (b) to deliver such form(s) of transfer and/or other document(s) at the attorney's discretion together with the certificate(s) and or other document(s) relating to the Acceptance Shares for registration within four months of the Offer becoming wholly unconditional; and
 - (c) to execute all such other documents and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer and, if applicable, any election under it and in order to vest in TerraCom Bidco or its nominee(s) the Acceptance Shares and to give any further assurances which may be required in connection with any of the foregoing.
- 5. The execution of the Form of Acceptance and its receipt by the UK Receiving Agent constitutes, subject to the Offer becoming, or being declared, wholly unconditional in accordance with its terms, a separate irrevocable authority and request (subject to paragraph 5 of Section B above):
 - (a) to UNV or its agents, to procure the registration of the transfer of the UNV Shares pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to TerraCom Bidco or as it may direct; and
 - (b) to TerraCom Bidco, its agents or the attorney (as defined in paragraph 4.14 of Section B above) to procure the despatch by post of a cheque drawn on a branch of an Australian clearing bank (or, in jurisdictions outside Australia, such additional other currency or clearing process as determined by TerraCom Bidco in its absolute discretion) for any cash consideration to which an accepting UNV Shareholder may become entitled pursuant to his acceptance of the Offer, at the risk of such UNV Shareholder, to the person or agent whose name and address (outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States) is set out in Box 4B of the Form of Acceptance or, if none is set out, to the first-named holder at his registered address (outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States). (If applicable, the exchange rate that will be used to convert payments from Australian Dollars to another currency will be established on the date the funds are converted, and which rate will be based on the prevailing market rate on the date the funds are converted or a contract for conversion is actioned.)
- 6. After the Offer has become, or been declared, wholly unconditional (or, in relation to a resolution which concerns the last remaining Condition of the Offer, the Offer will become, or be declared, wholly unconditional or lapse depending upon the outcome of that resolution) and in such other circumstances as TerraCom Bidco may request:
 - (a) TerraCom Bidco or its agents shall be entitled to direct the exercise of any votes and any or all other rights and privileges attaching to any Acceptance Shares (including the right to requisition the convening of a general meeting of UNV or of any class of its shareholders);
 - (b) the execution of the Form of Acceptance constitutes:
 - (i) a separate authority to UNV and/or each of its agents from the holder of Acceptance Shares to send any notice, warrant, circular, document or other communication which may be required to be sent to him/her as a member of UNV (including any share certificate(s) and/or other document(s) of title issued as a result of conversion of such UNV Shares

into certificated form) in respect of the Acceptance Shares to TerraCom Bidco at its registered office or the registered address of TerraCom;

- (ii) an irrevocable authority to TerraCom Bidco and/or each of its agents from such holder to sign any consent to short notice of a general meeting or separate class meeting on his/her behalf and/or to execute a form(s) of proxy in respect of such Acceptance Shares appointing any person(s) nominated by TerraCom Bidco to attend general meetings and separate class meetings of UNV or its members or any of them (and any adjournment) and to exercise the votes attaching to such Acceptance Shares on his behalf, such votes to be cast, where relevant, so far as possible to satisfy any outstanding condition of the Offer; and
 - (iii) the agreement of such UNV Shareholder not to exercise any of such rights without the consent of TerraCom Bidco and the irrevocable undertaking of such UNV Shareholder not to appoint a proxy or proxies or a corporate representative for or to attend general meetings or separate class meetings of UNV Shareholders (or any adjournment thereof);
7. He/she will deliver, or procure the delivery, to the UK Receiving Agent at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, of his/her share certificate(s) and/or other document(s) of title in respect of Acceptance Shares which are in certificated form, or an indemnity acceptable to TerraCom Bidco in lieu thereof, as soon as possible and in any event within four months of the Offer becoming or being declared wholly unconditional in accordance with its terms.
 8. The execution of the Form of Acceptance constitutes his or her irrevocable submission, in relation to all matters arising out of the Offer and the Form of Acceptance, to the exclusive jurisdiction of the courts of England and Wales.
 9. The terms and Conditions to the Offer in this document shall be deemed to be incorporated in, and form part of, the Form of Acceptance, which shall be read and construed accordingly.
 10. If he/she accepts the Offer, subject to the Offer becoming wholly unconditional in accordance with its terms, he/she shall promptly, following request by or on behalf of TerraCom Bidco, do all such acts and things as shall, in the opinion of TerraCom Bidco, Petra Capital or the UK Receiving Agent be necessary or expedient to vest in TerraCom Bidco, or its nominee(s) or such other person as TerraCom Bidco may decide, the Acceptance Shares or to enable the UK Receiving Agent to perform its functions for the purposes of the Offer; and accordingly grants power(s) of attorney and authorities on the terms conferred by or referred to in these paragraphs which are given by way of security for the performance of the obligations of such UNV Shareholder and which are irrevocable (in respect of powers of attorney, in accordance with section 4 Powers of Attorney Act 1971).
 11. He/she agrees to ratify each and every act or thing which may be done or effected by TerraCom Bidco, Petra Capital or the UK Receiving Agent or their respective directors or agents, as the case may be, in the exercise of any of his/her or their respective powers and/or authorities hereunder and to indemnify each such person from losses arising therefrom.
 12. If any provisions of Section B or this Section C shall be unenforceable or invalid or shall not operate to afford TerraCom Bidco, UNV, Petra Capital or the UK Receiving Agent or their respective directors or agents the benefit of the authority expressed to be given therein, he/she will, with all practicable speed, do all such acts and things and execute all such documents that may be required by them to enable them or any of them to secure the full benefit of Section B and this Section C.

13. The *ejusdem generis* principle of construction shall not apply to the terms and Conditions of the Offer and/or the Form of Acceptance. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.

References in this Section C to a UNV Shareholder shall include references to the person or persons executing a Form of Acceptance and, in the event of more than one person executing a Form of Acceptance, the provisions of this Section C shall apply to them jointly and to each of them. On execution, the Form of Acceptance shall take effect as a deed.

Section D: Uncertificated UNV Shares

This Section D only applies to UNV Shares held in uncertificated form. If you hold all your UNV Shares in certificated form, you should read Section C above. If you hold UNV CDIs, you should read Section E below.

1. In order to comply with the requirements of the Corporations Act in relation to acceptances of the Offer, only UNV Shares (other than UNV CDIs) held in certificated form will be capable of acceptance pursuant to and in accordance with the terms of the Offer. Accordingly, in order for UNV Shareholders who hold Uncertificated UNV Shares to accept the Offer, it will be necessary to convert such shares into certificated form.
2. Normal CREST procedures (including timings) apply in relation to any UNV Shares that are, or are to be, converted from uncertificated form to certificated form, during the course of the Offer. You must rematerialise your UNV Shares by completing a CREST stock withdrawal in CREST.
3. It is recommended that holders of Uncertificated UNV Shares refer to the CREST Manual for details of such procedures.
4. UNV Shareholders who hold Uncertificated UNV Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of a Form of Acceptance and share certificates(s) or other documents of title as described above) before 1.00 p.m. (London time) on 16 March 2020.

Section E: CDI Acceptance Form for UNV CDIs

This Section E applies only to UNV CDIs. If you are not a UNV CDI Holder you should ignore this Section E. If you hold your UNV Shares in certificated form, you should refer to Section C above, if you hold Uncertificated UNV Shares, you should refer to Section D above.

1. Manner of acceptance

No separate offer is being made to acquire UNV CDIs. However, UNV CDI Holders may accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs held by, and only by, giving an instruction to the CDN. To give such an instruction:

- (a) UNV CDI Holders who hold UNV CDIs through UNV's Issuer Sponsored Subregister must complete and sign the CDI Acceptance Form (Issuer Sponsored) provided to UNV CDI Holders in accordance with the instructions on that form and return it to the address noted on the form so that it is received before the CDI Acceptance Expiry Time; or
- (b) UNV CDI Holders who hold UNV CDIs through UNV's CHESSE Subregister must:
 - (A) if they are not a CHESSE Participant, instruct their Controlling Participant (usually their broker) to initiate acceptance of the Offer on their behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
 - (B) if they are a CHESSE Participant, initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules; or
 - (C) as an alternative to (A), complete and sign the CDI Acceptance Form (CHESSE) in accordance with the instructions on that form and return it to the address noted on the form so that it is received in sufficient time for the Australia Receiving Agent to request the UNV CDI Holder's Controlling Participant to act on the UNV CDI Holder's instruction to initiate acceptance of the Offer before the CDI Acceptance Expiry Time. The Australia Receiving Agent will liaise with the UNV CDI Holder's Controlling Participant and request them to initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules.

If a UNV CDI Holder's UNV CDIs are held in different parcels in different forms, acceptance of the Offer will require action under (a) or (b) above in relation to the different parcels of the UNV CDIs held by the UNV CDI Holder.

The Australia Receiving Agent will collate CDI acceptance instructions, present these to the CDN, and request the CDN to accept the Offer on behalf of UNV CDI Holders in respect of the relevant underlying and corresponding UNV Shares. To enable the Australia Receiving Agent to carry out this process, acceptances from UNV CDI Holders must be received by the Australia Receiving Agent in sufficient time to allow the UNV CDI Holder's instructions to be acted upon prior to the CDI Acceptance Expiry Time, expected to be 7.00 p.m. (Sydney time) on 12 March 2020.

UNV CDI Holders should make such enquiries and take such actions as is necessary to ensure that the acceptance instruction is received by the Australia Receiving Agent prior to the CDI Acceptance Expiry Time. Holders of UNV CDIs should contact their brokers, the Australia Receiving Agent or the CDN for further information.

In this Section E, unless specified otherwise: (i) a reference to an "acceptance of the Offer" by or on behalf of a UNV CDI Holder in respect of UNV CDIs is taken to be a reference to an acceptance of the UNV Shares underlying and corresponding with the UNV CDIs or an instruction to the CDN to accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs

(as the context requires); and (ii) a reference to UNV Shares is taken to be a reference to UNV Shares which underlie, and correspond with, the relevant UNV CDIs.

No separate offer is being made for the UNV CDIs themselves.

2. **Withdrawals**

In the case of UNV CDIs, if withdrawals of acceptances of the Offer in relation to the UNV Shares underlying and corresponding with the UNV CDIs are permitted pursuant to paragraph 3 of Section B of this Part II, a UNV CDI Holder may instruct the CDN to withdraw the acceptance of the Offer in respect of underlying and corresponding UNV Shares as follows:

- (a) if the UNV CDIs are held through UNV's CHESSE Subregister, a withdrawal must be effected in accordance with the ASX Settlement Operating Rules (contact your Controlling Participant (normally your broker) for details); and
- (b) if the UNV CDIs are held through UNV's Issuer Sponsored Subregister, a withdrawal must be made by written notice signed by the accepting UNV CDI Holder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to TerraCom Bidco, is produced with the notice) given by post or by hand (during normal business hours only) to the Australia Receiving Agent.

3. **Effect of CDI acceptance instructions**

Without prejudice to anything else in this document or the terms of the CDI Acceptance Forms, each UNV CDI Holder may instruct (whether directly or via their Controlling Participant) the CDN to accept the Offer in respect of the UNV Shares underlying and corresponding with the UNV CDIs they hold and which are designated as accepted in the CDI Acceptance Form or in an acceptance effected by their Controlling Participant on their behalf (in each case the "**Accepted Shares**"). Each UNV CDI Holder who instructs (whether directly or via their Controlling Participant) the CDN to accept the Offer in respect of the Accepted Shares underlying and corresponding with the UNV CDIs they hold irrevocably undertakes, represents, warrants and agrees to and with TerraCom, TerraCom Bidco, the Australia Receiving Agent (so as to bind him or her, his or her personal or legal representatives, heirs, successors and assigns):

- (a) that:
 - (i) the instruction to the CDN is to accept the Offer for all of the UNV Shares (which are therefore the Accepted Shares) which underlie, and correspond with:
 - (A) where a CDI Acceptance Form (Issuer Sponsored) designates all UNV CDIs as accepted, that number of UNV CDIs registered in the name of the UNV CDI Holder, irrespective of what the CDI Acceptance Form (Issuer Sponsored) discloses as the number of UNV CDIs that are held by the UNV CDI Holder; and
 - (B) where a CDI Acceptance Form (Issuer Sponsored) designates a number of UNV CDIs as accepted, the greater of that number of UNV CDIs registered in the name of the UNV CDI Holder and the number of UNV CDIs designated as accepted in the CDI Acceptance Form (Issuer Sponsored), irrespective of what any CDI Acceptance Form discloses as the number of UNV CDIs that are held by the UNV CDI Holder;
 - (ii) in respect of any UNV CDIs which are held on the CHESSE Subregister, the UNV CDI Holder is deemed to have irrevocably authorised and

directed TerraCom Bidco severally by its officers, nominees and agents (including the Australia Receiving Agent) to:

- (A) instruct the UNV CDI Holder's Controlling Participant to initiate acceptance of the Offer on its behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules so as to instruct CDN to accept the Offer for all of the UNV Shares (which are therefore Accepted Shares) which underlie, and correspond with:
 - (1) where a CDI Acceptance Form (CHESS) designates all UNV CDIs as accepted, that number of UNV CDIs registered in the name of the UNV CDI Holder, irrespective of what the CDI Acceptance Form (CHESS) discloses as the number of UNV CDIs that are held by the UNV CDI Holder; and
 - (2) where a CDI Acceptance Form (CHESS) designates a number of UNV CDIs as accepted, the greater of that number of UNV CDIs registered in the name of the UNV CDI Holder and the number of UNV CDIs designated as accepted in the CDI Acceptance Form (CHESS), irrespective of what the CDI Acceptance Form (CHESS) discloses as the number of UNV CDIs that are held by the UNV CDI Holder; and
- (B) give any other instructions in relation to UNV CDIs relating to Accepted Shares to the UNV CDI Holder's Controlling Participant on the UNV CDI Holder's behalf under the sponsorship agreement between the CDI Holding and their Controlling Participant, as determined by TerraCom Bidco acting in its own interests as a beneficial owner and intended registered holder of the UNV Shares which underlie, and correspond with, the UNV CDIs held by the UNV CDI Holder;
- (iii) in respect of any UNV CDIs which are held on the Issuer Sponsored Subregister, the UNV CDI Holder asks UNV to reserve for TerraCom Bidco under ASX Listing Rule 8.12.1 all UNV CDIs relating to Accepted Shares and the UNV CDI Holder is deemed to have irrevocably authorized TerraCom Bidco severally by its officers, nominees and agents (including the Australia Receiving Agent) to ask UNV to do so on the UNV CDI Holder's behalf;
- (iv) the UNV CDI Holder is deemed to have irrevocably authorised and directed TerraCom Bidco severally by its officers, nominees and agents (including the Australia Receiving Agent) to request and instruct the CDN to direct TerraCom Bidco to pay the Offer consideration in accordance with the terms of the Offer;
- (v) the UNV CDI Holder is deemed to have irrevocably authorised TerraCom Bidco severally by its officers, nominees and agents (including the Australia Receiving Agent) to contact UNV or the Australia Receiving Agent (and any of their officers or agents), from time to time, to request and be provided with full details, in such form and manner as requested, of the UNV CDI Holder's holding(s) of UNV CDIs together with such particular information relating to the holding(s) as requested;
- (vi) the UNV CDI Holder is deemed to have given an undertaking to execute any documents, take any further action and give any further assurances which may be required to enable TerraCom Bidco to obtain the full benefit of the acceptance and/or to perfect any of the authorities

expressed to be given hereunder and otherwise in connection with his acceptance of the Offer,

- (vii) the UNV CDI Holder is deemed to have irrevocably authorised and directed TerraCom Bidco severally by its officers, nominees and agents (including the Australia Receiving Agent) to request and instruct the CDN to direct TerraCom Bidco to pay the Offer consideration in accordance with the terms of the Offer;
- (viii) the UNV CDI Holder is deemed to have irrevocably authorised TerraCom Bidco severally by its officers, nominees and agents (including the Australia Receiving Agent) to contact UNV or the Australia Receiving Agent (and any of their officers or agents), from time to time, to request and be provided with full details, in such form and manner as requested, of the UNV CDI Holder's holding(s) of UNV CDIs together with such particular information relating to the holding(s) as requested;
- (ix) the UNV CDI Holder is deemed to have given an undertaking to execute any documents, take any further action and give any further assurances which may be required to enable TerraCom Bidco to obtain the full benefit of the acceptance and/or to perfect any of the authorities expressed to be given hereunder and otherwise in connection with his acceptance of the Offer,

in each case on and subject to the terms and Conditions set out or referred to in this document and the CDI Acceptance Forms and that, subject to the rights of withdrawal set out above, each such instruction, authorisation and direction shall be irrevocable, provided that if the CDI Acceptance Form is otherwise completed incorrectly or does not specify a number of UNV CDIs or specifies a greater number of UNV CDIs than the number of UNV CDIs that are held by the relevant UNV CDI Holder but the CDI Acceptance Form is signed, it will be deemed to be an acceptance of the terms of the Offer in respect of all of the UNV Shares underlying and corresponding with the UNV CDIs registered in the name of the UNV CDI Holder;

- (b) that the UNV CDI Holder is entitled to dispose of the UNV CDIs and the beneficial ownership interest of the underlying and corresponding UNV Shares in respect of which the Offer is accepted or deemed to be accepted and that the UNV Shares in respect of which the Offer is accepted or deemed to be accepted are sold fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching to them on or after the date of the Offer Announcement, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, on or after that date;
- (c) that such UNV CDI Holder:
 - (i) has not received or sent, in whole or in part, copies or originals of this document, the CDI Acceptance Form or any related offer documents in, into or from any Restricted Jurisdiction where such actions may constitute (or result in the Offer constituting) a breach of any legal or regulatory requirements of such jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States;
 - (ii) has not, in connection with the Offer or the execution or delivery of the CDI Acceptance Form utilised, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, email, telephone, internet or other forms of electronic

communication) of interstate or foreign commerce of, or of any facilities of a national securities exchange of, any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States;

- (iii) is accepting the Offer in respect of underlying and corresponding UNV Shares from outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States and was outside a Restricted Jurisdiction and, unless otherwise agreed in writing with TerraCom Bidco, the United States, in each case as is referred to in paragraph 3(c)(i) above, when the CDI Acceptance Form was sent and, at the time of accepting the Offer, is not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such principal has given all instructions with respect to the Offer from outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, is accepting the Offer from outside any Restricted Jurisdiction and, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States, and is not accepting the Offer for a Restricted UNV Shareholder or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, a US UNV Shareholder, for whom such UNV Shareholder is acting on a non-discretionary basis; is not accepting the Offer with a view to the offer, sale, resale, delivery or distribution, directly or indirectly, of any New TerraCom Shares in or into any Restricted Jurisdiction or, unless in respect of a QIB as otherwise agreed in writing with TerraCom Bidco, the United States and will not hold or acquire any New TerraCom Shares for any other person who he has reason to believe is purchasing for the purpose of such offer, sale, resale, delivery or distribution;
 - (iv) has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained any requisite governmental, exchange control or other consents, complied with all other requisite formalities, paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in TerraCom, TerraCom Bidco, Petra Capital or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his/her acceptance of the Offer in respect of UNV Shares underlying and corresponding with the UNV CDIs;
- (d) that the execution of the CDI Acceptance Form and its delivery and, as applicable, CHES CDI Acceptance in accordance with this document constitutes (subject to the Offer becoming wholly unconditional in accordance with its terms and to the accepting UNV CDI Holder not having validly withdrawn his acceptance) the irrevocable appointment of any directors of, or any person authorised by TerraCom Bidco as his agent and/or attorney with an irrevocable instruction to the agent and/or attorney to do all such acts and things as may in the opinion of such agent and/or attorney be required to:
- (i) cause the UNV CDIs comprised in or relating to the acceptance to be transformed into UNV Shares;
 - (ii) complete and execute all or any form(s) of transfer, renunciation and/or other documents at the discretion of such attorney in relation to the UNV Shares corresponding to UNV CDIs comprised in or relating to the acceptance in favour of TerraCom Bidco or such other persons as TerraCom Bidco or its agents may direct;

- (iii) deliver any form(s) of transfer, renunciation and/or other document(s) at the discretion of such attorney together with any share certificate or other document(s) of title for registration relating to such UNV Shares for registration within six months of the Offer becoming wholly unconditional; and
 - (iv) take any other action as may in the opinion of such attorney be necessary or expedient for the purposes of or in connection with the acceptance of the Offer and to vest in TerraCom Bidco (or its nominees) the full legal and beneficial ownership of the UNV Shares, including, without limitation, giving instructions to any Controlling Participant of the UNV CDIs comprised in or relating to the acceptance to give effect to any action described in section (d), subsections (i) to (iv) in CHESS;
- (e) that the execution of the CDI Acceptance Form and, as applicable, CHESS CDI Acceptance, and its delivery constitutes (subject to the Offer becoming wholly unconditional in accordance with its terms and to such UNV Shareholder not having validly withdrawn his acceptance) an irrevocable instruction and authorisation:
- (i) to UNV or its agents to procure the registration of the transfer of the UNV Shares corresponding to UNV CDIs comprised in or relating to the acceptance and the delivery of the share certificate(s) and other document(s) of title in respect of the UNV Shares to TerraCom Bidco or as it may direct;
 - (ii) subject to paragraph 5 of Section B of this Part II, to TerraCom Bidco or their respective agents, to procure the issue and despatch by post of a holding statement in respect of any Consideration Shares to which such UNV CDI Holder is entitled under the Offer at such UNV CDI Holder's risk to the first-named holder at his registered address (outside the Excluded Jurisdictions unless otherwise permitted by TerraCom).
- (f) the execution of the CDI Acceptance Form and, as applicable, a CHESS CDI Acceptance in accordance with this document constitutes a separate authority to any director of TerraCom Bidco and/or its agents and the irrevocable appointment of any such director and/or agent as such UNV CDI Holder's attorney and/or agent within the terms of this Section E to take the various actions set out in this Section E;
- (g) that, subject to the Offer becoming wholly unconditional in respect of UNV Shares in respect of which the Offer has been accepted or deemed to be accepted, which acceptance has not been validly withdrawn and pending registration in the name of TerraCom Bidco or as it may direct:
- (i) TerraCom Bidco or its agents shall be entitled to direct the exercise of any votes and any or all other rights and privileges (including the right to call a general or separate class meeting of UNV) attaching to the UNV Shares underlying and corresponding with the UNV CDIs in respect of which the Offer has been accepted or is deemed to have been accepted; and
 - (ii) the execution of the CDI Acceptance Form or, as applicable, a CHESS CDI Acceptance in accordance with this document constitutes, with regard to the UNV Shares underlying and corresponding with the UNV CDIs comprised in such acceptance:
 - (A) a separate authority to UNV and/or each its agents to send any notice, warrant, circular, document or other communication which may be required to be sent to him/her as a holder of UNV CDIs to

TerraCom Bidco at its registered office or the registered address of TerraCom;

- (B) an irrevocable authority to TerraCom Bidco and/or each of its agents to sign any consent to short notice of a general meeting or separate class meeting on his/her behalf and/or execute a form(s) of proxy in respect of such Accepted Shares appointing any person(s) nominated by TerraCom Bidco to attend general meetings and separate class meetings of UNV or its members or any of them (and any adjournment) and to exercise the votes attaching to such Accepted Shares on his behalf, such votes to be cast, where relevant, so far as possible to satisfy any outstanding condition of the Offer;
 - (C) the agreement of such UNV CDI Holder not to exercise any of such rights without the consent of TerraCom Bidco and the irrevocable undertaking of such UNV Shareholder not to appoint a proxy or proxies or a corporate representative for or to attend general meetings or separate class meetings of UNV Shareholders (or any adjournment thereof);
- (h) that the terms and Conditions to the Offer in this document shall be deemed to be incorporated in, and form part of, the CDI Acceptance Form, which shall be read and construed accordingly and deemed to be incorporated in, and form part of, each CHESSE CDI Acceptance;
 - (i) that, if the UNV CDI Holder accepts the Offer, he or she shall do all such acts and things as shall be necessary or expedient to vest in TerraCom Bidco or its nominees or such other persons as it may decide the UNV Shares as aforesaid;
 - (j) that, subject to the Offer becoming wholly unconditional in accordance with its terms and to such UNV CDI Holder not having validly withdrawn his acceptance instructions, TerraCom Bidco is entitled to register a transfer of the underlying and corresponding UNV Shares accepted into the Offer even if the UNV CDI Holder has yet to be paid the applicable Offer consideration;
 - (k) that the UNV CDI Holder will ratify each and every act or thing which may be done or effected by TerraCom Bidco or the Australia Receiving Agent or by any of their respective directors or agents or UNV or its agents, as the case may be, in the proper exercise of any of his or its powers or authorities conferred by or referred to in this document;
 - (l) that, if any provision of this document will be unenforceable or invalid or will not operate so as to afford TerraCom Bidco or the Australia Receiving Agent or any of their respective directors, agents or persons authorised by them, the benefit of the authorities and powers of attorney expressed to be given therein, he will with all practicable speed do all such acts and things and execute all such documents as may be required or desirable to enable TerraCom Bidco and/or the Australia Receiving Agent and/or any director or agent of any of them to secure the full benefit of such authorities and powers of attorney;
 - (m) that the execution of the CDI Acceptance Form and, as applicable, a CHESSE CDI Acceptance in accordance with this document constitutes his or her irrevocable submission in relation to all matters arising out of the Offer and the CDI Acceptance Form, to the exclusive jurisdiction of the courts of England and Wales; and
 - (n) that if the acceptance of the Offer is effected via the submission of a CDI Acceptance Form, the CDI Acceptance Form will be deemed to be delivered on the date of its execution and will take effect as a deed on such date.

4. **Further information**

If you have any questions relating to this document on the completion and return of the CDI Acceptance Form or the submission of a CHES CDI Acceptance, please telephone the Australia Receiving Agent (on +61 1300 330 255 between 8.30 a.m. and 5.30 p.m. (Sydney time)).

Calls to the Australia Receiving Agent from within Australia are at a fixed rate comparable to a local call aside from any of your service provider's network extras. Calls to the Australia Receiving Agent from outside Australia are charged at applicable international rates. Different charges may apply to calls made from mobile phones and calls may be recorded and monitored randomly for security and training purposes.

PART III

INFORMATION ABOUT TERRACOM AND TERRACOM'S SECURITIES

1. OVERVIEW OF TERRACOM

TerraCom is a successful, established coal producer incorporated in Australia, whose shares are traded on the ASX (ASX: TER). TerraCom's flagship project is the Blair Athol thermal coal project in the Bowen Basin in Queensland. TerraCom also owns the Baruun Noyon Uul (BNU) coking coal mine in the South Gobi Desert of Mongolia. In addition to the operating assets, TerraCom also has significant exploration assets in Queensland (Australia) located in Northern Galilee and Springsure.

In the financial year ended June 2019, TerraCom achieved ROM production of 3.4 Mt and coal sales of 3.0 Mt, resulting in revenue from operations of A\$338 million and operating EBITDA of \$94 million.

The TerraCom team are highly experienced coal specialists with the Board headed by Wal King AO, as Non-Executive Chairman, who was the CEO of Leighton Holdings Limited from 1987 to 2010 (now approximately A\$9.4 billion market capitalisation CIMIC Group Limited).

2. DIRECTORS – TERRACOM

Wallace (Wal) King AO – Non-Executive Chairman (Independent)

Wal King holds a Bachelor of Engineering, a Master of Engineering Science and an Honorary Doctorate of Science from the University of New South Wales. Wal has worked in the construction industry for over 40 years and was CEO of Leighton Holdings Limited from 1987 until December 2010. Mr King is the Non-Executive Chairman of Built Holdings Pty Limited and is a Director of Kimberley Foundation Australia Limited; and was up until May 2017 one of the longest serving Directors of Coca-Cola Amatil Limited.

He is a former Board Member of the Business Council of Australia, a former Council Member of the University of New South Wales and former Deputy Chairman of the UNSW Foundation Limited, and was President of the Australian Constructors Association from its inception in 1994 to December 2010. Mr King is an Honorary Fellow of the Institution of Engineers Australia; a Foundation Fellow of the Australian Institute of Company Directors, and a Fellow of the Australian Institute of Management, the Australian Institute of Building and the Australian Academy of Technological Sciences and Engineering. Wal joined the TerraCom board in May 2017.

Honourable Craig Wallace – Non-Executive Deputy Chairman (Independent)

Mr Wallace served as the State Minister for Main Roads, Fisheries and Marine Infrastructure from 2009 to 2012. His departments delivered major infrastructure projects across Queensland including the Gateway Bridge and rebuilding of Queensland Road assets following major floods.

He was a member of the Executive Council of Queensland, a member of Roads Australia and a Patron of the Committee for Infrastructure and Logistics Australia. In 2012 he formed Shanghai Commonwealth Investment and Consulting (which is operating mainly in China). The company has a focus on building trade ties between China and Australia with a particular focus on food products.

Tsogt Togoo – Non-Executive Director (Independent)

Mr Tsogt has close to two decades of experience in the Mongolian public sector. He worked in the senior management of the Mongolian National Oil company and was in charge of the commercial and operational functions of the company, such as petroleum product imports and internal distribution to filling stations.

Mr Tsogt also worked as the head of the Privatisation Division of the State Property Committee and has played extensive roles in the privatisation of Mongolia's most valuable state-owned companies. He was in charge of the privatisation of the national oil and aviation companies, restructuring power generation and energy distribution enterprises and the deregulation of the energy, oil, aviation and mining sectors.

Mr Tsogt has a Masters of Business Administration from the Leeds University Business School, United Kingdom and Master of Economics and Bachelor of Economics degrees from the Mongolian State University of Agriculture with First Class Honours.

James (Jim) Soorley – Non-Executive Director (Independent)

Jim Soorley was the Lord Mayor of Brisbane from 1991 to 2003, presiding over an annual budget of \$1.6 billion and a workforce of 7,000. Jim lists his greatest achievement as Lord Mayor as transforming Brisbane from a city with a 'country town' mentality into a vibrant urban metropolis, without compromising its livability.

Since leaving the Mayoralty, Jim has worked as a consultant for government and business across a range of issues relating to sustainable development, partnerships between government and corporations, and environmental initiatives. Jim currently holds other board positions at Unitywater and CS Energy.

Matthew Hunter – Non-Executive Director

Matthew has more than 20 years' experience in the finance industry, most recently with over 10 years' experience in private equity investment.

Matthew founded Rivendell Capital in early 2016 to provide capital and advisory services to small and medium sized enterprises and specialised projects. Prior to founding Rivendell Capital, Matthew was a Managing Director of The Carlyle Group. He also served on the Board as a Non-Executive Director of both Coates Hire and Healthscope, two of the largest private equity transactions undertaken in Australia.

Matthew is OCP Asia's nominee director. He is presently Non-Executive Director of Silver Heritage Group Limited, Chairman of Measure Australia, a Non-Executive Director of Medirent, Advisory Board Member of AtlasTrend and Consultant engaged by OCP Asia (TerraCom's largest shareholder and debt holder).

Paul Anderson – Non-Executive Director

Paul has over 30 years' experience in senior executive management roles in both the public and private sector.

Mr Anderson holds formal qualifications in Building Surveying, Engineering, Planning and Management is a member of the Australian Institute of Company Directors.

Mr Anderson has had broad experience in development after managing a vast array of community infrastructure. His knowledge and experience of all aspects of building lead the team with a strong vision. Mr Anderson firmly believes that property development is a collaborative process with his team, project partners and local community.

Paul is Bonython Coal No 1 Pty Limited's (Bonython) nominee director and Bonython is a substantial shareholder of TerraCom.

Glen Lewis – Non-Executive Director

Glen is a qualified Coal Mine Manager and has worked in the Coal Industry since 1980. Throughout his career he worked at all levels of Management inclusive of 10 years as an Undermanager at various operations including United Colliery and Dartbrook Coal where he was part of the Management Team for the construction of both projects. In 1997 he commenced as Mine Manager at Cumnock Coal and in 1999 was promoted to Operations Manager at Oceanic Coal (consisting of West Wallsend and Teralba underground mines and Westside opencut operation) following its acquisition by Xstrata Coal.

Mr Lewis was promoted to the role of General Manager Eastern Underground Operations for Xstrata Coal NSW in 2003 and was then responsible for United Collieries, Cumnock Coal and Oceanic Coal. Continuing with Xstrata Coal NSW, he was promoted to General Manager Operations with overall responsibility for 6 operating mines and several projects under construction.

Mr Lewis commenced with NuCoal Resources Limited (ASX: NCR) in 2010 as Managing Director overseeing the listing, capital raising, exploration and feasibility studies for a number of mining projects in the Hunter Valley. In March 2017, Glen stepped down from the position of Managing Director and became a Non-Executive Director of NuCoal.

3. DIRECTORS – TERRACOM BIDCO

Philip Forrest

Philip Forrest has lived in South East Asia for over 30 years and has contributed to the commercial relationship between Australia and Asia.

Since 1991, Mr Forrest has headed three international banks (Westpac, NatWest and ANZ), with wide-ranging regional responsibilities. His most recent banking position was Asia Head for ANZ Bank, with responsibility for all of the Bank's activities in eleven countries ranging from Japan to Indonesia.

Philip is currently a Director of The Australia-ASEAN Chamber of Commerce and a Member of the Governing Council of the Singapore Institute of Directors. Philip is a Fellow of the Australian Institute of Company Directors, and of CPA Australia.

Philip was also a Non-Executive Independent Director of TerraCom for nearly five years, from April 2015 to December 2019.

4. MANAGEMENT TEAM

Danny McCarthy – Chief Executive Officer

Mr McCarthy is a highly experienced mining executive having held senior roles with Mineral Resources Limited (ASX: MIN), Wesfarmers (ASX: WES), Thiess and privately owned Queensland coal producer QCoal and has a proven record of accomplishment of delivering exceptional results over 25-years in the mining and resources sector.

Prior to joining TerraCom in December 2018, Mr McCarthy held the role of Chief Operating Officer for the highly regarded, West Australian based, commodity producer and mining services company Mineral Resources Limited (ASX: MIN, Market

capitalisation of approximately \$3.1 Billion). During his time in this role, he was responsible for overseeing the successful implementation of MIN's strategic growth initiatives.

Mr McCarthy brings a wealth of experience to TerraCom with a strong commercial focus and background in the development and implementation of business strategy, construction, mining and minerals processing across a range of commodities.

Nathan Boom – Chief Financial Officer

Nathan Boom holds a Bachelor of Commerce (Accounting) from University of Wollongong, and is a Chartered Accountant with a strong resources sector background.

His 15 year career working at large multinationals such as Xstrata Coal and Tenova Delkor has provided him with extensive exposure in business restructuring and associated implementation of recovery plans also leading finance and commercial aspects of the business. Nathan has led business development projects and re-financing packages with banking consortium's, as well as has substantial experience in financial system implementation and integration.

Nathan joined TerraCom in 2015, and was appointed Chief Financial Officer in March 2017.

5. TERRACOM'S PROJECTS

5.1 Blair Athol Thermal Coal Mine (100% Ownership)

TerraCom Group's Blair Athol thermal coal mine is located in Clermont, Queensland, Australia. The Blair Athol project has JORC 2012 Reserves of 27.4Mt (Proved 12.7Mt, Probable 9.6Mt) and Resources of 43.8Mt (Measured 30.2Mt, Indicated 11.6Mt, Inferred 2.0Mt). At 30 June 2019 the mine had 211 full time employees, equivalent of 9 employees and 202 contractors.



Blair Athol – Rehabilitation of Tailings Dam post mulch application



Blair Athol – Train Load Out

Production overview: quarter by quarter for 12 months ending 30 June 2019

	Quarter 1 Sep 2018	Quarter 2 Dec 2018	Quarter 3 Mar 2019	Quarter 4 Jun 2019	2019 Financial Year
Run of Mine Coal mined (tonnes)	630,403	562,775	659,496	794,542	2,647,216
Strip ratio	6.6	5.6	7.6	7.0	6.7
Saleable production (tonnes)	598,413	546,873	590,093	552,736	2,288,115
Sales (tonnes)	613,558	605,423	586,826	492,276	2,298,083
Inventory (tonnes)	302,424	200,992	187,165	357,891	357,891

Refer to TerraCom annual report 2019 page 19,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

Production overview: year to date 12 months ending June 2019

	2019 Financial Year	2018 Financial Year	Change	Change %
Run of Mine Coal mined (tonnes)	2,647,216	1,574,920	1,072,296	68%
Strip ratio	6.7	9.0	2.3	26%
Saleable production (tonnes)	2,288,115	1,306,761	981,354	75%
Sales (tonnes)	2,298,083	994,642	1,303,441	131%
Inventory (tonnes)	357,891	312,119	45,772	15%

Refer to TerraCom annual report 2019 page 19,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

5.2 Northern Galilee Project



TerraCom Group's Northern Galilee Hub Tenements

5.2.1 Hughenden Project (100% Ownership)

TerraCom Group's thermal coal Hughenden Project is located in the Galilee Basin Hughenden, Queensland, Australia. The project has a JORC 2004 resource of 1,209Mt (133 Mt Indicated, 1,076 Mt Inferred) and covers an area of 6,423.2Kms².

The Hughenden Project has the scale and potential to support multiple underground mining operations producing substantial export thermal coal tonnages. The resource is at moderate to deep mining depth. The Hughenden Project is located in close proximity to key supporting infrastructure such as the Mount Isa to Townsville rail line. This rail line does not currently carry coal and the Townsville port is currently not available for coal loading.

5.2.2 Clyde Park Project (64.4% Ownership)

TerraCom Group's thermal coal Clyde Park Project is located in the North Eastern Galilee Basin Hughenden, Queensland, Australia. The project has a JORC 2004 resource of 728 Mt (51 Mt Indicated, 677 Mt Inferred) and covers an area of 132Kms².

TerraCom Group has drilled 36 boreholes within EPC 1260 as part of the Clyde Park exploration program and of these, 26 boreholes have been included in the geological model.

Similar to the Hughenden Project, the Clyde Park Project is located in close proximity to key supporting infrastructure such as the Mount Isa to Townsville rail line. This rail line does not currently carry coal and the Townsville port is currently not available for coal loading.

5.2.3 Pentland Project (100% Ownership)

TerraCom Group's thermal coal Pentland Project is located in the Northern end of the Eromanda and Galilee Basins Pentland, Queensland, Australia. The project covers an area of 2,492Kms².

5.3 Springsure Project (86.97% Ownership)

TerraCom Group's thermal coal Springsure Project is located in the Southern Bowen Basin, Springsure, Queensland, Australia. The project has a JORC 2004 resource of 191 Mt (43 Mt Indicated, 148 Mt Inferred) and covers an area of 31Kms² made up of 11 sub-blocks approximately 8km north of the town of Springsure on the Gregory Highway in the Springsure Region.

The Springsure Project is 100% owned by Springsure Mining Pty Ltd, of which TerraCom Group is an 86.97% shareholder.

The Springsure Project area occurs on strike with Minerva Coal Pty Ltd's Minerva South and Minerva No.1 mines which are located approximately 3km to the north. The Minerva mine is a multi-seam mine targeting high quality thermal coal resources within the Reids Dome Beds coal measures.

5.4 Fernlee Project (100% Ownership)

TerraCom Group's thermal coal Fernlee Project is located in the Southern Bowen Basin, Springsure, Queensland, Australia (adjoining the Springsure Project). The project an area of 246Kms².

The Fernlee Project is seen as a key strategic transaction for TerraCom providing the potential to expand the Springsure Project MDL area to the East and North East.

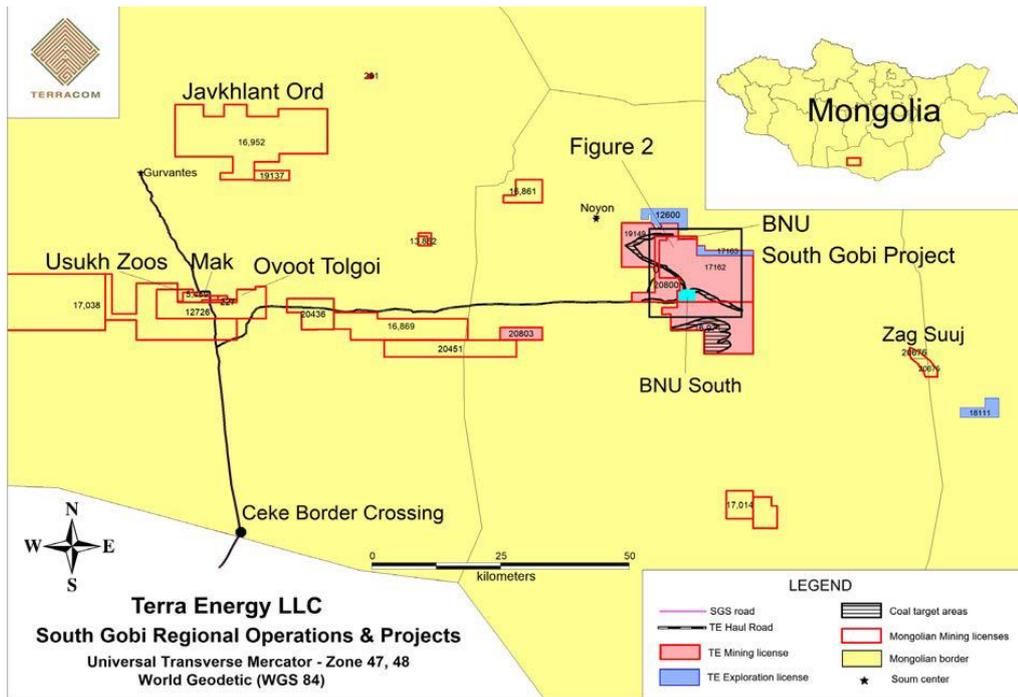
5.5 Mongolia – BNU Coking Coal Mine (100% Ownership)

TerraCom Group's Mongolia coking coal mine (BNU) is located in Umnugovi Aimag, Noyon Sourn (South Gobi Desert), Mongolia. The BNU project has JORC Resources of 81Mt (40Mt JORC 2012, 41Mt JORC 2004) consisting of:

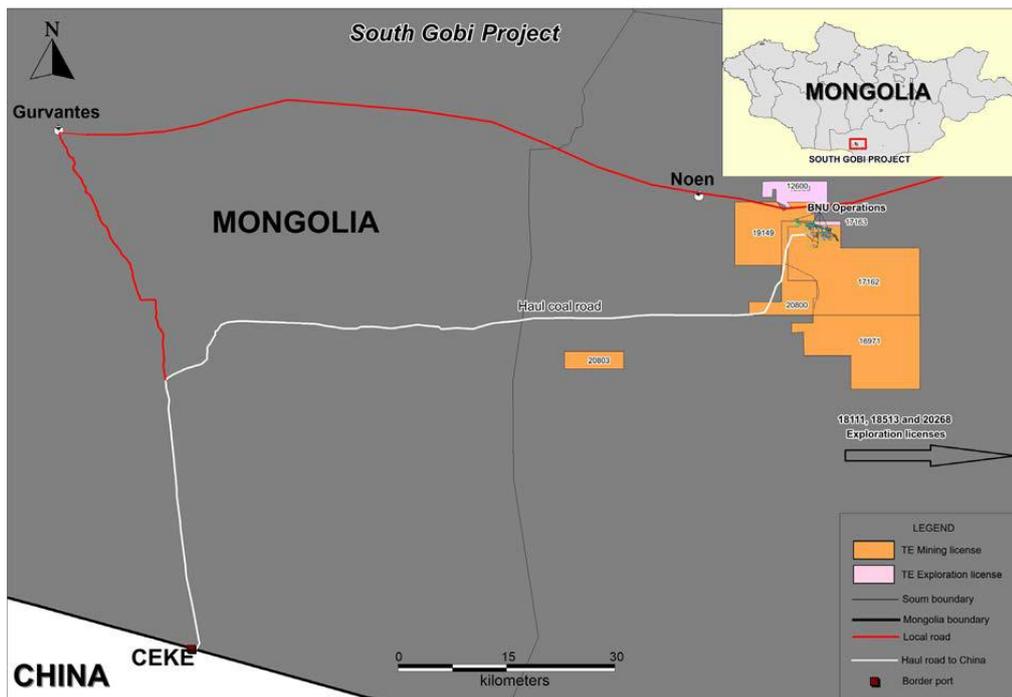
- BNU 14Mt Measured, 8.2Mt Indicated (JORC 2012)
- KS North 15Mt Inferred (JORC 2012)
- Huvguun East 41Mt Inferred (JORC 2004) (83.87% Ownership)

At 30 June 2019 the mine had 724 full time workers, equivalent of 219 employees and 505 contractors.

TerraCom Group has previously announced its intention to divest Mongolia via a 100% demerger (subject to approval by TerraCom shareholders) or a divestment of at least 51% of Mongolia. Many of TerraCom Group's actions taken during the 2019 financial year have been to restructure the Mongolia business.



TerraCom Group – Regional Map of BNU South and BNU Coking Coal Mine



TerraCom Group – South Gobi Tenement Overview

Production overview: quarter by quarter for 12 months ending 30 June 2019

	Quarter 1 Sep 2018	Quarter 2 Dec 2018	Quarter 3 Mar 2019	Quarter 4 Jun 2019	2019 Financial Year
Run of Mine Coal mined (tonnes)	100,331	147,271	230,137	242,574	720,313
Strip ratio	11.2	15.9	20.2	19.0	17.7
Saleable production (tonnes)	100,331	147,271	230,137	242,574	720,313
Sales (tonnes)	120,330	140,964	239,888	236,859	738,041
Inventory (tonnes)	49,999	54,164	38,775	50,129	50,129

Refer to TerraCom annual report 2019 page 34,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

Production overview: year to date 12 months ending June 2019

	2019 Financial Year	2018 Financial Year	Change	Change %
Run of Mine Coal mined (tonnes)	720,313	924,073	(203,760)	(22)%
Strip ratio	17.7	13.5	(4.2)	(31)%
Saleable production (tonnes)	720,313	924,073	(203,760)	(22)%
Sales (tonnes)	738,041	910,534	(172,493)	(19)%
Inventory (tonnes)	50,129	81,521	(31,392)	(39)%

Refer to TerraCom annual report 2019 page 34,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

6. **TERRACOM GROUP MINERAL RESOURCES – AS AT 30 JUNE 2019**

Million tonnes		Measured	Indicated	Inferred	Total	Report date
JORC 2012		44.2	19.8	19.7	83.7	
Blair Athol	Thermal coal	30.2	11.6	2.0	43.8	6 Dec 18
BNU	Coking coal	14.0	8.2	2.7	24.9	25 Jun 14
KS North	Coking coal	-	-	15.0	15	23 Jun 15
JORC 2004			259	2,131	2,390	
Springsure ¹	PCI Coal & thermal coal		43	148	191	29 Nov 13
Hughenden	Thermal coal		133	1,076	1,209	8 Feb 13
Clyde Park ²	Thermal coal		51	677	728	8 Feb 13
Hovguun East ³	Thermal coal		-	41	41	19 Nov 12
Mid-Gobi	Thermal coal		32	189	221	7 Dec 11
Total JORC		44.2	278.8	2,150.7	2,473.7	

Refer to TerraCom annual report 2019 page 41,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

1 Figures shown are 100% of the total resources, TerraCom's ownership is 86.97%

2 Figures shown are 100% of the total resources, TerraCom's ownership is 64.4%

3 Figures shown are 100% of the total resources, TerraCom's ownership is 83.87%

Competent Persons Statement

The estimates of TerraCom Group coal resources have been prepared in accordance with the guidelines of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code'. These resources are inclusive of the reserves reported in the TerraCom Reserves Statement. The work has been undertaken internally and reviewed by Mr Reece Henry who is a Member of the Australasian Institute of Mining and Metallurgy and is employed by TerraCom as its Exploration Manager in Mongolia. Mr Henry has sufficient experience that is relevant

to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the relevant JORC Code. The form and context in which Mr Henry's findings are presented have not been materially modified from the original market announcement. Mr Henry has not consented to the inclusion in this report of the matters based on this information in the form and context in which it appears.

TerraCom confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements relating to drill results, resource estimates or studies and that all material assumptions and technical parameters underpinning the drill results and estimates in the relevant market announcements continue to apply and have not materially changed. Please refer to the column in the table above titled "Report Date" for the announcement date of each market release relating to the deposit.

Refer to TerraCom annual report 2019 pages 43-46,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

7. TERRACOM GROUP RESERVES

Recoverable Reserves

Million tonnes		Proved	Probable	Total	Report date
JORC 2012					
Blair Athol	Thermal coal	15.3	12.1	27.4	20 Mar 19

Refer to TerraCom annual report 2019 page 42,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

Marketable Reserves

Million tonnes		Proved	Probable	Total	Report date
JORC 2012					
Blair Athol	Thermal coal	12.7	9.6	22.3	20 Mar 19

Refer to TerraCom annual report 2019 page 42,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

Competent Persons Statement

The information relating to TerraCom Group coal reserves are based on information compiled by Mr Ian Neilsen who is a member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Deswik Mining Consultants Pty Ltd. Mr Neilsen is a qualified Mining Engineer and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Neilsen has 18 years Open Cut Coal experience with approximately 11 years' experience providing mining volume estimates and strip reconciliation using Deswik and Vulcan Software. The form and context in which Mr Neilsen's findings are

presented have not been materially modified from the original market announcement. Mr Neilsen has not consented to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

TerraCom Group confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements relating to drill results, resource estimates or studies and that all material assumptions and technical parameters underpinning the drill results and estimates in the relevant market announcements continue to apply and have not materially changed. Please refer to the column in the tables above titled "Report Date" for the announcement date of each release relating to the deposit.

Refer to TerraCom annual report 2019 pages 43-46,
<https://www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf>

8. FINANCIAL INFORMATION ON THE TERRACOM GROUP

This section contains a summary of the historical statements of financial performance and position of TerraCom Group for the financial years ended 30 June 2018 and 30 June 2019.

The historical statements of financial performance and position of TerraCom Group have been audited by TerraCom's auditor, who issued an unqualified audit report.

8.1 Historical statement of financial performance

The following historical statements of financial performance are extracted from the audited financial statements contained in the Annual Report 2019 of TerraCom Group and is prepared in accordance with TerraCom Group's significant accounting policies.

A\$'000	Financial year ended FY19	Financial year ended FY18
Revenue	338,322	147,141
Cost of goods sold	(226,617)	(106,330)
Gross profit	111,705	40,811
Other operating expenses	(6,787)	(4,362)
Administration expenses	(10,729)	(9,099)
Exploration tenement write-off	(257)	(184)
Shares of losses of associates	(42)	(14)
Operating EBITDA	93,890	27,152

8.2 Historical statement of financial position

The following historical statements of financial position are extracted from the audited financial statements contained in the Annual Report 2019 of TerraCom Group and are prepared in accordance with TerraCom Group's significant accounting policies.

A\$'000	Financial year ended FY19	Financial year ended FY18
Cash & cash equivalents	57,201	11,874
Trade & other receivables	17,892	15,324
Inventories	17,040	16,333
Other current assets	863	2,661
Total current assets	92,996	46,192
Property, plant and equipment	253,785	243,132
Restricted cash	73,791	73,814
Exploration and evaluation	48,031	40,779
Deferred asset	10,691	2,730
Trade & other receivables	8,436	8,026
Other non current assets	4,518	4,902
Total non current assets	399,252	373,383
Total assets	492,248	419,575
Trade & other payables	91,786	75,044
Deferred revenue	16,614	13,031
Borrowings	7,306	22,641
Financial liabilities	3,470	1,805
Other current liabilities	474	347
Total current liabilities	119,650	112,868
Borrowings	213,483	196,067
Provisions	71,072	74,165
Financial liabilities	12,129	3,808
Trade and other payables	5,467	5,294
Total non current liabilities	302,151	279,334
Total liabilities	421,801	392,202
Net assets	70,447	27,373

9. **RIGHTS AND LIABILITIES ATTACHING TO THE NEW TERRACOM SHARES**

The rights and liabilities attaching to the ownership of New TerraCom Shares arise from a combination of the constitution of TerraCom, statute, the ASX Listing Rules and the Corporations Act.

A summary of the significant rights and liabilities attaching to New TerraCom Shares is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of TerraCom Shareholders.

9.1 **Voting at a general meeting**

Subject to the constitution and any rights or restrictions attached to a class of New TerraCom Shares, every TerraCom Shareholder present in person or by proxy, attorney or representative at a meeting of TerraCom Shareholders has one vote on a show of hands and one vote on a poll for every TerraCom Share held. A poll may be demanded by the chair of the meeting, at least 5 TerraCom Shareholders (or their proxy, attorney or representative) entitled to vote on the resolution, or a TerraCom Shareholder or TerraCom Shareholders who together hold at least 5% of the votes that may be cast on the resolution on a poll.

9.2 **Meeting of members**

Each TerraCom Shareholder is entitled to receive notice of and attend general meetings of TerraCom and to receive all notices, accounts and other documents required to be sent to TerraCom Shareholders under the constitution, the Corporations Act or the ASX Listing Rules.

9.3 **Dividends**

The directors of TerraCom may resolve to pay any dividend they think appropriate. Dividends declared will (subject to any special rights or restrictions attaching to a class of TerraCom Shares created under any arrangement as to dividend) be payable on TerraCom Shares in accordance with the Corporations Act and constitution.

9.4 **Transfer of TerraCom Shares**

A TerraCom Shareholder may transfer TerraCom Shares by a proper transfer effected in accordance with any computerised or electronic system established or recognised by ASX or the Corporations Act for the purpose of facilitating transfers in TerraCom Shares or by an instrument in writing in any usual form or in any other form approved by the TerraCom directors that is permitted by law or by another method permitted by the Corporations Act. The TerraCom directors may refuse to register a transfer of TerraCom Shares where the refusal to register the transfer is permitted under the Corporations Act, constitution or the ASX Listing Rules.

9.5 **Issue of further TerraCom Shares**

The TerraCom directors may (subject to the restrictions on the issue of TerraCom Shares imposed by the constitution, the ASX Listing Rules and the Corporations Act) allot, issue, grant options in respect of, or otherwise dispose of, further TerraCom Shares as they see fit.

9.6 **Winding Up**

Subject to any rights or restrictions attached to a class of TerraCom Shares, on a winding up of TerraCom, any surplus must be divided among the TerraCom Shareholders in proportion to the capital at the commencement of the winding up paid up, or which ought to have been paid up, on the TerraCom Shares held by them respectively.

9.7 **Unmarketable parcels**

Subject to the Corporations Act, the ASX Listing Rules and ASTC Settlement Rules, TerraCom may sell the shares of a shareholder who holds less than a marketable parcel of shares.

9.8 **Share buy-back**

Subject to the provisions of the Corporations Act, the ASX Listing Rules and the ASTC Settlement Rules, TerraCom may buy back shares in itself on any terms and at any time determined by the TerraCom directors.

9.9 **Variation of class rights**

Unless otherwise provided by the constitution and by the terms of issue of a class of shares, the rights attaching to any class of shares may be varied by:

- a special resolution passed at a meeting of the holders of that class of shares; or
- the consent in writing of the holders of at least 75% of the votes that may be cast in respect of that class of shares

9.10 **Alteration of the constitution**

The constitution can only be amended by special resolution passed by at least three-quarters of TerraCom Shareholders present and voting at a general meeting of TerraCom. TerraCom must give at least 28 days written notice of its intention to propose a resolution as a special resolution.

10. **PUBLICLY AVAILABLE INFORMATION ABOUT TERRACOM**

TerraCom is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and TerraCom Shares are enhanced disclosure securities quoted on the ASX and, as such, TerraCom is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules.

Specifically, TerraCom is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, TerraCom has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to TerraCom which has been notified to the ASX and does not include all the information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to accept New TerraCom Shares

under the Offer. UNV Shareholders should therefore have regard to other publicly available information in relation to TerraCom before making a decision whether or not to invest.

All announcements made by TerraCom are available from its website www.terracomresources.com or the ASX www.asx.com.au.

Additionally, TerraCom is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to the ASX and published on TerraCom's and the ASX websites.

In addition, TerraCom is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by TerraCom may be obtained from, or inspected at, an ASIC office.

On request to TerraCom and free of charge, UNV Shareholders may obtain a copy of:

- the annual financial report of TerraCom for the year ended 30 June 2019 (being the annual financial report most recently lodged with ASIC before lodgement of this document with ASIC); and
- any continuous disclosure notice given to the ASX by TerraCom since the lodgement with ASIC of the 30 June 2019 annual report for TerraCom referred to above and before lodgement of this document with ASIC.

PART IV

INFORMATION ON UNV

1. OVERVIEW OF UNV

UNV is a public limited company incorporated in England and Wales whose shares are traded in the form of CDIs on the ASX (ASX: UNV). UNV is a mid-tier coal mining company with a portfolio of producing and development and exploration assets across South Africa's major coalfields. UNV has exposure to thermal and coking coal assets with potential to develop into mines of regional significant, with sustained production and cashflow.

2. DIRECTORS – UNV

Mark Eames – Non-Executive Interim Chairman

Mr Eames has over three decades of experience in international resources at a senior leadership level at some of the world's largest mining companies. He is a former Head of Planning Studies and Access (Australia) for BHP Ltd, where he was responsible for the planning of projects spanning coal, iron ore, copper and uranium. Previous to this, Mr Eames spent 11 years with Glencore/Xstrata as the Head of Iron Ore Assets, and before this was the Chief Marketing Officer managing the firms thermal and coking coal sales. Mr Eames began his career with Rio Tinto in 1982 where he most recently acted as General Manager of Business Analysis. He has a deep understanding of commodity markets, including coal and has an intimate knowledge of project planning, operations, logistics and sales.

Tony Weber – Executive Director

Tony Weber, co-founder of UNV, is a mining engineer with over 20 years' experience in mining spanning project assessment, finance, development and operations. Prior to joining UNV, Tony was an executive director at Nkwe Platinum Limited, an Australian-listed platinum developer, as well as operations manager at Potgietersrus Platinum Mine and at the Gamsberg Project.

Tony has also worked at New Clydesdale Colliery and Greenside Colliery for Gold Fields of South Africa and, for a brief period, at Prosper Hanniel Colliery in Germany. He has significant skills and experience in coordinating project feasibility studies and has hands-on operational experience in the coal extraction industry.

Shammy Luvhengo – Executive Director

Mr Luvhengo is an investment banker and qualified geologist, having started his career with Exarro Resources 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 UNV, Mr Luvhengo worked at Nkwe Platinum Limited as Head of Business Development and Investor Relations.

Henri Bonsma – Non-Executive Director

Henri Bonsma is a qualified lawyer and successful businessman with interests throughout South Africa. Henri has been actively investing in the South African mining industry for over a decade. Henri is a co-founder of UNV and has been involved in the establishment of various other junior chrome, platinum and iron ore companies and promoted several listings on the Johannesburg Stock Exchange, Alternative Investment Market and the Australian Securities Exchange.

Paul Sanger – Non-Executive Director

Mr Sanger is Investment Banking Executive with over 30 years of experience focused on global capital markets. He is the former Managing Director and Head of Distribution (Asia) for Citi, where he managed and maintained a team of over 350 financial market professionals across 10 countries in public capital markets. Mr Sanger has a long background dealing with the senior management of listed and unlisted corporations on public market strategy and has extensive experience in the entire lifespan of a publicly listed entity, including IPOs, mergers and acquisitions, asset purchases and sales, restructures and capital raises. Previous to this, Mr Sanger ran the local trading operations of the firms Australian and Japanese arms. He is a proven leader and business strategist with an intimate knowledge of financial markets and corporate governance issues.

Wallace (Wal) King AO – Non-Executive Director

Mr. King has worked in the construction industry for over 40 years and was the CEO of Leighton Holdings Limited from 1987 to 2010. Mr. King is a Director of the Kimberly Foundation Australia Limited; and was up until May 2017 one of the longest serving Directors of Coca-Cola Amatil Limited. Mr. King is also currently the Non-Executive Chairman of Built Holdings Pty Limited.

He is a former Board Member of the Business Council of Australia, a former Council Member of the University of New South Wales and former Deputy Chairman of the UNSW Foundation Limited, and was President of the Australian Constructors Association from its inception in 1994 to December 2010. Mr. King is an Honorary Fellow of the Institution of Engineers Australia; a Foundation Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management, the Australian Institute of Building and the Australian Academy of Technological Sciences and Engineering. Mr. King joined the TerraCom board in May 2017.

Craig Ransley – Non-Executive Director

Mr Ransley has a broad entrepreneurial background and has been the driving force in building a number of companies. He has extensive experience in the labour hire and service industries as founder of TESA Group Pty Limited and ResCo Services. He was the founder and instrumental in the creation and ASX listing of both NuCoal Resources Limited and Guildford Coal Limited (now TerraCom).

3. **MANAGEMENT TEAM**

Anton (Tony) Weber – Chief Executive Officer

Tony Weber, co-founder of UNV, is a mining engineer with over 20 years' experience in mining spanning project assessment, finance, development and operations. Prior to joining UNV, Tony was an executive director at Nkwe Platinum Limited, an Australian-listed platinum developer, as well as operations manager at Potgietersrus Platinum Mine and at the Gamsberg Project.

Tony has also worked at New Clydesdale Colliery and Greenside Colliery for Gold Fields of South Africa and, for a brief period, at Prosper Hanniel Colliery in Germany. He has significant skills and experience in coordinating project feasibility studies and has hands-on operational experience in the coal extraction industry.

Shammy Luvhengo – Director Business Development

Mr Luvhengo is an investment banker and qualified geologist, having started his career with Exarro Resources 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 UNV, Mr Luvhengo worked at Nkwe Platinum Limited as Head of Business Development and Investor Relations.

Celeste Van Tonder – Chief Financial Officer

A chartered accountant with over 10 years of professional experience in mining finance and business development. Prior to joining UNV, Celeste held the group business development and investor relations manager position at Coal of Africa (now MC Mining), an Australian coal exploration and development company listed on the Australian Securities Exchange, Johannesburg Stock Exchange and the Alternative Investment Market.

Celeste is responsible for all financial and commercial facets of UNV and is an integral part of the UNV management team.

Simon Mokitimi – Chief Geologist

Simon is a geologist with more than 20 years' experience in coal exploration, resource modelling and mine geology and is a registered member of the South African Council of Natural Scientific Professions.

Prior to joining UNV, he held several senior positions within Anglo Coal, Xstrata and BHP Billiton. Simon provides specialised geological support to UNV and ensures that projects are executed in adherence to set geological standards, procedures and policies. He also provides critical input to feasibility studies and ensures that resources are mined optimally on all operating mines.

Kevin Donaldson – Chief Development Engineer

A Mining Engineer with over 20 years' experience in coal mining, Kevin started his career in operations at the then Rand Mines Limited, 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 is involved in the study phases of UNV's projects and is responsible for the implementation of the Kangala mine project.

Minah Moabi – Director Corporate Affairs

An Environmental Scientist and registered member of the South African Council for Natural Scientific Professions (SACNASP). Minah has 17 years' experience in mining and environmental management, 14 of these spent in coal mining. She started her career as a geohydrologist with the Department of Water Affairs and later moved to Exxaro Resources as Manager, Environmental and Sustainability Reporting.

Prior to joining UNV, she held a Project Manager position at BHP Billiton Energy Coal South Africa (BECSA). Minah has global responsibility for UNV's regulatory compliance and corporate affairs functions. She is responsible for driving UNV's strategic intent of being a sustainable mid-tier coal mining company, through maintaining UNV's social and environmental licenses to operate, ensures compliance with applicable statutory and non-statutory obligations, develops and executes strategies for corporate social investment, manages internal and external stakeholder management processes and coordinates the corporate human resources management function for UNV.

4. UNV'S PROJECTS

4.1 Kangala Colliery – 70.5% UNV Ownership

UNV's Kangala Colliery thermal coal mine (open pit, truck and shovel) is located 65km east of Johannesburg, in the Witbank Coalfield, Mpumalanga province and consists of Wolvenfontein and Middelbult projects.

The Kangala Colliery has gross (based on 100%) JORC 2012 Reserves of 28.3Mt (Proved 28.3Mt) and Resources of 98.69Mt (Measured 51.33Mt, Indicated 15.03Mt, Inferred 32.33Mt). At 30 June 2019 the mine had 62 employees.

Production and sales

'000 tonnes	2019 Financial Year (100%)	2019 Financial Year (UNV Attributable)	2018 Financial Year (100%)	2018 Financial Year (UNV Attributable)
Run of Mine Coal mined	3,865	2,725	4,025	2,838
Export sales	17	12	65	46
Domestic sales	2,386	1,682	2,544	1,794

Refer to UNV annual report 2019 page 36. Attributable assumes 70.5% ownership.
<https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>

4.2 **New Clydesdale Colliery – 49% UNV Ownership (with operational control)**

UNV's New Clydesdale Colliery thermal coal mine (open pit, truck and shovel and underground) is located 35km south of Witbank and consists of Roodekop and Diepspruit projects.

The New Clydesdale Colliery has gross (based on 100%) JORC 2012 Reserves of 54.8Mt (Proved 48.19Mt, Probable 6.61Mt) and Resources of 136.67Mt (Measured 88.82Mt, Indicated 41.82Mt, Inferred 6.03Mt). At 30 June 2019 the mine had 60 employees.

Production and sales

'000 tonnes	2019 Financial Year (100%)	2019 Financial Year (UNV Attributable)	2018 Financial Year (100%)	2018 Financial Year (UNV Attributable)
Run of Mine Coal mined	2,993	1,467	3,031	1,485
Export sales	835	409	767	376
Domestic sales	1,700	833	1,373	673

Refer to UNV annual report 2019 page 37. Attributable assumes 49% ownership.
<https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>

4.3 **North Block Complex – 49% UNV Ownership (with operational control)**

UNV's North Block Complex thermal coal mine (open pit, truck and shovel) is located west of Belfast, Mpumalanga province and consists of Glisa and Eerstelingsfontein mines and Paardeplaats prospecting right.

The North Block Complex has gross (based on 100%) JORC 2012 Reserves of 55.4Mt (Proved 48.5Mt, Probable 6.46Mt) and Resources of 108.71Mt (Measured 65.66Mt, Indicated 17.67Mt, Inferred 25.38Mt). At 30 June 2019 the mine had 96 employees.

Production and sales

'000 tonnes	2019 Financial Year (100%)	2019 Financial Year (UNV Attributable)	2018 Financial Year (100%)	2018 Financial Year (UNV Attributable)
Run of Mine Coal mined	2,049	1,004	-	-
Export sales	-	-	-	-
Domestic sales	1,782	873	-	-

Refer to UNV annual report 2019 page 38. Attributable assumes 49% ownership.
<https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>

4.4 **Ubuntu Colliery - 49% UNV Ownership**

UNV's Ubuntu Colliery thermal coal mine in development is located in the Delmas district, 25km east of Kangala. The mine commenced development following the acquisition of surface rights.

The Ubuntu Colliery has gross (based on 100%) JORC 2012 Reserves of 9.1Mt (Proved 9.15Mt) and Resources of 75.8Mt (Measured 31.7Mt, Indicated 39.4Mt, Inferred 4.7Mt).

4.5 **Eloff - 49% UNV Ownership**

UNV's Eloff thermal coal project is contiguous to Kangala, allowing for low-cost expansion and long term sustainability. The project has a mining right and environmental authorisation granted.

The Eloff project has gross (based on 100%) JORC 2012 Resources of 528 Mt (Measured 11.76Mt, Indicated 265.96Mt, Inferred 250.57Mt).

4.6 **Arnot South - 50% UNV Ownership**

UNV's Arnot South thermal coal project is located within the Witbank coalfield, 50km from the New Clydesdale Colliery. The project has a completed feasibility study with a mining right in application.

The Arnot South project has gross (based on 100%) JORC 2012 Resources of 206.6Mt (Measured 65.3Mt, Indicated 139.0Mt, Inferred 206.58Mt).

4.7 **Berenice/Cynus - 50% UNV Ownership**

UNV's Berenice/Cygnus thermal coal and blending coking coal project is located in the Soutpansberg Coalfield, 90km southwest of Musina, in the Limpopo province. The project has a mining right in application and environmental authorisation lodged.

The Berenice/Cynus project has gross (based on 100%) JORC 2012 Resources of 1.35Bt (Measured 424.9Mt, Indicated 800.9Mt, Inferred 124.3Mt).

5. **UNV MINERAL RESOURCES AND RESERVES**

The following Mineral Resource and Reserve statements are sourced from the UNV Annual Report 2019 available to be viewed at <https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>. Neither TerraCom Bidco nor TerraCom is aware of any new information or data that materially affects the information included in the original market announcement. The form and context in which the competent person's findings are presented have not been materially modified from the original market announcement. Neither TerraCom Bidco nor TerraCom has independently verified the information as presented.

The UNV Annual Report 2019 refers to the following persons as having compiled these estimates:

Mineral Resources

Competent Person	Association¹	Employer
Kangala (Middelbult), Ubuntu, Arnot South, Berenice and Cynus		
NJ Denner	SACNASP	Gemecs (Pty) Limited
Kangala (Wolwenfontein)		
S Mokitimi	SACNASP	UNV/ Gemecs (Pty) Limited
N Denner	SACNASP	UNV/ Gemecs (Pty) Limited
D Zulu	SACNASP	UNV/ Gemecs (Pty) Limited
NCC		
S Mokitimi	SACNASP	UNV/ Gemecs (Pty) Limited
R Rantao	SACNASP	UNV/ Gemecs (Pty) Limited
N Denner	SACNASP	UNV/ Gemecs (Pty) Limited
Eloff		
J Malan	SACNASP	UNV

SACNASP: South African Council of Natural Scientific Professions

¹ Recognised overseas professional organisations as defined by the JORC Code

Ore Reserves

Competent Person	Association ¹	Employer
Kangala		
P van der Linde	ECSA	Mindset/HF Procon (Pty) Limited
M Vertue	ECSA	Mindset/HF Procon (Pty) Limited
H Fourie	ECSA	Mindset/HF Procon (Pty) Limited
NCC		
P van der Linde	ECSA	Mindset/HF Procon (Pty) Limited
M Vertue	ECSA	Mindset/HF Procon (Pty) Limited
H Fourie	ECSA	Mindset/HF Procon (Pty) Limited
Ubuntu		
K Donaldson	ECSA	UNV
M Vertue	ECSA	Mindset/HF Procon (Pty) Limited

ECSA: Engineering Council of South Africa

¹ Recognised overseas professional organisations as defined by the JORC Code

These persons have not consented to the inclusion in this document of this information in the form and context in which it appears.

Mineral Resources

Mt		Measured	Indicated	Inferred	Total	Attributable to UNV
Kangala	Thermal coal	51.33	15.03	32.33	98.69	69.58
North Clydesdale Colliery	Thermal coal	88.82	41.82	6.03	136.67	66.97
Ubuntu	Thermal coal	31.70	39.40	4.70	75.80	37.14
Arnot South	Thermal coal	2.28	65.30	139.00	206.58	103.29
Eloff	Thermal coal	11.76	265.96	250.57	528.29	258.86
North Block Complex	Thermal coal	65.66	17.67	25.38	108.71	53.27
Berenice/Cygnus	Coking coal	424.90	800.90	124.30	1,350.10	675.05
Total		676.45	1,246.08	582.31	2,504.84	1,264.16

Refer to UNV annual report 2019 page 16.

<https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>

Recoverable Reserves

'000t		Proved	Probable	Total	Attributable to UNV
Kangala	Thermal coal	28,296	-	28,296	19,949
North Clydesdale Colliery	Thermal coal	48,185	6,613	54,798	26,851
North Block Complex	Thermal coal	48,532	6,465	54,997	26,948
Ubuntu	Thermal coal	9,100	-	9,100	4,459
Total		134,113	13,078	147,191	78,207

Refer to UNV annual report 2019 page 16.

<https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>

Marketable Reserves

'000t		Total	Attributable to UNV
Kangala	Thermal coal	15,079	10,631
North Clydesdale Colliery	Thermal coal	36,239	17,757
North Block Complex	Thermal coal	32,390	15,871
Ubuntu	Thermal coal	7,248	3,552
Total		90,956	47,811

Refer to UNV annual report 2019 page 16.

<https://www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf>

6. FINANCIAL INFORMATION ON UNV

This section contains a summary of the historical statements of financial performance and position of UNV for the financial years ended 30 June 2018 and 30 June 2019.

The historical statements of financial performance and position of UNV have been audited by UNV's auditor, who conducted the audit in accordance with International Standards on Auditing (UK) and applicable law.

6.1 Historical statement of financial performance

The following historical statements of financial performance are extracted from the audited financial statements contained in the Annual Report 2019 of UNV that are disclosed as having been prepared in accordance with UNV's significant accounting policies as outlined on pages 59 to 77 of the UNV Annual Report 2019.

A\$'000	Financial year ended FY19	Financial year ended FY18
Revenue	434,790	316,350
Cost of goods sold	(314,791)	(235,884)
Gross profit	119,999	80,466
Operating expenses	(46,546)	(27,711)
Operating profit	73,453	52,755
Finance income	5,220	3,797
Foreign exchange gain/(loss)	123	(70)
Bargain purchase gain	20,687	-
Share of profit of associated undertaking	30	187
Decrease in fair value of derivative financial liability	-	277
Finance expenses	(6,897)	(7,495)
Profit before taxation	92,616	49,541
Taxation	(22,226)	(13,479)
Profit for the year	70,390	35,392
Exchange differences on translating foreign entities	6,505	(3,580)
Total comprehensive income for the year	76,895	32,392
Profit attributable to:		
Owners of the parent	37,941	23,977
Non-controlling interests	32,449	11,995
Profit for the year	70,390	35,972
Total comprehensive income attributable to:		
Owners of the parent	43,620	20,982
Non-controlling interests	33,275	11,410
Total comprehensive income for the year	76,895	32,392

"Owners of the parent" in the table above refers to the Net Profit After Tax attributable to the shareholders of UNV.

"Non-controlling interests" in the table above refers to the Net Profit After Tax that is attributable to other parties that are not UNV shareholders.

6.2 Historical statement of financial position

The following historical statements of financial position are extracted from the audited financial statements contained in the Annual Report 2019 of UNV that are disclosed as having been prepared in accordance with UNV's significant accounting policies as outlined on pages 59 to 77 of the UNV Annual Report 2019.

A\$'000	Financial year ended FY19	Financial year ended FY18
Inventories	5,484	3,666
Current tax receivable	243	-
Trade & other receivables	63,723	44,417
Cash & cash equivalents (including restricted amounts)	32,140	36,872
Total current assets	101,590	84,955
Property, plant and equipment	148,582	112,630
Intangible assets	116,811	45,549
Investments in associated undertakings	36	8,226
Loan receivable	9,948	10,575
Other financial assets	4,094	2,658
Total non-current assets	279,471	179,638
Total assets	381,061	264,593
Borrowings	11,923	10,979
Current tax payable	-	3,867
Trade and other payable	58,881	42,671
Total current liabilities	70,804	57,517
Borrowings	9,645	21,997
Deferred tax	27,079	11,246
Provisions	74,697	35,900
Trade and other payables	3,049	-
Total non current liabilities	114,470	69,143
Total liabilities	185,274	126,660
Net assets	195,787	137,933
Equity attributable to owners of the parent	127,132	99,186
Non-controlling interest	68,655	38,747
Total equity	195,787	137,933

"Equity attributable to owners of the parent" in the table above refers to the Net Assets attributable to the shareholders of UNV.

"Non-controlling interest" in the table above refers to the Net Assets that is attributable to other parties that are not UNV Shareholders.

7. **PUBLICLY AVAILABLE INFORMATION ABOUT UNV**

All announcements made by UNV are available from its website www.universalcoal.com or the ASX www.asx.com.au.

PART V

EFFECT OF THE SHARE OFFER ON TERRACOM AND PROFILE OF THE MERGED GROUP

1. CORPORATE ACTIVITIES AND STRATEGY

TerraCom is a successful, established coal producer incorporated in Australia, whose shares are traded on the ASX (ASX: TER). TerraCom's flagship project is the Blair Athol thermal coal project in the Bowen Basin in Queensland (Australia). TerraCom also owns the Baruun Noyon Uul (BNU) coking coal mine in the South Gobi Desert of Mongolia. In addition to the operating assets, TerraCom also has significant exploration assets in Queensland (Australia) located in Northern Galilee and Springsure.

UNV is a public limited company incorporated in England and Wales whose shares are traded in the form of CDIs on the ASX (ASX: UNV). UNV is a mid-tier coal mining company with a portfolio of producing and development and exploration assets across South Africa's major coalfields.

Throughout FY19 TerraCom achieved significant production milestones at its Blair Athol mine and updated the JORC Reserve and Resource. The success of Blair Athol and optimisation of the TerraCom balance sheet has enabled TerraCom to focus on organic and strategic acquisitions that optimise value for shareholders.

Strategically, whilst continuing to successfully operate the Blair Athol mine, TerraCom is seeking to increase in scale and diversify its asset base, with a particular focus on emerging markets. The acquisition provides a first step in the wider growth and diversification strategy of TerraCom providing value for all shareholders whilst also reducing TerraCom's sovereign risk profile.

2. SYNERGIES

Assuming the delisting of UNV, the combination of TerraCom Group and UNV will create a stable coal producer of scale with the ability to leverage near and medium term synergies including:

- reduction in total Board expenditure;
- reduction in total audit, accounting and tax advisory fees;
- improved supplier terms when negotiating as a whole;
- reduction in ASX and registry fees;
- improved debt terms for expansion opportunities; and
- access to acquisition and expansion opportunities.

The Merged Group is also expected to benefit from added scale in advancing further growth initiatives, including acquisitions, and other negotiations such as new exploration and/or mining licences.

3. COMBINED PRODUCTION – FY 2019

million tonnes	UNV	UNV (attributable) ¹	TerraCom	Total
ROM coal production	8.9	5.2	3.4	8.6
Sales volumes	6.7	3.8	3.0	6.8

¹ Refer to UNV quarterly report June 2019, page 2.
<https://www.asx.com.au/asxpdf/20190723/pdf/446t59x5djslw9.pdf>

4. PRO FORMA FINANCIAL INFORMATION FOR THE MERGED GROUP

4.1 Basis of preparation and key assumptions

This section contains a summary of the pro forma financial information of the Merged Group as if the Offer had been accepted by all UNV Shareholders, including:

- the unaudited pro forma historical statement of financial performance for the financial year ending 30 June 2019 (refer to Section 4.2);
- the unaudited pro forma historical statement of financial position as at 30 June 2019 (refer to Section 4.3); and
- the unaudited pro forma historical statement of cash flows for the financial year ending 30 June 2019 (refer to section 4.4);

(collectively, the Pro Forma Historical Financial Information.)

It also contains the impact of the Offer on the capital structure of the Merged Group.

The Pro Forma Historical Financial Information is provided for illustrative purposes only and in accordance with the following assumptions of the directors of TerraCom Group:

- a) using publicly available information relating to UNV including, but not limited to, the audited financial statements of UNV for the year ended 30 June 2019 and other ASX announcements;
- b) application of TerraCom Group significant accounting policies in relation to TerraCom Group and the pro forma adjustments including the recognition and measurement principles of applicable Australian Accounting Standards;
- c) acquisition by TerraCom Group of 100% of the issued, and unissued capital, of UNV;
- d) under Accounting Standard AASB 3 Business Combinations, the acquirer is identified as the entity that obtains control of the other entity or business. It is assumed that the TerraCom Group will be the acquirer for the purpose of preparing the Pro Forma Historical Financial Information;
- e) no adjustments have been made to ascertain the impact of new leasing standard AASB 16 on the Merged Group;

- f) all amounts disclosed in the tables are presented in Australian Dollars and unless otherwise noted are rounded to the nearest hundred thousand dollars;
- g) The unaudited pro forma historical statement of cash flows for the financial year ending 30 June 2019 presents operating cash flows after capex, shown on a gross basis, and has not been split between operating cash flows attributable to owners of the parent and non-controlling interest; and
- h) The Pro Forma Historical Financial Information excludes any profit / (loss) of UNV or TER (Including their subsidiaries and associates) from 1 July 2019.

The Pro Forma Historical Financial Information does not purport to reflect the likely reported financial performance, financial position and cashflows of the Merged Group for the year ended 30 June 2019 or any other period. It is likely that the actual reported financial performance, financial position and cashflows of the Merged Group in future periods will differ from the Pro Forma Historical Financial Information.

The Pro Forma Historical Financial Information is presented in an abbreviated form insofar as it does not contain all of the disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports usually provided in an annual report prepared in accordance with the Corporations Act.

The Pro Forma Historical Financial Information is based on the respective audited financial statements of UNV and TER for the financial year ending 30 June 2019. The Pro Forma Financial Information has not been subject to an audit or review under Australian Audited Standards.

The information in this section should be read in conjunction with the risk factors set out in Part IX (*Risk Factors*) of this document.

4.2 Unaudited Pro Forma Historical Statement of Financial Performance for the Merged Group

A\$000s	Ref.	TER Audited FY19	TER Pro Forma Adj.	TER Pro Forma	UNV Audited FY19	UNV Pro Forma Adj.	UNV Pro Forma	Pro Forma Merged Group
Revenue		338,322	-	338,322	434,790	-	434,790	773,112
Cost of goods sold	1,3	(226,617)	6,960	(219,657)	(314,791)	25,705	(289,086)	(508,743)
Gross Profit		111,705	6,960	118,665	119,999	25,705	145,704	264,369
<i>Expenses</i>								
Other operating expenses		(6,787)	-	(6,787)	-	-	-	-
Administration expense		(10,729)	-	(10,729)	-	-	-	-
Exploration tenement write-off		(257)	-	(257)	-	-	-	-
Share of losses of associates		(42)	-	(42)	-	-	-	-
Operating Expenses		(17,815)	-	(17,815)	(46,546)	-	(46,546)	(64,361)
Operating EBITDA		93,890	6,960	100,850	73,453	25,705	99,158	200,008
Depreciation and amortisation expense	3	(35,473)	-	(35,473)	-	(25,705)	(25,705)	(61,178)
Financial income		3,994	-	3,994	5,220	-	5,220	9,214
Financial expense	2	(74,933)	37,129	(37,804)	(6,897)	-	(6,897)	(44,701)
Net foreign exchange (loss)/gain		(5,687)	-	(5,687)	123	-	123	(5,564)
Bargain purchase gain		-	-	-	20,687	-	20,687	20,687
Share of profit of associated undertaking		-	-	-	30	-	30	30
Net profit/(loss) before tax		(18,209)	44,089	25,880	92,616	-	92,616	118,496
Income Tax		6,904	(11,139)	(4,235)	(22,226)	-	(22,226)	(26,461)
Net profit/(loss) after tax		(11,305)	32,951	21,646	70,390	-	70,390	92,036
Net profit/(loss) for the year is attributable to:								
Non-controlling interest		(76)	-	(76)	32,449	-	32,449	32,373
Owners of the parent	1	(11,229)	32,951	21,722	37,941	-	37,941	59,663
Net profit/(loss) after tax		(11,305)	32,951	21,646	70,390	-	70,390	92,036
Significant Items (SI)								
Bargain purchase gain	3	-	-	-	-	(20,687)	(20,687)	(20,687)
Net Profit/(loss) after tax (excl.SI)		(11,305)	32,951	21,646	70,390	(20,687)	49,703	71,349
Net profit/(loss) for the year is attributable to (excl. significant items):								
Non-controlling interest		(76)	-	(76)	32,449	(10,550)	21,899	21,823
Owners of the parent		(11,229)	32,951	21,722	37,941	(10,137)	27,804	49,526
Net profit/(loss) after tax (excl.SI)		(11,305)	32,951	21,646	70,390	(20,687)	49,703	71,349

Pro Forma Adjustments

TER Pro Forma Adjustments

Adjustment 1 – Revaluation of TER creditor

Reflects a A\$7.0m gain (A\$7.0m post-tax) arising from the downward revaluation of a creditor balance outstanding at 30 June 2019 in accordance with the deed of settlement agreed between TER and the creditor subsequent to 30 June 2019.

Adjustment 2 – TER Refinance

On 1 July 2019, TerraCom Limited announced the binding term sheet with OCP Asia to refinance its existing facilities (EuroBond - US\$142.4m) with a US\$80.0m term loan and US\$20.0m convertible bond facility. No adjustment has been considered should TerraCom need to increase the facility size post completion of the transaction.

The pro forma reduction in interest of A\$37.1m (A\$26.0m post tax) reflects the reversal of reported interest under the existing facilities in FY19 of A\$55.2m (A\$38.7m post tax) and the pro forma interest on the refinanced debt facilities of A\$18.1m (A\$12.7m post tax), calculated in accordance with the terms of the new facility agreements as if the refinanced facility had been in place from 1 July 2018.

UNV Pro Forma Adjustments

Adjustment 3 – Reclassification of UNV depreciation and amortisation

Relates to the reclassification of UNV depreciation reported within 'Cost of goods sold' (\$25.7m) per UNV's Statement of Financial Performance for FY19, to 'Depreciation and amortisation expense' to align with TER's Statement of Financial Performance presentation. A full assessment and alignment of income statement presentation between UNV and TER will be undertaken following Completion.

Adjustment 4 – Bargain purchase gain

The bargain purchase gain recognised by UNV in FY19 of \$20.7m (post tax) is considered non-recurring and therefore has been highlighted as a significant item for the presentation of Unaudited Pro Forma Historical Statement of Financial Performance for the Merged Group.

4.3 **Unaudited Pro Forma Historical Statements of Financial Position for the Merged Group**

A\$000s	Ref	TER Audited FY19	TER Pro Forma Adj.	TER Pro Forma	UNV Audited FY19	Aggregated Group	Merged Group Pro Forma Adj.	Pro Forma Merged Group
Assets								
<i>Current Assets</i>								
Cash and cash equivalents	1,3,4,6,7	57,201	(54,827)	2,374	32,140	34,514	(45,391)	(10,878)
Trade and other receivables		17,892	-	17,892	63,723	81,615	-	81,615
Inventories		17,040	-	17,040	5,484	22,524	-	22,524
Restricted cash		702	-	702	-	702	-	702
Current tax receivable		-	-	-	243	243	-	243
Other current assets		161	-	161	-	161	-	161
Total current assets		92,996	(54,827)	38,169	101,590	139,759	(45,391)	94,367
<i>Non-current assets</i>								
Trade and other receivables		8,436	-	8,436	-	8,436	-	8,436
Restricted cash	3	73,791	(27,000)	46,791	-	46,791	-	46,791
Property, Plant and equipment		253,785	-	253,785	148,582	402,367	-	402,367
Exploration and evaluation	6	48,031	-	48,031	116,236	164,267	68,423	232,690
Other Intangible assets		-	-	-	575	575	-	575
Deferred tax		10,691	-	10,691	-	10,691	-	10,691
Investment in associate	1,6	-	35,017	35,017	-	35,017	(35,017)	-
Investments in associated undertakings		-	-	-	36	36	-	36
Loan receivable		-	-	-	9,948	9,948	-	9,948
Other non-current assets		4,518	-	4,518	4,094	8,612	-	8,612
Total non-current assets		399,252	8,017	407,269	279,471	686,740	33,406	720,146
Total Assets		492,248	(46,811)	445,437	381,061	826,498	(11,985)	814,513
Liabilities								
<i>Current liabilities</i>								
Trade and other payables	2	91,786	(6,960)	84,826	58,881	143,707	-	143,707
Borrowings	4	7,306	9,221	16,527	11,923	28,450	-	28,450
Provisions		474	-	474	-	474	-	474
Financial liabilities		3,470	-	3,470	-	3,470	-	3,470
Deferred revenue		16,614	-	16,614	-	16,614	-	16,614
Total current liabilities		119,650	2,261	121,911	70,804	192,715	-	192,715
<i>Non-current liabilities</i>								
Trade and other payables		5,467	-	5,467	3,049	8,516	-	8,516
Borrowings	4	213,483	(76,255)	137,228	9,645	146,873	-	146,873
Provisions		71,072	-	71,072	74,697	145,769	-	145,769
Deferred Tax	6	-	-	-	27,079	27,079	20,527	47,606
Financial liabilities		12,129	-	12,129	-	12,129	-	12,129
Total non-current liabilities		302,151	(76,255)	225,896	114,470	340,366	20,527	360,893
Total Liabilities		421,801	(73,994)	347,807	185,274	533,081	20,527	553,608
Net assets		70,447	27,184	97,631	195,787	293,418	(32,512)	260,906
Equity								
Issued Capital	1,4,5,6,7	277,662	16,060	293,722	44,466	338,188	51,246	389,435
Reserves	5,6	(23,847)	(150)	(23,997)	(3,016)	(27,013)	3,016	(23,997)
Retained earnings/(accumulated losses)	2,6,7	(187,755)	11,273	(176,482)	85,682	(90,800)	(86,774)	(177,574)
Equity attributable to the owners of TerraCom Limited		66,060	27,184	93,244	127,132	220,376	(32,512)	187,864
Non-controlling interest		4,387	-	4,387	68,655	73,042	-	73,042
Total Equity		70,447	27,184	97,631	195,787	293,418	(32,512)	260,906

Pro Forma Adjustments

TER Pro Forma Adjustments

Adjustment 1 – TER acquisition of 19.995% of UNV share capital

On 30 October 2019 TER purchased 19.995% of the issued capital of UNV for a total purchase price of A\$34.6m.

This has been reflected above as:

- a) An increase in Issued Capital of A\$13.0m to reflect the fair value of the fully paid ordinary TER shares (34.2 million shares at the market value on of TER shares on 14 November 2019, date of settlement), and a gain on settlement, reflected in retained earnings in the Pro Forma Statement of Financial Position, of A\$4.3m to reflect the change in share price between the deemed issue price (A\$0.5061 per TER share) and share price on the date of settlement (A\$0.3800 per TER share). This is offset by the portion of transaction costs (A\$0.4m) attributable to the share consideration;
- b) A decrease in Cash and cash equivalents of A\$18.1m to reflect the cash portion of the consideration (A\$17.3m) and transaction costs paid (A\$0.8m);
- c) An increase in Investment in Associates of \$35.0m to recognise the fair value of consideration paid of A\$34.6m along with A\$0.4m of capitalised costs associated with the transaction.

Adjustment 2 – Revaluation of TER creditor

Reflects a \$7.0m reduction in Trade and other payables in accordance with the deed of settlement agreed, subsequent to 30 June 2019, between TER and a Mongolian creditor to reduce the outstanding balance payable. The offsetting gain (A\$7.0m pre- and post-tax) is recognised as an increase in Retained earnings.

Adjustment 3 – Reclassification of restricted cash

Adjustment to increase Cash and cash equivalents by A\$27.0m and reduce restricted cash by A\$27.0m to reflect the exchange of the bank guarantee for an insurance bond in relation to the rehabilitation bonding facilities for the Blair Athol Mine.

Adjustment 4 – TER Refinance

Adjustments to reflect the refinance of TER's debt facilities that occurred subsequent to 30 June 2019 including:

- Reduction in Cash and cash equivalents and Borrowings (current and non current combined) by A\$60.5m;
- Recognition of amounts due and payable within 12 months under the revised debt arrangements of A\$11.4m as Current borrowings;
- Reduction in Borrowings to reflect the capitalisation of borrowing costs associated with the new facilities of A\$6.6m (A\$2.2m current, A\$4.4m non-current)
- Increase in Issued Capital (\$3.3m) to reflect the conversion of detachable warrants issued to OCP on 26 February 2016 into fully paid ordinary shares in TER (12,630,833 warrants x \$0.262/share) to fund A\$3.3m of the

borrowing costs. The remaining \$3.3m is assumed to be funded by a reduction in Cash and cash equivalents.

- No adjustment has been considered should TerraCom need to increase the facility size post completion of the transaction.

Adjustment 5 – Issue of share capital to TER chairman

Adjustment to increase Issued Capital and decrease Reserves each by \$0.2m to recognise the fair value of the shares issued to the TER Chairman on 20 November 2019 (362,138 fully paid ordinary shares were issued at A\$0.414).

Merged Group Pro Forma Adjustments

Adjustment 6 – Acquisition accounting (consolidation of UNV Net Assets)

Pro forma adjustment to recognise the provisional impact, in accordance with the acquisition accounting principles as set out in AASB 3, of the proposed acquisition of UNV, assuming:

- a) TER acquires the remaining 80.005% of UNV shares (to hold 100% of UNV shares at completion of the Offer). Should TER not gain control of UNV under the Offer, the accounting treatment may differ;
- b) an assumed consideration of \$140.0m, representing cash consideration of \$41.8m and 251,889,633 TER shares (as outlined in 100% scenario in Section 4.5) at an assumed share price of \$0.39 based on the 6 month volume weighted average price to 28 January 2020.
- c) the fair value of UNV's assets is equal to their face value and that there will be no separately identifiable assets other than those already recognised in the 30 June 2019 statements of financial position of UNV and TER. AASB 3 requires all identifiable assets (including intangible assets and deferred tax balances) and liabilities that meet certain recognition criteria to be recognised in the Merged Group Pro Forma Statement of Financial Position following Completion. The acquirer is allowed a period of 12 months from the acquisition date to finalise the identification and valuation process and resultant accounting adjustments. TER has not finalised the identification and valuation of UNV's assets and liabilities, with finalisation to take place after Completion.
- d) the implied \$68.4m excess between the assumed consideration of A\$140.0 and the net assets of UNV at 30 June 2019 has been allocated to the Evaluation and Exploration assets of the Merged Group. However, the final allocation will be determined through a purchase price allocation.

Adjustment 7 – Transaction costs

Adjustment to recognise the reduction in Cash and cash equivalents relating to TER's expected transaction costs (A\$3.6m pre and post-tax) in relation to the Offer. The portion of transaction costs attributable to the share consideration (A\$2.5m) is recognised as a decrease in Issued capital, and the portion of transaction costs attributable to the cash consideration (A\$1.1m) is recognised as a decrease in Retained earnings.

4.4 Unaudited Pro Forma Historical Statements of Cash flows for the Merged Group

A\$000s	Notes	TER Audited 30 Jun-19	TER Pro Forma Adj.	TER Pro Forma	UNV Audited 30 Jun-19	Pro Forma Merged Group
Cash flows from operating activities:						
Profit/(loss) after income tax benefit for the year	1	(11,305)	6,960	(4,345)	70,390	66,045
Income tax expense/(benefit)	2	(6,904)	11,139	4,235	22,226	26,461
Finance income		(3,994)	-	(3,994)	(5,220)	(9,214)
Finance expenses	2	74,933	(37,129)	37,804	6,897	44,701
Profit/(loss) before interest and tax		52,730	(19,030)	33,700	94,293	127,993
<i>Adjustments for non-cash items:</i>						
Depreciation and amortisation		35,473	-	35,473	26,531	62,004
Write-off of non-current assets		257	-	257	-	257
Share of loss - associates		42	-	42	-	42
Share-based payments		537	-	537	-	537
Foreign exchange differences		5,687	-	5,687	(123)	5,564
Bargain purchase gain		-	-	-	(20,687)	(20,687)
Rehabilitation provision reversal		-	-	-	(10,325)	(10,325)
Other		(154)	-	(154)	-	(154)
Subtotal - non-cash items		41,842	-	41,842	(4,604)	37,238
<i>Changes in working capital:</i>						
(Increase)/decrease in inventories		(707)	-	(707)	7,959	7,252
(Increase)/decrease in trade and other receivables		(7,042)	-	(7,042)	(17,954)	(24,996)
Increase/(decrease) trade and other payables		16,916	-	16,916	11,207	28,123
Decrease/(increase) in other operating assets		134	-	134	-	134
Decrease in other provisions		(2,967)	-	(2,967)	-	(2,967)
Increase in deferred revenue		3,582	-	3,582	-	3,582
Subtotal - changes in working capital		9,916	-	9,916	1,212	11,128
Net operating cashflows before tax and capex		104,488	(19,030)	85,458	90,901	176,359
Income tax paid		-	-	-	(25,133)	(25,133)
Net operating cashflows before capex		104,488	(19,030)	85,458	65,768	151,226
<i>Payments for property, plant and equipment (including exploration):</i>						
Payments for property, plant and equipment		(27,849)	-	(27,849)	(24,274)	(52,123)
Payments for exploration and evaluation		(2,500)	-	(2,500)	-	(2,500)
Net operating cash flows after capex		74,139	(19,030)	55,109	41,494	96,603

Note - The operating cash flows presented above are shown on a gross basis, and have not been split between operating cash flows attributable to owners of the parent and non-controlling interest.

The pro forma adjustments included above represent the cash flow impacts (where relevant) of the pro forma adjustments outlined in Section 4.2.

TER Pro Forma Adjustments

Adjustment 1 – Revaluation of TER creditor

This adjustment is discussed in more detail in Section 4.2 above (Adjustment 1) relating to a reduction in an outstanding creditor balance agreed subsequent to 30 June 2019 for A\$7.0m (A\$7.0m post-tax), as though this had occurred during FY19.

Adjustment 2 – TER Refinance

This adjustment is discussed in more detail in Section 4.2 above (Adjustment 2) and relates the reduction in pro forma interest charges following the refinancing of borrowings that occurred subsequent to 30 June 2019. The pro forma cash flow impact is assumed to be equivalent to the pro forma income statement impact for simplicity. No adjustment has been considered should TerraCom need to increase the facility size post completion of the transaction.

4.5 Capital structure

As at the date of this Prospectus, TerraCom Group has a total of 501,717,977 Shares on issue. The table below shows the equity capital structure of TerraCom Group as at the date of this Prospectus.

Shares	501,717,977
Warrants ¹	12,630,833
Unlisted Options ²	2,947,777
Total³	517,296,587

1. Detachable warrants exercisable for 5 years from 26 February 2016.
2. Unlisted ordinary share options, 1.5 million with a strike price of A\$0.60 and expiry date of 31 August 2020, 647,777 with a strike price of A\$0.415 and an expiry date of 27 November 2023 (earliest date of conversion 2 July 2021), 0.4 million with a strike price of A\$0.415 and an expiry date of 20 March 2024 (earliest date of conversion 2 July 2021) and 0.4 million with a strike price of A\$0.595 and an expiry date of 20 March 2024 (earliest date of conversion 2 July 2021).
3. There is an Unlisted Convertible Bond for US\$20 million, with a strike price of A\$0.696, and repayment/conversion 3 years from the issue date of 19 December 2019. This is recorded as a liability due to the holder of the bond having the discretion whether to convert the bond to equity or receive repayment of the principal. The Company has not recorded this in its capital structure due to the strike price being out of money (A\$0.696 compared to \$0.39 issue price for TER shares as part of this Offer).

The table below shows the capital structure of TerraCom Group, assuming the following scenarios of TerraCom Group 47.3%, 50%, 75% and 100% ownership of UNV following the Offer, assuming A\$nil is applied in relation to cash consideration for UNV Shareholders in Restricted Jurisdictions. The figures are approximate given the potential effects of rounding of fractional entitlements under the Offer.

	47.3% Ownership of UNV	50% Ownership of UNV	75% Ownership of UNV	100% Ownership of UNV
Existing Shares	501,717,977	501,717,977	501,717,977	501,717,977
New TerraCom Shares	85,968,173 (14.6%)	94,468,893 (15.8%)	173,179,263 (25.7%)	251,889,633 (33.4%)
Total TerraCom Shares	587,686,150	596,186,870	674,897,240	753,607,610
TerraCom warrants	12,630,833	12,630,833	12,630,833	12,630,833
TerraCom unlisted options	2,947,777	2,947,777	2,947,777	2,947,777
Total	603,264,760	611,765,480	690,475,850	769,186,220

1. There is an Unlisted Convertible Bond for US\$20 million, with a strike price of A\$0.696, and repayment/conversion 3 years from the issue date of 19 December 2019. This is recorded as a liability due to the holder of the bond having the discretion whether to convert the bond to equity or receive repayment of the principal. The Company has not recorded this in its capital structure due to the strike price being out of money (A\$0.696 compared to \$0.39 issue price for TER shares as part of this Offer).

PART VI

TERRACOM BIDCO'S INTENTIONS IN RELATION TO UNV

1. INTRODUCTION

The intentions of TerraCom Bidco are set out in this Part VI of this document. Those intentions have been formed on the basis of facts and information concerning UNV, and the general business environment, which are known at the time of preparing this document. Final decisions will only be reached by TerraCom Bidco in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section are statements of current intention only and may vary as new information becomes available or circumstances change.

The articulation and formulation of TerraCom Bidco's intentions are necessarily limited by virtue of the fact that it has not undertaken detailed due diligence on UNV and has relied on only publicly available information about UNV and its affairs.

2. OVERVIEW AND RATIONALE FOR THE OFFER

TerraCom Bidco's rationale for making the Offer is to consolidate its position as an emerging resource and energy company operating successful coal mines. The acquisition of UNV delivers geographic diversification of TerraCom's asset portfolio, expanding the assets of TerraCom to South Africa. TerraCom Bidco expects that the expanded production footprint will result in strong cash flow generation as a combined group, with the ability to leverage an enhanced operating base to accelerate growth opportunities.

The Offer is consistent with TerraCom Bidco's strategic focus on responsibly and sustainably acquiring, building and operating assets in the resource and energy sector in multiple jurisdictions.

3. INTENTIONS FOR UNV AS A WHOLLY OWNED CONTROLLED ENTITY

This paragraph 3 describes TerraCom Bidco's intentions if TerraCom Bidco acquires a relevant interest in 90% or more of UNV Shares to which the Offer relates, and so becomes entitled to proceed to compulsory acquisition of outstanding UNV Shares in accordance with Chapter 3 of Part 28 of the UK Companies Act.

In that circumstance, TerraCom Bidco's current intentions are set out below:

3.1 Corporate matters

TerraCom Bidco intends to:

- (i) exercise its rights pursuant to provisions of Chapter 3 of Part 28 of the UK Companies Act to acquire compulsorily UNV Shares in respect of which it has not received acceptances of the Offer on the same terms as the Offer; and
- (ii) thereupon arrange for UNV to be removed from the official list of the ASX and subsequent to this occurring, TerraCom Bidco will consider procuring that UNV be re-registered as a private company.

3.2 Operational review

After the end of the Offer Period, TerraCom Bidco intends to conduct an operational review of UNV's operations, assets and corporate structure. At this stage, TerraCom Bidco cannot make any predictions in advance of the outcomes of this operational review. Notwithstanding this, TerraCom Bidco will ensure any outcomes of the review are completed in accordance with contractual and legal entitlements.

4. **INTENTIONS FOR UNV AS A PART OWNED CONTROLLED ENTITY**

This paragraph 4 describes TerraCom Bidco's intentions if, as a result of acceptances under the Offer, TerraCom Bidco controls UNV, but TerraCom Bidco is not entitled to proceed to compulsory acquisition in accordance with Chapter 3 of Part 28 of the UK Companies Act.

In that circumstance, TerraCom Bidco's current intentions are set out below:

4.1 Corporate matters

TerraCom Bidco intends to:

- (i) cause UNV to apply to the ASX to delist UNV if TerraCom Bidco holds at least 75% of the Shares but less than 90%. Otherwise, TerraCom Bidco intends to consider whether it is appropriate to maintain UNV's listing on ASX, having regard to considerations such as the costs associated with maintaining that listing, TerraCom Bidco's final level of ownership, the number of remaining shareholders in UNV and the level of trading in UNV Shares and the considerations in ASX Guidance Note 33; and
- (ii) if UNV Shares are in fact delisted, consider procuring that UNV be re-registered as a private company.

It is possible that, even if TerraCom Bidco is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Chapter 3 of Part 28 of the UK Companies Act, TerraCom Bidco may subsequently become entitled to exercise rights of general compulsory acquisition. If so, TerraCom Bidco currently intends to exercise those rights.

If at the close of the Offer TerraCom Bidco holds more than 50% but fewer than 75% of all of the UNV Shares in issue, TerraCom Bidco may, during the six month period after the Closing Date, purchase further UNV Shares from UNV Shareholders at prices not exceeding the Offer Consideration and, following the expiry of the six month period after the Closing Date, purchase further UNV Shares from UNV Shareholders at such price as it determines appropriate, and shall not be obligated to make an offer to the remaining UNV Shareholders on the same terms.

4.2 Operational review

After the end of the Offer Period, TerraCom Bidco intends to propose to the UNV Board that an immediate, broad based review of UNV's operations be conducted on both a strategic and financial level. TerraCom Bidco intends, subject to the approval of the UNV Board, to participate in this review.

4.3 Limitations in giving effect to intentions

The ability of TerraCom Bidco to implement the intentions set out in this paragraph 4 will be subject to the legal obligations of UNV directors to have regard to the interests of UNV and all UNV Shareholders, and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties. TerraCom Bidco will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

5. **INTENTIONS FOR UNV IF NOT CONTROLLED BY TERRACOM BIDCO**

If UNV does not become a controlled entity of TerraCom Bidco:

- TerraCom Bidco does not expect to be in a position to give effect to the intentions set out in paragraph 3 of this Part VI; and
- TerraCom Bidco's current intention is to continue to hold any stake in UNV with a view to maximising returns for its investment (this may result in TerraCom Bidco acquiring additional shares, to the extent permitted by law).

6. **OTHER INTENTIONS**

Subject to the matters described above in this Part VI and elsewhere in this document and, in particular, the completion of the review of UNV's operations, it is the intention of TerraCom Bidco, on the basis of the facts and information concerning UNV that are known to it and the existing circumstances affecting the assets and operations of UNV at the date of this document, that:

- the business of UNV will be conducted in the same manner as at the date of this document;
- there will be no redeployment of the fixed assets of UNV; and
- the present employees of UNV will, where practicable, continue to be employed by UNV.

PART VII

AUSTRALIA TAXATION

TAXATION CONSIDERATIONS FOR AUSTRALIAN SHAREHOLDERS OF UNV

1. AUSTRALIA

The following comments are intended to provide a general overview of the Australian tax implications for Australian residents whose UNV Shares are acquired under the terms of the Offer.

The following comments are based on the tax law in Australia in force, established interpretations of that law and understanding of the practice of the relevant tax authority as at the date of this document. The following summary does not take into account the tax law of countries other than Australia.

This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each UNV Shareholder. Australian tax laws are complex. The tax consequences discussed in this section do not take into account or anticipate any changes in law (by legislation or judicial decision) or any changes in the administrative practice or interpretation by the relevant authorities. If there is a change, including a change having retrospective effect, the tax consequences should be reconsidered by UNV Shareholders in light of the changes. The precise implications of the acquisition of UNV Shares under the Offer will depend upon the specific circumstances of each UNV Shareholder. Accordingly, UNV Shareholders should seek their own professional advice on the taxation implications of their UNV Shares being acquired under the Offer, taking into account their specific circumstances.

The following comments only deal with the Australian taxation implications of the Offer to UNV Shareholders who are individuals, companies, trusts and superannuation funds who are residents for Australian income tax purposes, who have acquired (or are taken to have acquired) the UNV Shares on or after 20 September 1985 and who hold the UNV Shares on capital account.

These comments do not apply to UNV Shareholders who hold their UNV Shares as trading stock or on revenue account, who are exempt from Australian income tax or who are subject to the Taxation of Financial Arrangements regime in Division 230 of the Income Tax Assessment Act 1997 (Cth).

2. AUSTRALIAN TAX IMPLICATIONS ARISING ON DISPOSAL OF UNV SHARES

The disposal of UNV Shares under the Offer will constitute a CGT event for Australian CGT purposes.

As the consideration for the UNV Shares will consist of cash and shares in TerraCom (TerraCom Shares), an elective CGT scrip for scrip roll-over relief may be available in respect of part of any capital gain arising (discussed further below).

Where CGT scrip for scrip roll-over relief does not apply or is not chosen, broadly, the amount of the capital gain will be the amount (if any) by which the capital proceeds received exceed the cost base of the UNV Shares.

The capital proceeds from the CGT event will be the total of the cash you are paid and the market value at the time of the CGT event of the TerraCom Shares received in exchange for the UNV Shares.

The CGT cost base of the UNV Shares should generally be equal to the issue price or acquisition price of the UNV Shares plus, among other things, incidental costs associated with the acquisition and disposal of the Shares (such as broker fees). The CGT cost base of the UNV Shares may be reduced as a result of receiving non-assessable distributions from UNV, such as returns of capital.

All capital gains and losses recognised by an Australian tax resident for an income year are added together. To the extent that a net capital gain exists, the UNV Shareholders should be able to reduce the gain by any amount of unapplied net capital losses carried forward from previous income years (provided certain loss recoupment tests are satisfied). Any remaining net capital gain (after the application of any carried forward capital losses) will then be required to be included in the Australian tax resident UNV Shareholder's assessable income (subject to the comments below in relation to the availability of the CGT discount concession) and will be taxable at the UNV Shareholder's applicable rate of tax.

Net capital losses are capable of being carried forward indefinitely, provided the relevant loss recoupment tests are satisfied. Capital losses cannot be offset against other assessable income.

Provided UNV Shareholders that are individuals, trusts, or complying superannuation entities acquired the UNV Shares more than 12 months before disposing them under the Offer, the capital gain otherwise liable to Australian tax may be reduced by a prescribed percentage.

For individuals and trusts, the CGT discount is 50%. For complying superannuation entities, the CGT discount is 33.3%. Trusts should seek specific tax advice concerning the tax consequences of distributions to beneficiaries attributable to discounted capital gains.

No such concession is available for UNV Shareholders that are companies and as such, any net capital gain realised will be assessable in full.

Where scrip for scrip roll-over does not apply or is not chosen, the first element of the CGT cost base of the TerraCom shares acquired under the offer will be equal to the market value of the TerraCom shares received.

3. **AVAILABILITY OF SCRIP FOR SCRIP ROLL-OVER RELIEF**

So long as TerraCom becomes the owner of 80% or more of the voting shares in UNV under the Offer, a UNV Shareholder who would otherwise make a capital gain on the disposal of the UNV Shares under the Offer may choose to apply the CGT scrip for scrip roll-over relief to the extent the capital gain is attributable to the TerraCom Shares received. The effect of the UNV Shareholder choosing to apply the CGT scrip for scrip roll-over relief is that:

- a portion of the capital gain arising on the disposal of UNV Shares is disregarded (i.e. taxation of the capital gain is effectively deferred until the TerraCom Shares received are disposed of); and
- the tax cost base in the TerraCom Shares is a portion of the tax cost base in the original UNV Shares.

In both cases, the relevant portion is equal to the market value at the time of the CGT event of the TerraCom shares received as a portion of the total consideration (i.e. cash and TerraCom shares) you receive.

There is no formal notification process for choosing to obtain the CGT roll-over. A claim to the CGT roll-over relief is evidenced in the preparation of the UNV

Shareholder's income tax return by excluding the capital gain that would have arisen from the tax return.

Note that CGT scrip for scrip roll-over relief is not available if you would otherwise make a capital loss on the disposal of your UNV Shares.

SOUTH AFRICAN CAPITAL GAINS TAX AND WITHHOLDING REQUIREMENT

Where a UNV Shareholder (together with any connected person) holds at least 20% of the Shares in UNV, the said UNV Shareholder may have capital gains tax consequences in South Africa. If the disposal results in a capital gains tax event in South Africa, TerraCom will be required to withhold a specified percentage of the amount payable for the acquisition of the UNV Shares. For these purposes, the amount payable by TerraCom is the value of the TerraCom shares to be issued under the Offer.

The amount to be withheld is 7.5% if the UNV Shareholder is a natural person, 10% if the UNV Shareholder is a company or 15% if the UNV Shareholder is a trust.

UNV Shareholders (together with any connected person) holding 20% or more of UNV's shares on issue should seek specific tax advice concerning the application of the capital gains tax and withholding requirement to their own particular circumstances.

TAXATION CONSEQUENCES OF THE OFFER FOR UNV AND TERRACOM

The following comments are limited to the taxation consequences arising solely from the implementation of the Offer.

UNV

As a taxation due diligence has not been undertaken in respect of UNV, the following comments are of a general nature only.

Based on advice received by the Directors, the Directors are of the view that there should be no materially adverse UK or South African taxation consequences arising solely from implementation of the Offer.

It is also noted that any possible future changes in the group structure, governance of UNV or management of UNV's operations have not yet been considered. Any such changes may have taxation consequences which have not been considered as they will depend on the nature of any changes made.

UK Stamp duty and stamp duty reserved tax (SDRT)

There are two UK stamp taxes that could be payable upon implementation of the Offer, stamp duty and SDRT. In both cases, to the extent a tax arises it should be paid by the purchaser, i.e. TerraCom (either by convention in the case of stamp duty, or under the law in the case of SDRT). The rate of tax is 0.5% of the consideration.

An exemption from UK stamp duty or SDRT is available if UNV CDIs which meet the definition of a depositary receipt are purchased, or where UNV Shares held on an Australian register are purchased.

To the extent that any of the UNV Shares purchased under the Offer are held on a UK share register and will be transferred in either a materialised form (a stock transfer form) or a dematerialised form (e.g. traded on CREST), any such transfer is likely to be subject to stamp duty and SDRT at the rate of 0.5% of the consideration provided.

Based on advice received by the Directors, the Directors are of the view that there should be no material exposure to UK stamp duty or SDRT should arise from implementation of the Offer.

TerraCom

There should be no adverse Australian income tax consequences for TerraCom resulting from the acquisition of 100% of the UNV Shares. As UNV will remain a non-resident of Australia for income tax purposes, there should be no impact on the Australian income tax position of TerraCom as a result of the acquisition.

As noted above, where a UNV Shareholder (together with any connected person) holds at least 20% of the Shares in UNV, TerraCom may be required to withhold a specified percentage of the amount payable for the acquisition of the UNV Shares.

PART VIII

FINANCIAL INFORMATION AND OUTLOOKS

1. FINANCIAL INFORMATION RELATING TO TERRACOM AND TERRACOM BIDCO

The following table sets out the financial information in respect of TerraCom. The documents (or parts thereof) referred to below are incorporated into this document by reference.

If you are reading this document in hard copy, please enter the web address below in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web addresses below to be brought to the relevant document.

<u>Document</u>	<u>Website where such document is available for inspection</u>
TerraCom 2018 Annual Report	www.terracomresources.com or www.asx.com.au/asxpdf/20181026/pdf/43zmw4shg6k7tw.pdf The audited consolidated accounts are set out on pages 69 to 138
TerraCom 2019 Annual Report	www.terracomresources.com or www.asx.com.au/asxpdf/20191018/pdf/449mr0hb7zpd3k.pdf The audited consolidated accounts are set out on pages 77 to 132

The information is available in "read-only" format and can be printed from the web address detailed above.

TerraCom Bidco is a private company incorporated in Singapore on 29 October 2019, and wholly owned by TerraCom. TerraCom Bidco's only assets are 104,467,056 UNV Shares, acquired under a binding agreement dated 30 October 2019. TerraCom Bidco has not since incorporation carried on any other activities other than its existing investment in UNV Shares.

2. TERRACOM AND TCIG OUTLOOK INFORMATION

There are no current outlooks publicly accorded to TerraCom or TerraCom Bidco by ratings agencies.

3. FINANCIAL INFORMATION RELATING TO UNV

The following table sets out the financial information in respect of UNV. The documents (or parts thereof) referred to below are incorporated into this document by reference.

If you are reading this document in hard copy, please enter the web address below in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web addresses below to be brought to the relevant document.

Document	Website where such document is available for inspection
UNV 2018 Annual Report	www.universalcoal.com or www.asx.com.au/asxpdf/20180928/pdf/43yr6tc638skzz.pdf The audited consolidated accounts are set out on pages 59 to 125
UNV 2019 Annual Report	www.universalcoal.com or www.asx.com.au/asxpdf/20190930/pdf/449070fzk8pdfx.pdf The audited consolidated accounts are set out on pages 53 to 128

The information is available in "read-only" format and can be printed from the web address detailed above.

4. **UNV OUTLOOK INFORMATION**

So far as TerraCom Bidco is aware, there are no current outlooks publicly accorded to UNV by ratings agencies.

Request for hard copies

Please see paragraph 14.2 of Part X (*Additional Information*) of this document for details of obtaining hard copies of documents incorporated by reference into this document.

No incorporation of website information

Neither the content of TerraCom's or UNV's website, nor the content of any website accessible from hyperlinks on TerraCom's or UNV's website, is incorporated by reference into, or forms part of, this document.

PART IX

RISK FACTORS

The market value of TerraCom Shares will be influenced by the various risks associated with TerraCom Group's business, which can be broadly categorised into risks relating to the acquisition, specific business risks of the Merged Group and general risks. To fully understand the risks associated with an investment in TerraCom Shares, this Prospectus should be read in its entirety.

Following the acquisition of UNV, the Merged Group will operate in the coal industry in Australia, South Africa and Mongolia. There are a number of factors, both specific to the Merged Group and to the coal industry in general, which may, either individually or in combination, affect the future operating and financial performance of the Merged Group, its prospects and/or the value of TerraCom Shares. Many of the circumstances giving rise to these risks are beyond the control of the TerraCom directors and the Merged Group management.

Careful consideration should be given to the following risk factors, as well as the other information contained in this Prospectus as well as other publicly available information, before an investment decision is made. Some of the risks may be mitigated by the Merged Group using safeguards and appropriate systems and taking certain actions. Some of the risks may be outside the control of the Merged Group and not capable of mitigation. There are also general risks associated with any investment in securities.

Risks relating to the offer and the creation of the Merged Group

Acquisition and integration risks

There are risks that any integration between the businesses of TerraCom and UNV may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel, suppliers or other contractual arrangements.

TerraCom also expects to incur a number of costs in relation to the acquisition and integration of UNV. The actual costs of the integration process may exceed those estimated and there may be further additional and unforeseen expenses incurred in connection with the acquisition.

TerraCom will also incur legal, accounting, financial adviser and transaction fees and other costs in relation to the acquisition, some of which are payable whether or not the acquisition reaches Completion. Although the TerraCom directors believe that the integration and acquisition costs will be more than offset by the realisation of the benefits resulting from the acquisition, this net benefit may not be achieved in the short-term or at all, particularly if the acquisition is delayed or does not complete. These factors could materially adversely affect the business, financial conditions, results of operations and prospects of the TerraCom Group and the Merged Group.

Issue of TerraCom Shares as consideration

UNV Shareholders are being offered consideration under the Offer that consists of a specified number of New TerraCom Shares, rather than a number of TerraCom Shares with a specified market value. As a result, the value of the consideration will fluctuate depending upon the market value of the TerraCom Shares.

Furthermore, under the Offer, TerraCom will issue a significant number of TerraCom Shares. Some UNV Shareholders may not intend to continue to hold their New TerraCom Shares and may wish to sell them on ASX. There is a risk that if a significant number of UNV Shareholders seek to sell their TerraCom Shares, this may adversely impact the price of TerraCom Shares.

Accounting for the Offer

TerraCom will be required to perform a fair value assessment of all UNV's assets and liabilities if the Offer is successful. This assessment may result in increased non-cash depreciation and amortisation charges. There is a risk that these changes may be substantially greater than those would exist in TerraCom and UNV as separate businesses. This may reduce the future earnings of the Merged Group.

Dividends

TerraCom's dividend policy is to pay a minimum of 1 cent per fully paid ordinary share per 6 month reporting period. However, the payment of dividends (if any) by TerraCom is determined by the TerraCom Board from time to time at its discretion, and is dependent upon factors including the profitability and cash flow of TerraCom's business at the relevant time. Any dividends paid by TerraCom in the future will be subject to similar considerations.

The Merged Group will operate in a cyclical sector, in which financial characteristics (such as commodity prices, foreign exchange rates and energy costs) vary and as a result will have an impact on profit and cash flow generation. This may result in variations in the capability of the Merged Group to make dividend payments to shareholders through varying business cycles.

Acquisitions

TerraCom regularly identifies and assesses potential opportunities for acquisitions and growth initiatives where it considers the opportunities may create shareholder value. The Merged Group will continue to identify and assess such opportunities. While the Merged Group intends to undertake appropriate due diligence to properly assess any such opportunities, these transactions involve inherent risks. These risks could cause the Merged Group not to realize the benefits anticipated to result from such transactions (or the benefits may take longer than expected to be realized), which may have a material adverse effect on the Merged Group's ability to grow and on its financial position and financial performance. In addition, acquisitions may be funded by the issue of additional TerraCom Shares, which may dilute TerraCom shareholders, or by debt, which will affect the Merged Group's balance sheet accordingly.

Financing risks and capital requirements

The Merged Group's capital requirements will depend on a number of factors. While TerraCom expects the Merged Group to have sufficient funding in relation to its existing operations (based on existing estimates of funding requirements), funding requirements may change in the future depending on multiple factors including (without limitation) further acquisitions, divestments and commodity prices.

The Merged Group may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Merged Group will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Merged Group's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Merged Group or at all. If the Merged Group is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on TerraCom's operations and financial position.

In the ordinary course of operations and development, TerraCom will be required to issue financial assurances, particularly assurances and bond/bank guarantee instruments, to secure statutory and environmental performance undertakings and commercial arrangements. TerraCom's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.

Due Diligence

Information relating to UNV that has been presented in, or omitted from, this Prospectus, including all UNV financial information, has been based on publicly available information. TerraCom has not yet had the opportunity to carry out due diligence in respect of UNV. Any inaccuracy or omission in such publicly available information may adversely affect the results of operations of the Merged Group.

In addition, UNV may be a party to contracts that grant the counterparty certain rights (including review or termination) on a change of control of UNV. An exercise of these rights by a counterparty may adversely affect UNV or the Merged Group.

Risks associated with retention of a minority stake

There are some risks associated with the Offer for UNV Shareholders who do not accept the Offer and remain UNV Shareholders. If, in connection with or following the Offer, TerraCom acquires between 90% and 100% of the UNV Shares, TerraCom may be entitled to compulsorily acquire the remaining shares of the UNV Shareholders.

If, in connection with the Offer, TerraCom acquires more than 50% but less than 90% of the UNV Shares, TerraCom will hold a controlling interest in UNV. The remaining UNV Shareholders will be in a minority position in a company with a large controlling shareholder whose objectives for the company may differ from their own. They could also encounter a lower level of liquidity in UNV Shares than exists today, which could result in a lower price for those UNV Shares should they wish to sell them in future.

If at the close of the Offer TerraCom Bidco holds more than 50% but fewer than 75% of all of the UNV Shares in issue, TerraCom Bidco may, during the six month period after the Closing Date, purchase further UNV Shares from UNV Shareholders at prices not exceeding the Offer Consideration and, following the expiry of the six month period after the Closing Date, purchase further UNV Shares from UNV Shareholders at such price as it determines appropriate, and shall not be obligated to make an offer to the remaining UNV Shareholders on the same terms.

If, following the Offer, TerraCom does not acquire at least 50% of the UNV Shares, it may hold a non-controlling interest in UNV. If this occurred, it is possible that TerraCom and another person or persons could each hold large minority interests in UNV. In such a situation, any commercial misalignment between large minority shareholders could impact on the efficient and effective governance of UNV and could adversely affect its ongoing performance.

Potential unavailability of CGT scrip for scrip rollover relief

So long as TerraCom becomes the owner of 80% or more of the voting shares in UNV under the Offer, a UNV Shareholder who would otherwise make a capital gain on the disposal of the UNV Shares under the Offer may choose to apply the CGT scrip for scrip roll-over relief to the extent the capital gain is attributable to the TerraCom Shares received. The effect of the UNV Shareholder choosing to apply the CGT scrip for scrip roll-over relief is that:

- a portion of the capital gain arising on the disposal of UNV Shares is disregarded (i.e. taxation of the capital gain is effectively deferred until the TerraCom Shares received are disposed of); and
- the tax cost base in the TerraCom Shares is a portion of the tax cost base in the original UNV Shares.

In both cases, the relevant portion is equal to the market value at the time of the CGT event of the TerraCom shares received as a portion of the total consideration (i.e. cash and TerraCom shares) you receive. If TerraCom does not obtain 80% or more of the voting shares in UNV under the Offer it will not be possible for UNV Shareholders to apply the CGT scrip for scrip roll-over relief in this manner.

Specific Business Risks

The Merged Group will operate in the coal sector in South Africa, Mongolia and Australia. There are a number of factors, both specific to the Merged Group and to the coal sector in general, which may, either individually or in combination, affect the future operating and financial performance of the Merged Group, its prospects and/or the value of TerraCom shares. Many of the circumstances giving rise to these risks are beyond the control of the Merged Group's Directors and its management. The major risks believed to be associated with investment in the Merged Group are as follows:

Development risk

There is a risk that circumstances (including unforeseen circumstances) may cause a delay to project development, exploration milestones or other operating factors, resulting in receipt of revenue at a later date than expected. Additionally, the construction of new projects/expansion by the Merged Group may exceed the currently envisaged timeframe or cost for a variety of reasons outside the control of the Merged Group.

Country Risks

There is a risk that circumstances (including unforeseen circumstances) in either South Africa, Mongolia, Australia or Singapore may cause a delay to project development, exploration milestones or other operating factors, resulting in receipt of revenue at a later date than expected. There is also a risk that a change in laws may impact the viability of the projects.

Financing Risks

To meet ongoing working capital requirements, interest and principal payment and capital expenditure at the mines of the Merged Group, additional funding may be required. The TerraCom and UNV funding plans and basis of preparation of the financial statements on a going concern basis are disclosed in Note 1 of their respective financial statements. If adequate funds are not available on acceptable terms, the Merged Group may be unable to fund its operations and/or any expansion and growth opportunities.

Competition Risk

The industry in which the Merged Group is involved is subject to domestic and global competition. While the Merged Group will undertake all reasonable due diligence in its business decisions and operations, the Merged Group will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Merged Group's projects and business.

Resources and Reserves Risk

The future success of the Merged Group will depend on its ability to find or acquire coal reserves that are economically recoverable. There can be no assurance that the Merged Group's planned exploration activities will result in significant resources or reserves or that it will have success mining coal. Even if the Merged Group is successful in finding or acquiring coal reserves or resources, reserve and resource estimates are estimates only and no assurance can be given that any particular level of recovery from coal resources or reserves will in fact be realised or that an identified coal resource will ever qualify as commercially viable which can be legally and economically exploited.

Market fluctuations in the price of coal, as well as increased production costs or reduced recovery rates may render coal reserves and resources containing relatively lower grades of mineralisation uneconomic and may ultimately result in a restatement of reserves and or resources. Short-term operating factors relating to the coal reserves and resources, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period and may adversely affect the Merged Group's profitability. The mining of coal involves a

high degree of risk, including that the coal mined may be of a different quality, tonnage or strip ratio from that estimated.

Exploration and Evaluation Risk

Mineral exploration and development are high risk undertakings. While the Merged Group has attempted to reduce this risk by selecting projects that have identified prospective mineral targets, there is still no guarantee of success. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The Merged Group's exploration and appraisal activities are dependent upon the grant and maintenance of appropriate licences, permits, resource consents, access arrangements and regulatory authorities (authorisations) which may not be granted or may be withdrawn or made subject to limitations. Although the authorisations may be renewed following expiry or granting (as the case may be), there can be no assurance that such authorisations will be renewed or granted on the same terms. There are also risks that there could be delays in obtaining such authorisations. If the Merged Group does not meet its work and/or expenditure obligations under its authorisations, this may lead to dilution of its interest in, or the loss of such authorisations. The business of commodity development and production involves a degree of risk. Amongst other factors, success is dependent on successful design, construction and operation of efficient gathering, processing and transportation facilities. Even if the Merged Group discovers or recovers potentially commercial quantities of coal from its exploration activities, there is no guarantee that the Merged Group will be able to successfully transport these resources to commercially viable market or sell the resources to customers to achieve a commercial return.

Operational Risk

The Merged Group's coal mining operations are subject to operating risks that could impact the amount of coal produced or processed at its coal mines, delay coal deliveries or increase the cost of mining for varying lengths of time. These include failure to achieve predicted grade in exploration, mining and processing, technical difficulties encountered in operating plant and equipment, mechanical failure, metallurgical problems which affect extraction rates and costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages or increase in the costs of consumables, spare parts, plant and equipment. Geological uncertainty is also an inherent operational risk which could result in pit wall failures, rock falls or other failures to mine infrastructure.

Environmental Risk

The Merged Group's projects are subject to laws and regulations regarding environmental matters. Many of the activities and operations of the Merged Group cannot be carried out without prior approval from and compliance with all relevant authorities. The Merged Group intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Merged Group could be subject to liability due to risks inherent to its activities, such as groundwater contamination, subsidence, accidental spills, leakages or other unforeseen circumstances.

Market Risks - Coal Price and Foreign Currency

The Merged Group's plans for any revenue are to be derived mainly from the sale of coal and/or coal products. Consequently, the Merged Group's financial position, operating results and future growth will closely depend on the market price of each of these commodities. Market prices of coal products are subject to large fluctuations in response to changes in demand and/or supply and various other factors. These changes can be the result of uncertainty or several industry and macroeconomic factors beyond the control of the Merged Group, including political instability, governmental regulation, forward selling by producers, climate, inflation, interest rates and currency exchange rates. If market prices of the commodities sold by the Merged Group were to fall below production costs for these products and remain at that level for a sustained period of time, the Merged Group would be likely to experience losses, having a material adverse effect on the Merged Group. TerraCom does not currently hedge against coal price and foreign exchange.

Acquisitions and Commercial Transactions

Acquisitions and commercial transactions are completed by the Merged Group with the principal objective of growing the Merged Group's portfolio of assets. Risks associated with these transactions include adverse market reaction to proposed and/or completed transactions, further exploration and evaluation activities not meeting expectations, and the imposition of unfavourable or unforeseen conditions, obligations and liabilities.

Infrastructure Risks

Coal sold from the Merged Group's mining operations is transported to customers by a combination of trucks, rail and ship. A number of factors could disrupt these transport services, including a failure of infrastructure providers to increase capacity in order to meet future export requirements. Rail and port capacity is obtained predominantly through contract arrangements which includes take-or-pay provisions which require payment to be made irrespective of whether the service is actually used.

Counterparty Risk

The Merged Group deals with a number of counterparties, including customers and suppliers. Risks include non-supply or changes to the quality of key inputs which may impact costs and production at its mining operations, or failure of suppliers or customers to perform against operational and sales contracts.

Climate Change Risk

The physical and non-physical impacts of climate change may affect the Merged Group's assets, production and the coal markets where its thermal coal products are sold. These impacts may include severity and frequency of weather patterns, policy and regulatory change, and coal demand responses.

Legislative changes, government policy and approvals

Changes in government regulations and policies in Australia, South Africa, Mongolia and Singapore may adversely affect the financial performance of the Merged Group. The Merged Group's operations will be subject to various national, state and local laws and plans in these international jurisdictions, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development.

Approvals, licences and permits required to comply with such rules and regulations are subject to the discretion of the applicable government officials. No assurance can be given that TerraCom will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Merged Group may be limited or curtailed from continuing or proceeding with exploration, production or development.

TerraCom cannot guarantee that all or any licences or permits in which the Merged Group has interests will be renewed. Such renewals are at the discretion of relevant government bodies and ministries in the jurisdiction, and often depends on the Merged Group being successful in obtaining other required statutory approvals for its proposed activities. There is no assurance that such renewals will be granted, nor that they will be granted without different or further conditions attached.

South African Exchange Control restrictions

The ability of the Merged Group, and its South African subsidiaries and their operations, to transfer funds out of South Africa and enter into agreements which require or potentially require the transfer of funds out of South Africa is subject to South African Exchange Control Regulations. The South African Reserve Bank, and in particular its Exchange Control Department, has been delegated the authority to administer the South African exchange control system. The Exchange Control Department has wide discretion that is exercised in accordance with the Exchange Control Regulations and in particular its exchange control rulings in line with policy guidelines laid down by the South African Minister of Finance.

Any cash flows out of South Africa are regulated by Exchange Control Regulations. If the Merged Group makes an application to the South African Reserve Bank for a transfer of funds out of South Africa or to enter into an agreement which will involve such a transfer, there can be no assurance that such transfer will be approved. Any failure to obtain the necessary approval, or the imposition of any restrictions on the Merged Group in respect of such transfer or agreement may have a material adverse effect on the Merged Group's business, results of operations, financial condition and/or growth prospects.

BEE Regulatory framework

Compliance with the BEE requirements set out in the Mining Charter is a prerequisite for the grant, renewal and retention of mining rights, and if the Minister so determines, prospecting rights in South Africa.

The DME's approach regarding arrangements which have been established to satisfy the relevant BEE requirements is continuing to evolve and there is a risk that the DME may determine that arrangements which previously satisfied the BEE requirements no longer do so. As a result, in the DME may threaten to or take action to suspend or cancel mining or prospecting rights if, in the DME's view, the requirements of the Mining Charter and the MPRDA are not being satisfied.

There is a risk that the South African government may attempt to amend the Mining Charter or otherwise introduce more onerous BEE requirements. Any such change to the BEE requirements, or to the DME's view regarding the ability of certain arrangements to satisfy the requirements, may force the Merged Group to change its BEE arrangements, possibly at greater cost and/or commercially disadvantageous terms, which could have a material adverse effect on the Merged Group's business, results of operations, financial condition and/or growth prospects.

Title risk

Coal mining and exploration licences are granted subject to various conditions. Failure to comply with conditions may lead to forfeiture. All of the licences in which the Merged Group has or may have an interest will be subject to renewal. If any of the licences are not renewed for any reason, the Merged Group may suffer damage through loss of opportunity to develop.

The Native Title Act 1993 (Cth) recognises and protects the rights and interest in Australia of Aboriginal and Torres Strait Islander people in land and waters according to their traditional laws and customs. Native title may impact the Merged Group's operations and future plans. Native title is not generally extinguished by the grant of exploration and mining tenements, as they are not generally considered to be a grant of exclusive possession. However, a valid exploration or mining tenement prevails over native title to the extent of any inconsistency for the duration of the title.

There may be areas in relation to tenements which the Merged Group has an existing interest in, or will acquire an interest in the future, over which common law Native Title rights exist, or may be found to exist, which may preclude or delay exploration, development or production activities.

The Merged Group will also need to comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining and exploration operations.

Insurance

Insurance against all risks associated with mining operations is not always available or affordable. The Merged Group intends to maintain insurance where it is considered appropriate for the Merged Group's needs. However, the Merged Group is not insured against all risks either because appropriate cover is not available or because the TerraCom directors consider the required premiums to be excessive in the circumstances.

Land access arrangements

Mineral exploration, development and mining generally require consultation and agreement with landholders or other third parties in relation to access arrangements regarding underlying land. The Merged Group may be subject to restrictions associated with such land access arrangements, and may be required to pay compensation or adhere to other attached conditions. There is the further risk that landholders or other third parties may refuse access to the relevant land, which may negatively impact the Merged Group's capacity to further explore or develop any projects the subject of such land.

Unexpected natural or operational catastrophes

The operations of TerraCom and UNV may both be affected by various factors outside of TerraCom's control, including natural disasters and operational and technical catastrophes. These include flooding or adverse weather conditions, fires, explosions, rock falls, water ingress and seismic activity that affect the exploration, development or mining operations of the business.

Health, safety and hazardous materials

The potentially hazardous nature of exploration and mining mean that health and safety regulations impact the activities of the Merged Group. Any injuries or accidents that occur on a site of operations of the Merged Group could result in legal claims, potential delays or stoppages and other actions that could adversely affect the Merged Group.

Availability of resources

Fluctuations in the price and availability of resources required for the operations of the Merged Group, including materials required for operations, water and energy resources such as diesel, gas and other fossil fuels may materially impact the operations and financial performance and position of the Merged Group.

The Merged Group requires specific consumables, spare parts, plant and equipment and construction materials for its exploration, development and mining activities. Any delay, lack of supply or increase in price in relation to such equipment and material could adversely impact the financial performance and position of the Merged Group.

Infrastructure, transportation and remoteness of operations

The commodities expected to be produced by the Merged Group will be required to be transported to customers domestically and internationally. Each stage of the transportation process poses risks, including the initial remoteness of the Merged Group's projects. Fuel costs, unexpected delays and accidents could materially impact upon the Merged Group's financial performance and position.

Further, there are risks associated with the availability of adequate trucking, rail and port facilities and the process for obtaining approvals to access these facilities (including the timing and conditions on which access may be granted). If the Merged Group is not able to access

the required infrastructure within a certain time period or at a reasonable cost, this could adversely affect the Merged Group's operations and financial performance.

The price of sea freight, smelting and refining charges are market driven and can vary throughout the life of each project. These will also impact on the overall profitability of the Merged Group.

Key personnel and contractors

A number of key personnel are important to attaining the business goals of TerraCom and the Merged Group. One or more of these key employees could leave their employment, and this may adversely affect the ability of TerraCom and the Merged Group to conduct their business and, accordingly, affect the financial performance of TerraCom and the price of TerraCom Shares.

Recruiting and retaining qualified personnel are important to the success of the Merged Group. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons can be strong, depending on market conditions.

Any disputes with employees (through personal injuries, industrial matters or otherwise), change in labour regulations, or other developments in the area may cause labour disputes, work stoppages or other disruptions in production that could adversely impact the Merged Group.

The Merged Group may use external contractors or service providers for many of its activities, and as such the failure of any current or proposed contractors, subcontractors or other service providers to perform their contractual obligations may negatively impact the business of the Merged Group. TerraCom cannot guarantee that such parties will fulfil their contractual obligations and there is no guarantee that TerraCom would be successful in enforcing any of its contractual rights through legal action. Further, the insolvency or managerial failure by any such contractors or other service providers may pose a significant risk to TerraCom's operating and financial performance and financial position.

Import and export policies

The import and export policies of any jurisdiction in which the Merged Group operates or sells product to may change in the future. As the revenues of the Merged Group depend upon the process of exporting commodities, the profitability and financial position of TerraCom may be adversely affected by any such adverse import and export regulations.

General risks

General

The value of TerraCom Shares and prices at which they trade in the market are affected by a number of general factors which are beyond the control of TerraCom Group and its directors. Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices, local and international economic conditions and general investor sentiment. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither TerraCom Group nor its directors warrant the future performance of the Merged Group or any return on an investment in TerraCom Shares. Furthermore, access to additional equity sources in the future may be impacted by adverse market conditions.

Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Merged Group's exploration and future production

activities, as well as on its ability to fund those activities. Securities investors and potential investors should be aware that there are risks associated with any securities investment. Securities listed on a stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of TerraCom or the Merged Group's performance. Mining operations, as well as the Merged Group's customers, can be hampered by force majeure circumstances and cost overruns for unforeseen events which may have a negative impact on the Merged Group.

Share price volatility and share market risks

The share prices of quoted companies, in particular mining and exploration companies, can be highly volatile and shareholdings may be illiquid. The price at which the shares are quoted and the price which investors may realise for their shares may be influenced by a large number of factors, some of which are specific to TerraCom or the Merged Group and its operations and some of which may affect quoted companies generally. These factors include, without limitation: the operating performance of the Merged Group and market expectations of future performance; changes in general economic conditions and outlook, including interest rates, inflation rates, exchange rates, commodity prices and the demand for, and supply of, capital; natural disasters, terrorism events and other hostilities and conflicts; changes in government policies, taxation and other laws; large purchases or sales of shares by other investors; changes in investor sentiment towards particular market sectors and the equity markets in general; and other factors which are outside of the control of the Merged Group.

Liquidity risk

There can be no guarantee that there will always be an active market for TerraCom Shares or that the price of TerraCom Shares will increase. There may be relatively few buyers or sellers of shares on the ASX at any given time. This may affect the volatility of the market price of shares. It may also affect the prevailing market price at which TerraCom Shareholders are able to sell their TerraCom Shares. This may result in TerraCom Shareholders receiving a market price for their TerraCom Shares that is less than the deemed value of the Offer.

Equity dilution

TerraCom may elect to issue TerraCom Shares or other securities in TerraCom in the future. While TerraCom will be subject to the constraints of the Listing Rules regarding the percentage of capital that it is able to issue within a 12 month period (other than where exceptions apply), the increase in the number of securities issued and the possible sale of these securities may have the effect of depressing the price of TerraCom securities already on issue. In addition, TerraCom shareholders at the time may be diluted as a result of the issue of such securities.

Changes in tax rules or their interpretation

Changes in tax law (including value added or indirect taxes and stamp duties), or changes in the way tax laws are interpreted, may impact the Merged Group's tax liabilities or the tax treatment of a TerraCom shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in TerraCom Shares involves tax considerations which may differ for each TerraCom shareholder. Each UNV Shareholder is encouraged to seek professional tax advice in connection with the Offer and how they may be discretely impacted.

Environmental risk

The operations and activities of the Merged Group are subject to the environmental laws and regulations of Australia, South Africa and Mongolia. As with all mining operations and exploration projects, the Merged Group's operations and activities are expected to have an impact on the environment.

The Merged Group is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Merged Group's cost of doing business or affect its operations in any area. Further, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Merged Group to incur significant expenses and undertake significant investments which could have material adverse effect on the Merged Group's business, financial condition and performance.

Counterparty risk

Counterparty risk

The financial performance of the Merged Group is potentially exposed to failure by counterparties to agreements, including product sales agreements. This may also lead to adverse financial consequences for the Merged Group and there can be no guarantee that the Merged Group would be able to recover the full amount of any loss through legal action.

Competition

The Merged Group competes with other coal mining production companies internationally. Some of these companies have greater financial and other resources than the Merged Group and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Merged Group will be able to compete effectively with these companies.

Discretion in use of capital

The TerraCom Board and management have discretion concerning the use of TerraCom and the Merged Group's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the Merged Group's financial and/or operational performance may suffer.

Force majeure events

Events may occur within or outside the jurisdictions in which the Merged Group will operate that could impact upon the economy in those jurisdictions, the Merged Group's operations and the price of TerraCom Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, uranium concentrate risk or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Merged Group's products and its ability to operate its assets. TerraCom has only a limited ability to insure against some of these risks.

Litigation

As at the date of this document, TerraCom is not aware of any material disputes or litigation being undertaken. However, it is possible that the Merged Group may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of the Merged Group.

PART X

ADDITIONAL INFORMATION

1. Responsibility

1.1 The TerraCom Responsible Persons, whose names are set out in paragraph 1.3 below, accept responsibility for the information contained in this document save that the only responsibility accepted by them in respect of information related to UNV, the UNV Group and the UNV Directors, which has been compiled from previously published sources, is to ensure that such information is correctly and fairly reproduced and presented.

1.2 To the best of the knowledge and belief of the TerraCom Responsible Persons (having taken all reasonable care to ensure that such is the case), whose names are set out in paragraph 1.3 below, the information contained in this document for which they are each responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.3 The TerraCom Responsible Persons are as follows:

Craig Wallace – Non-Executive Deputy Chairman, TerraCom
Philip Forrest – Director, TerraCom Bidco
Danny McCarthy – Chief Executive Officer, TerraCom
Nathan Boom – Chief Financial Officer, TerraCom
Megan Etccl – Company Secretary, TerraCom

2. Directors

2.1 The TerraCom Bidco Director and their respective position is as follows:

Philip Forrest – Director

The registered office of TerraCom Bidco is C:/ Abogado Pte Ltd, 8 Marina Boulevard #05-02, Marina Bay Financial Centre Tower 1, Singapore 018981, which is also the business address of the TerraCom Bidco Director.

2.2 The UNV Directors and their respective positions are as follows:

Mark Eames – Non-Executive Director and Interim Chairman
Hendrik Bonsma – Non-Executive Director
Paul Sanger – Non-Executive Director
Sammy Luvhengo – Executive Director, Director Business Development
Anton Weber – Executive Director, Chief Executive Officer
Wallace King (AO) – Non-Executive Director
Craig Ransley – Non-Executive Director

The registered office of UNV is 6th Floor, 60 Gracechurch Street, London, EC3V 0HR, which is also the business address of each of the UNV Directors.

3. Irrevocable undertakings

3.1 In aggregate, TerraCom Group has received irrevocable undertakings to accept the Offer from UNV Shareholders in respect of 142,852,084 UNV Shares, representing 27.3% of the existing issued share capital of UNV.

- 3.2 TerraCom Bidco has received irrevocable undertakings to accept the Offer in accordance with the terms of this document:

Name of UNV Shareholder (including UNV CDI Holder)	Number of UNV Shares	Percentage of UNV issued share capital
Brasidas Investment Management LLC, on behalf of Brasidas Asia Event Driven Fund LP	50,323,950	9.6%
African Minerals Exploration & Development Fund SICAR on behalf of Coal Development Holdings B.V.	39,000,000	7.5%
Brasidas Investment Management LLC, on behalf of Walleye Manager Opportunities LLC	34,716,000	6.6%
Brasidas Investment Management LLC, on behalf of Boothbay Absolute Return Strategies LP	18,812,134	3.6%
Total	142,852,084	27.3%

- 3.3 The UNV Shares referred to in the table above are either held by the UNV Shareholder directly, held via a nominee or by the CDI Nominee on behalf of the UNV CDI Holder. In each case, the UNV Shareholder has undertaken to accept (and to use all reasonable endeavours to procure the acceptance of) the Offer in accordance with the terms of this document.

- 3.4 All of these irrevocable undertakings terminate and automatically cease to have any effect if:

- (a) the Announcement is not released by 5.00 p.m. (Sydney time) on 5 February 2020;
- (b) TerraCom Bidco announces that it does not intend to proceed with the Offer and no new, revised or replacement acquisition (to which the undertakings apply) is announced at the same time; or
- (c) the Offer lapses or is withdrawn and no new, revised or replacement acquisition (to which the undertakings apply) is announced at the same time.

- 3.5 In addition, these undertakings will remain binding unless a competing unconditional offer of equivalent to 15% higher than the 33.5 cent Offer Consideration is received prior to Offer becoming unconditional in all respects.

4. **Disclosure of interests of directors**

4.1 ***Interests in TerraCom Bidco shares***

As at the date of this document, none of the directors of TerraCom or TerraCom Bidco held any interests in TerraCom Bidco securities, other than indirectly through their ownership interests in TerraCom as outlined in Section 4.2.

4.2 **Interests in TerraCom shares**

As at the date of this document, the directors of TerraCom and TerraCom Bidco had the following interests in TerraCom securities:

Directors of TerraCom	Class of security	Number	Nature of interest (direct or indirect)
Wallace King AO (Wal)	Fully paid ordinary shares	1,850,862	Direct – 117,300 Indirect – 1,733,382
	Unlisted ordinary share options	128,761	Direct
Craig Wallace	Fully paid ordinary shares	10,200	Direct
	Unlisted ordinary share options	115,663	Direct
Matthew Hunter	Fully paid ordinary shares	1,592,309	Direct – 1,236,250 Indirect – 356,059
	Unlisted ordinary share options	52,814	Direct
Paul Anderson	Fully paid ordinary shares	79,199,730	Direct – 19,502 Indirect – 79,180,228
	Unlisted ordinary share options	52,814	Direct
Tsoqt Togoo	Unlisted ordinary share options	133,869	Direct
James Soorley	Fully paid ordinary shares	683,117	Indirect
	Unlisted ordinary share options	115,663	Direct
Glen Lewis	Fully paid ordinary shares	168,425	Indirect
Director of TerraCom Bidco	Class of security	Number	Nature of interest (direct or indirect)
Philip Forrest	Fully paid ordinary shares	162,770	Direct
	Unlisted ordinary share options	48,193	Direct

4.3 **Interests in UNV shares**

Other than as set out below, as at the date of this document, the directors of TerraCom and TerraCom Bidco had no interests in UNV securities, other than indirectly through their ownership interests in TerraCom as outlined in Section 4.

Directors of TerraCom	Class of security	Number	Nature of interest (direct or indirect)
Glen Lewis	Fully paid ordinary chess depository interests	75,000	Indirect

5. **Interests of the TerraCom Group in UNV Shares**

On 30 October 2019, TerraCom announced that it had reached a binding agreement for TerraCom Bidco to acquire 104,467,056 UNV Shares, being approximately 19.995% of the issued share capital of UNV. On 13 November 2019, TerraCom Bidco lodged a Form 603 (Notice of initial substantial holding) with UNV and the ASX following settlement and completion of the purchase.

6. **Disclosure of interests of certain persons**

Other than as set out below or elsewhere in this document no:

- director or proposed director of TerraCom or TerraCom Bidco;
- person named in this document as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this document;
- promoter of TerraCom or TerraCom Bidco; or
- underwriter to the issue of New TerraCom Shares or financial services licensee named in this document as being involved in the issue of New TerraCom Shares,

(together, the "**Interested Persons**") holds at the date of this document or held at any time during the last two years, any interest in:

- the formation or promotion of TerraCom or TerraCom Bidco;
- property acquired or proposed to be acquired by TerraCom or TerraCom Bidco in connection with its formation or promotion, or the offer of New TerraCom Shares under the Offer; or
- the offer of New TerraCom Shares under the Offer.

7. **Disclosure of fees and benefits received by certain persons**

Other than as set out in this document no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director or proposed director of TerraCom or TerraCom Bidco to induce him or her to become, or to qualify as, a director of TerraCom or TerraCom Bidco; or

- for services provided by an Interested Person in connection with the formation or promotion of TerraCom or TerraCom Bidco or the offer New TerraCom Shares under the Offer.

The persons named in this document as performing a function in a professional or advisory capacity in connection with the Offer and with the preparation of this document on behalf of TerraCom or TerraCom Bidco are Petra Capital as financial advisers.

The fee for professional services paid or payable to Petra Capital as financial adviser to TerraCom and TerraCom Bidco is up to approximately A\$2.8 million.

8. **Material contracts and offer-related arrangements**

- 8.1 There are no contracts, other than contracts entered into the ordinary course of business, which have been entered into by TerraCom or any of its subsidiaries during the period commencing on 12 February 2018 (being the date two years before the commencement of the Offer Period) which are, or may be, considered material.
- 8.2 TerraCom Bidco has not entered into any offer-related arrangement.

9. **ASX Waiver**

TerraCom has applied for and obtained approval from the ASX for a waiver of Listing Rule 7.1 in connection with the Share Offer, and therefore the Offer is not conditional on the receipt of approval from TerraCom shareholders with respect to the issue of New TerraCom Shares under the Share Offer.

10. **Bases and sources of information**

- 10.1 The value placed by the Offer on the existing issued and to be issued share capital of UNV on a fully diluted basis is based upon 522,471,758 UNV Shares as at 3 February 2020, being the date of the Announcement (and assuming no UNV Shares are held in treasury).
- 10.2 The Closing Price on 28 January 2020 or 3 February 2020 (as applicable) is taken from information published by ASX and Chi-X (as applicable).
- 10.3 Volume-weighted average prices have been derived from information published by ASX and Chi-X (as applicable) and have been rounded to the nearest single decimal place.
- 10.4 Unless otherwise stated, the financial information relating to UNV is extracted from the audited consolidated financial statements of UNV for the financial year ended 30 June 2019.
- 10.5 Certain figures included in this document have been subject to rounding adjustments.

11. **Consents**

- 11.1 Petra Capital has given and has not, before lodgement of this document with ASIC, withdrawn its written consent to the publication of this document with the inclusion herein of the references to its name in the form and context in which they appear.
- 11.2 Each of Link Market Services Australia and Link Asset Services has given and has not, before lodgement of this document with ASIC, withdrawn its written consent to be named in this document as the Australia Receiving Agent and UK Receiving Agent respectively in the form and context in which it is named.

12. **General**

- 12.1 So far as TerraCom Bidco and TerraCom are aware and save as publicly announced by UNV and except as disclosed in this document, there has been no significant change in the financial or trading position of UNV which has occurred since 30 June 2019, the date of the end of the last financial period for which either audited financial information or interim financial information was published.
- 12.2 Save as disclosed in this document, no proposal exists in connection with the Offer that any payment be made or given by TerraCom Bidco or TerraCom to any person as compensation for loss of office or as consideration for, or in connection with, their retirement from office.
- 12.3 Save as disclosed in this document, no agreement, arrangement or understanding (including compensation arrangement) exists between TerraCom Bidco or any member of the TerraCom Group and any of the UNV Directors, recent UNV Directors, UNV Shareholders, recent UNV Shareholders or person interests or recently interested in UNV Shares, having any connection with or dependence on, or which is conditional upon the outcome of, the Offer.
- 12.4 There is no agreement, arrangement or understanding whereby any UNV Shares to be acquired by TerraCom Bidco pursuant to the Offer will be transferred to any other persons except TerraCom Bidco reserves the right to transfer any UNV Shares acquired to any member of the TerraCom Group or any nominee. Save as disclosed in this document, no such person holds any interests in UNV securities.

13. **Documents available for inspection**

- 13.1 Copies of the following documents will be published by no later than 12 noon on the Business Day following the date of this document on TerraCom's website at www.terracomresources.com/unvoffer and will be made available until the end of the Offer Period:
- (i) the Announcement;
 - (ii) this document, the Form of Acceptance and CDI Acceptance Form;
 - (iii) the articles of association of TerraCom Bidco;
 - (iv) the constitution of TerraCom;
 - (v) the TerraCom 2019 Annual Report and the TerraCom 2018 Annual Report; and
 - (vi) the letter of consent referred to in paragraph 11 of this Part X.

14. **Documents incorporated by reference and hard copies**

- 14.1 Parts of other documents are incorporated by reference into, and form part of, this document. Part VII (*Financial information and outlooks*) of this document sets out which sections of such documents are incorporated into this document and the location of references to such documents within this document.
- 14.2 Any UNV Shareholder or other person to whom this document is sent by TerraCom Bidco may request a copy of the information incorporated by reference into this document (as set out in Part VIII of this document) in hard copy form. A hard copy of such documents will not be sent to such persons unless requested:
- (i) If you are a UNV Shareholder, you may request a hard copy of this document, the Form of Acceptance (and/or any information incorporated into it by reference from another source), by contacting the UK Receiving Agent on +44 (0)371 664 0321 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.

- (ii) If you are a UNV CDI Holder, you may request a hard copy of this document, the CDI Acceptance Form (and/or any information incorporated into it by reference from another source), by contacting the Australia Receiving Agent on +61 1300 330 255 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.

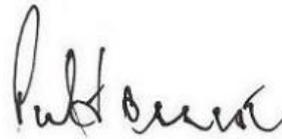
Calls may be recorded and randomly monitored for security and training purposes. The UK Receiving Agent and the Australia Receiving Agent cannot provide advice on the merits of the Offer or give any financial, legal or tax advice.

15. **Authorisation**

Pursuant to a resolution of the boards of TerraCom and TerraCom Bidco, each director of TerraCom and TerraCom Bidco has consented to the lodgement of this document with ASIC.



Craig Wallace
Deputy Chairman
Independent Director
TerraCom Limited



Philip Forrest
Director
TCIG Resources Pte Ltd

PART XI

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

Acceptance Condition	has the meaning set out in Section B of Part II (<i>Conditions to and further terms of the Offer</i>) of this document
Acceptance Shares	has the meaning set out in Section B of Part II (<i>Conditions to and further terms of the Offer</i>) of this document
Announcement	the announcement of the Offer made on 3 February 2020
ASIC	Australian Securities & Investments Commission
associated undertakings	has the meaning given in section 1151 of the UK Companies Act
ASX	ASX Limited ABN 98 008 62 691 and, where the context requires, the financial market that it operates which is known as the Australian Securities Exchange;
ASX Listing Rules	the listing rules of the ASX from time to time
ASX Settlement	ASX Settlement Pty Limited ABN 49 008 504 532, a company incorporated in Australia and a wholly owned subsidiary of ASX
Australia	the Commonwealth of Australia, its states, territories and possessions and all areas subject to its jurisdiction and any political sub-division thereof
Australia Receiving Agent	Link Market Services Australia
BEE	broad-based black economic empowerment in South Africa
Board	the board of directors of TerraCom
Business Day	a day (other than Saturdays, Sundays and public holidays in the United Kingdom and Australia) on which the banks are generally open for normal business in the City of London and Australia
CDI Acceptance Expiry Time	a sufficient reasonable time during the Offer Period to allow the Australia Receiving Agent to collate acceptances on behalf of UNV CDI Holders, procure the execution of a Form of Acceptance or the issue of an Electronic Acceptance by the CDN and send any Form of Acceptance (together with any relevant share certificate) to the Australia Receiving Agent before the close of the Offer. At the date of this document, TerraCom Bidco estimates this to be 7.00 p.m. (Sydney time) on 12 March 2020

CDI Acceptance Form (CHESS)	the CDI acceptance form attached to or accompanying this document pursuant to which UNV CDI Holders who hold UNV CDIs through UNV's CHESS Subregister accept the offer
CDI Acceptance Form (Issuer Sponsored)	the CDI acceptance form attached to or accompanying this document pursuant to which UNV CDI Holders who hold UNV CDIs through UNV's Issuer Sponsored Subregister may accept the offer
CDI Acceptance Forms	the CDI Acceptance Form (CHESS) and/or the CDI Acceptance Form (Issuer Sponsored)
CDI or CHESS Depository Interest	a unit of beneficial ownership that confers a beneficial interest in an underlying security which, in this case, is one UNV Share
CDN	Chess Depository Nominee Pty Limited ABN 75 071 346 506, a company incorporated in Australia and a wholly owned subsidiary of ASX
certificated or in certificated form	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST)
CHESS	Clearing House Electronic Subregister System
CHESS CDI Acceptance	an electronic takeover acceptance message submitted through CHESS in relation to the Offer to instruct the CDN to accept the Offer in respect of UNV Shares underlying and corresponding UNV CDIs
CHESS Participant	has the meaning given in Section 2 of the ASX Settlement Operating Rules
CHESS Subregister	has the meaning given in Section 2 of the ASX Settlement Operating Rules
Closing Date	the later of: <ul style="list-style-type: none"> • 16 March 2020; and • if prior to 16 March 2020, there is any order or other regulatory action that temporarily restrains any action necessary to conduct and settle the Offer, the earlier of: <ul style="list-style-type: none"> ○ 14 days from that restraint ceasing to apply; and ○ 16 April 2020
Closing Price	the closing price of a UNV Share or a TerraCom Share (as applicable) as at the close of trading on the day to which such quotation relates as derived from information published by the ASX and Chi-X (as applicable)
Code	the UK City Code on Takeovers and Mergers

Conditions	the conditions of the Offer set out in Section A Part II (<i>Conditions to and further terms of the Offer</i>) of this document
Controlling Participant	the CHES Participant who has the capacity in CHES to transfer the relevant UNV CDIs
Corporations Act	the Australian <i>Corporations Act 2001</i> (Cth)
CREST	the CREST electronic shareholding and settlement system operated by Euroclear
CREST Manual	the manual published by Euroclear for further information on the CREST procedure
DME	the South African Department of Mineral Resources and Energy
EBITDA	earnings before interest, tax, depreciation and amortisation
Form of Acceptance	the form of acceptance and authority relating to the Offer which (in the case of UNV Shareholders who hold their UNV Shares in certificated form) will accompany this document
Initial Stake	has the meaning given to it in paragraph 3 of Part I (<i>Letter from TerraCom Bidco</i>) of this document
ISIN	International Securities Identification Number
Latest Practicable Date	10 February 2020, being the latest Business Day before the date of this document
Merged Group	the group of companies resulting from the combination of the TerraCom Group and the UNV Group, should the Offer be successful
Mining Charter	BEE for the Mining and Minerals Industry, 2018
MPRDA	the <i>Mineral and Petroleum Resources Department Act, 2002</i> (South Africa)
New TerraCom Shares	up to approximately 251,889,633 new shares of TerraCom to be issued in connection with this Offer
Offer	an offer by TerraCom Bidco for the entire issued and to be issued share capital of UNV not already directly or indirectly owned by it
Offer Consideration	the consideration to be delivered under the terms of the Offer, comprising 10 cents and 0.6026 New TerraCom Shares
Offer Period	the period beginning on and including 12 February 2020 and ending on 1.00 p.m. (London time) on the Closing Date
Overseas Shareholders	UNV Shareholders who are resident in, ordinarily resident in, citizens of, jurisdictions outside Australia

Prospectus	the disclosure document under Ch 6D of the Corporations Act to be posted to UNV Shareholders containing the terms of the Share Offer, which will be accompanied by the Form of Acceptance to be completed by accepting UNV Shareholders (which also constitutes an application form for the New TerraCom Shares to be issued as Offer Consideration)
QIB	a "qualified investor buyer" as defined in Rule 144A under the US Securities Act
relevant securities	as the context requires: (i) UNV Shares and other securities of UNV carrying voting rights; (ii) equity share capital of UNV or, as the context requires, TerraCom; and (iii) securities of UNV or, as the context requires, of TerraCom carrying conversion or subscription rights into the foregoing
Restricted Jurisdiction	any jurisdiction where local laws or regulation may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available in that jurisdiction
Restricted UNV Shareholder	subject to certain exceptions as set out in this document, UNV Shareholders with a registered address in, or who are located in, a Restricted Jurisdiction
Share Offer	the offer of the New TerraCom Shares as consideration under the Offer
subsidiary	has the meaning given in section 1159 of the UK Companies Act
subsidiary undertakings	has the meaning given in section 1162 of the UK Companies Act
TerraCom Bidco	TCIG Resources Pte Limited
TerraCom Bidco Board or TerraCom Bidco Directors	the board of TerraCom Bidco
TerraCom 2018 Annual Report	the annual report and accounts of TerraCom for the financial year ended 30 June 2018
TerraCom 2019 Annual Report	the annual report and accounts of TerraCom for the financial year ended 30 June 2019
TerraCom	TerraCom Limited
TerraCom Group	TerraCom and its subsidiaries and subsidiary undertakings from time to time (including TerraCom Bidco)
TerraCom Responsible Persons	those persons whose names are set out in paragraph 1.3 of Part X (<i>Additional Information</i>) of this document
TerraCom Shareholder	a holder of TerraCom Shares
TerraCom Shares	shares in TerraCom, including New TerraCom Shares

UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK Companies Act	the Companies Act 2006 (as amended)
UK Receiving Agent	Link Asset Services
Uncertificated UNV Shares	UNV shares held in uncertificated form, that is, in CREST
United States	The United States of America, its territories and possessions, the District of Columbia and any state of the United States
UNV	Universal Coal plc
UNV 2018 Annual Report	the annual report and accounts of UNV for the financial year ended 30 June 2018
UNV 2019 Annual Report	the annual report and accounts of UNV for the financial year ended 30 June 2019
UNV Board or UNV Directors	the board of directors of UNV
UNV CDIs	a CDI in respect of which the underlying and corresponding security is one of UNV Share
UNV CDI Holders	a person who is the registered holder of one or more of UNV CDIs
UNV Group	UNV and its subsidiaries and subsidiary undertakings from time to time
UNV Shareholders	the registered holders of UNV Shares from time to time
UNV Shares	the ordinary shares in the capital of UNV and any further such ordinary shares which are unconditionally allotted or issued while the Offer remains open for acceptance
UNV Shares to which the Offer relates	the expression shall be construed in accordance with Chapter 3 of Part 28 of the UK Companies Act
US Securities Act	The US Securities Act of 1933, as amended
US UNV Shareholders	subject to certain exceptions, UNV Shareholders with a registered address in, or who are located in, the United States

A reference to "includes" shall mean "includes without limitation", and references to "including" and any other similar term shall be construed accordingly.

References to the singular include the plural and vice versa.

All references to "**Australian Dollars**", "**A\$**" or "**cents**" are to the lawful currency of Australia.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

This document will be despatched on 13 February 2020.