

Universal Coal Plc

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Universal Coal granted mining rights for Brakfontein

Universal Coal (ASX:UNV) has been granted mining rights over the Brakfontein coal project in South Africa.

The project is 50.29%-owned by the Department of Mineral Resources.

Brakfontein lies within 20 kilometres of UNV's Kangala Colliery in South Africa's Witbank coalfield, and has the potential to become the company's third mine.

With the Mining Right in hand and having already secured National Environmental Management Act authorisation, the project now only requires granting of the Integrated Water Use Licence and the Waste Licence before development activities can commence.

Brakfontein currently hosts a JORC compliant thermal coal resource of 87.6 million tonnes, of which 70.5 million is in the measured category.

UNV is progressing with a feasibility study, scheduled for finalisation by the end of the year.

The Kangala Colliery has excess capacity, enabling production to increase from its current 2.4Mtpa Run-of-Mine rate to 4.25 Mtpa.

Given Brakfontein's proximity, UNV is evaluating the trucking of coal to Kangala as an option in the feasibility study, substantially reducing capital development costs and the scale of the water licence required.

Ramping up of operations at Kangala is now complete and is delivering positive cash flow, with production and sales in line with forecasts, and export sales to start next month.

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1 Year Share Price Graph



Share Information

Code: UNV
Listing: ASX
Sector: Coal
Website: www.universalcoal.com

Company Synopsis:

Universal Coal Plc (ASX:UNV) is listed on the Australian Securities Exchange.

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