

15th November 2011

LARGE DIAMETER DRILLING RESULTS CONFIRM COKING COAL QUALITIES AND INCREASED YIELDS AT THE BERENICE-CYGNUS COKING COAL PROJECT

The Board of Directors of Universal Coal plc (“Universal Coal” or “Company”) is pleased to announce:

- All outstanding large diameter (8 inch) drill sample analysis and test work for Berenice-Cygnus have now been received.
- The results indicate that coking coal product yields in the practical mining situation may be significantly higher than previously indicated. On the basis of the information currently available, practical coking coal yields of between 20% and 22% for the combined S6, S8 and S12 Plies may be realistically obtained within the targeted mining areas, compared with a yield of 16% obtained from the slim diameter exploration drilling.
- That on the basis of the large diameter analysis the coking coal product has the following qualities:

IM %	Ash %	VM %	FC %	CV (Mj/kg)	S %	Phos %	FSI
2.05	11.75	36.0	50.2	30.1	1.00	0.009	7

- That coking coal could be classed as a high volatile soft coking coal with good caking properties (FSI = 7, Roga = 85, Grey King = G9), high vitrinite content (85%) and very high maximum Fluidity (+20,000 ddpm).
- The coal also yields a significant secondary thermal coal fraction with the following qualities:

Middling Type	Yield %	IM %	Ash %	VM %	CV (Mj/kg)	S %	Phos %
At 23.7CV Cut-off	27.4	1.91	27.6	30.2	23.77	1.5	0.01
At 21.0 CV Cut-off	39.2	1.91	34.1	27.7	21.25	1.6	0.008

The Berenice-Cygnus Coking Coal project hosts a JORC compliant coal resource of 1.325 billion gross in-situ tonnes (GIST) that includes 7.9 million tonnes Measured, 394.5 million tonnes Indicated and 922 million tonnes Inferred resources. Targeted opencast GIST resources total 585 million tonnes (after geological losses) in all categories (at a high wall cut-off of 3m³:1t).

ASX Code	UNV
Shares on Issue	209.7m
Cash at hand	\$8.1m
Share Price	\$0.29
Market Cap	\$60.8m
Options on Issue	26.6m

Chairman:	Dr Tony Harwood
CEO:	Tony Weber
Director:	Henri Bonsma
Director:	Shammy Luvhengo
Director:	John Hopkins

Registered Offices:

One America Square, Crosswall
London, EC3N 2SG

Tel: +44 (0) 207 264 4444

Fax: +44 (0) 207 264 4440

Registered in England and Wales
Company Number: 4482856

South Africa:

467 Fehrsen Street
Brooklyn 0182
Pretoria

Tel: +27 12 460 0805

Fax: +27 12 460 2417

Australia:

Level 2, 28 Kings Park Road
West Perth WA 6005

Tel: +61 8 6267 0210

Fax: +61 8 9481 1840

ARBN: 143 750 038

ASX Code: UNV

www.universalcoal.com

Commenting on the results of the large diameter samples from the Berenice-Cygnus coking coal project, Chairman Dr. Tony Harwood said, “We are delighted that the results of the large diameter sampling provided a better understanding of the type and quality of coking coal present at Berenice-Cygnus. We are also encouraged by the improved practical yields obtained from the large diameter holes and the determination of the coking coal and thermal coal characteristics of the coal as well as the significant targeted opencast resources of 558 million tonnes.”

Competent Person’s Statement

The information in this report that relates to Coal Resources or Ore Reserves relating to the Berenice-Cygnus Coal Project is based on information reviewed and compiled by Mr Nico Denner, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions. Mr Denner is employed by Gemecs (Pty) Ltd and has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves. Mr Denner consents to the inclusion in this report of this information in the form and context in which it appears.

The information in this update that relates to exploration results for the Berenice and Cygnus Projects is based on information reviewed and compiled by Mr Jaco Malan, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions. Mr Malan is employed by Universal Coal plc and has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves. Mr Malan consents to the inclusion in this report of this information in the form and context in which it appears.

Reporting on exploration results

The update has been compiled in accordance with the JORC Code, the recommendations and guidelines set out in the revised 2007 South African Code for The Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) and the rules and guidelines relating to the independent expert’s reports set by ASIC and ASX.

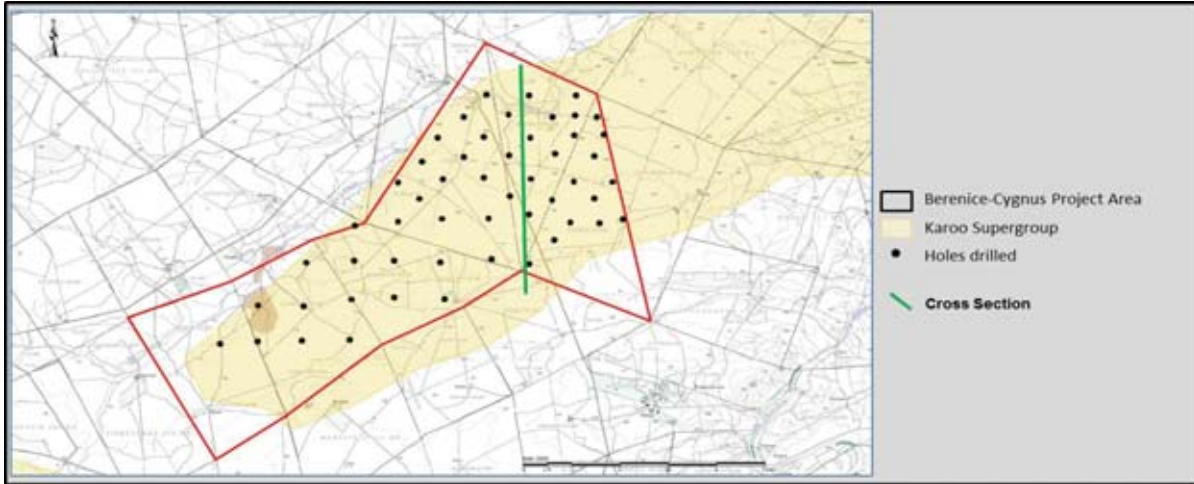


Figure 1: Drilling at Berenice/Cygnus

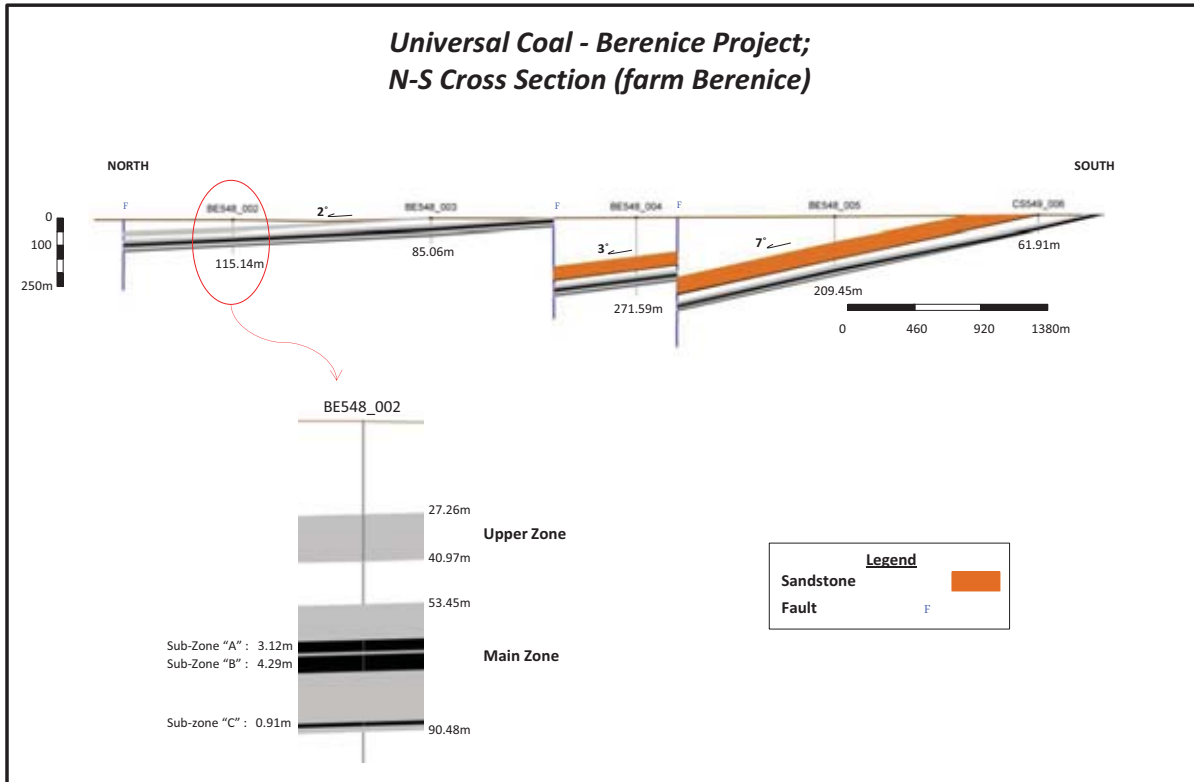


Figure 2: Berenice/Cygnus Project – N-S Cross Section

COAL RESOURCES SUMMARY

Project	Measured Millions of tonnes	Indicated Millions of tonnes	Inferred Millions of tonnes	Total Millions of tonnes
Thermal Coal (Witbank)				
Kangala ^{1,4}	48.7	4.4	70.9	124.0
Roodekop ^{2,6}	67.2	15.6		82.8
Brakfontein ^{3,4}		96.6	29.0	125.6
Total Thermal coal^{4,6}	115.9	116.6	99.9	332.4
Coking Coal (Limpopo)				
Berenice ⁵ – Cygnus ⁶	7.9	394.5	922.0	1324.4
Somerville ⁵			274.0	274.0
Total Coking Coal⁷	7.9	394.5	1,196.0	1,598.4
Total⁸	123.8	511.1	1,295.9	1,930.8

Notes:

1. Universal Coal has an attributable interest of 70.5% of these coal resources.
2. Universal Coal has earned 50% in the Roodekop Project via the completion of an agreement with its JV partner Xakwa Resources. Upon the completion of the feasibility study, Universal Coal has the option to acquire up to a 74% interest in the project.
3. Under the terms of the earn in agreement, Universal Coal is earning up to 50% in the Brakfontein Project via the completion of certain milestones (refer to Section of the Replacement Prospectus). Upon completion of these various milestones, Universal Coal's attributable interest increases and when all of the milestones are completed, Universal Coal will have an attributable interest of 50% in these coal resources (with the right to negotiate to acquire up to a 74% interest). Universal Coal currently has an attributable interest of 30% in these coal resources.
4. The Kangala and Brakfontein coal resources were estimated by Coffey Mining and Gemecs.
5. Under the terms of the earn in agreement, Universal Coal is earning up to 50% in the Berenice and Somerville Projects via the completion of certain milestones (refer to Section 11 of the Replacement Prospectus). Upon completion of these various milestones, Universal Coal's attributable interest increases and when all of the milestones are completed, Universal Coal will have an attributable interest of 50% in these coal resources (with the option to acquire up to a 74% interest). UCEHSA currently holds a 40% interest in UCD II. Ministerial consent to the transfer of 342/2009PR is still pending.
6. Under the terms of the earn in agreement, Universal Coal is earning up to 50% in the Cygnus Project via the completion of certain milestones. Upon completion of these various milestones, Universal Coal's attributable interest increases and when all of the milestones are completed, Universal Coal will have an attributable interest of 50% in this project (with the option to acquire up to 74% interest). UCEHSA currently holds a 10% interest in UCD V (the Cygnus joint venture company). Ministerial consent to the transfer of 227/2008PR is still pending.
7. The Roodekop and Limpopo coal resources were estimated by Gemecs.
8. Rounding (conforming to the JORC Code) may cause computational discrepancies

PROJECT LOCATIONS

