

10 December 2010

UNIVERSAL COAL LISTS ON ASX AFTER A\$20.4M IPO

- **A\$20.4 million capital raising successfully completed and listed on the ASX under the code UNV;**
- **JORC compliant thermal coal resources of 330Mt across Kangala, Roodekoop and Brakfontein Coal Projects in South Africa's Witbank coalfield;**
- **Portion of IPO funds to be utilised to complete Feasibility Studies at Kangala, Roodekoop and Brakfontein Coal Projects;**
- **On target to achieve first coal from Kangala Coal Project in 2011;**
- **Kangala Coal Project to ramp up to 3.0Mtpa Run of Mine (ROM) by Q1 2012 (subject to regulatory approval);**
- **Well placed to double initial production from Kangala Coal Project to 6.0Mtpa by 2013 through fast-track development of Roodekop and Brakfontein Thermal Coal Projects.**
- **JORC compliant coking coal resources of 396Mt in South Africa's Limpopo coalfield:**

South African coal development company **Universal Coal plc (ASX: UNV)** ("**Universal Coal**" or "**the Company**") today announces its listing on the Australian Stock Exchange ("ASX") following a successful Initial Public Offering ("IPO").

Universal Coal closed its IPO on 05 November 2010 with the Company raising A\$20.4 million through the issue of 78,544,962 shares at 26 cents per share.

The Company was admitted to the Official List on 9 December 2010 and its shares commenced trading today on the ASX under the code UNV.

Tony Harwood, Executive Chairman of Universal Coal, said, "I would sincerely like to thank all shareholders for their support, enabling us to reach this key milestone. We have made significant progress moving our South African coal projects towards commercialisation during 2010. Funds from the IPO will be applied to finance the Company's strong asset base, initially focusing on completion of a Bankable Feasibility Study for the Kangala Project with first coal production expected in H1 2011.

ASX Code	UNV
Shares on Issue	197.2m
IPO Raising	\$20.4m
IPO Price	26c
Market Cap at IPO Price	\$51.3m
Options on Issue	24.1m

Chairman:	Dr Tony Harwood
CEO:	Tony Weber
Director:	Henri Bonsma
Director:	Shammy Luvhengo
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Universal Coal is also well advanced with plans to double its production levels within two years of first coal production at Kangala and to commercialise its Roodekop and Brakfontein thermal coal projects.

Funds raised will also support the immediate commencement of an extensive drilling campaign on the Company's large JORC compliant coking coal assets.

For more information on this announcement, please contact:

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About Universal Coal plc

Universal Coal is a South African focussed coal company holding interests in three thermal coal projects of between 25% and 70.5%, which contain over 300Mt of JORC-compliant resources.

The Company is aiming to achieve first coal production from the Kangala Coal Project in 2011, ramping up to full production by the first quarter of 2012, subject to various regulatory approvals.

Development of the Kangala Project is located in the Witbank coalfield in South Africa, which supplies more than 50% of South Africa's saleable export and domestic coal.

The development of the Kangala Project is planned to be followed by the development of the Roodekop Project and Brakfontein Project subject to positive feasibility studies, financing and other regulatory approvals, with both projects being planned with the object of maximising their export coal potential.

In addition to the thermal coal projects, the Company has an earn-in agreement over two coking coal projects (Berenice and Somerville) that together contain 396Mt of JORC compliant Inferred resources.

The Company has an experienced team of directors, senior managers and geoscientists with extensive expertise in both coal exploration and mining in South Africa and who have a proven track record of project development.

Competent Person's Statement

The information in this report that relates to Exploration Results, Coal Resources or Ore Reserves relating to the Roodekop Project and the Limpopo 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 report that relates to Exploration Results, Coal Resources or Ore Reserves relating to the Brakfontein Project and the Kangala Project is based on information reviewed and compiled by Mr David van Wyk, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions and the Geological Society of South Africa. Mr van Wyk is a full time employee of GeoCoal Services 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 Van Wyk consents to the inclusion in this report of this information in the form and context in which it appears.

Reporting on Exploration Results

The Overview of the Projects in this report have 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.