

Thursday 28th July 2011

UNIVERSAL COAL SECURES 40% OWNERSHIP OF THE BERENICE COKING COAL PROJECT

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

- Universal Coal has achieved a direct ownership of 40% in the Berenice Coking Coal Project following completion of the first phase of drilling and the updated resource estimate completed by Independent Geological Consulting Firm GEMECS.
- The Berenice Project hosts a total JORC compliant coking coal resource of 1.057 billion gross in-situ tonnes of coal of which 218 million tonnes are classified as Indicated and 840 million tonnes as Inferred.
- The company's total Indicated and Inferred coking coal resource currently stands at 1.485 billion tonnes of which 547.9 million tonnes are attributable to Universal Coal.

Joint Venture Company	Project	GTIS (Mt)		Total Resource tonnage (Mt)	UNV Current interest *	UNV Attributable tonnage (Mt)
		Indicated	Inferred			
UCD2	Berenice	218.0	839.5	1057.5	40%	423.0
	Somerville**	-	274.0	274.0	40%	109.6
	Total	218.0	1113.5			
UCD5	Cygnus	40.0	113.5	153.5	10%	15.3
	Total	258.0	1227	1485.0		547.9

Note: *UNV has entered into earn-in agreements to earn-in for 50% direct ownership by producing a JORC compliant Measured resource, with the option to increase this stake to 74% by means of a third party valuation.

** The Somerville project is governed under the same earn-in agreement as the Berenice project, hence the direct increase in ownership.

Commenting on the increase in ownership secured at Berenice, Chairman Dr Tony Harwood said: *"We are delighted to have expedited the farm-in agreement to achieve a 40% shareholding in the Berenice and Somerville properties. The results of the 1st phase drilling program have exceeded the previous resource estimates substantially and will allow the company to commence a second phase of drilling and a Scoping Study in the 4th quarter of 2011."*

ASX Code	UNV
Shares on Issue	203.5m
Cash at hand	\$14.0m
Share Price	\$0.325
Market Cap	\$66.14m
Options on Issue	26.9m

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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.

CONTACT DETAILS:

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