



31 August 2011

The Manager
Company Announcements
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By e-lodgement

Acquisition of Donkin Project - Clarification

Further to today's announcement concerning the farm-in agreement over the Donkin Project, Universal Coal confirms the following;

- The vendor of the project is Pacific Breeze Trading 725 Pty Ltd.
- The terms of the farm-in agreement allow Universal Coal to earn-in to the project by completing due diligence and advancing the resource to a Measured status. There is no requirement for consideration to be provided in the form of cash or shares.

Yours faithfully

Dan Robinson
Company Secretary