

Thursday 6th October 2011

DRA APPOINTED TO COMMENCE CONCEPT STUDY ON THE BERENICE –CYGNUS COKING COAL PROJECT

The Board and Directors of UNV are pleased to announce that it has appointed DRA Mining (Pty) Ltd (DRA) to commence a concept study on the Berenice-Cygnus project. This follows the updated resource announcement and the anticipated full coking coal analysis in October.

Universal Coal has recently announced:

- Total JORC compliant coking coal resource of 1.324 billion gross tons in-situ of coking coal of which 7.9 million tonnes are classified as Measured, 394.5 million tonnes as Indicated and 922 million tonnes as Inferred;
- Direct ownership of 40% following the completion of the first phase of drilling and the updated resource estimate.

UNV will release the large diameter drill hole data in October to further understand the quality and nature of the contained coking coal fraction and yields.

DRA will complete the study by the end of the first quarter 2012.

Commenting on the appointment Chairman Dr Tony Harwood said *“We are delighted to have the strong technical DRA team to assist Universal in determining the quality and size of our future coking coal operation at Berenice-Cygnus.”*

Contact Details

For more information on this announcement, please contact:

Dr Tony Harwood (Chairman)
Ph: +27 12 460 0805

Mr Dan Robinson (Company Secretary – Australia)
Ph: +61 8 6267 0210

ASX Code:	UNV
Shares on Issue:	203.7m
Cash at hand:	\$9.4m
Share Price:	20c
Market Cap:	\$40.74m
Options on Issue:	26.6m

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

Registered Offices:
1 st Floor, Suite 1B, Princess House, 38 Jermyn Street, London SW1Y 6DN
Tel: : +44 (0) 207 292 9110
Fax: +44 (0) 203 214 0079
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

www.universalcoal.com

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 currently 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 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 the interpretation of the 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.