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universal coal plc

28 March 2012

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

By e-lodgement

HALF YEARLY ACCOUNTS FOR PERIOD ENDING DECEMBER 2011 - AMENDMENT

Please find following an amended copy of the Company's Half Yearly Accounts, previously announced 15 March 2012.

Please note an amendment to the Company's Auditors concluding remarks on page 23 of the accounts, which have been updated to include reference to the International Accounting Standard (IAS) 34.

For further information please contact the Company directly on +61 8 6267 0210.

For and on behalf of the Board

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Half Year Financial Statements

GIVEN IN ACCORDANCE WITH ASX LISTING RULE 4.2A

31 December 2011

universal coal plc

ARBN 143 750 038

Summary results for the six months ended 31 December 2011

	Six months ended 31 December 2011 A$	Six months ended 31 December 2010 A$
Operating loss	(3,561,943)	(3,166,320)
Profit/(loss) for the period	5,313,349	(3,424,751)
Taxation	-	-
Total comprehensive income /(loss) for the period attributable to equity shareholders	4,627,847	(3,904,039)

Explanation of above result

Universal Coal Plc is a near term coal exploration company and had no mines operating in the period. The profit has arisen from an accounting entry upon step-up acquisitions through earn-in agreements with Universal Coal Development II (Pty) Ltd (7% to 40% shareholding) and Universal Coal Development III (Pty) Ltd (30% to 40% shareholding). The prior period loss is mainly attributable to operating, administration and regulatory costs.

Dividends

There were no dividends declared or paid during the period (31 December 2010: $nil) and the Directors do not recommend that any dividend be paid.

Earnings Result

The total comprehensive income of Universal Coal Plc for the six months ended 31 December 2011 after providing for tax was A$ 4,627,847 (31 December 2010, loss of A$ 3,904,039).

Earnings/(Loss) per share – EPS/(LPS)	Six months ended 31 December 2011	Six months ended 31 December 2010
Basic earnings/(loss) per share (cents per share)	2.6	(2.6)
Diluted earnings/(loss) per share (cents per share)	2.6	(2.6)
Weighted average number of ordinary shares used in the calculation of basic EPS	205,673,684	131,890,111
Weighted average number of diluted shares used in the calculation of diluted EPS	207,491,334	131,890,111

The amount used as the numerator in calculating basic earnings/(loss) per share is the same as the profit/(loss) attributable to the owners of the parent in the consolidated statement of comprehensive income.

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DR ANTONY HARWOOD

Executive Chairman

27 March 2012

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Content

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Corporate directory

DIRECTORS	Antony Harwood	Executive Chairman
	Anton Weber	Chief Executive Officer
	Shammy Luvhengo	Executive Director
	Hendrik Bonsma	Non-Executive Director
	John Hopkins	Non-Executive Director

JOINT COMPANY SECRETARIES

United Kingdom - John Bottomley of SGH Company Secretarial Services LLP

And

Australia - Dan Robinson of Pursuit Capital (Pty) Ltd

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AUDITORS

BDO LLP
55 Baker Street
London W1U 7EU
United Kingdom

STOCK EXCHANGE LISTING

Australian Securities Exchange (Share code: UNV)

Corporate directory

SHARE REGISTRARS	Computershare Investor Services Pty Ltd Level 2, 45 St Georges Terrace Perth WA 6000 Australia
	Computershare Investor Services plc The Pavilions, Bridgwater Road Bristol BS99 6ZY United Kingdom
	Computershare Investor Services plc The Pavilions, Bridgwater Road Bristol BS99 6ZY United Kingdom
BANKERS	HSBC Bank Australia Ltd Level 1, 190 St Georges Terrace Perth WA 6000, Australia HSBC Bank Plc Coventry DSC, Harry Weston Road Binley West Midlands CV3 2TQ United Kingdom
SOLICITORS	Steinepreis Paganin Lawyers & Consultants Level 4, Next Building 16 Milligan Street Perth WA 6000 Australia
	Watson, Farley & Williams LLP 15 Appold Street London EC2A 2HB United Kingdom
	Webber Wentzel Attorneys 10 Fricker Road Illovo Boulevard Illovo Johannesburg 2196 South Africa
WEBSITE	www.universalcoal.com

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Chairman's Statement

The Directors submit the unaudited financial statements of Universal Coal Plc for the six months ended 31 December 2011.

1. Directors & officers

The names of Directors who held office during or since the end of the half year:

Antony Harwood	Executive Chairman
Anton Weber	Chief Executive Officer
Shammy Luvhengo	Executive Director
Hendrik Bonsma	Non-executive Director
John Hopkins	Non-executive Director

Mr. Luvhengo was employed as an executive director from 1 July 2011 in the role of Business Development.

2. Results

Universal Coal generated a profit for the half year after tax of A$ 4,627,847 (six month ended 31 December 2010, loss of A$ 3,904,039).

The profit has arisen from an accounting entry in the amount of A$ 8,778,281 upon step-up acquisition through earn-in agreements with Universal Coal Development II (Pty) Ltd (7% to 40% shareholding) and Universal Coal Development III (Pty) Ltd (30% to 40% shareholding). The prior period loss was the result of the operating, administration and regulatory costs.

Furthermore, the Group has effected a change in accounting policy whereby exploration and development costs amounting to A$ 629,689 (2010: A$ 420,696) have been capitalised. The effect of this change in accounting policy is further explained below.

3. Review of development and exploration activity

Coal assets

All of the Company's coal assets are located in South Africa. The Company has three thermal exploration coal projects in the Witbank Coalfield in the Mpumalanga Province and two exploration coking coal projects in the Limpopo Province.

Thermal coal exploration assets

Kangala

The feasibility study for Kangala was completed in October 2011 and has subsequently been optimised by preferred contractors with the final report to be issued imminently. The optimisation has resulted in two development options being available for Universal Coal, (i) a multi-product mine and (ii) a single-product mine, both at a run-of-mine volume of 2.4 million tonnes per annum.

On 27 September 2010 Universal Coal Development I (Pty) Ltd was awarded a Mining Right and is expecting the execution of such Mining Right in the quarter ending June 2012. On 01 February 2012, the Mpumalanga Provincial Government provided environmental authorisation (NEMA) to Universal Coal Development I (Pty) Ltd for the development of the Kangala Colliery. Universal Coal Development I (Pty) Ltd is still awaiting the award of the Water Licence (IWULA) which is expected towards the end of the June 2012 quarter.

Commercial discussions are progressing well with a local energy provider for the 100% supply of product to a nearby power utility as well as discussions with potential off-takers on a free-on-mine basis. Universal Coal Development I (Pty) Ltd aims to have closure on commercial agreements shortly.

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Universal Coal Plc has begun to engage with various financial institutions for traditional forms of project funding and is also actively pursuing alternative forms of financing from international markets. Once favourable offtake agreements for the proposed Kangala Colliery have been secured, the Board is confident of securing the appropriate development funding for the subsidiary, Universal Coal Development I (Pty) Ltd.

Outside of the current feasibility study area, Universal Coal completed drilling on areas adjacent to the planned Kangala open pit to bring 69 Mt of Inferred resources to a Measured category for inclusion into the next phase of mine development at Kangala. Forty two holes totalling 2,461 metres were completed during the September 2011 quarter. Analyses and the resource update are outstanding and expected to be finalised during the March 2012 quarter.

Roodekop

Universal Coal Development IV (Pty) Ltd commenced with a feasibility study at Roodekop in 2011 with this set to be finalised during the quarter ending 31 March 2012. The EIA required for the Mining Right was lodged during July 2011 with the NEMA application lodged at the end of the December 2011 quarter.

Further development on the Roodekop project will be dependent on the award of the applicable Mining, IWULA and NEMA licences.

Brakfontein

The final 72 hole exploration drilling programme was completed during the half year to 31 December 2011 and all analyses at Brakfontein were submitted to an independent Competent Person for resource modelling and reporting purposes. Brakfontein currently contains a JORC-compliant in situ resource of 70.53Mt in the Measured category and 14.94Mt in the Indicated category.

Further to the above, a Mining Right Application was submitted to the Department of Mineral Resources in South Africa on 08 December 2011. During the quarter ended 31 March 2012 Universal Coal Plc approved the commissioning of an Environmental Impact Assessment over the targeted mining area.

In line with the Initial Prospecting Acquisition Agreement, further shares were issued which grant Universal Coal Plc 40% ownership of Universal Coal Development III (Pty) Ltd from 8 December 2011. The resultant increase in shareholding from 30% to 40% has given rise to an accounting profit of A$ 1.75m upon fair valuation of the resource.

Coking coal exploration assets

During October 2011 Universal Coal Plc announced that the gross in situ resource at the combined Berenice/Cygnus project had been further upgraded from 1.2Bt to 1.32Bt (JORC). This figure includes resources of 7.9Mt Measured, 394.5Mt Indicated and 922Mt Inferred, with 479Mt (after geological losses) that are considered extractable by opencast mining methods.

Assay results indicated 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.

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

The 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).

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The coal also yields a significant secondary thermal coal fraction with the following qualities:

Middling	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

During July 2011 additional shares in Universal Coal Development II (Pty) Ltd were issued in accordance with the Acquisition and Option Agreement to bring Universal Coal Plc's interest therein to 40%. This is the second stage of an earn-in relationship which may increase Universal Coal Plc's shareholding via various milestones up to a maximum limit of 74%. The resultant increase in shareholding from 7% to 40% has given rise to an accounting profit of A$ 7m upon fair valuation of the resource.

DRA Mining (Pty) Ltd was appointed in early October 2011 to complete a scoping study for the Berenice/Cygnus project, the completion of which is expected by the end of March 2012.

A 121 borehole phase 2 exploration and assay programme (large and slim diameter) will commence on 1 March 2012 and is planned to be completed by the end of August 2012, the results of which will form the basis of input data to commission a pre-feasibility study toward the end of 2012.

4. Corporate

On 1 November 2011, Universal Coal Plc issued 6,000,000 shares at A$ 0.22 to Natasa Mining Limited in settlement of a liability for financial advisory fees.

As at 31 December 2011 Universal Coal Plc had 209,684,554 common shares in issue and 26,646,177 unlisted share options in issue.

Future funding requirements of the Universal Coal Group are under continuous review by the Board and there are currently several funding options available to the Directors. The Board is expecting to make an imminent decision on a preferred funding option which will support the near term cash flow requirements of the Universal Coal Group.

5. Change in accounting policy

During the current financial period the Company effected a change in accounting policy in accordance with IFRS 6: Exploration for and Evaluation of Mineral Resources, whereby exploration and development costs have been capitalised. The change in accounting policy is anticipated to produce reliable and more relevant information about the effects of transactions, other events or conditions on the Company's financial position, financial performance and future cash flows. This adjustment has been reflected retrospectively in the financial statements.

Effect of the prior year adjustment (PYA)

	Previous result A$	After PYA result A$	Effect of PYA A$
30 June 2011			
Intangible assets	5,082,189	7,037,532	1,955,343
Investments in associates	7,999,654	8,672,737	673,083
Foreign currency translation reserve	(3,673,426)	(3,414,150)	259,276
Retained deficit	32,557,397	29,633,262	(2,924,135)
Non-controlling interest	511,658	548,091	36,433
Effect on basic and diluted loss per share (cents)			(1.9)

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30 June 2010			
Intangible assets	5,000,446	5,870,447	870,031
Investments in associates	4,984,979	5,047,330	62,351
Foreign currency translation reserve	(4,252,582)	(4,235,462)	17,120
Retained deficit	26,109,528	24,875,850	(1,233,678)
Non-controlling interest	184,607	468,784	284,177
Effect on basic and diluted loss per share (cents)			(3.8)

6. Events subsequent to reporting date

On 9 January 2012 8,000,000 share options were issued at a strike price of A$ 0.40 with an expiry date of 15 March 2013 to various directors, staff and consultants of Universal Coal Plc which were approved at the Annual General Meeting of 12 December 2011.

All references to quantum of resources are taken from reports prepared by independent geological consulting companies and Gemecs. The independent competent person being Mr. N. Denner who is a qualified person under JORC. This competent person takes full professional responsibility for the resource estimations and statements under the auspices of the South African Council for Natural Professionals.

DR ANTONY HARWOOD

Executive Chairman

27 March 2012

Consolidated Statement of Financial Position

For the half year ended 31 December 2011

		31 December 2011 Unaudited A$	30 June 2011 Restated A$	30 June 2010 Restated A$
Assets				
Non current assets				
Intangible assets	5	7,447,284	7,037,532	5,870,477
Property, plant and equipment		52,783	55,718	10,833
Investments in associates	6	19,303,466	8,672,737	5,047,330
		26,803,533	**15,765,987**	**10,928,640**
Current assets				
Trade and other receivables		499,938	438,622	828,740
Cash and cash equivalents		7,125,113	12,829,958	255,089
		7,625,051	**13,268,580**	**1,083,829**
Total Assets		**34,428,584**	**29,034,567**	**12,012,469**
Equity and liabilities				
Equity				
Share capital	3	17,533,961	17,076,581	7,729,707
Share premium		35,357,588	34,494,968	18,218,310
Foreign currency translation reserve		2,728,648	3,414,150	4,235,462
Shares to be issued		-	-	5,105,370
Share based payment reserve		3,438,360	3,372,826	1,856,839
Retained deficit		(24,277,076)	(29,633,262)	(24,875,850)
		34,781,481	**28,725,263**	**12,269,838**
Non-controlling interest		(551,730)	(548,091)	(468,784)
Equity attributable to Equity Holders of the Parent		**34,229,751**	**28,177,172**	**11,801,054**
Liabilities				
Current liabilities				
Trade and other payables		198,833	857,395	211,415
Total Equity and Liabilities		**34,428,584**	**29,034,567**	**12,012,469**

The notes on pages 14 to 20 form part of this half year report.

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Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2011

	Note	Half year to 31 December 2011 Unaudited A$	Half year to 31 December 2010 Restated A$
Operating expenses		(2,137,211)	(2,282,598)
Share based payment charge		(1,424,732)	(883,722)
Operating loss		**(3,561,943)**	**(3,166,320)**
Finance income		186,995	127,176
Foreign exchange loss		(80,682)	(389,507)
Share of operating loss/(profit) of associated undertakings		(9,290)	3,900
Gain arising on step up of interest in associated undertaking		8,778,281	-
Finance expenses		(12)	-
Profit / (loss) for the period	2	**5,313,349**	**(3,424,751)**
Other comprehensive income			
Exchange differences on translation of foreign operations		(685,502)	(479,288)
Total comprehensive income / (loss) for the period attributable to equity shareholders		**4,627,847**	**(3,904,039)**
Profit / (Loss) attributable to:			
Owners of the parent		5,316,988	(3,423,289)
Non controlling interest		(3,639)	(1,462)
		5,313,349	**(3,424,751)**
Total comprehensive income / (loss) attributable to:			
Owners of the parent		4,631,486	(3,902,577)
Non controlling interest		(3,639)	(1,462)
		4,627,847	**(3,904,039)**
Earnings / (loss) per share		Cents	Cents
Basic earnings / (loss) per share		2.6	(2.6)
Diluted earnings / (loss) per share		2.6	(2.6)

The notes on pages 14 to 20 form part of this half year report.

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Consolidated Statement of Changes in Equity

For the half year ended 31 December 2011

	Share Capital A$	Share premium A$	Foreign currency translation reserve A$	Shares to be issued A$	Share based payment reserve A$	Retained deficit A$	Total equity attributable to equity holders of the company A$	Non-controlling interest A$	Total A$
Period from 1 July 2010 to 31 December 2010 - Restated									
As at 1 July 2010	7,729,707	18,218,310	4,235,462	5,105,370	1,856,839	24,875,850)	12,269,838	(468,784)	11,801,054
Total comprehensive loss for the period	-	-	(479,288)	-	-	(3,423,289)	(3,902,577)	(1,462)	(3,904,039)
Total comprehensive loss for the half year	**-**	**-**	**(479,288)**	**-**	**-**	**(3,423,289)**	**(3,902,577)**	**(1,462)**	**(3,904,039)**
Share based payments	-	-	-	-	4,252,521	-	4,252,521	-	4,252,521
Shares issued during the period	8,767,770	10,353,732	-	(5,105,370)	-	-	14,016,132	-	14,016,132
As at 31 December 2010	**16,497,477**	**28,572,042**	**3,756,174**	**-**	**6,109,360**	**(28,299,139)**	**26,635,914**	**(470,246)**	**26,165,668**
Period from 1 JULY 2011 to 31 Dcecember 2011 - Unaudited									
As at 1 July 2011	17,076,581	34,494,968	3,414,150	-	3,372,826	(29,633,262)	28,725,263	(548,091)	28,177,172
Total comprehensive income/(loss) for the period	-	-	(685,502)	-	-	5,316,988	4,631,486	(3,639)	4,627,847
Total comprehensive income/(loss) for the half year	**-**	**-**	**(685,502)**	**-**	**-**	**5,316,988**	**4,631,486**	**(3,639)**	**4,627,847**
Share based payments	-	-	-	-	1,424,732	-	1,424,732	-	1,424,732
Shares issued during the period	457,380	862,620	-	-	(1,320,000)	-	-	-	-
Transfer between reserves	-	-	-	-	(39,198)	39,198	-	-	-
As at 31 December 2011	**17,533,961**	**35,357,588**	**2,728,648**	**-**	**3,438,360**	**(24,277,076)**	**34,781,481**	**(551,730)**	**34,229,751**
Notes	3								

The notes on pages 14 to 20 form part of this half year report.

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Consolidated Statement of Cash Flows

For the half year ended 31 December 2011

	Note	Half year to 31 December 2011 Unaudited A$	Half year to 31 December 2010 Unaudited A$
Cash flows from operating activities			
Cash used in operations	8	(2,827,531)	(546,049)
Net cash used in operating activities		**(2,827,531)**	**(546,049)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(7,118)	(6,656)
Acquisition of intangible assets		(676,465)	-
Investment in associated undertakings		(2,096,731)	(1,631,870)
Proceeds from the sale of property plant & equipment		1,795	-
Finance income		186,995	127,176
Net cash outflow from investing activities		**(2,591,524)**	**(1,511,350)**
Cash flows from financing activities			
Proceeds of shares issue		-	19,121,502
Finance expenses		(12)	-
Net cash generated from financing activities		**(12)**	**19,121,502**
Total cash movement for the period		**(5,419,067)**	**17,064,103**
Cash and cash equivalents at the beginning of the period		12,829,958	255,089
Effect of exchange rate movement on cash balances		(285,778)	(182,997)
Cash and cash equivalents at the end of the period		**7,125,113**	**17,136,195**

The notes on pages 14 to 20 form part of this half year report.

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Notes to the Financial Statements

1. Significant Accounting Policies

General information

The Company is domiciled in the UK. The address of the registered office is One America Square, Crosswall, London EC3N 2SG. The registered number of the company is 4482856.

Basis of preparation

The condensed consolidated interim financial information has been prepared using the accounting policies applied by the Company in its 30 June 2011 annual report which are in accordance with International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board (”IASB”) as adopted for use in the EU (“IFRS”), except as noted below. This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2011 and any public announcements made by Universal Coal Plc.

The condensed interim financial information for the period 1 July 2011 to 31 December 2011 is unaudited. In the opinion of the Directors, the condensed interim financial information for the period presents fairly the financial position, results from operations and cash flows for the period in conformity with the IFRS generally accepted accounting principles consistently applied. The condensed interim financial information incorporates comparative figures for the interim periods to 30 June 2011 and 30 June 2010 for the consolidated statement of financial position, the interim period from 1 July 2010 to 31 December 2010 for the consolidated statement of comprehensive income, the interim period from 1 July 2010 to 31 December 2010 for the consolidated statement of cash flows and the interim period from 1 July 2010 to 31 December 2010 for the consolidated statement of changes in equity. The financial information for the year ended 30 June 2011 contained in this interim report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors’ report on those accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

During the current financial period the Company effected a change in accounting policy in accordance with IFRS 6: Exploration for and Evaluation of Mineral Resources, whereby exploration and development costs have been capitalised. The change in accounting policy is anticipated to produce reliable and more relevant information about the effects of transactions, other events or conditions on the Company’s financial position, financial performance and future cash flows. This adjustment has been reflected retrospectively in the financial statements. In the past these costs were expensed through the statement of comprehensive income.

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Notes to the Financial Statements (continued)

Effect of the prior year adjustment (PYA)

	Previous result A$	After PYA result A$	Effect of PYA A$
30 June 2011			
Intangible assets	5,082,189	7,037,532	1,955,343
Investments in associates	7,999,654	8,672,737	673,083
Foreign currency translation reserve	(3,673,426)	(3,414,150)	259,276
Retained deficit	32,557,397	29,633,262	(2,924,135)
Non-controlling interest	511,658	548,091	36,433
Effect on basic and diluted loss per share (cents)			(1.9)
30 June 2010			
Intangible assets	5,000,446	5,870,447	870,031
Investments in associates	4,984,979	5,047,330	62,351
Foreign currency translation reserve	(4,252,582)	(4,235,462)	17,120
Retained deficit	26,109,528	24,875,850	(1,233,678)
Non-controlling interest	184,607	468,784	284,177
Effect on basic and diluted loss per share (cents)			(3.8)

Going concern

The accounts have been prepared on the going concern basis. The Directors believe that this basis is appropriate as the Group has adequate resources to continue in business for the foreseeable future.

Associates

The Directors believe, after careful consideration, that the Group, as a matter of fact, exercises significant influence over the activities and operations of Universal Coal Development II (Pty) Ltd, Universal Coal Development III (Pty) Ltd, Universal Coal Development IV (Pty) Ltd and Universal Coal Development V (Pty) Ltd. Therefore, the associates are accounted for on an equity basis.

During July 2011 additional shares were issued to bring Universal Coal Plc's interest in Universal Coal Development II (Pty) Ltd to 40%, in accordance with the Acquisition and Option Agreement.

During December 2011 additional shares were issued to bring Universal Coal Plc's interest in Universal Coal Development III (Pty) Ltd to 40%, in accordance with the Acquisition and Option Agreement.

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Notes to the Financial Statements (continued)

2. Profit/(Loss) for the half year

	Six months ended 31 Dec 2011 A$	Six months ended 31 Dec 2010 A$ Restated
The following significant expense items are relevant in explaining the financial performance for the half year.		
Regulatory expenses	75,298	922,835
Employee related costs	794,218	2,028,720
Administrative expenses	842,952	195,005
Exploration expenditure	253,551	255,383

3. Share Capital

Class	Nominal Value	Six months ended 31 Dec 2011 A$	Six months ended 30 Jun 2011 A$	Six months ended 30 Jun 2010 A$
Ordinary shares	£0.05	17,533,961	17,076,581	7,729,707
	(2010 £0.10)			

Class	Nominal Value	Six months ended 31 Dec 2011 No.	Six months ended 30 Jun 2011 No.	Six months ended 30 June 2010 No.
Ordinary shares	£0.05	209,684,554	203,684,554	43,779,487
	(2010 £0.10)			

4. Unlisted Options

Options outstanding at 30 June 2011 Strike prices between A$0.20 and A$0.39 and exercise dates between November 2013 and December 2015.	26,646,177
Options outstanding at 31 December 2011 Strike prices between A$0.20 and A$0.39 and exercise dates between November 2013 and December 2015.	26,646,177

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Notes to the Financial Statements (continued)

5. Investment in Subsidiaries

Name of Company	Holding	Country of Incorporation	31 Dec 2011 %	30 June 2011 %	30 June 2010 %
Universal Coal & Energy Holdings South Africa (Pty) Ltd	Direct	South Africa	100	100	100
Universal Coal Development I (Pty) Ltd	Indirect	South Africa	70.5	70.5	70.5
Universal Coal Development II (Pty) Ltd	Indirect	South Africa	n/a	n/a	100
Twin Cities Trading 374 (Pty) Ltd	Indirect	South Africa	74	74	74

6. Investment in Associated undertakings

Name of Company	Country of Incorporation	31 Dec 2011	30 Jun 2011	30 Jun 2010	31 Dec 2011	30 Jun 2011	30 June 2010
				Percentage owned			Carrying amount
		%	%	%	A$	A$	A$
Universal Coal Development II (Pty) Ltd	South Africa	40	7	100	10,751,421	2,293,549	-
Universal Coal Development III (Pty) Ltd	South Africa	40	30	15	4,795,702	2,921,715	2,676,077
Universal Coal Development IV (Pty) Ltd	South Africa	50	50	25	3,594,307	3, 300,090	2,371,253
Universal Coal Development V (Pty) Ltd	South Africa	10	10	n/a	162,036	157,383	-
					19,303,466	8,672,737	5,047,330

The Group is the only party to have invested in the underlying projects and is able to exert significant influence over all four companies.

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Notes to the Financial Statements (continued)

7. Commitments and Contingent Liabilities

Exploration and development work continues. No significant commitments and no contingent liabilities were outstanding at 31 December 2011.

8. Cash used in operations

	Six months ended 31 Dec 2011 A$	Six months ended 31 Dec 2010 A$
Profit /(loss) before taxation	5,313,349	(3,424,751)
Adjustments for:		
Depreciation and amortisation	29,558	2,240
Share of operating loss/(profit) of associated undertakings	9,290	(3,900)
Finance income	(186,995)	(127,176)
Finance expenses	12	-
Loss from foreign currency transactions	80,682	389,507
Share based payment charge	1,424,732	883,722
Gain arising on step up of interest in associated undertaking	(8,778,281)	-
Changes in working capital:	-	-
(Increase)/ decrease in trade and other receivables	(61,316)	763,682
Decrease in trade and other payables	(658,562)	970,627
	(2,827,531)	(546,049)

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Notes to the Financial Statements (continued)

9. Segmental Report

All investments in associates and subsidiaries operate in one geographical location being South Africa, and are organised into one business unit from which the Group's expenses are incurred and future revenues are expected to be earned, being for the exploration for and extraction of coal and production of Coal through in-direct holdings. The reporting on these investments to the Chief Operating Decision Makers, the Board of Directors, focuses on the use of the profit and loss and capitalisation of the coal projects.

The non-current assets relating to the capitalisation expenditure associated with the coal projects are located in South Africa. All corporate expenditure, assets and liabilities relate to incidental operations carried out in the United Kingdom.

For the half year to 31 Dec 2011	Indirect Interest in Exploration and development of coal A$	Corporate (Unallocated) A$	Total A$
Total revenues	-	-	-
Admin expenses (excl share based payments)	(12,335)	(2,124,876)	(2,137,211)
Share based payments expense	-	(1,424,732)	(1,424,732)
Share of operating loss of associate	(9,290)	-	(9,290)
Gain arising on step-up of interest	8,778,281	-	8,778,281
Foreign exchange loss	-	(80,682)	(80,682)
Net finance income	-	186,983	186,983
Profit / (loss) before and after taxation	8,756,656	(3,443,307)	5,313,349
Total non-current assets	26,658,084	145,449	26,803,533
Total assets	28,191,138	6,237,446	34,428,584
Total liabilities	(31,101)	(167,732)	(198,833)

For the half year to 31 Dec 2010	Indirect interest in Exploration and development of coal A$	Corporate (Unallocated) A$	Total A$
Total revenues	-	-	-
Share based payments expense	-	(883,722)	(883,722)
Admin expenses (excl share based payments)	-	(2,282,598)	(2,282,598)
Share of operating profit of associate	3,900	-	3,900
Foreign exchange loss	-	(389,507)	(389,507)
Net finance income	-	127,176	127,176
Profit / (loss) before and after taxation	3,900	(3,428,651)	(3,424,751)
Total non-current assets	11,685,472	15,204	11,700,676
Total assets	12,765,982	16,136,195	28,902,177
Total liabilities	-	(1,182,459)	(1,182,459)

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Notes to the Financial Statements (continued)

10. Related Parties

Related party transactions:		31 Dec 2011 A$	31 Dec 2010 A$
Consulting fees paid to related parties:			
Ofhani Phaswana		**72,512**	82,919
Rent paid to related parties			
KEE Enterprises (Pty) Ltd		**42,227**	39,099
Loans to related party:			
Xakwa Investments (Pty) Ltd	Loan balance at the beginning of the year	**301,612**	139,400
	Loans granted in the period	**0**	0
	Interest	**13,573**	0
	Loan balance at the end of the year	**315,185**	139,400

Related Party Disclosures:

In line with the Initial Prospecting Acquisition Agreement, further shares were issued which grant Universal Coal Plc 40% ownership of Universal Coal Development III (Pty) Ltd from 8 December 2011.

On 15 July 2011 additional shares in Universal Coal Development II (Pty) Ltd were issued in accordance with the Acquisition and Option Agreement to bring Universal Coal Plc's interest therein to 40%.

No further disclosures, other than those already disclosed in note 19 of the June 2011 Annual Report are required.

11. Events Subsequent to Reporting Date

On 9 January 2012 8,000,000 share options were issued at a strike price of A$ 0.40 with an expiry date of 15 March 2013 to various directors, staff and consultants of Universal Coal Plc which were approved at the Annual General Meeting of 12 December 2011.

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Directors' Declaration

In the opinion of the Directors:

a. The financial statements and notes set out on pages 10 to 20:

   i. Comply with Accounting Standard IAS 34 *Interim Financial Reporting*

   ii. Give a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half year ended on that date; and

b. There are reasonable grounds, on the basis disclosed in note 1 to the account, to believe that Universal Coal plc will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.

DR ANTONY HARWOOD

Executive Chairman

27 March 2012

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Independent review report to Universal Coal plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2011 which comprises the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the Australian Securities Exchange.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the Australian Securities Exchange and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34, as adopted by the European Union, and the rules of the Australian Securities Exchange.

BDO LLP

BDO LLP

Chartered Accountants and Registered Auditors

London
United Kingdom

27 March 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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