

13 April 2012



universal
coal plc

Further Details of Strategic Funding - Converting Notes and Options

Further to our announcement earlier this week, Universal Coal Plc (ASX:UNV) ("**Universal**") is pleased to provide shareholders with further details of our funding arrangements with Susquehanna International Group LLP (through its subsidiary Susquehanna Pacific Pty Ltd) ("**SIG**")

Options

In addition to the agreement for the issue of the converting notes, Universal has executed an agreement with Susquehanna Pacific Pty Ltd ("**SIG**") for the issue of unlisted options over unissued CDI's to raise approximately A\$8 million in addition to the funds raised under the issue of converting notes to SIG.

In accordance with ASX Listing Rule 3.10.3, Universal makes the following disclosure in relation to the issue of the options:

(See table next page)

STOCK EXCHANGE LISTING
Australian Securities Exchange
(Share code: UNV)

Board of Directors

Antony Harwood	<i>Executive Chairman</i>
Anton Weber	<i>Chief Executive Officer</i>
Shammy Luvhengo	<i>Executive Director</i>
Hendrik Bonsma	<i>Non-Executive Director</i>
John Hopkins	<i>Non-Executive Director</i>

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In accordance with ASX Listing Rule 3.10.3, Universal makes the following disclosure in relation to the issue of the options:

Class of securities:	Unlisted options over unlisted CDI's
Number of securities or maximum number which may be issued:	Maximum of 38,527,394 options
Principal terms of securities:	<ul style="list-style-type: none"> exercise price - premium of a minimum of 12.5% and a maximum of 17.5% to the close price of Universal's CDI's at the drawdown date for the first tranche of converting notes ("Tranche 1 Drawdown Date"). The close price will be a minimum of A\$0.2336 per CDI and a maximum of A\$0.25 per CDI ("Close Price") – which is a premium to the current price of Universal's CDI's as at the close of trade on 11 April 2012 upon exercise, the option holder will receive one CDI for each option expiry date - the fifth anniversary of the Tranche 1 Drawdown Date the options are exercisable at any time from the date that is 9 months after the Tranche 1 Drawdown Date until the expiry date (unless a change of control event occurs, in which case the options are exercisable at any time from the date of the change of control event until the expiry date) upon the exercise of the options and the issue of the CDI's, Universal will apply for the CDI's to be quoted on ASX any CDI's that are allotted pursuant to the exercise of the options rank equally in all respects with other CDI's on issue at the date of the allotment
Issue price or consideration:	Nil
Purpose of the issue:	To fund the development of current and future mining projects, and for Universal's general corporate purposes
Shareholder approval:	To be sought at a meeting of shareholders to be held in May 2012
Issue to a class of security holders:	The issue of options will be made to Susquehanna Pacific Pty Ltd

Converting Notes

The conversion price for the converting notes is calculated as a premium of 10% to the Close Price. The conversion price is subject to adjustment in the event of a reconstruction or reorganisation of Universal's capital, a capital distribution or special dividend, or a pro rata rights issue.

Subject to a no conversion period (being 7 months from the Tranche 1 Drawdown Date), the extent of the capped monthly conversion of converting notes is:

- 5% of the principal amount of the converting notes held by the note holder, with an option to convert an additional 1% of the principal amount with the written approval of Universal, if the converting notes are first ranking in the capital structure of Universal; and
- 10% of the principal amount of the converting notes held by the note holder, if the converting notes are subordinated in the capital structure of Universal.

For further information please contact:

Commercial Terms & Further Information - Institutions & Media Only:

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