

2 March 2015



universal
coal plc

RECORD SALES AT KANGALA COLLIERY

Highlights:

- Record sales of 172,000 tonnes for the month of February 2015
- 2.0 million tonne milestone of coal processed through the coal beneficiation plant

Universal Coal Plc ("Universal Coal") (ASX:UNV) is pleased to announce record sales for the month of February 2015 of 172 000 tonnes, 28 000 tonnes over target.

The record comes almost 12 months following maiden production at the company's 2.4 million tonnes per annum (mtpa) run-of-mine (ROM) Kangala Colliery, located in the Witbank region of South Africa.

Of the record result, 160 000 tonnes of domestic thermal coal was delivered to Eskom and 12 000 tonnes were exported through the Richards Bay Coal Terminal.

The result follows the successful achievement of target sales for the month of January 2015, and positions the company well to deliver a strong Q3 2015 result.

Besides the record sales tonnes, Kangala also achieved the milestone of having processed 2 million tonnes through the Coal Handling and Preparation Plant from the start of production to date.

Commenting, Tony Weber, Universal Coal CEO, said, "This is an outstanding achievement and is testament to the quality and efforts of our management team and contractors Stefanutti Stocks Mining Services and Mineral Resource Development.

"With Kangala now hitting its strides, we look forward to delivering continual strong production and sales figures for the year ahead, in parallel with bringing on stream our next operation, the 2.8Mtpa ROM NCC Roodelop."

For further information please contact:

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Universal Coal Global Coal Resources/Reserve Summary

| Project | Reserve Proved Mt | Resource Measured Mt | Resource Indicated Mt | Resource Inferred Mt | Total Mt | Attributable to Universal Mt |
|---|----------------------|-------------------------|--------------------------|-------------------------|----------------|---------------------------------|
| Thermal Coal (Witbank) | | | | | | |
| Kangala ¹ | 22.3 | 93.1 | 19.4 | 33.6 | 146.1 | 103.0 |
| NCC ² -Roodekop ³ | 14.1 | 114.2 | 24.7 | - | 138.9 | 89.7 |
| Brakfontein ⁴ | 9.6 | 31.7 | 39.4 | 4.7 | 75.8 | 38.1 |
| Total Thermal Coal | 46.0 | 239.0 | 83.5 | 38.3 | 360.8 | 230.8 |
| Coking Coal (Limpopo) | | | | | | |
| Berenice ⁵ | - | 394.0 | 694.3 | 116.1 | 1,204.4 | 602.2 |
| Cygnus ⁶ | - | 30.9 | 106.7 | 8.2 | 145.8 | 72.9 |
| Somerville ⁵ | - | - | - | 274.2 | 274.2 | 137.1 |
| Total Coking Coal | - | 424.9 | 801.0 | 398.5 | 1,624.4 | 812.2 |
| Total | 46.0 | 663.9 | 884.5 | 436.8 | 1,985.2 | 1,042.97 |

Notes:

- Mineral Resources are stated inclusive of Mineral Reserves.
- Rounding (conforming to the JORC Code) may cause computational discrepancies.
- The Resource and Reserve estimates for Kangala, Berenice, Cygnus and Somerville were prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.
- The Resource and Reserve estimates for the NCC project are SAMREC compliant and “qualifying foreign estimates” for the purpose of ASX Listing Rules.
- The Resource and Reserve estimates for the Roodekop and Brakfontein projects have been updated to comply with the JORC Code 2012.

1. Universal has an attributable interest of 70.5% of the Kangala Project.
2. Universal has an attributable interest of 49% in the NCC project (under acquisition).
3. Universal has an attributable interest of 74% in the Roodekop Project.
4. Universal has an attributable interest of 50.29% in the Brakfontein Project and the right to negotiate to acquire up to a 74% interest upon completion of the BFS and award of a mining right.
5. Universal has an attributable interest of 50% in the Berenice and Somerville Projects with an option to acquire up to a 74% interest.
6. Universal has an attributable interest of 50% in the Cygnus Project with an option to acquire up to a 74% interest.

Competent Person's Statement

The information in this report that relates to Coal Resources for Kangala, Roodekop, Brakfontein, Berenice, Cygnus and Somerville 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 (a Recognised Overseas Professional Organisation). 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 2012 edition of the JORC Code. Mr Denner consents to the inclusion in this report of this information in the form and context in which it appears.

The Kangala Coal Reserve estimate was prepared by Mr Eddy Rikhotso, who is a Mining Engineer at Stefanutti Stocks Mining Services (Pty) Ltd. He is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and member of SAIMM. He has 14 years' experience in the South African coal industry. Mr Rikhotso has sufficient experience which is relevant to the type of mineralisation and the Kangala deposit and to the activity which he is undertaking to qualify as a Competent Person as defined by the SAMREC and JORC Codes for Reporting of Exploration, Mineral Resources and Ore Reserves.

The information relating to NCC Coal Resources and Reserves has been provided under ASX Listing Rules 5.12.2 to 5.12.7 and is an accurate representation of the available data and studies for NCC by Exxaro as certified by the SAMREC compliant report 'NCC Mine Mineral Resource and Ore Reserve Statement, 31 December 2012' as reviewed by Mr. Jaco Malan. Mr Malan is a registered natural scientist and member of the South African Council for Natural Scientific Professions (a Recognised Overseas Professional Organisation). Mr Malan is employed by Universal Coal 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 2012 edition of the JORC Code. Mr Malan consents to the inclusion in this report of this information in the form and context in which it appears.

The information in this report that relates to the Roodekop and Brakfontein Ore Reserve estimates are based on information compiled and reviewed by Mr Kevin Donaldson. Mr Donaldson is employed by Universal Coal as Chief Development Engineer and is registered with the Engineering Council of South Africa and a member of both the South African Institute of Mining and Metallurgy (Overseas Professional Organisation) and the South African Colliery Managers Association. He has more than 20 years' experience in the South African coal mining industry and sufficient experience which is relevant to the type of mineralisation and the Roodekop and Brakfontein deposits and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves.