

2 July 2015

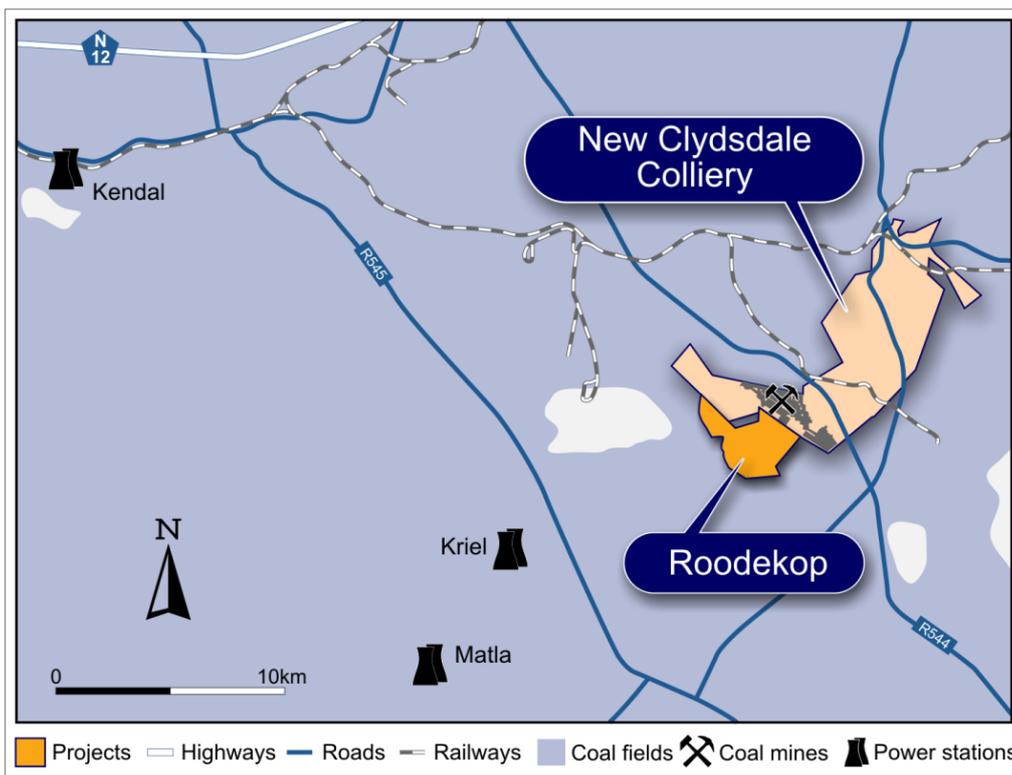


UNIVERSAL COAL SECURES SECTION 11 APPROVAL FOR NEW MINE

New Clydesdale Colliery ("NCC") to be commissioned by the end of 2015

Universal Coal Plc (ASX:UNV) is pleased to announce that it has secured Ministerial approval in terms of Section 11 of the South African Minerals and Petroleum Resources Development Act (No. 28 of 2002) for the transfer of ownership of the New Clydesdale Mining Right from Exxaro.

This will allow re-commissioning of the NCC mine to proceed. NCC, which is near Witbank, will be Universal Coal's second operation. The first Universal mine is the Kangala Colliery, which is currently producing ~2 million tonnes of saleable coal per annum.



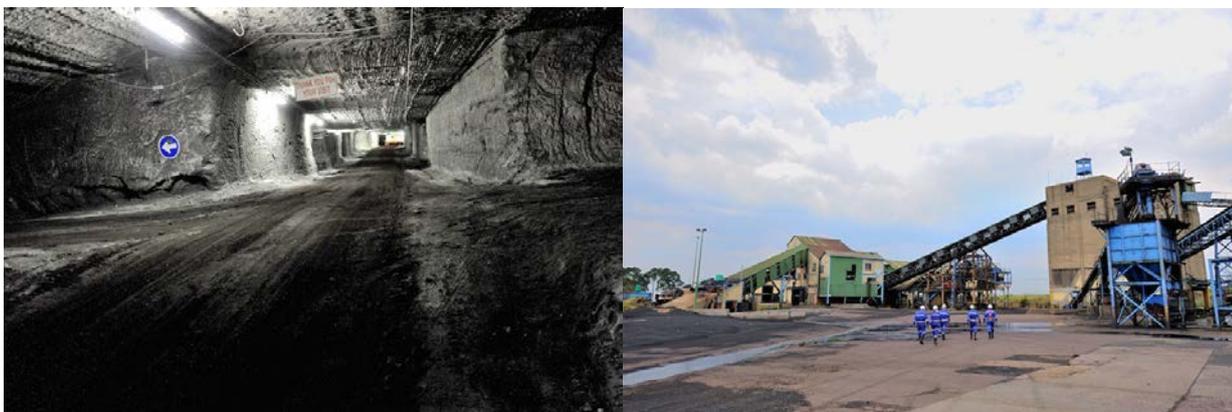
The first phase of the NCC project involves the development of an open cast operation on Roodekop, with the re-commissioning of the NCC processing facilities to meet the demand of the initial tonnage throughput. Phase one is fully funded from existing cash reserves and an Investec facility (see below). On-site operations are scheduled to commence later this year. At full capacity, the NCC mine will produce two million tonnes of ROM coal per annum for high-end domestic markets. A long-term Coal Sales Agreement (CSA) is currently being negotiated with both power and metallurgical off-takers for the use of coal from NCC. NCC has reserves of 40.5 million tonnes and is expected to have a mine life in excess of 20 years.

On 22 June 2015 Universal announced a senior secured debt finance facility of AUS\$55 million (ZAR525 million) with Investec Bank Limited. This facility will enable Universal to fund the final phase of capital development at NCC and to bring the NCC mine into production.

“Universal Coal has been performing well above expectations,” says CEO, Tony Weber.

“We have transitioned from an explorer to a 2.8 million tonne per annum run of mine coal producer in only four years. With the commissioning of NCC we anticipate that we will be able to double our output and our earnings by 4Q2016.”

“With development of NCC Universal Coal is well on its way to meeting its strategic objective of becoming a mid-tier lower-quartile multi-mine, multi-product coal producer.”



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Universal Coal Global Coal Resources/Reserve Summary

Project	Reserve		Resource				
	Proved Mt	Probable Mt	Measured Mt	Indicated Mt	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	28.8	12.00	144.9	3.6	16.9	165.4	102.1
Brakfontein ³	9.6	-	31.7	39.4	4.7	75.8	38.1
Total Thermal Coal	60.7	12.00	269.7	62.4	55.2	387.3	243.2
Coking Coal (Limpopo)							
Berenice ⁴	-	-	394.0	694.3	116.1	1,204.4	602.2
Cygnus ⁵	-	-	30.9	106.7	8.2	145.8	72.9
Somerville ⁴	-	-	-	-	274.2	274.2	137.1
Total Coking Coal	-	-	424.9	801.0	398.5	1,624.3	812.2
Total	60.7	12.00	694.6	863.4	453.7	2,011.6	1,055.4
	72.7						

Notes:

1. Universal has an attributable interest of 70.5% of the Kangala Project.
 2. Universal has an attributable interest of 49% in the New Clydesdale Colliery and Roodekop Project, collectively known as the NCC project
 3. 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.
 4. Universal has an attributable interest of 50% in the Berenice and Somerville Projects with an option to acquire up to a 74% interest.
 5. Universal has an attributable interest of 50% in the Cygnus Project with an option to acquire up to a 74% interest.
- 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 and Brakfontein projects have been prepared to comply with the JORC Code 2012.

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Competent Person's Statement

The Coal Resource estimates for Kangala, Brakfontein, Berenice, Cygnus and Somerville were prepared 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 Coal Resource estimate for NCC was prepared by Mr Pogiso Rantao, who is a registered natural scientist and a member of the South African Council for Natural Scientific Professions (a Recognised Overseas Professional Organisation). Mr Rantao is employed as a Senior Geologist 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 2012 edition of the JORC Code. Mr Rantao 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 JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves.

The NCC Coal Reserve estimate was prepared by Messrs Piet van der Linde and Ronnie van Eeden from Mindset Mining Consultants (Pty) Ltd. Mr van der Linde is a registered Professional Certified Mining Engineer and has over 30 years' experience in the mining industry. Mr van Eeden is a qualified Mining Engineer (Mine Managers Certificate of Competency) with other commercial qualifications, and has over 30 years' experience in the coal industry internationally. Mr van der Linde is a member of the Engineering Council of South Africa (ECSA) (a Recognised Overseas Professional Organisation) and member of the South African Collieries Managers Association (SACMA). Messrs van der Linde and van Eeden have sufficient experience which is relevant to the type of mineralisation and the NCC deposit and to the activity which they are undertaking to qualify as Competent Persons as defined by the JORC Code for Reporting of Exploration, Mineral Resources and Ore Reserves. Messrs van der Linde and van Eeden consent to the inclusion in this report of this information in the form and context in which it appears.

The Brakfontein Ore Reserve estimate was prepared 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 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.