

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA.  
PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT**

**16 September 2009**

**UK Coal PLC**

**(“UK Coal” or “the Company”)**

**PUBLICATION OF PROSPECTUS**

Further to UK Coal's announcement this morning in relation to a share issue to raise gross proceeds of approximately £106.5 million (approximately £100 million net of expenses) through the issue of 142,045,413 New Shares by way of a Firm Placing and Placing and Open Offer at a price of 75 pence per New Share, the Company announces that a prospectus relating to the Firm Placing and Placing and Open Offer (the 'Prospectus') was approved by the UK Listing Authority (the 'UKLA') earlier today.

The Prospectus will be posted to Shareholders today, and copies of the Prospectus, which includes a notice convening a general meeting of the Company to be held at Farmers & Fletchers Hall, 3 Cloth Street, London EC1A 7LD at 11.00 a.m. on 9 October 2009, will shortly be available for inspection at the UKLA's Document Viewing Facility, which is situated at Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS.

In addition, the Prospectus will shortly be available to view on the Company's website ([www.ukcoal.com](http://www.ukcoal.com)). Copies of the Prospectus will be available from the registered office of UK Coal at Harworth Park, Blyth Road, Harworth, Doncaster, South Yorkshire DN11 8DB and will be available for inspection up to Admission at the offices of Freshfields Bruckhaus Deringer at 65 Fleet Street, London EC4Y 1HS.

Capitalised terms in this announcement have the same meaning as in UK Coal's announcement released this morning.

For further information, please contact:

**UK Coal plc**  
Richard Cole  
Company Secretary

01302 751 751

Gleacher Shacklock, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as sponsor and financial advisor exclusively to the Company and for no one else in connection with the Capital Raising and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising and Admission or any other matters referred to herein.

Evolution, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as joint bookrunner, underwriter and broker exclusively to the Company and for no one else in connection with the Capital Raising and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising, Admission or any other matters referred to herein.

Numis, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as joint bookrunner, underwriter and broker exclusively to the Company and for no one else in

connection with the Capital Raising and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising and Admission or any other matters referred to herein.

This announcement has been issued by, and is the sole responsibility of, UK Coal plc. Apart from the responsibilities and liabilities, if any, which may be imposed by the FSMA, neither of Evolution, Numis nor Gleacher Shacklock nor any of their affiliates, parent undertakings, subsidiary undertakings or subsidiaries of their parent undertakings or any of their respective directors, officers, employees or advisers or any other person accepts any responsibility whatsoever and makes no representation or warranty, express or implied, for or in respect of the contents of this announcement or as to the accuracy or completeness or fairness of the information or opinions contained in this announcement and, without prejudice to the generality of the foregoing, no responsibility or liability is accepted by any of them for any such information or opinions or for any errors or omissions.

#### **Important notice**

**THIS ANNOUNCEMENT IS AN ADVERTISEMENT. IT IS NOT A PROSPECTUS AND INVESTORS SHOULD NOT SUBSCRIBE FOR OR PURCHASE ANY SHARES REFERRED TO IN THIS ANNOUNCEMENT EXCEPT ON THE BASIS OF INFORMATION CONTAINED IN THE PROSPECTUS WHICH IS TO BE PUBLISHED IN DUE COURSE. THE PROSPECTUS, WHEN PUBLISHED, WILL BE MADE AVAILABLE ON UK COAL'S WEBSITE AND WILL BE AVAILABLE FOR INSPECTION AT THE UK LISTING AUTHORITY'S ANNOUNCEMENT VIEWING FACILITY.**

Neither the content of UK Coal's website nor any website accessible by hyperlinks on UK Coal's website is incorporated in, or forms part of, this announcement.

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire any New Shares to any person in Australia, Canada, Japan, South Africa or the United States or in any jurisdiction to whom or in which such offer or solicitation is unlawful, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract or commitment whatsoever with respect to the proposed Capital Raising or otherwise.

The distribution of this announcement in certain jurisdictions may be restricted by law and such distribution could result in violation of the laws of such jurisdictions. In particular, this announcement is not for distribution in the United States, Australia, Canada, Japan or South Africa. The securities referred to herein may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the "Securities Act") or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Subject to certain exceptions, the securities referred to herein may not be offered or sold in Australia, Canada, Japan or South Africa or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, Japan or South Africa. The offer and sale of the securities referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of Australia, Canada, Japan or South Africa. There will be no public offer of the securities in the United States.

The information in this announcement may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution, reproduction or disclosure of this information in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

Any person receiving this announcement is advised to exercise caution in relation to the Capital Raising. If in any doubt about any of the contents of this announcement, independent professional advice should be obtained.