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9 October 2009

UK Coal PLC

(“UK Coal” or “the Company”)

RESULT OF OPEN OFFER

On 16 September 2009, UK Coal announced a share issue to raise gross proceeds of £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 Firm Placing and Placing and Open Offer are conditional, amongst other things, on the approval of Shareholders.

The Open Offer closed at 11.00 a.m. on 8 October 2009. Under the Open Offer, valid applications have been received from Qualifying Shareholders in respect of their Open Offer Entitlements for, in aggregate, 80,630,630 Open Offer Shares, representing approximately 93.2 per cent. of the 86,489,010 Open Offer Shares offered pursuant to the Open Offer. As a consequence, 5,858,380 Open Offer Shares were available pursuant to the Excess Application Facility. Valid applications pursuant to the Excess Application Facility have been received in respect of 16,797,986 Excess Shares, representing approximately 287 per cent. of the Excess Shares available. Accordingly, applications for Excess Shares under the Excess Application Facility have been scaled back and no Open Offer Shares have been allocated to those institutional shareholders and other investors with whom they had been conditionally placed under the terms of the Placing.

In addition to the Placing and Open Offer, a further 55,556,403 New Shares will be issued through the Firm Placing.

Shareholder approval to effect the Firm Placing and Placing and Open Offer will be sought at the General Meeting to be held at 11.00 a.m. today at Farmers & Fletchers Hall, 3 Cloth Street, London EC1A 7LD. Subject to Shareholder approval, application will be made for the Admission of 142,045,413 New Shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange’s market for listed securities. It is expected that Admission and commencement of dealings in the New Shares will become effective at 8.00 a.m. on 12 October 2009. New Shares in uncertificated form are expected to be credited to CREST accounts by 8.00 a.m. on 12 October 2009, and definitive share certificates for the New Shares in certificated form are expected to be despatched by 19 October 2009. The Firm Placing and Placing and Open Offer remain conditional upon the Placing Agreement becoming unconditional in all respects and Admission.

The Enlarged Issued Share Capital of UK Coal following Admission will be 299,298,160 Shares in aggregate. The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares.

Commenting, David Jones, Chairman of UK Coal, said:

“Naturally, we are delighted with the response to our share issue, which puts in place an appropriate capital structure for UK Coal as we drive forward our strategy to realise the

substantial value we see in our mining and property businesses. We thank our existing shareholders for their support and welcome our new shareholders.”

This announcement should be read in conjunction with the full text of the Prospectus published by UK Coal on 16 September 2009. Definitions used in the Prospectus shall have the same meanings when used in this announcement unless the context otherwise requires. Copies of the Prospectus are available at the UK Listing Authority's Document Viewing Facility, which is situated at The UK Listing Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS and on the Company's website at www.ukcoal.com. In addition, copies of the Prospectus are available for inspection up to Admission at the offices of Freshfields Bruckhaus Deringer at 65 Fleet Street, London EC4Y 1HS.

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Notes to Editors:

UK Coal is Britain's biggest producer of coal, producing approximately 45 per cent. of UK-mined coal and supplying approximately 15 per cent. of the coal burned in the UK's electricity generation industry in 2008. UK Coal is one of Britain's largest brownfield site property developers, owning 43,500 acres (17,600 hectares) of land across the UK, of which some 3,790 acres are currently targeted for development.

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.

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