

23 March 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited (ASX)
Electronic Transmission

HEAD OFFICE
Level 2,
91 Havelock Street, West Perth
Western Australia 6005

POSTAL ADDRESS
P O Box 1466, West Perth
Western Australia 6872
Phone: +61 (0)8 9486 8400
Facsimile: +61 (0)8 9486 8700
Email: universal@universalresources.com.au
Website: www.universalresources.com.au

13 page(s)

Dear Sir/Madam,

HIGH GRADE COPPER AND GOLD HITS IN ROSEBY COPPER PROJECT

The directors of Universal Resources Limited ('Universal') are pleased to report success in the Company's program to delineate high grade resources at its Roseby Copper Project (RCP). Drilling at Bedford North and Lady Clayre "Zone F" copper-gold sulphide deposits has returned the following high grade copper-gold intersections.

HIGHLIGHTS

Bedford North:

- **BFR152:** 6 metres at 4.96% copper, 2.10 g/t gold from 31 metres
- **BFR134:** 20 metres at 1.60% copper, 0.44 g/t gold from 17 metres
Including 8 metres at 3.64% copper, 0.92 g/t gold from 18 metres
- **BFR132:** 25 metres at 1.75% copper, 0.28 g/t gold from 46 metres
Including 11 metres at 3.06% copper, 0.38 g/t gold from 48 metres
- **BFR147:** 5 metres at 2.16% copper, 0.62 g/t gold from 37 metres
and 4 metres at 2.66% copper, 0.85 g/t gold from 54 metres
- **BFR137:** 15 metres at 1.42% copper, 0.31 g/t gold from 2 metres
and 7 metres at 1.93% copper, 1.05 g/t gold from 22 metres
- **BFR146:** 12 metres at 1.64% copper, 0.68 g/t gold from 26 metres

Lady Clayre:

- **LCR165:** 26 metres at 1.18% copper, 1.13 g/t gold from 69 metres.
Including 14 metres at 1.93% copper, 1.93 g/t gold from 81 metres.
- **LCR164:** 11 metres at 3.37% copper, 1.22 g/t gold from 87 metres.
- **LCR156:** 19 metres at 1.63% copper, 0.12 g/t gold from 81 metres.

The Bedford and Lady Clayre drilling programmes were part of a program to upgrade high grade resources at Roseby from the Inferred to Indicated and Measured resource categories.

DETAILED REPORT

Introduction

The Roseby Copper Project (RCP) is located in the highly prospective and strongly mineralised Mt Isa Inlier in North West Queensland, covering an area of approximately 1810 sq km (Figures 1 and 2).

The Bedford North, Bedford South and the Lady Clayre copper-gold sulphide deposits together comprise Inferred resources of 5.47 million tonnes grading 0.89% copper, 0.40 gpt gold using a 0.3% copper cut-off and are contained within the wider combined oxide and sulphide resources, announced to ASX on 15 September 2006, totalling 123.2Mt at an average grade of 0.73 % copper, 0.06 grams per tonne gold at cut-off grades ranging from 0.3 to 0.5 % copper. Both deposits contain lenses of substantially higher grade than average for Roseby and may provide early high grade mill feed for a revised Roseby development plan.

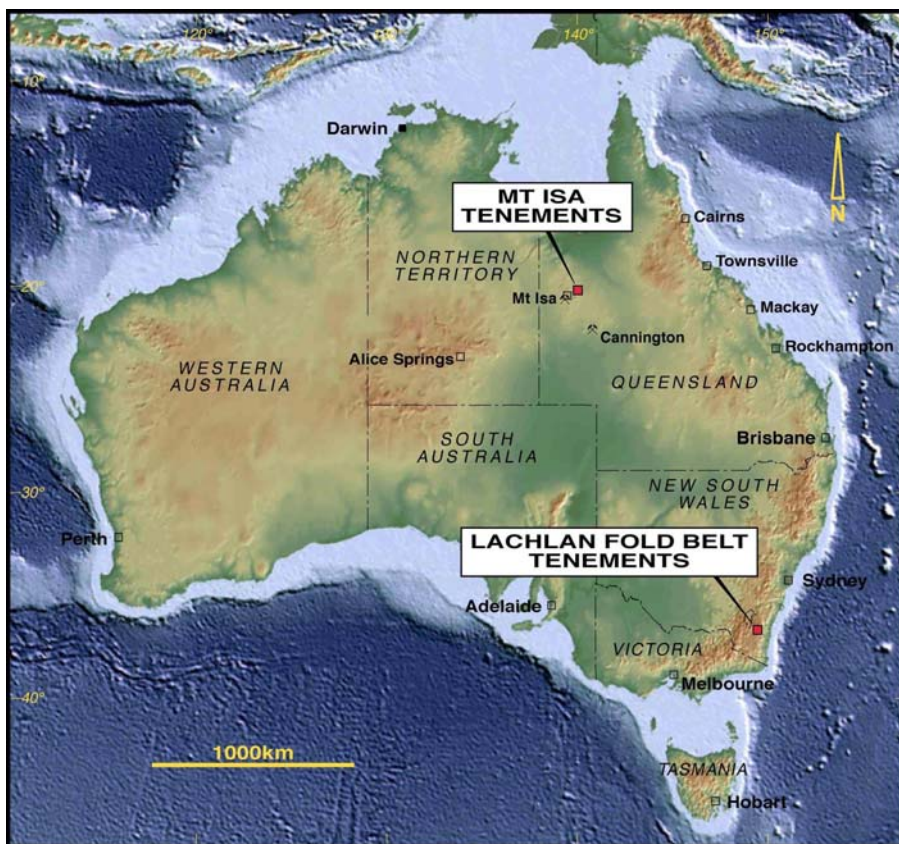


Figure 1. Universal Project Locations

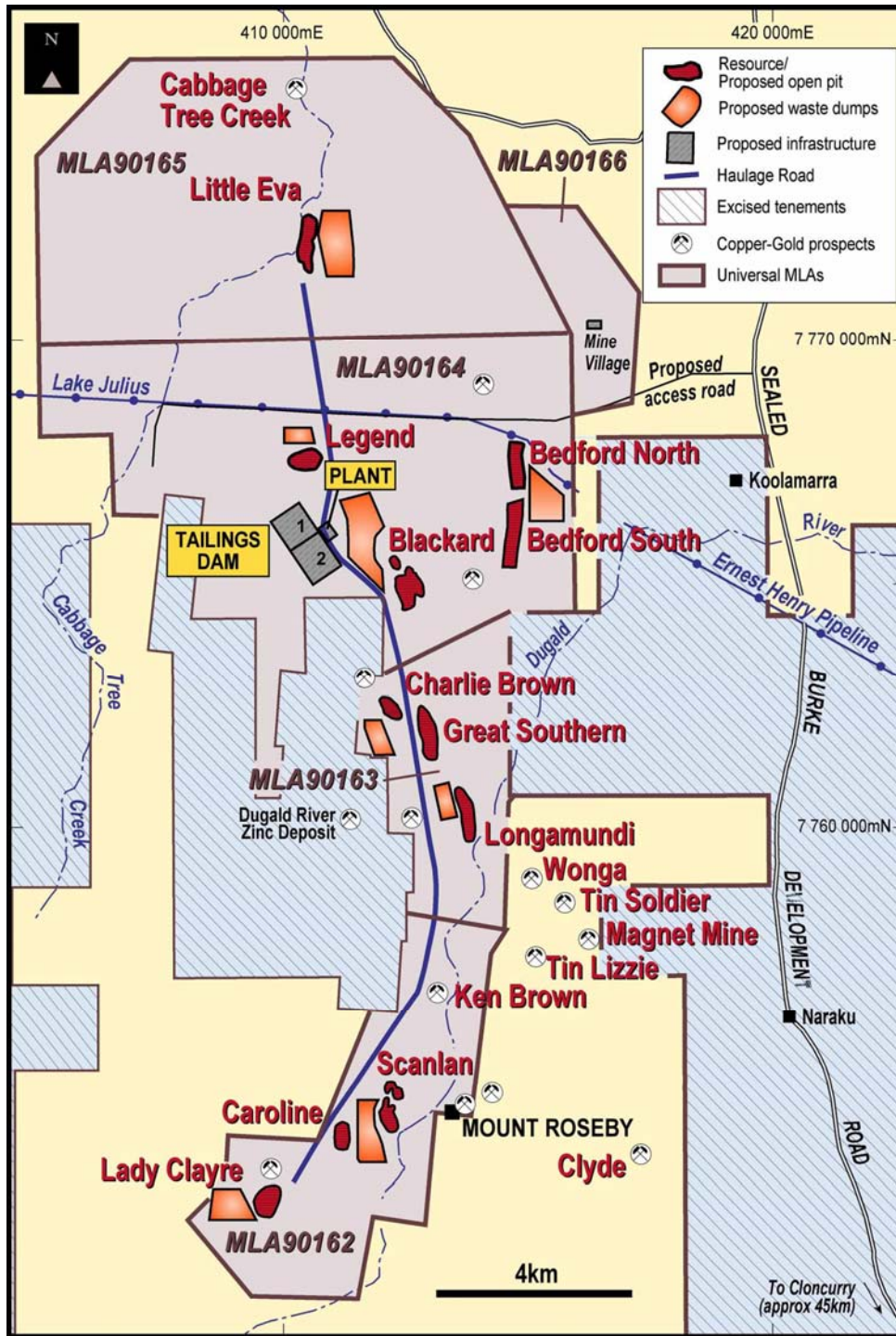


Figure 2. Project Deposits and Infrastructure

Drilling Programs

Bedford

The recent program comprised 24 RC drill holes for 2,344 metres at Bedford North. Details of these holes are provided in Table 2 and their collar locations are shown in Figure 3. The program was designed to further test the structure, geometry and continuity of the copper-gold mineralisation

over a strike length of approximately 450 metres to a vertical depth of up to 120 metres as part of a planned resource upgrade strategy.

Table 2. Bedford RC Drill Hole Locations

HOLE No.	PROSPECT	CO-ORDINATES		AZIMUTH (AMG)	DIP (degrees)	DEPTH (metres)
		AMG_N	AMG_E			
BFR131	Bedford North	7767719	414919	90	60	55
BFR132	Bedford North	7767719	414857	90	60	115
BFR133	Bedford North	7767720	414789	90	60	169
BFR134	Bedford North	7767695	414873	90	60	91
BFR135	Bedford North	7767693	414843	90	60	125
BFR136	Bedford North	7767643	414873	90	60	85
BFR137	Bedford North	7767602	414875	90	60	79
BFR138	Bedford North	7767547	414887	90	60	55
BFR139	Bedford North	7767547	414864	90	60	79
BFR140	Bedford North	7767548	414839	90	60	127
BFR141	Bedford North	7767516	414769	90	60	120
BFR142	Bedford North	7767448	414859	90	60	60
BFR143	Bedford North	7767446	414835	90	60	85
BFR144	Bedford North	7767417	414886	90	60	45
BFR145	Bedford North	7767416	414864	90	60	91
BFR146	Bedford North	7767368	414884	90	60	61
BFR147	Bedford North	7767602	414845	90	60	109
BFR148	Bedford North	7767660	414787	90	60	169
BFR149	Bedford North	7767583	414761	90	60	169
BFR150	Bedford North	7767368	414863	90	60	85
BFR151	Bedford North	7767368	414833	90	60	127
BFR152	Bedford North	7767277	414888	90	60	55
BFR153	Bedford North	7767278	414864	90	60	79
BFR154	Bedford North	7767276	414835	90	60	109

The following sampling and assay techniques were used. Drill cuttings were sampled at 1 metre intervals, using a cone splitter to create a sample of approximately 3 kilograms.

- Standards at an average rate of approximately 1 per 15 samples were placed in the sample sequence.
- Duplicates were taken approximately every 20 samples.
- All samples were sent for assay using an ore grade mixed acid digest followed by ICP-AES analysing for copper, and 50g aqua regia digest followed by a AAS finish for gold

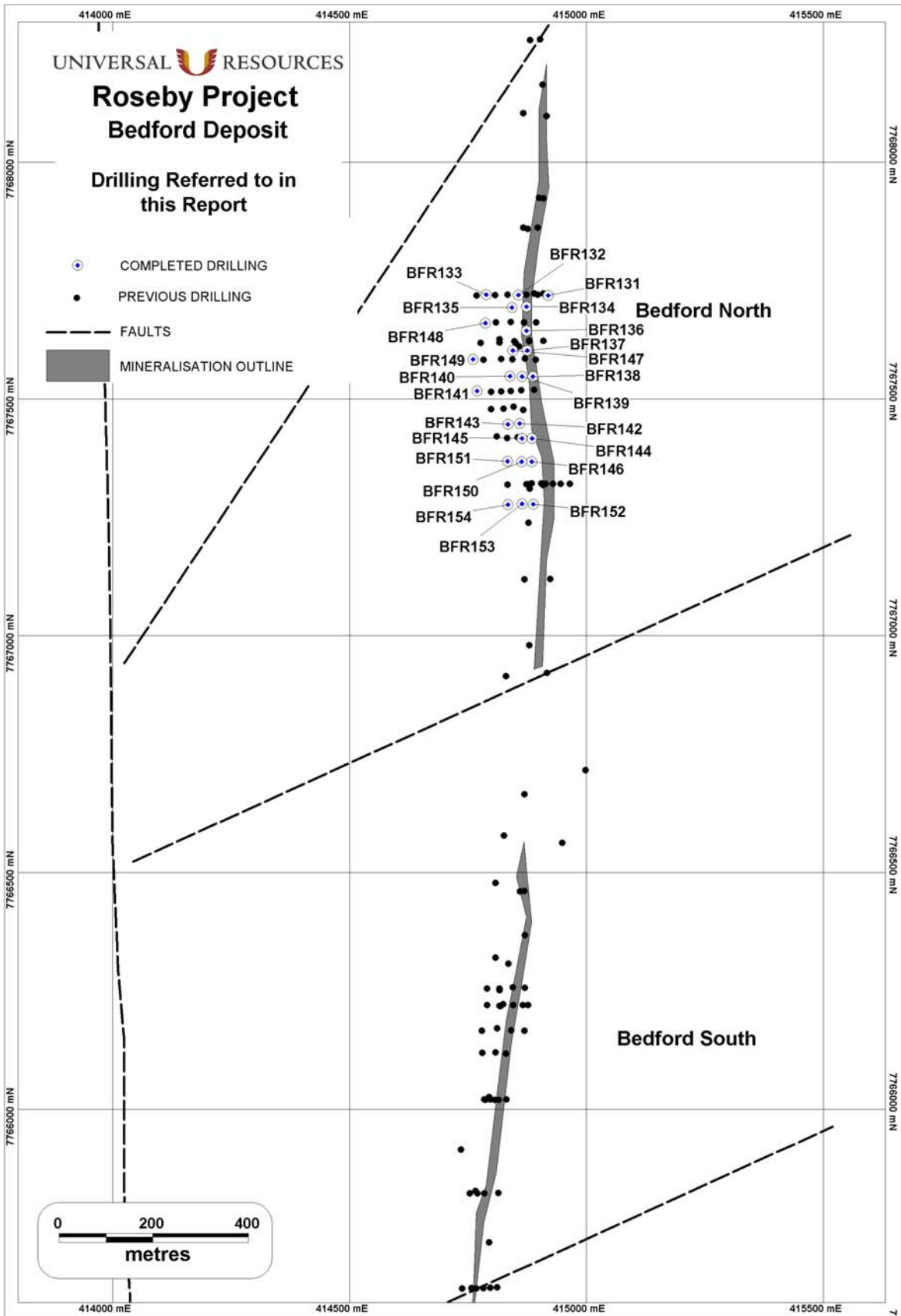


Figure 3. Bedford Drill Hole Collar Plan

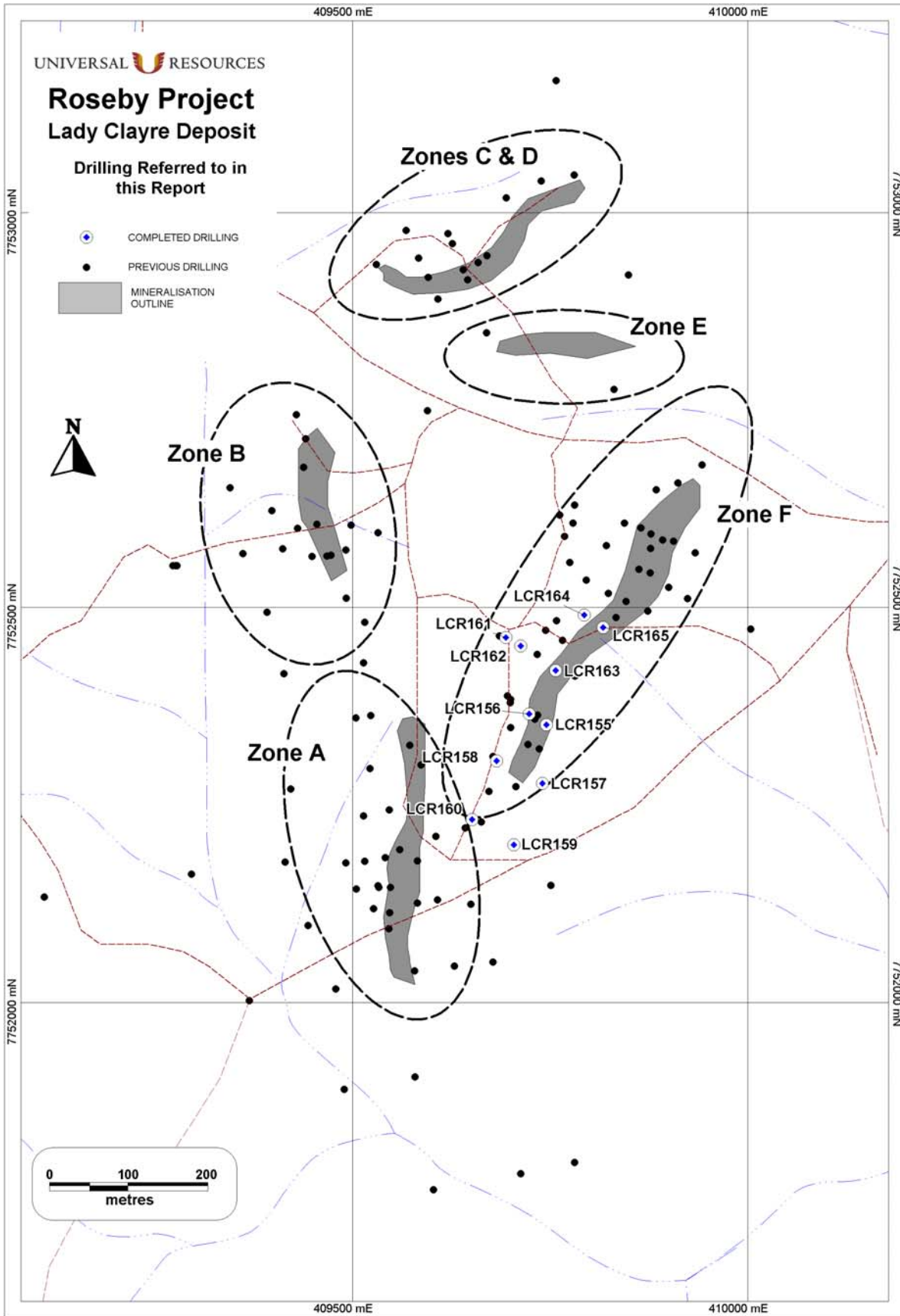


Figure 4. Lady Clayre Drillhole Collar Plan

Lady Clayre

A 1353 metre program of reverse circulation (RC) percussion drilling in 11 holes was completed within the Lady Clayre Zone F resource area. This drill programme was designed to commence a planned resource upgrade from the Inferred to Indicated categories by further testing the structure, geometry, continuity and host rock of the copper-gold mineralisation. The holes were drilled along five profiles over approximately 300 metres (nominal 60 metres line spacing) to cover multiple zones of mineralisation identified by previous mapping, rock chip sampling and drilling. Details of these holes are provided in Table 3 and their collar locations are shown in Figure 4.

Table 3. Lady Clayre RC Drill Hole Locations.

HOLE No.	PROSPECT	CO-ORDINATES		AZIMUTH (AMG)	DIP (degrees)	DEPTH (metres)
		AMG_N	AMG_E			
LCR155	Lady Clayre - Zone F	7752352	409746	122	60	103
LCR156	Lady Clayre - Zone F	7752366	409723	122	60	120
LCR157	Lady Clayre - Zone F	7752278	409740	122	60	85
LCR158	Lady Clayre - Zone F	7752306	409682	122	60	151
LCR159	Lady Clayre - Zone F	7752200	409704	122	60	91
LCR160	Lady Clayre - Zone F	7752232	409652	122	60	139
LCR161	Lady Clayre - Zone F	7752462	409694	122	60	120
LCR162	Lady Clayre - Zone F	7752451	409713	122	60	103
LCR163	Lady Clayre - Zone F	7752420	409757	122	60	127
LCR164	Lady Clayre - Zone F	7752491	409793	122	60	193
LCR165	Lady Clayre - Zone F	7752475	409817	122	60	121

Sampling and assaying techniques were the same as for Bedford.

Results

Bedford Geology

The Bedford North and South copper-gold deposits (Figure 3) are hosted by scapolitised quartz-biotite-hornblende-magnetite schists and include ortho and para-amphibolites of the Corella Formation. The combined Inferred resource for Bedford North and Bedford South stands at 1.77 million tonnes at 0.93% copper and 0.24% gold (at a 0.3% copper cut-off) for 16,500 tonnes of contained copper and 13,800 ounces of gold (Table 1).

Very strong multiple deformation of the host meta-volcanosedimentary sequence is evident. The host structure is interpreted to be an isoclinally folded syncline with a very steep (ca 70-80 deg) northerly plunge and highly sheared and rodded beds.

Copper-gold mineralisation is present over an approximate 3 kilometre strike length within a major shear, trending sub-parallel to the Mt Roseby Fault Zone (MRFZ) and acutely transecting local strike. The surface expression of mineralisation is a copper-gold bedrock anomaly (>500ppm Cu) of up to 100 metres width and a number of historical workings and mineralised outcrops over a 3 kilometre strike length.

The base of oxidation at Bedford is variable, extending to a maximum depth of 30 metres below surface. The underlying primary mineralisation comprises chalcopyrite as disseminations, stringers and stockworks in association with magnetite, minor pyrite, pyrrhotite and occasional molybdenite.

This mineralisation is interpreted as a hydrothermal copper-gold-iron deposit lying within a much larger halo of similar association widely present to the east of the Mt Rose Bee Fault.

Bedford North Drilling

The recent drilling programme has extended the strike length of detailed drilling to 450 metres and the mineralisation depth extent to approximately 125 vertical metres (Figure 5). Mineralisation is open along strike to the north and south and remains open at depth. Of particular interest is the shallow high grade mineralisation intersected on the southern-most section of the recent drilling (BFR152).

Economically significant results are provided in Table 4 below.

Table 4. Significant Drill Results for Bedford North

Hole ID	Interval (metres)			Copper (%)	Gold (g/t)	Total Depth (metres)
	From	To	Length			
BFR131	7	9	2	0.70	0.11	55
	25	28	3	0.34	0.03	
BFR132 <i>incl.</i>	46	71	25	1.75	0.28	115
	48	59	11	3.06	0.38	
	86	88	2	0.83	0.12	
	98	103	5	0.41	0.05	
BFR133	145	152	7	1.31	0.23	169
	159	162	3	0.49	0.03	
BFR134 <i>incl.</i>	17	37	20	1.60	0.44	91
	18	26	8	3.64	0.92	
	57	60	3	0.77	0.14	
BFR135	93	96	3	1.65	0.26	125
	109	115	6	0.55	0.08	
BFR136 <i>incl.</i>	18	44	26	1.64	0.47	85
	25	36	11	2.77	0.79	
	62	64	2	1.60	0.33	
BFR137	2	17	15	1.42	0.31	79
	22	29	7	1.93	1.05	
	52	55	3	0.74	0.09	
BFR138	25	30	5	0.59	0.09	55
BFR139	8	10	2	1.53	0.35	79
	24	32	8	1.46	0.17	
	41	47	6	0.60	0.12	
BFR140	49	58	9	1.19	0.28	127
	61	63	2	0.88	0.24	
	70	72	2	0.55	0.09	
	87	90	3	0.47	0.05	
BFR141	86	90	4	0.84	0.31	120
BFR142	8	15	7	0.57	0.11	60
	21	23	2	0.59	0.01	
	40	52	12	1.20	0.24	
BFR143					NSI	85

Table 4. Significant Drill Results for Bedford North (Cont'd)

Hole ID	Interval (metres)			Copper (%)	Gold (g/t)	Total Depth (metres)	
	From	To	Length				
BFR144	11	15	4	0.89	0.15	45	
	26	36	10	0.94	0.17		
BFR145	38	53	15	1.57	0.41	91	
	74	81	7	0.63	0.37		
BFR146	26	38	12	1.64	0.68	61	
	49	53	4	1.30	0.36		
BFR147	1	4	3	0.50	0.20	109	
	31	33	2	1.31	0.32		
	37	42	5	2.16	0.62		
	54	58	4	2.66	0.85		
	70	75	5	1.59	0.57		
	92	94	2	0.90	0.31		
BFR148	121	123	2	0.86	0.06	169	
	143	158	15	1.33	0.14		
	incl.	144	148	4	2.14		0.31
BFR149	91	97	6	1.66	1.52	169	
	Incl.	95	97	2	5.62		2.84
		146	148	2	1.15		0.37
BFR150	49	52	3	0.87	0.28	85	
	59	65	6	0.47	0.54		
BFR151					NSI	127	
BFR152	31	37	6	4.96	2.10	55	
	41	43	2	1.06	0.60		
BFR153	55	57	2	1.01	0.19	79	
BFR154	50	53	3	0.77	0.12	109	

**Calculated at a 0.3 % copper cut-off, with a minimum 2 metre interval. The above results include some internal waste within the mineralised zones. Where mineralised drill intersections are quoted, the quoted copper and gold assays are the weighted average of the copper and gold assays over the relevant interval. Each assay is weighted by the length of the sample. Intervals referred to are down-hole intercept lengths, not true widths. No upper copper cut-offs are applied. NSI means 'no significant intersection'.*

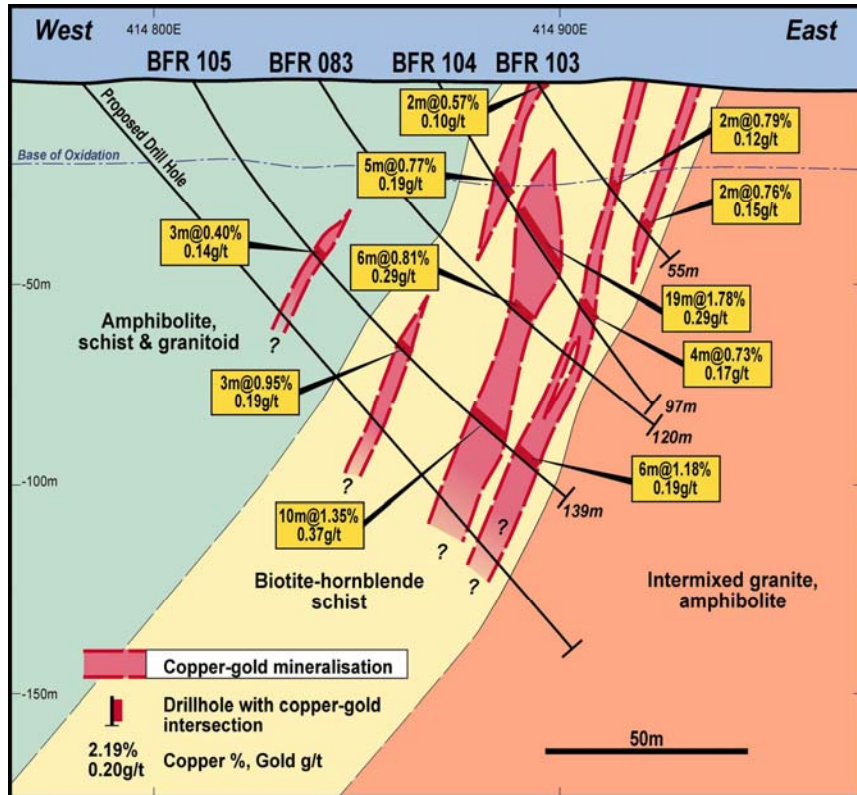


Figure 5. Bedford North Deposit – Cross Section 7 767 670N

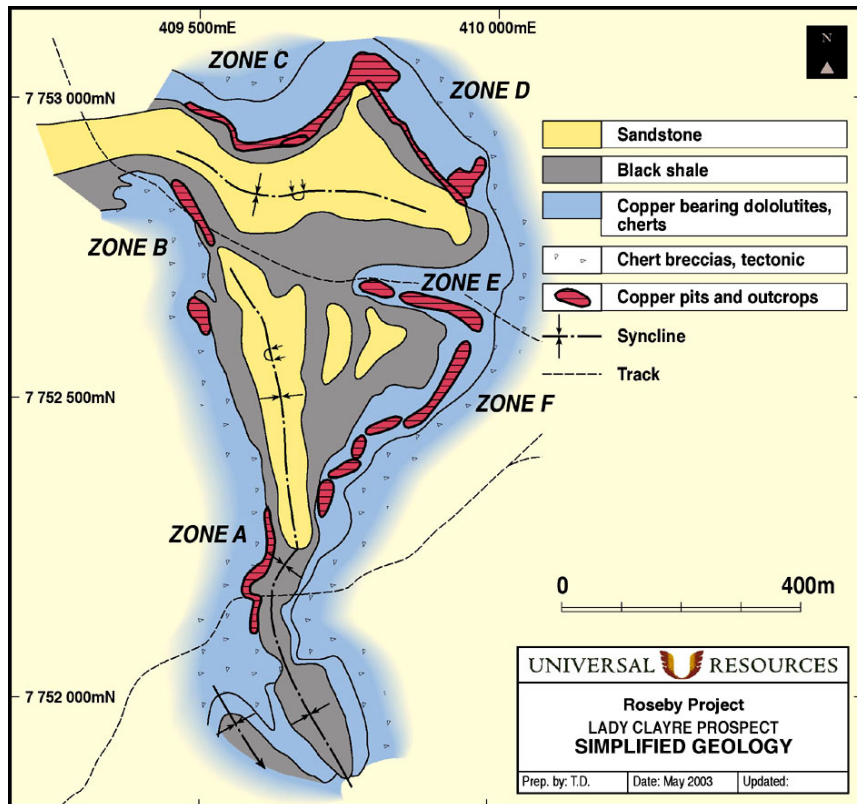


Figure 6. Lady Clayre Zones of Mineralisation

Lady Clayre Geology

A total of seven separate zones of copper-gold mineralization have been identified at Lady Clayre (Zones A-F, Figure 6). They are disposed around a complexly folded synclinal structure with local cross folds developing a crude basinal configuration. Mineralisation is stratabound, lying at or near the contact between dolomitic sediments and overlying black (carbonaceous) shales.

The carbonate rich rocks have undergone intense silica-albite alteration and brecciation. Mineralisation, as disseminations, blebs and stringers of chalcopyrite-pyrite-pyrrhotite+/-bornite-molybdenite, is associated with late stage, cross cutting carbonate-quartz-sulphide veining, within the altered carbonate rocks.

Drilling at Lady Clayre has been limited but has been sufficient to allow calculation of resources in Zones A and F. The total of the Inferred resources for Lady Clayre Zones A and F stands at 3.70 million tonnes averaging 0.88% copper and 0.48gpt gold (at a 0.3% copper cut-off) for 32,600 tonnes of contained copper and 57,700 ounces of gold (Table 1).

Lady Clayre Drilling

Drilling in Zone F has delineated mineralisation over a strike length of at least 400 metres. Economically significant results are tabulated in Table 5 below. The majority of the mineralization is located within a steeply dipping zone of alteration within dolomitic sediments, up to 60 metres wide. Individual shoots appear to have strike lengths of up to 100 metres and to extend to approximately 15 metres true width (Figure 7). Mineralization extends to a depth of at least 100 vertical metres and remains open at depth.

Table 5. Significant Drill Results for Lady Clayre, Zone F

Hole ID	Interval (metres)			Copper (%)	Gold (g/t)	Total Depth (metres)
	From	To	Length			
LCR155	18	41	23	0.58	0.16	103
	46	50	4	0.75	0.01	
	56	59	3	0.64	0.01	
	68	87	19	0.75	0.01	
LCR156	5	11	6	1.15	0.10	120
	25	30	5	0.48	0.01	
	48	50	2	0.55	0.23	
	54	57	3	0.41	0.23	
	61	63	2	0.91	0.24	
	69	72	3	0.46	0.12	
	75	77	2	0.41	0.10	
	81	100	19	1.63	0.12	
	104	106	2	2.46	0.06	
LCR157	2	9	7	1.52	0.01	85
LCR158	44	49	5	0.80	0.57	151
	64	76	12	0.45	0.18	
LCR159					NSI	91
LCR160	58	60	2	0.66	BD	139
LCR161					NSI	120
LCR162	5	7	2	0.43	0.24	103
	52	58	6	0.42	0.20	
	73	93	20	0.57	0.27	

Table 5. Significant Drill Results for Lady Clayre, Zone F (Cont'd)

Hole ID	Interval (metres)			Copper (%)	Gold (g/t)	Total Depth (metres)
	From	To	Length			
LCR163					NSI	127
LCR164	28	30	2	0.34	0.04	193
	55	67	12	0.40	0.15	
	72	81	9	0.76	0.35	
	87	98	11	3.37	1.22	
	104	107	3	0.49	0.07	
	113	140	27	0.52	0.04	
LCR165	5	7	2	0.53	BD	121
	69	95	26	1.18	1.13	
incl.	81	95	14	1.93	1.93	

*Calculated at a 0.3 % copper cut-off, with a minimum 2 metre interval. The above results include some internal waste within the mineralised zones. Where mineralised drill intersections are quoted, the quoted copper and gold assays are the weighted average of the copper and gold assays over the relevant interval. Each assay is weighted by the length of the sample. Intervals referred to are down-hole intercept lengths, not true widths. No upper copper cut-offs are applied. NSI means 'no significant intersection'. BD means below detection limit.

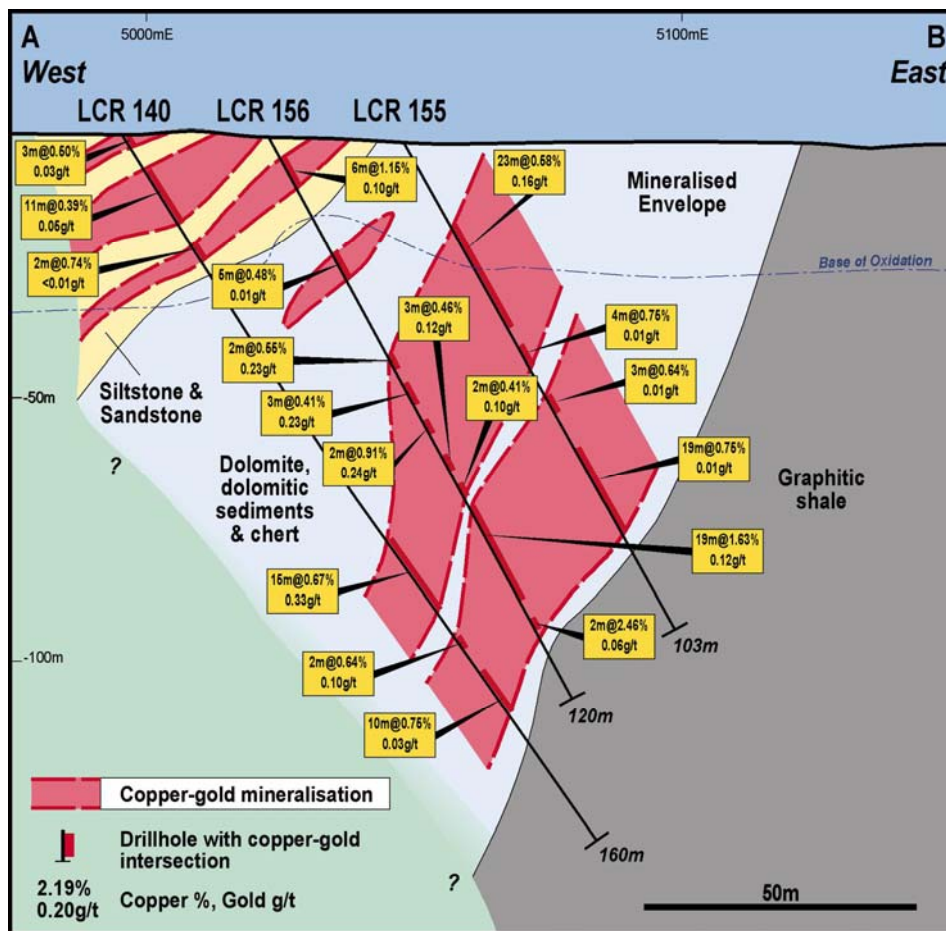


Figure 7. Lady Clayre 'Zone F' - 10430N Cross Section

DISCUSSION

The Bedford North and Lady Clayre deposits require further drilling to upgrade them to the Indicated and Measured Resource categories. The results of the latest drill program support the current geological interpretation of both deposits and the possibility that these deposits will augment the existing sulphide copper and gold mineral resource grades at Little Eva (approximately 29.81 million tonnes grading 0.80% copper and 0.14 gpt gold mostly in the Indicated and Measured categories) with higher grade resources.

Further drilling of both deposits is required to test them along strike and to 150 metres vertical depth. Lady Clayre also requires further drilling to test for strike continuity of mineralisation into Zone E.

Mineralisation in Zones B, C, D and E at Lady Clayre remain untested by systematic drilling programs. Each of these areas is interpreted to have shallow copper-gold sulphide resource potential.



M Hulmes
Managing Director

The information contained in this report that relates to exploration results has been compiled by Maurice Hoyle and John Bartlett, employees of Universal Resources Limited. Maurice Hoyle is a Fellow of the Australasian Institute of Mining and Metallurgy and John Bartlett is a Member of the Australasian Institute of Mining and Metallurgy. Maurice Hoyle and John Bartlett have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which they are undertaking as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Maurice Hoyle and John Bartlett consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.