

NEWS RELEASE

29 June 2010

Finnish Government Grants \$3.2M to Universal's Copper Project

Universal Resources Limited (ASX: URL, Universal) today announced that the Government of Finland will grant A\$3.2 million (€2.28 million) towards the refurbishment of the Company's 100% owned Luikonlahti processing plant (Luikonlahti), located in Eastern Finland.

The grant, from the Finnish Government Agency (Centre for Economic Development, Transport and the Environment), will also support infrastructure development and associated costs at the Luikonlahti site.

Universal's Managing Director, Dr Alistair Cowden, said receiving support from the Finnish government agency is a significant first step in the financing of the Company's Outokumpu Copper Project (Project).

"We are grateful for the support provided by the Government and the Minister of Economic Affairs, Mr Mauri Pekkarinen," said Dr Cowden.

"With Luikonlahti and the new grant under our belts, it's clear that the costs will be materially below the estimate made in the original DFS conducted in 2008 – making an even more attractive proposition to financiers," he said.

"We are also in discussion with other arms of the Finnish Government on accessing other forms of assistance with both infrastructure costs and financing of the Project."

The Luikonlahti mill was acquired in late 2009 based on the significant capital cost savings it represented to the development of the Company's Kylylahti copper deposit (Kylylahti), located only 45km away via road.

Outokumpu was one of the most important copper mining regions in Europe. Universal's Project, and namesake of this major copper district, comprises the Luikonlahti processing plant and some 15.6M tonnes of copper resources in seven deposits with significant cobalt, gold, nickel and zinc credits¹.

An optimised definitive feasibility study (DFS), which includes Luikonlahti, is expected to be completed in July 2010.

"We're heading into the September quarter on strong footing and look forward to providing shareholders with additional updates shortly."

-ENDS-

¹ Details of the resource estimates for the Outokumpu area can be found in the Vulcan ASX release dated 16 November 2009 and can be found on the URL website Investor Centre.

For further information, please contact:

Alistair Cowden

Managing Director

Tel: +61 8 9485 2929

Email: universal@universalresources.com.au

APPENDIX

About the Luikonlahti Mill



Figure 1: Luikonlahti Mill and Tailings Area

The mill was constructed in 1968 to process ore from the Luikonlahti copper-cobalt-nickel-zinc deposit. It operated for 15 years and processed 7.7Mt of copper-cobalt-nickel-zinc ore virtually identical in its grade and metallurgical characteristics to the Kylylahti deposit. The photograph above gives an aerial view of the extensive infrastructure purchased and the interior of the mill and flotation hall.

Universal has undertaken engineering due diligence, environmental due diligence, legal and commercial due diligence. In addition, the suitability for the mill to treat Kylylahti ore was assessed based on the extensive metallurgical testwork and process engineering work undertaken during the Kylylahti Definitive Feasibility Study in 2008, the Feasibility Study on the Luikonlahti plant completed by Belvedere in 2009 and the prior operating history of the facility. The equipment at Luikonlahti was found to be appropriate for treating Kylylahti ore. The facility was designed to treat ore with a Ball Mill Work Index of 14.9kWh/t and a grind size of 78 microns. The Ball Mill Work Index for Kylylahti ore is 14.9kWh/t and the optimum grind size as per the Definitive Feasibility Study is 100 microns. A finer grind of Kylylahti ore would only improve metallurgical performance.

There are two existing mills; a primary rod mill and a secondary ball mill, which as currently configured provide a throughput of 350,000tpa. The original circuit was a rod mill and two pebble mills. Most equipment to re-instate the second pebble mill remains onsite. The mills have sufficient motor capacity such that re-configuration of the circuit as ball mills rather than rod mills can easily achieve a throughput of 500,000tpa or more.

Belvedere's Feasibility Study addressed the capital and operating aspects of such a plant upgrade. Universal engaged SWECO Industry Oy to audit the Feasibility Study on the refurbishment of the Luikonlahti mill completed by Belvedere in May 2009. SWECO commented that the plant was structurally sound and in good condition. SWECO recommend a cost allowance of €6.35m (A\$10.2) for refurbishment, automation, increasing tailings dam capacity and reconfiguring tailings decant. Universal estimates some additional expenditure will be required to increase concentrate filtration capacity.

About Universal

Listed ASX base metal companies Universal Resources Limited and Vulcan Resources Limited merged on 19 February 2010. It is intended to rename the merged group Altona Mining Limited (Altona). The Company has two major copper assets and a clear strategy to build a profitable copper business producing from multiple mines in historic major copper mining camps.

With two high quality advanced stage copper projects (Outokumpu in Finland and Roseby near Mt Isa in Queensland), over 1Mt of contained copper in Resources, near-term production potential, and a strong balance sheet, Altona is poised to deliver significant shareholder value.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled and reviewed by Dr Alistair Cowden BSc (Hons), PhD, MAusIMM, MAIG who is a full time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Alistair Cowden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.