

NEWS RELEASE

23 July 2010

Resource Update for the Kylylahti Deposit

A new estimate of Mineral Resource at the Company's Kylylahti deposit in Finland has increased the Resource from 8.1mt at 1.18% copper to 8.4mt at 1.25% copper. Contained copper has increased by 10%

The new estimate was completed as part of the update of the Outokumpu Project Definitive Feasibility Study ("DFS") to support the higher cut-off grades applied as a result of focus on mining of higher grade semi-massive sulphide ores. The high grade resource is **4.6mt at 1.84% copper, 0.73g/t gold**.

The Measured, Indicated and Inferred Mineral Resources at Kylylahti were initially estimated by independent consultant Quantitative Group ("QG") who also audited Universal's quality controls, database protocols and its procedures for validating the historic Outokumpu database. The estimate was subsequently updated by the Company with the assistance of independent consultant Optiro Pty Limited ("Optiro") to incorporate a small number of deep drill holes and a re-interpretation of the geometry of the semi-massive sulphide domain.

The prior Estimate was reported in an ASX release dated 7 July 2009 by Vulcan Resources Limited and which is available on the Company's website. That estimate was 8,100,000 tonnes at 1.18% copper, 0.24% cobalt, 0.22% nickel, 0.47% zinc and 0.66g/t gold.

The new estimate is based on 45km of diamond drilling undertaken by Outokumpu Oy and 20km subsequently drilled by the Company. The 2010 resource estimate reported according to the JORC code is:

Resource Classification	Tonnes	Cu (%)	Co (%)	Ni (%)	Zn (%)	Au (g/t)
Measured	617,000	1.35	0.27	0.17	0.47	0.60
Indicated	7,471,000	1.25	0.24	0.20	0.54	0.70
Inferred	307,000	0.97	0.24	0.18	0.70	0.57
Total	8,395,000	1.25	0.24	0.20	0.54	0.68

The Mineral Resource is comprised of two ore types, semi-massive sulphides and disseminated sulphides. The semi-massive sulphides form a zone of high-grade mineralisation on the footwall of the deposit. Sulphides are typically chalcopyrite, pyrite, pyrrhotite, sphalerite and pentlandite.

A higher grade Mineral Resource approximating that used to determine mine reserves is presented in the following table at a 0.7% copper cut-off grade, semi-massive and disseminated sulphides. The resource is classified according to the JORC code is as follows:

Domain	Resource Classification	Tonnes	Cu (%)	Co (%)	Ni (%)	Zn (%)	Au (g/t)
Semi-massive	Measured	272,000	2.17	0.38	0.12	0.67	0.86
	Indicated	3,112,000	2.16	0.32	0.13	0.75	0.77
	Inferred	119,000	1.66	0.36	0.12	0.95	0.54
	Sub-total	3,503,000	2.14	0.33	0.13	0.75	0.77
Disseminated	Measured	111,000	1.11	0.20	0.16	0.30	0.42
	Indicated	1,001,000	0.87	0.19	0.23	0.40	0.63
	Sub-total	1,112,000	0.89	0.19	0.22	0.39	0.61
TOTAL		4,615,000	1.84	0.29	0.15	0.66	0.73

Technical details of the estimate are appended to this release.

-ENDS-

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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.

APPENDIX: RESOURCE ESTIMATION METHODOLOGY

Background

A revised geological interpretation and update of the Mineral Resource estimate of the Kylylahti polymetallic deposit in Finland was completed in July 2010. QG produced the initial estimate of the Kylylahti Resource in June 2007. Since then, the Company undertook more diamond drilling. The Estimate was updated in 2009 by Mr Nicholas Walker, BSc (Hons), MSc. MAIG. Mr Walker was formerly a full time employee of the Company and he undertook the Resource estimate in the capacity of an independent consultant to Vulcan (now part of the Universal group). This 2010 update has included a geological wireframe review and optimisation followed by block model estimation by Optiro.

Parameters from the previous estimates by QG (Jackson and Tomsett, 2006, Job and Jackson, 2007) were utilised for 2009 and 2010 Mineral Resource Estimate updates. The 2010 update incorporates all additional drilling information and was completed as per the following methodology:

1. Data loading and validation;
2. modifying the geological wireframes utilising new drilling information;
3. modify the mineralized domain wireframes;
4. estimation by ordinary kriging (OK) using Datamine software;
5. validation of the block model estimates through visual inspection, statistical comparison, validation slicing and comparison with previous estimates; and
6. classification of the resource according to the JORC (2004) Code.

Geological Interpretation and Domaining

The geological characteristics used to define the domains for estimation (Figure 1) at Kylylahti include lithological contacts, sulphide mineral species and abundance, as well as the levels of copper and cobalt. Previously the main mineralised zones were interpreted to form two separate lodes, the upper 'Wallaby' lens and the lower 'Wombat' lens. The recent drilling campaign indicates that the upper and lower lenses are joined and form a single mineralised domain.

As in previous interpretations the mineralised lens is split into disseminated and semi-massive sulphide domains which are; low and high grade domains respectively. These domains differ slightly for copper and cobalt, with the disseminated cobalt domain sometimes more extensive than the disseminated copper domain and with local differences at the disseminated semi-massive sulphide boundary. The criteria for the domains are:

1. Disseminated low grade copper: The contact between 'background' is defined by an increase in copper values $\geq 0.4\%$ copper and also corresponds to the presence of chalcopyrite. The contact between the low and high grade domain is defined by a sharp rise in copper grade to $\geq 1\%$ copper together with an increased sulphide abundance
2. Semi-massive high grade copper: The high grade, semi-massive mineralisation forms an internal domain within the low grade disseminated domain. The footwall boundary generally occurs on the footwall contact between the Outokumpu Association host rock unit and the black shale footwall
3. Disseminated low grade cobalt: The contact between 'background' is defined by an increase in cobalt values to $\geq 0.1\%$ cobalt. The contact between the low grade, disseminated and high grade, semi-massive sulphide domain is defined by a rise in cobalt grade to $> 0.3\%$ cobalt

4. Semi-massive high grade cobalt: The high grade mineralisation forms an internal domain within the low grade disseminated domain. The footwall boundary generally occurs on the footwall contact between the Outokumpu Association rock unit and the black shales.
5. The domains for the other variables are based primarily on the copper domains.

In addition, there is a discontinuous weakly mineralised zone known as the 'Hanging Wall' lens, parallel to and about 30 metres to the west of the main disseminated lens. This zone consists of disseminated mineralisation and is defined by an increase in cobalt values to $\geq 0.1\%$ cobalt. Copper and nickel grades are variable within this domain.

Domain Construction (Wireframes)

The three-dimensional domain volumes (wireframes) were constructed using Surpac mining software and were generated to ensure contiguous surfaces between the respective domains. The solids were created using the following methodology:

1. Interpretation of the low grade disseminated and high grade semi-massive sulphide mineralisation was based upon 25 metres spaced east-west cross-sections
2. Global wireframes encompassing all samples above the appropriate cut-off grade for copper and cobalt and controlled by geology were created
3. A surface representing the boundary/contact between the low grade disseminated and high grade semi-massive sulphide mineralised domains for copper and cobalt was created
4. This surface was used to split the global wireframes into a low grade disseminated and high grade semi-massive sulphide mineralised domains

2010 Wireframe Review and Reconstruction

The borders of the copper domains (Figure 1), and in particular the semi-massive copper domain, were re-evaluated in 2010 for potential extensions to ore mineralisation and to eliminate inconsistent interpretations. Revision of the mining model and examination of first pass stope designs in relation to the resource model highlighted the opportunity for refinement of the wireframe volumes and the resource model estimates.

In addition to the copper domains, the borders of the cobalt domains were examined for potential extensions to ore volumes. As with the copper domains, the semi-massive cobalt domain was of key importance to these extensions.

Domaining criteria were the same as mentioned above but a four step evaluation with remodeling was completed using the following methods:

1. *Footwall pierce point analysis for copper and cobalt global wireframe extensions*

The Kylylahti deposit wireframe models were constrained by several hole intersections into barren material of the adjoining ore zones and the footwall contact with the meta-sedimentary rocks. The grid spacing of these constraining holes is sparse and where available, section contacts were modelled to midway of the barren and bordering mineralised intersections. If this was not the case the sections were extended. Most sections did not have a constraining hole either directly above or below or both and hence modelled contacts may be considered conservative. Top and bottom contact extensions for these sections were extended to match those of the closest sections

having constraining data (i.e. barren intersections in the hole) to ensure consistency of interpretation between sections.

2. *Copper and cobalt global wireframe adjustment*

Copper and cobalt global domain borders were modified per section according to interpretations of the top and bottom contacts of the footwall pierce point analysis described in point 1 above. As a result multiple sections were extended up/down.

3. *Semi-massive to disseminated contact adjustment*

The interpretation representing the contact between semi-massive and disseminated sulphides for both copper and cobalt domains were revised per section according to the adjustments of the global wireframe volumes. Generally the latter interpretation was considered correct and no adjustment was required.

4. *Reinterpretation of deep extensions and the impact on resource classification*

The deepest parts of the mineralised lodes were required to be re-modelled due to the previous model using of an unnatural and incorrect direction of plunge which resulted in an extremely conservative down plunge extension. In addition the shape of the Inferred Mineral Resource was adjusted accordingly and was guided by the last planned mining level with sufficient drilling. These deep extensions were re-modelled so as to match with the volumes of the other modified copper and cobalt domains.

Domain Boundary Assessment

In June 2006, QG assessed the grade characteristics across the respective domain boundaries (Jackson and Tomsett, 2006). QG concluded that all the domain boundaries should be treated as ‘hard’ for grade interpolation. This work has not been repeated for this estimate, as the domain boundary criteria has not changed and the results from the previous work are still valid (Figure 1).

Ore type/Domain	Copper	Cobalt	Other
Hanging Wall			Co>0.1%
Disseminated	Cu<0.4%	0.1%<Co<0.3%	>0.1% Co and <1.0% Cu
Disseminated	0.4%<Cu<1.0%	0.1%<Co<0.3%	>0.1% Co and <1.0% Cu
Disseminated	0.4%<Cu<1.0%	Co<0.1%	>0.1% Co and <1.0% Cu
Semi-massive	Cu>1.0%	Co<0.1%	Cu>1.0%
Semi-massive	Cu>1.0%	0.1%<Co<0.3%	Cu>1.0%
Semi-massive	Cu>1.0%	Co>0.3%	Cu>1.0%

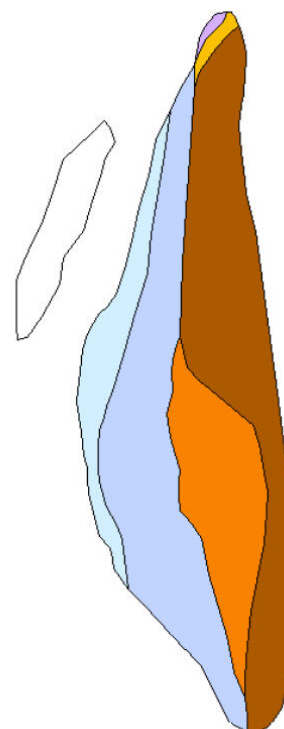


Figure 1: Schematic representation of the nested nature of the domains

Compositing, Top-cutting and Declustering

The drill hole assays were composited to 2 metres in Datamine software. The compositing process was controlled using domain boundaries, restarting at each change in domain. As in previous estimates top cuts were applied to gold and zinc sample populations 'per domain' basis in order to control the influence of high grades on the local estimates. Top cut values are tabulated below.

Gold and zinc top cut values

Domain	Au Cut (g/t)	Zn Cut (%)
High Grade/Semi-massive sulphide Domain	3.5	3.5
Low Grade/Disseminated Domain	7.0	2.5
Hangingwall Domain	5.0	1.5

Variography

The copper variography in previous estimates for each domain was reviewed by Optiro during the 2010 update. Variography was oriented within the dominant plane of mineralisation, striking 200 degrees and dipping 80 degrees to the west. Omni-directional variography was used to establish suitable structures and ranges within this plane of mineralisation. The omni-directional variography provided clearly defined structures and ranges of influence. Downhole variography has supported clearly defined nugget values. Variogram models have all adopted a 110 degree, -30 degree and -80 degree rotation about a Z, Y and X axis.

All variograms were generated with traditional variograms using untransformed data. A more complete technical description of variography generation and formulae are given in Job 2007.

Block Model and Ordinary Kriging

An empty block model according to the wireframe domain boundaries using Datamine software. The model volume (describing the geometry of domains) was based on 5 metres (X) x 25 metres (Y) x 5 metres (Z) sized parent cells, and was sub-celled to 2.5 metres (X) x 12.5 metres (Y) x 2.5 metres (Z) blocks at the domain boundaries.

Ordinary kriging was employed for all metals and domains by Optiro during 2010 update. Kriging variance and block variance and were determined for copper % in order to allow the calculation of kriging efficiency. Block discretisation was set at 3:8:8 (X, Y, Z) according to kriging neighbourhood tests completed by QG in June 2007. Similarly, the sample selection and search parameters are based upon the kriging neighbourhood tests completed by QG.

Ellipsoidal search volumes were used for selecting the specified numbers of samples. All grades estimated within a domain have used the same search ellipse and orientation. The ellipse was oriented at 110 degrees, -30 degrees and -80 degrees about the Z, Y and X axis with radii of 50 metres, 100 metres and 200 metres respectively. Where blocks were not estimated using the first search pass, a second and third pass search using two and four times the first search dimensions was allowed.

Model Validation

Block model estimates have been validated against input data through visual inspection, statistical comparison, validation slicing on 50 metres sections and previous model comparisons. Block model estimates compare well with input data.

Resource Classification

The Mineral Resource classification has been adopted from the previous June 2009 estimate. The classification and reporting is based upon the standards and guidelines of the JORC Code (2004) and considers the key criteria of data quantity and quality, geological interpretation and continuity, estimation technique and the quality of estimates. Consideration of these criteria has placed the shallower, slightly better drilled areas into a Measured Resource category. The remaining mineralised volume has been classified as an Indicated Resource, with only the deepest poorly drilled southern extents being classified as Inferred Mineral Resources. Two Mineral Resource statements are presented. The first is a global Mineral Resource statement excluding Hangingwall mineralisation. A second Mineral Resource statement represents a high grade Mineral Resource statement using a copper cut-off grade of 0.7%, exactly the same format as Vulcan reported to the market in June 2009.

The updated 2010 Global Mineral Resource Estimate update at zero cut-off and reported according to the JORC code is:

Resource Classification	Tonnes	Cu (%)	Co (%)	Ni (%)	Zn (%)	Au (g/t)
Measured	617,000	1.35	0.27	0.17	0.47	0.60
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A higher grade volume of mineralisation has been defined within the global resource using a nominal 0.7% copper cut-off grade. The volume contains some 80% of the contained copper within the global resource which lies within this volume. A statement of this high-grade resource classified according to the JORC code is tabulated below and shown diagrammatically in Figure 2:

Domain	Classification	Tonnes	Cu (%)	Co (%)	Ni (%)	Zn (%)	Au (g/t)
Semi-massive	Measured	272,000	2.17	0.38	0.12	0.67	0.86
	Indicated	3,112,000	2.16	0.32	0.13	0.75	0.77
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	Total	4,615,000	1.84	0.29	0.15	0.66	0.73

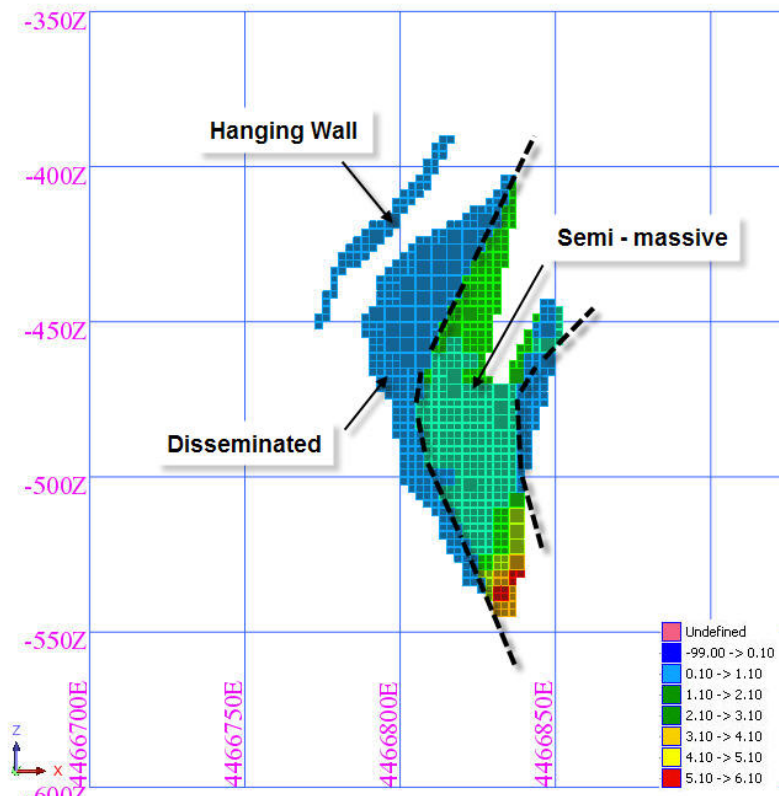


Figure 2: Cross-section (x=6,972,675) through the Wombat zone: Cu (%)

Exploration Potential

The potential for additional mineralisation at Kylylahti remains greatest down plunge (Figure 3). The drilling into the lower part of Wombat during the 2008 campaign intersected multiple and significant sulphide intervals. The last drillhole of the campaign, OKU-927J intersected a thick but variably mineralised interval which totalled 89 metres at 1.48% copper, 0.21% cobalt, 0.15% nickel, 0.78% zinc and 0.38g/t gold. Within the intersection were a number of semi-massive to massive sulphide zones, which in the current model have been interpreted to represent multiple high grade shoots. The lower, most eastern of the shoots is interpreted to be the beginning of a new lens.

The thick intersection obtained OKU-927J has impacted the model by increasing local grade estimates and suggests high grade mineralisation which remains open towards the south. Drilling in this part of the deposit is widely spaced as such it does not diminish the prospectivity for additional (high grade) mineralisation down plunge from the known Resources.

Other areas at Kylylahti that should be investigated as potential areas for additional mineralisation outside of the known trend include the significant thick intersection in OKU-927 in the hangingwall of Wombat (Figure 3).

The thick intersection of semi-massive barren pyrite beneath Wallaby should also be revisited to understand how it relates to the known mineralisation (Figure 3).

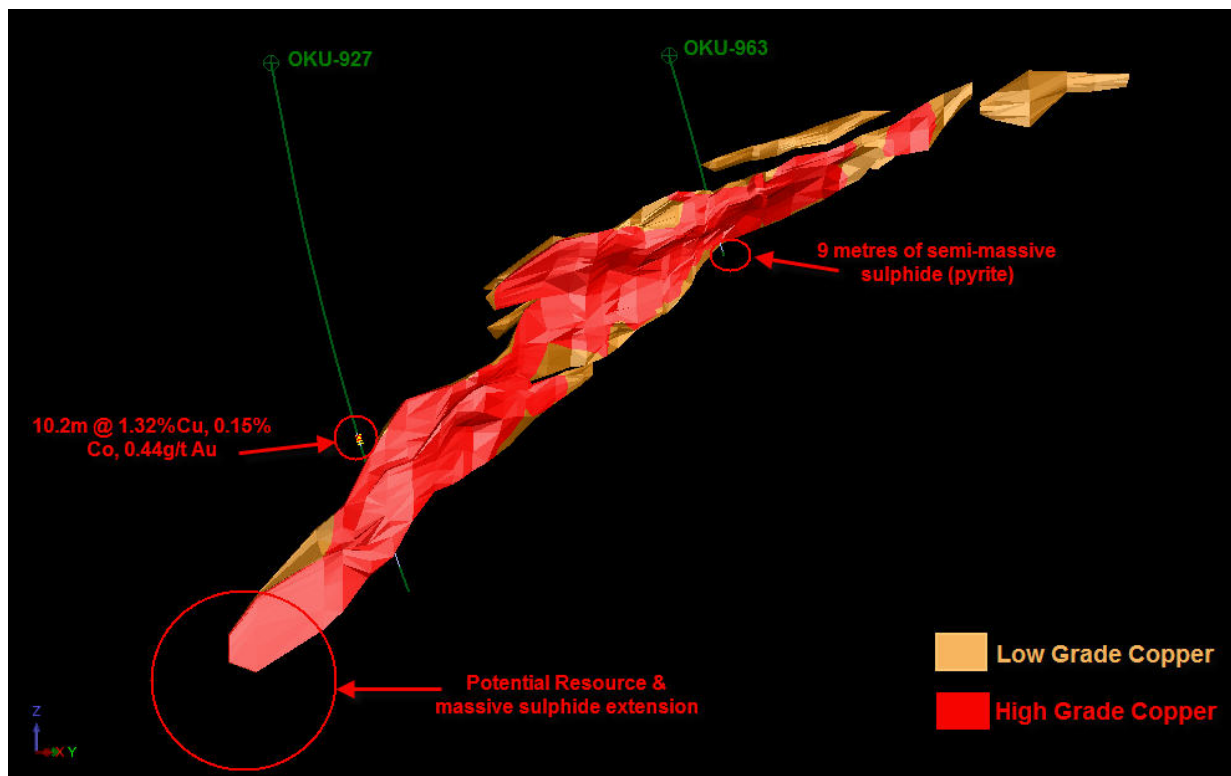


Figure 3. Exploration Potential at Kylylahti

Competent Person Statement

The updated resource estimate was based upon updated geological interpretations completed by Mr Jani Impola MSc (Geology), MAusIMM 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'. Mr Jani Impola consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The estimation was completed by Mr David Gray BSc (Hons) (Geology), MAusIMM who is a full time employee of Optiro Pty Ltd and who 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 a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr David Gray consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Alistair Cowden BSc (Hons), PhD, MAusIMM, MAIG and Mr Jarmo Vesanto MSc, MAusIMM who are full time employees of the Company and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 and Mr Jarmo Vesanto consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.