

UNIVERSAL READY TO GO AT ROSEBY **Copper Price Strength Continues to Improve Project Fundamentals**

Universal Resources Limited (ASX:URL, "Universal") has today released the full Executive Summary for the recently completed Definitive Feasibility Study into the Company's Roseby Copper Project, located near Mt Isa, Queensland.

As previously released to the market, the study has confirmed Roseby is both technically and financially viable, offering robust returns for Universal shareholders and project partners.

Continued strength in the copper price, recently hitting US\$ 4.00 per pound, has improved the previously announced base case assumptions. The "Base Case" model which is derived from forward curve values for exchange rate, copper price and gold price indicates the following values over an initial mine life of 12.5 years:

- Net cash flow of \$715 million
- Net operating surplus of **\$1,037 million**
- NPV at 8.5% discount rate of **\$319 million**
- IRR of 36%
- C1 costs of US\$1.24 per pound of copper
- Maximum working capital of \$200 million
- Pay back from commencement of production of **2.2 years**
- Breakeven recovered grade of copper of 0.32%

The average life of mine price of copper for the base case modelling is US\$ 2.76 - falling from current highs to a long run price average.

Universal Resources Managing Director, Mr Peter Ingram, said that the Board was looking forward to taking the project beyond the study stage into financing and construction. "The Board has met and approved the Roseby study. Universal is now formally committed to the development of the Roseby Project, and the expected returns it can deliver to shareholders."

"We now have a fully costed copper project, showing excellent potential returns. Roseby is ready to go once suitable finance and remaining approvals are arranged. This places Universal in an excellent position to capitalise on the strong copper price and predicted future demand. We are targeting approximately 14 months from commencement of on-site construction activities to completion and first production," said Mr Ingram.

Considerable scope also exists to enhance the future value of the project through a range of optimisations, including the definition of further mining reserves from the seven known satellite deposits. Throughput increases and process improvements can also add future value.

"The Board is very enthusiastic about the Roseby project, particularly in the current copper price environment," said Mr Ingram. "Discussions with potential financiers have begun and we believe we have a very compelling investment proposition at Roseby. We look forward to securing a suitable finance partner to bring the Roseby project to fruition, in order to deliver excellent returns for our stakeholders."

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