



**UNITED MINERALS**  
CORPORATION NL

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**UNITED MINERALS BOOSTS RESOURCES AT  
RAILWAY IRON ORE DEPOSIT BY 29%**

**HIGHLIGHTS:**

- United Minerals confirms a significant increase to the total and DSO resource at its 100% owned Railway Iron Ore Deposit in Western Australia,
- Since February 2009 Resource estimate there has been;
  - an increase of 29% in the total resource category to 158Mt at 58.03%Fe (Indicated and Inferred Category), and
  - an increase of 32% in DSO Bedded Marra Mamba ore to 100.7Mt at 60.3%Fe (Indicated Category).
- Resource upgrade gives company confidence in planning a 3Mtpa mining operation,

Australian iron ore development company United Minerals Corporation NL (ASX: UMC) ("United Minerals" or "the Company") has good news from its 100% owned Railway Iron Ore Deposit ("Railway Deposit") in the Pilbara region of Western Australia, today confirming a significant increase to the total and Direct Shipping Ore (DSO) resource at the project.

An updated indicated and inferred JORC compliant mineral resource based on drilling to the end of July 2009 has been prepared by Perth based independent expert Lynn Widenbar of Widenbar & Associates Pty Ltd. Mr Widenbar is a Member of the Australasian Institute of Mining and Metallurgy and is a Competent Person as defined in the 2004 JORC Code. The new resource figures are given in the table below.

**NEW RAILWAY DEPOSIT TOTAL RESOURCE**

Tonnes	CaFé%*	Fe %	Al2O3%	SiO2%	P%	LOI%	Category	Material
100.7Mt	65.09	60.34	2.62	3.71	0.067	7.31	Indicated	Bedded
57.4Mt	59.49	53.98	4.82	7.45	0.057	9.27	Inferred	Bedded + Detrital
<b>158.1Mt</b>	<b>63.09</b>	<b>58.03</b>	<b>3.42</b>	<b>5.07</b>	<b>0.063</b>	<b>8.02</b>	<b>Indicated + Inferred</b>	<b>Bedded + Detrital</b>

\*  $CaFe = Fe / (100 - LOI) * 100$

Notes: Indicated Bedded Ore cutoff – 54% Fe.  
Inferred bedded and detrital ore reported within mineralised envelope. Tonnage figures are for Fe% grades.  
Includes Railway and adjacent Jocelyn mineralised envelope.

Since the Company announced an update resource estimate of 122.36Mt Total Indicated and Inferred for the Railway Deposit in February 2009 (ASX announcement 27 Feb 2009), new resource calculations show there has been:

- **an increase of 29% in the total resource category to 158Mt at 58.03%Fe (Indicated and Inferred Category), and**
- **an increase of 32% in DSO Bedded Marra Mamba ore to 100.7Mt at 60.3%Fe (Indicated Category).**

The February resource figure was based on 234 RC and diamond drill holes. To the end of July 2009, 391 RC and diamond drill holes have now been completed at the Railway Deposit. The 157 additional drill holes have presented the Company with a large increase in the geological and assay data base, enabling new detailed modelling to be completed.

The most recent drilling also outlined significant extensions to the Railway Deposit mineralisation, especially in the Boundary Zone where thick high grade bedded Fe mineralisation has been recently reported.

The resource estimate has been classified in the Indicated Resource category for the Marra Mamba bedded ore, and in the Inferred category for the Detritals. An average in-situ density of 2.7 has been used for Marra Mamba mineralisation and 2.60 for detrital mineralisation. This is based on conservative estimates of densities determined at similar deposits in the region.

United Minerals believes the resource upgrade is a reward for the aggressive drilling program undertaken at the project in 2009.

“This resource upgrade is a wonderful result for the Company and it is particularly significant that as drilling has progressed we have increased the total resource tonnages by nearly 30%,” said Technical Director Mr Barry Fehlberg. “Also, the strong increase in Indicated high grade Bedded DSO Marra Mamba ore augers well for a high conversion rate of Indicated resource to Measured resource as drilling continues.”

United Minerals also believes the significant resource upgrade at the Railway Deposit gives the company confidence as it continues its planning for the commencement of production in early 2011.

“The 100.7Mt of Indicated DSO bedded ore forms the basis for planning a mining operation at the Railway Deposit for the next 10 to 20 years, initially looking at a 3Mtpa mining operation with ore to be trucked to Port Headland” said United Minerals CEO Mr Matt Hogan.

As announced to the market on 8 September 2009 United Minerals has entered into a conditional placement agreement with one of China’s top steel buyers China Railway Materials Commercial Corp. Group (“CRM”).

Under the terms of the agreement UMC agreed to a A\$27.2M placement to CRM, with one of the key conditions to the Placement being the finalisation of a 10-year 3.0 million tonnes per annum off-take agreement agreed between UMC and CRM by 7th December 2009.

“This resource upgrade, coupled with the recently announced agreement with China Railway Materials Corporation is moving United Minerals closer towards its goal of become a producer of iron ore by 2011,” Mr Hogan added.

United Minerals and CRM are currently working through the various conditions precedent to the agreement with the aim to have these finalised on or before the previously announced deadline.

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**Competent Persons and Sources**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Barry Fehlberg, who is a Member of The Australasian Institute of Mining and Metallurgy and is a full time employee of the Company. Mr Fehlberg 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 Fehlberg consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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