



UCL Resources Limited

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Market Announcements Platform
Australian Securities Exchange

UCL Announces Share Placement and Rights Issue

UCL Resources Limited ("UCL") announced on 18 April 2012 that it had entered into a non-binding Memorandum of Understanding ("MoU") with MB Holding Company LLC ("MBHolding") under which MBHolding would take a placement in UCL of 15% of UCL's current share capital. Further to this announcement, UCL is pleased to advise that MBHolding has now completed its due diligence investigations under the MoU and intends to proceed with the placement of 12,121,061 shares, representing 15% of the outstanding issued shares of UCL. This new cornerstone investor will pay A\$0.30 cents a share, at a premium 11.1% to the UCL share price which at close of business on 9 May 2012 was A\$0.270 cents per share, to raise A\$3,636,318, before costs. Shares with respect to the Placement will be issued to Mawarid Mining LLC ("Mawarid"), a wholly owned subsidiary of MBHolding.

In order to provide UCL shareholders with the opportunity to participate in this issue on an equal basis with Mawarid, UCL announces it will undertake a Rights Issue of one share for every twelve shares held at A\$0.30 cents per share to raise a further A\$2,323,203, before costs. UCL intends that the Rights Issue will be fully underwritten and has received indications from an underwriter of its willingness to fully underwrite the entire issue amount of A\$2,323,203. UCL is currently finalising the underwriting agreement with respect to this arrangement.

These funds will be used to continue the development of the Sandpiper Marine Phosphate Project ("Sandpiper") and for working capital.

Ian Ross, Chairman of UCL, said "UCL is delighted to welcome Mawarid, the wholly owned subsidiary of MBHolding as a cornerstone investor. UCL respects the financial and technical expertise of Mawarid and looks forward to forging a close and long term relationship."

Ian Ross
Chairman

About UCL Resources

UCL Resources Limited (ASX:UCL) is developing, and has a 42.5% interest in, the Sandpiper Marine Phosphate Project off the coast of Namibia. Sandpiper is believed to be the world's largest individual marine phosphate resource, with sufficient resources to support a 20-year mine life. The DFS has been delivered and Project is both technically feasible and economically viable. UCL also has an interest in the Mehdiabad Zinc Project in Iran.

The information in this announcement that relates to Mineral Resources for the Sandpiper Marine Phosphate Project is based on information compiled by Roger Daniel who is a member of the Australasian Institute of Mining and Metallurgy. Mr Daniel is a full-time employee of the Company. Mr Daniel has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Daniel consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

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