



UCL Resources Limited

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9 March 2012

ASX Markets Announcements
Australian Securities Exchange

Takeover Bid – Letter to Shareholders

Please find attached the letter sent by the Company to Shareholders today.

Yours Faithfully
UCL RESOURCES LIMITED

John Lemon
Company Secretary



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Dear UCL shareholder

Take no action when you receive Minemakers' bidder's statement

You should have by now received a bidder's statement from Minemakers Limited (**MAK**) containing an unsolicited and conditional offer of 9 MAK shares for every 10 shares you hold in UCL Resources Limited (**UCL**).

The Board of UCL considers MAK's offer inadequate and opportunistic and unanimously recommends that you reject the offer by MAK ("**Offer**").

The UCL Board's reasons for this recommendation include:

- The Offer will dilute UCL shareholders' interest in the prized Sandpiper Marine Phosphate Project (**Sandpiper**) from 42.5% to 21.7%. The UCL Board considers Sandpiper to be significantly superior to MAK's other assets.
- The Offer involves you receiving MAK shares only, without any cash component. If you were to accept the Offer, the future performance of such decision will depend on the performance of MAK shares.
- The UCL Board believes that MAK's investment in a variety of projects, without focusing on one particular mineral, indicates a lack of clear strategy and direction. For example:
 - MAK has missed several target milestones for its Wonarah phosphate project in the Northern Territory. Mining operations were initially planned to begin in mid-2010, as stated in its bidder's statement for Bonaparte Diamond Mines NL, but a bankable feasibility study is yet to be produced and development of the Wonarah Project is currently estimated to be more than three years away.
 - MAK has negotiated with a Chinese consortium, and more recently an Indian consortium, for the possible development of the Wonarah project. The Chinese consortium mandate has been terminated and the Indian consortium exclusive mandate has lapsed.
 - MAK diversified in November 2010 into gold by investing in BCD Resources NL. This investment has subsequently been withdrawn.
 - On 19 July 2011 MAK demerged its tin and tungsten assets through TNT Mines Limited ("**TNT**"). On 21 July 2011 MAK announced that TNT's Board had decided to delay the IPO and listing until conditions improved. TNT remains unlisted some seven months later, with MAK's shareholders who received in-specie scrip unable to trade their investment.

- MAK has no Managing Director, following Andrew Drummond's appointment as Executive Chairman's. There is no certainty that the new Managing Director will wish to progress Sandpiper with the current verve of the joint venture team, led primarily by UCL.

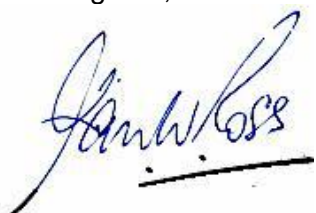
You will shortly receive a formal response from the UCL Board to MAK's bidders statement, detailing the rationale for recommending the rejection of the Offer,.

You should also be aware UCL's largest and fourth largest shareholders, who together hold approximately 31.65% of UCL's share capital, have stated that they will not accept the Offer including any revised scrip offer and as a result the requirements for capital gains tax scrip roll-over relief will not be met and thus not available to UCL Shareholders who accept the Offer.

The UCL Board recommend that you do nothing and take no action in relation to the bidder's statement you will receive from MAK.

If you have any questions relating to the Offer, please call our shareholder information line: 02 9233 4750.

Kind regards,

A handwritten signature in blue ink that reads "Ian W Ross". The signature is written in a cursive style and is positioned above a horizontal line.

Ian W Ross
Non-Executive Chairman
UCL Resources Limited