



UCL Resources Limited

A.B.N. 40 002 118 872

Tel: +61 2 9233 4750
Fax: +61 2 9233 4749

Suite 201, Level 2, Watson House, 300 George Street,
Sydney, NSW, Australia

Postal Address:
GPO Box 1494
Sydney NSW 2001
Australia

Wednesday, February 29, 2012

ASX Market Announcements

Australian Securities Exchange

SANDPIPER MARINE PHOSPHATE PROJECT RESOURCE UPGRADE

HIGHLIGHTS

- Recently completed resource development programme of gravity core sampling in the northern half of the initial 8km x 20km target recovery area has resulted in an upgraded mineral resource estimate with:
 - ✓ **An increase in total Indicated Mineral Resource to 220.3 Mt at 20.13% P₂O₅.**
 - ✓ **Initial delineation of Measured Mineral Resource of 4.1 Mt at 20.45% P₂O₅.**
 - ✓ **Total combined Mineral Resources estimated at 1.832 billion tons (15% cut-off)**

15% cut-off	Inferred Total (dry)	P ₂ O ₅ Grade	Indicated Total (dry)	P ₂ O ₅ Grade	Measured Total (dry)	P ₂ O ₅ Grade
Aug 2011	1.717 Bt	19.0%	73.9 Mt	20.57%	-	-
Feb 2012	1.607 Bt	18.9%	220.3 Mt	20.13%	4.1 Mt	20.45%

15% cut-off	Combined Total
Aug 2011	1.791 Bt
Feb 2012	1.832 Bt
Increase	41.0 Mt

- The resource development sampling programme has revealed sufficient resources in the Indicated Resource category to support a 20 year mine development plan for the Definitive Feasibility Study.

There is a very high rate of conversion from Inferred Resource to the higher confidence categories of Indicated and Measured Resource. Within the sampled area, the previous 109.5 Mt Inferred Resource has been replaced by 150.5 Mt (137% conversion) comprising 146.4 Mt Indicated Resource and 4.1 Mt Measured Resource. This greater than 100% conversion rate can be attributed to a 1:1 conversion of the Inferred to Indicated Resource combined with the addition of greater depth to the resource due to deeper penetration into the mineralized sediments by an improved gravity coring system. Penetration has increased from the previous average of 1.45m to 1.93m depth in the recent programme. Phosphate mineralization is generally still open at depth to the west and south of the resource area.

Background

UCL Resources Limited (ASX – “UCL”) is pleased to announce an important upgrade of phosphate resources in the Sandpiper Marine Phosphate Project offshore Namibia. The Company advises that the results of the Definitive Feasibility Study (“DFS”) resource sampling programme in the initial target recovery area of the Sandpiper Project area have resulted in a substantial upgrade to the Indicated Resource Category as well as an overall increase of the total mineral resource tonnage estimate.

The Sandpiper Marine Phosphate Project is owned by Namibian Marine Phosphate (Pty) Limited (“NMP”), a Joint Venture between UCL, Minemakers Limited (ASX & TSX – “MAK” and NSX – “MMS”), and Namibian partner Tungeni Investments cc.

The latest resource upgrade sampling programme in the initial target recovery area of the Sandpiper Project area (Figure 1) has resulted in a substantial increase in the Indicated Resource category estimate as well as an overall increase of the total mineral resource estimate. The overall results continue to meet high project expectations, particularly with respect to consistent grade and the high conversion rate to the higher resource categories. The world class dimension of the Sandpiper Project has been further confirmed.

Resource upgrade

The revised estimate of the phosphate mineral resource by independent geostatistical consultant Dr Alwyn E Annels, FIMMM, C.Eng. now stands at:

Resource Category	15% Cut off	
	Million tonnes	P ₂ O ₅ Grade
Measured	4.093	20.45%
Indicated	220.349	20.13%
Inferred	1,607.8	18.9%

As previously announced, the Sandpiper deposit comprises two main layers with phosphate mineralisation. The upper layer (Layer 1) tends to be relative shelly, grading downwards into a second generally higher grade sandy layer (Layer 2) which overlies a poorly mineralised footwall clay.

Indicated and Measured Mineral Resources have been calculated for the initial target recovery area in ML170 using combined assay and thickness data for Layers 1 and 2.

2D Inverse Distance Weighting (IDW) methods (to the power 3) were used to interpolate thicknesses, grade, specific gravities and moisture content for 200 m N-S x 200 m E-W blocks. Extrapolation has been constrained by the search parameters used. The dimensions of the search areas were controlled by examination of the distribution and trends of data, the numbers of samples captured and by the results of current geostatistical studies.

Sample Programme

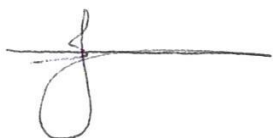
Gravity cores were recovered from 398 new sample sites on a 400 x 400m sample grid located in the northern half of the initial target recovery area of the Sandpiper Project Area with the objective of upgrading the resource base to support the DFS. This area lies in water depths of less than 225m which is targeted for dredging using Jan De Nul’s dredge vessel MV Cristobal Colon. The improved gravity coring system achieved an overall

greater penetration than the previous phases of the regional resource sampling completed in 2009, 2010 and 2011 with an average sampling penetration depth of 1.93m (previously 1.45m) and maximum penetration of just over 3 metres. Sub-samples were taken from the new cores and submitted for P₂O₅ assay analysis in accordance with standard procedures which include duplicate samples as well as comparative testing by independent laboratories.

Sample sites are shown on Figure 2.

Future Work

The next phase of resource development sampling will focus on further upgrading the current Indicated Mineral Resource in the initial target recovery area to the Measured Resource category for further support to the DFS financial modelling and feasibility assessment. This work is currently in progress and comprises closer spaced infill sampling and analysis.

A handwritten signature in black ink, consisting of a stylized 'C' and 'J' followed by a horizontal line.

Chris Jordinson
Managing Director

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Roger Daniel, 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 deemed 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 Daniel consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

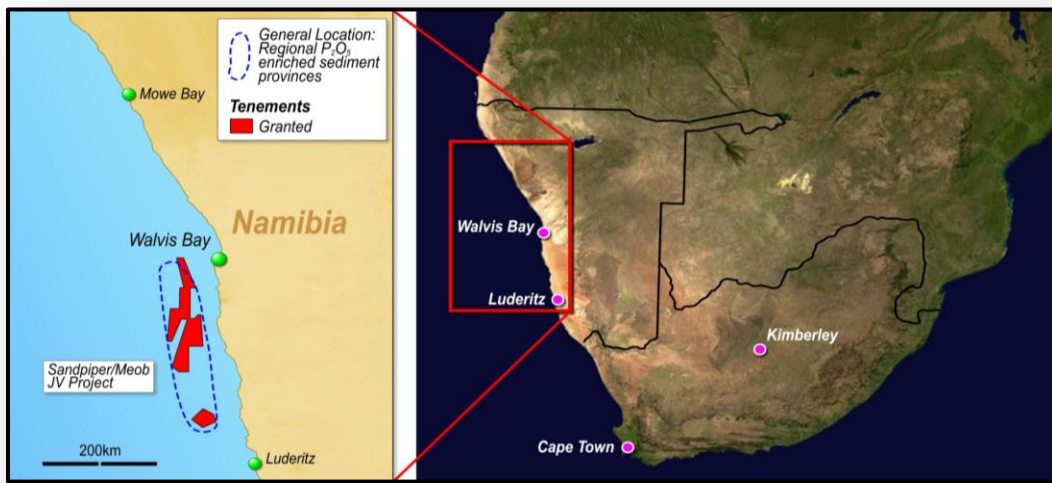


Figure 1: Project Location

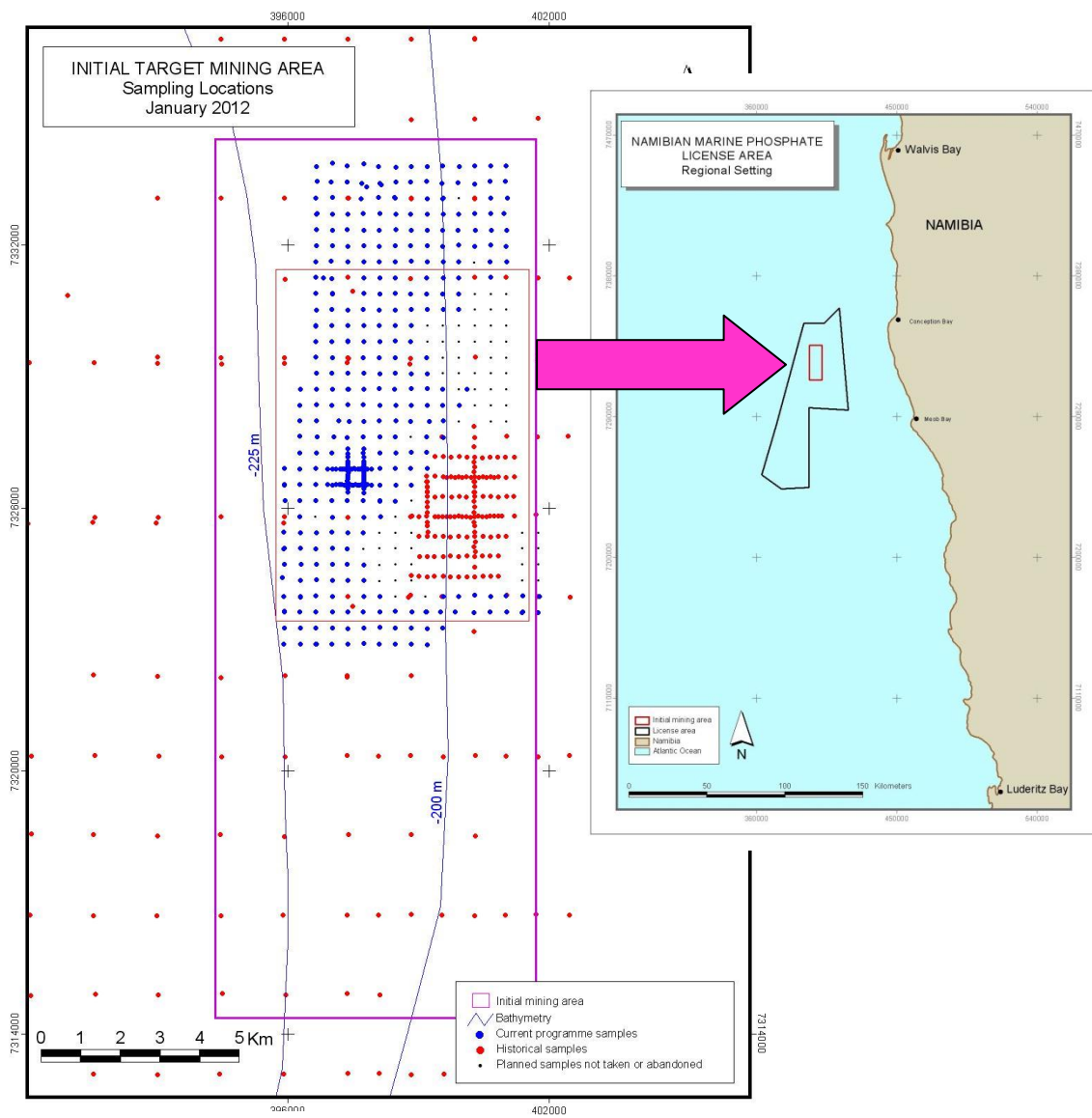


Figure 2: Sample Locations