

Phosphate Project - Namibia



Company: UCL Resources Limited

www.uclresources.com.au

ASX-Listed Code: [UCL](#)

Market Capitalisation:

\$14.6 million (at January 2012)

Shares on Issue: 80.8 million

Chairman: Ian Ross

Managing Director: Chris Jordinson

Non-Executive Director:

Gida Nakazibwe-Sekandi

Steve Gemell

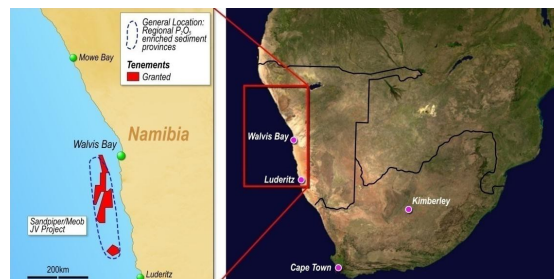
UCL Resources Limited is an Australian based company listed on the ASX focused on a Phosphate Project off the Namibian coast and a secondary focus on the lead-zinc-silver project in Central Iran.

Sandpiper Phosphate Overview

UCL Resources is developing the Sandpiper project, in Namibia, with two other partners.

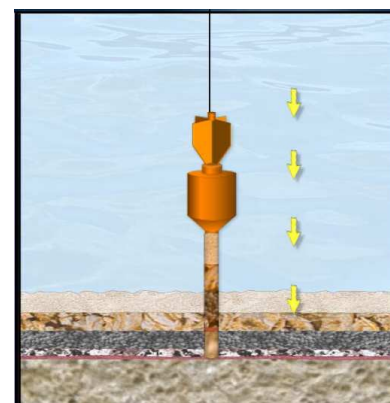
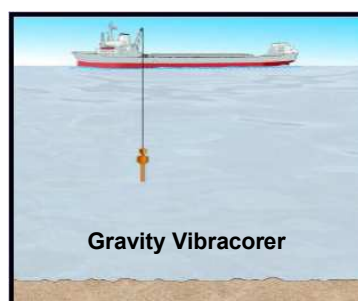
The resource is currently the largest individual marine phosphate resource in the world with an estimated JORC compliant resource of 1.7Bt at 19.0% P₂O₅.

UCL Resources Limited owns 42.5% of Namibian Marine phosphate Pty Ltd (NMP) through their wholly owned subsidiary company. The other investors in NMP are Minemakers Limited, 42.5% through a wholly owned subsidiary company and 15% is held by Namibian company Tungeni Investments cc.



Major milestones

- **Formalised** Shareholders Agreement — 2010
- **Continued** expansion and increase of what is all ready an enormous JORC and NI43-101 compliant resource base — 2011
- **Completed** Scoping Study — 2010 (*highlight FOB cost ex Walvis Bay <US\$60/t*)
- Mining Licence ("ML 170") **granted** — 2011
- **Lodged** Environmental Impact Assessment ("EIA")/Environmental Management Plan ("EMPR") -- 2012 and;
- Definitive Feasibility Study ("DFS") **on track for completion** Q1 — 2012
- Project funding **commenced** — 2012



Mammoth Resource:

- JORC and NI43-101 compliant resources estimated at 15% cut off
- Modern unconsolidated sea-floor sediment, 60km offshore
- Water depth 180-300m, accessible by conventional dredging
- Resources estimated for top 2m of sediment, historical data shows up to 6m
- ML area 2,231 km² surrounding EL area 4,700 km²

Indicated	Inferred	Total
74Mt @ 20.6% P ₂ O ₅	1,717 Mt @ 19.0% P ₂ O ₅	1,791 Mt @ 19.1% P ₂ O ₅

Montpellier Corporate Advisory is incorporated in Australia with strategic alliances throughout the Gulf region, India and UK.



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Project Development

The overall development goal is to utilise its phosphate resources to become a vertically integrated low cost producer of high value products for the fertiliser industry through 3 stages of development.

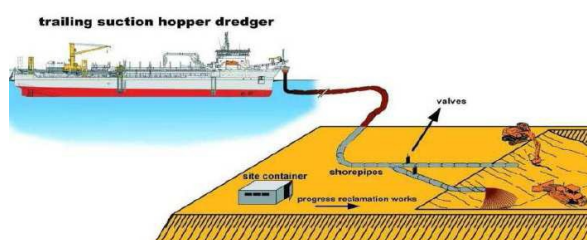
1. First Stage: Mining & Production of Phosphate Rock Concentrate.
2. Second Stage: Production of Phosphoric Acid (Phosacid) or Single Super Phosphate (SSP).
3. Third Stage: Production of high value fertiliser products such as Diammonium Phosphate (DAP) and Monoammonium Phosphate (MAP), etc utilising the Phosacid produced.

Dredging Concept

The concept is to dredge the phosphate material from the seabed and ship ashore, using conventional dredging techniques for processing and drying. Dredging from minerals is not a new concept and De Beers is currently mining for diamonds off the Namibian coast through their local subsidiary De Beers Marine Namibia (DBNM). DBNM operates a fleet of four mining vessels on its tenements. Mining takes place on the ocean floor at water depths ranging from 90 to 140m. This is shallower than the Sandpiper project which is targeting resources at depths of 190 – 250m. This conservatively holds 60% of the current resource including the areas with a high concentration of $P_2O_5 > 22.5\%$.

Mining operations for the Sandpiper project will be ramped up over a 3 year campaign. Initial production of saleable P_2O_5 concentrate will be 0.5Mtpa in late 2013, early 2014. This will be increased to the 3.0Mtpa case by 2016.

Scoping Study	Operating Parameters	
	Dredge Depths	<225m
	Dredge Material	5.0mtpa
	ROM Grade	+20% P_2O_5
	Recovery	60%
	Saleable Rock Phosphate per annum	3.0mtpa
	Process	
	Screening (remove coarse)	+1mm
	Attrition (reduce deleterious matter)	
	Cyclone (remove fines)	75 μ m
	Wash and dry	
	Saleable Product Grade	26-28% P_2O_5



Temporary sinker line system

Investment Opportunity

- Seeking Project equity to expedite development
- Seeking Cornerstone investor(s) / JV specific interest

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