



NEWS RELEASE

XSTRATA COPPER INVESTS AUD6.6 MILLION IN UNIVERSAL RESOURCES LIMITED TO SECURE EXPLORATION AND EARN-IN RIGHTS IN THE ROSEBY PROJECT, NORTH-WEST QUEENSLAND, AUSTRALIA

Brisbane, 14 March 2005

Subject to Universal Resources shareholder approval, Xstrata Copper has agreed to invest AUD6.6 million (USD5 million) in listed Australian exploration company Universal Resources Limited (Universal) by way of a placement of 30 million shares at an issue price of AUD0.22 per share. This will represent 13.2% of Universal's issued capital. These funds will provide Xstrata Copper with the right to explore and options to acquire 51% of the Roseby copper deposits in the Mount Isa Inlier in north west Queensland, Australia.

Of Xstrata Copper's investment in Universal, AUD4.4 million will be used to part-fund the planned Roseby Feasibility Project scheduled for completion in the December quarter of 2005. Xstrata Copper will also have an option to acquire a direct 51% interest in this project at its then market value.. The Roseby Feasibility Project will evaluate options of mining up to 10 million tonnes of ore per annum for a possible production rate of up to 70,000 tonnes per annum copper-in-concentrate and up to 25,000 ounces of gold.

The remaining AUD2.2 million will fund an exploration project undertaken by Xstrata Copper for additional copper sulphide mineralisation within the Roseby tenement area during 2005 and 2006. Known as the Sulphide Extension Exploration Project (SEEP), principal exploration targets are expected to be beneath and adjacent to the native copper deposits within the Roseby Feasibility Project. Xstrata Copper will be granted an option to earn 51% equity in SEEP either by expending a minimum of AUD10 million plus delivering a bankable feasibility study or by AUD15 million expenditure on exploration.

In addition, Xstrata Copper has secured the option to purchase future copper concentrate production from Roseby that is not subject to prior off-take agreements.

The Roseby Project area is located in the Eastern Fold Belt of the Mount Isa Inlier, a province with extensive mineralisation between Mount Isa and Cloncurry, 90 kilometres north-east of Mount Isa. (see attached map) The Roseby Project has current resources of more than 723,000 tonnes of contained copper with gold credits.

Commenting on the announcement, Charlie Sartain, Chief Executive Xstrata Copper, said "I am delighted that we are able to demonstrate a further commitment to the long-term future of our copper business in north Queensland and our willingness to work with other stakeholders in the region.

"Xstrata Copper's investment in Universal Resources will enable us to better evaluate the potential of the Roseby copper project, which is in close proximity to our existing copper mining and processing operations in north-west Queensland.

"This investment will also supplement Xstrata Copper's exploration activities in north-west Queensland, which continue to focus on leveraging value from our strong regional asset and infrastructure base in this region. We have increased our exploration expenditure by 50% this year to AUD6.8 million to further target mineralisation in the Mount Isa/Cloncurry region," he said.

Commenting on the announcement, Peter Ingram, Universal Resources Limited's Managing Director, said "We are delighted to have secured this agreement with Xstrata Copper which, following Xstrata's acquisition of MIM Holdings Limited, is one of Australia's major copper producers.

"This is a classic 'win/win' situation, with Xstrata Copper gaining access to copper concentrates to be produced at Roseby from the planned oxide/sulphide development as well as exposure to the significant exploration upside of the project, particularly from deep sulphide exploration," he said.

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