

# TECTONIC

Unit 46/328 Albany Highway  
VICTORIA PARK WA 6100

T: 08 6250 4600  
F: 08 6250 4699  
E: info@tectonic.com.au  
[www.tectonic.com.au](http://www.tectonic.com.au)

6 July 2010

Dear Shareholder,

## **TECTONIC RESOURCES NL – SHARE PURCHASE PLAN**

On 2 July 2010, Tectonic Resources NL (“**Tectonic**” or the “**Company**”) announced a Share Purchase Plan (“**SPP**”) for eligible shareholders in Australia and New Zealand.

Under the SPP, each eligible shareholder will be entitled to apply for up to A\$15,000 of fully paid ordinary Tectonic shares at A\$0.05 per share.

The maximum amount to be raised under the SPP is to be limited to A\$5,400,000. If applications from shareholders under the SPP exceed the maximum amount, Tectonic reserves the right to scale back applications on a pro rata basis.

### **SPP Key Dates\***

<b>Date</b>	<b>Event</b>	<b>Description</b>
1 July 2010	Record Date	Date for determining eligibility to participate in the SPP offer.
8 July 2010	Opening Date	SPP opens.
30 July 2010	Closing Date	SPP closes. Applications must be received by 5.00pm AWST.
6 August 2010	Allotment Date	Shares allotted. Trading is expected to commence on ASX on next Trading Day.
9 August 2010	Dispatch Date	Transaction confirmation dispatched to shareholders.

\*Tectonic has the discretion to alter Key Dates. All times are Australian Western Standard Time (**AWST**).

Net funds from the SPP will be applied to provide further funds for exploration on the Phillips River Project and for working capital.

The Company is entering into an exciting phase as it nears the completion of the DFS. The Company remains keen during this upcoming period, and on an ongoing basis, to keep our exploration effort moving forward.

The potential to increase our gold resource to over 1,000,000 ounces is a real target, and one we continue to strive for. In addition, the Company has developed many targets within the regional tenement holding providing strong encouragement for further gold-copper and / or base metal discoveries. Recent regional soil sampling programs undertaken by the Company have provided some early success at the Railway prospect. These programs remain ongoing and will ultimately provide additional drill targets.

The Company has steadily built a pipeline of exploration opportunities, ranging from greenfields grass roots discoveries to more advanced extensions to existing JORC compliant mineral resources. All these prospects have the potential to provide additional mill feed to the Phillips River Project.

The Company has recently acquired significant additional ground holdings in the highly prospective Ravensthorpe mineral field. The Company will continue to move quickly to secure any further opportunities should they arise. Numerous known gold-copper occurrences remain under explored or untested by modern exploration techniques within the Ravensthorpe district. The possibility of having an all purpose ore processing facility near-by provides ample motivation to re-invigorate exploration on all known mineral occurrences.

Under the SPP, eligible shareholders are being invited to subscribe for either:

<b>\$2,500</b>	<b>\$5,000</b>	<b>\$7,500</b>	<b>\$10,000</b>	<b>\$12,500</b>	<b>\$15,000</b>
<b>50,000 shares</b>	<b>100,000 shares</b>	<b>150,000 shares</b>	<b>200,000 shares</b>	<b>250,000 shares</b>	<b>300,000 shares</b>

*Note – in calculating the number of shares to be offered under the SPP, Tectonic has rounded up any fractional entitlement to shares to correspond with the monetary amount paid.*

Full details of the offer under the SPP (Offer) are set out in the Terms and Conditions enclosed with this letter. The Directors urge you to read the Terms and Conditions carefully before you decided whether to participate.

Participation in the Offer is entirely at your discretion. By accepting the Offer to purchase shares under the SPP, you agree to be bound by the enclosed Terms and Conditions and the constitution of Tectonic.

I encourage you to submit your application as soon as possible by either:

- Returning the enclosed Application Form together with your cheque for the relevant amount as indicated on the Application Form; or

- Paying the relevant amount by BPAY and returning the enclosed Application Form together with your BPAY receipt,

by the closing time of **5.00pm AWST on 30 July 2010**. Please refer to the instructions on the enclosed Application Form.

The decision to raise funds via this SPP is driven by a strong desire of the board to guarantee our existing shareholders are ensured of participating in the growth of the Company at a time we regard the underlying value of our assets is not reflected in the market value of the company.

Your ongoing support of the Company's endeavors is greatly appreciated.

If you have any questions about what to do, you should consult your legal, financial or other professional adviser.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Steve Norregaard", is written over a light blue rectangular background.

Steve Norregaard  
Managing Director

**Securityholder Reference Number**

Record Date: 5.00pm WST 1 July 2010  
Date of which offer closes: 5.00pm WST 30 July 2010

**SHARE PURCHASE PLAN APPLICATION FORM**

**IMPORTANT:**

This is an important document, which requires your immediate attention. If you are in any doubt as to how to deal with this form please consult a professional adviser.

Pursuant to the terms and conditions of the Tectonic Resources NL Share Purchase Plan (SPP) contained in the letter to security holders dated 6 July 2010, Tectonic Resources NL is offering eligible security holders the opportunity to purchase Shares up to a maximum value of A\$15,000 per eligible security holder, subject to a minimum application of A\$2,500.

**If you do not wish to purchase additional shares under this offer there is no need to take action.**

By making your payment, you agree to be bound by the Constitution of Tectonic Resources NL and agree that the submission of this payment constitutes an irrevocable offer to you by Tectonic Resources NL to subscribe for Tectonic Resources NL Shares on the terms of the SPP. In addition, by submitting this Application Slip you certify that the aggregate of the application price paid by you for:

- the Shares the subject of this Application Slip; and
- any other shares and interests in the class applied for by you under the Share Purchase Plan or any similar arrangement in the 12 months prior to the date of submission of this Application Slip, does not exceed \$15,000.00.

**METHOD OF ACCEPTANCE**

You can apply for shares and make your payment utilising one of the payment options detailed overleaf. Tectonic Resources NL may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes, which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Tectonic Resources NL will be conclusive and binding on all eligible security holders and other persons to whom the determination relates. Tectonic Resources NL reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible security holders even where Tectonic Resources NL does not notify you of that event.

**This offer is Non-Renounceable - no Signature is required**  
**Applications can only be accepted in the name printed on this form**

Please see overleaf for Payment Options

**Tectonic Resources NL**  
ABN 61 004 287 790



**Billers Code:**  
**Ref No:**

- Offer A (\$2,500)    OR     Offer B (\$5,000)    OR     Offer C (\$7,500)    OR     Offer D (\$10,000)    OR     Offer E (\$12,500)    OR     Offer F (\$15,000)

These share amounts may be subject to scale back in accordance with terms of the SPP.

**Payment details:**

Drawer	Cheque number	Branch or BSB	Account number	Amount
				<b>A\$</b>

**Make your cheque or bank draft payable to Tectonic Resources NL**

**Contact Details**

Please provide your contact details in case we need to speak to you about this slip

**Name of contact person**

**Contact person's daytime telephone number**

# How to accept the Share Purchase Plan

## Payment Details

You can apply for shares by utilising the payment options detailed below. There is no requirement to return this slip if you are paying by electronic means.

By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you:

- agree to all of the terms and conditions of the Share Purchase Plan as enclosed with this form;

Your cheque, bank draft or money order payable to Tectonic Resources NL in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided.

**Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Share Purchase Plan Application Slip where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.**

## Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

## Lodgement of Application

If you are applying for shares and your payment is being made by BPay, you do not need to return this form. Your payment must be received by no later than 5.00pm WST on 30 July 2010 Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPay are received by this time.

If you are paying by cheque, bank draft or money order, your Application Slip must be received by Advanced Share Registry Ltd (ASW) by no later than 5.00pm WST on 30 July 2010. You should allow sufficient time for this to occur. You will need to affix the appropriate postage. Return your Application Slip with cheque, bank draft or money order attached.

Neither ASW nor the Company accepts any responsibility if you lodge the Application Form at any other address or by any other means.

## Privacy Statement

Personal information is collected on this form by ASW, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by ASW, or you would like to correct information that is inaccurate, incorrect or out of date, please contact ASW. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting ASW. You can contact ASW using the details provided on the front of this form.

**If you have any enquiries concerning this form or your entitlement, please contact ASW on 08 9389 8033.**

This form may not be used to notify your change of address. For information, please contact ASW on 08 9389 8033 or visit [www.advancedshare.com.au](http://www.advancedshare.com.au) (certificated/issuer sponsored holders only).

**CHESSE holders must contact their Controlling Participant to notify a change of address**



**Billers Code:**

**Ref No:**

Telephone & Internet Banking –Bpay

Call your bank, credit union or building society to make this payment from your cheque or saving account. More info: [www.bpay.com.au](http://www.bpay.com.au)

**By Mail**

Tectonic Resources NL  
**Advanced Share Registry Ltd**  
PO Box 1156, Nedlands  
Western Australia 6909  
Or  
150 Stirling Hwy  
Nedlands  
Western Australia 6009

## TECTONIC RESOURCES NL SHARE PURCHASE PLAN

Pursuant to the Tectonic Resources NL Share Purchase Plan ("SPP"), Tectonic Resources NL ("Tectonic") ACN 004 287 790 offers eligible Shareholders the ability to acquire between 50,000 and 300,000 fully paid ordinary shares in Tectonic at \$0.05 per fully paid ordinary share ("Offer").

Please carefully read the full Terms and Conditions relating to the Offer and the terms below, as you will be bound by them.

### TERMS AND CONDITIONS

#### 1. Opening and closing date of the Offer

The Offer opens on 8 July 2010. The offer closes at 5pm (AWST time) on 30 July 2010.

#### 2. Eligibility

You are eligible to participate in the SPP only if you were a holder of fully paid ordinary shares in Tectonic (Shares) at 5.00pm (AWST time) on 1 July 2010 (Record Date) with a registered address in either Australia or New Zealand. The Tectonic Board has determined that it is not practical for holders of Shares resident, or with registered addresses, in other jurisdictions to participate in the SPP. Each offer to eligible shareholders is made on the same terms and conditions. The offer is non-renounceable (ie you may not transfer your right to apply for SPP Shares to anyone else).

#### 3. Issue Price

The purchase price for each Share offered for issue under the SPP (SPP Share) is A\$0.05 (SPP Price).

#### 4. No Transaction Costs

No brokerage, commissions or other transaction costs are payable by shareholders in respect of the acquisition of SPP Shares.

#### 5. Anticipated Issue and Quotation Dates

The SPP Shares are expected to be issued and quoted on the ASX on or around 6 August 2010. As soon as practicable after that date, you will receive a transaction confirmation advice confirming the number of Shares that have been issued to you.

#### 6. Rights Attaching to Shares

All SPP Shares will be issued on the same terms as the other ordinary shares in Tectonic quoted on the Australian Securities Exchange (ASX), and once issued, will rank equally with existing Shares. Tectonic will apply for the SPP Shares to be quoted on ASX.

#### 7. Number of SPP Shares Offered

If you are eligible to apply for shares under the SPP, you may select one of the following offers:

- 50,000 Shares for a total cost of \$ 2,500.00
- 100,000 Shares for a total cost of \$ 5,000.00
- 150,000 Shares for a total cost of \$ 7,500.00
- 200,000 Shares for a total cost of \$ 10,000.00
- 250,000 Shares for a total cost of \$ 12,500.00
- 300,000 Shares for a total cost of \$ 15,000.00

Any fractional entitlement to Shares has been rounded up to correspond with the amount paid.

#### 8. Maximum Applications

The offer under the SPP needs to comply with the requirements of ASIC Class Order 02/831. Under those requirements, the maximum number of SPP Shares which may be applied for (namely 300,000 Shares) applies irrespective of how many Shares you hold on the Record Date.

This limit also applies to you even if you receive more than one offer from Tectonic (for example, if you are both a sole and joint eligible shareholder, or if you are a shareholder with more than one holding under a separate account, you can only apply for SPP Shares once). To the extent that you hold Shares on behalf of another person, that other person is entitled to participate in the SPP only if their beneficial holding is expressly noted on the register of members. Tectonic reserves the right to reject any application for SPP Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

The maximum amount to be raised under the SPP is to be limited to A\$5,400,000. If applications from shareholders under the SPP exceed the maximum amount, Tectonic reserves the right to scale back applications on a pro rata basis.

#### 9. Participation Optional

Participation in the SPP is entirely at your option. If you are in any doubt as to whether you should participate in the SPP or how such participation will affect you (including taxation implications), you should contact a professional adviser. We make no recommendations as to the desirability or otherwise of your participation in the SPP.

#### 10. Change of Offer

Tectonic may change, suspend or terminate the SPP or these Terms and Conditions at any time whether because of a change of law, ASIC requirements or policy or any other circumstance relevant to the SPP or Tectonic. If Tectonic does this, it will post a notice on Tectonic's website. Failure to notify shareholders of changes to, suspension or termination of the SPP or these Terms and Conditions will not invalidate the change, suspension or termination. Tectonic reserves the right to issue no SPP Shares or fewer SPP Shares than an eligible shareholder applies for under the SPP if Tectonic believes the issue of those SPP Shares would contravene ASIC requirements or policy, any law or any ASX Listing Rule. No interest will be paid on any money refunded. Tectonic's rights to change, suspend or terminate the SPP may be exercised by the Board or any delegate of the Board.

#### 11. Dispute Resolution

Tectonic may settle any dispute in relation to the SPP or the terms and conditions of the SPP in any manner it thinks fit, whether generally or in relation to any shareholder, applications or Shares. Tectonic's decision will be conclusive and binding.

#### 12. How to Apply for SPP Shares

If you would like to apply for SPP Shares, you must either:

##### By Cheque:

- complete the enclosed Application Form;
- prepare a cheque for the appropriate amount, in Australian dollars, payable to **Tectonic Resources NL - Share Offer Account**; and
- send the Application Form and cheque to the Share Registry.

or

##### By BPay:

- complete the enclosed Application Form;
- pay electronically using BPay; and
- send the Application Form to the Share Registry together with a copy of your BPay receipt.

Do not forward cash. Receipts for payment will not be issued. Cheques will only be accepted if they are drawn in Australian currency on an Australian financial institution. Applications must be received by **5:00pm (AWST time) on 30 July 2010**. Applications received after that time may not be accepted.

By completing an Application Form, you agree to be bound by these terms and conditions and Tectonic's constitution. Applications and payments may not be withdrawn once Tectonic has received them. Application money will not bear interest as against Tectonic under any circumstances.

#### 13. Enquiries

If you have any questions in respect of the SPP, please contact the Share Registry, Advanced Share Registry Ltd by phone on +61 8 9389 8033.