



Alcyone Pro Rata, Non-Renounceable Entitlement Issue

- Alcyone secures \$7.4 million under Entitlement Offer and shortfall, exceeding \$6 million minimum
- Alcyone recommences crushing at Texas Silver Project with view to reinstating production

Alcyone Resources (ASX: AYN) ("Alcyone" or the "Company") advises it has received valid applications for its 2 for 1 pro-rata non-renounceable entitlement offer ("Entitlement Offer") and shortfall for approximately \$7.4 million, with 635,846,562 shares and 317,923,281 free attaching options applied for under the rights Issue and a further 848,588,975 shares and 424,294,488 free attaching options applied for under the shortfall offer, for a total subscription of 1,484,435,537 shares and 742,217,769 free options as at the date of this announcement.

The maximum number of shares that could have been subscribed for under the Entitlement Offer was 3,250,185,432 Shares, along with 1,625,092,716 free attaching options. Accordingly, the remaining shortfall as at the date of this announcement is 1,765,749,895 shares and 882,874,948 free attaching options.

Completion of the Rights Issue and allocated shortfall is scheduled for Tuesday, 13th August 2013, subject to satisfaction of the outstanding conditions to either the Preciosa or Powerline silver purchase agreements. The Company is continuing to work towards satisfaction of these conditions and will update the market as necessary.

The Company is also pleased to announce that Crushing operations at the Twin Hills Mine have recommenced, with the Company expecting to resume silver recoveries in the short term following completion of the Entitlement Offer.

The timetable for completion is as follows:

| Activity | Date |
|--|----------------|
| ASX notified of under subscriptions | 8 August 2013 |
| Issue Date | 13 August 2013 |
| Despatch of Holding Statements | 15 August 2013 |
| Anticipated lifting of suspension of Securities and Quotation of Securities issued under the Entitlement Offer | 16 August 2013 |

The above dates are indicative only. The Company, in conjunction with the lead manager to the Offer, reserves the right to vary the above dates, subject to the ASX Listing Rules and Corporations Act.

ENDS

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About Alcyone

Alcyone Resources (ASX:AYN) is a pure play low cost silver producer based in south-east Queensland. Alcyone's Texas Silver Project (100% owned) which includes the Twin Hills Mine and Mount Gunyan commenced silver production in July 2011, with targeted annual silver production levels in excess of 1Moz.

Forward-Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning exploration targets, contain or comprise certain forward-looking statements regarding Alcyone's exploration operations, economic performance and financial condition. Although Alcyone believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Alcyone undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.