

ASX ANNOUNCEMENT

25 September 2013

A\$1.4M PRIVATE PLACEMENT BECOMES BINDING

TUC Resources Ltd is pleased to announce that the A\$1.4 million Private Placement to the new cornerstone investor has become legally binding. This clears the way for Tranche 1 funds of A\$777,000 to be paid. Tranche 2 funds, for the remaining balance of A\$625,000, is subject only to TUC Resources Shareholder Approval at its Annual General Meeting on 25 October 2013 and Australian Foreign Investment Review Board (FIRB) Approval.

General

The successful completion of this placement to Widetop Mining Investments Pty Ltd will ensure TUC Resources (TUC) is funded to continue exploration on our exciting Northern Territory Heavy Rare Earth (HREE) District. Immediate exploration activities will primarily be focused on clearly defining drilling targets at HREE prospects such as Skyfall, Largo and Knightfall. Planned work in the coming months includes detailed geochemistry, high resolution geophysics and ultimately drilling. TUC plans to maintain its activities throughout the upcoming Northern Territory wet season.

New Cornerstone Investor

The new cornerstone investor is Widetop Mining Investments Pty Ltd (Widetop), a 100% owned subsidiary of a Hong Kong based investment company. The Directors of TUC look forward to welcoming Mr Huipeng Zhang, Managing Director of Widetop Mining Investments Pty Ltd onto the Board of TUC Resources Ltd. The TUC Board is confident that the Mr Zhang will bring a wealth of industry contacts and significant commercial experience to TUC as we take the Company forward.

Terms - Background

Widetop has subscribed for 31,000,000 new ordinary shares in two tranches for a total investment of A\$1,402,000. Tranche 1 comprises the issue of 18,500,000 shares at A\$0.042 which will raise A\$777,000. These funds are now due to be received within 12 business days. Tranche 2 will comprise the issue of 12,500,000 shares at A\$0.05 per share to raise A\$625,000 (subject to TUC Resources Shareholder Approval at its Annual General Meeting on 25 October 2013 and Australian Foreign Investment Review Board (FIRB) Approval). Tranche 2 will have 12,400,000 options attached, on the basis of two options for each five shares subscribed for in Tranches 1 and 2. The options have the same terms as existing ASX listed TUC options (TUCO), exercisable at A\$0.20 on or before 15 August 2014.

For further information please contact: Mr Ian Bamborough, Managing Director
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<u>Registered Office</u>	<u>Main Office</u>	<u>Company Management</u>
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