

TUC RESOURCES LTD

ABN 94 115 770 226

BONUS ISSUE PROSPECTUS

For a free bonus issue of two (2) Options, exercisable at \$0.20 per Option on or before 15 August 2014, for every five (5) Shares (**Bonus Options**) held by Shareholders as at 5.00pm WST on 19 September 2012.

The Bonus Options are being issued free to Shareholders.

**SHAREHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RELATION TO THE
ISSUE OF BONUS OPTIONS PURSUANT TO THIS PROSPECTUS**

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being issued under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Bonus Options to be issued by this Prospectus should be considered as speculative.

TABLE OF CONTENTS

1.	CORPORATE DIRECTORY	3
2.	SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES	4
3.	CHAIRMAN'S LETTER	5
4.	DETAILS OF THE ISSUE	6
5.	PURPOSE AND EFFECT OF THE ISSUE	8
6.	RIGHTS AND LIABILITIES ATTACHING TO SHARES AND BONUS OPTIONS	9
7.	RISK FACTORS	14
8.	ADDITIONAL INFORMATION	20
9.	AUTHORITY OF DIRECTORS	26
10.	DEFINITIONS	27

1. CORPORATE DIRECTORY

Directors

Mr Peter Harold
(Non-executive Chairman)

Mr Ian Bamborough
(Managing Director)

Mr Anthony Barton
(Non-executive Director)

Mr Michael Britton
(Non-executive Director)

Mr Leonid Charuckyj
(Non-executive Director)

Company Secretary

Mr Graeme Boden
gboden@bigpond.net.au

Registered Office

15 Lovegrove Close
Mount Claremont WA 6010

Telephone (08) 9286 1219
Facsimile (08) 9284 3801

Auditor*

Deloitte Touche Tohmatsu
Level 13, Woodside Plaza
240 St Georges Terrace
PERTH WA 6000

Share Registry*

Security Transfer Registrars Pty Ltd*
770 Canning Highway
Applecross WA 6153

PO Box 535
Applecross WA 6953

Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233

Legal Advisors

Steinepreis Paganin
Level 4, Read Building
16 Milligan Street
Perth WA 6000

* This party is included for information purposes only. It has not been involved in the preparation of this Prospectus.

2. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES

Lodgement of Prospectus with ASIC and release to ASX	10 September 2012
Lodgement of Appendix 3B with ASX	10 September 2012
Ex Date	13 September 2012
Record Date for determining entitlements to Bonus Options	19 September 2012
Despatch of holding statements	24 September 2012

Note: There will be no deferred settlement trading of Bonus Options.

IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 10 September 2012 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is the date which is 13 months from the date of lodgement of the Prospectus with ASIC (**Expiry Date**). No securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

This Prospectus does not constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make an issue of the securities the subject of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3. CHAIRMAN'S LETTER

Dear Shareholder

The Board of TUC Resources Ltd (**Company**) is pleased to issue to Shareholders a bonus Option (**Issue**), issued free to Shareholders on the basis of two (2) Options for every five (5) Shares held at the Record Date (**Bonus Options**).

The Board of the Company recognises, and greatly appreciates, the importance of our loyal and supportive Shareholders, and wish to reward you by creating an additional listed security.

It is intended that this additional security, the Bonus Option, will provide leverage to improved share price performance, particularly in the event of what we hope will continue to be successful exploration activities at our unique and prospective Stromberg Heavy Rare Earth District.

The Directors believe that the issue of Bonus Options will create some additional goodwill in this volatile equity market and ensures that those who have supported the Company to date receive a benefit that could have significant value in the future for no cost.

All Shareholders registered as at 5.00pm (WST) on 19 September 2012 will be entitled to participate in the Issue.

The Bonus Options will be issued free, so that no funds will be raised from the Issue.

The Bonus Options will have an Exercise Price of \$0.20 per Share and an Expiry Date of 15 August 2014. Application will be made to ASX within 7 days of the date of this Prospectus to list the Bonus Options on the ASX.

The Board takes this opportunity to thank all Shareholders for their past support of the Company and looks forward to your continued support in the future.

Yours faithfully,

Peter Harold
Chairman

4. DETAILS OF THE ISSUE

4.1 Bonus Options Issue

The Issue is being made as a free bonus issue of two (2) Options for every five (5) Shares held by Shareholders registered at 5.00pm (WST) on the Record Date (**Bonus Options**). Fractional Entitlements will be rounded up to the nearest whole number. As the Bonus Options are being issued for nil consideration, no funds will be raised under the Issue. If all the Bonus Options issued under the Issue are exercised, the Company will receive approximately \$10,031,732.

Based on the capital structure of the Company, the number of Bonus Options to be issued is approximately 50,158,659.

4.2 Quotation of Bonus Options

The Bonus Options will be a new class of security of the Company and the Company will make an application to ASX within seven days following the date of this Prospectus for Official Quotation of the Bonus Options.

If approval is not granted by ASX, the Company will not issue any of the Bonus Options to be issued pursuant to this Prospectus.

A decision by ASX to grant Official Quotation of the Bonus Options should not be taken in any way as an indication of ASX's view as to the merits of the Company, Bonus Options or the Issue.

4.3 Allotment of Options

Bonus Options issued pursuant to the Issue will be allotted as soon as practicable after the date of this Prospectus and otherwise in accordance with the ASX Listing Rules. The Company will allot the Bonus Options on the basis of a Shareholder's Entitlement.

Transaction confirmation statements for the Bonus Options will be mailed as soon as possible after the date of this Prospectus.

4.4 Overseas Shareholders

This Issue does not, and is not intended to, constitute an issue in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an issue of securities or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Bonus Options these Shareholders would be issued and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Issue is not being extended and Bonus Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Issue is being made in New Zealand pursuant to the Securities act (Overseas Companies) Exemption Notice 2002.

4.5 Enquiries

Any questions concerning the Issue should be directed to the Company Secretary, Graeme Boden, on (08) 9286 1219.

5. PURPOSE AND EFFECT OF THE ISSUE

5.1 Purpose of the Issue

The purpose of the Issue is to reward Shareholders for supporting the Company and to provide the Company with a potential source of additional capital if Bonus Options are exercised. No funds will be raised through the issue of the Bonus Options pursuant to this Prospectus, however if all the Bonus Options are exercised, the Company will receive approximately \$10,031,732. Any funds raised upon the exercise of any of the Bonus Options will be allocated to the Company's working capital and to be used to review and develop new business opportunities which present themselves to the Company.

5.2 Effect of the Issue

The principal effect of the Issue will be to increase the number of Bonus Options (being the specific class of Options to be issued under this Prospectus) on issue from nil as at the date of this Prospectus, to approximately 50,158,659.

5.3 Effect on Capital Structure

A table of changes in the capital structure of the Company as a consequence of the Issue is set out below, assuming that all Bonus Options under the Issue are issued.

Shares	Number
Current Shares on issue	125,396,647
Shares offered under the Issue	Nil
Total Shares on issue at completion of the Issue	125,396,647
Options	Number
Existing Options on issue as at the date of this Prospectus	Nil
Bonus Options to be issued under the Issue	50,158,359
Total Options on issue at completion of the Issue	50,158,359

5.4 Effect on Balance Sheet

The Bonus Options to be issued pursuant to this Prospectus will be issued for no consideration. There will be no effect on the Company's Balance Sheet.

6. RIGHTS AND LIABILITIES ATTACHING TO SHARES AND BONUS OPTIONS

6.1 Terms and Conditions of Shares

- (a) Shares issued upon exercise of the Bonus Options will be freely transferable.
- (b) All Shares issued upon exercise of the Bonus Options will rank pari passu in all respects with the Company's existing ordinary fully paid Shares at the relevant time. The Company will apply for Official Quotation by the ASX of all Shares issued as a consequence of the exercise of Bonus Options.

6.2 Rights Attaching to Shares

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(a) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend Rights

Subject to the rights of persons (if any) entitled to Shares with special rights to dividend the Directors may declare a final dividend out of profits in accordance with the Corporations Act

and may authorise the payment or crediting by the Company to the Shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the Shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

(e) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) Variation of Rights

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

6.3 Bonus Options terms and conditions

The Bonus Options will entitle the holders to subscribe for Shares on the following terms:

- (a) Each Bonus Option entitles the holder to subscribe for and be allotted one Share.
- (b) The Bonus Options are exercisable at 20 cents each, payable in cash (**Exercise Price**).
- (c) The Bonus Options shall expire at 5.00pm WST on 15 August 2014 (**Expiry Date**).
- (d) Bonus Options not exercised on or before the Expiry Date will automatically lapse.
- (e) On a Bonus Option lapsing, all rights of the Bonus Option holder in respect of the Bonus Option cease and no consideration or compensation will be payable for or in relation to that lapse.
- (f) Following allotment of the Bonus Options, a transaction confirmation statement will be issued by the Company for the Bonus Options.
- (g) Subject to these conditions, Bonus Options may be exercised on or before the Expiry Date by the Bonus Option holder:
 - (i) lodging with the Company a Notice of Exercise signed by the Bonus Option holder for a parcel of not less than one thousand (1,000) except that if the Bonus Option holder holds less than one thousand (1,000) Bonus Options then such Bonus Options may be exercised; and
 - (ii) paying the Company the Exercise Price in respect of the Bonus Options exercised.

An exercise of Bonus Options will only be valid and effective once the Company has received, in cleared funds, the full amount of the Exercise Price payable.

- (h) A Notice of Exercise, once lodged with the Company, is irrevocable and by giving a Notice of Exercise the Bonus Option holder:
 - (i) agrees to subscribe for that number of Shares equivalent to the number of Bonus Options exercised in the Notice of Exercise;
 - (ii) agrees to be bound by the Constitution on the issue of Shares; and
 - (iii) without limiting any other clause in these conditions, must pay the Exercise Price in respect of the Bonus Options exercised at the time the Notice of Exercise is lodged with the Company.

- (i) Reminder notices will be forwarded to the Bonus Option holders prior to the Expiry Date.
- (j) The Bonus Options may be exercised in whole or in part.
- (k) For each Bonus Option that is exercised, the Company must issue to the Bonus Option holder one Share, credited as fully paid and, within 10 Business Days (or such other period as is required by the Listing Rules) after the date of exercise of the Bonus Option, issue (or cause to be issued) to the Bonus Option holder a holding statement or other appropriate evidence of title for each Share that is issued.
- (l) If a Bonus Option holder exercises only some of the Bonus Options held, the Company must issue (or cause to be issued) a holding statement or other appropriate evidence of title for each remaining Bonus Option held by the Bonus Option holder.
- (m) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the rights of the Bonus Option holder will be treated in the manner prescribed by the ASX Listing Rules applying to reconstructions at that time.
- (n) If:
 - (i) a takeover bid within the meaning of the Corporations Act is made for the Shares and the bidder becomes entitled to compulsorily acquire Shares, any Bonus Options not exercised by the end of the bid period will lapse; or
 - (ii) a court orders a meeting to be held in relation to a proposed scheme of arrangement under Part 5.1 of the Corporations Act in relation to the Company, which, if implemented, would result in a person having a relevant interest in at least 90% of Shares, any Bonus Options not exercised during the period that ends seven days after the date of the court order will lapse.
- (o) The Company will apply for Official Quotation by ASX of the Bonus Options.
- (p) All Shares issued upon exercise of the Bonus Options will rank pari passu in all respects with the Company's then existing Shares. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of the Bonus Options.
- (q) There are no participating rights or entitlements inherent in the Bonus Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Bonus Options. However, if from time to time on or prior to the Expiry Date the Company makes an issue of new Shares to Shareholders, the Company will announce the issue to ASX prior to the record date in accordance with the requirements of the ASX Listing Rules. This will give holders of Bonus Options the

opportunity to exercise their Bonus Options prior to the date for determining entitlements to participate in any such issue.

- (r) There is no right to a change in the Exercise Price of the Bonus Options or to the number of Shares over which the Bonus Options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the Bonus Options.
- (s) Bonus Options are freely transferrable in accordance with the Corporations Act and the Constitution.
- (t) These conditions will be interpreted and applied in a manner that is consistent with the Listing Rules. If any of these conditions are inconsistent with the requirements of the Listing Rules, they may be amended by the Company to comply with the Listing Rules. The Company will advise Bonus Option Holders of any such amendments.

7. RISK FACTORS

7.1 Introduction

The Bonus Options to be issued under this Prospectus should be considered speculative because of the nature of the Company's business.

The resource exploration and development activities of the Company are subject to various risks that may impact on the future performance of the Company. Some of these risks are able to be mitigated through the use of safeguards and appropriate systems and controls, but others are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, the value of assets or the price at which securities will trade.

Set out below is an overview of the material risk factors that may have an effect on the financial position and performance of the Company and the value of its securities, as well as the Company's exploration and development activities and an ability to fund those activities.

Prior to deciding whether to exercise Bonus Options, Eligible Shareholders should read the entire Prospectus, and specifically consider the risks set out in this section. Eligible Shareholders should carefully consider these risks in light of their personal circumstances and seek professional advice from an accountant, stockbroker, solicitor or other professional adviser before deciding whether to exercise the Bonus Options.

7.2 Specific Risks

Uranium mining regulations

The Company holds tenements that are located in the Northern Territory some of which are prospective for uranium.

Uranium mining and exploration in Australia is governed by complex State and Federal legislations and regulations. These regulate a wide range of uranium mining activities including exploration, prospecting, development, transportation, exporting, royalties and discharge of hazardous waste and materials.

The Federal Government currently permits uranium mining in the Northern Territory. However, uranium mining is a highly political issue in Australia. There can be no guarantee that government policy will remain the same in the future.

Approvals required for uranium mining are stringent and rigorous compared with other types of mining activities. Exploration approvals are required before exploration can commence and in the event uranium is discovered, further approvals including safeguard approvals for permits to possess nuclear material. Development of any mineral resources will be dependent on the Company's ability to obtain environmental and legislative approvals to carry out its operations and its ability to meet any proposed conditions on these approvals. There is no guarantee that these approvals will be granted.

Whilst the Company intends to conduct its business in accordance with all applicable laws and regulations, compliance and re-compliance or in order to meet changes to the legislation or regulations can be costly and may ultimately not be viable.

Shareholders should be aware that changes of government, new legislation and changes to existing legislation and government policy may impact upon the approvals granted or seeking to be granted to the Company, the Company's profitability and the viability of the Company's operations.

Exploration, Development, Mining, Processing and Operating Risks

Investors should understand that, by its nature, the business of mineral exploration and development activities undertaken by the Company at its current projects or future projects, contains risks. Ultimate and continuous success of these activities is dependant on many factors such as:

- (a) successful exploration and definition and/or acquisition of recoverable and economic deposits;
- (b) successful conclusions to bankable feasibility studies;
- (c) access to adequate capital for project development;
- (d) design and construction of efficient mining and processing facilities;
- (e) securing and maintaining title to tenements;
- (f) obtaining consents and approvals necessary for the conduct of exploration and mining; and
- (g) competent operation and proficient and effective marketing of the mineral products.

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failure, labour disputes, unusual or unexpected geological conditions, damage, flooding, and extended interruptions due to inclement hazardous weather conditions, fire explosions and earthquakes.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance with ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to maintain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

Access to land

The Company will experience delays and cost overruns in the event it is unable to access the land required for its operations. This may be as a

result of weather, environmental restraints, native title, harvesting, landholder's activities or other factors.

Tenement rights

Under the tenement instruments and certain other contractual agreements, to which the Company is or may in the future become a party, The Company is or may become subject to payments, the mining lease and other obligations. In particular, holders of prospecting and exploration licences and mining leases are required to meet the prescribed expenditure conditions on those tenements. Failure to meet these expenditure commitments will render the licence or licences liable to be forfeited unless a total or partial exemption is granted in accordance with the relevant mining regulations.

Further, there is no guarantee that current or future applications, extensions or renewals of the tenements in which the Company has an interest will be granted. The renewal or grant of the terms of each licence is usually at the discretion of the relevant government authority. Additionally, licences are subject to a number of specific legislative conditions. The inability to meet these conditions could affect the standing of a licence or restrict its ability to be renewed. Even if the Company is entitled to seek an exemption from the requirement to meet expenditure requirements, it may nevertheless be the subject of an attempt by a third party to claim a failure to satisfy expenditure conditions which may need to be resolved through litigation. There is no guarantee that this will result in a satisfactory resolution to the Company.

Environmental

Inherent in exploration and mining operations is a real environmental risk. The legal framework governing this area is constantly developing in all jurisdictions, thus, The Company is unable to fully ascertain any future liability that may arise from any new laws or regulations. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.

Further, if there are environmental rehabilitation conditions attached to the exploration and mining tenements of the Company, failure to meet such conditions could lead to forfeiture of these tenements.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

Native Title

The High Court of Australia, the *Native Title Act 1993* (Cth) and State legislation recognize Aboriginal heritage and land rights. The risks include the following:

- (h) the Company may have to seek permits or licences to access land the subject of an Aboriginal heritage or land right claim. There is no guarantee that any such permit or licence will be granted;
- (i) the Company may have to comply with restrictions or conditions on accessing land the subject of an Aboriginal heritage or land right claim. This may result in the Company facing unplanned expenditure or delays. Failure to comply with any conditions on the permits may result in the Company losing its title to its tenements or forfeiting its permits;
- (j) the Company may have to pay compensation in order to settle native title claims. It is not possible to quantify the amount of compensation which may have to be paid at this stage; and
- (k) in the event the Company discovers evidence of Aboriginal heritage on land accessed by the Company, the Company must comply with regulations prohibiting the disturbance of physical evidence of prehistoric or historical significance without statutory permission and legislation prohibiting or restricting access to Aboriginal cultural heritage or native title land. Accordingly, delays or additional costs in the exploration or production of the Company's business may be experienced. Further, the disturbance of any such land or objects may expose the Company to additional fines or other penalties.

Resource estimations

Resources estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made.

Additionally, resource estimates may change over time as new information becomes available. If the Company encounters mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

Commodity price volatility

International factors such as inflation, exchange rates, supply and demand and political and economic events, amongst other things, impact on mineral product prices, particularly in the current global economic market. As the Company is currently not in production, future revenue that may come from the sale of mineral products and the Company's future profits will be related to and influenced by the market price of its mineral products.

If the prices of mineral products seriously decline in the future, this will materially impact on the Company's ability to continue with its projects and the Company may be forced to discontinue some or all of its operations.

The Company gives no assurance that the fluctuations in the commodity prices will not affect timing and viability of the projects.

Reliance on key personnel

The prospects of the Company depend in part on the experience and business acumen of a small number of key personnel at this time. The loss of one or more key personnel without replacement by persons of similar skill may have an adverse effect on the business.

Future capital needs and additional funding

The Company's ability to raise capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the success of the exploration and development programs, any feasibility studies, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

7.3 General Investment Risks

Securities investments and share market conditions

There are risks associated with any securities investment. The trading prices of securities trade fluctuate in response to a number of factors. Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

Insurance coverage risk

Exploration and development operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, ground or slope failures, fires, floods, earthquakes and other environmental occurrences, political and social instability that could result in damage to or destruction of mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining caused by industrial accidents or labour

disputes, changes in regulatory environment, monetary losses and possible legal liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and development is not generally available to the Company or to other companies in the industry on acceptable terms. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company.

Unforeseen expenses

The Company may be subject to significant unforeseen expenses or actions.

This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The Directors expect that the Company will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Company's future objectives.

Legislative

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies in Australia may adversely affect the financial performance of the Company.

7.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Bonus Options or Shares issued upon conversion of Bonus Options.

8. ADDITIONAL INFORMATION

8.1 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities. The Shares which will be issued on conversion of the Bonus Options issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 3 months prior to the issue of this Prospectus.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of the Bonus Options on the Company and the rights attaching to the Bonus Options and the Shares to be issued upon conversion of the Bonus Options. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

- (c) to the extent they are available, it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
- (i) the annual financial report most recently lodged with the ASIC by the Company and any half-year financial report lodged with the ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus with the ASIC; and
 - (ii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since lodgement of the Company's 2011 audited financial statements:

Date	Announcement Header
28/09/2011	Full Year Statutory Accounts
04/10/2011	Stromberg Prospect – Second Phase Drilling Commences
06/10/2011	Investor Update
07/10/2011	Details of Company Address
12/10/2011	Analyst Report
12/10/2011	Notice of Annual General Meeting and Proxy Form
26/10/2011	Annual Report to Shareholders
28/10/2011	Quarterly Exploration Activities Report
28 /10/2011	5B Mining Exploration Entity Quarterly Report September 2011
16/11/2011	Stromberg HREE Drilling Success
28/11/2011	Investor Presentation
29/11/2011	Results of Annual General Meeting
19/12/2011	Director Resignation
19/12/2011	Final Director's Interest Notice
22/12/2011	Director Appointment/ resignation
22/12/2011	Initial Director's Interest Notice
12/01/2012	Xenotime Confirmed at Stromberg
20/01/2012	Quarterly Exploration Activities Report
20/01/2012	Appendix 5B Quarterly Cash Flow Report
15/02/2012	Investor Presentation

27/02/2012	Exploration and Metallurgy Update
05/03/2012	Stromberg HREE Leach Results
13/03/2012	Half Year Accounts
28/03/2012	AGES Conference TUC HREE Update
16/04/2012	Broker Research
27/04/2012	Quarterly Activities Report
27/04/2012	Appendix Cash Flow Report
01/05/2012	Stromberg Metallurgical Testwork Results
12/06/2012	Monthly HREE Update
21/06/2012	Investor Update Presentation
22/06/2012	Presentation Clarification and Retraction
02/06/2012	Appendix 3B Option Exercise and Expiry
02/07/2012	Change in Director's Interest Notice
19/07/2012	Australian Uranium Conference Presentation
26/07/2012	Hallgarten Research Report
30/07/2012	Quarterly Activities Report
30/07/2012	Appendix Cash Flow Report
21/08/2012	Drilling Commencement and Loyalty Option

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

8.2 Material Contracts

As at the date of this Prospectus, the Company has not entered into any new material contracts that have not previously been disclosed to ASX.

8.3 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Issue of securities pursuant to this Prospectus; or
- (c) the Issue of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Issue of securities pursuant to this Prospectus.

Directors' relevant interests in the Shares of the Company at the date of this Prospectus are:

Name	Shares	Options	Bonus Option Entitlement
Peter Harold	5,000,000	Nil	2,000,000
Ian Bamborough	1,244,450	Nil	497,780
Anthony Barton	12,213,146	Nil	4,885,259
Michael Britton	478,146	Nil	191,259
Leonid Charuckyj	1,165,000	Nil	466,000

There are no options on issue in the Company at the date of this Prospectus.

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration has been set at an amount of \$300,000 per annum. The executive chairman is paid a fee of \$55,000 per annum plus superannuation and the non-executive director fee is \$40,000 per annum plus superannuation.

The remuneration of executive Directors will be fixed by the Directors and may be paid by way of fixed salary. As at the date of this Prospectus, Mr I Bamborough is the only executive director of the Company and, pursuant to an employment contract executed between the parties, receives a fixed salary package for the amount of \$305,000.

The following payments have been made, or have been accrued, to the Directors in relation to services provided over two financial years prior to the date of this Prospectus and from 1 July 2012 until the date of this Prospectus.

Director	Year end 30 June 2011 (\$)	Year end 30 June 2012 (\$)	1 July 2012 until the date of this Prospectus (\$)
Peter Harold	56,317	59,950	9,992
Ian Bamborough	271,704	291,788	50,833
Anthony Barton	9,931	43,600	7,267
Michael Britton	81,417	102,594	24,635
Leonid Charuckyj	Nil	22,855	7,267

Directors may be reimbursed for out of pocket expenses incurred as a result of their directorships or any special duties.

8.4 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or

was associated, has or had within two (2) years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Issue of securities pursuant to this Prospectus; or
- (c) the Issue of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Issue of securities pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$10,000 for services in relation to this Prospectus. In the 24 months prior to the date of this Prospectus, Steinepreis Paganin has received approximately \$4,700 in fees from the Company.

8.5 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

8.6 Estimated Expenses of Issue

The estimated expenses of the Issue are as follows:

	\$
ASIC fees	2,171
Listing fees	17,970
Legal fees	10,000
Printing and other expenses	5,000
Total	35,141

8.7 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: 15.5 cents on 21 and 22 June 2012; and

Lowest: 8.2 cents on 4 September 2012.

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was 8.5 cents on 7 September 2012.

9. AUTHORITY OF DIRECTORS

Each of the Directors of TUC Resources Ltd has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Dated the 10th day of September 2012

**MR IAN BAMBOROUGH
MANAGING DIRECTOR
FOR AND ON BEHALF OF
TUC RESOURCES LTD**

10. **DEFINITIONS**

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the settlement rules of the securities clearing house which operates CHES.

ASX means the ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

Board means the board of Directors unless the context indicates otherwise.

Bonus Options means a listed Bonus Option to acquire a Share exercisable at \$0.20 per Bonus Option or before 15 August 2014.

Business Day means a day on which trading takes place on the stock market of ASX.

Company means TUC Resources Ltd (ABN 88 092 266 067).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company at the date of this Prospectus.

Dollar or "\$" means Australian dollars.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Issue.

Issue means the issue of Bonus Options under this Prospectus.

Listing Rules or **ASX Listing Rules** means the Listing Rules of the ASX.

Notice of Exercise means a duly completed and executed notice of exercise of Bonus Option in such form (if any) as required by the Company from time to time.

Official List means the official list of ASX.

Bonus Option means an Bonus Option to acquire a Share.

Prospectus means this prospectus.

Quotation and **Official Quotation** means official quotation on ASX.

Record Date means 5pm (WST) on 19 September 2012.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means Western Standard Time, as observed in Perth, Western Australia.