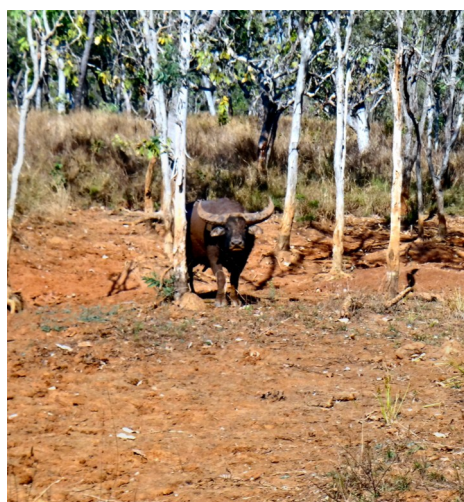




SHAREHOLDERS LOYALTY OPTION ISSUE - EXTRA VALUE

The Board of TUC is pleased to offer Shareholders a free Bonus Option Issue on the basis of two Options for every five Shares held at the Record Date. The Board recognises and greatly appreciates our loyal and supportive Shareholders. It is intended that this additional security will provide leverage to improved share price performance, particularly in the event of what we hope will continue to be successful exploration at the 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 ensure that our Shareholders receive a benefit that could have significant value in the future.



TUC's team spotted this fella amongst the trees at Stromberg. Apparently he was feeling pretty bullish about the activities.

CURRENT HREE (Dysprosium-Yttrium-Erbium) EXPLORATION - RESULTS DUE SOON

OUTLOOK ON RECENT DRILLING

Another phase of drilling has been completed at the Stromberg Prospect. Assays are pending for 17 RC drill holes. Further diamond drilling is planned.

In 2011, drilling at Stromberg confirmed the presence of significant near surface Heavy Rare Earth (HREE) mineralisation. A number of shallow, tabular mineralised zones returned excellent assay results over the full 2.3km strike length of the prospect. Significant at surface intersections included STRC53 - **8m @ 0.72% Total Rare Earth Oxides (TREO)**.

Importantly, the prospect contains high levels of the critical and valuable Dysprosium and Yttrium averaging 7.5% and 64.9% of TREO respectively with HREE content at an impressive 85% of distribution.

Mineralisation at Stromberg is contained in the mineral xenotime which is known for its favourable and sought after flow sheet characteristics and known and proven extraction methods.

First pass drilling completed at the nearby Scaramanga HREE prospect is aimed at increasing TUC's HREE mineral inventory (assays pending for seven RC holes).

POSITIVE STAKEHOLDER ENGAGEMENT

BUILDING SUCCESSFUL RELATIONSHIPS

In late August members of the TUC team hosted a visit to the Stromberg District by three Senior Aboriginal Custodians who speak for the Country in surrounding areas such as at the nearby Skyfall HREE target. The meeting was a resounding success. A pathway for further land access discussions was mapped out. Traditional Owners were happy to look at TUC's work practices, enjoyed a quality bush lunch, and importantly got to pass on their traditional knowledge to TUC's field team. Another meeting (the fourth this year) is planned for mid September.



Traditional Aboriginal Landowners taking a break with TUC's Managing Director Ian Bamborough on a recent visit to Stromberg.

METALLURGY UPDATE

WORKING WITH ANSTO

TUC Resources has contracted Chemists at the Australian Nuclear Science and Technology Organisation (Ansto Minerals) to help in refining the next stage of the mineral processing circuit. Ansto Minerals have proven expertise in Rare Earth processing and extraction in Australia. They are known to work with Lynas Corporation, Arafura Resources and Alkane Resources.



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Competent Person's Statement: The information in this report relates to exploration results compiled by Ian Bamborough, who is a Member of The Australian Institute of Geoscientists. Ian Bamborough is a fulltime employee of TUC Resources Ltd. Ian Bamborough has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ian Bamborough consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.