

Dysprosium - Yttrium – Erbium

Heavy Rare Earth (HREE) in the Northern Territory

Discovery, Demand & Development



RIU Melbourne Resources Roundup
26 September 2012

Video fly through of Stromberg Prospect (available on TUC website)



The Company - Introduction

TUC and the HREE Market

Stromberg Deposit - New Results

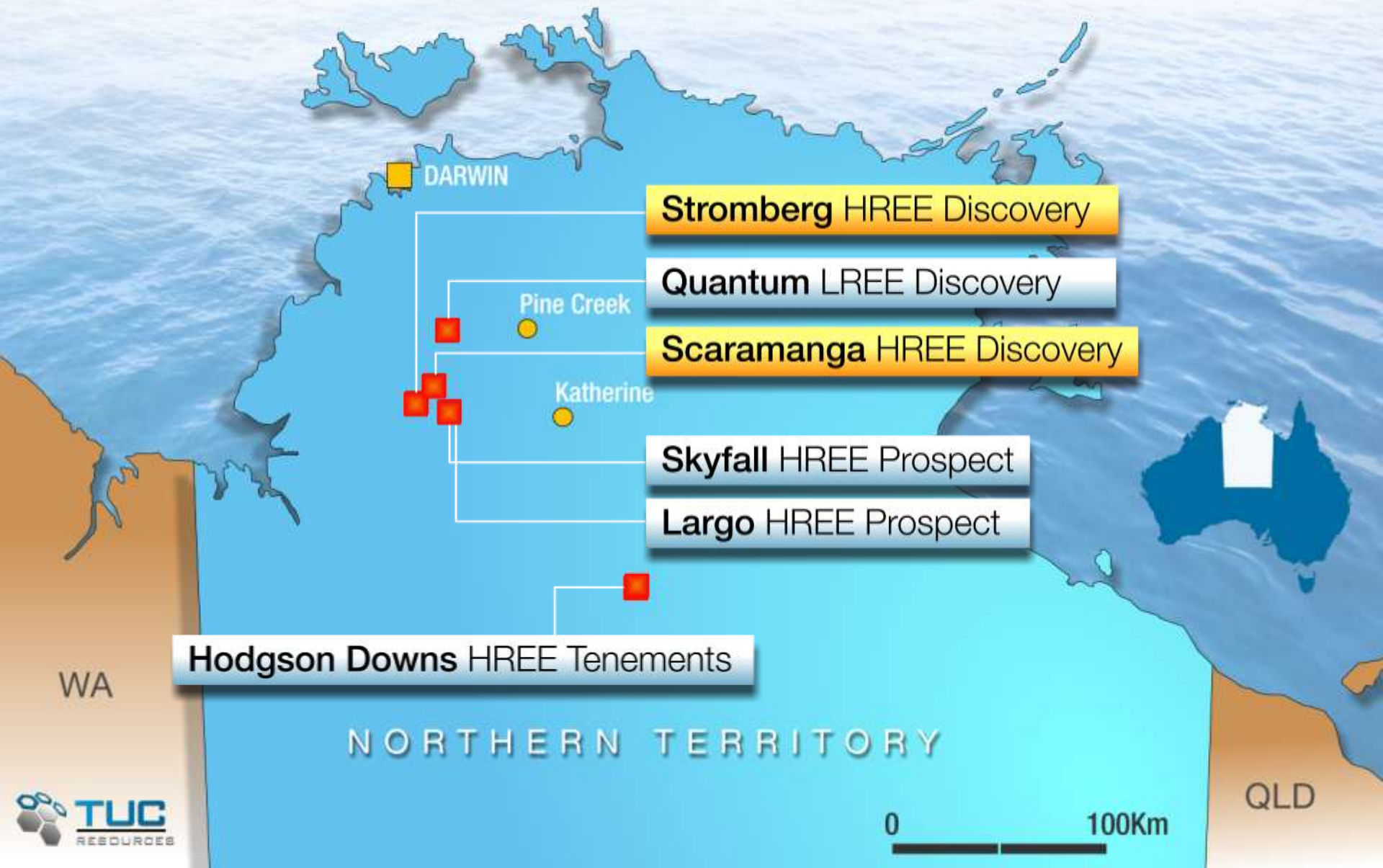
Exploration Breakthrough - Scaramanga - Stakeholders

Margin Drivers; Mining and Processing Costs and Price

Time to Market - TUC Advantage

Major Projects

NORTHERN TERRITORY



Shares 125 million A\$0.12

Options 2 free for 5 Shares A\$0.20 Ex. Price

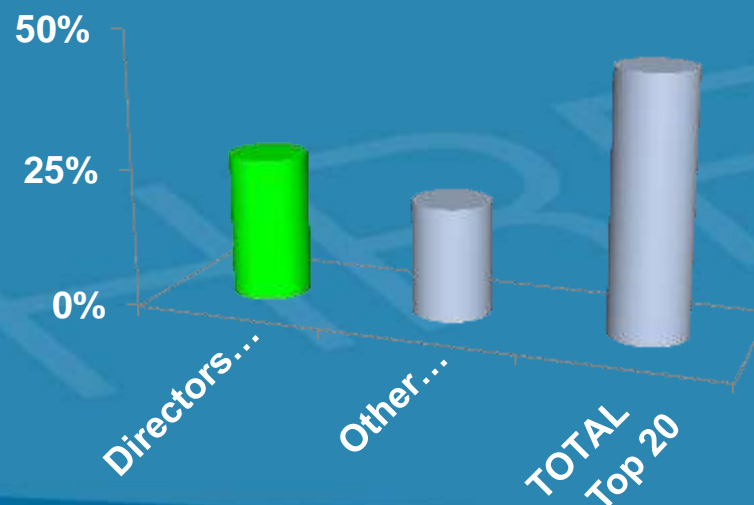
Market Cap \$A15 million

Shareholders +1200

Funds +A\$2.5 million (30 June 2012)

Register

As at 25 Sep 2012





By 2037, industry will need an annual supply of **Neodymium 700%** greater than is available now and more extraordinarily, **2,600%** more **Dysprosium** than the world (China) produces now.

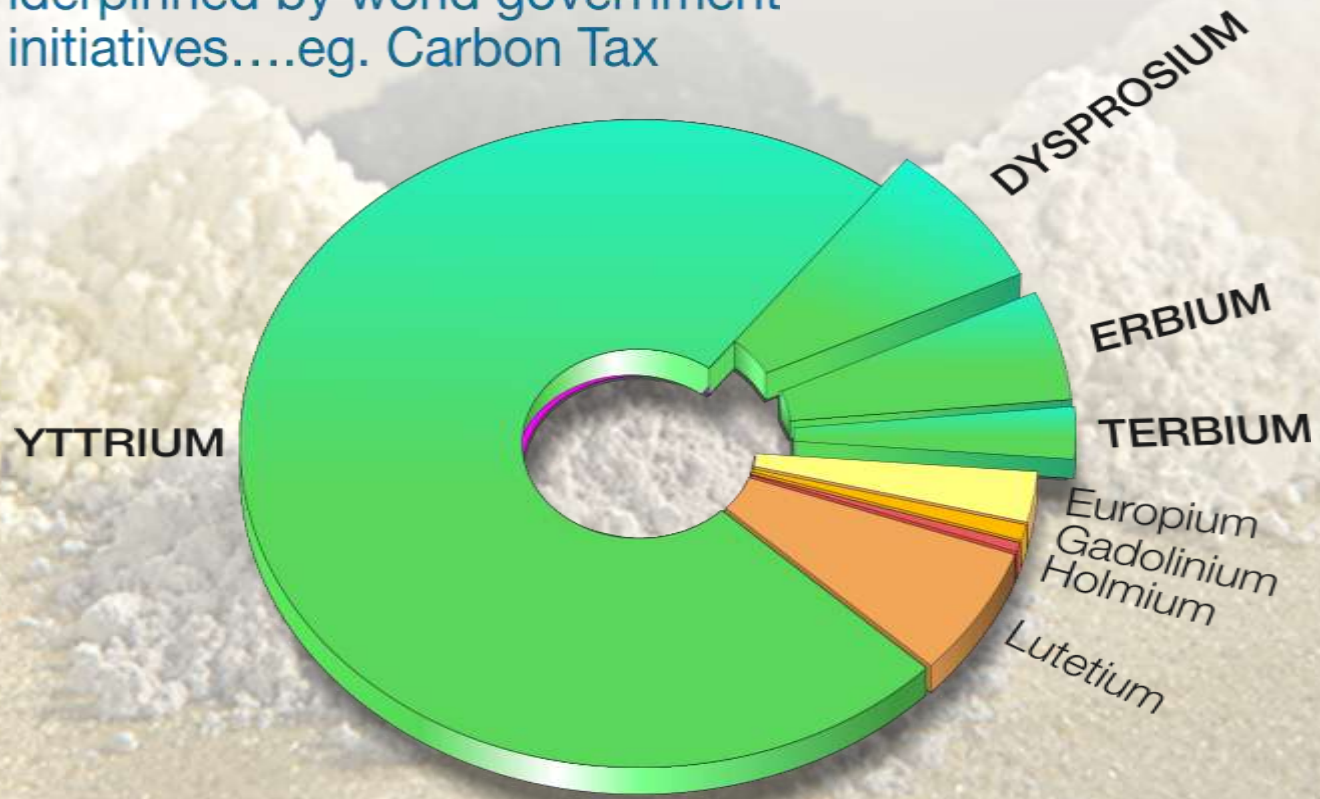
Source: Robert Bromby quoting from Cientifica: "Simply No Substitute" / MIT Research, Sep 2012

Stromberg Deposit

Heavy REE's  Light REE's

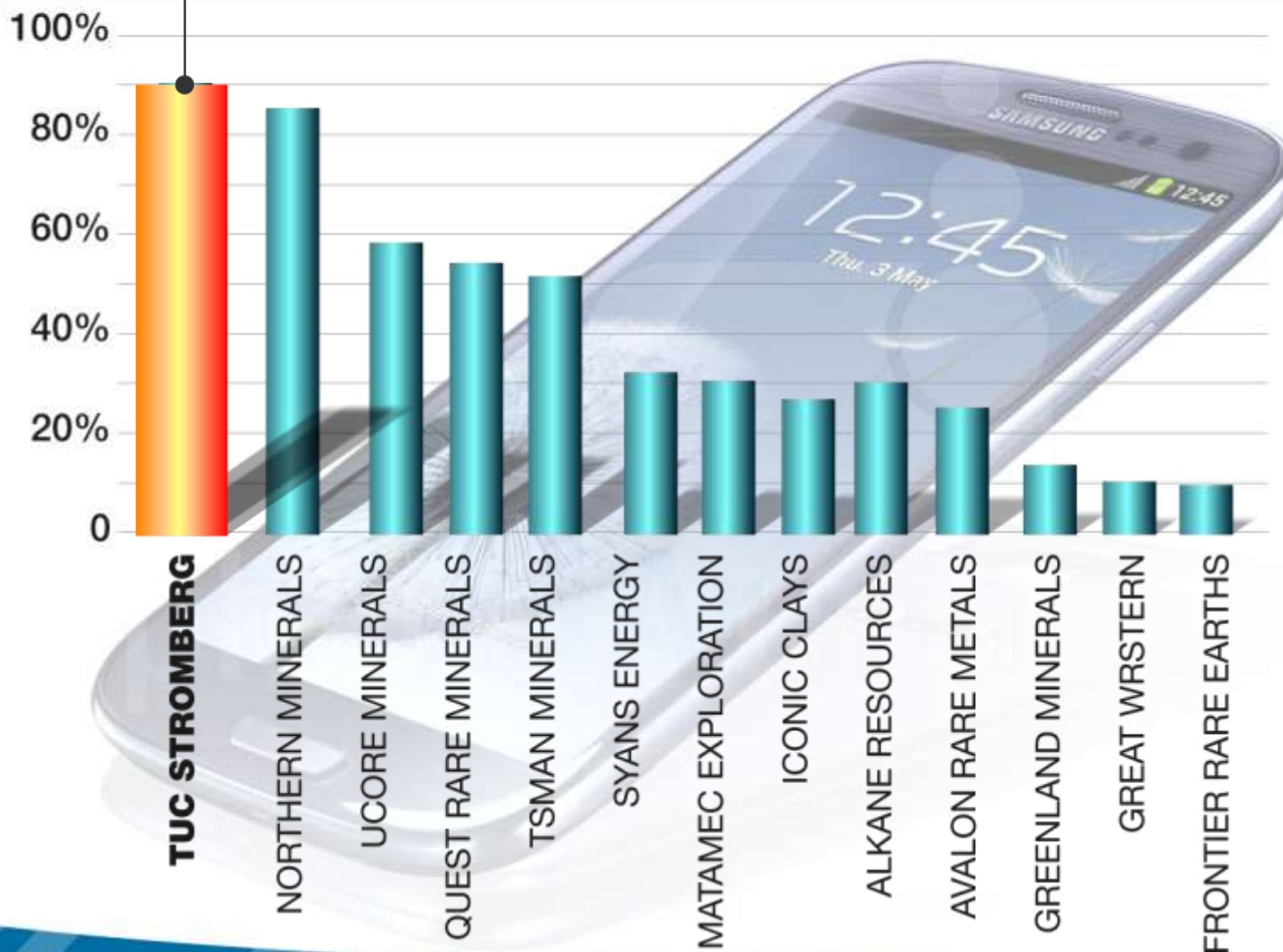
Higher priced critical metals

Demand is underpinned by world government clean energy initiatives....eg. Carbon Tax



Stromberg Deposit

No. 1 in terms of HREE Distribution

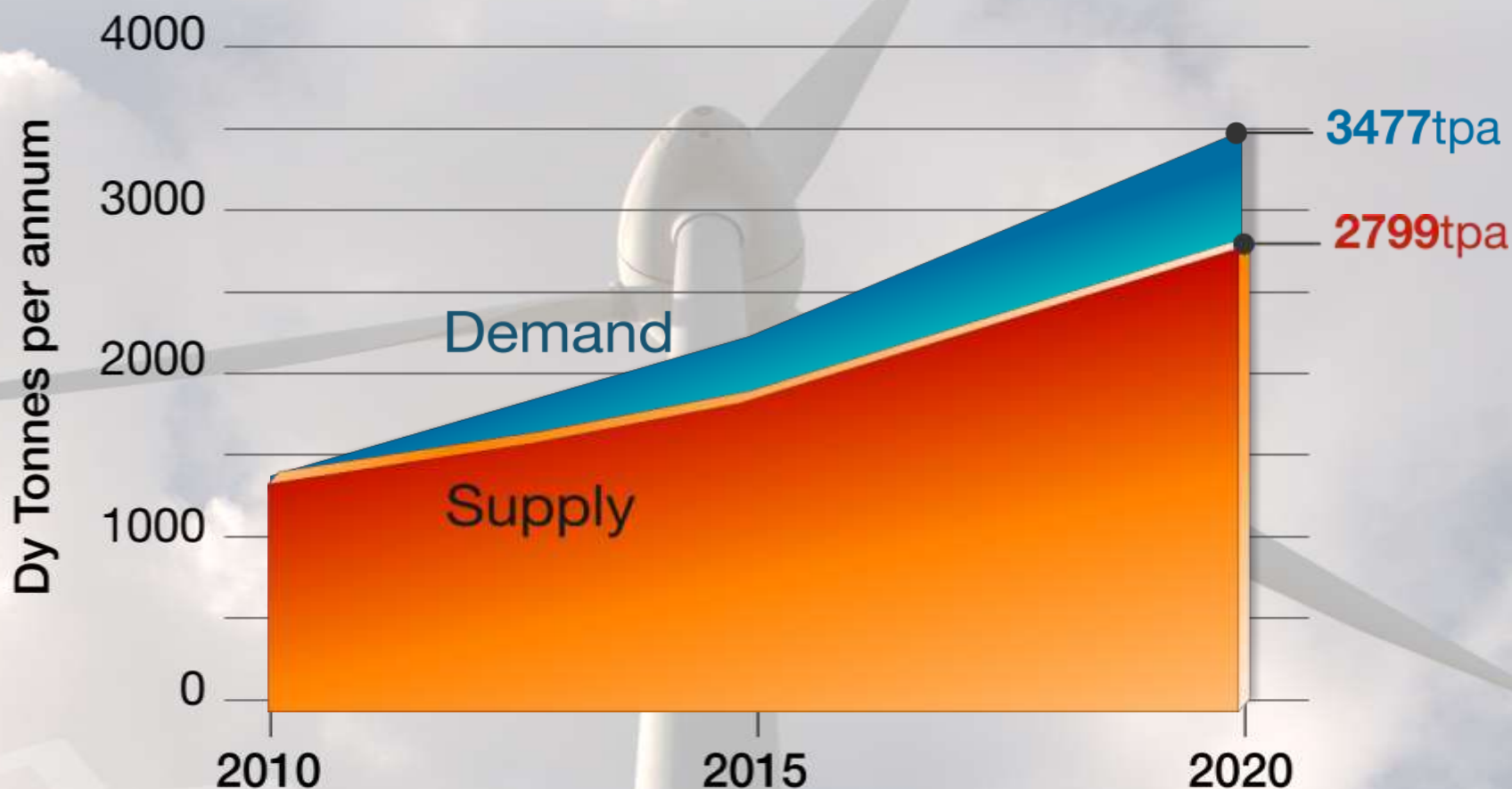


Dysprosium (Dy)

DEMAND/SUPPLY

Dysprosium is used in high temperature high efficiency fixed magnets in electric motors and power generation

Demand/Supply forecast to grow

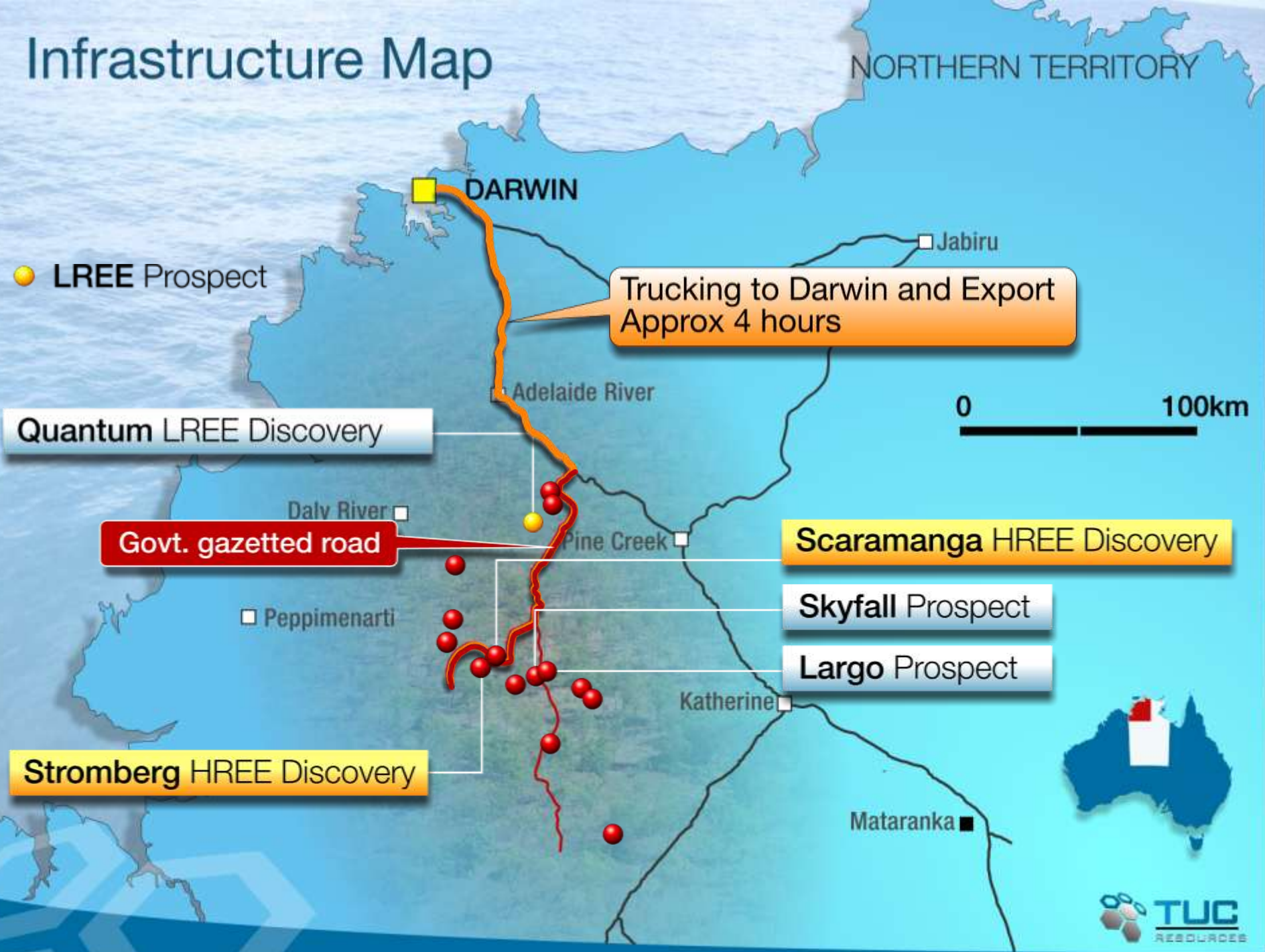




Recent drilling results increase potential

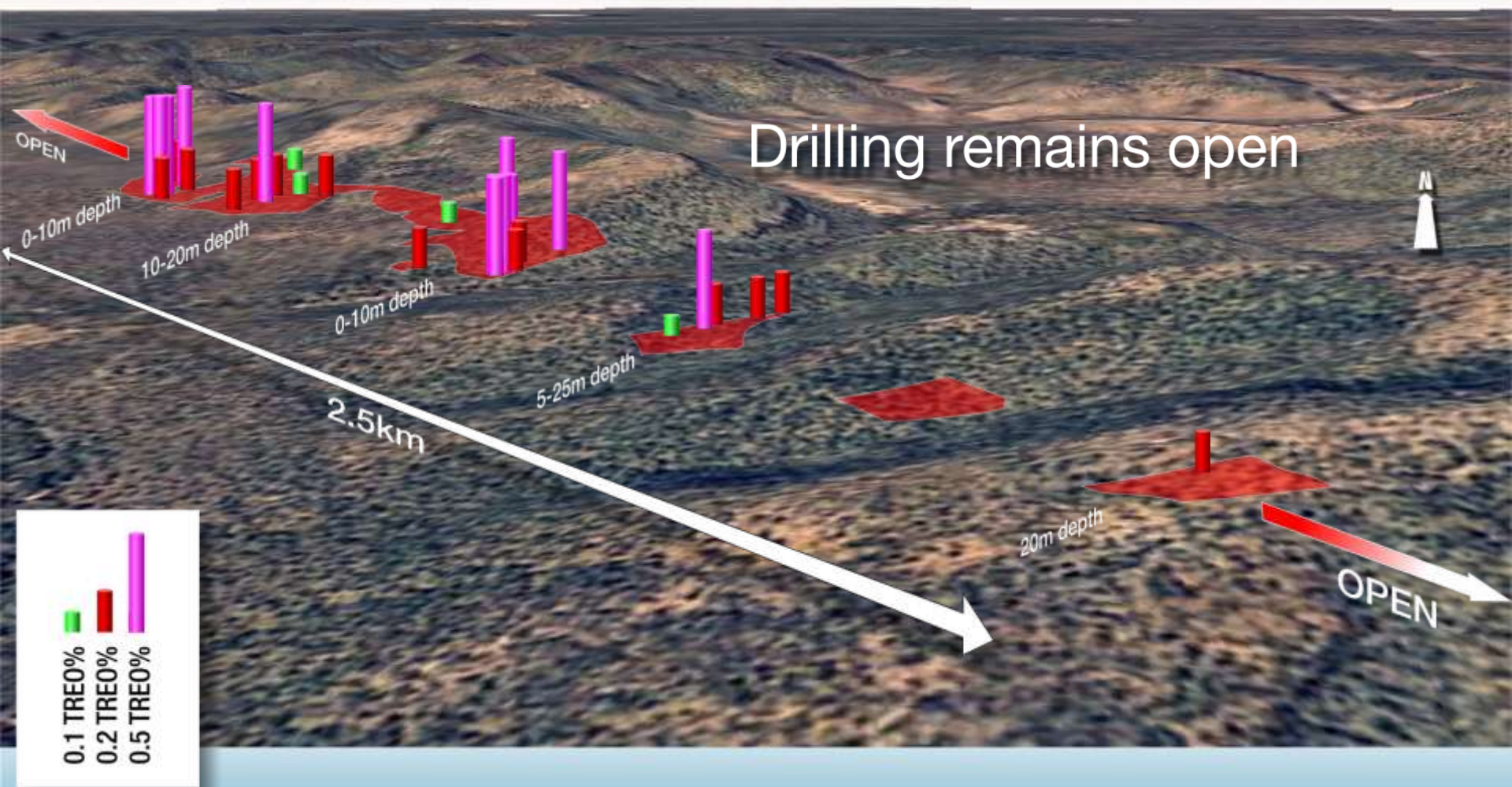


Infrastructure Map

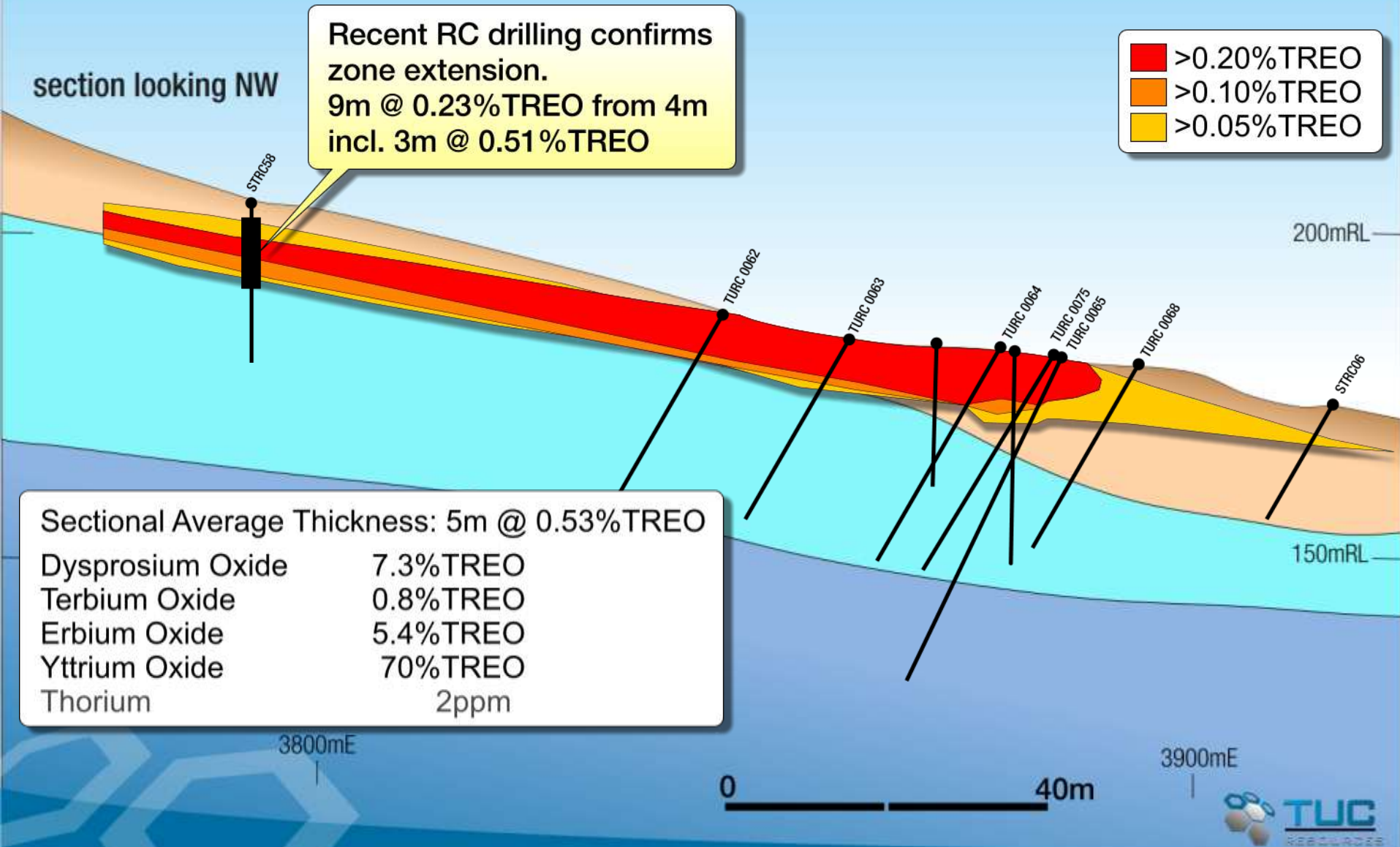


Clear Potential from Exploration Drilling

Maximum %TREO intercepts from RC drilling



Stromberg major stepouts substantially extend mineral inventory





Another Discovery Scaramanga

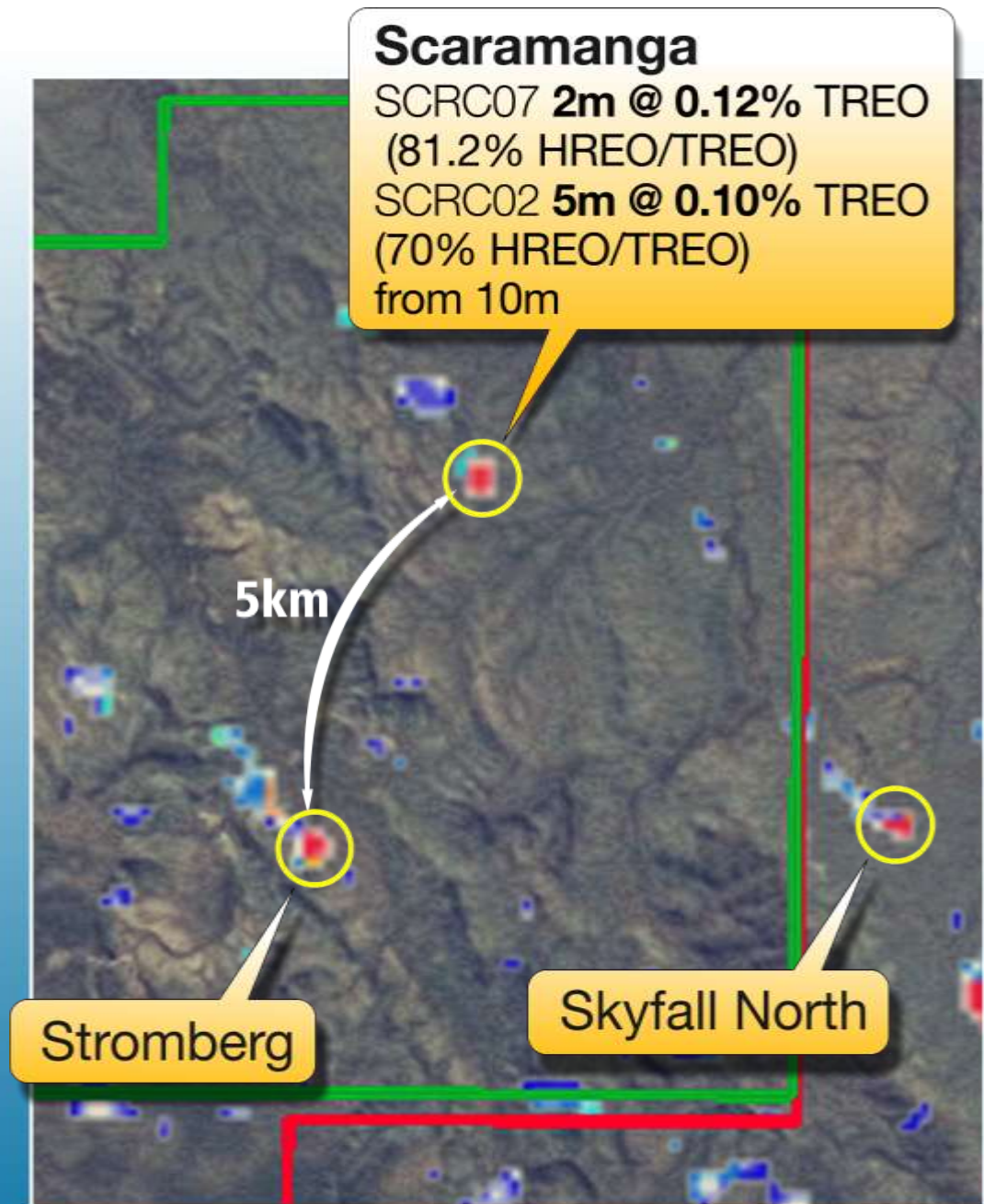
Exploration breakthrough
proves district potential

Scaramanga

Significant new results

Upside within a short distance
of Stromberg

Proves broader district
potential



Scaramanga Cross Section

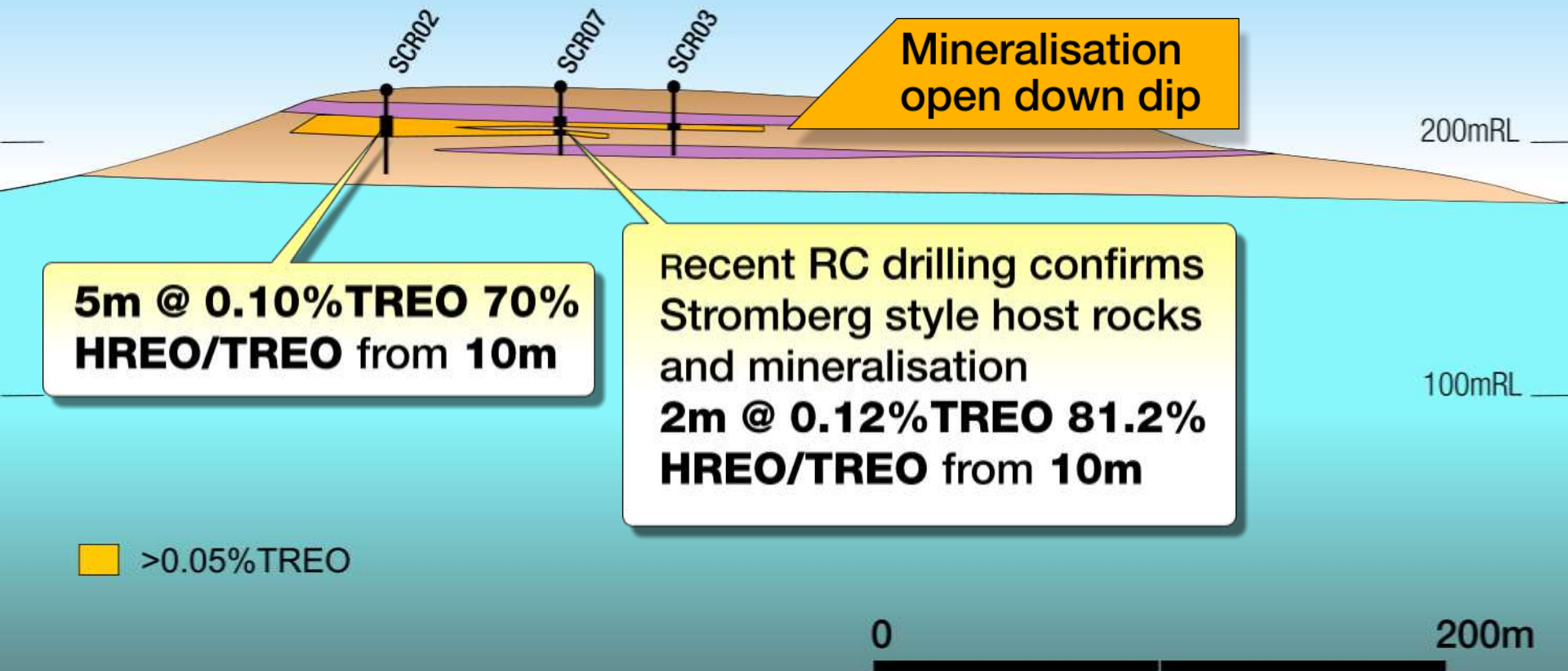
First pass broad spaced
Drilling

Two distinct near surface
HREE Horizons

Infill drilling planned

SE

NW



Stakeholder Engagement

George Jebel Huddlestone; Custodian - Stromberg District



On Friday September 14 2012
Verbal Consent was given to take the
highly prospective HREE tenement
ELA27151 out of moratorium and for
Exploration to begin

Access Agreed - Major New Targets

Stromberg

Scaramanga

Skyfall Prospect

Major untested radiometric anomaly
Most prospective district target
Access agreed Sep 2012

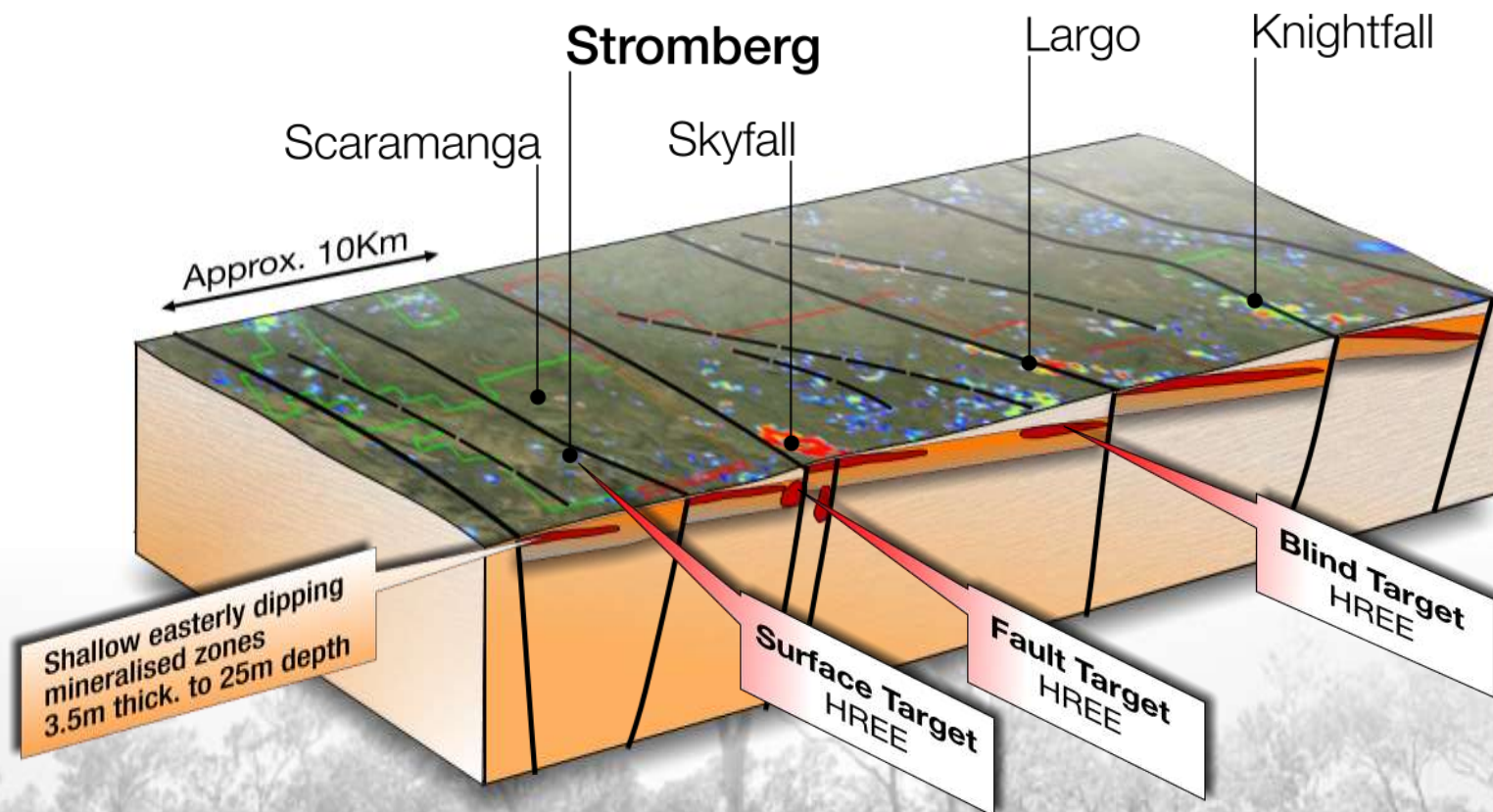
Largo Prospect

Large untested radiometric anomaly
Access agreed Sep 2012

Regional Conceptual Model

High Discovery Potential

Rock Types, Faults and Mineralised Systems Repeat



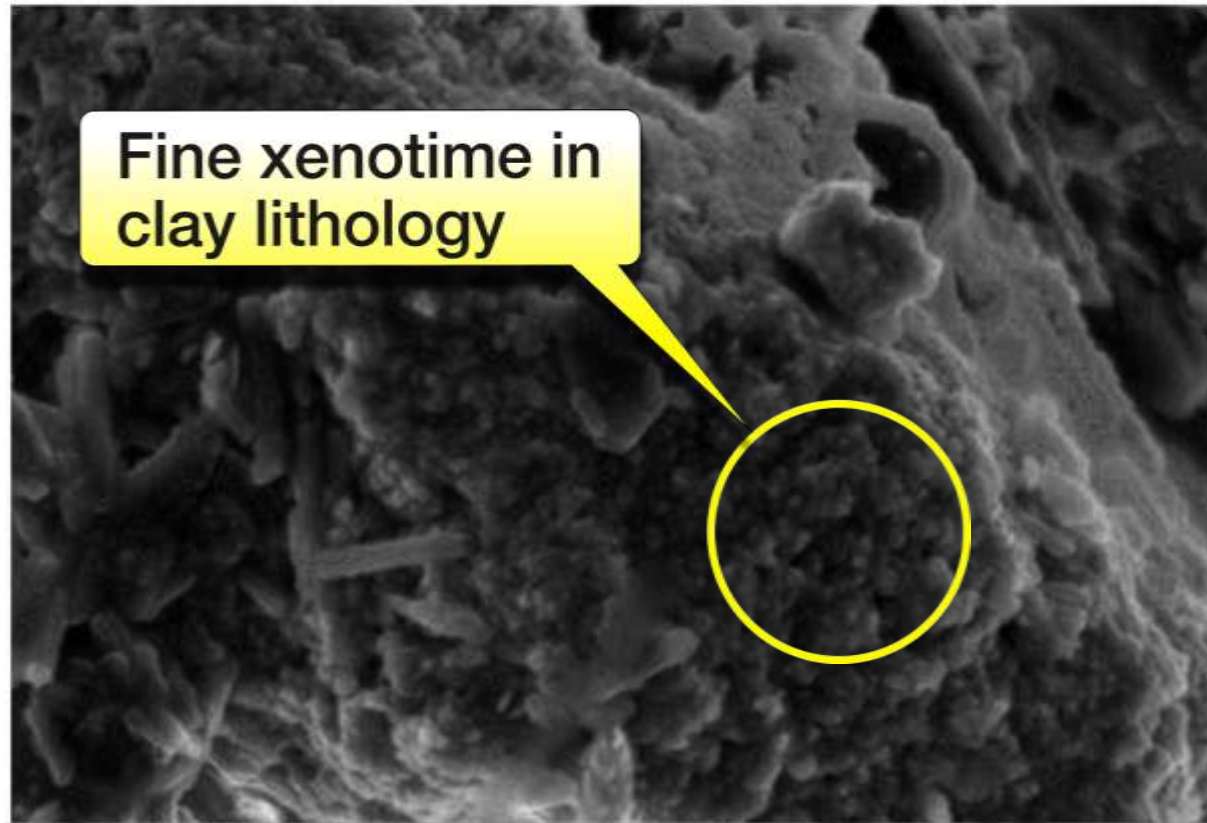
Cost and Price Advantages



Xenotime Mineralogy Competitive Advantage

Efficient leach of raw material

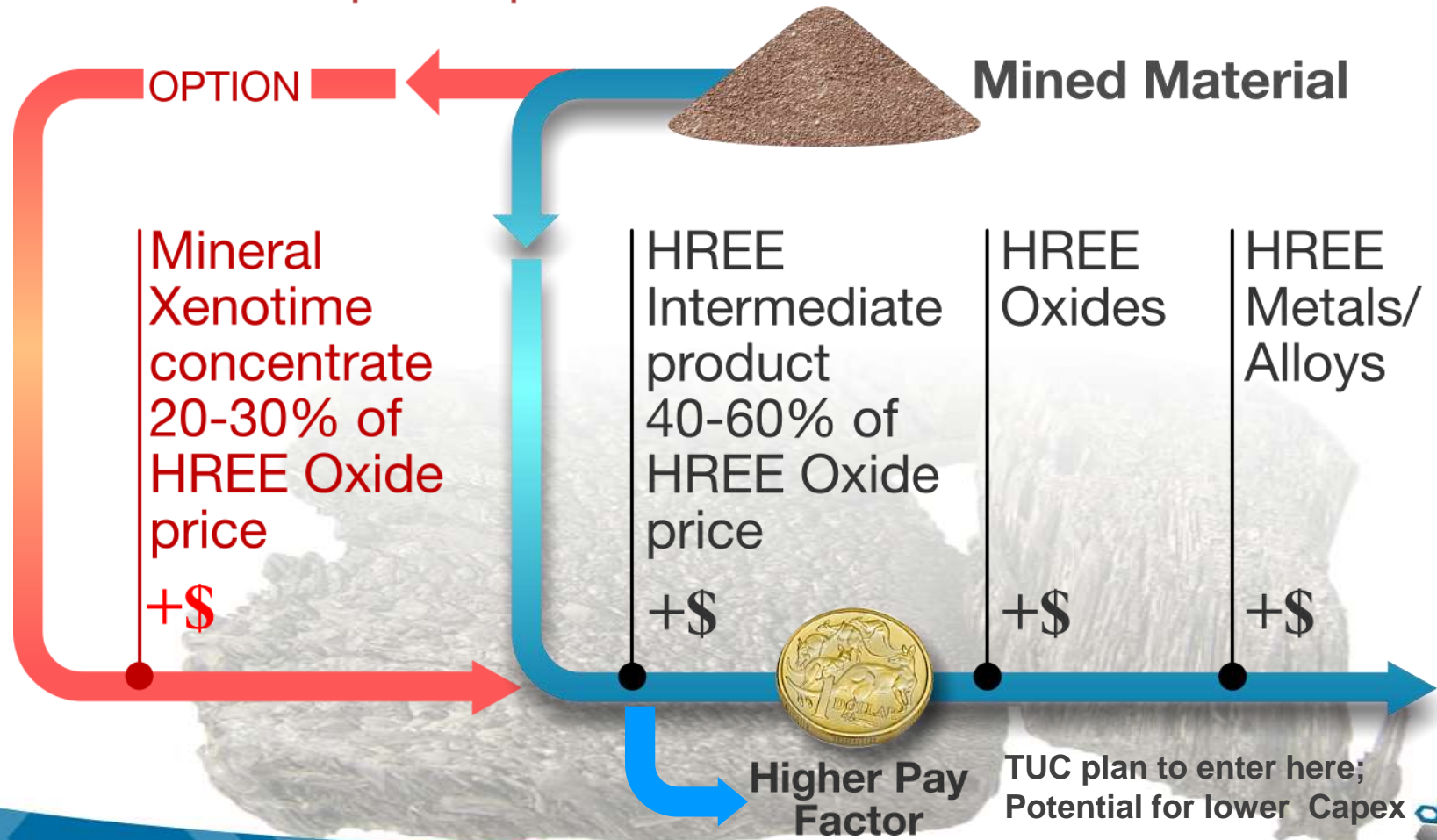
- Amenable to direct acid leach into solution
- Up to 85% recovery



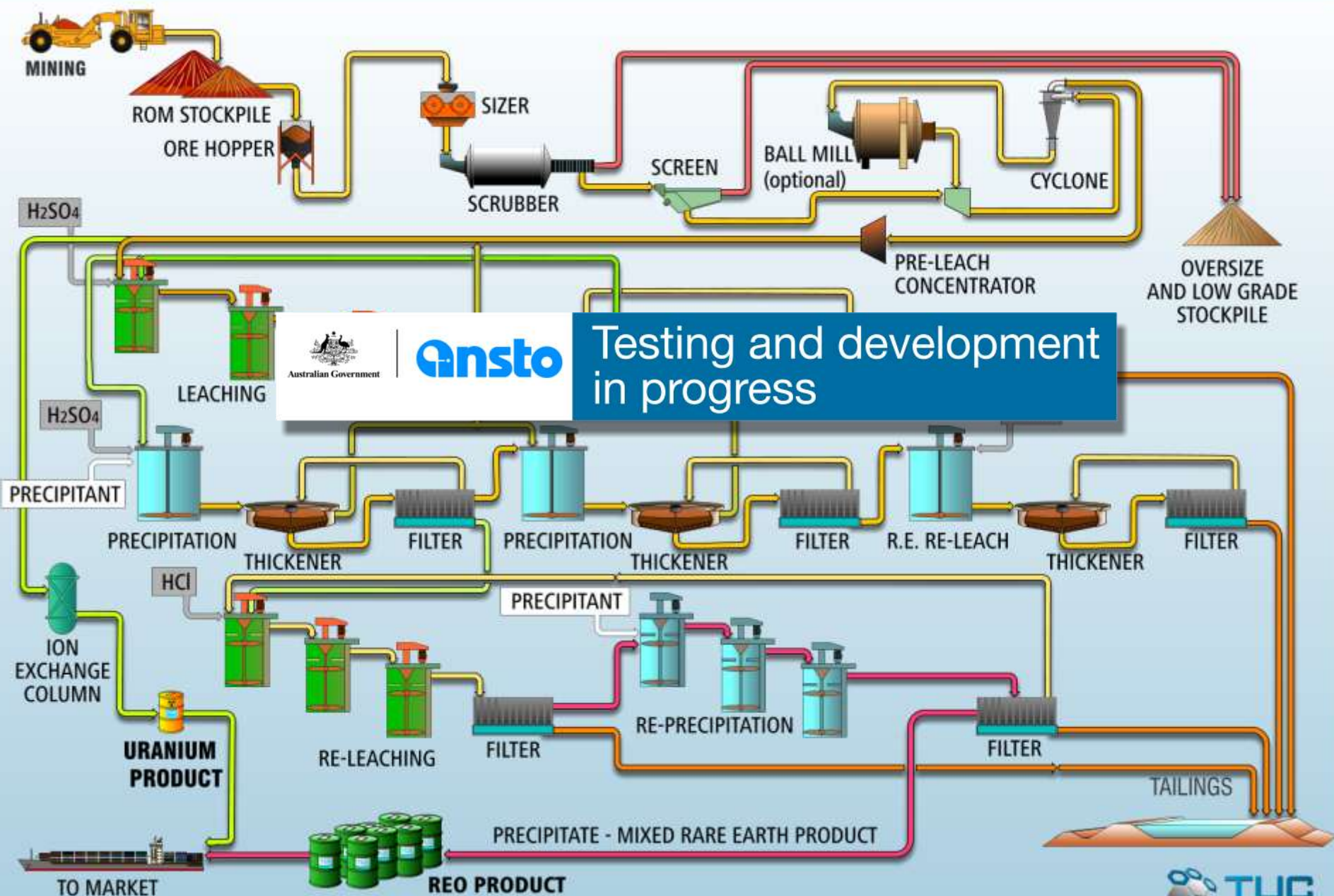
Direct Leach Process

Entry to market at intermediate stage
- not mineral concentrate stage

Option for ~15% of Stromberg material
Quicker startup time possible



Process Flow Sheet Prove/Improve Conceptual



Conceptual Regional Model

not to scale

Drilled Mineralised Sections

Mineralised zone
Confirmed by Drilling

Interpreted
Mineralisation
Horizon

2.5km

- At Surface Tabular Bodies
- Easy Access
- Potential for Low Stripping Ratio
- Soft Weathered Clay - Easier to Mine
- Faster Development - Drilling Time

OPEN

20m depth

Mineralised Envelopes >0.1% TREO

Shallow, flat dipping mineralised zones
extending N-S
3.5m thick from surface to ~20m depth



Potential for a Shorter Development Time
and Early Mover Advantage

Stromberg Project

Small initial modular plant concept

Smaller startup Capex anticipated

12-30tph capacity



Source: Bateman Engineering

Planned Stromberg Development Opportunities

+  Certainty  Certainty  -

Stakeholder Engagement

Exploration

JORC Resource Drilling

Alliance Partner Engagement

Scoping Study

Metallurgy Testwork & Drilling

Environmental IS

Pre Feasibility Study

Sales Contracts

Metallurgy Pilot Plant

Feasibility Study

Project Financing/Approvals

Plant Design & Construction

Establish Mining Operation

Startup & Production

2011

2012

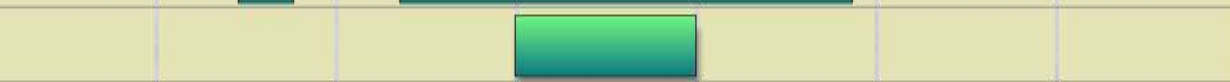
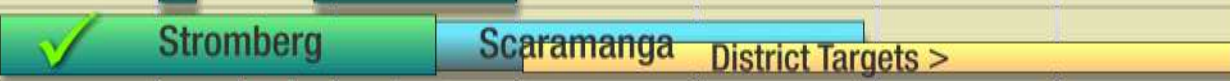
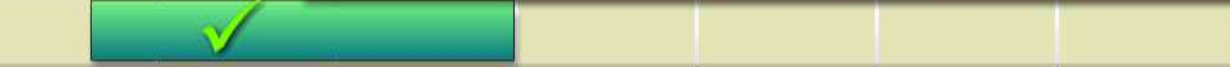
2013

2014

2015

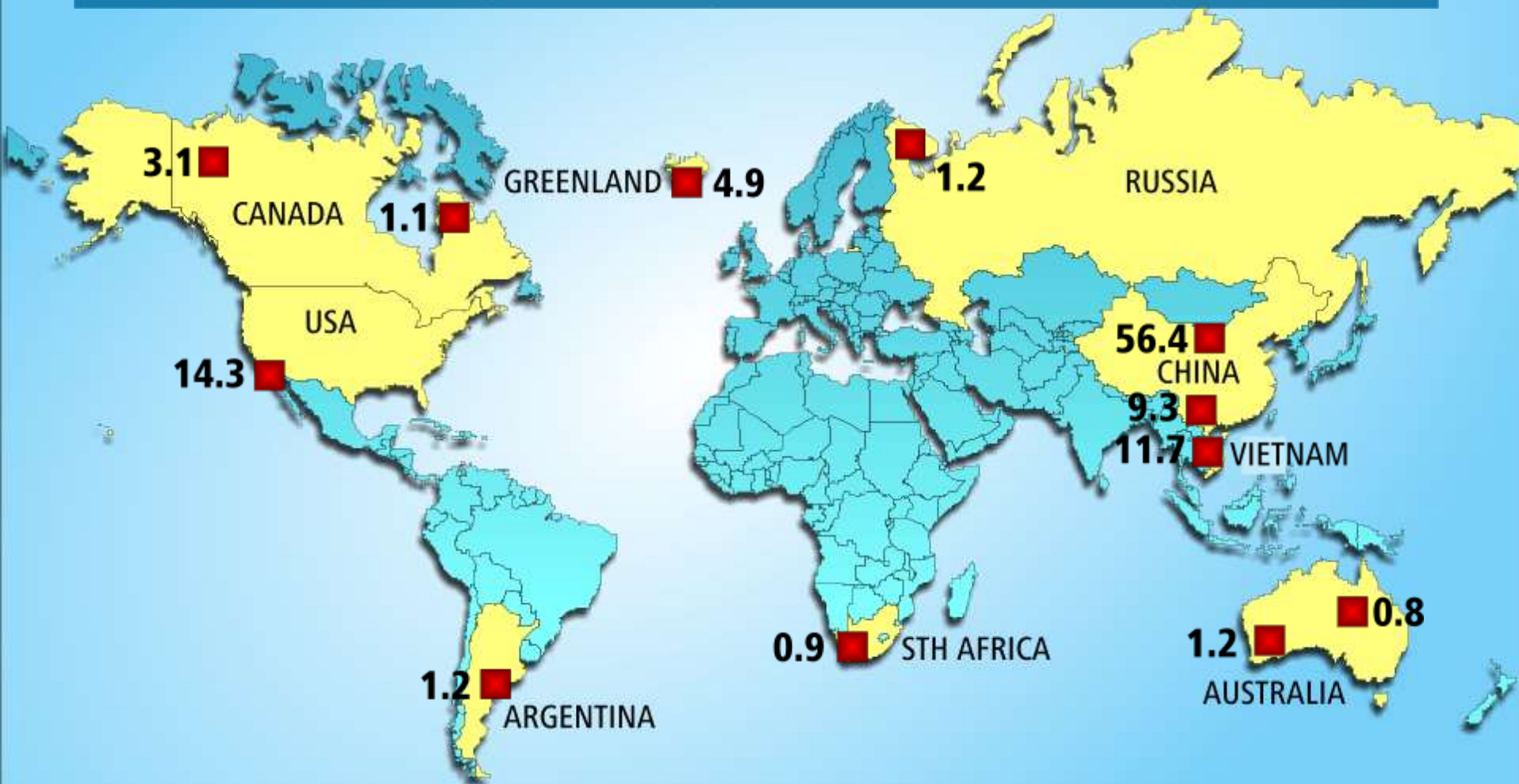
2016

2017



Major Rare Earth Deposits

TUC is actively seeking an REE industry partner



3.1 ■ REE deposit with known reserves - million tonnes

Value Proposition

Correct HREE Market space

Large HREE exploration upside unlocked

Apparent cost advantages

- Mineral processing - Mining - Capex

Potential for shorter development time

- Early mover advantage

Work program underway

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Competent Person

The information in this report that relates to Exploration Results is based on information 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.

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