HEAVY RARE EARTH ELEMENT DRILLING SUCCESS AT STROMBERG PROSPECT

TUC is pleased to announce that recent RC drilling has intersected a number of new exciting results.

Drilling shows coherent zones of mineralisation over a strike length of over two kilometres.

A highly favourable distribution of Heavy Rare Earth Elements (HREE) including Dysprosium (Dy) at 7.5% of Total Rare Earth Oxide (TREO) and Yttrium at 64.9% of TREO exists.

In addition, district soil sampling has confirmed HREE exploration potential at the nearby Scaramanga Prospect, 5km northeast of Stromberg.

Highlights;

- RC drilling at the Stromberg Prospect has intersected exciting near surface results including:
  - ✓ STRC53 - 8m @ 0.72% TREO (93.5% HREE, Dy 7.9%/TREO);
  - ✓ STRC27 - 3m @ 0.74% TREO (81.5% HREE, Dy 8.8%/TREO);
  - ✓ STRC20 - 5m @ 0.47% TREO (80.5% HREE, Dy 8.7%/TREO);
  - ✓ STRC16 - 5m @ 0.42% TREO (81.2% HREE, Dy 8.8%/TREO).
- Zones of coherent mineralisation have been intersected over a +2km strike length.
- Mineralisation is situated at or near surface in an easily accessible flat tabular body.
- Mineralisation remains open both in cross section and along strike.
- 85.8% of the rare earth distribution is the valuable and high demand Heavy Rare Earth Elements (HREEs).
- Stromberg mineralisation has low levels of the deleterious element Thorium (3.5ppm Th for an average TREO of 0.45% from all significant intersections >0.2% TREO).
- Soil sampling at the **Scaramanga Prospect** (5km NE of Stromberg) has confirmed that significant exploration upside exists within a short distance of the Stromberg prospect as well as highlighting the broader district potential.
- Thickening of mineralisation and an increase in grade has been noted in areas of interpreted faulting. Planned drilling will target these areas with respect to finding a source of mineralisation.

Other Important Facts about Stromberg;

- Xenotime (Yttrium Phosphate) mineralogy potentially offers a simple processing/development route (see TUC ASX Announcement 14th September 2011).
- Continued demand for critical HREEs in a variety of technologies, against a limited global supply, make any potential resource at Stromberg very attractive. This is due to the potentially quicker development time offered by Stromberg's shallow nature and possible simple process flow sheet.

TUC RESOURCES

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Geologically, mineralisation is hosted in flat tabular alteration zones. Interestingly, thickening of mineralisation has been noted in areas of interpreted faulting, see Figure 1. This thickening around fault zones represents an excellent target for planned exploration to look for a possible source or 'feeder' zones for mineralisation.

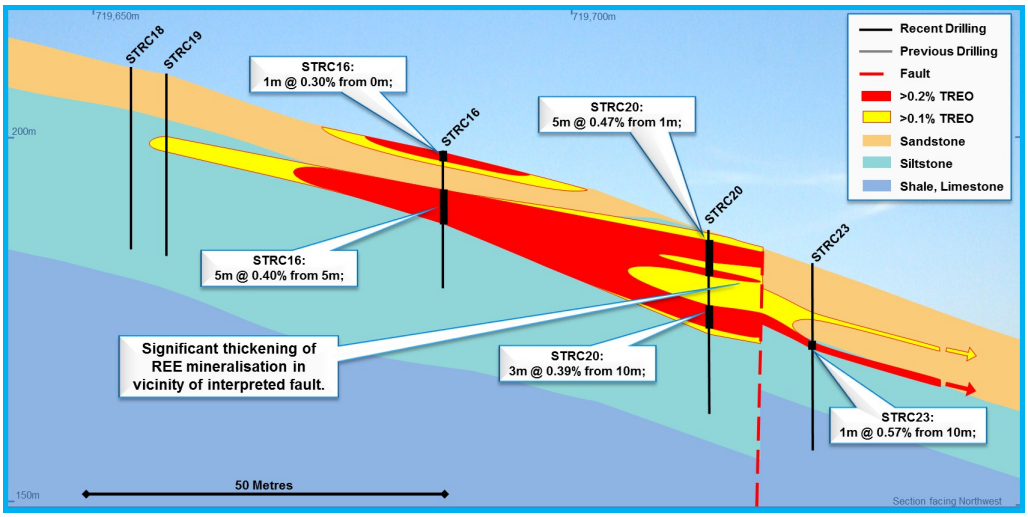

Figure 1 - Section 1 Stromberg Prospect showing significant intersections of >0.2% TREO cut-off and no greater than 1m internal dilution (red) and notable mineralisation >0.1% TREO (yellow); and schematic geology. For location see Figure 3.

Multiple zones of HREE mineralisation remain open on section (Figure 2) and planned drilling will target the addition of material in these areas as well as looking for 'stacked' zones between existing sections.

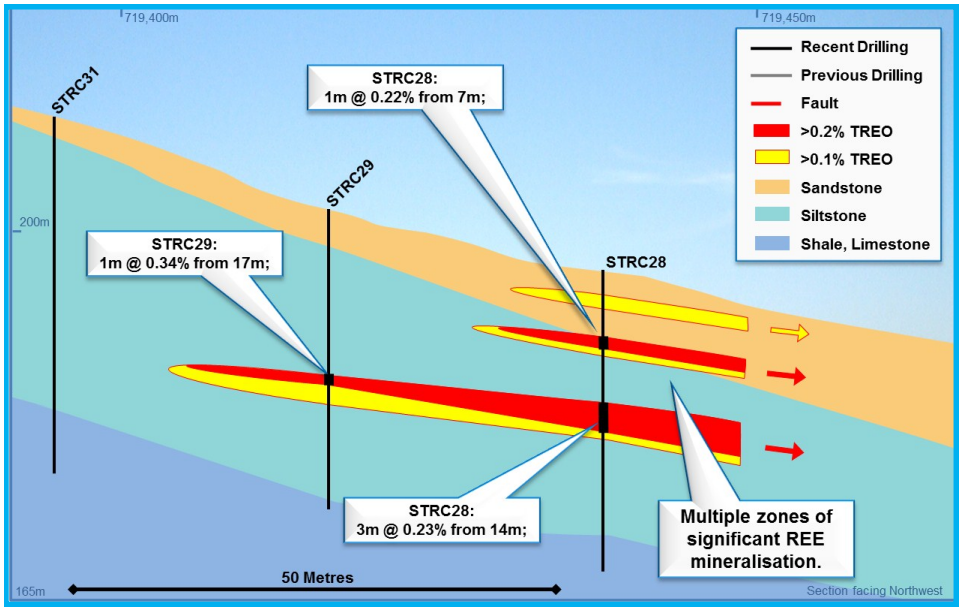

Figure 2 - Section 2 Stromberg Prospect showing significant intersections of >0.2% TREO cut-off and no greater than 1m internal dilution (red) and notable mineralisation >0.1% TREO (yellow); and schematic geology. For location see Figure 3.

Significant intercepts identified from the drilling are given in Table 1 and are represented in plan form on Figure 3 with collar information in Table 2.

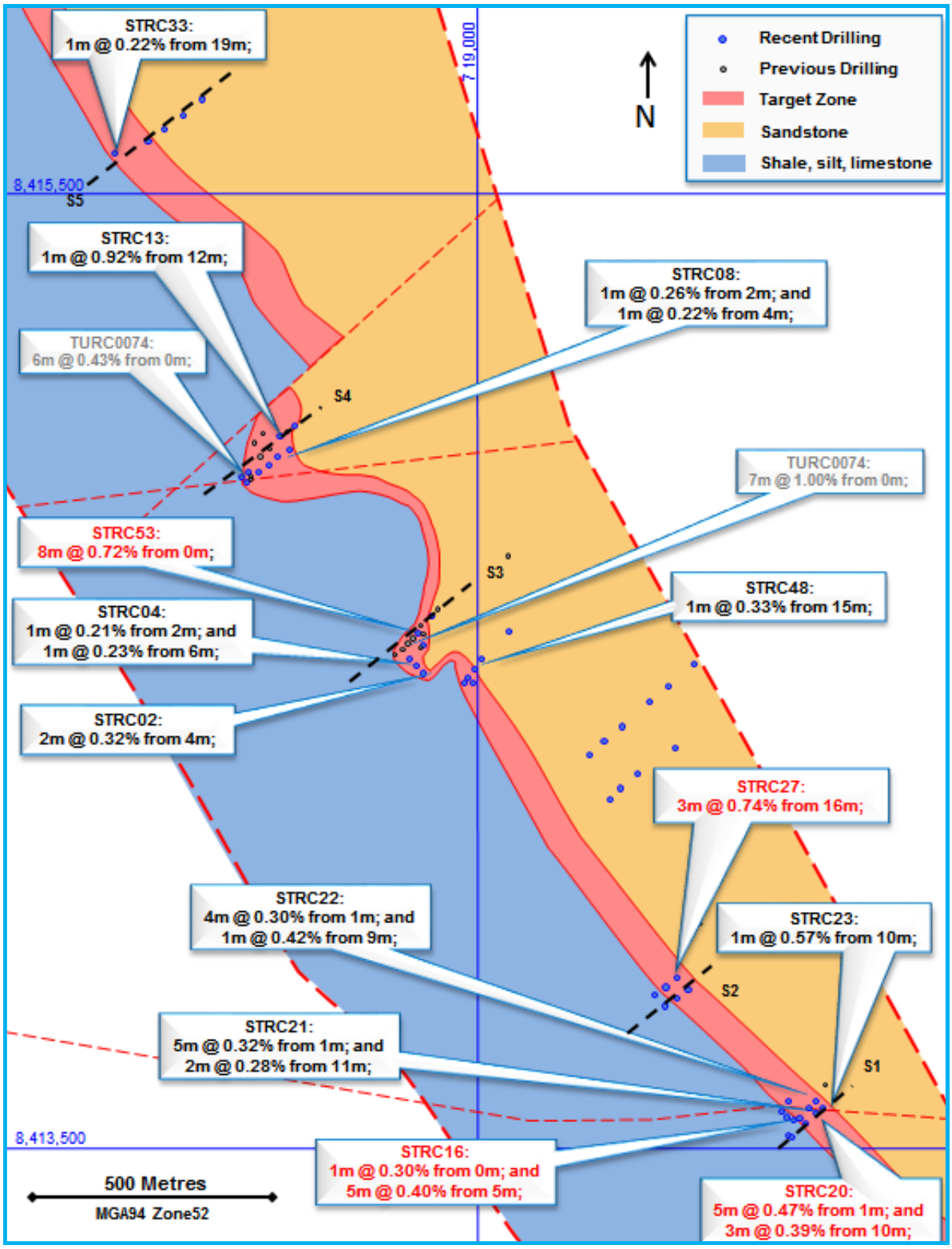

Figure 3 - Stromberg Prospect Drilling plan and schematic geology map with significant intercepts in TREO% (>0.2% TREO with no more than 1m internal dilution). Target zone (red) shown where outcropping or near surface but also being tested up and down-dip (not shown).

HREEs

Assays returned from RC drilling at Stromberg confirm high proportions of HREEs with an average of 85.8% above a cut-off of 0.2% TREO. Of this HREE content the critical and valuable Dysprosium and Yttrium average 7.5% and 64.9% of total rare earth oxide distribution respectively (Figure 4). Table 1 provides a breakdown of HREE per significant intersection.

The current REE prices of particular relevance (sourced early November from www.metal-pages.com and www.asianmetal.com) to TUC's Stromberg Prospect based on the reported drill intersects in this announcement are;

- ✓ Dysprosium US$2900/kg
- ✓ Europium US$5400/kg
- ✓ Erbium US$50/kg
- ✓ Neodymium US$300/kg
- ✓ Terbium US$4100/kg
- ✓ Yttrium US$165/kg

Such a rare earth mix is very attractive as new efficient technologies drive demand for these metals against a limited global supply effectively keeping prices higher.

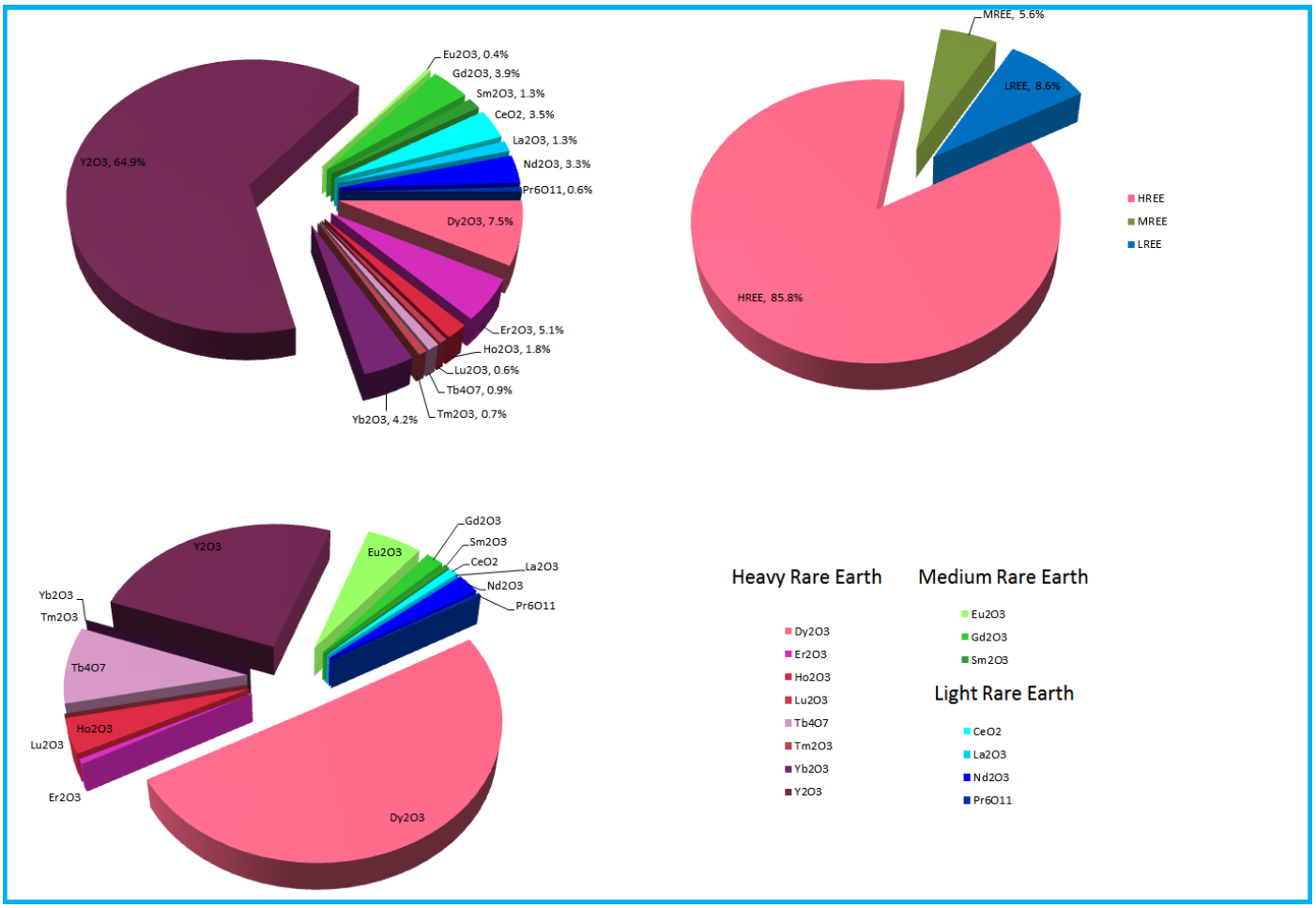

Figure 4 - Stromberg Rare Earth Mix based, all elements (top left), proportion of HREE, MREE and LREE (top right) and estimated relative value (bottom left) on all RC drilling intersections above a cut-off of 0.2% TREO. REE prices sourced early November 2011 from www.metal-pages.com and www.asianmetal.com.

Metallurgy

Previous mineralogical analysis at Stromberg shows the REE is contained within the mineral Xenotime (see TUC ASX Announcement 14th September 2011. Xenotime (Yttrium Phosphate) is known to potentially offer a relatively simple physical mineral processing route, see Figure 5.

Following completion of drilling and return of assay results four bulk composite samples at a range of grades have been prepared for metallurgical test work to help determine;

- Possible processing methods,
- minimum cut-off grade and,
- achievable concentrate grade.

If metallurgical work and further exploration are successful significant advantages in terms of time savings for project development could be possible.

A highly positive note is given by a low quantities of deleterious elements including 3.5ppm Thorium and 195ppm Uranium for an average TREO of 0.45% from all significant intersections >0.2% TREO.

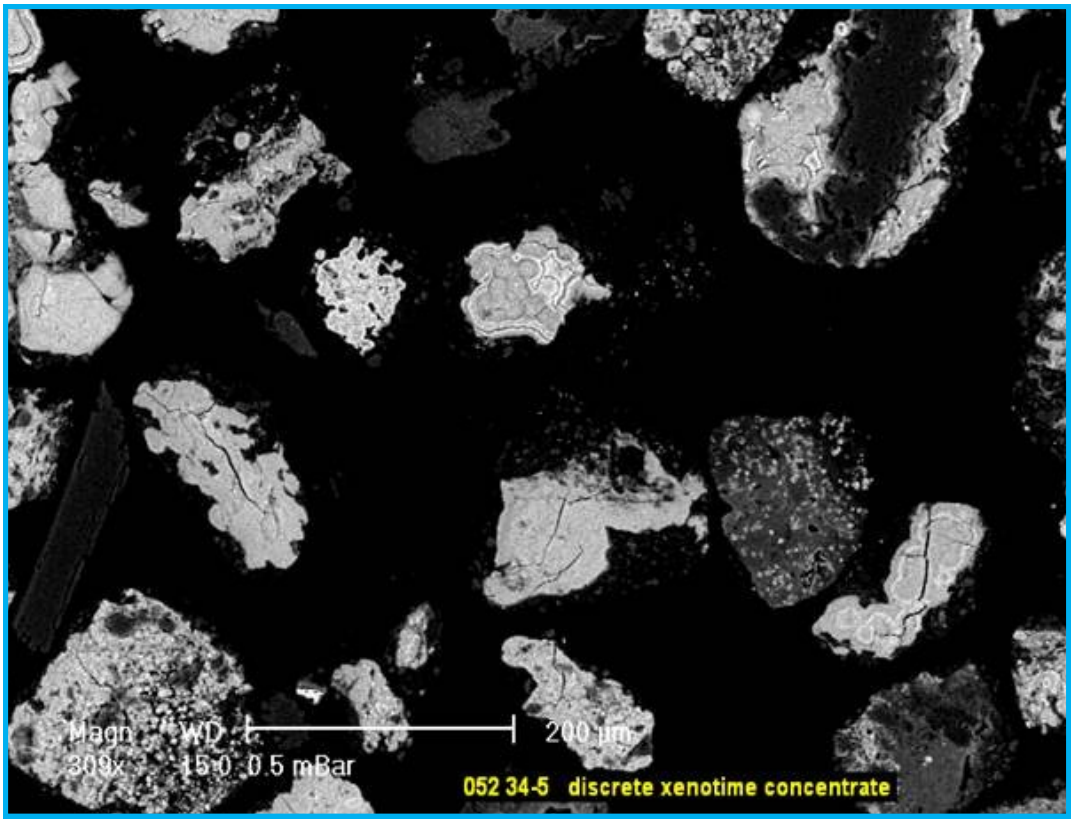

Figure 5 - Hole TURC74; 2-6m; xenotime concentrate containing an abundance of discrete xenotime 50-400 micron size particles, botryoidal (secondary) xenotime, xenotime with goethite (iron oxide mineral) and xenotime with kaolin (clay).

Exploration Upside (Scaramanga)

Alongside the significant exploration upside at Stromberg, the district has a number of HREE exploration targets defined by airborne radiometric anomalies, and interpreted repetition of rock units in an area of approved licence totalling approx. 500 square kilometres and licence applications of approx. 900 square kilometres (Figure 6 and 7).

The potential at the near-district level is confirmed by XRF soil sampling on the nearby Scaramanga Prospect (Figure 7). The results of this work, comparative to Stromberg Prospect, indicate that significant exploration upside may exist around and within a short distance of the Stromberg area.

XRF, and soil and rock chip sampling is planned both at Scaramanga and other anomalous areas with the aim of delimiting further HREE mineralisation.

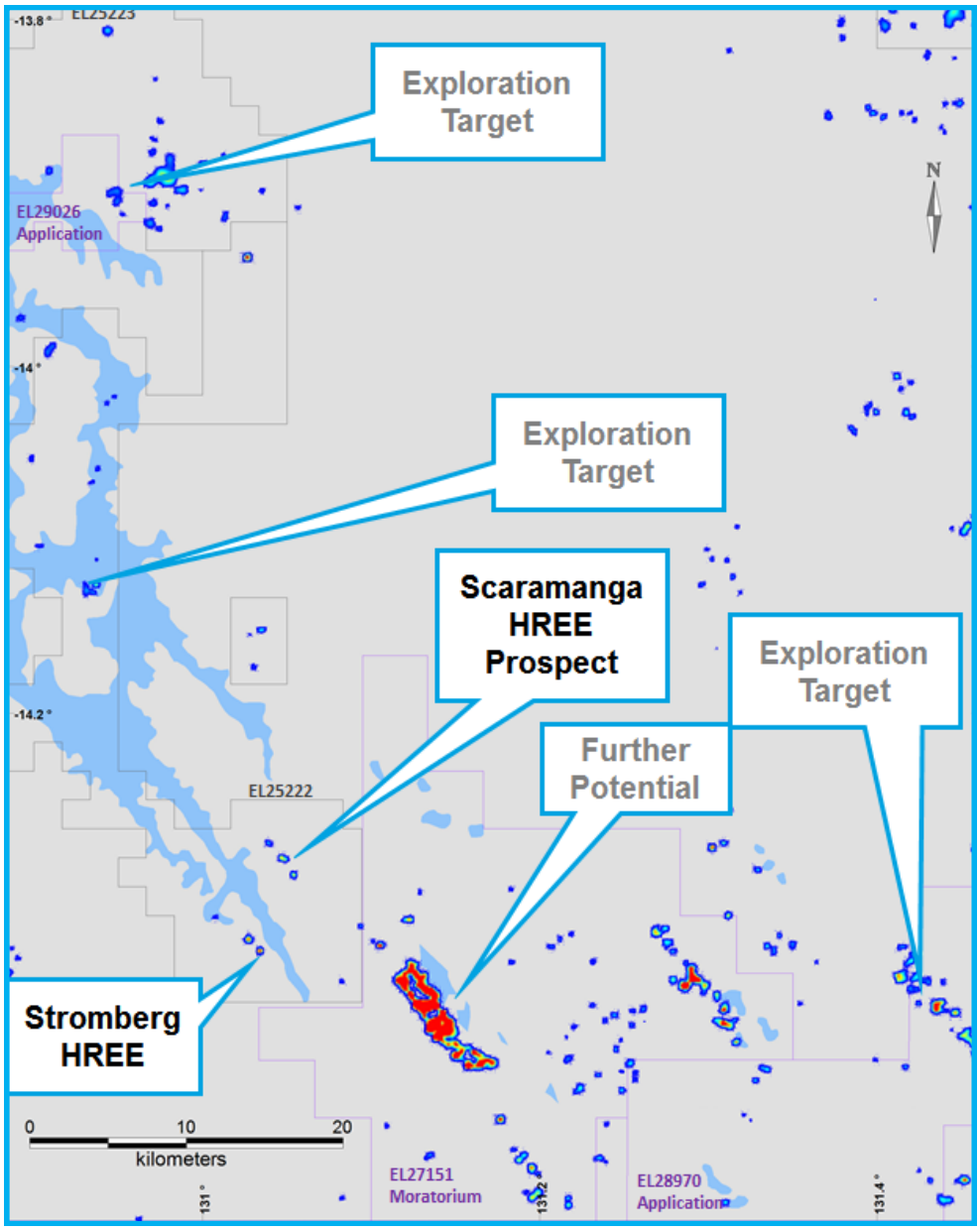

Figure 6 - Location of Stromberg and Scaramanga Prospects with identified airborne radiometric anomalism, proximal and distal exploration targets , and areas of further potential.

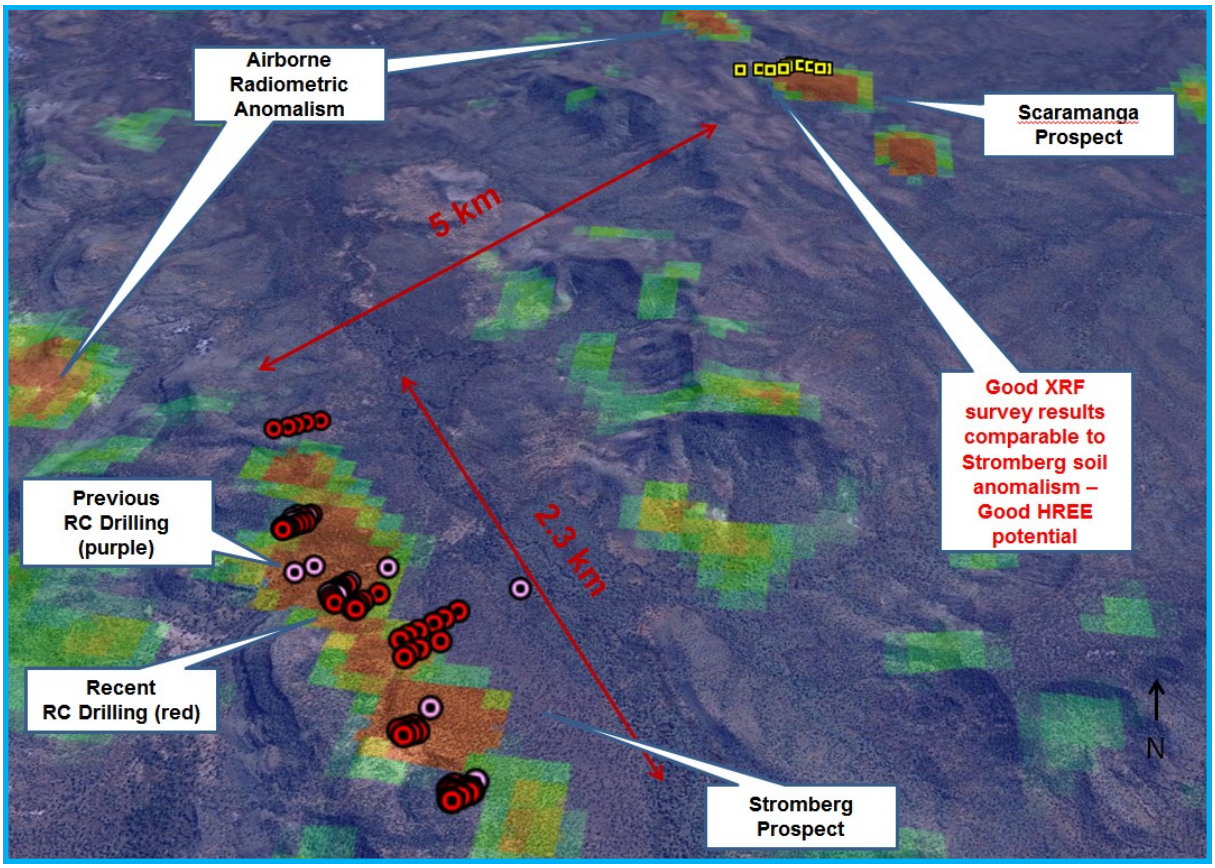

Figure 7 - Stromberg and Scaramanga Prospects showing location of RC drilling and XRF soil survey sites. Oblique 3D rendering overlain with airborne radiometrics as background.

Exploration Plan

Further exploration is planned at the Stromberg Prospect, this will include;

- RC drilling to infill in areas of identified mineralisation and to test areas in-which mineralisation is 'open' along strike, and up or down-dip.
- Diamond drilling to test possible structures, and to collect further metallurgical samples.
- Further work to test identified anomalism at the immediate district range (Scaramanga).

TUC continues to be excited by the results of work at Stromberg.

The shallow, tabular nature of mineralisation (easier and quicker to drill), a promising Xenotime host (simple processing flow sheet), and a valuable rare earth mix (critical HREE dysprosium and yttrium) provide advantages and incentives for a quicker development than most other rare earth prospects.

The potential for further mineralisation in the immediate area of Stromberg (Scaramanga Prospect) adds to these possible advantages and incentives.

Hole Id	Thick-ness	Grade TREO %	From	Dy2O3/TREO %	Er2O3/TREO %	Ho2O3/TREO %	Lu2O3/TREO %	Tb4O7/TREO %	Tm2O3/TREO %	Yb2O3/TREO %	Y2O3/ TREO%		HREO/ TREO%
STRC02	2	0.32%	4m	8.0%	5.4%	1.9%	0.7%	1.0%	0.8%	4.4%	65.5%		87.5%
STRC03	2	0.25%	4m	10.3%	5.4%	2.1%	0.6%	1.4%	0.7%	4.2%	59.6%		84.3%
STRC04	1	0.21%	2m	8.3%	4.3%	1.7%	0.5%	1.3%	0.6%	3.4%	49.7%		69.8%
STRC04	1	0.23%	6m	5.2%	4.2%	1.4%	0.6%	0.6%	0.6%	3.2%	69.4%		85.2%
STRC08	1	0.26%	2m	7.6%	3.5%	1.3%	0.4%	1.4%	0.5%	2.8%	40.1%		57.7%
STRC08	1	0.22%	4m	8.2%	5.0%	1.7%	0.6%	1.1%	0.7%	3.9%	59.4%		80.5%
STRC10	1	0.21%	9m	5.8%	3.3%	1.2%	0.4%	0.9%	0.5%	3.0%	42.4%		57.6%
STRC11	2	0.24%	3m	8.6%	5.0%	1.8%	0.6%	1.1%	0.7%	4.1%	57.6%		79.4%
STRC13	1	0.92%	12m	8.9%	5.5%	1.9%	0.7%	1.2%	0.8%	4.6%	60.4%		84.0%
STRC16	1	0.30%	Surface	5.2%	0.5%	0.4%	0.0%	1.6%	0.0%	0.2%	5.1%		13.2%
STRC16	5	0.40%	5m	8.8%	4.9%	1.9%	0.6%	1.3%	0.7%	3.7%	59.4%		81.2%
including	*1*	*0.52%*	*6m*	*9.5%*	*5.4%*	*2.0%*	*0.6%*	*1.4%*	*0.7%*	*4.2%*	*60.8%*		*84.5%*
STRC17	1	0.22%	7m	7.8%	4.6%	1.7%	0.5%	1.1%	0.6%	3.1%	66.4%		85.6%
STRC20	5	0.47%	1m	8.7%	5.2%	1.9%	0.6%	1.2%	0.8%	4.3%	57.3%		80.0%
including	*2*	*0.76%*	*1m*	*8.7%*	*5.6%*	*2.0%*	*0.7%*	*1.1%*	*0.8%*	*4.8%*	*64.2%*		*87.9%*
STRC20	3	0.39%	10m	7.4%	5.1%	1.9%	0.6%	0.9%	0.7%	4.0%	71.2%		91.8%
STRC21	5	0.32%	1m	7.9%	5.2%	1.9%	0.6%	1.0%	0.7%	4.3%	66.5%		88.1%
including	*1*	*0.51%*	*5m*	*6.9%*	*5.5%*	*1.9%*	*0.7%*	*0.7%*	*0.8%*	*4.4%*	*76.3%*		*97.0%*
STRC21	2	0.28%	11m	7.0%	4.7%	1.7%	0.5%	0.8%	0.6%	3.4%	72.4%		91.1%
STRC22	4	0.30%	1m	8.2%	5.7%	2.0%	0.6%	0.9%	0.8%	4.5%	69.7%		92.6%
STRC22	1	0.42%	9m	6.7%	4.2%	1.5%	0.5%	0.9%	0.6%	3.4%	52.1%		69.9%
STRC23	1	0.57%	10m	8.7%	5.0%	1.9%	0.5%	1.2%	0.7%	3.8%	63.4%		85.3%
STRC27	3	0.74%	16m	8.8%	4.7%	1.8%	0.5%	1.2%	0.6%	3.6%	60.1%		81.5%
including	*2*	*0.91%*	*16m*	*9.0%*	*4.8%*	*1.9%*	*0.5%*	*1.2%*	*0.6%*	*3.6%*	*60.3%*		*82.0%*
including	*1*	*1.18%*	*17m*	*9.2%*	*5.2%*	*2.0%*	*0.5%*	*1.1%*	*0.7%*	*3.9%*	*66.9%*		*89.6%*
STRC28	1	0.22%	7m	5.0%	1.6%	0.7%	0.2%	1.1%	0.2%	1.2%	17.3%		27.2%
STRC28	3	0.23%	14m	6.9%	4.2%	1.5%	0.5%	0.8%	0.6%	3.4%	52.5%		70.5%
STRC29	1	0.34%	17m	5.7%	4.7%	1.5%	0.6%	0.6%	0.7%	4.1%	54.7%		72.6%
STRC33	1	0.22%	19m	7.0%	5.5%	1.7%	0.6%	0.8%	0.8%	4.4%	66.1%		86.9%
STRC48	1	0.33%	15m	5.2%	6.2%	1.9%	0.8%	0.5%	0.9%	5.2%	66.6%		87.3%
STRC53	8	0.72%	Surface	7.9%	5.7%	2.0%	0.8%	0.9%	0.9%	4.9%	70.5%		93.5%
including	*3*	*0.99%*	*1m*	*8.4%*	*6.1%*	*2.1%*	*0.8%*	*1.0%*	*0.9%*	*5.3%*	*71.3%*		*95.8%*
including	*1*	*1.16%*	*1m*	*8.4%*	*6.0%*	*2.1%*	*0.8%*	*1.0%*	*0.9%*	*5.2%*	*71.3%*		*95.9%*
including	*2*	*0.92%*	*5m*	*7.5%*	*5.4%*	*1.9%*	*0.7%*	*0.9%*	*0.8%*	*4.5%*	*70.8%*		*92.5%*

Table 1 - TREO and HREO significant intercepts recent RC drilling Stromberg Prospect using >0.2%TREO cut-off and no greater than 1m internal dilution.

Hole_ID	Easting	Northing	Elevation	Td m	GridID	Depth	Azimuth	Inclination
STRC01	719067	8414582	172	37	MGA94z52	0	0	-90
STRC02	718887	8414496	190	37	MGA94z52	0	0	-90
STRC03	718870	8414511	190	13	MGA94z52	0	0	-90
STRC04	718858	8414528	190	13	MGA94z52	0	0	-90
STRC05	718886	8414556	184	13	MGA94z52	0	0	-90
STRC06	718905	8414616	175	19	MGA94z52	0	229	-60
STRC07	718603	8414968	187	25	MGA94z52	0	0	-90
STRC08	718581	8414954	187	19	MGA94z52	0	0	-90
STRC09	718560	8414937	187	19	MGA94z52	0	0	-90
STRC10	718539	8414920	187	19	MGA94z52	0	0	-90
STRC11	718514	8414900	186	37	MGA94z52	0	139	-60
STRC12	718506	8414906	186	19	MGA94z52	0	139	-60
STRC13	718584	8414993	186	25	MGA94z52	0	229	-60
STRC14	718616	8415018	187	31	MGA94z52	0	0	-90
STRC15	719652	8413601	188	31	MGA94z52	0	0	-90
STRC16	719688	8413554	198	19	MGA94z52	0	0	-90
STRC17	719674	8413566	198	25	MGA94z52	0	0	-90
STRC18	719651	8413531	209	25	MGA94z52	0	0	-90

Table 2 - Recent RC drilling Stromberg Prospect , drillhole details.

Hole_ID	Easting	Northing	Elevation	Td m	GridID	Depth	Azimuth	Inclination
STRC19	719661	8413527	209	25	MGA94z52	0	0	-90
STRC20	719715	8413579	187	25	MGA94z52	0	0	-90
STRC21	719697	8413591	187	25	MGA94z52	0	0	-90
STRC22	719709	8413601	182	25	MGA94z52	0	0	-90
STRC23	719725	8413589	182	25	MGA94z52	0	0	-90
STRC24	719637	8413578	200	25	MGA94z52	0	0	-90
STRC25	719646	8413567	200	25	MGA94z52	0	0	-90
STRC26	719662	8413561	200	25	MGA94z52	0	0	-90
STRC27	719420	8413858	196	31	MGA94z52	0	0	-90
STRC28	719442	8413836	196	31	MGA94z52	0	0	-90
STRC29	719418	8413820	202	31	MGA94z52	0	0	-90
STRC30	719396	8413839	202	31	MGA94z52	0	0	-90
STRC31	719394	8413803	212	37	MGA94z52	0	0	-90
STRC32	719372	8413823	212	31	MGA94z52	0	0	-90
STRC33	718239	8415587	220	31	MGA94z52	0	0	-90
STRC34	718307	8415613	206	25	MGA94z52	0	0	-90
STRC35	718342	8415638	200	25	MGA94z52	0	0	-90
STRC36	718383	8415669	195	43	MGA94z52	0	0	-90

Table 2 contd. - Recent RC drilling Stromberg Prospect , drillhole details.

Hole_ID	Easting	Northing	Elevation	Td m	GridID	Depth	Azimuth	Inclination
STRC37	718450	8415699	190	31	MGA94z52	0	0	-90
STRC38	719280	8414228	167	31	MGA94z52	0	0	-90
STRC39	719295	8414257	165	31	MGA94z52	0	0	-90
STRC40	719334	8414286	160	31	MGA94z52	0	0	-90
STRC41	719414	8414339	152	43	MGA94z52	0	0	-90
STRC42	719454	8414519	145	7	MGA94z52	0	0	-90
STRC43	719400	8414472	150	43	MGA94z52	0	0	-90
STRC44	719360	8414437	152	25	MGA94z52	0	0	-90
STRC45	719302	8414386	156	25	MGA94z52	0	0	-90
STRC46	719266	8414355	158	25	MGA94z52	0	0	-90
STRC47	719008	8414529	180	37	MGA94z52	0	0	-90
STRC48	718992	8414505	185	31	MGA94z52	0	0	-90
STRC49	718989	8414478	187	31	MGA94z52	0	0	-90
STRC50	718973	8414480	189	31	MGA94z52	0	0	-90
STRC51	718980	8414487	189	151	MGA94z52	0	319	-60
STRC52	718515	8414920	186	61	MGA94z52	0	139	-60
STRC53	718875	8414578	181	61	MGA94z52	0	319	-60
STRC54	719235	8414326	159	61	MGA94z52	0	229	-60

Table 2 contd. - Recent RC drilling Stromberg Prospect , drillhole details.

*Total Rare Earth Oxides (TREO's) have been calculated by addition of common oxide values for Ce, Dy, Er, Eu, Gd, Ho, La, Lu, Nd, Pr, Sm, Tb, Tm, Yb, Y. REO values have been calculated from REE ppm grades after analysis by lithium-metaborate fusion and ICPMS , where possible, or by HF/multi acid digest and ICPMS. The total REO is calculated as the sum of all REE as REE_2O_3, with the exception of Ce, Pr and Tb; which are calculated as CeO_2, Pr_6O_{11}, and Tb_4O_7 respectively, in accordance with geochemical conventions.

Heavy Rare Earth Elements HREE = Dy, Er, Ho, Lu, Tb, Tm, Yb, Y;
Medium Rare Earth Elements MREE = Eu, Gd, Sm;
Light Rare Earths LREE Ce, La, Pr, Nd.

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TUC Resources Ltd holds approximately 16,000km^2 of prospective land package across 39 (27 under application) tenements making it one of the biggest ground holders in the Northern Territory of Australia. The business holds eight consolidated project areas across several key geological and metallogenic terrains, affording it the opportunity to diversify exploration into many commodities.

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.