



Australian Securities Exchange Announcement

21 May 2014

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

TYCHEAN TO RAISE UP TO \$1.9M TO PROGRESS GOLD EXPLORATION ACTIVITY

HIGHLIGHTS:

- Firm commitments received for Placement raising \$0.4M
- Tychean to undertake a 1:3 Non-renounceable Entitlements Issue to raise up to \$1.5M
- Proceeds to be used primarily to advance exploration activity at the Spargoville and Valley Floor Gold Projects



Tychean Resources Ltd ("Tychean", ASX:TYK), is pleased to announce a capital raising of up to \$1.9 million comprising:

- A placement ("Placement") of approximately 136.5 million fully paid ordinary shares at \$0.003 per share to raise approximately \$0.4 million, with 1 free option being issued for every 2 new shares subscribed for under the Placement; and
- A non-renounceable 1 for 3 entitlements issue ("Entitlements Issue" or "Offer") at \$0.003 per share to raise up to approximately \$1.5 million, with 1 free option being issued for every 2 new shares subscribed for under the Entitlements Issue.

The options to be issued under the Placement and Entitlements Issue will be exercisable at \$0.006 on or before 30 June 2015 ("New Options"). The Company will apply for official quotation of the New Options.

Use of Proceeds

The Company will use the funds raised under the Placement and Entitlements Issue to:

- Conduct exploration and resource definition Air Core and Reverse Circulation drilling at the Spargoville Gold Project;
- Conduct exploration Air Core and Reverse Circulation drilling at the Valley Floor Gold Project; and
- Provide working capital to the Company.

Placement

The placement is being made to sophisticated and professional investors under the Company's existing 15% placement capacity. It is anticipated that the Placement shares will be issued on Wednesday, 28 May 2014. New shares issued under the Placement will rank equally with existing shares in Tychean. It is expected that the New Options will be issued on the same date as the shares and quoted on Tuesday, 1 July 2014.

Entitlements Issue

The Entitlements Issue will constitute an offer of approximately 500.5 million new fully paid ordinary shares in the Company on the basis of 1 new share for every 3 existing shares held by eligible shareholders on the Record Date. The offer price will be the same as that offered under the Placement, being \$0.003 per new share, representing a 25% discount to the closing price of the Company's shares on the ASX on Tuesday, 20 May 2014. New shares issued under the Entitlements Issue will rank equally with all existing fully paid ordinary shares in the Company.

Subscribers to the Entitlements Issue will also receive 1 free option for every 2 new shares subscribed for, exercisable at \$0.006 on or before 30 June 2015.

Shareholders with an address in Australia or New Zealand on the Company's register at the close of business on Tuesday, 3 June 2014, will be eligible to participate in the Entitlements Issue ("Eligible Shareholders").

The Directors reserve the right to place the remaining shortfall at their discretion within three months after the close of the Offer. Eligible Shareholders' entitlements pursuant to this Entitlements Issue are non-renounceable and accordingly, they may:

- take up their rights in full or in part;
- do nothing; in which case their rights will lapse; or
- take up their rights in full and apply for additional new shares.

Full details of the Entitlements Issue will be set out in the Prospectus which will be lodged by the Company with ASIC and ASX on Wednesday, 28 May 2014.

Existing optionholders will need to exercise their options and be a registered holder of shares at the close of business on Tuesday, 3 June 2014 if they wish to participate in the Entitlements Issue.

The Company has decided that it is unreasonable to make the Offer to shareholders who have a registered address in a country outside of Australia or New Zealand having regard to the number of shareholders in such places, the number and value of the new shares that would be offered and the substantial costs of complying with the legal and regulatory requirements in those jurisdictions.

The proposed timetable for the Entitlements Issue is as follows:

EVENT	DATE
Prospectus lodged with ASIC and ASX	Wednesday, 28 May 2014
"Ex" Date	Friday, 30 May 2014
Record Date	Tuesday, 3 June 2014
Dispatch of Prospectus, and Entitlement & Acceptance Forms to Shareholders, Entitlements Issue opens	Friday, 6 June 2014
Closing Date	Monday, 23 June 2014
Securities Quoted on a Deferred Settlement Basis	Tuesday, 24 June 2014
ASX Notified of any Under Subscriptions	Thursday, 26 June 2014
Issue Date	Monday, 30 June 2014
New Shares and Options commence trading on ASX	Tuesday, 1 July 2014

The above dates are indicative only. Subject to the ASX Listing Rules, the Directors reserve the right to withdraw the Offer at any time, close the Entitlements Issue early or extend the Closing Date for the Offer at their discretion. Should the Offer be closed early or extended, there will be a consequential effect on the anticipated date of issue for the new shares and New Options.

Joe Houldsworth
Managing Director

For further information please contact:

Mr Joe Houldsworth
Managing Director
Tychean Resources Ltd
M: 0487 924 326

Mr Duncan Gordon
Executive Director
Adelaide Equity Partners Limited
M: 0404 006 444

Further information relating to Tychean Resources Ltd and its various exploration projects can be found at its website: www.tycheanresources.com