



ASX ANNOUNCEMENT

11 July 2013

Alcyone Texas Silver Operations Update

Alcyone Resources (ASX: AYN) ("Alcyone" or the "Company") advises that the Texas Silver operations ("Texas") in south-east Queensland has successfully completed Stage one preparations for the upcoming crusher upgrade.

The scheduled preparations involved a two week shutdown to complete the housekeeping and civil work required to pour the foundations for both the primary and secondary circuit upgrades. During this period the mining fleet undertook a programme of major preventative maintenance and the workforce was able to satisfy statutory training initiatives.

Alcyone now advises the market that it will need to extend the shutdown at Texas awaiting closure of the required bridge funding in order to secure payment for critical consumables.

The closure of the bridge funding is expected within the next week to 10 days and receipt of the funds will result in the immediate re-start of site operations.

Due to the nature of Heap Leach recoveries, the Company has continued to leach silver into the pregnant pond while this work has been undertaken, and will continue to do so throughout the shutdown period. The recovery of these ounces from the ponds will occur as soon operations re-commence.

The impact of these events on the Company's production guidance remains uncertain due to the timing of the bridge funding and resumption of processing operations, however the Company will advise the market of any material effects as the information comes to hand.

ENDS

For further information:

Mr Trevor Harris
Alcyone Resources
Phone: +61 8 9476 3000

For media enquiries:

Rachel Cooper
FTI Consulting
Phone: +61 8 9485 8888

About Alcyone

Alcyone Resources (ASX:AYN) commenced silver production in July 2011 at its Texas Silver & Polymetallic Project in south-east Queensland, and is currently ramping up to an annualised production level of up to 1.2Moz Ag per annum. The Texas Silver & Polymetallic Project includes the Twin Hills Silver Mine and a portfolio of advanced silver and polymetallic base metal exploration targets. Alcyone has moved rapidly from acquisition of the Project in November 2009, through re-assessment and feasibility and into production.

Forward-Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning exploration targets, contain or comprise certain forward-looking statements regarding Alcyone's exploration operations, economic performance and financial condition. Although Alcyone believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Alcyone undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.