

ASX Announcement
19 August 2013

ASX Code: MOU

PLACEMENT TO SOPHISTICATED INVESTORS AT MARKET PRICE

Highlights:

- **Placement to sophisticated investors raising \$375,000 at market price**
- **Funds will be used for ongoing feasibility study on the Nuurst Thermal Coal Project**
- **Discussions with Mongolian Government for off-take agreement for Nuurst coal briquettes continue to progress**

Coal explorer Modun Resources Ltd (**ASX: MOU**) (**Modun**) is pleased to announce that it has completed a placement to sophisticated investors raising \$375,000 at a placement price of 0.7c. The money raised will be used to fund the ongoing feasibility work on the Nuurst Thermal Coal Project commensurate with the recently granted Mining Licence.

Discussions with the Mongolian Government regarding the off-take agreement for Nuurst coal briquettes are progressing following Modun's selection as a preferred supplier of coal briquettes to the Mongolian Government as part of their Clean Air Initiative to reduce air pollution in Ulaanbaatar.

Appendix 3B follows.

For further information, please contact:

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About Modun Resources

ASX-listed Modun Resources (ASX: MOU) is developing the 100%-owned Nuurst Coal Project in central Mongolia. Nuurst is a thermal coal project, which encompasses a 2497 hectare mining licence area. In November 2012, Modun announced a 478 million tonne JORC reported Coal Resource at Nuurst (326 million tonnes Measured, 104 million tonnes Indicated, 48 million tonnes Inferred). The Nuurst Coal Project is located 120 kilometres south of Mongolia's capital Ulaanbaatar and six kilometres from existing rail infrastructure which links directly into China.

Competent Person Statement

The information in this announcement that relates to the Nuurst Coal Resource is based on information compiled by Mr Dwiyo TU. Taruno of CSA Global Pty Ltd, who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Dwiyo TU. Taruno has sufficient experience 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 Mineral Resources and Ore Reserves". Mr

Dwiyoko TU. Taruno consents to the inclusion of such information in this report in the form and context in which it appears.

The information in this announcement that related to exploration results is based on information obtained from drilling and trenching activities on site undertaken by Modun in 2011 & 2012. This information has been reviewed by Ms Dierdre Westblade of CSA Global Pty Ltd, Western Australia. Ms Westblade is a member of the Australian Institute of Geoscientists and 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'. Ms Westblade consents to the inclusion in the report of the matters based on his information in form and context in which it appears