

ASX Code: MOU
5 October 2012

Resource Registration Lodged for Nuurst Thermal Coal Project

- **Resource registration for Nuurst project lodged with Mineral Resources Authority of Mongolia ("MRAM")**
- **Experts appointed by MRAM to review registration**
- **Precursor to the grant of a mining licence**

Mining Licence Application

Modun is pleased to announce that it has lodged its application to have the Nuurst thermal coal deposit registered with MRAM. A panel of 3 experts has been appointed by MRAM and have commenced their review of the application.

The application for resource registration is the first step in the process of converting the Nuurst licence from an exploration licence to a mining licence. Modun anticipates the entire review process will take the various Government bodies involved in the approval process approximately 3 months.

Re-estimate of Nuurst Coal Resource and Quality Estimate

Modun has appointed CSA Global (CSA) to update its Nuurst Coal Resource (417 million tonnes Indicated, 72 million tonnes Inferred) and quality estimates as a result of additional drilling, trenching and assaying work undertaken during the 2012 drilling programme. As advised to the ASX on 30 August 2012, Modun undertook additional assaying work, which is likely to result in a material reduction in inherent moisture levels (from 28.57% to 9.95% in primary Resource area) than previously reported which will be reflected in the updated resource work. The work by CSA is currently underway with final results expected in early November 2012.

Modun will continue to keep the market informed of any material developments.

---ENDS---

For further information, please contact:

Hugh Warner
Chairman
Modun Resources Ltd
Ph: +61 8 6143 9108
www.modunresources.com

About Modun Resources Limited

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 34.5 square kilometre licence area. In late 2011, Modun announced a maiden 489 million tonne JORC reported Coal Resource at Nuurst (417 million tonnes Indicated, 72 million tonnes Inferred). The Nuurst Coal Project is located 120 kilometres south of Mongolia's capital Ulaanbaatar, 600 kilometres by rail from the Chinese border and is six kilometres from existing rail infrastructure.

Competent Person Statement

The information in this announcement that relates to the Nuurst Coal Resource is based on information compiled by Mr Dwiyoiko TU. Taruno of CSA Global Pty Ltd, who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Dwiyoiko 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 Dwiyoiko 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