

MARKET RELEASE

18th Sept 2015

ROCKLANDS COPPER PROJECT (CDU 100%)

TRIAL INGOT PRODUCTION FROM FIRST SHIPMENT OF NATIVE COPPER TO OVERSEAS SMELTERS SUCCESSFULLY COMPLETED

FINAL PRODUCT GRADE 99.67% Cu

Trial processing of two containers of high grade native copper concentrate that was shipped earlier this year, has been successfully completed by one smelter with facilities to produce copper anode and 99.999% Cu metal.

The results from processing of the first container have been received, and show that the native copper from CuDeco's 100% owned Rocklands Group Copper Project near Cloncurry Queensland, Australia, successfully produced a final ingot product grade of 99.67% Cu.

This is in line with the 99.65% Cu resulting from native copper metal assayed during the Rocklands exploration and metallurgical testing programmes.

Simple crushing and screening of native copper ore produces a concentrate grade of ~90% Cu, resulting in significant savings in transport costs per tonne of shipped copper metal, and discounts to royalty payments compared to other copper concentrates.

The Rocklands Process Plant includes a purpose built native copper gravity circuit specifically designed to recover native copper fraction sizes below 40mm. Whilst construction of the process plant nears completion, native copper rich ore is being crushed to the required -40mm feed size to build high-grade feed stockpiles in readiness for processing. Crushing to -40mm results in oversize (flattened) coarse native copper that is easily screened and recovered to a high-grade concentrate.

CuDeco is continuing development of its own copper casting plant with the ultimate aim of producing native copper anodes suitable for direct feed to copper refineries.



Figure 1: Trial processing of first container of native copper from Rocklands resulted in a final product grade of 99.67% Cu

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Funding Update

The Company is pleased to advise that a firm commitment has been received from the three investors that have agreed to fully underwrite a proposed rights issue (see ASX announcement 17-09-15), and to further support CuDeco financially until the completion of the rights issue in early November.

The Company has signed a loan agreement for an initial amount of A\$2M from each party, namely; Oceanwide International Investment Co Ltd; New Apex Asia Investment Limited; and the Infinitus Group (consortium of smaller Hong-Kong-based shareholders).

Rocklands Site Activities

Construction activities have continued with the progression of the electrical installation by CuDeco's principal contractor Sinosteel Equipment and Engineering Company. Pre-commissioning activities, including water testing of major tanks and vessels has commenced and the CuDeco construction people have continued with trenching and earthing tasks.

As a result of the unqualified success of the production of a high-grade oversize (+40mm) native copper concentrate product using the Company's mobile cone crusher, a new cone crusher has been purchased from Weir Minerals and will be installed in place of the second rolls crusher in the fully commissioned Rocklands crushing plant. Installation and modification of steelwork has commenced in order to be ready to accept the installation of the cone crusher upon its arrival. The electrical modifications required are relatively minor.

With funding through to positive cash-flow now assured, plans for ramping up the Rocklands workforce ready for full commissioning and operations can now be implemented.

It is anticipated that no-load testing can commence early in November with full load testing commencing in December.

On behalf of the Board

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Figure 2: Scalping (recovery) of course native copper by simple crushing and screening. The native copper is flattened during cone-crushing whereas the rock breaks into smaller pieces, facilitating easy removal via appropriate screen sizing.

Competent Person Statement

The information in this report insofar as it relates to Metallurgical Test Results and Recoveries, is based on information compiled by Mr Peter Hutchison, MRACI Ch Chem, MAusIMM, a full-time executive director of CuDeco Ltd. Mr Hutchison has sufficient experience in hydrometallurgical and metallurgical techniques which is relevant to the results under consideration and to the activity which he is undertaking to qualify as a competent person for the purposes of this report. Mr Hutchison consents to the inclusion in this report of the information, in the form and context in which it appears.

Rocklands style mineralisation

Dominated by dilational brecciated shear zones, throughout varying rock types, hosting coarse splashy to massive primary mineralisation, high-grade supergene chalcocite enrichment and bonanza-grade coarse native copper. Structures hosting mineralisation are sub-parallel, east-south-east striking, and dip steeply within metamorphosed volcano-sedimentary rocks of the eastern fold belt of the Mt Isa Inlier. The observed mineralisation, and alteration, exhibit affinities with Iron Oxide-Copper-Gold (IOCG) classification. Polymetallic copper-cobalt-gold mineralisation, and significant magnetite, persists from the surface, through the oxidation profile, and remains open at depth.

Disclaimer and Forward-looking Statements

This report contains forward-looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.