

MARKET RELEASE

17th February 2014

ROCKLANDS COPPER PROJECT (CDU 100%)

WIDE ZONES OF CO-MINGLED MASSIVE CHALCOPYRITE AND CHALCOCITE (UP TO 56% Cu) JUST 10M FROM SURFACE IN LAS MINERALE SE EXTENSION PIT



Figure 01; CuDeco Executive Chairman Wayne McCrae (left) and Executive Director Peter Hutchison (far right) with visitors in the LM1-E Pit yesterday. Massive primary copper ore chalcopyrite (yellow - chalcopyrite contains 34.6% copper) and massive chalcocite including soft sooty chalcocite (black - chalcocite contains 79.8% copper). The orebody at this depth is 65m wide. XRF result shows reading of chalcocite-rich clays.

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Figure 02: Massive primary copper ore chalcopyrite (yellow - chalcopyrite contains 34.6% copper) and clay-rich chalcocite (black/brown/grey - chalcocite contains 79.8% copper). The chalcopyrite is associated with chalcocite, resulting in very high copper grades. XRF result shows reading of chalcocite-rich chalcopyrite.

ZONES OF HIGH-GRADE MASSIVE PRIMARY ORE (CHALCOPYRITE) EXPOSED AT ROCKLANDS FOR THE FIRST TIME - JUST 10m FROM SURFACE

CO-MINGLED CHALCOPYRITE WITH MASSIVE CHALCOCITE OVER WIDE AREAS XRF SAMPLED GRADES UP TO 56% Cu

Mining in the Las Minerale East-extension (LM1-E) Pit, immediately south-east of the main LM1 Pit, has exposed the upper zone of extremely high-grade primary copper mineralisation (chalcopyrite) and is associated with wide zones of massive and soft sooty chalcocite, just 10m from surface.

Last week the Company announced surface excavation in the same area exposed wide zones (~65m wide) of extremely high-grade oxide copper mineralisation including copper minerals malachite, azurite, cuprite, chalcocite and chalcopyrite with grades up to 49% Cu, immediately below shallow river-flat soils starting from just 0.4m depth (see ASX announcement - 10th Feb 2014)

As a result of these two welcome developments, significantly more ore has been sent to the stockpiles than was anticipated by the mining schedule, including;

- Average copper grades estimated up to 10 times higher than indicated in the mining schedule, but not unexpected by CuDeco's geological team.
- Significant zones of soft sooty chalcocite (chalcocite contains 79.8% Cu), being mined that were not identified during resource drill-hole geological logging.
- Chalcocite-rich clay zones identified (consistency of soil) with average grades of ~45% Cu, previously not known to exist - no record of recovery during drill-hole sampling.
- Drill collars identified that passed through high-grade (+40% Cu) zones of chalcocite-rich clays and soft sooty chalcocite - yet logging records show no copper minerals identified and assay results show only low-grade copper, indicating possible mineral loss during drilling.
- DSO grade mineralisation (+20% Cu) sent to stockpiles from areas where maximum grade expectations were just 3.5% Cu based on the resource model.



Figure 03; Excitement as mining reaches the top of the primary ore zone for the first time, just 10m from surface in the LM1-E Pit extension. Visitors, China State owned Rocklands EPC Contractor and major shareholders Sinosteel Corporation Directors keeping up to date with progress at the Rocklands Project. Displaying samples of extremely high grade massive chalcopryrite/chalcocite mined only 10m below surface, with grades up to 10 times those expected, persisting over wide areas so close to surface.

OVER COMING MONTHS MINING IS EXPECTED TO GENERATE SIGNIFICANT QUANTITIES OF VERY HIGH-GRADE NATIVE COPPER AND PRIMARY ORE, THAT WILL BE BLENDED WITH HIGH-GRADE OXIDE STOCKPILES ALREADY MINED, AND COLLECTIVELY CRUSHED TO PRODUCE A BLENDED DSO PRODUCT AVERAGING ~20% COPPER

Copper smelters visited by CuDeco have a special interest in the supply of blended DSO product including high-grade oxides, primary ore and native copper currently being stockpiled for crushing. Exporting of the blended DSO product will commence once processed.

Mining activity on site is currently being scaled up and will focus on the following areas;

- Mining of high-grade native copper and chalcocite ore in LM1 Pit, to be crushed and screened to produce a native copper rich DSO product.
- Expanding the footprint of the new LM1-E Pit (east extension) to facilitate earlier than anticipated access to the high-grade DSO primary ore.
- Mining at LM1-E Pit (east extension) will concurrently target very high-grade primary ore to be used for blending and production of a separate DSO product
- Ore not used for DSO to be sent to stockpiles for future processing as per mining schedule.
- Commencement of preliminary open-cut operations in preparation for opening second main Rocklands Pit (Rocklands South Pit).
- Clearing and preliminary groundwork to prepare for accessing Le Meridian and Rocklands Central orebodies.

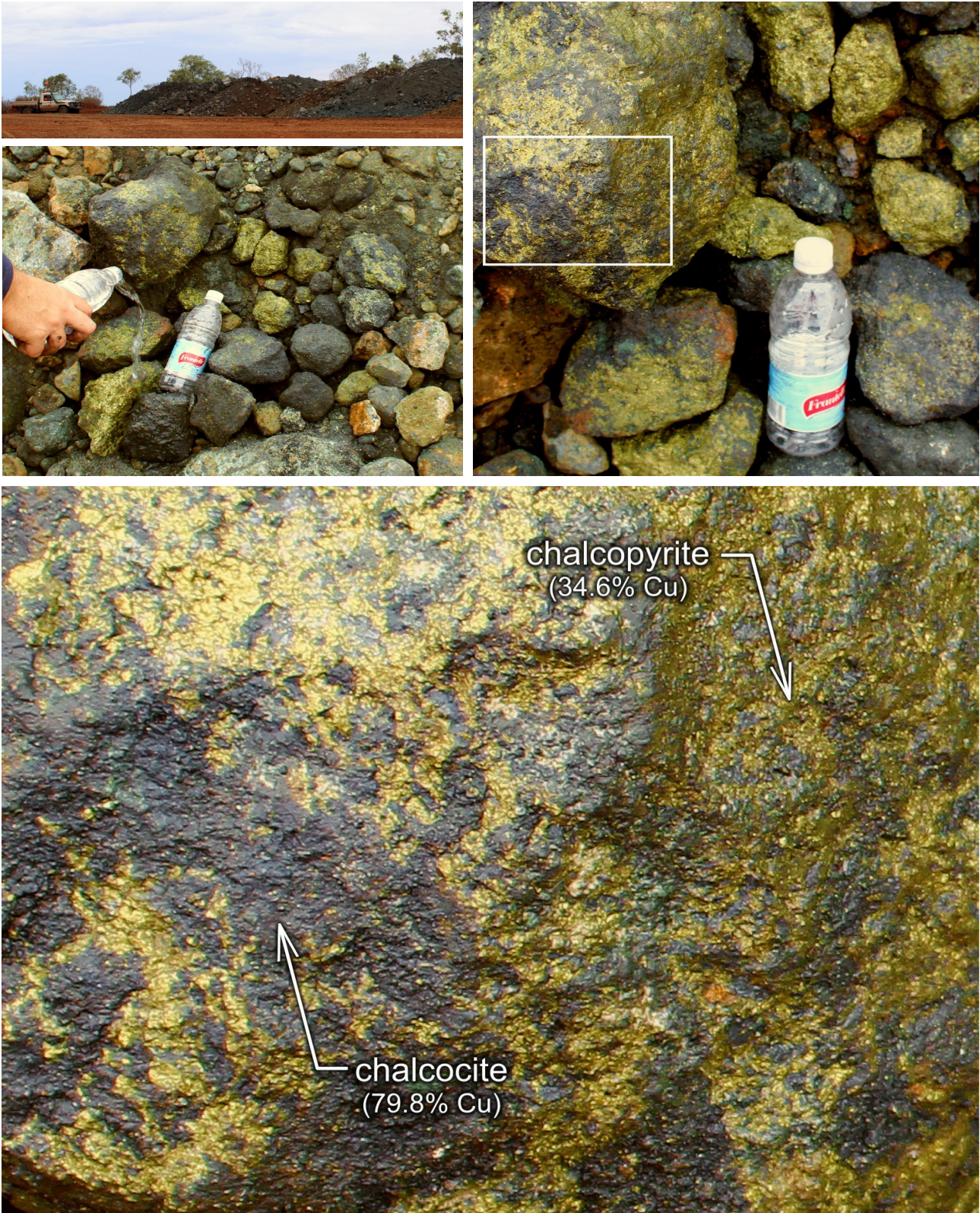


Figure 04: Stockpiles of high-grade direct shipping ore (DSO) are building as massive zones of high-grade primary copper mineralisation (chalcopyrite) associated with chalcocite, have been reached in the east extension of the LM1 Pit. Zones of massive primary ore occurs just 10m from surface (chalcopyrite contains 34.6% copper and chalcocite contains 79.8% copper).

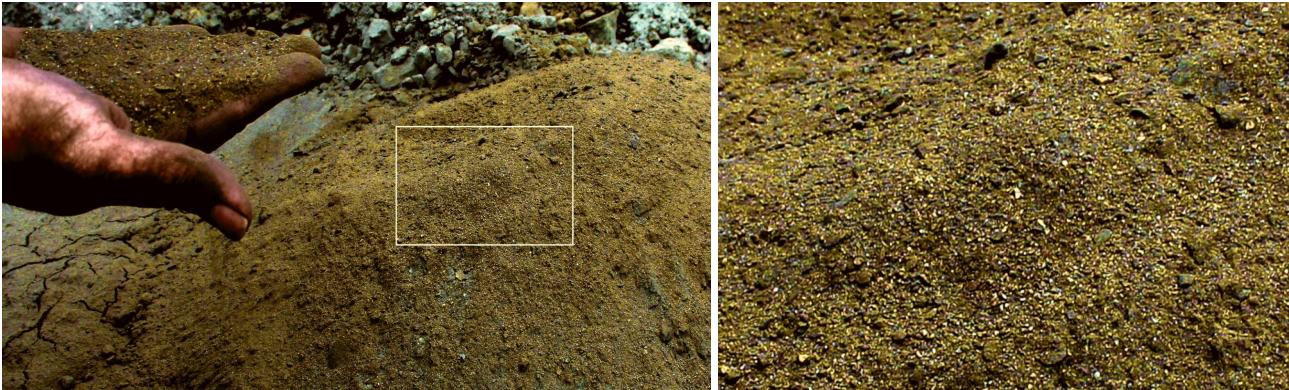


Figure 05: Blast-hole drilling shows evidence of wide intersections of massive chalcopyrite and chalcocite intersected beneath current mining depths.

A total of 500,000 tonnes of Cu ore has now been mined and stockpiled in preparation for commissioning of the Rocklands Processing Plant.

On behalf of the board.

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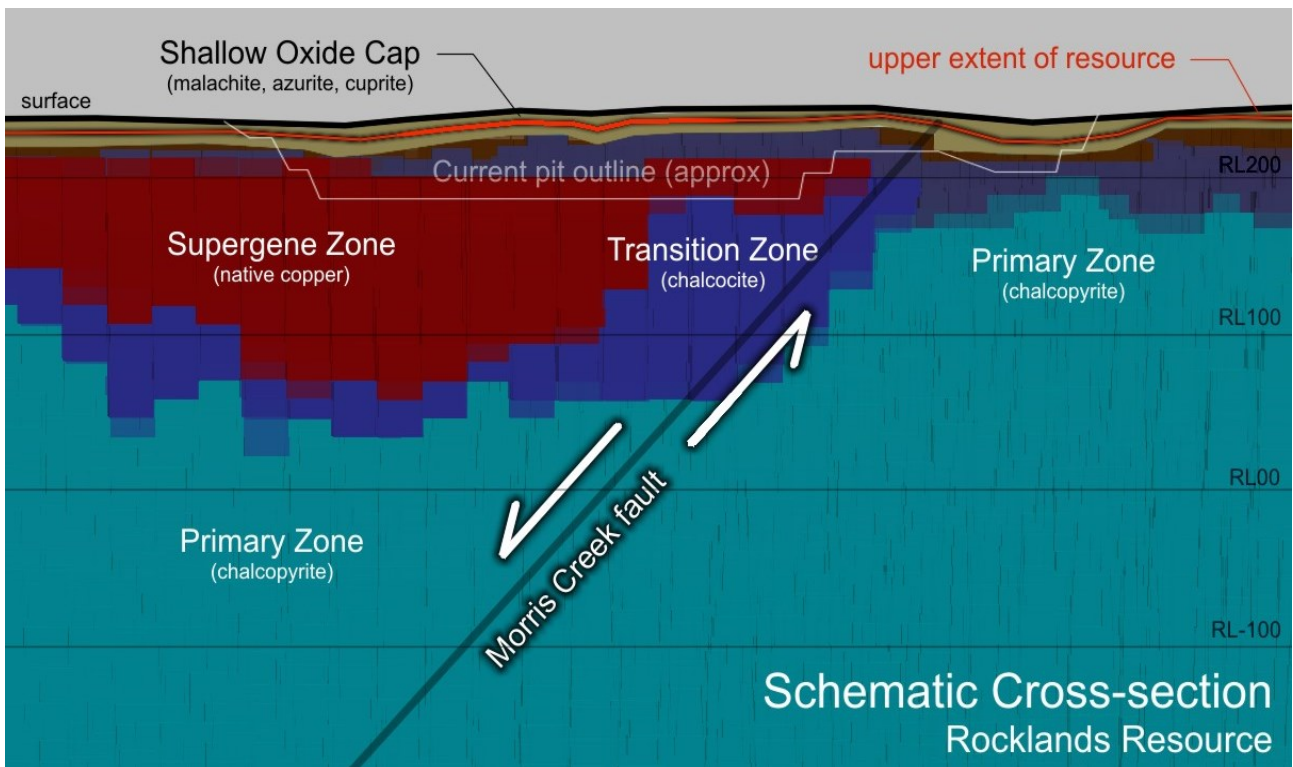


Figure 06: Long-section of the Las Minerale orebody. To the left (west) of the Morris Creek Fault a deep supergene zone characterised by coarse native copper and chalcocite mineralisation persists to depths of more than 180m and to the right, massive primary copper ore (chalcopyrite) starts just 10m from surface.

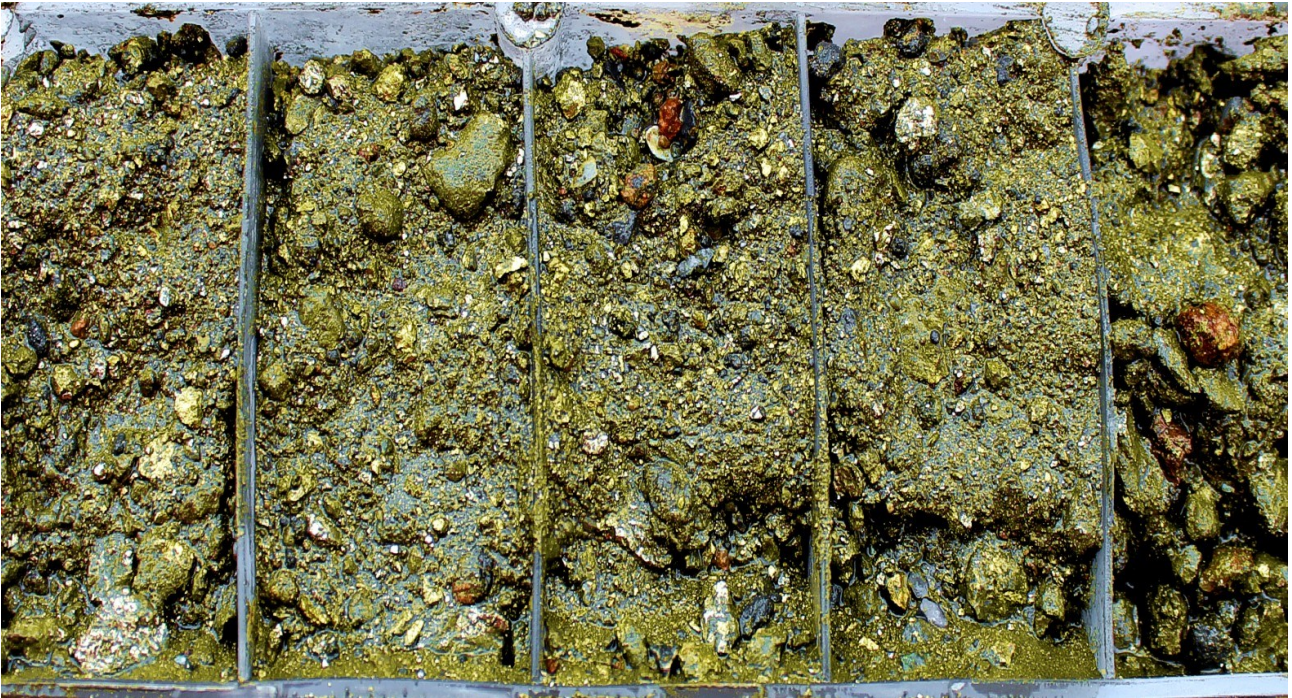


Figure 07: Blast-hole drilling gives a clue to what is coming with evidence of wide intersections of massive chalcopyrite and chalcocite intersected beneath current mining depths.

Competent Person Statement

Information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Andrew Day. Mr Day is employed by Geoday Pty Ltd, an entity engaged by Cudeco to provide independent consulting services. Mr Day has a BAppSc (Hons) in geology and is a Member of the Australian Institute of Mining and Metallurgy (Member #303598). Mr Day has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Day consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

Hand-held X-ray Fluorescence (XRF) Analysis

Hand-held XRF typically analyses a single point area of just 7-10mm in diameter, and is used to determine the composition of unidentified minerals during geological logging (particularly useful in identifying potential telluride minerals at Wilgar, which can be difficult to visually distinguish). It is important to note that selective point analysis is not suitable for determining average sample grade without first ensuring the area being tested is representative. This usually requires the sample to be crushed/pulverised, from which a homogenous and representative fraction can be selected for analysis. Analysis is completed with an Innovx Delta Premium hand-held XRF, which uses a Au/Ta anode x-ray tube and silicon drift detector. A measurement time of 30 seconds each for transition metals and heavy elements (beams 1 and 2, respectively) was used, in Soil Mode, for a total read time of 60 seconds for each sample.

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.