



MARKET RELEASE

25th February 2014

ROCKLANDS COPPER PROJECT (CDU 100%)

WIDE ZONES OF DIRECT SHIPPING ORE (DSO)

**HIGH GRADE OXIDE AND SULPHIDE ORE BEING MINED IN LM
EXTENSION PIT ONLY 12 METRES FROM SURFACE**

**DSO BEING CRUSHED AND STOCKPILED AND
PREPARED FOR SHIPPING TO CHINA SMELTERS**

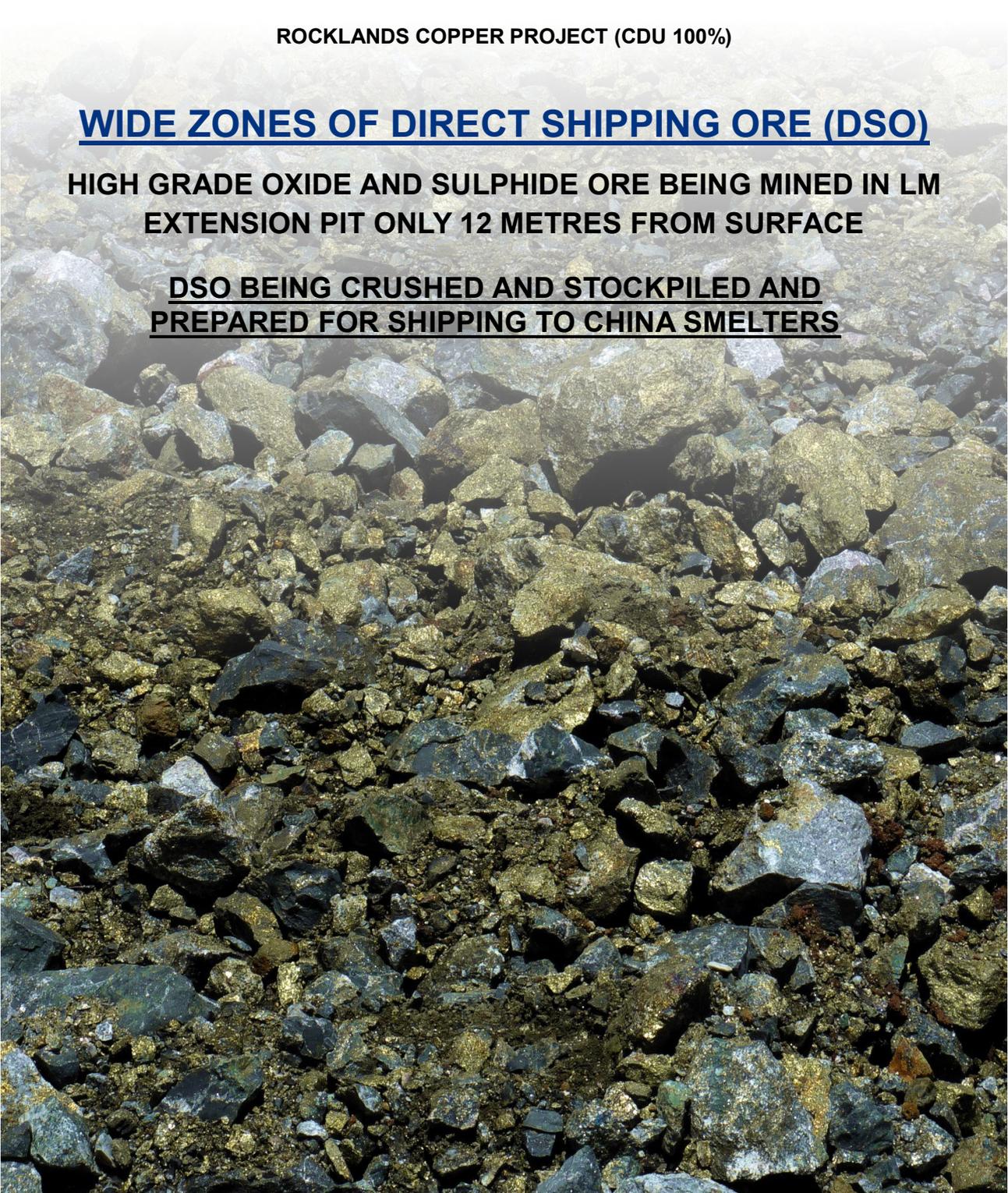


Figure 1: Massive primary copper ore chalcopyrite (yellow - chalcopyrite contains 34.6% copper), and bornite (63.3% copper) at just 12m from surface in the LM1-E pit, at grades suitable to be shipped as high-grade Direct Shipping Ore (DSO).

Unit 34, Brickworks Annex, 19 Brolga Avenue, SOUTHPORT 4215

Phone: +617 5503 1955 Facsimile: +617 5503 0288 Email: admin@cudeco.com.au



Figure 2: Massive primary copper ore chalcopyrite (yellow - chalcopyrite contains 34.6% copper), and bornite (63.3% copper) at just 12m from surface in the LM1-E pit, at grades suitable to be shipped as high-grade Direct Shipping Ore (DSO).



Figure 3: Massive primary copper ore chalcopyrite (yellow - chalcopyrite contains 34.6% copper), and bornite (63.3% copper) at just 12m from surface in the LM1-E pit, at grades suitable to be shipped as high-grade Direct Shipping Ore (DSO).

Chairmans Update;

The Rocklands Group Copper Project comprises multiple sub-parallel striking orebodies that occur within a 2.1km long x 1.2km wide shear zone. The orebodies will be concurrently mined predominately from 2 adjacent large pits, that will eventually merge to become a single super-pit should the mine life be extended beyond the currently planned Phase-1, 10 year mine plan.

Initial mining is concentrating on the Stage-1 Las Minerale Pit argeting Las Minerale orebody. In addition to the +20%Cu oxide/sulphide DSO being mined, mining of native copper fDSO to commence shortly. Some 500,000 tonnes of ore has been mined to date and stockpiled for processing.

A second and concurrent mining campaign will soon commence at the Rocklands South Pit (RS1 Pit), utilising excess capacity of the Rocklands Mining Fleet, not currently being utilised at the LM1 Pit.

Preliminary ground work has already commenced including clearing of vegetation and topsoil at the Le Meridian and Rocklands Central orebodies, and clearing and removal of topsoil and waste rock at Rocklands South.

As communicated by the Company over recent years, and as observed to date from mining activity, copper grades from mining appear to be significantly higher than indicated in the mining schedule.

Drilling and sampling is one thing, but mining is a reality.

The majority of ore mined to date contains native copper, which will be extracted via the worlds largest Cu gravity circuit (built by German process metallurgical group Alljig). The Gravity circuit has been specially designed to recover Rocklands style native copper, which is characterised by coarse, large agglomerates that break up relatively easily when crushed, and smaller walnut to pea sized fractions that dominate both

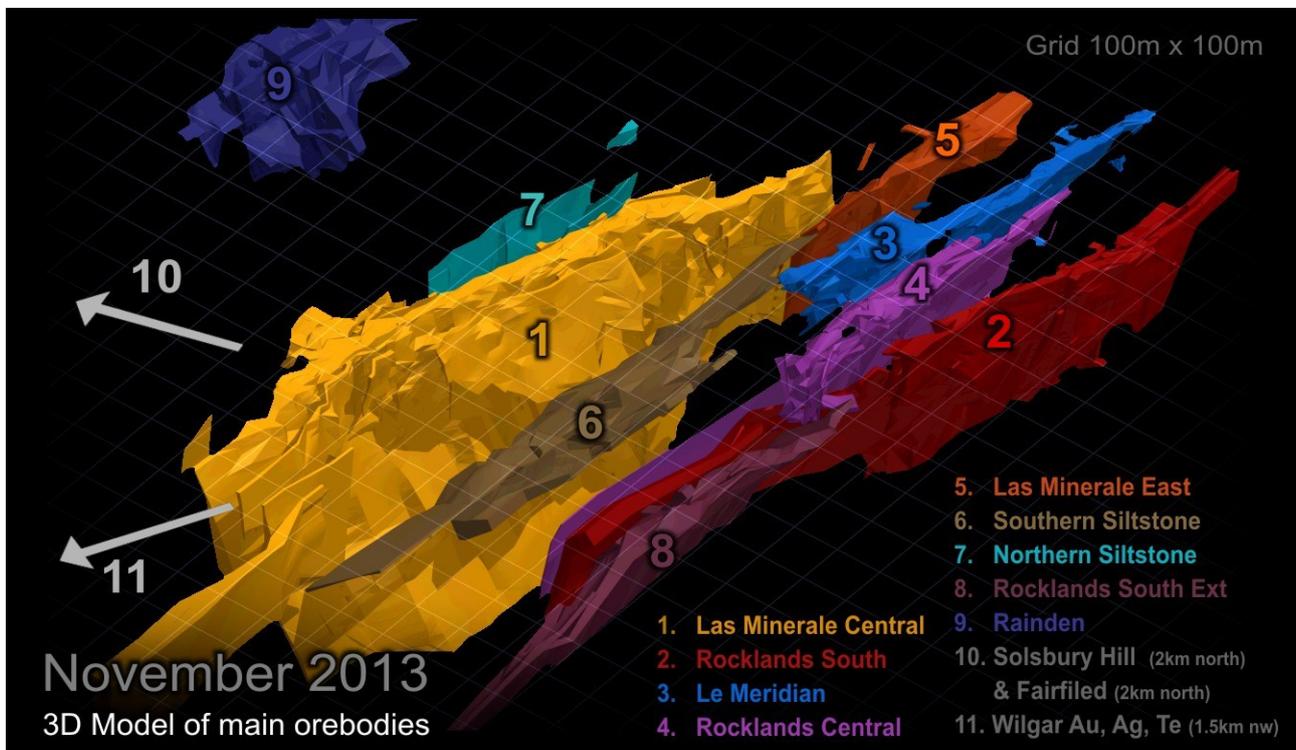


Figure 4: 3D-model of November 2013 Cu-Co-Au +mag resource - the main orebodies have been colour-coded and referenced.

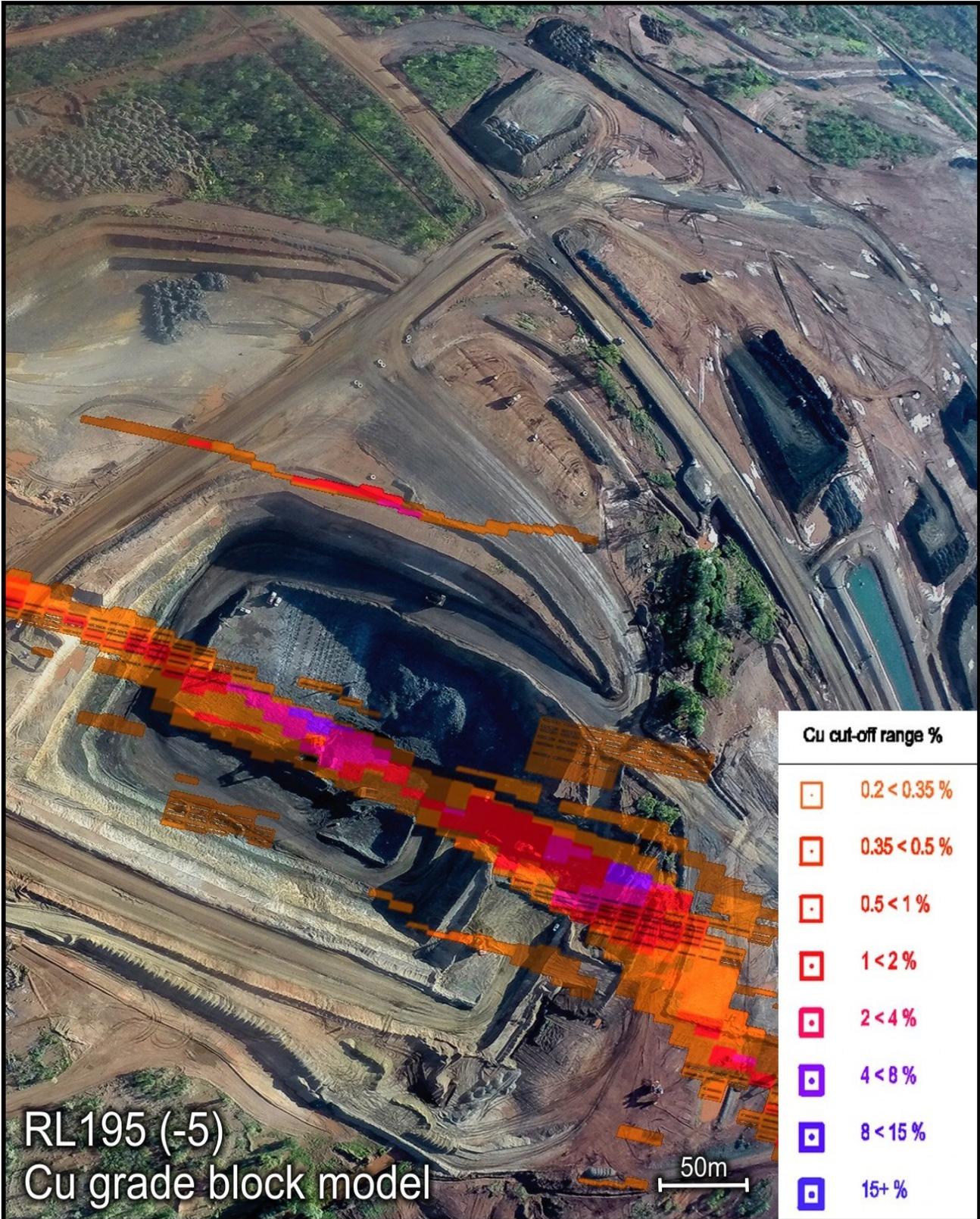


Figure 5: LM1 Pit with schematic overlay of block model at RL195 (-5) showing copper grades only. Some of the 12 Copper ore stockpiles can be seen to the top-right of the image. Ore being mined is up to ten times the Cu grades expected.

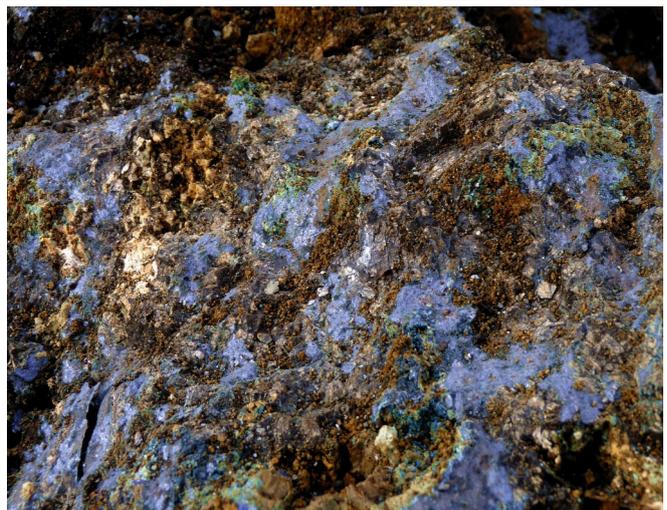


Figure 6: Rock breaker working its way through the high-grade DSO stockpile, breaking up large boulders of near solid cuprite and chalcocite (cuprite contains 88.9% Cu and chalcocite contains 79.8% Cu) prior to being fed into the crusher. Below images show close-ups, left; cuprite with rock-hammer impact mark and tell-tale red powder from the brittle ore and right; near solid chalcocite boulder.

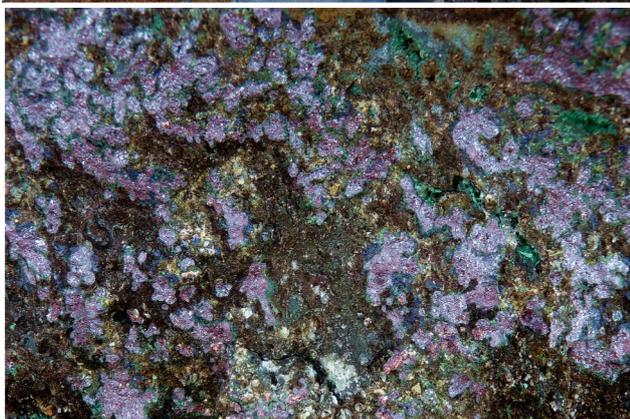


Figure 7: Executive Chairman Wayne McCrae admiring the rock-breaking of near solid cuprite and chalcocite boulders weighing up to 6 tonnes each. Left; detail of rock in hand showing near solid cuprite (cuprite contains 88.9% Cu) and native copper (native copper contains 99.8% Cu).

clay and fresh-rock matrix. Fine fraction native copper, down to 1mm in size will be recovered via the gravity circuit.

The balance of product will continue from the gravity circuit to the remainder of the Process Plant.

The gravity circuit combines several gravity processes including continuous jigs, spirals and tables.

Native copper ore (native copper contains 99.8% Cu) constitutes ~25% of all ore to be processed through the Rocklands Process Plant in the first 10 years, and will be predominately sourced from a 180m deep, up to 40m wide, continuous and pervasive native copper zone that is also associated with large quantities of chalcocite (chalcocite contains 79.8% Cu).

The majority of ore to be processed at Rocklands however will be primary ore, including chalcopyrite and minor bornite (chalcopyrite contains 34.6% Cu and bornite contains 63.3% Cu) representing between 60-

Flowsheet Stage 1: Crushing Circuit
Recovery of Oversize Coarse Native Copper

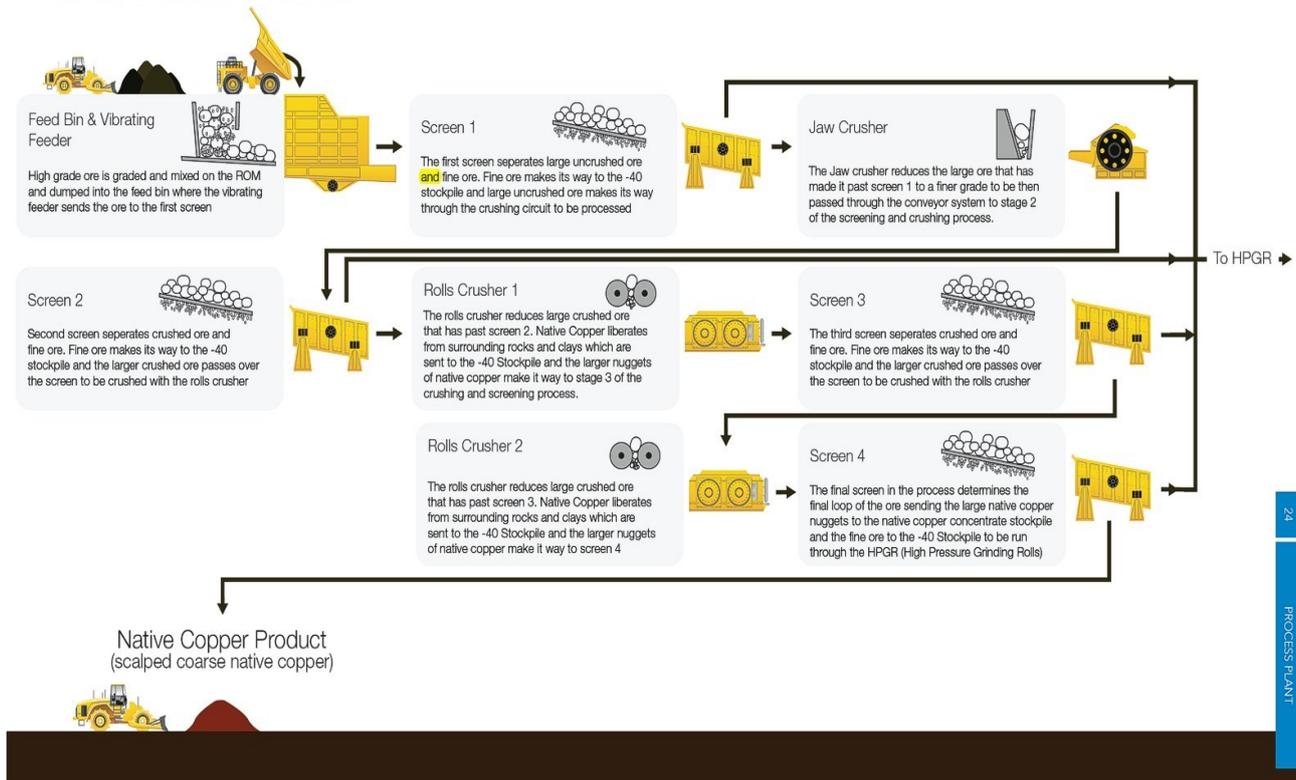


Figure 8: Process Plant flow-sheet: Crushing Circuit

70% of all ore to be processed.

In addition, larger than expected high-grade oxide copper zones have been discovered that commence literally from surface. Due to the conservative use of upper limits on surface mineralisation during resource modelling, significant discounts are applied to potential oxide bearing ore zones at or near surface, in places severely discounting its presence down as far as 10m or more below surface.

Mining to date is revealing large zones of high-grade oxide ore that were not included in current mining schedules.

It has become extremely exciting at the Rocklands Project in recent weeks, with mining revealing extremely high-grade primary mineralisation over wide areas for the first time.

The Rocklands Mineral Process Plant is progressing well, with all major components in place and numerous teams of contractors plugging away at completing the myriad of tasks required.

As recently announced, directors of China State owned Sinosteel Corporation, the EPC Contractor for the

Flowsheet Stage 2: Gravity Circuit
 Recovery of Remaining Native Copper

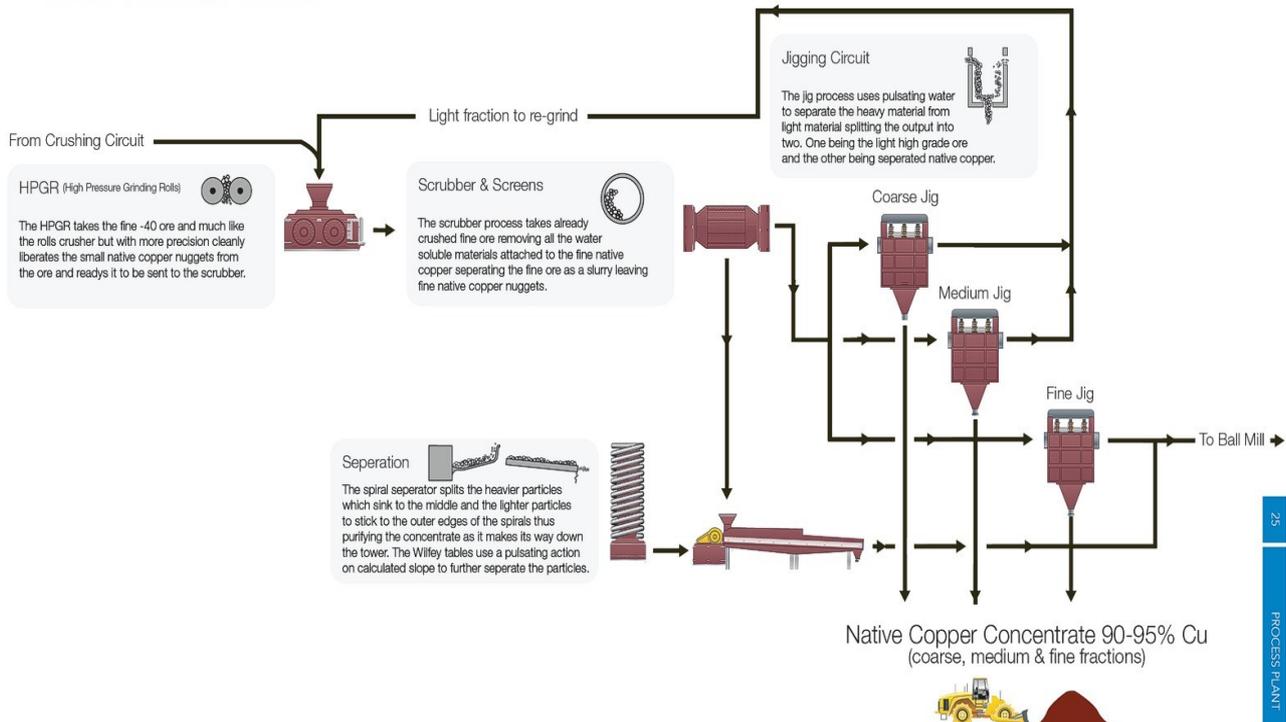


Figure 9: Process Plant flow-sheet: gravity Circuit

process plant, visited the project last weekend, among other things to be briefed and updated on the progress of the process plant.

Time reveals everything

In 2006 I predicted that the Las Minerale orebody contained ore that would rival some of the richest ever mined. Recent mining is suggesting this statement is being realised as we mine some of the highest grades of primary, native copper, chalcocite and oxide copper ores I have seen in my 35 years of mining copper.

On behalf of the board.

- ends

See following page for image of the Rocklands Process Plant Flotation Circuit including Magnetic Separation Circuit

Process Plant

Flowsheet Stage 3: Flotation Circuit

Recovery of Primary Sulphides; Chalcopyrite (Copper Concentrate) Pyrite (Cobalt/Sulphur Concentrate) & Magnetite

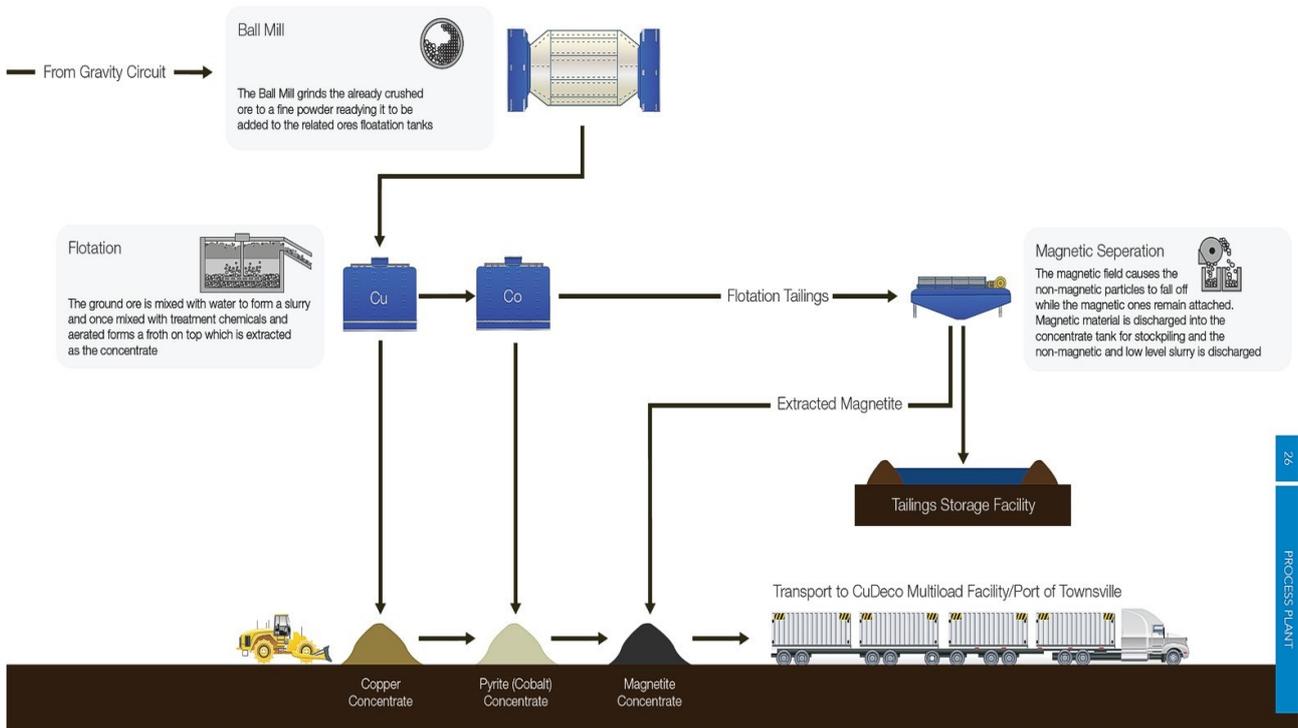


Figure 10: Process Plant flow-sheet: Flotation Circuit and Magnetic Separation

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.

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.

Measured Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	83	0.36	273	0.09	6.4	0.74	1.0	669	1,369	1,787
0.40	44	0.63	355	0.13	5.6	1.13	1.3	614	1,108	1,300
0.80	19	1.23	504	0.22	5.8	1.96	2.2	506	809	894
Indicated Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	98	0.16	226	0.07	6.5	0.47	0.7	339	1,021	1,518
0.40	40	0.32	287	0.13	4.1	0.74	0.9	282	652	779
0.80	11	0.68	405	0.19	3.0	1.28	1.4	170	319	346
Total Measured and Indicated Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	181	0.25	248	0.08	6.5	0.60	0.8	1,008	2,390	3,306
0.40	84	0.48	323	0.13	4.9	0.95	1.1	896	1,759	2,079
0.80	30	1.02	467	0.21	4.8	1.71	1.9	676	1,128	1,240
Inferred Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	91	0.06	146	0.09	4.6	0.3	0.4	117	573	902
0.40	12	0.24	200	0.10	2.6	0.5	0.6	63	142	166
0.80	0.5	0.54	413	0.12	3.2	1.1	1.2	6	12	13
Total Resource Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	272	0.19	214	0.08	5.9	0.5	0.7	1,125	2,962	4,208
0.40	96	0.45	308	0.13	4.6	0.9	1.1	959	1,902	2,244
0.80	30	1.01	466	0.21	4.8	1.7	1.9	681	1,140	1,253

Additional Magnetite only Inferred Resource Rocklands Resource November 2013 at various cut-off grades						
cut-off	Tonnes	Estimated Grade				Contained Magnetite
Magnetite		Cu	Co	Au	Mag	
%	Mt	%	ppm	ppm	%	Mt
10	328	0.02	70	0.01	14.3	47
15	102	0.02	78	0.01	19.5	20
20	26	0.01	77	0.00	26.6	7

Note - Figures have been rounded to reflect level of accuracy of the estimates

*Copper equivalent CuCoAu% = Cu % + Co ppm*0.001232 + Au ppm*0.518238

*Copper equivalent CuEq% = Cu % + Co ppm *0.001232 + Au ppm *0.518238 + magnetite %*0.035342

This information is extracted from the report entitled "Rocklands Resource Update 2013" created on 29 November 2013 and is available to view on www.cudeco.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.