

**MARKET RELEASE**

**2<sup>nd</sup> August 2016**

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## **New Rocklands plant produces quality concentrates**

Highlights:

- **Production of sulphide copper concentrate at Rocklands indicates copper grades well above the minimum specification of 25% Cu (copper)**
- **Stocks of sulphide concentrate inventory are increasing in preparation for planned continuous bulk shipment to end users from September/October**

Queensland copper producer CuDeco Limited (ASX:CDU) continues to build momentum at its flagship Rocklands Operations, announcing today the start of production of high quality sulphide copper concentrates from the newly built Rocklands Processing Plant.

This follows the Cloncurry project's first shipment of native copper concentrate (refer ASX announcement dated 29 July 2016), which has been transported to the Port of Townsville for delivery to customers in China under the agreement with China Oceanwide International Investment Co.

Preliminary analysis of the sulphide copper concentrate currently being produced at Rocklands indicates the grade is well above the minimum specification of 25% copper. This indicates the processing plant is performing well and ore and concentrate characteristics from Rocklands are in line with design expectations.

The ball mill has been operating steadily at more than 95% availability and CuDeco continues to monitor its performance in the ramp up to full production. Importantly, CuDeco remains on track to commence continuous bulk shipments of sulphide copper concentrates from Rocklands in late September or early October, as previously announced.

"Management, operators and contractors have been working hard to ensure the smooth transition from commissioning to production and it is very pleasing to achieve these new milestones. The quality of the sulphide copper concentrates produced from our new processing plant is excellent, particularly given it is still early in the production ramp-up phase. The concentrate grades are expected to improve even further once the grinding and flotation circuits are fine-tuned to reach optimised design performance levels," said CuDeco's Managing Director, Dr Dianmin Chen.

"While we continue to ship our native copper concentrates to our customer, we are confident that Rocklands will deliver the first shipment of sulphide copper concentrates on time as we ramp up towards full production. More significant revenues are expected to follow the commencement of bulk shipping and sale of our sulphide copper concentrates and we are determined to ensure this occurs as quickly and smoothly as possible, for the benefit of all stakeholders."

On behalf of the Board.

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*Figure 1: High-grade sulphide copper concentrate building in the storage sheds.*