

MARKET RELEASE

03 February 2017

PRODUCTION AND CORPORATE UPDATE

MARKET RELEASE

- **Rocklands Copper Mine on track to achieve 2017 production targets**
 - **Board actively progressing financing options**
 - **Recruitment of new key managerial positions in progress**

CuDeco Limited (ASX:CDU) announced today its confidence in securing the necessary financial support to ensure the success of its flagship Rocklands Copper Mine.

As stated in the December 2016 quarterly report, the Cloncurry project is on track to achieve its 2017 production targets by April, which will deliver increasing cash flows to the Company.

During the December quarter US\$15.4 million of cash receipts were received (net of treatment and refining charges), with an additional US\$5.4 million received in early January 2017, for three shipments totaling 13,000 DMT of sulphide copper concentrates and four shipments totaling 2,200 DMT of native copper concentrates.

The Company's two scheduled January shipments were slightly delayed with 500 WMT native copper shipped 2 February and 4,000 WMT copper concentrates scheduled for departure 4 February. A similar volume of copper concentrate is scheduled for shipping the first week of March 2017.

Meanwhile, the Board are progressing options to service the repayment of the US\$15 million debt with China Minsheng Banking Corporation due 31 March 2017. Preliminary discussions are underway with Minsheng Bank and the Board are reviewing options for future funding opportunities during this challenging period. Continued support from our major shareholders is also being provided.

CuDeco is in the process of recruiting a General Manager for Rocklands and is confident of finding the right candidate to take the project forward. The position of Managing Director will be considered carefully by the Board.

We are working towards rectifying the issues the Company faces and appreciate the patience of all shareholders during this challenging time.

On behalf of the Board.

ENDS

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