

26 June 2014

ASX Release

ASX Code: CXX, CXXO

INFORMATION REQUIRED UNDER ASX LISTING RULE 3.10.5A

Cradle Resources Ltd (**Company**) has issued 18,000,000 fully paid ordinary shares at \$0.20 per share, pursuant to a placement made to sophisticated and professional investors as described in Section 708 of the Corporations Act (**Placement**).

The Placement was completed on 24 June 2014 as announced to the market on that same date. Within the Placement, 9,053,502 fully paid ordinary shares were issued under the Company's remaining 15% placement capacity. A further 8,946,498 fully paid ordinary shares were issued pursuant to the Company's additional 10% placement capacity under ASX Listing Rule 7.1A and as approved by Shareholders at the Company's Annual General Meeting held on 29 November 2013. In addition, the Company has issued 19,537,600 ordinary shares, which includes 18,750,000 Class A Performance Shares and 787,500 Performance Rights converted into ordinary shares following satisfaction of the performance condition thereof, and 100 ordinary shares issued pursuant to the Prospectus dated 24 June 2014 lodged with the Australian Securities & Investments Commission and the ASX on 24 June 2014. The conversion of the 18,750,000 Class A Performance Shares to ordinary shares was approved by Shareholders at the Company's General Meeting held on 26 June 2013.

The following information required under ASX Listing Rule 3.10.5A is now provided:

1. Dilution Effect

The dilution effect of the Placement on the existing Shareholder base is as follows:

Placement issue under Listing Rule 7.1 (9,053,502 ordinary shares):	9.03%
Placement issue under Listing Rule 7.1A (8,946,498 ordinary shares):	8.93%

2. Statement of Reasons for Issue under ASX Listing Rule 7.1A

The Company issued the ordinary shares as a Placement under Listing Rule 7.1A as it believed that this was the most efficient mechanism for raising funds to meet the short term working capital requirements. This offer was considered the most appropriate of the opportunities that were presented for Board consideration.

3. Underwriting Arrangements

The Placement was not underwritten.

4. Fees and Costs of Issue

The Company will pay a 5% placement fee of \$180,000, being broker commissions on funds raised.

The number of ordinary shares on issue following the Placement is 128,727,617.

By Order of the Board