LIMITED
CUDECO
THE NEW FORCE IN COPPER

ACN. 000 317 251

Time lodged with ASX: 11.00am (Brisbane)

MARKET RELEASE

4th July 2014

ROCKLANDS COPPER PROJECT (CDU 100%)

BONANZA GRADES OF COARSE NATIVE COPPER (99.65% Cu)
MASSIVE CHALCOCITE BOULDERS (79.9% Cu)
CUPRITE (88.8% Cu) AND TENORITE (79.6% Cu)

AMONG THE HIGHEST GRADE SUPERGENE COPPER ORES KNOWN TO EXIST CO-MINGLED IN CENTRAL LAS MINERALE BONANZA ZONE

Figure 1: Large (~2.5 tonne) massive chalcocite boulder (chalcocite contains 79.9% Cu)...one of many excavated from the bottom of the pit this week. An impressive mix of supergene copper ore is being revealed during mining at Las Minerale, co-existing within a high -grade bonanza supergene environment associated with coarse native copper.

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

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

Figure 2: Top image; view of current pit floor highlighting large chalcocite boulders (see Figure 1) and; pit geologist Matthew Deane spot-checking the pit floor prior to grade-control spotting.

Extremely rich supergene zone unique to Rocklands (central Las Minerale) reveals some of the world's highest grade copper ores known to exist - with many museum specimen quality samples being recovered

The Las Minerale orebody was discovered by CuDeco in 2006 with spectacular copper assay results within a central supergene-enriched high-grade Copper zone some 600 meters in length, within a total strike length of some 1200m for the entire Las Minerale ore body. Las Minerale is one of 11 copper orebodies at Rocklands including the Rocklands South orebody that includes similar supergene enrichment as that found at Las Minerale.

A second and concurrent mining campaign is expected to commence at Rocklands South in late 2014. RAB drill mapping of free-dig areas at Rocklands South is underway.

Mining has now reached the top of the Las Minerale supergene enriched zone and is revealing unique and exciting supergene copper species in many forms, including (see a selection of images on following pages);

Native copper - coarse, fine, sheet, stock-work and vein-infill, disseminated, free-nuggets in clays, agglomerates, crystals and magnificent dendritic examples.

Chalcocite - massive, vein-infill, sheet, disseminated friable (sooty) and crystal form.

Cuprite - massive, blebs, rock form (tile-ore), crystals and coatings on native copper

Figure 3: The Stage-2 (LM2) pit has commenced, whilst the deeper LM1 Pit (behind the excavator) continues to be deepened.

Figure 4: LM1 Pit at the RL170m level (~45m from surface), showing the current LM1 pit-floor mark-up. The mark-up shows the first hints of high-grade ore (+10% copper) emerging through the very top of the DSO ore zone. The average grade of the +10% zone in this area is 14.6% Cu (with highs in the range 22% Cu), and the average grade of the +5% zone is 8.2% Cu (highs of 9.8% Cu), based on blast-hole sampling. Blast-hole sampling correlates well with the resource model. Recent bulk-sample test recovery of native copper ore (estimated from blast-hole sampling at 0.5% Cu - that also correlated well with the resource model) resulted in a 400% increase in grade after processing generated significantly more copper than estimated, using the Company's trial ore-sorter. The trial results provide evidence not all native copper is being recovered during drill sampling (especially coarse native copper in clays and soft or weathered rock matrix), resulting in grade estimates lass than are actually being mined.

Many unidentified copper species - numerous supergene copper species in various stages of transition/ reduction/enrichment with copper contents ranging from 75-94% Cu (mineralogical analysis required to accurately determine species).

The supergene zone in Las Minerale is without doubt unique in modern day mining and will provide sufficiently high grades suitable to generate direct shipping ore (DSO) product.

Plans for early revenue are being finalised, based on two product options;

1. Crushing and scalping of high-grade coarse native copper ore, +40mm to produce a high-grade premium product (as generated in recent trial crushing ~95% copper concentrate), with the remaining product after scalping (including smaller native copper, native copper in rock-matrix, chalcocite and other supergene copper species), to be shipped as a crushed DSO product. The balance of the native copper to be processed through the mineral processing plant on completion and commissioning in 2014.
2. Ship DSO ore straight from the pit (uncrushed) for toll treating.

Without crushing and/or homogenising the co-mingled coarse native copper and supergene ore species, estimating copper grade of the DSO product is challenging.

All evidence at Rocklands to date suggests significant underestimation of copper grades during sampling and assay when coarse native copper is present.

See ASX announcement 29 April 2014 where the Company reported ore grades 400% higher than estimated after large single-batch, ore-sorter trial). The Pre-processing head-grades of the trial feed-ore were estimated using a combination of laboratory analysis of samples taken from high-density (3x3m) blast -hole drilling in the pit (open-hole rotary air blast rig), and resource drilling (both RC and diamond drills)...all of which correlated well with the resource block model estimated grades.

Figure 5: Example of large native copper nugget, possibly encountered in soft clay or friable oxide material and unable to return up the small (20mm) sample return holes at the end of the RC bit. Left; the remaining middle section appears to have been "stamped" out of a larger solid copper nugget that has been flattened, then cut through by the bit and right; underside of the copper "stamp" showing how the metal was pushed into the two sample return holes (top right & bottom left) and was unable to return to surface.

Figure 6: Example of high-grade native copper ore in soft friable matrix (dry green clays) in Las Minerale (LM1) pit. Image sequence shows ease of pulling native copper nuggets by hand from the ore/rock-face whilst still in-situ.

Mining of the supergene zone appears to support the Company's long held view that copper grades are underestimated in the coarse native copper and chalcocite zones, based on twin-hole programmes that compared native copper recovery in RC and diamond drilling, and in a separate twin-hole programme, that also compared chalcocite recoveries for each drilling method.

The Company is also surprised at the size of some of the coarse native copper masses being mined, and has recently embarked on further upgrades to the crushing circuit, which is seen as a prudent move whilst the process plant is still under construction.

During resource drilling, assumptions about the possible size of native copper masses were effectively limited to the size of the drill core being used. Further, the Company was unable to gain approval for large-scale bulk trial mining that would have recovered some of the masses of native copper mined in the box-cut excavation that commenced last year, and prior to the current LM1 Pit.

None the less, the very reason the crushing circuit was designed to be completed well ahead of the process plant, was to facilitate trial crushing and commissioning that allowed for modifications if required...and to generate a scalped native copper product suitable for sale directly from the screens.

Figure 7: Crushing Circuit in foreground and numerous deliveries of steelwork and other componentry in the lay-down area in the background

Figure 8: The Rocklands Crushing Circuit during test-crushing. Final product conveyor that will provide feed (-40mm) to the HPGR.

The modifications to the crushing circuit include addition of purpose designed screens and modification to existing screen sizes to optimise performance during crushing of coarse native copper ore.

Coarse native copper ore continues to be stockpiled on the ROM, in addition to the long-term stockpiles ready for crushing as soon as the current upgrades are complete. The long-term ore stockpiles are approaching the one million tonne milestone.

DSO currently being mined from the pit will be kept separate until a decision is made to crush this ore or ship direct from the pit as an un-crushed product.

The second stage of the expansion of the Las Minerale pit (LM2 Pit) is now underway with strip-back and waste rock removal the priority so that the company can achieve its goal of more than 3 million tonne of ore stockpiled when production commences.

continued page 16...

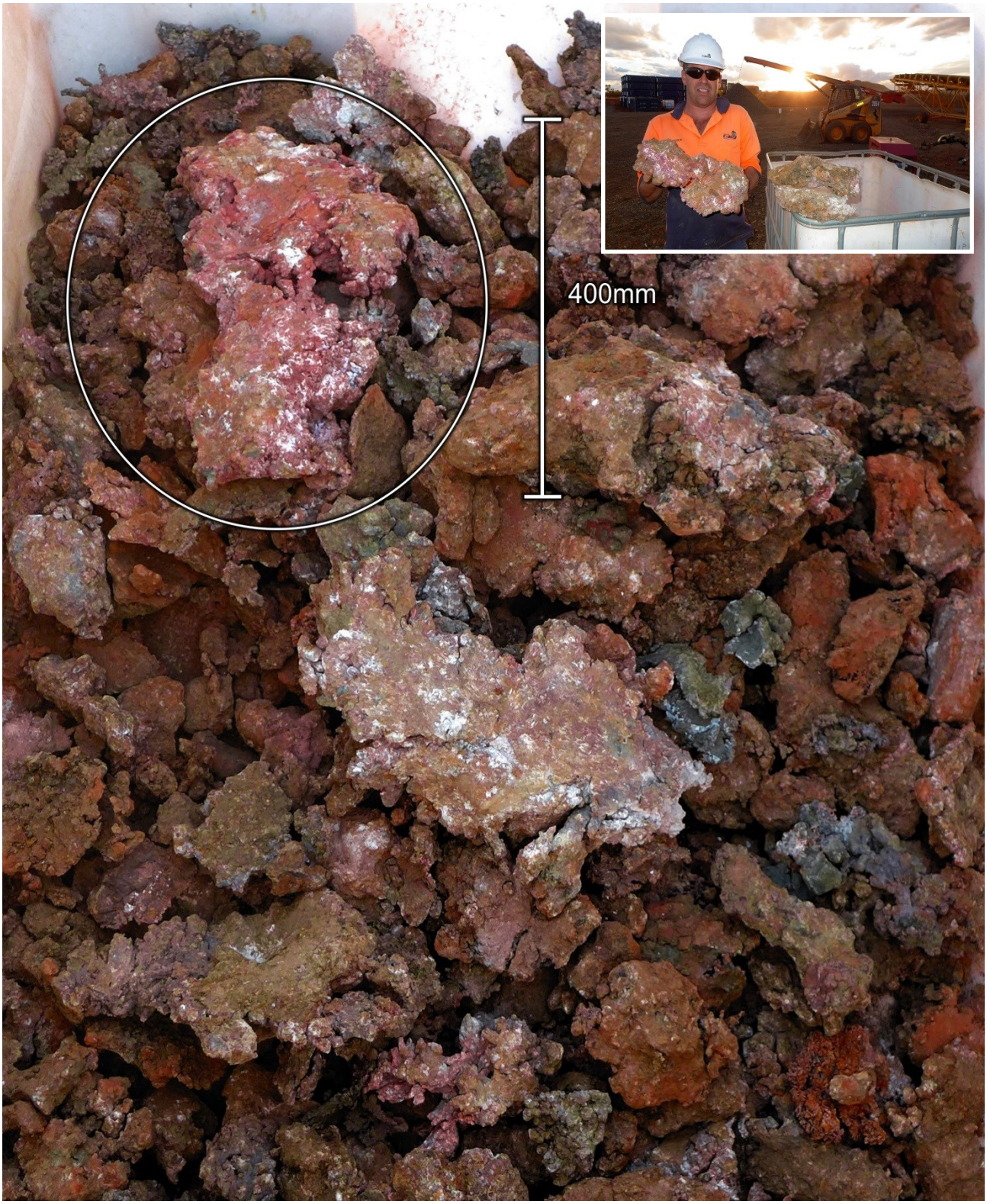

Figure 9: Large, coarse native copper metal pieces "scalped" via screens in the crushing circuit, produced a ~95% native copper concentrate product. The Company is pleased at how cleanly the native copper metal has been liberated from the gangue material using only crushing and recovery via the crusher screens and no other form of separation. An example of large solid native copper nugget circled in main image, and held for scale in the insert.

Figure 10: Large coarse native copper masses on the stockpiles - this one estimated at over 4 tonnes

Figure 11: In sequence diamond saw cutting of sample wedge from large boulder estimated at ~2.5 tonnes, that was visually "unexciting" but found to contain significant copper including native copper (99.65% copper), cuprite (88.8% Cu) and chalcocite (79.9% copper).

Figure 12: Small grab-sample of ore taken from native copper stockpile - rather unexciting on the outside, but once cut open the sample reveals the unique nature of the Las Minerale treasures, including native copper (99.65% Cu), cuprite (88.8% Cu) and chalcocite (79.9% Cu). The grab sample was selected by hand, so by necessity (due to the high density high-grade native copper ore), was limited to what could be easily carried. This grab sample from the stockpiles, whilst small, weighed well over 50kg.

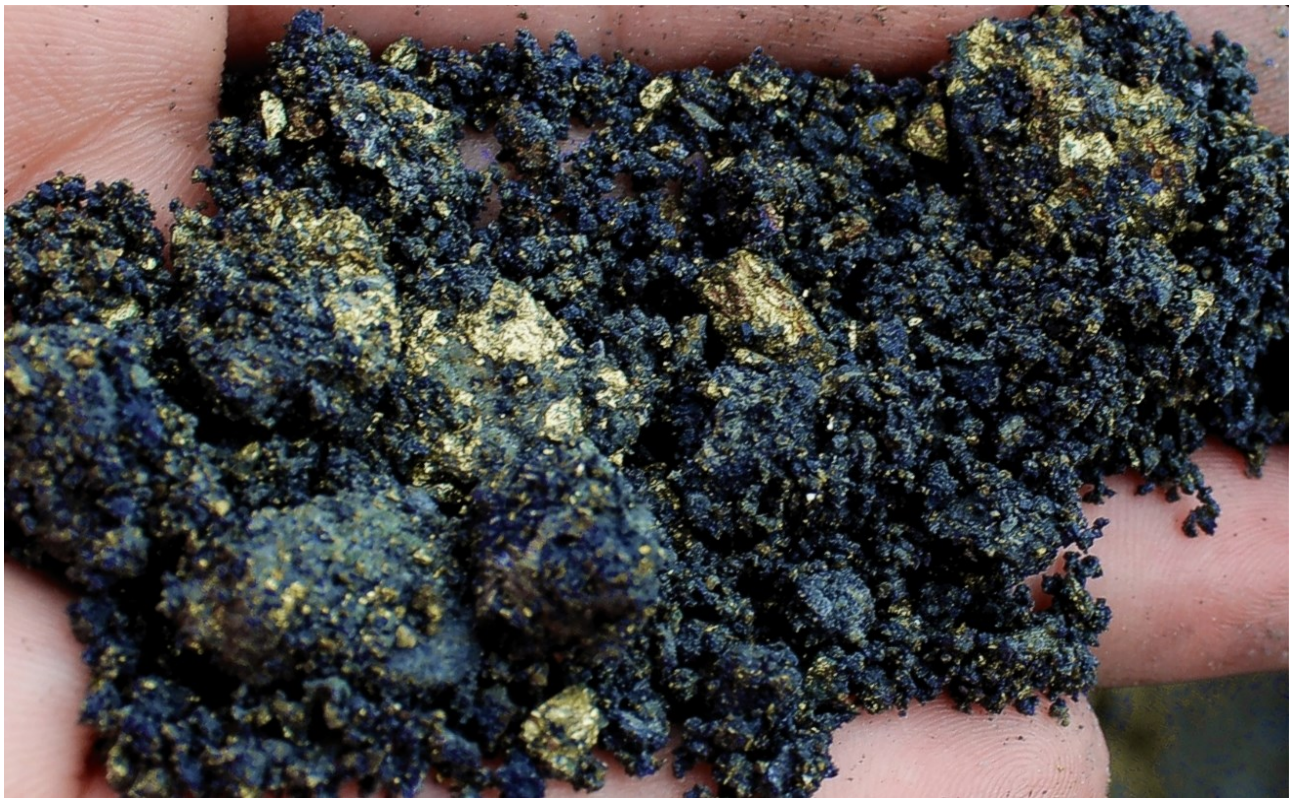

Figure 13: Example of chalcocite rich clays co-mingled with chalcopyrite and resembling the consistency of soil, with copper grades ranging between 24-56% Cu from 30 random XRF spot-checks in the pit.

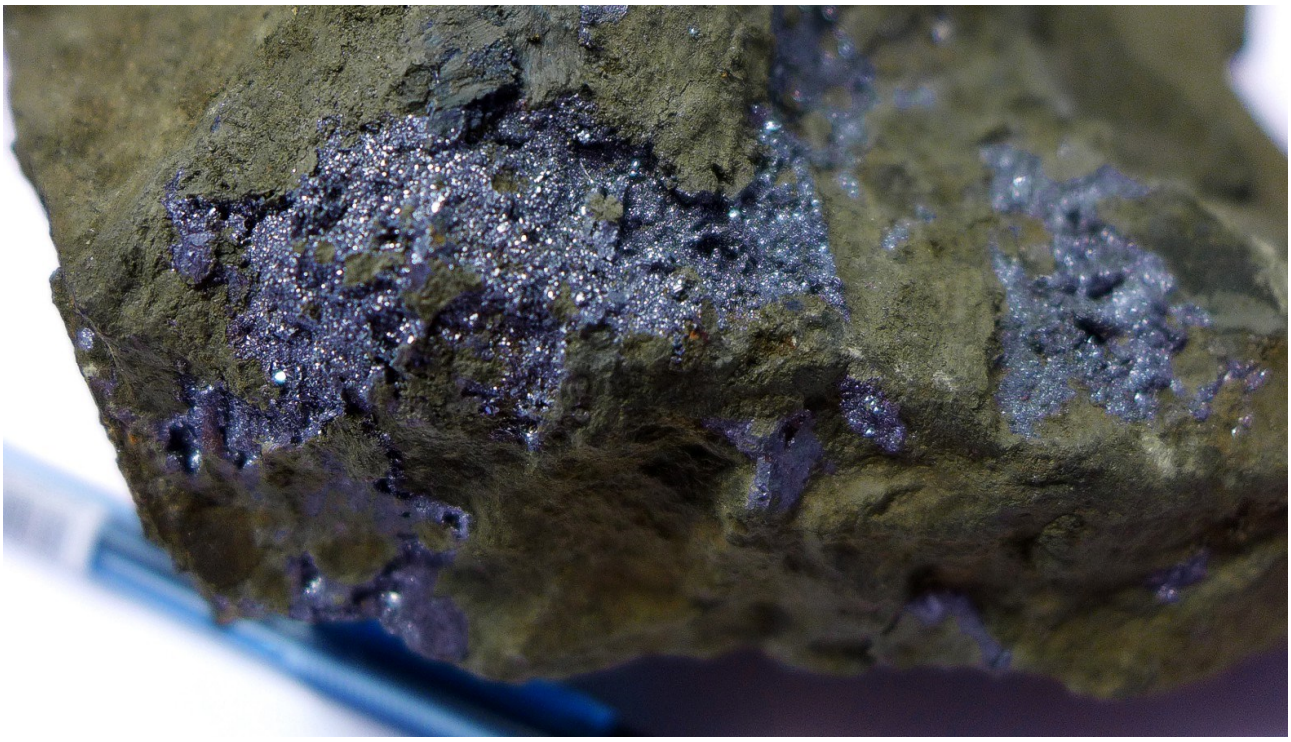

Figure 14: Weathered supergene rock matrix (ex dolerite), showing fine crystal form vein infill chalcocite.

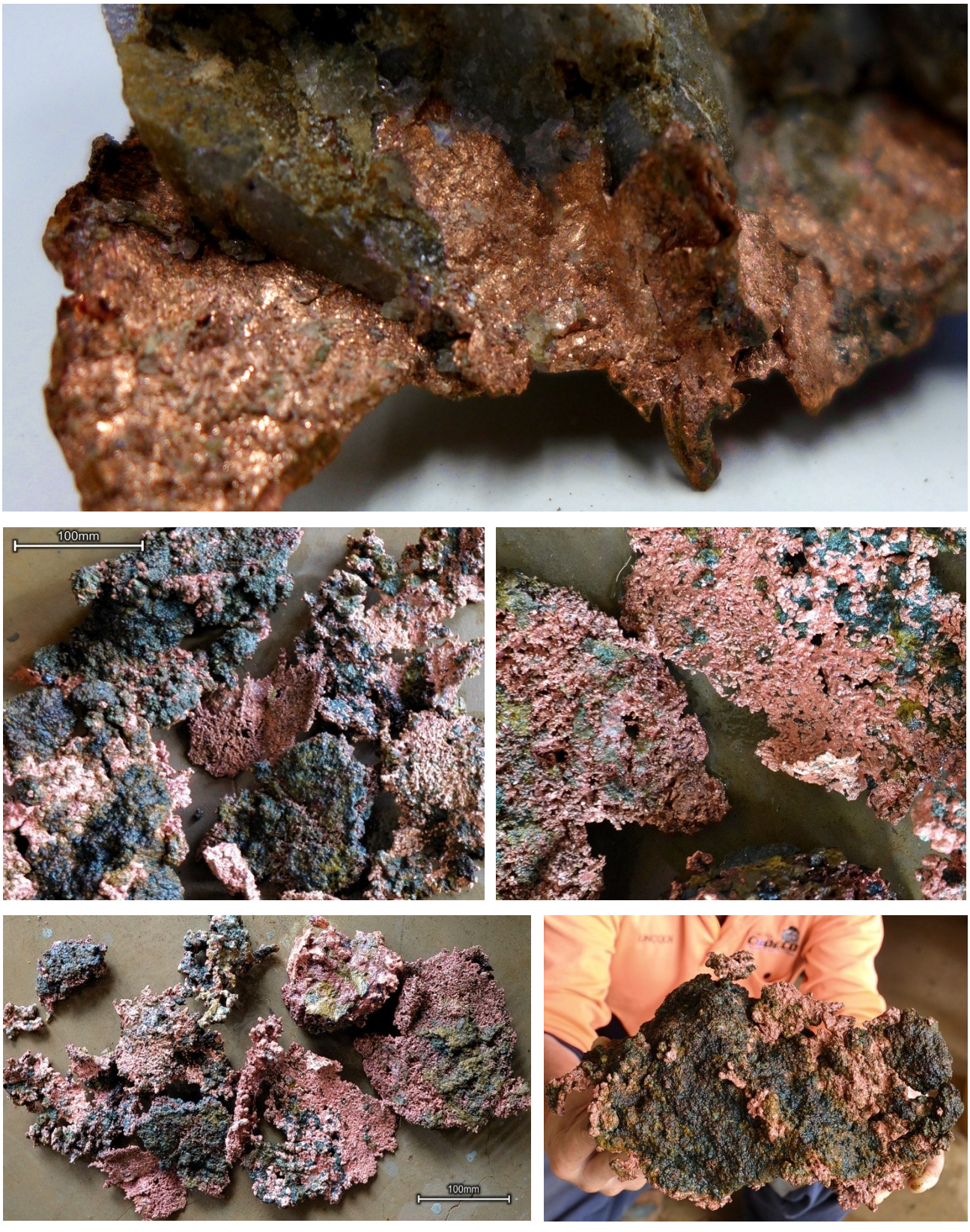

Figure 15: Selection of native copper specimens hand-picked from the native copper stockpile.

Figure 16: Selection of native copper specimens from the native copper stockpile; Sheet native copper (above), native copper sheets in rock-matrix (bottom right) and nuggetty agglomerates with chalcocite (grey-blue) and tenorite (blue-black), left.

Figure 17: Top image; Minor native copper (99.65% Cu - not visible) surrounded by cuprite (88.8% Cu - metallic red/grey), azurite (55.3% Cu - blue), and malachite (57.5% Cu - green)...as the high-grade native copper reduces into various copper species due to the influence of weathering. Bottom image; a version of cuprite known as tile ore (88.8% Cu), named after its colour and the sound it makes when broken (similar to roof tiles breaking).

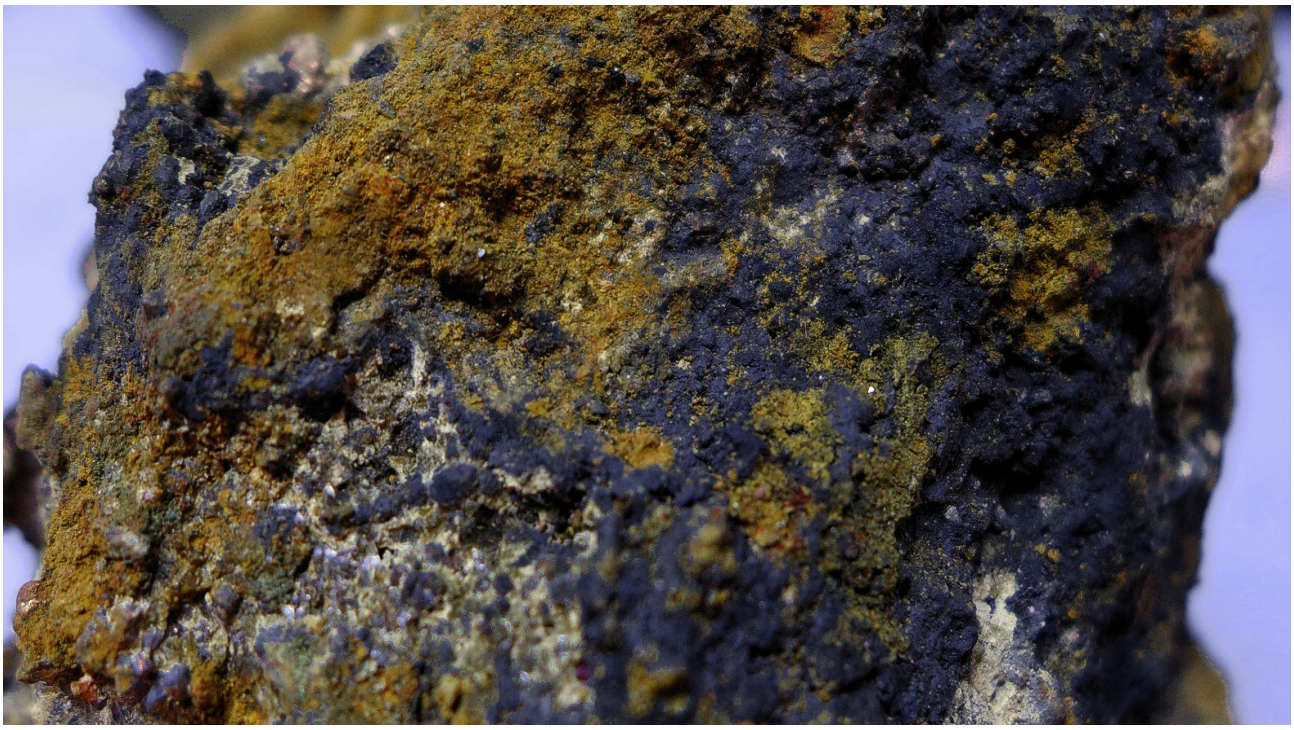

Figure 18: Tenorite (79.6% Cu - blue/black) mantling cuprite (88.8% Cu - not visible) and beneath that native copper (99.65% Cu - not visible).

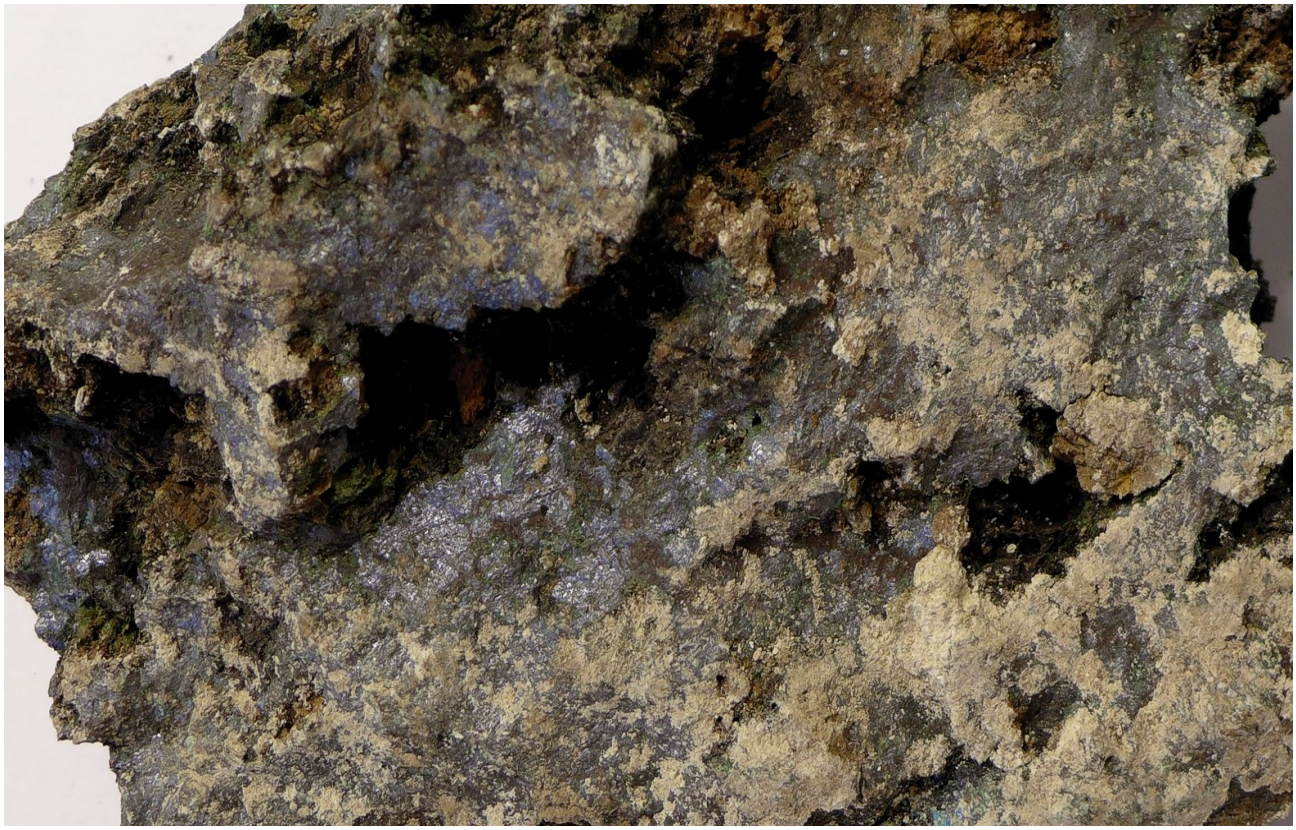

Figure 19: Massive chalcocite (79.9% Cu)

Figure 20: Examples of intricate crystal form (dentric) native copper masses.

Additional primary DSO ore

At the eastern end of the LM1 Pit, primary ore co-exists with supergene ore, including massive chalcopyrite of surprisingly high grade (see ASX announcement 25th February). The high-grade nature of this ore lead to a decision to extend the initial pit design deeper at the eastern (primary ore dominated) end of the pit earlier than originally planned, in order to access significantly more of this high-grade primary ore specifically for generating primary ore DSO.

The decision to recover this ore earlier than originally planned required re-design and amendments to mining plans which, whilst slowing down the initial access to this high-grade primary ore, should result in significantly more ore being accessed than was originally possible given the previous pit design.

Primary (chalcopyrite/chalcocite) DSO ore will be crushed at the Company's mobile crusher in a separate programme to the crushing and scalping of coarse native copper through the Company's main Crushing Circuit.

On behalf of the board.

-ends-

Figure 21: High-grade primary ore after passing through the mobile crushing circuit -80mm crush (left) and a chalcocite/chalcopyrite rich product after passing through the -20mm crush (right).

Figure 22: Primary ore DSO stockpile rich in chalcopyrite and chalcocite (above) and the Company's fully owned mobile crushing circuit (below) that performed above expectations during trial crushing of high-grade primary ore that was used for product testing and analysis. The crushing circuit is used predominately for generating crushed rock used for various end uses including road-base and stemming (used to pack blast holes).

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 Mining 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.*