

**MARKET RELEASE**

**18 April 2017**

**CORPORATE AND ROCKLANDS OPERATION UPDATE**

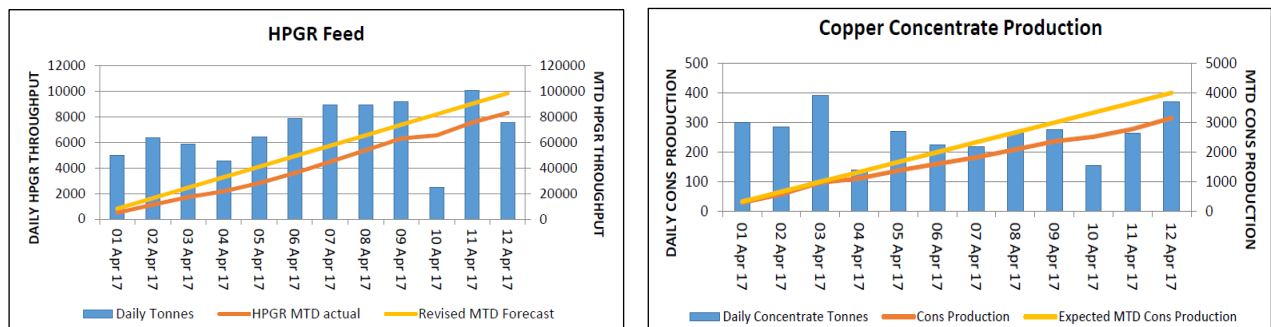
**NAMEPLATE THROUGHPUT AT PROCESS PLANT REGULARLY BEING ACHIEVED  
\$22 MILLION CONVERTIBLE NOTE TRANSACTION NEARING COMPLETION**

Queensland copper producer CuDeco Limited (ASX:CDU) recently announced that its A\$22 million Convertible Note transaction is nearing completion, and today announced its Rocklands Process Plant has begun achieving nameplate throughput rates on a regular basis.

Metal recovery improved significantly throughout March and has continued through April compared to previous months due to an intensive effort from the Company's metallurgical team, combined with improved control and management of reagents. The re-commencement of mining is resulting in availability of more chalcopyrite-based ores, which has further enhanced recoveries more recently.

Interim Chairman Peter Hutchison said *"Recent executive changes at the Company and Rocklands, is having a positive impact. Our Process Plant is beginning to show signs of what is achievable under appropriate management, with nameplate throughput rates being achieved on a regular basis. We have even seen periods well above nameplate being achieved sporadically which is wonderful news for all concerned."*

*Our new Executive team in Mark Gregory (CEO) and Jiang Gongyang (COO) are working well with Joseph Skrypniuk (AGM) and other key CuDeco staff to facilitate the critical changes needed to put the Project back on track. I am very pleased to see so many key performance indicators are now heading in the right direction."*



*Figure 01: April production figures to date. Forecast process plant throughput for April is 227,000 tonnes and forecast concentrate production is 9,330 tonnes.*

Mining has been underway for close to a month and high-grade primary ore from the south of the Las Minerale Pit is being delivered to the Mill for processing. Our Mining contractor Andy's Earthmovers (AEM) are performing well and working with Rocklands staff to further improve operational outcomes and efficiencies for the Project.

The Convertible Note transaction with Gemstone 101 Ltd, part of the Valuestone Global Resource Fund 1, a new Strategic Investor in CuDeco, is anticipated to be completed on or before 21 April

**Head Office**

Suite 11A, Level 11, 100 Edward Street, Brisbane, 4000 Australia  
Tel. +61 7 3210 5900  
Email [admin@CuDeco.com.au](mailto:admin@CuDeco.com.au) [www.CuDeco.com.au](http://www.CuDeco.com.au)

**Cloncurry Operations**

Corella Park Road, Cloncurry Queensland 4824 Australia  
P.O. Box 530, Cloncurry, QLD 4824 Tel. +61 7 4742 4800  
Email [cloncurry@CuDeco.com.au](mailto:cloncurry@CuDeco.com.au) [www.CuDeco.com.au](http://www.CuDeco.com.au)

2017. This should pave the way for CuDeco to complete and lodge its six month Accounts to 31 December 2016, by 28 April 2017.



*Figure 02: AEM mining chalcopyrite dominated ore (primary sulphide ore) in the south of the LM2 pit, whilst blast-holes for the next mining sequence are drilled in the background.*

#### **Current activity:**

- Contract mining ramping up since recommencement on 15th March with the mine supplying ore direct to the Processing Plant, with minimal scheduled supplementary ore from stockpiles.
- Crushing plant now capable of achieving design rates with supplementary mobile crushing plant.
- Ore processed through the plant in April (month to date) is at nameplate rates (outside of scheduled maintenance and breakdowns).
- Contract Assay Laboratory now commissioned and operational.

Mark Gregory said *"There is a real sense at CuDeco now we are finally seeing some light at the end of the tunnel."*

*As anticipated after our initial interrogation of the Rocklands Operation, with the right support and direction, our key management and staff have been able to achieve significant improvement across many critical areas of the Project and they have done so in a very short period of time.*

*Whilst there still remains much to do, all signs are that we are heading in the right direction."*

On behalf of the Board.

ENDS.