

**MARKET RELEASE**  
**14 December 2017**

## Issue of Convertible Loans for US\$15 Million

CuDeco Limited (ASX: CDU) is pleased to advise that it has today entered into two Convertible Loan Agreements for a total value of US\$15 Million. The proceeds of the Convertible Loans will be applied to repay the remaining US\$15m loan from China Minsheng Banking Corporation Limited, which is due for repayment on 31 December 2017.

The counterparties to the convertible loans are Gemstone 101 Ltd, a wholly owned subsidiary of the Valuestone Global Resource Fund, sponsored by Jiangxi Copper and China Construction Bank International for US\$5 million and GuoYi Holdings (BVI) Limited (“GuoYi Holdings”), a wholly owned subsidiary of GuoYi Holdings (Hong Kong) Limited, a private Investment Company based in Hong Kong for US\$10 million.

The key terms of the Convertible Loans are as follows:

Value of Loans	US\$5 million – Gemstone US\$10 million – GuoYi Holdings
Term of the Notes	24 months after completion date
Interest Rate	6.0%
Use of Proceeds	Proceeds will be solely applied to the repayment of the balance of bank loans outstanding with China Minsheng Banking Corporation.
Repayment	The loans may be repaid via the issue of Convertible Notes with a face value of US\$0.50 each, subject to shareholder approval which must be secured prior to 28 February 2018, or such other time as the parties may agree.
Convertible Notes	If repayment is satisfied with the issue of convertible notes, the notes will be for a term of 24 months and may be converted into shares at any time at a conversion price of A\$0.50 per share.
Options	Under the Convertible Loan Agreements, both Gemstone and GuoYi Holdings will receive 200,000 free options each with an exercise price of \$0.80 and expiring 24 months from date of issue. The options are freely transferable.

On behalf of the Board.

ENDS.

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