

MARKET RELEASE

18 March 2019

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## Amended Appendix 5B

Attached is an **Amended Appendix 5B – Mining exploration entity and oil and gas exploration entity quarterly report** for the 31 December 2018 quarter.

The amended form provides additional information in Section 8.

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## Amended Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

**CUDECO LIMITED**

**ACN            000 317 251**

**Quarter ended ("current quarter")**

**14 000 317 251**

**31 December 2018**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	16,452
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	(4,075)	(21,414)
(d) staff costs	(2,234)	(5,009)
(e) administration and corporate costs	(900)	(1,543)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	147	147
1.5 Interest and other costs of finance paid	(252)	(985)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(7,314)</b>	<b>(12,352)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	10,827	14,598
3.6	Repayment of borrowings	(3,771)	(3,771)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
	- Sale of Shares in Employee Share Plan	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>7,056</b>	<b>10,827</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	143	1,326
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,314)	(12,352)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,056	10,827

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	84
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>(115)</b>	<b>(115)</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2	143
5.2	Call deposits	-	-
5.3	Bank overdrafts	(117)	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>(115)</b>	<b>143</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
-
-

Section 6.1: \$Nil Directors fees were paid during the quarter.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
-
-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	82,013	82,013
8.2 Credit standby arrangements	Nil	Nil
8.3 Other (please specify)	18,914	18,914
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Section 8.1 - This balance relates to the following:

- (a) Secured short term loan facility with China Tonghai Interfinancial Limited of HKD100.0m at 6.0% interest per annum
- (b) Secured Convertible Note Subscription loan facility with Gemstone 101 Ltd ('Subscriber') of AUD22.0 million through the issuance of 44.0 million convertible notes at \$0.50 each at 6 % interest per annum. Gemstone 101 Ltd were also entitled to 4.4m free options exercisable at 80 cents.
- (c) Unsecured Convertible loan facility with Gemstone 101 Ltd of USD5.0 million at 6% interest per annum.
- (d) Unsecured Convertible loan facility with GuoYi Holdings of USD10.0 million at 6% interest per annum.
- (e) Secured short term loan facility with Pt Kemala Shipping of USD2.0 million at 3% interest per month.
- (f) Unsecured short-term loan facility with Vision Finance Limited of HKD40 million at 6% interest per annum.
- (g) Unsecured short-term loan facility with Mu Po Zhu (an Alternate Director of CuDeco Limited) of USD7.8 million (approximately AUD10.9 million) at Nil% interest per annum.

Section 8.3 - This balance relates to a Copper concentrate sales prepayment finance facility with

- a) Mitsui Co Ltd of US\$3.3 million. The facility is fully drawn and secured against the Power Plant situated at Rocklands Minesite. It attracts interest of 5.85% per annum.
- b) Noble Resources Ltd of US\$10 million. The facility is fully drawn and secured by a second charge over the Plant and Equipment of the Company. The facility attracts interest of 5-7% per annum.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Production	6,500
9.4 Staff costs	1,340
9.5 Administration and corporate costs	757
9.6 Other (provide details if material)	2,834
<b>9.7 Total estimated cash outflows</b>	<b>11,431</b>

Section 9.6

This relates to repayment of the PT Kemala short term loan facility of USD2.0 million (AUD2.8m ).

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10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	n/a			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	n/a			

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



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(Director/Company secretary)

Date: 18 March 2019.

Print name: Bruno Bamonte

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.