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ACN. 000 317 251

Time lodged with ASX: 11.30am (Brisbane)

MARKET RELEASE

30th July 2015

ROCKLANDS COPPER PROJECT (CDU 100%)

Rocklands Group Copper Project - Moving Forward

CuDeco is developing one of the most significant copper discoveries in Australia in recent decades. The Rocklands global deposit is dominated by primary copper mineralisation, however the first 10 years of production will treat large zones of supergene enriched ore including expansive zones of coarse native copper.

The Rocklands Group Copper Project is robust, the geology and mineralogical characteristics are well understood, and it incorporates one of the most advanced and capable process plants in Australia. The Rocklands Team are urgently working towards delivering the returns anticipated by this exciting project.

Will it take another $100M to complete the construction and commissioning?

NO. It was recently announced (24th & 27th July, 2015), and the Company can confirm the unqualified support from its 3 cornerstone investors, Sinosteel Equipment and Engineering Co., Ltd. ("Sinosteel), China Oceanwide International Investment Co. Ltd and New Apex Asia Investment Ltd., with receipt of the $3M, and with their working to secure the remaining approved funds from the Minsheng Bank in 2 tranches of $US5M and $US35M in the coming weeks.

Please see attached letter of support from CuDeco shareholder and EPC contractor, Sinosteel who are also supporting by agreeing to a delayed payment for part of the electrical contract.

With this facility in place, budgeting to date has confirmed that no further funds will be required through to production and positive cash-flow.

Will the Processing Plant be commissioned in 2015?

YES. The EPC contractor, Sinosteel, has confirmed that the first section of the processing plant will be available for pre-and early-commissioning activities prior to the end of September, and it is expected that we will be able to have ore feed onto the process prior to the end of October 2015, ramping up production through to early 2016. The processing plant was scheduled to be a 2-year build, but there have been a number of intervening factors, particularly the time in choosing the electrical sub-contractor, that have unfortunately led to the recent 3-month delay.

There are up-to 150 contractors on site on any given day, working 7 days per week in order to have the electrical installation completed in good time, with a small crew finalising the small amount of remedial work for the Structural, Mechanical & Piping (SMP).

The support of Sinosteel in this regard is also evidenced in the attached letter.

Is Rocklands one of the lowest-cost mining operations in Australia?

YES. Based on the current mining schedule Life of Mine (LOM) operating costs are estimated as follows;

- Mining costs = **$3.22** per tonne ore & waste
- Processing costs = **$13.84** per tonne ore
- Strip ratio = **3.87 to 1**

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To date around 14.6Mt has been mined at the Rocklands Project, sourced from production pits (13.8Mt - including organic strip-back, waste pre-strip and production), and some 0.80Mt from non-pit related development activities. Ore/waste movements from all sources to date include;

- Morris Creek Diversion Channel = 0.65Mt (free-dig and blasting)
- Water Storage Facility (WSF) = 0.12Mt (free-dig)
- Production Pits = 13.8Mt (free-dig and blasting - includes pit strip-back of topsoil)

After mining to date, remaining LOM strip-ratio has reduced to **3.77 to 1** and estimated mining costs have reduced to **$3.16** per tonne. Mining costs to date have been impacted by shared use of mining assets with development activities, including periods of long haul distances during construction of the tailings facility (12 -14km round trips).

Processing costs are estimated at **$13.84** per tonne of ore, based on pre-commissioning estimate updates, adjustments to current energy pricing and planned production schedules. The net cost per tonne of ore delivered through the process plant is;

- $13.84 + $3.16 + ($3.16 x 3.77)) = **A$28.91** (US$21.25 @ US/AUD 0.735)

Is the Project a 10-Year only Project?

NO. Stage 1 mine plans are to process 30M tonnes of ore over a 10-year period. Rocklands resources, based on the November 2013 resource update, facilitates many expansion and continuation options.

Total Rocklands Resources November 2013 at various cut-off grades;

Total Resource Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	272	0.19	214	0.08	5.9	0.5	0.7	1,125	2,962	4,208
0.40	96	0.45	308	0.13	4.6	0.9	1.1	959	1,902	2,244
0.80	30	1.01	466	0.21	4.8	1.7	1.9	681	1,140	1,253

See full resource tables at end of this document.

Will the Processing Plant process the 3M tonnes per annum?

YES. Nameplate throughput for the Process Plant is 3 million tonnes per annum. The design of the process plant is very robust, having been based on ~5 years of intensive metallurgical and processing test-work and a further 2 years of testing. A scoping study undertaken late last year showed sufficient capacity in the major equipment items, that with minimum plant modification the Processing Plant can be uprated to 4.5 million tonnes per annum throughput rate.

Figure 1: Haul road (ramp) into the LM2 Pit - the CuDeco mining fleet (purchased during the GFC) has performed above expectations.

Will the crushing plant handle this level of production successfully?

YES. The Rocklands crushing plant has been under commissioning trials for a period of time now, undergoing incremental improvements that have lifted throughput to as high as 900 tonnes per hour, and a comfortable 750 –800 tonnes per hour, equating to more than 200 tonnes per hour above design. Crushing plants generally have a much lower availability, or on-line time, so this equates to an effective minimum 4.5 milion tonnes per annum capacity.

Will the crushing plant handle large native copper nuggets?

YES. The development of the crushing plant has seen a number of modifications to handle the oversize (up to 250Kg) native copper nuggets. In addition to this, trial processing of the +150mm and +40mm oversize crusher product through the mobile jaw and cone crushing plant has proven beyond doubt the ability of a cone crusher to handle this product and more importantly provide a final +40mm product of 92% Cu average (which is almost 100% raw native copper nugget). A cone crusher is on order and will replace the second rolls crusher. This installation will not impact on the project schedule.

Importantly, this coarse native copper product is separate and in addition to the –40mm native copper concentrates anticipated from the Gravity Circuit.

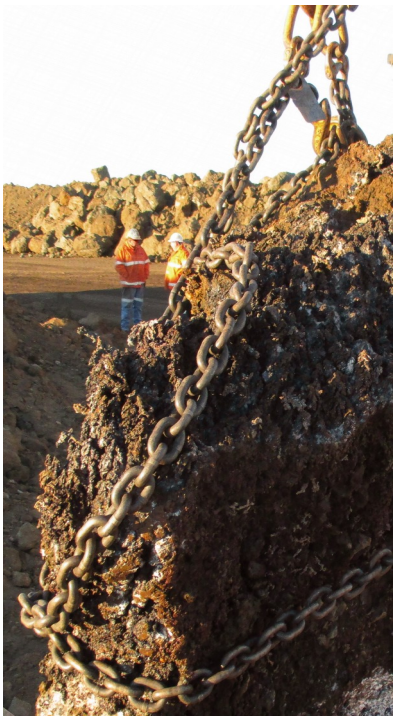

Figure 2: Large native copper masses estimated at 4 tonnes

Is there enough stockpiled ore for the commencement of processing?

YES. Ore control remains excellent with low dilution and additional ore reporting to stockpiles compared to resource model;

- Mining dilution (loss of grade) = **1.77%** (ie. 1.77% loss of grade from resource to stockpiles)
- Mining loss (loss of ore) = **-5.9%** (ie. 5.9% gain of ore from resource to stockpiles)
- Net additional metal reporting to inventory
- Grade control assays also indicating significant increases (additional to the above loss/dilution)

Stockpile Reconciliation to end June 2015		grade control*	resource model**	grade control*	resource model**
Oretype	stockpile tonnes	Cu %	Cu %	CuEq %	CuEq %
High-grade (HG)	811,904	2.66	2.31	4.17	3.70
Low-grade (LG)	815,306	0.42	0.44	1.50	1.39
Total (HG & LG)	**1,627,210**	**1.54**	**1.37**	**2.83**	**2.54**
Sub-grade (SG)	605,313	0.14	0.20	0.76	0.72
Total (HG, LG & SG)	**2,232,523**	**1.16**	**1.05**	**2.27**	**2.05**

** Grade control reconciliation (based on grade control lab assay), still subject to final audit*
*** Resource model reconciliation (based on resource model estimates, ore control and truck movements) - fully audited*

Approximately 366,000 tonnes of native copper bearing ore has been crushed during native copper scalping trials, producing native copper product for sale or casting in the recently commissioned Rocklands casting plant.

Will shareholders support the Rocklands team?

YES. The new executive team has the backing of the major shareholders, and many that have communicated their support in recent days. In this regard it is also worth highlighting several high-level contributors within our key management team, who collectively manage daily operations at Rocklands;

David Wilson

Manager and Principal Advisor - Exploration, Mineral Resources, Corporate

One of the longest serving senior people at CuDeco, David joined the Company during the early exploration phase and immediately introduced innovation to all aspects of the project, significantly driving success and adding scale to the Rocklands resource. He subsequently led similar innovation during resource assessment and estimation, pit optimisation and mine scheduling, improving economic outcomes through directing or managing;

- exploration, resource infill and deep diamond drilling programmes;
- resource modelling and estimation;
- pit optimisation & mine scheduling;
- feasibility studies including cash-flow, NPV and sensitivity analysis; and
- design/implementation of sophisticated ore/grade-control systems.

Corporate responsibilities include client, broker, shareholder and stakeholder briefings and preparation of ASX Company reports including updates, quarterlies, half-yearly and annual reports. He also contributes to the presentation of CuDeco and the Rocklands project in the public and professional arena, including national and international roadshows and Rocklands site visits.

Ross Cook

Process Manager - responsible for final stages of process plant construction and ongoing process operations.

Experienced operations and general manager and qualified metallurgical process engineer, with international and local experience in the fields of copper, tin, tantalum and mineral sands, all of which have processes that are incorporated in the Rocklands process plant.

Recent process experience as metallurgical process engineer, commissioning manager and operations general manager with processes incorporating 3-stage crushing, grinding, coarse and fine gravity separation, and sulphide and oxide flotation.

Ross is an invaluable source of information that will be highly sought during the commissioning and early operations of the Rocklands project.

Ryan Kemp

Mining Manager

An experienced mine surveyor with 20 years' experience in the Mining Industry. He joined the company early 2013 initially as a mine surveyor before being promoted to the position of Mining Manager in June 2014.

He is responsible for planning and scheduling of all mining operations, drill and blast, civil works and earthmoving, ensuring production targets and budgets are met in a safe work environment, supervision of the technical services team and mobile maintenance department.

He has extensive experience in mine surveying, both underground and open pit, in Australia and overseas. He has worked on green fields sites and has been involved in mine establishment, plant and associated infrastructure construction, as well as bringing existing mines up to modern standards.

Moving forward

All efforts are currently focussed on completing construction of the processing plant. As components are completed, pre-commissioning activities will commence incrementally, followed by full wet-commissioning trials, the commencement of processing and eventual production of concentrate product for sale.

Mining activities will continue at significantly reduced rates until this has been completed, at which point mining rates are anticipated to ramp-up to full production levels according to the original project scheduling.

P R Hutchison

For and on behalf of the Board

- ends

Resource Statement

Measured Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	83	0.36	273	0.09	6.4	0.74	1.0	669	1,369	1,787
0.40	44	0.63	355	0.13	5.6	1.13	1.3	614	1,108	1,300
0.80	19	1.23	504	0.22	5.8	1.96	2.2	506	809	894
Indicated Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	98	0.16	226	0.07	6.5	0.47	0.7	339	1,021	1,518
0.40	40	0.32	287	0.13	4.1	0.74	0.9	282	652	779
0.80	11	0.68	405	0.19	3.0	1.28	1.4	170	319	346
Total Measured and Indicated Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	181	0.25	248	0.08	6.5	0.60	0.8	1,008	2,390	3,306
0.40	84	0.48	323	0.13	4.9	0.95	1.1	896	1,759	2,079
0.80	30	1.02	467	0.21	4.8	1.71	1.9	676	1,128	1,240
Inferred Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	91	0.06	146	0.09	4.6	0.3	0.4	117	573	902
0.40	12	0.24	200	0.10	2.6	0.5	0.6	63	142	166
0.80	0.5	0.54	413	0.12	3.2	1.1	1.2	6	12	13
Total Resource Rocklands Resource November 2013 at various cut-off grades										
cut-off	Tonnes	Estimated Grade				Copper Equivalents		Contained Metal & Equivalent		
CuCoAu*		Cu	Co	Au	Mag	CuCoAu*	CuEq*	Cu	CuCoAu*	CuEq*
%	Mt	%	ppm	ppm	%	%	%	Mlb	Mlb	Mlb
0.20	272	0.19	214	0.08	5.9	0.5	0.7	1,125	2,962	4,208
0.40	96	0.45	308	0.13	4.6	0.9	1.1	959	1,902	2,244
0.80	30	1.01	466	0.21	4.8	1.7	1.9	681	1,140	1,253

Additional Magnetite only Inferred Resource Rocklands Resource November 2013 at various cut-off grades						
cut-off	Tonnes	Estimated Grade				Contained Magnetite
Magnetite		Cu	Co	Au	Mag	
%	Mt	%	ppm	ppm	%	Mt
10	328	0.02	70	0.01	14.3	47
15	102	0.02	78	0.01	19.5	20
20	26	0.01	77	0.00	26.6	7

Note - Figures have been rounded to reflect level of accuracy of the estimates
*Copper equivalent CuCoAu% = Cu % + Co ppm*0.001232 + Au ppm*0.518238
*Copper equivalent CuEq% = Cu % + Co ppm *0.001232 + Au ppm *0.518238 + magnetite %*0.035342

This information is extracted from the report entitled "Rocklands Resource Update 2013" created on 29 November 2013 and is available to view on www.cudeco.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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.

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.

JORC Table 1 - Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Representative 1 metre samples were taken from ¼ (NQ, HQ) or ½ (NQ, BQ) diamond core. Representative 1 metre samples were taken from Reverse Circulation (RC) drilling, from which 3kg sub-samples were used for sample analysis. Blast-hole samples are taken in 5m composites through a riffle splitter. Composites can vary in length due to variations in end-of-hole depths.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond (DDH) of NQ, PQ, HQ and BQ diameters with standard and triple tube sample recovery and reverse circulation (RC) with "through the bit" sample recovery data were used for geological interpretation and resource estimation. Blast-holes reported are open-hole Rotary Air Blast (RAB).
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/ gain of fine/coarse material.*	DD core recovery for drill holes were close to 100%, with 99.9% of samples above 98% in reported meters. RC - Possible loss of native copper in the weathered portion of the mineralised zone has been identified and could result in an underestimation of the copper grade when based on RC drill data, in certain circumstances. This could not be reliably quantified and no correction to the data or estimates has been made, in the resource estimate dated November 2013. Blast-hole sample recoveries are greater than 70% average.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	Drill core was photographed after being logged by the geologist. Drill core not used for bulk metallurgical testing and the portion of DD core not sent for analysis are stored at the Rocklands site. Samples of drill chips from RC drilling are stored at Rocklands core shed.

JORC Table 1 - Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	All DD core was orientated along the bottom of hole, where possible. A cut line was drawn 1 cm to the right of the core orientation line. Core was cut with a diamond saw, ½ core was used for NQ and ¼ core was used for PQ Sample intervals were 1m down-hole in length unless the last portion of DD hole was part of a meter. SGS Minerals Townsville Sample Preparation: All samples were dried. Drill core was placed through jaw crusher and crushed to approx. 8mm. RC chips and core were split if necessary to a sample of less than approximately 3.5kg. Native copper samples were prepared by 2 methods. Grain size of native copper determined which method was used; Samples where native copper grain size was less than 2mm were disc ground to approximately 180µm. 500g was split and lightly pulverised for 30 seconds to approximately 100µm. Samples where native copper grain size was greater than 2mm were put through a roller crusher to approximately 3mm. Samples were sieved at 2mm with copper greater than 2mm hand picked out of sample. Material less than 2mm and residue above 2mm was disc ground to approximately 180µm. 500g was split from the sample and lightly pulverised for 30 seconds to approximately 100µm. All other sampled material not containing native copper was pulverised to a nominal 90% passing 75µm.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Cu and Co grades were determined by 3 acid digest with either a ICP-AES (Inductively-Coupled Plasma Atomic Emission Spectrometer) or AAS (Atomic absorption Spectrometer) determination (SGS methods, ICP22D, ICP40Q, AAS22D AAS23Q, AAS40G). Au grades were determined by 50g Fire Assay (at SGS Townsville method FAA505). All analyses were carried out at internationally recognised, independent assay laboratory SGS. Quality assurance was provided by introduction of known certified standards, blanks and duplicate samples on a routine basis. Assay results outside the optimal range for methods were re-analysed by appropriate methods. Copper assay results differ little between acid digest methods but cobalt assay results show a significant underestimation when analysed using the AAS. Ore Research Pty Ltd certified copper and gold standards have been implemented as a part of QAQC procedures, as well as coarse and pulp blanks, and certified matrix matched copper-cobalt-gold standards. Performance for standards has been adequate. QAQC monitoring is an active and ongoing process on batch by batch basis by which unacceptable results are re-assayed as soon as practicable.

JORC Table 1 - Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.*	Results between twinned RC and diamond holes are in approximate agreement, when taken into consideration with the natural variation associated with breccia-hosted ore bodies, identified coarse mineralisation, and subsequent weathering overprinting. All assay data QAQC is checked prior to loading into the CuDECO Explorer 3 data base. No adjustments have been made to assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control.*	All drill holes at Rocklands have been surveyed with a differential global positioning system (DGPS) to within 10 cm accuracy and recorded in the CuDECO databases.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Drilling has been completed on nominal local grid north-south sections, commencing at 100m spacing and then closing to 50m and 25m for resource estimation. Local drilling in complex near-surface areas is further closed in 12.5m Vertical spacing of intercepts on the mineralised zones similarly commences at 100m spacing and then closing to 50m and 25m for resource estimation, again some closer spacing is used in complex areas. Drilling has predominantly occurred with angled holes approximately 55° to 60° inclination below the horizontal and either drilling to the local grid north or south, depending on the dip of the target mineralised zone. Holes have been drilled to 600m vertical depth The data spacing and distribution is sufficient to establish geological and grade continuity appropriate for the Mineral Resource estimation procedure and has been taken into account in 3D space when determining the classifications to be applied. Samples were composited to 2m down-hole for resource estimation in the known wireframe constrained mineralised zones and 10m downhole in the general lithology zone (Inferred only). Blast-drilling is either 3x3 or 3x4 grid-pattern over blast areas.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drilling has been completed on local north-south section lines along the strike of the known mineralised zones and from either the north or the south depending on the dip Vertical to South dipping ore bodies, Las Minerale, Rocklands South Extended, Rainden and Solsbury Hill, were predominantly drilled to the north whilst Vertical to Northing Dipping ore bodies, Las Minerale East, Rocklands South, Rocklands Central and Le Meridian were predominantly drilled to the south. Scissor Drilling, (drilling from both north and south), as well as vertical drilling, has been used in key mineralised zones at Las Minerale and Rocklands South, to achieve unbiased sampling of possible structures, mineralised zones and weathering horizons. Horizontal layers of supergene enrichment occur at shallow depths in Las Minerale and Rocklands South and a vertical drill program has been drilled at right angles to address this layering and to provide bulk samples for metallurgical test work. Blast drilling occurred vertically through apparent flat laying enriched high grade supergene zones.

Sample security	*The measures taken to ensure sample security.*	Samples are either dispatched from site through a commercial courier or company employees to the Laboratories. Samples are signed for at the Laboratory with confirmation of receipt emailed through. Samples are then stored at the laboratory and returned to a locked storage shed on site.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	CuDECO conducts internal audits of sampling techniques and data management on a regular basis, to ensure industry best practice is employed at all times.

JORC Table 1 - Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The Rocklands Project is located within granted mining leases ML90177 and ML90188, and Infrastructure Lease ML90219. Landowner agreements formed part of the granting, and remain current for the duration of the mining leases. Native Title Ancillary agreements have been signed with the Mitakoodi & Mayi peoples and the Kalkadoon peoples, the local custodians of the areas covered by the mining leases. Mining Leases detailed above are granted for a period of 30 years; there is no known impediment to operating for this period of time. The Project operates under a Plan of Operations, the most recent of which covers the period January to December 2015.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Previous reports on the Double Oxide mine by CRA and others between 1987 and 1994 describe a wide shear zone containing a number of sub parallel mineralised zones with a cumulative length of 6 km.
Geology	*Deposit type, geological setting and style of mineralisation.*	Hosted within metamorphosed meso-Proterozoic age volcano-sedimentary rocks and intrusive dolerites of the Eastern Fold Belt of the Mt Isa Inlier. Dominated by dilational brecciated shear zones containing coarse patchy to massive primary mineralisation, with high-grade supergene chalcocite enrichment and bonanza-grade coarse native copper in oxide. Structures hosting mineralisation are sub-parallel, east-southeast striking and steeply dipping. The observed mineralisation, and alteration, exhibit affinities with Iron Oxide-Copper-Gold (IOCG) style deposits. Polymetallic copper-cobalt-gold mineralisation, and significant magnetite, persists from the surface, through the oxidation profile, and remains open at depth.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Resource grades reported according to November 2013 Resource Estimate, based on the following drill-type distribution; **Drilling Type** / **2010** / **2011** / **2012** / **2013** / **Total** RAB # holes: 1514 / 499 / 1668 / 145 / 3826 RAB metres: 7820 / 2819 / 18741.5 / 2211 / 31591.5 DD # holes: 239 / 111 / 235 / 28 / 613 DD metres: 47286.04 / 17386.68 / 24749.41 / 7507.9 / 96930.03 RC # holes: 1491 / 84 / 2 / / 1577 RC metres: 221263.1 / 9850.8 / 195.7 / / 231309.6 Geotech DD # holes: / / 8 / / 8 Geotech DD metres: / / 182.6 / / 182.6 Open Hole # holes: / / 1 / 6 / 7 Open Hole metres: / / 285 / 1394 / 1679 **Total # holes**: **3109** / **684** / **1914** / **179** / **5886** **Total metres**: **276369.14** / **30056.48** / **44154.21** / **11112.9** / **361692.73** Grade control results based on composite assays from close-spaced production blast-hole drilling.

JORC Table 1 - Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	In order to be consistent the drill intersections reported above have been calculated on the basis of copper cut-off grade of 0.2% Cu, or a copper equivalent grade of 0.35%, with an allowance of up to 4m of internal waste. Metal equivalents are reported using the following formula. CuCoAu equivalent grades were based on metal prices and metallurgical recoveries provided by CuDECO and refer to recovered equivalents: Cu 95% recovery US$2.00 per Pound Co 90% recovery US$26.00 per Pound Au 75% recovery US$900.00 per Ounce Magnetite 75% recovery US$195 per Tonne The recovered copper equivalent formula was: CuEq%= Cu% + Co ppm *0.001232 + Au ppm *0.518238 + Mag% * 0.035342 Mineralised structures are variable in orientation, and therefore drill orientations have been adjusted from place to place in order to allow intersection angles as close as possible to true widths. Exploration results have been reported as an interval with 'from' and 'to' stated in tables of significant economic intercepts. Tables clearly indicate that true widths will generally be narrower than those reported. Grade control grade estimates are calculated from blast-hole assay averages, constrained to ore-type domains within each mined flitch.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Resource Model; Mineralised structures are variable in orientation, and therefore drill orientations have been adjusted from place to place in order to allow intersection angles as close as possible to true widths. Exploration results have been reported as an interval with from' and 'to' stated in tables of significant economic intercepts. Tables clearly indicate that true widths will generally be narrower than those reported. Resource estimation, as reported later, was done in 3D space. Grade control; As per resource model above, however drill-holes are generally evenly spaced and vertical, negating the need for de-clustering of data.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer JORC Report November 2013

JORC Table 1 - Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Resources have been reported at a range of cut-off grades, above a minimum suitable for open pit mining.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Extensive work in these areas has been completed, and was reported in detail by CuDECO in earlier statements to the ASX.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	CuDeco is currently mining and stockpiling ore. The mineralisation is open at depth. Current estimates are restricted to those expected to be reasonable for open pit mining. Limited drilling below this depth (-250m RL) shows widths and grades potentially suitable for underground extraction. CuDeco are currently considering target sizes and exploration programs to test this potential to 1,000m from surface.

SINOSTEEL 中钢设备有限公司
SINOSTEEL EQUIPMENT & ENGINEERING CO., LTD.

To whom it may concern,

Sinosteel Equipment & Engineering Co., Ltd. (Sinosteel) is a substantial shareholder of Cudeco Limited (Company) and also the contractor for the processing plant.

With the close cooperation of our local partner Walz Group, the SMP installation has essentially completed. We will continue the site work at full speed without any hesitation. Sinosteel and Walz now have around 150 workers working on the Electrical installation. The processing plant will commence test run within three months and then load commissioning and start-up. This will enable the project start production in early 2016.

On the other hand, for the best interest of all shareholders, Sinosteel will continue to work closely with other major shareholders to work out a new financial arrangement to support the commissioning and operation of the project, such arrangement may either by loan from a Chinese bank or by new share placement, or a combination of both.

Yours faithfully,

Jiang Gongyang
Project Manager
Sinosteel Equipment & Engineering Co., Ltd.

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