LIMITED
CUDECO
THE NEW FORCE IN COPPER

ACN. 000 317 251

Quarterly Report ending 30th June 2015 — 31st July 2015

ROCKLANDS COPPER PROJECT (CDU 100%)

HIGHLIGHTS POST-QUARTER END

- Commissioning of metal casting plant for casting 400kg copper ingots from native copper
- Shareholders vote not to approve proposed issue of shares to Focus Sun Holdings Limited @ $1.25 per share, to raise A$45 million
- Founding Chief Executive Officer, Executive Director and Chairman, Wayne McCrae resigns all positions with the Company
- Executive Director Peter Hutchison assumes the role of Managing Director
- Independent Non Executive Director David Taylor assumes the role of Interim Independent Non Executive Chairman
- Appointment of Non Executive Director Jiang Yongmin, as Sinosteel's nominated representative on the board
- Cost-efficiencies implemented at Rocklands to reduce capital outlays whilst the process plant is completed, including reduction of mining to 5,000 tonnes per day average.
- The Company receives confirmation of support from three major shareholders, China Oceanwide, Sinosteel and New Apex Asia Investment (34.7% combined holding), concerning funding arrangements, in addition to an increase in the loan facility with China Minsheng Banking Corp.

QUARTER HIGHLIGHTS

PROCESS PLANT CONSTRUCTION

- Major components installed, electrical and instrumentation cabling underway, mechanical install contractors demobilising as areas are completed

MINING

- Mining in the LM2 Pit concurrently accessing both supergene and primary ore types

PRODUCTION

- Scalping of oversize native copper metal fraction sizes using the Company's mobile crusher (cone crusher) and screens is ongoing, with ~366,000 tonnes of high-grade native copper ore crushed to the end of June
- Large masses and agglomerates of near-solid native copper metal are regularly being recovered from current crushing of native copper ore at Rocklands

EXPLORATION

- Desk-top analysis of geophysics and geochemical surveys, field sampling and mapping, and target generation ongoing at EPM18054, EPM25426 and ML90177
- EPM18054 - bedrock drilling programme commences

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

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

HEALTH AND SAFETY

- Safety systems development continued during the quarter with the creation of new standard operating procedures (SOPs) and the roll out of safety training programs
- There was one Lost Time Injury (LTI) recorded in the quarter, which consequently raised the Rocklands Project LTI Frequency Rate (LTIFR) from 6.9 to 7.5 (LTIs per million man hours worked)

HUMAN RESOURCES

- At the end of July the Rocklands workforce stood at ~301, consisting of 124 CuDeco employees and ~177 contractors
- CuDeco maintains a no fly-in/fly-out (FIFO) policy

ENVIRONMENT

- Implementation of a site wide chemical reporting and information system
- Stakeholder Meeting and information night
- Remote site Davis weather station upgraded to 3G network
- Drilling and commissioning of compliance monitoring bore
- Quarterly environmental field monitoring of groundwater, surface water and air quality activities completed

CORPORATE

- CuDeco enters into a supply agreement with the Shijiao, Qing Yuan based Group for up to 40,000 tonnes per year of high grade native copper, to be supplied in a concentrate grade of not less than 90% Cu

Figure 1: Scalping (recovery) of course native copper by simple crushing and screening. The native copper is flattened during cone-crushing whereas the rock breaks into smaller pieces, facilitating easy removal via appropriate screen sizing.

SUBSEQUENT EVENTS

Commissioning of metal casting plant for casting 400kg copper ingots from native copper

Commissioning of a 750 tonne per month copper metal casting plant at the Rocklands Process Plant was undertaken in July. Construction costs of the plant, which is capable of casting clean and sulphur free 99.7% copper ingots, was approximately $1.2 million. Nuggets are required to be clean of gangue material as the casting plant only heats and melts the metal. The current casting plant is part of a staged approach that will eventually see an increase to casting capacity approaching 4,000 tonne per month.

The commissioning of the copper metal casting plant was highly successful and a milestone for the Project.

Figure 2: First pour of copper at the Rocklands Group Copper Project during commissioning of the copper casting plant.

The casting plant and ancillary equipment was installed by CuDeco engineers, independent of the processing plants principal contractor, Sinosteel Equipment and Engineering Co Ltd., and included a 1Mw power station. The plant was installed and operational within 3 months of arriving on site.

The end product is a high grade 99.7% copper ingot, that will facilitate grade estimates of shipped product compared to product sold as natural native copper nuggets to end buyers.

End buyers had indicated potential concerns estimating the grade of consignments of extremely high-grade coarse native copper product. The casting plant offers a solution in the sampling and estimation process.

Shareholders vote no to proposed issue of shares to Focus Sun Holdings Limited

On 30 June 2015, the Company held an Extraordinary General Meeting to approve the issue of 36m shares and 20m options to Focus Sun Holdings Ltd, for the purpose of financing the completion of the Rocklands Process Plant. The need for further funding in addition to monies previously raised is due to the ongoing delays experienced in the construction of the process plant by EPC contractor Sinosteel Equipment and Engineering Co Ltd of China.

CuDeco's shareholders including its Chinese investors did not support the resolution and it was subsequently defeated. To ensure that Rocklands reaches production, Mr Tony Wu on behalf of New Apex Ltd has advised the company that they have agreed with China Oceanwide International Investment Co., Limited and Sinosteel Equipment and Engineering Co Ltd to provide a short term loan to CuDeco Limited whilst the company waits for the Minsheng Bank to complete the paperwork for the outstanding drawdown.

The Company has applied to drawdown a further US$5 million under the terms of the existing facility and a further US$35 million which was originally approved by Minsheng Bank. To assist with this, CuDeco's major Chinese Shareholders have agreed to furnish to the bank letters of support for the additional drawdowns on the condition Mr McCrae resigned from his position within the Company.

Mr McCrae advised the three major Chinese shareholders he was prepared to resign his positions in the Company, providing the guarantees of support were in place to secure the funding future of the Company.

Changes to the Board of Directors

At the close of business Friday 24th July, the following changes had been made to the board of directors;

1. Appointment of Peter Hutchison as Interim Managing Director;
2. Appointment of David Taylor as Interim Chairman;
3. Resignation of Wayne McCrae from the position of Chairman and CEO;
4. Resignation of W McCrae as a Director and employee of the Company; and
5. Election of Mr Jiang Yongmin as a Non Executive Director. Mr Yongmin will join the Board as Nominee of Sinosteel Equipment and Engineering Co., Ltd

Cost-cutting efficiencies and reduction in mining

Mining has been reduced to one smaller shift working on a seven day on and seven day off roster as part of cost-efficiency programmes at Rocklands. Whilst waiting for the delivery of the process plant by Sinosteel Engineering Co Ltd the company has stockpiled more than 2.2mt of ore to be processed. This is sufficient to meet our existing requirements. Estimated savings on wages, fuel, drill and blast and associated mining costs, are approximately $500,000 per week.

The project continuing

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.

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

PROCESS PLANT CONSTRUCTION

Many areas of the process plant have reached the final stage of installation and construction, to the extent that most of the mechanical install contractors have demobilised. The electrical and instrumentation contract undertaken by CuDeco's principal contractor, Sinosteel Equipment and Engineering is now well under way and is 30 percent complete.

Other activities during the period include;

- The crushed ore stockpile reclaim tunnel construction was completed and the top concrete slab and ore-feed port are under construction. Installation of the feeder will follow
- The contractor has commenced installation of pipe racks and cabling
- Buried high voltage cable installation is nearing completion
- The process plant water ponds are completed and ready for lining
- The contract for fuel supply is close to being awarded and following signing of the contract, the fuel farm and supply piping to the power station will be installed
- The crusher continued to process ore from stockpiles to produce a native copper concentrate
- Installation of the copper casting plant

Figure 3: Flotation cell building (left), gravity jig and spirals building (far distance) and concentrate thickener & filter buildings (right) connected by a highway of piping and electrical cable support frames (foreground).

Minor civils and infrastructure still ongoing or recently completed

Stockpile tunnel – installed, feeder to be installed

- Modifications to process water storage facility completed.
- HDPE lining of process plant water storage facilities to commence
- Installation of the fire mains system
- Installation of the fuel farm and associated tanks and pipework.
- Installation of decant pond/filter wall at the Tailings Storage Facility (TSF)

Site Services

- Copper casting plant platform fabricated and installed, and placement of the cooling tower, control board, and water supply.
- Continuation of processing high-grade feed through the mobile crusher producing native copper for casting plant feed and other profitable avenues.
- Installation of new pipelines to compliment dewatering bores at the SRE Pit and the new Solsbury production bore.
- Wet weather protection and new drainage channels have been adopted to catch and store more water for future use.
- Fabrication of the New Workshop has begun with the placement of the first three of fourteen structural containers in place.
- Completion of the large Cudeco Emergency Response Team and training ground – await the placement of the infrastructure.
- Clearing of a 25km long fence/fire break is complete giving access to the whole boundary of Rocklands lease.

Figure 4: Electrical and computer cable installation is well underway at Rocklands and represents one of the largest, most important and complex contracts undertaken on the Project

MINING

Mining rates were maintained in the range 25,000-30,000 tonnes per day for the quarter, predominately from the LM2 Pit, with occasional mining at the RS1 Pit during periods of congestion.

Primary ore dominates at the south end of the LM2 pit whilst supergene ore dominates in the north.

The LM2 Pit is the second of three staged pits targeting the Las Minerale orebody and has a final design depth of ~120m. LM2 circles the previously completed LM1 Pit that finished in high-grade ore at RL152.5 (~70m deep). The final LM Pit (LM3) has a final design depth of ~210m

Pit staging facilitates access to high-grade ore earlier in the mine life, resulting in benefits to project economics.

Improved Machinery availability saw mining rates at the upper end of desired rates of almost 30,000tpd towards the end of the quarter;

- High-grade supergene ore in the LM2 Pit has been mined to RL170 level.
- The eastern shoulder of LM2 Pit has been blasted to RL170 level for mining in the next quarter.
- The primary ore zone at the south end of LM2 Pit has been blasted down to 180RL and excavation is ongoing.

Drilling and installation of Piezometers for Geotechnical ground water monitoring was completed in conjunction with supplementary pit dewatering bores.

Ore control

Mining activity during the quarter included;

- LM2 Pit reaches RL170 (approximately 50m from surface).
- Primary sulphide ore (chalcopyrite) and supergene ore (native copper/chalcocite) being mined concurrently from LM2 Pit
- Ore control remains excellent, with negligible dilution and additional ore reporting to the stockpiles;
  - Mining dilution (loss of grade) = **1.77%** (ie. 1.77% loss of grade)
  - Mining loss (ore lost to waste) = **-5.9%** (ie. 5.9% gain of ore due to mining)
  - 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, ore control and truck movements), still subject to final audit*
*** Resource model reconciliation (based on resource model estimates, ore control and truck movements) - fully audited*

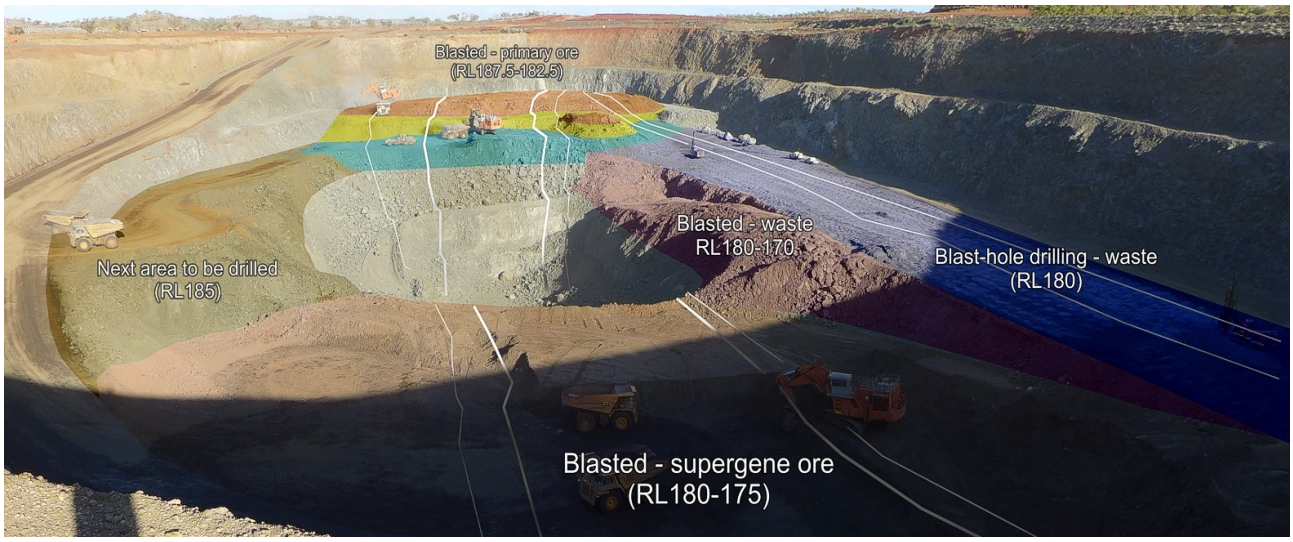


Figure 5: Pit scheduling schematic (top image) and mining in supergene ore at the north of the LM2 Pit (bottom)

CRUSHING CIRCUIT AND PRODUCTION

With the Process Plant under construction, the Crushing Circuit is being utilised to produce early cash-flows from coarse native copper ore types.

The Crushing Circuit has been running without incident for several months at rates up to 900 tonnes per hour, almost twice design capacity.

Over 300,000 tonnes of high-grade native copper ore had been crushed to the end of June, in the process producing clean native copper metal product via scalping screens (90-95% Cu), in addition to the various crushed fraction sizes for further processing including;

- Scalping of smaller native copper metal fraction sizes using the Company's mobile crusher (cone crusher) and screens;
- Direct sale as high-grade ore.
- Feed for the copper casting plant.

Crushed ore will not require re-crushing and will be fed directly into the HPGR feed, resulting in future cost savings.

A cone crusher has been ordered and will replace the second stage rolls crusher enabling copper concentrate to be produced from the main crushing circuit without requiring further processing.

Large masses and agglomerates of near-solid native copper metal are regularly being recovered from current crushing of native copper ore at Rocklands

Large masses and agglomerates of near-solid native copper metal are regularly being recovered from current crushing of native copper ore at Rocklands. There is no evidence of these masses being intercepted in resource or infill drilling and as such, are not likely to have contributed to copper grades during resource estimation.

From JORC Report November 2013, Table 1 - Drill sample recovery (see ASX ann. 29th November 2013);

> ***"Loss of native copper in the weathered portion of the mineralised zones at Las Minerale and Rocklands South was identified and could result in an underestimation of the copper grade when using RC drill data, in certain circumstances."***

Figure 6: To end June, high-grade native copper crushed ore stockpiles were ~166,00 tonnes

Figure 7: Masses of native copper being removed from the crushing circuit (top images) coarse native copper product averaging ~95% copper metal in concentrate at the Port of Townsville (middle) and large mass cut to reveal near solid copper metal (bottom).

EXPLORATION

Exploration activity has been scaled back to allow the focus of Rocklands staff and assets to concentrate on development activities, and to reduce cash spend as part of the wider cost-cutting measures recently employed at Rocklands.

Minor low-cost activity is ongoing however, including soil sampling, bedrock drilling, desk-top interpretation, and field reconnaissance.

ML90177

Desk-top analysis of geophysical surveys has identified numerous targets for future follow-up drilling, including several major targets along strike and/or offset to the flagship Las Minerale orebody (see figure 8). Extensions to known mineralisation were also investigated, with a view to further drilling and resource definition.

Contingent drilling programmes have been prepared.

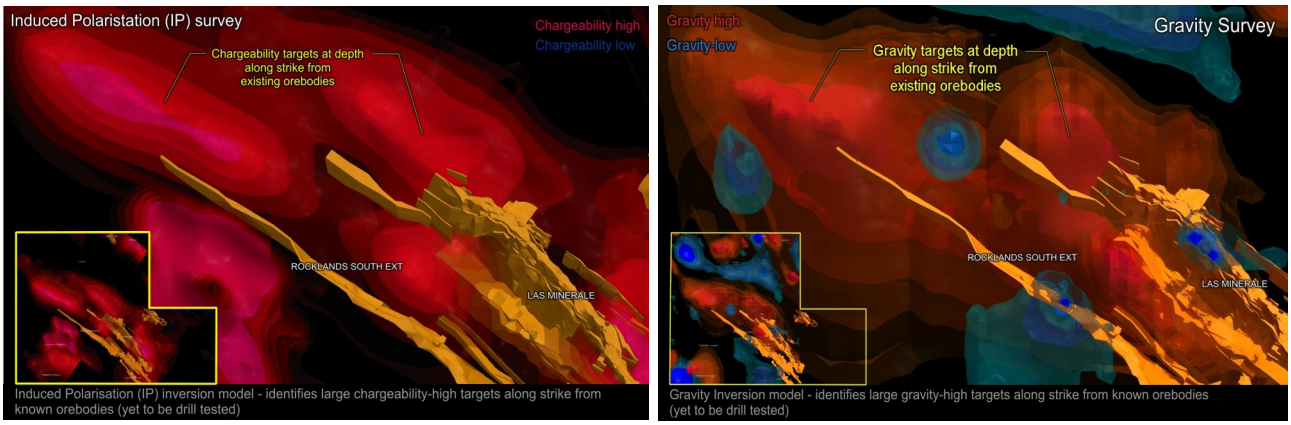


Figure 8: ML90177 - Gravity (left) and Induced Polarisation (IP) survey (right) showing correlating geophysics targets relative to existing orebodies at Rocklands.

EPM18054

First-pass bedrock drilling commenced towards the end of the quarter using the Company's own bedrock rig and drilling crew. The programme will be ongoing as capacity presents and samples will be routinely sent for assay on a monthly basis. Significant results will be released as they are received.

The areas targeted bridge numerous geological settings and as such provide several exploration models that will require careful geological assessment in determining the significance of results. Field reconnaissance has also identified copper occurrences at geologically important locations, including previously unknown historic copper "gouges" that do not appear in historic records.

EPM25426

EPM25426 will be concurrently explored with EPM18054 due to several interpreted structures of interest, and significant targets straddling both properties. Initial field reconnaissance work has been undertaken in select areas and is ongoing.

HEALTH AND SAFETY

Safety systems development continued during the quarter with the creation of new standard operating procedures (SOP's) and the roll out of safety training programs. There was one Lost Time Injury (LTI) recorded in the quarter, which consequently raised the Rocklands Project LTI Frequency Rate (LTIFR) from 6.9 to 7.5 (LTI's per million man hours worked).

Training delivered on site included;

- Light vehicle (LV) site pass outs
- First aid/CPR course for supervisors & managers
- Site inductions
- Drug and alcohol procedure for gate house staff

Emergency Response Team (ERT) development has progressed during the quarter and included;

- Fire awareness training
- Receipt of emergency response equipment including breathing apparatus sets and defibrillators
- Fire extinguisher inspections of all buildings
- Design of ERT training area

Other activities included;

- Incident reports investigations
- Fatigue assessment of contractors
- Medical centre stock take and organising patient records
- First aid assessments and treatment
- Safety audits and inspections of Cudeco and contractor workplaces
- Coordinating return to work plans and managing Workcover cases
- Safe act observations (SAOs)

HUMAN RESOURCES

At the end of July the Rocklands workforce stood at ~301, consisting of 124 CuDeco employees and ~177 contractors.

CuDeco continues to place a priority on working with the Cloncurry Community by actively participating in the Community and engaging local suppliers of employment and training. The Company continues to promote Community inclusion by encouraging locals to apply for vacancies or encouraging new recruits to relocate to Cloncurry. CuDeco has adopted a no fly-in/fly-out (FIFO) policy.

The formation of good working relationships with other employment stakeholders, in the Mount Isa/ Cloncurry area, continues to support our focus of a local workforce. This relationship is beneficial in securing the necessary skills and experience to assist in establishing a strong workforce. Our emphasis is placed on identified training that will increase skill capacity for locals candidates, in addition to the completion of a training needs analysis to identify target areas within our workforce.

The CuDeco Workforce, which has a residential ratio of 70:30, supports the local Community by participating and utilising local services.

ENVIRONMENT

Environmental awareness programmes are designed to develop greater awareness and participation from staff and contractors during site based activities, which aid in further developing a healthy and proactive approach to onsite environmental awareness.

It was another busy quarter for the Environment department, with some highlights including;

- Implementing a site wide chemical reporting and information system
- Stakeholder Meeting and information night
- Remote Site Davis weather station upgraded to 3G network
- Drilling and commissioning of compliance monitoring bore TSFCMB05

Other areas of activity included;

- Site Water Management and Waste Rock Management Plans currently under review
- Maintenance and calibration of critical monitoring and data collecting equipment
- First air quality monitoring filters from the remote monitoring DRX dustrack equipment sent to the lab for analysis
- Quarterly environmental field monitoring of groundwater, surface water and air quality activities completed

Recycling and recovery efforts currently include;

- 31,000L waste oil recycled through Clean It Industrial Services
- 1900kg HV/LV batteries to QLD Batteries

CORPORATE

Native copper supply agreement signed with one of China's largest copper recycling groups

CuDeco entered into a supply agreement with the Shijiao, Qing Yuan based Group for up to 40,000 tonnes per year of high grade native copper, to be supplied in a concentrate grade of not less than 90% Cu.

Rocklands native copper metal has a purity of ~99.7% Cu after separation from gangue rock. Simple crushing and screening of native copper ore produces a concentrate grade of ~95% Cu, resulting in significant savings in transport costs per tonne of shipped copper, and discounts to royalty payments compared to other copper concentrates.

Managing Director's commentary

The Rocklands Group Copper Project has developed to date as one of the new and exciting copper/gold projects that show a high potential to provide excellent returns to CuDeco shareholders and I'm proud to be part of it.

Recently I advised shareholders that 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., and they are now working to secure the remaining approved funds from the Minsheng Bank of $US40M. With this support Sinosteel, has confirmed that with up to 150 contractors on the process construction on any given day, the first section of the processing plant will be available for pre-and early-commissioning activities prior to the end of September and therefore we will be able to have ore feed onto the process prior to the end of October, 2015.

The programme, with the funding support now in place, will see our first shipment of commissioning concentrate leaving Australia prior to the end of 2015.

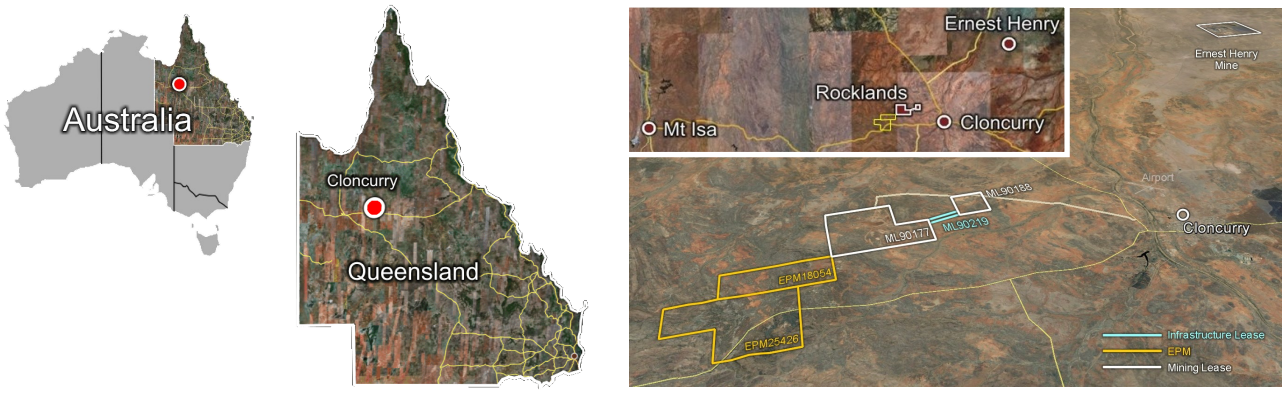
I have the utmost confidence in the ability of the Project to deliver and the process plant to handle the wide range of varying ore types, and indeed the range of oversize native copper nuggets. I personally have been involved with all the development and when I see what our guys have done to improve the crusher performance so that it can separate the very large oversize native copper nuggets, and handle the smaller nuggets at steady throughputs of 45% greater than the design rate, and when I saw the HPGR and gravity jigs successfully treating the different ore types, I am confident that there will be a smooth commissioning and that the normal teething problems will be quickly overcome.

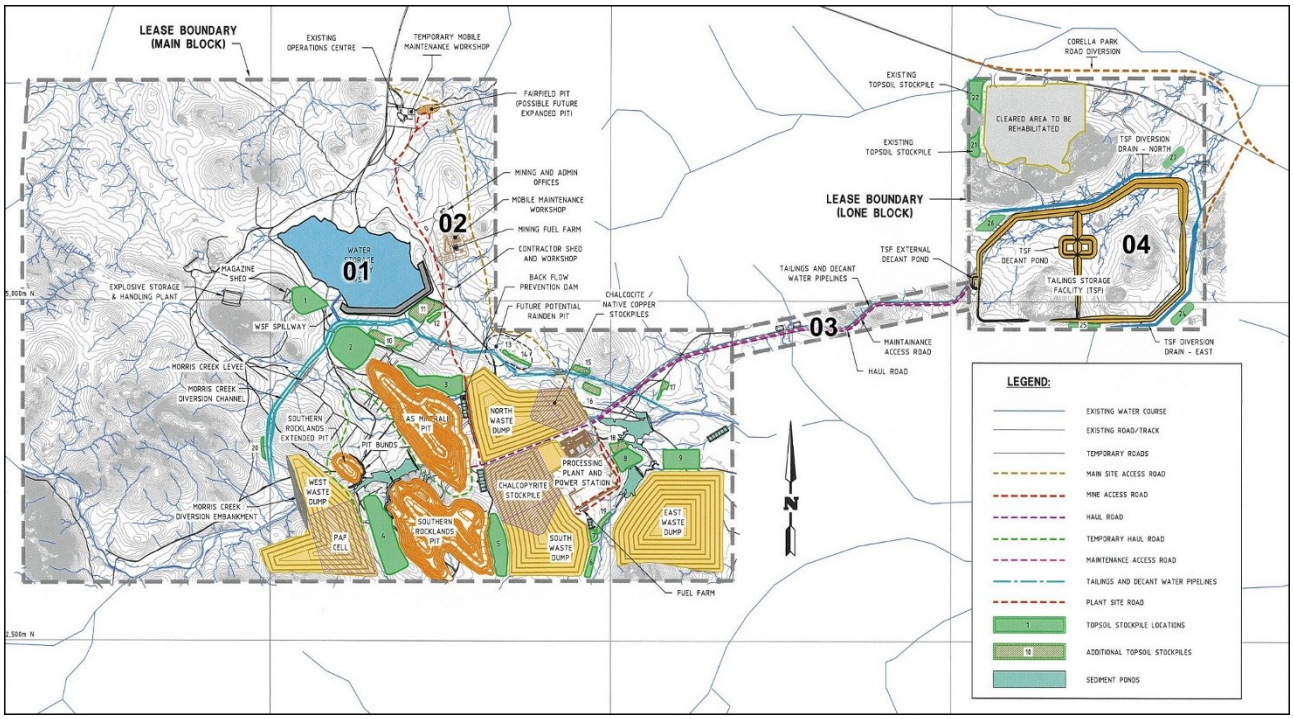
I am also extremely confident that with the Project will deliver financially, with the proven low mining costs, and grades of mined ore greater than indicated in the resource. I am also confident of the future of the Project well beyond the first 10-year stage.

On behalf of the board.

- ends

Rocklands Location Plan





01 - Water Storage Facility (WSF)
02 - Maintenance Workshop & Mining Office
03 - Infrastructure Corridor (Haul Road and Pipelines)
04 - Tailings Storage Facility (TSF)
05 - Morris Creek Diversion Channel
06 - Morris Creek Diversion Dam
07 - Topsoil Stockpiles
08 - West Waste Dump (and PAF cell)
09 - Rocklands South Extension pit (PAF pond)
10 - Las Minerale Open-cut, LM1, LM2 & LM3 Pits
11 - Southern Rocklands Pit (and SR Starter Pit)
12 - North Waste Dump
13 - Mine Access Road
14 - Primary Ore Stockpile
15 - South Waste Dump
16 - Run of Mine (ROM) Pad
17 - Native Copper and Chalcocite Stockpile
18 - Process Plant including Crushing Circuit
19 - Haul Road
20 - East Waste Dump
21 - Rainden Pit

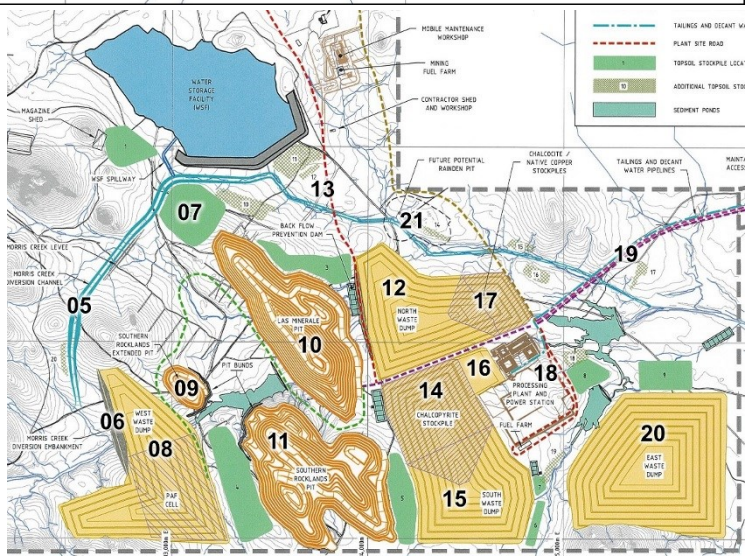
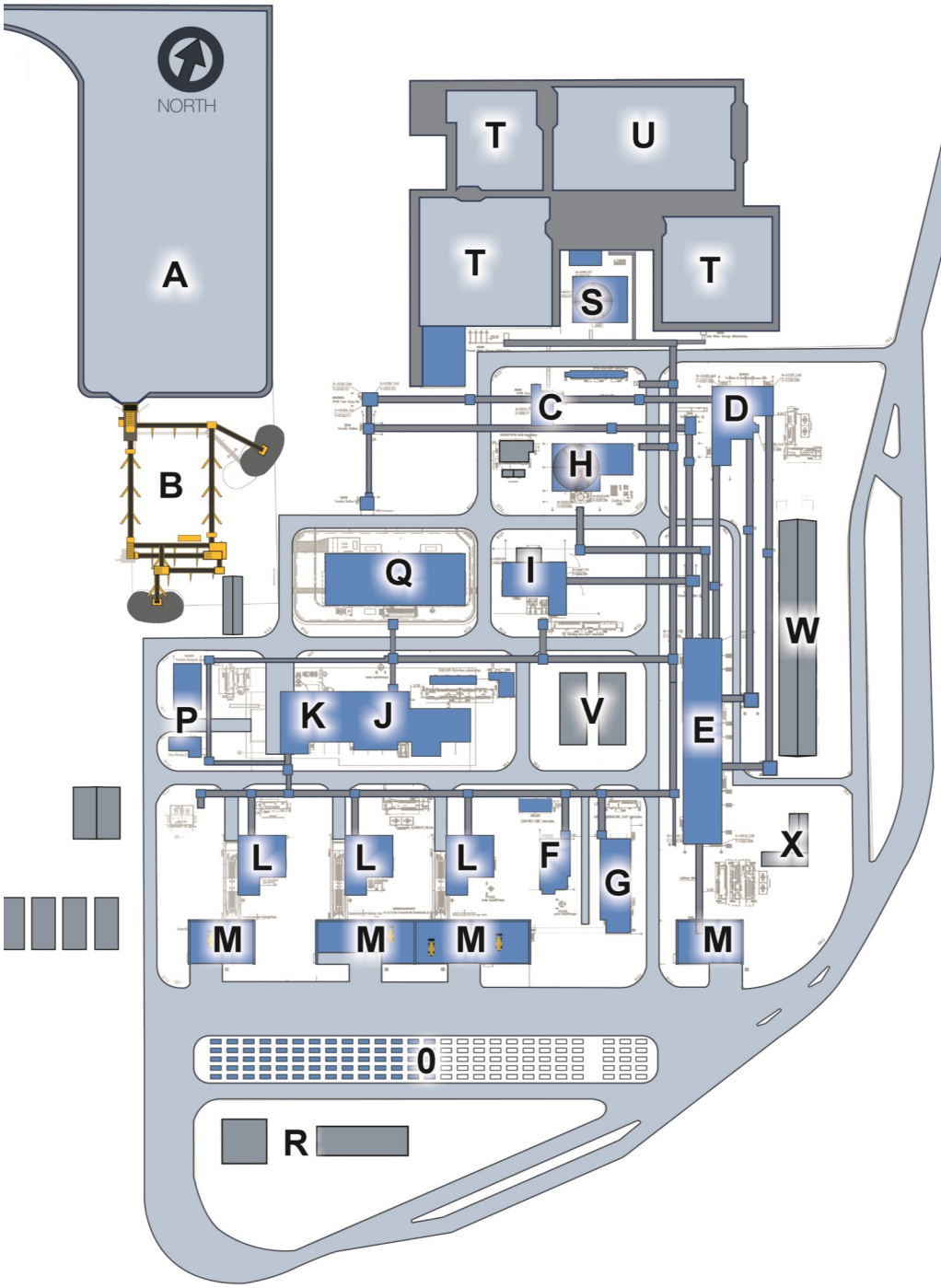


Figure 9: General Arrangement plans and location references.



Legend:

A ROM pad

B Crushing Circuit

C High Pressure Grinding Rolls (HPGR)

D Scrubber Circuit

E Gravity Jigs

F Spiral Concentrator

G Table Separator

H Gravity Thickener

I Ball Mill

J Flotation Plant

K Magnetic Separation

L Thickener/Filtration

M Concentrate Storage

O Final Product Container Storage

P Reagents

Q Power Station

R Fuel Storage

S Tailings Thickener

T Process Ponds

U Environmental Control Pond

V Process Office

W Stores Warehouse

X Project Office

Figure 10: Process Plant - schematic location plan with key areas noted in approximate process flow-sheet order

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.

Tenement Information

Further to the requirements of ASX Listing Rule 5.3.3, CuDeco Limited provides the following information regarding its mining tenements as part of its quarterly reporting obligations.

- The mining tenements held at the end of June 2015 and their location;

Tenement reference	Project	Company interest	Location
ML90177	Rocklands	100%	Cloncurry, NW Qld
ML90188	Rocklands	100%	Cloncurry, NW Qld
ML90219	Rocklands	100%	Cloncurry, NW Qld
EPM18054	Morris Creek	100%	Cloncurry, NW Qld
EPM25426	Camelvale	100%	Cloncurry, NW Qld

- The mining tenements acquired and disposed of during the June 2015 quarter and their location.

Nil

- The beneficial percentage interests held in farm-in or farm-out agreements at the end of the June 2015 quarter.

Nil

- The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the June 2015 quarter.

Nil

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.

Rule 5.5

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, 01/05/2013

Name of entity

CUDECO LIMITED

ACN	Quarter ended ("current quarter")
000 317 251	30 June 2015

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	934
1.2	Payments for (a) exploration & evaluation	(4)	(41)
	(b) development	(12,369)	(47,549)
	(c) production	-	-
	(d) administration	(1,010)	(6,133)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	75	128
1.5	Interest and other costs of finance paid	(1,153)	(3,522)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(14,460)	(56,182)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(4,668)	(55,947)
1.9	Proceeds from sale of: (a) prospects	-	
	(b) equity investments	-	-
	(c) other fixed assets	-	
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	(Increase)/Decrease in security deposits	-	196
	Net investing cash flows	(4,668)	(55,751)
1.13	Total operating and investing cash flows (carried forward)	(19,128)	(111,933)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(19,128)	(111,933)
1.14	Proceeds from issues of shares, options, etc.	6,500	42,653
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	62,384
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Borrowing costs	-	(2,155)
	Other – Shares acquired under employee share plan	-	(884)
	Net financing cash flows	**6,500**	**101,998**
	Net increase (decrease) in cash held	**(12,628)**	**(9,935)**
1.20	Cash at beginning of quarter/year to date	16,192	9,231
1.21	Exchange rate adjustments to item 1.20	10	4,278
1.22	**Cash at end of quarter**	**3,574**	**3,574**

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	604
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Rent	$ 75
Directors fees and salaries	$529

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities (USD facility)	68,000	62,000
3.2	Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	100
4.2	Development	4,000
4.3	Production	-
4.4	Administration	1,000
	Total	**5,100**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	605	112
5.2	Deposits at call	2,969	16,080
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	3,574	16,192

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed		Nil		
6.2	Interests in mining tenements and petroleum tenements acquired or increased		Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	272,322,167	272,322,167		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,400,000 (1) 24,000,000	5,400,000 (1) 24,000,000	125 125	125 125
	(1) Please note that the funds for this capital raising were received and included in the March Quarterly report but shares were issued in the June Quarter				
7.5	**+Convertible debt securities** (*description)*				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	22,599,423	22,599,423	***Exercise price*** *$2.50*	***Expiry date*** *31 December 2015*
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does ~~/does not* *(delete one)*~~ give a true and fair view of the matters disclosed.

Sign here: Date: 31 July 2015

(~~Director/~~Company secretary)

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

+ See chapter 19 for defined terms.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 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.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

+ See chapter 19 for defined terms.