

**ROCKLANDS COPPER PROJECT (CDU 100%)**

**EXPLORATION UPDATE**

**SIGNIFICANT TARGETS IDENTIFIED FROM RECENTLY COMPLETED  
SUB-AUDIO MAGNETICS (SAM) GEOPHYSICAL SURVEYS - EPM18054**

AREAS HIGHLIGHTED FOR IMMEDIATE INVESTIGATION INCLUDE:

**LARGE-SCALE CONDUCTIVITY TARGET IDENTIFIED WITH PROSPECTIVE STRIKE  
DIRECTION AND CHARACTERISTICS SIMILAR TO LAS MINERALE**

**SIGNIFICANT CHARGEABILITY TARGET (OFF TIME IP) ALONG STRIKE FROM KNOWN  
COPPER OCCURANCES IDENTIFIED DURING HISTORIC EXPLORATION ACTIVITY  
IMMEDIATELY WEST OF THE EPM BOUNDARY**

Open-file exploration reports held at the Department of Natural Resources and Mines Queensland (DNRM) indicate copper mineralisation was intersected in numerous historic diamond drills holes adjacent to the western boundary suggesting the presence of a wide-spread copper-rich mineralising system that significantly upgrades the prospectivity of geophysics targets identified in the western half of EPM18054.

**Targets Identified During Preliminary Ground Reconnaissance Based on Similar Geomorphology to  
Las Minerale, Confirmed as Prospective by SAM with Favourable Geological Settings, Structural  
Orientations and Geophysical Relationships**

*Note 1: Historic drilling results sourced from open-file exploration data held at the Department of Natural Resources and Mines Queensland (DNRM), whilst generally reliable, should be treated as indicative only and not relied upon in isolation.*

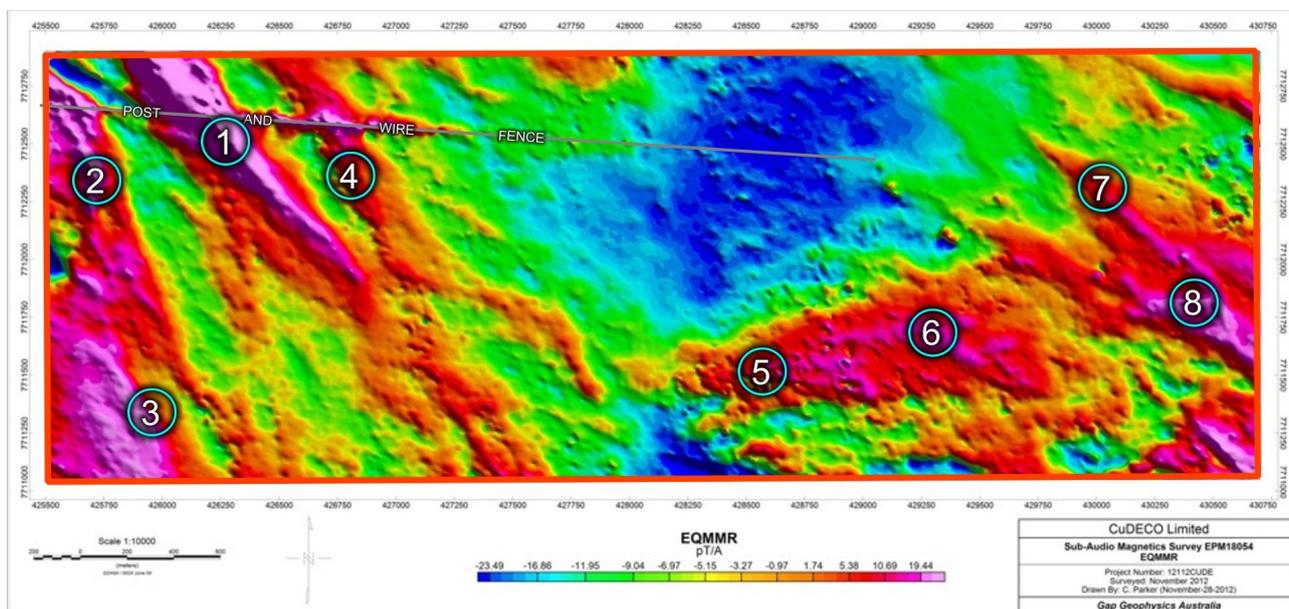


Figure 1: Sub Audio Magnetics (SAM) Survey over EPM18054 - EQMMR (conductivity)

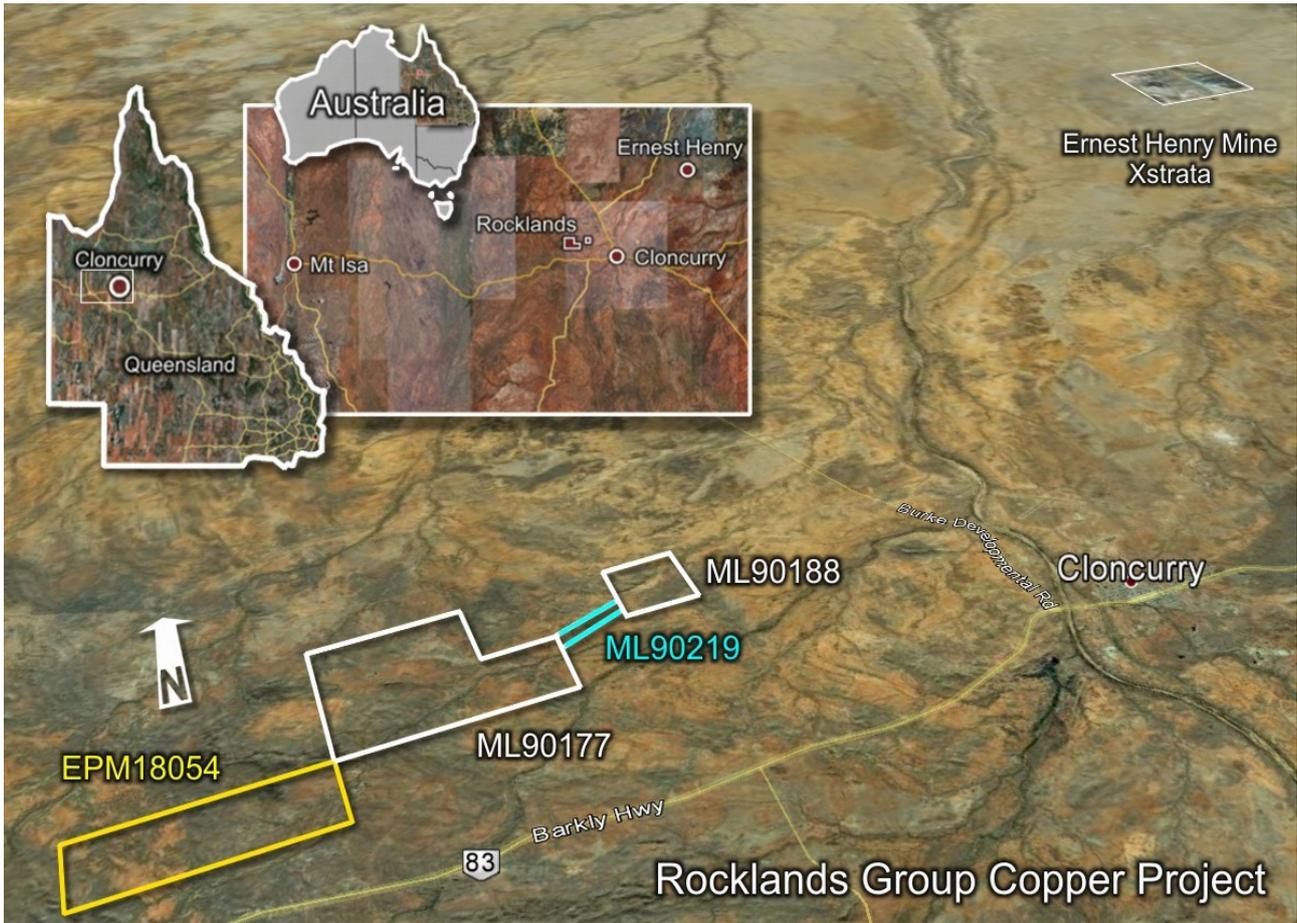


Figure 2: New EPM18054 (yellow), existing Mining Leases ML90177 and ML90188 (white) and interconnecting Corridor ML90219 (cyan).

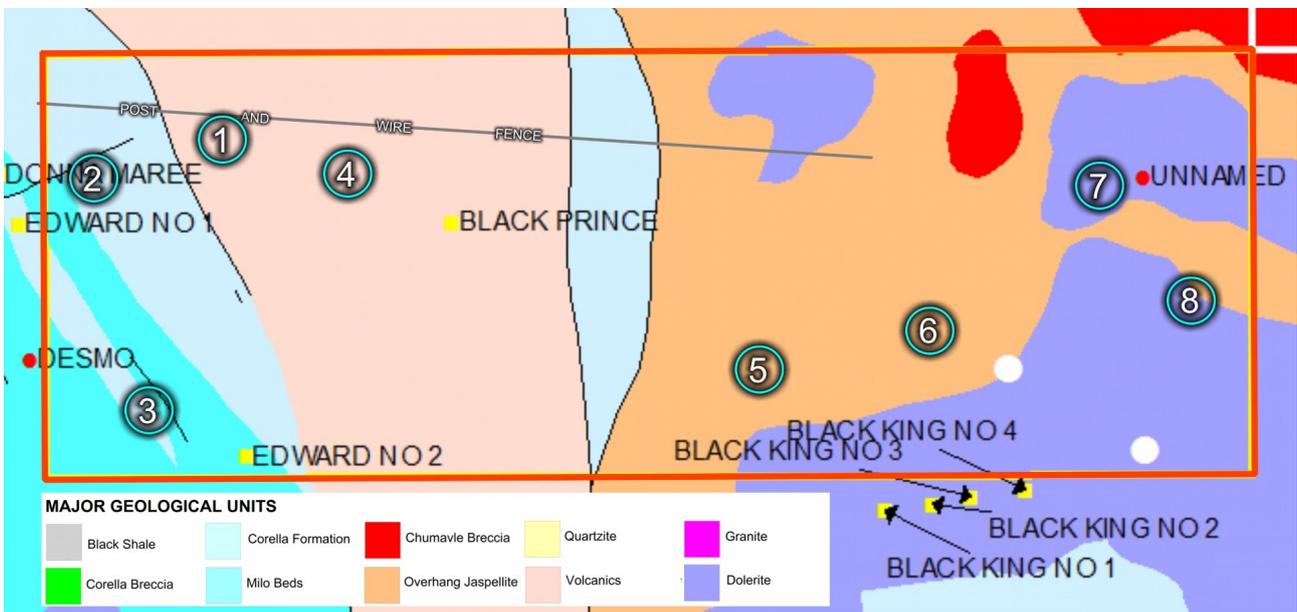


Figure 3: Mineral occurrences and previous workings locations around EPM18054.

### Exploration to Begin on New EPM18054

Preliminary desk-top investigations, field reconnaissance and results of the recently completed geophysical surveys of the Company's new Exploration Permit EPM18054 has identified numerous zones for immediate detailed field investigation. Located immediately to the south-west of our flagship Rocklands Group Copper Project, EPM18054 shares a common boundary point with the Company's existing Mining Leases, and provides both strategic significance and exploration attraction (See Figure 2).

There are no records of previous drilling activity within the new EPM area, however state records show historic drilling campaigns have been conducted adjacent to the western boundary, where minor and significant intersections of both copper and gold were encountered, and to the north, where zinc was also encountered in historic drilling.

### **Major Targets Identified** (see Figures 1, 3, 4, 5, 6 and 8)

1. Coincident magnetic-low/high contact and conductivity-high - possible mineralised structure?
2. Coincident magnetic-low/conductivity-high - possible offset mineralised structure associated with historic copper intersections to west?
3. Chargeability-high (moderate off-time) - possible disseminated sulphides, along strike from historic copper intersections to west?
4. Coincident magnetic-high/conductivity-high - possible magnetite rich structure?
5. Coincident magnetic-high/conductivity-high/short-time IP high (<5ms) - possible disseminated sulphides?
6. Coincident magnetic-high/conductivity-high/short-time IP high (<5ms) - possible mineralised structure?
7. Coincident magnetic-low/high contact and conductivity-high - possible mineralised structure?
8. Coincident magnetic-low/high contact and conductivity-high - possible mineralised dilation/structure?

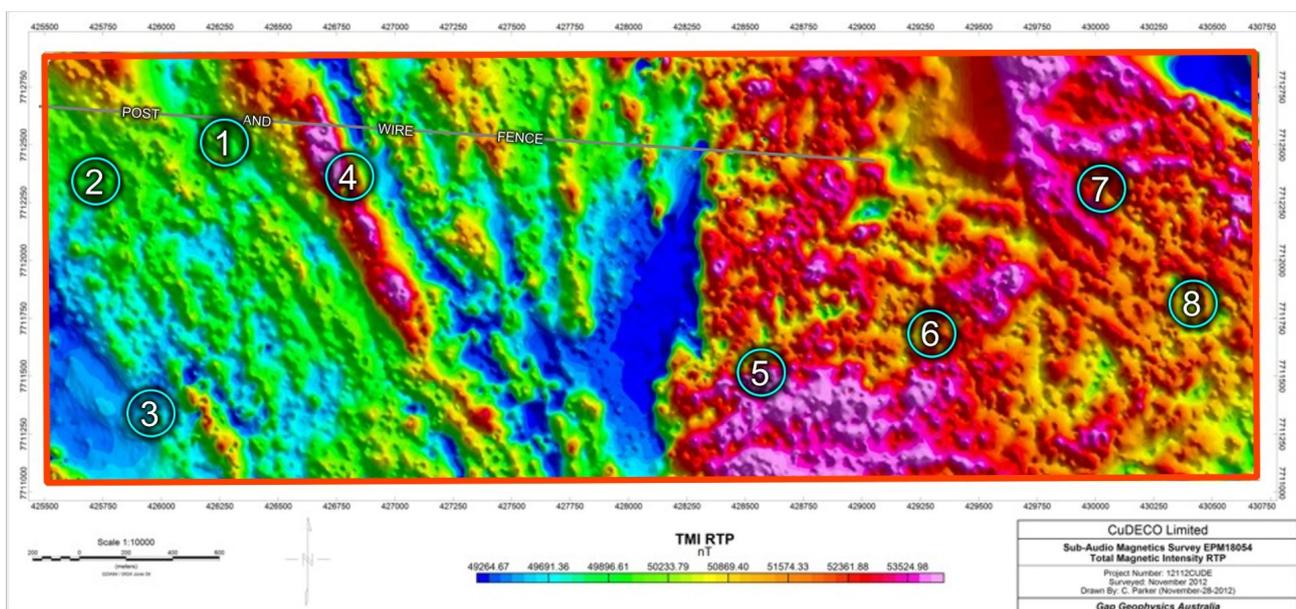


Figure 4: Sub Audio Magnetics (SAM) Survey over EPM18054 - TMI (total magnetic intensity) RTP (reduced to pole)

Anecdotal evidence also exists of numerous copper shows, according to local “old-timers” known to the Company, who have explored the area on-and-off over the last 40 years. These areas do not appear in state records and will be systematically investigated in due course.

## Geology

EPM18054 is considered highly-prospective, with the eastern half of the tenement covered by large bodies of dolerite intruding into the Overhang Jaspilite Unit. The Overhang Jaspilite Unit contains the majority of Cu-Co-Au mineralisation within CuDeco’s Mining Lease. Rocklands Cu-Co-Au style mineralisation is closely related to dolerite intrusions within the Overhang Jaspilite copper corridor.

The basal geological unit within the area is the Argylla Formation (1775-1790Ma) overlain by Bulonga Volcanics interpreted as being of similar age to the Marraba Volcanics (1755-1770Ma). The Argylla Formation and Marraba Volcanics occur in an early volcanic stage of extension in Cover Sequence 2.

The region then went through an extensional period of sag with the deposition of the Mitakoodi Quartzite (1755-1760Ma), Overhang Jaspilite (1750-1755Ma) and Corella Formation (1740-1760Ma). Post deposition of these units, the region has gone through several extensional and compressional tectonic events that gave rise to Cover Sequence 3 (1590-1700Ma), which outcrops to the north and east of the new EPM location, then followed by the Isan Orogeny.

## Rocklands Style Mineralisation

Rocklands style mineralisation is dominated by dilational brecciated shear zones, throughout varying rock types of the Overhang Jaspilite Unit, 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.

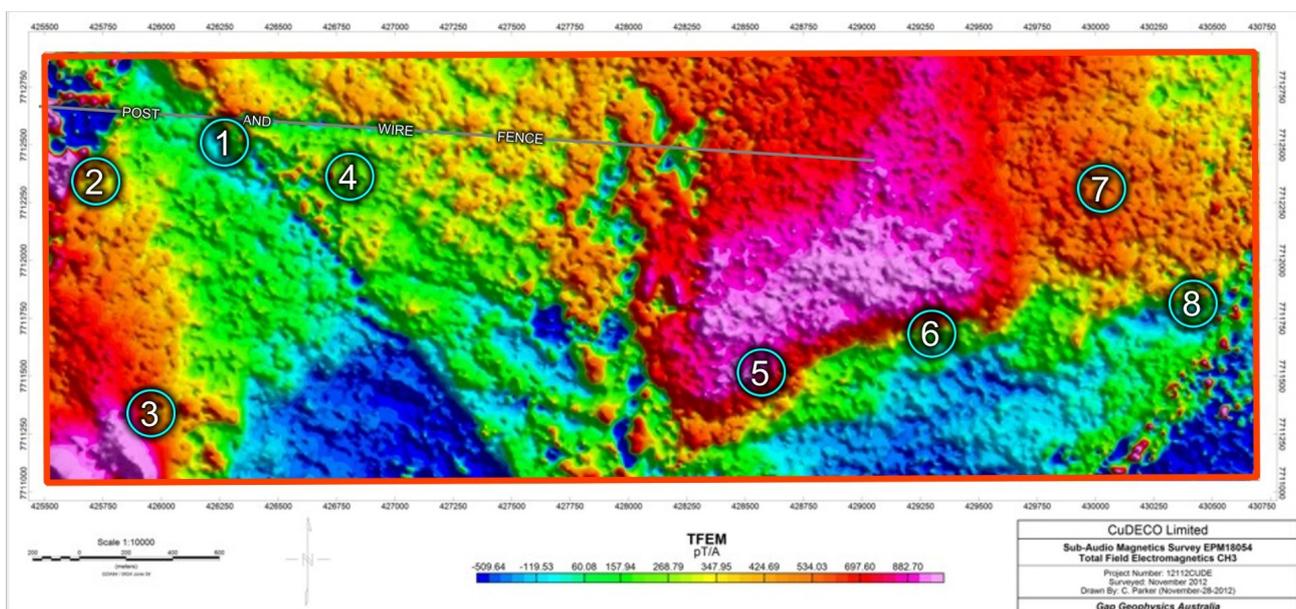


Figure 5: Sub Audio Magnetics (SAM) Survey over EPM18054 - TFEM (off-time EM/IP ch3 - EM dominated)

## Mineral Occurrences and Previous Workings

Several previous workings and mining leases are known in and around EPM18054 covering multiple commodities.

Previous mining leases include; Donna Maree (Ag, Cu, Ni and U); Black Prince (Cu), Edward No 1, 2 and 3 (Cu) and Black King No 1, 2, 3 and 4 (graphite) and; Volcano (Au).

Desmo and Priceless (Cu-Au) are hosted in the Milo beds, similar to the stratigraphy that hosts the nearby recently discovered REE Milo deposit of GBM Resources Limited (ASX:GBZ). There is potential for a number of commodities with varying styles of mineralisation to occur on EPM18054, each of which will be investigated over the coming 12 months.

## Previous Exploration Activity

Records prior to 1980 are scant, however since 1980 the area covering the EPM has been held by; Rio Tinto (Formerly C.R.A.E 1981 – 1988); Western Mining Corporation (WMC 1989-1990); Dominion Mining (1992-1994); North Ltd (1995 – 1997) and; Xstrata (2002 – 2009).

It appears very little exploration has been conducted by these groups over the area covered by EPM18054.

CRAE were conducting exploration for Volcanogenic Hosted Massive Sulphide (VHMS) deposits, and Dominion Mining and North Limited undertook significant exploration work looking for base metal (+/- gold) in the 1990's.

Records suggest Rocklands style mineralisation has never been targeted within EPM18054.

## Previous Geochemical Surveys

Historic geochemical surveys over the EPM have been limited to stream sediment sampling, but was later determined to be of insufficient exploration value in low flat-lying areas due to the presence of high levels of acid buffering minerals (ie. Carbonates), that inhibit the mobilisation of indicator elements such as Cu,

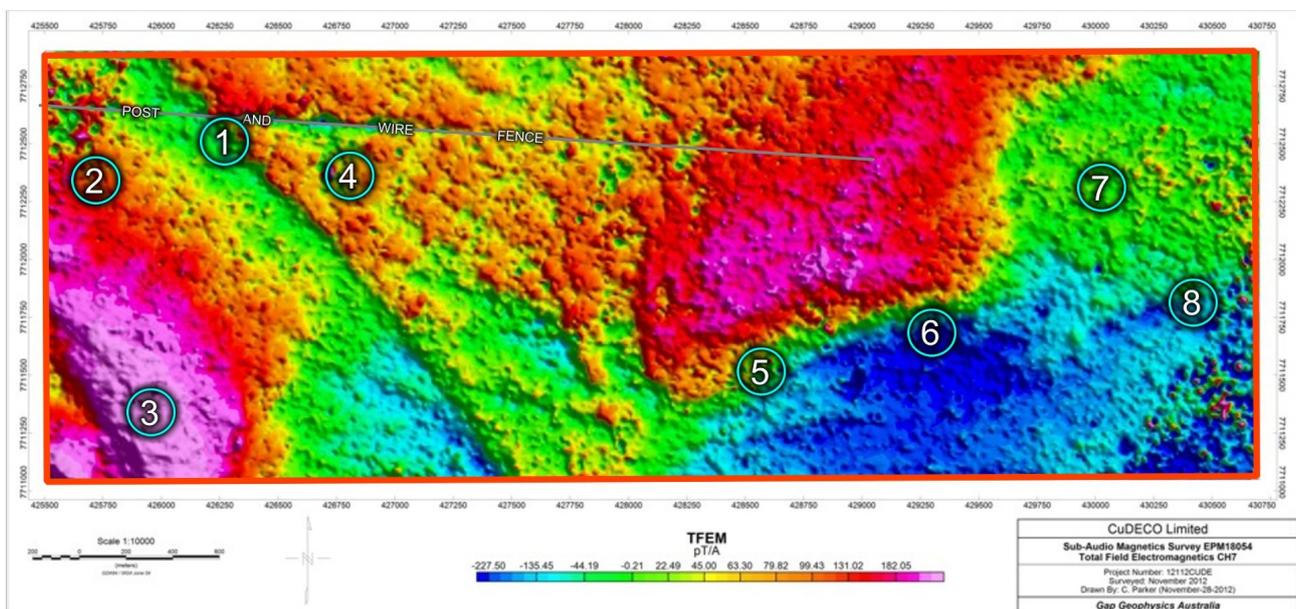


Figure 6: Sub Audio Magnetics (SAM) Survey over EPM18054 - TFEM (off-time EM/IP ch7)

Pb and Zn within the soil profile of the area in question. Experience at Rocklands indicates elevated mineralisation in soil and bedrock surveys only persists for a few lateral metres adjacent to, or directly above orebodies. For this reason a close space soil and bedrock geochemical programme is planned over the EPM, similar to the original programmes conducted at Las Minerale.

### Previous Geophysical Surveys

In 2008, Xstrata conducted a regional airborne radiometric and magnetic geophysics programme that also covered EPM18054. The magnetic image clearly shows the distinction between the western (Tommy Creek Block) and eastern (Overhang Jaspilite Unit) of the EPM (see Figure 7).

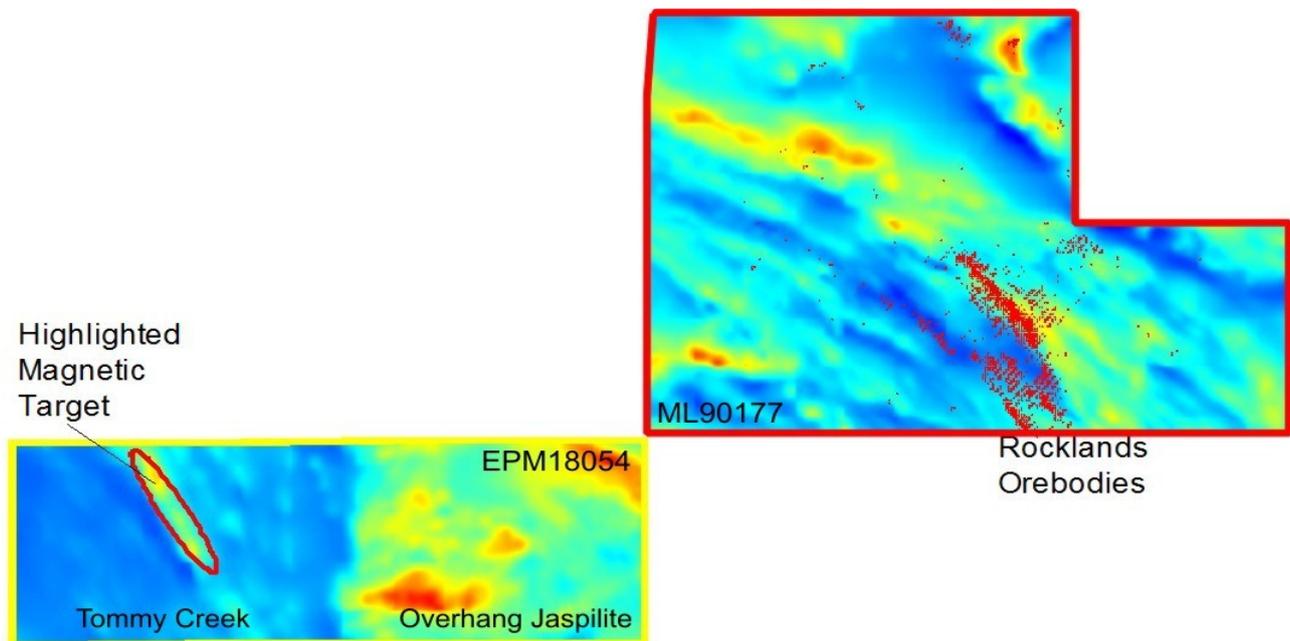


Figure 7: Xstrata 2008 regional airborne magnetics programme - Tommy Creek Block (west) and Overhang Jaspilite (east)

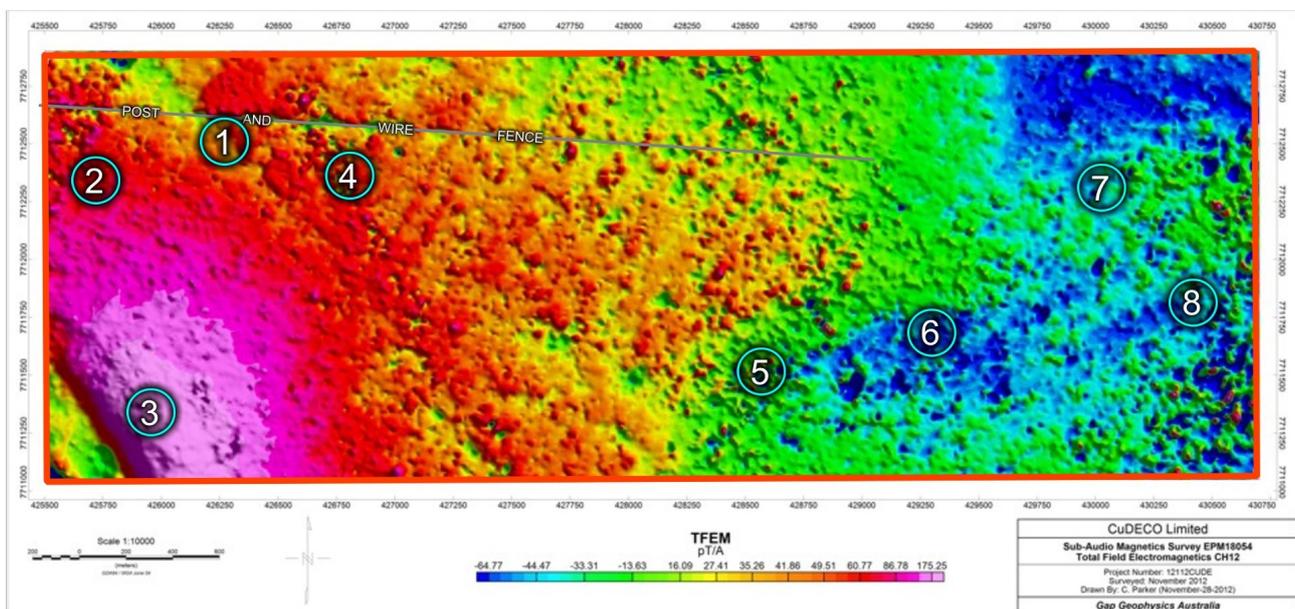


Figure 8: Sub Audio Magnetics (SAM) Survey over EPM18054 - TFEM (off-time EM/IP ch12 - IP dominated)

### Initial Ground Reconnaissance

Initial ground reconnaissance has discovered limited outcrop over vast alluvial plains. The geomorphology appears similar to that found over the main Rocklands mineralised areas, where Las Minerale remained undiscovered by previous explorers due to being obscured under an alluvial plane.

On the south-east side of an alluvial plain identified in EPM18054, copper minerals malachite and chalcopyrite have been located. Structural measurements within the vicinity of the copper occurrence indicate identical structural orientations to the Rocklands group of deposits.

Rock-chip samples containing copper minerals have also been recovered in the south-west corner of the EPM18054, along strike from known copper discoveries proximal to the western boundary, and also corresponding with one of several large geophysical anomalies

### Forward Programme

An initial surface sampling programme will be conducted over the entire EPM18054 on a 200m line spacing with samples taken every 20m along each line. The line spacing will be reduced to 100m over the eastern and western thirds of the EPM18054 where the prospective Overhang Jaspilite Unit and identified dolerites are known to host Rocklands style mineralisation in the east and where significant geophysical anomalies and copper minerals in rock-chip samples have been identified in the west.

Sampling of areas in the west of the EPM18054 are planned to be undertaken first, particularly along strike from mineralisation known to exist proximal to the western boundary.

Bedrock drilling programmes will be used in areas where alluvial plains have been identified in order to penetrate through the surface cover and provide more reliable geochemical response.

Several of the more prospective targets, where copper minerals have already been identified, may be drilled prior to the completion of surface geochemical sampling.

Yours faithfully



Wayne McCrae  
Chairman



Figure 9: Examples of copper minerals malachite (top), and chalcopyrite (bottom), identified in outcrop coinciding with an interpreted structure that is mostly obscured by an alluvial plain.

## **Competent Person Statement**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Day. Mr Day is employed by GeoDay Pty Ltd, an entity engaged, by CuDeco Ltd to provide independent consulting services. Mr Day has a BAppSc (Hons) in geology and he is a Member of the Australasian Institute of Mining and Metallurgy (Member #303598). Mr Day has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ores Reserves". Mr Day 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.*

<i>Au = Gold</i>	<i>U = Uranium</i>
<i>Ag = Silver</i>	<i>Zn = Zinc</i>
<i>Pb = Lead</i>	<i>Ni = Nickel</i>
<i>Cu = Copper</i>	<i>REE = Rare Earth Elements</i>
<i>Co = Cobalt</i>	