
MARKET RELEASE

23 May 2012

**CUDECO'S PORT OF TOWNSVILLE PROJECT RECEIVES
PORT OF TOWNSVILLE DEVELOPMENT APPROVAL**

**INFRASTRUCTURE CORRIDOR MINING LEASE GRANTED
BY QUEENSLAND GOVERNMENT**

The Directors of CuDeco Ltd are pleased to advise that the Port of Townsville Authority has granted CuDeco Ltd a "Development Approval" for the product storage terminal and shiploading facility for the export of mineral concentrates to be produced from the 100% owned Rocklands Group Copper Project near Cloncurry in NW Queensland.

The Queensland Government advised CuDeco Ltd that they have granted the Mining Lease for the corridor between the two current mining leases the make up the Rocklands Group Copper Project. The corridor Mining Lease will provide the facility for power supply to the tailings dewatering and return water pumps and pipelines between the process plant and the tailings dam.

The project is expected to commence production in late 2013, with a throughput of 3mtpa to produce approx. 480,000 tonne of mineral copper/gold/cobalt/sulphur concentrates and 220,000 tonne of high quality magnetite. The magnetite is being processed via a secondary mill to produce a metallurgical quality product to be sold to the coal washeries in Australia.

Yours faithfully



Wayne McCrae
Chairman and CEO