

MARKET RELEASE

23rd July 2015

MILESTONE ACHIEVED

INSTALLATION OF COPPER METAL CASTING PLANT FOR CASTING COPPER 400Kg INGOTS FROM NATIVE COPPER PRODUCED FROM ROCKLANDS COPPER MINE

Trials were carried out on the Rocklands site yesterday after commissioning a 750 tonne per month copper metal casting plant and power supply. The construction cost to test and ensure the casting plant was capable of the casting of the clean and sulphur free 99.7% nuggets of copper was approximately \$1.2m. The nuggets of native copper, must be clean, as the casting plant only heats and melts metal. Cudeco needed to be certain this process was suitable to treat the native copper, before the Company outlay the funds for a bigger casting plant, (4,000 tonne per month). This testwork has proven this type of casting method is successful for producing copper ingots from native copper. The casting plant was commissioned by Melbourne based Inductotherm Group Australia.

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





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

The end product is a high grade 99.7% copper ingot, that also takes the argument of purity of copper grade when compared to being sold as natural native copper nuggets to end buyers.

Our experience in dealing with the end buyers for the native copper in its natural form was the Copper % grade. By selling the copper in this form the % Cu grade is accurate and without argument.

This is just one more milestone as we move to full production with our 3mtpa process plant.

The End