
MARKET RELEASE

23 September, 2010

**Introduction of a New Institutional Investor via a Placement
to Raise \$20 million**

Highlights:

- CuDeco Limited (CuDeco or the Company) has placed 10,000,000 new shares at \$2.00 per share with one institutional investor to raise \$20.0 million before costs.
- Introduction of a new substantial global resources investor to rebalance and stabilise the share register.
- The funds raised will assist the Company in the development of the Rocklands Copper Project and give it better leverage for negotiation of project finance.

CuDeco Limited (ASX: CDU) is pleased to announce the raising of \$20.0 million via a placement to contribute towards the development of the 100% owned Rocklands Copper Project.

The Company's corporate adviser, Azure Capital Limited (Azure), identified that CuDeco's share register is currently dominated by retail investors and that this has contributed in part to the recent volatility in the share price. Azure noted that addressing this imbalance by introducing a substantial institutional investor would assist in stabilising the Company's share price.

An opportunity arose to introduce a substantial sophisticated global investor in the resources sector with the assistance of Morgan Stanley Smith Barney and the Company has acted upon it. The Company has secured a firm commitment from one institutional client of Morgan Stanley Smith Barney to raise \$20.0 million before costs through the issue of 10,000,000 shares at an issue price of \$2.00 per share (Placement). This new institutional investor will subsequently hold 6.84% of the issued capital of CuDeco. Azure Capital has been appointed as Lead Manager for the Placement.

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The successful completion of the Placement will place the Company in a strong financial position to continue its progress towards the development of its Rocklands Copper Project with production forecast for 2012.

Executive Chairman's Comments

I am very pleased to be able to introduce a substantial new institutional investor to CuDeco's register. This significant investment from an international institution strengthens and stabilises our share register and supports our confidence in the Rocklands Copper Project.

This injection of funds will also further assist with mine development costs at Rocklands and put CuDeco in a strong position to negotiate project finance upon completion of the DFS at Rocklands.

Yours faithfully



Wayne McCrae
Chairman

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