



MARKET RELEASE

11th January 2011

**Effect of Flooding at CuDeco's 100% owned Rocklands Group Copper Project
in N.W. Queensland**

The company advises there has been no (zero) flooding of any areas within the Rocklands Tenement. None of the small creeks and waterways at Rocklands have experienced any water flows. All roads to the site remain open and dry and all roads within the Rocklands Mining Tenement remain dry and will allow all drill rigs and exploration to commence and operate effectively with no interference from weather conditions. The largest river in the Cloncurry region, the Leichhardt River has not flowed this wet season at this stage. The area is experiencing only light rain on occasions with the odd thunderstorm with no impact on operations in the area.

Drilling and exploration on new high priority targets within the Rocklands Tenement will begin as planned on the re-commencement date of 17th January.

The drilling for 2011 is to explore the targets of copper, gold and cobalt, mineralisation identified by the geophysical surveys including SAM high conductivity zones and Induced Polarization Surveys that has identified high priority targets in addition to areas where positive results were achieved from bedrock drilling and geochemical soil sampling programmes.

Drilling and exploration activity will also increase on the Wilgar Gold, Silver, Molybdenum, Rare Earth element Tellurium and Uranium polymetallic Prospect and the SW Corner which was identified as a priority targets due to the positive results of an IP anomaly coincidently overlaid by a Radiometric anomaly covering an area of approx. 1.2 x 1klms area.

The company has already identified a resource for a 10 year operation with a planned commencement of production in late 2012 at a production rate of 3 million tonnes of throughput per year. During 2010 the company reported an upgraded resource and drilling has continued with an expected upgraded resource during 2011.

The final bulk sample of ore from Las Minerale is being processed and tested at Nagrom and Amtech laboratories in WA. The bulk sample is 7 times greater than the bulk sample that was tested in 2010 with the bulk sample being representative of the ore to be mined over a 700m strike length which is 3.2 times the strike length of the previous bulk sample.

It is anticipated that this year will be the most active year since the discovery of the Rocklands Group Project.

Yours faithfully



Wayne McCrae
Chairman