



27 September 2011

**Company Announcements Office
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000**

CORPORATE UPDATE

The Directors of Cudeco Ltd wish to provide the following update on corporate matters:

Voluntary Suspension

The Company remains in voluntary suspension since it requested suspension on 23 August 2011.

The Company had sought as a matter of prudence, voluntary suspension of its securities as it progressed negotiations with a number of investors in respect of a capital raising.

The Company had hoped that the negotiations would have been finalised in a timely manner but unfortunately those negotiations have been prolonged and combined with the effect of continuing uncertainty in global financial markets, the Company remains in suspension.

Oceanwide International Resources Investment Co. Ltd

As announced previously, the Company has placed some 21,200,000 shares to the Hong Kong based resources company Oceanwide International Resources Investment Co. Ltd (**Oceanwide**), raising a total of \$AUD 81.81m. Oceanwide holds some 13.26% of the Company.

On 6 July 2011 shareholders approved the offer of a further 15m shares to Oceanwide at \$3.80 per share subject to, amongst other things, FIRB approval being obtained. This placement must be completed by 6 October 2011 or the current approval given will lapse.

As announced on 14 September 2011, the Company has been and remains in ongoing discussions with Oceanwide in respect of the additional placement of shares for which approval has been given.

The Company understands that Oceanwide has secured FIRB approval and has requested additional information from Oceanwide in respect of the planned placement.

Other Negotiations

The Company also remains in discussion with another potential foreign investor who has expressed an interest in investing in the Company if agreement can be reached on appropriate commercial terms. The discussions are ongoing and the progress may be impacted by the outcome of the Oceanwide discussions.

Continuation of Voluntary Suspension

Whilst the board is disappointed at the delays which have been experienced in bringing about satisfactory resolution of the discussions which have been taking place, the Company believes that the best interests of shareholders continues for the time being to be served by voluntary suspension of its shares, whilst the discussions outlined above are concluded .

The Company intends to provide an update on both the status of these ongoing discussions and a timetable for recommencement of trading as soon as it is in a position to do so and expects that this will be in place by 10 October 2011.

Yours faithfully



Wayne McCrae
Chairman