
MARKET RELEASE

31 OCTOBER 2011

CuDeco Limited (“CuDeco”) Enters into Conditional Share Placement Agreement

The Directors are pleased to announce that CuDeco has entered into a Conditional Share Placement Agreement with a newly formed Hong Based Investment Fund backed by a large Chinese privately owned mining and energy group for the completion of a capital raising to help finance its Rocklands project.

These negotiations have been far more protracted than originally expected due to the instability and volatility of the global markets. Although the required due diligence by the investor is not complete, in the interests of our shareholders and looking to ensure the suspension of trading of the shares is lifted as soon as possible, broad principles have been negotiated and incorporated in a Conditional Share Placement Agreement which has now been executed. The agreement requires the investor to subscribe for **23.977 Million Shares** of new shares in CuDeco Limited at **\$A3.60 per share or at the weighted average price** of the CuDeco share price, for the previous five days of trading prior to completion date, whichever is the lowest price (raising a maximum of approximately **\$A86.3 Million**). Shareholder approval is not required as the issue will be within CuDeco’s 15% capacity. Finalisation of the agreement is subject to their Board Approval which must be in place by 20th November 2011 with settlement and completion no later than 20th December 2011. As a sign of their good faith the investor has agreed to pay a \$3 Million non-refundable cash deposit, with this deposit to be converted to shares when the final payment is received. Under the agreement the investor has requested that their name not be disclosed until the subscription to the shares is completed and it is the Company’s view that this is not material until the investment is received.

CuDeco entered into negotiations with the above group after Oceanwide Resource International Investments Limited (“Oceanwide”) requested a three month extension to complete their initial agreement to subscribe for 15 Million shares at a price of \$3.80 per share. The request was made by Oceanwide due to uncertainty and volatility within global economic markets. The extension was not provided by CuDeco due to expiry of shareholder approval and its desire to finalise funding arrangements as soon as possible.

Wayne McCrae
Chairman