
MARKET RELEASE

17th NOVEMBER 2011

**AGREEMENT FOR PLACEMENT OF 15% of CUDECO LTD
@ \$3.60 PER SHARE WITH HK RESOURCE FUND
REPLACES PREVIOUS CONDITIONAL SHARE PLACEMENT
AGREEMENT (“CSPA”)**

The Directors of CuDeco are pleased to announce that the CSPA, announced on 31st October, with the Hong Kong Based Resource Fund has now been replaced with a formal agreement and has been signed by both parties late today. The agreement allows for the new group to subscribe to 23,977,000 Shares in CuDeco at \$3.60c per share. The entitlement for the new group to be entitled to the “5 day Weighted Average Price (WAP) or \$3.60 whichever is less,” has now been re-negotiated to \$3.60, with the withdrawal of the 5 day WAP. The price is now fixed at \$3.60c.

The CSPA between CuDeco and the HK based Fund was subject to Board Approval from the HK Resource Fund. The approval has now been satisfied and as a consequence the new agreement with the altered terms entered into late today.

The latest date for the payment of \$A86,317,200 is 16th December 2011. The agreement also allows for the new group to subscribe to a further 3,596,000 new shares in CuDeco Ltd, to allow the new group to increase their holding to 15% of the total shares in CuDeco Ltd due to the “dilution effect” of the 23,977,000 placement. The second tranche is subject to CuDeco shareholder approval. The price of the second tranche of shares is to be negotiated, but not less than \$3.60 per share.

The terms of confidentiality of the HK Resource Fund remain in place until the 16th December which is a condition of the agreement.

Yours faithfully



Wayne McCrae
Chairman