

3 June 2009

ASX / Media Release

Equity Raising of \$52.5 Million

Highlights

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- CuDeco has arranged a comprehensive equity funding package of \$52.5m at \$2.50 a share, comprising:
 - a placement to institutional investors in Australia and overseas for up to A\$42.5m; and
 - an underwritten share purchase plan (“SPP”) offer for \$10m.
 - The Lead Manager of the placement is Azure Capital Pty Ltd. Subject to finalisation of documentation, Azure will underwrite the SPP offer.
 - The funds raised will place the Company in a strong position to achieve significant milestones for the development of the Rocklands Project, including giving it better leverage for negotiation of project finance.
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CuDeco Limited (ASX: CDU) is pleased to announce that it has finalised plans to raise up to \$52.5 million in new capital at an offer price of \$2.50 per share.

Shareholders will be able to participate in the raising via an offer of 4,000,000 shares under a share purchase plan with details noted later in this announcement.

Offers of ordinary shares for up to \$42.5 million will be made to institutions, professional and sophisticated investors. The placement offer will be managed by Azure Capital Pty Ltd.

The placement offer is on a best endeavours basis and the issue of shares will be within the Company’s existing placement capacity in accordance with ASX Listing Rules. It is anticipated that the placement will be completed on or around Friday, 5 June 2009.

The proceeds of the share offers will be used:

- for increased resource and exploration drilling on the Rocklands Project, particularly increasing the number of rigs to up to 15 over the coming weeks and increased geological activity required to complete the resource calculation;
- to fund costs of the Rocklands Definitive Feasibility Study (DFS) including pit optimisation, pilot studies, engineering and geotech activities, and environmental impact studies; and

- Rocklands mine development including acquisition of plant and equipment.

Executive Chairman's Comments

I am pleased to be able to announce this capital raising, one in which our existing shareholders will be able to participate to a significant extent. On completion of the offers, the funds will assist with mine development costs at Rocklands, including procurement of plant, equipment and infrastructure – of particular interest will be a number of quality used plant items that may be available from distressed projects. It will also put CuDeco in a strong position to negotiate project finance upon completion of the Definitive Feasibility Study at Rocklands.

I am also pleased to be able to offer participation to a number of institutions and funds introduced by Azure. This adds a new dimension to our share register as we progress towards bringing Rocklands into production.



Wayne McCrae
Chairman

Share Purchase Plan (SPP) Details

CuDeco will offer 4,000,000 shares under a SPP at an offer price of \$2.50 per share. Shareholders with a holding registered as at close of business on Friday, 29 May 2009 (Record Date) will be eligible to participate in the SPP for a maximum amount of \$5,000 each.

In the event of oversubscriptions the Directors will scale back applications in their sole discretion, however preference will be given to those shareholders whose applications are received earlier during the offer period. The **indicative** timetable for the SPP is as follows:

Despatch of SPP offer documents	9 June 2009
Opening Date for SPP	12 June 2009
Closing Date for SPP	26 June 2009
Allotment and issue of shares	3 July 2009