

5 June 2009

Dear Shareholder,

Invitation to participate in CuDeco's Share Purchase Plan

As you may be aware, CuDeco Limited (**CuDeco**), recently announced a capital raising of \$52.5 million, comprising a placement offer for \$42.5 million and a Share Purchase Plan (**SPP**) offer for \$10 million. I confirm that as at the date of this letter, the \$42.5 million placement offer has been completed.

The **SPP** is for a total offer of 4,000,000 shares at an offer price of \$2.50 per share, which is the same price at which shares have been issued under the \$42.5 million private placement. I am pleased to present this offer to participate in CuDeco's SPP to Eligible Shareholders. The SPP Offer is fully underwritten by Azure Capital Pty Ltd. Therefore, if Eligible Shareholders do not subscribe for the full 4,000,000 shares offered in aggregate, the shortfall will be subscribed for by Azure Capital and its nominees. The underwriting agreement contains the usual termination events found in agreement of this nature, including market based risks and Company specific risks.

I urge Eligible Shareholders to note that, 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 and those who are still shareholders at the time of the scale back.

Under the SPP Offer, each Eligible Shareholder can subscribe for between \$1,000 and \$5,000 of new fully paid ordinary shares in various increments at an Offer price of \$2.50 per share. The Offer price represents a 15% discount to the average of the closing prices of CuDeco shares over the last five ASX trading days before the Offer was announced on 3 June 2009.

The proceeds from the SPP together with the proceeds from the private placement offer and the Company's existing cash reserves 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.

The Directors believe that the SPP provides a good opportunity for Eligible Shareholders to increase their shareholding and to participate further in CuDeco's future growth.

Further details of the SPP and the application form to purchase shares in the SPP are included in this Offer documentation. I commend this opportunity to Eligible Shareholders.

Yours faithfully



Wayne McCrae
Chairman

The Share Purchase Plan (SPP) Offer at a glance
Key dates

Initial Record Date	29 May 2009 (5:00pm Perth time)	The initial date for determining Eligible Shareholders
Opening Date	11 June 2009	Offer opens at 9:00am (Perth time)
Closing Date	29 June 2009	Offer closes at 5:00pm (Perth time)
Issue and Despatch Date	6 July 2009	Shares under Share Purchase Plan are issued and Confirmation of transaction despatched to shareholders

Offer details

Issue Price	\$2.50
Minimum Application Amount	A\$1,000
Maximum Application Amount	A\$5,000
Permitted application amounts	A\$1,000, A\$2,500, A\$5,000

How to participate

Participation in the SPP is optional and open to all persons registered as a CuDeco shareholder as at close of business on 29 May 2009 with a registered address in Australia or New Zealand. (**Eligible Shareholders**).

The SPP will open at 9:00am (Perth time) on 11 June 2009 and will remain open until 5:00pm (Perth time) on 29 June 2009. If you would like to participate, you should either:

- return your Application Form, together with a cheque for the Application Amount to arrive at the Company's share registry by no later than **5:00pm (Perth time) on 29 June 2009**; or
- make payment by BPay so that your funds are deposited into the Company's designated account by no later than **5:00pm (Perth time) on 29 June 2009**.

The Offer is non renounceable, which means that you cannot transfer your right to purchase shares under the SPP to anyone else.

Full details of the SPP and how to participate in the SPP are set out in this brochure and the Application Form. CuDeco encourages you to read these documents carefully. The Offer does not take into account your individual investment objectives, financial situation or particular needs. You may want to obtain independent financial and taxation advice before making a decision as to whether or not you participate in the SPP.

If you have any questions in relation to the SPP or how to complete the Application Form, please call Ms Lisa Rowe or Mr Susmit Shah at any time between 8:30am to 5:00 pm (Perth time) Monday to Friday on 08 9240 2836 (within Australia) or +61 8 9240 2836 outside Australia.

Important notice

This document does not constitute an offer of securities in any place outside Australia or New Zealand and this Offer is only made to Eligible Shareholders. **If you are a Shareholder with an address outside of Australia or New Zealand you have received these documents for information purposes only.**

Directors of CuDeco who are Eligible Shareholders, may participate in the SPP.

The SPP may be varied, suspended or terminated by the Board at any time at the Board's absolute discretion without notice. Neither CuDeco nor the Board accept or assume any liability to shareholders by reason of variation, suspension or termination of the SPP.

CuDeco may refuse any application made, for example, if a cheque is returned unpaid or if the Application Form has not been properly completed, or where there are grounds for believing that the applicant is not acting in good faith, including where holdings have been split for the purpose of multiple applications under the SPP. Applications received after the Closing Date will not be accepted.

Questions and answers

Capitalised terms are defined in Annexure 1.

What is the Share Purchase Plan?

The Share Purchase Plan being offered by CuDeco (**SPP**) provides Eligible Shareholders with the opportunity to subscribe for up to A\$5,000 of new Shares without incurring brokerage and transaction costs. The total number of Shares being offered under the SPP is 4,000,000. If aggregate subscriptions from Eligible Shareholders are greater than 4,000,000 Shares, the Directors will scale back Applications.

The SPP will be offered under the SPP Rules (see Annexure A to this brochure) which contains the terms and conditions.

Shares issued under the SPP will rank equally in all respects with existing fully paid Shares.

Am I an Eligible Shareholder?

All persons registered as a CuDeco shareholder at close of business on 29 May 2009 and with a registered address in Australia or New Zealand are eligible to participate in the SPP.

Single Holders - If you are the only registered holder of a holding of Shares, but you receive more than one offer under the SPP, you may only apply for one maximum parcel of Shares.

Joint Holders - If you are a joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purpose of the SPP, and you are entitled to participate in the SPP in respect of that single holding only. If you are a joint holder and you receive more than one offer under the SPP, you may only apply for one maximum parcel of Shares.

Trustees and nominees - If you are expressly noted on CuDeco's share register as a trustee or nominee for a named beneficiary, you may only apply for one maximum parcel of Shares for each named beneficiary. If CuDeco's Share Registry does not record a named beneficiary in respect of your trustee or nominee holding, the rules for multiple single holdings apply.

The Board has determined it is either not lawful or not practical for shareholders in jurisdictions outside of Australia or New Zealand to participate in the SPP.

Are Eligible Shareholders required to participate in the SPP?

No. Participation in the SPP is optional. If necessary, consult your financial adviser.

What is the Issue Price?

The Issue Price for each Share under the SPP is \$2.50. This Issue Price represents a 15% discount to the average of the Closing Prices of the Shares over the last five Trading Days before the SPP was announced on 3 June 2009.

What risks are associated with investing under the SPP?

The CuDeco share price quoted on ASX may rise or fall between the Announcement Date and the Issue Date. Whilst the Issue Price under the SPP is fixed at \$2.50 and is not subject to any market movement prior to Issue Date, your subscription for Shares is subject to the usual risks of investing in a speculative security.

How much can I invest?

Eligible Shareholders may only acquire up to a maximum of \$5,000 worth of Shares under a share purchase plan in any 12 month period (**Maximum Application Amount**). CuDeco has not conducted a share purchase plan in the 12 months preceding this Offer.

The smallest amount that Eligible Shareholders can apply for under the SPP is \$1,000 worth of Shares (**Minimum Application Amount**).

Eligible Shareholders may only apply to purchase a parcel of Shares in the amount of \$1,000, \$2,500 or \$5,000 (**Application Amount**).

How do I apply for Shares under the SPP?

Please complete the personalised Application Form enclosed and return it with a cheque for the Application Amount so that it is received before 5:00pm (Perth time) on 29 June 2009 at the following address:

Advanced Share Registry
P O Box 1156
Nedlands, Western Australia 6909

OR

Advanced Share Registry
150 Stirling Highway
Nedlands, Western Australia 6009

You also have the choice of making payment by BPay - please refer to the personalised Application Form for details.

How many Shares will I receive?

Eligible Shareholders will receive the number of Shares applied for up to the Maximum Application Amount calculated by dividing the Application Amount by the Issue Price, subject to CuDeco undertaking a scaleback. Under a scaleback, the number of Shares for each Application will be scaled back (**Scaleback**). Preference will be given to Eligible Shareholders whose Applications are received earlier during the offer period and those who are still Shareholders at the time of the Scaleback.

The SPP is fully underwritten by Azure Capital Pty Ltd.

Annexure A – SPP Rules

1. Offer timetable

- 1.1 This Offer opens on the Opening Date.
- 1.2 Only Eligible Shareholders may participate in the SPP.
- 1.3 It is intended that this Offer will close on the Closing Date. All Application Forms and payments of the Application Amounts must be received by the Company before the Closing Date.
- 1.4 It is intended that Shares will be issued and allotted on or about the Issue Date.
- 1.5 Any Scaleback will be announced on the Issue Date. CuDeco expects Allotment Notices (and any refund cheques in the event of a Scaleback) will be despatched on or about the Despatch Date.
- 1.6 CuDeco has the discretion to change, at any time, any of these dates.

2. Participation in the SPP

- 2.1 Participation in the SPP is subject to these Rules. The Offer made under this SPP is made only to Eligible Shareholders.
- 2.2 This Offer is non-renounceable.
- 2.3 The Board may refuse to accept or may suspend or withdraw any Application if that Application might:
 - (a) prejudice the effective operation of the SPP; or
 - (b) give rise to breaches of applicable laws by CuDeco, its officers, Eligible Shareholders or their associates, and may reject any Application if it has reason to believe that the Eligible Shareholder is not acting in good faith.
- 2.4 It is the responsibility of each Eligible Shareholder to obtain any necessary approvals to enable them to participate in the SPP.
- 2.5 The Directors who are Eligible Shareholders may participate in the SPP.
- 2.6 The Board is entitled (but not obliged) to refuse an Application where an Eligible Shareholder has, in the opinion of the Board, split a shareholding, or acquired Shares as part of such a split, in order to attempt to increase the number of Shares that may be allotted under the SPP to that Eligible Shareholder or another person.

3 Application to participate

3.1 An Eligible Shareholder may apply to CuDeco to participate in the SPP by completing and signing an Application Form and returning it to the Company with a cheque for payment of the Application Amount or by making payment using BPay.

3.2 The Application Amount must be either A\$1,000, A\$2,500 or A\$5,000.

3.3 Shares issued under the SPP will be issued at the Issue Price and allotted as fully paid. The number of Shares issued pursuant to an Application will be calculated by dividing the Application Amount by the Issue Price, subject to any Scaleback.

4 Operation of the SPP

4.1 An Eligible Shareholder who elects to participate in the SPP shall be deemed to have:

- (a) confirmed, in relation to all Shares applied for by him or her under the SPP, that he or she does not make the Application for any other person in circumstances which might involve a breach of the securities laws of any jurisdiction other than Australia; and
- (b) certified that the aggregate amount of the Application Amount for:
 - (i) Shares under the SPP; and
 - (ii) any other Shares applied for by the Eligible Shareholder under the SPP or any similar arrangements in the 12 months prior to the Application, does not exceed A\$5,000.
- (c) agreed to be bound by CuDeco's Constitution in respect of all the Shares issued to them under the SPP.

5 Shares issued under the SPP

5.1 Shares issued under the SPP will rank equally in all respects with existing Shares.

5.2 Shares issued to Eligible Shareholders under the SPP will be registered on the Share Register.

5.3 Following the issue and allotment of Shares under the SPP, CuDeco will:

- (a) apply to ASX for quotation of the Shares on the Official List; and
- (b) send an Allotment Notice to the Eligible Shareholder's Registered Address.

6 Cost to participants

No brokerage, commission or other transaction costs will be payable by an Eligible Shareholder in respect of Shares issued under the SPP.

7 Non-participation

Participation in the SPP is voluntary. It is a matter for each Eligible Shareholder to determine whether or not they make an Application for Shares under the SPP.

8 Scaleback

8.1 CuDeco may need to undertake a Scaleback due to over subscriptions. The manner in which a Scaleback, if any, is conducted will be completely at the directors' discretion. Under a scaleback, the number of Shares for each Application will be scaled back (**Scaleback**). Preference will be given to Eligible Shareholders whose Applications are received earlier during the offer period and those who are still Shareholders at the time of the Scaleback.

8.2 If CuDeco undertakes a Scaleback, the difference between the value of the Shares allotted and the Application Amount paid by the Applicant will be refunded by cheque and mailed to the Applicant on the Despatch Date.

9 Applications and notices

9.1 Applications and notices for the purposes of the SPP shall be in writing in such form and lodged at such place as CuDeco may from time to time require.

9.2 Applications and notices (other than notices of death, bankruptcy or liquidation) in respect of Shares registered in joint names shall be completed by all registered holders of those Shares who wish to subscribe for Shares.

9.3 Applications and notices will take effect on and from the date on which they are received by the Company provided that an Application to participate in the SPP is not effective until it has been accepted by the Board and the Application Amount is received.

9.4 CuDeco has an absolute discretion to:

(a) accept and treat as valid an Application Form which does not satisfy the provisions of rule 9.1; and

(b) reject and treat as invalid an Application Form where the Board has determined acceptance of the Application Form would or might prejudice the effective operation of the SPP or would or might otherwise be contrary to the laws of any country.

9.5 CuDeco will be under no obligation to correct or amend defective Application Forms on behalf of Eligible Shareholders.

10 Board's powers

10.1 The SPP will be administered by the Board which has the power to:

(a) determine appropriate procedures for administration and implementation of the SPP, consistent with the SPP Rules and settle any difficulty which may arise generally or in a particular case, in regard to the SPP as the Board thinks fit and its determination will bind all shareholders and other persons to whom the determination relates;

(b) resolve conclusively all questions of fact or interpretation in connection with the SPP; and

(c) delegate to any one or more persons for such period and on such conditions as it may determine, the exercise of its powers or discretions arising under the SPP.

10.2 CuDeco and its officers and employees will not be held responsible or liable for any error or omission which occurs in the administration of the SPP.

10.3 The Board may vary administrative procedures to be followed in respect of the implementation of the SPP. The procedures may be varied at any time by the Board having regard to ASX or ASIC requirements.

10.4 The Board may:

(a) at any time modify, vary or amend the SPP;

(b) suspend the operation of the SPP from time to time for any period; or

(c) terminate the SPP at any time without any need for giving advance notice to shareholders.

11 Taxation

CuDeco makes no representations or warranties in respect of, and accepts no responsibility for, the liability of Eligible Shareholders to pay income tax in respect of any allotment or issue of Shares, payment or other transaction pursuant to this SPP.

12 Dispute resolution

CuDeco may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application, and the decision of CuDeco will be conclusive and binding on all participants and other persons to whom the determination relates.

CuDeco reserves the right to waive strict compliance with any provision of these rules. The powers of CuDeco under these conditions may be exercised by any member of the Board or their delegate.

13 Governing law

This offer is governed by the law in force in Western Australia. By accepting this offer, you submit to the non-exclusive jurisdiction of the courts of Western Australia.

14 Definitions and interpretations

14.1 Words importing the singular include the plural and vice versa, words importing any gender include other genders and 'person' includes a corporation.

14.2 Headings are for convenience only and do not affect the interpretation.

14.3 Any reference to time shall mean the time in Perth, Western Australia.

14.4 When used in these Rules, the words listed will, except to the extent that the context otherwise requires, have the following meanings:

Term	Definition
Announcement Date	the date on which the SPP was announced to the market on ASX, being 3 June 2009
Allotment Notice	the notice sent to Shareholders confirming allotment of Shares issued under the SPP
Application	an application for Shares under this SPP
Application Amount	either A\$1,000, A\$2,500 or A\$5,000 (at the Eligible Shareholder's election)
Application Form	a personalised application form pursuant to which Eligible Shareholders may apply for Shares under the SPP
ASIC	the Australian Securities and Investments Commission
ASX	ASX Limited ACN 008 624 691
Board	the board of directors of CuDeco
Closing Date	the closing date for the SPP, expected to be 29 June 2009
Closing Price	the closing price on ASX, excluding special crossings, overnight sales and exchange traded option exercises
Despatch Date	the date on which Allotment Notices will be sent to shareholders, being 6 July 2009
Director	a director of CuDeco
Eligible Shareholder	Shareholders with a registered address in Australia or New Zealand recorded on the Share Register as at the Record Date
Issue Date	the date on which the Shares are issued under the SPP, being 6 July 2009
Issue Price	\$2.50 per Share
Minimum Application Amount	A\$1,000
Maximum Application Amount	A\$5,000
Offer	the offer of Shares under the SPP on the terms set out in the Rules
Official List	the official list for quotation on ASX
Opening Date	the date on which the SPP opens, being 11 June 2009
CuDeco (or Company)	CuDeco Limited ACN 000 317 251
Record Date	5 pm, Perth time on Friday, 29 May 2009
Registered Address	the address of an Eligible Shareholder as shown in the Share Register
Scaleback	a reduction in the number of Shares allotted to Eligible Shareholders who lodge an Application, in the event that the total number of Shares applied for under the SPP is greater than 4,000,000.
Share Register	the register of all shareholders maintained by the Company's share registry
Share	a fully paid ordinary share in CuDeco
SPP or Share Purchase Plan	CuDeco's Share Purchase Plan, as set out in this document
SPP Rules or Rules	these rules
Trading Day	the day on which trading is conducted on ASX