

20 October 2009

Dear Shareholder

It is my pleasure to invite you to the 2009 Annual General Meeting (AGM) of CuDeco Ltd. The Notice of Meeting, Explanatory Memorandum and Proxy Form are enclosed with this letter.

AGM DETAILS

Date: Thursday, 26 November 2009

Time: 10:30am (local time)
Investor registration commences at 9:30am

Venue: Gold Coast International Hotel
Gold Coast Highway (Cnr Staghorn Ave)
Surfers Paradise, Queensland

Due to the high level of interest in the Company and limited seating capacity, the Company has organised a Pre-Registration Facility which enables shareholders who wish to attend the AGM to pre-register. This will avoid the need to queue up for an extended period on the morning of the AGM.

Pre-registration will be available until 10:30am on Tuesday, 24 November 2009.

Please telephone (07) 5503 1955, fax (07) 5503 0288 or email rego@cudeco.com.au to register your attendance at the AGM.

Yours faithfully



Wayne McCrae
Chairman

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of CuDeco Limited ABN 14 000 317 251 (“the Company”) will be held on Thursday, 26 November 2009 at 10.30 am at the Gold Coast International Hotel, Gold Coast Highway (Cnr Staghorn Ave), Surfers Paradise, Queensland.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting.

AGENDA

ORDINARY BUSINESS

1. Financial Report for the Year Ended 30 June 2009

To receive and consider the financial report of the Company for the year ended 30 June 2009, together with the reports by the directors and auditors thereon.

To consider and, if thought fit, pass the following resolutions as ordinary resolutions.

2. Resolution 1 – Adoption of Remuneration Report

“To adopt the Remuneration Report as set out in the Directors' Report section of the Annual Report for the financial year ended 30 June 2009.”

3. Resolution 2 – Re-election of Director

“That Mr Paul Keran, being a director of the Company retires by rotation in accordance with Clause 3.6 of the Constitution of the Company, and being eligible, is re-elected as a director of the Company.”

4. Resolution 3 - Re-election of Director

“That Mr David J. E. Taylor, a director appointed by the Board of Directors since the last Annual General Meeting, retires in accordance with Clause 3.3 of the Constitution of the Company and, being eligible, is re-elected as a director of the Company.”

5. Resolution 4 - Change of Auditor

“That BDO Kendalls Audit & Assurance (QLD) Pty Ltd, having been nominated to act as the Company’s auditor and having consented to act, be and are hereby appointed as the Company’s auditor.”

6. Resolution 5 – Approval for the Issue of Options to Director, Mr W. McCrae

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes, the directors be authorised to issue up to a maximum of 2,500,000 Options to subscribe for shares in the Company to Mr Wayne McCrae or his nominee, the details of which are set out in the Explanatory Memorandum forming part of the Notice of this Annual General Meeting.”

7. Resolution 6 – Approval for the Issue of Options to Director, Mr P. Hutchison

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes, the directors be authorised to issue up to a maximum of 2,500,000 Options to subscribe for shares in the Company to Mr Peter Hutchison or his nominee, the details of which are set out in the Explanatory Memorandum forming part of the Notice of this Annual General Meeting.”

8. Resolution 7 – Approval for the Issue of Options to Director, Mr W. Cash

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes, the directors be authorised to issue up to a maximum of 100,000 Options to subscribe for shares in the Company to Mr William Cash or his nominee, the details of which are set out in the Explanatory Memorandum forming part of the Notice of this Annual General Meeting.”

9. Resolution 8 – Approval for the Issue of Options to Director, Mr V.P. Keran

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes and subject to the passing of Resolution 2, the directors be authorised to issue up to a maximum of 100,000 Options to subscribe for shares in the Company to Mr Paul Keran or his nominee, the details of which are set out in the Explanatory Memorandum forming part of the Notice of this Annual General Meeting.”

10. Resolution 9 – Approval for the Issue of Options to Director, Mr D.J.E. Taylor

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes, and subject to the passing of Resolution 3 the directors be authorised to issue up to a maximum of 100,000 Options to subscribe for shares in the Company to Mr David J.E. Taylor or his nominee, the details of which are set out in the Explanatory Memorandum forming part of the Notice of this Annual General Meeting.”

11. Resolution 10 – Section 195 Approval

“That, for the purposes of section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the Directors to complete the transactions as contemplated in this Notice.”

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any vote cast by:

- (a) *Mr W. McCrae or his associates, in respect of Resolution 5;*
- (b) *Mr P. Hutchison or his associates, in respect of Resolution 6;*
- (c) *Mr W. Cash or his associates, in respect of Resolution 7;*
- (d) *Mr V.P. Keran or his associates, in respect of Resolution 8; and*
- (e) *Mr D.J.E. Taylor or his associates in respect of Resolution 9.*

However, a vote will not be disregarded if:

- (a) *cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or*
- (b) *cast by the chairman of the meeting as proxy for a member who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.*

GENERAL BUSINESS

- 12.** To transact any other business which may lawfully be brought forward.

PROXIES

In accordance with section 249L of the Corporations Act 2001, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise half of the votes.

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following information for the purposes of receipt of proxy appointments:

Registered Office: UNIT 34, BRICKWORKS ANNEX
 19 BROLGA AVENUE
 SOUTHPORT, QUEENSLAND 4215

Facsimile Number: (61 7) 5503 0288

Postal Address: P O Box 1044
 SOUTHPORT, QUEENSLAND 4215

Each member entitled to vote at the annual general meeting has the right to appoint a proxy to attend and vote at the meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile).

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that ordinary shares held as at 7.00pm on 24 November 2009 will be taken, for the purposes of the annual general meeting, to be held by the persons who held them at that time.

BY ORDER OF THE BOARD



L S Rowe
Company Secretary

Perth, Western Australia
20 October 2009

Members who do not plan to attend the meeting are encouraged to complete and return a proxy form.

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of shareholders of CuDeco Ltd (the “**Company**”) in connection with the business to be conducted at the Annual General Meeting to be held on Thursday, 26 November 2009 at 10.30am at the Gold Coast International Hotel, Gold Coast Highway (Cnr Staghorn Ave), Surfers Paradise, Queensland.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

2. 2009 ANNUAL REPORT

In accordance with the requirements of the Company’s Constitution and the Corporations Act, the 2009 Annual Report will be tabled at the annual general meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

Representatives from the Company’s auditors, BDO Kendalls will be present to take shareholders’ questions and comments about the conduct of the audit and the preparation and content of the audit report.

As you may be aware, changes to legislation mean that companies are no longer required to mail out a hard copy of their annual report to shareholders. If you so wish, you can obtain a hard copy by contacting the Company. Alternatively, it is available on the Company’s website at www.cudeco.com.au for you to download or read online.

3. RESOLUTION 1 – Adoption of Remuneration Report

The Annual Report for the financial year ended 30 June 2009 contains a Remuneration Report, which forms part of the Directors' Report and sets out the remuneration policy for the Company and reports the remuneration arrangements in place for executive and non-executive directors.

The Corporations Act 2001 requires listed companies to put a non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when considering the Company's remuneration policy.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

4. RESOLUTION 2 & 3 – Re-election of Directors

The Company’s Constitution requires directors who are appointed during the year to retire at the first AGM held after their appointment. Retiring directors are eligible for re-election. As Mr Taylor was appointed during the year he must resign and can be re-elected.

In accordance with the requirements of the Company’s Constitution, ASX Listing Rules and the Corporations Act, one-third of the directors of the Company (other than the Managing Director) and those who were last re-elected more than three years ago retire from office at this annual general meeting of the Company and, being eligible, offer themselves for re-election. Details of Mr Keran’s qualifications and experience are available in the Annual Report.

5. RESOLUTION 4 – Change of Auditor

As a result of an internal restructure of the accounting firm that currently provides audit services to the Company, BDO Kendalls (QLD)(the partnership currently appointed as auditor of the Company) needs to resign as auditor effective from the date of the annual general meeting (AGM). BDO Kendalls Audit & Assurance (QLD) Pty Ltd (an Authorised Audit Company) needs to be approved for appointment as the replacement auditor at the AGM. A copy of the Notice of Nomination of BDO Kendalls Audit & Assurance (QLD) Pty Ltd is attached.

The members at the AGM will be asked to vote on the appointment of BDO Kendalls Audit & Assurance (QLD) Pty Ltd as the Company’s auditor effective at the AGM.

6. RESOLUTIONS 5, 6, 7, 8 and 9 – Issue of Options to Directors

Messrs McCrae, Hutchison, Cash, Keran and Taylor are current directors of the Company to whom it is proposed to issue options over shares in the Company.

It is proposed to issue the following options to each of the Directors:

Mr W McCrae	2,500,000
Mr P Hutchison	2,500,000
Mr W Cash	100,000
Mr P Keran	100,000
Mr D Taylor	100,000
Total	5,300,000

The options to be issued to directors have an expiry date of 31 December 2012 with an exercise price of \$6.50 each. Please refer to Appendix 'A' for the terms and conditions of the Options.

The purpose of the issue of options is to provide Messrs McCrae, Hutchison, Cash, Keran and Taylor an incentive for future services and as a reward for past services. The issue of options as part of the remuneration packages of senior executives is an established practice of public listed companies and, in the case of the Company, has the benefit of conserving cash whilst properly rewarding each of the directors. Whilst the directors to whom the options are to be issued do not make a recommendation as they each have a personal interest in the proposed issue, they believe that the quantum of options together with the cash fees that they are entitled to is reasonable in the context of the size and complexity of the Company's activities and also by comparison to other similar sized mineral explorers.

The ASX Listing Rules and the Corporations Act 2001 (in certain circumstances) require shareholder approval to be obtained for the issue of options to directors. Accordingly, approval for the issue of the Directors' Options is sought in accordance with the provisions of Listing Rules 7.1 and 10.11 of the ASX Listing Rules ("Listing Rules") and Part 2E of the Corporations Act 2001. If approval for the issue of the Directors' Options is obtained under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Subject to shareholder approval, the options referred to in Resolutions 5 to 9 will be issued free of charge and within one month after the date of this meeting.

(A) The proposed Resolutions 5, 6, 7, 8 and 9, if passed, will issue securities to and confer financial benefits upon Messrs McCrae, Hutchison, Cash, Keran and Taylor who are directors of the Company and the Company seeks to obtain member approval in accordance with the requirements of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11. Accordingly, information required under the Listing Rules and the Corporations Act as well as information that will properly enable shareholders to consider Resolutions 5, 6, 7, 8 and 9 is presented below.

(B) Potential Benefits – Issue of Options

If the Directors' Options are issued pursuant to the proposed resolutions 5, 6, 7, 8 and 9, the Company considers the following benefits arise:

- (i) Messrs McCrae, Hutchison, Cash, Keran and Taylor will have a vested interest in the affairs of the Company, as the holders of Options and as shareholders upon exercise of the Options, particularly as the Options are not transferable.
- (ii) The issue of Directors' Options to Messrs McCrae, Hutchison, Cash, Keran and Taylor is a non-cash form of remuneration, thus conserving the Company's cash reserves. The issue enables the Company to provide its directors with reward for services provided and an incentive for future services they will provide to the Company to further progress the Company in a cost-effective manner, as opposed to other forms of remuneration, such as cash.
- (iii) The exercise of the Options will provide working capital for the Company at no significant cost. If all of the Directors' Options proposed to be issued to Messrs McCrae, Hutchison, Cash, Keran and Taylor are ultimately exercised, an amount of \$34,450,000 would be raised. As the Directors' Options are to be granted for nil consideration there will be no funds raised by the Company in granting the Directors' Options.

(C) Potential Costs – Issue of Directors’ Options

The potential cost to the Company of the issue of an aggregate of 5,300,000 Options to Messrs McCrae, Hutchison, Cash, Keran and Taylor is that there will be a dilution of the issued share capital of the Company if the Directors’ Options are exercised.

Based on 141,670,702 fully diluted shares, the exercise of the proposed directors’ options (5.3 million) would have a dilution effect of approximately 4% (with a corresponding increase in cash reserves of \$34,450,000). As the Company presently has 3,475,000 options on issue, exercisable at prices varying from \$3.29 to \$6.00 each, it is appropriate to measure the dilution caused by the proposed issue of options to directors by reference to fully diluted shares rather than just ordinary shares presently on issue.

If the options are exercised at a time when the market price of the Company’s shares is greater than the exercise price of the options, there will be a detriment insofar as the Company will be required to issue shares at a price lower than it might otherwise have been able to, with the result that less funds will be raised.

The price of the Company’s shares quoted on the ASX over the past three months has ranged from a low of \$2.60 on 30 July 2009 to a high of \$6.59 on 21 September 2009, with a closing price of \$5.92 on 19 October 2009.

AASB 2 “Share Based Payments” requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under the accounting standards this amount will be expensed in the Income Statement – ie the value attributed to the Directors Options (See Section D below) will be expensed in the profit and loss account of the Company. Where the grant date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management’s assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

(D) Valuation of Options

The Directors’ Options are not currently quoted on the ASX and as such have no market value. The Options each grant the holder a right of grant of one Share in the Company upon exercise of the Option and payment of the exercise price of the Option. Accordingly, the Directors’ Options may have a present value at the date of their grant. The Directors’ Options may acquire future value dependent upon the extent to which the shares exceed the exercise price of the Options during the term of the Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- (i) the period outstanding before the expiry date of the options;
- (ii) the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- (iii) the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (ie whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- (iv) the value of the shares into which the options may be converted; and
- (v) whether or not the options are listed (ie readily capable of being liquidated);

and so on.

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black-Scholes Model option valuation formula).

The Company has estimated the value of the Options and has done so using the Black-Scholes Model, which is the most widely used and recognised model for pricing options. The value of an option calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the share price, the exercise price, the time to expiry, the risk-free interest rate and the volatility of the Company’s underlying share price.

Inherent in the application of the Black-Scholes Model are a number of inputs, some of which must be assumed. The data relied upon in applying the Black-Scholes Model was as follows:

- (i) an exercise price of the Option of \$6.50;
- (ii) length of period prior to conversion being 3 years and 1 month (December 2009 to December 2012). For the purposes of the analysis it was assumed that the Options would not be exercised any earlier than the expiration date, being 31 December 2012;
- (iii) the Company has not forecast any future dividend payments. For the purposes of the analysis, it was assumed that the Company's share price is "ex-dividend";
- (iv) the risk free rate used for the purposes of the analysis is the Reserve Bank of Australia cash rate as at 16 October 2009 being 3.25%;
- (v) a volatility measure of 129%; and
- (vi) the valuation of the Company's share price being \$5.92, being the value of the Company's share price as at 19 October 2009.

Using the Black-Scholes Model and the assumed data outlined above, the directors have valued the Options as at 19 October 2009 at \$4.42 each.

Using this analysis (\$4.42), the total value of the proposed Options to be granted to each of Messrs McCrae, Hutchison, Cash, Keran and Taylor attributed to each Option is as follows:

	Number of options	Total Value of Options
Mr W McCrae	2,500,000	\$11,050,000
Mr P Hutchison	2,500,000	\$11,050,000
Mr W Cash	100,000	\$442,000
Mr P Keran	100,000	\$442,000
Mr D Taylor	100,000	\$442,000
TOTAL	5,300,000	\$23,426,000

(E) Identifying the Related Parties

The related parties to whom Resolutions 5, 6, 7, 8 and 9 would permit financial benefits to be given are the directors of the Company, being Messrs W McCrae (in respect of Resolution 5), P Hutchison (in respect of Resolution 6), W Cash (in respect of Resolution 7), P Keran (in respect of Resolution 8) and D Taylor (in respect of Resolution 9).

(F) Financial Benefit

The nature of the financial benefits is:

- (i) in respect of Resolution 5, the grant of 2,500,000 Options to Mr McCrae for no consideration;
- (ii) in respect of Resolution 6, the grant of 2,500,000 Options to Mr Hutchison for no consideration;
- (iii) in respect of Resolution 7, the grant of 100,000 Options to Mr Cash for no consideration;
- (iv) in respect of Resolution 8, the grant of 100,000 Options to Mr Keran for no consideration; and
- (v) in respect of Resolution 9, the grant of 100,000 Options to Mr Taylor for no consideration.

(G) Related Parties' Existing Interest

Excluding the Directors' Options, the subject of resolutions 5, 6, 7, 8 and 9, the current interests of Messrs McCrae, Hutchison, Cash, Keran and Taylor (and entities associated with them) in the Company's securities are as follows:

Director	Shares	Options
Mr W McCrae	12,493,216	-
Mr P Hutchison	1,031,034	-
Mr W Cash	22,000	-
Mr P Keran	70,000	-
Mr D Taylor	28,000	-
TOTAL	13,644,250	-

(H) Directors' Emoluments

Other than the Options, the directors' current remuneration is as follows:

Director	Position	Annual Remuneration
Mr McCrae	Executive Chairman	\$400,000 plus \$50,000 superannuation
Mr Hutchison	Executive Director	\$275,000 plus \$50,000 superannuation
Mr Cash	Non - Executive Director	\$30,000 plus 9% superannuation
Mr Keran	Non - Executive Director	\$30,000 plus 9% superannuation
Mr Taylor	Non - Executive Director	\$20,000 plus 9% superannuation

(I) Directors' Recommendation

Messrs McCrae, Hutchison, Cash, Keran and Taylor express no opinion and make no recommendation in respect of the resolutions that apply specifically to them. Otherwise, each of the directors recommend that shareholders approve resolutions 5, 6, 7, 8 and 9 for the reasons set out in this Explanatory Memorandum, including:

- (i) Messrs McCrae, Hutchison, Cash, Keran and Taylor will have a vested interest in the affairs of the Company, as the holders of Options and as shareholders upon exercise of the Options, particularly as the Options are not transferable; and
- (ii) The issue of Options to Messrs McCrae, Hutchison, Cash, Keran and Taylor is a non-cash form of remuneration, thus conserving the Company's cash reserves. The issue enables the Company to provide its directors with reward for services provided and provide an incentive with respect to future services they will provide to the Company to further progress the Company,

and on the basis that, in their opinion, the proposed issue of options is fair and reasonable having regard to the terms of the Options.

(J) Taxation Consequences

No stamp duty will be payable in respect of the grant of the Directors' Options. No GST will be payable by the Company in respect of the grant of the Directors' Options (or if it is then it will be recoverable as an input credit). The Company will be liable to the Queensland State Government payroll tax on the value of these options computed for payroll purposes.

Other than the information above and otherwise set out in this Explanatory Memorandum, the directors believe that there is no other information known to the Company or its directors that will be reasonably required by shareholders to make a decision in relation to benefits contemplated by the proposed resolutions 5, 6, 7, 8 and 9.

7. RESOLUTION 10 – SECTION 195 APPROVAL

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a “material personal interest” are being considered.

Messrs McCrae, Hutchison, Cash, Keran and Taylor have a material personal interest in the outcome of those Resolutions 5, 6, 7, 8 and 9 which apply to them. In the absence of this Resolution 10, the directors may not be able to form a quorum at a directors’ meeting necessary to carry out the terms of these Resolutions.

The directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve upon.

Cautionary Notes

The directors recognise and acknowledge the importance of shareholders making their decision on the basis of the best possible information. However, once this material for the Notice of Meeting and Explanatory Memorandum is prepared and despatched to shareholders, the Company has no legal obligation to continuously update the content of this material nor is it practical and logistically possible to do that and inform each shareholder individually.

By its nature, the exploration industry is subject to numerous risks and the Company’s share price is affected by a range of factors. From the time of preparing this material to the date of the Annual General Meeting, the Company’s share price may go up or down. The Company will continue to comply with its continuous disclosure obligations and make appropriate announcements to the ASX.

Shareholders are strongly encouraged to keep track of any announcements that the Company may make and of the Company’s share price up to the date of the Annual General Meeting as that information may have an effect on the calculations and the data that is provided in this Notice and the Explanatory Memorandum. If you do not understand the effect of such information, you should consult your professional advisor.

APPENDIX A
TERMS AND CONDITIONS OF OPTIONS (RESOLUTIONS 5, 6, 7, 8 and 9)

The material terms and conditions of the Options are as follows:

- (a) Each Option entitles the holder to subscribe for and be allotted one Share. The exercise price of each Option is \$6.50.
- (b) The Options are exercisable at any time prior to 5.00pm WST on 31 December 2012 ("the Expiry Date") by notice in writing to the Directors accompanied by payment of the exercise price as detailed in (a) above.
- (c) The Options are not transferable, except to a spouse of the Optionholder, or a company or trust, wholly owned by the Optionholder and his or her spouse, or pursuant to a court order and no application will be made to the ASX for Official Quotation of the Options.
- (d) If an Optionholder ceases employment with the Company or otherwise ceases to provide services to the Company, Options held at that time will lapse unless exercised within thirty days of cessation of employment (or cessation of service), except where the employment/service has ceased as a result of special circumstances such as death or permanent disablement.
- (e) Shares allotted and issued pursuant to the exercise of an Option will be allotted and issued not more than 10 business days after receipt of a properly executed notice of exercise of the Option and payment of the requisite application moneys.
- (f) All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's fully paid ordinary shares. The Company will apply for Official Quotation by ASX of all Shares issued upon exercise of the Options within three business days after the date of allotment of those Shares.
- (g) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered or made to shareholders during the currency of the Options. However, the Company will send a notice to each optionholder at least nine business days before the record date for any proposed issue of capital on a pro rata entitlement basis. This will give optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) There are no rights to a change in exercise price, or in the number of Shares over which the Options can be exercised, in the event of a bonus issue by the Company prior to the exercise of any Options.
- (i) In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of the reorganisation.
- (j) The Company will, at least 20 business days before the Expiry Date, send notices to the optionholders stating the name of the optionholder, the number of Options held and the number of securities to be issued on exercise of the Options, the exercise price, the due date for payment and the consequences of non-payment.

KALDIG PTY. LTD.

A.B.N. 23 010 667 115

PO BOX 1044 Southport, QLD 4215
Ph: (07) 5503 1511 Fax: (07) 5503 0288

6 October 2009

The Directors
CuDeco Ltd
Unit 34, Brickworks Annex
19 Brolga Avenue
Southport Queensland 4215

Dear Sirs

The undersigned being a member of CuDeco Ltd hereby nominates BDO Kendalls Audit & Assurance (Qld) Pty Ltd for appointment as auditor of the Company at the forthcoming annual general meeting or any adjournment thereof.

Yours faithfully



Wayne McCrae
Director

Appointment of Proxy

I/We being a member/s of CuDeco Limited and entitled to attend and vote hereby appoint

The Chairman of the Meeting (mark with an "X") **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

Or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of CuDeco Limited to be held on 26 November 2009 and at any adjournment of that meeting.

If you do **not** wish to direct your proxy how to vote, please place a mark in the box →→

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest. **The Chairman of the Meeting intends to vote any such undirected proxies in favour of all the resolutions, with the exception of resolutions 5, 6, 7, 8 and 9 where they will be treated as abstentions.**

If you do not mark the above box and you have not directed your proxy how to vote in the boxes below, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called.

Voting directions to your proxy – please mark to indicate your directions

	For	Against	Abstain*
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director, P. Keran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director, D.J.E. Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval for the Issue of Options to Director, W. McCrae	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Approval for the Issue of Options to Director, P. Hutchison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval for the Issue of Options to Director, W. Cash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval for the Issue of Options to Director, P. Keran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Approval for the Issue of Options to Director, D. Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Section 195 Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE - This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Dated: ___/___/2009

How to complete the Proxy Form

1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

2 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

3 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

4 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 10:30am on 24 November 2009. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

IN PERSON: Registered Office – Unit 34, Brickworks Annex, 19 Brolga Avenue, Southport, Queensland 4215

BY MAIL: Registered Office – P O Box 1044, Southport, Queensland 4215

BY FAX (61 7) 5503 0288