

18th June 2007

The Manager
Company Announcements Office
ASX Ltd
4th Floor, 20 Bridge Street
SYDNEY. NSW 2000

The Directors of CuDeco Ltd advise their shareholders that Queensland Mining Corporation Limited (QMC) settled on the Mt Norma copper sulphate facility and associated mining leases. In addition a number of other mining leases were also in the package of assets disposed of by CuDeco.

These assets were considered by CuDeco as non core assets. The total consideration of \$9million was by way of cash and shares.

CuDeco Directors investigated the projects accumulated by QMC to be included in their I.P.O. and believe all to be of high quality, and highly prospective tenements. QMC has a portfolio of highly prospective mineral properties located in the Cloncurry / Mt Isa copper, gold mineral field and QMC has an option over highly prospective nickel cobalt, copper properties in the Northern Territory.

In addition QMC owns a 3 square kilometre exploration permit abutting the Rocklands Copper Exploration Permit EPM(A) 13049. QMC is the only other mining company other than Xstrata abutting the CuDeco Rocklands project.

The purchase of the Mt Norma copper sulphate production facility shall give QMC an instant positive cash flow from production. Currently a 250,000 tonne vat is being constructed and mining of high grade copper ore is being mined by CuDeco and contractors on behalf of QMC.

QMC expects the new vat to be completed and in production during the 4th quarter of 2007. An upgrade of the plant, new accommodation, new refrigeration and drying facilities have been installed. Currently approximately 70,000 tonnes has been stockpiled into one vat and the leaching process has recommenced.

CuDeco chairman Wayne McCrae vended his personal gold and copper tenements into QMC via his private company Spinifex Mines Pty Ltd.

QMC is aiming to list on the ASX in July / August 2007 and proposes to raise up to \$25million through the Initial Public Offering (IPO).

Shareholders of Cudeco will be invited to participate in the IPO of QMC through an offer by way of a priority allocation of shares.

Yours faithfully



Wayne McCrae
Chairman