



**HD** (AECDU) Cudoco Limited: **Ore** supply agreement with Glencore

**WC** 342 words

**PD** 14 October 2014

**SN** Ralph Wragg Australian Business News

**SC** AAPRAW

**LA** English

**CY** Copyright 2014 RWE AUSTRALIAN BUSINESS NEWS PTY LTD. All Rights Reserved.

**LP**

Sydney - Tuesday - October 14 (RWE) - Cudoco Limited (ASX: CDU) has entered into an agreement with Glencore International AG for the supply of an initial 20,000 tonnes of primary sulphide **ore** for toll-treatment in the Ernest Henry Mine (EHM) processing plant, located approximately 50 Km from CuDeco's Rocklands Group **Copper** Project.

The trial shipment is to evaluate the suitability of Rocklands primary **ore** for treatment in the EHM mineral processing plant, and the general handling and processing characteristics in a large-scale processing situation.

**TD**

At the completion of, and/or during the processing of the Rocklands **ore**, both parties may consider a long term supply of **ore** from the Rocklands **operations**.

Any future agreements for **ore** supply and concentrate **purchase**, will be based on increased **mining** for supply, in addition to the 3mtpa to be processed at CuDeco's Rocklands mineral processing facility.

Delivery of the **ore** to EHM site will commence this week.

CuDeco is in the final stages of construction of its 3 **million** tonne per year, mineral processing facility under a turnkey EPC contract with **China** State- owned Sinosteel Corporation.

Current **mining** at Rocklands is over 30,000 tonnes per day.

CuDeco has the capacity and ability to accelerate the **mining** from 3mtpa, to supply a further 2-3 **million** tonnes of **ore** per annum to third parties.

CuDeco only utilises a portion of its 100% owned earthmoving/**mining** fleet, and at present is **mining** on a 12-hour, day shift only basis to achieve its required mined tonnes.

By early November approximately 1.2 **million** tonnes of +3% CuEq **ore** is anticipated to be stockpiled for processing.

Future toll processing at EHM will be the subject of a further **ore** supply agreement between CuDeco and Glencore.

Under the 20,000 tonne trial **ore** supply agreement, Glencore has agreed to **purchase** the **copper** concentrates under an "Offtake Agreement", based on the **ore** supplied by CuDeco and processed at Glencore's Ernest Henry Mine processing facility under this agreement.

**CO** ausmi : Cudoco Limited | march : Glencore PLC

**IN** i211 : Metal Ore Mining | i22 : Primary Metals | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | i81502 : Trusts/Funds/Financial Vehicles | i8150203 : Private Equity | i8396 : Diversified Holding Companies | ialtin : Alternative Investments | ibcs : Business/Consumer Services | ifinal : Financial Services | iinv : Investing/Securities

**NS** ccat : Corporate/Industrial News

**RE** austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

**PUB** RWE Australian Business News Pty Ltd

**AN** Document AAPRAW0020141014eaae0000a