

7 December, 2006.

The Manager
Company Announcements Office
Australian Stock Exchange Ltd
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir,

**LAS MINERALE INTERSECTS HIGHLY MINERALIZED, SPECTACULAR DIAMOND DRILL
CORE CONTAINING INTENSE NATIVE COPPER AND CHALCOCITE**

- Diamond Drill hole LMDH 07 intersected down-hole 40 m of spectacular mineralised diamond core.
- The Diamond Core Drill intersected intense Native Copper¹ and Chalcocite² over 40 m down-hole depth from 44 m to 84 m

Drill hole LMDH 07 (azimuth 210 degrees, inclination 55 degrees) was drilled on the Rocklands Local grid at 11155E 13024N (RL 216).

LMDH 07 confirms the geological integrity of the native copper mineralisation in the central 650 m high grade native copper zone within the Las Minerale 1200 m strike length.

The hole is part of the infill drill program along the Las Minerale strike length. Two Diamond Core Drill Rigs are now operating at Las Minerale in addition to the R.C. Drill Rig.

While the company believes the intersection is high grade, the drill core has not yet been assayed and no estimates of grade are provided with this announcement. Our independent assay laboratory has observed the diamond drill core from LMDH 07 and has advised the core is too rich in copper to be assayed by conventional methods. The laboratory advised the drill core will have to be tested for copper content using alternative methods, for example, specific gravity ratio analysis.

¹ Native Copper 99% Cu

² Chalcocite up to 78% Cu

The attached map shows the diamond drill hole is located 10m to the East of the RC hole, DORC87 which intersected zones of high grade copper mineralisation and Native Copper.

The hole was designed to confirm the integrity of the RC drilling sample results and for metallurgical purposes. The mineralisation is considered to be part of a supergene zone or blanket which contains oxides of copper, chalcocite and native copper and which overlies a deeper sulphide primary ore body. The native copper is thought to have formed through a super-leaching event which caused the re-mobilisation and concentration of copper from oxides and sulphide sources.

Photographs of selected sample and core trays are presented below although copper metal was visible in the majority of the 40m intersection. These photographs illustrate the spectacular nature of this intersection. The photographs are of a selection of samples and core trays, and may not necessarily represent the average of the intersection

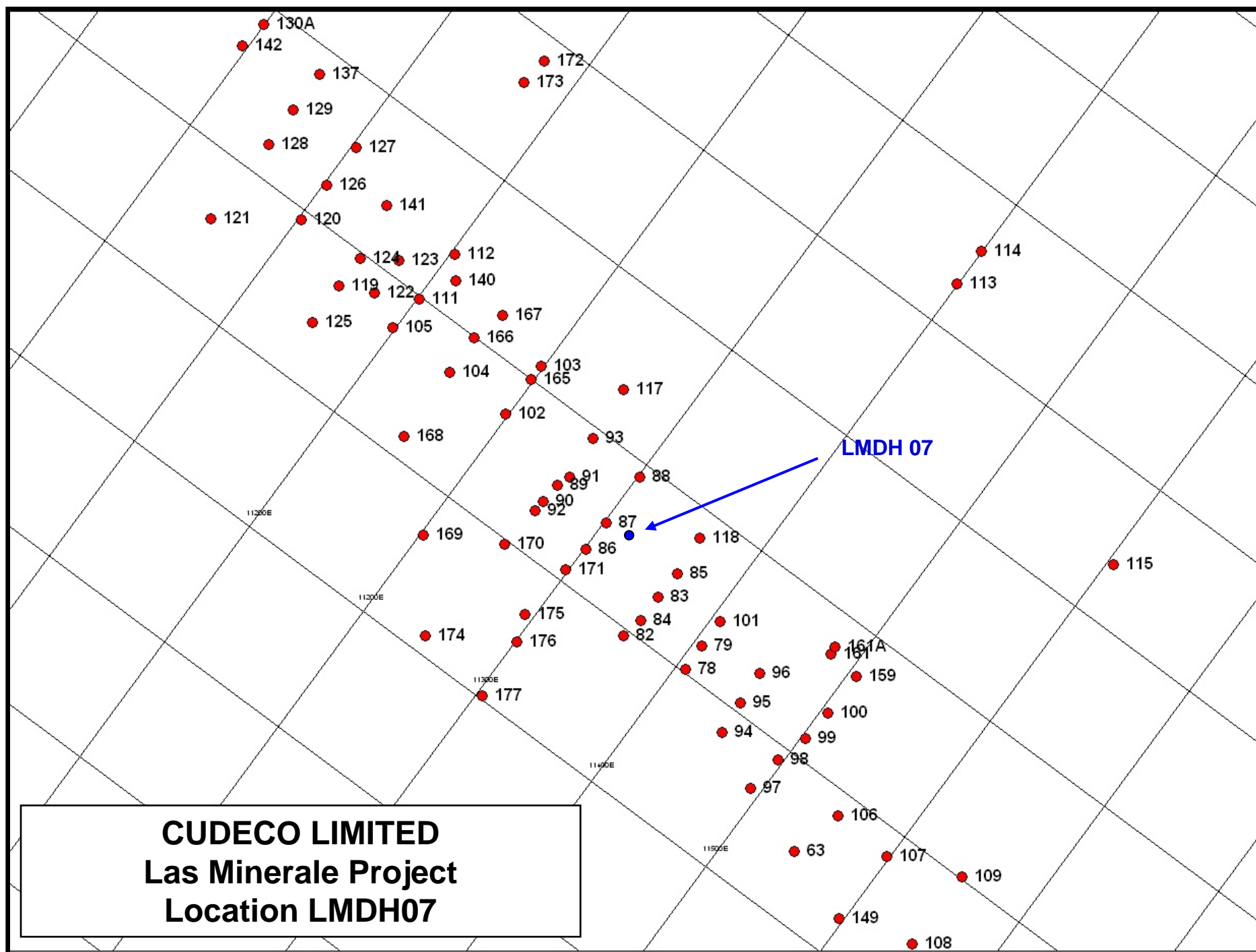
Following release, this announcement will be posted in full color on Cudeco's web site, www.cudeco.com.au.

Yours faithfully,



Wayne McCrae,
Chairman.

The information in this report that relates to exploration results is based on information compiled by Mr Malcolm Carson, who is a Member of the Australian Institute of Mining and Metallurgy, Mr Carson is employed by Mineral Resource Consultants Pty Ltd. Mr Carson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Carson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.





Diamond Drill Core - LMDH07
Copper filings from diamond core wash back

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) - 31-11-06...001





Diamond Drill Core - LMDH07

Intense Native Copper

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...019





Diamond Drill Core - LMDH07

Drill Core trays; 40m of intense native copper (large nuggets) and copper sulphides in form of chalcocite (up to 78% Cu)

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%)020





Diamond Drill Core - LMDH07

Sulphides (Chalcocite - high grade copper mineral up to 78% Cu)
and Native copper

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...018





Diamond Drill Core - LMDH07

Drill core trays displaying intensely rich, visually bright, fresh cut copper nuggets (99%Cu)

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...023





Diamond Drill Core - LMDH07

Drill core showing fabrics of intense native copper threads (99% Cu) in decomposed basalt and chalcocite host.

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...024





Diamond Drill Core - LMDH07

Solid core of native copper (99% Cu) and crystallised chalcocite.

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...025





Diamond Drill Core - LMDH07

Solid core of native copper (99% Cu) and chalcocite (up to 78% Cu) in decomposed basalt and calcite host.

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...026





Diamond Drill Core - LMDH07

Solid core of native copper (99% Cu) and chalcocite (up to 78% Cu) in decomposed basalt and calcite host.

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...027





Diamond Drill Core - LMDH07

Visible native copper (99% Cu)
in solid crystallised chalcocite (up to 78% Cu)

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...028





Diamond Drill Core - LMDH07

Dual diamond rigs at work

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...030





Diamond Drill Core - LMDH07

Drill core showing visible native copper (99% Cu) and chalcocite (up to 78% Cu)

LAS MINERALE

ROCKLANDS GROUP COPPER PROJECT (CDU 100%) ...032