

7 May 2009

## **CopperCo Limited (Receivers and Managers Appointed) (Administrators Appointed)**

### **Sale of assets and environmental update**

The Receivers and Managers of CopperCo Limited (ASX: CUO) are pleased to advise that the company has executed agreements with Cape Lambert Iron Ore Limited (ASX:CFE) and its subsidiaries for the sale of the Lady Annie project and associated assets and tenements.

The sale also includes all of the shares in Mineral Securities Limited (“MinSec”), which were acquired by CopperCo last year, prior to entering voluntary administration in November 2008.

Cape Lambert was selected as the preferred bidder following a comprehensive sale campaign undertaken by the Receivers and Managers over the past three months. The agreement includes the sale of CopperCo’s primary asset, the Lady Annie copper project in Queensland, to Cape Lambert as a going concern. The Receivers and Managers consider that the sale represents the best outcome for stakeholders, and will maximise the chances of on-going employment at the site, benefit the local community and has the potential for a return to unsecured creditors.

The Receivers and Managers are particularly pleased with this sale as it provides certainty, a relatively quick outcome and the best possible return to stakeholders given present market conditions and recent unusual rain events in North Queensland that have caused environmental issues on site.

The sale is still subject to a number of conditions precedent, including Court and creditor approval. Settlement is expected to occur by 30 June 2009. The Receivers and Managers will be working closely with Cape Lambert over the coming weeks to ensure that settlement is achieved as quickly as possible.

#### **Environmental Update**

The Receivers and Managers are also pleased to provide an update on the environmental remediation program underway at Lady Annie project, following the discharge events from the mine site as a result of widespread flooding in northern Queensland early this year.

The Receivers and Managers have been working in consultation with the Department of Environment and Resource Management, and have now agreed all guidelines and timelines for the environmental restoration work.

The remediation activities are underway on the affected areas of the Saga and Inca creeks, and works are expected to be largely completed prior to settlement of the CopperCo asset sale.

The Receivers and Managers have also met with local stakeholders in Mt Isa, and have been working closely with affected landholders to assist wherever possible with feed, fencing and agistment for stock.



Importantly, under the sale agreement the Receivers and Managers will ensure that sufficient sale proceeds are set aside to complete all agreed remediation works.

### **Enquiries**

All enquiries should be directed to Glen Kanevsky of the Receivers and Managers at Deloitte on (08) 9365 7163 or by email to [gkanevsky@deloitte.com.au](mailto:gkanevsky@deloitte.com.au).

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