

NON-RENOUNCEABLE PRO-RATA OFFER OF LISTED OPTIONS

Cradle Resources Limited (Cradle) is pleased to announce a 1 for 2 non-renounceable pro-rata offer of Listed Options (**Offer**).

The Company is undertaking a non-renounceable pro-rata entitlements offer on the basis of 1 listed option (**Listed Option**) for every 2 shares held at 5pm (WST) on 30 December 2011 (**Record Date**) at an issue price of \$0.01 each (**Entitlements Offer**).

The exercise price of the Listed Options is \$0.20. The expiry date of the Listed Options is the third anniversary of the date of issue.

The Entitlements Offer is available to all Cradle shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia or New Zealand (**Eligible Shareholders**). The Entitlements Offer is not being extended to any Shareholders whose address is outside Australia or New Zealand.

Completion of the issue of the Listed Options will result in an increase in the cash on hand of up to approximately \$137,500 (before payment of associated costs).

The funds raised pursuant to the Entitlements Offer will be used to identify and assess new projects for acquisition, pay the cost of the Offer and provide general working capital.

Indicative Timetable

The Listed Options will be offered in accordance with the following timetable:

Event	Date
Lodgment of Prospectus with ASIC and provision of copies to ASX Appendix 3B given to ASX	19 December 2011
Company sends notices to security holders	21 December 2011
Existing Shares quoted on an "ex" basis	22 December 2011
Record Date	30 December 2011
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders	4 January 2012
Closing Date	19 January 2012
Listed Options quoted on a deferred settlement basis	20 January 2012
Notify ASX of under subscription	23 January 2012
Anticipated date for allotment and issue of the Listed Options	24 January 2012
Anticipated date for dispatch of holding statements	24 January 2012
Deferred settlement trading ends	24 January 2012
Anticipated date of commencement of Listed Options trading	25 January 2012

All dates are indicative only. The Company reserves the right, subject to the Corporations Act 2001 (Cth) (Corporations Act) and the ASX Listing Rules (Listing Rules), to amend the indicative timetable without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the Listed Options.

Prospectus

Details of the Entitlements Offer are contained in the Prospectus which was lodged with ASIC and ASX on 19 December 2011. The Prospectus is available on both the ASX website (www.asx.com.au) and the Company's website (www.cradleresources.com.au).

A copy of the Prospectus will be sent to Eligible Shareholders on 4 January 2012.

The directors encourage you to read the Prospectus carefully and seek advice from your professional adviser if you have any queries.

For further information please contact:

Patrick Walta, CEO

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