

**10 February 2014**

**ASX Release**

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## **FINANCING UPDATE**

The recently completed scoping study on the Panda Hill Niobium Project demonstrates the outstanding potential economics of this world-class asset.

As previously announced, for the Staged Case (1 mtpa increasing to 2.3 mtpa), estimated initial capital expenditure of US\$125m generates an EBITDA averaging US\$100m pa over 26 years mine life, with C1 cash costs (post expansion) of only about 40% of the Niobium selling price.

The Company now intends to proceed directly with a definitive feasibility study, with interim pre-feasibility numbers to be released along the way. To this end, the Company intends to complete an appropriate equity raising shortly.

The Company commenced marketing the Project to institutions at the Indaba mining conference in Cape Town last week, and has received strong expressions of interest. It appears likely that the whole of the equity raising will be taken by London-based funds that specialise in investing in emerging resource projects.

A due diligence process has commenced with the interested parties. A further announcement will be made upon details being finalised.

Following release of the scoping study results, the Company has engaged with a number of mining analysts and we expect research reports to be released shortly by well-known resource brokerage houses. Further, the Company is planning a number of broker presentations in Australia to raise awareness of the scoping study results.

By Order of the Board

For further information, please visit [www.cradleresources.com.au](http://www.cradleresources.com.au) or contact:

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