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CRADLE RECEIVES NEXT TRANCHE OF TREMONT FINANCING

Highlights

- **Tremont commits a further USD\$5 million to Panda Hill**
- **Definitive Feasibility Study on track for late 2015**
- **Metallurgical Pilot Test Results expected in July 2015**

Cradle Resources Limited (“Cradle”) is pleased to announce that Tremont Investments Limited (“Tremont”) has exercised its right to acquire a further 12.5% of the Panda Hill Niobium Project for a further USD\$5 million (AUD\$6.25M) investment (taking Tremont to 37.5% in total). To date Tremont has invested USD\$10 million in two separate tranches of USD\$5 million each. This investment has been used to de-risk the Project through an in-fill and extensional drilling program, extensive metallurgical work and a Preliminary Feasibility Study.

The mandate from Tremont is to proceed with the Definitive Feasibility Study (“DFS”) which is expected to be completed in the 4th quarter of 2015, after which a decision to mine will be made. The DFS is underway with a 70 tonne metallurgical pilot test at SGS Lakefield in Canada, which is due for completion in July 2015. The engineering and environment teams have commenced the field work and the initial detailed planning phase of the DFS. Further to this, Tremont, who is experienced with African resource project financing, is coordinating the project financing process, which has already commenced.

Tremont is an African focused mining platform backed by Denham Capital, a leading energy and resources global private equity firm. Pangea Exploration, advisors to Tremont, is based in South Africa and led by Mr Rob Still. Over the last 25 years Pangea’s team of technical and commercial experts has developed in excess of 16 projects in Southern and Eastern Africa at various stages of project de-risking and in a variety of commodities.

In November 2011, Tremont raised USD\$200 million from Denham Capital to establish an African mining platform to target opportunities in Africa. Denham has over USD\$7.9 billion of invested and committed capital in the metals and mining, oil and gas, and power sectors.

Under its agreement with Cradle, Tremont has the right to contribute a further USD\$5 million to acquire a further 12.5% interest in the Panda Hill Niobium Project (taking Tremont to 50% in total).

Cradle’s Managing Director, Grant Davey, commented: “Tremont’s further investment in Panda Hill follows a positive Pre-Feasibility Study and demonstrates its ongoing confidence in the Project. The Cradle team has enjoyed working with the Tremont team over the last 11 months and is looking forward to driving successful development of this world class niobium project jointly with Tremont.”

Tremont Director, Rob Still, commented: “Tremont is satisfied with the project progress to date and continues to believe that Panda Hill will be successfully brought to production thereby adding diversity of supply to global consumers of niobium.”

By Order of the Board

For further information, please visit www.cradleresources.com.au or contact:

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