

CHILE UPDATE

COPPER PORPHYRY DRILLING COMMENCES

- 2000m diamond drilling program commences at Candelabro Project
- Target is three known hydrothermal breccias
- Results likely in January 2012
- Caramasa and Palmani properties then to be systematically drilled

Chinalco Yunnan Copper Resources Limited (CYU:ASX) is pleased to provide an update with drilling commencing on the Candelabro Joint Venture in Northern Chile.



Figure 1. Candelabro, Caramasa and Palmani Porphyry Copper Prospects are being drilled in 2011/2012. All prospects are large tonnage concepts with known mineralisation occurring at each location as defined by JV partner Rio Tinto.

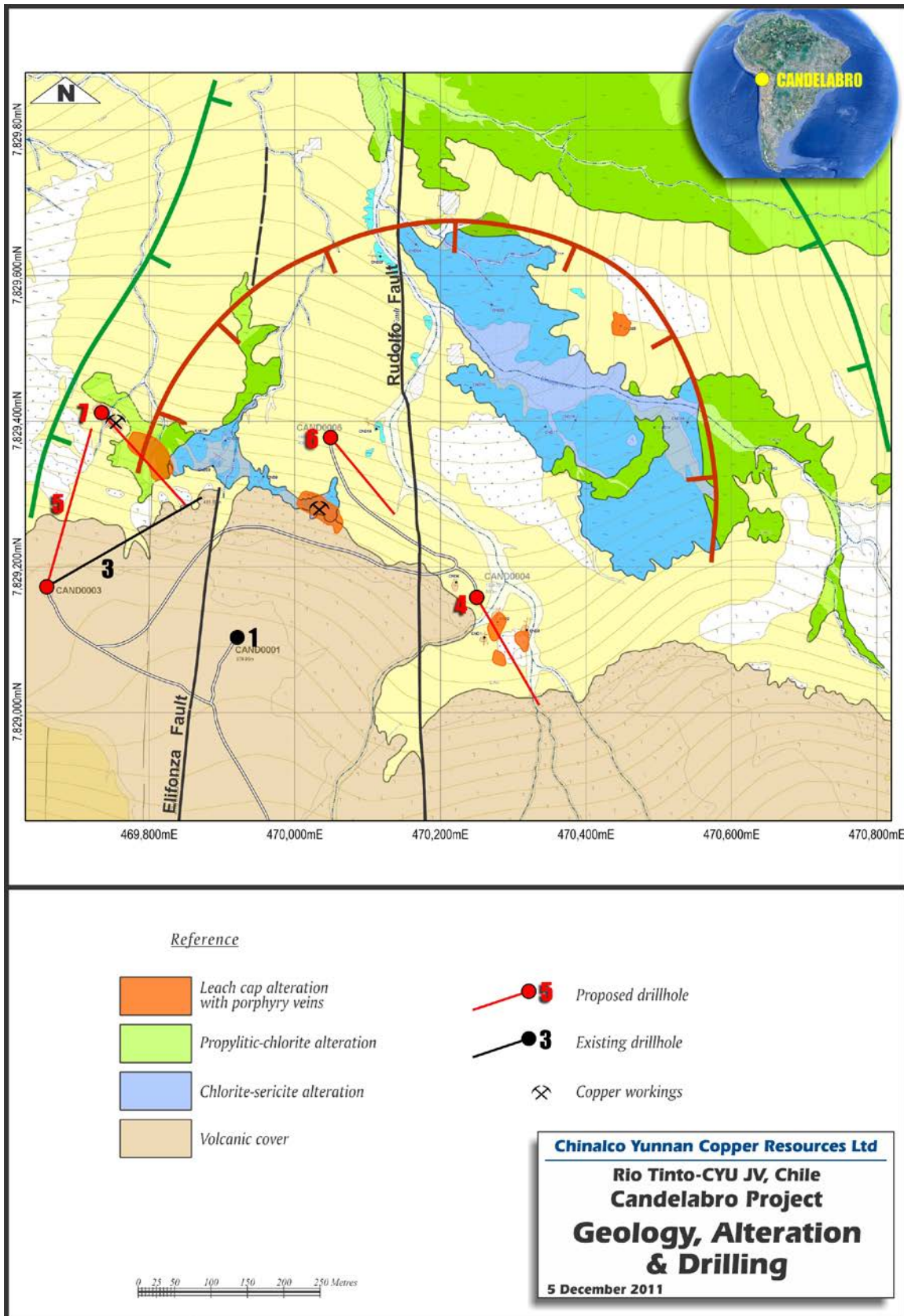


Figure 2. Drilling is designed to test known mineralised leach caps with porphyry style copper stockwork veins mapped by Rio Tinto and confirmed by CYU.



CYU is undertaking this program with due attention to Health, Safety, Environment and Community (HSEC) issues including employing local Sipiza and Chuzmisa people and resources. CYU now has a fulltime field based HSEC officer and is in compliance with all Chilean government regulations as are all of the associated project contractors.

CYU now has four drill rigs generating results from Elaine (2 rigs), Laos and Candelabro, Chile. Results flow will continue in December from all three projects being drilled.

About Chinalco Yunnan Copper Resources

Chinalco Yunnan Copper Resources Limited (CYU) explores and develops minerals in Australia, Chile and Laos. CYU is supported by cornerstone shareholder Yunnan Copper Industry (Group) Co Ltd (YCI); China's third largest copper producer. CYU acts as YCI's international investment arm and mining house.

Australia

CYU is currently drilling the Elaine copper-cobalt-gold-LREE discovery within Mary Kathleen JV tenements near Mount Isa. CYU has earned 70% from the Mary Kathleen project working with joint venture partner Goldsearch Limited. A second rig has commenced drilling to extend the open strike length of this new discovery.

Laos

CYU has received the first geochemical results from trenching with two prospective zones identified. Drilling is being planned to test these zones in the current quarter. **Drilling at Jiuzhai is to commence imminently with the man portable drill rig currently being assembled on-site.** The corporate exploration target is 80 to 100 million tonnes at a grade of 0.9% to 1.0% copper and 120g/t to 150 g/t silver. Short term processing of copper-silver ore bodies is also a project objective in Laos, subsequent to resource drilling.

Competent Person's Statement

The information regarding the Exploration Activities on the Candelabro Prospect is based on information compiled by Mr Jason Beckton, who is a Member of the Australian Institute of Geologists and is the Managing Director of Chinalco Yunnan Copper Resources Ltd. Mr Beckton has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results and Mineral Resources". Mr Beckton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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