

Deep Diamond Drilling Starts at FC4 Prospect, Cloncurry, Queensland

Chinalco Yunnan Copper Resources (CYU) and Yunnan Copper Exploration (YEX) (www.yunnan-copper.com) have started a deep diamond drill program at their FC4 Prospect 6 kilometres north of Ernest Henry Copper deposit.

CYU and YEX are targeting a deposit similar in size and grade to Ernest Henry Copper deposit (between 150 to 200 million tonnes of copper at between 0.9% and 1.0% and gold of 0.2 grams per tonne).

YEX interpretations indicate the target structure which is being tested by two 750 metre depth drill holes in the current program has dimensions of approximately 400 metres by 1000 metres.

In February 2011, CYU and YEX signed a Cooperative Agreement to investigate CYU's 100% owned Cloncurry North Prospects. YEX can earn a 55% interest in the Prospects by spending \$5 million in exploration on the Cloncurry North Prospects. FC4 forms part of the CYU Cloncurry North Prospects.



Figure 1. Drilling at FC4. Ernest Henry waste dumps can be seen in the distance.

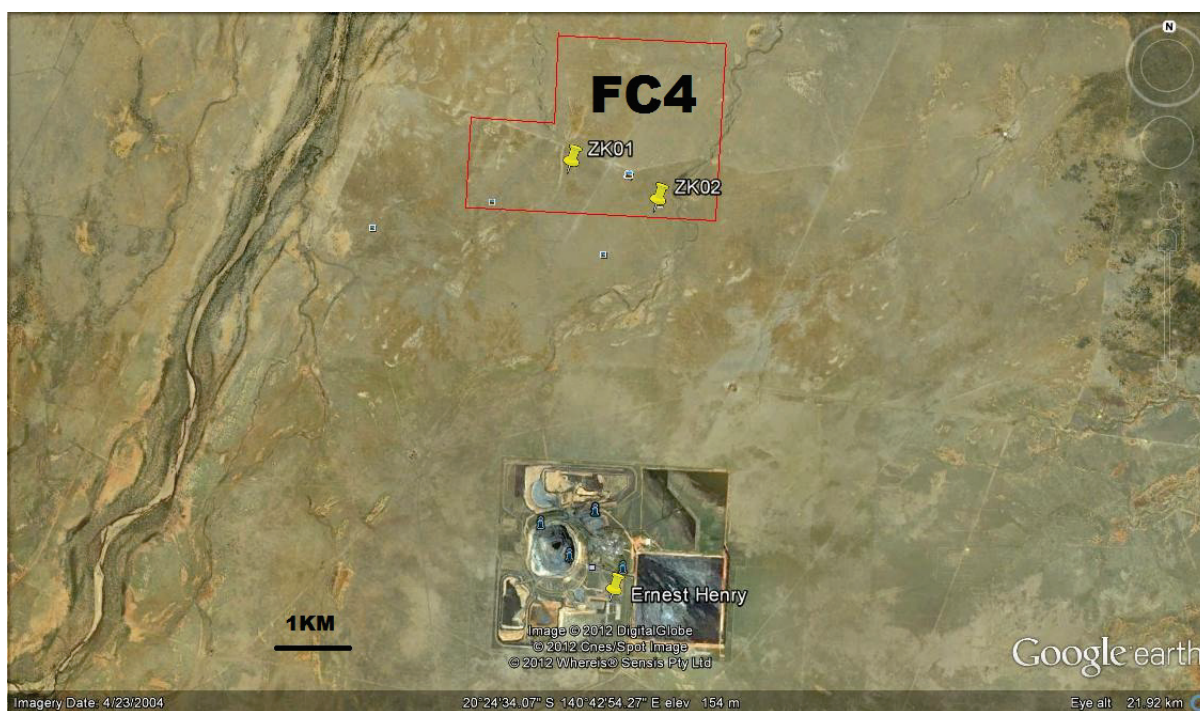


Figure 2. shows FC4 tenement in relation to Ernest Henry Copper Mine.

Due to extensive soil cover over the entire FC4 tenement, YEX applied a comprehensive research and geophysical program to interpret and identify the drill targets. This initially entailed a detailed assessment of available past exploration data of the area. YEX then followed this up with a 1:10,000 ground magnetic survey covering 16.1km², EH-4 IP testing over 9.58 km² then a self-potential method over 11.7km².

In 2008 diamond drill hole CMD001 (94m @ 0.16% Cu from 319 metres to 413 metres) was targeting an interpreted chargeability anomaly and intersected a wide zone of alteration and copper mineralization. The previously reported intersection has been enhanced by the recent EH-4 survey.

Managing Director, Jason Beckton commented, "YEX has completed leading edge geophysics which has resulted in large scale targets on our FC4 tenement north of Ernest Henry. This is an excellent outcome for our shareholders. We now look forward to the results of the drill program".

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.

Competent Person's Statement

The information regarding the Exploration Activities on the FC4 Prospects (EPM 15095) 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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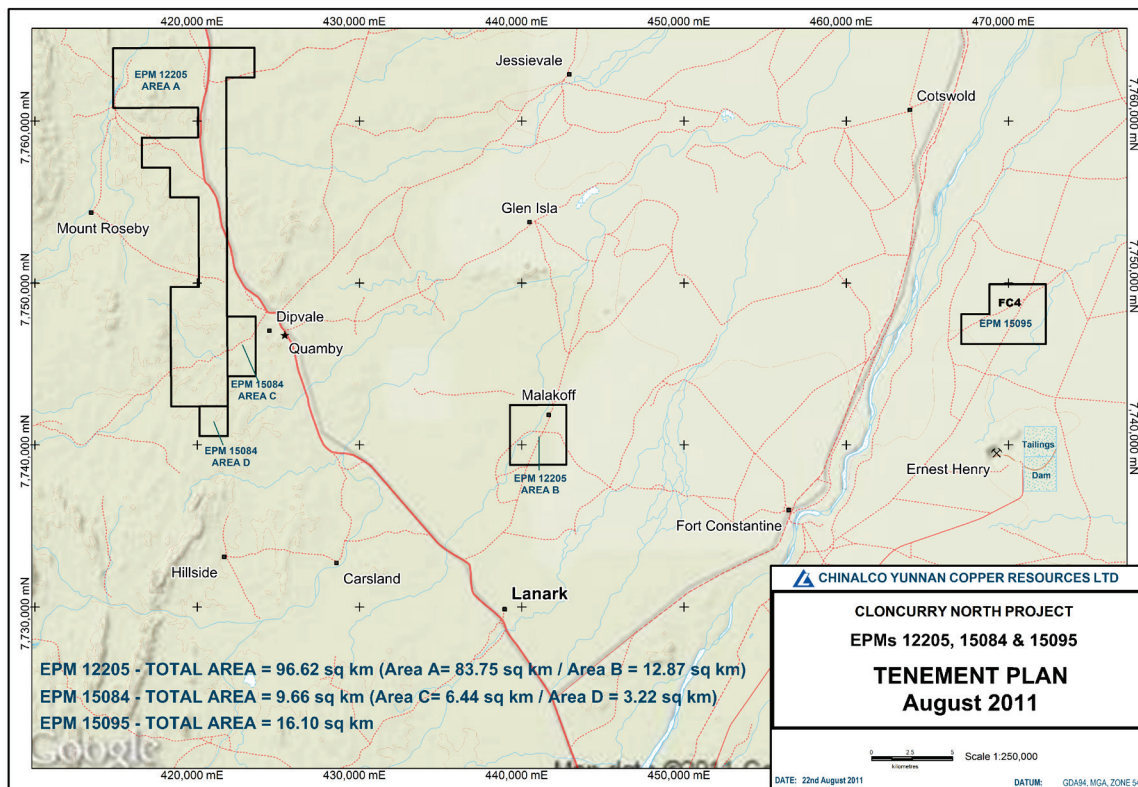


Figure 2. Tenement and prospect location plan of the Mary Kathleen and Mount Frosty Joint Venture projects. The Elaine prospect is located approximately 60km east of Mount Isa and is situated along the 6.5km long Mary Kathleen Shear zone.