Major Partnerships for Major Discoveries

QUEENSLAND – CHILE – LAOS

CHINALCO YUNNAN COPPER RESOURCES

Cautionary Note & Competent Persons Statement

CAUTIONARY NOTE

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COMPETENT PERSONS STATEMENT

The information in this report that relates to the Inferred Resource for Elaine 1 and to Exploration Results for all other prospects is based on information compiled by 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 styles of mineralisation and type of deposits 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.

*Copper Equivalent calculation for Elaine 1 Resource is based on %CuEQ = %Cu + (g Au/t x 0.70216)

CHINALCO YUNNAN COPPER RESOURCES

Chinalco Yunnan Copper Resources
CYU:ASX

- Discovery of Copper Gold REE JORC Resource in Queensland
- Exploring world's best copper ground in Chile
- Advanced project drilling, Laos
- Drilling known targets – not greenfields
- Strong support from strategic shareholders, Chinalco & Yunnan Copper
- Rio Tinto JV seeking major resources at Candelabro, Caramasa & Palmani (Chile)

CHINALCO YUNNAN COPPER RESOURCES

Target Element Copper

CHINALCO
YUNNAN COPPER
RESOURCES LTD

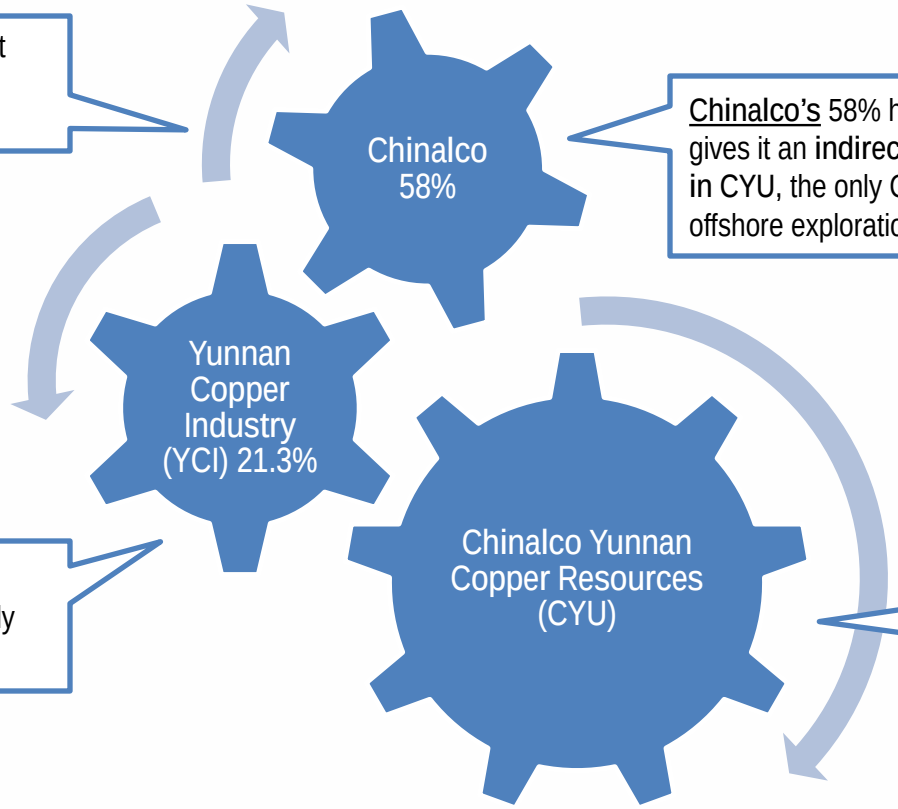
hydrogen 1 H 1.0079																	helium 2 He 4.0026
lithium 3 Li 6.941	beryllium 4 Be 9.0122											boron 5 B 10.811	carbon 6 C 12.011	nitrogen 7 N 14.007	oxygen 8 O 15.999	fluorine 9 F 18.998	neon 10 Ne 20.180
sodium 11 Na 22.990	magnesium 12 Mg 24.305											aluminium 13 Al 26.982	silicon 14 Si 28.086	phosphorus 15 P 30.974	sulfur 16 S 32.065	chlorine 17 Cl 35.453	argon 18 Ar 39.948
potassium 19 K 39.098	calcium 20 Ca 40.078		scandium 21 Sc 44.956	titanium 22 Ti 47.867	vanadium 23 V 50.942	chromium 24 Cr 51.996	manganese 25 Mn 54.938	iron 26 Fe 55.845	cobalt 27 Co 58.933	nickel 28 Ni 58.693	copper 29 Cu 63.546	zinc 30 Zn 65.39	gallium 31 Ga 69.723	germanium 32 Ge 72.61	arsenic 33 As 74.922	selenium 34 Se 78.96	bromine 35 Br 79.904	krypton 36 Kr 83.80
rubidium 37 Rb 85.468	strontium 38 Sr 87.62		yttrium 39 Y 88.906	zirconium 40 Zr 91.224	niobium 41 Nb 92.906	molybdenum 42 Mo 95.94	technetium 43 Tc [98]	ruthenium 44 Ru 101.07	rhodium 45 Rh 102.91	palladium 46 Pd 106.42	silver 47 Ag 107.868	cadmium 48 Cd 112.41	indium 49 In 114.82	tin 50 Sn 118.71	antimony 51 Sb 121.76	tellurium 52 Te 127.60	iodine 53 I 126.90	xenon 54 Xe 131.29
cesium 55 Cs 132.91	barium 56 Ba 137.33	57-70 *	lutetium 71 Lu 174.97	hafnium 72 Hf 178.49	tantalum 73 Ta 180.95	tungsten 74 W 183.84	rhenium 75 Re 186.21	osmium 76 Os 190.23	iridium 77 Ir 192.22	platinum 78 Pt 195.08	gold 79 Au 196.97	mercury 80 Hg 200.59	thallium 81 Tl 204.38	lead 82 Pb 207.2	bismuth 83 Bi 208.98	polonium 84 Po [209]	astatine 85 At [210]	radon 86 Rn [222]
francium 87 Fr [223]	radium 88 Ra [226]	89-102 **	lawrencium 103 Lr [262]	rutherfordium 104 Rf [261]	dubnium 105 Db [262]	seaborgium 106 Sg [266]	bohrium 107 Bh [264]	hassium 108 Hs [269]	meitnerium 109 Mt [268]	ununnilium 110 Uun [271]	unnilunium 111 Uuu [272]	unnilbium 112 Uub [277]			ununquadium 114 Uuq [289]			

*Lanthanide series	lanthanum 57 La 138.91	cerium 58 Ce 140.12	praseodymium 59 Pr 140.91	neodymium 60 Nd 144.24	promethium 61 Pm [145]	samarium 62 Sm 150.36	europium 63 Eu 151.96	gadolinium 64 Gd 157.25	terbium 65 Tb 158.93	dysprosium 66 Dy 162.50	holmium 67 Ho 164.93	erbium 68 Er 167.26	thulium 69 Tm 168.93	ytterbium 70 Yb 173.04
**Actinide series	actinium 89 Ac [227]	thorium 90 Th 232.04	protactinium 91 Pa 231.04	uranium 92 U 238.03	neptunium 93 Np [237]	plutonium 94 Pu [244]	americium 95 Am [243]	curium 96 Cm [247]	berkelium 97 Bk [247]	californium 98 Cf [251]	einsteinium 99 Es [252]	fermium 100 Fm [257]	mendelevium 101 Md [258]	nobelium 102 No [259]

Associated elements also defined in CYU prospects?

Exceptional Partner: Chinalco

Chinalco is the world's 2nd largest alumina producer and 3rd largest primary aluminum producer



Chinalco's 58% holding in YCI gives it an **indirect holding of 12% in CYU**, the only Chinalco branded offshore exploration company

YCI is China's 3rd largest copper producer & essentially an arm of Chinalco

CYU has led Chinalco into Chile for the first time

The relationship provides economically beneficial projects & a **gateway into potential & future projects**

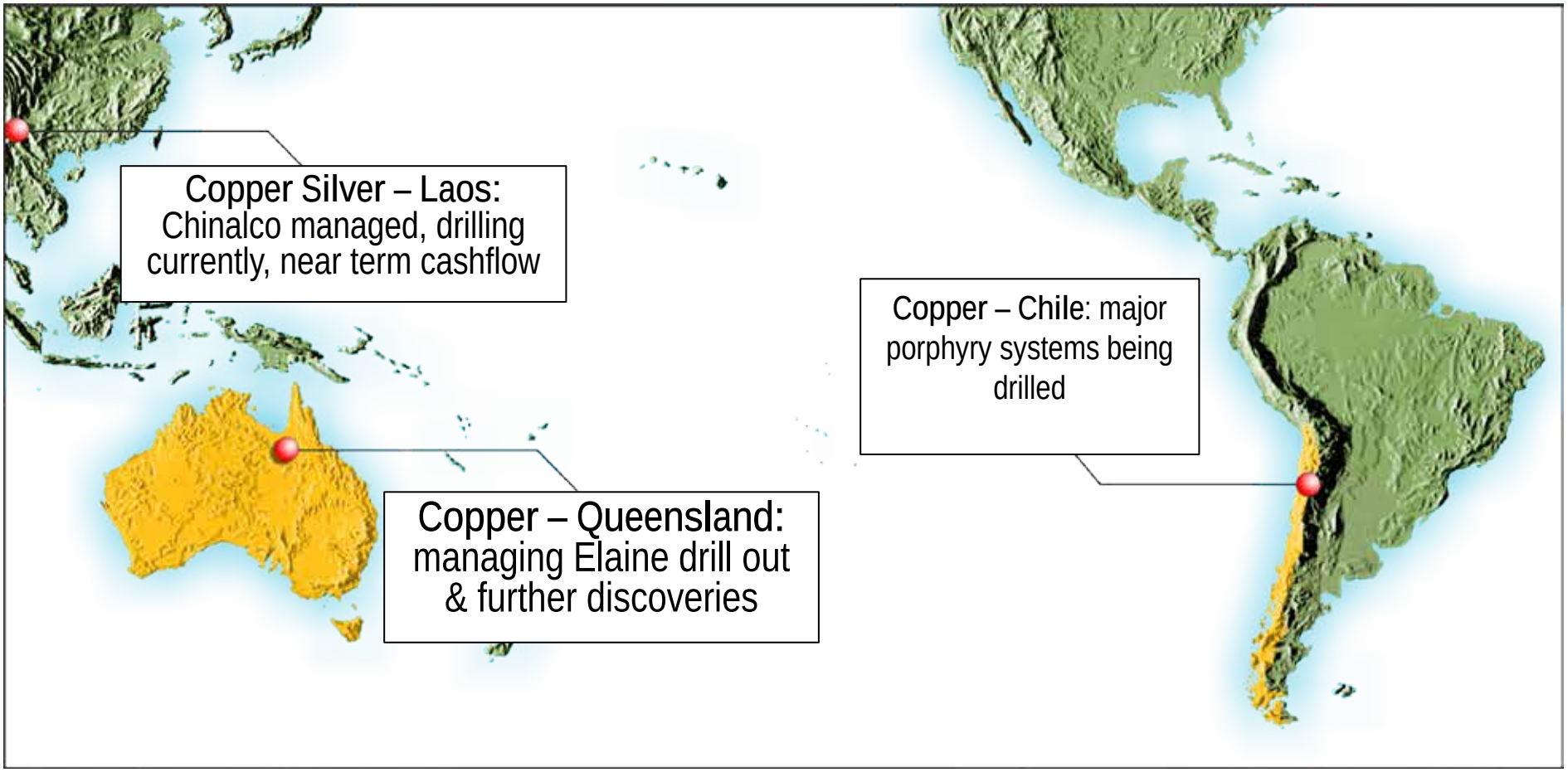
CHINALCO YUNNAN COPPER RESOURCES

Exceptional Partner: Rio Tinto

- JVs with Rio Tinto at three different Chilean sites in premium mining territories
- Candelabro – 2500m drilling program recently completed. Potential for large copper, molybdenum & gold deposit. Neighbours BHP Cerro Colorado mine
- Caramasa – seeking major multi-porphyry system to yield up to 0.5-1b tonnes of 0.5-0.8% copper
- Palmani – preparations being made for drilling the 1x3km target in coming months

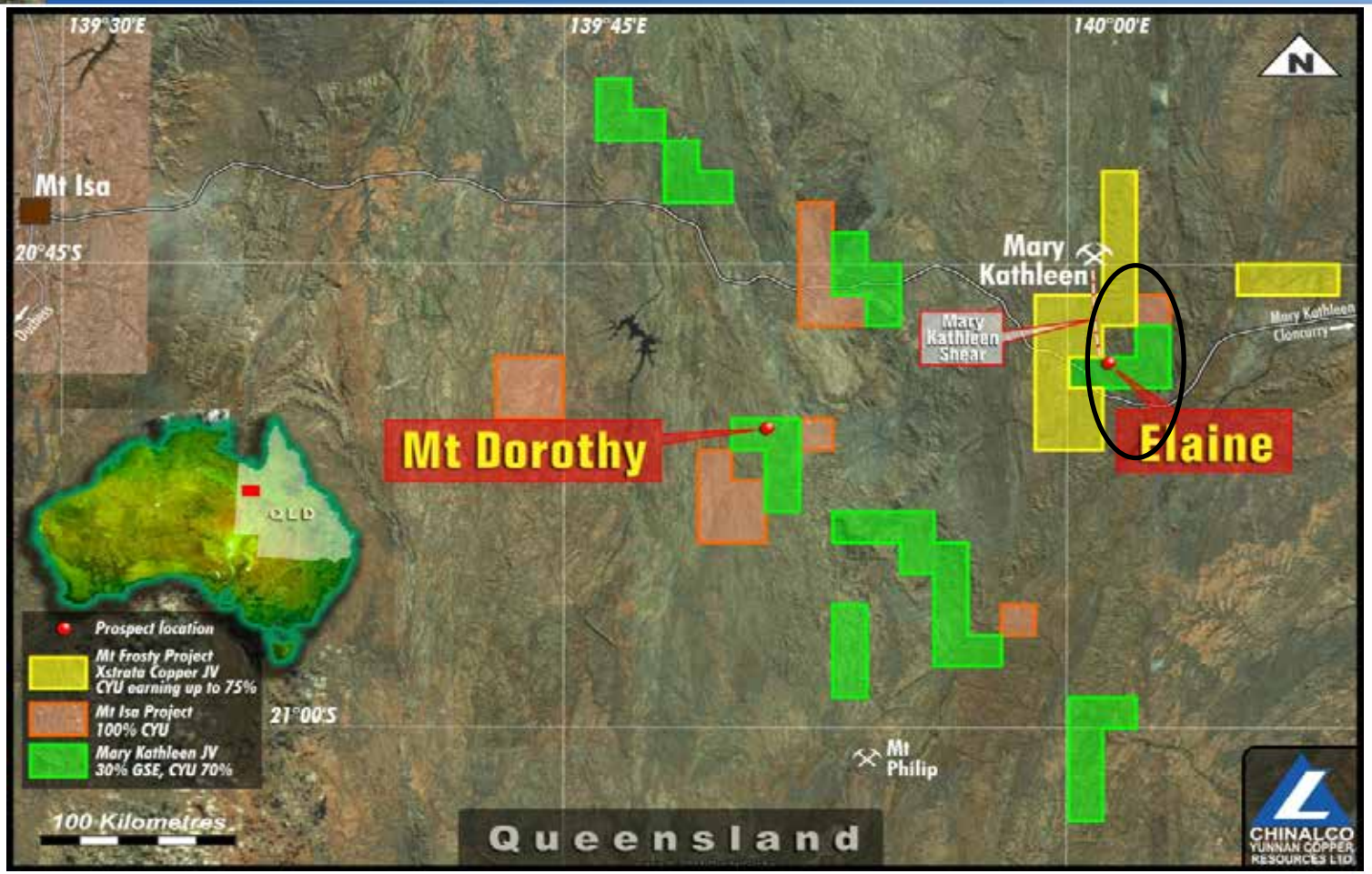
CHINALCO YUNNAN COPPER RESOURCES

Project Diversity



CHINALCO YUNNAN COPPER RESOURCES

Queensland – Projects & Possibilities

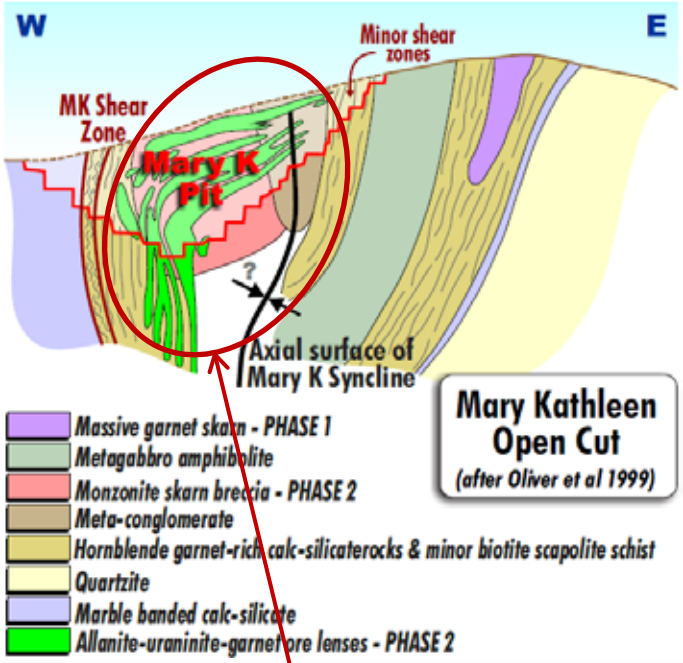


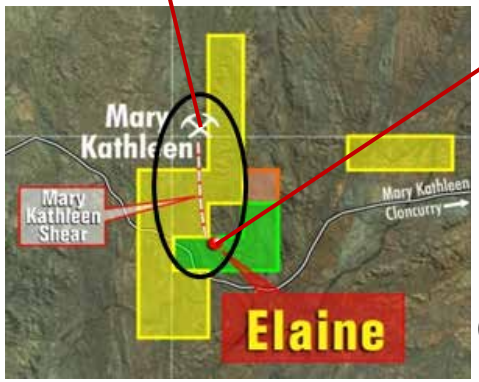
Elaine to Mary Kathleen – 8 km of untested strike of probable skarn replacement mineralisation

CHINALCO YUNNAN COPPER RESOURCES

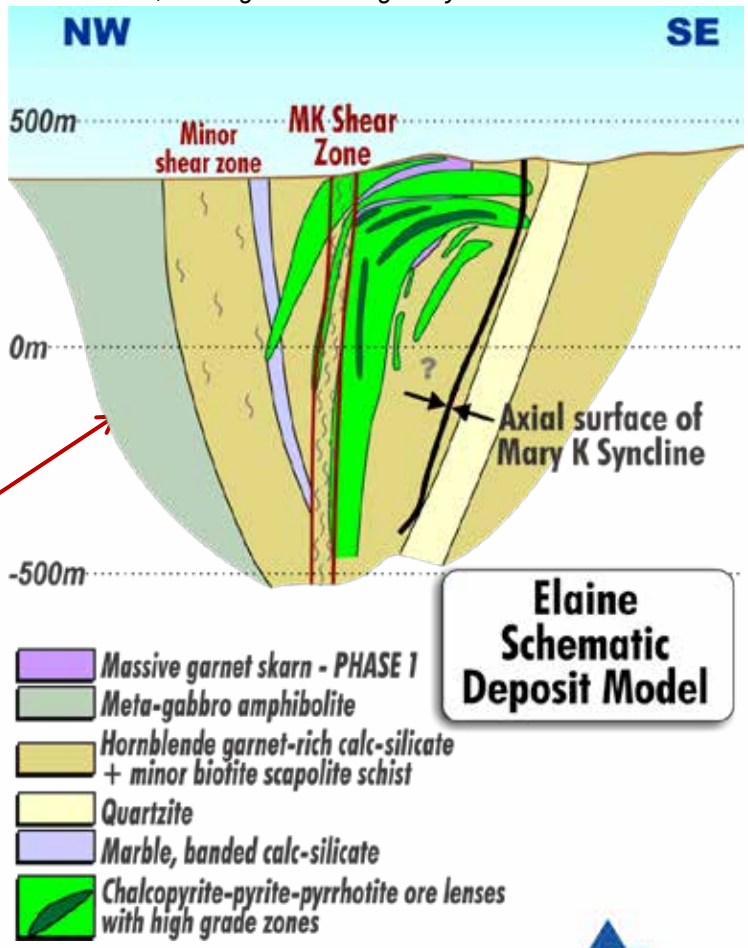
Queensland – Elaine 1 Copper Resource Discovery – 26Mt @ 0.62% Cu Equivalent*

Mary Kathleen, looking north along Mary Kathleen Shear.





Elaine 1, looking north along Mary Kathleen Shear.



QLD - CURRENTLY 150,000t, TARGETING 1,000,000t FINE CU

6km untested shear between Mary Kathleen and Elaine is possible host to multiple deposits

CHINALCO YUNNAN COPPER RESOURCES

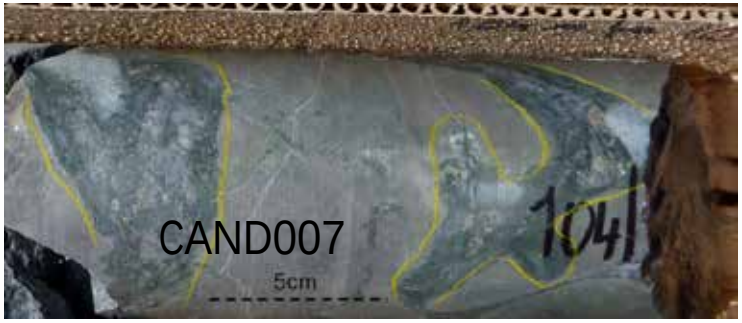
Chile: CYU in the Porphyry Copper Belt

- 2500m diamond drill program is **completed** at **Candelabro.** Visual copper over 125m, assays pending, potential major porphyry system
- Adjacent to Peruvian border. Major structures run into Peru & billion tonne systems. Chile better jurisdiction
- Caramasa – RIO JV seeking major multi-porphyry systems. Major system targeting major resources
- Exceptional large size targets only possible in this region with major partners. CYU shareholders currently have 4 of these major projects

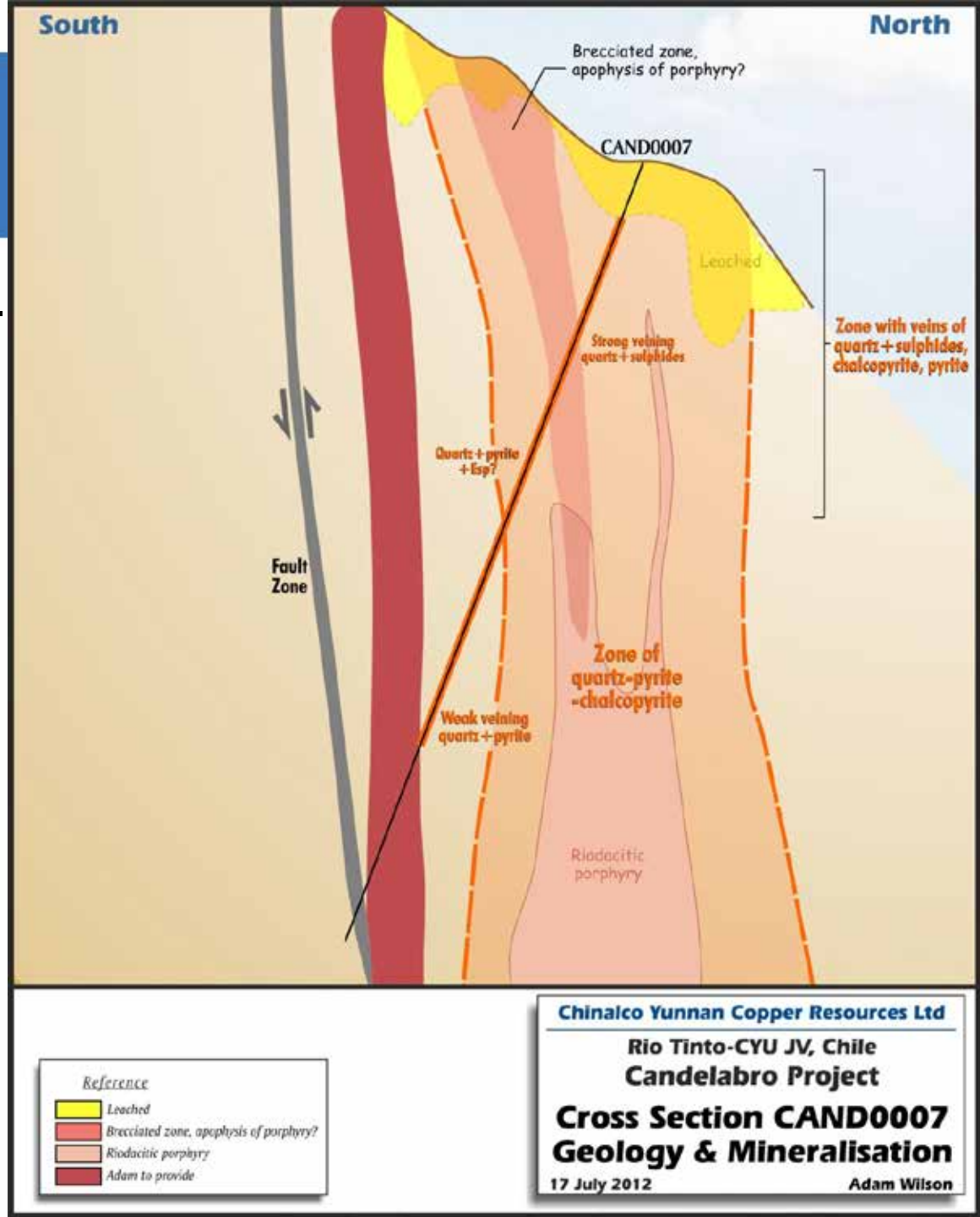
CHINALCO YUNNAN COPPER RESOURCES

Chile

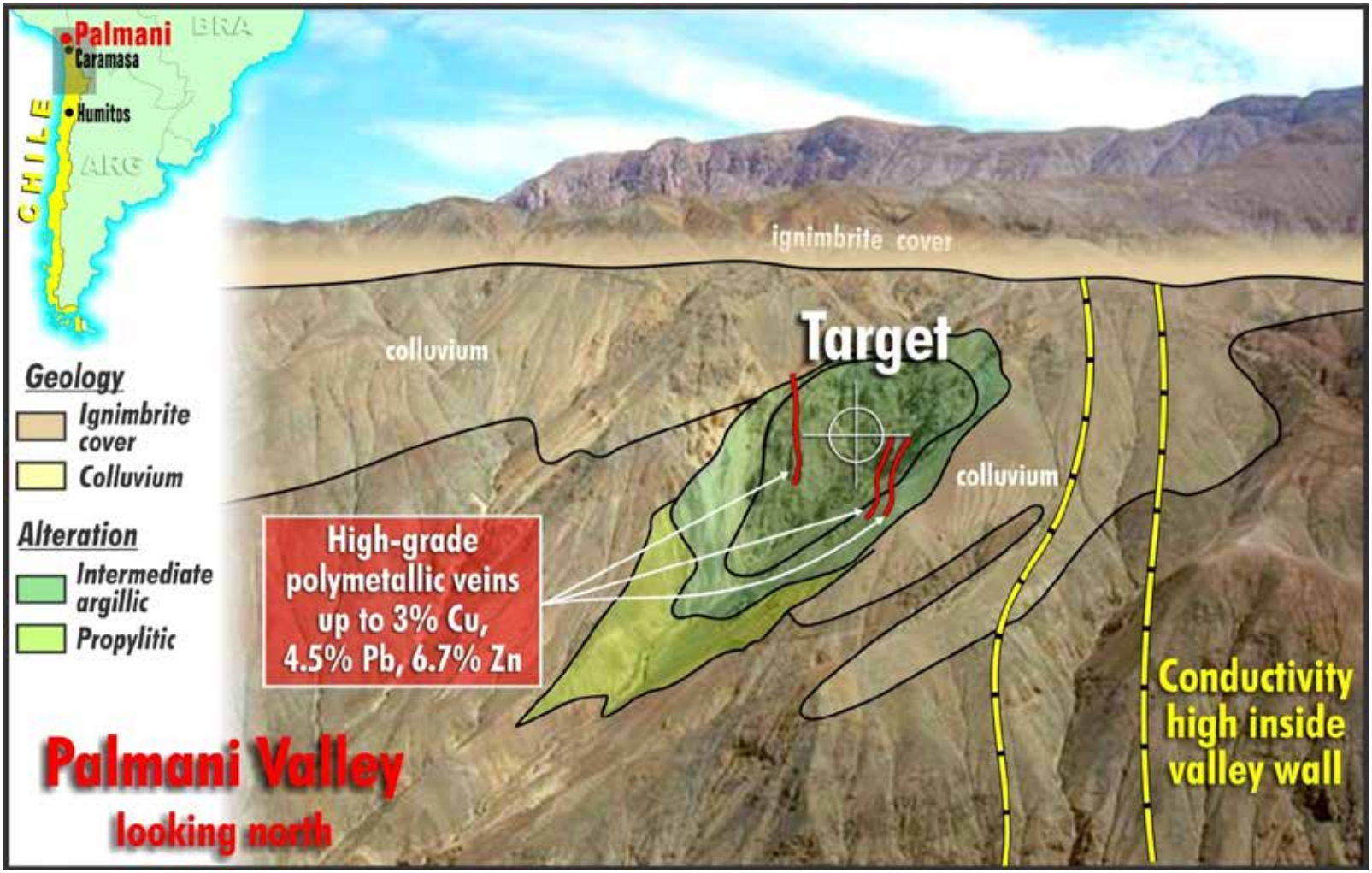
- Largest copper mines in the world.
- Dominated by the world's top copper companies. Few juniors in porphyry belt
- Opportunity for major discovery: from Candelabro awaiting assays on major visual intersection CAND007 with Rio Tinto JV



Chalcopyrite mineralisation



Caramasa and Palmani Porphyries Next to be Drilled



Corporate structure

Share price (18/7/12)	11.5 cents
52-week range	10-27 cents
Market cap	~$20m
Shares outstanding	~173m
Cash (31/3/12)	$5.56m

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