

ASX/Media Announcement

22 May 2013

Chinalco Yunnan Copper Resources Ltd (ASX: CYU)

SIGNIFICANT SHALLOW COPPER SULPHIDE MINERALISATION INTERSECTED NEAR ELAINE COPPER-GOLD RESOURCE

- **Phase 1 diamond drill program completed at the Blue Caesar satellite prospect on the Mary Kathleen Shear Zone**
- **Intersection of broad zones at high grades of near surface primary sulphide mineralisation, highlighted by 1m @ 17.3% copper from 30 metres down hole depth in hole MKBC002.**

The Board of Chinalco Yunnan Copper Resources Limited (CYU:ASX) is pleased to announce the intersection of broad near surface copper sulphide mineralisation from its first pass diamond drill program at the Blue Caesar prospect. This is located approximately 400 metres northwest of the Company's 27.7Mt Elaine copper-gold JORC inferred resource. The Blue Caesar prospect forms part of the Mary Kathleen Joint Venture between CYU and Goldsearch Limited (GSE:ASX).

A 650m in three (MKBC001 – MKBC003) diamond hole drill program was undertaken at the Blue Caesar prospect in April – May 2013. The drilling targeted coincidental geochemical, geophysical and surface mineralisation similar in style to the Elaine copper-gold resource situated 400m to the southeast along strike of the Mary Kathleen Shear Zone.

Hole MKBC002 has intersected multiple zones of mainly stringer and disseminated copper sulphide mineralisation with pods of semi-massive to massive copper sulphide mineralisation occurring from 27m down hole depth (~20m vertical depth from surface).

Final analytical results have been returned for MKBC001 and up to 66m in MKBC002 – see Tables 1 and 2 below. The results are highlighted by **8m @ 3.23% copper from 29m** down hole depth at a 1% copper cutoff including **1m @ 17.3% copper from 30m** down hole depth enveloped in a broader mineralised zone of **30m @ 1.39% copper from 27m** down hole depth at a 0.25% copper cut-off. Assay results are pending for the remainder of MKBC002 and the entire of MKBC003 and will be reported as soon the data is available.

This first pass drilling program at the Blue Caesar prospect has successfully tested the current exploration model developed from the work undertaken at the Elaine resource. This model is being used to assist in identifying additional potential trap sites along the 12km long Mary Kathleen Shear Zone that hosts the 27.7Mt Elaine copper-gold JORC inferred resource and the historic Mary Kathleen Uranium Mine. The main focus of these activities is to identify and develop commercial copper and gold resources within the Mary Kathleen Joint Venture (CYU 70% / Goldsearch 30%) and the Mount Frosty Joint Venture (CYU earning in up to 75% from Mount Isa Mines Limited subject to Mount Isa Mines having a buy back right so as to retain a 51% interest in the Mount Frosty Joint Venture).

Once all the results are received, CYU will complete its initial evaluation of the Blue Caesar prospect and follow up with a drill program that is being planned to define the geometry of the mineralised body and evaluate the 400m previously untested strike southeast to the Elaine prospect. Recent geological mapping has identified a series of copper stained gossan outcrops situated along this trend. Drilling is expected to commence at the end of the current quarter.

CYU Managing Director, Paul Williams, recognised the efforts of fellow director Richard Hatcher and the Company's Mt Isa-based exploration team. "This initial Blue Caesar program has been well planned and co-ordinated by Richard and the CYU team at Mt Isa. These initial results provide us with strong encouragement to proceed with additional drilling and feasibility-related assessment as we seek to demonstrate a potential low strip ratio, open cut copper mine in the area", he said.

On behalf of the Board

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About CYU

Chinalco Yunnan Copper Resources Ltd ("CYU" or "Company") is a resource exploration and development company with project interests in the Mt Isa region of north Queensland, Chile and northern Laos.

CYU's largest shareholder is China Yunnan Copper (Australia) Investment and Development Co Ltd ("CYC"), owning 43% of the total issued shares in CYU. CYC is a wholly-owned subsidiary of Kunming-based Yunnan Copper Industry (Group) Co Ltd, which is the third largest producer of smelted copper product in China. In turn, Yunnan Copper Group is a subsidiary of Aluminum Corporation of China (Chinalco) which is the largest producer of aluminum product in China and the second largest world-wide.

CYU has offices in Brisbane, Mount Isa and in Santiago. The Company is listed on the ASX under the symbol "CYU".

Competent Person's Statement

The information regarding to the Exploration Activities at the Blue Caesar prospect and the Inferred JORC Resource for the Elaine copper+gold prospect is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geologists and is an Executive Director of Chinalco Yunnan Copper Resources Ltd. Mr Hatcher 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. Hatcher consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1: Drillhole location – Blue Caesar.

Hole_ID	East *	North *	RL (m)	Azi (°)	Dip (°)	Planned Depth (m)
MKBC001	397,696	7,700,002	398	221	-60°	216.36
MKBC002	397,644	7,700,97	394	216	-60°	234.34
MKBC003	397,761	7,700,015	397	79	-60°	200.37
* Datum : UTM – MGA94 Zone 54.						651.07

Table 2: Significant intersections at a 0.25% copper cut-off with max 3m internal dilution – Blue Caesar.

Hole_ID	From	To	Width (m)	Au (g/t)	Cu (%)	Co (ppm)	Comment
MKBC001	7	8	1	0.02	0.45	249	
MKBC001	58	59	1	0.02	0.55	506	0.5% Cu cutoff
MKBC001	125	127	2	0.02	0.43	922	
	126	127	1	0.02	0.43	1,510	
MKBC001	142	143	1	0.01	0.33	71	
MKBC001	149	150	1	0.07	0.29	1,415	
MKBC001	170	172	2	0.01	0.37	264	
MKBC001	184	186	2	0.01	0.46	286	0.5% Cu cutoff
	185	186	1	0.01	0.59	403	
MKBC002	10	11	1	-0.01	0.28	291	
MKBC002 including including including including	27	57	30	0.05	1.39	420	0.5% Cu cutoff 1% Cu cutoff 1% Cu cutoff
	28	53	25	0.06	1.62	472	
	29	37	8	0.08	3.23	548	
	30	31	1	0.07	17.30	353	
	51	53	2	0.07	2.94	311	
MKBC002	66	234.34	Assays Pending				
MKBC003	0	200.37	Assays Pending				



