

ASX Release

26 September 2013

Chinalco Yunnan Copper Resources Ltd (ASX: CYU)

COPPER DRILLING PROGRAM COMMENCES AT SULFATO, CHILE

Chinalco Yunnan Copper Resources Limited (CYU) has commenced an exploration drilling program at its Sulfato project in northern Chile to test the extent of **copper** mineralisation after geophysical surveys conducted earlier this year.

The Sulfato project is located in the porphyry copper belt of northern Chile, in the El Tamarugal Province, Tarapasa Region, 150km south-east from the main regional centre of Iquique and near the **5+ billion tonnes Collahuasi copper deposit**. (See location map in Annexure A).

CYU entered into a farm-in agreement in August 2012 with Compania Contractual Minera Los Andes (a subsidiary of Corporación Nacional del Cobre de Chile (Codelco), the world's largest copper producer). Under that agreement CYU has a minimum exploration expenditure commitment of US\$500,000 in the first year.

Previous exploration activities conducted by Codelco in its 1996-1997 and 2005-2006 campaigns identified a porphyry system through mapping, geochemical sampling and drilling, with the best drillhole intersecting a **92m zone @ 0.65% Cu** in primary sulphide minerals from surface.

In April 2013 CYU undertook a PDIP-MT geophysical survey at Sulfato to identify areas of elevated chargeability and conductivity. No prospect-scale geophysics had previously been conducted at Sulfato and the planned drillholes take account of **priority target areas** identified by the CYU geophysics.

Four 500m diamond drillholes have been designed to test geophysical and geological targets. A budget of approximately \$500,000 has been allocated by CYU for the first two drillholes. An assessment will then be made whether to proceed with a further two drillholes prior to incurring further costs associated with those additional holes.

CYU Managing Director, Paul Williams, said that the drilling program is based on a thorough assessment of all available data from Codelco and CYU. "CYU has been very pleased to work collaboratively with the world's largest copper producer in formulating this drilling program. We are very hopeful of achieving results that confirm a copper prospect of high potential."

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 Aluminium Corporation of China (Chinalco) which is the largest producer of aluminium product in China and the second largest world-wide.

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

Competent Person's Statement

The information regarding exploration activities and information set out in this ASX Release is based on information compiled by Mr Trevor Leahey, who is CYU's Exploration Manager, a Chartered Professional Geologist and a Member of the Australasian Institute of Mining and Metallurgy. Mr Leahey has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity that is being undertaken 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. Leahey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Annexure A (Location of CYU's Chile projects, including the Sulfato Project)

