



ASX RELEASE – \$6.2M RIGHTS ISSUE OFFER

30 July 2014

ABN 27 099 098 192

CYU is a resource exploration and development company with a primary focus on project interests in the Mt Isa region of north Queensland.

Issued Capital:

278,532,524
Ordinary shares

2,000,000
Performance shares

2,800,000
Unlisted options

Directors:

Zhihua Yao
Chairman
Paul Williams
Managing Director
Zewen (Robert) Yang
Executive Director

Company Secretary:

Paul Marshall

**CHINALCO YUNNAN
COPPER RESOURCES
LTD**

Suite 4, Level 8,
320 Adelaide Street
BRISBANE Q 4000
Ph: +61 7 3211 9013
Email: admin@cycal.com.au

Contact

Paul Williams
Managing Director
paul.williams@cycal.com.au
Mobile: +61 419 762 487

- Chinalco Yunnan Copper Resources Limited (CYU) non-renounceable entitlement offer to existing shareholders:
 - Three (3) new fully paid ordinary shares for every four (4) held
 - Issue price of three cents (\$0.03) per new share
 - To raise up to \$6.27m before costs of the offer (if fully subscribed)
 - Offer underwritten up to a maximum of \$5.2m by China Yunnan Copper (Australia) Investment and Development Co. Ltd, the Company's largest shareholder
- The Offer will be available to all eligible CYU shareholders who hold shares as at 7:00pm (AEST) on the record date of 6 August 2014
- Funds raised from the Offer are earmarked to retire short term debt, exploration at Mt Isa and to generally assist CYU meet its strategic goals
- A Prospectus, along with an Entitlement and Acceptance Form, will be dispatched to eligible CYU shareholders on 11 August 2014.

Chinalco Yunnan Copper Resources Ltd (ASX:CYU) announces a non-renounceable entitlement offer to eligible shareholders, on the basis of 3 new fully paid ordinary shares (New Shares) for every 4 shares held, at an issue price of \$0.03 per New Share to raise up to approximately \$6.27 million before costs (Offer). The Offer will be available to all eligible shareholders who hold shares as at 7:00pm (AEST) on the record date of 6 August 2014. Following quotation, the New Shares will rank equally in all respects from the date of allotment with existing quoted shares on issue.

The Offer is underwritten up to \$5.2 million, representing approximately 83% of the total Offer, by China Yunnan Copper (Australia) Investment and Development Co. Ltd, the Company's largest shareholder. The underwriting means that the receipt of the majority of the funds sought under the Offer can be guaranteed and the Company will be able to implement its planned activities. A nominal \$1 fee is being charged for the underwriting.

The Offer is being undertaken pursuant to a prospectus issued under section 713 of the Corporations Act (Prospectus). Full details of the Offer are set out in the Prospectus. The Prospectus, along with an Entitlement and Acceptance Form, will be dispatched to eligible shareholders on 11 August 2014.

The Company has determined that only those shareholders with registered addresses in Australia or New Zealand will be eligible to participate in the Offer.

The funds raised under the Offer (after payment of costs) will be used to continue to develop the Company's business and meet its strategic goals as identified in Section 1.5 of the Prospectus. More particularly, funds raised under the Offer have been earmarked for the repayment of short term debt, further exploration at CYU's Mt Isa projects and working capital.

The proposed timetable for the Offer is set out below:

Announcement of the Offer	30 July 2014
Prospectus lodged with ASIC and ASX	30 July 2014
Notice sent to Eligible Shareholders with information on the Offer	31 July 2014
Shares commence trading on an "ex" basis ("ex" date)	1 August 2014
Record Date to determine Entitlements under the Offer	6 August 2014 (7:00pm AEST)
Prospectus and Entitlement and Acceptance Forms dispatched to Eligible Shareholders	11 August 2014
Opening Date of Offer	11 August 2014 (9:00am AEST)
Closing Date of Offer	25 August 2014 (5:00pm AEST)
New Shares quoted on a deferred settlement basis	26 August 2014
Expected date of Issue of New Shares applied for under the Offer and any Shortfall	1 September 2014
Deferred settlement trading ends	1 September 2014
Expected date of dispatch of transaction confirmation statements	2 September 2014
Expected date for commencement of normal trading of New Shares issued under the Offer on the ASX	2 September 2014

These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to change any date including to extend the Closing Date of the Offer, to close the Offer early, to accept late acceptances either generally or in particular

cases, or to withdraw or reduce the size of the Offer without notice. Any extension of the Closing Date will have a consequential effect on the issue date of New Shares.

Further information

If the Offer is fully subscribed, 208,899,393 New Shares will be issued under the Offer. The New Shares will be issued for \$0.03 each. Upon completion of the Offer, the issued capital of the Company will comprise approximately 487,431,917 shares.

Following quotation, the New Shares will rank equally in all respects from the date of allotment with existing quoted shares on issue. Fractional entitlements under the Offer will be rounded up to the nearest whole number.

Trading in the New Shares on the ASX is expected to commence on or about 1 September 2014. An Appendix 3B applying for quotation of the New Shares will be lodged separately with the ASX.

CYU Managing Director, Paul Williams, encourages shareholders to participate in the Offer. He said the additional funds raised would enable CYU to continue with its stated exploration aims into 2015 and that it is pleasing having the underwriting support from Chinalco's China Yunnan Copper – demonstrating the largest shareholder's ongoing faith in advancing CYU's projects.

On behalf of the Board

Paul Williams
Managing Director
paul.williams@cycal.com.au
+61 419 762 487

About CYU

Chinalco Yunnan Copper Resources Ltd (CYU) is a resource exploration and development company with project interests in the Mt Isa region of north Queensland.

CYU's largest shareholder is China Yunnan Copper (Australia) Investment and Development Co Ltd ("CYC"), owning 47% 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, and Mt Isa. The Company is listed on the ASX under the symbol "CYU".