

28 August 2014

## NOTIFICATION OF ENTITLEMENT OFFER SHORTFALL

Chinalco Yunnan Copper Resources Limited (ASX:CYU) confirms that its 3 for 4 non-renounceable entitlement offer to existing shareholders (Offer) closed at 5pm (AEST) on Monday, 25 August 2014.

CYU gives notice of the total subscriptions for the Offer as follows:

- acceptances were received for a total of 11,753,171 new shares from 115 shareholders raising \$352,595.13;
- additional applications were received for 2,818,447 shares in excess of shareholders' entitlements raising \$84,553.41; and
- finally, as the offer was underwritten to \$5.2m (173,333,333 new shares) by China Yunnan Copper (Australia) Investment and Development Co. Ltd (CYC), the Company's largest shareholder, will subscribe for these shares under the underwriting agreement.

The total of these subscriptions is 187,904,951 new shares, raising \$5,637,148.53. The number of new shares offered under the Rights Issue was 208,899,594 shares – thereby resulting in a shortfall of 20,994,598 shares ('Shortfall Shares') under the offer.

As disclosed in the Offer Statement, the Directors of CYU have reserved the right to place any of the remaining Shortfall Shares at the same price of \$0.03 cents per share and intends to pursue discussions with parties interested in acquiring shares under this shortfall facility.

All shareholders that applied for additional shares (above their entitlement) will be allocated the shares that they applied for.

CYU Managing Director Paul Williams said that it was very pleasing to see the Offer well supported by existing shareholders. "Now that the Offer has closed, CYU will have more than \$4m in cash, be debt-free, has strong ongoing support from its largest shareholder (the Chinalco Group) and be well-placed to pursue its key strategic objective of becoming a mid-tier mining group".

On behalf of the Board

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