



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:

473,027,475
Ordinary shares

2,000,000
Performance shares

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

COMMENCEMENT OF DRILLING PROGRAM AT NATIVE COMPANION AND JUBILEE, MT ISA REGION

6 November 2014

- CYU has commenced exploration drilling program at its Native Companion and Jubilee prospects near Mt Isa in northwest Queensland.
- Features of the initial Native Companion program include:
 - Six (6) reverse circulation (RC) drill holes at depths of approx. 100m designed to test copper anomalies identified as part of CYU's extensive soil geochemistry program during 2014
 - Estimated budget of \$90k based on about 600m of initial drilling
- The Phase 3 drilling at Jubilee is designed to follow up the successful drilling at this prospect in May and August this year. Features of this latest program at Jubilee include:
 - A total of ten (10) RC drill holes at depths of between 200 - 320m to test the down-dip extent of previous drill intercepts
 - Estimated budget of \$345k based on a maximum of 2,450m drilling
 - Drilling will commence in mid-November at conclusion of Native Companion program, with results due prior to Christmas.

The Board of Chinalco Yunnan Copper Resources Ltd (ASX:CYU) continues to make progress in a number of areas as it moves to transform the Company into a mid-tier mining group.

CYU remains focussed on a primary exploration focus on its extensive tenement portfolio in the Mt Isa region and the ongoing pursuit of project acquisition opportunities currently under review and negotiation.

November Exploration Drilling Program at Native Companion and Jubilee

CYU's Mt Isa-based exploration team has commenced work on its latest exploration drilling program to be conducted at the Native Companion and Jubilee prospects. A summary of this program is set out below.

Native Companion

The Native Companion/Brolga trend is characterised by numerous historic workings over a 5km strike parallel to the Rosebee Fault. The zone was previously RAB (rotary air blast drilled) by Altona Mining Ltd on nominal 500m line spacing to identify discrete copper geochemical anomalies in excess of 1000m of strike length and 100m width. CYU has completed infill sampling on 100m line spacing using mobile metal ion (MMI) technology that successfully reproduced and delineated these geochemical anomalies.

The diagram in Annexure A identifies the location of the proposed initial 6 RC drill holes to be drilled at Native Companion. The diagram also highlights the copper anomalies that have been identified as part of CYU's extensive Pilgrim Fault soil geochemistry program that has been conducted throughout the year.

These 100m drill holes at Native Companion have been planned as an initial test of the Native Companion/Brolga geochemical trends. The holes are designed to test the source of the geochemistry at the 50m level.

This initial program at Native Companion has now commenced and depending on assay laboratory processing times it is intended that results will be made available to the market before the Christmas break.

Jubilee

The Jubilee prospect is located approximately 900m west of CYU's Blue Caesar prospect and 5.5km south of the historic Mary Kathleen uranium mine. The prospect consists of a north-trending linear zone of historic shear-controlled workings that is mapped by a strong copper anomaly. The target is a Barbara or Mount Colin style shear deposit with steeply plunging lodes of economic grade copper mineralisation.

CYU has already completed two successful drilling programs at Jubilee. It is clear that there exists a high grade copper/gold mineralised zone at Jubilee that is still not closed either at depth or along the line of strike. CYU's exploration team proposes to drill a further 10 reverse circulation (RC) drill holes at Jubilee as part of a Phase 3 program. The diagram in Annexure B shows the proposed location of each of these holes that are located across 5 drilling sections (from north to south) and with 2 proposed drill holes per section – the tier 1 holes (5/1, 4/1 etc) are to be drilled to a depth of between 200-250m to test down-dip of the surface workings at 150m. Estimated cost for the 1050m of tier 1 drill holes is \$155k. The tier 2 holes (5/2, 4/2 etc) will be drilled to a depth of between 250-320m to test the 200m down-dip extent and only if visual sampling of the tier 1 drill holes indicates strong primary sulphide mineralisation. Estimated cost for the 1370m of tier 2 drilling is \$190k.

This Phase 3 program at Jubilee is scheduled to commence mid-November, after completion of drilling at Native Companion, and depending on assay laboratory processing times it is expected that results will be made available to the market before the Christmas break.

ooo000ooo

CYU Managing Director, Paul Williams, said that he is looking forward to the results of this latest drilling program at Native Companion and Jubilee. "CYU is continuing its extensive exploration program in the Mt Isa region but this latest round of drilling provides us with an opportunity to break new ground at the highly prospective Native Companion area as well as follow up our excellent earlier results this year at Jubilee."

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 64.7% 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.

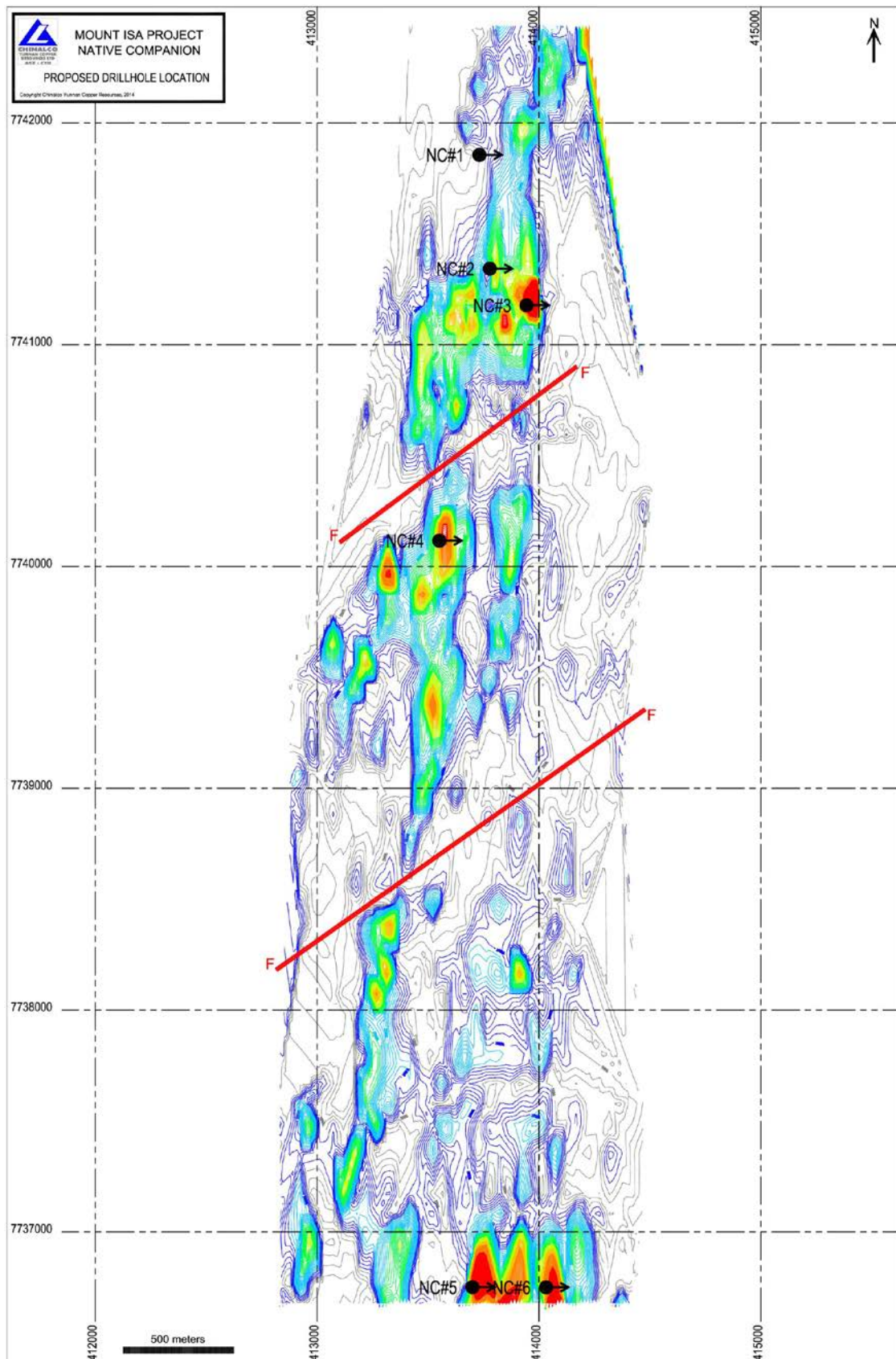
CYU has offices in Brisbane, and Mt Isa. The Company is listed on the ASX under the symbol "CYU".

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, a Competent Person, who is CYU's Exploration Manager and a Member of the Australasian Institute of Mining and Metallurgy. Mr Leahey has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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

(Proposed drill hole locations for the initial Native Companion program, with copper/gold anomalous zones highlighted)



ANNEXURE B

(Location of Proposed Phase 3 Jubilee Drilling)

