ASX/MEDIA ANNOUNCEMENT

5th January 2009

Drilling Results - Gold Mineralisation at the Toomba Prospect - Pentland Project

Key Points

- **4m at 13.9 g/t gold from 43m, PC005 (including 1m at 50.59g/t Au, 0.5% Cu, 1.5% Pb and 3.3 % Zn).**

- **4m at 0.6 g/t gold from 82m, PC014 (including 1m at 1.6g/t Au, 0.14% Cu, 0.6% Pb and 0.5 % Zn).**

China Yunnan Copper Australia Limited (ASX:CYU) is pleased to announce encouraging results from its first pass reverse circulation drilling programme at the Toomba prospect. The prospect has not been previously drilled. The RC drilling programme was undertaken in October - November 2008 consisting of 16 holes for a total of 1887m. **Further drilling is being planned to generate sufficient understanding and extent in mineralisation for preparation of a maiden gold resource estimate during 2009.**

The Toomba prospect is considered to have many features that correlate to the proposed models of Mt Leyshon, Kidston or Ravenswood-style mineralisation. The Toomba prospect in particular has extensive historic workings and traces of mineralisation over an area of 1.5 x 1km^2. These early drill results will be extended at depth to test a link between structural mineralisation intercepted to date and potential high tonnage intrusive mineralisation at depth.

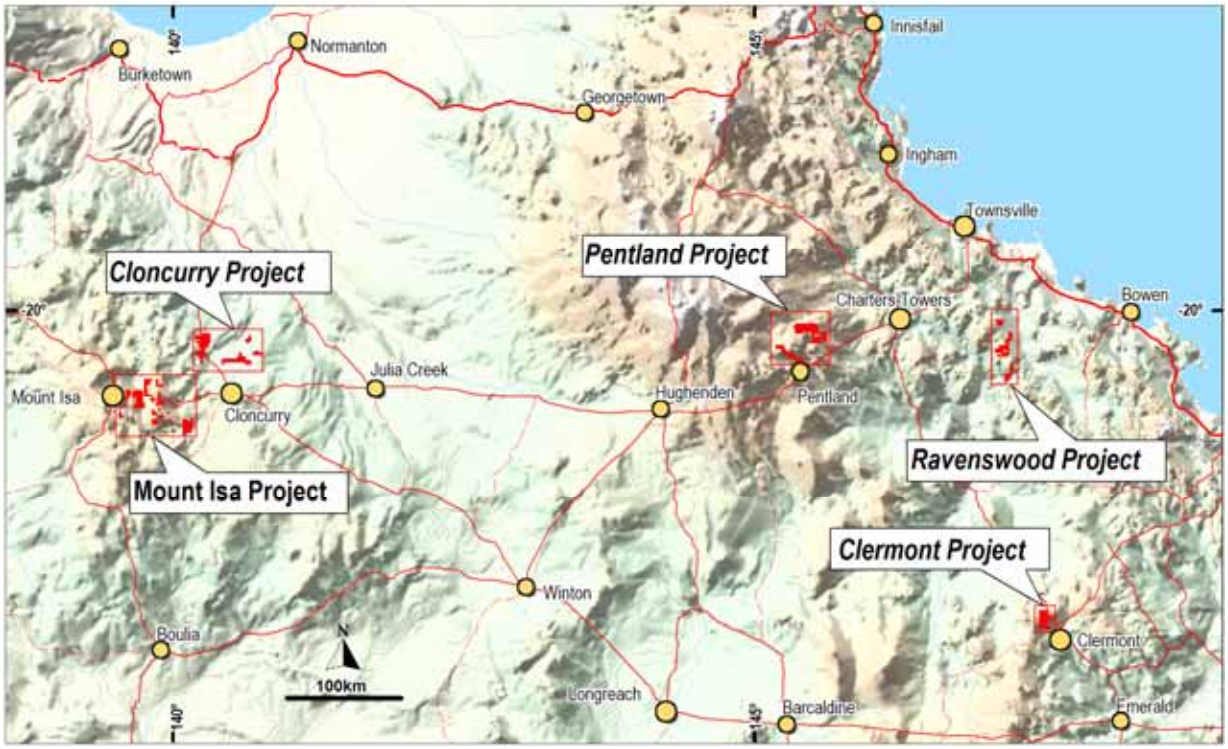

Figure 1: Pentland Location Map

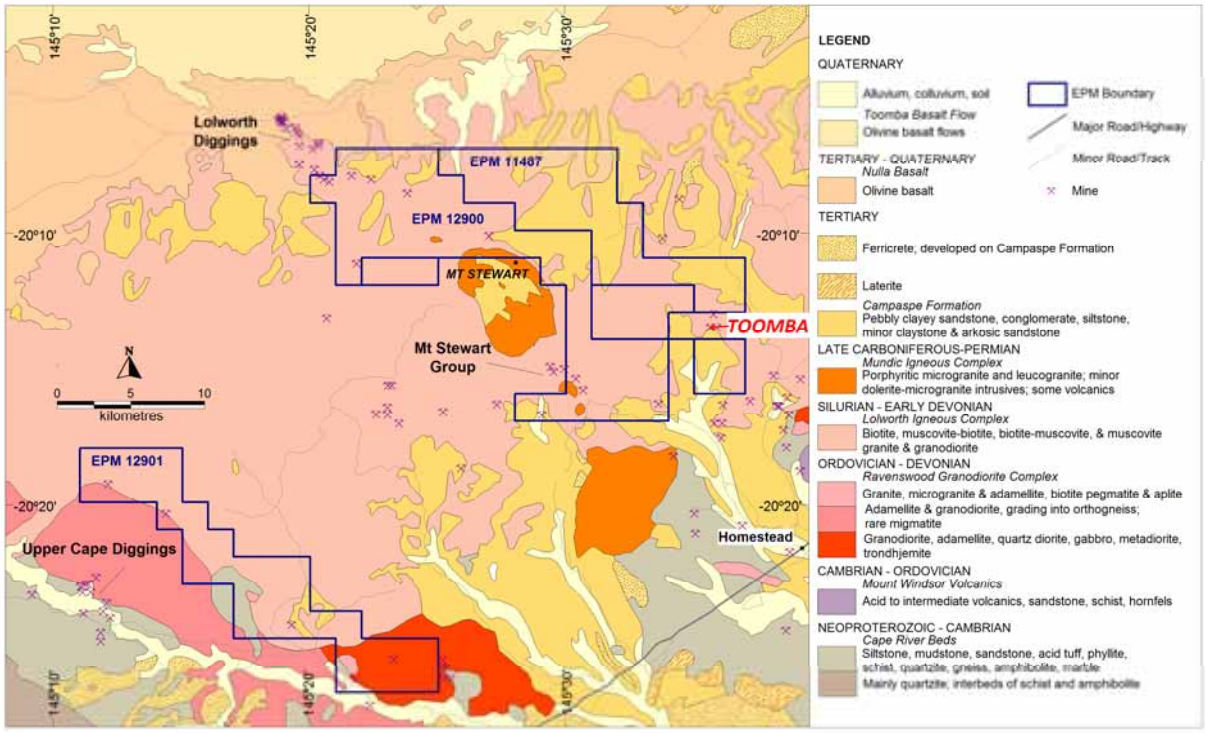

Figure 2: Toomba Prospect Location Map showing District Geology

The prospect was identified from reconnaissance mapping, sampling and data collation of previously collected samples.

Toomba comprises four parallel NNE-trending vein structures and zones of veinlets up to 500m long within an area 1km by 750m. Recently several further mineral occurrences have been discovered 800m north and along strike of the historical workings.

The mineralisation occurs within a previously unrecognised outlier of the Amarra Granite within the Grasstree Leucogranite. The southern edge of the prospect is overlain by the Tertiary Campaspe sediments. The granite host rocks are mostly phases of the Ordovician-Devonian Lolworth Batholith, which have been intruded by Permo-Carboniferous granites and sub-volcanics of the Mundic Igneous Complex. This is significant since this phase of intrusions is thought to be genetically related to most major mineralisation in the area, including Mt Leyshon, Kidston and Ravenswood.

Mapping and sampling of the historic workings confirmed the reported greater than one ounce gold values and strong base metal anomalies in spoil reported historically. Sampling was carried out on veins in outcrop and on material found in the mullock heaps around the historic mine workings. The main mineralisation takes the form of coarse-grained banded quartz – sulphide veins with abundant iron oxides hosted within a sericite altered granite. Previously reported CYU surface rock-chip/grab samples returned peak values of 44g/t gold, 128g/t silver, 0.65% copper, 3.41% lead and 4.8% zinc.

A recent IP geophysical survey undertaken by CYU generated three distinct classes of anomalies over Toomba. A group of NW trending planar anomalies appear to correspond to the regional tectonic fabric seen clearly in aeromagnetic surveys. Weaker, high-angle, planar anomalies are coincident with the known vein structures, especially the Old Toomba Workings. **A group of broad anomalies occur at 150 to 200m depth in the SW and nearer surface in the east. These may represent larger, disseminated or breccia-hosted mineralisation at depth**.

These styles of mineralisation usually have some common features including the presence of lower-Palaeozoic intrusions, such as the Ravenswood-Lolworth Batholith; subvolcanic to granitic permo-carboniferous intrusions and strong structural features, often with co-genetic strain fabrics, such as en-echelon vein sets. All of these features are seen in or around the Toomba prospect.

Hole	From	To	Interval (m)	Au g/t	Comment
PC001	6	7	1	0.14	Surface enrichement
	8	9	1	0.27	Surface enrichement
	22	24	2	0.16	Minor Quartz Vien
	22	24	2	0.16	Minor Quartz Vien
PC002	30	31	1	0.21	Sericitic Alteration
	65	68	3	0.25	
PC005	43	47	4	13.9	Major Quartz Sulphide vein Array
Including	43	45	2	27.5	
Including	43	44	1	50.5	0.3% Cu, 1.5% Pb and 3.3 % Zn
PC006	25	28	3	0.15	Sericitic Alteration
	46	48	2	0.28	
PC007	34	43	9	0.27	
Including	37	38	1	0.55	Quartz Vein - Sheeted Stockwork
	60	62	2	0.11	
	69	75	6	0.11	
PC009	107	109	2	0.3	
	184	189	5	0.24	Quartz Vein - Sheeted Stockwork
PC010	102	105	3	0.34	Quartz Vein - Sheeted Stockwork
PC011	38	40	2	0.13	Sericitic Alteration
PC012	58	60	2	0.15	Sericitic Alteration
	78	81	3	0.32	
PC014	41	44	3	0.14	
	82	86	4	0.88	Sericitic Alteration
Including	82	83	1	1.64	0.14% Cu, 0.62% Pb, 0.8% Zn

Table 1: Toomba Prospect Significant Drill Results. Significant results have been received from north south trending structures (All results reported above 0.1 g/t Au and no more than 1 m internal dilution in average intercepts).

Results from the recent RC drilling (**Table 1**) have confirmed anomalous gold mineralisation with the best intersections in holes PC005 and PC014.

The structures intercepted generally occur at relatively shallow depths (35 – 80m) from surface. This confirms the presence of this potentially high-grade mineralisation continuing to depth. Detailed modelling of the grades and alteration will help target the potential bulk-volume breccia or stockwork type target proposed at depth.

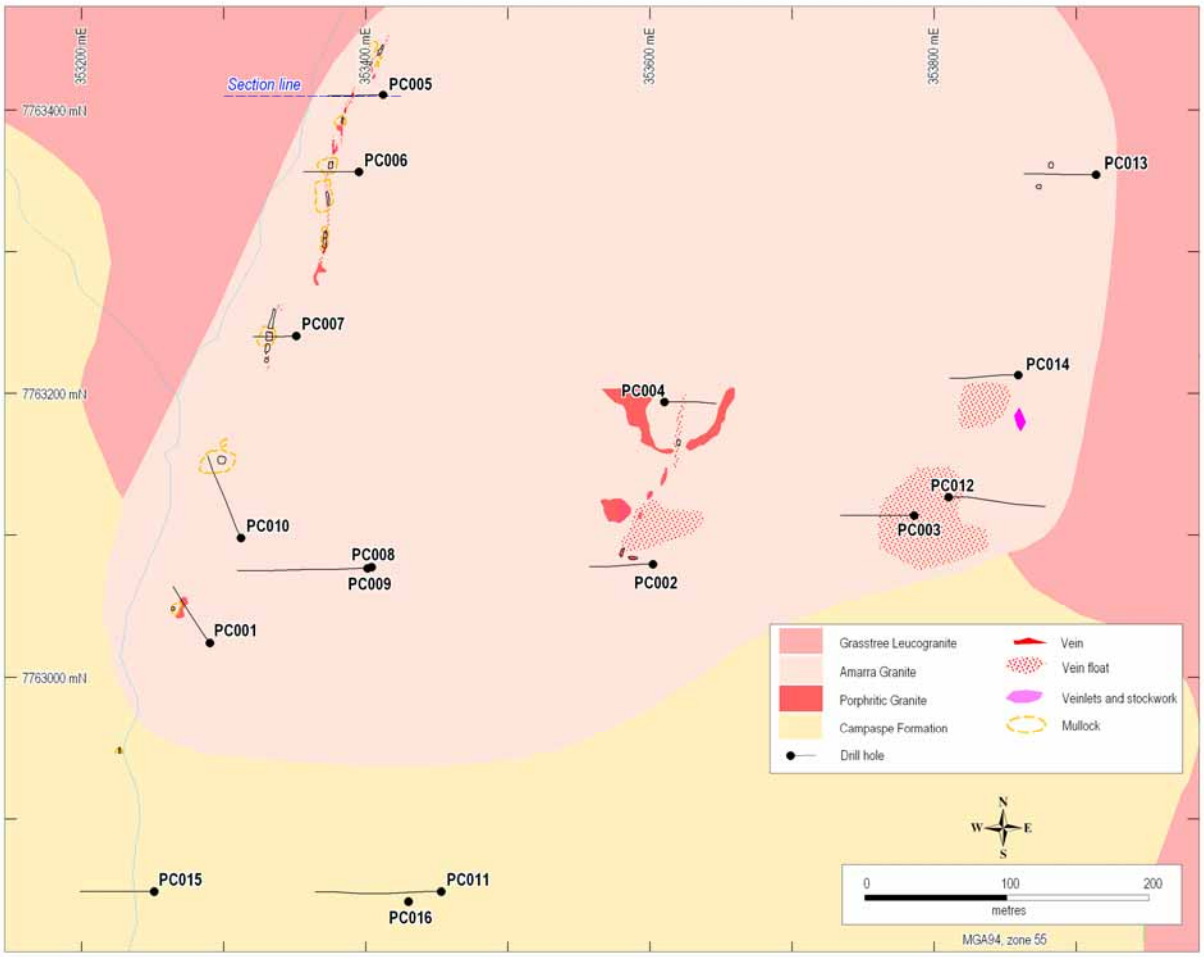

Figure 3: Toomba Prospect RC Drillhole Locations. Note the East West separation from significant intercepts is 500m. Continuity in these structures is probably in a North South orientation. Significant mineralisation has been returned from holes PC005 and PC014.

HOLE_ID	EAST	NORTH	RL (m)	AZI (Grid)	DIP	DEPTH	Zone
PC001	353290	7763024	418	324°	-63°	118	Main Workings
PC002	353602	7763080	449	270°	-60°	100	Central
PC003	353786	7763114	460	270°	-60°	115	Toomba East
PC004	353610	7763194	451	90°	-65°	100	Central
PC005	353412	7763411	431	270°	-65°	100	Main Workings
PC006	353395	7763357	427	269°	-65°	100	Main Workings
PC007	353351	7763241	427	267°	-70°	100	Main Workings
PC008	353404	7763078	431	270°	-60°	7	Main Workings
PC009	353401	7763077	431	270°	-60°	241	Main Workings
PC010	353312	7763098	421	335°	-60°	125	Main Workings
PC011	353453	7762849	429	270°	-60°	247	Main Workings
PC012	353810	7763127	461	90°	-55°	125	Toomba East
PC013	353914	7763355	476	270°	-60°	115	Toomba East
PC014	353859	7763213	465	270°	-60°	100	Toomba East
PC015	353251	7762849	414	270°	-55°	91	Main Workings
PC016	353430	7762842	418		-90°	103	Central
Coordinates: UTM, MGA 94 / Zone 55				**Total Metres**		1887	

Table 2: Toomba Prospect RC drill-collar location. PC016 is a water bore drilled for probable future diamond drilling purposes.

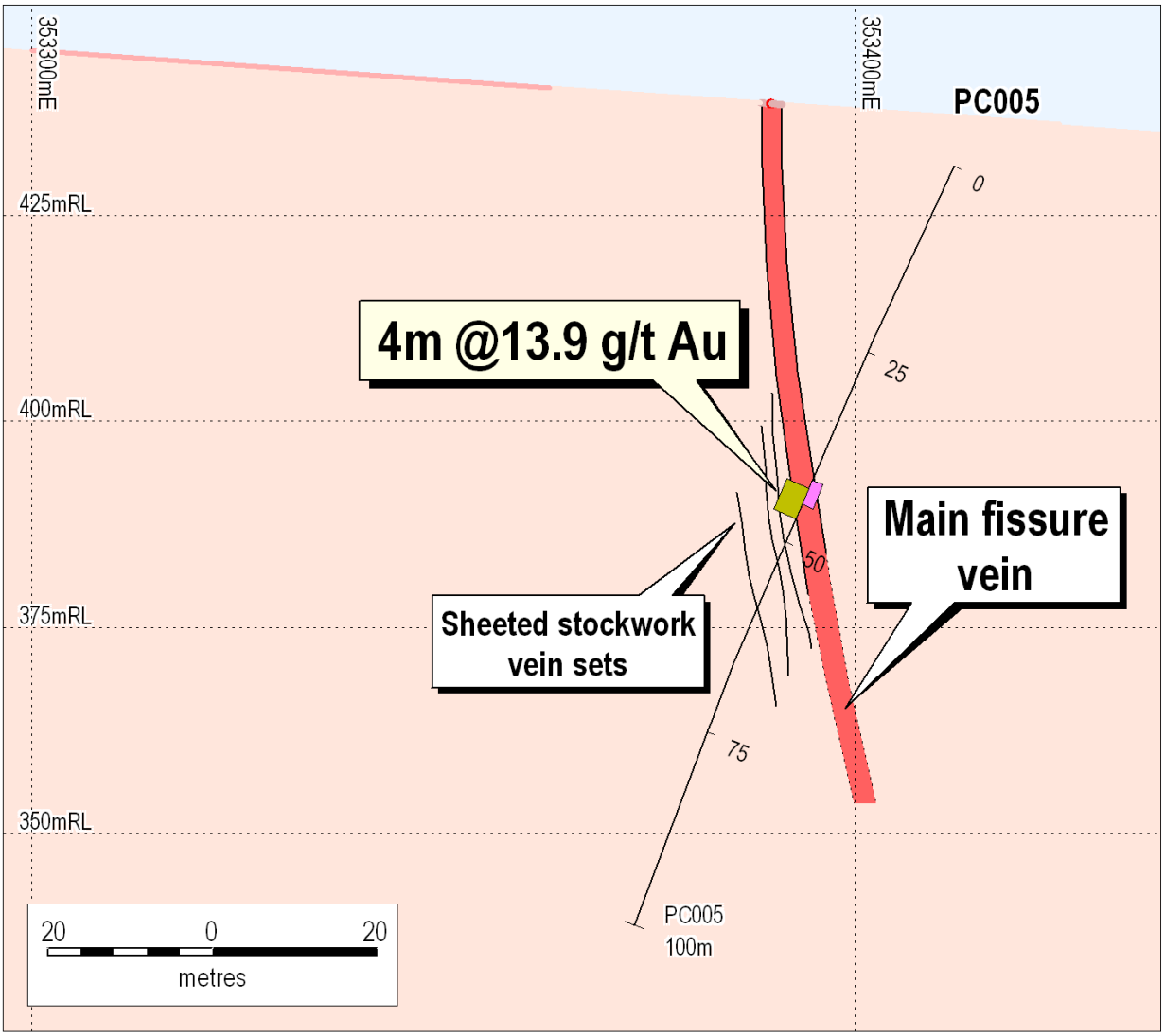

Figure 4: An example section from Toomba Prospect for PC005. Footwall sheeted vein sets are characterized by sericite alteration and minor mineralisation. Diamond drilling at depth and along strike will be proposed to improve geological confidence in this potential new gold discovery.

About CYU

CYU listed on the ASX on 29 October 2007. CYU is an Australian company formed to explore for and develop minerals in Australia and overseas. Cornerstone investor, Yunnan Copper Industry (Group) Co Ltd, is one of China's largest copper producers. CYU is targeting high quality copper, gold and uranium projects with eleven wholly owned Exploration Permit for Minerals (EPM's) in the Mt Isa Inlier, Ravenswood-Pentland Province and the Clermont area in Queensland.

Statement of Compliance

The information in this report that relates to Exploration Results is based on information compiled by Jason Beckton, who is a Member of the Australian Institute of Geologists and a Member of the Australasian Institute of Mining and Metallurgy, and is the Managing Director of China Yunnan Copper Australia Ltd. Mr Beckton 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 Beckton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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