

ASX/MEDIA ANNOUNCEMENT

21st November 2007

CYU signs diamond rig to drill north of Ernest Henry in two weeks time

CYU, China Yunnan Copper Australia Limited (ASX:CYU) has contracted a diamond drill rig to commence drilling in EPM 15095 on the exciting FC4 target by early December.

Reprocessing of existing geophysical induced polarization (IP) data on the FC4 Prospect 6 km north of Xstrata's Ernest Henry mining leases has identified a possible sulphide body at depth. The reprocessing used new 3D inversion software of previously collected 2D data.

The dimensions of the copper-gold style FC4 prospect is approximately 400 m by 500 m. This type of mineralisation is commonly hosted by magnetic iron rich rocks. The untested body is expected to be intersected from a vertical depth of 100m although copper bodies may be intersected from 30m after drilling through the cover sediments.

Previously collected IP data has been re-examined and modelled by Geophysical Resources and Services Pty Ltd looking particularly at the chargeability. The modelled data clearly shows a complex chargeability anomaly in the area with the anomalous copper-cobalt geochemistry. In addition the model shows that the southern lobe of the anomaly appears not to have been drill tested. As a result two diamond holes are proposed to test the anomaly on two north-south sections 225m apart (Figures 1 and 2).

In addition to this, copper targets in EPM 12205 will be investigated at the One Tree Hill prospect 40 km north of Cloncurry. Targets will be drilled by reverse circulation (RC) in a program commencing before the end of the year, immediately after Christmas.

CYU seeks to discover and develop Ernest Henry style copper-gold and shear hosted copper oxide deposits in the Cloncurry and Mt Isa districts with geochemical and

geophysical programs currently underway. CYU is also commencing sampling and geophysical programs at the Pentland Project by early December, targeting Mt Leyshon type porphyry gold deposits.

About CYU

CYU listed on the ASX on 29 October 2007 raising \$4 million. 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 Inlier in Queensland.

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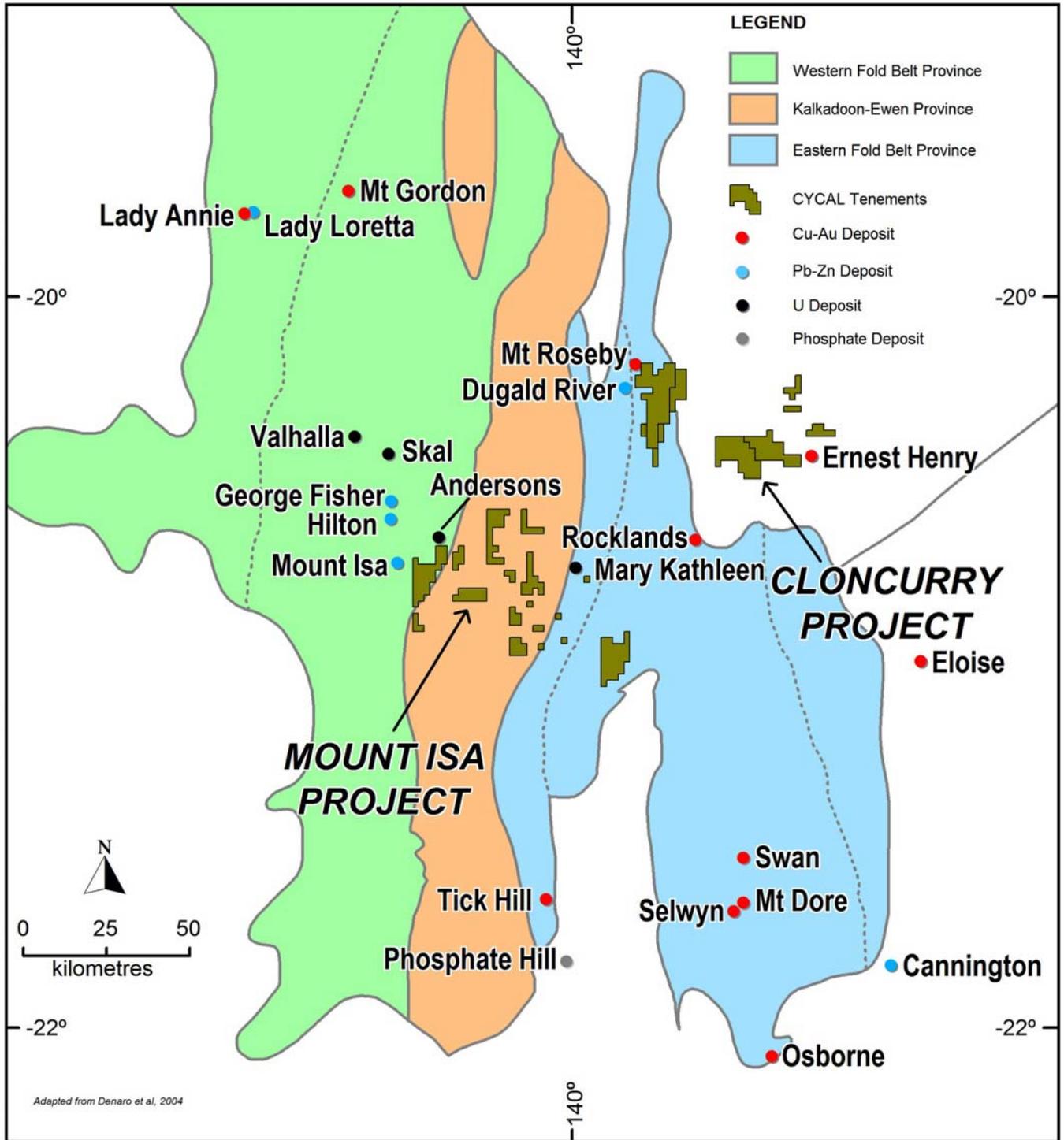


Figure 1. CYU is currently undertaking geophysical and geochemical programs over Mt Isa and Cloncurry Projects. Drilling is scheduled for early December on the Cloncurry project and will be ongoing through 2008.

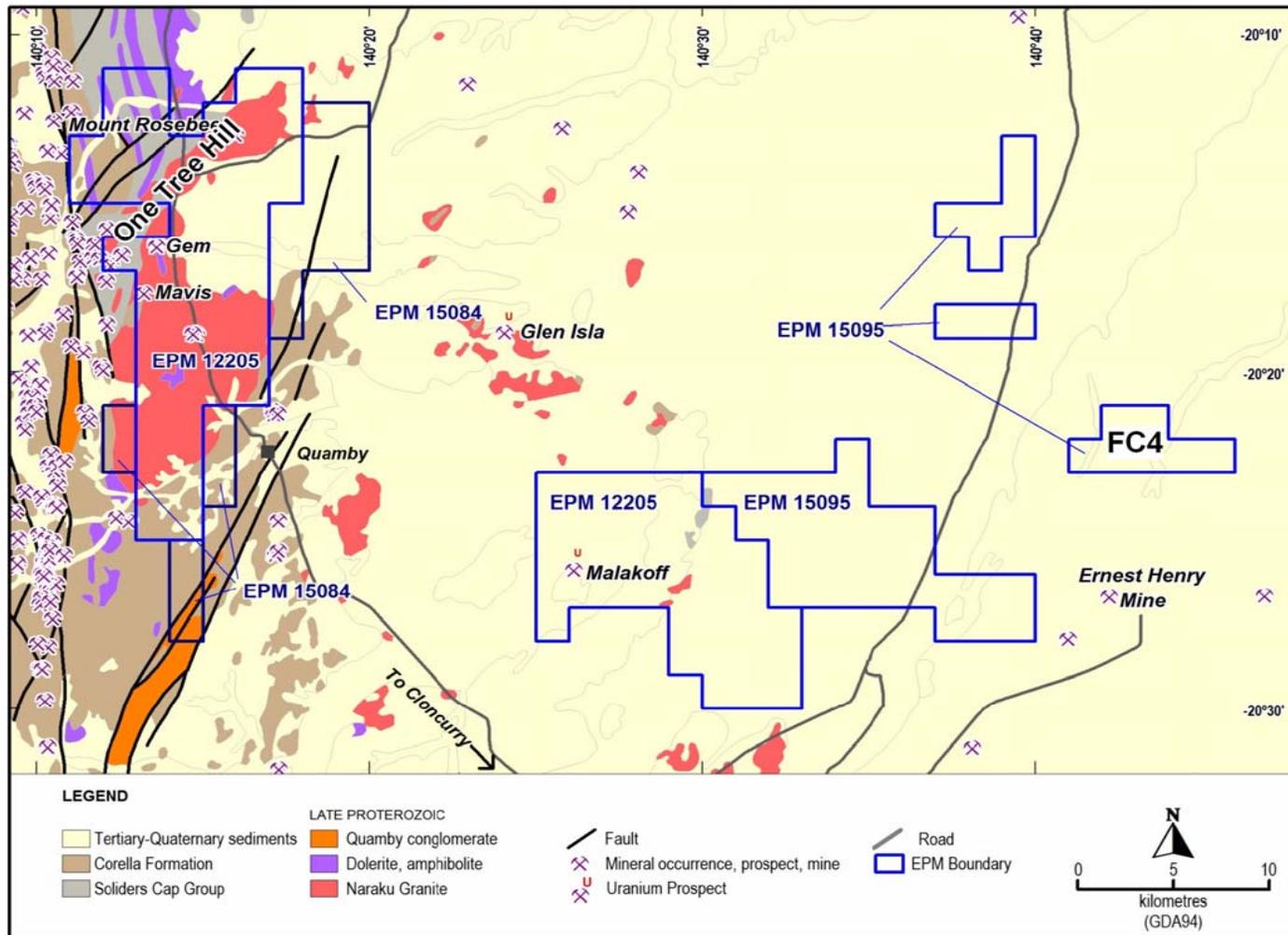


Figure 2. The FC4 Prospect is less than 6 kilometres north of Ernest Henry mine leases. The One Tree Hill prospect is also depicted. CYU is currently undertaking geophysical and geochemical programs over the One Tree Hill prospect.

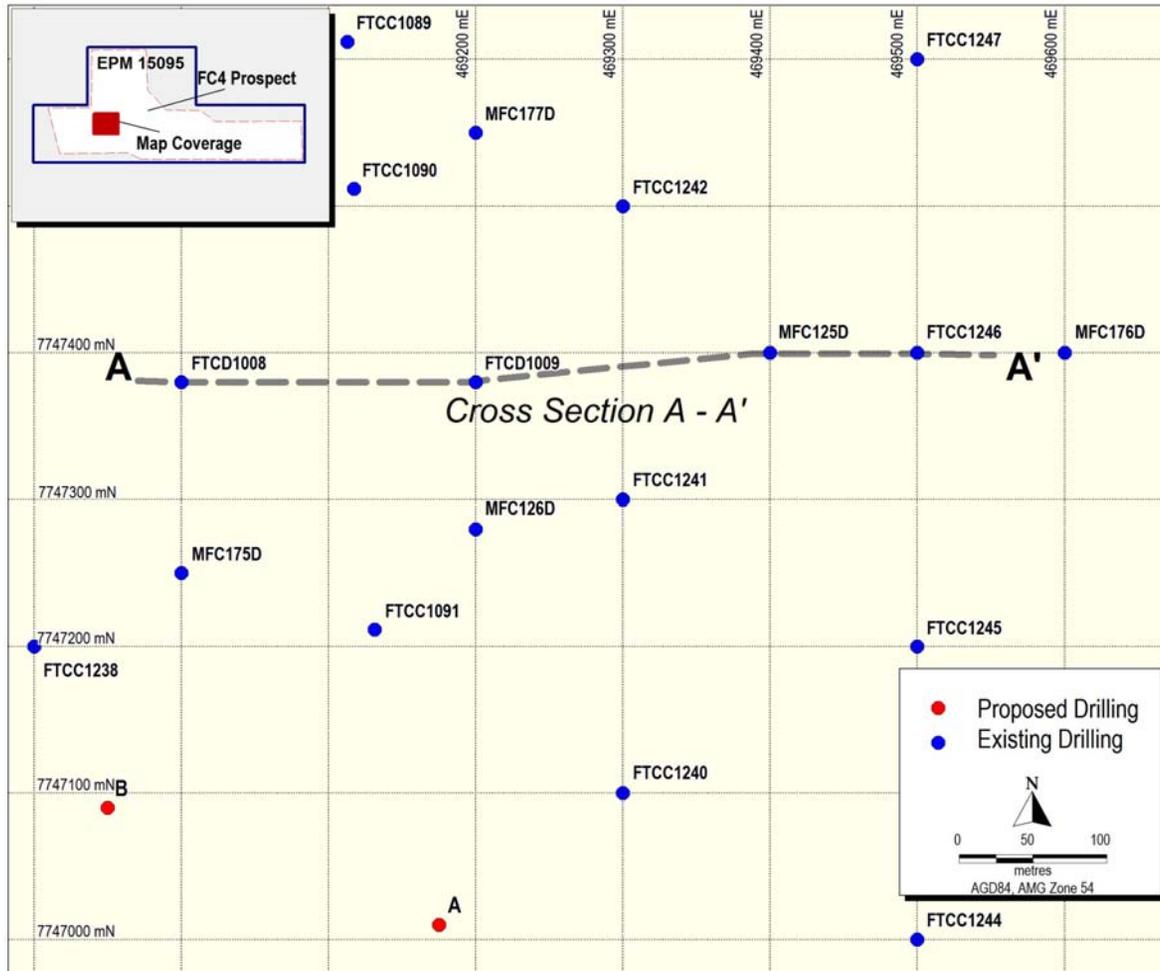


Figure 3. Proposed diamond drill holes are going to be drilled deeper and further south than previous drilling to test an undrilled IP response similar in dimension to Ernest Henry.

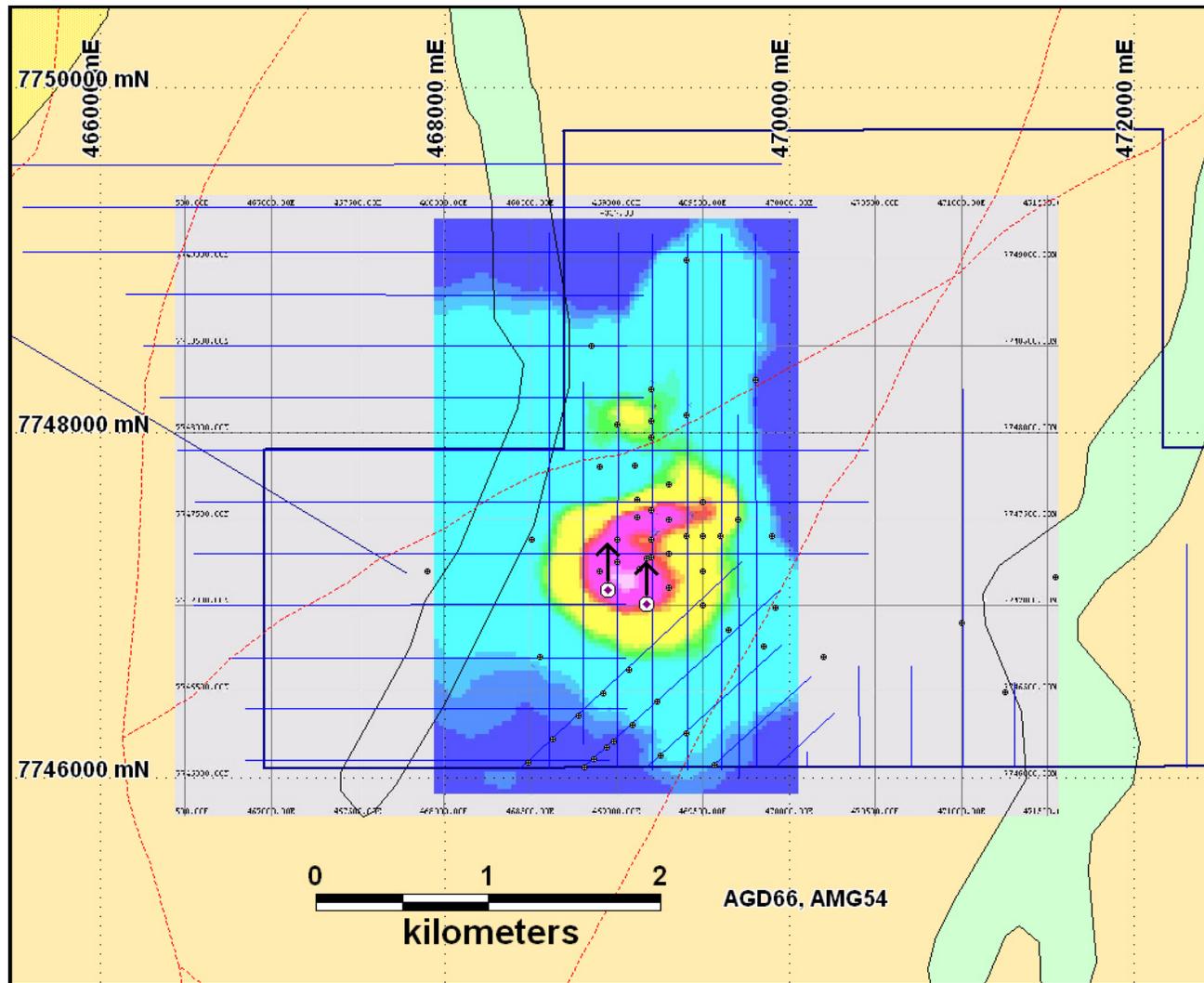


Figure 3. A depth slice at 337m depth of the FC4 target showing an untested IP response. The target exists from 100m to below 400m depth. Proposed drillholes, shown as arrows, are planned to commence in early December.

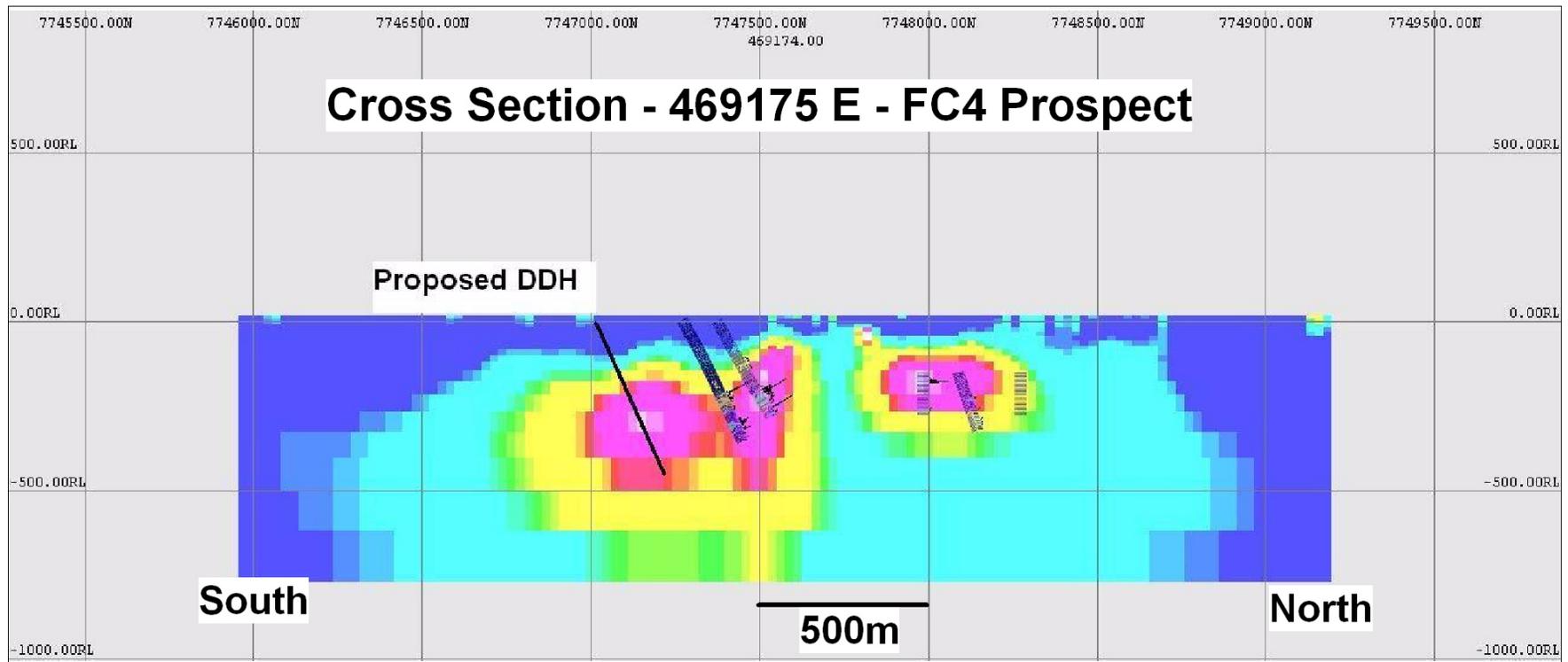


Figure 4. FC4 prospect. Section 469175E showing trace of proposed drill hole.

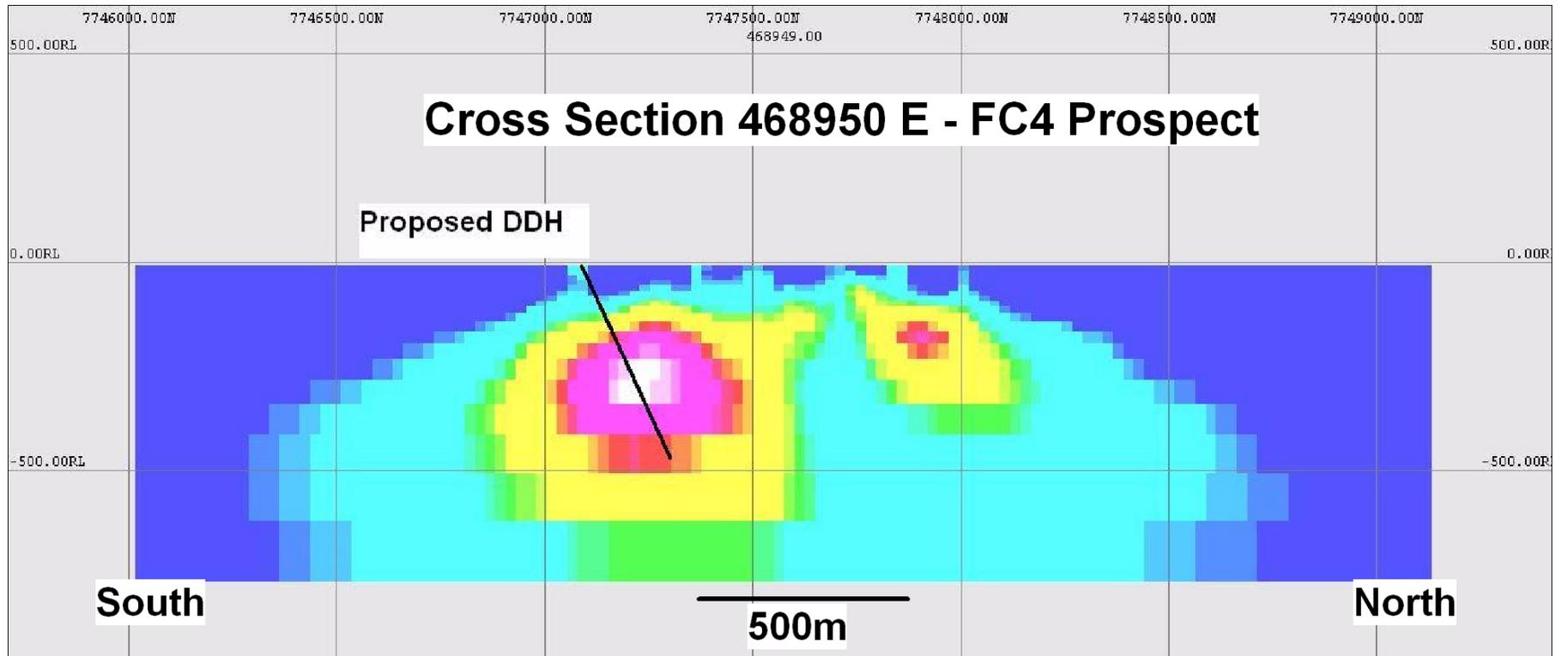


Figure 5. FC4 prospect. Section 468950E showing trace of proposed drill hole.