

ASX/Media Announcement

17 June 2013

Chinalco Yunnan Copper Resources Ltd (ASX: CYU)

COMPLETION OF THE PHASE I BLUE CAESAR EXPLORATION PROGRAM

- **Broad zones of near surface primary sulphide mineralisation, grading 25m @ 1.62% copper from 28 metres, highlighted by high grade intersection of 8m @ 3.63% copper from 29 metres including 1m @ 17.3% copper from 30 metres intersected in hole MKBC002.**
- **Near surface primary sulphide mineralisation intersected in MKBC003 highlighted by 10m @ 1.13% copper from 36 metres including 2m @ 3.23% copper from 38 metres**
- **135m of mineralisation strike extent defined between MKBC002 and MKBC003**
- **Phase II drilling program to commence at Blue Caesar week 24 June 2013.**

Chinalco Yunnan Copper Resources Limited (70%) (CYU:ASX) as operator of the Mary Kathleen Joint Venture with Goldsearch Limited (30%) (GSE:ASX), is pleased to announce the successful conclusion of its first pass diamond drill program at the Blue Caesar prospect. This prospect is located approximately 400 metres northwest of the 27.7Mt Elaine copper-gold JORC inferred resource.

A 650m in three (MKBC001 – MKBC003) diamond hole drill program was undertaken at the Blue Caesar prospect in April – May 2013. The drilling targeted coincidental geochemical, geophysical and surface mineralisation similar in style to the Elaine copper-gold resource situated 400m to the southeast along strike of the Mary Kathleen Shear Zone.

Final analytical results have been returned for each of the three holes – see Tables 1 and 2 annexed to this announcement. CYU has previously announced to the market the more significant results for this program. Now that all assays have been obtained, the highlights of the program were:

- **MKBC002: 25m @ 1.62% copper from 28 metres down hole depth at a 0.5% copper cutoff including a massive copper sulphide intersection of 1m @ 17.3% copper from 30 metres down hole depth. This mineralisation is enveloped in a broader zone of visual mineralisation grading 79m @ 0.68% copper from ~20m vertical depth. Further significant mineralisation included 2m @ 2.79% copper**

and 0.53 g/t gold from 94m down hole depth at a 1% copper cutoff including **1m @ 4.37% copper and 1.01g/t gold from 95m** down hole depth; and

- **MKBC003: 10m @ 1.13% copper from 36m** down hole depth at a 0.5% copper cutoff including **2m @ 3.44% copper from 38m** down hole depth at a 1% copper cutoff. This mineralisation is also enveloped in a broader zone of visual mineralisation grading 54m @ 0.40% copper from ~ 30m vertical depth). Further significant mineralisation included 7m @ 0.53% copper from 57m down hole depth. The mineralisation intersected between in MKBC002 and MKBC003 defines a 135m strike extent that is characterised by very near surface disseminated, predominately copper, sulphide mineralisation. In particular, Hole MKBC002 intersected multiple zones of mainly stringer and disseminated copper sulphide mineralisation with pods of semi-massive to massive copper sulphide mineralisation occurring from 27m down hole depth (~20m vertical depth from surface).

This first pass drilling program at the Blue Caesar prospect has successfully tested the current exploration model developed from the work undertaken at the Elaine resource. This model is being used to assist in identifying additional potential trap sites along the 12km long Mary Kathleen Shear Zone that hosts the 27.7Mt Elaine copper-gold JORC inferred resource and the historic Mary Kathleen Uranium Mine. The main focus of these activities is to identify and develop commercial copper and gold resources within the Mary Kathleen Joint Venture (CYU 70% / Goldsearch 30%) and the Mount Frosty Joint Venture (CYU earning in up to 75% from Mount Isa Mines Limited subject to Mount Isa Mines having a buy back right so as to retain a 51% interest in the Mount Frosty Joint Venture).

CYU has completed its initial Phase I evaluation of the Blue Caesar prospect and a follow up 1,000 metre drill program targeting a 400m x 100m surface area will be undertaken to further define the geometry of the Blue Caesar mineralized body and evaluate the 400m previously untested strike southeast to the Elaine prospect. The Phase II drill program is designed at a nominal 100m drill line spacing stepping out from MKBC002 and will also be targeting the depth extension at 50m spacing. Recent geological mapping has identified a series of copper stained gossan outcrops situated along this trend. Drilling is expected to commence before the end of June 2013 and details of that program will be announced when results have been received.

On behalf of the Board

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About CYU

Chinalco Yunnan Copper Resources Ltd ("CYU" or "Company") is a resource exploration and development company with project interests in the Mt Isa region of north Queensland, Chile and northern Laos.

CYU's largest shareholder is China Yunnan Copper (Australia) Investment and Development Co Ltd ("CYC"), owning 43% 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 aluminum product in China and the second largest world-wide.

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

Competent Person's Statement

The information regarding to the Exploration Activities at the Blue Caesar prospect and the Inferred JORC Resource for the Elaine copper+gold prospect is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geologists and is an Executive Director of Chinalco Yunnan Copper Resources Ltd. Mr Hatcher 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. Hatcher consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1: Drillhole location – Blue Caesar.

Hole_ID	East *	North *	RL (m)	Azi (°)	Dip (°)	Planned Depth (m)
MKBC001	397,696	7,700,002	398	221	-60°	216.36
MKBC002	397,644	7,700,97	394	216	-60°	234.34
MKBC003	397,761	7,700,015	397	79	-60°	200.37
* Datum : UTM – MGA94 Zone 54.						651.07

Table 2: Significant intersections at a 0.25% copper cut-off with max 3m internal dilution – Blue Caesar.

Hole_ID	From	To	Width (m)	Au (g/t)	Cu (%)	Co (ppm)	Comment
MKBC001	7	8	1	0.02	0.45	249	
MKBC001	58	59	1	0.02	0.55	506	0.5% Cu cutoff
MKBC001	125	127	2	0.02	0.43	922	
including	126	127	1	0.02	0.43	1,510	
MKBC001	142	143	1	0.01	0.33	71	
MKBC001	149	150	1	0.07	0.29	1,415	
MKBC001	170	172	2	0.01	0.37	264	
MKBC001	184	186	2	0.01	0.46	286	
including	185	186	1	0.01	0.59	403	0.5% Cu cutoff
MKBC002	10	11	1	-0.01	0.28	291	
MKBC002	27	57	30	0.05	1.39	420	
including	28	53	25	0.06	1.62	472	0.5% Cu cutoff
including	29	37	8	0.08	3.23	548	1% Cu cutoff
including	30	31	1	0.07	17.30	353	
including	51	53	2	0.07	2.94	311	1% Cu cutoff
MKBC002	66	75	9	0.01	0.31	143	
including	66	68	2	0.02	0.61	440	0.5% Cu cutoff
MKBC002	85	89	4	0.01	0.47	347	
including	85	87	2	0.02	0.57	259	0.5% Cu cutoff
MKBC002	94	96	2	0.53	2.79	642	
including	95	96	1	1.01	4.37	1,255	
MKBC002	105	106	1	0.01	0.62	631	
MKBC002	136	137	1	0.02	0.33	285	
MKBC002	177	178	1	0.01	0.36	44	
MKBC003	34	48	14	0.03	0.88	226	
including	36	46	10	0.03	1.13	199	0.5% Cu cutoff
including	38	40	2	0.06	3.44	134	1% Cu cutoff
including	44	45	1	0.03	1.36	101	1% Cu cutoff
MKBC003	52	54	2	0.03	0.51	44	
MKBC003	57	64	7	0.01	0.53	151	
including	58	61	3	0.01	0.84	195	0.5% Cu cutoff
including	60	61	1	0.02	1.69	266	1% Cu cutoff
MKBC003	69	70	1	0.01	0.53	109	
MKBC003	79	81	2	0.01	0.50	190	
MKBC003	86	87	1	0.01	0.30	134	
MKBC003	105	106	1	0.01	0.27	367	



