



ASX/Media Announcement

12 October 2011

CHINA YUNNAN COPPER AUSTRALIA LIMITED (CYU) provides the opportunity to listen to an audio broadcast with **Jason Beckton, Managing Director** in a presentation titled "**High Grade Gold Intercept from Elaine Resource Drilling**".

To listen go to the following link: <http://www.brr.com.au/event/87405>

The presentation details are as follows:

- **Copper Gold REE Cobalt Sulphide Discovery – Elaine".**
- **Wednesday, 12 October 2011 11.15am AEST**
- **A transcript of the broadcast is included below**

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A handwritten signature in black ink, appearing to read 'Jason Beckton'.

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BRR INTERVIEW WITH JASON BECKTON, MANAGING DIRECTOR, CHINALCO YUNNAN COPPER RESOURCES LIMITED, CONDUCTED ON TUESDAY, 11 OCTOBER 2011

Q1 Hello and welcome to BRR. I'm joined by Jason Beckton and Jason is the Managing Director of Chinalco Yunnan Copper. Jason, thanks for your time and great to have you online.

A1 Thank you, James, and I look forward to an update on our recent results.

Q2 That's right. And the last time we spoke we touched on results from the Elaine Prospect where you'd been generating what was effectively a new copper discovery. But today you've put out some results from the same prospect showing some really good thick high-grade gold intersections. Can you tell me a bit about the drilling you're doing and the results that you're pulling out of it?

A2 Well, this is a result from our first resource drill hole that we did announce earlier that we were commencing on 100 by 100 metre net, if you like, over the interpreted zone and, as per previous, we've intercepted a thick - in the order of over 100 metre - zone of significant copper mineralisation; 70 metres of that is still at the lab because of extremely elevated uranium numbers in the core of it as well, and obviously there will be some good numbers to follow from that in about a week's time. But we felt the need to disclose this very strong gold intercept of about 26 metres at 7.7 grams per tonne gold, mainly because we receive the golds a lot earlier than we are receiving the base metals and uranium Rare Earth numbers. We think it's material and so we just wanted to update the market as soon as we had it to hand. Certainly I've worked as an underground geologist before and these are certainly mineable grades and mineable horizontal widths, so it's very exciting. We didn't expect this kind of elevated precious metal zone in the core of what we think will be a multi-million tonne copper system. But, obviously, any analyst will tell you as well, these gold numbers in the core of the system will aid the probable economics in the future.

Q3 Okay. And, Jason, just in terms of the geology and the mineralisation, do these gold results from the core give you any more feeling for what you're dealing with?

A3 Yeah, we seem to have more of a coarse grained sulphide system at a shallower level compared to holes 7 and 8 with this hole 9. The guys are obviously still pulling apart the interpretation and we're drilling 24/7 at the moment, but we can see the zones concerned in the core - it resembles a gold skarn system. There's not many of them around the place. We're trying to come up with analogies. But certainly this style of mineralisation at Mary Kathleen, for example, was more Rare Earth uranium. What we have at Elaine, six kilometres south on the same trend, is clearly a copper gold and then followed by that you've got elevated Rare Earths and cobalt and some uranium in there as well. So it's an IOCG and, as you see in other large IOCG systems, it's multi element. So we're very excited. Previously our intercepts were respectable gold numbers at .2 grams per tonne but, you know, this is obviously, you know, an order of magnitude - almost two order of magnitudes - higher grade than that over a good width, so we've found a higher-grade core and we expect to have more pleasant surprises as we continue the extensional drilling in 100-metre step outs.



Q4 Okay. Now, just in terms of that forward program, I understand you're moving a second rig to site to accelerate the drilling that you're doing and ultimately working towards a JORC resource in Q1 2012. Can you tell me a bit about the flow of results that we're going to see from you over the coming months?

A4 Well, there's some pent-up results flow after drilling for close to six weeks. Obviously process is going as fast as it can both at site and at the lab. The public should expect results probably weekly from now on, or close to that. We certainly have had one rig fully operational at a good production rate. It's probably averaging about 50 metres a day, and then the second rig, we've been working on getting that on site for some time. We had to augment water supply, things like that, but that will see even thicker news flow. Probably by the time that kicks in the results will start flowing from mid-November from that one. So, really, investors should look forward to news flow from now right through till early in the New Year because, obviously, if we wind up drilling in mid-December due to the probable wet season, then the results will continue to flow for a month after that. And then, as soon as we get the last results in, we'll already have the geological model completed; then we run the inferred resource on whatever size it is, assuming it remains open. So it will be an interim number, of course, but I'm a strong believer in graduating prospects from drilling results to resources, and we've already lined up the consultant, etcetera. So that will happen early in the New Year.

Q5 Okay. Great. Well, Jason, it looks like this Prospect is shaping up very nicely at the moment and we'll be keen to follow the ongoing assays as you bring them in over the coming months and we'll touch base to get your commentary on what you're seeing.

A5 Yeah, thank you, James. Certainly these are the best results in the Company's four-year history and we think they're the best results from that part of the world in Mount Isa for many years and we look forward to a spectacular new discovery being quantified in a resource in the New Year.

Q6 Okay. Great. Well, thanks again for your time.

A6 Thank you. Bye bye.

INTERVIEW CONCLUDED

Competent Person's Statement

The information regarding to Exploration Activities in this report that relates to the Elaine (EPM 14022) prospect, is based on information compiled by Jason Beckton, who is a Member of the Australian Institute of Geologists and is the Managing Director of Chinalco Yunnan Copper Resources 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.