

Chinalco Yunnan Copper Resources Limited
ABN 29 070 859 522

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26 November 2014

ISSUE OF PERFORMANCE SHARES - APPENDIX 3B & APPENDIX 3Y

Chinalco Yunnan Copper Resources Limited (CYU or Company) advises that the attached Appendix 3B and Appendix 3Y relates to the issue of 2,000,000 Performance Shares to Mr Paul Williams the Managing Director of the Company.

The issue of the Performance Shares was approved at the 2014 Annual General Meeting held on 26 November 2014.

For and on behalf of the Board

A handwritten signature in purple ink that reads 'Paul Marshall'.

Paul Marshall
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

CHINALCO YUNNAN COPPER RESOURCES LIMITED

ABN

29 070 859 522

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Performance Shares (unlisted)

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

2,000,000 Class D performance shares

3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

See attached terms and conditions

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	No
5	Issue price or consideration	\$nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Grant of performance shares in accordance with employment contract of Managing Director and following receipt of shareholder approval at the 2014 AGM.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	N/A
6b	The date the security holder resolution under rule 7.1A was passed	
6c	Number of +securities issued without security holder approval under rule 7.1	
6d	Number of +securities issued with security holder approval under rule 7.1A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	

6f Number of securities issued under an exception in rule 7.2

6g If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.

6h If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

7 +Issue dates 26 November 2014

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	473,027,475	Ordinary Shares fully paid (CYU)

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	1,000,000 1,000,000 2,000,000	Class B Performance Shares Class C Performance Shares Class D Performance Shares Each Class B Performance Share will automatically convert into one Share upon the Market Value of the Shares being at least twenty five cents (\$0.25); Each Class C Performance Share will automatically convert into one Share upon the Market Value of the Shares being at least fifty cents (\$0.50); Each Class D Performance Share will automatically convert into one Share at a time when the Company achieves a positive EBITDA in respect of operations for a consecutive period of 3 months from an asset of the Company.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
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12	Is the issue renounceable or non-renounceable?	
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13	Ratio in which the *securities will be offered	
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14	*Class of *securities to which the offer relates	
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15	*Record date to determine entitlements	
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
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17	Policy for deciding entitlements in relation to fractions	
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18	Names of countries in which the entity has *security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
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19	Closing date for receipt of acceptances or renunciations	
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20	Names of any underwriters	
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21	Amount of any underwriting fee or commission	
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22	Names of any brokers to the issue	
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23	Fee or commission payable to the broker to the issue	
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24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	
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25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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41 Reason for request for quotation
NOW Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
(Company secretary)

Date: 26 November 2014

Print name: Paul Marshall

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Annexure A – D Class Performance Shares

Rights attaching to the Performance Shares

- (a) Each Performance Share is a share in the capital of Chinalco Yunnan Copper Resources Limited ABN 29 070 859 522 (**the Company**).
- (b) The Performance Shares shall confer on the holder (**the Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to holders of fully paid ordinary shares in the capital of the Company (**the Shareholders**). Holders have the right to attend general meetings of Shareholders.
- (c) The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders.
- (d) The Performance Shares do not entitle the Holder to any dividends.
- (e) The Performance Shares participate in the surplus or assets of the Company upon a winding up of the Company only to the extent of \$0.000001 per Performance Share.
- (f) The Performance Shares are not transferable.
- (g) If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be changes to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganization.
- (h) The Company shall allot and issue Shares immediately upon conversion of Performance Shares for no consideration and shall record the allotment and issue in the manner required by the Corporations Act.
- (i) The Performance Shares will not be quoted on ASX. However, upon conversion of the Performance Shares into fully paid ordinary shares (the Shares), the Shares will (as and from 5pm EST on the date of allotment) rank equally with and confer rights identical with all other Shares then on issues and the Company must within 2 Business Days after the conversion, apply for official quotation of the Shares arising from the conversion on ASX.
- (j) Shares issued on conversion of the Performance Shares must be free from all encumbrances, securities and third party interests. The Company must ensure that Shares issued on conversion of the Performance Shares are freely tradeable, without being subject to on-sale restrictions under section 707 of the Corporations Act, on and from their date of issue.
- (k) Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus shares and entitlement issues.
- (l) For the purposes of these terms and conditions:
 - a. "EBITDA" means earnings before interest, tax, depreciation and amortisation.
 - b. "Change in Control Event" means:
 - i. the occurrence of:
 - 1. the offerer under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - 2. that takeover bid has become unconditional; or
 - ii. the announcement by the Company that:

1. shareholders of the Company have at a Court-convened meeting of shareholders voted in favour, by the necessary majority of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 2. the Court, by order, approves the scheme of arrangement,

but shall not include a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, subdivision, reduction or return) of the issued capital of the Company.
- c. "Expiry Date" means In relation to the Class D Performance Shares, 3 years from the date of issue.
- d. "Market Value" in respect of the Shares, means the volume weighted average of the actual prices at which Shares were traded on the ASX, during the immediately preceding period of twenty (20) business days where trading in the Shares has occurred.
- (m) If, prior to the Expiry Date, a Change in Control Event occurs then each Performance Share will be converted into one Share. The maximum number of Performance Shares that can be converted into Shares and issued under this clause (m) upon a Change in Control Event occurring must not exceed 10% of the issued share capital of the Company (as at the date of the Change in Control Event) . The Company shall ensure a pro-rata allocation of Shares issued under this clause (m) to all Performance Shareholders.
- (n) The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares

- (o) Each Class D Performance Share will automatically convert into one Share at a time when the Company achieves a positive EBITDA in respect of operations for a consecutive period of 3 months from an asset of the Company (**Milestone**);
- (t) If a Milestone is not achieved by the Expiry Date, then the applicable Performance Shares will be automatically redeemed by the Company for the sum of \$0.000001 within 10 business day of non-satisfaction of the Milestone.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	CHINALCO YUNNAN COPPER RESOURCES LIMITED
ABN	29 070 859 522

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Paul Williams
Date of last notice	10 September 2014

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	
Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest.	Holding in own name and in name of Paul R Williams Family Trust (Director is a trustee and beneficiary of the Trust).
Date of change	26 November 2014
No. of securities held prior to change Holding in name of Paul R Williams Family Trust Holding in own name	350,000 ordinary shares 1,000,000 Class B Performance Shares 1,000,000 Class C Performance Shares Each Class B Performance Share will automatically convert into one Share upon the Market Value of the Shares being at least twenty five cents (\$0.25) on or before 6/12/15. Each Class C Performance Share will automatically convert into one Share upon the Market Value of the Shares being at least fifty cents (\$0.50) on or before 6/12/15.

+ See chapter 19 for defined terms.

Class	Class D Performance Shares Each Class D Performance Share will automatically convert into one Share at a time when the Company achieves a positive EBITDA in respect of operations for a consecutive period of 3 months from an asset of the Company on or before 26/11/17.
Number acquired	2,000,000
Number disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil – issued in relation to employment contract
No. of securities held after change Holding in name of Paul R Williams Family Trust Holding in own name	350,000 ordinary shares 1,000,000 Class B Performance Shares 1,000,000 Class C Performance Shares 2,000,000 Class D Performance Shares
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issued in relation to employment contract

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	N/A
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. & class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	

+ See chapter 19 for defined terms.

Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	
If prior written clearance was provided, on what date was this provided?	

⁺ See chapter 19 for defined terms.