



ASX/Media Announcement

15th December 2010

Mt Dorothy - High Grade Copper-Cobalt Zone in Diamond Drilling

- **Significant copper-cobalt assays returned from sulphide and oxide mineralisation intersected in recently completed diamond core holes:**
 - MDD006: 28m @ 1.9% Cu and 247ppm Co from 50m;**
 - incl. 9m @ 5.5% Cu and 205ppm Co from 55m;**
 - incl. 2m @ 10.5% Cu and 732ppm Co from 61m associated with chalcocite in breccia**
- **Mineralisation above occurs 50m down dip from high grade sulphide intercepts in MDR002, reported in August 2010.**
- **A broad zone of oxide copper mineralisation was intersected 40m NE of MDD006 and reported intercepts as follows:**
 - MDD005: 10m @ 0.2% Cu and 32ppm Co from 34m; and**
28m @ 0.19% Cu and 98ppm Co.
- **The drilling confirms the presence of a steeply dipping NE trending mineralised breccia zone.**

China Yunnan Copper Australia Limited (ASX: CYU) announces today significant intercepts from drilling on its **Mount Dorothy copper+cobalt prospect**, part of the Mary Kathleen joint venture with **Goldsearch Limited** (ASX: GSE) in Northwest Queensland.

CYU's Managing Director Jason Beckton, said "These results confirm the strength of the system 50 metres deeper from previous drilling. Assay results will continue to be reported from further drilling down dip and along strike. This is confirmation that the supergene chalcocite zone is open particularly to the North West and will be further tested in the new year. Visually MDD006 was our best hole of the current program."

"This breccia fault zone still has results to be returned as we determine the overall geometry of the system. Overall an excellent result confirming high grade, shallow chalcocite mineralisation."



Figure 1. MDD006 – Core recovered in the target breccia from 50 metres and continues at depth to 78 metres. Yellow brown rock in bottom metres is supergene Chalcocite (Copper Sulphide) breccia from 60.5 metres confirms the extension at depth of the Mt Dorothy sulphide breccia. The top metre is green pseudomalachite in breccia. The brown metres at the bottom of the tray average 10.5 % copper.

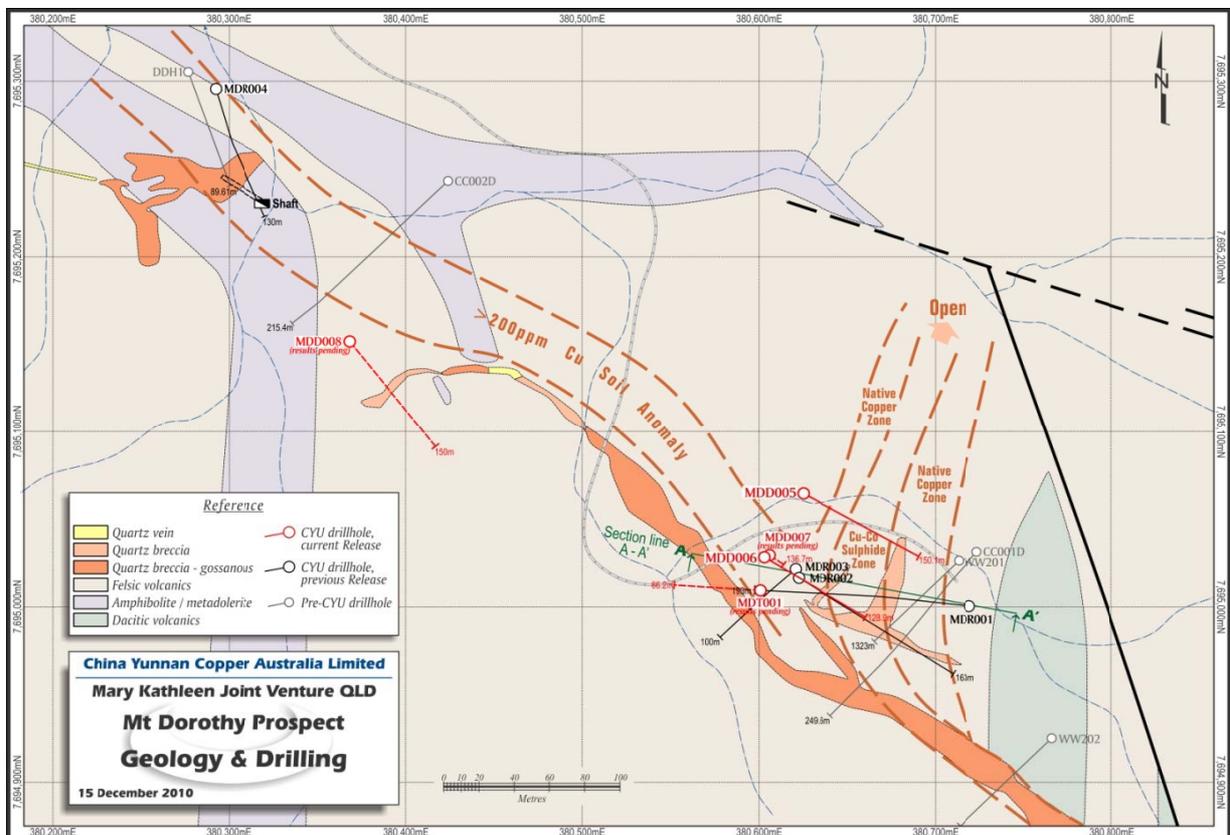


Figure 2. Plan depicting CYU drilling. Results pending for MDT001, MDD007 and MDD008. Figure 3 following depicts section line A – A' as per plan.

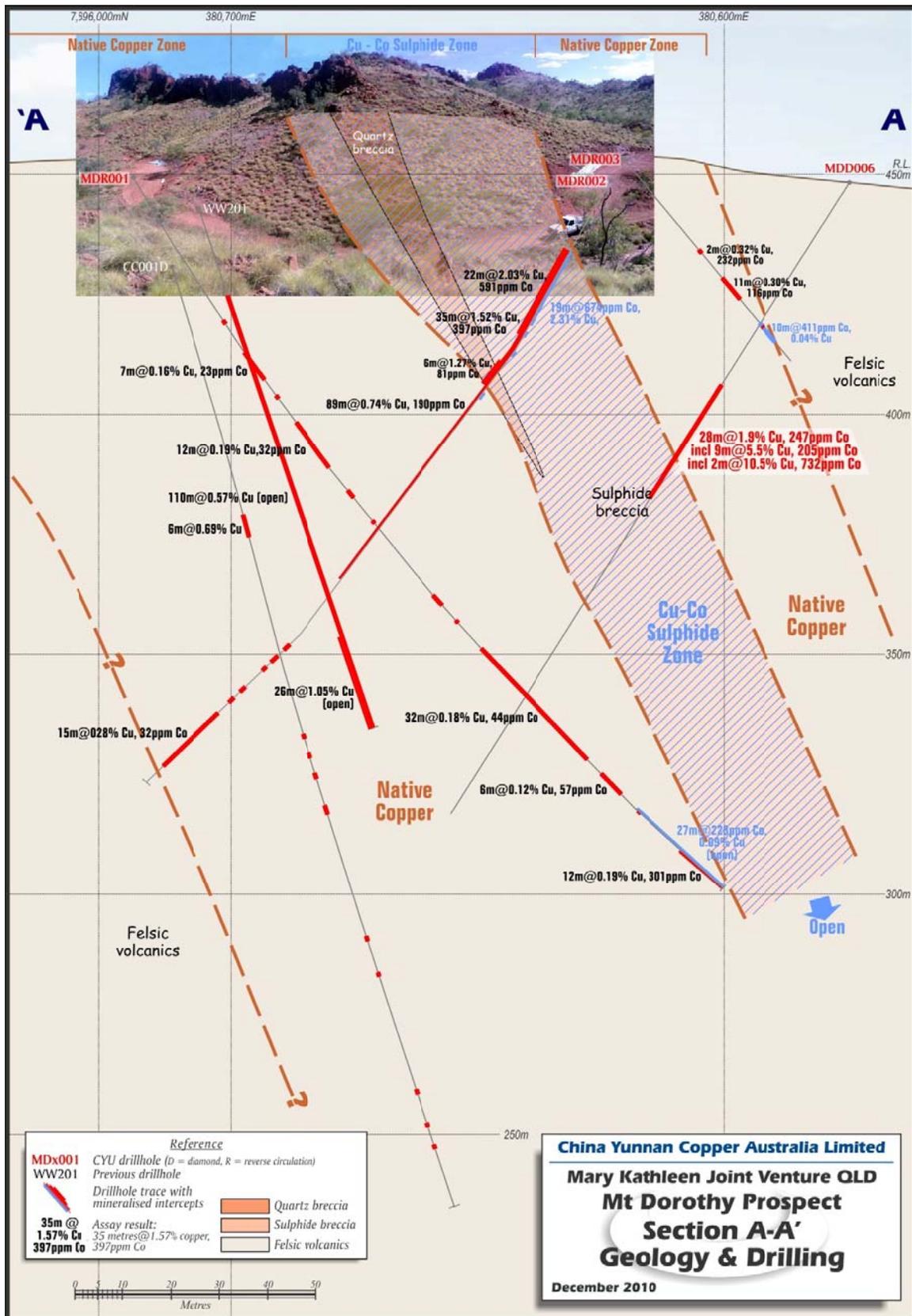


Figure 3. MDD006 is underpinning previously drilled MDR002 by 50 metres which returned an intercept of 35m @ 1.52% copper and 397ppm cobalt from 17m. Red intercepts are most, Black intercepts are previous campaign results, Blue intercepts are cobalt. The interpreted Cu Co Sulphide zone is a supergene enrichment zone and subject to interpretation update after all program results are returned.

Hole ID	East*	North*	RL*	Azi	Dip	Depth m	Comments
MDD005	380,625	7,695,065	448	119.0	-60.0	150.10	reported
MDD006	380,604	7,695,027	448	120.5	-59.5	128.90	reported
MDD007	380,605	7,695,029	449	113.5	-85.0	136.70	
MDT001	380,601	7,695,010	304	271.9	-42.4	66.20	Core tail to MDR001
MDD008	380,368	7,695,152	438	134.0	-60.0	150.00	Testing a splay

* Datum GDA94 zone 54 ** UTM Grid Azimuth

Table 1: Mount Dorothy Prospect diamond drill collar locations. Assay results are pending for three holes. All drilling is now complete for Mt Dorothy for 2010.

Competent Person's Statement

The information regarding to Exploration Activities in this report that relates to the Mount Dorothy (EPM 14019) prospect is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geologists and is Exploration Manager of China Yunnan Copper Australia 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.

About CYU

CYU is an Australian company formed to explore for and develop minerals in Australia and overseas. Cornerstone investor, Yunnan Copper Industry (Group) Co Ltd (YCI), is one of China's largest copper producers. YCI's largest shareholder is Chinalco.

CYU's principle focus is to identify commercial copper sulphide deposits and develop these into profitable mining operations. In addition CYU has goals of resource definition and development for copper oxides, gold and uranium.

Apart from the Mt Dorothy exploration program other current activities include;

- Drilling a known sulphide zone at the Elaine copper Rare Earth Element – U prospect, subsequent to the Mount Dorothy program. Drilling to be completed January 2011.
- Ground geophysical and mapping programs completed at the Humitos Copper Porphyry project in Copiapo district, Chile. This has identified a series of shallow covered magnetic targets which warrant a 2000 metre RC program which has commenced and will be completed in 2011.
- Continued review of projects under Memorandum of Understanding with CYU's cornerstone investor Yunnan Copper Industries (YCI) to undertake regional exploration and project generation work in Yunnan Province, China and Laos.
- Proposed Reverse Circulation drilling in 2011 at Stanley's Hope Gold and the Pentland JV with Activex Ltd, Pentland, North East Queensland.

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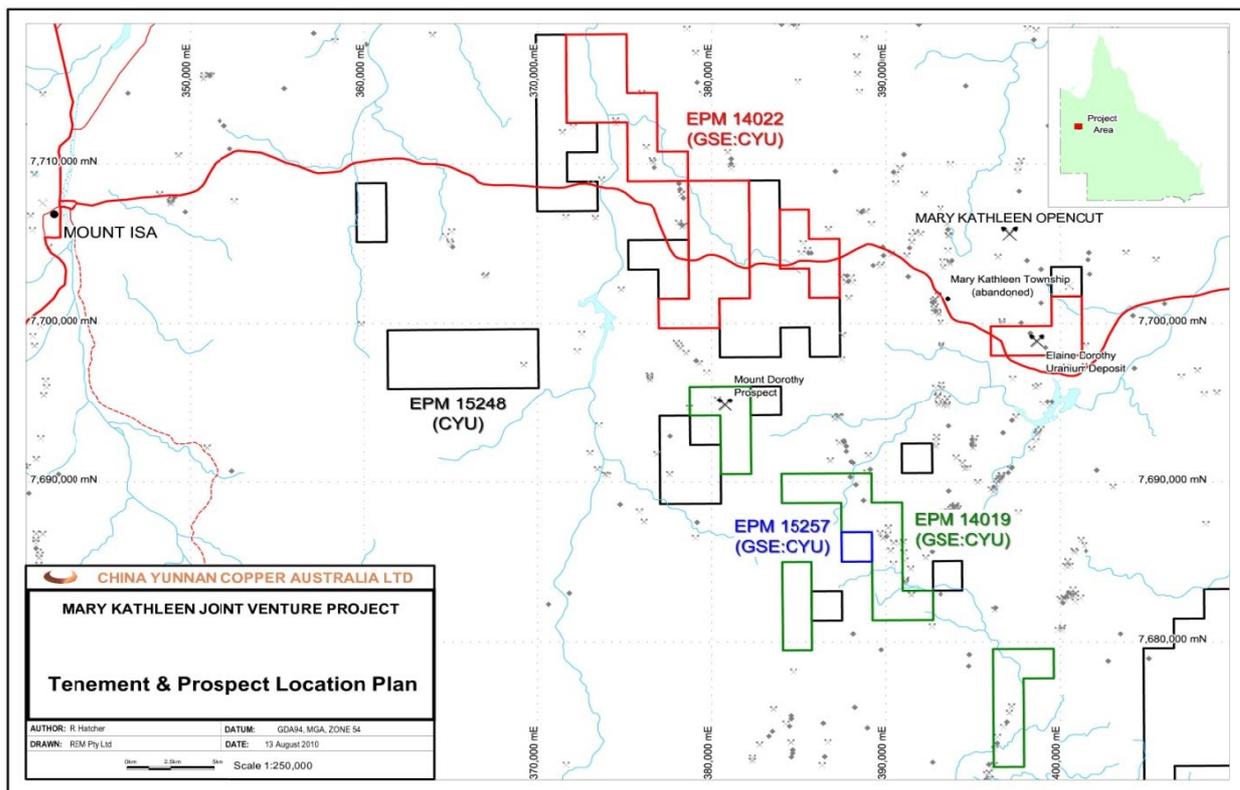


Figure 4: Tenement location plan of Mount Isa Project (CYU 100%) and Goldsearch Limited Joint Venture Project). Mt Dorothy is located approximately 50 kilometres east of Mount Isa.

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