



ASX/Media Announcement

1 September 2009

China Yunnan Copper Australia Limited ~ \$4.6m Underwritten Rights Issue

China Yunnan Copper Australia Limited (CYU) is pleased to announce a fully underwritten 2 for 5 rights issue at \$0.15 raising ~\$4.6m.

CYU's cornerstone shareholder, Yunnan Copper Industry (Group) Co Ltd (YCI) has agreed to take up its entitlement in full. YCI is China's third largest copper producer. YCI provides ongoing support of CYU's development into YCI's international investment arm and mining house. YCI's major shareholder is Aluminium Corporation of China ("Chinalco").

CYU directors (or their related entities) are also taking up the majority of their entitlements.

BBY Limited is Lead Manager and Underwriter to the issue. Funds will be used for further drilling, execution of corporate opportunities and working capital.

The opening date of the offer is 21 September 2009.

CYU is an Australian resource company formed to explore and develop minerals in Australia and overseas. Initially, the company is focused on exploring its tenements in Queensland for copper, gold and uranium and is actively evaluating other acquisition and joint venture opportunities to grow its business rapidly.

CYU has recently released promising drill results at its prospective Gem copper prospect and is targeting a maiden resource by 2010. In parallel CYU is pursuing new initiatives to expand and continue its proven exploration track record.

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